

Avista Corp.

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September 21, 2022

Oregon Public Utility Commission Filing Center 201 High St SE Suite 100 PO Box 1088 Salem, OR 97301

RE: Avista Utilities' Application for a Waiver from OAR 860-027-0400

Avista Corporation, dba Avista Utilities (Avista or Company), submits for filing its application for a waiver from OAR 860-027-0400(8), which requires the Company to file a natural gas integrated resource plan (IRP) annual update. If you have any questions regarding this filing, please contact me at (509) 495-2782 or shawn.bonfield@avistacorp.com or Tom Pardee at (509) 495-2159 or tom.pardee@avistacorp.com.

Sincerely,

|s|Shawn Bonfield

Shawn Bonfield Sr. Manager of Regulatory Policy & Strategy

1 2 BEFORE THE PUBLIC UTILITY COMMISSION 3 **OF OREGON** LC 75 4 5 6 In the Matter of) 7) 8 AVISTA CORPORATION, d/b/a AVISTA UTILITIES APPLICATION OF AVISTA 9 CORPORATION) 10 Application for Waiver of OAR 860-024-0400 (8) Integrated Resource Plan Annual Update 11 12 13 14 Avista Corporation, doing business as Avista Utilities (hereinafter Avista or the Company), 15 respectfully requests that the Commission grant the Company an exemption from OAR 860-027-16 0400(8), which requires Avista to file an annual update to its most recently acknowledge Integrated 17 Resource Plan (IRP) on or before the acknowledged order anniversary date. Avista's 2021 Natural 18 Gas IRP was acknowledged on October 15, 2021 through Order No. 21-331. As specified in OAR 19 860-027-0400(9), "a utility must file an update with the Commission as soon as the utility 20 anticipates a significant deviation from its acknowledged IRP, unless the utility is within six 21 months of filing its next IRP." In compliance with OAR-860-027-0400(3), Avista will be filing its 22 2023 Natural Gas IRP later than March 31, 2023, which is less than six months from the time its 23 2021 Natural Gas IRP annual update is due to be filed. With the Company filing its 2023 Natural 24 Gas IRP within six months of October 15, 2022, when Avista's 2021 IRP Update is due, the 25 Company requests an exemption from filing an annual update in accordance with OAR-860-027-26 0400(9).

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1	I.	GENERAL INFORMATION

2 Avista requests that all notices, pleadings, and correspondence regarding this Application

3 be sent to the following:

4	David J. Meyer, Esq.	Shawn Bonfield
5	Vice President and Chief Counsel	Sr. Manager of Regulatory Policy & Strategy
6	Regulatory & Governmental Affairs	Avista Corp.
7	Avista Corp.	P. O. Box 3727
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E-mail: david.meyer@avistacorp.com 12

Avista Dockets (Electronic Only) - <u>AvistaDockets@avistacorp.com</u>

II. **BACKGROUND**

Avista filed its 2021 Natural Gas IRP with the Commission on March 26, 2021, which provides a strategic natural gas resource portfolio to meet customer demand requirements over a 20-year planning horizon. The Company's IRP demonstrated that Avista did not anticipate a need for any significant capital investments in Oregon to meet demand in the next 20 years nor does it plan on acquiring any significant resources in Oregon within the following four years. After a series of meetings with Staff and Avista IRP presentations provided during regularly scheduled public meetings throughout the spring and summer of 2021, the Commission issued Order No. 21-331, acknowledging Avista's 2021 Natural Gas IRP with specific actions and recommendations for its 2023 Natural Gas IRP on October 15, 2021.

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25 III. **DISCUSSION**

The 2023 Avista Natural Gas IRP technical advisory committee (TAC) has conducted three meetings to date and the Company is planning to file its draft IRP in January 2023. These meetings have addressed the specific action items detailed in LC-75 and Avista is on track to complete the scheduled TAC meetings in November 2022, at which time all Commission issued action items/recommendations will be addressed. One of these action items is Recommendation 10 provided in LC-75 which requires the Company to "work with stakeholders and Staff to identify information that should be included in a Renewable Natural Gas (RNG) project pipeline update and provide an update on the Company's RNG project pipeline as part of the next IRP Update, including, but not limited to consumer risks and costs assessment associated with buy vs build RNG options". Since Avista is requesting an exemption from filing its 2021 IRP annual update, Avista provides the following information pertaining to its RNG project pipeline discussions. In the first TAC meeting on February 16, 2022, the "Potential Project Pipeline" was initially discussed with the following proposal as illustrated in Table 1 below:

Table No. 1 – Potential Project Pipeline

#	Project Pathway Type	In Service Avista Territory (Y/N)	Partnering Considered	Estimated Supply (Dth/YR) (Avista only)	Est. Online Date
1	Conventional RNG	Yes	Yes	~ 200K - 350K	2024
2	Unconventional RNG	Yes	Yes	~ 150K - 250K	TBD
3	Unconventional RNG	Yes	Yes	~ 70K - 120K	2024-25
4	Conventional RNG	Yes	Yes	~ 30K - 50K	TBD
5	Conventional RNG	Yes	Yes	~ 20K - 30K	TBD
6	Innovative CC&R RNG	Yes	Yes	~ 50K - 80K	2024-25
7	Thermal Gasification	Yes	Yes	~ 70K - 200K	TBD
8	Conventional RNG	Yes	Yes	~ 60K - 140K	TBD
9	Pyro Catalytic Hydrogenation	Yes	Yes	~ 70K - 150K	TBD
10	Purchased RNG	Yes	No	~ 5K - 10.8K	2022

This meeting also included a discussion on the buy vs. build RNG options. Recommendation 10 along with all other recommendations and action items as detailed in LC-75 Order No. 21-331 will be discussed in significant detail within the Company's draft and final 2023 Natural Gas IRP that will filed in January and March 2023, respectively.

1 IV. **REQUEST FOR RELIEF** 2 As described in greater detail above, Avista respectfully requests that the Commission issue an order allowing Avista an exemption from filing an update to its 2021 Natural Gas IRP in 3 4 accordance with OAR 860-027-0400(9) since the company will be filing its 2023 Natural Gas IRP 5 within six months of October 15, 2022, when Avista's 2021 Natural Gas IRP Update is due. 6 DATED this 21st day of September 2022. 7 Respectfully submitted, 8 Avista Utilities By: __ /s/Shawn Bonfield 9 10 Shawn Bonfield, Sr. Manager of Regulatory Policy & Strategy 11 Avista Corp 12