

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF THE POWER COST)	CASE NO. AVU-E-19-09
ADJUSTMENT (PCA) ANNUAL RATE)	
ADJUSTMENT FILING OF AVISTA)	NOTICE OF APPLICATION
CORPORATION)	
)	NOTICE OF
)	MODIFIED PROCEDURE
)	
)	ORDER NO. 34417
)	

On July 30, 2019, Avista Corporation dba Avista Utilities (“Avista” or the “Company”) filed its annual Power Cost Adjustment (“PCA”) Application. The PCA is an annual adjustment mechanism that “tracks changes in revenues and costs associated with variations in hydroelectric generation, secondary prices, thermal fuel costs, and changes in power contract revenues and expenses” for the period of July 1, 2018 through June 30, 2019. Application at 1-2.

This year, the Company proposes decreasing its PCA rebate rate to 0.058¢ per kilowatt hour (“kWh”) for all customers. The lower PCA rebate rate would increase the average residential customer’s monthly bill by \$2.40 per month. *Id.* at 5. The Company requests that its Application be processed under Modified Procedure, and that the proposed rates take effect October 1, 2019. *Id.* at 1.

NOTICE OF APPLICATION

YOU ARE HEREBY NOTIFIED that the Company reports lower power supply expenses than are included in retail rates due to lower wholesale electric and natural gas prices, lower fuel expenses for Colstrip and Kettle Falls generation and fuel expenses and lower transmission expenses. Prefiled Direct Testimony of William G. Johnson at 7. Avista states these lower power supply, generation, fuel and transmission expenses are partially offset by increased hydro generation expenses, a power purchase agreement the Company has with Palouse Wind Project, changes in retail load and other miscellaneous expenses. *Id.*

YOU ARE FURTHER NOTIFIED that the net impact of these items is a total deferral of \$1,505,903.00, including interest, for the period of July 1, 2018 through June 30, 2019. Prefiled Direct Testimony of Annette M. Brandon at 4.

YOU ARE FURTHER NOTIFIED that last year the Company's PCA application resulted in a rebate to customers of 0.326¢ per kWh. Application at 3. In this Application, the Company proposes that the PCA rebate for all customers decrease to 0.058¢ per kWh. *Id.* Avista states the decreased rebate rate, if approved by the Commission, would increase the Company's revenue by 3.3%. *Id.* at 3, 5. The Company asserts that because the PCA rate changes are spread on a uniform cents-per-kilowatt-hour basis, the resulting percentage increases will vary by customer rate schedule. *Id.* at 5.

YOUR ARE FURTHER NOTIFIED that residential customers using an average of 898 kWh per month would see their monthly bill increase by 2.91%, from \$82.57 to \$84.97. *Id.* at 3, 5.

NOTICE OF MODIFIED PROCEDURE

YOU ARE FURTHER NOTIFIED that the Commission has determined that the public interest may not require a formal hearing in this matter and will proceed under Modified Procedure pursuant to Rules 201 through 204 of the Idaho Public Utilities Commission's Rules of Procedure, IDAPA 31.01.01.201 through .204. The Commission notes that Modified Procedure and written comments have proven to be an effective means for obtaining public input and participation.

YOU ARE FURTHER NOTIFIED that any person desiring to state a position on this Application may file a written comment in support or opposition with the Commission **no later than September 11, 2019**. The written comment must contain a statement of reasons supporting it. Persons desiring a hearing must specifically request a hearing in their written comments. Written comments concerning this Application shall be mailed to the Commission and the Company at the addresses reflected below:

Commission Secretary
Idaho Public Utilities Commission
PO Box 83720
Boise, ID 83720-0074

Street Address for Express Mail:

472 W. Washington Street
Boise, ID 83702-5918

David J. Meyer, Esq.
Vice President and Chief Counsel
Regulatory and Governmental Affairs
Avista Corporation
P.O. Box 3727
MSC-27
1411 E. Mission Ave.
Spokane, WA 99220-3727
E-mail: david.meyer@avistacorp.com

Patrick D. Ehrbar
Director of Regulatory Affairs
Avista Utilities
P.O. Box 3727
MSC-27
1411 E. Mission Ave.
Spokane, WA 99220-3727
E-mail: Patrick.Ehrbar@avistacorp.com

These comments should contain the case caption and case number shown on the first page of this document. Persons desiring to submit comments via e-mail may do so by accessing the Commission's home page located at www.puc.idaho.gov. Click the "Case Comment or Question Form" under the "Consumers" tab, and complete the comment form using the case number as it appears on the front of this document. These comments must also be sent to the Company at the e-mail addresses listed above.

YOU ARE FURTHER NOTIFIED that the Company may file reply comments, if necessary, **no later than September 18, 2019**.

YOU ARE FURTHER NOTIFIED that if no written comments or protests are received within the time limit set, the Commission will consider this matter on its merits and enter its Order without a formal hearing. If written comments are received within the time limit set, the Commission will consider them and, in its discretion, may set the same for formal hearing.

YOU ARE FURTHER NOTIFIED that the Application and supporting workpapers, testimonies and exhibits have been filed with the Commission and are available for public inspection during regular business hours at the Commission offices. The Application and testimonies are also available on the Commission's web site at www.puc.idaho.gov. Click on the "File Room" tab at the top of the page, scroll down to "Open Electric Cases," and then click on the case number as shown on the front of this document.

YOU ARE FURTHER NOTIFIED that all proceedings in this case will be held pursuant to the Commission's jurisdiction under Title 61 of the Idaho Code and specifically *Idaho Code* §§ 61-307, 61-503, and 61-622. The Commission may enter any final Order consistent with its authority under Title 61.

YOU ARE FURTHER NOTIFIED that all proceedings in this matter will be conducted pursuant to the Commission's Rules of Procedure, IDAPA 31.01.01.000 *et seq.*

ORDER

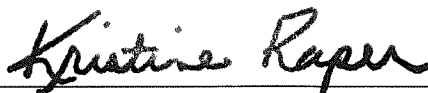
IT IS HEREBY ORDERED that this case be processed under Modified Procedure (IDAPA 31.01.01.201 through .204). Interested persons wishing to file comments or protests in this matter must do so no later than September 11, 2019.

IT IS FURTHER ORDERED that the Company may file reply comments, if necessary, no later than September 18, 2019.

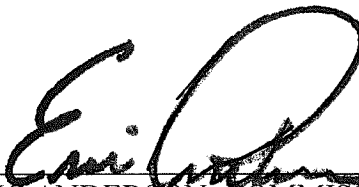
DONE by Order of the Idaho Public Utilities Commission at Boise, Idaho this 20th day of August 2019.



PAUL KJELLANDER, PRESIDENT

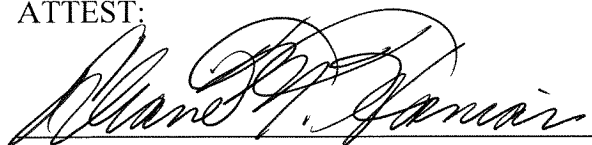


KRISTINE RAPER, COMMISSIONER



ERIC ANDERSON, COMMISSIONER

ATTEST:



Diane M. Hanian
Commission Secretary

AVUE1909_ntc of app_jrh