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Mr. Jeff Killip  
Executive Director and Secretary  
Washington Utilities and Transportation Commission  
621 Woodland Square Loop SE  
Lacey, WA 98503

**RE: Docket U-210183 - Relating to Electricity Markets and Compliance with the Clean Energy Transformation Act “use” Rules – Comments of Avista Utilities**

Dear Mr. Killip:

Avista Corporation, dba Avista Utilities (Avista or the Company), submits the following comments in accordance with the Washington Utilities and Transportation Commission’s (WUTC or the Commission) Notice of Opportunity to File Written Comments on Draft Rules (Notice) issued in Docket U-210183 on May 30, 2024, relating to electricity markets and compliance with the Clean Energy Transformation Act (CETA) “use” rules.

In addition to the Joint Utility comments, Avista provides its quantitative analysis to illustrate its portfolio’s impact on compliance using the “monthly use cap” for the 2030-2045 period as requested in the notice. The analysis includes a monthly forecast of its current clean energy generation and a “potential” resource strategy to comply with the 2045 clean energy standard. The analysis shows both with and without the “monthly use cap” and quantifies the amount of generation the utility would not be able to count toward CETA’s primary compliance. The “monthly use cap” should not impact the portfolio selected due to the requirement to use “hourly” compliance in planning. See attached workpaper “Monthly L&R” tab.

Avista is also providing monthly historical generation levels for its existing resource portfolio to account for how the “monthly use cap” would work taking into account the variability of clean energy generation for its existing portfolio within a 4-year compliance window. Please see the “Variability” tab of the included attachment.

Lastly, in regard to how the “monthly use cap” would affect our participation in the regional market, it is Avista’s understanding when joining a future day ahead market, the market operator will select our generation to serve not only our load but regional loads; the utility will not be able to ensure its generation is serving customer loads. Avista does not see an impact moving to the day ahead markets

with the monthly use cap, so long as Avista is not prevented from using its owned and contracted generation when it does not specifically serve Avista loads (assuming it was not sold as a specified clean energy resource). Although, a potential unintended consequence with the “monthly use cap” is additional forecast error that utilities will need to manage when optimizing portfolios within the month. Currently, generation sold as specified clean demands a market premium, but with a monthly cap on qualifying clean energy, utilities may not be as aggressive selling excess generation, in the end this could lower value to customers when utilities sell excess generation. An annual compliance mechanism will reduce the forecast error as utilities have a longer period of time generation will be created.

If you have any questions regarding these comments, please contact me at 509-495-2782 or [shawn.bonfield@avistacorp.com](mailto:shawn.bonfield@avistacorp.com).

Sincerely,

/s/ *Shawn Bonfield*

Shawn Bonfield  
Sr. Manager of Regulatory Policy & Strategy