

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF THE ELECTRIC LINE) CASE NO. AVU-E-22-05
EXTENSION SCHEDULE 51 ANNUAL RATE)
ADJUSTMENT FILING OF AVISTA) NOTICE OF APPLICATION
CORPORATION)
) NOTICE OF MODIFIED
) PROCEDURE
)
) NOTICE OF SUSPENSION
)
) ORDER NO. 35360

On March 11, 2022, Avista Corporation, d/b/a Avista Utilities (“Avista” or “Company”) applied to the Idaho Public Utilities Commission (“Commission”) for approval to update costs and administrative changes to its Electric Line Extension Schedule 51 (“Schedule 51”). *Application* at 1. The Company requested its Application be processed through Modified Procedure with an effective date of May 1, 2022. *Id.*

The Commission now issues this Notice of Application and Notice of Modified Procedure setting deadlines for public comments and the Company’s reply. The Commission further issues this Notice of Suspension, suspending the Company’s proposed effective date until June 15, 2022, in accordance with *Idaho Code* § 61-622(4).

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YOU ARE HEREBY NOTIFIED that Schedule 51 incorporates average costing for electrical facilities commonly used to extend service. *Id.* at 2. The Company states that Schedule 51 sets forth “Basic and Exceptional Costs” that have a fixed and variable component, with the variable component stated on a cost-per-foot basis and are consistently used for electric line extensions. *Id.* Avista included workpapers which provide support for the Company’s proposed changes set forth in the Application. *Id.*

YOU ARE FURTHER NOTIFIED that the Company updated the allowances applicable to new residential, commercial, and industrial customer services. *Id.* at 3. The Company plans to continue using an embedded cost method for calculating the revised allowances “that is

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designed to ensure similar investment in distribution/terminal facilities as those in current facilities reflected in base rates.” *Id.* The following table summarized the proposed allowance changes:

<u>Service Schedule</u>	<u>Existing</u>	<u>Proposed</u>
Schedule 1 Individual Customer (per unit)	\$ 1,900	\$ 2,065
Schedule 1 Duplex (per unit)	\$ 1,520	\$ 1,650
Schedule 1 Multiplex (per unit)	\$ 1,140	\$ 1,240
Schedule 11/12 (per kWh)	\$ 0.15486	\$ 0.16674
Schedule 21/22 (per kWh)	\$ 0.14218	\$ 0.15360
Schedule 31/32 (per kWh)	\$ 0.24688	\$ 0.26623

YOU ARE FURTHER NOTIFIED that the Company proposes to update the primary, secondary, service and transformer average costs. *Id.* The following table summarizes the cost changes:

	<u>Present</u>	<u>Proposed</u>	<u>% Change</u>
<u>Overhead Primary Circuit</u>			
Fixed Cost	\$ 4,677	\$ 4,521	-3.3%
Variable Cost	\$ 9.17	\$ 8.75	-4.6%
<u>Underground Primary Circuit</u>			
Fixed Costs	\$ 1,920	\$ 1,958	2.0%
Variable Costs	\$ 10.01	\$ 11.15	11.4%
<u>Underground Secondary Circuit</u>			
Fixed Costs	\$ 394	\$ 392	-0.3%
Variable Costs	\$ 8.60	\$ 11.55	34.3%
<u>Overhead Secondary Circuit</u>			
Fixed Costs	\$ 1,936	\$ 1,843	-4.8%
<u>Overhead Service Circuit</u>	\$ 4.27	\$ 3.96	-7.3%
<u>Underground Service Circuit</u>	\$ 8.43	\$ 9.14	8.4%
<u>Overhead Transformer</u>	\$ 2,345	\$ 2,508	7.0%
<u>Padmount Transformer</u>	\$ 3,477	\$ 3,597	3.5%

YOU ARE FURTHER NOTIFIED that Avista asserts the primary driver of the increase in variable underground primary and secondary costs are due to an increase in two and three inch conduit costs in 2021. *Id.* The Company also represents that the demand for resin, the primary

component of conduit, has been higher than manufacturers can supply. *Id.* The Company represents that 75% of all resin manufacturers are in Texas and were taken offline for over a month in 2021 due to adverse weather. *Id.* at 5.

YOU ARE FURTHER NOTIFIED that the Company further asserts that residential development costs are higher as shown in the following table:

<u>Residential Developments</u>	<u>Present</u>	<u>Proposed</u>
Total Cost per Lot	\$ 1,772	\$ 2,070
Less: Service Cost	\$ <u>422</u>	\$ <u>458</u>
Developer Responsibility	\$ <u>1,350</u>	\$ <u>1,612</u>
Developer Refundable Payment	\$ 1,350	\$ 1,612
Builder Non-Refundable Payment	\$ -	\$ 5
Allowance	\$ 1,900	\$ 2,065

YOU ARE FURTHER NOTIFIED that the Company proposes to update its terminology to change the term “Basic Cost” to “Basic and Exceptional Cost.” *Id.* The Basic and Exceptional Cost will continue to cover all costs necessary to construct the line extension and will not impact the price customers pay for line extensions. *Id.*

YOU ARE FURTHER NOTIFIED that the Application and proposed tariff sheets are available for public inspection during regular business hours at the Commission’s office. These documents are also available on the Commission’s website at www.puc.idaho.gov. Click on the “ELECTRIC” icon, select “Open 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.

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 persons desiring to state a position on this Application may file a written comment explaining why the person supports or opposes the Application. Persons who would like a hearing must specifically request a hearing in their written comments. **Persons must file written comments by May 18, 2022.** Comments must be filed through the Commission’s website or by e-mail unless computer access is unavailable. To comment electronically, please access the Commission’s home page at www.puc.idaho.gov. Click the “Case Comment Form” and complete the form using the case number as it appears on the front of this document. To file by e-mail, the customer must e-mail the comments to the Commission Secretary and the Company at the e-mail addresses listed below. If computer access is unavailable, then comments may be mailed to the Commission and Company at these addresses:

**For the Idaho Public Utilities
Commission:**

Commission Secretary
Idaho Public Utilities Commission
P.O. Box 83720
Boise, ID 83720-0074
secretary@puc.idaho.gov

Street Address for Express Mail:

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

For Avista Corporation:

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Patrick Ehrbar
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MSC-27
1411 E. Mission Ave
Spokane, WA 99220-3727
david.meyer@avistacorp.com
patrick.ehrbar@avistacorp.com

YOU ARE FURTHER NOTIFIED that the Company must file any reply comments **by May 25, 2022**

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.

NOTICE OF SUSPENSION OF PROPOSED EFFECTIVE DATE

YOU ARE FURTHER NOTIFIED that the Commission finds it appropriate to suspend the Company's proposed effective date of May 1, 2022, until June 15, 2022, unless the Commission issues an earlier order accepting, rejecting, or modifying the Application. *See Idaho Code § 61-622(4)*.

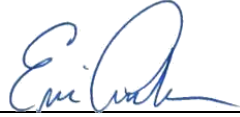
ORDER

IT IS HEREBY ORDERED that the Company's Application be processed by Modified Procedure, Rules 201-204 (IDAPA 31.01.01.201-.204). Persons interested in submitting written comments must do so by May 18, 2022. The Company must file any reply comments by May 25, 2022.

IT IS FURTHER ORDERED that the Company's proposed effective date is suspended until June 15, 2022, in accordance with *Idaho Code § 61-622(4)*.

IT IS FURTHER ORDERED that the parties should continue to comply with Order No. 35058, issued June 3, 2021. 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.

DONE by Order of the Idaho Public Utilities Commission at Boise, Idaho this 31st day
of March 2022.



ERIC ANDERSON, PRESIDENT

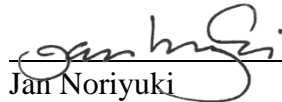


JOHN CHATBURN, COMMISSIONER



JOHN R. HAMMOND, JR., COMMISSIONER

ATTEST:



Jan Noriyuki
Commission Secretary

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