

# Sanger Law PC

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January 28, 2022

## Via Electronic Filing

Amanda Maxwell  
Executive Director  
Washington Utilities & Transportation Commission  
621 Woodland Square Loop SE  
Lacey, WA 98503

Attn: Filing Center

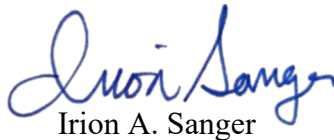
Re: Avista 2021 Clean Energy Implementation Plan (CEIP)  
Docket No. UE-210628

Dear Ms. Maxwell:

Enclosed for filing in the above-captioned docket, please find the Comments of Northwest & Intermountain Power Producers Coalition and Renewable Energy Coalition.

Thank you for your assistance. Please do not hesitate to contact me with any questions.

Sincerely,



Irion A. Sanger

Enclosure

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UTIL. AND TRANSP.  
COMMISSION

**BEFORE THE WASHINGTON UTILITIES AND  
TRANSPORTATION COMMISSION**

In the matter of the

AVISTA CORPORATION, d/b/a  
AVISTA UTILITIES,

2021 Clean Energy Implementation Plan  
(CEIP)

DOCKET NO. UE-210628

NORTHWEST & INTERMOUNTAIN  
POWER PRODUCERS COALITION  
AND RENEWABLE ENERGY  
COALITION COMMENTS

**I. INTRODUCTION**

The Northwest & Intermountain Power Producers Coalition (“NIPPC”) and the Renewable Energy Coalition (“REC”) (jointly “NIPPC/REC”) respectfully submit these comments on Avista Corporation, d/b/a Avista Utilities’ (“Avista’s”) 2021 Clean Energy Implementation Plan (“CEIP”). The Washington Utilities and Transportation Commission (the “Commission” or “WUTC”) filed a notice of opportunity for interested persons to submit written comments on Avista’s CEIP.<sup>1</sup> At this time, NIPPC/REC are only commenting on Avista’s renewable resource and capacity need, and are not recommending approval or rejection of other portions of the CEIP. NIPPC/REC recommend the Commission approve the portion of Avista’s CEIP which outlines that Avista will need renewable resources in 2025 at the latest and capacity in 2026 at the latest. NIPPC/REC reserve the right to comment on other portions of the CEIP at a later date.

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<sup>1</sup> Notice of Opportunity to File Written Comments at 1 (Oct. 6, 2021).

## II. COMMENTS

### 1. Legal Standard

Each electric utility must file a CEIP with the Commission that “describes the utility’s ... clean energy action plan.”<sup>2</sup> In the CEIP, each utility must propose interim and specific targets on how it will meet its nonemitting and renewable resource requirements.<sup>3</sup> Further, the utility must include specific actions it will take over the implementation period to meet the renewable requirements along with proposed timing and estimated costs of each specific action.<sup>4</sup> After an opportunity for public comment on the utility’s CEIP,<sup>5</sup> the Commission will “enter an order approving, rejecting, or approving with conditions the utility’s CEIP or CEIP update at the conclusion of its review” and the Commission may “recommend or require more stringent targets than those the utility proposes.”<sup>6</sup>

### 2. The Commission Should Approve the CEIP as Showing that Avista Has a Renewable Resource Need No Later Than 2025

In Avista’s CEIP, Avista states it will need renewable energy resources to meet its clean energy requirements starting in 2025.<sup>7</sup> Avista states it plans to meet this need by acquiring 100 megawatts (“MW”), or 48 average MW (“aMW”), of wind energy before January 1, 2026.<sup>8</sup> Avista states the acquisition could be from its 2020 Renewable Acquisition Process or its upcoming 2022 All-Source Request for Proposals (“RFP”).<sup>9</sup> Avista also plans to acquire more renewable resources after 2025 through an upgrade to the Kettle Falls biomass facility in 2027, a

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<sup>2</sup> WAC 480-100-640(1).

<sup>3</sup> WAC 480-100-640(2)-(3).

<sup>4</sup> WAC 480-100-640(5).

<sup>5</sup> WAC 480-100-645(1).

<sup>6</sup> WAC 480-100-645(2).

<sup>7</sup> Avista 2021 CEIP at 2-12 (Oct. 1, 2021).

<sup>8</sup> Avista 2021 CEIP at 1-5; Avista 2021 CEIP at 4-26.

<sup>9</sup> Avista 2021 CEIP at 1-5.

modernization to the Post Falls hydroelectric facility in 2027, and an RFP in the future to acquire 100 MW of renewable resources beginning in 2028.<sup>10</sup> Thus, Avista’s CEIP plan demonstrates, at the latest, Avista plans to acquire renewable resources in 2025. If Avista could acquire renewable resources from its 2020 Renewable Acquisition Process or 2022 RFP to meet its need, then it is possible Avista will acquire the renewable resources even earlier than 2025.

Avista’s most recent 2021 Integrated Resource Plan (“IRP”) demonstrates Avista has a need and is planning to acquire renewable resources in the near future. This need in Washington starts as early as 2023 and increases in size over time, as demonstrated below:<sup>11</sup>

Timeframe	Renewable Resource Need
By 2024	51 aMW
By 2029	132 aMW
By 2045	326 aMW

Avista also has an overall system need of 375 MW by 2031.<sup>12</sup> Figure 1.6 of its IRP shows Avista will need new clean resources as early as 2023, and the need will continue to grow into 2045.<sup>13</sup> For example, Avista states it will need to acquire “an additional 375 MW (by 2031) of new clean energy resources along with upgrades to its hydroelectric and biomass facilities[.]”<sup>14</sup> For Washington specifically, Avista states it “will need to acquire up to 51 aMW by 2024 and up to 132 aMW of clean energy by 2029. The 2045 goal will require 325 aMW of additional clean energy” to comply with the Clean Energy Transformation Act (“CETA”).<sup>15</sup> Therefore, the IRP

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<sup>10</sup> Avista 2021 CEIP at 4-26.

<sup>11</sup> *In re Avista IRP*, Docket No. UE-200301, Avista 2021 IRP at 7-12 (Apr. 1, 2021).

<sup>12</sup> Docket No. UE-200301, Avista 2021 IRP at 1-6.

<sup>13</sup> Docket No. UE-200301, Avista 2021 IRP, Figure 1.6 at 1-7.

<sup>14</sup> Docket No. UE-200301, Avista 2021 IRP at 1-6.

<sup>15</sup> Docket No. UE-200301, Avista 2021 IRP at 7-12.

shows that Avista will need to acquire renewable resources in the future, and the Commission should approve the portion of Avista’s CEIP demonstrating that Avista will need renewable resources in 2025 at the latest.

Additionally, Avista’s 2022 RFP demonstrates Avista has an upcoming renewable resource need. Avista’s 2022 RFP seeks 50 aMW of clean energy in 2025, which increases to 100 aMW by 2028.<sup>16</sup> Further, Avista also seeks 275 MW of winter capacity and 160 MW of summer capacity by 2030.<sup>17</sup> Avista’s RFP states it “will not accept Proposals for Renewable Energy Certificates (REC) only.”<sup>18</sup> This demonstrates Avista will need to acquire renewable resources in 2025 at the latest.

Avista is also in the process of acquiring renewable resources now.<sup>19</sup> Avista recently entered into a new power purchase agreement with Chelan Public Utility District (“PUD”) for 5% of the output from the PUD’s Rock Island and Rocky Reach hydropower projects from 2024 through 2033. The contract will help Avista meet its clean energy requirements.

In summary, Avista’s 2021 IRP, 2022 RFP, and its current acquisitions demonstrate Avista will need renewable resources in the near future. Thus, the Commission should approve the portion of Avista’s CEIP demonstrating that Avista will need renewable resources in 2025 at the latest to meet its clean energy requirements.

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<sup>16</sup> *In re Avista 2022 All-Source RFP*, Docket No. UE-210832, Draft 2022 All-Source RFP at 2 (Nov. 1, 2021).

<sup>17</sup> Docket No. UE-210832, Draft 2022 All-Source RFP at 2.

<sup>18</sup> Docket No. UE-210832, Draft 2022 All-Source RFP at 4.

<sup>19</sup> Avista 2021 CEIP, Chapter 4 at 25; *see also* Neil Neroutsos, *Chelan PUD and Avista Partner on Clean, Hydropower Energy Contract*, Chelan County PUD (Apr. 15, 2021), <https://www.chelanpud.org/about-us/newsroom/news/2021/04/15/chelan-pud-and-avista-partner-on-clean-hydropower-energy-contract>.

**3. The Commission Should Approve the CEIP as Showing that Avista Has a Capacity Need No Later Than November 2026**

In Avista's CEIP, Avista states it will need capacity resources in November 2026.<sup>20</sup>

Avista states it loses capacity when the Lancaster power purchase contract ends in 2026 and the Colstrip coal facility stops serving Washington customers by the end of 2025.<sup>21</sup> Avista explains "[t]hese changes require new capacity and energy resources to reliably meet customer peak needs."<sup>22</sup> Avista's CEIP plan demonstrates Avista plans to acquire capacity resources in November 2026 at the latest. Therefore, the Commission should approve the portion of Avista's CEIP demonstrating that Avista will need capacity resources in November 2026 at the latest.

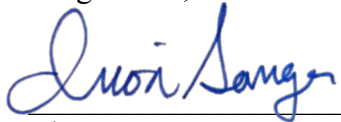
**III. CONCLUSION**

For the reasons stated above, the Commission should approve the portion of Avista's CEIP demonstrating Avista has a renewable resource need in 2025 at the latest and a capacity resource need in 2026 at the latest.

Dated this 28th day of January 2022.

Respectfully submitted,

Sanger Law, PC



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<sup>20</sup> Avista 2021 CEIP at 4-22, n.5; Avista 2021 CEIP at 4-41.

<sup>21</sup> Avista 2021 CEIP at 4-41.

<sup>22</sup> Avista 2021 CEIP at 4-41.

Of Attorneys for Northwest & Intermountain  
Power Producers Coalition and Renewable Energy  
Coalition