



2022 All Source RFP Bidders Conference

February 28, 2022

This meeting is being recorded. A summary of Q&A along with the presentation will be posted online.

2021 IRP

- Avista resource needs identified in 2021 Electric Integrated Resource Plan (IRP) filed 4/1/21 and updated 4/30/21
- IRP shapes Avista's resource strategy and planned procurements for 20+ years
- IRP evaluates supply and demand-side resources
- Preferred Resource Strategy (PRS) relies on modeling methods to balance cost, reliability, rate volatility, environmental goals and mandates
- IRP Technical Advisory Committee (TAC) guides IRP development



Updates and Activities since 2021 IRP Update

- Closed out 2020 Renewable RFP and incorporated results
- Updated load forecasts
- Clean energy standard compliance considerations
- Various activities related to Clean Energy Transformation Act, Clean Energy Implementation Plan, Purchase of Resource rules and the next IRP

IRP

CETA

CEIP

POR

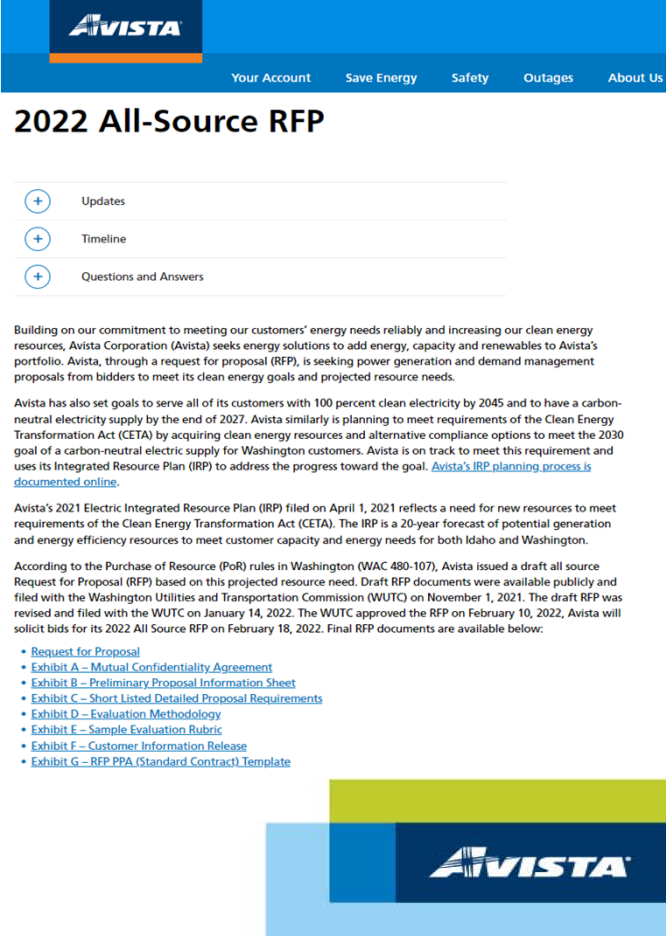
Potential Updates to RFP

- Western Resource Adequacy Program (WRAP)
- Adoption of “use” rules by the Washington Utilities and Transportation Commission (WUTC) for 2030 clean energy standard compliance

As noted in the RFP, if these issues result in major changes that affect resource need or scoring, Avista will communicate changes to bidders and allow for adjustments to proposals.

2022 All Source RFP

- Avista has adequate resources and energy efficiency programs to meet summer and winter peak load through October 2026
- RFP to meet clean energy and capacity deficits in WA and ID between 2026 and 2030
- RFP to secure resources through a Power Purchase Agreement (PPA), or combination of PPAs, ownership (or future option to purchase) and/or Demand Response
- Hybrid proposals combining clean energy, capacity and/or storage will be evaluated



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2022 All-Source RFP

- + Updates
- + Timeline
- + Questions and Answers

Building on our commitment to meeting our customers' energy needs reliably and increasing our clean energy resources, Avista Corporation (Avista) seeks energy solutions to add energy, capacity and renewables to Avista's portfolio. Avista, through a request for proposal (RFP), is seeking power generation and demand management proposals from bidders to meet its clean energy goals and projected resource needs.

Avista has also set goals to serve all of its customers with 100 percent clean electricity by 2045 and to have a carbon-neutral electricity supply by the end of 2027. Avista similarly is planning to meet requirements of the Clean Energy Transformation Act (CETA) by acquiring clean energy resources and alternative compliance options to meet the 2030 goal of a carbon-neutral electric supply for Washington customers. Avista is on track to meet this requirement and uses its Integrated Resource Plan (IRP) to address the progress toward the goal. [Avista's IRP planning process is documented online.](#)

Avista's 2021 Electric Integrated Resource Plan (IRP) filed on April 1, 2021 reflects a need for new resources to meet requirements of the Clean Energy Transformation Act (CETA). The IRP is a 20-year forecast of potential generation and energy efficiency resources to meet customer capacity and energy needs for both Idaho and Washington.

According to the Purchase of Resource (PoR) rules in Washington (WAC 480-107), Avista issued a draft all source Request for Proposal (RFP) based on this projected resource need. Draft RFP documents were available publicly and filed with the Washington Utilities and Transportation Commission (WUTC) on November 1, 2021. The draft RFP was revised and filed with the WUTC on January 14, 2022. The WUTC approved the RFP on February 10, 2022, Avista will solicit bids for its 2022 All Source RFP on February 18, 2022. Final RFP documents are available below:

- [Request for Proposal](#)
- [Exhibit A – Mutual Confidentiality Agreement](#)
- [Exhibit B – Preliminary Proposal Information Sheet](#)
- [Exhibit C – Short Listed Detailed Proposal Requirements](#)
- [Exhibit D – Evaluation Methodology](#)
- [Exhibit E – Sample Evaluation Rubric](#)
- [Exhibit F – Customer Information Release](#)
- [Exhibit G – RFP PPA \(Standard Contract\) Template](#)

AVISTA

Independent Evaluator (IE)

- Avista selected Sapere Consulting (Sapere) to provide IE services
- IE's role includes, but not limited to, the following:
 - Professional assistance in design and evaluation
 - Ensure RFP is conducted in accordance with Idaho and Washington resource acquisition rules
 - Review all third party and Avista proposals
 - Ensure process is fair and transparent
 - Assessing Avista's process of scoring bids and selection of shortlists is reasonable

2022 All Source RFP Evaluation

- Proposals reviewed to verify they meet general qualifications
- Proposals meeting general qualifications will be evaluated on six characteristics
- Evaluation criteria is weighted based on the importance of meeting Avista's resource development goals stated in 2021 IRP and 2021 CEIP
- Avista's RFP objectives to add capacity, energy, and renewable energy, will be determined by choosing the best combination of proposals to meet objectives on a lowest reasonable cost basis

Evaluation Process - Minimum General Requirements

- Compatibility with resource need
- Site control
- Financial plan
- Credit
- Procurement plan
- Delivery solution to Avista

Minimum General Requirements Clarifications

- Proposals reviewed to verify they meet general requirements
 - Clarification on Financial Plan and Credit Requirements
 - These general requirements will be considered met if preliminary information (Exhibit B) includes any of 1-5 options in credit section
 - Financial plan may be further evaluated, if applicable, based on detailed proposals (Exhibit C)
 - Clarification on Major Component Procurement Plan
 - This general requirement will be considered met based on preliminary information (Exhibit B) responses for Generation Equipment Manufacturer and Model(s) and Project Capacity
 - Procurement plan will be further evaluated, if applicable, based on detailed proposals (Exhibit C)

Evaluation continued – Six Scoring Characteristics

- Risk Management
- Customer Energy Impact
- Price Risk
- Electric Factors
- Environmental
- Non-Energy Impact

Intake – Proposals due March 25, 2022

- Preliminary information (Exhibit B),
- Confidential Agreement (Exhibit A),
- Customer Information Release (Exhibit F),
- Certification (by an authorized individual for Bidder that information is complete and accurate)
- Bid Fee – process is still being finalized and will be communicated on the website

Screening – Two Step Evaluation Process

- Preliminary Information
 - Evaluated and ranked based on the preliminary information provided in Exhibit B
 - Focus on conformance of each Bidder's submittal with the requirements of the RFP, the customer cost/financial impacts and non-energy impacts
 - Avista will consult with IE to arrive at a short list
 - Proposals will be summarized and posted on Avista's website in accordance with legislative requirement
- Detailed Proposals from Short-Listed Bidders
 - Further analyzed based on qualitative and quantitative factors consistent with six scoring characteristics

Resource Adequacy Shortfall (MW)

Year	Winter Capacity (MW)	Summer Capacity (MW)
2022/23	-	-
2023/24	-	-
2024/25	-	-
2025/26	-	-
2026/27	162	127
2027/28	167	139
2028/29	190	177
2029/30	196	190

Monthly Average Energy Shortfall (aMW)

Month	2026	2027	2028	2029	2030
Jan	-	227	232	241	244
Feb	-	250	261	263	266
Mar	-	128	131	140	143
Apr	-	-	-	-	-
May	-	-	-	-	-
Jun	-	-	-	-	-
Jul	-	38	42	57	64
Aug	-	212	215	228	235
Sep	-	95	98	109	112
Oct	52	55	65	67	68
Nov	91	96	110	113	115
Dec	148	154	166	169	172

Monthly Renewable Energy Shortfall (aMW)

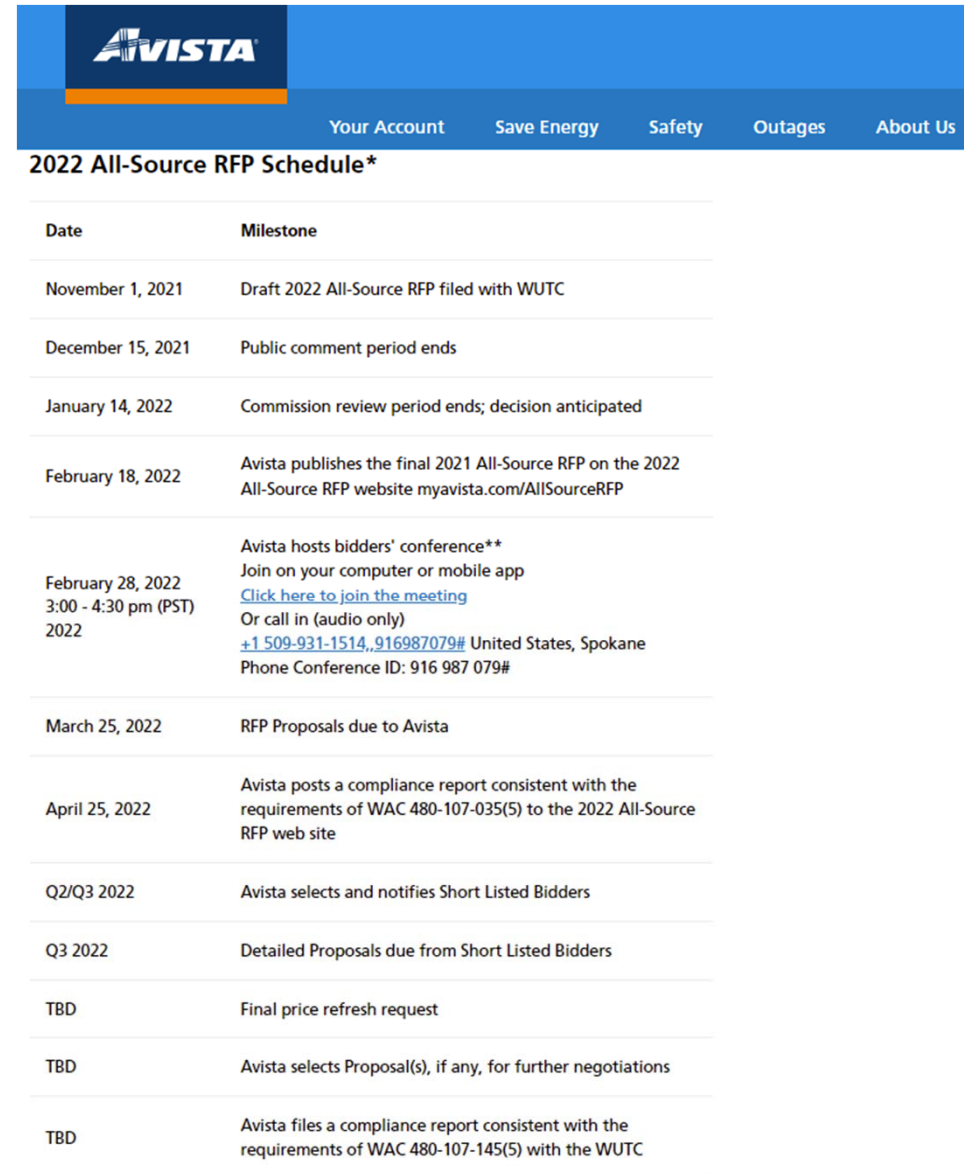
Month	2030
Jan	86
Feb	131
Mar	5
Apr	-
May	-
Jun	-
Jul	-
Aug	94
Sep	120
Oct	32
Nov	9
Dec	35

RFP Website – www.myavista.com/AllSourceRFP

- RFP documents are posted on Avista website
 - Request for Proposal
 - Exhibit A – Mutual Confidentiality Agreement
 - Exhibit B – Preliminary Proposal Information Sheet
 - Exhibit C – Short Listed Detailed Proposal Requirements
 - Exhibit D- Evaluation Methodology
 - Exhibit E – Sample Evaluation Rubric
 - Exhibit F – Customer Information Release
 - Exhibit G – RFP PPA (Standard Contract) Template
 - TBD – Bid Fee Process

RFP Website Timeline

- Tentative timeline, subject to change, is posted online
- Website will be primary communication tool for updates



The screenshot shows the Avista website header with navigation links: Your Account, Save Energy, Safety, Outages, and About Us. Below the header is the title "2022 All-Source RFP Schedule*" and a table with two columns: Date and Milestone.

Date	Milestone
November 1, 2021	Draft 2022 All-Source RFP filed with WUTC
December 15, 2021	Public comment period ends
January 14, 2022	Commission review period ends; decision anticipated
February 18, 2022	Avista publishes the final 2021 All-Source RFP on the 2022 All-Source RFP website myavista.com/AllSourceRFP
February 28, 2022 3:00 - 4:30 pm (PST) 2022	Avista hosts bidders' conference** Join on your computer or mobile app Click here to join the meeting Or call in (audio only) +1 509-931-1514 , 916987079# United States, Spokane Phone Conference ID: 916 987 079#
March 25, 2022	RFP Proposals due to Avista
April 25, 2022	Avista posts a compliance report consistent with the requirements of WAC 480-107-035(5) to the 2022 All-Source RFP web site
Q2/Q3 2022	Avista selects and notifies Short Listed Bidders
Q3 2022	Detailed Proposals due from Short Listed Bidders
TBD	Final price refresh request
TBD	Avista selects Proposal(s), if any, for further negotiations
TBD	Avista files a compliance report consistent with the requirements of WAC 480-107-145(5) with the WUTC

RFP Questions and Answers

- Q&A today or received via email that identifies issues not spelled out in the RFP will be posted online
- Questions today that cannot be clarified during this Bidders Conference will be followed up and posted online

Questions?