

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF THE RESIDENTIAL)
AND SMALL FARM ANNUAL RATE) **CASE NO. AVU-E-17-05**
ADJUSTMENT FILING OF AVISTA)
CORPORATION) **NOTICE OF APPLICATION**
)
) **NOTICE OF**
) **MODIFIED PROCEDURE**
)
) **ORDER NO. 33840**

On August 1, 2017, Avista Corporation dba Avista Utilities applied to the Commission for authorization to implement a Residential and Small Farm Energy credit rate, for rate schedules 1, 12, 22, 32, and 48, of 0.078 cents per kilowatt-hour. Application at 1. The Company requests that the Application be processed under Modified Procedure, with an effective date of October 1, 2017. *Id.* at 2. The Commission now issues this Notice of Application and Notice of Modified Procedure setting a comment deadline.

BACKGROUND

The Residential and Small Farm Energy credit rate results from an agreement between the Company and the Bonneville Power Administration (BPA) regarding the Residential Exchange Program. *Id.* The Residential Exchange Program provides a share of the benefits of the federal Columbia River power system to the residential and small-farm customers the six investor-owned utilities of the Pacific Northwest, including Avista. *Id.* at 2-3.

NOTICE OF APPLICATION

YOU ARE HEREBY NOTIFIED that the current Residential and Small Farm credit rate is 0.060 cents per kilowatt-hour. *Id.* at 3. The current amount of BPA benefits passed through to Avista's Idaho customers is about \$0.4 million. *Id.* at 3-4 and n.1. The current credit rate includes the BPA benefit of \$0.4 million and an additional credit adjustment of about \$0.33 million to return to customers an under-refunded balance, for a total credit of about \$0.73 million. *Id.* The additional credit adjustment of about \$0.33 million is projected to be fully refunded to customers by October 1, 2017. *Id.* at 3-4.

YOU ARE FURTHER NOTIFIED that the proposed credit rate is 0.078 cents per kilowatt-hour. *Id.* at 3. The proposed credit rate represents an increase of about \$0.5 million in BPA benefits, to approximately \$0.94 million in BPA benefits. *Id.* Because the additional credit adjustment of \$0.33 million in the current rate will be fully refunded by October 1, 2017, and will no longer apply, the total proposed credit amount is about \$0.94 million. *Id.* at 3-4.

YOU ARE FURTHER NOTIFIED that the overall increase in the credit amount (which results in a rate decrease to qualifying customers) under the proposed rate, compared to the current rate, is \$0.2 million or 0.2%. *Id.* at 4.

YOU ARE FURTHER NOTIFIED that the Company explains that the change in the credit rate does not affect its net income. *Id.*

YOU ARE FURTHER NOTIFIED that the Company's Application provides the calculation of the Residential and Small Farm Energy credit rate in Attachment A. The Company also provides a copy of the proposed tariff, Schedule 59, which contains the credit rate, in Exhibit A to its Application. Exhibit A also shows the changes to Schedule 59 in legislative format. The Company requests an effective date of October 1, 2017. *Id.* at 2.

YOU ARE FURTHER NOTIFIED that the Company indicates that it will bring the Application to the attention of its customers via a news release and a customer notice explaining each of several rate filings. *Id.* at 5.

YOU ARE FURTHER NOTIFIED that the Application and supporting documentation have been filed with the Commission and are available for public inspection during regular business hours at the Commission offices. These documents are also available on the Commission's web site at www.puc.idaho.gov. Click on the "File Room" tab at the top of the page, then select "Electric Cases" and click on the case number as shown on the front of this document.

YOU ARE FURTHER NOTIFIED that all proceedings in this case will be held pursuant to the Commission's jurisdiction under Title 61 of the Idaho Code and specifically *Idaho Code* §§ 61-502 and 61-503. The Commission may enter any final Order consistent with its authority under Title 61.

YOU ARE FURTHER NOTIFIED that all proceedings in this matter will be conducted pursuant to the Commission's Rules of Procedure, IDAPA 31.01.01.000 *et seq.*

NOTICE OF MODIFIED PROCEDURE

YOU ARE FURTHER NOTIFIED that the Commission has determined that the public interest may not require a formal hearing in this matter, and that it will proceed under Modified Procedure pursuant to Rules 201 through 204 of the Commission's Rules of Procedure, IDAPA 31.01.01.201 through .204. The Commission notes that Modified Procedure and written comments have proven to be an effective means for obtaining public input and participation.

YOU ARE FURTHER NOTIFIED that any person desiring to state a position on this Application may file a written comment in support or opposition with the Commission no later than **September 20, 2017**. The comment must contain a statement of reasons supporting the comment. Persons desiring a hearing must specifically request a hearing in their written comments. Written comments concerning this Application shall be mailed to the Commission and the Company at the addresses reflected below:

Commission Secretary
Idaho Public Utilities Commission
PO Box 83720
Boise, ID 83720-0074

Street Address for Express Mail:

472 W. Washington Street
Boise, ID 83702-5918

David J. Meyer, Vice President and Chief
Counsel for Regulatory and Government
Affairs

Avista Corporation
P.O. Box 3727

MSC-27

1411 E. Mission Ave.

Spokane, WA 99220-3727

E-mail: David.Meyer@avistacorp.com

Patrick Ehrbar, Senior Manager – State and
Federal Regulation

Avista Utilities

P.O. Box 3727

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1411 E. Mission Ave.

Spokane, WA 99220-3727

E-mail: Pat.Ehrbar@avistacorp.com

Electronically filed documents:

E-mail: Dockets@avistacorp.com

These comments should contain the case caption and case number shown on the first page of this document. Persons desiring to submit comments via e-mail may do so by accessing the Commission's home page located at www.puc.idaho.gov. Click the "Case Comment or Question Form" under the "Consumers" tab, and complete the comment form using the case number as it

appears on the front of this document. These comments must also be sent to Avista at the e-mail addresses listed above.

YOU ARE FURTHER NOTIFIED that if no written comments or protests are received within the time limit set, the Commission will consider this matter on its merits and enter its Order without a formal hearing. If written comments are received within the time limit set, the Commission will consider them and, in its discretion, may set the same for formal hearing.

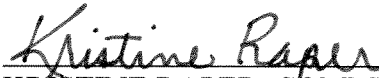
ORDER

IT IS HEREBY ORDERED that the Application of Avista Utilities be processed by Modified Procedure, Rule 201-204 (IDAPA 31.01.01.201-.204). Persons interested in submitting written comments must do so no later September 20, 2017.

DONE by Order of the Idaho Public Utilities Commission at Boise, Idaho this ^{16th} day of August 2017.



PAUL KJELLANDER, PRESIDENT




KRISTINE RAPER, COMMISSIONER



ERIC ANDERSON, COMMISSIONER

ATTEST:



Diane M. Hanian
Commission Secretary

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