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September 7, 2012

VIA: Electronic Mail

David Danner
Executive Director and Secretary
Washington Utilities & Transportation Commission
1300 S. Evergreen Park Drive S. W.
P.O. Box 47250
Olympia, Washington 98504-7250

Re: Comments of Avista Utilities on the “Review Standards for Interconnection with Electric Generators” - Docket No. UE-112133

Dear Mr. Danner,

On December 21, 2011, the Washington Utilities and Transportation Commission (Commission) filed with the Code Reviser a Preproposal Statement of Inquiry (CR-101) to consider revising the standards for interconnecting electric generators in the service territories of electric investor-owned utilities in Washington Administrative Code (WAC) 480-108. The Commission filed the CR-101 in the above referenced Docket and asked for written comments from interested parties by January 30, 2012, in which Avista submitted comments.

On Thursday, March 29, 2012, the Commission held a stakeholder workshop in this rulemaking proceeding to review and discuss the comments submitted in response to the CR-101. Representatives from Avista attended and participated in the workshop and supported the decision to pursue informal collaborative discussions about possible rule changes as proposed by the Washington Public Utility District Association (WAPUDA), the Washington Rural Electric Cooperatives Association (WRECA) and the Association of Washington Cities (AWC). The

Interconnection Workgroup held a series of meetings in which Avista participated in. The outcome of the Workgroup was a final report and set of model rules that were filed with the Commission on July 13, 2012. An Avista representative participated in the development of the report and model rules and supports these documents.

As a result of the filing of the report and model rules, on July 26, 2012, the Commission issued a Notice of Report from Interconnections Standards Workgroup and a Notice of Opportunity to Submit Comments. In the notice it was requested that the following questions be addressed:

1. Does the model rule language regarding electrical safety avoid potential regulatory mismatches with current and future Department of Labor and Industries rules regarding electrical safety? If not, please identify how such a mismatch could be avoided.

Avista Response: The Company believes the model rules will meet current Department of Labor and Industries rules regarding electrical safety. The Company cannot comment on future Department of Labor and Industries rules as they are unknown.

2. Do the model rules remove requirements in current rules from the interconnection applicant that increase the costs to the utility of interconnecting the applicant's generation facility? Please identify those requirements and explain if those costs unduly shift costs to utility ratepayers or between ratepayers.

Avista Response: The model rules do not remove requirements in the current rules from the interconnection applicant that increase the costs to the utility of interconnecting the applicant's generation facility. Avista's procedures will not be affected by the new rules. All three generation scenarios would be treated the same as they are currently treated. There would be no shift in personnel time or expenses to accommodate the new rules.

3. Do the model rules add requirements to the interconnection applicant that increase the costs to the applicant of interconnection? Please identify those requirements and explain

if they are unduly discriminatory or shift costs from a utility or utility ratepayers to the interconnection applicant.

Avista Response: The model rules do not add requirements to the interconnection applicant that increase the cost to the applicant of interconnection.

4. Are the Tier 1, 2 and 3 application and completion processes reasonable obligations for both the applicant and the utility? Please explain why or why not.

Avista Response: Yes, the Tier 1, 2, and 3 application and completion processes are reasonable for both the applicant and the utility. The application and completion process will be more streamlined for Tier 1 generators and still addresses safety and interconnection concerns of the utilities for nonstandard installations.

5. Is there an industry definition of a “radial distribution circuit” as the term is used in item 3 under “Tier 1 – applicability” of the model rule?

Avista Response: A radial distribution circuit is a circuit designed for power to flow one-way only. Power flows from the utility power source to customers’ loads on the circuit downstream of the power source.

6. Is item 4 under “Tier 1 – applicability” of the model rule intended to reflect the requirements under current rule for generators with nameplate rating of 25 kW or less?

Avista Response: Yes, item 4 under the “Tier 1 – applicability” of the model rule is intended to reflect the requirements under the current rule for generators with nameplate rating of 25 kW or less.

7. Is it possible to implement the Tier 1 and Tier 2 portions of the model rules without modifying the existing rules to include the Tier 3 portions of the model rules?

Avista Response: No, Tier 3 is needed for all of the nonstandard generators that do not fit into the Tier 1 and 2 processes, but are still within the same parameters under the rule.

Avista appreciates the opportunity to comment on the “Review Standards for Interconnection with Electric Generators” and supports the Commission’s desire to make the interconnection process safe, reliable and not overly burdensome for the Company and Avista customers.

If you have any questions regarding these comments, please contact Kenny Dillon at 509-495-4436 or myself at 509-495-4975.

Sincerely,

/s/Linda Gervais

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