

Avista Corporation

1411 East Mission, P.O. Box 3727 Spokane, Washington 99220-0500 Telephone 509-489-0500 Toll Free 800-727-9170

December 14, 2021

Amanda Maxwell Executive Director and Secretary Washington Utilities & Transportation Commission 621 Woodland Square Loop SE Lacey, WA 98503

Re: Docket No. UE-210804 – Comments of Avista Utilities

Dear Ms. Maxwell,

Avista Corporation, dba Avista Utilities (Avista or the Company), submits the following comments in accordance with the Notice of Opportunity to File Written Comments (Notice) issued by the Washington Utilities and Transportation Commission (Commission) in Docket UE-210804 on September 23, 2022, regarding developing a Commission jurisdictional specific cost-effectiveness test for distributed energy resources (DERs) incorporating the Clean Energy Transformation Act (CETA). Enclosed with these comments is the completed detailed DER template. In addition to the template, Avista provides the following general comments.

1) DER Preference is not consistent with past WUTC policy

Avista agrees with concept of including Non-Energy Impacts (NEIs) for evaluating resource alternatives but disagrees with the Commission's desire to segregate distributed energy resources. Utility scale resources also have societal impacts and should be consistently evaluated against other resource alternatives. Historically, the Commission has challenged utilities to place energy efficiency on an even playing field with supply side resources, now it seems the directive may be to no longer to place resource on equal playing field.

2) Non-Energy Impact Studies

The Commission should sponsor a state-wide NEI study for both DER and utility scale alternatives with regional adjustments. Avista has competed a phase 1 analysis of supply side resources and phase 2 analysis of energy efficiency. These studies are costly, and values are

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typically consistent across the state. To lower statewide customer costs, a statewide study should be conducted for use by the utilities. Further, many of the NEI's discussed require significant primary research and analysis. The state should determine which of these values are material for further study and should fund such research for utility inclusion in the analysis.

3) Electric Vehicles

The separation of electric vehicles as a form of DERs is unnecessary. While electric vehicles are coming to Washington utilities, these are loads that are controllable and should not be treated any different than any other load such a space and water heating, which are treated as Demand Response programs. While Washington State has a desire to incent electric vehicles, the desire signals that utilities should be using rate payer funds to incent electric vehicles, rather than the management of electric vehicle charging. If the Commission chooses to develop policies regarding electric vehicle adoption, this process should only focus on the management of controllable loads.

Please direct any questions regarding these comments to me at 509-495-2782 or shawn.bonfield@avistacorp.com.

Sincerely,

|s|Shawn Bonfield

Shawn Bonfield Sr. Manager of Regulatory Policy & Strategy