

**BEFORE THE WASHINGTON
UTILITIES & TRANSPORTATION COMMISSION**

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION,

Complainant,

v.

AVISTA CORPORATION d/b/a AVISTA UTILITIES,

Respondent.

DOCKET NOS. UE-200900 and UG-200901 (*Consolidated*)

PAUL J. ALVAREZ AND DENNIS STEPHENS
ON BEHALF OF THE
WASHINGTON STATE OFFICE OF THE ATTORNEY GENERAL
PUBLIC COUNSEL UNIT

EXHIBIT PADS-13

Avista Response to Public Counsel Data Request No. 246

April 21, 2021

**AVISTA CORP.
RESPONSE TO REQUEST FOR INFORMATION**

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|---------------|-----------------------|----------------|---------------------------|
| JURISDICTION: | WASHINGTON | DATE PREPARED: | 3/15/2021 |
| CASE NO.: | UE-200900 & UG-200901 | WITNESS: | Heather Rosentrater |
| REQUESTER: | Public Counsel | RESPONDER: | Kyle Jonas |
| TYPE: | Data Request | DEPT: | Asset Maintenance |
| REQUEST NO.: | PC - 246 | TELEPHONE: | (509) 495-2695 |
| | | EMAIL: | kyle.jonas@avistacorp.com |

SUBJECT: Electric Distribution Grid Modernization

REQUEST:

Please refer to Avista's Responses to Public Counsel Data Request No. 110 regarding the grid modernization program generally.

Public Counsel is aware that many utilities maintain a worst performing feeder program. In such programs, the two to three percent of feeders exhibiting the worst reliability over a three to five year period are examined for recurring issues, which are then prioritized and addressed in a manner which maximizes risk reduction per dollar of capital.

- a) Does Avista maintain a worst performing feeder program?
- b) If Avista does not maintain a worst performing feeder program, please explain why not. Please include in this explanation the degree to which the grid modernization program serves as a substitute for a worst performing feeder program.
- c) If Avista does maintain a worst performing feeder program, please describe this program. Please include in this description the manner in which the worst performing feeder program and the grid modernization program work together.
- d) Has Avista ever had a worst performing feeder program? If so, explain the origins and, if applicable, the discontinuation of this program. If Avista has never had a worst performing feeder program, please explain why not.
- e) If Avista had a worst performing feeder program at one time, and if the grid modernization program serves as a substitute for this program to any extent, provide all business cases, worksheets, workbooks, models, cost-benefit analyses, or any other calculations, presentations, requests, standards, other documentation, or industry publications which indicate that the benefit-to-cost ratio of the grid modernization program is greater than the benefit-to-cost ratio of the former worst performing feeder program.
- f) Explain the extent to which activities which might take place under a worst performing feeder program are undertaken in the Distribution Minor Rebuild program.

RESPONSE:

- a) Avista has at times in the past had a capital business case known as the Worst Feeders program, which was discontinued in 2017.
- b) A portion of the funding previously budgeted under the worst feeders business case was allocated to the grid modernization program. As the Company experienced growing infrastructure demands, as explained in PC-DR-105 Attachment A, the limited level of funding allocated to worst feeders did not justify a standalone business case.
- c) Please see part (a), above.
- d) Please see parts (a) and (b), above.

- e) The programs are not directly comparable because, as explained by the Company in previous responses, grid modernization evaluates multiple opportunities for creating value in a holistic approach to analyzing performance, health, and criticality of feeders that are candidates for rebuild under the program. Service reliability is of course one of the many types of improvements targeted in a grid modernization feeder rebuild. By contrast, the worst feeders program enabled targeted reliability improvements on feeders experiencing the greatest outage frequency and duration. That said, the investments made under both programs rely(ied) on the same asset lifecycle cost modeling in the evaluation of opportunities for reliability improvement, as described in response to PC-DR-245 part (b). In this respect, delivering cost effective reliability improvements for our customers, both programs were likely equally effective, though improvements in grid modernization are likely delivered more efficiently due to the integrated nature of the work.

- f) The activities previously undertaken in worst feeders projects would likely have little overlap with investments made under the distribution minor rebuild program. The minor rebuild program, as explained in PC-DR-105 Attachment A, and in the Company's several responses to requests in this case, predominantly addresses repair of failed assets and provides for system investments needed to meet customers' requests for service, as explained in Avista's response to PC-DR-125 part (a), which are not part of the tariffed costs paid for directly by our customers. The worst feeders program funded targeted reliability improvements on circuits with high numbers of outages and was not directed at the repair of failed assets or system capacity issues related to meeting our customers' requests for service.