**AVISTA CORP.**

### RESPONSE TO REQUEST FOR INFORMATION

# JURISDICTION: WASHINGTON DATE PREPARED: 06/12/2015

# CASE NO.: UE-150204 & UG-150205 WITNESS: Patrick Ehrbar

# REQUESTER: Public Counsel RESPONDER: Patrick Ehrbar

# TYPE: Data Request DEPT: State & Federal Regulation

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**REQUEST:**

**RE: Exhibit No. DFK-1T, p. 11:15-18.** Mr. Kopczynski states that “As the industry moves toward new programs such as time-of-use and demand-based pricing, and with the greater prevalence of customer owned distributed generation, Avista will have the technology to effectively evaluate and implement such programs.”

1. Please confirm that Avista currently does not have a plan to implement time-of-use or demand-based pricing. If the Company does have a plan, please provide such plan.
2. Provide the most recent study Avista has done of any possible time of use and demand-based pricing program for its Washington service territory. If none has been conducted, please indicate why and if and when the company intends to do so.
3. Provide the most recent study Avista has done of a possible demand-based pricing program within its Washington service territory. If none has been conducted, please indicate why and if and when the company intends to do so.

**RESPONSE:**

1. Avista currently does not have a plan to implement time-of-use or demand-based pricing.
2. Avista has not recently conducted such a study. Avista, and many other utilities in the Pacific Northwest, have a significant amount of hydro electric generation in their resource portfolios. A lot of this hydro electric generation has flexibility to cover a major portion of day time retail peak demand, which has the effect of reducing the difference in wholesale market prices between on-peak and off-peak hours. As a result, time-of-use pricing currently has less value than in other parts of the country.
3. Avista has not recently conducted such a study, and does not have plans to do so in the near future, as Avista does not have the technology (AMI) in place to do so. Once all or a portion of the AMI infrastructure is in place, Avista may initiate studies or pilots to test different forms of retail pricing.