

Energy Independence Act (I-937) Conservation Report

Utility	Avista Corp.
Report Submittal Date	5-31-13
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Planning

2012 - 2013 Planning	
Ten Year Potential (MWh)	2012 - 2013 Target (MWh)
Total	108,589

Achievement

2012 Achievement		
Conservation by Sector	MWh	Utility Expenditures (\$)
Residential	13,355,093	2,903,664
Commercial	40,037,581	9,977,917
Industrial		
Agriculture		
Distribution Efficiency	0	4,031,731
Production Efficiency		
NEEA		1,519,456
Conservation expenditures NOT included in sector expenditures		
General		2,239,638
Total	53,392,674	20,672,406

Utility	Avista Corp.
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Methodology Narrative: See instructions

The Company's energy efficiency acquisition targets for the 2012-2013 Biennium were based upon a Conservation Potential Assessment (CPA) completed as part of Avista's 2011 Electric Integrated Resource Plan (IRP) by a third-party consultant applying methodologies consistent with the Northwest Power and Conservation Council's (NWPCC) Sixth Power Plan.

Avista's 2012-2013 targets were approved in Order No. 01, Docket No. UE-111882, by the Washington Utilities and Transportation Commission (UTC) on February 10, 2012. Avista's targets were heard at the UTC's open meetings on December 15, 2011 and February 10, 2012. The Commission Order provides procedural and substantive background and detail, the web link to the documents is as follows: <http://www.utc.wa.gov/docs/Pages/DocketLookup.aspx?FilingID=111882>.

The Company committed to a range of acquisition rather than a point estimate in recognition of the uncertainties inherent in the estimation process. Avista is reporting the low-range number herein, consistent with RCW 19.285 and WAC 480-109.

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Conservation Notes:

Commercial and Industrial customers are not tracked separately and are therefore listed under "Commercial."

Distribution Efficiency expenditures occurred in 2012 as part of the Company's Smart Grid Initiative. The savings achieved in 2013 will be evaluated and reported at the end of the 2012-2013 biennium.

NEEA savings will be determined and reported on a biennial basis at the end of the 2012-2013 biennium.

General expenditures are not applied to a specific sector.

Avista's evaluation, measurement and verification (EM&V) was performed by a contracted third party to calculate the verified energy savings in accordance with the Commission's Order. The Company's 2012 Annual Demand Side Management (DSM) Report (provided under separate cover) provides more data regarding Avista's 2012 programs and results.

Energy Independence Act (EIA) Renewable Energy Report

Utility **Avista Corporation**
 Report Submittal Date 5/31/2013
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Compliance Method

- 19.285.040 (2)(a) RPS Target
 19.285.040 (2)(d) No Load Growth
 19.285.050 Resource Cost

Loads and Resources

2011 Annual Load (MWh)	5,602,601
2012 Annual Load (MWh)	5,513,396
Average of 2011 & 2012 Loads (MWh)	5,557,999
2013 Eligible Renewable Energy Target (% of load)	3%
2013 Eligible Renewable Energy Target (MWh)	166,740
Eligible Renewables Acquisitions / Investments (MWh)	501,742

Reporting Year:

This renewable energy report summarizes the eligible renewables resources and renewable energy credits (RECs) that the utility has acquired by January 1, 2013 for the purpose of meeting its Energy Independence Act (EIA) renewables target for 2013. The actual resources and RECs used to comply with the 2013 EIA target may vary from those reported here. Utilities will report in June of 2015 on the actual results for 2013.

Compliance Methods:

The EIA provides three compliance methods for utilities:
 -- Meet the renewable energy target using any combination of renewable resources and RECs. The target for 2013 is 3% of the utility's load
 -- Invest at least 4% of the utility's annual revenue requirement in the incremental cost of renewable resources and RECs.
 -- Invest at least 1% of its annual revenue requirement in renewable resources and RECs. This option is available only to certain utilities that are not growing and not buying new non-renewable resources.

All utilities must report the renewable resources and RECs acquired for the 2013 target year. Utilities that elect to use a compliance method based on renewable investments must provide additional information demonstrating compliance with that method.

NOTE: This is a general explanation of the renewable energy requirements of the Energy Independence Act, intended to help members of the public understand the information reported by the utility. Consult Chapter 19.285 RCW and Chapter 194-37 WAC for details.

	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)		
	Water	Wind	Solar Energy	Geothermal Energy	Landfill Gas	Wave, Ocean, Tidal	Gas from Sewage Treatment	Biodiesel	Biomass Energy	Apprentice Labor	Distributed Generation
	MWh	MWh	MWh	MWh	MWh	MWh	MWh	MWh	MWh	MWh equivalent	MWh equivalent
Eligible Renewable Resources (MWh)	192,016	309,726	-	-	-	-	-	-	-	-	-
Renewable Energy Credits (MWh)	-	-	-	-	-	-	-	-	-	-	-
Total Renewables (MWh)	192,016	309,726	-	-	-	-	-	-	-	-	-

Renewable Resources

Utility **Avista Corporation**
 Compliance Year **2013**

Note: Investor Owned Utilities may complete this page or attach their Utilities and Transportation Commission Renewable and Conservation filings for 2013.

	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)		
	Water	Wind	Solar Energy	Geothermal Energy	Landfill Gas	Wave, Ocean, Tidal	Gas from Sewage Treatment	Biodiesel	Biomass Energy	Apprentice Labor	Distributed Generation
Facility Name	MWh	MWh	MWh	MWh	MWh	MWh	MWh	MWh	MWh	MWh equivalent	MWh equivalent
Long Lake #3	14,197										
Little Falls #4	4,862										
Cabinet Gorge #2	29,008										
Cabinet Gorge #3	45,808										
Cabinet Gorge #4	20,517										
Noxon Rapids #1	21,435										
Noxon Rapids #2	7,709										
Noxon Rapids #3	14,529										
Noxon Rapids #4	12,024										
Wanapum Fish Bypass	21,927										
Palouse Wind		309,726									

Renewable Energy Credits *

Utility **Avista Corporation**
 Compliance Year **2013**

	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)		
	Water	Wind	Solar Energy	Geothermal Energy	Landfill Gas	Wave, Ocean, Tidal	Gas from Sewage Treatment	Biodiesel	Biomass Energy	Apprentice Labor	Distributed Generation
Facility Name, GUID, (REC Vintage)	MWh	MWh	MWh	MWh	MWh	MWh	MWh	MWh	MWh	MWh equivalent	MWh equivalent

Utility **Avista Corporation**
 Target Year **2013**

Renewables Notes:

In 2008, Avista purchased 50,000 renewable energy certificates per year generated from the Stalene Wind Project for the 2012 through 2015 period to comply with RCW 19.285 requirements. The renewable energy certificates for 2012 through 2014 have been sold because they were determined to be surplus of the Company's needs in 2011 because of the acquisition of the Palouse Wind Power Purchase Agreement and decisions concerning the need for reserves for qualifying hydroelectric upgrades. The 2015 renewable energy certificates were not sold since they are eligible to be used for 2016 compliance obligations.

Palouse Wind number shows estimated 2013 generation and has been adjusted for completed renewable energy certificate sales, but not pending sales.