

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF THE APPLICATION)	
OF AVISTA CORPORATION DBA AVISTA)	CASE NOS. AVU-E-19-04
UTILITIES FOR AUTHORITY TO)	
INCREASE ITS RATES AND CHARGES FOR)	NOTICE OF APPLICATION
ELECTRIC SERVICE TO ELECTRIC)	
CUSTOMERS IN THE STATE OF IDAHO)	NOTICE OF
)	INTERVENTION DEADLINE
)	
)	ORDER NO. 34368
)	

On June 10, 2019, Avista Corporation dba Avista Utilities (“Avista” or the “Company”) filed an Application seeking authority to increase the Company’s general rates for electric service in Idaho by an average of 2.1%.¹ If approved, the Company’s revenues from electric base rates would increase by \$5.3 million dollars annually. Avista requests an effective date of January 1, 2020, for its proposed electric rate increases.

NOTICE OF APPLICATION

YOU ARE HEREBY NOTIFIED Avista is a public utility primarily engaged in the generation, transmission and distribution of electric power and the distribution of natural gas in portions of eastern and central Washington and northern Idaho, as well as the distribution of natural gas in northeast and southwest Oregon. Avista’s existing Idaho rates and charges for electric service were approved by the Commission on December 28, 2017, and became effective on January 1, 2018. *See* Order No. 33953.

YOU ARE FURTHER NOTIFIED Avista’s Application asserts there is a need for a revenue increase primarily due to increases in net plant investment by the Company in excess of what is currently authorized by the Commission in Avista’s current rates for electric service in Idaho. Application at 3. The Company’s Application also asserts that for 2020, there is an offsetting decrease in power supply expenses. *Id.* Avista’s evidence in support of its requested rate increase is based on a 12-month test year that ended December 31, 2018. *Id.* at 4.

¹ The Company’s Application requests an increase in rates and charges for electric service only. Previously, Avista filed a Notice of Intent to File a Combined Electric and Natural Gas General Rate Case on March 25, 2019. The Company has since determined it is not necessary to file a general rate case for its natural gas service in Idaho.

YOU ARE FURTHER NOTIFIED Avista claims in its Application its existing rates are not fair, just, and reasonable, and the Company must increase them so it can have the opportunity to earn a fair return on its investment. *Id.* at 3. Avista plans to notify its customers about the proposed rate increases by distributing bill stuffers over the June 2019 billing cycle, and through news releases. *Id.* at 9.

YOU ARE FURTHER NOTIFIED Avista's Application requests an overall rate of return of 7.55%, which includes a 9.9% return on equity. *Id.* at 5.

YOU ARE FURTHER NOTIFIED Avista's Application asserts the proposed increase for a residential customer using an average of 898 kilowatt hours (kWh) per month is \$2.89 per month in 2019 (\$82.57 to \$85.46 per month), or a 3.5% increase in their monthly electric bill. *See* Application at Exhibit B. Avista is not proposing to increase the residential basic monthly charge, currently set at \$6.00 per month. Avista's proposed electric rate increase would impact customers' electric bills by rate schedule as follows:

Proposed Electric Increase by Percentage

Rate Schedule	Proposed 2019 Billing Increase
Residential Service Schedule 1	3.5%
General Service Schedules 11 & 12	0.0%
Large General Service Schedules 21 & 22	1.5%
Extra Large General Service Schedule 25	1.6%
Extra Large General Service Schedule 25P	1.6%
Pumping Service Schedules 31 & 32	1.5%
Street & Area Lighting Schedules 41-49	0.0%
Overall Increase	2.1%

Application at Exhibit B.

YOU ARE FURTHER NOTIFIED that the Commission has designated this case as a general rate case. As such, Avista's intrastate revenue requirement, and every component of it, both rate base and expense, are at issue. The Commission may grant, deny, or modify the revenue requirement requested and may find a revenue requirement different from that proposed by any party is just, fair and reasonable. IDAPA 31.01.01.124.01.

YOU ARE FURTHER NOTIFIED that the rates and charges of all Avista retail customers, both recurring and non-recurring, including those of special contract customers, are at issue, and every component of every existing and proposed rate and charge is at issue. The

Commission may approve, reject or modify the rates and charges proposed and may find that rates and charges different from those proposed by any party are just, fair and reasonable. IDAPA 31.01.01.124.02.

YOU ARE FURTHER NOTIFIED that the Commission may approve, reject or modify existing or proposed relationships between and among rates and charges within, between or among customer classes or rate groupings and may approve, reject or modify existing or proposed relationships among and between customer classes or rate groupings. IDAPA 31.01.01.124.02.a.

YOU ARE FURTHER NOTIFIED that the Commission may abolish, reduce or create rate blocks or categories of rates and charges, abolish, create or reduce components of rates and charges, abolish, reduce or create customer classes or rate groupings, and abolish, reduce or create absolute or relative differences among and between existing classes or rate groupings of customers. IDAPA 31.01.01.124.02.b.

YOU ARE FURTHER NOTIFIED that the tariffs, practices, rules and regulations, service, instrumentalities, equipment, facilities, classifications, and customer relations of the utility are at issue, and the Commission may address any of them in its order. IDAPA 31.01.01.124.02.c.

YOU ARE FURTHER NOTIFIED that the Application and supporting workpapers, testimonies and exhibits have been filed with the Commission and are available for public inspection during regular business hours at the Commission office. The Application and testimonies 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, scroll down to "Open Electric Cases," and then click on the case number as shown on the front of this document.

YOU ARE FURTHER NOTIFIED that the Commission has determined that the public interest requires the scheduling of a public workshop or workshops in this case. The public workshops, to be scheduled at a later date, will offer the public an opportunity to meet with the Commission Staff, ask questions and receive information about the Company's Application.

SUSPENSION

YOU ARE FURTHER NOTIFIED that Avista's Application requests a January 1, 2020 effective date, but the proposed tariffs accompanying the Application specify a July 10, 2019 effective date. This matter is sufficiently complex to justify allowing the Commission, parties, and public the longer period of time in which to assess the Application. The Commission thus finds it appropriate to suspend Avista's effective date, as proposed in its tariffs, to coincide with

the January 1, 2020 effective date proposed in the Application, unless the Commission issues an earlier Order accepting, rejecting, or modifying Avista's Application.² *See also Idaho Code* § 61-622(4) and Order No. 33953 at 2.

NOTICE OF INTERVENTION DEADLINE

YOU ARE FURTHER NOTIFIED that **persons desiring to intervene** in this matter for the purpose of presenting evidence or cross-examining witnesses at hearing **must file a Petition to Intervene** with the Commission pursuant to this Commission's Rules of Procedure 72 and 73, IDAPA 31.01.01.072 and -.073. Persons intending to participate at the hearing must file a Petition to Intervene **no later than fourteen (14) days from the service date of this Order**. Persons desiring to present their views without parties' rights of participation and cross-examination are not required to intervene and may present their comments without prior notification to the Commission or the parties.

YOU ARE FURTHER NOTIFIED that the Commission Secretary shall issue a Notice of Parties after the deadline for intervention has passed. The Notice of Parties shall assign exhibit numbers to each party in this proceeding.

YOU ARE FURTHER NOTIFIED that once the Notice of Parties is issued, the Commission's Staff will convene an informal prehearing conference at the Commission's office for the parties to discuss a schedule to process this case and other issues as may be raised by the parties.

YOU ARE FURTHER NOTIFIED that the following persons are designated as Avista's representatives in this matter:

David J. Meyer, Esq.
Vice President & Chief Counsel, Reg. & Gov't Affairs
Avista Corporation
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1411 E. Mission Avenue
Spokane, WA 99220-3727
Phone: (509) 495-4316
Fax: (509) 495-8851
E-mail: David.Meyer@avistacorp.com

² Consistent with Order No. 33953 from the Company's last general rate case, Avista has requested any such rate increase authorized by the Commission in this case would not go into effect until January 1, 2020. *See* Order No. 33953 at 2.

Patrick D. Ehrbar
Director of Regulatory Affairs
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Electronically – AvistaDockets@avistacorp.com

YOU ARE FURTHER NOTIFIED that all hearings and prehearing conferences in this matter will be held in facilities meeting the accessibility requirements of the Americans with Disabilities Act (ADA). Persons needing the help of a sign language interpreter or other assistance in order to participate in or to understand testimony and argument at a public hearing may ask the Commission to provide a sign language interpreter or other assistance at the hearing. The request for assistance must be received at least five (5) working days before the hearing by contacting the Commission Secretary at:

IDAHO PUBLIC UTILITIES COMMISSION
PO BOX 83720
BOISE, IDAHO 83720-0074
(208) 334-0338 (Telephone)
(208) 334-3762 (FAX)
E-mail: secretary@puc.idaho.gov

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* §§ 61-501, 61-502, 61-507, 61-520, 61-523, and 61-622. 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.*

ORDER

IT IS HEREBY ORDERED that the proposed effective date for Avista's electric service rate increases is suspended until January 1, 2020, unless the Commission issues an earlier Order accepting, rejecting, or modifying the Application. *Idaho Code* § 61-622(4); *see also* Order No. 33953 at 2.

NOTICE OF APPLICATION
NOTICE OF INTERVENTION DEADLINE
ORDER NO. 34368

IT IS FURTHER ORDERED that persons desiring to intervene in this matter for the purpose of presenting evidence or cross-examination at hearing shall file a Petition to Intervene with the Commission no later than fourteen (14) days from the service date of this Order.

IT IS FURTHER ORDERED after the intervention deadline runs, Staff will convene an informal prehearing conference at the Commission's office for the parties to discuss a schedule to process this case and other issues as may be raised by the parties.

IT IS FURTHER ORDERED that Commission Staff shall conduct a public workshop or workshops pursuant to Rule 127 of the Commission's Rules of Procedure, IDAPA 31.01.01.127. The number of workshops and the date and time scheduled therefore will be set forth by subsequent Order or Notice.

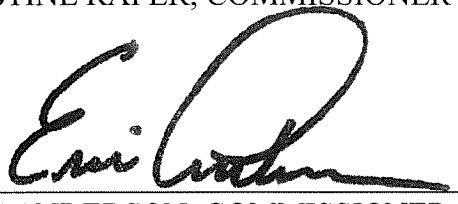
DONE by Order of the Idaho Public Utilities Commission at Boise, Idaho this 28th day of June 2019.



PAUL KJELLANDER, PRESIDENT

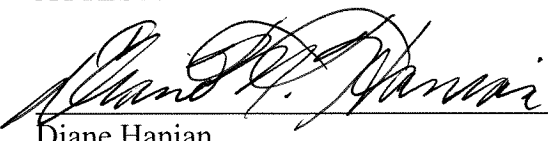


KRISTINE RAPER, COMMISSIONER



ERIC ANDERSON, COMMISSIONER

ATTEST:



Diane Hanian
Commission Secretary