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IDAHO PUBLIC UTILITIES COMMISSION

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BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF THE APPLICATION
OF AVISTA CORPORATION DBA
AVISTA UTILITIES FOR AUTHORITY TO
INCREASE ITS RATES AND CHARGES
FOR ELECTRIC AND NATURAL GAS
SERVICE IN IDAHO

OCCUPATION

CASE NOS. AVU-E-15-05
AVU-G-15-01

MOTION FOR APPROVAL OF
ADDENDUM TO THE STIPULATION
AND USE OF MODIFIED
PROCEDURE

COMES NOW, Avista Corporation ("Avista" or "Company"), and hereby moves the Commission for an Order approving the Addendum to the Stipulation. RP 56; 272; 274. This Motion is based on the following:

1. On December 18, 2015, the Idaho Public Utilities Commission approved a Settlement Stipulation ("Stipulation") in Avista's 2015 general rate case. Included in the approved Stipulation were electric and natural gas Fixed Cost Adjustment ("FCA") Mechanisms, which went into effect on January 1, 2016.

- 2. Paragraph 13A of the Stipulation states "The Parties agree to an initial FCA term of 3 years, with a review of how the mechanisms have functioned conducted by Avista, Staff, and other interested parties following the end of the second full-year. Avista may seek to extend the term of the mechanism prior to its expiration." The term of 3 years expires December 31, 2018.
- 3. On March 13, 2018, Avista reached out via email to all of the parties in these cases requesting a one-year extension of the FCA Mechanisms in order to benefit from a third-party study presently being conducted in the State of Washington of the Company's decoupling mechanisms (similar in most ways to the FCA Mechanisms in Idaho). That study would assist with the "review" following the "end of the second full-year".
- 4. All of the parties in these cases agreed to the extension, either in writing or through telephonic communications, with one exception. Clearwater Paper Corporation chose not to take a position on this issue.
- 5. Based on those discussions, the Parties whose signatures appear on the Addendum to the Stipulation have agreed to resolve and settle the additional issue in the case (hereinafter "Parties"). A copy of the signed Addendum to the Stipulation evidencing that agreement is enclosed as Attachment 1.
- 6. The Parties recommend that the Commission grant this Motion and approve the Addendum to the Stipulation in its entirety, without material change or condition, pursuant to RP 274. The Company requests that the matter be processed under the Commission's Modified Procedure rules through the use of written comments.

NOW, THEREFORE, the Parties respectfully request that the Commission issue an order in Case Nos. AVU-E-15-05 and AVU-G-15-01 granting this Motion and accepting the Addendum to the Stipulation (Attachment 1), in its entirety, without material change or condition.

Respectfully submitted this <u>9</u> day of April, 2018.

Attorney for Avista Corporation

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BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF THE APPLICATION)	
OF AVISTA CORPORATION DBA)	CASE NOS. AVU-E-15-05
AVISTA UTILITIES FOR AUTHORITY TO)	AVU-G-15-01
INCREASE ITS RATES AND CHARGES)	
FOR ELECTRIC AND NATURAL GAS)	
SERVICE IN IDAHO)	ADDENDUM TO THE STIPULATION

This Addendum to the Stipulation is entered into by and among Avista Corporation, doing business as Avista Utilities ("Avista" or "Company"), the Staff of the Idaho Public Utilities Commission ("Staff), Idaho Forest Group, LLC ("Idaho Forest"), the Community Action Partnership Association of Idaho ("CAPAI"), the Idaho Conservation League ("ICL"), and the Snake River Alliance ("Snake River"). These entities are collectively referred to as the "Parties," and represent all of the parties in the above-referenced cases. The Parties understand this Addendum to the Stipulation is subject to approval by the Idaho Public Utilities Commission ("IPUC" or the "Commission").

ADDENDUM TO THE STIPULATION – AVU-E-15-05 & AVU-G-15-01

¹ Clearwater Paper Corporation ("Clearwater") was a party in the above referenced cases. In an email to the Parties on March 16, 2018, Clearwater stated that it "doesn't have a position on this issue and hence will not vote one way or the other" when asked for their support of this Addendum.

- 1. The purpose of the Addendum to the Stipulation is to modify the condition within paragraph 13, sub-section a, related to the stated term of the Fixed Cost Adjustment (FCA) mechanism approved by the Commission in Order No. 33437 in Case Nos. AVU-E-15-05 and AVU-G-15-01.
- a. The present Stipulation language as described in paragraph 13, sub-section a, is as follows:
 - FCA Mechanisms Term. The Parties agree to an initial FCA term of 3 years, with a review of how the mechanisms have functioned conducted by Avista, Staff, and other interested parties following the end of the second full-year. Avista may seek to extend the term of the mechanism prior to its expiration.
 - b. The Parties agree to amend the Stipulation language as follows:

 FCA Mechanisms Term. The Parties agree to an initial FCA term of 4 years, with a review of how the mechanisms have functioned conducted by Avista, Staff, and other interested parties following the end of the third full-year. Avista may seek to extend the term of the mechanism prior to its expiration.
- 2. The Parties agree that the Addendum to the Stipulation is in the public interest and that all of its terms and conditions are fair, just and reasonable. The obligations of the Parties under this Addendum to the Stipulation are subject to the Commission's approval of this Addendum to the Stipulation in accordance with its terms and conditions and upon such approval being upheld on appeal, if any, by a court of competent jurisdiction. This Addendum to the Stipulation may be executed in counterparts and each signed counterpart shall constitute an original document.

Avista Corporation	Idaho Public Utilities Commission Staff
By: Attorney for Avista Corporation	Deputy Attorney General
Community Action Partnership Association of Idaho	Idaho Forest Group
By:Attorney for CAPAI	By:Attorney for Idaho Forest Group LLC
Idaho Conservation League	Snake River Alliance
By:	By:
Attorney for ICL	Attorney for Snake River Alliance

DATED this 29th day of March, 2018.

DATED this Zzzzday of March, 2018.	
Avista Corporation	Idaho Public Utilities Commission Staff
Ву:	By: (7-17-
Attorney for Avista Corporation	Deputy Attorney General
Community Action Partnership Association of Idaho	Idaho Forest Group
	Ву:
Attorney for CAPAI	Attorney for Idaho Forest Group LLC
Idaho Conservation League	Snake River Alliance
Ву:	Ву:
Attorney for ICL	By: Attorney for Snake River Alliance

DATED this day of March, 2018.	
Avista Corporation By: Attorney for Avista Corporation	Idaho Public Utilities Commission Staff By: Deputy Attorney General
Community Action Partnership Association of Idaho By: Attorney for CAPAL Rad M, Furdy	Idaho Forest Group By: Attorney for Idaho Forest Group LLC
Idaho Conservation League	Snake River Alliance
By: Attorney for ICL	By:Attorney for Snake River Alliance

DATED this day of March, 2018.	
Avista Corporation	Idaho Public Utilities Commission Staff
By: Attorney for Avista Corporation	By: Deputy Attorney General
Attorney for Avista Corporation	Deputy Attorney General
Community Action Partnership Association of Idaho	Idaho Forest Group By:
By: Attorney for CAPAI	Attorney for Idaho Forest Group LLC
Idaho Conservation League	Snake River Alliance
By:	By:Attorney for Snake River Alliance
Attorney for ICL	Attorney for Snake River Alliance

DATED this day of March, 2018.	
Avista Corporation By: Attorney for Avista Corporation	Idaho Public Utilities Commission Staff By: Deputy Attorney General
Community Action Partnership Association of Idaho By: Attorney for CAPAI	Idaho Forest Group By: Attorney for Idaho Forest Group LLC
Idaho Conservation League By: Attorney for ICL	Snake River Alliance By: Attorney for Snake River Alliance

DATED this 2018. Avista Corporation Idaho Public Utilities Commission Staff By:_ By:_ Deputy Attorney General Attorney for Avista Corporation Idaho Forest Group Community Action Partnership Association of Idaho Attorney for Idaho Forest Group LLC By:_ Attorney for CAPAI Snake River Idaho Conservation League By: Attorney for Snake River Alliance Attorney for ICL

-, Wendy Wilson