

**2013 IRP Action Plan**

Avista’s 2013 Preferred Resource Strategy (PRS) provides direction and guidance for the type, timing and size of future resource acquisitions. The 2013 IRP Action Plan highlights the activities planned for possible inclusion in the 2015 IRP. Progress and results for the 2013 Action Plan items are reported to the TAC and the results will be included in Avista’s 2015 IRP. The 2013 Action Plan includes input from Commission Staff, Avista’s management team, and the TAC.

**Generation Resource Related Analysis**

* Consider Spokane and Clark Fork River hydro upgrade options in the next IRP as potential resource options to meet energy, capacity and environmental requirements.
* Continue to evaluate potential locations for the natural gas-fired resource identified to be online by the end of 2019, including environmental reviews, transmission studies, and potential land acquisition.
* Continue participation in regional IRP and regional planning processes and monitor regional surplus capacity and continue to participate in regional capacity planning processes.
* Commission a demand response potential and cost assessment of commercial and industrial customers per its inclusion in the middle of the PRS action plan.
* Continue monitoring state and federal climate change policies and report work from Avista’s Climate Change Council.
* Review and update the energy forecast methodology to better integrate economic, regional, and weather drivers of energy use.
* Evaluate the benefits of a short-term (up to 24-months) capacity position report.
* Evaluate options to integrate intermittent resources.
* Continue to evaluate scenarios related to Colstrip and how each scenario may impact power supply costs.
* Evaluate and explicitly document various options for quantifying carbon costs in the IRP
* Work with TAC to determine which carbon quantification method should be employed in the Expected Case of the 2015 IRP
* Use Avista’s new modeling capabilities to further evaluate the benefits of storage resources to its generation portfolio, including the impacts on ancillary services needs.
* Revisit with the TAC the benefits and costs of the Company’s 2013 IRP planning margin target to determine if a different level is warranted in the 2015 IRP.
* Evaluate with the TAC the impacts of different points along the efficient frontier.

**Energy Efficiency**

* Work with NPCC, the UTC, and others to resolve adjusted market baseline issues for setting energy efficiency target setting and acquisition claims in Washington.
* Study and quantify transmission and distribution efficiency projects as they apply to EIA goals.
* Update processes and protocols for conservation measurement, evaluation and verification.
* Assess energy efficiency potential on Avista’s generation facilities.
* Evaluate the impacts of targeting individual or groups of energy efficiency options within PRiSM instead of targeting quantities using avoided cost
* Work with TAC to determine if 2015 IRP should continue the historical method of conservation quantification or if PRiSM should be used instead

**Transmission and Distribution Planning**

* Work to maintain Avista’s existing transmission rights, under applicable FERC policies, for transmission service to bundled retail native load.
* Continue to participate in BPA transmission processes and rate proceedings to minimize costs of integrating existing resources outside of Avista’s service area.
* Continue to participate in regional and sub-regional efforts to establish new regional transmission structures to facilitate long-term expansion of the regional transmission system.