

## BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

<b>IN THE MATTER OF AVISTA’S</b>	)	<b>CASE NO. AVU-E-25-09</b>
<b>RESIDENTIAL SMALL FARM ANNUAL</b>	)	
<b>RATE ADJUSTMENT FILING</b>	)	
	)	<b>ORDER NO. 36767</b>
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On July 31, 2025, Avista Corporation, dba Avista Utilities (“Company”), applied for authorization to implement Schedule 59—Residential and Small Farm Energy—Idaho (“Schedule 59”) rates for certain electric service schedules from October 1, 2025, through September 30, 2026. If the proposed rates are approved as filed, an average residential customer using 939 kilowatt-hours (“kWh”) of electricity per month should expect to see a monthly bill increase of \$1.25 per month, or 1.2%. The Company requests the processing of this matter via modified procedure with an October 1, 2025, effective date.

On August 15, 2025, the Idaho Public Utilities Commission (“Commission”) issued a Notice of Application and Notice of Modified Procedure, establishing a public comment deadline and a Company reply deadline. Order No. 36720. Commission Staff (“Staff”) filed the only comments.

Based on our review of the record, the Commission now issues this Final Order approving the Application.

### BACKGROUND

The electric Residential and Farm Energy Rate Adjustment results from an agreement between the Company and Bonneville Power Administration (“BPA”) that provides a share of the benefits of the federal Columbia River power system to the residential and small-farm customers of the six investor-owned utilities of the Pacific Northwest. The calculation of BPA benefits for Idaho customers is based on two key factors: the average electricity usage of the Company’s residential and small farm customers over the prior two years, and the difference between the Company’s Average System Cost (“ASC”) and BPA’s Priority Firm Exchange Rate. The difference between these two rates—ASC and Priority Firm Exchange Rate—is multiplied by annualized usage to determine the benefit amount. This benefit is then allocated between the Company’s Washington and Idaho based on each state’s actual energy use. To set the per-kWh

credit rate, the Company combines any remaining balance from the prior year with the upcoming year's BPA benefit and divides that total by the projected kWh sales for the upcoming year. The Company's current electric Residential and Farm Energy Rate Adjustment rate of a 0.366¢ per kWh credit was established by Order No. 35932.

### **THE APPLICATION**

The Company proposed a Residential and Small Farm Energy Rate Adjustment credit rate of 0.233¢ per kWh for customers on rate schedules 1, 12, 22, 32, and 48. Application at 1. This change would result in a \$1.9 million decrease in total credits provided to customers. *Id.* Currently, customers receive a credit of 0.366¢ per kWh, which is based on \$5.1 million in benefits being passed through to Idaho customers. *Id.* at 2–3. The proposed Schedule 59 credit of 0.233¢ per kWh would pass through about \$3.3 million, the Idaho portion of the annual benefit from the BPA, adjusted downward because customers were over-credited last year.<sup>1</sup> *Id.* at 3.

### **STAFF COMMENTS**

Staff reviewed the methodology and calculations used to determine the proposed Residential and Small Farm Energy Rate Adjustment credit and confirmed that the Company's approach complies with the terms outlined in Schedule 59. Staff Comments at 2. As part of its review, Staff audited the inputs, independently verified the Company's calculations, and recommended that the Commission approve the proposed credit rate of 0.233¢ per kWh, effective October 1, 2025. *Id.*

The Company included a press release and customer notice with its Application, as required. *Id.* at 3. Staff reviewed these materials and confirmed that they comply with Rule 125 of the Commission's Rules of Procedure (IDAPA 31.01.01.125). *Id.* The notice was distributed to customers as part of their regular billing cycle, with mailings sent between August 1, 2025 and August 29, 2025. *Id.*

### **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,

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<sup>1</sup> Idaho customers were over-credited in the prior year by about \$0.01 million based on forecast electricity consumption that was less than actual usage. Application at 3.

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 Application and all submitted materials, we find the proposed rate credit of 0.233¢ per kWh is just and reasonable. We therefore approve the Application and the proposed Schedule 59 credit for schedules 1, 12, 22, 32, and 48, to be effective October 1, 2025.

### ORDER

IT IS HEREBY ORDERED that the Company's Application to implement a new Residential and Small Farm Energy Adjustment credit rate is approved. The Company is authorized to implement its proposed credit rate of .233¢ per kWh through its proposed tariff Schedule 59—Residential and Farm Energy Rate Adjustment – Idaho – effective October 1, 2025 through September 30, 2026.

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. *See Idaho Code* § 61-626.

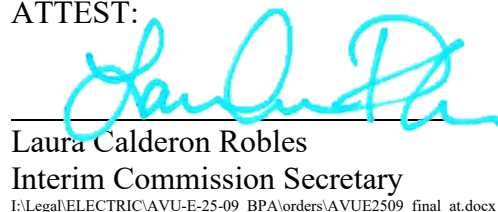
DONE by Order of the Idaho Public Utilities Commission at Boise, Idaho this 25<sup>th</sup> day of September 2025.

  
EDWARD LODGE, PRESIDENT

  
JOHN R. HAMMOND JR., COMMISSIONER

  
DAYN HARDIE, COMMISSIONER

ATTEST:

  
Laura Calderon Robles  
Interim Commission Secretary

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