## BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF AVISTA'S 2025	) <b>CASE NO. AVU-E-24-13</b>
ELECTRIC INTEGRATED RESOURCE	)
PLAN	) NOTICE OF FILING
	) ) NOTICE OF
	) INTERVENTION DEADLINE
	)
	) ORDER NO. 36453
	)

On December 30, 2024, Avista Corporation d/b/a/ Avista Utilities ("Company") filed its 2025 Electric Integrated Resource Plan ("2025 IRP") with the Idaho Public Utilities Commission ("Commission"). The 2025 IRP outlines and analyzes the Company's strategy for meeting its customers' projected energy needs. The Company files an IRP every two years and uses it to guide resource acquisitions.

With this Order, the Commission provides notice that the Company has filed its 2025 Electric IRP and sets deadlines for interested persons to petition to intervene in the case.

## NOTICE OF FILING

YOU ARE HEREBY NOTIFIED that the Company's 2025 IRP is approximately 365 pages, with approximately 1,354 pages of appendices. The 2025 IRP sets forth 12 sections: (1) Introduction; (2) Preferred Resource Strategy; (3) Economic & Load Forecast; (4) Existing Supply Resources; (5) Resource Need Assessment; (6) Distributed Energy Resources; (7) Supply-Side Resource Options; (8) Transmission & Distribution Planning; (9) Market Analysis; (10) Portfolio Scenario Analysis; (11) Action Items; (12) Washington Clean Energy Action Plan. 2025 IRP at 11-13.

YOU ARE FURTHER NOTIFIED that the Company represents that it is a multijurisdictional utility serving electric customers in Washington and Idaho, and the Company endeavors to consolidate state requirements into one plan filed every other year. *Id.* at 25.

YOU ARE FURTHER NOTIFIED that the Company represents that the 2025 IRP process included a series of public meetings with a mix of the traditional technical experts, such as public utility commission staff, regional utility professionals, project developers, advocacy and environmental groups, concerned state agencies, and both commercial and residential customers.

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NOTICE OF FILING NOTICE OF INTERVENTION DEADLINE ORDER NO. 36453 *Id.* The Company states that various issues are combined with assumptions made about them and included in analysis and modeling that provides an expectation of future prices for different resources, energy efficiency, demand response, and storage options. *Id.* at 26. The Company then develops a preferred portfolio of resources to serve future needs. *Id.* 

YOU ARE FURTHER NOTIFIED that the Company represents that the 2025 IRP satisfies Idaho's regulatory requirements as provided in Commission Order Nos. 22299 and 25260. *Id.* at 39.

YOU ARE FURTHER NOTIFIED that the Company represents that it used the same methodology it used in the 2023 IRP with updated assumptions. *Id.* at 44. According to the Company, the assumption changes cover matters like capacity and energy position results, updates to energy efficiency and demand response potentials, updated supply-side resource options and costs, refreshed wholesale market analysis, and additional methods for the portfolio optimization analysis.

YOU ARE FURTHER NOTIFIED that the Company presents some highlighted information with respect to its economic and load forecast. The Company represents that the energy forecast grows 0.91% per year, which is higher than the annual growth rate in the 2023 IRP. *Id.* at 89. The Company expects a 214 average megawatt ("aMW") increase in total load over the forecast period, a 400 megawatt ("MW") winter peak increase, and a 380 MW summer peak increase. *Id.* The Company represents that peak load growth is estimated at 1.32% in the winter and 1.09% in the summer. *Id.* 

YOU ARE FURTHER NOTIFIED that the Company presents some highlighted information with respect to its existing supply resources. The Company states that hydro represents approximately half of the Company's winter generating capability, and that natural gas-fired plants remain a fundamental element of the system reliability of the Company's generation portfolio. *Id.* at 117. The Company still plans to transfer ownership of Colstrip 3 & 4 to Northwestern Energy on January 1, 2026. *Id.* The Company represents that the 97.5 MW Clearwater Wind project in Montana became commercially operational in September 2024. *Id.* 

YOU ARE FURTHER NOTIFIED that the Company presents some highlighted information with respect to its resource need assessment. The Company states that its Planning Reserve Margin requirement is 24% in the winter, and 16% in the summer. *Id.* at 137. The Company's first capacity and energy resource deficiency begins in January 2030, and the WRAP's

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qualifying capacity credits are used for the Company's resource capacity position. *Id.* The Company represents that it has sufficient clean energy resources to meet its projected Washington's Clean Energy Transformation Act ("CETA") targets through 2034 under normal conditions. *Id.* 

YOU ARE FURTHER NOTIFIED that the Company presents some highlighted information with respect to its distributed energy resources. The Company represents that energy efficiency currently serves 156 aMW of load, representing nearly 12.2% of customer demand. *Id.* at 157. The Company states that over 3,000 energy efficiency measures and 16 demand response options are considered for resource selection. *Id.* The Company represents that its net metering program includes 4,433 customers generating 29.9 MWs, and that Community solar, roof-top solar, energy efficiency, demand response, and distributed energy storage are options for utility resource selection. *Id.* 

YOU ARE FURTHER NOTIFIED that the Company presents some highlighted information with respect to its supply-side resource options. The Company represents that solar, wind, and other renewable resource options are modeled as Purchase Power Agreements instead of utility ownership. *Id.* at 185. The Company states that future competitive acquisition processes might identify different technologies available at a different cost, size, or operating characteristics, and may include existing generation options. *Id.* The Company represents that Inflation Reduction Act ("IRA") tax incentives are included in resource costs, and that the Company models several energy storage options including pumped storage hydro, lithium-ion, vanadium flow, zinc bromide flow, liquid air, hydrogen, iron-oxide, and ammonia. *Id.* 

YOU ARE FURTHER NOTIFIED that the Company presents some highlighted information with respect to its transmission and distribution planning. The Company states that it develops transmission and distribution system plans, and that Transmission Planning estimates costs of locating new generation on the Company system for the IRP. *Id.* at 209. The Company represents that it formed a Distribution Planning Advisory Group for additional stakeholder involvement, education, and transparency, and that a cluster study process for new generation connections with 26 projects including wind, solar, energy storage, natural gas, biomass, and hydro. *Id.* 

YOU ARE FURTHER NOTIFIED that the Company presents some highlighted information with respect to its market analysis. The Company represents that solar and wind

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dominate future generation across the West while natural gas and increasing amounts of storage will ensure resource adequacy as existing coal and natural gas plants retire or reduce dispatch. *Id.* at 225. The Company states that by 2045, this study assumes 94% of generation in the Pacific Northwest will be carbon free, up from approximately 70-80% today, depending on hydro conditions. *Id.* The Company represents that greenhouse gas emissions will fall to historic lows with the expansion of renewables and continued coal and natural gas plant retirements. *Id.* The Company represents that by 2045, expected emissions will be 62% less than in 1990. *Id.* The Company states that the 20-year wholesale electric price forecast (2024-2045) is \$44.14 per MWh, and that expansion of renewables reduces future mid-day prices, but evening and nighttime prices will be at a premium compared to today's pricing. *Id.* The Company represents that natural gas prices continue to remain low; for example, the levelized price at Stanfield (2024-2045) is \$3.61 per dekatherm. *Id.* 

YOU ARE FURTHER NOTIFIED that the Company presents some highlighted information with respect to its portfolio scenario analysis. The Company represents that energy storage and demand response represent the most viable options to satisfy new short-term capacity needs and nuclear energy is necessary to meet extreme load growth scenarios. *Id.* at 255. The IRA and high wholesale market prices have driven early acquisition of wind generation. *Id.* According to the Company, shifts in power market prices, wind prices, and the availability of low-cost interconnects can affect the amount of wind in its Preferred Resource Strategy. Additionally, if transmission and fuel storage can be constructed, natural gas will remain the lowest cost capacity resource for Idaho customers.

YOU ARE FURTHER NOTIFIED that the Company presents ten action items in the 2025 IRP. *Id.* at 322-23. The Company represents that the 2025 Action Plan was developed with input from Commission Staff, the Company's management team, and members of the Technical Advisory Committee on the analytical and other projects needed to further development and inclusion in the 2027 IRP. *Id.* 

The Company's action items include: (1) determining the Northeast CT's retirement date and planning to replace its capacity; (2) pursuing opportunities to expand transmission within the Company's service territory and connecting systems; (3) developing an all-source Request for Proposal in 2025 for new resources to meet future capacity deficiencies; (4) investigating options to increase natural gas availability and resiliency without adding pipelines; (5) incorporating future

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policy requirements for CETA and the Washington Climate Commitment Act implementation as directed by the Washington Utilities and Transportation Commission, legislature, or voter initiatives; (6) exploring how end use load forecasting should or should not be included in the 2027 plan by reviewing lessons learned from the new load forecast process completed in the 2025 IRP; (7) evaluating an Integrated System Plan methodology coordinating resource, transmission, and distribution planning to ensure lowest cost plan for both natural gas and electric customers; (8) working with the Technical Advisory Committee to determine the best strategy for engagement, such as meeting frequency, along with best available technologies to facilitate communication and data availability; and (9) determining the Company's resource need impact of new generation and/or loads within its balancing authority not associated with its load service; and (10) incorporating any new Customer Benefit Indicators, targets, or directives from the 2025 Clean Energy Implementation Plan. *Id.* at 322-23

YOU ARE FURTHER NOTIFIED that the 2025 IRP and supporting documentation have been filed with the Commission and 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 <a href="www.puc.idaho.gov">www.puc.idaho.gov</a>. 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 the Commission has jurisdiction over the Company, its filing, and the issues pertaining to this case pursuant to Title 61 of the Idaho Code, and 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 INTERVENTION DEADLINE

YOU ARE FURTHER NOTIFIED that persons desiring to intervene in this matter to obtain parties' rights of participation must file a Petition to Intervene with the Commission pursuant to this Commission's Rules of Procedure 71-73, IDAPA 31.01.01.072-073. **Persons who wish to intervene as a party must file a Petition to Intervene no later than 21 days after the date of service of this Order**. Persons desiring to present their views without parties' rights of participation do not have to intervene and may present their comments without prior notification to the Commission or the parties.

YOU ARE FURTHER NOTIFIED that the Commission Secretary shall issue a Notice of Parties after the deadline for intervention has passed. The Notice of Parties shall assign exhibit

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numbers to each party in this proceeding. Once the Notice of Parties is issued, Commission Staff will informally confer with the parties to discuss a schedule to process this case and other issues as may be raised by the parties.

YOU ARE FURTHER NOTIFIED that the following persons are designated as the Company's representatives in this matter:

David Meyer Avista Corporation P.O. Box 3727 1411 E. Mission Ave. Spokane, WA 99220-3727 david.meyer@avistacorp.com Patrick Ehrbar
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## **ORDER**

IT IS HEREBY ORDERED that persons desiring to intervene in this case for the purpose of obtaining parties' rights of participation must file a Petition to Intervene with the Commission, under Rules 71-73, IDAPA 31.01.071-073, no later than 21 days after the service date of this Order.

IT IS FURTHER ORDERED that, after the Secretary issues a Notice of Parties, Staff will informally confer with the parties to discuss the appropriate scheduling of this case.

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 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.

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DONE by Order of the Idaho Public Utilities Commission at Boise, Idaho this  $3^{\rm rd}$  day of February 2025.

EDWARD LODGE, COMMISSIONER

HN R. HAMMOND JR., COMMISSIONER

ATTEST:

Monica Barrios-Sarchez Commission Secretary

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