

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



November 16, 2007

Public Utility Commission of Oregon  
Attention: Filing Center  
550 Capitol Street NE, Suite 215  
Salem, Oregon 97310-2148

Avista Utilities hereby requests authorization to utilize a sub-account of FERC account number 191 to defer the intervenor funding grants awarded to various organizations. These grants are used by qualifying organizations who participate in certain types of regulatory proceedings before the Commission.

Absent Commission's authorization of deferred accounting, the Company would not incur the cost of Intervenor Funding Grants.

If you have any questions regarding this information please contact Craig Bertholf at (509) 495-4124.

Sincerely;

A handwritten signature in cursive script that reads "Kelly O. Norwood".

Kelly O. Norwood  
Vice President, State and Federal Regulation

1 BEFORE THE PUBLIC UTILITY COMMISSION

2 OF OREGON

3  
4 IN THE MATTER OF THE APPLICATION OF ) APPLICATION FOR  
5 AVISTA UTILITIES FOR AN ORDER ) AUTHORIZATION TO  
6 AUTHORIZING DEFERRAL OF CERTAIN ) DEFER COST  
7 COSTS )  
8

9 Avista Utilities (“Avista” or “Company”) pursuant to ORS 757.259 and OAR  
10 860-27-300(4) applies to the Public Utility Commission of Oregon ("Commission")  
11 for an order authorizing it to utilize deferral accounting related to the cost of  
12 intervenor funding grants provided to various qualifying organizations. The  
13 Company respectfully requests that the deferral commence as of the date of this  
14 filing.

15 In support of this Application, the Company states:

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17 1.

18 Avista provides natural gas service in southwestern and northeastern Oregon  
19 and is a public utility subject to the Commission’s jurisdiction under ORS  
20 757.005(1)(a)(A).  
21

22 2.

23 Avista requests that all notices, pleadings and correspondence regarding this  
24 filing be sent to the following:  
25

1 David J. Meyer, Esq.  
2 Chief Counsel for Regulatory and  
3 Governmental Affairs  
4 Avista Corporation  
5 P.O. Box 3727  
6 1411 E. Mission, MSC-13  
7 Spokane, WA 99220-3727  
8 (509) 495-4316  
9

Kelly Norwood  
Vice President, State and Federal  
Regulation  
Avista Corporation  
P.O. Box 3727  
1411 E. Mission, MSC-13  
Spokane, WA 99220-3727  
(509) 495-4267

10 3.

11 This Application is filed pursuant to ORS 757.259, which empowers the  
12 Commission to authorize the deferral of expenses or revenues of a public utility for  
13 later incorporation in rates.

14 4.

15 On June 6, 2003, the Governor signed Or Laws 2003, ch 234 (formerly known  
16 as Senate Bill 205, the “Intervenor Funding Act”) into law. Section 2 of the Act  
17 authorizes the Commission to approve written agreements for intervenor funding  
18 grants between electric and natural gas utilities and qualifying organizations  
19 representing broad customer interests. Such grants would be used by these qualifying  
20 organizations when participating in certain types of regulatory proceedings before the  
21 Commission. Section 2 of the Act also authorizes the Commission to establish rules  
22 with respect to funding agreements for determining which organizations are eligible  
23 for financial assistance, the amount of assistance that may be provided, the manner in  
24 which assistance will be distributed, and other necessary administrative matters.

25 In addition, Section 2 of the Intervenor Funding Act provides:

26 “The commission shall allow a public utility that provides financial assistance  
27 under this section to recover the amounts so provided in rates. The commission  
28 shall allow a public utility to defer inclusion of those amounts in rates as  
29 provided in ORS 757.259 if the public utility so elects.”



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Avista proposes to record payment of the Intervenor Funding Grants in a sub account of Account 191. Absent Commission's authorization of deferred accounting, the Company would not incur the cost of Intervenor Funding Grants.

Avista seeks, with this application, to receive authorization of this deferral until November 1, 2008.

8.

The attached Notice of Application was sent to all parties and interested persons that participated in Avista Utilities most recent Oregon general rate case.

WHEREFORE, Avista Utilities respectfully requests that its Intervenor Funding Grants deferral account described above be appropriately authorized.

DATED this 16th day of November 2007.

Respectfully submitted,  
Avista Utilities

By: 

Kelly O. Norwood, Vice President  
State and Federal Regulation

## CERTIFICATE OF SERVICE

I **HEREBY CERTIFY** that I have this day served Avista Utilities' Application for Authorization to Defer Cost, upon the parties listed below by mailing a copy thereof, postage prepaid and/or by electronic mail.

Mr. Edward Finklea  
Cable Huston Benedict  
Haagensen & Lloyd, LLP  
1001 SW 5th, Suite 2000  
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[efinklea@chbh.com](mailto:efinklea@chbh.com)

Citizens' Utilities Board  
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Ms. Paula Pyron  
Executive Director  
Northwest Industrial Gas Users  
4113 Wolfberry Court  
Lake Oswego, OR 97035  
[ppyron@nwigu.org](mailto:ppyron@nwigu.org)

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

Dated at Spokane, Washington this 16th day of November 2007.



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Patty Olsness  
Rates Coordinator