WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION **RESPONSE TO DATA REQUEST**

DATE PREPARED: May 23, 2000 CASE NO: **REQUESTER:**

UE-991606 UG-991607 Avista Corporation WITNESS: **RESPONDER:** TELEPHONE: Alan Buckley Alan Buckley (360) 664-1306

REQUEST NO. 161:

RE: Page 48 - "the Company is unable to shape generation."

- Is it staff's position that the company can dispatch its hydro generation, resulting (a) in more generation during heavy load hours and less generation in light load hours?
- Please provide any information the staff is aware of or has developed regarding (b) how the company dispatches its hydro generation.
- Is it staff's position that generation during heavy load hours can be sold for higher (c) prices than generation during low load hours?

RESPONSE:

- The cite contained in the data request refers to the Company's Dispatch Model. (a) The entire sentence reads as follows: "Staff finds it surprising that the Company has proposed such a complicated adjustment in the power cost mechanism since the Company apparently is unable to shape generation from its using the Dispatch Model." The statement is not referring to the actual operation of the Company's hydro system, only that of the Dispatch Model. However, it is Staff's understanding that the Company can (and does) use a portion of its hydrogeneration to serve peak customer demand. This reduces the need to purchase high cost energy during peak demand times.
- Staff has attached several pages from the Company's FERC Application for New (b) License, Cabinet Gorge, and Noxon Rapids Hydroelectric Projects that provide a summary of the flexibility in its hydro resources.
- (c) It is Staff's position that the Company can use a portion of its hydrogeneration to serve demand during high load hours, thus reducing the need to purchase high cost energy during that period.

WUTC		
DOCKET NO. <u>UE-991606</u>		
EXHIBIT # <u>560</u>		
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