

AVISTA CORPORATION  
dba Avista Utilities

SCHEDULE 97  
RENEWABLE GENERATION INCENTIVES  
WASHINGTON

AVAILABLE:

**Non-community Projects** – Customers may apply for generation incentives as allowed by the Department of Revenue per WAC 458-20-273 (Renewable energy system cost recovery). Qualifying systems include solar energy systems, wind generators, and anaerobic digesters that process manure from livestock into biogas and dried manure using microorganisms in a closed oxygen free container.

(N)

PARTICIPATION:

Customers must apply for interconnection with the Company and receive certification of their renewable energy system through the State Department of Revenue. Upon approval of completion of installation of a qualifying renewable energy system and meeting interconnection standards, the customer's generation will be interconnected and measured by the Company. Customers interconnected prior to the effective date of this tariff must apply for participation in the program to Avista in addition to the state certification to ensure proper measurement.

(N)

CUSTOMER CREDIT:

The following table describes the computation of the incentive payment using the appropriate base rate and then multiplying it by the applicable economic development factors to determine the incentive payment rate. The incentive payment rate is then multiplied by the gross kilowatt-hours generated. The actual incentive payment received must be computed using your renewable energy system's actual measured gross electric kilowatt-hours generated.

(N)

**Annual Investment Payment Calculation Table for Noncommunity Projects**

Customer-generated power Applicable rates	Base rate (0.15) multiplied by applicable factor equals incentive payment rate	Kilowatt- hours generated	Incentive payment amount equals incentive payment rate multiplied by Kilowatt- hours generated
Solar modules manufactured in Washington state <b>Factor: 2.4</b> (two and four-tenths)	\$0.36		
Solar or wind generating equipment with an inverter manufactured in Washington state <b>Factor: 1.2</b> (one and two-tenths)	\$0.18		
Anaerobic digester or other solar equipment or wind generator equipped with blades manufactured in Washington state <b>Factor: 1.0</b> (one)	\$0.15		
All other electricity produced by wind <b>Factor: 0.8</b> (eight-tenths)	\$0.12		
Both solar modules and inverters manufactured in Washington State. <b>Factor: (2.4 + 1.2) = 3.6</b>	\$0.54		
Wind generator equipment with both blades and inverter manufactured in Washington State. <b>Factor: (1.0 + 1.2) = 2.2</b>	\$0.33		

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By Kelly Norwood, V.P., State & Federal Regulation

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SCHEDULE 97 - Continued

AVAILABLE:

**Community Solar Projects** - Customers that have a primary residence or business in the Company's Washington service area. Open enrollment to customers will begin June 1, 2015 to enter a lottery system for selection; the enrollment will close on July 17, 2015. Successful lottery applicants will enter into an agreement with Avista through 2020.

PARTICIPATION:

A customer that elects to participate will purchase interest in the generation output from one or more solar panels. The upfront payment by the customer of \$1,400 per solar panel is sufficient to cover one-time upfront costs as well as ongoing costs that will be incurred through the life of the program.

MONTHLY CUSTOMER CREDIT/PAYMENT:

Payments to customers will be made monthly and will be equal to: a) the value of the energy produced by the community solar project (4.9 cents\* per kWh), plus b) the Washington State production incentive under WAC 458-20-273 of \$1.08\*\* per kWh. Payments will be in the form of a bill credit on the customers' bills.

\*\*Per the following table, the production incentive was calculated using the appropriate base rate and then multiplying it by the applicable economic development factors to determine the incentive payment rate for solar modules and inverters manufactured in Washington State. The actual incentive payment received must be computed using the renewable energy system's actual measured gross electric kilowatt-hours generated.

\*Value of energy produced by the community solar project was calculated using an average of Avista's five-year (2015-2019) published Schedule 62 Small Power Production rates.

(M) Material has been transferred to First Revision Sheet 97B

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(N)

(M)

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SCHEDULE 97 - Continued

**Annual Incentive Payment Calculation Table for Community Solar Projects**

Customer-generated power applicable factors	Base rate (0.30) multiplied by applicable factor equals incentive payment rate	Gross kilowatt-hours generated	Incentive payment amount equals incentive payment rate multiplied by kilowatt-hours generated
Solar modules or solar stirling converters manufactured in Washington state <b>Factor: 2.4</b> (two and four-tenths)	\$0.72		
Solar equipment with an inverter manufactured in Washington state <b>Factor: 1.2</b> (one and two-tenths)	\$0.36		
Other solar equipment <b>Factor: 1.0</b> (one)	\$0.30		
Both solar modules and inverters manufactured in Washington state. <b>Factor: (2.4 + 1.2) = 3.6</b>	\$1.08		

The determination of manufacturing as it relates to economic development factors will be included in the Department of Revenue's analysis for certification. The Department of Revenue defines manufacturing in WAC 458-20-136.

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