BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

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IN THE MATTER OF DEFERRED **ACCOUNTING OF INCREMENTAL**) COSTS ASSOCIATED WITH THE **COVID-19 PUBLIC HEALTH EMERGENCY**

CASE NO. GNR-U-20-03 (including Consolidated Case Nos. AVU-E-20-03; AVU-G-20-03; FLS-W-20-02; GSW-W-20-01; **IPC-E-20-19; and PAC-E-20-04**)

NOTICE OF APPLICATION NOTICE OF MODIFIED PROCEDURE **ORDER NO. 34643**

On March 13, 2020, Idaho Governor Brad Little issued a Proclamation declaring a state of emergency and providing directives to combat the spread of COVID-19, provide essential services and limit public exposure (the "Emergency"). Thereafter, several Idaho public utilities—including Idaho Power Company, PacifiCorp D/B/A Rocky Mountain Power, Falls Water Company, Gem State Water Company, and Avista Corporation D/B/A Avista Utilities—applied to the Commission for orders authorizing them to account for the unanticipated, Emergency-related expenses by booking them as regulatory assets for possible recovery through rates that would be set in future proceedings. The requested deferrals do not seek to increase rates at this time. See Case Nos. AVU-E-20-03 and AVU-G-20-03 (Avista electric and gas expenses); FLS-W-20-02 (Falls Water); GSW-W-20-01 (Gem State Water); IPC-E-20-19 (Idaho Power), and PAC-E-20-04 (PacifiCorp dba Rocky Mountain Power).

Given the Emergency and the utilities' applications for an accounting order to address Emergency-related costs (collectively, the "Application"), Commission Staff recommended the Commission consolidate the above-cited cases into a general docket to address whether and to what extent the utilities should be authorized to defer incremental Emergency-related expenses into a regulatory asset account for possible future recovery. Staff recommended the docket be processed by Modified Procedure.

The Commission took up the matter at its April 14, 2020 open meeting. The Commission then decided to open this generic docket and consolidate the above-cited cases

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into it for purposes of issuing a single order that would apply to each of the utilities that had filed applications. The Commission also specified that, besides Avista, Idaho Power, PacifiCorp, Falls Water, and Gem State Water, any utility that submitted timely comments in the case requesting deferred accounting treatment would be eligible for any deferred accounting treatment authorized by the final order in this case.

The Commission now issues this Notice of Application and Notice of Modified Procedure setting deadlines for public comments—including requests from other utilities who wish to have their Emergency-related deferred accounting authority decided in this case—and reply comments.

NOTICE OF APPLICATION

YOUR ARE HEREBY NOTIFIED that in the Application, Avista, Idaho Power, PacifiCorp, Falls Water, and Gem State Water applied for authority to defer certain Emergency-related costs into a regulatory asset for possible future recovery. These costs were not anticipated when the Commission set the utilities' revenue requirements and base rates. The utilities thus seek to account for the costs as a regulatory asset. The utilities are not proposing to change customer rates at this time. Rather, the utilities seek to account for the costs in a way that would allow the utilities to advocate for their recovery in later rate cases. The prudence and recovery method of any deferred Emergency-related costs would be determined in future proceedings.

YOU ARE FURTHER NOTIFIED that certain public utilities have suspended disconnects and waived late payment fees. Broadly, the utilities expect to incur significant incremental costs in responding to the Emergency. Further, some types of expenses are still unknown and their full extent cannot yet be determined or reasonably estimated. The utilities anticipate a significant increase in bad debt expense resulting from write-offs of uncollectible accounts associated with the suspension of disconnects and late payment fees to assist customers facing unprecedented economic pressures.

YOU ARE FURTHER NOTIFIED that due to current economic conditions and the Governor's stay-at-home order indirectly affecting commercial and industrial electricity and gas demand, several utilities also expect decreased demand for their services. YOU ARE FURTHER NOTIFIED that the Applications and any supporting work papers, testimonies, or exhibits filed with the Commission are available for public inspection during regular business hours at the Commission's office. The Application and testimonies are also available on the Commission's web site at <u>www.puc.idaho.gov</u>. Click on "MULTI-UTILITY" and "Open Cases" and then the case number as shown on the front of this document.

YOU ARE FURTHER NOTIFIED that all proceedings in this case will be held pursuant to the Commission's jurisdiction under Title 61 of the Idaho Code.

YOU ARE FURTHER NOTIFIED that all proceedings in this matter will be conducted pursuant to the Commission's Rules of Procedure, IDAPA 31.01.01.000 *et seq*.

NOTICE OF MODIFIED PROCEDURE

YOU ARE FURTHER NOTIFIED that the Commission has determined that the public interest may not require a formal hearing in this matter, and that it will proceed under Modified Procedure pursuant to Rules 201 through 204 of the Commission's Rules of Procedure, IDAPA 31.01.01.201 through .204. The Commission notes that Modified Procedure and written comments have proven to be an effective means for obtaining public input and participation.

YOU ARE FURTHER NOTIFIED that any person desiring to state a position in this case—including any utility besides those named above that would like their Emergency-related deferred accounting authority decided in this generic case—must file a written comment in support or opposition with the Commission within twenty-one (21) days from the service date on this Order. The written comment must contain a statement of reasons supporting it. Persons desiring a hearing must specifically request a hearing in their written comments. If a hearing is required, the Commission will determine the procedure at a later date to ensure compliance with the Governor's stay-at-home order and any amendments, extensions, or additional restrictions that may follow it. Written comments concerning this Application shall be mailed to the Commission and the Company at the email addresses reflected below:

For the Idaho Public Utilities Commission:

Commission Secretary Idaho Public Utilities Commission P.O. Box 83720 Boise, ID 83720-0074 secretary@puc.idaho.gov

For Avista Utilities:

David J. Meyer P.O. Box 3727 1411 E. Mission Ave., MSC 13 Spokane, WA 99220-3727 David.meyer@avistacorp.com

Patrick Ehrbar P.O. Box 3727 1411 E. Mission Ave., MSC 27 Spokane, WA 99220-3727 patrick.ehrbar@avistacorp.com

For Falls Water Company:

Preston N. Carter 601 W. Bannock St. Boise, ID 83702 prestoncarter@givenspursley.com kendrah@givenspursley.com

Eric W. Nelson NW Natural 220 NW 2nd Ave. Portland, OR 97209 <u>Eric.Nelson@nwnatural.com</u>

For Idaho Power Company:

Lisa D. Nordstrom Matt Larkin 1221 West Idaho St (83702) P.O. Box 70 Boise, ID 83707 Inordstrom@idahopower.com mlarkin@idahopower.com dockets@idahopower.com

For Gem State Water Company:

Preston N. Carter 601 W. Bannock St. Boise, ID 83702 prestoncarter@givenspursley.com kendrah@givenspursley.com

Eric W. Nelson NW Natural 220 NW 2nd Ave. Portland, OR 97209 <u>Eric.Nelson@nwnatural.com</u>

For Rocky Mountain Power:

Ted Weston 1407 W. North Temple, Suite 330 Salt Lake City, UT 84116 ted.weston@pacificorp.com adam@mrg-law.com jacob.mcdermott@pacificorp.com emily.wegener@pacificorp.com

Data Request Response Center Rocky Mountain Power 825 NE Multnomah St. Suite 2000 Portland, OR 97232 <u>datarequest@pacificorp.com</u>

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Comments should contain the GNR-U-20-03 case caption and case number shown on the first page of this document. Persons desiring to submit comments via email may do so by accessing the Commission's home page located at www.puc.idaho.gov. Click the "Case Comment Form" under "Consumers" and complete the form using the case number as it appears on the front of this document.

YOU ARE FURTHER NOTIFIED that Avista, Idaho Power, PacifiCorp, Falls Water, and Gem State Water must file any reply comments no later than twenty-eight (28) days from the service date on this Order.

YOU ARE FURTHER NOTIFIED that if no written comments or protests are received within the time limit set, the Commission will consider this matter on its merits and enter its order without a formal hearing. If written comments are received within the time limit set, the Commission will consider them and, in its discretion, may set the same for a formal hearing.

ORDER

IT IS HEREBY ORDERED that Case Nos. AVU-E-20-03; AVU-G-20-03; FLS-W-20-02; GSW-W-20-01; IPC-E-20-19; and PAC-E-20-04 are consolidated into this GNR-U-20-03 docket. Other utilities who wish to have their Emergency-related deferred accounting authority decided in this docket are directed to file comments requesting that authority.

YOU ARE FURTHER NOTIFIED that this case will be processed by Modified Procedure, Rule 201-204 (IDAPA 31.01.01.201-.204). Persons interested in filing written comments—including any utility (besides Avista, Idaho Power, PacifiCorp, Falls Water, and Gem State Water) that would like its Emergency-related deferred accounting authority decided in this generic case—must do so no later than twenty-one (21) days from the service date of this Order. Avista, Idaho Power, PacifiCorp, Falls Water, and Gem State Water must file any reply comments no later than twenty-eight (28) days from the service date of this Order.

IT IS FURTHER ORDERED that the Commission Secretary shall serve this Order on all utilities subject to the Commission's jurisdiction.

IT IS FURTHER ORDERED that parties continue to comply with Order No. 34602, issued March 17, 2020. All pleadings should be filed with the Commission NOTICE OF APPLICATION NOTICE OF MODIFIED PROCEDURE 5 **ORDER NO. 34643**

electronically and shall be deemed timely filed when received by the Commission Secretary. *See* Rule 14.02. Service between parties should also be accomplished electronically. Voluminous discovery-related documents may be filed and served on CD-ROM or a USB flash drive.

DONE by Order of the Idaho Public Utilities Commission at Boise, Idaho this 23rd day of April 2020.

Paul Kellad

PAUL KJELLANDER, PRESIDENT

KRISTINE RAPER. COM SIONER

ERIC ANDERSON, COMMISSIONER

ATTEST:

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Diane M. Hanian Commission Secretary

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