

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
4 **I. OAR 860-027-0300(3) REQUIREMENTS**

5 The following is provided pursuant to OAR 860-027-0300(3):

6
7 **A. Background Description**

8 On May 24, 2019, Oregon Governor Kate Brown signed Senate Bill 68 (SB 68), which
9 revises ORS 756.310 to allow the annual regulatory fee that is imposed on public utilities and
10 telecommunications providers, for purpose of defraying costs of the OPUC, to increase from 0.3%
11 to 0.45%. In accordance with ORS 756.310, the Commission will issue an order on or after March
12 1, 2020 to specify the percentage rate of the fee required to be paid by public utilities for the current
13 year, based on the utilities' gross operating revenues derived within Oregon in the preceding calendar
14 year. Because Avista expects that the Commission will implement the fee increase and because the
15 increase will apply to 2020 remittances to the Commission, Avista requests authorization to defer
16 for later rate making treatment, the costs associated with an expected increase in the OPUC fee from
17 0.3% up to 0.45%.

18
19 **B. Reasons for Deferral**

20 Pursuant to ORS 757.259(2)(e) and for the reasons discussed above, Avista seeks deferred
21 accounting treatment for costs associated with an expected increase in the annual regulatory fee,
22 effective January 1, 2020. As mentioned above, the imposition of this fee will occur in early 2020
23 and be applicable for the full year, thus Avista is unable to include it within a prior or existing rate

1 proceeding. Granting this Application will minimize the frequency of rate changes and match
2 appropriately the costs borne by and benefits received by customers.

3

4 C. Proposed Accounting for Recording Amounts Deferred.

5 Avista proposes to record the deferred amount as a regulatory asset in FERC account 182.3
6 (Other Regulatory Assets) with a credit to FERC account 456 (Other Revenue). Absent Commission
7 approval of this application, Avista will record the incremental cost in FERC account 928
8 (Regulatory Commission Expense).

9

10 D. Estimate of Amounts to be Recorded for the Next 12 months.

11 Avista estimates that the amount to be deferred, above what is included in customer rates at
12 the current 0.3% allowable level, would be approximately \$225,000 dollars if the Commission
13 authorizes a regulatory fee increase up to the maximum 0.45% allowable by ORS 756.310.

14

15 E. Notice

16 A copy of the Notice of Application for Deferral of Costs Associated with an Increase in the
17 Annual Regulatory Fee and a list of persons served with the Notice are attached to this Application
18 as Attachment A.

19

20 **II. CONCLUSION**

21 For the reasons stated above, Avista respectfully requests that, consistent with ORS 757.259,
22 the Commission authorize the Company to record and defer incremental Oregon annual regulatory
23 fee expenses resulting from Senate Bill 68 for the January 1,2020, through December 31,2020, time
24 period. The Company is not proposing an adjustment to customer's retail rates through this

1 Application. Pursuant to OAR 800-027-0300(3)(e)(6), a copy of the Notice of Application and list
2 of persons served with the Notice is attached to this Application as Exhibit A.

3 DATED this 31st day of December 2019.

4 Respectfully submitted,

5 Avista Utilities

6 By:  _____

7 Patrick Ehrbar
8 Director of Regulatory Affairs



Docket No. UM _____

**NOTICE OF APPLICATION FOR DEFERRAL OF COSTS ASSOCIATED WITH
AN INCREASE IN ANNUAL REGULATORY FEE**

December 31, 2019

To All Parties Who Participated in UG 366:

Please be advised that on December 31, 2019, Avista Corporation, dba Avista Utilities ("Avista" or "Company"), applied to the Public Utility Commission of Oregon ("Commission") for an order authorizing Avista to defer, for later rate-making treatment, the costs associated with an increase in the annual regulatory fee allowed by ORS 756.310 ("Deferred Amount"). This filing has been made pursuant to ORS 757.259 and OAR 860-027-0300(4).

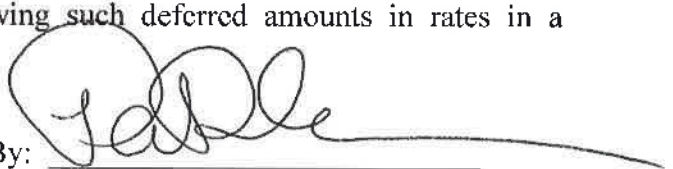
This Notice is being sent to all parties that participated in Avista's most recent general rate case, Docket No. UG 366, to inform them that an Application for Authorization has been filed. Parties wanting more information or who wish to obtain a copy of the filing can access the Application on the Commission 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 January 29, 2020. 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 December 2019.

By: 

Patrick D. Ehrbar
Director of Regulatory Affairs

CERTIFICATE OF SERVICE

Docket No. UM _____

I HEREBY CERTIFY that I have on this day, December 31, 2019, served by electronic mail the foregoing Notice of Application for Deferral of Costs Associated with an Increase in Annual Regulatory Fee, to all parties of record for Avista's most recent general rate case, Docket No. UG 366, as indicated below:

Alliance of Western Energy Consumers (AWEC)
dockets@oregoncub.org

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Department of Justice
Johanna Riemenschneider
johanna.riemenschneider@doj.state.or.us

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

Dated at Spokane, Washington this 31st day of December, 2019.

/s/ Patrick D Ehrbar

Patrick Ehrbar
Director of Regulatory Affairs
Avista Utilities