

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
REQUEST NO.:	PC – 057	TELEPHONE:	(509) 495-8620
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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.”

- a. 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.
- b. 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.
- c. 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:

- a. Avista currently does not have a plan to implement time-of-use or demand-based pricing.
- b. 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.
- c. 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.