BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF AVISTA)	CASE NO. AVU-E-23-15
CORPORATION'S AND CLEARWATER)	
PAPER COPRORATION'S JOINT PETITION)	NOTICE OF PETITION
FOR APPROVAL OF AMENDMENT NO. 1)	
TO POWER PURCHASE AND SALE)	NOTICE OF
AGREEMENT)	MODIFIED PROCEDURE
)	
)	ORDER NO. 35992

On October 2, 2023, Avista Corporation ("Avista" or "Company") and Clearwater Paper Corporation ("Clearwater") (collectively "the Parties") filed a Joint Petition ("Petition") seeking Commission approval to amend their 2018 Power Purchase and Sale Agreement ("2018 PPA") ("Petition"). Supplemental materials illustrating the changes to the 2018 PPA were filed concurrently with the Petition.¹ The Parties' requested a three-year extension of the 2018 PPA and authority to file a revised Schedule 25P. The Parties also requested that this case be processed by Modified Procedure.

The Commission now issues Notice of Modified Procedure and sets deadlines for public comments and the Company's reply.

BACKGROUND

The Commission approved the 2018 PPA in Order No. 34252² which is set to expire on December 31, 2023. The Parties stated that Clearwater has business ventures that include manufacturing paper in Nez Perce County, Idaho. Clearwater operates a facility that generates approximately 132.2 megavolt-amperes ("Facility").

The 2018 PPA was designed to optimize the value of Clearwater's generation and the value of its RECs while having a neutral effect upon Avista's customers. To accomplish this, under the 2018 PPA, Avista supplies Clearwater with all the energy that its Facility needs at \$24.50 per megawatt-hour (as specified in Schedule 25P) while all of the Facility's output is sold to Avista at a similar rate.

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¹ The Amendment includes Attachment A, which amends the Renewable Energy Certificates ("REC") Agreement associated with the 2018 PPA. Additionally, an errata to the signature block was filed on October 12, 2023.

² The Company's Petition at page 1 referred to Order No. 34242 as approving the 2018 PPA in error but later correctly identified this Order as Order No. 34252 on page 3 of the Petition.

NOTICE OF PETITION

YOU ARE HEREBY NOTIFIED that the Parties' requested Amendment will extend the terms of the 2018 PPA through December 31, 2026. The proposed Amendment will amend Sections 3(a) and 5(a) to facilitate this extension. The Parties requested authority to file a revised Schedule 25P accordingly.

YOU ARE FURTHER NOTIFIED that the Parties proposed adjusting the treatment of the RECs as described in Attachment A of the Amendment.

YOU ARE FURTHER NOTIFIED that the Petition and supplemental materials are available for public inspection during regular business hours at the Commission's office. These documents are also available on the Commission's website at www.puc.idaho.gov. Click on the "ELECTRIC" icon, select "Open Cases," and click on the case number as shown on the front of this document.

YOU ARE FURTHER NOTIFIED that all proceedings in this case will be held pursuant to the Commission's jurisdiction under Title 61 of the Idaho Code.

YOU ARE FURTHER NOTIFIED that all proceedings in this matter will be conducted pursuant to the Commission's Rules of Procedure, IDAPA 31.01.01.000 *et seq*.

NOTICE OF MODIFIED PROCEDURE

YOU ARE FURTHER NOTIFIED that the Commission has determined that the public interest may not require a formal hearing in this matter, and it will review the case through written submissions under the Commission's Rules of Modified Procedure Rules 201-204 of the Idaho Public Utilities Commission's Rules of Procedure, IDAPA 31.01.01.201-204. The Commission notes that Modified Procedure and written comments have proven to be an effective means for obtaining public input and participation.

YOU ARE FURTHER NOTIFIED that persons desiring to state a position on this Petition may file a written comment explaining why they support or oppose the Petition. Persons who would like a hearing must specifically request a hearing in their written comments. **Persons shall have until December 5, 2023, to file written comments**. Comments must be filed through the Commission's website or by e-mail unless computer access is unavailable. To comment electronically, please access the Commission's website at www.puc.idaho.gov. Click the "Case Comment Form" and complete the form using the case number as it appears on the front of this

NOTICE OF PETITION NOTICE OF MODIFIED PROCEDURE ORDER NO. 35992 document. To file by e-mail, the customer must e-mail the comments to the Commission Secretary and the Company at the e-mail addresses listed below. If computer access is unavailable, then comments may be mailed to the Commission and Company at these addresses:

For the Idaho Public Utilities Commission:

Commission Secretary Idaho Public Utilities Commission P.O. Box 83720 Boise, ID 83720-0074 secretary@puc.idaho.gov

Street Address for Express Mail:

11331 W. Chinden Blvd. Building 8, Suite 201-A Boise, ID 83714

For Avista Corporation:

Michael G. Andrea 1411 E. Mission Ave., MSC-17 Spokane, WA 99202 michael.andrea@avistacorp.com

For Clearwater Paper:

Michael S. Gadd Clearwater Paper Corporation 601 W. Riverside Ave., Suite 1100 Spokane, WA 99201

Peter Richardson Richardson Adams, PLLC 505 N. 27th Street Boise, ID 83702 peter@richardsonadams.com

YOU ARE FURTHER NOTIFIED that the Parties must file any reply comments by December 12, 2023.

YOU ARE FURTHER NOTIFIED that if no written comments or protests are received within the time limit set, the Commission will consider this matter on its merits and enter its order without a formal hearing. If written comments are received within the time limit set, the Commission will consider them and, in its discretion, may set the same for formal hearing.

ORDER

IT IS HEREBY ORDERED that the Parties' Petition be processed by Modified Procedure, Rule 201-204. Persons interested in submitting written comments must do so by December 5, 2023. The Parties must file any reply comments by December 12, 2023.

IT IS FURTHER ORDERED that parties comply with Order No. 35375, issued April 21, 2022. Generally, all pleadings should be filed with the Commission electronically and will be deemed timely filed when received by the Commission Secretary. *See* Rule 14.02. Service between

NOTICE OF PETITION NOTICE OF MODIFIED PROCEDURE ORDER NO. 35992 parties should continue to be accomplished electronically when possible. However, voluminous discovery-related documents may be filed and served on CD-ROM or a USB flash drive.

DONE by order of the Idaho Public Utilities Commission at Boise, Idaho this 9^{th} day of November 2023.

ERIC ANDERSON, PRESIDENT

OHN R. HAMMOND JR., COMMISSIONER

EDWARD LODGE, COMMISSIONER

ATTEST:

Jan Noriyuki_

Commission Secretary

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