



Avista Corp.

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

April 15, 2021

Public Utility Commission, Oregon
201 High St. SE, Suite 100
Salem, OR 97301

RE: LC 75 - Avista Utilities' 2021 Natural Gas Integrated Resource Plan (IRP) Presentation
for April 20, 2021 OPUC Public Meeting

Filing Center:

Attached for filing is Avista Utilities' 2021 Natural Gas IRP presentation for the April 20, 2021
OPUC Public Meeting. Please direct any questions regarding this presentation to Tom Pardee at
509-495-2159 or tom.pardee@avistacorp.com.

Sincerely,

/s/ Shawn Bonfield

Shawn Bonfield
Sr. Manager of Regulatory Strategy & Policy
509-434-6502
shawn.bonfield@avistacorp.com



2021 Natural Gas Integrated Resource Plan

Tom Pardee, Natural Gas Planning Manager

April 20, 2021

Avista Natural Gas Service Areas, Gas Fields, Trading Hubs and Major Pipelines

- Avista Service Territory ●
- Williams – Northwest Pipeline ■
- Enbridge – Westcoast ■
- TC Energy – GTN ■
- TC Energy – Foothills ■
- TC Energy – Nova ■
- Kinder Morgan – Ruby ■
- Jackson Prairie Storage Project ▲
- Trading Hubs

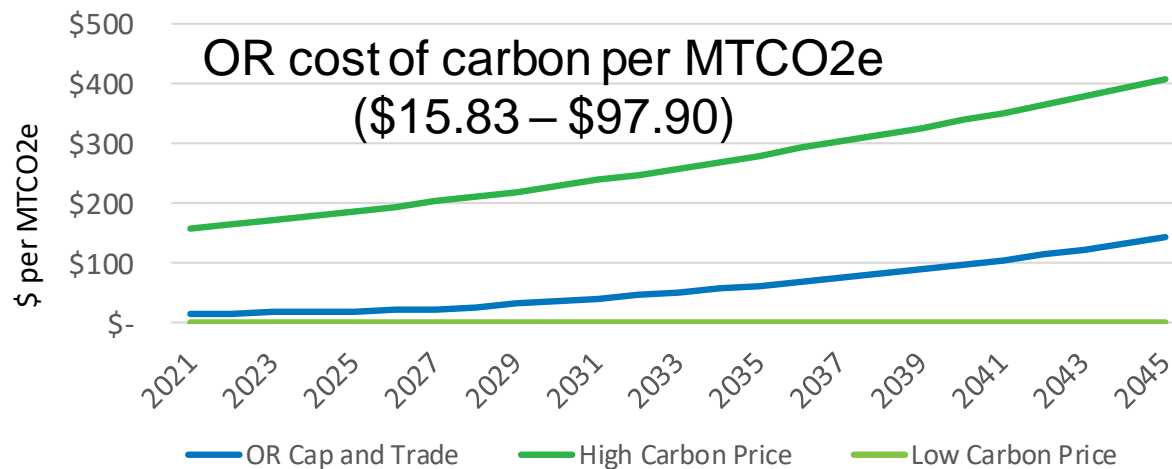
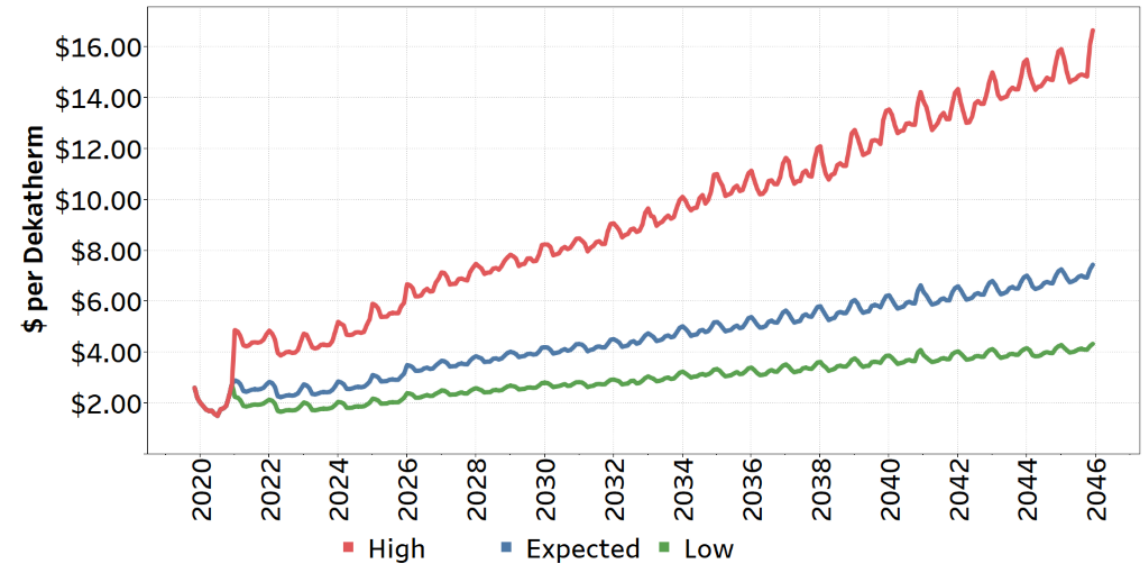


Building the Expected case

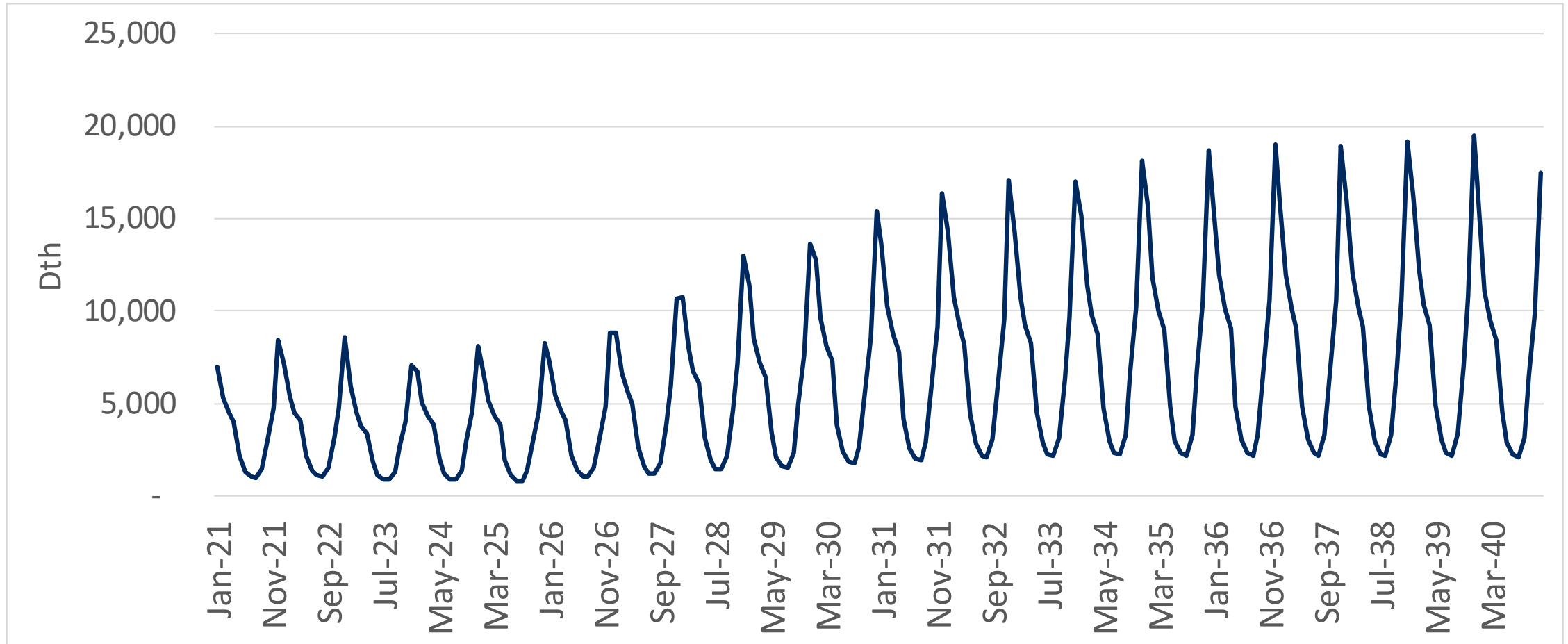
- Average Weather – 20 years daily average by planning area
- **Prices – blend of 3 consultants, forward price**
- Use – 3 year average by planning area
- **DSM – Total Resource Cost (TRC) test – 14.8 million Therms**
- Price Elasticity – 0.81% for every 10% change in price
- **Peak Weather Planning Standard – 99% probability of 1 in 30 years**
- **Carbon Price – Oregon Cap-and-Trade/Reduce program (Wood Mackenzie)**
- Expected Customer Growth – 1%
- Upstream Emissions
- **Policy – Carbon Reduction and Electrification**

Prices and Carbon Policy

Years	Price Blend Methodology
2021 & 2022	forward price only
2023	forward price / 25% average consultant forecasts
2024	50% forward price / 50% average consultant forecasts
2025	25% forward price / 75% average consultant forecasts
2026 - 2040	100% average consultant forecasts

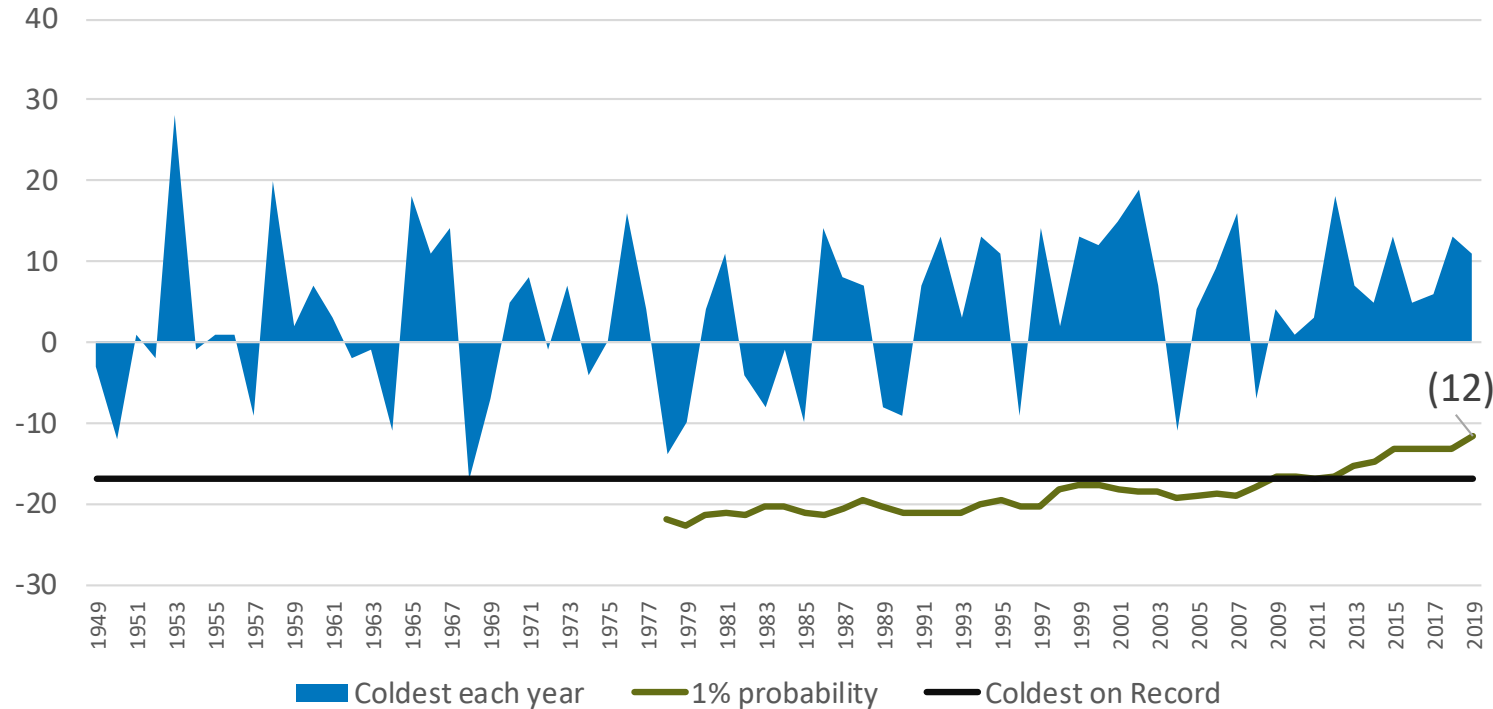


Demand Side Management



Savings of 1.48 M Dth Over 20 years or 86,000 MTCO₂e!

Peak Weather Planning Standard

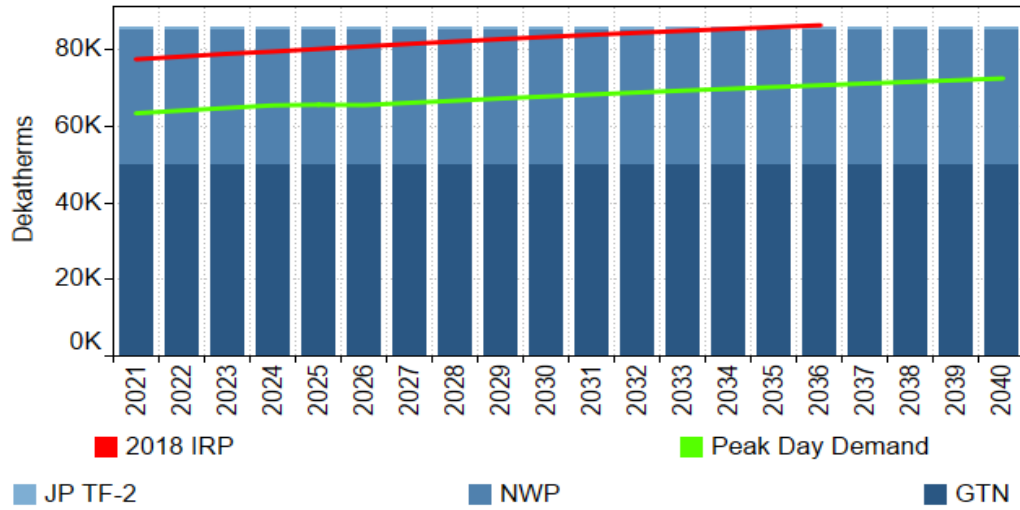


Planning Area	Coldest on Record (Prior IRP's)	New - 99% Probability Avg. Temp
La Grande	-10	-11
Klamath Falls	-7	-9
Medford	4	11
Roseburg	10	14
Spokane	-17	-12

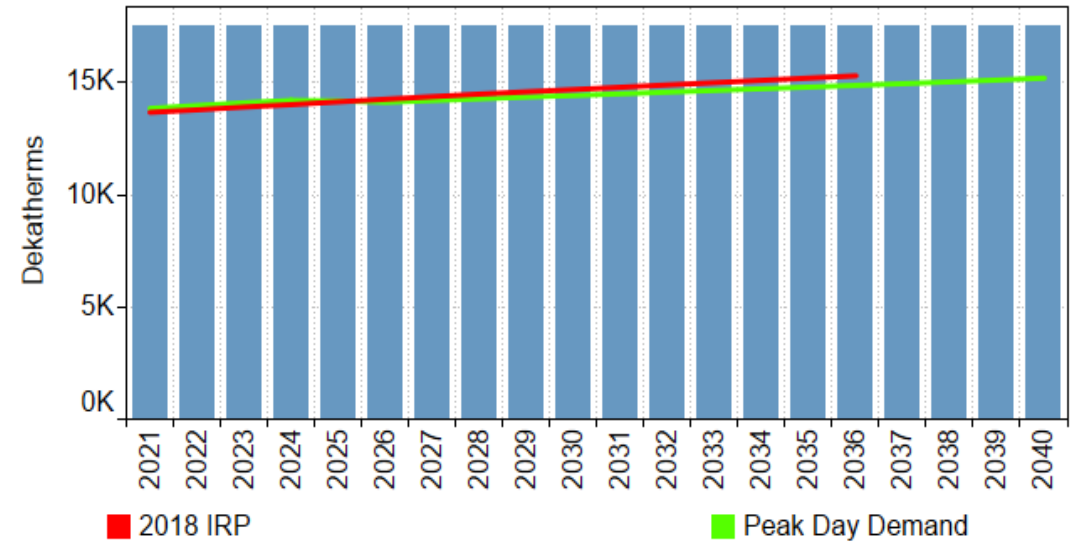
- Peak Weather – 99% probability of 1 in 30 years
 - will capture climate change vs. coldest on record
 - Will account for coldest average day for each year

Expected Case Results

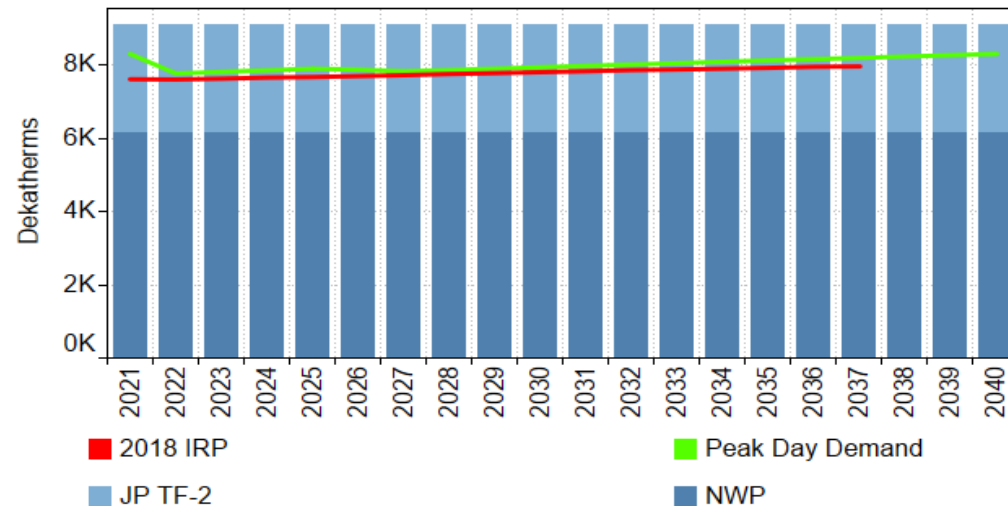
Medford/Roseburg



Klamath Falls

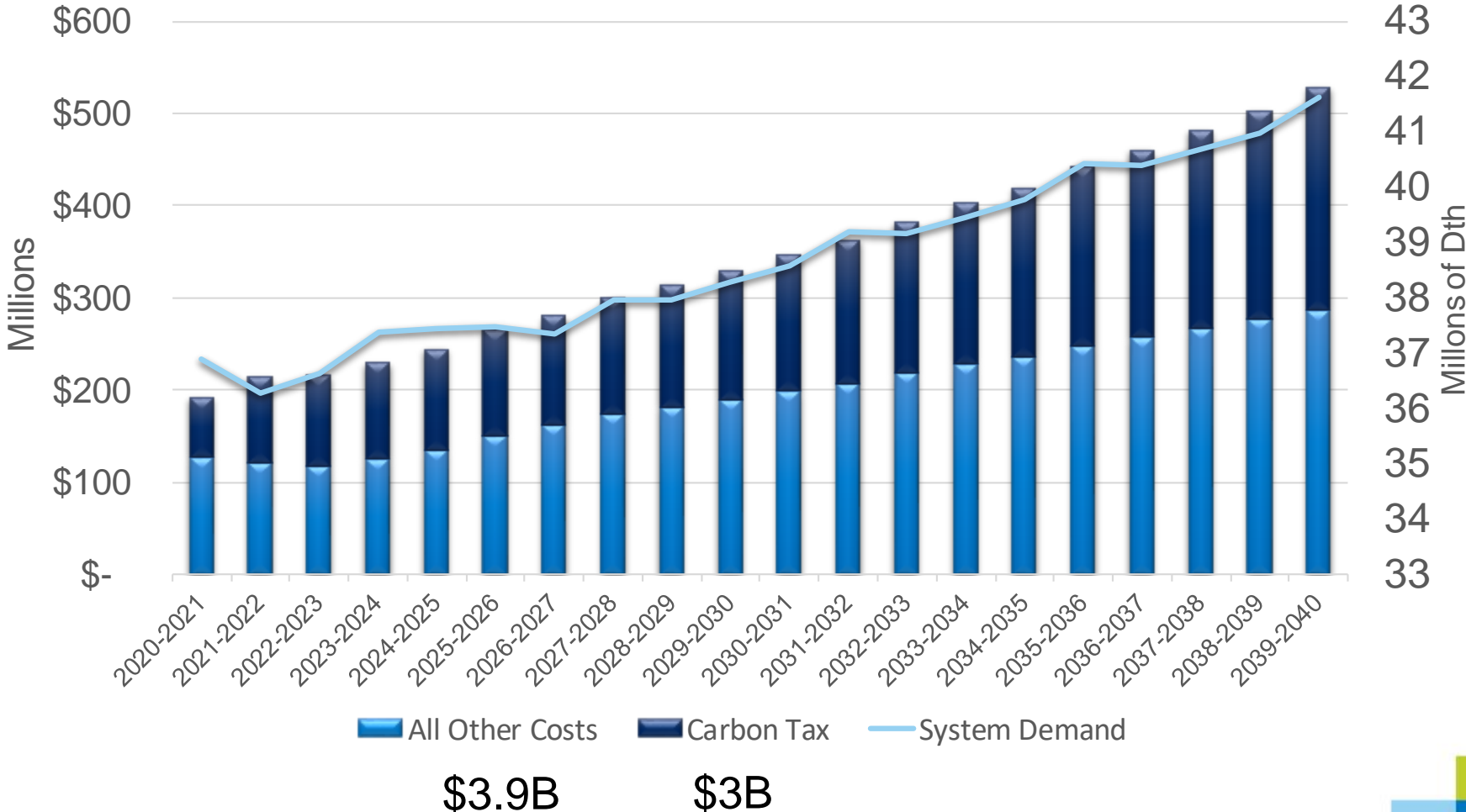


La Grande



Klamath Lateral

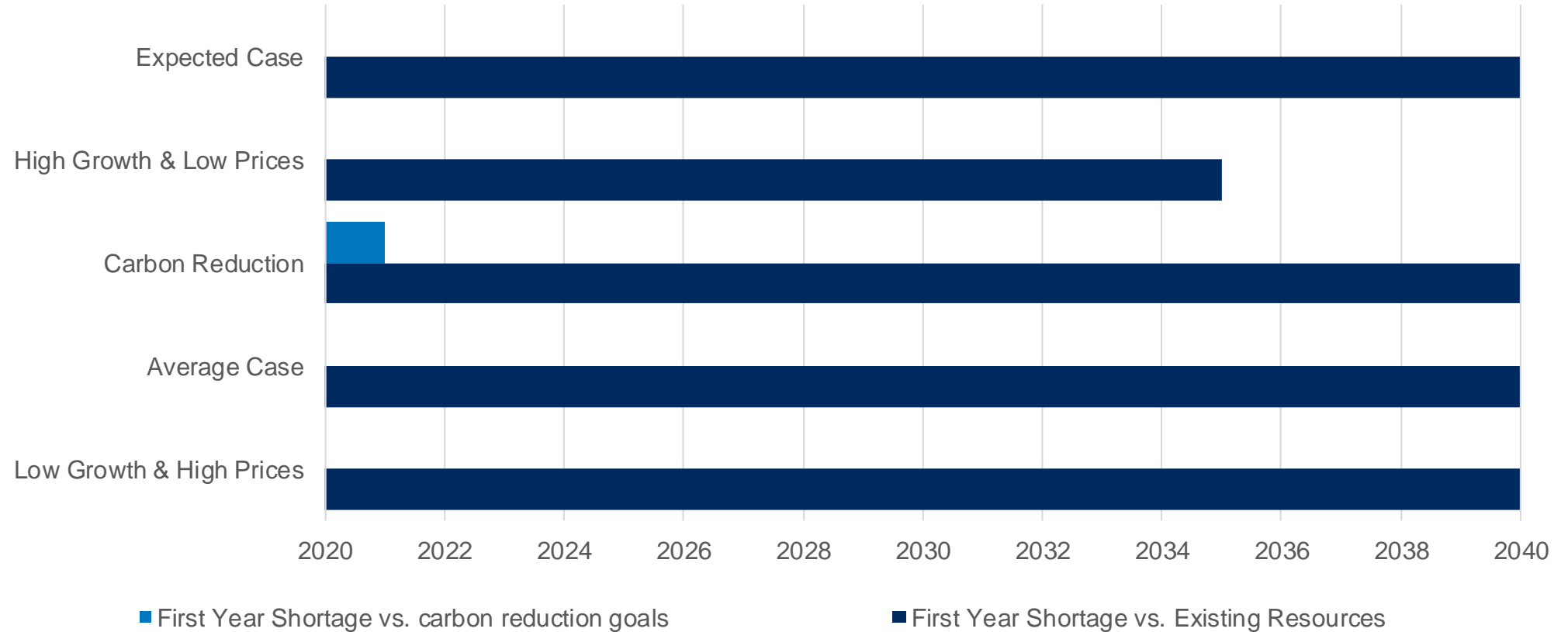
Expected Case Costs (20 year – system)



*No unserved demand based on existing resources and fossil fuel natural gas

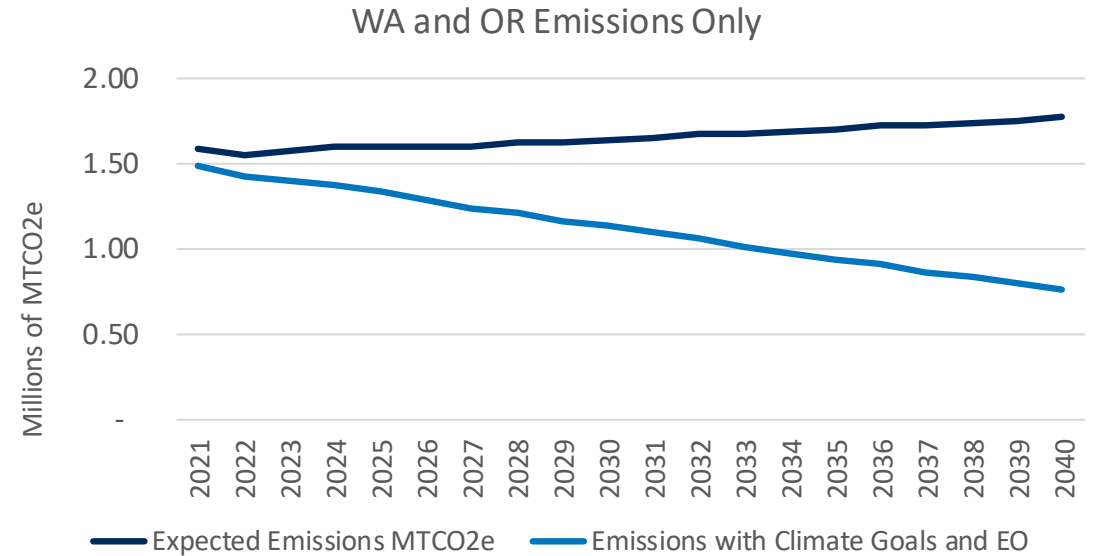


Scenario Comparisons



Policy and Future IRP's

- Carbon Reduction policy is continuing to be discussed in our Oregon and Washington territories
- Reducing emissions below 1990 levels was signed into law in Oregon via Executive Order 20-04 in 2020
 - Once rules and regulations implementing Executive Order 20-04 are determined, future IRPs will likely require carbon reducing resources like RNG & H2 as a piece of future preferred resource strategy



Highlighted Action Items

- Further model carbon reduction
- Investigate new resource plan modeling software and integrate Avista's system into software to run in parallel with Sendout
- Model all requirements as directed in Executive Order 20-04
- Explore the feasibility of using projected future weather conditions in its design day methodology, rather than relying exclusively on historic data.