

DECISION MEMORANDUM

TO: COMMISSIONER ANDERSON
COMMISSIONER CHATBURN
COMMISSIONER HAMMOND
COMMISSION SECRETARY
COMMISSION STAFF
LEGAL

FROM: CLAIRE SHARP
DEPUTY ATTORNEY GENERAL

DATE: AUGUST 11, 2022

SUBJECT: IN THE MATTER OF AVISTA CORPORATION'S ANNUAL POWER COST ADJUSTMENT (PCA) APPLICATION; CASE NO. AVU-E-22-11.

On July 29, 2022, Avista Corporation ("Company"), filed its annual Power Cost Adjustment ("PCA") Application. The PCA is an annual adjustment mechanism that tracks changes in the Company's "hydroelectric generation, secondary prices, thermal fuel costs, and other changes in power contract revenues and expenses." Application at 2.

The Company asks the Commission to approve a PCA surcharge rate of \$0.15 per kilowatt-hour ("kWh") for the period of October 1, 2022 to September 30, 2023. The Company represents that the proposed PCA surcharge would represent a decrease from \$0.251 per kWh currently being collected as approved in Order No. 35135. If approved, the new PCA surcharge would represent an overall decrease of \$3.1 million or 1.2% in Company revenues when accounting for the expiration of the existing surcharge. The Company represents if its Application is approved residential customers using an average of 892 kWh per month would see their monthly bills decrease from \$86.29 to \$85.39, a decrease of \$0.90 per month, or 1%.

The Company requests that this matter be processed by modified procedure effective October 1, 2022.

STAFF RECOMMENDATION

Staff recommends the Commission issue a Notice of Application and Notice of Modified Procedure establishing a **September 7, 2022**, public comment deadline, and a **September 14, 2022** Company reply deadline.

COMMISSION DECISION

Does the Commission wish to issue a Notice of Application and Notice of Modified Procedure establishing a **September 7, 2022**, public comment deadline, and a **September 14, 2022**, Company reply deadline?



Claire Sharp
Deputy Attorney General