



Avista Corp.
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Via Electronic Mail

October 18, 2017

Public Utility Commission of Oregon
Attn: Filing Center
PO Box 2148
Salem, OR 97308-2148

RE: Docket No. UG 325 – Second Compliance Filing of Avista Corporation

Enclosed for electronic filing with the Commission is the Second Compliance Filing of Avista Corporation, dba Avista Utilities. The Company requests that the following tariff sheet become effective November 1, 2017:

Oregon PUC Sheet No.

Original Tariff Sheet 495

Title of Sheet

Capital Project Costs – Oregon

In Order No. 17-344, the Commission approved the Settlement Stipulation that provided for the recovery of the revenue requirement associated with the Pierce Road La Grande High Pressure reinforcement project, Klamath Falls Gas High Pressure Pipeline remediation project, and the Meter Data Management project. In compliance with the Order, Attachment A to this filing is the Attestation of Heather L. Rosentrater, Vice President of Energy Delivery, who attests that the projects listed above are used and useful and providing service to Oregon customers.

As noted on pp. 8-9 of Order No. 17-344, the total revenue requirement associated with those projects is \$907,000. Original Tariff Sheet 495 includes rates designed to recover that revenue

requirement. The Company has also included in this filing the updated baseline values related to the Company's natural gas decoupling mechanism, as well as workpapers in support of the proposed rates.

Please direct any questions regarding this filing to Patrick Ehrbar at (509) 495-8620.

Sincerely,



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

Enclosure
cc: Service List



**BEFORE THE
PUBLIC UTILITY COMMISSION OF OREGON
UG 325**

In the Matter of Avista)	
Corporation d/b/a Avista Utilities,)	ATTESTATION OF
Request for a General Rate Revision)	HEATHER L. ROSENTRATER

I, Heather L. Rosentrater, being first duly sworn on oath, depose and say:

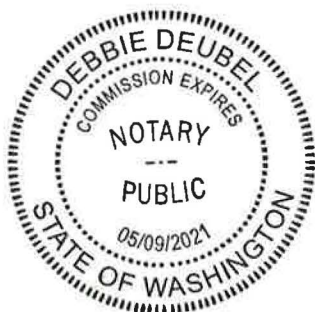
1. My name is Heather L. Rosentrater. I am Vice President of Energy Delivery for Avista Corporation, d/b/a Avista Utilities.
2. I hereby attest to the following :
 - a. The Pierce Road La Grande High Pressure reinforcement project is in-service, used and useful, and providing service to Oregon customers as of September 29, 2017.
 - b. The Klamath Falls Gas High Pressure pipeline remediation project is in-service, used and useful, and providing service to Oregon customers as of September 29, 2017.
 - c. The Meter Data Management project is in-service, used and useful, and providing service to all customers, including Oregon customers as of October 15, 2017.


SIGNED this 18 day of October, 2017.



HEATHER L. ROSENTRATER

SUBSCRIBED AND SWORN to before me on this 18th day of October, 2017.





Notary Public for Washington
My Commission Expires: 05-09-2021

AVISTA CORPORATION
dba Avista Utilities

**SCHEDULE 495
CAPITAL PROJECT COSTS - OREGON**

APPLICABLE:

Adjustments under this schedule are applicable to all bills calculated under all schedules of this Tariff.

PURPOSE:

To adjust natural gas rates for the Recovery of Capital Costs, effective November 1, 2017, pursuant to pp. 8 – 9 in Order No. 17-344 in Docket No. UG-325.

MONTHLY RATE:

The Commodity Charge per therm of the individual rate schedules are to be adjusted by the following amounts:

<u>Rate Schedule</u>	<u>Rate</u>
Schedule 410	\$0.00876
Schedule 420	\$0.01720

TERM:

The energy charges will be recovered under this schedule until such time as the recovery of the associated capital costs are included in base rates.

SPECIAL TERMS AND CONDITIONS:

This schedule is subject to the General Rules and Regulations contained in this tariff and to those prescribed by regulatory authorities.

Advice No. 17-08-G
Issued October 18, 2017

Effective For Service On & After
November 1, 2017

Issued by Avista Utilities
By



Patrick Ehrbar, Director of Rates

Avista

Support Documents

Avista Utilities
Proposed Revenue Increase by Schedule
Oregon - Natural Gas
Pro Forma 12 Months Ended September 30, 2018
(000s of Dollars)

Effective October 1, 2017

Line No.	Type of Service	Schedule Number	Distribution Revenue Under Present Rates	Settlement GRC Increase	Distribution Revenue Under Proposed Rates	Therms (000s)	Distribution Revenue Percentage Increase	Billed Revenue Under Present Rates	Settlement GRC Increase	Billed Revenue Under Proposed Rates	Billed Revenue Percentage Increase
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	
1	Residential	410	\$39,110	\$1,249	\$40,359	50,644	3.2%	\$60,543	\$1,249	\$61,792	2.1%
2	General Service	420	\$15,314	\$1,344	\$16,658	26,929	8.8%	\$26,412	\$1,344	\$27,756	5.1%
3	Large General Service	424	\$643	\$0	\$643	4,260	0.0%	\$2,359	\$0	\$2,359	0.0%
4	Interruptible Service	440	\$502	\$0	\$502	4,308	0.0%	\$1,208	\$0	\$1,208	0.0%
5	Seasonal Service	444	\$45	\$0	\$45	265	0.0%	\$152	\$0	\$152	0.0%
6	Transportation Service	456	\$3,252	\$0	\$3,252	40,757	0.0%	\$3,302	\$0	\$3,302	0.0%
7	Special Contract	447	\$213	\$0	\$213	5,773	0.0%	\$213	\$0	\$213	0.0%
8	Total		\$59,079	\$2,593	\$61,672	132,935	4.4%	\$94,189	\$2,593	\$96,782	2.8%

Schedule 420 to receive 2 times the overall increase, not to exceed 18.9%. The remainder goes to Schedule 410. (Staff's Proposal Agreed to by Parties)

Effective November 1, 2017

Agreed Upon Rate Spread

Line No.	Type of Service	Schedule Number	Settlement Stipulation Revenue Increase (\$000s)	October 1, 2017 Adjusted Settlement GRC Increase	November 1, 2017 Remaining Capital Project Revenue Requirement	Billing Determinants	Schedule 495 Capital Project Rate Per Therm	Billed Revenue Under Present Rates	Schedule 95 Capital Project Increase	Billed Revenue Under Proposed Rates	Billed Revenue Percentage Increase
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	
1	Residential	410	\$1,693	\$1,249	\$444	50,643,806	\$ 0.00876	\$61,792	\$444	\$62,236	0.7%
2	General Service	420	\$1,807	\$1,344	\$463	26,929,384	\$ 0.01720	\$27,756	\$463	\$28,219	1.7%
3	Large General Service	424	\$0	\$0	\$0			\$2,359		\$2,359	
4	Interruptible Service	440	\$0	\$0	\$0			\$1,208		\$1,208	
5	Seasonal Service	444	\$0	\$0	\$0			\$152		\$152	
6	Transportation Service	456	\$0	\$0	\$0			\$3,302		\$3,302	
7	Special Contract	447	\$0	\$0	\$0			\$213		\$213	
8	Total		\$3,500	\$2,593	\$907			\$96,782	\$907	\$97,690	0.9%

Settlement Stipulation Revenue Requirement \$ 3,500

Capital Project Reductions:

Pierce Road La Grande HP Reinforcement \$ (364)
 Klamath Falls Gas High Pressure Pipeline Remediation \$ (156)
 Meter Data Management \$ (387)

Adjusted Settlement Revenue Requirement \$ 2,593

* Per Settlement Stipulation pages 12 and 13

Effective November 1, 2017

Revenue Change By Rate Schedule			
		Schedule 495	
<u>Residential</u>	<u>410</u>	<u>Rate</u>	<u>Revenue Impact</u>
Therms	50,643,606	\$ 0.00876	\$ 443,638
Bills	1,078,451	\$ -	\$ -
			<u>\$ 443,638</u>
<u>General Service</u>	<u>420</u>		
Therms	26,929,384	\$ 0.01720	\$ 463,185
Bills	140,240	\$ -	\$ -
			<u>\$ 463,185</u>
			<u><u>\$ 906,823</u></u>

Avista

Decoupling Base

COMPLIANCE FILING DECOUPLING BASELINE

DOCKET NO. UG-325

**Avista Utilities
Natural Gas Decoupling Mechanism (Oregon)
Development of Decoupled Revenue by Rate Schedule - Natural Gas
Docket No. UG-325 Rates Effective October 1, 2017**

	TOTAL	RESIDENTIAL SCHEDULE 410	SM COMMERCIAL & INDUSTRIAL SCH. 420	LG COMMERCIAL & INDUSTRIAL SCH. 424	INTERRUPTIBLE SCH 440	INTERRUPTIBLE SCH 444	TRANSPORTATION SCH 456/447
1 Total Normalized 09.2018 Margin Revenue	\$ 59,079,000	\$ 39,110,000	\$ 15,314,000	\$ 643,000	\$ 502,000	\$ 45,000	\$ 3,465,000
2 Settlement Margin Revenue Increase	\$ 2,593,000	\$ 1,249,000	\$ 1,344,000	\$ -	\$ -	\$ -	\$ -
2a Compliance Filing #2 UG-325 (Schedule 495)	\$ 907,000	\$ 444,000	\$ 463,000	\$ -	\$ -	\$ -	\$ -
3 Total Delivery Revenue (09.2018 Test Year) (Ln 1 + Ln 2)	\$ 62,579,000	\$ 40,803,000	\$ 17,121,000	\$ 643,000	\$ 502,000	\$ 45,000	\$ 3,465,000
4 Customer Bills (09.2018 Test Year)	1,220,646	1,078,451	140,240	1,018	434	47	456
5 Proposed Basic Charges		\$10.00	\$17.00	\$50.00	\$0.00	\$0.00	\$275.00
6 Basic Charge Revenue (Ln 4 * Ln 5)	\$ 13,344,903	\$ 10,784,510	\$ 2,384,080	\$ 50,913	\$ -	\$ -	\$ 125,400
7 Decoupled Revenue (Ln 6 - Ln 3)	\$ 49,234,097	\$ 30,018,490	\$ 14,736,920	\$ 592,087	\$ 502,000	\$ 45,000	\$ 3,339,600
8 Normalized Therms (09.2018 Test Year)	132,935,258	50,643,606	26,929,384	4,260,059	4,307,537	264,821	46,529,852
9 Average Number of Customers (Line 8 / 12 mos.)		Residential 89,871	Non-Residential Group 11,812				Exempt from Decoupling Mechanism
10 Annual Therms		50,643,606	35,761,801				
11 Basic Charge Revenues		\$ 10,784,510	\$ 2,434,993				
12 Customer Bills		1,078,451	141,739				
13 Average Basic Charge		\$10.00	\$17.18				

COMPLIANCE FILING DECOUPLING BASELINE

DOCKET NO. UG-325

**Avista Utilities
Natural Gas Decoupling Mechanism (Oregon)
Development of Decoupled Revenue Per Customer - Natural Gas
Docket No. UG-325 Rates Effective October 1, 2017**

Line No.	Source	Residential	Non-Residential Schedules*
(a)	(b)	(c)	(d)
1	Decoupled Revenue	Page 1	\$ 30,018,490 \$ 15,876,007
2	Test Year Number of Customers 2017/2018	Revenue Data	89,871 11,812
3	Decoupled Revenue Per Customer	(1) / (2)	\$ 334.02 \$ 1,344.10

*Schedules 420, 424, 440, and 444

COMPLIANCE FILING DECOUPLING BASELINE

DOCKET NO. UG-325

Avista Utilities
 Natural Gas Decoupling Mechanism (Oregon)
 Development of Monthly Decoupled Revenue Per Customer - Natural Gas
 Docket No. UG-325 Rates Effective October 1, 2017

Line No.	Source	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	TOTAL	
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)	(n)	(o)	
1															
2	Natural Gas Delivery Volume														
3	<u>Residential</u>														
4	- Weather-Normalized Therm Delivery Volume	Monthly Rate Year	8,643,384	6,420,703	5,837,624	4,076,155	2,643,593	1,697,007	1,405,907	1,319,175	1,325,382	2,834,629	5,881,954	8,558,093	50,643,606
5	- % of Annual Total	% of Total	17.07%	12.68%	11.53%	8.05%	5.22%	3.35%	2.78%	2.60%	2.62%	5.60%	11.61%	16.90%	100.00%
6															
7	<u>Non-Residential Sales*</u>														
8	- Weather-Normalized Therm Delivery Volume	Monthly Rate Year	5,279,786	4,014,782	3,736,008	2,588,941	1,832,694	1,364,378	1,426,942	1,499,323	1,809,975	2,740,397	4,124,341	5,344,234	35,761,801
9	- % of Annual Total	% of Total	14.76%	11.23%	10.45%	7.24%	5.12%	3.82%	3.99%	4.19%	5.06%	7.66%	11.53%	14.94%	100.00%
10															
11	Monthly Decoupled Revenue Per Customer ("RPC")														
12	<u>Residential</u>														
13	- Decoupled Revenue per Customer	Page 2 - Decoupled RPC												\$ 334.02	
14	- Monthly Decoupled Revenue per Customer	(5) x (13)	\$ 57.01	\$ 42.35	\$ 38.50	\$ 26.88	\$ 17.44	\$ 11.19	\$ 9.27	\$ 8.70	\$ 8.74	\$ 18.70	\$ 38.79	\$ 56.44	\$ 334.02
15	- Monthly Allowed Customers		90,463	90,463	90,455	90,379	90,208	89,906	89,583	89,345	89,344	88,757	89,449	90,099	
16	<u>Non-Residential Sales*</u>														
17	- Decoupled Revenue per Customer	Page 2 - Decoupled RPC												\$ 1,344.10	
18	- Monthly Decoupled Revenue per Customer	(9) x (17)	\$ 198.44	\$ 150.89	\$ 140.42	\$ 97.30	\$ 68.88	\$ 51.28	\$ 53.63	\$ 56.35	\$ 68.03	\$ 103.00	\$ 155.01	\$ 200.86	\$ 1,344.10
19	- Monthly Allowed Customers		11,860	11,900	11,904	11,870	11,854	11,828	11,790	11,769	11,761	11,663	11,736	11,804	
20	*Schedules 420, 424, 440, and 444.														