

AVISTA CORP.
RESPONSE TO REQUEST FOR INFORMATION

JURISDICTION:	WASHINGTON	DATE PREPARED:	06/19/2015
CASE NO.:	UE-150204 & UG-150205	WITNESS:	Don F Kopczynski
REQUESTER:	Public Counsel/Energy Project	RESPONDER:	Larry La Bolle
TYPE:	Data Request	DEPT:	State & Federal Regulation
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REQUEST:

Identify Avista's incremental cost estimates and budget for ensuring the security of the smart meter system and associated communication systems (both in terms of cyber and physical security) and identify where in the business case that this cost category is included and for what amount. With regard to the Distribution Grid Modernization capital project included in Exhibit No. KKS-5, Attachment No. ETD-2, identify the basis for the claim that these investments will result in "improving grid reliability, energy savings, and operational ability..." In your response, quantify the improved reliability, energy savings, and impact of operational ability for this investment. In your response, provide the charts and graphs included in this business case and identify the source of the data in these charts and graphs.

RESPONSE:

Avista has included security requirements as part of the technical requirements for the advanced metering project. Those security requirements will be part of the relevant RFPs that will be sent to vendors during the course of the project. The company's expectation is that the selected vendor, as part of the ultimate contract based on each RFP, will provide a security architecture that is suitable given each application. As such, the incremental costs associated with security are included in the preliminary estimates of the capital costs for the project as filed. Separately, Avista has also made a preliminary estimate of the internal cost for implementing the security systems associated with this project (\$292,000). These costs include design, testing, documentation and troubleshooting. This cost is included in the preliminary estimates of the cost associated with Head End systems, described on pages 20 and 21 in Exhibit DFK-5.