



August 23, 2013

Public Utility Commission of Oregon  
Attention: Filing Center  
3930 Fairview Industrial Drive SE  
Salem, Oregon 97302

RE: Docket No: UM 1356

Pursuant to ORS 757.259 and OAR 860-027-300(4) Avista submits an original and ten (10) copies of its Application for Reauthorization to Defer Costs related to Intervenor Funding Grants provided to various qualifying organizations.

Avista seeks, with this application, to receive reauthorization of these deferrals for the twelve month period beginning November 1, 2013 and ending October 31, 2014.

Please direct any questions regarding this order request to Patrick Ehrbar at (509) 495-8620 or Ryan Finesilver at (509) 495-4873.

Sincerely,

A handwritten signature in black ink, appearing to read "D. J. Meyer", is positioned above the typed name.

David J. Meyer, Esq., Vice President and Chief Counsel  
For Regulatory and Governmental Affairs

Enclosure

Cc: Certificate of Service



1 Commission to authorize the deferral of expenses or revenues of a public utility for  
2 later incorporation in rates.

3

4 BACKGROUND

5 The Intervenor Funding Agreement between the Company, Citizens' Utility  
6 Board of Oregon (CUB) and Northwest Industrial Gas Users (NWIGU) established  
7 three funds from which Grants could be made (CUB Fund, Preauthorized Matching  
8 Fund and an Issues Fund).

9

10 DESCRIPTION OF EXPENSES

11 The Intervenor Funding Agreement provides that pre-certified intervenors must  
12 submit a proposed fund budget to the Commission that contains the following  
13 information:

- 14 1) A statement of the work to be performed by the applicant for which the  
15 applicant is seeking an Issue Fund Grant;
- 16 2) A description of the areas to be investigated by the intervenor;
- 17 3) A description of the particular customer class(es) that will benefit from the  
18 intervenor's participation;
- 19 4) Identification of the specific account or accounts from which the intervenor  
20 is seeking an Issue Fund Grant and an estimate of the amount of available  
21 funds in that account;
- 22 5) A budget showing estimated attorney fees, which may include the cost for  
23 appropriate support staff and operational support;

- 1           6) A budget showing estimated consultant fees and expert witness fees, which  
 2           may include the cost for appropriate support staff and operational support;  
 3           7) A representation that the intervenor will use matching funds from either in-  
 4           house resources or outside funding to account for or pay at least 20 percent  
 5           of the Eligible Expenses for the work to be performed for which the  
 6           intervenor is seeking an Issue Fund Grant.

7           After Commission approval of the proposed budget, the intervenor must file a  
 8           Request for Payment with the Commission. If the Request meets the Intervenor  
 9           Funding Agreement requirements the Commission will order payment and specify  
 10          which customer class will be responsible for the grant.

11          A sub-account of FERC account number 191 is used to record the grant  
 12          payments, specifically account numbers 191720, 191721 and 191722.

13  
 14          GRANTS APPROVED THIS PERIOD

15          On October 31, 2012, by Order No. 12-415, the Commission approved  
 16          continued deferred accounting treatment for the three Intervenor Funds. In  
 17          accordance with this Order the Company deferred the following:

	CUB Fund	Preauthorized Matching Fund	Issues Fund
Per Order No. 13-002	\$ 34,500.00		
Per Order No. 12-480		\$ 1,417.58	
Per Order No. 13-106		\$ 518.74	
Per Order No. 12-472			\$ 3,661.00
Per Order No. 13-176			\$ 10,976.00
Per Order No. 13-199			\$ 6,808.00
	<u>\$ 34,000.00</u>	<u>\$ 1,936.32</u>	<u>\$ 21,445.00</u>

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1     RECOVERY OF INTERVENOR FUNDING GRANTS

2             On November 22, 2011, in accordance with Order No. 11-470, the Company  
3 began amortizing the Intervenor Funding deferrals through Schedule 476.

4             As of June 30, 2013 the remaining balances for these groups, after amortization,  
5 the transfer of 2012 previously ordered funding grants and interest total:

	Residential Acct 191723	Industrial Acct 191724
Balance at June 30, 2012	\$6,865.98	\$10,108.67
2012 Funding Grants	\$31,078.13	\$1,363.57
Less: Amortization	\$33,430.47	\$10,437.86
Add: Interest	\$171.67	\$56.38
Balance at June 30, 2013	<u>\$4,685.31</u>	<u>\$1,090.76</u>

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7     SCHEDULE 476 TARIFF FILING

8             In conjunction with the annual PGA filing, Avista will be asking for  
9 authorization to recover the remaining unamortized residual balances and the current  
10 deferrals over the upcoming PGA period (November 1, 2013 – October 31, 2014). At  
11 that time \$35,665.43 will be transferred from Account 191720 to Account 191723  
12 and \$2,000.91 will be transferred from Account 191721 to Account 191724 for  
13 amortization during the upcoming PGA recovery cycle. These amounts do not  
14 include interest that will be accrued from July 1, 2013 through October 31, 2013 in  
15 accordance with the Intervenor Funding Agreement previously approved by the  
16 Commission.

1 FUTURE ESTIMATED DEFERRALS

2 The Company estimates that the following amounts may be deferred during the  
3 twelve month period subsequent to this Application:

4 CUB Fund	\$30,000.00
5 Preauthorized Matching Fund	\$10,000.00
6 Issues Fund	\$10,000.00

7 Absent Commission's authorization of deferred accounting, the Company  
8 would incur the cost of Intervenor Funding Grants.

9 Avista seeks with this application to receive reauthorization of the sub-accounts  
10 of FERC Account No. 191 used to account for the Intervenor Funding Grants awarded  
11 over the twelve month period beginning November 1, 2013 and ending October 31,  
12 2014.

13 DATED this 23<sup>rd</sup> day of August 2013.

14 Respectfully submitted,

15 Avista Utilities

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By:  \_\_\_\_\_

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David J. Meyer, Esq., Vice President and Chief  
Counsel for Regulatory and Governmental Affairs

## CERTIFICATE OF SERVICE

I **HEREBY CERTIFY** that I have this day served Avista Corporation's Application for an Order Reauthorizing Deferral Accounting for Intervenor Funding, upon the parties listed below by mailing a copy thereof, postage prepaid and/or by electronic mail.

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W Deborah Garcia

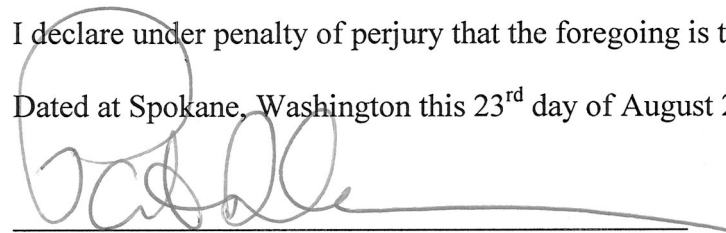
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I declare under penalty of perjury that the foregoing is true and correct.

Dated at Spokane, Washington this 23<sup>rd</sup> day of August 2013.



Patrick Ehrbar  
Manager, Rates and Tariffs