

Avista Corp.

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



September 1, 2009

Public Utility Commission of Oregon
Attention: Filing Center
550 Capitol Street, NE, Suite 215
Salem, OR 97308-2148

Docket UM 1356

Pursuant to ORS 757.259 and OAR 860-27-300(4) Avista Utilities submits an original and ten (10) copies of a request for an order authorizing it to utilize deferred accounting for intervenor funding grants provided to various qualifying organizations.

Avista seeks, with this application, to receive additional authorization of these deferrals for the twelve month period beginning November 1, 2009 and ending October 31, 2010.

Please direct any questions regarding this order request to Craig Bertholf at (509) 495-4124 or Brian Hirschhorn at (509) 495-4723.

Sincerely,

A handwritten signature in black ink that reads "Kelly Norwood". The signature is written in a cursive, flowing style.

Kelly O. Norwood, Vice President
State and Federal Regulation

Enclosure

1 BEFORE THE PUBLIC UTILITY COMMISSION

2 OF OREGON

3 Docket UM 1356

4 IN THE MATTER OF THE APPLICATION OF) APPLICATION FOR
5 AVISTA UTILITIES FOR AN ORDER) REAUTHORIZATION TO
6 REAUTHORIZING 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 reauthorizing it to utilize deferred accounting for intervenor funding
12 grants provided to various qualifying organizations. The Company respectfully
13 requests that this reauthorization become effective November 1, 2009.

14 In support of this Application, the Company states:

15 Avista provides natural gas service in southwestern and northeastern Oregon
16 and is a public utility subject to the Commission’s jurisdiction under ORS
17 757.005(1)(a)(A).

18 Avista requests that all notices, pleadings and correspondence regarding this
19 filing be sent to the following:

20 Kelly Norwood
21 Vice President, State and Federal
22 Regulation
23 Avista Corporation
24 P.O. Box 3727
25 1411 E. Mission, MSC-13
26 Spokane, WA 99220-3727
27 (509) 495-4267

David J. Meyer, Esq.
Chief Counsel for Regulatory and
Governmental Affairs
Avista Corporation
P.O. Box 3727
1411 E. Mission, MSC-13
Spokane, WA 99220-3727
(509) 495-4316

28 This Application is filed pursuant to ORS 757.259, which empowers the
29 Commission to authorize the deferral of expenses or revenues of a public utility for

1 later incorporation in rates.

2 On June 6, 2003, the Governor signed Or Laws 2003, ch 234 (formerly known
3 as Senate Bill 205, the “Intervenor Funding Act”) into law. Section 2 of the Act
4 authorizes the Commission to approve written agreements for intervenor funding
5 grants between public utilities and qualifying organizations representing broad
6 customer interests. Such grants would be used by these qualifying organizations
7 when participating in certain types of regulatory proceedings before the Commission.

8 Section 2 of the Act also authorizes the Commission to establish rules with
9 respect to funding agreements for determining which organizations are eligible for
10 financial assistance, the amount of assistance that may be provided, the manner in
11 which assistance will be distributed, and other necessary administrative matters.

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

13 “The commission shall allow a public utility that provides financial assistance
14 under this section to recover the amounts so provided in rates. The commission
15 shall allow a public utility to defer inclusion of those amounts in rates as
16 provided in ORS 757.259 if the public utility so elects.”
17

18 Also, ORS 757-259(3), as amended by section 3 of the Intervenor Funding Act,
19 provides:

20 “Upon request of the public utility, the commission by order shall allow deferral
21 of amounts provided as financial assistance under an agreement entered into
22 under section 2 of this 2003 Act for later incorporation in rates.”
23

24 On November 8, 2007 in Order No. 07-487 the Commission approved the
25 Intervenor Funding Agreement between Avista Utilities, Citizens’ Utility Board of
26 Oregon (CUB) and Northwest Industrial Gas Users (NWIGU). This agreement
27 established an intervenor funding program for each of three funds from which grants

1 could be made (CUB Fund, Preauthorized Matching Fund and an Issues Fund).

2 In accordance with the statutory authority provided by ORS 757.259(3), as
3 amended, and the Commission's approval of the Intervenor Funding Agreement,
4 Avista recorded and deferred intervenor funding grants in Account No. 191720
5 Intervenor Funding – Citizens Utility Board, Account No. 191721 Intervenor Funding
6 – Pre Authorized Matching Fund and, Account No. 191722 - Intervenor Funding –
7 Issues Fund for later inclusion in rates with its annual PGA filing.

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


10 Avista seeks, with this application, to receive reauthorization of these intervenor
11 funding accounts for the twelve month period beginning November 1, 2009 and ending
12 October 31, 2010.

13 WHEREFORE, Avista Utilities respectfully requests that the Intervenor Funding
14 Grant deferral accounts described above be appropriately reauthorized for the twelve
15 month period beginning November 1, 2009 and ending October 31, 2010.

16
17 DATED this 1st day of September 2009.

18 Respectfully submitted,

19 Avista Utilities

20
21
22 By: 

23 Kelly O. Norwood, Vice President
24 State and Federal Regulation