ORDER NO. 23-384

ENTERED Oct 26 2023

BEFORE THE PUBLIC UTILITY COMMISSION

OF OREGON

UG 461

In the Matter of AVISTA CORPORATION, dba AVISTA UTILITIES, Request for a General Rate Revision.	ORDER

DISPOSITION: FIRST PARTIAL STIPULATION AND SECOND STIPULATION ADOPTED.

I. SUMMARY

In this order, we address the request for a rate revision filed by Avista Corporation, dba Avista Utilities, and the two stipulations that propose to resolve all issues raised in these proceedings, including the revenue requirement, cost of capital, rate spread and design, line extension allowances, equity, and low-income programs.

We adopt the first partial stipulation and the second stipulation resolving all issues. As adopted, these stipulations result in an increase to Avista's billed revenue requirement of $6,944,000, representing a 4.7 percent increase from the company's previous rates.

II. BACKGROUND AND PROCEDURAL HISTORY

On March 1, 2023, Avista filed Advice No. 23-01-G, a request for a general rate case and revised tariff sheets, with an effective date of April 1, 2023.[1] Avista requested an annual jurisdictional revenue increase of $10.991 million or approximately 7.4 percent. Avista's initial filing was developed using a forecast for a test year starting January 1, 2024, and ending December 31, 2024 (Test Year). Avista's filing also includes information on a historical base year from October 1, 2021, and ending September 30, 2022 (Base Year), and adjustments to historical information to reflect the forecasted Test Year. Avista states that after accounting for historical restating and forecasted adjustments, the rate of return (ROR) for the company's Oregon jurisdictional operations for the Test Year is 5.19 percent, and for the Base Year was 5.76 percent on a normalized basis. Both are

[1] Avista proposes revisions to the following tariff sheets: 410, 420, 424, 425, 439, 440, 444, 456.

under the company's currently authorized ROR of 7.05 percent.[2] In its initial filing, Avista proposed a ROR of 7.59 percent, based on a Return on Equity (ROE) of 10.25 percent, a capital structure of 50 percent long-term debt (LTD) and 50 percent equity, and a cost of LTD of 4.92 percent.[3] According to Avista, the primary factors driving the increase include capital investments, inflation, rising interest rates, supply chain disruptions, and labor costs.[4]

On March 2, 2023, Chief Administrative Law Judge Nolan Moser issued an order suspending the proposed tariff sheets for a period not to exceed nine months consistent with ORS 757.210 and 757.215.[5] On April 11, 2023, the Commission held a prehearing conference to discuss the schedule for this proceeding and to establish the parties. Staff of the Public Utility Commission, the Oregon Citizens' Utility Board (CUB), the Alliance of Western Energy Consumers (AWEC), and Sierra Club and Climate Solutions (jointly as Environmental Intervenors) participated as parties to this proceeding and filed testimony and exhibits.

The general public was given the opportunity to comment on Avista's filing at a public comment hearing on June 7, 2023, which was conducted remotely.

On May 8, 2023, Avista filed the first partial stipulation and joint testimony on behalf of itself, Staff, and AWEC. The first partial stipulation proposed to settle issues related to cost of capital. CUB and the Environmental Intervenors did not join the stipulation. No party formally opposes the stipulation, but CUB requests that the Commission indicate that the stipulation, if adopted, has no precedential effect.[6] The first partial stipulation is attached to this order as Appendix A.

On August 3, 2023, Avista filed the second stipulation on behalf of itself, Staff, CUB, AWEC, and the Environmental Intervenors. The second stipulation proposes to settle all the remaining issues in these proceedings, including rate spread and design, line extension allowances, costs associated with Climate Protection Program (CPP) compliance, meter testing, non-pipe alternatives, and miscellaneous adjustments to the revenue requirement and rate base. The parties to the second stipulation jointly filed testimony on August 17, 2023. No party opposes the second stipulation. The second stipulation is attached to this order as Appendix B.

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[2] *In the Matter of Avista Corporation, Request for a General Rate Revision*, Docket No. UG 433, Order No. 22-291 at 3, 8 (Aug. 2, 2022).
[3] Avista/100, Vermillion/25; Avista/201, Thies/3.
[4] Avista/100, Vermillion/2, 9-11.
[5] Order No. 23-065 (Mar. 2, 2023).
[6] CUB/100, Jenks/38.

III. STANDARD OF REVIEW

Under OAR 860-001-0350, the Commission may adopt, reject, or propose to modify a stipulation. If the Commission proposes to modify a stipulation, the Commission must explain the decision and provide the parties sufficient opportunity on the record to present evidence and argument to support the stipulation.

In reviewing a stipulation, we review to determine whether the overall result of the stipulation results in fair, reasonable, and just rates. We review settlements on a holistic basis to determine whether they serve the public interest and result in just and reasonable rates. A party may challenge a settlement by presenting evidence that the overall settlement results in something that is not compatible with a just and reasonable outcome. Where a party opposes a settlement, we will review the issues pursued by that party, and consider whether the information and argument submitted by the party (which may be technical, legal, or policy information and argument) suggests that the settlement is not in the public interest, will not produce rates that are just and reasonable, or otherwise is not in accordance with the law. To support the adoption of a settlement, the stipulating parties must present evidence that the stipulation is in accord with the public interest, and results in just and reasonable rates.

IV. STIPULATIONS

A. First Partial Stipulation

In the first partial stipulation, the stipulating parties, comprised of Avista, Staff, and AWEC, agreed to settle issues related to cost of capital as follows:

Cost of Capital Settlement			
	Capital Structure	**Cost**	**Weighted Cost**
Cost of Long-Term Debt	50%	4.969%	2.485%
Return on Common Equity	50%	9.5%	4.750%
Total	100%		7.235%

The parties to the first partial stipulation state that this adjustment reduces Avista's requested revenue requirement increase to $9.362 million.

The parties to the first partial stipulation jointly submitted testimony stating that the proposed settlement represents a fair compromise on the issues, and each party submitted statements in support of the stipulation.[7] Avista states that the first partial stipulation strikes a reasonable balance between the interests of its customers and the company. Avista maintains that since its ROE was last set in November 2021, the Federal Funds rate, Baa bond yields, and CPI inflation have markedly increased, generally reflecting a more difficult financial environment in which to operate and justifying some increase to the ROE.[8] Avista asserts that Standard & Poor's revised its outlook on Avista from stable to negative due to higher expenses from inflation, customer refunds, rising interest rates, and delayed recovery of purchases fuel costs. Avista maintains that any further downgrade would have severe financial repercussions and even a modest increase to its ROE will help improve the company's financial posture. Avista also notes that the average ROE approved for gas distribution utilities during the first three months of 2023 was 9.75 percent, which further supports that the increase to 9.5 percent is reasonable.[9]

In support of the stipulation, Staff maintains that Avista's credit rating, recent corporate earnings compared to prior years, and credit watch status currently differentiate Avista from the risk profile of other Commission jurisdictional energy utilities. Staff argues that it has an expectation that Avista will move closer to a 50 percent equity capital structure sometime within the next two years and that it is reasonable to assign a notional capital structural.[10] Regarding ROE, Staff states that while it does not support Avista's modeling methodologies nor the modeling performed on the company's behalf, it agrees that the 9.5 percent ROE reasonably reflects the company's current risk profile and required ROE. Staff maintains that the stipulated cost of LTD is reflective of current and projected market conditions, as well as the company's current cost of outstanding long-term debt. Staff emphasizes that the parties to the first partial stipulation applied the best information available for the Commission to consider.[11]

AWEC states that it supports the first partial stipulation because it results in a reasonable ROR and decreases the original gas revenue requirement increase by $1.191 million, which results in a revenue requirement increase request of $2.583 million before other

[7] Stipulating Parties/100, Muldoon-McKenzie-Mullins/5-11.
[8] Stipulating Parties/100, Muldoon-McKenzie-Mullins/6-7.
[9] Stipulating Parties/100, Muldoon-McKenzie-Mullins/8.
[10] Stipulating Parties/100, Muldoon-McKenzie-Mullins/9-10.
[11] Stipulating Parties/100, Muldoon-McKenzie-Mullins/11.

adjustments are considered. AWEC maintains that the overall result of the stipulation is a fair compromise between Avista and its customers.[12]

While no party formally opposes the first partial stipulation, CUB submitted testimony providing context for its decision not to join the stipulation. CUB maintains that even if Avista's ROE greatly increased, it would likely have a limited effect on the company's overall risk profile and credit rating. CUB asserts that electric utilities can justify a higher ROE as a result of carrying higher risk from owning more energy infrastructure, which does not apply to Avista here in Oregon, because it only serves natural gas customers.[13] CUB argues that Avista has not made an adequate case to justify its ROE increase and maintains that the joint testimony places an outsized importance on Avista's financial outlook to justify the ROE increase from 9.4 percent to 9.5 percent. CUB states that because it is a small increase to the ROE it does not formally oppose the stipulation, but CUB requests that the Commission indicate that the first partial stipulation, if adopted, has no precedential effect.[14]

B. Second Stipulation

1. Overview and Adjustments

In the second stipulation, the stipulating parties, comprised of Avista, Staff, CUB, AWEC, and Sierra Club and Climate Solutions, agreed to settle all the remaining issues in these proceedings. The parties to the second stipulation agreed to a billed revenue requirement of $154,475,000, representing an increase of $6,944,000 or 4.7 percent.[15] The revenue requirement set forth in the second stipulation would result in an increase of 5.3 percent or $4.07 per month for the average residential customer using an average of 47 therms per month.[16] The parties to the second stipulation maintain that the agreement is in the public interest and results in an overall fair, just, and reasonable outcome. The parties state that the agreement represents a compromise in the positions of the parties.

The $154,475,000 stipulated billed revenue requirement includes a number of adjustments to Avista's proposed revenue requirement, summarized below.

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[12] Stipulating Parties/100, Muldoon-McKenzie-Mullins/9.
[13] CUB/100, Jenks/36.
[14] CUB/100, Jenks/38.
[15] Second Stipulation, Attachment A at 1; Stipulating Parties/200, Muldoon – Schultz – Miller – Garrett – Mullins – Plummer – Ryan/15.
[16] Second Stipulation at 10-11; Stipulating Parties/201, Muldoon et al./10-11.

Adjustment	Description
Meter Testing Expense	The parties agree to reduce the meter testing expense in the revenue requirement by $300,000.
Plant-in-Service (Accumulated Depreciation and Accumulated Deferred Federal Income Taxes (ADFIT))	The parties agree to extend accumulated depreciation and ADFIT on plant-in-service September 30, 2023, into the test year on an average of monthly averages basis. This adjustment reduces the proposed revenue requirement by $680,000 and reduces rate base by $7,756,000.
Docket UM 2277 Stipulation	The parties agree to adjust the revenue requirement to account for the stipulation proposed in docket UM 2277 regarding the depreciation study.[17] This adjustment reduces the proposed revenue requirement by $780,000.
Depreciation Expense and Capital Additions	The parties agree to adjust depreciation expense and accumulated depreciation based on updated Q4 2022 and 2023 capital additions. This adjustment increases the proposed revenue requirement by $208,000 and the rate base by $418,000.
Capital Additions Update	The parties agree to adjust gross plant and ADFIT based on Q4 2022 and 2023 capital additions. This adjustment increases the proposed revenue requirement by $363,000 and increases rate base by $4,145,000.
Distribution Plant (New Growth Capital Additions)	The parties agree to adjust distribution plant to remove a level of pro formed new growth capital included in Avista's proposed revenue requirement increase. The adjustment reduces the proposed revenue requirement by $599,000 and reduces rate base by $6,829,000. This adjustment also removes the 2024 growth capital and a

[17] The Commission adopted this stipulation on August 28, 2023. *In the Matter of Avista Corporation, Request for Authority to Revise Natural Gas Book Depreciation Rates and Deferred Accounting*, Docket No. UM 2277, Order No. 23-318 (Aug. 28, 2023).

Adjustment	Description
	portion of plant growth pro formed for 2023. The parties state that in future rate proceedings, Avista must demonstrate that it has accurately reflected its line extension allowances into its total revenue requirement.
Load Forecast	The parties agree to an adjustment related to an updated load forecast for the Test Year. The adjustment increases the proposed revenue requirement by $431,000.
Uncollectible Expense	The parties agree to an adjustment that reduces the uncollectible expense by $100,000.
Miscellaneous Accounts	The parties agree to adjust Miscellaneous Accounts to reflect an updated compounded CPI based on seasonally adjusted Q4 2022, and May 2023 All-Urban CPI publication for 2023 & 2024. The adjustment reduces the proposed revenue requirement by $13,000.
Customer Service Expenses (O&M Non-Labor)	The parties agree to adjust the Distribution – O&M Non-Labor expense to reflect an updated compounded CPI based on a seasonally adjusted Q4 2022, and May 2023 All-Urban CPI publication for 2023 and 2024. The adjustment reduces the proposed revenue requirement by $98,000.
Wages & Salaries	The parties agree to an adjustment associated with reductions to Avista's requested increase for payroll, overtime, and associated payroll taxes. The parties also agree to update the CPI to the current publication (May 2023). The adjustment reduces the proposed revenue requirement by $154,000 and reduces the rate base by $89,000.
Expense Misallocations	The parties agree to remove some expense from the Base Year. The adjustment reduces the proposed revenue requirement by $271,000.

Adjustment	Description
Allocation Factor Expenses	The parties agree to an adjustment that retains allocation factors at Base Year factors for certain demand side management expenses. This adjustment reduces the proposed revenue requirement by $27,000.
FERC Account 923 (Base Year Expenses)	The parties agree to an adjustment that removes certain Base Year litigation costs from the revenue requirement. This adjustment reduces the proposed revenue requirement by $54,000.
Escalation FERC Account 923 (Base Year Expenses)	The parties agree to remove the escalation from certain Base Year litigation costs from the revenue requirement. This adjustment reduces the proposed revenue requirement by $3,000.
AGA-NWGA Lobbying Costs	The parties agree to remove certain expenses associated with the American Gas Association and Northwest Gas Association fees. This adjustment reduces the proposed revenue requirement by $90,000.

2. *Other Agreements*

The second stipulation also resolves issues related to rate spread and design, line extension allowances, CPP compliance cost recovery tariffs, natural gas meter testing, equity, low-income programs, multi-family and single-family residential customer cost analysis, capital additions, customer tax credits, docket UM 2267 for Avista's pension loss deferral request, and a framework for considering non-pipe alternatives (NPAs).

a. Rate Spread and Rate Design

The parties agree that the large general service (Schedule 424), interruptible service (Schedule 440), seasonal service (Schedule 444), and transportation service (Schedule 456) customer classes will receive 10 percent of the overall base margin percentage change, the residential customer class will receive the same overall base margin percentage change, and general service customer class (Schedule 420) will receive the remaining revenue requirement.

Regarding rate design, the parties agree to Avista's proposed basic charge increases apart from the proposed increase for the residential customer class. Under the stipulation, the residential basic charge would increase by $0.75.

Additionally, as part of the second stipulation, Avista agrees to conduct an analysis of the reasonableness of using contract demands for transportation customers in its cost of service study and include those results in its next request for a general rate revision. No party agrees to or adopts the long-run incremental cost study methodologies proposed by any party to the proceeding.

The parties to the second stipulation also agree to a new decoupling base effective January 1, 2024, which includes the "monthly allowed customers" and "monthly decoupled revenue per customer" factors that incorporate the stipulated revenue requirement and billing determinants. The second stipulation provides that the decoupled revenue per customer is $424.85 for residential customers and $1,959.10 for non-residential customers.

b. Line Extension Allowances

The parties to the second stipulation agree to four-year phase out that would ultimately eliminate the allowance. Under the stipulation, the line extension allowance would be $2,500 in 2024, $1,250 in 2025, $750 in 2026, and $0 in 2027.

c. CPP Compliance Costs

The parties agree that Avista will not file for a CPP tariff rider for the purchase of Community Climate Investments (CCI) until 2024 or until it incurs actual costs for purchasing CCIs, whichever is later. The parties to the stipulation would retain the right to oppose any such tariff rider.

d. Meter Testing Program

The company agrees to replace Oregon meters that utilize a meter constant adjustment as soon as practicable but no later than December 2028. Avista further agrees to modify its natural gas meter testing program to test "meter families" after five years of service instead of ten and will no longer wait to fail meter families. Avista would file revisions to its Tariff 18 consistent with this agreement. Avista agrees to use best efforts to pursue any applicable warranties for failed meters and to file annually the results of its meter testing program for the prior year, with the first filing due by April 30, 2024.

e. Equity and Low-Income Customer Programs

Avista agrees to create an Equity Advisory Group to be in effect no later than January 2025, and to conduct a scoping workshop within three months of an order adopting the stipulation that includes the parties to the second stipulation, the Community Action Partnership of Oregon, and other interested participants from environmental justice communities. The parties also agree that Avista will increase its current Schedule 485 Avista Low Income Energy Efficiency (AOLIEE) budget to $2.0 million without changing the existing level of customer funding, conduct home energy assessments for high-usage Low-Income Rate Assistance Program (LIRAP) customers and prioritize those customers for energy efficiency improvements, and to review and prioritize customers identified in the 2022 Energy Burden Assessment for energy efficiency improvements and weatherization. The parties agree that Avista will consult with the Equity Advisory Group to ensure that the AOLIEE program prioritizes weatherization investments and limits installation of natural gas appliances to health and safety repairs.

The parties to the second stipulation agree that current and incoming LIRAP participants will be automatically enrolled in the arrearage management plan if the customers are eligible and if they do not object to enrollment. Avista agrees to continue actively participating in docket UM 2211.[18]

f. Single-Family and Multi-Family Residential Customer Rate Schedule and Analysis

The parties to the second stipulation agree that Avista will implement a system flag and complete an inventory of single-family and multi-family residential customers and then use that inventory and a revised analysis of the cost of service between the two groups to calculate the cost differential. Starting April 1, 2024, Avista would move multi-family residential customers to a new rate Schedule 411 that mirrors the terms of the existing residential service Schedule 410 but with a basic service charge $1.50 lower than the single-family residential customers on Schedule 410.

g. Capital Additions

The parties to the second stipulation agree that Avista will file capital attestations ten days before the rate effective date to reflect actual gross transfers-to-plant available at the time of filing. These attestations would be provided in the same form that it provided such attestations in its last general rate case, docket UG 433. If the gross transfers-to-

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[18] Docket UM 2211 is an ongoing proceeding to implement the directives of House Bill 2475 regarding intervenor funding. *In the Matter of the Public Utility Commission of Oregon, Implementation of HB 2475 Intervenor Funding*, Docket No. UM 2211, Order No. 23-033 (Feb. 8, 2023).

plant is lower than the amount in the revenue requirement, Avista would reduce the overall revenue requirement to reflect a lower level of plant in service. The parties to the second stipulation agree that Avista may review the actual incremental gross transfers-to-plant through December 31, 2023, and defer the incremental revenue requirement associated with those additions up to the level of gross plant additions included in the second stipulation. Any deferred revenue requirement would be recovered through a separate filing made during the purchased gas adjustments and summer rate adjustment filing season and the balance would accrue at the modified blend Treasury rate plus 100 basis points.

h. Customer Tax Credit

In Avista's last request for a general rate revision in docket UG 433, the Commission adopted a stipulation in which Avista agreed to return $22.3 million in ADFIT tax credits associated with non-protected plant basis adjustments, including Industry Director Directive No. 5 (IDD # 5) and meters.[19] As part of the UG 433 stipulation, the parties agreed that Avista would return approximately $2.2 million annually through Schedule 486.

The parties to the second stipulation agree to update the ten-year amortization agreed to in docket UG 433. The parties agree to update the amortization to reflect the expected balance of $21.0 million as of December 31, 2023, to be amortized over the remaining 104 months of the original amortization period. This change would increase the amortization from $2.206 million to $2.423 million annually, and the parties agree that Avista will continue to spread the tax credit consistent with the order and stipulation in docket UG 433.

i. Non-Pipe Alternatives

The parties to the second stipulation agree that Avista will implement a framework to analyze NPAs starting January 1, 2024. The parties agree that Avista will perform an analysis for supply-side resources and distribution system reinforcements and expansion projects that exceed a threshold of $1.0 million for individual projects or for geographically related projects. Under this framework, if Avista does not select the NPA, the company will include the NPA analysis as part of its justification when it seeks recovery for the resource addition or distribution system reinforcement or expansion. The parties agree that Avista will include electrification as an NPA for projects meeting this analysis criteria and must include non-energy impacts as part of its NPA evaluation.

[19] Docket No. UG 433, Order No. 22-291 at 5.

j. UM 2267 Pension Loss Deferral

The parties to the second stipulation agree to support Avista's request for a deferral for a pension loss pending in docket UM 2267.

3. Party Statements in Support of Settlement

Avista asserts that the second stipulation strikes a reasonable balance between Avista's customers and company itself on revenue requirement, rate spread and design issues, line extension policy, CPP costs and tariffs, meter testing, and other issues raised over the course of these proceedings. Avista maintains that the agreement is a compromise among interests and represents give and take. Avista argues that the agreement is in the public interest and should be approved.

Staff argues that the stipulation is a balanced compromise, results in fair outcomes, has cost control and equitable pricing, addresses inflation, improves customer benefits, ensures that the burden of costs is distributed reasonably among different customer groups, underscores transparency and collaboration, and aligns with the public interest by promoting just, fair, and reasonable rates. In particular, Staff highlights the stipulation provisions requiring Avista to change its meter testing and replacement operations and to change its basic charge rates for single-family and multi-family residences. Staff also notes that the second stipulation includes the use of the averages of monthly averages rate base calculation, which was the long-standing method used by the Commission until approximately ten years ago. Staff argues that this adjustment is important because the method more accurately reflects the rate base value over the Test Year.

CUB argues that the second stipulation furthers the public interest because it contains significant protections for residential customers, including Avista's agreement to phase out its line extension allowance policy. CUB asserts that phasing out the line extension allowance policy ensures that Avista customers are immediately diminishing their subsidies to help expand natural gas infrastructure, which CUB argues is significant given the CPP requirement that all new customer emissions must be completely offset.[20] CUB maintains that the adjustments to the revenue requirement result in a much more reasonable increase for Avista's residential customers to bear.

AWEC states that it supports the second stipulation because it results in an overall reasonable outcome and decreases the original gas revenue requirement increase requested by Avista by $3.831 million. Avista asserts that it also supports the second stipulation because it considers Avista's cost of service study, which shows several rate

[20] Stipulation Parties/200, Muldoon-Schultz-Miller-Garrett-Mullins-Plummer-Ryan/25-26.

schedules are above parity, and because Avista agrees not to file a CPP tariff rider until 2024 or actual costs are incurred.

Sierra Club and Climate Solutions asserts that the second stipulation is consistent with the public interest for several reasons. Sierra Club and Climate Solutions argue that the line extension allowance phase out is consistent with meeting state climate goals and ensuring that rate payers are not burdened with stranded assets as customers switch away from methane gas service. Sierra Club and Climate Solutions also argue that Avista's commitment to increase funding for the low-income weatherization program, address consistent underutilization of existing weatherization funds through the Equity Advisory Group, to modify arrearage management plan enrollment practices, and reduce basic charges for multi-family residential customers are all important steps to address the energy burdens in a high-burden area while reducing gas demand and bill costs. Sierra Club and Climate Solutions maintain that Avista's commitment to incorporate meaningful NPAs, including electrification, into its resource planning and decision making will help ensure a smooth and successful energy transition that reduces customer shocks and avoids unnecessary system expansion. Sierra Club and Climate Solutions assert that it is in the public interest for shareholders to shoulder political expenses that do not align with state policy or the public interest, and this settlement removes costs associated with Avista's CPP litigation and gas industry association dues.

V. DISCUSSION

We have reviewed the terms of the stipulations and the joint testimony filed in support of the stipulations, and we find that the first partial stipulation and the second stipulation together result in just and reasonable rates. Based on the evidence presented, we find the terms of the stipulations to be reasonable. The parties raised a number of important and complex issues in these proceedings, and we find that the proposed adjustments and other terms are supported by sufficient evidence, appropriately resolve the issues in this case, and contribute to an overall settlement in the public interest. We adopt the first partial stipulation and the second stipulation in their entirety.

As part of the second stipulation, the parties agreed to support Avista's request for a deferral in docket UM 2267. In Staff's testimony, Staff had proposed that the Commission address the pension deferral as part of this rate case and recommended that the Commission approve the deferral requests.[21] It is not clear whether the parties intended for the Commission to approve and resolve docket UM 2267 as part of this docket, but docket UM 2267 has not been combined with this docket and we do not

[21] Staff/1100, Zarate/6-7.

address it in this order. Given the parties' agreement in the stipulation, we expect Staff to provide a recommendation at an upcoming public meeting.

Regarding the new NPA framework that Avista will implement consistent with the terms of the second stipulation, we note that such a framework would ordinarily be something we consider as part of an Integrated Resource Plan (IRP). We adopt the terms of the stipulation and the framework as set forth by the parties, but we clarify that issues concerning NPAs will continue to evolve through the IRP process in the future and the framework may need to evolve with it.

As a final matter, we note that this Commission has received comments not contained in the record for these proceedings expressing concern that eliminating the line extension allowance would prevent gas use in the future. We clarify here that the elimination of Avista's line extension allowance will not prevent gas use or new gas line extensions and only changes how the costs associated with new line extensions are allocated.

VI. ORDER

IT IS ORDERED that:

1. The first partial stipulation between Avista Corporation, dba Avista Utilities, Staff of the Public Utility Commission, and the Association of Western Energy Consumers, attached as Appendix A, is adopted.

2. The second stipulation between Avista Corporation, dba Avista Utilities, Staff of the Public Utility Commission, the Oregon Citizens' Utility Board, the Association of Western Energy Consumers, and Sierra Club and Climate Solutions, attached as Appendix B, is adopted.

3. Advice No. 23-01-G filed on March 1, 2023, is permanently suspended.

4. Avista Corporation, dba Avista Utilities, must make a compliance filing, including its revised revenue requirement, rate impacts, and new tariffs to be effective January 1, 2024, consistent with the directives of this order, by 3:00 p.m. on December 5, 2023.

Made, entered, and effective Oct 26 2023.

Megan W. Decker	**Letha Tawney**
Chair	Commissioner

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 Court of Appeals in compliance with ORS 183.480 through 183.484.

BEFORE THE PUBLIC UTILITY COMMISSION

OF OREGON

UG 461

In the Matter of AVISTA CORPORATION, dba AVISTA UTILITIES Request for a General Rate Revision.	)))))	PARTIAL MULTIPARTY SETTLEMENT STIPULATION

This Partial Multiparty Settlement Stipulation ("Stipulation") is entered into for the purpose of resolving several, but not all, issues in this Docket.

PARTIES

The Parties to this proceeding are Avista Corporation ("Avista" or the "Company"), the Staff of the Public Utility Commission of Oregon ("Staff"), Oregon Citizens' Utility Board ("CUB"), the Alliance of Western Energy Consumers ("AWEC"), and the joint intervenor Sierra Club/Climate Solutions (collectively, "Parties").

The Parties to this Stipulation are Avista, Staff, and AWEC ("Settling Parties"). CUB and Sierra Club/Climate Solutions do not join the Settlement.

BACKGROUND

1. On March 1, 2023, Avista filed revised tariff schedules to effect a general rate increase for Oregon retail customers of $10,991,000, or 7.4% of its annual revenues. The filing was suspended by the Public Utility Commission of Oregon ("Commission") on March 2, 2023, per its Order No. 23-065.

2. On April 18, 2023, and later on April 28, 2023, virtual settlement conferences were held to discuss Cost of Capital issues. All of the Parties participated in the settlement discussions.

3. As a result of the settlement discussions, the Settling Parties have agreed to settle

all issues in this Docket concerning the Cost of Capital, including Capital Structure, Cost of Long-Term Debt, and Return on Equity, subject to the approval of the Commission.

TERMS OF PARTIAL SETTLEMENT STIPULATON

4. **Adjustments to Revenue Requirement:**

The Settling Parties support reducing Avista's requested revenue requirement to reflect the adjustment to the Cost of Capital discussed below. The adjustments reached in this Stipulation amount to a total reduction in Avista's revenue requirement increase request from $10.991 million to a base revenue increase request of $9.362 million. The new base revenue increase request is subject to further adjustment, as the remaining issues are resolved.

This Stipulation represents the settlement of the revenue requirement issues resulting from the Cost of Capital in the Company's filing. The Settling Parties support the adjustments to Avista's revenue requirement request shown in Table No. 1 below:

Table No. 1 – Summary of Adjustments to Revenue Requirement and Rate Base

	Revenue Requirement	Rate Base
	$10,991	**$351,283**
Cost of Capital Adjusts return on equity to 9.50%, long-term debt cost to 4.969%, with a common stock equity component of 50%, and overall Cost of Capital of 7.235%.	**(1,629)**	**-**
Total Adjustments:	**($1,629)**	**$0**
	$9,362	**$351,283**

The following information provides an explanation for each of the adjustments in Table No. 1 above.

Rate of Return (ROR) (-$1,629,000): This adjustment reduces Avista's requested Cost of Capital to an overall Cost of Capital equal to 7.235 percent based on the following components: a Capital Structure consisting of 50 percent Common Stock Equity and 50 percent

Long-Term Debt, Return on Equity (ROE) of 9.50 percent, and a Long-Term Debt cost of 4.969 percent. This combination of Capital Structure and Capital Costs is shown in Table No. 2 below.

Table No. 2 – Agreed-Upon Cost of Capital

AGREED-UPON COST OF CAPITAL			
	Capital Structure	**Cost**	**Weighted Cost**
Cost of Long-Term (LT) Debt	50.00%	4.969%	2.485%
Return on Common Equity (ROE)	50.00%	9.500%	4.750%
Total	100.00%		7.235%

5. The Settling Parties agree that this Stipulation is in the public interest and results in an overall fair, just and reasonable outcome, and will serve to reduce the number of remaining contested adjustments in this case.

6. The Settling Parties agree that this Stipulation represents a compromise in the positions of the Settling Parties. Without the written consent of all Settling Parties, evidence of conduct or statements, including but not limited to term sheets or other documents created solely for use in settlement conferences in this Docket, are not admissible in the instant or any subsequent proceeding unless independently discoverable or offered for other purposes allowed under ORS 40.190. Nothing in this paragraph precludes a Party from stating as a factual matter what the Settling Parties agreed to in this Stipulation or in the Settling Parties' testimony supporting the Stipulation.

7. Further, this Stipulation sets forth the entire agreement between the Settling Parties and supersedes any and all prior communications, understandings, or agreements, oral or written, between the Settling Parties pertaining to the subject matter of this Stipulation.

8. This Stipulation will be offered into the record in this proceeding as evidence pursuant to OAR 860-001-0350(7). The Settling Parties agree to support this Stipulation

throughout this proceeding and any appeal. The Settling Parties further agree to provide witnesses to sponsor the Stipulation at any hearing held, or, in a Party's discretion, to provide a representative at the hearing authorized to respond to the Commission's questions on the Party's position, as may be appropriate.

9. If this Stipulation is challenged by any other Party to this proceeding, the Parties to this Stipulation reserve the right to cross-examine witnesses and put on such case as they deem appropriate to respond fully to the issues presented, including the right to raise issues that are incorporated in the Settlement embodied in this Stipulation. Notwithstanding this reservation of rights, the Settling Parties agree that they will continue to support the Commission's adoption of the terms of this Stipulation.

10. The Settling Parties have negotiated this Stipulation as an integrated document. If the Commission rejects all or any material portion of this Stipulation, or imposes additional material conditions in approving this Stipulation, any Party disadvantaged by such action shall have the rights provided in OAR 860-001-0350(9) and shall be entitled to seek reconsideration or appeal of the Commission's Order.

11. By entering into this Stipulation, no Party shall be deemed to have approved, admitted, or consented to the facts, principles, methods, or theories employed by any other Party in arriving at the terms of this Stipulation. No Party shall be deemed to have agreed that any provision of this Stipulation is appropriate for resolving the issues in any other proceeding.

12. This Stipulation may be executed in counterparts and each signed counterpart shall constitute an original document. The Settling Parties further agree that any electronically-generated Party signatures are valid and binding to the same extent as an original signature.

13. This Stipulation may not be modified or amended except by written agreement among all Parties who have executed it.

This Stipulation is entered into by each Party on the date entered below such Party's signature.

AVISTA CORPORATION

By: /s/ David J. Meyer
David J. Meyer

Date: May 8, 2023

STAFF OF THE PUBLIC UTILITY COMMISSION OF OREGON

By: */s/ Johanna Riemenschneider*
Johanna Riemenschneider

Date: ____________________________

ALLIANCE OF WESTERN ENERGY CONSUMERS

By: /s/ Chad Stokes
Chad M. Stokes

Date: May 8, 2023

BEFORE THE PUBLIC UTILITY COMMISSION OF OREGON

UG 461

In the Matter of AVISTA CORPORATION, dba AVISTA UTILITIES Request for a General Rate Revision.	))))))	SECOND SETTLEMENT STIPULATION RESOLVING ALL REMAINING ISSUES

This Second Settlement Stipulation Resolving all Remaining Issues ("Second Stipulation") is entered into for the purpose of resolving all remaining issues in this Docket.

PARTIES

The Parties to this Second Stipulation are Avista Corporation ("Avista" or the "Company"), the Staff of the Public Utility Commission of Oregon ("Staff"), the Oregon Citizens' Utility Board ("CUB"), Alliance of Western Energy Consumers ("AWEC"), and the joint intervenor Sierra Club/Climate Solutions ("Environmental Intervenors") (collectively, "Parties"). These Parties represent all who intervened and appeared in this proceeding.[1]

BACKGROUND

1. On March 1, 2023, Avista filed revised tariff schedules to effect a general rate increase for Oregon retail customers of $10,991,000, or 7.4% of its annual revenues. The filing was suspended by the Public Utility Commission of Oregon ("Commission") on March 2, 2023, per its Order No. 23-065.

2. On April 18, 2023, and later on April 28, 2023, virtual settlement conferences were held to discuss Cost of Capital issues. All of the Parties participated in the settlement discussions.

[1] The Settling Parties, excluding CUB and Environmental Intervenors as discussed below, previously entered into a Partial Multiparty Settlement on Cost of Capital, which was filed on May 8, 2023.

3. As a result of those first virtual settlement discussions, the Settling Parties[2] agreed to settle all issues in this Docket concerning the Cost of Capital, including Capital Structure, Long-Term Debt Cost and Return on Equity, subject to the approval of the Commission, which Stipulation was filed on May 8, 2023.

4. Staff, CUB, AWEC, and Environmental Intervenors filed Opening Testimony on July 7, 2023, in response to the Company's original filing on March 1, 2023. On July 24, 2023, a third settlement conference was held and was attended by all Parties.

5. As a result of the settlement discussion held on July 24, 2023, the Parties have agreed to settle all remaining issues in this Docket. This includes adjustments to the revenue requirement, rate spread and rate design issues, line extension policy, Climate Protection Program (CPP) costs and tariff, natural gas meter testing, equity advisory group, capital attestation, customer tax credits, pension loss deferral, and non-pipe alternatives (NPA), based on the following terms, subject to the approval of the Commission.

SUMMARY OF THE FIRST PARTIAL SETTLEMENT STIPULATON

6. **Adjustments to Filed Revenue Requirement:**

The adjustments reached in the first Partial Settlement amounted to a total reduction in Avista's revenue requirement increase request from $10.991 million to a base revenue increase request of $9.362 million. The adjustments to Avista's revenue requirement reflected in the first Partial Settlement Stipulation are shown in Table No. 1 below:

[2] The "Settling Parties" to the Partial Multiparty Settlement Stipulation, filed on May 8, 2023, are Avista, Staff, and AWEC. CUB and Environmental Intervenors did not join that settlement.

Table No. 1 – Summary of Adjustments to Revenue Requirement and Rate Base (Partial Settlement)

	Revenue Requirement	Rate Base
	$10,991	$351,283
Cost of Capital		
Adjusts return on equity to 9.50%, long-term debt cost to 4.969%, with a common stock equity component of 50%, and overall Cost of Capital of 7.235%.	(1,629)	-
Total Adjustments:	($1,629)	$0
	$9,362	$351,283

This adjustment reduces Avista's requested Cost of Capital to an overall Cost of Capital equal to 7.235 percent based on the following components: a Capital Structure consisting of 50 percent Common Stock Equity and 50 percent Long-Term Debt, Return on Equity (ROE) of 9.50 percent, and a Long-Term Debt cost of 4.969 percent. This combination of capital structure and capital costs is shown in the Table No. 2 below.

Table No. 2 – Agreed-Upon Cost of Capital

AGREED-UPON COST OF CAPITAL			
	Capital Structure	**Cost**	**Weighted Cost**
Cost of Long-Term (LT) Debt	50.00%	4.969%	2.485%
Return on Common Equity (ROE)	50.00%	9.500%	4.750%
Total	100.00%		7.235%

TERMS OF THE SECOND SETTLEMENT STIPULATON

7. **Adjustments to Revenue Requirement:**

The Parties support further reductions to Avista's requested revenue requirement to reflect the additional adjustments discussed below. The adjustments reached in this Second Stipulation through negotiation, which resolve all remaining issues, amount to a further reduction in Avista's revenue requirement increase request from $9.362 million (as shown above) to a base revenue increase request of $7.160 million. The Parties support the further adjustments to Avista's revenue requirement request, as shown in Table No. 3 below:

Table No. 3 – Summary of Adjustments to Revenue Requirement and Rate Base (Second Stipulation)

SUMMARY OF ADJUSTMENTS TO REVENUE REQUIREMENT AND RATE BASE ($000s of Dollars)			
		Revenue Requirement	**Rate Base**
	Results of Partial Settlement Stipulation:	**$9,362**	**$351,283**
Second Settlement Stipulation Adjustments:			
a	**Meter Testing Expense** This adjustment removes a level of meter testing expense in the Test Year.	**(300)**	
b	**09.30.2022 Plant-in-Service - EOP to AMA Rate Base** This adjustment extends accumulated depreciation (A/D) and accumulated deferred federal income taxes (ADFIT) on plant-in-service at September 30, 2022 into the Test Year on an AMA basis.	**(680)**	**(7,756)**
c	**Depreciation Expense - Depreciation Study** This adjustment captures the impact of the Settlement Stipulation in UM 2277 - Avista's Depreciation Study.	**(780)**	
d	**Depreciation Expense - Capital Additions Update** Related to Item e. This adjustment updates depreciation expense and A/D on updated Q4 2022 & 2023 capital additions.	**208**	**(418)**
e	**Rate Base - Capital Additions Update** Related to Item d. This adjustment updates gross plant and ADFIT on updated Q4 2022 & 2023 capital additions.	**363**	**4,145**
f	**Distribution Plant (New Growth Capital Additions)** This adjustment removes a level of pro formed new growth capital additions included in the case.	**(599)**	**(6,829)**
g	**Load Forecast** This adjustment is related to an updated load forecast for the Test Year.	**431**	
h	**Uncollectible Expense** This adjustment is related to a reduction in uncollectible expense.	**(100)**	
i	**Miscellaneous Accounts** This adjustment decreases Miscellaneous Accounts to reflect an updated compounded CPI based on a seasonally adjusted Q4 2022, and May 2023 All-Urban CPI publication for 2023 & 2024.	**(13)**	
j	**Customer Service Expenses - O&M Non-Labor** This adjustment decreases Customer Service Expenses - O&M Non-Labor to reflect an updated compounded CPI based on a seasonally adjusted Q4 2022, and May 2023 All-Urban CPI publication for 2023 & 2024.	**(35)**	
k	**Distribution Expenses - O&M Non-Labor** This adjustment decreases Distribution - O&M Non-Labor to reflect an updated compounded CPI based on a seasonally adjusted Q4 2022, and May 2023 All-Urban CPI publication for 2023 & 2024.	**(98)**	
l	**Wages & Salaries** This adjustment is related to reductions associated with the Company's overall increases for payroll, overtime, and associated payroll taxes, as well as updating to reflect a more current publication of CPI (May 2023).	**(154)**	**(89)**

Second Settlement Stipulation Adjustments (Continued):		Revenue Requirement	Rate Base
m	**Expense Misallocations** This adjustment removes a certain level of expense from the base year.	(271)	
n	**Allocation Factor Expenses** This adjustment retains allocation factors at Base Year factors for certain DSM related expenses.	(27)	
o	**FERC Account 923 - Base Year Expenses (legal fees)** Related to Item p. This adjustment removes certain Base Year litigation costs from the case.	(54)	
p	**Escalation on FERC Account 923 - Base Year Expenses (legal fees)** Related to Item o. This adjustment removes the escalation on certain Base Year litigation costs from the case.	(3)	
q	**AGA-NWGA Lobbying Costs** This adjustment removes certain AGA-NWGA expenses from the case.	(90)	
	Total Adjustments:	**($2,202)**	**($10,947)**
	Adjusted Base Revenue Requirement & Rate Base after Second Settlement Stipulation:	**$7,160**	**$340,336**

The following information provides an explanation for each of the adjustments in Table No. 3 above. The numbers in parenthesis below represent the agreed-upon increase or decrease in revenue requirement associated with the item.

a) <u>Meter Testing Expense</u> (-$300,000): Staff proposed an adjustment to remove a level of meter testing expense in the Test Year.[3] For settlement purposes, the Parties agree to remove an agreed-upon level of expense, thereby reducing the proposed revenue requirement by $300,000.

b) <u>09.30.2022 Plant-in-Service – EOP to AMA Rate Base</u> (-$680,000): Staff proposed an adjustment to extend accumulated depreciation (A/D) and accumulated deferred federal income taxes (ADFIT) on plant-in-service at September 30, 2022 into the Test Year on an average of monthly averages (AMA) basis. For settlement purposes, the Company accepts Staff's adjustment, but reserves the right in future proceedings to

[3] In this case, "Test Year" is defined as the twelve months ending December 31, 2024.

address this issue. This adjustment reduces the proposed revenue requirement by $680,000, as well as reduces rate base by $7,756,000.

c) Depreciation Expense – Depreciation Study (-$780,000): Staff and AWEC proposed an adjustment that captures the impact of updating depreciation rates based on the Settlement Stipulation in UM 2277, Avista's "Request for Authority to Revise Natural Gas Book Depreciation Rates and Deferred Accounting". For settlement purposes, the Parties agree to incorporate the effects of the UM 2277 settlement in this case, thereby reducing the proposed revenue requirement by $780,000.

d) Depreciation Expense – Capital Additions Update ($208,000): Related to Item e. Staff proposed an adjustment to update depreciation expense and A/D on updated Q4 2022 and 2023 capital additions. For settlement purposes, the Parties agree to increase to an agreed-upon level of expense and rate base, thereby increasing the proposed revenue requirement by $208,000 and decreasing rate base by $418,000.

e) Rate Base – Capital Additions Update ($363,000): Related to Item d, where Staff proposed an adjustment to update depreciation expense and A/D on updated Q4 2022 and 2023 capital additions. The Company proposed an adjustment that updates pro formed gross plant and ADFIT on updated Q4 2022 & 2023 capital additions to match the incremental expense and rate base agreed to in Item d. For settlement purposes, the Parties agree to include the gross plant and ADFIT associated with the depreciation expense and A/D included in Item d above, thereby increasing the proposed revenue requirement by $363,000. This adjustment also increases rate base by $4,145,000.

f) Distribution Plant (New Growth Capital Additions) (-$599,000): Staff proposed an adjustment to remove a level of pro formed new growth capital additions included in the case. This adjustment decreases rate base by $6,829,000, which removes 2024 growth capital, and a substantial portion of growth plant pro formed for 2023, to an agreed-upon level for settlement purposes. The effect of this adjustment reduces the revenue requirement by $599,000. The Company understands that it must demonstrate in future rate proceedings that it has accurately reflected its line extension allowances into its total revenue requirement.

g) Load Forecast ($431,000): The Company presented an updated load forecast for the Test Year. For settlement purposes, the Parties agree to use the billing determinants from the updated load forecast. This adjustment increases the proposed revenue requirement by $431,000.

h) Uncollectible Expense (-$100,000): In their testimony, Staff proposed updating the level of uncollectible expense included in the case. For settlement purposes, the Parties agreed to a reduction in an agreed-upon level of expense, thereby reducing the proposed revenue requirement by $100,000.

i) Miscellaneous Accounts (-$13,000): Staff proposed an adjustment to Miscellaneous Accounts to reflect an updated compounded CPI, based on seasonally adjusting Q4 2022, and a more current publication of the All-Urban CPI for calendar 2023 and half of 2024. For settlement purposes, the Parties agree to use Staff's methodology, but with an updated compounded CPI based off the May 2023 publication for 2023 and 2024, for a reduction to an agreed-upon level of expense, thereby reducing the proposed revenue requirement by $13,000.

j) Customer Service Expenses – O&M Non-Labor (-$35,000): Staff proposed an adjustment to Customer Service Expenses – O&M Non-Labor to reflect an updated compounded CPI (described in Item i. above). For settlement purposes, the Parties agree to use an updated compounded CPI based on the May 2023 publication for 2023 and 2024, for a reduction to an agreed-upon level of expense, thereby reducing the proposed revenue requirement by $35,000.

k) Distribution Expenses – O&M Non-Labor (-$98,000): Staff proposed an adjustment to Distribution Expenses – O&M Non-Labor to reflect an updated compounded CPI (described in Item i. above), among other things. For settlement purposes, the Parties agree to use an updated compounded CPI based on the May 2023 publication for 2023 and 2024, for a reduction to an agreed-upon level of expense, thereby reducing the proposed revenue requirement by $98,000.

l) Wages and Salaries (-$154,000): Staff proposed reductions associated with the Company's overall increases for payroll, overtime, and associated payroll taxes, as well as an update to reflect a more current publication of CPI. For settlement purposes, the Parties agreed to a reduction in wages and salaries, resulting in a reduction in the revenue requirement of $154,000 and pro formed rate base of $89,000.

m) Expense Misallocations (-$271,000): In testimony, Staff proposed to remove certain expenses in the Base Year[4] which Staff believed were not applicable to Oregon operations and thus incorrectly allocated. For settlement purposes, the Parties agree to an agreed-upon reduction to expense, resulting in a reduction in the revenue requirement of $271,000.

n) Allocation Factor Expenses (-$27,000): AWEC proposed an adjustment to leave certain demand side management (DSM) expenses at the Base Year allocation factors.

[4] In this case, "Base Year" is defined as the twelve months ending September 30, 2022.

For settlement purposes, the Parties agree to a reduction in an agreed-upon level of expense, resulting in a decrease in the revenue requirement of $27,000.

o) FERC Account 923 – Base Year Expenses (legal fees) (-$54,000): Environmental Intervenors proposed an adjustment to remove from the case Base Year litigation costs associated with Avista's lawsuit against the Climate Protection Program. For settlement purposes, the Parties agree to a reduction in expense, thereby decreasing the revenue requirement by $54,000.

p) Escalation on FERC Account 923 – Base Year Expenses (legal fees) (-$3,000): Related to Issue o. above, for settlement purposes, the Parties agree to remove the escalation included in the case on the expenses removed in Issue o. This adjustment decreases the proposed revenue requirement by $3,000.

q) AGA-NWGA Lobbying Costs (-$90,000): In their testimony, Environmental Intervenors proposed removing certain American Gas Association (AGA) and Northwest Gas Association (NWGA) expenses from the case. For settlement purposes, the Parties agree to a reduction in expense, thereby decreasing the proposed revenue requirement by $90,000.

8. **Proposed Effective Date:** The proposed rate effective date is January 1, 2024.

9. **Rate Spread:** The Parties agree that Schedules 424/440/444/456 will receive 10% of the overall base margin percentage change, Schedule 410 will receive the same as the overall base margin percentage change, and the remaining revenue requirement will be applied to Schedule 420 as shown in Table No. 4 below (and as provided on page 1 of Attachment A to this Second Stipulation):[5]

[5] For settlement purposes, Parties agree to use the billing determinants from the updated load forecast.

Table No. 4: Agreed-Upon Rate Spread

Type of Service	Schedule Number	Distribution Revenue Increase	**Distribution Revenue Percentage Increase**	Incremental Schedule 486 Tax Customer Credit	**Total Billed Revenue Increase**	**Total Billed Revenue Percentage Increase**
Residential	410	$4,655	**9.4%**	($161)	**$4,494**	**5.1%**
General Service	420	$2,458	**11.5%**	($48)	**$2,410**	**5.8%**
Large General Service	424/425	$7	**0.9%**	($1)	**$5**	**0.1%**
Interruptible Service	439/440	$19	**0.9%**	($3)	**$17**	**0.1%**
Seasonal Service	444	$0	**0.9%**	($0)	**$0**	**0.2%**
Transportation Service	456	$21	**0.9%**	($3)	**$17**	**0.8%**
Total		$7,160	**9.4%**	($216)	**$6,944**	**4.7%**

* Billed Revenue includes base rate revenue plus revenues associated with natural gas supply, energy efficiency, intervenor funding, and other items.

10. **<u>Rate Design:</u>** The Parties agree to the Basic Charge levels as proposed by Avista in its original filing[6] with the exception of Schedule 410. Schedule 410 will receive a $0.75 per month increase in the Basic Charge (instead of $1.50). Attachment A, page 2 to this Second Stipulation provides the agreed-upon base rates.[7] Avista agrees to present a rate design for Schedule 456 customers that includes a contract demand charge in its next GRC.

11. **<u>Long Run Incremental Cost Study (LRIC)</u>:** No Party agrees or adopts the LRIC methodologies proposed by any party in this proceeding. Avista agrees to perform an analysis of the reasonableness of using contract demands for transportation customers in its Cost of Service study and include the results of that analysis in its next GRC.

12. **<u>Residential Bill Change:</u>** For the revenue requirement included <u>in this Stipulation</u>, based on an average usage level of 47 therms per month, the average bill for a Schedule 410

[6] Schedule 420 would see a $2 per month increase in the customer charge, from $17 per month to $19 per month. Schedules 424/425 would see a $5 per month increase in the customer charge, from $55 per month to $60 per month. Finally, Schedule 456 would see a $25 per month increase in the customer charge, from $300 per month to $325 per month.

[7] The agreed-upon billing determinants reflect the updated load adjustments as discussed in Section 7 item g above.

residential customer, which includes both base and adder schedules[8], would increase $4.07 per month, or 5.3 percent, from $77.01 to $81.08.

13. **Decoupling:** Attachment B to the Second Stipulation reflects the new decoupling base effective January 1, 2024, that is supported by the Parties. The new decoupling base provides the "Monthly Allowed Customers" and "Monthly Decoupled Revenue per Customer" which incorporate the effects of the settlement revenue requirement and billing determinants discussed above.

14. **Line Extension Policy:** The Parties agree that Avista's line extension allowance for connecting new customers would be $2,500 in 2024, $1,250 in 2025, $750 in 2026, and $0 in 2027. In its Compliance Filing, Avista will file revised tariffs (Rule 15 and Rule 16) effectuating this change.

15. **CPP Costs and Tariff:** Avista agrees not to file a CPP tariff rider until 2024 or until actual costs are incurred to purchase Avista's first Community Climate Investment credits, whichever is later. No party is precluded from opposing any part of the Company's filing.

16. **Natural Gas Meter Testing:**

i. Avista agrees to replace Oregon meters that utilize the meter constant adjustment. Such meters would be replaced as soon as practicable but no later than December 2028.

ii. Avista will modify its natural gas meter testing such that the practice of testing meter families will start after 5 years of service, and will no longer wait to "fail" meter families (i.e., remove tightening procedures). In its Compliance Filing, Avista will file a revised Rule 18 effectuating this change.

[8] "Adder" schedules recover costs associated with natural gas supply (Schedules 461 and 462), energy efficiency (Schedules 469 and 478), intervenor funding (Schedule 476), and other items.

iii. Avista will use its best efforts to pursue recovery of metering costs through applicable warranties should meters be deemed failed through its testing processes.

iv. By April 30, 2024, and annually thereafter, Avista will file its meter testing results for the prior calendar year with the Commission.

17. **Equity Advisory Group:** Avista agrees to formulate an Equity Advisory Group in 2024, to be in effect no later than January 2025. Within three months of a Commission order approving this Stipulation, Avista will conduct a workshop, inviting Stipulating Parties, Community Action Partnership of Oregon (CAPO) and other interested participants from environmental justice communities to discuss the membership, scope and planned activities of the Equity Advisory Group. The participants in this workshop will determine whether they intend to serve on the Equity Advisory Group and may conduct outreach to additional parties for inclusion in the Equity Advisory Group.

i. AOLIEE:

a. the current Schedule 485 AOLIEE authorized budget of approximately $821,000 would be increased to a total of $2.0 million (without a change in the present level of customer funding in this case);
b. Company to conduct home energy assessments for high-usage LIRAP customers and prioritize those customers for energy efficiency improvements as determined through the home energy assessment;
c. Company to also review and prioritize customers identified in the 2022 Energy Burden Assessment with a high potential for energy efficiency improvements for energy efficiency improvements and weatherization;
d. Avista agrees to consult with the Equity Advisory Group to ensure that the AOLIEE program prioritizes investments in weatherization and limits the installation of natural gas appliances to health and safety repairs.
e. Avista shall consult with the Equity Advisory Group and CAPO regarding how to maximize expenditure of the AOLIEE weatherization budget.

ii. LIRAP/HB 2475:

a. To the extent this is not already the practice, current and incoming LIRAP participants with arrearage balances should be automatically enrolled in the AMP portion of the program, provided they are eligible and do not object.

b. Company continues to actively participate in UM 2211, including proactively engaging stakeholders on relevant issues or proposals that could enhance targeted assistance and maximize the effective use of funds to reduce energy burden.

iii. Single-Family/Multi-Family:

a. Implement a system flag and complete inventory of multi-family and single-family residential customers.

b. Using the inventory and a revised analysis of cost of service between these two groups to calculate the cost differential.

c. Starting April 1, 2024, multi-family customers identified in the inventory process would be moved to new rate Schedule 411. The terms and conditions of Schedule 411 would mirror Schedule 410 with the exception of the basic charge. The basic charge for multi-family customers served on Schedule 411 would be $1.50 lower for those customers, reflecting lower service costs for multi-family households. The resulting basic charge for Schedule 410 from this settlement is $11.25 per month, and therefore the basic charge for Schedule 411 will be $9.75 per month. This differential will be fine-tuned based on a revised multi-family study, which should be conducted by or on behalf of the company and presented in the Company's next general rate case filing.

d. The parties agreed that this modification would be revenue neutral to Avista. As such, beginning on April 1, 2024, the lost margin associated with the reduction in the basic charge revenue for those customers moving from Schedule 410 to Schedule 411 will be calculated and deferred, with the balance to accrue at the modified blended Treasury rate plus 100 basis points, and would be recovered from Schedule 410 customers in a future rate proceeding. After recovery in a future rate proceeding, the lost margin associated with the reduction in the basic charge will no longer be deferred.

18. **<u>Capital Attestation</u>:** Avista will file a capital attestation, which would take the form of that provided in Avista's last GRC (UG-433), as noted by Staff witnesses Ankum/Fischer 1200. Avista would file its attestation ten days before the rate effective date to reflect actual gross transfers-to-plant available at time of filing. To the extent that gross transfers-to-plant available, prior to the rate effective date, are less than that included in the revenue requirement, Avista would

reduce the overall revenue requirement to reflect a lower level of plant in service. Because the revenue requirement is predicated on a level of plant in service as of December 31, 2023, yet the attestation pre-dates that date, the Company may review the actual incremental gross transfers-to-plant through December 31, 2023, and defer the incremental revenue requirement associated with those plant additions up to the level of gross plant additions included in the settlement agreement. Any deferred revenue requirement would be recovered as a separate filing made during the annual PGA and summer rate adjustment filing season, with the balance to accrue at the modified blended Treasury rate plus 100 basis points.

19. **Customer Tax Credits:** Parties agree to update the existing 10-year tax customer credit amortization related to IDD #5 and Meters beginning January 1, 2024, to reflect the expected tax customer credit balance owed customers as of December 31, 2023 of $21.0 million. Attachment A, page 3 to the Second Stipulation provides the updated amortization rates.

i. With its Compliance filing in this case, Avista will update Schedule 486 to amortize Oregon's tax credit balance of $21.0 million over the remaining months of the 10-year amortization period (January 1, 2024 through August 31, 2032, or 104 months).

ii. The result of this change increases Schedule 486 Tariff amortization from $2.206 million to $2.423 million annually.

iii. Avista will continue to defer balances associated with the tax customer credit related to IDD #5 and Meters accrued after December 31, 2023.

iv. Avista will continue to spread this tax customer credit as approved in UG- 433, based on a weighted allocation of 35 percent number of customers and 65 percent distribution margin.

v. Any party may propose a different amortization period of the remaining balance, including additional net deferrals, available at the time of the Company's next general rate case.

20. **Pension Loss Deferral:** Parties support Avista's Pension Loss deferred accounting petition (UM 2267) as supported by Staff witness Zarate (Exh. 1100).

21. **Non-Pipe Alternatives (NPA):** Avista agrees to implement a NPA framework in Oregon, including the following elements.

i. Upon rate-effective date, NPA analysis will be performed for supply-side resources and for distribution system reinforcements and expansion projects that exceed a threshold of $1 million for individual projects or groups of geographically related projects. If a NPA is not selected for projects that meet this criteria, Avista will include the NPA analysis as part of the justification when it seeks recovery of the resource addition or distribution system reinforcement or expansion in a rate case.

   a. "Supply-side resources" includes but is not limited to all resources upstream of Avista's distribution system and city gates, and supply-side contracts.

   b. "Geographically-related projects" means a group of projects that are interdependent or interrelated.

ii. For resources or projects that meet the criteria of (21)(i), Avista will include electrification as an NPA.

iii. Non-Energy Impacts must be included as part of the NPA evaluation.

22. The Parties agree that this Second Stipulation is in the public interest and results in an overall fair, just and reasonable outcome.

23. The Parties agree that this Second Stipulation represents a compromise in the positions of the Parties. Without the written consent of all Parties, evidence of conduct or statements, including but not limited to term sheets or other documents created solely for use in settlement conferences in this Docket, are not admissible in the instant or any subsequent proceeding unless independently discoverable or offered for other purposes allowed under ORS 40.190. Nothing in this paragraph precludes a party from stating as a factual matter what the Parties agreed to in this Second Stipulation or in the Parties' testimony supporting the stipulation.

24. Further, this Second Stipulation sets forth the entire agreement between the Parties and supersedes any and all prior communications, understandings, or agreements, oral or written, between the Parties pertaining to the subject matter of this Stipulation.

25. This Second Stipulation will be offered into the record in this proceeding as evidence pursuant to OAR 860-001-0350(7). The Parties agree to support this Second Stipulation throughout this proceeding and any appeal. The Parties further agree to provide witnesses to sponsor the Second Stipulation at any hearing held, or, in a Party's discretion, to provide a representative at the hearing authorized to respond to the Commission's questions on the Party's position as may be appropriate.

26. If this Second Stipulation is challenged by any other party to this proceeding, the Parties to this Second Stipulation reserve the right to cross-examine witnesses and put on such case as they deem appropriate to respond fully to the issues presented, including the right to raise issues that are incorporated in the settlement embodied in this Second Stipulation. Notwithstanding this reservation of rights, the Parties agree that they will continue to support the Commission's adoption of the terms of this Second Stipulation.

27. The Parties have negotiated this Second Stipulation as an integrated document. If the Commission rejects all or any material portion of this Second Stipulation, or imposes additional material conditions in approving this Second Stipulation, any Party disadvantaged by such action shall have the rights provided in OAR 860-001-0350(9) and shall be entitled to seek reconsideration or appeal of the Commission's Order.

28. By entering into this Second Stipulation, no Party shall be deemed to have approved, admitted, or consented to the facts, principles, methods, or theories employed by any other Party in arriving at the terms of this Second Stipulation. No Party shall be deemed to have agreed that

any provision of this Second Stipulation is appropriate for resolving the issues in any other proceeding.

29. This Second Stipulation may be executed in counterparts and each signed counterpart shall constitute an original document. The Parties further agree that any electronically-generated signature of a Party is valid and binding to the same extent as an original signature.

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This Second Stipulation is entered into by each Party on the date entered below such Party's signature.

AVISTA CORPORATION

Patrick Ehrbar for

By: David Meyer
David J. Meyer

Date: 8/3/23

STAFF OF THE PUBLIC UTILITY COMMISSION OF OREGON

By: ______________________
Johanna Riemenschneider

Date: ______________________

ALLIANCE OF WESTERN ENERGY CONSUMERS

By: ______________________
Chad M. Stokes

Date: ______________________

OREGON CITIZENS' UTILITY BOARD

By: ______________________
Michael P. Goetz

Date: ______________________

SIERRA CLUB

By: ______________________
Gloria Smith

Date: ______________________

CLIMATE SOLUTIONS

By: ______________________
Jaimini Parekh

Date: ______________________

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AVISTA CORPORATION	STAFF OF THE PUBLIC UTILITY COMMISSION OF OREGON
By:______________	By: Johanna Riemenschneider
David J. Meyer	Johanna Riemenschneider
Date: ______________	Date: August 3, 2023
ALLIANCE OF WESTERN ENERGY CONSUMERS	OREGON CITIZENS' UTILITY BOARD
By:______________	By: ______________
Chad M. Stokes	Michael P. Goetz
Date: ______________	Date: ______________
SIERRA CLUB	CLIMATE SOLUTIONS
By:______________	By: ______________
Gloria Smith	Jaimini Parekh
Date: ______________	Date: ______________

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By:____________________
David J. Meyer

Date: ____________________

STAFF OF THE PUBLIC UTILITY COMMISSION OF OREGON

By: ____________________
Johanna Riemenschneider

Date: ____________________

ALLIANCE OF WESTERN ENERGY CONSUMERS

By: [signature]
Chad M. Stokes

Date: 8/3/2023

OREGON CITIZENS' UTILITY BOARD

By: ____________________
Michael P. Goetz

Date: ____________________

SIERRA CLUB

By:____________________
Gloria Smith

Date: ____________________

CLIMATE SOLUTIONS

By: ____________________
Jaimini Parekh

Date: ____________________

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David J. Meyer

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Johanna Riemenschneider

Date: ____________________________

ALLIANCE OF WESTERN ENERGY CONSUMERS

By:______________________________
Chad M. Stokes

Date: ____________________________

OREGON CITIZENS' UTILITY BOARD

By: Michael P. Goetz
Michael P. Goetz

Date: 8/3/2023

SIERRA CLUB

By:______________________________
Gloria Smith

Date: ____________________________

CLIMATE SOLUTIONS

By: ______________________________
Jaimini Parekh

Date: ____________________________

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Chad M. Stokes

Date: ____________________________

OREGON CITIZENS' UTILITY BOARD

By: ______________________________
Michael P. Goetz

Date: ____________________________

SIERRA CLUB

By: __________________________
Gloria Smith

Date: 8/3/23

CLIMATE SOLUTIONS

By:
Jaimini Parekh

Date: 8/3/23

Avista Utilities
Proposed Revenue Increase by Schedule
Oregon - Gas
Pro Forma 12 Months Ended December 31, 2024
(000s of Dollars)

Line No.	Type of Service	Schedule Number	Distribution Revenue Under Present Rates	Settlement GRC Increase	Distribution Revenue Under Proposed Rates	Therms (000s)	**Distribution Revenue Percentage Increase**	Billed Revenue Under Present Rates	Settlement GRC Increase	Schedule 486 Tax Credit Incremental	Billed Revenue Under Proposed Rates	**Billed Revenue Percentage Increase**
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)		(j)	(k)
1	Residential	410	$49,456	$4,655	$54,111	53,785	**9.4%**	$88,155	$4,655	($161)	$92,810	**5.1%**
2	General Service	420	$21,405	$2,458	$23,863	29,149	**11.5%**	$41,657	$2,458	($48)	$44,114	**5.8%**
3	Large General Service	424	$714	$7	$721	4,577	**0.9%**	$3,918	$7	($1)	$3,925	**0.1%**
4	Interruptible Service	440	$2,067	$19	$2,088	17,686	**0.9%**	$11,066	$19	($3)	$11,086	**0.1%**
5	Seasonal Service	444	$35	$0	$35	201	**0.9%**	$175	$0	($0)	$176	**0.2%**
6	Transportation Service	456	$2,223	$21	$2,244	25,352	**0.9%**	$2,169	$21	($3)	$2,190	**0.8%**
7	Special Contract	447	$175	$0	$175	5,036	**0.0%**	$175	$0	$0	$175	**0.0%**
8	Total		$76,075	$7,160	$83,235	135,786	**9.4%**	$147,315	$7,160	($216)	$154,475	**4.7%**

Appendix B
Page 22 of 27

ORDER NO. 23-384

Avista Utilities
Comparison of Present & Proposed Gas Rates
Oregon - Gas

Present Base Rates	Base Tariff Change	Proposed Base Rates
Residential Service Schedule 410		
$10.50 Customer Charge	$0.75/month	$11.25 Customer Charge
All Therms - $0.69549/Therm	$0.07054/therm	All Therms - $0.76603/Therm
General Service Schedule 420		
$17.00 Customer Charge	$2.00/month	$19.00 Customer Charge
All Therms - $0.65014/Therm	$0.07441/therm	All Therms - $0.72455/Therm
Large General Service Schedule 424/425		
$55.00 Customer Charge	$5.00/month	$60.00 Customer Charge
All Therms - $0.14158/Therm	$0.00016/therm	All Therms - $0.14174/Therm
Interruptible Service Schedule 439/440		
$75.00 Customer Charge	$0.00/month	$75.00 Customer Charge
All Therms - $0.11468/Therm	$0.00110/therm	All Therms - $0.11578/Therm
Seasonal Service Schedule 444		
All Therms - $0.17241/Therm	$0.00162/therm	All Therms - $0.17403/Therm
Seasonal Minimum Charge:		Seasonal Minimum Charge:
$ 5,840.04		$ 5,894.92
Transportation Service Schedule 456		
$300.00 Customer Charge	$25.00/month	$325.00 Customer Charge
1st 10,000 Therms - $0.15890/Therm	$0.00090/therm	1st 10,000 Therms - $0.15980/Therm
Next 20,000 Therms - $0.09563/Therm	$0.00054/therm	Next 20,000 Therms - $0.09617/Therm
Next 20,000 Therms - $0.07860/Therm	$0.00044/therm	Next 20,000 Therms - $0.07904/Therm
Next 200,000 Therms - $0.06152/Therm	$0.00035/therm	Next 200,000 Therms - $0.06187/Therm
Over 250,000 Therms - $0.03121/Therm	$0.00018/therm	Over 250,000 Therms - $0.03139/Therm
Schedule 456 Monthly Minimum Charge		Schedule 456 Monthly Minimum Charge
$ 2,725.76		$ 2,764.44

Avista Utilities
Tax Customer Credit
Schedule 486

Line No.	Type of Service	Schedule Number	Distribution Revenue Under Present Rates	Annual Customers	**Meters** Customer Allocation	**IDD#5** Percentage of Base Revenue	Sch. 486 Tax Customer Credit Allocation	Billing Determinants	Proposed Per Therm Rate
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
					35%	**65%**			
1	Residential	410	$49,456	95,628	88.7%	65.2%	$ 1,778	53,785,103	**$ 0.03306**
2	General Service	420	$21,405	12,029	11.2%	28.2%	$ 539	29,149,318	**$ 0.01848**
3	Large General Service	424/425	$714	100	0.1%	0.9%	$ 16	4,577,265	**$ 0.00341**
4	Interruptible Service	439/440	$2,067	43	0.0%	2.7%	$ 43	17,685,530	**$ 0.00244**
5	Seasonal Service	444	$35	3	0.0%	0.0%	$ 1	201,105	**$ 0.00368**
6	Transportation Service	456	$2,223	30	0.0%	2.9%	$ 46	25,351,795	
7	1st 10,000 Therms								**$ 0.00346**
8	Next 20,000 Therms								**$ 0.00208**
9	Next 20,000 Therms								**$ 0.00171**
10	Next 200,000 Therms								**$ 0.00134**
11	Over 250,000 Therms								**$ 0.00068**
12	Total		$75,900	107,833			$ 2,423		

ORDER NO. 23-384

Appendix B
Page 24 of 27

Avista Utilities
Natural Gas Decoupling Mechanism (Oregon)
Development of Decoupled Revenue by Rate Schedule - Natural Gas
Docket No. UG-461 Rates Effective January 1, 2024

	TOTAL	RESIDENTIAL SCHEDULE 410	SM COMMERCIAL & INDUSTRIAL SCH. 420	LG COMMERCIAL & INDUSTRIAL SCH. 424/425	INTERRUPTIBLE SCH 439/440	SEASONAL SCH 444	TRANSPORTATION SCH 456/447
1 Total Normalized 12ME 08.2023 Margin Revenue	$ 76,075,000	$ 49,456,000	$ 21,405,000	$ 714,000	$ 2,067,000	$ 35,000	$ 2,398,000
2 Settlement Margin Revenue Increase	$ 7,160,000	$ 4,655,000	$ 2,458,000	$ 7,000	$ 19,000	$ -	$ 21,000
3 Total Delivery Revenue (12ME 08.2023 Test Year) (Ln 1 + Ln 2)	$ 83,235,000	$ 54,111,000	$ 23,863,000	$ 721,000	$ 2,086,000	$ 35,000	$ 2,419,000
4 Customer Bills (12ME 08.2023 Test Year)	1,294,015	1,147,534	144,348	1,196	522	31	384
5 Proposed Basic Charges		$11.75	$19.00	$60.00	$75.00	$0.00	$325.00
6 Basic Charge Revenue (Ln 4 * Ln 5)	$ 16,454,009	$ 13,483,525	$ 2,742,611	$ 71,742	$ 39,133	$ -	$ 117,000
7 Decoupled Revenue (Ln 6 - Ln 3)	$ 66,780,991	$ 40,627,476	$ 21,120,389	$ 649,258	$ 2,046,867	$ 35,000	$ 2,302,000
8 Normalized Therms (12ME 08.2023 Test Year)	135,785,858	53,785,103	29,149,318	4,577,265	17,685,530	201,105	30,387,537
		Residential	Non-Residential Group				Exempt from
9 Average Number of Customers (Line 8 / 12 mos.)		95,628	12,175				Decoupling
10 Annual Therms		53,785,103	51,613,218				Mechanism
11 Basic Charge Revenues		$ 13,483,525	$ 2,853,485				
12 Customer Bills		1,147,534	146,097				
13 Average Basic Charge		$11.75	$19.53				

Avista Utilities
Natural Gas Decoupling Mechanism (Oregon)
Development of Decoupled Revenue Per Customer - Natural Gas
Docket No. UG-461 Rates Effective January 1, 2024

Line No.		Source	Residential	Non-Residential Schedules*
	(a)	(b)	(c)	(d)
1	Decoupled Revenue	Page 1	$ 40,627,476	$ 23,851,515
2	Test Year Number of Customers (12ME 08.2023)	Revenue Data	95,628	12,175
3	Decoupled Revenue Per Customer	(1) / (2)	$ 424.85	$ 1,959.10

*Schedules 420, 424, 425, 439, 440, and 444

Avista Utilities
Natural Gas Decoupling Mechanism (Oregon)
Development of Monthly Decoupled Revenue Per Customer - Natural Gas
Docket No. UG-461 Rates Effective January 1, 2024

Line No.		Source	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	TOTAL
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)	(n)	(o)
1															
2	**Natural Gas Delivery Volume**														
3	*Residential*														
4	- Weather-Normalized Therm Delivery Volume	Monthly Rate Year	8,909,899	7,260,811	6,116,282	4,259,880	2,623,015	1,611,291	1,179,828	1,315,690	1,382,331	3,273,955	6,590,289	9,261,831	53,785,103
5	- % of Annual Total	% of Total	16.57%	13.50%	11.37%	7.92%	4.88%	3.00%	2.19%	2.45%	2.57%	6.09%	12.25%	17.22%	100.00%
6															
7	*Non-Residential Sales**														
8	- Weather-Normalized Therm Delivery Volume	Monthly Rate Year	6,699,231	5,761,594	5,071,842	3,899,540	2,771,833	2,289,051	2,187,801	2,550,692	2,620,700	4,356,421	6,238,532	7,165,981	51,613,218
9	- % of Annual Total	% of Total	12.98%	11.16%	9.83%	7.56%	5.37%	4.44%	4.24%	4.94%	5.08%	8.44%	12.09%	13.88%	100.00%
10															
11	**Monthly Decoupled Revenue Per Customer ("RPC")**														
12	*Residential*														
13	- Decoupled Revenue per Customer	Page 2 - Decoupled RPC													$ 424.85
14	- Monthly Decoupled Revenue per Customer	(5) x (13)	$ 70.38	$ 57.35	$ 48.31	$ 33.65	$ 20.72	$ 12.73	$ 9.32	$ 10.39	$ 10.92	$ 25.86	$ 52.06	$ 73.16	$ 424.85
15	- Monthly Allowed Customers		95,561	95,556	95,420	95,384	95,352	95,623	95,982	96,424	95,538	95,529	95,566	95,599	
16	*Non-Residential Sales**														
17	- Decoupled Revenue per Customer	Page 2 - Decoupled RPC													$ 1,959.10
18	- Monthly Decoupled Revenue per Customer	(9) x (17)	$ 254.28	$ 218.69	$ 192.51	$ 148.02	$ 105.21	$ 86.89	$ 83.04	$ 96.82	$ 99.47	$ 165.36	$ 236.80	$ 272.00	$ 1,959.10
19	- Monthly Allowed Customers		12,191	12,199	12,198	12,188	12,185	12,186	12,141	12,136	12,121	12,131	12,166	12,243	
20	*Schedules 420, 424, 425, 439, 440, and 444.														