

## Avista Utilities Response in Docket No. UE-120791

The Commission has invited additional comments by the close of business August 2, 2012. The list of issues below were developed with interested parties following the Open Meeting on July 27, 2012. Please address whether you think an issue needs to be addressed by the Commission now, prior to issuing an Order, or could be resolved at a later time, and if so when and through what process.

Issues for written comments to address:

	Comments	When and Process
<b>Renewables</b>		
<ul style="list-style-type: none"> <li><b>Two-step compliance</b></li> </ul>	Avista would like an order approving its plan for 2012. Not only does the plan show that Avista is meeting the reporting requirement of the law for 2011, but also provides certainty around the types of qualifying renewables the Company is using.	Issue Order on August 9, 2012 approving of report.
<ul style="list-style-type: none"> <li><b>Reporting year information: current or preceding year</b></li> </ul>		
<ul style="list-style-type: none"> <li><b>January 1 required actions for compliance</b></li> </ul>	The June filing should be used for showing the January compliance after the fact. No additional reporting should be required.	
<ul style="list-style-type: none"> <li><b>Resource eligibility determination*</b></li> </ul>	Avista would like the Commission to order the approval of all resources as filed in its plan. In the future, a process to get a declaratory order for new resources should be made.	Address approval of resources as filed in order on August 9, 2012 approving resources included in the report. In the future create process for declaratory order on new resources.
<ul style="list-style-type: none"> <li><b>Incremental hydro</b></li> </ul>	Extensive workshops were completed around this issue with agreement by all parties including Staff. The 3 methods available are more than adequate and at	Do not delay order on compliance with reporting obligation. No further action on this issue is necessary by Commission, but if action is taken, it should be simply to

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	the most should themselves be adopted by Commission without further process.	adopt 3 methodologies agreed to by parties in workshops.
○ <b>Method review</b>	No additional review is required.	Issue an order on August 9, 2012 approving the methods agreed to in the workshops.
○ <b>Method approval/selection</b>	Three methodologies were agreed upon during the workshops by all parties; no additional selection is required.	Issue an order on August 9, 2012 approving the methods agreed to in the workshops.
○ <b>Potential double counting of RECs in other states</b>	To address this issue, Avista assigns a WREGIS tag for all generation from its hydro facilities and will retire RECs attributed to the upgrade and the remaining REC's may be sold or held.	Order on August 9, 2012 should adopt Avista position.
○ <b>Using incremental hydro in the year it was generated</b>	This is consistent with Avista's interpretation of the law.	No action required.
● <b>Confidentiality</b>	Avista would prefer issuance of a protective order.	Enable process whereby a protective order could be requested to protect future filings information.
● <b>Incremental cost</b>	Incremental calculation was not defined well in the law and was not addressed in the workshops. Workshops or rulemaking to clarify would be useful.	As utilities are not near the cost cap, this issue has less urgency, but it would be useful to clarify methods before 2014.
● <b>2016 Biomass &amp; rulemaking</b>	New laws should be reflected in a rulemaking.	Biomass provision applies in 2016, allowing 2015 RECs to be used.
● <b>WREGIS</b>		

\*This issue was raised by Chairman Goltz during the July 27 Open Meeting.