



Avista Corp.

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October 31, 2023

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 461. A copy of the Notice is 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.

Sincerely,

/s/Joe Miller

Joe Miller
Sr. Manager of Rates & Tariffs
Avista Utilities
509-495-4546
joe.miller@avistacorp.com

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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, 2024.

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 August 8, 2023, through Order No. 23-286 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.¹

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:

Transactions to Record Energy Efficiency Revenues and Costs			
<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

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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

¹ 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, 2022, the total unspent balance in the DSM Tariff Rider account, subject
 14 to deferral, was \$109,524. For illustrative purposes, since December 31, 2020, 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, 2020 through December 31, 2022	
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)
2022 Tariff Collections	(5,158,551)
2022 Energy Efficiency Costs	5,714,831
Balance at December 31, 2022	<u>\$ (109,524)</u>



Docket No. UM 1979

NOTICE OF APPLICATION FOR REAUTHORIZATION OF CERTAIN DEFERRAL ACCOUNTS

October 31, 2023

To All Parties Who Participated in UG 461:

Please be advised that on October 31, 2023, 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 provided to all parties that participated in Avista’s most recent general rate case, Docket No. UG 461, 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, 2023. 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 31st day of October 2023.

By: /s/David Meyer

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