

# Long Term Marketing Strategy Update: Resolution to Approve Contract

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# Why We Are Here

- Summarize Board meetings
- Review contract highlights
- Returning to Board for vote of contract resolution after 10 days, consistent with state statute

# COP+ Board Highlights

- Proposed contract consistent with March 15 and July 6, 2021, Board presentations that covered:
  - Portfolio Guiding Principles
  - Cost Plus Guiding Principles
  - Major Template Concepts
- Presented to Board December 6, 2021 for contract negotiation update
- Presented to Board December 20, 2021 to introduce contract resolution and provide at least 10 days before approval, consistent with state statute

# COP+ Contract Highlights

- Avista Corporation is the purchaser
- Slice of System
  - “System” includes RR and RI
  - 24-year term with 20 years of output
  - 5% of the output from January 1, 2026 through December 31, 2030
  - 10% of the output from January 1, 2031 through December 31, 2045
- Pricing is competitive, near but below market for today's carbon-free energy and capacity markets, while mitigating costs and streamflow risks
- Added value represents roughly 30 percentage points above the “plus” value in the existing contracts because of today's carbon and capacity market increases

# Next Steps

- Requesting Board approval
- If Resolution is approved, General Manager to enter into the long-term cost plus contract