# Avista Corp.

AVISTA

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

January 15, 2020

Diane Hanian, Commission Secretary Idaho Public Utilities Commission 11331 W Chinden Blvd. Boise, ID 83714

Re: Avista Application No. AVU-G-20-D1

Dear Ms. Hanian:

Attached for filing is an original and seven (7) copies of Avista Corporation d/b/a/ Avista Utilities Petition for an Extension of its Natural Gas Integrated Resource Plan Filing from August 31, 2020 to April 1, 2021. If you have any questions regarding this filing, please contact me at 509-495-4975, Tom Pardee at 509-495-2159.

Sincerely,

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Linda Gervais Sr. Manager, Regulatory Policy & Strategy Avista Utilities 509-495-4975 <u>linda.gervais@avistacorp.com</u>

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#### **II. BACKGROUND**

The Company submits the IRP to the Commission every two years as outlined in Case No. U-1500-165, Order No. 22299. Avista's next IRP is due to be filed with the Commission on or before August 31, 2020. The IRP is a methodology for identifying and evaluating various resource options and is a process by which to establish a plan of action for resource decisions. Avista uses SENDOUT® (a PC based programming model widely used to solve natural gas supply and transportation optimization questions) for peak day demand, resource valuation and for conducting Monte-Carlo style risk analyses. SENDOUT® modeling results are used to select the Preferred Resource Strategy (PRS).

3 Avista uses a public process to solicit technical expertise and feedback throughout the development of the IRP through a series of Technical Advisory Committee (TAC) meetings.

For the reasons stated herein, Avista requests a six-month extension from August 31, 2020 to April 1, 2021 to submit the Company's Natural Gas IRP to provide enough time for the conclusion of various state legislative sessions so that Avista can integrate any changed regulations that may impact its IRP modeling and assumptions.

#### **III. SUPPORT FOR EXTENSION**

There are currently numerous legislative proposals in the States of Washington and Oregon that will have major impacts on natural gas planning, including Washington's Senate Clean Energy Transformation Act (CETA) or Senate Bill 5116, Washington House Bills 1257 and 1444, and Oregon Senate Bill 98. Final rules and expectations for natural gas distribution utilities with respect to each of these bills are expected to take several more months to create and implement, which will affect the ability to fully realize the impacts to the IRP process.

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DAVID J. MEYER VICE PRESIDENT AND CHIEF COUNSEL FOR REGULATORY AND GOVERNMENTAL AFFAIRS AVISTA CORPORATION 1411 E. MISSION AVENUE P.O. BOX 3727 SPOKANE, WASHINGTON 99220 PHONE: (509) 495-4316

#### BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF THE PETITION OF AVISTA CORPORATION FOR AN EXTENSION TO FILE ITS NATURAL GAS INTEGRATED RESOURCE PLAN

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) CASE NO. AVU-G-20\_\_\_\_) ) ) PETITION OF ) AVISTA CORPORATION

## I. INTRODUCTION

Avista Corporation, doing business as Avista Utilities ("Avista" or "Company"), at 1411 East Mission Avenue, Spokane, Washington, respectfully petitions the Idaho Public Utilities Commission (Commission) to issue an order authorizing a six-month extension from August 31, 2020 to April 1, 2021 to submit the Company's Natural Gas Integrated Resource Plan (IRP). The Company requests that this filing be processed under the Commission's Modified

Procedure rules through the use of written comments.

Please direct all correspondence related to this Petition as follows:

David Meyer Vice President and Chief Counsel for Regulatory & Governmental Affairs Avista Corp. P. O. Box 3727 1411 E. Mission Avenue, MSC XX Spokane, Washington 99220-3727 Telephone: (509) 495-4316 E-mail: david.meyer@avistacorp.com

Linda Gervais Senior Manager of Regulatory Policy Regulatory Affairs Avista Corp. P. O. Box 3727 1411 E. Mission Avenue, MSC 27 Spokane, Washington 99220-3727 Telephone: (509) 495-4975 E-mail: linda.gervais@avistacorp.com CETA requires 100% carbon free electricity serving Washington customers by 2045 and references renewable natural gas investments for distribution or consumption. Washington House Bills 1257 and 1444 call for new energy efficiency requirements with new requirements for buildings and appliance standards and will affect Avista's conservation potential assessment (CPA) going forward, taking effect by 2022. A set of renewable natural gas and fuels bills, including Oregon SB 98, and Washington HB 1257, open up a path forward to acquire these supply side resources as a means to reduce carbon emissions.

With all of these legislative uncertainties, IRP modeling at this time would be premature. The impact of such legislation could fundamentally change the regional (and Avista's) resource mix, and therefore have an impact on Avista's customers. Thus, to the extent any of the potential legislation is enacted, new models would need to be run to account for the actual impact of such legislation. Further, recall that in almost every scenario provided in the Company's 2018 IRP, Avista did not have transportation resource needs in the 20 year planning horizon.

Avista is currently assessing the alignment of portions of its electric and natural gas IRPs to reduce redundancy in analytics and economic assumptions. The newly requested filing date for the natural gas IRP is April 1, 2021. In Avista's 2018 Natural Gas IRP the expected case displayed no resource shortages.

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### **IV. CONCLUSION**

WHEREFORE, Avista respectfully requests the Commission issue its Order approving a six-month extension of the Company's from August 31, 2020 to April 1, 2021 to submit the Company's Natural Gas Integrated Resource Plan (IRP) as explained in this Petition and the request that it be processed under Modified Procedure through the use of written comments.

DATED this 15th day of January 2020

By:

David J. Meyer Vice President and Chief Counsel for Regulatory and Governmental Affairs

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