

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF THE APPLICATION)	CASE NOS. AVU-E-19-15
OF AVISTA CORPORATION, D/B/A AVISTA)	AVU-G-19-09
UTILITIES FOR AN ACCOUNTING ORDER)	
AUTHORIZING ACCOUNTING AND)	NOTICE OF APPLICATION
RATEMAKING TREATMENT OF AFUDC)	
(ALLOWANCE FOR FUNDS USED DURING)	NOTICE OF
CONSTRUCTION))	MODIFIED PROCEDURE
)	
)	ORDER NO. 34541

On December 31, 2019, Avista Corporation (“Avista” or “Company”) filed an Application requesting that the Commission issue its Order authorizing the accounting and ratemaking treatment related to a portion of its calculated Allowance for Funds Used During Construction (“AFUDC”) for the January 1, 2010, through December 31, 2017 period. The Company requests that the Commission process this case by Modified Procedure.

The Commission now issues this Notice of Application, Notice of Modified Procedure and Order setting comment and reply deadlines.

BACKGROUND

On May 2, 2019, the Commission approved Avista’s request to defer the difference between the state AFUDC rate and the Federal Energy Regulatory Commission (“FERC”) AFUDC rate as a regulatory asset to be amortized over the composite remaining life of the plant-in-service beginning in January of 2018 and continuing forward. *See* Order No. 34326 at 3. The Commission also authorized Avista to use deferred accounting for the decrease in deferred federal income taxes (“DFIT”) that would result from the accounting change for the equity portion of the AFUDC. *Id.* Through the present Application, the Company asks the Commission to authorize the same treatment for AFUDC for the period of January 1, 2010, through December 31, 2017.

NOTICE OF APPLICATION

YOU ARE HEREBY NOTIFIED that Avista is a utility that serves about 387,000 electric customers and 251,000 natural gas customers in eastern Washington and northern Idaho. *Application* at 1.

YOU ARE FURTHER NOTIFIED that Avista requests Commission authorization “to defer the AFUDC difference calculated between using the State AFUDC rate and the FERC

AFUDC rate as a regulatory asset (i.e. FERC Account No. 182.3), which would be included in rate base, and amortize this regulatory asset over the composite remaining life of the plant-in-service” for January 1, 2010, through December 31, 2017. *Id.* at 2.

YOU ARE FURTHER NOTIFIED that Avista makes its request based upon recommendations from FERC. *Id.* at 3.

YOU ARE FURTHER NOTIFIED that Avista represents the proposed treatment would not impact overall rate base or present customers’ rates for electric or natural gas service. *Id.* at 2.

YOU ARE FURTHER NOTIFIED that the Application is available for public inspection during regular business hours at the Commission’s office. These documents are also available on the Commission's web site at www.puc.idaho.gov. Click on the "File Room" tab at the top of the page, then click on "Electric " or “Natural Gas,” and then “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 and specifically *Idaho Code* §§ 61-501, 61-502 and 61-503.

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 on this Application may file a written comment in support or opposition with the Commission within twenty-one (21) days from the service date of this Notice. The written comment must contain a statement of reasons supporting it. Persons desiring a hearing must specifically request a hearing in their written comments. Written comments concerning this Application shall be mailed to the Commission and the Company at the addresses reflected below:

**For the Idaho Public Utilities
Commission:**

Commission Secretary
Idaho Public Utilities Commission
P.O. Box 83720
Boise, ID 83720-0074

Street Address for Express Mail:

11331 W. Chinden Blvd.,
Building 8, Suite 201-A
Boise, ID 83714

For Avista Corporation:

David J. Meyer, Esq.
Vice President and Chief Counsel for
Regulatory & Governmental Affairs
Avista Corporation
1411 E. Mission Avenue, MSC-13
Spokane, Washington 99220-3727
E-Mail: david.meyer@avistacorp.com

Patrick Ehrbar
Director of Regulatory Affairs
Avista Corporation
1411 E. Mission Avenue, MSC 27
Spokane, Washington 99220-3727
E-Mail: patrick.ehrbar@avistacorp.com

These comments should contain the case caption and case number shown on the first page of this document. Persons desiring to submit comments via e-mail may do so by accessing the Commission's home page located at www.puc.idaho.gov. Click the "Consumers" tab then click the "Case Comment Form" and complete the form using the case number as it appears on the front of this document.

YOU ARE FURTHER NOTIFIED that the Company shall file any reply comments within twenty-eight (28) days from the service date of this Notice.


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 the Application of the Company be processed by Modified Procedure, Rule 201-204 (IDAPA 31.01.01.201-.204). Persons interested in submitting written comments must do so within twenty-one (21) days from the service date of this Notice. The Company must file any reply comments by within twenty-eight (28) days from the service date of this Notice.

///

DONE by Order of the Idaho Public Utilities Commission at Boise, Idaho this *4th*
day of February 2020.



PAUL KJELLANDER, PRESIDENT

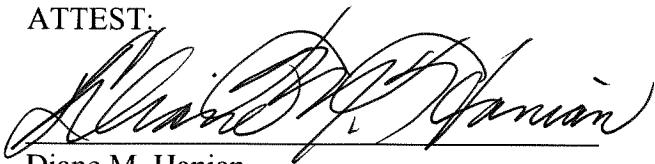


KRISTINE RAPER, COMMISSIONER



ERIC ANDERSON, COMMISSIONER

ATTEST:



Diane M. Hanian
Commission Secretary

I:\Legal\ELECTRIC\AVU-E-19-15_AVU-G-19-09\orders\AVUE1915_AVUG1909_Ntc of App_jrh.docx