

DECISION MEMORANDUM

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

FROM: ERICK SHANER
DEPUTY ATTORNEY GENERAL

DATE: AUGUST 27, 2021

SUBJECT: IN THE MATTER OF AVISTA CORPORATION'S APPLICATION FOR APPROVAL OF AN AMENDED AND RESTATED AGREEMENT FOR ADMINISTERING RESIDENTIAL DEVELOPMENTS BETWEEN AVISTA CORPORATION AND KOOTENAI ELECTRIC COOPERATIVE, INC.; CASE NO. AVU-E-21-12.

On August 5, 2021, Avista Corporation ("Avista" or "Company") filed an Application requesting the Commission approve an Amended and Restated Agreement for Administering Residential Developments ("Amended Agreement") between Avista and Kootenai Electric Cooperative, Inc. ("KEC").

BACKGROUND

On March 21, 2001, the Commission issued Order No. 28681 approving a Service Territory Agreement between Avista and KEC ("Original Agreement"). Application at 2. On February 11, 2021, the Commission issued Order No. 34924 approving an amendment to renew the Original Agreement for successive 12-month terms to provide Avista and KEC time to complete negotiations on a new service territory agreement to replace the Original Agreement. *Id.* 2-3. Consistent with the Commission's February 11, 2021, Order No. 34924, Avista and KEC have agreed to an Amended Agreement that replaces the Original Agreement, as amended, in its entirety effective July 26, 2021, or such other date set by the Commission. *Id.* at 2-3. The Amended Agreement sets initial terms and renewal terms. *Id.* at 3. It also clarifies whether Avista or KEC will have the right to serve defined residential developments. *Id.* The Amended Agreement further clarifies other contract terms and conditions. *Id.*

STAFF RECOMMENDATION

Staff recommends the Commission process the Company’s Application using Modified Procedure. Staff recommends that the Commission issue a Notice of Application and Notice of Modified Procedure setting an October 14, 2021, comment deadline for Staff and interested persons and a reply comment deadline of October 21, 2021, for the Company.

COMMISSION DECISION

Does the Commission wish to issue a Notice of Application and Notice of Modified Procedure, setting an October 14, 2021, comment deadline for Staff and interested persons and an October 21, 2021, reply comment deadline for the Company?



Erick Shaner
Deputy Attorney General

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