AVISTA

Avista Corp.

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January 24, 2021

Jan Noriyuki, Secretary Idaho Public Utilities Commission 11331 W. Chinden Blvd. Bldg. 8, Ste. 201-A Boise, Idaho 83714

RE: Case No. AVU-E-21-13 – Reply Comments of Avista Utilities

Dear Ms. Noriyuki:

Avista Corporation, doing business as Avista Utilities' (Avista or the Company), appreciates both the Idaho Public Utilities Commission Staff's (Staff) and the Idaho Conservation League's (ICL) evaluation and thoughtful comments of the pilot program proposed by the Company for the research and development (R&D) of electric transportation in Idaho (Pilot).

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The Company agrees with Staff's recommendations for approval of the Company's Pilot, including carrying over unused R&D funds from 2021, approximately \$113,683, to fund the Pilot in 2022. With the carry over funds available, the R&D budget will be sufficient to fund year 1 of the Pilot. For years 2 and 3 of the Pilot, if approved by the Commission, the Company will defer the excess expenses above \$300,000, approximately \$110,000 per year, into a regulatory asset account for recovery in a future proceeding.

Regarding ICL's comments, Avista agrees that any long-term future Transportation Electrification program should be outlined in a new tariff with funding addressed via a tariff rider, other cost recovery mechanism, or general rate case. For purposes of the Pilot, the Company agrees with Staff that funding the entire Pilot as an R&D program from the energy efficiency tariff rider makes the most sense. In terms of research on the Pilot, the Company does intend to study how EV charging behaviors affect overall customer usage and demand, along with the cost of service across Avista's Idaho service territory. Finally, regarding the recommendation to include a low-income component, the Company has done this by planning to install up to 5 chargers per year in rural access locations, which tend be lower income areas. Beyond this effort, due to the limited budget of the Pilot, the Company was not able to include additional low-income components as part of a larger program, which Avista will work with both ICL and Staff on potential ideas and strategies for targeting this customer segment.

Please direct any questions regarding this filing to Paul Kimball at 509-495-4584 or paul.kimall@avistacorp.com.

Sincerely,

Is/Paul Kimball

Paul Kimball Manager of Compliance & Discovery Avista Utilities 509-495-4584 paul.kimball@avistacorp.com