DECISION MEMORANDUM

TO: **COMMISSIONER KJELLANDER**

> **COMMISSIONER RAPER** COMMISSIONER ANDERSON **COMMISSION SECRETARY**

COMMISSION STAFF

LEGAL

FROM: JOHN R. HAMMOND JR.

DEPUTY ATTORNEY GENERAL

DATE: APRIL 9, 2021

SUBJECT: AVISTA GENERAL RATE CASE SCHEDULING - ELECTRIC AND

NATURAL GAS; CASE NOS. AVU-E-21-01 AND AVU-G-21-01.

This matter comes before the Commission to set the schedule for processing Avista Corporation's ("Avista" or the "Company") electric and natural gas general rate case to completion. All parties have agreed upon the proposed schedule set forth below.

INTRODUCTION

On January 29, 2021, Avista Corporation dba Avista Utilities ("Avista" or the "Company") applied to increase the rates for electric and natural gas service for its customers in Idaho. Application at 1. In the Application, Avista requests approval of a "Two-Year Rate Plan" with an electric base rate increase of \$24.8 million (10.1 percent) and a natural gas base rate increase of \$0.1 million (0.1 percent) in the first year, effective September 1, 2021. *Id.* Avista represents in the first year these proposed rate increases will be offset by the Tax Customer Credit Tariff Schedules 76 (electric) and 176 (natural gas). 1 Id. In the second year, the Company requests an electric base rate increase of \$8.7 million (3.2 percent) and a natural gas base rate increase of \$1.0 million (2.2 percent), effective September 1, 2022. Avista states that in the second year the proposed rate increase for natural gas will be offset by the Deferred Depreciation Credit Tariff Schedule 177 (natural gas).

¹ The proposed offsets to the requested rate increases arise from Case Nos. AVU-E-20-12 and AVU-G-20-01 where Avista requested authorization to change its accounting practices. The Commission approved the Application in Order No. 34906. Subject to similar approvals in other jurisdictions where Avista provides services, these accounting changes could provide immediate benefits to customers. Order No. 34906 at 3.

On February 23, 2001, the Commission issued a Notice of Application and Notice of Intervention Deadline. Order No. 34930. The Idaho Conservation League, Walmart Inc., the Community Action Partnership of Idaho, Idaho Forest Group LLC and Clearwater Paper Corporation intervened as parties. *See* Order Nos. 34940, 34953, 34958 and 34697.

PROPOSED RATE CASE SCHEDULE

Based on the parties' Agreement, Staff proposes the following schedule:

Settlement Conference May 19, 2021

Public Workshop (Virtual) June 16, 2021, 7 PM

(MDT)/6 PM (MDT) (Company and customers)

Staff/Intervenor Prefile Direct June 23, 2021

Testimony

Company Prefile Rebuttal Testimony July 19, 2021

Technical Evidentiary Hearing (in August 2-3, 2021.

person) Beginning at 9:30 AM in

the Commission's Hearing room on August 2, 2021 and continuing to August 3,

2021, as necessary.

Customer Hearing (Virtual) August 2, 2021, 7 PM

(MDT)/6 PM (MDT) (Company and customers)

The parties believe this schedule will enable the Commission to issue its final Order prior to the proposed September 1, 2021 effective date.

STAFF RECOMMENDATION

Staff recommends that the Commission issue an Order that adopts the schedule above and sets a technical hearing for August 2-3, 2021 and a customer hearing for the evening of August 2, 2021.

COMMISSION DECISION

Does the Commission wish to issue an Order that adopts the agreed-upon schedule and sets a technical hearing and customer hearing on the dates set forth above?

John R. Hammond Jr. Deputy Attorney General

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