

BEFORE THE PUBLIC UTILITY COMMISSION  
OF OREGON

IN THE MATTER OF THE APPLICATION OF	) APPLICATION
AVISTA UTILITIES FOR AN ORDER	)
REQUESTING EXTENSION TO FILE	)
ITS NATURAL GAS INTEGRATED	) OF AVISTA CORPORATION
RESOURCE PLAN	) LC-75

**I. INTRODUCTION**

1           Avista Corporation, doing business as Avista Utilities ("Avista" or "Company"), at 1411 East Mission Avenue, Spokane, Washington, respectfully petitions the Public Utilities Commission, Oregon (Commission) to issue an order authorizing a six-month extension from August 31, 2020 to April 1, 2021 to submit the Company's Natural Gas Integrated Resource Plan (IRP).

2           Please direct all correspondence related to this Petition as follows:

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**II. BACKGROUND**

3           The Company submits the IRP to the Commission every two years as outlined in OAR 860-027-0400. Avista's next IRP is due to be filed with the Commission on or before August 31, 2020. The IRP is a methodology for identifying and evaluating various resource options and is a process by which to establish a plan of action for resource decisions. Avista uses SENDOUT® (a PC

based programming model widely used to solve natural gas supply and transportation optimization questions) for peak day demand, resource valuation and for conducting Monte-Carlo style risk analyses. SENDOUT® modeling results are used to select the Preferred Resource Strategy (PRS).

4 Avista uses a public process to solicit technical expertise and feedback throughout the development of the IRP through a series of Technical Advisory Committee (TAC) meetings.

5 For the reasons stated herein, Avista requests a six-month extension from August 31, 2020 to April 1, 2021 to submit the Company's 2020 Natural Gas IRP to provide enough time for the conclusion of various state legislative sessions so that Avista can integrate any changed regulations that may impact its IRP modeling and assumptions.

### **III. SUPPORT FOR EXTENSION**

6 There are currently numerous legislative proposals in the States of Washington and Oregon that will have major impacts on natural gas planning, including Washington's Senate Clean Energy Transformation Act (CETA) or Senate Bill 5116, Washington House Bills 1257 and 1444, and Oregon Senate Bill 98. Final rules and expectations for natural gas distribution utilities with respect to each of these bills are expected to take several more months to create and implement, which will affect the ability to fully realize the impacts to the IRP process.

7 CETA requires 100% carbon free electricity serving Washington customers by 2045 and references renewable natural gas investments for distribution or consumption. Washington House Bills 1257 and 1444 call for new energy efficiency requirements with new requirements for buildings and appliance standards and will affect Avista's conservation potential assessment (CPA) going forward, taking effect by 2022. A set of renewable natural gas and fuels bills,

including Oregon SB 98, and Washington HB 1257, open up a path forward to acquire these supply side resources as a means to reduce carbon emissions.

8 With all of these legislative uncertainties, IRP modeling at this time would be premature. The impact of such legislation could fundamentally change the regional (and Avista's) resource mix, and therefore have an impact on Avista's customers. Thus, to the extent any of the potential legislation is enacted, new models would need to be run to account for the actual impact of such legislation.

9 Further, recall that in almost every scenario provided in the Company's 2018 IRP, Avista did not have transportation resource needs in the 20 year planning horizon.

10 Avista is currently assessing the alignment of portions of its electric and natural gas IRPs to reduce redundancy in analytics and economic assumptions. The newly requested filing date for the natural gas IRP is April 1, 2021. In Avista's 2018 Natural Gas IRP the expected case displayed no resource shortages.

11 WHEREFORE, Avista respectfully requests the Commission issue its Order approving a six-month extension of the Company's from August 31, 2020 to April 1, 2021 to submit the Company's Natural Gas IRP as explained in this Petition.

DATED this 16<sup>th</sup> day of January 2020.

Respectfully submitted,

Avista Utilities

By: 

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Counsel for Regulatory and Governmental Affairs