RECEIVED
April 25, 2025
IDAHO PUBLIC
UTILITIES COMMISSION

ADAM TRIPLETT
DEPUTY ATTORNEY GENERAL
IDAHO PUBLIC UTILITIES COMMISSION
PO BOX 83720
BOISE, IDAHO 83720-0074
(208) 334- 0318
IDAHO BAR NO. 10221

Street Address for Express Mail:
11331 W CHINDEN BLVD, BLDG 8, SUITE 201-A
BOISE, ID 83714

Attorney for the Commission Staff

# BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

| | | |
|---|---|---|
| **IN THE MATTER OF AVISTA'S 2025 ELECTRIC INTEGRATED RESOURCE PLAN (IRP)** | ) | **CASE NO. AVU-E-24-13** |
| | ) | **THIRD PRODUCTION REQUEST OF THE COMMISSION STAFF TO AVISTA CORPORATION d/b/a AVISTA UTILITITES** |

Staff of the Idaho Public Utilities Commission, by and through its attorney of record, Adam Triplett, Deputy Attorney General, requests that Avista Corporation d/b/a Avista Utilities ("Company") provide the following documents and information as soon as possible, but no later than **THURSDAY, MAY 15, 2025**.

This Production Request is to be considered as continuing, and the Company is requested to provide, by way of supplementary responses, additional documents that it, or any person acting on its behalf, may later obtain that will augment the documents or information produced.

Please provide answers to each question, supporting workpapers that provide detail or are the source of information used in calculations, and the name, job title, and telephone number of the person preparing the documents. Please also identify the name, job title, location, and telephone number of the record holder.

In addition to the written copies provided as response to the requests, please provide all Excel spreadsheets and electronic files with formulas intact and enabled.

**REQUEST NO. 32:** Page 241 of the 2025 IRP states that the Climate Commitment Act ("CCA") markets in Washington and California are assumed to be linked in the modeling methodology. Please respond to the following:

a. When are the two markets expected to be linked in reality? How is the date determined?
b. When are the two markets assumed to start being linked in the IRP model? How is the date determined?
c. What process does Washington and California have to go through to link the two markets in reality and what tools does the process require (i.e. legislations, approval from Commissions, etc.)?
d. Does the Company assume these two markets are linked across all the modeling scenarios, except for Scenario #26? Please explain.
e. Please explain why the Company did not develop a scenario where the two markets exist but are not linked.
f. In Scenario #26 where CCA in Washington is repealed, please explain whether CCA in California still exists and whether linkage between the two markets is broken.

**REQUEST NO. 33:** The Company's response to Staff Production Request No. 15(b) states that "Avista includes CCA cost estimates with its PRiSM model for CCA-covered resources located in the State of Washington (i.e. Boulder Park). This cost is included in the total cost of the Idaho share of the system in the IRP results." Please respond to the following:

a. The Company's response to Staff Production Request No. 83 in Case No. AVU-E-25-01 states that Kettle Falls, both biomass and gas combustion turbine, became subject to CCA regulation beginning January 1, 2024. Please explain why the 2025 IRP only included Boulder Park as a CCA-covered resource in Washington and not Kettle Falls.
b. Did the Company's response to Staff Production Request No. 15(b) intend to say: "This cost is <u>NOT</u> included in the total cost of the Idaho share of the system in the IRP results" to reflect the fact Idaho will not pay CCA costs?

**REQUEST NO. 34:** The Company's response to Staff Production Request No. 15(c) states that for existing resources such as gas plants serving both Washington and Idaho customers, a carbon price is assumed beginning in 2031. Please respond to the following:

a. Please define "carbon price" and explain its relationship with CCA allowance costs.
b. If it refers to CCA allowance costs, please explain why it will start in 2031, instead of now.
c. If it does not refer to CCA allowance costs, please explain why Year 2031 is chosen.

**REQUEST NO. 35:** The Company's response to Production Request No. 15(c) states that new resources located outside of Washington have no CCA costs associated with the resources and that if existing resources are located outside of Washington, 2/3 of the CCA costs are assumed. Please provide examples of existing resources located outside of Washington that have 2/3 of the CCA costs. Also, please explain why new resources and existing resources are treated differently.

**REQUEST NO. 36:** Page 241 of the 2025 IRP lists four categories of resources. Please provide examples of resources to illustrate each category. Also, please explain which category Boulder Park and Kettle Falls fall under.

**REQUEST NO. 37:** Please confirm that the CCA allowance cost forecast used in the 2025 IRP and provided in the Company's response to Staff Production Request No. 16(c) is based on the assumption that the Washington market and the California market are linked. Also, please confirm that the forecast was developed by an independent consultant. Lastly, please provide the CCA allowance cost forecast based on the assumption that the two markets are NOT linked.

**REQUEST NO. 38:** Please confirm that the Quebec market is not linked to the Washington market or the California market in the 2025 IRP. Also, please explain when the Quebec market is expected to be linked.

**REQUEST NO. 39:** Please explain why currently a California natural gas plant selling its power to a Washington load would have to pay for two allowances for each metric ton of emissions, as stated in the Company's response to Staff Production Request No. 16(d). Please provide evidence to support your answer such as provisions in the CCA. Lastly, please explain why linking markets will allow California to pay for only one allowance, whether the reduction of allowances is guaranteed, and if yes, how it is guaranteed.

**REQUEST NO. 40:** Please explain why "Mid-Columbia Prices with CCA" are determined by the prices of Washington zone, which only includes areas fully within the state of Washington. Also, please explain why "Mid-Columbia Prices with CCA" are not determined by the prices of Avista zone or Bonneville Power Administration zone.

**REQUEST NO. 41:** Please explain why "Mid-Columbia Prices without CCA" are calculated as the average of the prices of the Washington zone and the prices of the Avista zone, instead of the prices of the Washington zone alone.

**REQUEST NO. 42:** Please explain major differences between the deterministic Scenario #26 (No CCA Scenario) and the stochastic case of "Mid-C price without CCA". Also, please explain how these differences are reflected in the Aurora setup. Lastly, please explain whether both cases are based on the assumption that the transacted energy at Mid-C will be wheeled to another location outside the state of Washington, and if so, how Aurora achieves this effect.

**REQUEST NO. 43:** The "updated Figure 9.22" contained in the Company's response to Staff Production Request No. 22 is intended to show the results of different scenario analyses. However, the data of $44.11 in the Expected Case and $42.77 in the No CCA case are results of the stochastic analyses, not the scenario analyses. Please correct "updated Figure 9.22".

**DATED** at Boise, Idaho, this 24th day of April 2025.

Adam Triplett
Deputy Attorney General

I:\Utility\UMISC\PRDREQ\AVU-E-24-13 PR #3.docx

# CERTIFICATE OF SERVICE

I HEREBY CERTIFY THAT I HAVE THIS 24th DAY OF APRIL 2025, SERVED THE FOREGOING **THIRD PRODUCTION REQUEST OF THE COMMISSION STAFF TO AVISTA CORPORATION d/b/a AVISTA UTILITIES ,** IN CASE NO. AVU-E-24-13, BY E-MAILING A COPY THEREOF TO THE FOLLOWING:

PATRICK EHRBAR
DIR OF REGULATORY AFFAIRS
AVISTA CORPORATION
PO BOX 3727
SPOKANE WA 99220-3727
E-mail: patrick.ehrbar@avistacorp.com
avistadockets@avistacorp.com

DAVID J MEYER
VP & CHIEF COUNSEL
AVISTA CORPORATION
PO BOX 3727
SPOKANE WA 99220-3727
E-mail: david.meyer@avistacorp.com

Patricia Jordan
PATRICIA JORDAN, SECRETARY