

## DECISION MEMORANDUM

**TO:** COMMISSIONER ANDERSON  
COMMISSIONER HAMMOND  
COMMISSIONER LODGE  
COMMISSION SECRETARY  
COMMISSION STAFF  
LEGAL

**FROM:** CLAIRE SHARP  
DEPUTY ATTORNEY GENERAL

**DATE:** MAY 23, 2023

**SUBJECT:** IN THE MATTER OF AVISTA CORPORATION'S APPLICATION FOR AN ACCOUNTING ORDER TO MODIFY ITS POWER COST ADJUSTMENT MECHANISM TO ACCOUNT FOR COSTS ASSOCIATED WITH WASHINGTON'S CLIMATE COMMITMENT ACT ALLOWANCES; CASE NO. AVU-E-23-04.

On March 31, 2023, Avista Corporation, d/b/a Avista Utilities ("Avista" or "Company") applied for authority to modify its power cost adjustment ("PCA") mechanism to account for costs associated with Washington's Climate Commitment Act ("CCA") Allowances. Application at 1. The Company would like to include (1) "the costs of purchasing carbon allowances pursuant to the . . . CCA to cover Idaho's share of the Company's Boulder Park natural gas generation plant dedicated to serving its Idaho customers," and (2) "the costs of purchasing carbon allowances for Idaho's share of surplus sales delivered to Mid-Columbia ("Mid-C") trading hub that require an associated carbon allowance" in its PCA mechanism Federal Energy Regulatory Commission ("FERC") Account 509. *Id.* The Company requested its Application be processed by Modified Procedure with an effective date of June 1, 2023.

On April 19, 2023, the Commission issued a Notice of Application, Notice of Suspension, and set a 21-day deadline for Intervention. Order No. 35747. No one intervened.

### STAFF RECOMMENDATION

Having conferred with the Company, Staff recommends the Commission issue a Notice of Modified Procedure, setting an August 1, 2023, public comment deadline, and an August 15, 2023, Company reply deadline.

## COMMISSION DECISION

Does the Commission wish to issue a Notice of Modified Procedure, setting an August 1, 2023, public comment deadline, and an August 15, 2023, Company reply deadline?



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Claire Sharp  
Deputy Attorney General

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