

**BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION**

**IN THE MATTER OF THE APPLICATION ) CASE NO. AVU-G-21-03**  
**OF AVISTA UTILITIES FOR AN ORDER )**  
**APPROVING A CHANGE IN RATES FOR ) ORDER NO. 35150**  
**PURCHASED GAS COSTS AND )**  
**AMORTIZATION OF GAS-RELATED )**  
**DEFERRAL BALANCES )**  
**)**

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On July 2, 2021, Avista Corporation dba Avista Utilities (“Company”) applied for an Order Approving a Change in Natural Gas Rates and Charges to Rebate Certain Deferred Credit Balances asking to *decrease* its annualized revenues by about \$1.9 million (2.9%). *Application* at 1. The Company proposes to refund to customers deferred credit balances associated with depreciation expense, Allowance for Funds Used During Construction (“AFUDC”), and the Coronavirus Aid, Relief, and Economic Security (“CARES”) Act benefits.

The Company said its proposal, if approved, will decrease rates for an average residential or small commercial customer using an average of 63 therms per month by \$1.44 per month (2.9%). *Id.* The Company states it provided notice of this Application to its customers in compliance with Commission authorities. *Id.* at 2. The Company asks that the Application be processed by Modified Procedure, and that the new rates take effect September 1, 2021. *Id.* at 1.

On July 27, 2021, the Commission issued a Notice of Application, Notice of Modified Procedure and Order setting comment deadlines for interested persons and a reply comment deadline for the Company. *See* Order No. 35117. The Commission Staff (“Staff”) filed comments on August 17, 2021, and was the only party to do so. The Company did not file reply comments.

Now, based on the record, the Commission approves the Application as set forth below.

**THE APPLICATION**

The Company’s proposed refund to customers of deferred credit balances would offset the Company’s proposed Purchased Gas Cost Adjustment (“PGA”) rate increase in its application in Case No. AVU-G-21-04 if approved by the Commission. The table below summarizes the proposed rate credits.

	Schedule 178 Rate <u>Per Therm</u>
General Service – Schedule 101	(0.02286)
Large General Service – Schedules 111 & 112	(0.01444)
Interruptible Service – Schedules 131 & 132	(0.01444)
Transportation Service – Schedule 146	(0.00378)

*Application* at 3. The Company asserted if the Application in this case and the PGA application are approved the net change to natural gas revenues would be an increase of approximately \$7.1 million or 10.6% effective September 1, 2021.

### **STAFF COMMENTS**

Staff reviewed the Company’s Application and accompanying workpapers and supports the Company’s proposal to return to natural gas customers in Idaho approximately \$1.9 million of deferred credits. After examining the Company’s Application, prior Orders, and reviewing the deferral balances, Staff recommended the Commission approve the Company’s proposed Tariff Schedule 178 and set the rebate rates as set forth in the Company’s Application.

### **COMMISSION FINDINGS AND DECISION**

The Commission has reviewed the record, including the Application and comments. The Company is a gas corporation and public utility, and the Commission has jurisdiction over it and the issues in this case under Title 61 of the Idaho Code, and more specifically, *Idaho Code* §§ 61-117, 61-129, 61-307, 61-501, and 61-502. The Commission must establish just, reasonable, and sufficient rates for utilities subject to its jurisdiction. *Idaho Code* § 61-502. The Commission must establish just, reasonable, and sufficient rates for utilities subject to its jurisdiction. *Idaho Code* § 61-502.


Based on our review of the record, we find the Company’s proposal to refund to customers deferred credit balances associated with depreciation expense, AFUDC, and CARES Act benefits totaling \$1,935,000 to be fair, just, and reasonable. The Commission approves the Company’s proposed Schedule 178 containing rates that will be used to refund the deferred credit balances to the Company’s customers. Approval of the Company’s Application to refund deferred credit balances to customers comes at an opportune time as this will help to mitigate the rate impacts of the Company’s PGA adjustments approved by Order No. 35151.

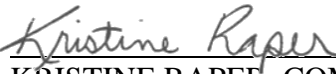
**ORDER**

IT IS HEREBY ORDERED that the Company's Application to refund to customers deferred credit balances associated with depreciation expense, AFUDC, and CARES Act benefits is approved. The Company's proposed Schedule 178 is approved as filed, effective September 1, 2021.

THIS IS A FINAL ORDER. Any person interested in this Order may petition for reconsideration within twenty-one (21) days of the service date of this Order. Within seven (7) days after any person has petitioned for reconsideration, any other person may cross-petition for reconsideration. *See Idaho Code §§ 61-626 and 62-619.*

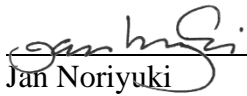
DONE by Order of the Idaho Public Utilities Commission at Boise, Idaho this 30<sup>th</sup> day of August 2021.

  
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PAUL KJELLANDER, PRESIDENT

  
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KRISTINE RAPER, COMMISSIONER

  
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ERIC ANDERSON, COMMISSIONER

ATTEST:

  
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Jan Noriyuki  
Commission Secretary

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