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June 1, 2021

VIA ELECTRONIC FILING

Public Utility Commission of Oregon
Attn: Filing Center
201 High St SE, Suite 100
Salem, Oregon 97301

**RE: LC 75– AWEC’S COMMENTS ON AVISTA’S 2021 INTEGRATED
RESOURCE PLAN**

Dear Filing Center:

Alliance of Western Energy Consumers (AWEC) appreciates the opportunity to comment on Avista’s 2021 Integrated Resources Plan (IRP), which is a comprehensive document incorporating comments and input from stakeholders. AWEC highlights a few issues for discussion below.

Oregon Distribution Plant Investments.

Avista has indicated that there will be reduced Oregon distribution plant investments over the next four-year time frame—with certain exceptions. AWEC would like to understand if this means Avista will be reducing the frequency of Oregon rate case filings. And if the answer is no, AWEC would like Avista to explain the types of costs and projects that are currently impacting rate case filing frequency.

Executive Order 20-04, Renewable Natural Gas and Renewable Hydrogen.

There is currently uncertainty with how to model Executive Order 20-04 compliance and that discussion is ongoing. Notwithstanding, Avista has started to focus on renewable natural gas (RNG) and renewable hydrogen projects, and has assembled a team of professionals to develop viable projects. Avista notes that these types of projects can take 3-4 years to develop, which is all the more reason to dedicate resources to these projects now. While Avista describes many of complications or barriers for these types of projects, Avista is a well-capitalized credit worthy counterparty for any transaction involving RNG and/or hydrogen. AWEC would like to better understand what barriers exist for the development of these projects beyond the cost recovery allowed through Senate Bill 98. Even though Executive Order 20-04 compliance issues are still being discussed and developed, these types of projects will be critical to meeting any future greenhouse gas regulations and policies.

Cost Effective Energy Savings.

Avista indicates that the 20-year potential for cost-effective energy efficiency savings is 18.0 million therms. If this number is accurate, it is significant and Avista should continue to pursue all cost effective energy efficiency savings.

Supply Side Resources.

Avista has a diverse set of supply side resources, including a mix of firm interstate transportation and storage contracts, including contracts with NW Pipeline and TC Energy (Gas Transmission Northwest). AWEC notes that there may be firm transportation price increases in 2021 and 2022 as a result of rate case filings of these interstate pipelines at the Federal Energy Regulatory Commission.

Enbridge Pipeline Rupture.

Avista has some discussion in its IRP of how its system performed during the days immediately following the rupture on the Enbridge Pipeline, which resulted in the loss of deliveries at Sumas. AWEC recommends having further analysis on this topic, including an analysis of how curtailment and entitlement orders kept Avista's system from losing pressure or having to interrupt core customers. The analysis should also include a scenario where this type of event happened in winter, where it would not have been possible to interrupt natural gas fired electric generation, including the effect on both gas and electric service. AWEC believes this analysis would be beneficial and provide valuable guidance into how to manage and mitigate the impacts of major disruptions in the future.

AWEC reserves the right to respond to issues raised in other parties' comments and reserves all rights to participate in full as a party throughout this docket. Please let me know if you have any questions.

Sincerely,



Chad M. Stokes