

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF THE ELECTRIC LINE)	CASE NO. AVU-E-20-02
EXTENSION SCHEDULE 51 RATE)	
ADJUSTMENT FILING OF AVISTA)	NOTICE OF APPLICATION
CORPORATION)	
)	NOTICE OF
)	MODIFIED PROCEDURE
)	
)	ORDER NO. 34623

On March 10, 2020, Avista Corporation (the “Company”) applied for authority to revise Electric Line Extension Schedule 51. The Company proposes to update its costs to extend electric lines to new customers, and the allowance that customers can apply to offset those costs. The Company also proposes administrative changes to Schedule 51. The Company has requested a July 1, 2020, effective date, and that its Application be processed by Modified Procedure.¹

With this Order, we provide notice of the Application and set comment and reply deadlines.

NOTICE OF APPLICATION

YOU ARE HEREBY NOTIFIED that with this Application, the Company proposes to revise Schedule 51 to update the average cost for facilities like transformers and conduit that are used to extend electric lines. *Id.* The Company would use the updated costs to increase allowances customers can apply against the costs to extend new residential, commercial, and industrial service. *Id.* at 3-4. Any costs exceeding an allowance would be paid by the customer as a Contribution in Aid of Construction. *Id.* The Company’s proposed changes to the allowances by service schedule are, in summary:

¹ The Company originally requested a May 1, 2020, effective date but after discussions with Staff concerning the current workplace challenges faced by both the Company and the Commission the decision was made to amend the requested effective date to July 1, 2020.

Service Schedule	Present Allowance	Proposed Allowance
Sched. 1 Individual Customer (per unit)	\$1,840	\$1,900
Sched. 1 Duplex (per unit)	\$1,470	\$1,520
Sched. 1 Multiplex (per unit)	\$1,105	\$1,140
Sched. 11/12 (per kWh)	\$0.15022	\$0.15486
Sched. 21/22 (per kWh)	\$0.13853	\$0.14218
Sched. 31/32 (per kWh)	\$0.24653	\$0.24688

YOU ARE FURTHER NOTIFIED that the Company proposes to update its primary, secondary, service and transformer average costs as follows:

	Present	Proposed	% Change
Overhead Primary Circuit			
Fixed Cost	\$ 4,253	\$ 4,205	-1.1%
Variable Cost	\$ 8.38	\$ 8.22	-1.9%
Underground Primary Circuit			
Fixed Costs	\$ 1,854	\$ 1,934	4.3%
Variable Costs	\$ 11.23	\$ 11.34	1.0%
Underground Secondary Circuit			
Fixed Costs	\$ 418	\$ 428	2.3%
Variable Costs	\$10.42	\$10.47	0.5%
Overhead Secondary Circuit			
Fixed Costs	\$ 1,774	\$ 1,732	-2.4%
Overhead Service Cir.	\$ 3.91	\$ 3.74	-4.3%
Underground Service	\$ 9.41	\$ 9.54	1.4%
Overhead Transformer	\$ 2,310	\$ 2,242	-2.9%
Padmount Transformer	\$ 3,507	\$ 3,546	1.1%

Id. at 4.

YOU ARE FURTHER NOTIFIED that the Company proposes to update its residential development costs to reflect the Company's current Construction & Material Standards and average 2019 construction costs, as follows:

Residential Developments

	Present	Proposed
Total Cost per Lot	\$1,907	\$1,938
Less: Service Cost	<u>471</u>	<u>478</u>
Developer Responsibility	<u>\$1,436</u>	<u>\$1,460</u>
Developer Refundable Payment	\$1,436	\$1,460
Builder Non-Refundable Payment	\$ 67	\$ 38
Allowance	\$1,840	\$1,900

Id. at 5.

YOU ARE FURTHER NOTIFIED that, besides updating its costs and allowances, the Company proposes administrative changes that would make Schedule 51 easier for customers to understand. These include: (1) clarifying when a Design Fee is charged, and that the Design Fee is not refundable; (2) combining Basic and Exceptional charges into a single charge (the change would not impact the costs paid by the customer for line extensions); (3) redefining “Customer-Requested Costs” to help customers apply their line extension allowance toward the overall cost of their line extension; (4) for commercial and industrial customers, clarifying when an allowance would not be immediately provided and, in those cases, when a customer’s allowance would be refunded after service installation; and (5) for conversions and relocations, redefining “Salvage Value” to clarify that not all removed materials would have salvage value, and that the Company would determine Salvage Value in its discretion (the Company states this change would not materially impact customers). *Id.* at 6-10.

YOU ARE FURTHER NOTIFIED that the Company states it will send a letter notifying developers and builders that may be affected by the proposed changes in June. *Company Letter* at 1.

YOU ARE FURTHER NOTIFIED that the Application and supporting work papers, testimonies and exhibits have been filed with the Commission and are available for public inspection during regular business hours at the Commission offices. The Application and testimonies are also available on the Commission’s web site at www.puc.idaho.gov. Click on “Electric” and “Open Cases,” and then 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. 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 will proceed under Modified Procedure pursuant to Rules 201 through 204 of the Idaho Public Utilities 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 or party desiring to state a position on this Application must file a written comment in support or opposition with the Commission **by June 3, 2020**. 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 should be sent electronically, unless email is not available, to the Commission and the Applicant at the email addresses reflected below:

Commission Secretary
Idaho Public Utilities Commission
P.O. Box 83720
Boise, ID 83720-0074

Street Address for Express Mail:

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

David Meyer
Patrick Ehrbar
Avista Corporation
P.O. Box 3727
MSC-27

1411 E. Mission Ave.
Spokane, WA 99220-3727

Email: david.meyer@avistacorp.com
patrick.ehrbar@avistacorp.com

Comments should contain the case caption and case number shown on the first page of this document. Persons desiring to submit comments via email may do so by accessing the Commission's home page located at www.puc.idaho.gov. Click the "Case Comment Form" under "Consumers," 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 the Applicant.

YOU ARE FURTHER NOTIFIED that the Company must file any reply comments **by June 10, 2020.**

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 this case be processed by Modified Procedure, Rule 201 – 204 (IDAPA 31.01.01.201 through.204). Persons wishing to file written comments must do so by June 3, 2020. The Company must file any reply comments by June 10, 2020.

IT IS FURTHER ORDERED that parties continue to comply with Order No. 34602, issued March 17, 2020. All pleadings should be filed with the Commission electronically and shall be deemed timely filed when received by the Commission Secretary. *See* Rule 14.02. Service between parties should also be accomplished electronically. Voluminous discovery-related documents may be filed and served on CD-ROM or a USB flash drive.

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DONE by Order of the Idaho Public Utilities Commission at Boise, Idaho this 17th
day of April 2020.



PAUL KJELLANDER, PRESIDENT

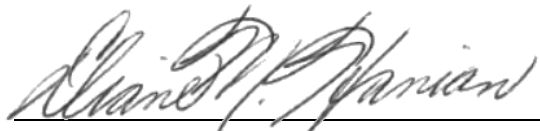


KRISTINE RAPER, COMMISSIONER



ERIC ANDERSON, COMMISSIONER

ATTEST:



Diane M. Hanian
Commission Secretary

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