

Agenda Date: June 23, 2016
Item Number: A2

Docket: UE-140801
Company: Avista Corporation

Staff: Jeremy Twitchell, Regulatory Analyst

Recommendation

Issue an Order in Docket UE-140801 finding that:

- (1) Avista Corporation complied with the final renewable portfolio standard reporting requirements in WAC 480-109-210(6).
- (2) Avista Corporation has met its 2014 renewable portfolio standard target of 167,884 megawatt-hours and retired corresponding certificates in the Western Renewable Energy Generation Information System.

Background

WAC 480-109-210 describes the two-step process by which the Washington Utilities and Transportation Commission (commission) determines whether a utility has complied with the renewable portfolio standard (RPS). WAC 480-109-210(1) requires a utility to file an initial report each year in which it documents the resources that it acquired or contracted to acquire to meet that year's RPS target.

WAC 480-109-210(6) then requires a utility to file a final compliance report within the next two years that identifies the specific resources that the utility used to meet the target and documents that the utility retired corresponding certificates in the Western Renewable Energy Generation Information System (WREGIS).

The commission issued Order 01 in this docket on July 31, 2014, which approved Avista's calculation of its 2014 renewable energy target as 167,884 megawatt-hours (MWh).

Discussion

Avista submitted its final 2014 RPS compliance report on June 1, 2016. The report indicates that the company met its 2014 RPS target of 167,884 MWh solely using its incremental hydropower resources. Avista used Method 3 for calculating its incremental hydro production, as defined in WAC 480-109-200(7)(d).

The following table summarizes the resources that Avista used for 2014 RPS compliance:

Facility Name (Location)	Resource Type	Vintage	Amount (MWh)	Multiplier	Total
Long Lake #3 (Spokane River, WA)	Incremental Hydro	2014	14,197	N/A	14,197
Little Falls #4 (Spokane River, WA)	Incremental Hydro	2014	4,862	N/A	4,862
Cabinet Gorge #2 (Clark Fork R., ID)	Incremental Hydro	2014	29,008	N/A	29,008
Cabinet Gorge #3 (Clark Fork R., ID)	Incremental Hydro	2014	45,808	N/A	45,808
Cabinet Gorge #4 (Clark Fork R., ID)	Incremental Hydro	2014	20,517	N/A	20,517
Noxon Rapids #1 (Clark Fork R., MT)	Incremental Hydro	2014	21,435	N/A	21,435
Noxon Rapids #2 (Clark Fork R., MT)	Incremental Hydro	2014	7,709	N/A	7,709
Noxon Rapids #3 (Clark Fork R., MT)	Incremental Hydro	2014	14,529	N/A	14,529
Noxon Rapids #4 (Clark Fork R., MT)	Incremental Hydro	2014	12,024	N/A	12,024
Total eligible certificates retired:					170,089 ¹
2014 Target (MWh):					167,884

Conclusion

Staff recommends that the commission issue an order in Docket UE-140801 as described in the recommendation section above.

¹ Avista's retirement of extra certificates is a function of the way WREGIS tracks eligible generation and the demand for incremental hydro certificates. WREGIS tracks generation and assigns certificates by resource and month. Avista selects the combination of resource-months that most closely equal the RPS target, and since the company cannot sell incremental hydro certificates in Washington nor bank them for future compliance, and there is little demand for those certificates outside of Washington, there is no need for Avista to divide the final month and hit the target precisely, because those excess certificates would not be used otherwise.