

**PUBLIC UTILITY COMMISSION OF OREGON
STAFF REPORT
PUBLIC MEETING DATE: March 10, 2020**

REGULAR _____ CONSENT X EFFECTIVE DATE March 11, 2020

DATE: March 2, 2020

TO: Public Utility Commission

FROM: Anna Kim

THROUGH: Michael Dougherty and JP Batmale **SIGNED**

SUBJECT: AVISTA UTILITIES:
(Docket No. LC 75)
Requests waiver of OAR 860-027-0400(3) to allow the Company a seven month filing extension for its upcoming Integrated Resource Plan.

STAFF RECOMMENDATION:

Staff recommends that Avista Utilities' (Avista or Company) request for waiver of OAR 860-027-0400(3) be approved, allowing extension of the filing date for its upcoming Integrated Resource Plan (IRP) from August 31, 2020 to April 1, 2021.

DISCUSSION:

Issue

Whether the Commission should waive the filing deadline in OAR 860-027-0400 for Avista's next IRP, and allow the IRP to be due April 1, 2021.

Applicable Law

The Commission's timing requirements for IRP filings are set out in OAR 860-027-0400(3). A regulated utility generally must file an IRP within two years of its previous IRP acknowledgment order. If the utility does not intend to take any significant resource action for at least two years after the next IRP is due, the utility may request an extension of its filing date.

Under OAR 860-027-0000(2) and OAR 860-027-0400(1), the Commission, on a written request or its own motion, may waive the above rule for good cause shown.

Analysis

On January 16, 2020, Avista filed for a waiver of OAR 860-027-0400(3) in order to postpone the filing date of its upcoming IRP from August 31, 2020 to April 1, 2021, pursuant to OAR 860-027-0000(2). The Company makes this request to allow additional time to incorporate the outcomes of any new legislative decisions into its integrated resource plan.

Staff notes that the August 31, 2020, filing date was initially chosen by Avista based on its filing requirements in Washington. Avista's last IRP was acknowledged on March 12, 2019,¹ which means the normal deadline for filing the next IRP would have been March 12, 2021. The request would result in a seven-month extension from the initially announced filing date, and a 20-day extension from the required filing date.

In 2019, several bills passed that may impact Avista's long-term natural resource planning:

- Washington Senate Bill 5116: Clean Energy Transformation Act.
- Washington House Bill 1257: renewable natural gas investment pathway.
- Washington House Bill 1444: appliance efficiency standards.
- Oregon Senate Bill 98: renewable natural gas.

The implementation of these bills is still unfolding, and Avista expects to better incorporate these impacts in the next few months.

Avista also identified some current bills under consideration that may impact their system-wide modeling. In Washington, SB 5981 and HB 2892 address greenhouse gases.

Based on the results of Avista's 2019 IRP, Avista anticipated no major distribution upgrades or other major resource acquisitions for Oregon in the four-year planning horizon, and expects similar results absent the results of legislative activity. This suggests to Staff that there is minimal risk in delaying filing, though the Company's request aligns more with the standard for a waiver request than the filing date extension that is allowed under the terms of OAR 860-027-0400(3) for a utility that does not intend to take any significant resource action for at least two years after the next IRP is due.

Avista informed their IRP Technical Advisory Committee on January 14, 2020, of the intent to request a waiver and has not received any objections. Citizens' Utility Board of Oregon has no objections to this waiver.

¹ Order No. 19-106.

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Conclusion

Staff supports this waiver to allow Avista to model any new legislative directives that come out of the Washington or Oregon State legislative sessions.

PROPOSED COMMISSION MOTION:

Approve Avista's request for waiver of OAR 860-027-0400(3), allowing the Company to extend the filing date for its upcoming Integrated Resource Plan from August 31, 2020 to April 1, 2021.

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