

**BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION**

<b>IN THE MATTER OF THE APPLICATION</b>	)	<b>CASE NO. AVU-G-18-08</b>
<b>OF AVISTA CORPORATION FOR A</b>	)	
<b>DETERMINATION OF 2014-2017 NATURAL</b>	)	<b>NOTICE OF APPLICATION</b>
<b>GAS ENERGY EFFICIENCY EXPENSES AS</b>	)	
<b>PRUDENTLY INCURRED</b>	)	<b>NOTICE OF INTERVENTION</b>
	)	<b>DEADLINE</b>
	)	
	)	<b>ORDER NO. 34222</b>

---

On November 16, 2018, Avista Corporation ("Avista" or "Company") filed an Application requesting the Commission determine the Company prudently incurred \$2,899,525 in natural gas energy efficiency expenses from January 1, 2014 through December 31, 2017. The Application summarizes the Company’s energy efficiency activities and their cost-effectiveness. The Application includes the Company’s Idaho 2016-2017 Natural Gas Impact Evaluation, which was prepared by a third party, and its 2016 and 2017 Idaho Annual Conservation Report(s).

With this Order, the Commission provides notice of the Application, and sets deadlines for interested persons to intervene as parties to the case.

**BACKGROUND**

Generally, if a utility operates programs to help improve customers’ efficient use of energy, the Commission will allow the utility an opportunity to recover its program expenses through rates if the Commission finds the expenses were prudently incurred. However, if the Commission finds any of the expenses were not prudently incurred, it will not allow the utility to recover those expenses through rates, and the disallowed expenses will be borne by the utility’s shareholders and not by customers.

**NOTICE OF APPLICATION**

YOU ARE HEREBY NOTIFIED that Avista is a public utility that produces, transmits, and distributes electricity to customers in eastern Washington and northern Idaho. The Company also distributes natural gas in northern Idaho and parts of Montana, Washington, and Oregon. This Application only pertains to the prudence of the Company’s energy efficiency expenses while providing natural gas in Idaho. The prudence of the

Company's energy efficiency expenses while providing electric service is addressed in a separate docket, Case No. AVU-E-18-12.

YOU ARE HEREBY NOTIFIED the Company states it spent \$2,899,525 on natural gas energy efficiency measures from January 1, 2014, to December 31, 2017. Application at 1.

YOU ARE FURTHER NOTIFIED the Company reports that 54%, or \$1,567,707, of its total expenditures were paid to customers in direct incentives. *Id.* at 5.

YOU ARE FURTHER NOTIFIED the Company reports that its energy efficiency portfolio achieved a Utility Cost Test ratio of 1.45 in 2016 and 2.35 in 2017. *Id.* at 7-8.

YOU ARE FURTHER NOTIFIED the Company reports that its natural gas energy efficiency programs saved 535,449 therms, on a gross basis, from January 1, 2016, through December 31, 2017, and also that its natural gas energy efficiency programs exceeded the Company's 2016 and 2017 Integrated Resource Planning target(s). *Id.* at 9.

YOU ARE FURTHER NOTIFIED the Company hired a third party to conduct an impact evaluation in order to accurately summarize "the gross energy and demand savings attributable to Avista's Energy Efficiency portfolio." *Id.* at 10.

YOU ARE FURTHER NOTIFIED that the Application and supporting documentation have been filed with the Commission and are available for public inspection during regular business hours at the Commission offices. These documents are also available on the Commission's web site at [www.puc.idaho.gov](http://www.puc.idaho.gov). Click on the "Open Cases" link under the heading "Natural Gas" and click on the case number as shown on the front of this document.

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.*

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 and specifically *Idaho Code* §§ 61-117, 61-502, 61-503 and 61-622. The Commission may enter any final Order consistent with its authority under Title 61.

#### **NOTICE OF INTERVENTION DEADLINE**

YOU ARE FURTHER NOTIFIED that persons who wish to intervene in this matter to obtain the rights of party (e.g., to file formal discovery, or present evidence or cross-examine witnesses at a hearing) must file a Petition to Intervene with the Commission under the

Commission's Rules of Procedure 72 and 73, IDAPA 31.01.01.072 and .073. **Persons who wish to intervene as a party must file a Petition to Intervene no later than January 8, 2019.** Such persons shall also provide the Commission Secretary with their electronic mail address to facilitate further communications.

YOU ARE FURTHER NOTIFIED that persons who would like to present their views without parties' rights of participation and cross-examination are not required to intervene but may present their views by submitting written comments to the Commission.

YOU ARE FURTHER NOTIFIED that the Commission Secretary shall issue a Notice of Parties after the deadline for intervention has passed. The Notice of Parties shall assign exhibit numbers to each party in this proceeding.

YOU ARE FURTHER NOTIFIED that once the Notice of Parties is issued, Commission Staff will informally confer with the parties to discuss a schedule to process this case and other issues as raised by the parties.


### **ORDER**

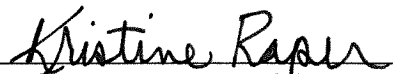
IT IS HEREBY ORDERED that persons desiring to intervene in this case for the purpose of obtaining parties' rights of participation must file a Petition to Intervene with the Commission, pursuant to Rules 72 and 73, IDAPA 31.01.72-.73, no later than January 8, 2019.

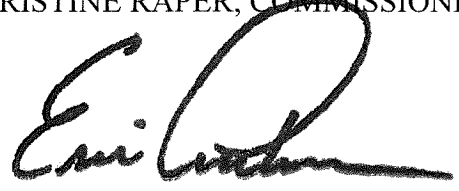
IT IS FURTHER ORDERED that, after the Secretary issues a Notice of Parties, Staff will informally confer with the parties to discuss the appropriate scheduling of this case.

///

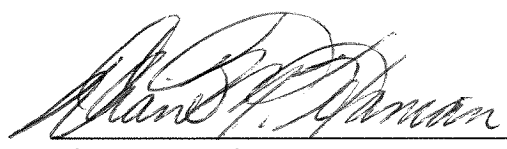
DONE by Order of the Idaho Public Utilities Commission at Boise, Idaho this *19<sup>th</sup>*  
day of December, 2018.

  
\_\_\_\_\_  
PAUL KJELLANDER, PRESIDENT

  
\_\_\_\_\_  
KRISTINE RAPER, COMMISSIONER

  
\_\_\_\_\_  
ERIC ANDERSON, COMMISSIONER

ATTEST:

  
\_\_\_\_\_  
Diane M. Hanian  
Commission Secretary

I:\Legal\AVU-G-18-08\AVUG1808\_ntc app ntc inter\_sc