

Avista Corp.

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Corp.

August 31, 2010

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 purchase gas cost differences and 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, 2010 and ending October 31, 2011.

Please direct any questions regarding this order request to Patrick Ehrbar at (509) 495-8620 or Craig Bertholf at (509) 495-4124.

Sincerely,

A handwritten signature in black ink that reads 'Kelly O. Norwood'.

Kelly O. Norwood, Vice President
State and Federal Regulation

Enclosure

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that I have served this day copies of the additional information filed by Avista Utilities', a division of Avista Corp, that supplements the original application for reauthorization to utilize deferred accounting for intervenor funding distributions filed in UM 1356 upon the parties listed below by mailing a copy thereof, postage prepaid and/or by electronic mail when paper service has been waived.

Chad M. Stokes (Waived)
Cable Huston Benedict
Haagensen & Lloyd, LLP
1001 SW 5th, Suite 2000
Portland, OR 97204-1136
cstokes@cablehuston.com

Citizens' Utilities Board (Waived)
610 SW Broadway, Suite 308
Portland, OR 97205-3404
Bob@OregonCUB.org

Ms. Paula Pyron (Waived)
Executive Director
Northwest Industrial Gas Users
4113 Wolfberry Court
Lake Oswego, OR 97035

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

Dated at Spokane, Washington this 31st day of August, 2010.



Patrick Ehrbar
Manager, Rates & Tariffs

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) AUTHORIZATION TO
6 AUTHORIZING DEFERRAL OF CERTAIN) DEFER COSTS
7 COSTS)
8

9 Pursuant to ORS 757.259 and OAR 860-27-300(4), Avista Corporation, dba
10 Avista Utilities (“Avista” or “Company”) applies to the Public Utility Commission of
11 Oregon ("Commission") for an order authorizing it to utilize deferred accounting for
12 Intervenor Funding Grants provided to various qualifying organizations. Avista
13 respectfully requests that this authorization become effective November 1, 2010.

14 The Company requests that all notices, pleadings and correspondence regarding
15 this Application be sent to the following:

16 Kelly Norwood	David J. Meyer, Esq.
17 Vice President, State and Federal	Chief Counsel for Regulatory and
18 Regulation	Governmental Affairs
19 Avista Corporation	Avista Corporation
20 P.O. Box 3727	P.O. Box 3727
21 1411 E. Mission, MSC-13	1411 E. Mission, MSC-13
22 Spokane, WA 99220-3727	Spokane, WA 99220-3727
23 (509) 495-4267	(509) 495-4316

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

27 BACKGROUND

28 The Intervenor Funding Agreement between the Company, Citizens’ Utility
29 Board of Oregon (CUB) and Northwest Industrial Gas Users (NWIGU) established

1 three funds from which Grants could be made (CUB Fund, Preauthorized Matching
2 Fund and an Issues Fund).

3 DESCRIPTION OF EXPENSES

4 The Intervenor Funding Agreement provides that pre-certified intervenors must
5 submit a proposed fund budget to the Commission that contains the following
6 information:

- 7 1) A statement of the work to be performed;
- 8 2) A description of the areas to be investigated;
- 9 3) A description of the particular customer class(es) that will benefit from their
10 participation;
- 11 4) Identification of the specific fund from which the intervenor is seeking
12 monies and an estimate of the amount of available funds in that account;
- 13 5) A budget showing estimated costs;
- 14 6) A representation that the intervenor will use matching funds from either in-
15 house resources or outside funding to pay for at least 20 percent of the
16 eligible expenses for which the intervenor is seeking a grant.

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

21 A sub-account of FERC account number 191 is used to record the grant
22 payments.

1 GRANTS APPROVED THIS PERIOD

2 On October 22, 2009 in Order No. 09-419 the Commission approved continued
 3 deferred accounting treatment for the three intervenor funds. In accordance with this
 4 Order the Company deferred the following:

	CUB Fund	Preauthorized Matching Fund	Issues Fund
Per Order No. 10-006	\$ 30,000.00		
Per Order No. 09-425		\$ 604.70	
Per Order No. 10-118		\$ 519.32	
Per Order No. 09-472			\$ 13,550.00
Per Order No. 09-488			\$ 11,638.70
Per Order No. 09-489			\$ 6,880.00
Per Order No. 10-118			\$ 1,006.40
Per Order No. 10-248			\$ 2,020.00
	<u>\$ 30,000.00</u>	<u>\$ 1,124.02</u>	<u>\$ 35,095.10</u>

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 6 RECOVERY OF INTERVENOR FUNDING GRANTS

7 On November 1, 2009, in accordance with Order No. 09-447, the Company
 8 began amortizing the Intervenor Funding deferrals included in the 2009 Purchased
 9 Gas Cost Adjustment (PGA) filing.

10 As of June 30, 2010 the remaining balance for these Funds, after amortization
 11 and interest totaled;

	CUB Fund	Preauthorized Matching Fund	Issues Fund
Balance to be amortized	\$ 44,681.53	\$ 4,860.31	\$ 699.37
Less: Amortization	\$ 36,812.98	\$ 4,254.75	\$ 690.99
Add: Interest	\$ 506.70	\$ 37.34	\$ 14.11
	<u>\$ 8,375.25</u>	<u>\$ 642.90</u>	<u>\$ 22.49</u>

12
 13 The Company anticipates that as of November 1, 2010 the remaining

1 unamortized balances will be very minor.

2 UM 1356 FILING

3 Coincident with this Application the Company, in Docket UM 1356, has asked
4 for authorization to recover the small residual balances and the current deferrals over
5 the upcoming PGA period (November 1, 2010 – October 31, 2011).

6 FUTURE ESTIMATED DEFERRALS

7 The Company estimates that the following amounts will be deferred during the
8 twelve month period subsequent to this Application:

9 CUB Fund	\$30,000.00
10 Preauthorized Matching Fund	\$60,000.00
11 Issues Fund	\$60,000.00

12 Absent Commission’s authorization of deferred accounting, the Company
13 would not incur the cost of Funding Grants.

14 Avista seeks with this application to receive authorization of the sub-accounts of
15 FERC Account No. 191 used to account for the Intervenor Funding Grant awarded over
16 the twelve month period beginning November 1, 2010 and ending October 31, 2011.

17 DATED this 31st day of August 2010.

18 Respectfully submitted,

19 Avista Utilities

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By: 

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Kelly O. Norwood, Vice President
State and Federal Regulation