1	BEFORE THE PUBLIC UTILITY COMMISSION		
2	OF OREGON		
3	Docket No. UM 1356		
4 5 6 7 8 9	IN THE MATTER OF THE APPLICATION OF AVISTA UTILITIES FOR AN ORDER (COSTS RELATED TO INTERVENOR FUNDING GRANTS (COSTS RELATED TO INTERVENOR (COSTS RELATED TO INTE		
10	Pursuant to ORS 757.259 and OAR 860-027-0300(4), Avista Corporation, dba Avista		
11	Utilities ("Avista" or "Company"), applies to the Public Utility Commission of Oregon		
12	("Commission") for an order reauthorizing it to utilize deferred accounting for Intervenor		
13	Funding Grants provided to various qualifying organizations. Avista respectfully requests that		
14	this reauthorization become effective November 1, 2019.		
15	In support of this Application, the Company states:		
16	Avista provides natural gas service in southwestern and northeastern Oregon and is a		
17	public utility subject to the Commission's jurisdiction under ORS 757.005(1)(a)(A).		
18	Avista requests that all notices, pleadings and correspondence regarding this Application		
19	be sent to the following:		
20 21 22 23 24 25 26 27 28	Patrick D. Ehrbar Director of Regulatory Affairs Avista Corporation P.O. Box 3727 Avista Corporation P.O. Box 3727 Governmental Affairs P.O. Box 3727 1411 E. Mission, MSC-27 Spokane, WA 99220-3727		
29	This Application is filed pursuant to ORS 757.259, which empowers the Commission to		
30	authorize the deferral of expenses or revenues of a public utility for later incorporation in rates.		

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2	The Intervenor Funding Agreement, Third Amended and Restated Intervenor Funding
3	Agreement Order No. 15-335 dated October 20, 2015 and later replaced with the Fourth
4	Amended and Restated Intervenor Funding Agreement Order No. 18-017 dated January 17,
5	2018, between the Company, Citizens' Utility Board of Oregon ("CUB") and Northwest
6	Industrial Gas Users ("NWIGU") established three funds from which grants could be made
7	(CUB Fund, Preauthorized Matching Fund and an Issues Fund).
8	
9	DESCRIPTION OF EXPENSES
10	The Intervenor Funding Agreement provides that pre-certified intervenors must submit a
11	proposed fund budget to the Commission that contains the following information:
12	1) A statement of the work to be performed by the applicant for which the applicant is
13	seeking an Issue Fund Grant;
14	2) A description of the areas to be investigated by the intervenor;
15	3) A description of the particular customer class(es) that will benefit from the
16	intervenor's participation;
17	4) Identification of the specific account or accounts from which the intervenor is seeking
18	an Issue Fund Grant and an estimate of the amount of available funds in that account;
19	5) A budget showing estimated attorney fees, which may include the cost for appropriate
20	support staff and operational support;
21	6) A budget showing estimated consultant fees and expert witness fees, which may
22	include the cost for appropriate support staff and operational support; and
23	7) A representation that the intervenor will use matching funds from either in-house

resources or outside funding to account for or pay at least 20 percent of the "Eligible Expenses" for the work to be performed for which the intervenor is seeking an Issue Fund Grant.

After Commission approval of the proposed budget, the intervenor must file a Request for Payment with the Commission. If the request meets the Intervenor Funding Agreement requirements, the Commission will order payment and specify which customer class will be responsible for the grant.

Sub-accounts of FERC account number 191 is used to record the grant payments, specifically account numbers 191720, 191721 and 191722.

GRANTS APPROVED THIS PERIOD

On September 11, 2018, by Order No. 18-333, the Commission approved continued deferred accounting treatment for the three Intervenor Funds. In accordance with that Order the Company deferred the following:

Table 1 Current Deferrals:

	CUB	Preauthorized	Issues
	Fund	Matching Fund	Fund
	(191720)	<u>(191721)</u>	(191722)
Per Order No. 18-287			\$2,000
Per Order No. 18-345			\$5,803
Per Order No. 18-350			\$35,760
Per Order No. 18-379		\$18,469	
Per Order No. 19-004	\$44,500		
Per Order No. 19-127		\$9,971	
Interest	\$2,884	\$1,305	\$4,464
Balance at 06-30-2019	\$47,384	\$29,745	48,027

RECOVERY OF INTERVENOR FUNDING GRANTS

On November 22, 2011, in accordance with Commission Order No. 11-470, the Company began amortizing the Intervenor Funding deferrals through Schedule 476. Effective October 31, 2019, balances for the Residential and Industrial accounts are estimated to be:

Table 2 Unamortized Residual Balances:

	Residential	Industrial
	<u>Acct</u>	Acct
	<u>191723</u>	<u>191724</u>
Balance at June 30, 2019	\$12,267	\$10,650
Less: Amortization	\$11,545	\$10,537
Add: Interest	\$74	\$53
Balance at October 31, 2019	\$796	\$166

SCHEDULE 476 TARIFF FILING

In conjunction with its annual PGA filing in July 2019, Avista will request to recover the current deferral balances (Table 1), and the remaining unamortized residual balances (Table 2), over the upcoming traditional PGA period (November 1, 2019 – October 31, 2020).

If approved, the funds in general ledger account 191720 (CUB Fund) in the amount of \$47,384 will be transferred to Account 191723 (Residential); the funds in general ledger account 191721 (Preauthorized Matching Fund) in the amount of \$29,745 will be transferred to 191724 (Industrial); and, of the \$48,027 balance in general ledger account 191722 (Issues Fund), \$2,401 will be transferred to 191723 for Residential Customers, and \$45,626 will be transferred to 191724 for Industrial customers for amortization. These amounts do not include interest that will be accrued from July 1, 2019 through October 31, 2019 in accordance with the Intervenor Funding Agreement previously approved by the Commission.

FUTURE ESTIMATED DEFERRALS

1	The Company estimates that the following amounts may be deferred during the 12-month		
2	period subsequent to this Application (November 1, 2019 through October 31, 2020):		
3	CUB Fund \$44,500		
4	Preauthorized Matching Fund ¹ \$40,066		
5	Issues Fund \$70,000		
6	Absent Commission's reauthorization of deferred accounting, the Company would incur		
7	the cost of Intervenor Funding Grants.		
8	Avista seeks with this application to receive reauthorization of the use of sub-accounts		
9	of FERC Account No. 191 to account for the Intervenor Funding Grants awarded over th		
10	twelve month period beginning November 1, 2019 and ending October 31, 2020.		
11	DATED this 12 th day of July 2019.		
12	Respectfully submitted,		
13	Avista Corporation		
14			
15			
16	By:		
17 18	Patrick D. Ehrbar Director of Regulatory Affairs		

 $^{^1}$ As stated in the Fourth Amended Intervenor Funding Agreement, the amount for 2018 is \$37,950 increased by 3% each year thereafter. The pro-rated amount for the period November 1, 2019 through October 31, 2020 is \$40,066, ((\$37,950 x 1.03) x 2/12) plus ((\$37,950 x 1.03^2) x 10/12)).