

ORDER NO. 23-457

ENTERED Nov 28 2023

**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON**

UM 2260

In the Matter of

AVISTA CORPORATION dba AVISTA
UTILITIES,

Application for Authorization to Defer
Costs Associated with Declared
Emergencies.

ORDER

DISPOSITION: STAFF'S RECOMMENDATION ADOPTED

At its public meeting on November 28, 2023, the Public Utility Commission of Oregon adopted Staff's recommendation in this matter. The Staff Report with the recommendation is attached as Appendix A.

BY THE COMMISSION:



Nolan Moser

Chief Administrative Law Judge



A party may request rehearing or reconsideration of this order under ORS 756.561. A request for rehearing or reconsideration must be filed with the Commission within 60 days of the date of service of this order. The request must comply with the requirements in OAR 860-001-0720. A copy of the request must also be served on each party to the proceedings as provided in OAR 860-001-0180(2). A party may appeal this order by filing a petition for review with the Circuit Court for Marion County in compliance with ORS 183.484.

ITEM NO. CA14

**PUBLIC UTILITY COMMISSION OF OREGON
STAFF REPORT
PUBLIC MEETING DATE: November 28, 2023**

REGULAR _____ **CONSENT** X **EFFECTIVE DATE** _____ **N/A**

DATE: November 1, 2023

TO: Public Utility Commission

FROM: Kathy Zarate

THROUGH: Bryan Conway, Marc Hellman, and Matt Muldoon **SIGNED**

SUBJECT: AVISTA:
(Docket No. UM 2260)
Approval for Deferred Certain Costs Associated with Declared
Emergencies.

STAFF RECOMMENDATION:

Staff recommends the Public Utility Commission of Oregon (Commission) approve Avista's (Company) request for authorization to establish an emergency deferral account.

DISCUSSION:

Issue

Whether the Commission should approve the Company's request for authorization to establish an emergency deferral account.

Applicable Law

ORS 757.259 and OAR 860-027-0300, address the Oregon Public Utility Commission's ("Commission") authority to allow deferred accounting. Order No. 21-529 allows utilities to request to establish an emergency deferred account for the immediate deferral of costs associated with events the Oregon Governor or Federal Government has declared are emergencies.

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Analysis

Background

In Order No. 21-259, the Commission approved the recommendation of the Administrative Hearings Division in Docket No. UM 2181, inviting utilities to file applications to establish emergency deferral accounts to streamline recovery efforts after emergency events, natural disasters, and extreme weather that may create significant impacts to utility systems. The Company Emergency Deferral Account will only track expenses proximately caused by an emergency that is the subject of a state or federal declaration.

If a deferral is triggered, Avista would be required to file a Notice of Deferral with the Commission within 30 days of the declaration of the emergency that states the utility is recording amounts in the pre-filed emergency deferral account; identifies the pertinent state of emergency declaration; and that describes the emergency, the impact on facilities, anticipated expenses, and other relevant details.

Once the Emergency Deferral Account is established it does not have to be re-authorized. However, once Avista files a notice indicating it is recording amounts in the pre-filed emergency deferral account, the authority to record (i.e., defer) amounts related to the emergency at issue expires 12 months from the date of the emergency declaration. The utility must follow the procedures of [OAR 860-027-0300\(4\)](#) to re-authorize the deferral.

Conclusion

Staff concludes the Commission should approve Avista's request to establish an Emergency Deferral Account as allowed under Order No. 21-259.

The Company has reviewed this memo and has no objection.

PROPOSED COMMISSION MOTION:

Approve Avista's application request to establish an Emergency Deferral Account.

Avista UM 2260