

Interconnections Requesting Power Purchase Agreements with Avista

Overview

State and federal laws along with Avista's business practices and procedures specify requirements for Qualifying Facilities delivering generation to Avista's electrical system.

For projects entering the interconnection process that will request a Power Purchase Agreement (PPA) with Avista Corporation, Avista requires that the project be discussed with Avista as early as possible so that expectations are clear for all parties.

A Qualifying Facility will not be able to deliver any output to Avista unless and until it has a PPA with Avista.

In addition to a Power Purchase Agreement, there is also an option for systems less than 100 kW to elect to net-meter. This also requires the customer-generator to sign a net-metering agreement.

Potential customer-generators have three contracting options:

Option 1 - For systems 100 kW or less – net-metering or PURPA:

- **Net-metering:**
 - Generation is behind the meter (connected to customer load) and first goes to serve customer's load
 - Excess generation is delivered to Avista and measured at the retail meter
 - Net-metering provides a kWh credit for energy produced
 - Net-metering kWh credits are measured monthly and when kWh generated exceeds customer load in a given month, a kWh credit will be available for future months
 - Net-metering credits, if any excess remains at the end of the generation year, are zeroed out on March 31st.
- **PURPA:**
 - Generation is not behind the meter (not connected to customer load)
 - All generation is delivered to Avista and paid the avoided-cost rate, either a negotiated rate or published rate, if eligible

Option 2 - For systems greater than 100 kW and less than 5 MW – net-PURPA:

- Generation is behind the meter (connected to customer load) and first goes to serve customer's load
- In any hour when customer's generation exceeds load, excess energy delivered to Avista will be measured and paid an as-available, market-based rate.
- No kWh credits are provided; however, a customer may first reduce their load when generation in a given hour is less than or equal to their load
- Again, at any time when generation exceeds load, a PURPA payment will be provided, there is no kWh credit/banking for net-PURPA
- Net-metering is only available to systems less than 100 kW

Option 3 - For systems 80 MW or less – PURPA:

- For PURPA contracts, all generation is delivered to Avista and paid the avoided cost rate elected by the customer, either a negotiated rate or published rate, if eligible

Contract terms differ based on several factors including the nameplate capacity of generation facilities, location, technology type, and installation. To ensure that the necessary details and information are understood to each applicant, **it is requested that within 90 days of entering the interconnection process with Avista's transmission department, the applicant begin discussions with Avista's wholesale marketing contracting team.**

Initial Project Discussion:

During the initial meeting with Avista's wholesale marketing contracting team, Avista and the applicant will discuss several items pertaining to their project. These items include, but not limited to:

1. Contract requirements and conditions
2. Avoided cost rate options available to Qualifying Facilities
3. Indicative avoided cost rates
4. Contracting procedures
5. Project information requirements
6. Contract term length
7. Generation requirements including information, metering, and minimum output

Please Note: The overall goal is to make the applicant aware of program availability and requirements so parties are well informed throughout the interconnection process.

Contact Information:

Avista's contracts are managed by its Wholesale Marketing Team. Please contact Wholesale Marketing within 90 days of submitting a project at the following email address.

Avista's Wholesale Marketing Team - Wholesalepower@avistacorp.com

Additional Information:

Avista Small Generation Tariff Schedule - https://www.myavista.com/-/media/myavista/content-documents/our-rates-and-tariffs/wa/wa_062.pdf

WAC Chapter 480-106 - [Chapter 480-106 WAC](#):

Section 201 of the Public Utilities Regulatory Policies Act of 1978 - [Public Utility Regulatory Policies Act of 1978 | Federal Energy Regulatory Commission](#)