

DECISION MEMORANDUM

**TO: COMMISSIONER KJELLANDER
COMMISSIONER RAPER
COMMISSIONER ANDERSON
COMMISSION SECRETARY
COMMISSION STAFF
LEGAL**

**FROM: EDWARD JEWELL
DEPUTY ATTORNEY GENERAL**

DATE: NOVEMBER 29, 2018

**SUBJECT: IN THE MATTER OF THE APPLICATION OF AVISTA CORPORATION
FOR A DETERMINATION OF 2016-2017 ELECTRIC ENERGY
EFFICIENCY EXPENSES AS PRUDENTLY INCURRED; CASE NO.
AVU-E-18-12.**

On November 16, 2018, Avista Corporation (“Avista” or “Company”) filed an Application requesting the Commission to determine that expenses the Company incurred for energy efficiency measures from 2016 to 2017 were prudently incurred.

THE APPLICATION

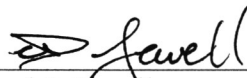
The Company states that it spent \$22,719,204 on energy efficiency measures from January 1, 2016 to December 31, 2017. Application at 1. The Company reports that 74%, or \$16,835,716 of its expenditures were paid to customers in direct incentives. *Id.* at 3-4. The Company reports that its energy efficiency portfolio achieved a Utility Cost Test ratio of 2.8 in 2016 and 4.33 in 2017 and a Total Resource Cost ratio of 2.17 in 2016 and 2.69 in 2017. *Id.* at 7-8. The Company reports that its energy efficiency programs saved 38,149 MWh in 2016 and 42,223 MWh in 2017, which exceeded the 22,399 MWh goal for the two year time period by 359%. *Id.* at 8-9. The Company reports that it hired a third party to evaluate and verify the demand savings attributable to the Company’s energy efficiency portfolio. *Id.* The Company provided a copy of this report with its Application as well as a copy of the Company’s R&D report, which shows the Company’s expenditures on energy efficiency R&D projects proposed and implemented by the state’s four-year Universities from 2016 to 2017 pursuant to Order No. 32918. *Id.* at 10.

STAFF RECOMMENDATION

Staff recommends the Commission issue a Notice of Application and Notice of Intervention Deadline, with an intervention deadline set for 21 days after service of the Notice.

COMMISSION DECISION

Does the Commission wish to issue a Notice of Application and Intervention Deadline that establishes an intervention deadline set for 21 days after service of the Notice?



Edward J. Jewell
Deputy Attorney General

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