

DECISION MEMORANDUM

TO: COMMISSIONER KJELLANDER
COMMISSIONER REDFORD
COMMISSIONER SMITH
COMMISSION SECRETARY
COMMISSION STAFF

FROM: NIKKI KARPAVICH

DATE: AUGUST 29, 2014

SUBJECT: AVISTA TARIFF ADVICE NO. 14-05-E
REVISIONS TO SCHEDULE 90B, ELECTRIC ENERGY EFFICIENCY
PROGRAMS

On August 13, 2014, Avista (the “Company”) filed tariff advice 14-05-E with proposed revisions to Schedule 90B, Electric Energy Efficiency Programs. The purpose of the filing is to increase the incentives for electric to natural gas conversion projects and to correct minor grammatical errors.

THE TARIFF ADVICE

The Company states that its existing fuel conversion incentives are insufficient and has resulted in an inability to capture a significant amount of lost opportunity projects. To drive participation, Avista proposes to increase incentives offered for electric customers to convert to natural gas water heaters and furnaces to the same incentive criteria offered for electric measures (simple payback period and incentive level).

STAFF ANALYSIS AND RECOMMENDATION

Staff reviewed the Company’s analysis and notes that Avista anticipates the measures to be cost-effective at the program level, while some measures may not be cost-effective on their own. However, a bundled approach to natural gas furnace and water heater fuel conversion has the potential to increase program participation and energy savings. Staff believes this approach to be reasonable, but will review cost-effectiveness as part of the DSM prudency review. Staff recommends the Commission accept the Company’s proposal effective September 15, 2014.

COMMISSION DECISION

Does the Commission wish to accept the Company's filing with an effective date of September 15, 2014?



Nikki Karpavich

Udmemos/Avista Tariff Advice No. 14-05-E dec memo