DECISION MEMORANDUM

- TO: COMMISSIONER KJELLANDER COMMISSIONER RAPER COMMISSIONER ANDERSON COMMISSION SECRETARY COMMISSION STAFF LEGAL
- FROM: ERICK SHANER DEPUTY ATTORNEY GENERAL

DATE: AUGUST 11, 2021

SUBJECT: AVISTA CORPORATION'S RESIDENTIAL AND SMALL FARM CREDIT ANNUAL RATE FILING; CASE NO. AVU-E-21-10.

On July 30, 2021, Avista Corporation dba Avista Utilities ("Company") applied to the Commission for authorization to implement a Residential and Small Farm Energy rate credit from October 1, 2021, through September 30, 2022, and to approve its corresponding modifications to rate Schedule 59—Residential and Small Farm Energy Adjustment. Under the Company's proposal, the monthly bill for an average residential customer would increase by \$0.15 or 0.2%. The Company asks that its Application be processed under Modified Procedure and requests an effective date of October 1, 2021.

2021-2022 RESIDENTIAL AND SMALL FARM RATE ADJUSTMENT

In its current Residential and Small Farm Energy adjustment filing, the Company proposes to issue a rate credit of \$4.1 million which represents the Company's Idaho portion of benefits from the Bonneville Power Administration, offset by the over-refunded balance from the prior year. This credit would go to customers in rate Schedules 1, 12, 22, 32, and 48. The proposed credit rate is 0.319¢ cents per kilowatt-hour. The rate credit would not affect the Company's net income.

STAFF RECOMMENDATION

Staff has reviewed the Application and recommends the Commission issue a Notice of Application and Notice of Modified Procedure with comments due by September 8, 2021, and the Company's reply due by September 15, 2021.

COMMISSION DECISION

Does the Commission wish to issue a Notice of Application and Notice of Modified Procedure with a comment deadline of September 8, 2021, and a Company reply deadline of September 15, 2021?

SIM.M.

Erick Shaner Deputy Attorney General

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