



Avista Corporation 2014 Natural Gas Integrated Resource Plan Work Plan

IRP Work Plan Requirements

Section 480-90-238 (4), of the natural gas Integrated Resource Plan (“IRP”) rules, specify requirements for the IRP Work Plan:

Not later than twelve months prior to the due date of a plan, the utility must provide a work plan for informal commission review. The work plan must outline the content of the integrated resource plan to be developed by the utility and the method for assessing potential resources.

Additionally, Section 480-90-238 (5) of the WAC states:

The work plan must outline the timing and extent of public participation.

Overview

This Work Plan outlines the process Avista will follow to complete its 2014 Natural Gas IRP by August 31, 2014. Avista uses a public process to obtain technical expertise and guidance throughout the planning period via Technical Advisory Committee (TAC) meetings.

Process

The 2014 IRP process will be similar to that used to produce the previously published plan. Avista will use SENDOUT® (a PC based linear programming model widely used to solve natural gas supply and transportation optimization questions) to develop the risk adjusted least-cost resource mix for the 20 year planning period.

Avista will rely on the involvement and recommendations of its TAC in the development of the plan. These meetings facilitate robust discussions about issues that are currently or could potentially impact the natural gas industry and Avista’s preferred resource strategies. The TAC meetings are public meetings open to any who wish to attend, call in, and/or participate in providing input into assumptions, scenarios, and modeling techniques.

This plan will continue to include demand analysis, demand side management and avoided cost determination, existing and potential supply-side resource analysis, resource integration and alternative sensitivities and scenario analysis. Further details about Avista's process for determining the risk adjusted least-cost resource mix is shown in Exhibit 1.

Timeline

The following is Avista's TENTATIVE 2014 Natural Gas IRP timeline:

- **August 31, 2013** – Work Plan filed with WUTC
- **January through April 2014** – Technical Advisory Committee meetings (exact meeting dates and location *TBD*). Meeting topics will include:
 - Demand Forecast & Demand-Side Management – January
 - Distribution Planning & Supply/Infrastructure and Potential Case Discussion– February
 - SENDOUT® Preliminary Output Results and Further Case Discussion – March
 - SENDOUT® results – April
- **May 2014** – Draft of IRP document to TAC
- **June 2014** – Comments on draft due back to Avista
- **July 2014** – TAC final review meeting (if necessary)
- **August 31, 2014** – File finalized IRP document

Exhibit 1: Avista's 2014 Natural Gas IRP Modeling Process

