



Idaho Public Utilities Commission

PO Box 83720 Boise, ID 83720-0074

Governor C.L. "Butch" Otter

Paul Kjellander, Commissioner
Kristine Raper, Commissioner
Eric Anderson, Commissioner

Case No: AVU-E-18-12

Contact: Matt Evans

Office: (208) 334-0339

Cell: (208) 520-4763

matt.evans@puc.idaho.gov

Regulators begin prudence review of Avista's efficiency programs, intervenor deadline set

BOISE (Dec. 20, 2018) – Avista Utilities is asking state regulators to determine that nearly \$23 million spent on its efficiency programs in 2016 and 2017 was prudently incurred.

Money spent on these programs must be found cost-effective in order to be funded through the Energy Efficiency Rider paid by the approximately 130,000 Idahoans who receive electric service from Avista.

If the Idaho Public Utilities Commission finds the programs not to be cost-effective, the expenses are borne by shareholders rather than ratepayers.

Residential customers pay 0.395 cents per kilowatt-hour used for the programs, which are referred to as Demand Side Management or DSM, since they target the demand for electricity rather than the supply.

The prudence review will not affect rates.

All of Idaho's major investor-owned utilities have efficiency riders that fund DSM efforts, most of which provide direct incentives to customers who enact efficiency measures.

The programs must pass several tests designed to determine that the savings realized is greater than the cost of the programs. The programs also must show that they benefits all customers, not just those that participate in them.

Avista contends its efficiency and conservation programs saved approximately 38,149 megawatt-hours (MWh) in 2016, and 42,223 MWh in 2017. The company's two-year goal was 22,399 MWh.

Of the \$22,719,204 spent on the programs between Jan. 1, 2016 and Dec. 31, 2017, Avista said 74 percent was paid to Idaho customers in direct incentives such as rebates, home energy audits and low-income weatherization assistance.

Avista contracted with a third party, Nexant, to evaluate, measure and verify its DSM programs.

Parties who wish to intervene in the Commission's prudence review, in order to present evidence or cross-examine parties, must do so by Jan. 2, 2019.

Comments are being accepted; no deadline has been set. Go [here](#) to submit a comment electronically. Or go to the Commission's web site and click on "Case Comment Form" under the "Electric" heading. Comments can also be mailed to PO Box 83720, Boise, ID 83720-0074, or faxed to (208) 334-3762.

To read Avista's full report, go [here](#). Or go to the Commission's website, www.puc.idaho.gov, click on "Open Cases" under the "Electric" heading and scroll down to Case Number AVU-E-18-12.