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IDAHO PUBLIC
UTILITIES COMMISSION

Avista Corp. 1411 East Mission, P.O. Box 3727 Spokane, Washington 99220-0500 Telephone 509-489-0500 Toll Free 800-727-9170

February 6, 2024

Commission Secretary Idaho Public Utilities Commission 11331 W. Chinden Blvd Building 8, Suite 201-A Boise, ID 83714

RE: In the Matter of the Joint Petition of Avista Corporation and Stimson Lumber Company for Approval of Amendment 6 to the Power Purchase and Sale Agreement.

Case No. AVU-E-24-

Avista and Stimson hereby petition the Idaho Public Utilities Commission for an order approving Amendment No. 6 to the Power Purchase Agreement between Avista and Stimson. Amendment No. 6 recognizes that during the period from January 1, 2024 through December 31, 2025, Project Developer anticipates there will be extended periods of time where the Facility will not operate.

Avista and Stimson jointly respectfully request that the Commission issue an order accepting Amendment No. 6 to the Agreement with an effective date of February 2, 2024.

Please direct any questions regarding this report to Michael Andrea at (509) 495-2564 or myself at 509-495-4584.

Sincerely,

/s/Paul Kimball

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

Enclosure

For Avista Corporation

Michael G. Andrea (ISB No. 8308) Senior Counsel Avista Corporation 1411 East Mission, MSC-17 Spokane, WA 99202 Phone: (509) 495-2564

For Stimson Lumber Company

Lisa Zentner Purchasing Manager Stimson Lumber Company 9400 SW Barnes Rd., Suite 530 Portland, OR 97225

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF THE JOINT PETITION	V)	
OF AVISTA CORPORATION AND)	CASE NO. AVU-E-
STIMSON LUMBER COMPANY FOR)	
APPROVAL OF AMENDMENT NO. 6 TO)	JOINT PETITION OF AVISTA
POWER PURCHASE AND SALE)	CORPORATION AND STIMSON
AGREEMENT)	LUMBER COMPANY
)	

Avista Corporation ("Avista") and Stimson Lumber Company ("Stimson" or "Project Developer") (collectively, the "Parties") hereby petition the Idaho Public Utilities Commission ("Commission") for an order approving Amendment No. 6 to the Power Purchase Agreement ("Agreement") between Avista and Stimson.¹ Amendment No. 6 recognizes that during the period from January 1, 2024 through December 31, 2025, Project Developer anticipates there will be extended periods of time where the Facility will not operate. Project Developer has requested, and Avista agrees,

¹ The Agreement, as amended by Amendment No. 1, was originally approved by the Commission in Order No. 34692 issued in Case No. AVU-E-19-16. The Commission approved Amendment No. 2 in Order No. 35245 issued in Case No. AVU-E-21-07. The Commission approved Amendment Nos. 3-5 in Case No. AVU-E-23-13.

Page - 1 JOINT PETITION OF AVISTA CORPORATION AND STIMSON LUMBER COMPANY

that, given the potential that Project Developer's Facility will not operate for extended periods of time, Project Developer shall only be required to pay the use-of-facilities charge required in Section 31 of the Agreement for those months in which Project Developer operates its Facility and shall not be billed for or required to pay that use-of-facilities charge for any month in which the Facility is not operated. Amendment No. 6 is attached hereto as Attachment A.

1. Names and Addresses of Petitioners

Avista Corporation 1411 East Mission Avenue Spokane, WA 99202

Stimson Lumber Company 9400 SW Barnes Rd., Suite 530 Portland, OR 97225

2. **Nature of Businesses**

Avista is a corporation created and organized under the laws of the State of Washington with its principal office in Spokane, Washington. Avista is an investor-owned utility engaged in, among other things, the business of generating, transmitting, and distributing electric power to wholesale and retail customers in Idaho and Washington. Avista also provides natural gas service to customers in Idaho, Washington, and Oregon. As such, Avista's rates, charges, services and practices are regulated, in part, by this Commission.

Stimson is a corporation organized under the laws of the State of Oregon that operates a thermal wood waste small power electric generation plant located at Plummer, Idaho ("Facility"). The Facility is capable of generating up to approximately 6.5

megawatts of energy. The Facility is a Qualifying Facility pursuant to the Public Utility Regulatory Policies of Act of 1978 ("PURPA").

3. **Names of Representatives**

All communications, pleadings, and orders with respect to this proceeding should be directed to:

For Avista Corporation:

Chris Drake Wholesale Marketing Manager Avista Corporation 1411 E. Mission Ave., MSC-7 Spokane, WA 99202

Phone: (509) 495-8624 Fax: (509) 777-5242

E-mail: chris.drake@avistacorp.com

Michael G. Andrea Senior Counsel Avista Corporation

1411 E. Mission Ave., MSC-17 Spokane, WA 99202

Phone: (509) 495-2564 Fax: (509) 777-5468

E-mail: michael.andrea@avistacorp.com

For Stimson Lumber Company:

Lisa Zentner Purchasing Manager Stimson Lumber Company 9400 SW Barnes Rd., Suite 530

Portland, OR 97225

Phone: 503-478-1552 / Shortel Ext: 7552 E-mail: lzentner@stimsonlumber.com

4. **Description of Amendment No. 6**

In Amendment No. 3 to the Agreement, which was subsequently further amended by Amendment Nos. 4 and 5, the Parties extended the term of the Agreement through December 31, 2025. Stimson has informed Avista that during the period from January 1, 2024 through December 31, 2025, Stimson anticipates there will be extended periods of time where its Facility will not operate. Stimson has requested that during extended periods where its Facility does not operate that it not be required to pay the use-offacilities charge that would otherwise be required pursuant to Section 31 of the

Agreement.

Pursuant to Stimson's request, the Parties have executed Amendment No. 6 to the

Agreement. Amendment No. 6 provides that Project Developer shall not be billed for or

required to pay that use-of-facilities charge for any month in which the Facility is not

operated. Project Developer will be required to pay the use-of-facilities charge for any

month in which its Facility is operated. Except as expressly amended, all other terms of

the Agreement remain in full force and effect.

5. **Conclusion**

Avista and Stimson jointly respectfully request that the Commission issue an

order accepting Amendment No. 6 to the Agreement with an effective date of February 2,

2024.

Respectfully submitted this 5th day of February, 2024.

AVISTA CORPORATION

___/s/ Michael G. Andrea_

Michael G. Andrea

Senior Counsel

STIMSON LUMBER COMPANY

Lisa Zentner

Purchasing Manager

AMENDMENT NO. 6

This Amendment No. 6 ("Amendment No. 6") to the Power Purchase Agreement ("Agreement") between Avista Corporation ("Avista") and the Stimson Lumber Company ("Project Developer"), is entered into by the Parties and this Amendment No. 6 shall be effective on February 2nd, 2024 or such other date established by the Idaho Public Utilities Commission ("Commission") ("Amendment No. 6 Effective Date").

RECITALS

WHEREAS, the Parties entered into the Agreement on December 23, 2019, under which Project Developer is to deliver and sell, and Avista is to purchase, the output generated by Seller's Facility;

WHEREAS, the Commission originally approved the Agreement, as amended by Amendment No. 1, in Order No. 34692 issued on June 15, 2020;

WHEREAS, since the original Agreement was approved in Order No. 34692, the Agreement has been amended several times, to among other things, extend the term of the Agreement through December 31, 2025;

WHEREAS, Project Developer has informed Avista that during the period from January 1, 2024 through December 31, 2025, it anticipates there will be extended periods of time where the Facility will not operate; and

WHEREAS, the Parties desire to amend the Agreement to suspend Project Developer's obligation to pay a use-of-facilities charge for any month in which the Facility does not operate.

NOW THEREFORE, it is agreed as follows:

AGREEMENT TO AMEND

1. Avista and Project Developer have agreed that, for the period commencing on the Amendment No. 6 Effective Date through December 31, 2025, Project Developer shall only be required to pay such use-of-facilities charge for those months in which Project Developer operates its Facility and shall not be billed for or required to pay the use-of-facilities charge for any month in which the Facility is not operated. Accordingly, Section 31 of the Agreement is amended to add the following at the end of Section 31 of the Agreement:

Notwithstanding the foregoing, if the Facility does not produce any Delivered Net Output in any calendar month, Avista will not bill Project Developer and Project Developer shall not be required to pay, the monthly use-of-facilities charge pursuant to this Section 31 for such calendar month.

2. Except as expressly amended by the provisions set forth in this Amendment No. 6, all of the terms and conditions of the Agreement, as amended, shall remain in full force and

effect following execution of this Amendment No. 6 and each Party confirms, ratifies and approves the Agreement as amended by this Amendment No. 6. All capitalized terms used herein and not otherwise defined shall have the respective meanings given to such terms in the Agreement. For the avoidance of doubt, this Amendment No. 6 is hereby incorporated in the Agreement and, as of the Amendment No. 6 Effective Date, all references to the Agreement shall be deemed to be references to the Agreement as amended by this Amendment No. 6.

3. This Amendment No. 6 may be executed in two (2) or more counterparts, each of which shall be deemed as an original and together shall constitute one and the same document.

IN WITNESS WHEREOF, each Party has caused this Amendment No. 6 to be executed by its duly authorized representatives as of the date first set forth below.

STIMSON LUMBER COMPANY	AVISTA CORPORATION
By:	Ву:
Printed Name: Lisa Zentner	Printed Name:
Title:Director of Purchasing	Title:
Date: <u>2/2/2024</u>	Date: