

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF THE APPLICATION)	CASE NO. AVU-E-19-13
OF AVISTA CORPORATION TO APPROVE)	
ELECTRIC DISTRIBUTION SERVICE)	NOTICE OF APPLICATION
AGREEMENT WITH EAST GREENACRES)	
IRRIGATION DISTRICT)	NOTICE OF
)	MODIFIED PROCEDURE
)	
)	ORDER NO. 34506
)	

On November 12, 2019, Avista Corporation dba Avista Utilities (“Avista” or “Company”) filed an Application requesting Commission approval of an Electric Distribution Service Agreement (“Agreement”) between the Company and the East Greenacres Irrigation District (“East Greenacres”). *Application* at 1. The Company requests the Application be processed by Modified Procedure and that the proposed Agreement become effective on January 1, 2020, or on the first day following approval by the Commission. *Id.* The Commission now issues this Notice of Application and Notice of Modified Procedure setting comment and reply deadlines and suspending the Company’s proposed effective date.

BACKGROUND

East Greenacres has operated and maintained two Bureau of Reclamation-built pumping facilities on the Rathdrum Prairie since December 31, 1976, providing irrigation and domestic water supply to approximately 5,300 acres of land. *Id.* at 2. To operate the pumping facilities, East Greenacres receives electric power from the Bureau of Reclamation which is delivered through Avista’s transmission and distribution facilities. *Id.* Since March 1, 2009, this service has been separated into two service agreements to comply with federal and state authorities, one for transmission and one for distribution. *Id.* at 2-3. The current electric distribution service agreement between Avista and East Greenacres was approved by the Commission in 2014 and remains in effect until terminated or replaced. *See* Order No. 33145.

NOTICE OF APPLICATION

YOU ARE HEREBY NOTIFIED that Avista represents the Agreement was executed on November 7, 2019, and would become effective upon Commission approval. *Id.* at 3. The

Agreement provides for distribution service from Avista's Post Falls Substation over 13.2kV feeders to East Greenacres' two pumping stations. *Id.*

YOU ARE FURTHER NOTIFIED that Avista states it has delivered approximately 3.8 million kilowatt-hours annually to East Greenacres' pumping facilities in recent years. *Id.* Avista asserts the annual charge for distribution service under the existing agreement is \$4,231.74 per month or \$50,780.88 per year. *Id.*

YOU ARE FURTHER NOTIFIED that Avista asserts the charge for distribution service under the new Agreement is \$5,232.57 per month or \$62,790.84 per year. *Id.* The distribution charge is based on East Greenacres' peak demand-ratio share of Distribution Facilities Costs derived from Avista's last cost of service study filed in Case No. AVU-E-17-01 updated for both the settlement adjustments and 2019 revenue increase approved by Order No. 33953 and tax reform adjustments approved by Order No. 34070. *Id.* at 3-4.

YOU ARE FURTHER NOTIFIED that Avista states it does not have a tariff for customers who take service in a manner similar to East Greenacres. *Id.* Further, Avista represents that East Greenacres is the only customer in the Company's service territory who receives its power requirements from the Bureau of Reclamation. Avista asserts the service characteristics involved in the Agreement are unique, and the distribution charge is based on Commission-supported demand-based methodology, the Company believes this contractual relationship is not unreasonably preferential. *Id.*

YOU ARE FURTHER NOTIFIED that the Application is available for public inspection during regular business hours at the Commission's office. 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* §§ 61-501, 61-502 and 61-503.

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.*

SUSPENSION

YOU ARE FURTHER NOTIFIED that Avista's Application requests a January 1, 2020, effective date. Due to the limited time remaining in the 2019 calendar year the Commission finds it appropriate to suspend Avista's proposed effective date for the Agreement. Consequently, the proposed effective is suspended for a period of thirty (30) days plus five (5) months from January 1, 2020, unless the Commission issues an earlier Order accepting, rejecting, or modifying Avista's Application. *Idaho Code* § 61-622(4).

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 by no later than twenty-one (21) days from the service date of this Notice.** The written comment must contain a statement of reasons supporting it. 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:

**For the Idaho Public Utilities
Commission**

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

Street Address for Express Mail:

11331 W. Chinden Blvd.,
Building 8, Suite 201-A
Boise, ID 83714

For Avista Corporation:

David J. Meyer, Esq.
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E-Mail: pat.ehrbar@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 "Consumers" tab then click the "Case Comment or Question Form" and complete the comment form using the case number as it appears on the front of this document.

YOU ARE FURTHER NOTIFIED that the Company shall file reply comments, **if necessary, by no later than twenty-eight (28) days from the service date of this Notice.**

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 a formal hearing.


ORDER

IT IS HEREBY ORDERED that the proposed effective date for the Agreement is suspended for a period of thirty (30) days plus five (5) months from January 1, 2020, unless the Commission issues an earlier Order accepting, rejecting, or modifying Avista's Application.

IT IS FURTHER ORDERED that the Application of the Company be processed by Modified Procedure, Rule 201-204 (IDAPA 31.01.01.201-.204). Persons interested in submitting written comments must do so by twenty-one (21) days from the service date of this Notice. The Company may file reply comments by no later than twenty-eight (28) days from the service date of this Notice.

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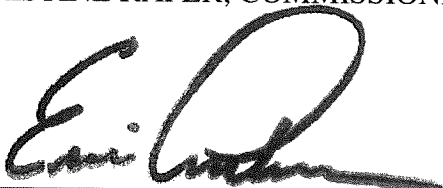
DONE by Order of the Idaho Public Utilities Commission at Boise, Idaho this day of 16th
December 2019.



PAUL KJELLANDER, PRESIDENT

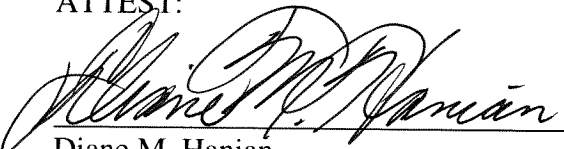


KRISTINE RAPER, COMMISSIONER



ERIC ANDERSON, COMMISSIONER

ATTEST:



Diane M. Hanian
Commission Secretary

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