

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

**IN THE MATTER OF THE APPLICATION OF)
AVISTA CORPORATION FOR AUTHORITY) CASE NO. AVU-E-00-07
TO DEFER ACTION REQUIRED UNDER)
ELECTRIC POWER COST ADJUSTMENT) ORDER NO. 28494
(PCA) METHODOLOGY.)
_____)**

On July 10, 2000, Avista Corporation dba Avista Utilities—Washington Water Power Division—Idaho, filed a notice letter with the Idaho Public Utilities Commission (Commission) apprising the Commission that electric PCA deferrals for the month of June 2000 have increased the balance in the PCA deferral account to \$3,322,760, which exceeds the PCA methodology trigger amount of \$2.2 million. Pursuant to established methodology, the Company is required to initiate a tariff change to implement the rebate (15 days to file notice; 45 days to file application).

The Company estimates that PCA entries for the July-December 2000 period may be as high as \$10 million in the surcharge direction. The Company proposes to delay implementation of the triggered rebate and to use the accrued balance as an offset to the anticipated surcharge entries.

The Commission is informed that Commission Staff has reviewed and audited the Company's PCA methodology calculations and balance account. Based on its analysis of market trends in the electric industry and the short-term market price of electric power in the northwest, Staff concurs in the Company's prediction that surcharge entries in the next few months will likely offset the existing rebate balance and result in the triggering of a surcharge.

Commission Findings

The Commission has considered the Company's request and Staff's analysis in this case and finds it reasonable on the facts presented to excuse the tariff filing required by the Company's PCA methodology and trigger mechanism. Reference *Idaho Code* 61-624 Rescission or Change of Orders.

CONCLUSIONS OF LAW

The Idaho Public Utilities Commission has jurisdiction over Avista Corporation dba Avista Utilities—Washington Water Power Division—Idaho, an electric utility, and its

Application in Case No. AVU-E-00-07 pursuant to the authority and power granted under Title 61 of the *Idaho Code* and the Commission's Rules of Procedure, IDAPA 31.01.01.000 *et seq.*

ORDER

In consideration of the foregoing and as more particularly described above, IT IS HEREBY ORDERED and the Commission does hereby authorize and excuse Avista Corporation from the tariff filing otherwise required by the Company's PCA methodology and trigger mechanism.

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.

DONE by Order of the Idaho Public Utilities Commission at Boise, Idaho this _____ day of December 2002.

DENNIS S. HANSEN, PRESIDENT

MARSHA H. SMITH, COMMISSIONER

PAUL KJELLANDER, COMMISSIONER

ATTEST:

Myrna J. Walters
Commission Secretary

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