NW Energy Coalition comments on DOCKET UE-081613
Avista's 2009 Integrated Resource Plan (IRP)
October 30, 2009

The NW Energy Coalition (NWEC or "Coalition") appreciates this opportunity to comment on Avista's 2009 Electric Integrated Resource Plan (IRP). The Coalition participated in the Technical Advisory Committee for the development of this IRP, and appreciates the many opportunities the company provided to weigh in on the current product.

We support this approval of Avista's integrated resource plan. Avista has made great advances since the 2005 and 2007 IRPs, and has accomplished key items from the 2007 action plan. In particular, Avista has:

- Removed new coal and nuclear from their preferred resource strategy.
- Increased total conservation goals.
- Included more realistic carbon prices.

Avista has followed its 2007 action plans to:

- Continue to look at how climate heating will affect load.
- Expand energy efficiency measures for transmission and distribution.
- Study wind potential within Avista's service territory (leading to the possible Reardon development).

Avista has responded to the Coalition's concerns, questions, and suggestions throughout this process and made changes to the draft IRP that removed some key concerns and questions of the Coalition. We believe the following items need to be explored more thoroughly for the 2011 IRP.

<u>Expand conservation targets to reflect the increasing potential for energy efficiency</u>

The Coalition and Ecoptope, Inc completed an analysis of the energy conservation potential of the Northwest through 2020. This report finds with new and emerging technologies and more integrated building design, there is enough cost effective energy efficiency- approximately 5,200 average megawatts- to meet all the region's growing needs for electricity through 2020. This analysis is consistent with the Northwest Power and Conservation's Draft Sixth Plan that calls for 5800 average megawatts over the next 20 years. The draft 6th Plan finds that new demand can be met with conservation and renewables. This analysis may question Avista's stated need to build a new 250 MW CCCT plant in 2019.

<u>Complete a 20-year assessment of efficiency potential for generation and distribution</u>

This is necessary to determine what efficiencies are available on the utility side of the meter and what is eligible to count for the renewable portfolio standard (I-937). This data should directly tie into the energy efficiency analysis to the energy efficiency section.

Expand analysis on non-wind renewables

Non-wind renewables and distributed generation should be continually explored and analyzed in more detail. This analysis should include non-energy values for distributed generation to the utility, grid and society.

Increase exploration of the potential for small co-generation

The Coalition believes that this potential could be explored more with customers that have small co-generation capabilities. Existing DSM account managers, if possible, could do this exploration in expanded program offerings.

Continue to increase understanding of how climate change will effect resource planning

The "Washington Climate Change Impacts Assessment" done by the Climate Impacts Group in June 2009 has data that could be relevant for future IRP efforts. Information in this document may affect loads, resources, costs and environmental issues. This and similar data will be crucial for future resource and demand projects.

The Coalition looks forward to working with the Company during the 2011 TAC process.