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BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF THE APPLICATION OF AVISTA CORPORATION TO INCREASE ITS RATES AND CHARGES FOR ELECTRIC AND NATURAL GAS SERVICE FOR ELECTRIC AND NATURAL GAS CUSTOMERS IN THE STATE OF IDAHO)))))))))	CASE NOS. AVU-E-23-01 AVU-G-23-01 APPLICATION FOR INTERVENOR FUNDING IDAHO CONSERVATION LEAGUE AND NW ENERGY COALITION
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COMES NOW the Idaho Conservation League (“ICL”) and NW Energy Coalition (“NWEC”, jointly “ICL/NWEC”) pursuant to Idaho Code § 61-617A and IDAPA 31.01.01.161.165 with the following application for intervenor funding. ICL/NWEC are joint intervenors by Order No. 35719 in the above captioned rate case requested by Avista Corporation (“Avista” or “Company”). This application is timely pursuant to Commission instructions and consent of parties at the August 2, 2023 technical hearing to submit such applications by August 16, 2023. IDAPA 31.01.01.164. For the following reasons, an award of intervenor funding is warranted.

¹ Order No. 35718

I. Idaho Code § 61-617A and IDAPA 31.01.01.161 Utility Requirement

Avista Corporation is a regulated electric and gas utility in the state of Idaho with gross intrastate annual revenues exceeding three million and five hundred thousand dollars (\$3,500,000).

II. Idaho Code § 61-617A and IDAPA 31.01.01.162 Intervenor Requirements

The requirements for an application for intervenor funding provided by I.C. § 61-617A and IDAPA 31.01.01.162 are set forth below. In each, an award for intervenor funding to ICL/NWEC is merited.

1. Itemized list of expenses

ICL/NWEC incurred compensable costs and expenses in this procedure. Idaho Code empowers the Commission to award “legal fees, witness fees, and reproduction costs.” I.C. § 61-617A. The attached Exhibit A is an itemized list of expenses incurred by ICL/NWEC in this proceeding. Expenses include time by F. Diego Rivas, attorney for NWEC, Marie Callaway Kellner, attorney for ICL, Brad Heusinkveld, ICL Energy Associate, and Lauren McCloy, witness for ICL/NWEC. Broadly, ICL/NWEC reviewed the Company’s application, petitioned for and were granted intervention, offered and reviewed relevant discovery, participated in settlement talks, prepared topical witness testimony on the offered settlement, and appeared in technical hearings to support our position. A more detailed account of expenses, time, and hourly rates is included in Exhibit A. IDAPA 31.01.01-162.01. ICL/NWEC seek recovery of these legal fees and costs. In all these efforts ICL/NWEC focused on a limited number of issues relevant to our interests and aimed to use our time and the time of other parties efficiently. IDAPA 31.01.01.162.01.

2. Statement of Proposed Findings

ICL/NWEC proposes the commission maintain the Company's current residential rate design and reject movement to a \$15 customer charge in year one and \$20 in year two of the rate plan offered in the settlement stipulation.² ICL/NWEC participated in settlement negotiations but did not sign the resulting stipulations. ICL/NWEC oppose increasing customer charges for the reasons offered both in the Settlement Testimony of Lauren McCloy at the technical hearing.³ Briefly, ICL/NWEC maintain that the proposed rate design does not meet principles of cost causation, disproportionately impacts low-income and low-usage customers, blunts efficiency price signals and investment, provides financial benefit to the Company without customer compensation, and is not justified by the rationale presented in the Company's Application. ICL/NWEC recommends the commission reject the rate design elements of Avista's application and the settlement. IDAPA 31.01.01.162.02.

3. Statement Showing Costs

ICL/NWEC request \$9,005.75 of intervenor funding. Exhibit A shows a detailed account of expenses. The hourly rates and time spent by ICL/NWEC staff and attorneys are reasonable for a complex utility rate case. Attorney for NWEC, F. Diego Rivas, has a combined 13 years of direct policy experience and as counsel practicing before Public Utility Commissions in Idaho, Montana, Oregon, and Washington. The hourly rate of \$150 is consistent with his experience and local markets. Witness Lauren McCloy has ten years of energy policy experience in addition to other relevant education and experience. Her requested hourly rate of \$125 is also reasonable. ICL Energy Associate Brad Heusinkveld has one year of experience in energy policy in addition to other education and experience in highly technical fields. His requested rate of \$125 is reasonable. Attorney for ICL, Marie Callaway Kellner, has 12 years

² Settlement Stipulation at 18.

³ L. McCloy DI.

of legal and policy experience practicing in Idaho administrative procedures. Her requested rate of \$175 is also reasonable.

Avista's general rate case is a wide ranging and highly complex matter. To effectively represent their interests, ICL/NWEC reviewed the Company's application, supporting materials, and discovery before narrowing focus to a limited number of issues centered on the Company's residential rate design proposal. While ICL/NWEC considered other aspects of this matter, this limited scope of settlement positions and following work prioritized the most impactful issues to our interests to respect limited time and resources. Furthermore, ICL and NWEC jointly intervened to avoid duplicating efforts. Finally, the requested travel costs to attend the technical hearing were limited directly related to the appearance of F. Diego Rivas. Because the requested rates and costs are reasonable, time expended was prudent, and the scope of work and costs were judiciously limited, the Commission should find ICL/NWEC's requested costs a "reasonable amount." IDAPA 31.01.01.162.03.

4. Explanation of Costs Statement

The recovery of costs in this matter supports the work of ICL and NWEC in pursuing energy policy in the public interest. ICL is a non-profit organization primarily funded through membership donations, private grants, and endowment fund revenue. ICL does not have a direct financial interest in the outcome of this case distinct from an Avista ratepayer.⁴ In this proceeding, we represent our members and Avista ratepayers interested in energy conservation, a transition to clean energy, and an equitable energy regulatory process. NWEC represents over 100 member organizations in the Northwest, including eleven in Idaho, to pursue sustainable and equitable energy policy. NWEC is funded through membership dues and individual donations. While ICL and NEWC each budget prudently for programmatic efforts, this complex matter demanded considerable time and attention for staff from each organization to provide "full and fair representation" before the Commission as stated in I.C. § 61-617A.

⁴ ICL rents office space in Sandpoint Idaho and is an Avista customer.

Full participation in utility regulatory processes like the matter at hand requires dedicated and specialized professionals. NWECC retains a full staff of professionals with varied experiences in the energy industry. The organization advocates in multiple jurisdictions and allocates staff time and resources in matters that directly implicate its programmatic goals. Both F. Diego Rivas and Lauren McCloy maintain numerous projects under NWECC's normal budgeting processes. Attention to the issues in this case exacted the kind of material and opportunity costs contemplated by the intervenor funding provisions of I.C. § 61-616A and IDAPA 31.01.01.162.

Similarly, ICL employs Brad Heusinkveld full time to pursue the organizations' long running clean energy and decarbonization goals. His work continues ICL's decades-long presence before the Commission. Participation in matters before the Commission occupies a substantial portion of his portfolio. This work requires considerable specialized skills and awareness to provide effective, professional advocacy for our members and interests. The matter at hand occupied substantial attention and effort on behalf of ICL; claimed time in this request is less than actually expended.

Idaho PUC Rules of Procedure require a licensed attorney to represent organizations. IDAPA 31.01.01.043. F. Diego Rivas and Marie Callaway Kellner are both attorneys with considerable experience in state administrative procedures. Their time and efforts were necessary for each organization's participation in this matter. By awarding full cost recovery here, the Commission will "encourage participation in all stages of proceedings before the commission so that all affected customers receive full and fair representation in those proceedings." I.C. § 61-617A.

5. Explanation of Differences

ICL/NWECC materially differed from the position of the Commission Staff ("Staff") on the approval of the offered settlement and the rate design elements of this case. Throughout, ICL/NWECC provided unique contributions on rate design and related issues in this case. No other intervenor party made specific recommendations on rate design, nor represented a similar position as ICL/NWECC. While

the positions of parties during settlement negotiations remain confidential, ICL/NWEC are the only participating party not to sign the stipulated settlement. Elsewhere, the Direct Testimony of Don English in Support of the Settlement Stipulation for Staff endorses the proposed changes in rate design.⁵ ICL/NWEC specifically opposed this element of the stipulated settlement both in direct testimony⁶ and at the technical hearing. These positions, both asserted in good faith pursuit of the public interest, are a direct and material difference in position and advocacy between ICL/NWEC and Staff in this matter. IDAPA 31.01.01.162.05.

6. Statement of Recommendation

ICL/NWEC recommends the Commission reject the rate design elements of the offered settlement and maintain the residential customer charge at \$7.00 per month. Should the commission accept the settlement's increased monthly customer charge, we recommend the Commission: 1) alter the cost effectiveness calculation for energy efficiency spending to account for changes in efficiency program and demand side management ("DSM") resulting from the increased customer charge; 2) require Avista increase funding for low-income weatherization and provide for bill discounts to offset increased costs to low-income customers; and 3) open an investigatory docket on the relation of high customer charges and revenue decoupling. These recommendations are made for the benefit of Avista customers, not for the monetary benefit of either ICL or NWEC. We offer these recommendations in pursuit of our organizational goals and sound energy policy in the public interest.

7. Statement Showing Customer Class

ICL/NWEC's positions on residential rate design and related issues most directly apply to Electric Residential Schedule 1. ICL and NWEC claim to represent their members and organizational members who are Avista Electric Residential Schedule 1 customers.

⁵ English, DI at 13-14.

⁶ See, generally, L. McCloy, DI.

Conclusion

An award of intervenor funds to ICL/NWEC is merited in this case. Avista is a public utility whose matters before the Commission are subject to recovery of intervenor funding. The foregoing sections demonstrate that ICL/NWEC has met the individual requirements for an award of intervenor funding identified in I.C. § 61-617A and IDAPA 31.01.01.162. An award of funds furthers the purpose of I.C. § 61-617A to encourage full participation and representation of varied interests before the Commission.

WHEREFORE, ICL/NWEC respectfully requests the Commission grant this application.

DATED: August 16, 2023

/s/ Marie Callaway Kellner
Marie Callaway Kellner
Attorney for ICL

/s/ F. Diego Rivas
F. Diego Rivas
Attorney for NWEC

Exhibit A: ICL/NWEC Intervenor Funding Itemized Account

Name	Task	Description	Time (Hrs)	Rate (\$/hr)	Sum (\$)
Heusinkveld	Application Review	Read application and relevant testimonies, identify issues of interest, attend parties meeting	5	125	625
Heusinkveld	Intervention	Draft and submit intervention and pro hac petitions	0.5	125	62.5
Kellner	Review Intervention	Review legal filings	0.25	175	43.75
Heusinkveld	Discovery	Review staff and party discovery	5	125	625
Heusinkveld	Pre-settlement	Research Issues and rate design elements	2	125	250
Heusinkveld	Post Settlement review	Review record and plan post settlement efforts	2	125	250
Heusinkveld	Settlement Testimony	Draft, format, and file settlement testimony	3	125	375
Kellner	Review Testimony	Review legal filings	0.5	175	87.5
Heusinkveld	Testimony Review	Review testimonies and replys	2.5	125	312.5
Heusinkveld	Hearing Prep	Review record and prepare for technical hearings	5	125	625
Heusinkveld	Technical Hearings	Attend Technical hearings; sponsor testimony	2	125	250
Heusinkveld	Post Hearing	Draft post hearing briefs and petitions	4	125	500
Kellner	Review Filings	Edit and review legal filings	0.25	150	37.5
Rivas	Application Review	Read application and relevant testimonies, identify issues of interest, attend parties meeting	4	150	600
Rivas	Intervention	Draft and submit intervention and pro hac petitions	0.5	150	75
Rivas	Discovery	Draft and submit discovery, review staff and party discovery	4	150	600
Rivas	Review Testimony	Review and edit settlement testimony	2	150	300
Rivas	Post Settlement review	Review record and plan post settlement efforts	2	150	300
Rivas	Testimony Review	Review testimonies and replys	2	150	300
Rivas	Hearing Prep	Review record and prepare for technical hearings	4	150	600
Rivas	Technical Hearings	Attend, participate in technical hearings	2	150	300
Rivas	Post Hearing	Draft post hearing briefs and petitions	2	150	300
McCloy	Settlement Testimony	Develop settlement testimony	6	125	750
Rivas	Technical Hearings	Travel to Technical hearings			631
Rivas	Technical Hearings	Lodging for attendance at technical hearing			206

For Professional Services Rendered (\$): \$8,168.75

Direct Costs (\$): \$837.00

Total Intervenor Funding Requested: \$9,005.75

CERTIFICATE OF SERVICE

I hereby certify that on this 16th day of August, 2023, I delivered true and correct copies of the foregoing APPLICATION FOR INTERVENOR FUNDING in Case No. AVU-E-23-01; AVU-G-23-01 to the following persons via the method of service noted:

/s/ F. Diego Rivas

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