



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.



Low-Income Rate Assistance Program (LIRAP)

Annual Summary Report

For the program period October 2018 through September 2019

OREGON

Table of Contents

Overview	3
Program Year Results	3
Administration and Program Delivery	6
Unspent Funding	7
Returned Direct Services	8
Agency Meetings.....	8
Data Collection	9
Participating Agencies.....	9
Contacts	10

© 2019 Avista Corporation. All Right Reserved

Permission of the Copyright owner is granted to users to copy, download, reproduce, transmit or distribute any part of this document provided that: (1) the user includes Avista’s copyright notice on all copies, and (2) the materials are not used in any misleading or inappropriate manner. Furthermore, no portion of the attached work shall be republished in printed or digital form without the written permission of the Copyright owner.

Overview

Avista Utilities' Low-Income Rate Assistance Program (LIRAP), approved by the Public Utility Commission of Oregon (PUC) in 2002, collects revenue under Schedule 493, "Residential Low Income Rate Assistance Program–Oregon." The current rate for LIRAP included in the Company's Tariff Schedule 493 is \$0.00451 per therm, which is approximately 0.5% of current retail rates. The purpose of LIRAP is to reduce the energy cost burden among those customers least able to pay energy bills. This is the program summary report ("Report") for the program year October 1, 2018 through September 30, 2019.

Program Year Results

Since LIRAP's inception in 2002, approximately 10,809 energy grants, totaling \$2,983,865 in funds, have been provided to Avista's most vulnerable populations. For the program year ending September 30, 2019, approximately 57% of LIRAP participants had household average incomes less than 100% of the Federal Poverty Level (FPL), and approximately 37% of the grant recipients had annual household incomes of less than 75% FPL. Over 61% of the LIRAP participants had households of two or more people, while customers renting their residences constituted 61% of the total participants.

Avista LIRAP provided 682 grants and distributed a total of \$179,804¹ during the 2018-2019 program year. The grants averaged \$263.64 per customer. Table 1 below illustrates the number of grants distributed during the reporting program year, in addition to a collection of demographic data intended to be responsive to requests for general

¹ \$176,695 after reducing by \$3,109 for returned LIRAP payments.

information regarding participating customers. This data was collected by participating Community Action Agencies (“CAAs” or “Agencies”).

Table 1				
OREGON LIRAP				
Data Compilation - GRANTS				
Year 17 - October 1, 2018 - September 30, 2019				
		# of Households	% of Households	Cumulative %
Home Ownership				
Own		264	39%	39%
Rent		418	61%	100%
Total		682		
Heating Fuel Source				
Electric		-	0%	0%
Natural Gas		682	100%	100%
Other		-	0%	100%
Total		682		
Size of Household				
1 Person		265	39%	39%
2 People		165	24%	63%
3 People		80	12%	75%
4+ People		172	25%	100%
Total		682		
Annual Income Level				
Up to 50%		154	23%	23%
51% to 75%		95	14%	37%
76% to 100%		137	20%	57%
101% to 125%		115	17%	74%
126% to 150%		89	13%	87%
151% to 175%		71	10%	97%
176% to 200%		18	3%	100%
201% and over		3	0%	100%
Total		682		

Total revenue distributed during the reporting program year was approximately \$231,747. This amount equates to \$224,530 of new revenue collected through the 0.00451 per therm charge in Schedule 493, and \$7,217 of interest income accrued. The total unspent balance at the end of the program year was \$67,110. This balance is calculated by adding the \$57,431 of undistributed direct service funds carried forward from the previous 2017-2018 reporting program year to the current \$231,747 total revenue, adding the \$3,109 in funds returned to the program from closed accounts, and subtracting the \$45,373 paid to the Agencies for administration and program delivery for the current program year from the total revenue and interest. Table 2 below is a recap of the funds collected, spent, and the amount available at September 30, 2019.

Table 2	
OREGON LIRAP	
Year 17 - October 1, 2018 - September 30, 2019	
Total Carry Over from Prior Year	\$ 57,431
Oct - Sept - Total Revenue and Interest to Distribute	231,747
Oct - Sept - Admin & Program Delivery Funds paid to Agencies	<u>(45,373)</u>
Net Funds Available for Direct Services	243,805
Direct Service Funds Distributed by Agencies	(179,804)
Adjustments - Dollars Returned to Program	3,109
Unspent Direct Service Funds at Sept 30, 2019	<u><u>\$ 67,110</u></u>
Percent Unspent in Comparison to Available Funds	27.53%

Administration and Program Delivery

The revenue collected for LIRAP is provided to the four Community Action Agencies in Avista's Oregon service territory for disbursement to qualifying customers and for administration of the program. Eligibility for LIRAP is determined according to existing guidelines established by Federal and State standards used for the Low-Income Home Energy Assistance Program (LIHEAP). Additionally, customers experiencing emergencies are eligible for assistance under Project Share, an Avista donation-based program. The programs and partnerships between Avista and the Agencies are invaluable to customers with limited incomes or those that have exhausted all of their resources. Per the Company's Tariff Schedule 493, Agencies are allowed to utilize up to 21.78% of the total low-income bill payment assistance funds collected for administration and program delivery costs ("Admin").

For this reporting program year, a total of \$45,373 was distributed to the Agencies for administration and program delivery, which equates to 19.58% of revenue collections and accrued interest. This amount, including the \$77,680 in Admin carried over from the previous reporting program year, totaled \$123,053 available for administration and program delivery support costs.

At September 30, 2019, the amount of Admin reported as spent by the Agencies from LIRAP funds was \$80,357, leaving an unspent administration and program delivery balance of \$42,696. This funding has been distributed to the Agencies and can be carried forward into the next reporting program year to cover program administration and delivery costs of the undistributed direct services. Table 3 below represents a recap of the Admin funding spent and the amount available at September 30, 2019.

Table 3 OREGON LIRAP Admin and Program Delivery Funds Year 17 - October 1, 2018 - September 30, 2019	
Admin and Program Fees Carry Over from Prior Year	\$ 77,680
Oct - Sept - Admin & Program Delivery Funds paid to Agencies	<u>45,373</u>
Net Funds Available for Admin and Program Fees	123,053
Admin and Program Delivery Funds Spent by Agencies	80,357
Unspent Admin and Program Delivery Fees at September 30, 2019	<u><u>\$ 42,696</u></u>
Percent Unspent in Comparison to Available Funds	34.70%

Unspent Funding

While the Federal Government provides start-up funds as a portion of the total funding for Agencies each year, such amounts are not confirmed until after the heating season has already begun in October. Therefore, timing and availability of LIRAP funding is crucial to ensure that the appropriate assistance is available for customers when the need begins to rise. To meet this necessity, discussion with the Agencies and other stakeholders during the first few years of LIRAP implementation led to agreement that allowing approximately 20% of unspent LIRAP funding to carry over each year would provide value to the Agencies' energy assistance programs, as it would deliver immediate funding relief at the onset of the program year. Actual carryover percentages have ranged from 3.65% to 32.57% since the inception of this policy.

To ensure the availability of this funding, Avista monitors the Agencies' unspent direct service funding at the end of each program year. As shown on Table 2 of this

Report, the amount of unspent direct service funds at September 30, 2019 was \$67,106, or 27.52%, based on allocated direct service funds distributed to the Agencies. In general, the majority of the Agencies were successful in spending approximately 80% of their direct service allocations for the program year, as it was primarily interest, closed account reallocations to the program, and the 2016-2017 program year's carry over that contributed to the surplus for 2017-2018.²

Returned Direct Services

As with LIHEAP, any credit balance on a closed customer account due to a LIRAP payment may be transferred to another open Avista Utilities account or to a closed account if there is an outstanding balance. When the customer no longer has an active account with Avista, the credit balance that results from a LIRAP grant has been returned to the LIRAP general fund and redistributed to the Agencies. At September 30, 2019, approximately \$3,109 of returned LIRAP payments had accumulated and were disbursed among all of the Agencies.

Agency Meetings

The Avista LIRAP Manager visited three of the participating Agencies during the summer of 2018, accompanied by the Director from Spokane Neighborhood Action Partners (SNAP), the non-profit that administers the donation-based Project Share. Valuable discussion and collaboration related to efficient processing of customer

² As provided in the 2017-2018 LIRAP Report, 27.91% of direct service funds were unspent, primarily driven by the unanticipated increase of approximately \$250 million in the 2019 LIHEAP budget, as approved March 2018. The Agencies prioritize the spending of LIHEAP funds above LIRAP so as not to lose any available federal funding in a given program year, thereby reducing overall LIRAP spending for 2018.

assistance and other relevant topics occurs during these meetings, often resulting in continued fine-tuning or clarification of processes. Avista appreciates the time invested by the LIRAP Agencies, as their experience and knowledge has made LIRAP an effective program for the customers it serves.

At least once a year, the LIRAP manager attends Oregon Energy Coordinators Association (OECA) meetings; these meetings provide a good medium for interacting with the Agencies and discussing issues and topics regarding energy assistance and the target population.

Data Collection

The data collection and measures used by Avista Utilities in the evaluation of LIRAP include:

- LIRAP Database;
- CC&B (Avista Utilities' information management data base); and
- Community Action Agency records

Participating Agencies

- Community Connection of Northeast Oregon
- ACCESS
- United Community Action Network (UCAN) – Josephine and Douglas Counties
- Klamath Lake Community Action Services

Contacts

For further information, please contact:

- Ana Matthews
LIRAP Manager
509.495.7979
ana.matthews@avistacorp.com
- Ryan Finesilver
Manager of Energy Efficiency,
Planning and Analytics
509.495.4873
ryan.finesilver@avistacorp.com
- Jaime Majure
Regulatory Policy Analyst
509.495.7839
jaime.majure@avistacorp.com
- Avista Utilities
1411 E. Mission, MSC-29
P.O. Box 3727
Spokane, WA 99220-3727
www.avistautilities.com

**ATTACHMENT 1
OREGON LIRAP
Monthly Revenue and Grants
Year 17 - October 1, 2018 - September 30, 2019**

	Beginning Balance	Total Revenue	Total Interest (1)	Total Revenue and Interest	Total Admin/Prog Del Pd to Agencies	Total Funds Returned to Agencies	Total Funds Distributed	Ending Balance
Sep-18								Carry over from Year 2018 Annual Report \$ 57,431
Oct-18	57,431	8,839.37	336	9,175	(1,796.33)	80.22	(4,230)	60,660
Nov-18	60,660	18,563.10	333	18,896	(3,699.68)	604.31	(5,692)	70,769
Dec-18	70,769	32,386.23	502	32,888	(6,439.11)	40.18	(8,197)	89,061
Jan-19	89,061	38,443.67	499	38,943	(7,624.55)	367.85	(11,295)	109,452
Feb-19	109,452	33,478.05	620	34,098	(6,675.95)	588.27	(6,502)	130,961
Mar-19	130,961	36,686.55	751	37,437	(7,329.76)	123.61	(19,275)	141,917
Apr-19	141,917	20,999.44	852	21,852	(4,278.33)		(38,815)	120,675
May-19	120,675	12,544.82	963	13,508	(2,644.61)		(23,342)	108,196
Jun-19	108,196	8,060.05	575	8,635	(1,690.66)	66.63	(18,745)	96,462
Jul-19	96,462	5,197.95	641	5,839	(1,143.18)	250.00	(14,961)	86,447
Aug-19	86,447	4,432.70	573	5,005	(980.02)	323.31	(16,100)	74,696
Sep-19	74,696	4,897.57	573	5,470	(1,071.03)	664.81	(12,650)	67,110
Program Year		224,530	7,218	231,747	(45,373)	3,109	(179,804)	67,110
<i>(1) Interest is computed each month based on the average monthly fund balance undistributed at the Company's currently authorized rate of return (8.19%)</i>								

**ATTACHMENT 2
OREGON LIRAP
Monthly Recap of Number and Amount of Grants
Year 17 - October 1, 2018 - September 30, 2019**

Total Grant Disbursements			# of Households or Grants		
Month	<u>Monthly Totals</u>		Month	<u>Monthly Totals</u>	
Oct-18	(4,230.00)		Oct-18	14	
Nov-18	(5,692.00)	<u>2018</u>	Nov-18	20	
Dec-18	(8,197.00)	\$ (18,119)	Dec-18	32	
Jan-19	(11,295.00)		Jan-19	42	
Feb-19	(6,502.00)		Feb-19	24	<u>2018</u>
Mar-19	(19,275.00)		Mar-19	68	66
Apr-19	(38,815.00)		Apr-19	149	
May-19	(23,342.00)		May-19	92	
Jun-19	(18,745.00)		Jun-19	72	
Jul-19	(14,961.00)		Jul-19	58	
Aug-19	(16,100.00)	<u>2019</u>	Aug-19	62	<u>2019</u>
Sep-19	(12,650.00)	\$ (161,685)	Sep-19	49	616
Oct - Sept Totals	<u>\$ (179,804)</u>		Oct - Sept Totals	<u>682</u>	