

DECISION MEMORANDUM

**TO: COMMISSIONER KJELLANDER
COMMISSIONER RAPER
COMMISSIONER ANDERSON
COMMISSION SECRETARY
COMMISSION STAFF**

**FROM: KARL T. KLEIN
DEPUTY ATTORNEY GENERAL**

DATE: MAY 11, 2018

**SUBJECT: PROPOSED SETTLEMENT REGARDING INTERMOUNTAIN GAS
COMPANY IN THE COMMISSION'S INVESTIGATION INTO THE
IMPACT OF FEDERAL TAX CODE REVISIONS ON UTILITY COSTS
AND RATEMAKING – CASE NO. GNR-U-18-01.**

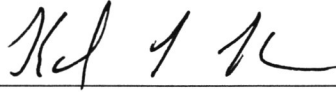
On May 10, 2018, Intermountain Gas Company filed a Stipulation and Settlement (“Stipulation”) and a Motion to Approve settlement Stipulation and Request for Modified Procedure. The Stipulation is signed by the Company, Commission Staff, and intervenor Alliance of Western Energy Consumers (the only persons or entities who expressed interest in participating as to Avista).

If approved, the Stipulation would return to customers 100% of tax benefits the Company has realized under the new federal tax law. In summary, the parties have agreed to: (1) a \$5,111,303 decrease to the Company’s Revenue Requirement, which represents the benefit to the Company’s customers caused by the revisions to the federal and state tax codes; and (2) a corresponding deferred liability on the Company’s books, which would be returned to the Company’s customers as a credit through the Company’s next Purchased Gas Cost Adjustment later this year.

The parties ask the Commission to process the Stipulation by Modified Procedure with Comments due in time for an approving order to issue by June 1, 2018. To meet this deadline, the Staff recommends the Commission set a May 22, 2018 comment deadline, with any reply due two days later, on May 24, 2018.

COMMISSION DECISION

Does the Commission wish to issue a Notice of Proposed Settlement and Notice of Modified Procedure setting a May 22, 2018 comment deadline and May 24, 2018 reply deadline relating to the Intermountain Gas Stipulation?

A handwritten signature in black ink, appearing to read 'Karl T. Klein', written over a horizontal line.

Karl T. Klein
Deputy Attorney General

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