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BEFORE THE PUBLIC UTILITY COMMISSION  
OF OREGON  
DOCKET NO. UM 1979

IN THE MATTER OF THE APPLICATION OF ) APPLICATION  
AVISTA UTILITIES FOR AN ORDER ) FOR REAUTHORIZATION  
AUTHORIZING DEFERRAL OF ENERGY ) OF CERTAIN DEFERRAL  
EFFICIENCY PROGRAM EXPENSES ) ACCOUNTS  
COLLECTED THROUGH RATE SCHEDULE 469 )

Pursuant to ORS 757.259 and OAR 860-027-0300(4), Avista Corporation, dba Avista Utilities (Avista or Company), hereby applies to the Public Utility Commission of Oregon (Commission) for an order reauthorizing the Company to utilize deferred accounting for revenues collected through its Tariff Schedule 469 – “Public Purpose Funding Surcharge – Oregon” (“Public Purpose Charge”). This schedule collects funds to be used for Avista’s energy efficiency programs, administered through the Energy Trust of Oregon (ETO) and the Company. Avista respectfully requests that this deferral be effective for the 12-month period beginning January 1, 2023.

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 Ehrbar	David J. Meyer
Director of Regulatory Affairs	Vice President and Chief Counsel
Avista Corporation	for Regulatory and Governmental Affairs
P.O. Box 3727	Avista Corporation
1411 E. Mission, MSC-27	P.O. Box 3727
Spokane, WA 99220-3727	1411 E. Mission, MSC-27
(509) 495-8620	Spokane, WA 99220-3727
Pat.ehrbar@avistacorp.com	(509) 495-4316
	David.meyer@avistacorp.com

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

3 BACKGROUND

4 Deferral of the revenues related to the Company’s natural gas energy efficiency programs  
5 was previously authorized by the Commission on December 2, 2021, through Order No. 21-450 in  
6 Docket No. UM 1979. The authorization for deferred accounting treatment as described above can  
7 be authorized pursuant to ORS 757.259(2)(e). Under the Company’s Public Purpose Charge, Avista  
8 collects funds necessary to administer and deliver energy efficiency programs to its customers. Over  
9 a 12-month period, the Company records the funds collected through Schedule 469, netted with the  
10 costs of the energy efficiency programs, in a balancing account; any unspent funds or uncollected  
11 costs are held over to the following year, with any adjustments needed requested in January of each  
12 year. This meets the requirement under ORS 757.259(2)(e), specifically “identifiable utility  
13 expenses or revenues, the recovery or refund of which the commission finds should be deferred in  
14 order to minimize the frequency of rate changes or the fluctuation of rate levels or to match  
15 appropriately the costs borne by and benefits received by ratepayers.”

16 Section 7 of the Partial Settlement Stipulation in Docket No. UG-288, approved by the  
17 Commission in Order No. 16-109, sets forth the agreed-upon energy efficiency program, and  
18 associated provisions for the Public Purpose Charge. The requirements of the energy efficiency  
19 program approved by the Commission on March 1, 2016 are as follows:

- 20 • A new rate schedule, Schedule 469, was established to provide recovery  
21 of the approved energy efficiency programs.
- 22 • The initial rate for Schedule 469 was set at the rate that was in effect for  
23 Schedule 478, which provided for recovery of costs associated with

1 Commission-approved demand side management programs.

- 2 • The Public Purpose Funding Surcharge collected through Schedule 469,  
3 would be used for the following programs: 1) Conservation Acquisition  
4 Programs managed by the Energy Trust of Oregon (ETO), 2) Avista  
5 Oregon Low Income Energy Efficiency Program (AOLIEE) managed by  
6 Avista and Community Action Agencies, and 3) Company energy  
7 efficiency program administrative costs.<sup>1</sup>

8 DESCRIPTION OF DEFERRAL

9 Presently, Avista records the funds collected with Schedule 469 and the costs of managing  
10 the energy efficiency programs in a regulatory liability account, FERC Account No. 242.6 (DSM  
11 Tariff Rider). A summary of the accounting entries recorded by Avista is as follows:

<b>Transactions to Record Energy Efficiency Revenues and Costs</b>			
<u>FERC</u>	<u>Account Description</u>	<u>DR</u>	<u>CR</u>
142.1	Customer Accounts Receivable	\$XXX	
48X.X	Revenue from Customers To record revenue collected from Schedule 469.		\$XXX
908.6	Customer Service & Information Expense	\$XXX	
242.6	DSM Tariff Rider To transfer funds collected from Schedule 469 to balancing account.		\$XXX
242.6	DSM Tariff Rider	\$XXX	
232.1	Accounts Payable To record energy efficiency program costs.		\$XXX

20 As funds are used for energy efficiency activities, the balancing account is debited for the  
21 amount of the expenditure disbursement. As described in Schedule 469, the Company determines

<sup>1</sup> In Advice No. 16-14-G, dated November 7, 2016, costs of the Northwest Energy Efficiency Alliance (NEEA) natural gas programs were included in the proposed budget for energy efficiency programs covered by Schedule 469.

1 annually if the Public Purpose Funding Surcharge needs to be adjusted so that forecasted collections,  
 2 plus any unspent collections, are sufficient to meet all programming needs by the ETO and the  
 3 Company. The balance in the account (either unspent funds or uncollected costs) is deferred at  
 4 December 31 each year. The net amount in the account is included in the Company’s annual filing  
 5 when the Public Purpose Funding Surcharge is updated in January for the upcoming year. In absence  
 6 of a deferred accounting order from the Commission, Avista would instead transfer the balance of  
 7 the account at December 31 into earnings. Interest does not accrue on this balancing account.

8 PROPOSED ACCOUNTING

9 In this Reauthorization application, Avista is not proposing any change to the current deferral  
 10 accounting. The Company would continue to record the funds collected through Schedule 469 as  
 11 described above.

12 CURRENT DEFERRAL BALANCES

13 At December 31, 2021, the total unspent balance in the DSM Tariff Rider account, subject  
 14 to deferral, was \$665,804. For illustrative purposes, since December 31, 2019, a summary of energy  
 15 efficiency funds collected and spent is as follows:

Avista's Energy Efficiency Program Summary Transactions Recorded in Balancing Account (FERC Account No. 242.6) For December 31, 2019 through December 31, 2021	
Balance at December 31, 2019	\$ (216,391)
2020 Tariff Collections	(3,063,259)
2020 Energy Efficiency Costs	2,739,375
Balance at December 31, 2020	\$ (540,275)
2021 Tariff Collections	(3,123,807)
2021 Energy Efficiency Costs	2,998,278
Balance at December 31, 2021	\$ (665,804)

1           At December 31, 2019, the Company’s program-to-date collections exceeded its costs by  
2 \$216,391. At December 31, 2020, the funds collected throughout the year exceeded the program  
3 costs by an additional \$323,884, with the \$540,275 balance carrying over to be spent in the 2021  
4 program year. Then, with tariff collections again exceeding program costs in 2021 by an additional  
5 \$125,529, the carryover balance for the 2022 program year, at December 31, 2021, was \$665,804.

6           WHEREFORE, Avista Utilities respectfully requests that the Commission reauthorize the  
7 Company to defer the unspent funds or uncollected costs of its energy efficiency programs for the  
8 12-month period, January 1, 2023 through December 31, 2023. The Company is not proposing an  
9 adjustment to customers’ retail rates through this Application. Pursuant to OAR 800-027-  
10 0300(3)(e)(6), a copy of the Notice of Application and list of persons served with the Notice is  
11 attached to this Application as Exhibit A.

12           DATED this 28<sup>th</sup> day of October 2022.

13   Respectfully submitted,  
14   Avista Utilities  
15   By:           /s/ *David Meyer*            
16   David J. Meyer, Vice President and Chief  
17   Counsel for Regulatory and Governmental Affairs



**Avista Corp.**

1411 East Mission P.O. Box 3727  
Spokane, Washington 99220-0500  
Telephone 509-489-0500  
Toll Free 800-727-9170

October 28, 2022

Public Utilities Commission of Oregon  
Attn: Filing Center  
201 High Street SE, Suite 100  
Salem, OR 97301-3612

RE: Docket No. UM 1979—Avista Utilities Application for Reauthorization

Filing Center:

In accordance with ORS 757.259 and OAR 860-027-0300, Avista Corporation, dba Avista Utilities (Avista or Company), hereby submits for electronic filing an Application for Reauthorization to defer certain expenses or revenues related to its Tariff Schedule 469 – “Public Purpose Funding Surcharge-Oregon”.

As required by OAR 860-027-0300(3)(e) and (6), a Notice of Application and list of persons served with the Notice has been sent to all parties in the Company’s current general rate case, Docket No. UG 433. A copy of the Notice and the Certificate of Service are attached as an Exhibit to the Application.

If you have any questions regarding this filing, please contact Joel Anderson at (509) 495-2811 or email [joel.anderson@avistacorp.com](mailto:joel.anderson@avistacorp.com).

Sincerely,

*/s/Joe Miller*

Joe Miller  
Sr. Manager of Rates & Tariffs  
Avista Utilities  
509-495-4546  
[joe.miller@avistacorp.com](mailto:joe.miller@avistacorp.com)

## **CERTIFICATE OF SERVICE**

**Docket No. UM 1979**

**I HEREBY CERTIFY** that I have on this day, October 28, 2022, served by electronic mail the foregoing Notice of Application for Reauthorization of Certain Deferral Accounts, related to the deferral of funds collected for Avista's energy efficiency programs, to all parties of record for Avista's most recent general rate case, Docket No. UG 433, as indicated below:

**Alliance of Western Energy Consumers (AWEC)**

Edward Finklea, Director of Natural Gas  
[efinklea@awec.solutions](mailto:efinklea@awec.solutions)

Chad M. Stokes  
Cable Huston, LLP  
[cstokes@cablehuston.com](mailto:cstokes@cablehuston.com)

Tommy A. Brooks  
Cable Huston, LLP  
[tbrooks@cablehuston.com](mailto:tbrooks@cablehuston.com)

**Oregon Public Utilities Commission (OPUC)**

Marc Hellman, OPUC  
[marc.hellman@puc.oregon.gov](mailto:marc.hellman@puc.oregon.gov)

**Oregon Citizens Utility Board (CUB)**

[dockets@oregoncub.org](mailto:dockets@oregoncub.org)

Mike Goetz, Staff Attorney  
[mike@oregoncub.org](mailto:mike@oregoncub.org)

William Gehrke  
[will@oregoncub.org](mailto:will@oregoncub.org)

**Department of Justice**

Johanna Riemenschneider  
[johanna.riemenschneider@doj.state.or.us](mailto:johanna.riemenschneider@doj.state.or.us)

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

Dated at Spokane, Washington this 28<sup>th</sup> day of October 2022.

/s/ Joel Anderson

Joel Anderson  
Regulatory Analyst  
Avista Utilities  
[joel.anderson@avistacorp.com](mailto:joel.anderson@avistacorp.com)  
509.495.2811



## **Docket No. UM 1979**

### **NOTICE OF APPLICATION FOR REAUTHORIZATION OF CERTAIN DEFERRAL ACCOUNTS**

October 28, 2022

To All Parties Who Participated in UG 433:

Please be advised that on October 28, 2022, Avista Corporation, dba Avista Utilities (“Avista” or “Company”), applied to the Public Utility Commission of Oregon (“Commission”) for an order reauthorizing the Company to utilize deferred accounting for revenues collected through its Tariff Schedule 469, “Public Purpose Funding Surcharge-Oregon”, which funds Avista’s energy efficiency programs, administered through the Energy Trust of Oregon (ETO) and the Company. This filing has been made pursuant to ORS 757.259 and OAR 860-027-0300(4).

This Notice is being sent to all parties that participated in Avista’s most recent general rate case, Docket No. UG 433, to inform them that an Application for Reauthorization has been filed. Parties wanting more information or who wish to obtain a copy of the filing can access the Application on the Commission website, or by contacting either of the following:

**Avista Utilities**  
**Attn: Patrick Ehrbar**  
**P.O. Box 3727**  
**1411 E. Mission, MSC-27**  
**Spokane, WA 99220-3727**  
**(509) 495-8620**

**Public Utility Commission of Oregon**  
**Attn: Filing Center**  
**201 High Street SE, Suite 100**  
**PO Box 1088**  
**Salem, OR 97301-1088**  
**(509) 373-0886**

Any person may submit to the Commission written comments on this matter by November 22, 2022. Approval of Avista’s Application will not authorize a change in the Company’s rates but will permit the Commission to consider allowing such deferred amounts in rates in a subsequent proceeding.

DATED this 28<sup>th</sup> day of October 2022.

By:                     /s/David Meyer                    

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