

**BEFORE THE  
WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**

In the Matter of the Petition of	)	
	)	Docket No. UE-220400
Avista Corporation, d/b/a Avista Utilities	)	
	)	
For an Order Authorizing the Use of Hydro Method	)	PETITION OF AVISTA
Two in its Renewable Portfolio Standard Compliance	)	CORPORATION
Reporting	)	

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**I. INTRODUCTION**

1 In accordance with WAC 480-07-370(3), Avista Corporation doing business as Avista Utilities (Avista or the Company), at 1411 East Mission Avenue, Spokane, Washington, hereby petitions the Commission for an Order authorizing Avista to utilize Hydro Method Two in place of Hydro Method One for its annual Renewable Portfolio Standards (RPS) report in compliance with WAC 480-109-210.

2 Avista is a utility that provides service to approximately 403,000 retail electric customers and 369,000 retail natural gas customers in a 30,000 square-mile service territory covering portions of Washington, Idaho, and Oregon. The largest community served by Avista is Spokane, Washington, which is the location of its corporate headquarters.

3 The Company requests that all correspondence related to this Petition be sent to the following:

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## **II. BACKGROUND**

4 The Energy Independence Act (EIA), also known as Initiative Measure No. 937 or I-937, requires utilities with more than 25,000 customers to obtain fifteen percent of their electricity from eligible renewable resources, such as wind and solar generation, by 2020 and undertake cost-effective energy conservation. Per WAC 480-109-210, each utility must file an annual report RPS report with the Commission detailing the resources the utility acquired or contracted to acquire to meet its renewable obligation for the target year.

5 Order 01 in Docket UE-120791 issued on September 13, 2012, outlines the three acceptable methods to calculate incremental hydroelectric efficiency improvements. Method One requires an annual calculation based on actual water flows or generation during that year, Method Two requires an annual calculation, multiplying actual generation by a fixed percentage to determine the generation attributable to efficiency upgrades, while Method Three requires a one-time calculation of the increase in annual megawatt-hours attributable to the efficiency upgrades under average historical water flows. Avista was directed to utilize Hydro Method Three when calculating its incremental hydroelectric efficiency improvements for the first five compliance years.

6 On August 8, 2019, the Commission issued order 01 in Docket UE-190445, requiring Avista to switch from utilizing Hydro Method Three to Hydro Method One. Avista has used Method One for all subsequent RPS reports as of the date of this order.

## **III. HYDRO METHOD TWO**

7 Since the 2019 RPS Compliance Report, Avista has utilized Hydro Method One as mentioned above. This method required the use of Avista's Decision Support System (ADSS) software to model the output for each qualifying hydro unit using actual stream flows with the pre-upgrade turbine curves. This was a very time intensive process that the Company believed it could make


more efficient in the future. However, the portion of the ADSS software used to calculate Method One is not currently performing as expected and is not predicted to be up and running before the end of 2022 based on programmer limitations and the need for them to focus their efforts on maintaining the use of ADSS to support Avista's involvement with the Energy Imbalance Market (EIM). When ADSS was being used to quantify the EIA qualifying number of hydro resources, it was taking up a large enough portion of ADSS's modeling capabilities that it interfered with the ability of the traders to effectively participate in the EIM. The time needed to run the ADSS model was also proving to be problematic to complete at the end of the month before sending the generation data to WREGIS to be able to accurately identify hydroelectric and incremental eligible hydroelectric generation. This issue with the hydro methodology was discussed with Staff on May 18, 2022.

8 Because of the challenges identified above along with the fact that no other utility is currently using Method One, Avista requests approval from the Commission to switch to Method Two for its 2022 RPS Report and future reports.

#### IV. REQUEST FOR RELIEF

9 WHEREFORE, Avista respectfully requests that the Commission issue an Order authorizing Avista to utilize Hydro Method Two in place of Hydro Method One for its annual RPS report, beginning in 2022, in compliance with WAC 480-109-210.

DATED this 8<sup>th</sup> day of June 2022

By:   
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Patrick Ehrbar  
Director of Regulatory Affairs