

**PUBLIC UTILITY COMMISSION OF OREGON
INTEROFFICE CORRESPONDENCE**

DATE: December 7, 2023
TO: Bryan Conway through Marc Hellman
FROM: Matt Muldoon, Michelle Scala, Anna Kim, Itayi Chipanera, Bret Stevens, Julie Jent, Rose Pileggi, and Curtis Dlouhy
SUBJECT: Verification of Avista Corporation, (Avista, AVA or Company) Tariff Rates Effective January 1, 2024, Compliance Filing Advice No. 23-08-G and Supplemental Updated Schedule 411, Inclusive of Attestations Regarding Capital Additions

In Order No. 23-384 (the Order) entered October 26, 2023, in Docket No. UG 461, the Public Utility Commission of Oregon (Commission) adopted two stipulations on revenue requirement and rate spread/rate design. As a result of UG 461, the Company's revenue requirement is set to increase by \$6.944 million or 4.7 percent on a billed revenue basis. For a typical residential customer, using 47 therms, their monthly bill would increase by \$3.92 or 5.1 percent. In response to the Order, Avista submitted its Compliance Filing Advice No. 23-08-G on December 5, 2023, Capital Additions Attestations on December 7, 2023, and Supplemental Updated Tariff Schedule 411 also on December 7, 2023, respectively (Advice Filing).

Staff has reviewed the Advice Filing and finds it complies with the Commission's Order. The checks and analytic tasks required to affirm the accuracy of rates were:

- Confirm the revenue target is correctly calculated in the Company's revenue requirement work papers based on the Commission directed amounts found within the Order.
- Confirm that the load forecast uses the values in the first stipulation.
- Confirm from the Rate Spread and Design spreadsheet and Avista work papers that the proposed tariff prices are calculated to produce revenues in accordance with the Commission's Order in this case.
- Confirm that the Capital Addition Attestations conform with page 10 – Part g of the Order.
- Confirm the Company's tariff pages, and work papers conform to Commission-Adopted Partial Stipulation 1 and Stipulation 2 shown as Appendices A and B of the Order.
- Confirm that the Company's formula inputs for pricing are consistent and accurate.
- Cross reference corrected work papers with original work papers and verify changes to Schedule 411 discussed with the Company on December 6, 2023.
- Verify accurate implementation of all changes, including tariff language changes, authorized by the Commission.

- Confirm that the tariff sheets are properly updated with the rates present in the Rate Spread and Design worksheet, advice number, revision number, date, and any other appropriate language changes.

Staff verified that the specific impacts authorized by the Order will be achieved by the changed tariff pages as filed. Staff utilized the provided work papers and discussions with the Company regarding the Advice Filing to verify the accuracy of the tariffs.

In its review, Staff felt that Schedule 411 should be self-contained and include a definition used therein. Avista made that update, resulting in the tariff pages being more accessible and more easily understood by Avista's Oregon customers.

Staff confirmed that the sheets will produce rates that conform to the Commission's Order. Therefore, Staff recommends that an acknowledgement letter be sent and the rates to go into effect January 1, 2024.