

BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON

Docket No. UM 1356

IN THE MATTER OF THE APPLICATION OF) NOTICE OF APPLICATION FOR
AVISTA UTILITIES FOR AN ORDER) REAUTHORIZATION
REAUTHORIZING DEFERRAL OF CERTAIN) OF CERTAIN
COSTS RELATED TO INTERVENOR) DEFERRAL ACCOUNTS
FUNDING GRANTS)

Pursuant to ORS 757.259 and OAR 860-027-0300(4), Avista Corporation, dba Avista Utilities (“Avista” or “Company”), applies to the Public Utility Commission of Oregon ("Commission") for an order reauthorizing it to utilize deferred accounting for Intervenor Funding Grants provided to various qualifying organizations. Avista respectfully requests that this reauthorization become effective November 1, 2018.

In support of this Application, the Company states:

Avista provides natural gas service in southwestern and northeastern Oregon and is a public utility subject to the Commission’s jurisdiction under ORS 757.005(1)(a)(A).

Avista requests that all notices, pleadings and correspondence regarding this Application be sent to the following:

Patrick D. Ehrbar
Director of Regulatory Affairs
Avista Corporation
P.O. Box 3727
Avista Corporation
1411 E. Mission, MSC-27
Spokane, WA 99220-3727
(509) 495-8620
Patrick.ehrbar@avistacorp.com

David J. Meyer
Vice President and Chief Counsel
for Regulatory and
Governmental Affairs
P.O. Box 3727
1411 E. Mission, MSC-27
Spokane, WA 99220-3727
(509) 495-4316
David.meyer@avistacorp.com

This Application is filed pursuant to ORS 757.259, which empowers the Commission to authorize the deferral of expenses or revenues of a public utility for later incorporation in rates.

1 BACKGROUND

2 The Intervenor Funding Agreement¹ between the Company, Citizens’ Utility Board of
3 Oregon (“CUB”) and Northwest Industrial Gas Users (“NWIGU”) established three funds
4 from which grants could be made (CUB Fund, Preauthorized Matching Fund and an Issues
5 Fund).

6
7 DESCRIPTION OF EXPENSES

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

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

¹ Third Amended and Restated Intervenor Funding Agreement Order No. 15-335 dated October 20, 2015 and later replaced with the Fourth Amended and Restated Intervenor Funding Agreement Order No. 18-017 dated January 17, 2018.

resources or outside funding to account for or pay at least 20 percent of the “Eligible Expenses” for the work to be performed for which the intervenor is seeking an Issue Fund Grant.

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

Sub-accounts of FERC account number 191 is used to record the grant payments, specifically account numbers 191720, 191721 and 191722.

GRANTS APPROVED THIS PERIOD

On October 13, 2017, by Order No. 17-399, the Commission approved continued deferred accounting treatment for the three Intervenor Funds. In accordance with that Order the Company deferred the following:

Table 1 Current Deferrals:

	CUB Fund (191720)	Preauthorized Matching Fund (191721)	Issues Fund (191722)
Per Order No. 17-387			\$28,224
Per Order No. 17-469			\$6,105
Per Order No. 18-020	\$44,500		
Per Order No. 18-004		\$2,814	
Per Order No. 18-061			\$7,468
Per Order No. 18-125			\$20,325
Interest	\$2,626	\$165	\$3,660
Balance at 06-30-2018	<u>\$47,125</u>	<u>\$2,980</u>	<u>\$65,782</u>

RECOVERY OF INTERVENOR FUNDING GRANTS

On November 22, 2011, in accordance with Commission Order No. 11-470, the

1 Company began amortizing the Intervenor Funding deferrals through Schedule 476. Effective
 2 October 31, 2018, balances for the Residential and Industrial accounts are estimated to be:

3 **Table 2 Unamortized Residual Balances:**

	Residential <u>Acct</u> <u>191723</u>	Industrial <u>Acct</u> <u>191724</u>
Balance at June 30, 2018	\$12,368	\$2,597
Less: Amortization	\$11,160	\$1,477
Add: Interest	\$62	\$15
Balance at October 31, 2018	<u>\$1,269</u>	<u>\$1,134</u>

4
 5 SCHEDULE 476 TARIFF FILING

6 In conjunction with its annual PGA filing in July 2018, Avista will request to recover the
 7 current deferral balances (Table 1), and the remaining unamortized residual balances (Table
 8 2), over the upcoming traditional PGA period (November 1, 2018 – October 31, 2019).

9 If approved, the funds in general ledger account 191720 (CUB Fund) in the amount of
 10 \$47,125 will be transferred to Account 191723 (Residential); the funds in general ledger
 11 account 191721 (Preauthorized Matching Fund) in the amount of \$2,980 will be transferred to
 12 191724 (Industrial); and, of the \$65,782 balance in general ledger account 191722 (Issues
 13 Fund), \$47,363 will be transferred to 191723 for Residential Customers, and \$18,419 will be
 14 transferred to 191724 for Industrial customers for amortization. These amounts do not include
 15 interest that will be accrued from July 1, 2018 through October 31, 2018 in accordance with
 16 the Intervenor Funding Agreement previously approved by the Commission.

17 FUTURE ESTIMATED DEFERRALS

18 The Company estimates that the following amounts may be deferred during the 12-month
 19 period subsequent to this Application (November 1, 2018 through October 31, 2019):

1	CUB Fund	\$44,500.00
2	Preauthorized Matching Fund ²	\$38,900.00
3	Issues Fund	\$70,000.00


4 Absent Commission's reauthorization of deferred accounting, the Company would incur
5 the cost of Intervenor Funding Grants.

6 Avista seeks with this application to receive reauthorization of the use of sub-accounts
7 of FERC Account No. 191 to account for the Intervenor Funding Grants awarded over the
8 twelve month period beginning November 1, 2018 and ending October 31, 2019.

9 DATED this 12th day of July 2018.

10 Respectfully submitted,

11 Avista Corporation

12 
13
14 By: _____

15 Patrick D. Ehrbar
16 Director of Regulatory Affairs

² As stated in the Fourth Amended Intervenor Funding Agreement, the amount for 2018 is \$37,500 increased by 3% each year thereafter. The pro-rated amount for the period November 1, 2018 through October 31, 2018 is \$38,900 (\$37,950 x 2/12) plus ((\$37,950 x 1.03) x 10/12)).