



e-FILING REPORT COVER SHEET

COMPANY NAME:

DOES REPORT CONTAIN CONFIDENTIAL INFORMATION? No Yes If yes, submit a redacted public version (or a cover letter) by email. Submit the confidential information as directed in OAR 860-001-0070 or the terms of an applicable protective order.

Select report type: RE (Electric) RG (Gas) RW (Water) RT (Telecommunications)
RO (Other, for example, industry safety information)

Did you previously file a similar report? No Yes, report docket number:

Report is required by: OAR
Statute
Order

Note: A one-time submission required by an order is a compliance filing and not a report (file compliance in the applicable docket)

Other
(For example, federal regulations, or requested by Staff)

Is this report associated with a specific docket/case? No Yes, docket number:

List Key Words for this report. We use these to improve search results.

Send the completed Cover Sheet and the Report in an email addressed to PUC.FilingCenter@state.or.us

Send confidential information, voluminous reports, or energy utility Results of Operations Reports to PUC Filing Center, PO Box 1088, Salem, OR 97308-1088 or by delivery service to 201 High Street SE Suite 100, Salem, OR 97301.



Avista Corp.

1411 East Mission P.O. Box 3727
Spokane, Washington 99220-0500
Telephone (509) 489-0500
Toll Free 800-227-9187

March 18, 2022

Public Utility Commission of Oregon
Attn: Filing Center
201 High Street SE, Suite 100
Salem, OR 97301-3612

**RE: 2021 Avista Oregon Low-Income Energy Efficiency (AOLIEE) Annual Report –
Informational Filing Only**

Filing Center:

Avista Corporation, dba Avista Utilities (Avista or the Company), hereby submits to the Oregon Public Utilities Commission (OPUC or Commission) its Avista Oregon Low-Income Energy Efficiency (AOLIEE) Annual Report for calendar year 2021. This report is provided for informational purposes as requested by Commission Staff.

The AOLIEE Program (Program) provides weatherization services to customers that have income levels at or below 200% of the Federal Poverty Level (FPL). Avista offers funding, on an annual basis, to each of the four Community Action Agencies (Agency or Agencies) within its Oregon service territory, and the Agencies in turn, deliver weatherization services to qualifying customers. These Agencies are: Access, serving Jackson County; Community Connection of Northeast Oregon, serving Union County; Oregon Human Development Corporation, serving Klamath County; and United Community Action Network, serving Josephine and Douglas Counties. Each Agency is given a minimum target number of low-income households to fully weatherize with their available funding each year.

I. 2021 Program Overview and Results

For the 2021 Program year, the AOLIEE Program paid Agencies up to \$11,100 per home treated, inclusive of administration, weatherization measures, and an additional \$4,000 per home

was made available to replace natural gas heating equipment. Of each Agency’s total budget, up to 15% of funds could also be utilized for health, safety, and repair costs. In total, the Program provided weatherization for 36 low-income homes throughout 2021 and the total savings achieved as a result was 4,477 therms of natural gas. To fund these efforts, Avista contributed \$384,802 to the four Agencies responsible for delivering low-income energy efficiency services within the Company’s service territory. The Agencies then used Avista’s funding and a variety of other matching resource funds to weatherize the 36 homes. After including the Company’s administration and support costs, a total of \$417,904 was spent on the AOLIEE Program in 2021.

The challenges experienced due to the COVID-19 health and economic crisis continued into the 2021 Program year, with the Agencies encountering many barriers to home weatherization. Such barriers, as reported by the Agencies, include supply chain issues and contractor availability slowing completion rates, as well as customers deferring weatherization because of health vulnerabilities.

To ensure Program awareness, Avista informed all residential customers of AOLIEE via a bill insert included with bills in March and a Connections newsletter article published in July. A targeted email or letter was also sent in October, to customers that had received bill assistance. The communications mentioned above directed customers to the Avista website or to call customer service for more information. The specified URL, provided only for purposes of this outreach,¹ had 198 unique visits in 2021, with some customers utilizing the page more than once, bringing the total page views for the year to 224. The table below shows, by county, the number of times a customer directly linked from the Avista website to an Agency website.

Chart No. 1 – Avista Website Metrics

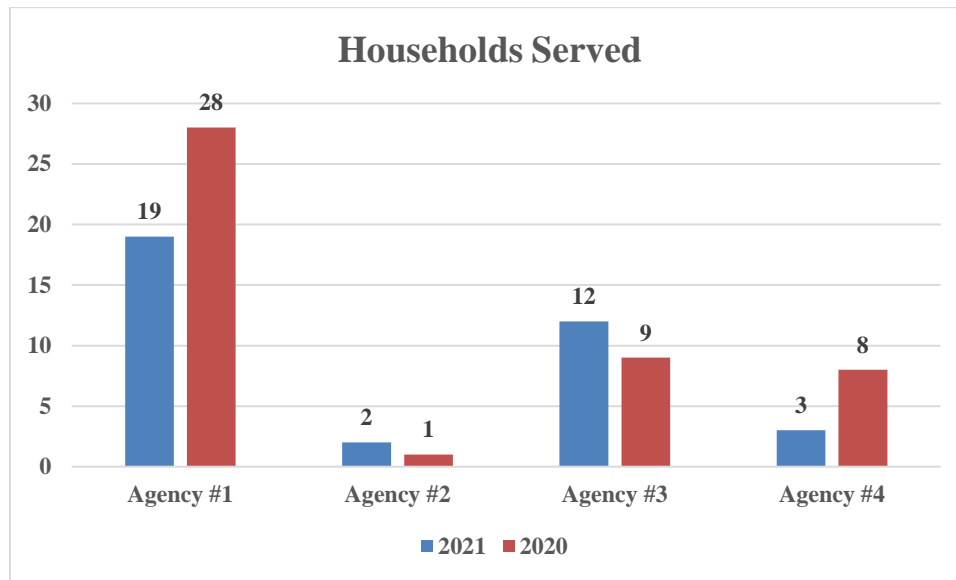
Agency Service Area	Total Website Visits		
	2020 (Jul-Dec)	2021 (Jan-Dec)	Change
Douglas and Josephine County	56	144	157%
Jackson County	84	204	143%
Klamath County	53	121	128%
Union County	33	63	91%
Total	226	532	135%

¹ Avista deployed a vanity URL specifically for AOLIEE outreach trackability purposes in mid-2020.



As most Agencies have continued to experience a decreased number of households weatherized year over year, the extraordinary circumstances of 2021 only served to perpetuate the trend, with the Agencies able to use approximately 47% of their available AOLIEE funds during the Program year. Chart No. 2 below illustrates the actual number of households served by each Agency in 2021, verses households served in 2020.

Chart No. 2 – Households Served



Each home treated during 2021 as part of the Program had an average of 5 measures installed, with an overall total of 194 measures completed throughout the 36 homes. To be considered a valid weatherization measure for the purposes of the AOLIEE Program, all measures must meet a Savings to Investment Ratio (SIR) of 1.0 or a combined SIR of 1.0 if multiple measures are being performed.² The average cost Agencies spent per home, not including Program administration, was \$12,775. Material costs were the main contributor of the higher cost per home for 2021, compared to the \$9,969 average cost of 2020.

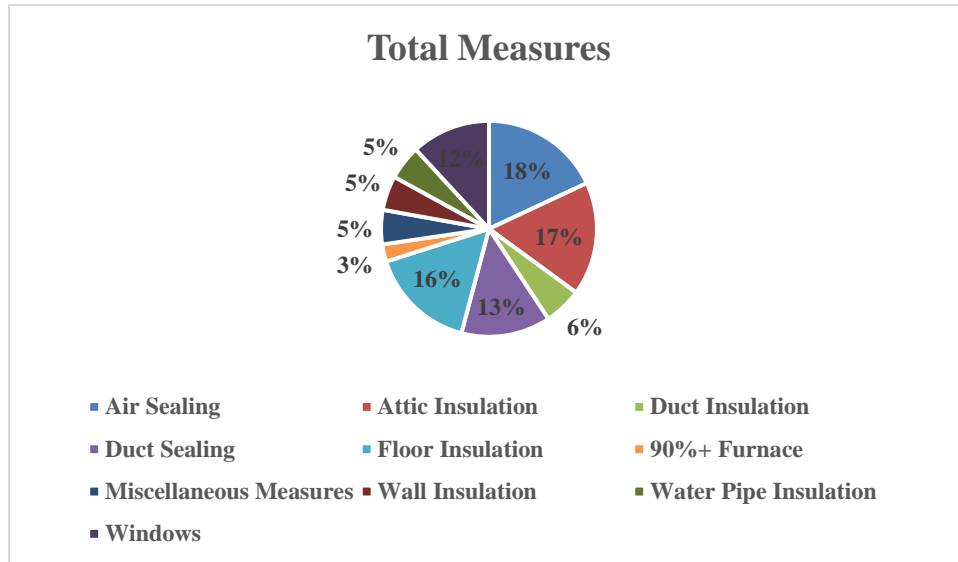
Chart No. 3 below illustrates the percentage each measure represents within the total 194 measures installed. In addition to the measures identified in Chart No. 3, most Agencies install or

² As allowed by the Department of Energy.



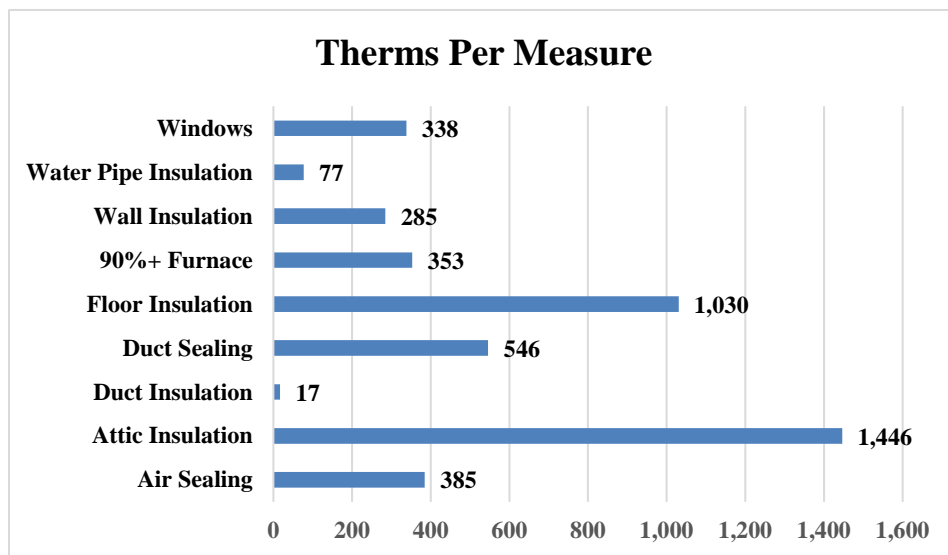
offer kits containing items such as LED lightbulbs, showerheads and outlet gaskets covers to further promote energy efficiency within the homes.

Chart No. 3 – Total Measures Installed



The natural gas deemed savings associated with the installation of all measures for 2021 is 4,477 therms. Chart No. 4 below details the therm savings associated with each measure.

Chart No. 4 – Therms Saved per Measure³



³ Miscellaneous Measures are omitted from Chart No. 4, as there are no incremental savings associated.



II. Future Program Considerations

Throughout 2021, Avista maintained regular contact with the Agencies that administer the AOLIEE Program via telephone and email correspondence and by attendance at the Oregon Energy Coordinator Association meetings, to not only assess the adequacy of each Agency's current funding level but to also gather feedback regarding Program structure and any barriers they may be encountering when attempting to complete weatherization projects. This information is then used to inform any potential Program changes that might enhance the Agencies' ability to reach the maximum number of participants per year.

As the weatherization cost per home has increased, Agencies have expressed concern that less measures will qualify for AOLIEE. The Company will continue to monitor whether an exception to the SIR is warranted to fully weatherize each treated home. In addition, Avista has partnered with a third-party contractor, *Empower Dataworks*,⁴ to complete an Energy Burden Assessment (Assessment) in 2022; this work is currently underway to better inform the Company of existing gaps in Program structure in reaching low-income households. With the completion of this Assessment, the Company is working to collect more sufficient and comprehensive data in order to better target additional customers in need of weatherization services.

Avista has also identified the weatherization waitlists encountered by many, if not all, of the Agencies—in some cases, up to three years long—as a prominent barrier in providing low-income weatherization services to its customers each year. In an effort to reduce these weatherization waitlists, the Company will continue to explore new partnerships and approaches to its weatherization program. In 2021, for example, Avista collaborated with Energy Trust of Oregon (ETO) staff, as well as the Agencies, to explore the potential for offering additional Community Partner Funding in our service area for the Program year.⁵ Through these discussions, with ETO projecting to be over budget and the Agencies unable to expend existing AOLIEE funds, the decision was made to not move forward with such funding options in 2021. With the passage

⁴ *Empower Dataworks*, 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. See <https://empowerdataworks.com/> for more detail regarding *Empower Dataworks*.

⁵ Order No. 19-232 in Docket No. UM 2025 established a pilot with Community Action of Washington County, ETO and Oregon Housing and Community Services (OHCS) to increase the number low-income homes weatherized. ETO has since established a Community Partner Funding program for such use.



of House Bill 2475 (HB 2475) in 2021, Avista is cognizant that the importance of cross-referrals to weatherization services for customers receiving energy assistance, and the elimination of the burdensome waitlists previously mentioned, will be paramount. The Company will continue to work with ETO and the Agencies to see if an optimal program design can be created to ensure more low-income customers receive energy efficiency services.

III. Conclusion

Avista appreciates the hard work of its partner Agencies in continuing to deliver weatherization services to its customers throughout 2021. The Company will continue to monitor the overall need in its service area, availability of other funding sources or programs that will benefit our low-income customers or require changes to the AOLIEE Program and will modify its Program accordingly into the future.

If you have any questions regarding this report, please contact Lisa McGarity at (541) 858-4719.

Sincerely,

/s/ Shawn Bonfield

Shawn Bonfield
Sr. Manager of Regulatory Policy & Strategy
Avista Utilities
509-495-2782
shawn.bonfield@avistacorp.com

