

Service date: May 7, 2018



**STATE OF WASHINGTON**  
**UTILITIES AND TRANSPORTATION COMMISSION**  
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May 07, 2018

Scott L. Morris  
Chairman of the Board, President, and Chief Executive Officer  
Avista Utilities  
1411 East Mission  
Post Office Box 3727  
Spokane, Washington 99220

**Re: Avista Corporation dba Avista Utilities**  
**2017 Electric Integrated Resource Plan (Docket UE-161036)**

Dear Mr. Morris:

The Washington Utilities and Transportation Commission (Commission) has reviewed the 2017 Electric Integrated Resource Plan (IRP) filed by Avista Corporation dba Avista Utilities (Avista or Company) on August 31, 2017, and finds that it meets the requirements of Revised Code of Washington 19.280.030 (RCW) and Washington Administrative Code (WAC) 480-100-238.

By acknowledging compliance with statute and rule, the Commission does not signal pre-approval for ratemaking purposes of any course of action identified in the IRP. The Commission will review the prudence of the Company's actions at the time of any future request to recover costs of resources in customer rates. The Commission will reach a prudence determination after giving due weight to the information, analyses, and strategies contained in the Company's IRP along with other relevant evidence.

Because an IRP cannot pinpoint precisely the future actions that will minimize a utility's costs and risks, we expect that the Company will regularly update the assumptions that underlie the analysis within the IRP and adjust its investment strategies accordingly.

Overall, the Commission is pleased with the thorough presentation of the Company's analyses in the 2017 IRP, and encourages the Company to continue its transparent and inclusive work with the Company's Technical Advisory Committee (TAC) on resource planning for the 2019 IRP. In the attached document the Commission elaborates on comments and expectations regarding the Company's TAC process and 2019 IRP. While a majority of the Commission, Chair Danner and Commissioner Rendahl, support all of the specific comments and expectations expressed in the attached document, Commissioner Balasbas, as outlined at the end of the attached document, does not agree with all of the comments and expectations in Section III. i., pertaining to Emissions Price Modeling and Cost Abatement Supply Curve.

As a reminder, Avista should file its next Electric IRP work plan on or before August 31, 2018, and its final 2019 Electric IRP on or before August 31, 2019.

Sincerely,

MARK L. JOHNSON  
Executive Director and Secretary

Attachment