



# **Avista's 2023 Natural Gas Integrated Resource Plan Work Plan**

**April 1, 2022**

## **2023 Natural Gas Integrated Resource Plan Work Plan**

Avista's 2023 Natural Gas Integrated Resource Plan (IRP) Work Plan (Work Plan) is submitted in compliance with the Washington Utilities and Transportation Commission's (WUTC) IRP rule, WAC 480-90-238. The Work Plan outlines the process Avista will follow to develop its 2023 Natural Gas IRP for filing with the Washington, Idaho and Oregon Commissions by April 1, 2023. Avista uses a public process to solicit technical expertise and feedback through a series of public Technical Advisory Committee (TAC) meetings. Avista held its first TAC meeting for the 2023 Natural Gas IRP on February 16, 2022.

The 2023 Natural Gas IRP will utilize a new linear modeling software, Plexos®, to model the Company's natural gas system. This model includes the available supply basins for natural gas combined with the transportation of this supply to Avista's demand regions. Scenarios will help measure risk of outcomes in addition to the expected demand from the Company's service territories on a peak day. The Plexos® model also includes the Washington Department of Ecology Climate Commitment Act (CCA) and new zero carbon resources options to help meet emissions requirements under this new rule. The model will use stochastic analysis to help select the Preferred Resource Strategy (PRS).

Avista will use both detailed site-specific and generic resource assumptions in development of its 2023 Natural Gas IRP. The assumptions combine Avista's research of similar supply-side resources, engineering studies and two third-party consultant analyses. This IRP will study environmental costs, weather planning standards, peaking requirements and resource adequacy, energy efficiency programs, demand response programs, and renewable resources.

Avista will test the PRS against a range of scenarios and potential futures. The TAC meetings will help to develop and determine the underlying assumptions used in the scenarios and futures. The IRP process is very technical and data intensive; public comments are welcome but timely input and participation will be necessary for inclusion into the process, so the plan can be submitted according to the tentative schedule identified in this Work Plan.

Additionally, Avista intends to incorporate action plan items identified in the 2021 Natural Gas IRP, including selecting resources to meet a zero-carbon future as laid out in the CCA and exploring the feasibility of using projected future weather conditions. Further details about

Avista’s process for determining the risk adjusted least-cost resource mix is provided in Exhibit A.

The following topics and meeting times may change depending on the availability of presenters and requests for additional topics from the TAC members. The tentative 2023 Natural Gas IRP TAC meeting timeline and discussion topics is as follows:

Major Milestone	Date	Topics
TAC 1	Wednesday, February 16, 2022	RNG Discussion, compliance to EO 20-04, policy, Peak Day weather planning standard
TAC 2	Tuesday, April 19, 2022	Use per customer, planned scenarios, Customer Forecast, current Supply Side Resources, Plexos Model Overview
TAC 3	Wednesday, June 22, 2022	Customer Survey Results, CCA Overview, Distribution
TAC 4	Tuesday, August 23, 2022	Future Supply Side Resource Options, CPA, Demand Response
TAC 5	Tuesday, October 25, 2022	Final Results / Stochastics, scenario results

## 2023 Natural Gas IRP Outline

This section provides a draft outline of the major sections the Company intends to include in its 2023 Natural Gas IRP. This outline may change as IRP studies are completed and input is received from the TAC.

- 0. Executive Summary**
  - a. IRP Overview
  - b. Action Plan
- 1. Introduction**
- 2. Demand Forecasts**
  - a. Economic Conditions
  - b. Weather Standard
  - c. Avista Energy & Peak Load Forecasts
  - d. Load Forecast Scenarios
- 3. Demand-Side Resources**
  - a. Conservation Potential Assessment
  - b. Demand Response analysis
- 4. Supply-Side Resources**
  - a. Avista Resources
  - b. Incremental Supply-Side Resource Options
- 5. Market Analysis**
  - a. Marketplace
  - b. Price Forecasts

- c. Scenario Analysis
- d. Emerging Markets
- e. Procurement Plan
- 6. Policy Considerations**
  - a. Environmental Concerns
  - b. State and Federal Policies
- 7. Integrated Resource Portfolio**
  - a. Resource Selection Process
  - b. Preferred Resource Strategy
- 8. Alternative Scenarios, Portfolios & Stochastic Analysis**
  - a. Portfolio Scenarios
  - b. Stochastic modeling
- 9. Distribution Planning**
  - a. Avista's Distribution System
  - b. Distribution System Planning Methodology
  - c. Planning Results
  - d. Significant Distribution Planning Capital Projects
- 10. Action Plan**

## **2023 Natural Gas IRP Timeline**

The following is Avista's tentative 2023 Natural Gas IRP timeline:

- April 1, 2022 – Initial Work Plan filed with WUTC
- February - October 2022 – Technical Advisory Committee meetings
- November 2022 – Prepare draft of IRP
- January 2, 2023 – Draft of IRP document sent to TAC
- February 1, 2023 – Comments on draft due back to Avista
- February 2023 – TAC final review meeting (if necessary)
- March 2023 – Final editing and printing of IRP
- March 31, 2023 – File IRP with Commissions and provide to TAC

**Exhibit A**

**Avista's 2023 Natural Gas IRP**

**Modeling Process**

