## Avista Corp.

AVISTA

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March 31, 2022

Amanda Maxwell Executive Director and Secretary Washington Utilities and Transportation Commission 621 Woodland Square Loop SE Lacey, Washington 98503 Received Records Management 03/31/22 10:43 UTIL. AND TRANSP. COMMISSION

Re: Docket UE-22\_\_\_\_\_ Energy Recovery Mechanism (ERM) Annual Review for 2021

Dear Ms. Maxwell:

Enclosed for electronic filing is Avista's Annual Energy Recovery Mechanism (ERM) Review for calendar year 2021. This annual filing is in accordance with Docket UE-011595, which requires Avista to file annual testimony and supporting workpapers on or before April 1 in order for prudency to be determined for the power costs deferred in the previous calendar year.

This filing consists of the direct testimony and exhibits of Annette M. Brandon, Kaylene J. Schultz, and Thomas C. Dempsey. Ms. Brandon provides an overview of the history of the ERM and provides a summary of the factors contributing to the power cost deferrals during the 2021 calendar year review period. Ms. Schultz's testimony describes the accounting associated with the ERM and a summary of the 2021 Solar Select program approved in Docket UE-180102. Finally, Mr. Dempsey's testimony describes the operation of the Company's various thermal plants, with specific details on Coyote Springs 2 and why the availability factor of that plant fell below 70%.

Avista, through its Direct Testimony and Exhibits is disclosing certain information that is CONFIDENTIAL and constitutes VALUABLE COMMERCIAL INFORMATION as defined by WAC 480-07-160. Enclosed are confidential position reports, a transaction detail report, variance analysis reporting, and solar select reporting that are Confidential pursuant to WAC 480-07-160. Please direct any questions related to this filing to Annette Brandon at (509) 495-4324 or Kaylene Schultz at (509) 495-2482.

Sincerely, CD. Ehrbar

Director of Regulatory Affairs