



Avista Corp.

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August 30, 2017

Steven V. King
Executive Director and Secretary
Washington Utilities & Transportation Commission
1300 S. Evergreen Park Drive S.W.
P.O. Box 47250
Olympia, Washington 98504-7250

RE: UE-161036 - Avista Utilities 2017 Electric Integrated Resource Plan

Dear Mr. King:

In compliance with WAC 480-100-238, Avista Corporation d/b/a/ Avista Utilities, hereby submits for filing with the Commission an original and 6 copies of its 2017 Electric Integrated Resource Plan (IRP). A copy of the IRP and Appendices are being provided electronically with each hard copy of the IRP (inside the front cover). Paper use and printing costs have been reduced by putting supporting documents on our web site at <https://www.myavista.com/about-us/our-company/integrated-resource-planning>.

The Company submits its IRP to Public Utility Commissions in Washington and Idaho every two years as required by state regulation. Avista regards the IRP as a methodology for identifying and evaluating various resource options and as a process by which to establish a plan of action for resource decisions.

Major changes from the 2015 IRP include the following:

- The 2017 Expected Case energy forecast grows 0.47 percent per year, replacing the 0.6 percent annual growth rate in the last IRP.
- Peak load growth is lower than energy growth, at 0.42 percent in the winter and 0.46 percent in the summer.

- Lower expected load growth combined with recent Mid-Columbia hydroelectric contracts, energy efficiency, and demand response delay the need for additional resources from the end of 2020 until 2026.
- The return of demand response (temporarily reducing the demand for energy) and the addition of energy storage and solar.
- Lower expected emissions from Avista owned and controlled resources with fewer natural-gas fired peaking plants and no new combined-cycle plants.

The 2017 Plan is notable for the following:

- Avista's current generation resources remain cost effective and reliable sources of power to meet future customer needs over the next 20 years.
- Energy storage costs are significantly lower than the last IRP which for the first time makes the technology operationally attractive in meeting energy needs in the 20-year timeframe of the 2017 IRP.
- Avista is working to construct a 15 MW (DC) solar facility for the company's new Solar Select Program for commercial and industrial customers.
- This study estimates conservation will serve 53.3 percent of future load growth.

If you have any questions regarding this filing, please contact James Gall at 509-495-2189 or John Lyons at 509-495-8515.

Sincerely,

/s/ Linda Gervais

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