

**BEFORE THE WASHINGTON
UTILITIES AND TRANSPORTATION COMMISSION**

In the Matter of

AVISTA CORPORATION, d/b/a
AVISTIA UTILITIES'

Renewable Energy Target Progress
Report under RCW 19.285.070 and WAC
480-109-210

DOCKET UE-200505

ORDER 01

APPROVING COMPLIANCE WITH
ELIGIBLE RENEWABLE ENERGY
TARGET REPORTING
REQUIREMENTS FOR 2020

BACKGROUND

- ¹ The Energy Independence Act (EIA or Act)¹ requires qualifying electric utilities to obtain certain percentages of their electricity from eligible renewable resources. The Washington Utilities and Transportation Commission (Commission) enforces compliance with the EIA by investor-owned utilities.² Ultimately, the Commission must determine “whether the utility has generated, acquired or arranged to acquire enough renewable energy credits or qualifying generation to comply with its renewable resource target.”³
- ² The Commission has implemented these requirements by establishing a two-step compliance process.⁴ Because a utility may comply with its renewable portfolio standards (RPS) obligation by using renewable energy credits (RECs) acquired in the year after the target year, ultimate compliance for 2020, for example, may be demonstrated as late as June 1, 2022. Accordingly, there will be two Commission decisions for each year’s compliance: (1) a determination that the Company has enough resources to meet the 15 percent target; and (2) the retrospective compliance decision.
- ³ The filing before the Commission is the initial resource-adequacy filing made by Avista Corporation, d/b/a Avista Utilities (Avista or Company) for its 2020 obligation. The Commission will consider Avista’s compliance with its 2020 target when Avista requests such a finding. The Company must make this request through a filing in this docket no later than June 1, 2022.

¹ Chapter 19.285 RCW.

² RCW 19.285.060(6).

³ WAC 480-109-210(3)(b).

⁴ WAC 480-109-210(1) and (6).

4 On June 1, 2020, Avista filed with the Commission its 2020 RPS Report, which
identified a 2020 target of 846,070 megawatt-hours (MWh). On July 1 and July 20,
5 2020, Avista filed revised reports and supporting work papers adjusting its resource
allocation so the Company could meet the 15 percent RPS target without having to
request Commission approval of any new eligible facilities. Table 1, below,
summarizes Avista’s 2020 target and the total amount of resources that the Company
had acquired by January 1, 2020:

Table 1: Avista’s 2020 Renewable Resource Target and Compliance Plan

2020 Target (MWh)	Incremen tal Hydro (MWh)	Wind (MWh)	Biomass (MWh)	Purchased RECs (unbundled)	Total Compliance Resources (MWh)
846,070	126,060	434,180	285,830	0	846,070

5 Avista seeks an order from the Commission confirming that the Company has
complied with the Commission’s EIA reporting requirements and accepting the
Company’s calculations and eligibility of the renewable resources identified in the
RPS Report for 2020.

6 On June 4, 2020, the Commission issued a Notice inviting interested persons to file
written comments on Avista’s RPS Report. During the comment period, the
Commission received written comments from Commission staff (Staff) and written
comments from the NW Energy Coalition (NWECC). NWECC thanked the Company for
not redacting incremental cost information, resulting in a more transparent report.

7 Based on the information that the Company provided in its RPS Report and
supplemental filing, Staff believes that Avista correctly calculated its 2020 RPS target,
and that it has acquired sufficient resources to meet that target.

8 Commission rules require the Company to document its use of renewable resources
under various renewable energy programs in its annual report. This information needs
to be updated for final compliance, and Staff asks the Commission to require Avista to
do so, listing details about program usage in the final 2020 compliance report, allowing
Staff to determine whether its resources meet EIA requirements.

9 Staff recommends that the Commission issue an order in this docket determining that:
(1) the 2020 renewable energy target for Avista is 846,070 MWh; (2) Avista has
demonstrated that, by January 1, 2020, the Company acquired at least 846,070 MWh of
eligible renewable resources, equivalent RECs, or a combination of the two, sufficient

to supply at least 15 percent of its load for 2020; (3) Avista has complied with the June 1, 2020, reporting requirements pursuant to WAC 480-109-210; and (4) in its final compliance report for 2020 required by WAC 480-109-210(6), Avista must provide details about which certificates were used for its various renewable energy programs.

DISCUSSION

10 The Commission accepts Avista’s calculation of 846,070 MWh as the Company’s renewable energy target for 2020 and determines that Avista has identified sufficient resources to be able to meet that target. The Commission will make its final determination about whether Avista has met its 2020 target when the Company requests such a finding, no later than June 1, 2022. To assist Staff with determining whether Avista’s resources meet EIA eligibility requirements, Avista must provide details about which certificates were used for its various renewable energy programs, as required by WAC 480-109-210(2)(d)(i), in its final compliance report for 2020.

FINDINGS AND CONCLUSIONS

- 11 (1) The Commission is an agency of the state of Washington vested by statute with the authority to regulate the rates, regulations, practices, and accounts of public service companies, including electric companies.
- 12 (2) Avista is an electrical company and a public service company subject to Commission jurisdiction.
- 13 (3) Avista serves more than 25,000 customers within the State of Washington and is a “qualifying utility” within the meaning of RCW 19.285.030(19).
- 14 (4) Avista has properly calculated its renewable energy target for 2020 to be 846,070 MWh.
- 15 (5) By January 1, 2020, Avista had acquired sufficient eligible renewable resources to supply at least 15 percent of its load for the remainder of 2020.
- 16 (6) Avista has met the reporting requirements of RCW 19.285.070 and WAC 480-109-210. These reporting requirements include Avista’s plan for meeting its RPS obligation for the remainder of 2020.
- 17 (7) Pursuant to WAC 480-109-210(4), Avista must provide a summary of its RPS Report to its customers, by bill insert or other suitable method, within 30 days of the date of this Order.

- 18 (8) Pursuant to WAC 480-109-210(6), Avista must file a report no later than June 1, 2022, that lists the certificate numbers in Western Renewable Energy Generation Information System for every megawatt-hour and renewable energy credit that Avista retired to meet the January 1, 2020, target.

ORDER

THE COMMISSION ORDERS:

- 19 (1) The Commission accepts the calculation of 846,070 MWh as the 2020 renewable energy target for Avista Corporation, d/b/a Avista Utilities.
- 20 (2) Avista Corporation, d/b/a Avista Utilities has identified eligible renewable resources sufficient to supply at least 15 percent of its load for 2020.
- 21 (3) Avista Corporation, d/b/a Avista Utilities has complied with the June 1, 2020, reporting requirements pursuant to WAC 480-109-210.
- 22 (4) Avista Corporation, d/b/a Avista Utilities' final compliance report must list certificate numbers for every renewable energy credit that Avista Corporation, d/b/a Avista Utilities retired in the Western Renewable Energy Generation Information System and details about which certificates were used for its voluntary renewable energy programs in 2020.
- 23 (5) The Commission Secretary is authorized to accept or approve a filing that complies with the requirements of this Order.
- 24 The Commissioners, having determined this Order to be consistent with the public interest, directed the Secretary to enter this Order.

Dated at Lacey, Washington, and effective September 10, 2020.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

MARK L. JOHNSON
Executive Director and Secretary