

**BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION**

**IN THE MATTER OF AVISTA UTILITIES' ) CASE NO. AVU-E-21-15**  
**APPLICATION FOR PROPOSED )**  
**CHANGES TO SCHEDULE 95 "MY )**  
**CLEAN ENERGY PROGRAM" ) ORDER NO. 35282**  
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On October 18, 2021, Avista Corporation dba Avista Utilities' ("Company") proposed modifications to its Tariff Schedule 95, "My Clean Energy Program" ("Program"). The Company requested that its Application be processed by Modified Procedure.

The Commission issued a Notice of Application, Notice of Modified Procedure and Order setting deadlines for interested persons to comment on the Application and for the Company to reply. *See* Order No. 35235. The Commission Staff ("Staff") filed comments on December 15, 2021. The Company filed reply comments on December 16, 2021.

Having reviewed the record, the Commission now issues this Order approving the Company's Application as discussed below.

**APPLICATION**

The Company represents the Program is a way for its electric customers to voluntarily support the development of renewable energy. The Company represented that the Program currently includes three options for the Company's customers in Schedule 95. *Application* at 4. First, a national block option where customers can purchase 300 kilowatt hours ("kWh") for \$1 a month with Renewable Energy Credits ("RECs") sourced from anywhere in the United States. *Id.* Second, a regional option where customers can purchase 100 kWh for \$1 a month for RECs procured in the Western Interconnection, with preference given to the Northwest region including Washington, Idaho, Oregon, California, Montana, and British Columbia. *Id.* Third, a 100% renewable option charged per kWh rather than by block, priced at \$0.01/kWh. *Id.* In this option, the amount of kWhs purchased will vary each month to match the customers actual kWh usage and are from a regional source in the Western Interconnection, with preference given to the Northwest region including Washington, Idaho, Oregon, California, Montana, and British Columbia. *Id.*; *see also current Commission approved* Schedule 95 (concerning sourcing).

The Company proposed to modify the Program pricing asserting that the price for RECs has increased and to meet the legislative requirement of all costs and benefits being confined to the Program, while optimizing value for Program participants. *Id.* at 1, 3-4.

The Company proposed to change its national block option to allow customers to purchase 100 kWh blocks for \$1 a month with RECs sourced from anywhere in the United States. *Id.* at 4. The Company proposed to change its regional block option to allow customers to purchase 100 kWh blocks for \$1.30 a month for RECs from the Western Interconnection, with preference given to the Northwest region including Washington, Idaho, Oregon, California, Montana, and British Columbia. *Id.* Last, the Company proposed to change its 100% renewable option. In this option each kWh is priced at \$0.013/kWh from a regional source in the Western Interconnection, with preference given to the Northwest region including Washington, Idaho, Oregon, California, Montana, and British Columbia. *Id.*

The Company asserted the proposed pricing modifications to the Program were informed using an analysis of the current and forecasted program budgets and expecting the 2021 market price for RECs will likely continue into the next calendar year or more. *Id.* The Company states its goal is to have pricing for the Program to ensure that all costs are covered by expected revenues, while setting pricing at a point that still attracts participants. *Id.* The Company alleged this pricing should tolerate REC market price volatility, and that may lead to a budget surplus that may fund non-profit community solar installations. *Id.* at 4-5.

The Company represented that it provided notice of the proposed changes to the Program through email and direct mail communications. *Id.* at 5.

## COMMENTS

### 1. Staff Comments

In its review of the Company's Application Staff confirmed that costs of participation in the Program are tracked separately to avoid cost shifts to non-participants, and that the tariff changes are necessary to maintain the Program. *Staff Comments* at 1-2. However, Staff noted the majority of the Company's customers participated in the national block option, where customers will see a 200% increase in price under the Company's proposal, which could impact customer participation. *Id.* at 3. Staff encouraged the Company to monitor participation in the Program as the Company transitions to the proposed pricing structure if approved by the Commission. *Id.* Staff stated the Company reports Program data in its annual My Clean Energy Report filed with the Commission and the Program is certified through the Center for Resource Solutions. *Id.* at 3-4. Staff recommended that the Company continue to file the annual report with specific data to be included in it. *Id.* at 4. Ultimately, Staff recommended that the Commission approve the Company's new pricing structure.

## 2. Company Reply Comments

The Company thanked Staff for their comments and recommended approval of the pricing structure proposed by the Company in Schedule 95. *Reply Comments* at 1. The Company also supported the continuation of its annual My Clean Energy Report requirement as outlined in Staffs comments. *Id.*

### **COMMISSION FINDINGS AND DECISION**

The Commission has jurisdiction over this matter under *Idaho Code* §§ 61-502 and 61-503. The Commission is empowered to investigate rates, charges, rules, regulations, practices, and contracts of public utilities and to determine whether they are just, reasonable, preferential, discriminatory, or in violation of any provision of law, and to fix the same by order. *Idaho Code* §§ 61-502 and 61-503.

Based on our review of the record, we find that it is just, reasonable and in the public interest to approve the Company's Application to modify its Schedule 95 to change the pricing for the three customer participation options in the Program. The Company's modifications to its the prices in the Program are necessary to account for changing market conditions for RECs that could impact its financial viability.

We also find it fair, just, and reasonable and in the public interest to direct the Company to continue filing a Renewable Energy Program annual report ("Annual Report") with Program data that includes: (1) annual and cumulative subscription data; (2) REC purchase detail with generator, location, quantity, price per REC, year, total annual purchase, and weighted average by year; (3) detailed breakdown of administrative and marketing costs; (4) summary of Program marketing efforts and community education and outreach; (5) surplus fund balance and detailed account information; (6) carbon offset content label; and (7) detailed grant project information that includes implementation dates and costs. We further find it reasonable to direct the Company to continue to work with Staff to evaluate the yearly Program performance after the Company files its Annual Report.

Finally, consistent with our findings in Order No. 33218, the Company remains authorized to use the Program's surplus funds to support grants for rooftop solar installations on commercial buildings.

### **ORDER**

IT IS HEREBY ORDERED that Avista's Application requesting authorization to modify the pricing in its Schedule 95 is approved. The modified Schedule 95 shall take effect on

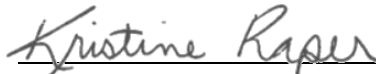
January 1, 2022. The Company is directed to file the modified Schedule 95, within ten (10) days of the service date of this Order.

THIS IS A FINAL ORDER. Any person interested in this Order may petition for reconsideration within twenty-one (21) days of the service date of this Order with regard to any matter decided in this Order. Within seven (7) days after any person has petitioned for reconsideration, any other person may cross-petition for reconsideration. *See Idaho Code § 61-626.*

DONE by Order of the Idaho Public Utilities Commission at Boise, Idaho this 30<sup>th</sup> day of December 2021.



ERIC ANDERSON, PRESIDENT

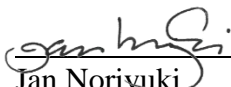


KRISTINE RAPER, COMMISSIONER



PAUL KJELLANDER, COMMISSIONER

ATTEST:



Jan Noriyuki  
Commission Secretary

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