BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

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AVISTA CORPORATION'S REQUEST TO DECREASE ITS ENERGY EFFICIENCY RIDER ADJUSTMENT SCHEDULE 91

CASE NO. AVU-E-22-09 NOTICE OF APPLICATION NOTICE OF MODIFIED PROCEDURE ORDER NO. 35497

On July 29, 2022, Avista Corporation dba Avista Utilities ("Company") applied to the Commission for authorization to decrease its electric Schedule 91 "Energy Efficiency Rider Adjustment" ("Schedule 91") rates. The Company asks that its Application be processed under Modified Procedure and requests an effective date of October 1, 2022.

With this Order, the Commission issues a Notice of Application and Notice of Modified Procedure establishing a public comment period and Company reply deadline.

BACKGROUND

The Company's Schedule 91 is used to collect funds that are allocated through Schedule 90 to fund energy efficiency services to customers. The Company's programs are built to provide a financial incentive—rebate—to help customers cover the cost of energy efficiency measures. The Company uses several measures to determine the true costs and benefits of its offerings under Schedule 90, including the Total Resource Cost Test and the Utility Cost Test.

As of June 30, 2022, the Company's Schedule 91 was approximately \$4.9 million overfunded—meaning Schedule 91 has been collecting more than is being used to fund Schedule 90. The Company describes two main factors that contributed to the overfunded balance. First, the Company had set rates to recover a large underfunded balance after customers in 2016 and 2017 achieved far more energy efficiency savings than contemplated in the Integrated Resource Plan ("IRP").¹ This forced the Company to adjust its Schedule 91 collection, which has contributed to the overfunding. Second, Covid-19 altered the participation in the programs offered in Schedule

¹ During 2016 and 2017 customers achieved 88,319 megawatt-hours of energy savings, which was 394% of the IRP target. Application at 3. This caused Schedule 91 to be underfunded by about \$9.6 million. *Id*.

90. The Company is unsure if customer interest and participation will increase to levels it saw prior to Covid-19.

NOTICE OF APPLICATION

YOU ARE HEREBY NOTIFIED that the Company proposes to decrease the rates and charges collected through Schedule 91 by \$3.6 million annually, or 1.4%. If approved, a residential customer using 892 kilowatt-hours per month would see their monthly bill decrease from \$86.00 to \$84.82, or \$1.17 per month.

YOU ARE FURTHER NOTIFIED that the Company believes this adjustment will bring the overfunded balance of Schedule 91 to \$0 by September 30, 2025.

YOU ARE FURTHER NOTIFIED that the Company's Application and Exhibits, including proposed revisions to Schedule 91, are available for public inspection during regular business hours at the Commission's office. The Application and supporting documents are also available on the Commission's web site at <u>www.puc.idaho.gov</u>. Click on the "ELECTRIC" tab in the left-hand column of the home page, then select "Open Cases" and then locate 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 under 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 it will review the case through written submissions under Rules 201 through 204 of the Commission's Rules of Modified Procedure, IDAPA 31.01.01.201-204. 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 shall have until September 6, 2022, to file written comments**. Comments must be filed through the Commission's website or by e-mail unless computer access is

NOTICE OF APPLICATION NOTICE OF MODIFIED PROCEDURE ORDER NO. 35497 unavailable. To comment electronically, please access the Commission's home page at <u>www.puc.idaho.gov</u>. Click the "Consumers" tab and then "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 <u>secretary@puc.idaho.gov</u>

Street Address for Express Mail:

11331 W. Chinden Blvd. Building 8, Suite 201-A Boise, ID 83714 For Avista Corporation:

David Meyer (MSC-27) Patrick Ehrbar (MSC-27) P.O. Box 3727 1411 E. Mission Ave. Spokane, WA 99220-3727 david.meyer@avistacorp.com patrick.ehrbar@avistacorp.com AvistsDockets@avistacorp.com

YOU ARE FURTHER NOTIFIED that the Company must file any reply comments by September 13, 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.

ORDER

IT IS HEREBY ORDERED that this case be processed by Modified Procedure, Rules 201-204 (IDAPA 31.01.01.201 - .204). Interested persons shall have until September 6, 2022, to file written comments, and the Company shall have until September 13, 2022, to file reply comments.

IT IS FURTHER ORDERED that parties comply with Order No. 35375, issued April 21, 2022. Generally, all pleadings should be filed with the Commission electronically and will be deemed timely filed when received by the Commission Secretary. *See* Rule 14.02. Service between

parties should continue to be accomplished electronically when possible. However, 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 11th day of August 2022.

ERIC ANDERSON, PRESIDENT

JOHN CHATBURN, COMMISSIONER

JOHN R HAMMOND JR., COMMISSIONER

ATTEST:

Jan Noriyuki _____ Commission Secretary

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