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**BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION**

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IN THE MATTER OF THE APPLICATION	)	
OF AVISTA CORPORATION DBA	)	CASE NO. AVU-E-23-02
AVISTA UTILITIES REQUESTING	)	CASE NO. AVU-G-23-02
AUTHORITY TO REVISE ITS ELECTRIC	)	
AND NATURAL GAS BOOK	)	<b>MOTION FOR APPROVAL OF</b>
DEPRECIATION RATES	)	<b>STIPULATION AND SETTLEMENT</b>

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COME NOW, Avista Corporation (“Avista” or “Company”) and the Commission Staff, 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 22, 2023, 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. The Company also requested that the Commission approve deferred accounting treatment if allocated depreciation rates are not approved by all jurisdictions prior to September 1, 2023, resulting in a difference between allocated depreciation expense included in Case Nos. AVU-E-23-01 and AVU-G-23-01, and allocated depreciation expense ultimately approved in these dockets. The Company

further requested that the Application be processed by Modified Procedure through the use of written comments. The study showed that the Idaho share of annual depreciation expense recorded to O&M and A&G expense on the Company's books should decrease by \$1,248,960 for electric plant and \$329,186 for natural gas plant, based on the average service life rates of plant in service as of December 31, 2021.

2. No petitions to intervene in this proceeding were filed with the Commission. Staff and the Company, collectively, are referred to as the "Parties," and represent all of the parties in the above-referenced cases.

3. Representatives of the Parties appeared at a Settlement Conference held on July 13, 2023, on which the Parties reached agreement on revisions to the Company's book depreciation rates, that led to the Settlement Stipulation.

4. The Parties also agreed to an effective date of January 1, 2024, 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. Company and Commission Staff will file comments 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.

NOW, THEREFORE, the Parties respectfully request that the Commission issue an order in Case Nos. AVU-E-23-02 and AVU-G-23-02:

1. Granting this Motion and accepting the Stipulation, in its entirety, without material change or condition, doing so under Modified Procedures;
2. Authorizing the Company to implement revised depreciation rates effective January 1, 2024, consistent with the terms of the Stipulation; and
3. Authorizing the Company to defer the difference in Idaho electric and natural gas depreciation expense reflected in base rates beginning September 1, 2023<sup>1</sup>, versus actual depreciation expense recorded on the Company's books of record, as a result of the approved change in depreciation rates becoming effective January 1, 2024, until a change in base rates occurs reflecting the overall revised depreciation rates in the Company's next general rate case.

DATED this 29th day of August, 2023.

Avista Corporation

Idaho Public Utilities Commission Staff

By: /s/ David J. Meyer  
David J. Meyer  
Attorney for Avista Corporation

By: \_\_\_\_\_  
Chris Burdin  
Deputy Attorney General

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<sup>1</sup> Per Case Nos. AVU-E-23-01 and AVU-G-23-01.

NOW, THEREFORE, the Parties respectfully request that the Commission issue an order in Case Nos. AVU-E-23-02 and AVU-G-23-02:


1. Granting this Motion and accepting the Stipulation, in its entirety, without material change or condition, doing so under Modified Procedures;
2. Authorizing the Company to implement revised depreciation rates effective January 1, 2024, consistent with the terms of the Stipulation; and
3. Authorizing the Company to defer the difference in Idaho electric and natural gas depreciation expense reflected in base rates beginning September 1, 2023<sup>1</sup>, versus actual depreciation expense recorded on the Company's books of record, as a result of the approved change in depreciation rates becoming effective January 1, 2024, until a change in base rates occurs reflecting the overall revised depreciation rates in the Company's next general rate case.

DATED this \_\_\_\_ day of August, 2023.

Avista Corporation

By: \_\_\_\_\_  
David J. Meyer  
Attorney for Avista Corporation

Idaho Public Utilities Commission Staff

By:  \_\_\_\_\_  
Chris Burdin  
Deputy Attorney General

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<sup>1</sup> Per Case Nos. AVU-E-23-01 and AVU-G-23-01.