



2026-2029 Clean Energy Implementation Plan

Draft Proposed Targets & Specific Actions

February 18, 2024

CEIP Advisory Group

Agenda & Meeting Etiquette

Agenda

- 2026 – 2029 CEIP Proposed Targets & Specific Actions
- Future meeting topics & timeline

Meeting Etiquette

- Meetings will be recorded & posted
- Mute speakers & cameras optional
- Questions in the chat or use the “raise hand” feature
- Respect diverse opinions

INCREASING LEVEL OF PUBLIC IMPACT

INFORM	CONSULT	INVOLVE	COLLABORATE	EMPOWER
Public Participation Goal:	Public Participation Goal:	Public Participation Goal:	Public Participation Goal:	Public Participation Goal:
To provide the public with balanced and objective information to assist them in understanding the problems, alternatives, opportunities and/or solutions.	To obtain public feedback on analysis, alternatives and/or decisions.	To work directly with the public throughout the process to ensure that public concerns and aspirations are consistently understood and considered.	To partner with the public in each aspect of the decision including the development of alternatives and the identification of the preferred solution.	To place final decision-making in the hands of the public.

Washington's Clean Energy Transformation Act



2025
NO COAL
STANDARD



2030
GHG NEUTRAL
STANDARD



2045
100% CLEAN
STANDARD

2019 WA State Senate Bill 5116

Developing the 2026 – 2029 CEIP



Integrated Resource Plan | Clean Energy Action Plan

Due: January 1 2025, for 2026-2035 period



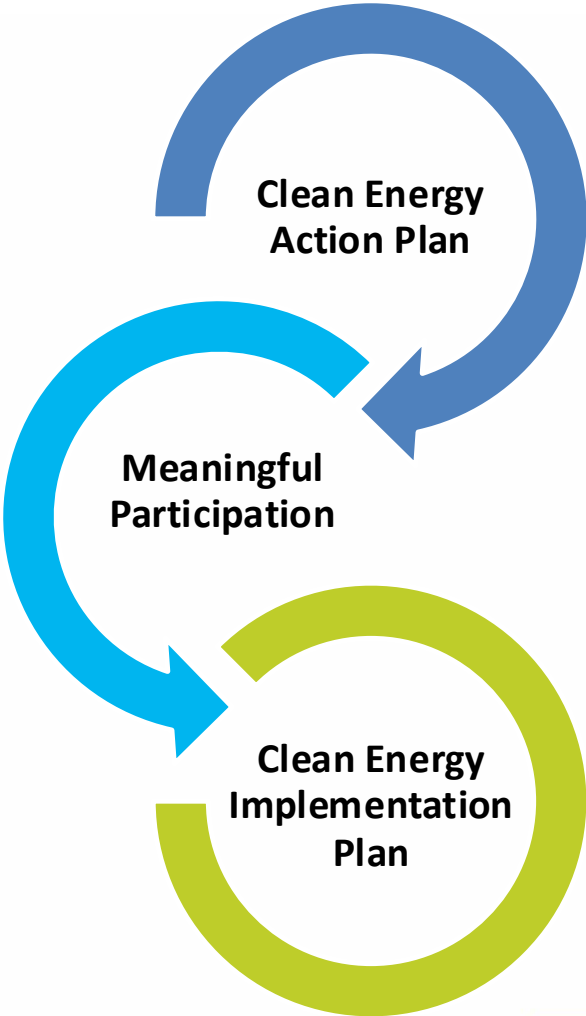
Public Participation Plan

Due: May 1 2025, for 2025-2027 period



Clean Energy Implementation Plan (CEIP)

Due: October 1 2025, for 2026-2029 period



2026 – 2029 Clean Energy Implementation Plan

Proposed Targets | Specific Actions

Renewable Energy



Energy Efficiency



Demand Response



Company Initiatives



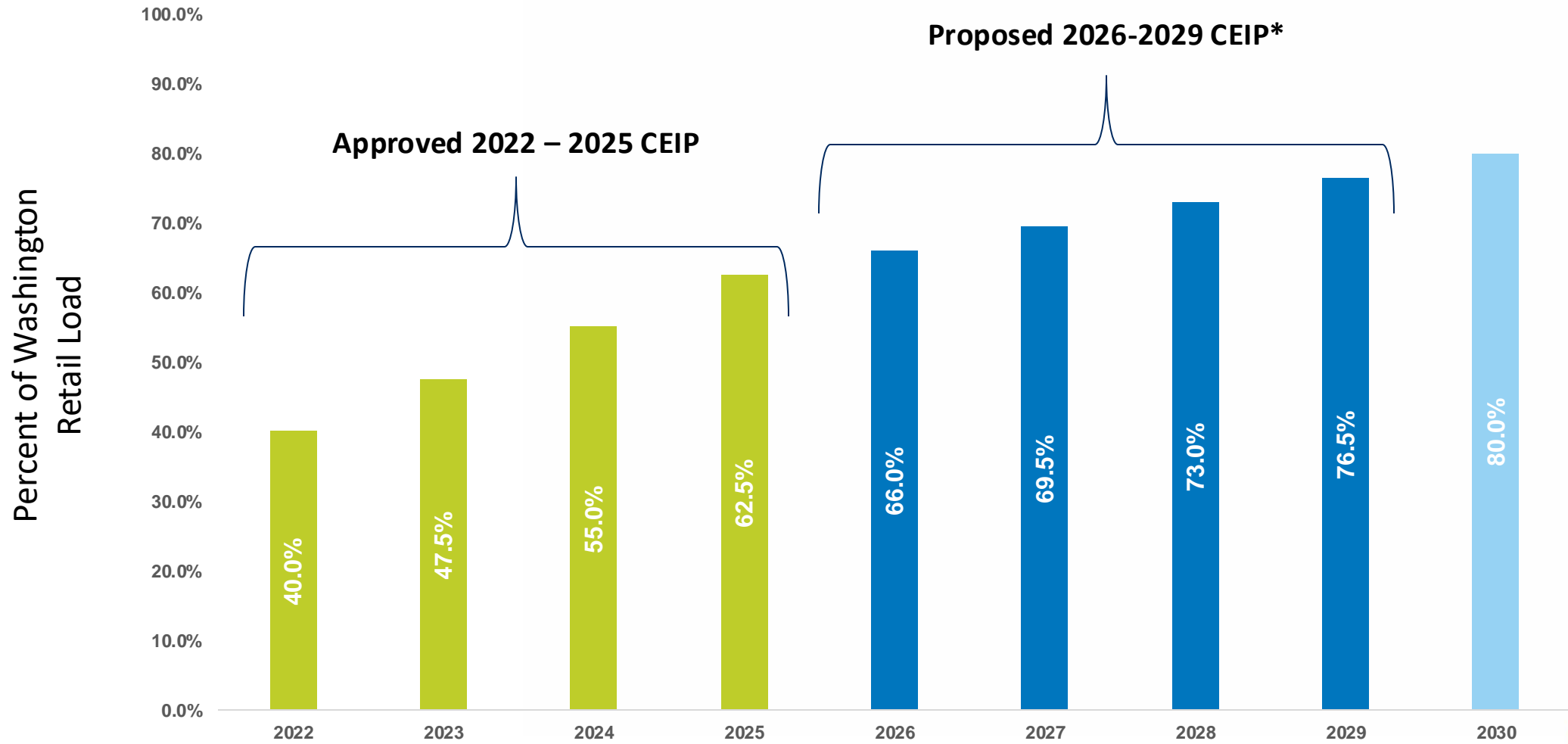
Customer Benefit Indicators & Named Communities



Public Participation Plan



Proposed Renewable Energy Targets

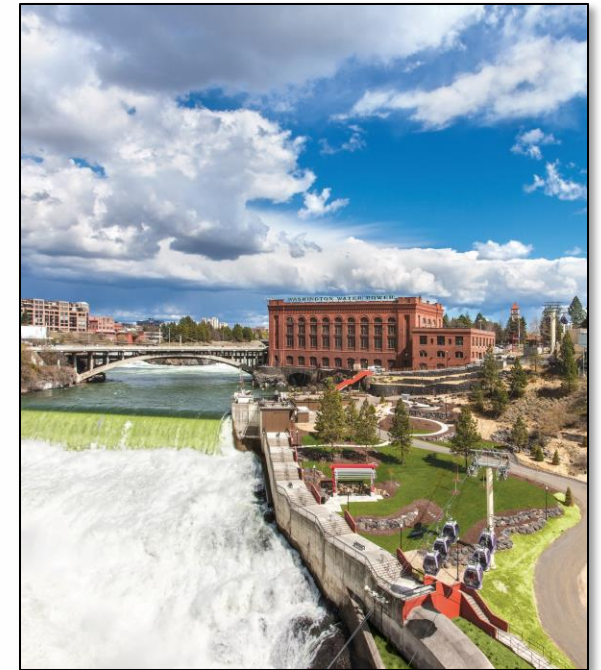


*Based on preliminary targets set in the 2025 Clean Energy Action Plan; subject to change

Jurisdictional Allocation of Energy Resources & RECs

Balancing Avista's planning and operations at a system level, while honoring WA & ID state energy policies

- Allocate contracts and Avista-owned clean generation resources by **Production/Transmission (PT) ratio of 65.5% WA and 34.5% ID**
- Purchase ID's share of RECs for **Palouse Wind, Kettle Falls Generating Station, Rattlesnake Flats Wind, Columbia Basin Hydro, Chelan PUD Hydro and Clearwater Wind** if needed
- Barring low hydro conditions or major mechanical failures, **avoid purchasing ID's share of existing hydro energy/RECs for primary compliance**
 - Limit the purchase of ID's hydro RECs for alternative compliance



Generation Compared to Renewable Energy Targets* (aMW)

Item	2026	2027	2028	2029
WA Retail Sales	708.3	713.2	716.4	718.9
PURPA	20.9	20.9	20.9	20.9
Solar Select	5.7	5.7	5.6	5.5
WA Retail Load (Net Requirement)	681.7	686.6	689.9	692.4
Target Clean % for Primary Compliance	66.0%	69.5%	73.0%	76.5%
Clean Energy Goal	449.9	477.2	503.6	529.7
WA Allocated Share				
Clark Fork & Spokane River Hydro	297.1	288.5	289.3	296.8
Mid-Columbia and CBH Hydro PPAs	159.9	167.2	165.4	165.0
Kettle Falls	23.3	21.1	18.7	17.7
Wind PPAs	86.6	87.0	87.0	87.3
Solar PPA	-	-	-	-
Available Resources	566.9	563.9	560.4	566.8
Percent of Retail Load	83.2%	82.1%	81.2%	81.9%
WA Position Before Idaho REC Purchases	117.0	86.7	56.8	37.1
ID RECs for Purchase (Wind, Biomass, Hydro PPA)	118.6	121.3	119.0	119.0
WA Position After Available ID REC Purchases	237.9	211.5	180.9	164.2

} WA Avg. Annual Need: 490.1 aMW

} WA Avg. Annual Available: 564.5 aMW

} ID Avg. Annual Available: 119.48 aMW

*Based on 2025 IRP data with average conditions, to be updated in the 2026-2029 CEIP

Renewable Energy Targets & Specific Actions

Interim Targets

2026 – 66.0%

2027 – 69.5%

2028 – 73.0%

2029 – 76.5%

Specific Actions

- Retire sufficient RECs to comply with annual targets
- 2025 All Source RFP energy & capacity online by end of 2029
 - Between 75 – 375 MW of winter qualifying capacity
 - Between 50 – 350 MW of summer qualifying capacity
 - Between 0 – 200 aMW of annual clean energy
- Install 1.5 MW low-income solar dependent on WSU Community Solar | HB1814 tax credit
- Transmission expansion
 - North Plains Connector
 - Colstrip Transmission System Upgrade
 - Lolo-Oxbow Rebuild

2025 All Source Capacity & Energy RFP

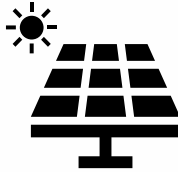
- **All Source Request for Proposal:**
 - Between 75 – 375 MW of winter qualifying capacity
 - Between 50 – 350 MW of summer qualifying capacity
 - Between 0 – 200 aMW of annual clean energy
- **Independent Evaluator:** Procure Power, LLC

RFP Action	Tentative Schedule*
WUTC Independent Evaluator Approval	February 13, 2025
WUTC All Source RFP Filing	End of February 2025
Issue All Source RFP	May 30, 2025
Bidders Responses Due	June 20, 2025
Evaluation	Thru August 2025
Selection	Q4 2025

*Coincides with Avista's Transmission Cluster Study

Low-Income Solar

Arrays



- 1.5 MW w/multiple 199 kW arrays
- Expand existing Avista solar installation
- May be paired with storage

Funding



- Implementation estimate: ~ \$3.65M*
- WSU Community Solar Expansion | HB1814
 - Public Utility Tax Credit upon completion

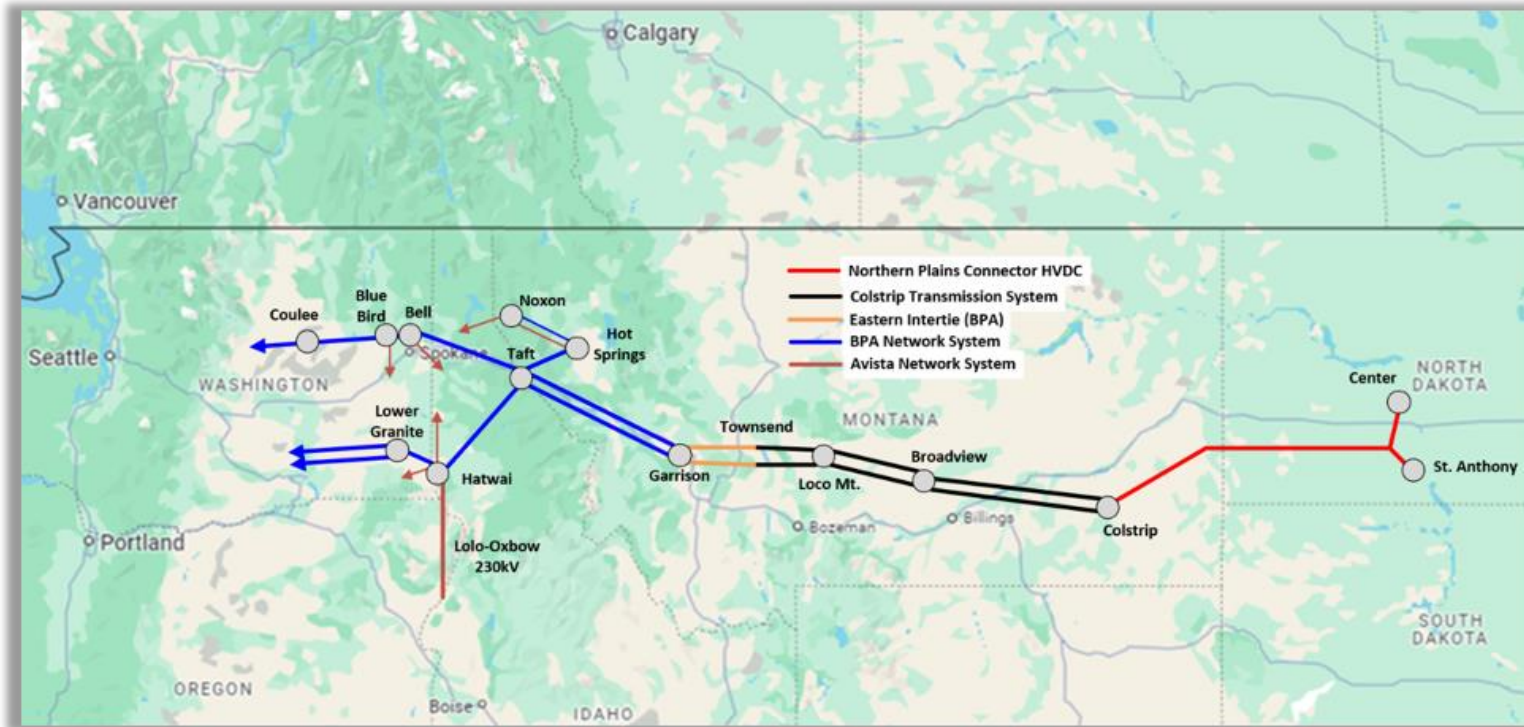
Benefits



- Identified low-income emergency assistance estimate: ~ \$47k*annually
- Retain in-house & allocate to low-income customers for 10 years

*Amounts shown as estimates; actual costs and benefits subject to change

Transmission Capacity Expansion Projects



North Plains Connector

- \$700 M GRIP award*
- 3,000 MW | 300 MW Avista
- Online by 2033

Colstrip Transmission System

- 900 MW | 108 MW Avista
- Online by 2033

Lolo-Oxbow Rebuild

- \$86 M GRIP award*
- 635 MW | 200-250 MW Avista
- Online by 2030

*Pending federal Infrastructure Investment & Jobs Act | Grid Resilience & Innovation Partnerships funding

2022 – 2025 CEIP Renewable Energy Conditions

Condition #2:

Once the Commission has adopted **final “use” rules** in Docket UE-210183, in its Clean Energy Implementation Plan (CEIP) docket, if different than Table 2.1 on page 2-3 in the CEIP, **Avista shall update its CEIP to reflect the percentage of retail sales of electricity supplied by non-emitting resources and renewable resources in 2020 within 30 days.**

Use Rules Pending

Condition #5: Biennial Update

In future CEIPs, and in Biennial CEIP Updates if Avista proposes to modify its approved interim targets, it will include **descriptions of quantitative (i.e., cost based) and qualitative (e.g., equity considerations) analyses that support interim targets** to comply with the Clean Energy Transformation Act’s (CETA) 2030 and 2045 clean energy standards.

To be discussed at the Incremental Cost meeting

Condition #6:

In its 2023 Biennial CEIP Update and in future CEIPs, Avista will include **quantitative and qualitative risk analysis, if risk is used to justify deviating from the lowest reasonable cost** solution that complies with CETA.

Renewable Energy Target Scenarios

2025 IRP Scenario #15 Minimal Viable CETA Target

Year	Target
2026	62.5%
2027	62.5%
2028	62.5%
2029	62.5%

2025 IRP Scenario #1 Preferred Resource Strategy

Year	Target
2026	66%
2027	69.5%
2028	73%
2029	76.5%

2025 IRP Scenario #16 Maximum Viable CETA Target

Year	Target
2026	70%
2027	73%
2028	75%
2029	78%

Qualitative & quantitative analysis to be discussed at the Incremental Cost meeting

Incremental Cost Calculation Inputs

- Climate Commitment Act REC impact
- CETA REC impact
- Demand response costs
- Low-income solar costs
- Named Community Investment Fund
- Internal & non-incremental labor/non-labor
- Given RFP responses are planned for Q3-4, how to estimate unknown resource acquisition costs?
- Non-Energy Impacts / Social Cost of Carbon
- 2022-2025 CEIP commitments (including annual O&M) that will continue
- 2026-2029 CEIP commitments/conditions with financial impact

Energy Efficiency Targets & Specific Actions

Targets

2025 IRP Forecasted:

147,344 MWhs EE savings by 2029

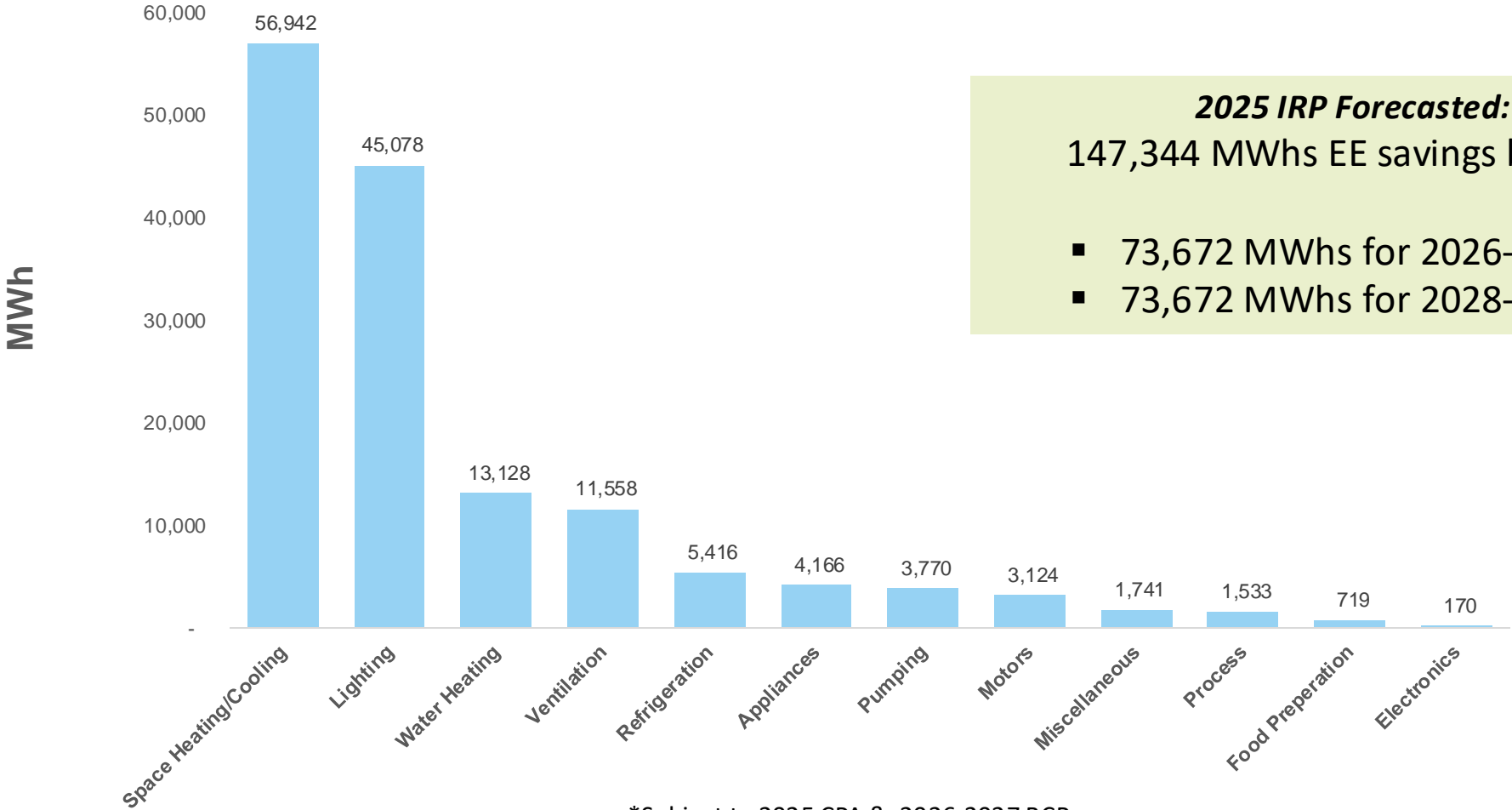
- 73,672 MWhs for 2026-2027*
- 73,672 MWhs for 2028-2029**

*Subject to 2025 CPA & 2026-2027 BCP
** Subject to 2027 CPA & 2028-2029 BCP

Specific Actions

- Continue existing cost-effective measures/program
- Pursue CPA identified cost-effective measures/programs
- Supplement non-cost-effective measures for Named Communities with NCIF Energy Efficiency up to \$2M annually

IRP Forecasted Energy Efficiency Savings by Measures



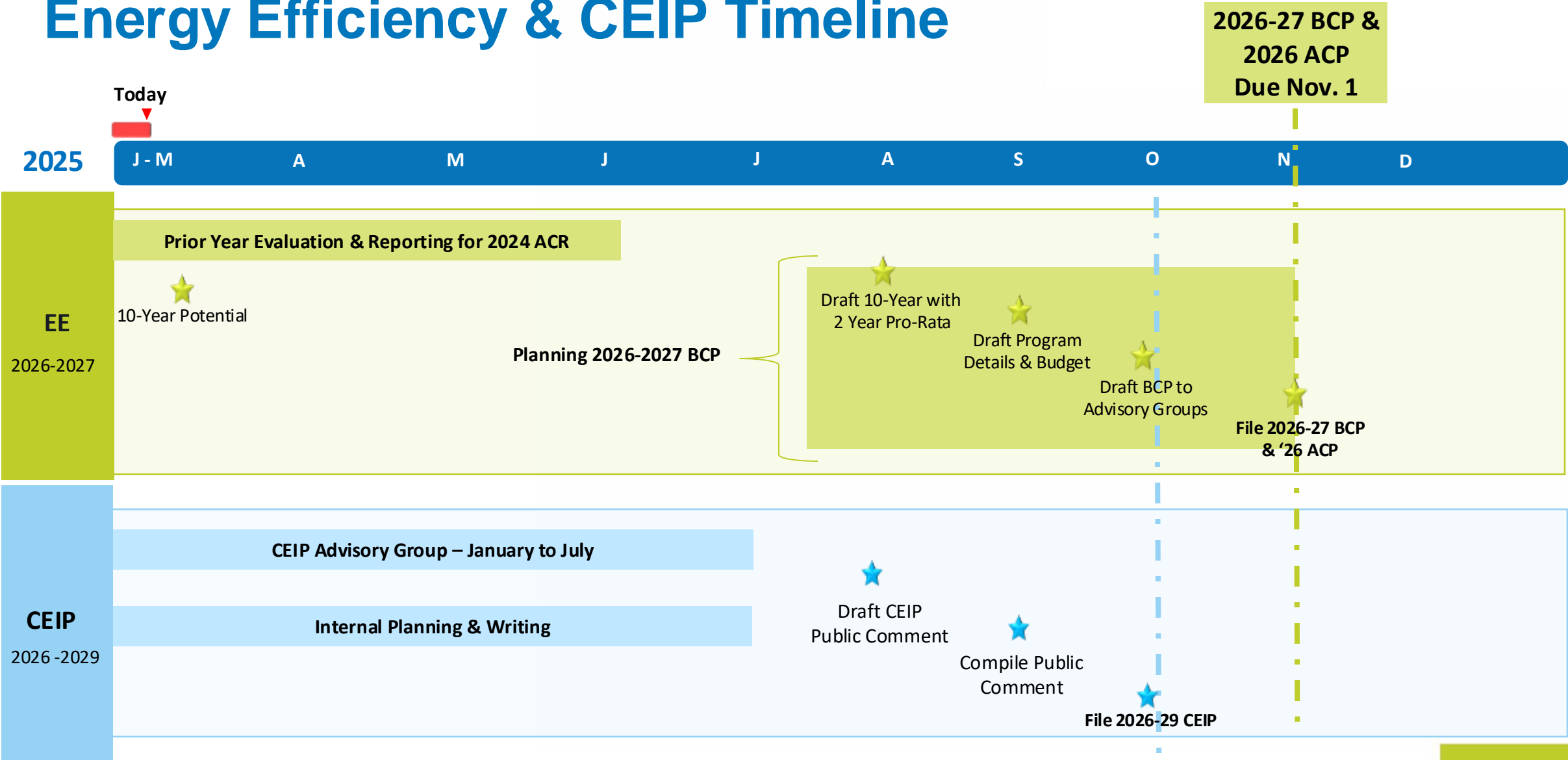
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Energy Efficiency & CEIP Timeline



ACP – Annual Conversation Plan | ACR – Annual Conversation Report |
 BCP – Biennial Conservation Plan | CPA – Conservation Potential Assessment

**2026-2029 CEIP
 Due Oct. 1**



Demand Response Targets & Specific Actions

Targets

Cumulative 5 MW of DR savings during a single peak hour by 2029

Specific Actions

- 2025 All Source RFP energy & capacity online by end of 2029
 - Acquire a minimum of 5 MWs DR
- Continue Specific Actions from 2022-2025 CEIP
 - 30 MW Large Industrial DR Contract
 - Time of Use (A|B) Pilots thru mid-2026
 - Peak Time Rebate Pilot thru mid-2026
 - EV Time of Use rates
 - CTA-2045 Grid-Enabled Water Heaters (NEEA)
 - Connected Communities

Company Initiatives Targets & Specific Actions

Targets

Aspirational 2029 goal by equity area

Invest up to \$5M annually
in Named Communities

Specific Actions

- Aspirational goal specific actions – April CEIP meeting
- Continue Specific Actions from 2022-2025 CEIP
 - Named Community Investment Fund
 - Transportation Electrification Program
 - Equity, Inclusion & Diversity Program
 - Spokane Tribe Microgrid

Named Communities Investment Fund Changes

2022 – 2025 CEIP

- **\$5M annually**
 - \$2M EE & \$3M Community
- Funding limits by investment type
- Single year uncommitted funds EE rollover





2026 – 2029 CEIP

- **\$5M annually**
 - \$2M EE & \$3M Community
- **No funding** limits by investment type
- Single year uncommitted funds **EE & Community rollover**



2026-2029 CEIP Proposed Timeline

 Review of 2022-2025 CEIP	January 14
 2026-2029 Targets & Specific Actions	February 18
2025-2027 Public Participation Plan Named Communities	March 18
Customer Benefit Indicators Named Community Investment Fund	April 22
Incremental Costs & Alternative Compliance Analysis	May 20
TBD	June 17
TBD	July 15
Draft CEIP available for public comment	August 2025
Compile public comments & finalize	September 2025
File 2026-2029 CEIP	October 1, 2025

Questions & Discussions

Next Meeting: March 18

Topics: 2025-2027 Public Participation Plan | Named Communities