Avista Corp.
1411 East Mission P.O. Box 3727
Spokane. Washington 99220-0500
Telephone 509-489-0500
Toll Free 800-727-9170

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IDAHO PUBLIC UTILITIES COMMISSION

February 14, 2019

Diane Hanian, Secretary Idaho Public Utilities Commission 472 W. Washington St. Boise, ID 83702

RE: Motion for Approval of Stipulation and Settlement & Stipulation and Settlement in AVU-E-18-03 and AVU-G-18-02

Enclosed for filing with the Commission are an original and seven copies of a Motion for Approval of Stipulation and Settlement and the Stipulation and Settlement by Avista Corporation, dba Avista Utilities (Avista), dated February 14, 2019.

If you have any questions regarding the proposed filing, please contact Karen Schuh at (509) 495-2293.

Sincerely,

David J. Meyer

Vice President and Chief Counsel for Regulatory & Governmental Affairs

Enclosures

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that I have this 14nd day of February, 2019, served the foregoing Motion to approve Stipulation and Settlement and the Stipulation and Settlement in Docket No. AVU-E-18-03 and AVU-G-18-02, upon the following parties, by mailing a copy thereof, properly addressed with postage prepaid to:

Diane Hanian, Secretary Idaho Public Utilities Commission Statehouse Boise, ID 83720-5983 diane.hanian@puc.idaho.gov	Brandon Karpen Deputy Attorneys General Idaho Public Utilities Commission 472 W. Washington Boise, ID 83702-0659 brandon.karpen@puc.idaho.gov
SIERRA CLUB: Matt Gerhart Sierra Club 2101 Webster Street, Suite 1300 Oakland, CA 94612 415-977-5727 Matt.Gerhart@sierraclub.org Ana.boyd@sierraclub.org via Overnight via E-Mail	IDAHO CONSERVATION LEAGUE: Benjamin J. Otto Idaho Conservation League 710 N. 6th St. Boise, ID 83702 208-345-9633 x 12 botto@idahoconservation.org ■ via Overnight ■ via E-Mail
CLEARWATER PAPER CORP.: Peter Richardson Richardson Adams, PLLC 515 N. 27 th St Boise, ID 83702 208-938-7901 peter@richardsonadams.com via Overnight via E-Mail	CLEARWATER PAPER CORP.: Dr. Don Reading 6070 Hill Road Boise, ID 83703 208-342-1700 dreading@mindspring.com via Overnight via E-Mail
CLEARWATER PAPER CORP.: marv.lewallen@clearwaterpaper.com carol.haugen@clearwaterpaper.com via Overnight via E-Mail	IDAHO FOREST GROUP: 687 Canfield Ave. Suite 100 Coeur D'Alene, ID 83815 via Overnight via E-Mail
IDAHO FOREST GROUP: Ronald Williams Williams Bradbury, P.C. PO Box 388 Boise, ID 83701 208-344-6633 ron@williamsbradbury.com via Overnight via E-Mail	IDAHO FOREST GROUP: Dean Miller 3620 E Warm Springs Ave. Boise, ID 83716 deanmiller@cableone.net ■ via Overnight ■ via E-Mail

IDAHO FOREST GROUP: Larry Crowley, Director The Energy Strategies Institute, Inc. 5549 S. Cliffsedge Ave. Boise, ID 83716 crowleyla@aol.com	
□ via Overnight ■ via E-Mail	
	In 2/M
	Paul Kimball
	Manager of Compliance & Discovery

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IDAHO PUBLIC UTILITIES COMMISSION

David J. Meyer, Esq.
Vice President and Chief Counsel of
Regulatory and Governmental Affairs
Avista Corporation
1411 E. Mission Avenue
P.O. Box 3727
Spokane, Washington 99220

Phone: (509) 495-4316, Fax: (509) 495-8851

Sean Costello
Deputy Attorney General
Idaho Public Utilities Commission Staff
P.O. Box 83720
Boise, ID 83720-0074
Phone: (208) 334-0312, Fax: (208) 334

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF THE APPLICATION)		
OF AVISTA CORPORATION DBA)	CASE NO.	AVU-E-18-03
AVISTA UTILITIES REQUESTING	1)	CASE NO.	AVU-G-18-02
AUTHORITY TO REVISE ITS ELECTRIC)		
AND NATURAL GAS BOOK)		
DEPRECIATION RATES)	MOTION F	OR APPROVAL OF
	-	STIPULATI	ON AND SETTLEMENT

COME NOW, Avista Corporation ("Avista" or "Company"), the Commission Staff, Clearwater Paper Corporation ("Clearwater"), Idaho Forest Group, LLC ("Idaho Forest"), Sierra Club, and the Idaho Conservation League ("Conservation League") and hereby move the Commission for an Order accepting the Settlement Stipulation filed herewith. RP 56; 272; 274. This Motion is based on the following:

1. On February 23, 2018, Avista filed an Application requesting authority to revise its book depreciation rates. The Company requested authorization to revise its book depreciation rates consistent with the results of the depreciation study undertaken by the Company. That study showed that the Idaho share of annual depreciation expense recorded to O&M and A&G expense on the Company's books should be increased by approximately \$1,275,324 for electric plant and MOTION FOR APPROVAL OF STIPULATION AND SETTLEMENT – AVU-E-18-03 and AVU-G-18-02

decreased by approximately \$487,632 for natural gas plant, based on the average service life rates of plant-in-service as of December 31, 2016.

- 2. Petitions to intervene in this proceeding were filed by Clearwater, Idaho Forest, Sierra Club, and the Conservation League. These entities are collectively referred to as the "Parties," and represent all of the parties in the above-referenced cases.
- 3. Representatives of all Parties appeared at Settlement Conferences held on December 11, 2018, and January 22, 2019, which were held for the purpose of narrowing or resolving the contested issues in this proceeding. Subsequent discussions led to a Settlement Stipulation.
- 4. The Parties also request that the Commission expedite its consideration to allow for a proposed effective date for the terms of the Stipulation of <u>April 1</u>, 2019, intended to synchronize with the proposed effective date of changes in depreciation rates in Washington and Oregon.
- 5. The Parties recommend that the Commission grant this Motion and approve the Stipulation in its entirety, without material change or condition, pursuant to RP 274.
- 6. The Parties request that these cases be reviewed under modified procedure rather than a hearing under RP 202, inasmuch as all parties are in support of this Stipulation and no evidentiary hearings are necessary to resolve disputed issues of fact.
- 7. The Parties also move to suspend the existing procedural schedule, and substitute in its place a date of February 22, 2019, for the filing of comments by the Parties under the Modified Procedure rules of the Commission. No reply comments are envisioned.
- 8. As noted in the Stipulation, the Parties agree that the Stipulation is in the public interest and that all of its terms and conditions are fair, just and reasonable.

- 1. Granting this Motion and accepting the Stipulation, in its entirety, without material change or condition, doing so under Modified Procedures; and
- Authorizing the Company to implement revised depreciation rates effective April
 2019, consistent with the terms of the Stipulation

DATED this 14 day of February, 2019.	
Avista Corporation	Idaho Public Utilities Commission Staff
By:	By:
David J. Meyer	Sean Costello
Attorney for Avista Corporation	Deputy Attorney General
Clearwater Paper Corporation	Idaho Forest Group
By:	By:
Peter Richardson	Ronald L. Williams
Attorney for Clearwater Paper	Attorney for Idaho Forest Group LLC
Sierra Club	Idaho Conservation League
Ву:	By:
Matt Gerhart	Benjamin Otto
Attorney for Sierra Club	Idaho Conservation League

- 1. Granting this Motion and accepting the Stipulation, in its entirety, without material change or condition, doing so under Modified Procedures; and
- Authorizing the Company to implement revised depreciation rates effective April
 2. Authorizing the Company to implement revised depreciation rates effective April
 1, 2019, consistent with the terms of the Stipulation

DATED this day of February, 2019.	
Avista Corporation By: David J. Meyer Attorney for Avista Corporation	Idaho Public Utilities Commission Staff By: Sean Costello Deputy Attorney General
Clearwater Paper Corporation	Idaho Forest Group
By:	By:Ronald L. Williams Attorney for Idaho Forest Group LLC
Sierra Club	Idaho Conservation League
By: Matt Gerhart Attorney for Sierra Club	By:Benjamin Otto

- 1. Granting this Motion and accepting the Stipulation, in its entirety, without material change or condition, doing so under Modified Procedures; and
- Authorizing the Company to implement revised depreciation rates effective April
 2019, consistent with the terms of the Stipulation

the

DATED this 13 day of February, 2019.	
Avista Corporation	Idaho Public Utilities Commission Staff
By:	By:
David J. Meyer	Sean Costello
Attorney for Avista Corporation	Deputy Attorney General
Clearwater Paper Corporation	Idaho Forest Group
By: Pell puhweser	By:
Peter Richardson	Ronald L. Williams
Attorney for Clearwater Paper	Attorney for Idaho Forest Group LLC
Sierra Club	Idaho Conservation League
Ву:	Ву:
Matt Gerhart	Benjamin Otto
Attorney for Sierra Club	Idaho Conservation League

- 1. Granting this Motion and accepting the Stipulation, in its entirety, without material change or condition, doing so under Modified Procedures; and
- 2. Authorizing the Company to implement revised depreciation rates effective April1, 2019, consistent with the terms of the Stipulation

DATED this day of February, 2019.	
Avista Corporation	Idaho Public Utilities Commission Staff
By: David J. Meyer Attorney for Avista Corporation	By: Sean Costello Deputy Attorney General
Clearwater Paper Corporation	Idaho Forest Group By:
rBy:	Ronald L. Williams Attorney for Idaho Forest Group LLC
Sierra Club	Idaho Conservation League
By: Matt Gerhart Attorney for Sierra Club	Benjamin Otto Idaho Conservation League

- 1. Granting this Motion and accepting the Stipulation, in its entirety, without material change or condition, doing so under Modified Procedures; and
- Authorizing the Company to implement revised depreciation rates effective April
 2019, consistent with the terms of the Stipulation

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DATED this 21 day of February, 2019.	
Avista Corporation	Idaho Public Utilities Commission Staff
Ву:	By:
David J. Meyer	Sean Costello
Attorney for Avista Corporation	Deputy Attorney General
Clearwater Paper Corporation	Idaho Forest Group
By:	By:
Peter Richardson	Ronald L. Williams
Attorney for Clearwater Paper	Attorney for Idaho Forest Group LLC
Sierra Club	Idaho Conservation League
By: Vantur Lout	By: 136 65
Matt Gerhart	Benjamin Otto
Attorney for Sierra Club	Idaho Conservation League