

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF AVISTA) CASE NO. AVU-E-23-15
CORPORATION’S AND CLEARWATER)
PAPER CORPORATION’S JOINT PETITION)
FOR APPROVAL OF AMENDMENT NO. 1) ORDER NO. 36157
TO POWER PURCHASE AND SALE)
AGREEMENT)

On October 2, 2023, Avista Corporation (“Avista” or “Company”) and Clearwater Paper Corporation (“Clearwater”) (collectively the “Parties”) jointly petitioned for Commission approval to amend their 2018 Power Purchase and Sale Agreement (“Agreement”) to extend the term for three additional years (“Petition”). These requests were contained in Amendment Nos. 1 and 2 to the Agreement.

On December 29, 2023, the Commission issued Order No. 36046 approving the Company’s Petition subject to a compliance filing which required the Company to work with Staff to determine the appropriate rates to be charged between the Parties, in addition to other modifications.

On January 19, 2024, the Company submitted a compliance filing which was followed by a corrected compliance filing on that same date. The Company submitted a subsequent compliance filing on February 2, 2024, (collectively “Compliance Filings”).¹

At the Commission’s February 13, 2024, Decision Meeting, Staff presented a Decision Memorandum which noted that Staff had reviewed the Company’s Compliance Filings and recommended the Commission issue an Order specifying that the Company had sufficiently—but not completely—complied with Commission requirements in Order No. 36046.²

COMMISSION FINDINGS AND DISCUSSION

We have reviewed the record and find that the Compliance Filings sufficiently comply with the Commission’s requirements from Order No. 36406. Aside from one remaining error caused by not using the first capacity deficiency date from when the original Agreement was signed (December 2026), the Company has complied with this Commission’s directives. As noted by Staff, despite this error, the avoided cost rate paid by Clearwater under the Schedule 25P Block 2

¹ The Compliance Filings contained proposed Amendment Nos. 3 and 4.

² The Company did not use the first capacity deficiency date authorized when the original 2018 Agreement was signed.

Generation Load rate will offset the absence of capacity payments for the one-month period in December 2026. We agree with Staff that if the Agreement is renewed beyond 2026, capacity payments should start immediately upon implementation of the renewal contract.

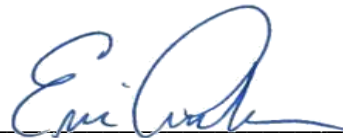
For these reasons, the Commission finds that the Company sufficiently complied with Order No. 36406. Accordingly, the Commission approves the Company's proposed Amendment Nos. 1, 2, 3, and 4 to the Agreement, effective as of January 1, 2024.

ORDER

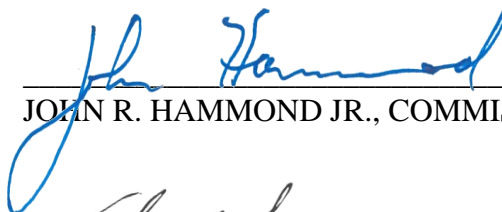
IT IS HEREBY ORDERED that the Company's Agreement, as updated through Amendment Nos. 1, 2, 3, and 4, is approved effective as of January 1, 2024.

THIS IS A FINAL ORDER. Any person interested in this Order may petition for reconsideration within twenty-one (21) days of the service date of this Order about any matter decided in this Order. Within seven (7) days after any person has petitioned for reconsideration, any other person may cross-petition for reconsideration. *Idaho Code* § 61-626.

DONE by Order of the Idaho Public Utilities Commission at Boise, Idaho this 23rd day of April 2024.



ERIC ANDERSON, PRESIDENT



JOHN R. HAMMOND JR., COMMISSIONER



EDWARD LODGE, COMMISSIONER

ATTEST:



Monica Barrios Sanchez
Commission Secretary

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