



Variable Energy Resources Workgroup Integration Study – Phase 1

September 13, 2022

Agenda & Timeline

- Workgroup expectations
- Review overall workplan and progress
- ES presentation of Phase I results and next steps
- Workgroup input and discussion
- Adjourn

Note - this meeting is being recorded.

Workgroup Expectations

Technical discussion, not advocacy

- Feedback on Avista methods, approaches and data sources
- Engaged participation throughout process
- Oversight and recommendations on next steps

VER Integration Study

Purpose and Overview

- Consistent application supporting varying analyses
 - Integrated Resource Planning
 - Resource acquisition processes (e.g., RFP)
 - Transmission tariff rates
 - PURPA avoided cost calculations
- Define “Consumptive Capacity” (CC) associated with incremental variable energy resources
- Determine Costs
 - current costs under varying scenarios
 - projected future costs under IRP Preferred Resource Strategy

VER Integration Study Scope

- What's included
 - consumptive capacity and its costs
 - impacts of EIM ("fast") markets
 - potential future portfolio VER buildouts
 - sensitivity scenarios
- What's not included
 - alternative capacity resources (e.g. batteries)
 - new utility-controlled storage
 - VER-driven investments in existing infrastructure
 - distributed generation or response beyond what's in IRP

VER Study Workplan Overview

- VER scenarios and profiles (ES) – *completed*
- VER reserve analysis (ES) – *completed*
- Presentation of Phase I results (ES) – *today*
- Avista Decision Support System (Avista)
 - Run additional VER sensitivities/scenarios
 - Results used to calculate integration costs
- Phase II deliverables (ES)
 - Presentation and report with full analysis and results
 - Tool to calculate reserves for future scenarios/mixes

Workgroup Input

(after ES's presentation)

- Base case assumptions for all portfolio mixes (2-4 hours per run)
 - 13 VER portfolios (base + 12)
 - Includes EIM regional diversity
 - Include carbon costs (CCA)
- Modeling sensitivities for 400 MW wind case
 - Addresses next 10+ years of PRS
 - Hydro (low/base/high)
 - Market prices (low/base/high)
- Is intra-hour modeling necessary?
- Others?