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UTILITIES COMMISSION

Avista Corp.

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October 14, 2022

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

RE: Case No. AVU-E-22-15

Dear Ms. Noriyuki:

Attached for filing with the Commission is Avista Corporation's, doing business as Avista Utilities' (Avista or the Company), filing in compliance with Order Nos. 32697 and 32802, to update the Company's load forecast, natural gas forecast, and contract information components of the incremental cost Integrated Resource Plan (IRP) avoided cost methodology.

Please direct any questions regarding this filing to John Lyons at 509-495-8515 or john.lyons@avistacorp.com.

Sincerely,

/s/ Shawn Bonfield

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Attorney for Avista Corporation

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF AVISTA CORPORATION'S)
ANNUAL COMPLIANCE FILING TO UPDATE)
THE LOAD AND GAS FORECASTS IN THE)
INCREMENTAL COST INTEGRATED)
RESOURCE PLAN AVOIDED COST MODEL)
TO BE USED FOR AVOIDED COST)
CALCULATIONS)

CASE NO. AVU-E-22--15

AVISTA CORPORATION'S
COMPLIANCE FILING

I. INTRODUCTION

Avista Corporation, doing business as Avista Utilities (hereinafter Avista or Company), at 1411 East Mission Avenue, Spokane, Washington, respectfully submits to the Idaho Public Utilities Commission (“Commission”) this filing, in compliance with Order Nos. 32697 and 32802 in Case No. GNR-E-11-03, to update the load forecast, natural gas forecast, and contract information components of the incremental cost Integrated Resource Plan (IRP) avoided cost methodology.

Communications in reference to this filing should be addressed to:

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II. BACKGROUND

In its final Order No. 32697¹ dated December 18, 2012, the Commission determined that the inputs to the IRP avoided cost methodology, utilized for all proposed Public Utility Regulatory Policies Act of 1978 (PURPA) qualifying (QF) projects that exceed the published rate eligibility cap, will be updated every two years upon acknowledgment of the utility’s IRP filing, with the exception of the load forecast, natural gas forecast, and QF contract changes, which are to be updated annually. The date for the annual update was changed² from June to October of each year. Further, in Order No.

¹ Order No. 32697 page 22.

² Order No. 32802 page 3.

32697, the Commission directed that after the filing of a utility’s IRP that a case be initiated to determine the capacity deficiency period to be utilized in the Surrogate Avoided Resource (SAR) Methodology.³

III. LOAD FORECAST

The Company’s most recent peak and energy forecast was developed in the summer of 2022 and presented at the electric Integrated Resource Plan (IRP) Technical Advisory Committee (TAC) meeting for the 2023 IRP, held on October 11, 2022. The energy load forecast escalates at 0.74 percent annual average growth rate for 2023 through 2045.

Table 1: Energy Load Forecast

Year	Energy (aMW)
2023	1,112
2024	1,119
2025	1,122
2026	1,127
2027	1,132
2028	1,139
2029	1,144
2030	1,149
2031	1,156
2032	1,164
2033	1,171
2034	1,179
2035	1,188
2036	1,197
2037	1,206
2038	1,216
2039	1,226
2040	1,238
2041	1,250
2042	1,263
2043	1,277

³ Order No. 32697 page 23.

2044	1,293
2045	1,309

IV. NATURAL GAS FORECAST

The Company's most recent natural gas Forward Price Curve was developed using the blend of two national price forecasting consultant's most recent forecasts, the U.S. Energy Information Administration's Annual Energy Outlook (AEO), and forward market prices as of July 26, 2022. Please refer to Table 2 for the natural gas price forecast.

Table 2: Natural Gas Price Forecast

Year	Henry Hub (\$/mmbtu)	Stanfield (\$/mmbtu)
2023	5.92	5.70
2024	4.79	4.49
2025	4.22	3.73
2026	3.90	3.36
2027	3.75	3.23
2028	3.75	3.25
2029	3.86	3.40
2030	3.97	3.53
2031	4.09	3.68
2032	4.20	3.76
2033	4.36	3.92
2034	4.43	3.97
2035	4.52	4.07
2036	4.63	4.16
2037	4.77	4.28
2038	4.91	4.34
2039	5.08	4.48
2040	5.34	4.69
2041	5.51	4.83
2042	5.69	4.95
2043	5.92	5.17
2044	6.10	5.28
2045	6.38	5.46

V. CONTRACT ADDITIONS AND TERMINATIONS

Since the 2021 filing Avista has signed eight new long-term PURPA contracts, one Power Purchase Agreement (PPA), and one PURPA contract is scheduled to conclude at the end of 2022. The new PURPA contracts include six renewed contracts with existing resources including Deep Creek Energy, Jim Ford Creek Hydro, John Day Creek Hydro, Plummer Saw Mill, Upriver Dam and Waste to Energy. Two new PURPA contracts were signed with the University of Idaho for their combined heat and power and solar projects. One PURPA contract with Deep Creek Energy currently expires at the end of 2022. The PPA is with Chelan PUD. Details concerning the dates and sizes of these contracts are included in the workpapers.

VI. MODIFIED PROCEDURE

Avista believes that a hearing is not necessary to consider the issues presented herein and respectfully requests that this Application be processed under Modified Procedure, i.e., by written submissions rather than by hearing. RP 201 et seq. If the Commission determines that a technical hearing is necessary, the Company will be ready to prepare and present its testimony in such hearing.

VII. REQUEST

Avista respectfully submits this updated load forecast, natural gas forecast, and contract information in compliance with Order Nos. 32697, 32802 and 35274. The Company respectfully requests that the Commission issue an order accepting its updated

load forecast, natural gas forecast, and contract information to be used in the IRP method with an effective date of January 1, 2023.

DATED at Spokane, Washington, this 14th day of October, 2022.

AVISTA CORPORATION

/s/ Michael G. Andrea
Michael G. Andrea
Senior Counsel