

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF AVISTA’S)	CASE NO. AVU-E-25-10
APPLICATION TO INCREASE ITS ENERGY)	
EFFICIENCY TARIFF RIDER)	ORDER NO. 36779
ADJUSTMENT SCHEDULE 91)	
)	
)	

On July 31, 2025, Avista Corporation, dba Avista Utilities (“Company”), applied to increase its I.P.U.C. No. 28, Schedule 91, “Energy Efficiency Rider Adjustment” rates (“Schedule 91”), effective October 1, 2025. The Company requests processing of this matter via modified procedure.

On August 20, 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. Commission Staff (“Staff”) filed the only comments.

Having reviewed the record, the Commission now issues this Order approving the Company’s Application.

BACKGROUND

Schedule 91 is designed to recover costs of energy efficiency services and programs offered to customers. These programs provide customers with financial incentives or rebates for participating in electric energy efficiency programs, such as behavioral programs, low-income weatherization, and energy efficiency measures.

THE APPLICATION

The Company seeks to adjust its tariff riders to fund the next 12 months of Electric Energy Efficiency Program expenses while minimizing future under- or over-collections. According to the Company, the Schedule 91 (electric) tariff rider balance was about \$17 million underfunded as of June 30, 2025. To address this, the Company proposes increasing Schedule rates over the next 36 months. If approved, the change would raise annual revenue by about \$3.6 million, increasing billed rates by 1.2% overall. A typical residential customer using 939 kilowatt-hours per month would see a monthly bill increase of about \$1.32, or 1.1%.

STAFF COMMENTS

I. The Proposed Schedule 91 Adjustment

After reviewing the Company's Application, supporting workpapers, and rate calculations, Staff recommended approval of the proposed 1.2% increase in Schedule rates. Staff believed the increase will better align Schedule 91 revenues with the Company's projected Demand Side Management ("DSM") expenses and help reduce the current underfunded balance.

The Company provided a three-year (2025–2028) forecast of Schedule 91 revenues and DSM expenditures, which Staff verified for accuracy. According to the Company's workpapers, the proposed rates will fund ongoing program costs and gradually return the Schedule 91 balance to zero by September 2028. Staff found the proposed increase reasonable. Staff also confirmed that the new rate adjustments were correctly applied across customer classes.

As stated, the Company's Schedule 91 was underfunded by about \$17 million as of June 30, 2025. According to the Company, this shortfall was largely due to higher-than-expected participation in the Small Business Lighting direct-install and Midstream programs. The Company proposed a rate adjustment to recover the shortfall by September 30, 2028, spreading collections over a longer period to align revenues with the annual Energy Efficiency Program budget and reduce rate impacts on customers.

II. Billing Impact of Four Rate Filings Effective October 1, 2025

The Company proposed four electric rate adjustments effective October 1, 2025: the EE Rider (AVU-E-25-10) would increase revenues by \$3.6 million (1.2%), the PCA (AVU-E-25-07) would decrease revenues by \$1.8 million (0.6%), the Residential Exchange Program or ResEx (AVU-E-25-09) would increase revenues by \$1.9 million (0.6%), and the Fixed Cost Adjustment or FCA (AVU-E-25-08) would increase revenues by \$2.6 million (0.6%). The combined effect of these filings would raise electric revenues by approximately \$6.3 million (2.0%) and increase the average residential customer's monthly bill by about \$3.43, or 3.3%.

The following Table No. 2 from Staff's comments describes the overall effect of these filings:

Table No. 2: Summary of Overall Impact to Electric Revenues

Filing	Change in Revenues	% Change
EE Rider	\$3.6 million	1.2%
PCA	(\$1.8 million)	-0.6%
ResEx Credit	\$1.9 million	0.6%
FCA	\$2.6 million	0.8%
Total	\$6.3 million	2.0%

III. Customer Notice and Press Release

Staff reviewed the Company's press release and customer notice included with the Application and found that both met the requirements of Rule 125 of the Commission's Rules of Procedure (IDAPA 31.01.01.125). The notice was distributed with customer bills from August 1 through August 29, 2025.

Staff believed that the comment deadlines set in this case may not have provided some customers adequate time to submit comments. Accordingly, Staff recommended that the Commission consider late filed comments. As of September 25, 2025, no public comments have been filed.

COMMISSION DISCUSSION AND FINDINGS

The Commission has jurisdiction over the Company and this matter pursuant to *Idaho Code* §§ 61-502 and 61-503. The Commission has the express statutory authority 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.

Based upon the Company's Application and Staff's audit, we find that the electric Energy Efficiency Rider account is underfunded by approximately \$17 million as of June 30, 2025. We further find that a primary contributor to this shortfall was largely due to higher-than-expected participation in the Small Business Lighting direct-install and Midstream programs. Based upon our review of the record, we find that it is reasonable to recover the deficiency and fund ongoing

DSM programs by increasing the Schedule 91 Energy Efficiency Rider by 1.2% in billed rates. We also find the Company's proposal to recover the underfunded balance over three years to be reasonable.

In sum, we find that the current Energy Efficiency Rider is insufficient to defray the Company's energy efficiency and DSM costs. We also find that the rates proposed in the Company's Application are just and reasonable and shall become effective on October 1, 2025.


ORDER

IT IS HEREBY ORDERED that the Company's Application to increase its electric Schedule 91 by 1.2% of billed rates is granted.

IT IS FURTHER ORDERED that tariff Schedule 91 that accompanied the Application is approved to be effective on October 1, 2025.

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. *See Idaho Code § 61-626.*

DONE by Order of the Idaho Public Utilities Commission at Boise, Idaho this 30th 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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