

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF THE JOINT PETITION) CASE NO. AVU-E-24-12
OF CLEARWATER PAPER)
CORPORATION, AVISTA CORPORATION) ORDER NO. 36371
AND SOFIDEL AMERICA CORP. FOR)
APPROVAL OF A CONTRACT)
TEMPORARILY WAIVING AVISTA’S)
PROHIBITION AGAINST MASTER-)
METERING ITS ELECTRIC SERVICES)

On September 20, 2024, Clearwater Paper Corporation (“Clearwater”), Avista Corporation (“Avista”), and Sofidel America Corp (“Sofidel”) (collectively the “Parties”), filed a joint petition (“Petition”) with the Idaho Public Utilities Commission (“Commission”) for an order approving a contract between Sofidel and Clearwater, and providing a temporary waiver of Avista’s Tariff prohibiting master-metering of electric services.

The Parties represented that Clearwater has entered into an agreement (“Agreement”) to sell its Consumer Products Division (the “Tissue Plant”) to Sofidel. Petition at 2. The Parties stated that each company would separately contract with Avista for the provision of electric power and energy pursuant to Avista’s approved tariffs; however, because the current electrical infrastructure was designed and constructed to serve an integrated single entity, it was not currently physically possible for Avista to separately meter and serve the Tissue Plant as an individual customer. *Id.* at 2-3. The Parties indicated that it may take up to three years for Avista to construct the required infrastructure to provide separate metering to the companies. *Id.* at 3.

STAFF COMMENTS

Commission Staff (“Staff”) examined the Petition, Avista’s comments, the Commission’s rules and policies pertaining to master metering, and the responses to discovery requests. Staff considered the temporary nature of the requested waiver, Avista’s verification that the power consumption and usage can be completely separated and separately metered between Clearwater and Sofidel, and the existence of the Agreement. Based on its review, Staff believed that the request would allow the two companies to move forward with the sale of the business while affording Avista time to develop and construct the required infrastructure to provide separate substation infrastructure and metering. Staff Comments at 1. Staff believed the Parties sought to

rectify an issue arising from the sale of a business, and Staff did not believe the request conflicts with the principles and premises that the Rules and Regulations Governing Master Metering of Electric Service (“Master Metering Rules”) Order No. 15556 were based upon. *Id.* at 3.

Staff recommended that the waiver be granted, conditioned on the Parties submitting a compliance filing clarifying how demand charge billing discrepancies will be resolved. *Id.* Staff also recommended the Commission order Avista to:

1. Submit infrastructure project status updates to Staff semi-annually to demonstrate that this work is being completed in a timely manner until such time that the waiver is no longer necessary.
2. Notify the Commission if Clearwater’s internal metering and monitoring equipment is not being maintained in such a way to ensure accurate billing based on each entity’s usage and the methods approved through the Commission’s orders in this case.
3. Assess the need to amend the Clearwater special contract when Sofidel becomes an Avista customer.

Staff did not recommend that the Commission approve the Agreement since the contract is between two private entities not under the Commission’s jurisdiction. *Id.*

REPLY COMMENTS

1. Avista Comments

Avista reviewed Staff’s comments and supported Staff’s recommendations. Avista requested a Compliance Filing due date of December 31, 2024, and that the first infrastructure report be due on May 31, 2025, and every six months thereafter. Avista Comments at 1.

2. Clearwater and Sofidel Comments

Clearwater and Sofidel indicated that they are working to provide a workable and reasonable solution to Staff’s concerns with demand charge billing and are doing so in consultation with Avista.

COMMISSION FINDINGS AND DECISION

The Commission has jurisdiction over the Company’s Application and the issues in this case under Title 61 of the Idaho Code including *Idaho Code* §§ 61-301 through 303. The Commission is empowered to investigate rates, charges, rules, regulations, practices, and contracts of all public utilities and to determine whether they are just, reasonable, preferential, discriminatory, or in violation of any provisions of law, and to fix the same by order. *Idaho Code* §§ 61-501 through 503.

Having reviewed the Petition, all submitted comments, and the record, the Commission finds it fair, just, and reasonable to approve the request for a temporary waiver of the master metering prohibition until such time as Avista is able to provide separate metering to the companies. Avista shall submit infrastructure project status reports beginning on May 31, 2025, and every six months thereafter, and shall notify the Commission if Clearwater's internal metering and monitoring equipment is not being maintained in such a way as to ensure accurate billing. The Parties shall also submit a compliance filing by December 31, 2024, clarifying how demand charge billing discrepancies will be resolved.

ORDER

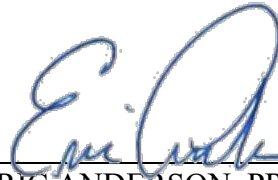
IT IS HEREBY ORDERED that the request for a temporary waiver of the master metering prohibition is granted. The waiver shall be effective until such time as Avista is able to provide separate metering to the companies.

IT IS FURTHER ORDERED that Avista shall submit infrastructure project status reports beginning on May 31, 2025, and every six months thereafter, and shall notify the Commission if Clearwater's internal metering and monitoring equipment is not being maintained in such a way as to ensure accurate billing.

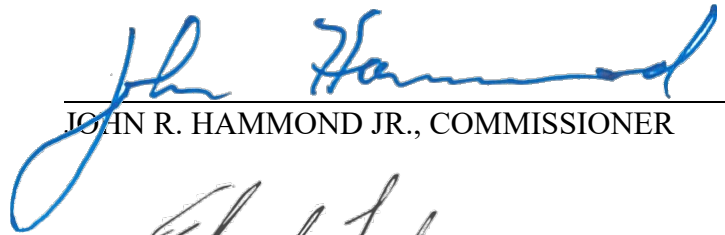
IT IS FURTHER ORDERED that the Parties shall also submit a compliance filing by December 31, 2024, clarifying how demand charge billing discrepancies will be resolved.

THIS IS A FINAL ORDER. Any person interested in this Order may petition for reconsideration within twenty-one (21) days of the service date upon 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.

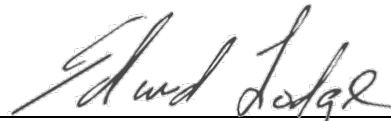
DONE by Order of the Idaho Public Utilities Commission at Boise, Idaho, this 28th day of October 2024.



ERIC ANDERSON, PRESIDENT



JOHN R. HAMMOND JR., COMMISSIONER



EDWARD LODGE, COMMISSIONER

ATTEST:



Monica Barros-Sanchez
Commission Secretary

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