

**BEFORE THE WASHINGTON  
UTILITIES AND TRANSPORTATION COMMISSION**

In the Matter of the Petition of  
  
AVISTA CORPORATION,  
  
Petitioner,  
  
For an Order Approving Proposed  
Request for Proposals

DOCKET UE-210832  
  
ORDER 02  
  
APPROVING PROPOSED REQUEST  
FOR PROPOSALS

**BACKGROUND**

- 1 On November 1, 2021, Avista Corporation d/b/a Avista Utilities, (Avista or Company) filed a Draft Request for Proposals for All Generation Sources (draft RFP) in Docket UE-210832.
- 2 On November 9, 2021, the Washington Utilities and Transportation Commission (Commission) issued a Notice of Opportunity to Provide Written Comments by December 15, 2021 (Notice). Consistent with WAC 480-107-017(3), the Notice allowed a 45-day period for public review and comments.
- 3 Three stakeholders and Commission staff (Staff) filed written comments. Based on those comments and discussions with Staff and other stakeholders, Avista filed with the Commission a revised draft RFP on January 14, 2022. The revisions address items discussed in stakeholder comments and clarified several issues. Avista also included a summary of public comments containing a response to each concern raised by each commentor, as well as an indication of whether the comment prompted the Company to revise its draft RFP.
- 4 Staff has no objections to the Company's revised draft RFP and has heard no objections from any other stakeholder. Thus, Staff recommends that the Commission approve Avista's draft RFP as revised on January 14, 2022.

## DISCUSSION AND DECISION

- 5 We agree with Staff and approve Avista’s proposed RFP as revised on January 14, 2022. WAC 480-107-025 requires specific content for RFP solicitations. Although Avista’s draft RFP as filed on November 1, 2021, contained deficiencies as noted in comments filed by Staff and stakeholders, the Company worked with stakeholders and adequately revised its RFP. We agree with Staff that Avista’s revised RFP complies with the rule.
- 6 We have reviewed and considered the comments filed by Staff, companies working to develop the Swan Lake and Goldendale pumped hydro storage projects (RYE Development), Renewable Northwest and the Northwest Energy Coalition (Joint Parties), as well as comments submitted directly to Avista by the Laborer’s International Union of North America (LIUNA). We very briefly acknowledge the comments received and summarize how the Company’s revised RFP appears to have addressed the feedback, below.
- RYE Development observed Avista had assigned a relatively low Peak Capacity Credit to pumped storage projects, echoing similar concerns this stakeholder had expressed during review of Avista’s 2021 electric IRP. In its revised RFP, Avista responded its approach aligned with the Northwest Power Pool’s regional Western Resource Adequacy Program (WRAP).
  - Both RYE Development and the Joint Parties recommended that Avista remove the 20-year maximum term for power purchase agreements. Avista’s revised RFP reflects this revision.
  - The Joint Parties expressed concerns about how Avista’s planned participation in the WRAP program impacted requirements for this RFP. Avista states that the current specifications in its draft RFP do not yet reflect WRAP program participation. Avista plans to update these criteria in March 2022 and will keep stakeholders apprised as transparently as possible consistent with WAC 480-107-035(4).
  - The Joint Parties also recommended the quantitative elements of Avista’s evaluation methodology be made available to all parties. To address this concern, Avista’s revised RFP no designates these quantitative elements as confidential.

- LIUNA’s comments asked Avista to clarify whether it is requesting previous project experience and particular diversity, environmental, health, and safety information from would-be bidders. In its response, Avista indicated where in its revised RFP the Company is requesting this information from bidders.

7 Overall, we find that Avista’s draft RFP meets the requirements set out in WAC 480-107-025, and that it is consistent with the public interest. Avista’s revised draft RFP shows substantive changes that improve it, addresses the concerns raised in comments by adopting the suggestions of stakeholders where possible, and explains its rationale when certain changes could not be made.<sup>1</sup> The substantive changes that stakeholders suggested, and Avista adopted, have improved the Company’s draft RFP.

8 Accordingly, we determine that Avista’s draft RFP, as revised on January 14, 2022, meets the requirements set out in Commission rule, is in the public interest, and should be approved.

### **FINDINGS AND CONCLUSIONS**

- 9 (1) The Commission is an agency of the State of Washington vested by statute with the authority to regulate the rates, rules, regulations, practices, accounts, securities, transfers of property and affiliated interests of public service companies, including electric companies.
- 10 (2) Avista Corporation is an electric company and a public service company subject to Commission jurisdiction.
- 11 (3) WAC 480-107-015 requires companies to file all proposed RFPs for capacity resource needs identified in their IRPs.
- 12 (4) WAC 480-107-025 requires all RFPs to include certain information.
- 13 (5) Staff has reviewed the draft RFP in Docket UE-210832, as revised, and all comments received from the public.

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<sup>1</sup> See 2022 All-source RFP Cover Letter & Public Comment Matrix (pp. 4-7), Avista’s Draft 2022 All-Source RFP, UE-210832 (January 14, 2022).

- 14 (6) Staff believes the proposed RFP is reasonable and should be approved.
- 15 (7) This matter came before the Commission at its regularly scheduled meeting on February 10, 2022.
- 16 (8) After reviewing Avista's draft RFP filed in Docket UE-210832, as revised on January 14, 2022, and giving due consideration to all relevant matters, the Commission finds that the proposed RFP should be approved.

**ORDER**

**THE COMMISSION:**

- 17 (1) Approves Avista Corporation d/b/a Avista Utilities' draft RFP in Docket UE-210832.
- 18 (2) Requires Avista Corporation d/b/a Avista Utilities to issue the draft RFP within 30 days of the date of this Order pursuant to WAC 480-107-017(5).
- 19 (3) Determines this Order shall not affect the Commission's authority over rates, services, accounts, valuations, estimates, or determination of costs, on any matters that may come before it.
- 20 (4) Retains jurisdiction over the subject matter and Avista Corporation d/b/a Avista Utilities to effectuate the provisions of this Order.

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 February 10, 2022.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

AMANDA MAXWELL  
Executive Director and Secretary