

Deadline: June 1, 2016

Submission: Email this workbook and all supporting documentation to [EIA@commerce.wa.gov](mailto:EIA@commerce.wa.gov)

Questions: Glenn Blackmon, State Energy Office, (360) 725-3115, [glenn.blackmon@commerce.wa.gov](mailto:glenn.blackmon@commerce.wa.gov)

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#### RCW 19.285.070

##### Reporting and public disclosure.

(1) On or before June 1, 2012, and annually thereafter, each qualifying utility shall report to the department on its progress in the preceding year in meeting the targets established in RCW [19.285.040](#), including expected electricity savings from the biennial conservation target, expenditures on conservation, actual electricity savings results, the utility's annual load for the prior two years, the amount of megawatt-hours needed to meet the annual renewable energy target, the amount of megawatt-hours of each type of eligible renewable resource acquired, the type and amount of renewable energy credits acquired, and the percent of its total annual retail revenue requirement invested in the incremental cost of eligible renewable resources and the cost of renewable energy credits. For each year that a qualifying utility elects to demonstrate alternative compliance under RCW [19.285.040](#)(2)(d) or (i) or [19.285.050](#)(1), it must include in its annual report relevant data to demonstrate that it met the criteria in that section. A qualifying utility may submit its report to the department in conjunction with its annual obligations in chapter [19.29A](#) RCW.

(2) A qualifying utility that is an investor-owned utility shall also report all information required in subsection (1) of this section to the commission, and all other qualifying utilities shall also make all information required in subsection (1) of this section available to the auditor.

(3) A qualifying utility shall also make reports required in this section available to its customers.

#### WAC 194-37-060

##### Conservation reporting requirements.

Each utility shall submit an annual conservation report to the department by June 1st using a form provided by the department. The conservation report must show the utility's progress in the preceding year in meeting the conservation targets established in RCW [19.285.040](#) and must include the following:

(1) The total electricity savings and expenditures for conservation by the following sectors: Residential, commercial, industrial, agricultural, distribution system, and production system. A utility may report results achieved through nonutility programs, as identified in WAC [194-37-080](#)(5), by program, if the results are not included in the reported results by customer sector. Reports submitted in odd-numbered years must include an estimate of savings and expenditures in the prior year. Reports submitted in even-numbered years must include the amount of savings and expenditures in the prior two years. All savings must be documented pursuant to WAC [194-37-080](#).

(2) A brief description of the methodology used to establish the utility's ten-year potential and biennial target to capture cost-effective conservation.

(3) In even-numbered years the report must include the utility's ten-year conservation potential and biennial targets established pursuant to WAC [194-37-070](#).

#### WAC 194-37-110

##### Renewable resource energy reporting.

Each utility must submit a renewable resource energy report to the department by June 1st of each year using a form provided by the department. The report must reflect the actions that the utility took by the previous January 1st to meet the renewable requirements of chapter [19.285](#) RCW for that year. For example, a utility must report by June 1, 2015, the actions it took by January 1, 2015, to meet requirements applicable to the 2015 target year.

(1) **Reporting requirements applicable to all utilities.** Each utility must report the following information:

(a) The compliance method:

(i) Renewable energy target using renewable resources and RECs – RCW [19.285.040](#) (2)(a);

(ii) Incremental cost – RCW [19.285.050](#); or

(iii) No-growth cost – RCW [19.285.040](#) (2)(d).

(b) The utility's load for the two years preceding the target year and the average load for those two years.

(c) The utility's renewable energy target for the target year.

(d) The amount of eligible renewable resources, RECs, and multiplier credits to be applied toward the utility's renewable energy target for the target year. The report must identify, by generating facility or hydroelectric project, including the WREGIS generating unit identification where applicable, and, in the case of RECs, by vintage year:

(i) The eligible renewable resources in megawatt-hours to be applied toward the renewable energy target for the target year;

(ii) The RECs to be applied toward the renewable energy target for the target year;

(iii) Any additional credit for eligible renewable resources or RECs from generating facilities eligible for the apprentice labor provision in RCW [19.285.040](#) (2)(h), applied toward the renewable energy target for the target year;

(iv) Any additional credit for RECs from generating facilities eligible for the distributed generation in RCW [19.285.040](#) (2)(b), applied toward the renewable energy target for the target year.

(e) The percent of its total annual retail revenue requirement invested in the incremental cost of eligible renewable resources and the cost of renewable energy credits. Each utility must include in its report documentation of the calculations and inputs to this amount.

(2) **Incremental cost compliance method report.** Each utility reporting pursuant to subsection (1)(a) of this section its use of the incremental cost compliance method for the target year must include the following information in its report:

(a) Annual revenue requirement for the target year;

(b) The annual levelized delivered cost of its eligible renewable resource(s) reported separately for each resource;

(c) The annual levelized delivered cost of its substitute resources and the eligible renewable resource with which it is being compared;

(d) The total cost of renewable energy credits to be applied in the reporting year;

(e) The percentage of its annual revenue requirement invested in the incremental cost of eligible renewable resources and the cost of RECs; and

(f) The most current information required by WAC [194-37-160](#) used for this financial demonstration.

(3) **No-growth cost compliance method report.** Each utility reporting pursuant to subsection (1)(a) of this section its use of the no-growth cost compliance method for the target year must include the following information in its report:

(a) Annual revenue requirement for the target year;

(b) Actual and weather-adjusted load for each year used in determining that the utility's load did not increase;

(c) Delivered cost of its eligible renewable resource(s), RECs or a combination of both for the target year to be applied to the one percent of annual revenue requirement, reported separately for each resource;

(d) Generating facility identification, vintage, quantity and cost of any RECs to be retired as an offset for nonrenewable resource purchases pursuant to RCW [19.285.040](#) (2)(d).

(4) **Final compliance report.** A utility must submit a final renewable compliance report by the later of (a) two years after the filing of the report required in subsections (1) through (3) of this section; or (b) ninety days after the issuance of the auditor's report for the target year. The final renewable compliance report must provide an update of any revisions to the information previously reported pursuant to this section or, if no revisions were made, notify the department that the initial report should be considered the final report. For any target year that a utility demonstrates to the auditor that it did not meet the annual renewable resource requirements in chapter [19.285](#) RCW due to events beyond the reasonable control of the utility per RCW [19.285.040](#) (2)(i), the utility must summarize these events in the final

RENEWABLE ENERGY WORKSHEET – REVISIONS TO 2014 REPORT

In addition to submitting the 2016 report, each qualifying utility should review the renewable energy report it submitted in 2014. In many cases, the specific resources and quantities actually used to comply with the 2014 target differ from what the utility reported in June 2014. Utilities should submit a revised 2014 report if the actual values differ from the values reported in 2014.

**WAC 194-37-110(4): Final compliance report.** A utility must submit a final renewable compliance report by the later of (a) two years after the filing of the report required in subsections (1) through (3) of this section; or (b) ninety days after the issuance of the auditor's report for the target year. The final renewable compliance report must provide an update of any revisions to the information previously reported pursuant to this section or, if no revisions were made, notify the department that the initial report should be considered the final report.

Please use the 2014 template and mark it as "revised." Contact Commerce to obtain a copy of the 2014 reporting template if necessary.

Energy Independence Act (I-937) Conservation Report 2016

Utility	<b>Avista Corp.</b>
Report Date	
Contact Name/Dept	<b>Mark Baker, Demand Side Management</b>
Phone	(509) 495-4864
Email	<a href="mailto:mark.baker@avistacorp.com">mark.baker@avistacorp.com</a>

<b>Planning</b>			
<b>2014 - 2015 Planning</b>		<b>2016 - 2017 Planning</b>	
<b>2014-2023 Ten Year Potential (MWh)</b>	<b>2014 - 2015 Target (MWh)</b>	<b>2016-2025 Ten Year Potential (MWh)</b>	<b>2016 - 2017 Target (MWh)</b>
394,200	97,204	383,063	82,477

<b>Summary of Achievement and Targets (MWh)</b>			
	<b>2014-2015</b>		<b>2016-2017</b>
	<b>Biennial</b>		<b>Biennial</b>
Target	97,204	Target	82,477
Achievement	101,090		
Surplus (Deficit)	3,886		

**Achievement**

		<b>2014 Achievement</b>	
<b>Conservation by Sector</b>		<b>MWh</b>	<b>Utility Expenditures (\$)</b>
Residential		23,945	\$4,115,619
Commercial		15,024	\$3,781,678
Industrial			
Agriculture			
Distribution Efficiency		885	
Production Efficiency			
NEEA		15,198	\$1,445,817
Conservation expenditures NOT included in sector expenditures			
<b>General</b>			\$1,711,914
<b>Total</b>		<b>55,052</b>	<b>\$11,055,028</b>

		<b>2015 Achievement</b>	
<b>Conservation by Sector</b>		<b>MWh</b>	<b>Utility Expenditures (\$)</b>
Residential		10,794	\$4,468,709
Commercial		19,168	\$4,162,940
Industrial			
Agriculture			
Distribution Efficiency		628	
Production Efficiency		249	
NEEA		15,199	\$1,314,999
Conservation expenditures NOT included in sector expenditures			
<b>General</b>			\$2,074,515
<b>Total</b>		<b>46,038</b>	<b>\$12,021,163</b>

*Note: Expenditure amounts do not include any customer or other non-utility costs.*

Utility	Avista Corp.
Compliance Year	2016

**Notes, including a brief description of the methodology used to establish the utility's ten-year potential and biennial target to capture cost-effective conservation:**

The Company's energy efficiency acquisition targets for the 2014-2015 Biennium were based upon a Conservation Potential Assessment (CPA) completed as part of Avista's 2013 Electric Integrated Resource Plan (IRP) by a third-party consultant applying methodologies consistent with the Northwest Power and Conservation Council's (NWPCC) Sixth Power Plan.

Avista's 2014-2015 targets were approved in Order No. 01, Docket No. UE-132045, by the Washington Utilities and Transportation Commission (UTC) on December 19, 2013. <http://www.utc.wa.gov/docs/Pages/DocketLookup.aspx?FilingID=132045>

General rate case settlement in 2014 included a 5% increase in the 2014-15 Biennial Target for local energy savings.

64,956 MWh original target + 3,248 MWh (5% increase) = 68,204 MWh (local)

68,204 MWh (local) + 11,130 (NEEA) = 79,334 new 2014-15 Biennial Target

The Company's energy efficiency acquisition targets for the 2016-2017 Biennium were based upon a Conservation Potential Assessment (CPA) completed as part of Avista's 2015 Electric Integrated Resource Plan (IRP) by a third-party consultant applying methodologies consistent with the Northwest Power and Conservation Council's (NWPCC) Sixth Power Plan.

Avista's 2016-2017 targets were approved in Order No. 01, Docket No. UE-152076, by the Washington Utilities and Transportation Commission (UTC) on January 28, 2016. <http://www.utc.wa.gov/docs/Pages/DocketLookup.aspx?FilingID=152076>

Savings numbers are for I-937 and NEEA but do not include fuel switching of 9,445 MWh.

Commercial and Industrial customers are not tracked separately and are therefore listed under "Commercial."

Expenditures for distribution and production savings are part of the capital budget and not known specifically.

General expenditures are not applied to a specific sector.

Avista's evaluation, measurement and verification (EM&V) was performed by a contracted third party to calculate the verified energy savings in accordance with the Commission's Order. The Company's 2014 DSM Annual Report and 2015 DSM Annual Report (provided under separate covers) provide more data regarding Avista's 2014 and 2015 programs and results. Electric EM&V cost \$789,173 in 2014 and \$483,951 in 2015.

The quantities submitted above include all areas of conservation effort and achievement, because the

Energy Independence Act (EIA) Renewable Energy Report 2016

Utility	Avista
Report Date	June 1, 2016
Utility Contact Name/Dept	John Lyons, Energy Resources
Phone	509-495-8515
Email	<a href="mailto:John.Lyons@avistacorp.com">John.Lyons@avistacorp.com</a>

Loads and Resources	
2014 Annual Load (MWh)	5,685,958
2015 Annual Load (MWh)	5,732,025
Average of 2013 & 2014 Annual Loads (MWh)	5,708,992
2016 Renewable Target (% of load)	9%
2016 Eligible Renewable Energy Target (MWh)	513,809
Eligible Renewable Resources and RECs	541,122

2016 Compliance Method:

- RPS Target [RCW 19.285.040(2)(a)]
- Resource Cost [RCW 19.285.050]
- Load Growth [RCW 19.285.040(2)(d)]

Expenditures on Renewable Resources and RECs - 2016	
Amount invested in incremental cost of eligible renewable resources and the cost of RECs	\$5,611,410
Total annual retail revenue requirement - 2016	\$491,872,000
Investment in renewables and RECs as a percent of retail revenue requirement	1.1%

	Water	Wind	Solar	Geothermal	Landfill Gas	Wave, Ocean, Tidal	Gas from Sewage Treatment	Biodiesel	Biomass	Qualified Biomass	Apprentice Labor Credit	Distributed Generation Credit
Eligible Renewable Resources (MWh)	171,482	239,050	-	-	-	-	-	-	33,163	-	47,810	-
Renewable Energy Credits	-	49,617	-	-	-	-	-	-	-	-	-	-
Total Renewables (MWh+RECs)	171,482	288,667	-	-	-	-	-	-	33,163	-	47,810	-

2016 Reporting Year:

This renewable energy report summarizes the eligible renewables resources and renewable energy credits (RECs) that the utility has acquired by January 1, 2016 for the purpose of meeting its Energy Independence Act (EIA) renewables target for 2016. The actual resources and RECs used to comply with the 2016 EIA target may vary from those reported here. Utilities will report in June of 2018 on the actual results for 2016.

Compliance Methods:

The EIA provides three compliance methods for utilities:

- Meet the renewable energy target using any combination of renewable resources and RECs. The target for 2015 is 3% of the utility's load
- Invest at least 4% of the utility's annual revenue requirement in the incremental cost of renewable resources and RECs.
- Invest at least 1% of its annual revenue requirement in renewable resources and RECs. This option is available only to certain utilities that are not growing.

All utilities must report the renewable resources and RECs acquired for the 2016 target year. Utilities that elect to use a compliance method based on renewable investments must provide additional information demonstrating compliance with that method. Refer to WAC 194-37-110(2) and (3) for specific requirements.

*NOTE: This is a general explanation of the renewable energy requirements of the Energy Independence Act, intended to help members of the public understand the information reported by the utility. Consult Chapter 19.285 RCW and Chapter 194-37 WAC for details.*





Utility	Avista
Compliance Year	2016

**Other notes and explanations:**

Used the 2015 Washington revenue requirement. 2016 revenue requirement has not been updated pending the current general rate case.



Energy Independence Act (EIA) Incremental Cost and REC Cost Report 2016

**Incremental Cost of Renewable Resources**

Utility	Avista
Compliance Year	2016

Facility Name	WREGIS ID	MWh	Renewable Resource Annual Cost in 2016	Renewable Resource Cost per MWh	Description of Substitute Resource	Substitute Resource Annual Cost in 2016	Substitute Resource Cost per MWh	Incremental Cost of Renewable Resource in 2016
Long Lake #3	W2103	14,197	\$92,282	7	CCCT - Energy and Capacity	\$1,141,013	80	-
Little Falls #4	W2102	4,862	\$112,198	23	CCCT - Energy and Capacity	\$269,451	55	-
Cabinet Gorge #2	W1560	29,008	\$663,840	23	CCCT - Energy and Capacity	\$3,233,260	111	-
Cabinet Gorge #3	W1561	45,808	\$861,603	19	CCCT - Energy and Capacity	\$3,663,667	80	-
Cabinet Gorge #4	W1562	20,517	\$494,522	24	CCCT - Energy and Capacity	\$2,451,932	120	-
Noxon Rapids #1	W1530	21,435	\$1,780,183	83	CCCT - Energy and Capacity	\$2,367,977	110	-
Noxon Rapids #2	W1552	7,709	\$887,937	115	CCCT - Energy and Capacity	\$1,570,262	204	-
Noxon Rapids #3	W1554	14,529	\$867,560	60	CCCT - Energy and Capacity	\$1,982,089	136	-
Noxon Rapids #4	W1555	12,024	\$782,277	65	CCCT - Energy and Capacity	\$1,948,060	162	-
Wanapum Fish Bypass	N/A	-						-
Palouse Wind	W2906	239,050	\$18,727,177		CCCT - Energy Only	\$13,835,214	58	4,891,963
Nine Mile #1	W249	416		-			-	-
Nine Mile #2	W216	977		-			-	-
Kettle Falls	W130	33,163	\$0	-		\$0	-	-
0	0	-						-
0	0	-						-
0	0	-						-
0	0	-						-
0	0	-						-
0	0	-						-
0	0	-						-
<b>Totals</b>		<b>443,695</b>	<b>\$25,269,579</b>			<b>\$32,462,925</b>		<b>\$4,891,963</b>

**Cost of Renewable Energy Credits**

Utility	<b>Avista</b>
Compliance Year	<b>2016</b>

Facility Name	WREGIS ID	REC Vintage (Year)	Number of RECs	Annual Cost of Renewable Energy Credits	Cost per REC
EWEB (Stateline) Wind RECs	W249	2015	49,617	\$719,447	15
0	0	0	-		
0	0	0	-		
0	0	0	-		
0	0	0	-		
0	0	0	-		
0	0	0	-		
0	0	0	-		
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0	0	0	-		
0	0	0	-		
0	0	0	-		
0	0	0	-		
0	0	0	-		
0	0	0	-		
0	0	0	-		
<b>Total</b>				<b>\$719,447</b>	

**Documentation of the calculation and inputs for percentage of revenue requirement invested in renewables:**

Final costs for the upgrades to Nine Mile Units #1 and 2 will not be available until the project is completed in July 2016.

Palouse Wind costs are estimated based on forecasted generation.

Legacy biomass projects are considered to be zero incremental cost.

CCCT plants substitute resource costs are split between energy and capacity. These costs are applied to the energy and capacity benefits of the renewable resource