

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF AVISTA CORPORATION’S REQUEST TO DECREASE ITS ENERGY EFFICIENCY RIDER ADJUSTMENT—SCHEDULE 91))))))	CASE NO. AVU-E-23-10 ORDER NO. 35935
---	----------------------------	--

On July 31, 2023, Avista Corporation (“Company”), applied to the Idaho Public Utilities Commission (“Commission”) to decrease its Schedule 91—Energy Efficiency Rider Adjustment (“Schedule 91”) rates (“Application”), effective October 1, 2023.

On August 23, 2023, the Commission issued a Notice of Application and Notice of Modified Procedure setting deadlines for public comments and the Company’s reply. Order No. 35899. Commission Staff (“Staff”) filed the only comments in this case.

Having reviewed the record in this case, we issue this Order approving the Company’s Application.

THE APPLICATION

Schedule 91 is designed to recover costs of energy efficiency services and programs offered to customers. Schedule 91 provides financial incentives or rebates to customers for participating in electric energy efficiency programs offered by the Company.

As of June 30, 2023, Schedule 91 was overfunded by approximately \$7.3 million. The Company proposed to decrease rates collected through Schedule 91 to bring the forecasted tariff balance close to \$0 by September 30, 2026. The Company represented this will provide the proper level of funding over the next 36 months. The Company stated that it was seeking to establish tariff riders that will sufficiently fund Schedule 91 programs for the next 12 months.

If the Application was approved, the Company estimated it would collect about \$3.1 million less under Schedule 91, or a 1.2% overall decrease in billed rates. To the average residential customer, this adjustment would represent a 1.1% decrease, or about \$0.97 per month.

STAFF COMMENTS

Staff’s comments discussed the current overfunded balance of Schedule 91 and the factors causing it to be overfunded. Staff believed that the Company’s demand-side management (“DSM”) programs reduce the need for high-cost power and increase system reliability. However, Staff

noted that a prudence evaluation of the Company's DSM programs was not undertaken in this case—as the Application did not request it. A prudence evaluation is scheduled for 2024.

Staff summarized the Company's four concurrent electric filings that, if approved, would increase electric rates by 1.3% effective October 1, 2023. In addition to this filing which would reduce rates by -1.2%, the Power Cost Adjustment (Case No. AVU-E-23-08) would increase rates by 4.3%, the BPA Residential Exchange Program (Case No. AVU-E-23-11) would increase rates by 0.1%, and the electric Fixed Cost Adjustment ("FCA") (Case No. AVU-E-22-09) would reduce rates by -0.7%.¹ Collectively, if the four cases are approved as filed, Staff stated that the Company's revenue would increase by 2.4% while the customers' monthly bills would increase by an average of \$1.14 or 1.3%.

Staff recommended the Commission accept late filed customer comments to accommodate those customers in the later billing cycle who would receive delayed notice of the proposed change.

COMMISSION DECISION AND FINDINGS

The Company is an electrical corporation under *Idaho Code* § 61-119 and a public utility under *Idaho Code* § 61-129. The Commission has jurisdiction over this matter under *Idaho Code* §§ 61-502 and 61-503. The Commission is empowered to investigate rates, charges, rules, regulations, practices, and contracts of public utilities and to determine whether they are just, reasonable, preferential, discriminatory, or in violation of any provision of law, and may fix the same by order. *Idaho Code* §§ 61-502 and 61-503.

Having reviewed the record in this case, we approve the Company's Application as filed. We appreciate the Company applying to adjust its Schedule 91 rates to account for and reduce the current overfunded balance. This adjustment will help all customers who often face higher utility costs while continuing to fund the important energy efficiency programs the Company offers to its customers. We encourage the Company to continue to monitor the appetite of customers to participate in energy efficiency programs and to seek adjustments to its Schedule 91 rate as necessary to ensure it collects the proper amount to fund these programs.

¹ While Staff stated that the proposed -0.7% reduction was specifically related to the electric FCA (Case No. AVU-E-23-09), Staff also referenced the natural gas FCA (Case No. AVU-G-23-05) which has been filed by the Company; an order in that case will be issued in due course.

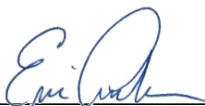
ORDER

IT IS HEREBY ORDERED that the Company's Application is approved, as filed, effective October 1, 2023.

IT IS FURTHER ORDERED that the Company's proposed Schedule 91, is approved, as filed.

THIS IS A FINAL ORDER. Any person interested in this Order may petition for reconsideration within twenty-one (21) days of the service date of this Order regarding any matter decided in this Order. Within seven (7) days after any person has petitioned for reconsideration, any other person may cross-petition for reconsideration. *Idaho Code* § 61-626.

DONE by order of the Idaho Public Utilities Commission at Boise, Idaho this 27th day of September 2023.



ERIC ANDERSON, PRESIDENT

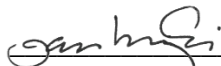


JOHN R HAMMOND JR., COMMISSIONER



EDWARD LODGE, COMMISSIONER

ATTEST:



Jan Noriyuki
Commission Secretary

I:\Legal\ELECTRIC\AVU-E-23-10_EE Rider\orders\AVUE2310_Final_md.docx