

**BEFORE THE  
WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**

In the Matter of the Petition of	)	
	)	
Avista Corporation, d/b/a Avista Utilities	)	Docket No. UE-220892
	)	Docket No. UG-220893
For an Order Authorizing Deferral of Costs Related	)	
to the Increase in the Regulatory Fee Approved in	)	<b>REVISED</b> PETITION OF AVISTA
Senate Bill 5634	)	CORPORATION
	)	
	)	
	)	

---

**I. INTRODUCTION**

1           In accordance with WAC 480-07-370(3) Avista Corporation, doing business as Avista Utilities (“Avista” or “the Company”), at 1411 East Mission Avenue, Spokane, Washington, hereby petitions the Washington Utilities and Transportation Commission (“Commission”) for an order authorizing the Company to utilize deferred accounting for the costs attributed to the increase in the Commission’s regulatory fee to 0.4 percent that was approved in Senate Bill 5634, signed into law by Governor Inslee on March 24, 2022.

2           Avista is a utility that provides service to approximately 403,000 retail electric customers and 369,000 retail natural gas customers in a 30,000 square-mile service territory covering portions of Washington, Idaho, and Oregon. The largest community served by Avista is Spokane, Washington, which is the location of its corporate headquarters.

3           The Company requests that all correspondence related to this Petition be sent to the following:

David J. Meyer, Esq.  
Vice President and Chief Counsel for  
Regulatory & Governmental Affairs  
P. O. Box 3727  
1411 E. Mission Avenue, MSC 27

Patrick Ehrbar  
Director of Regulatory Affairs  
Avista Corp.  
P. O. Box 3727  
1411 E. Mission Avenue, MSC 27

Spokane, Washington 99220-3727  
Telephone: (509) 495-4316  
Facsimile: (509) 495-8851  
E-mail: [david.meyer@avistacorp.com](mailto:david.meyer@avistacorp.com)

Spokane, Washington 99220-3727  
Telephone: (509) 495-8620  
Facsimile: (509) 495-8851  
E-mail: [patrick.ehrbar@avistacorp.com](mailto:patrick.ehrbar@avistacorp.com)

Avista Dockets (Electronic Only) - [AvistaDockets@avistacorp.com](mailto:AvistaDockets@avistacorp.com)

4 Rules and statutes that may be brought at issue in this Petition include RCW 80.01.040,  
RCW 80.28.020, RCW 80.24.010, WAC 480-90-203, WAC 480-100-203, and WAC 480-07-  
370(3)(b).

## II. BACKGROUND

5 Senate Bill 5634 (“SB 5634”), passed by the Washington State Legislature in 2022 and  
codified as amended RCW 80.24.010, increased the Commission’s regulatory fee to 0.4 percent  
from 0.2 percent. The new rate will apply to all of calendar year 2022 applicable revenues and  
will become payable to the Commission by May 2023.

6 Avista’s current rates, along with the conversion factor approved in its last general rate case,  
Dockets UE-200900 and UG-200901, are based on the regulatory fee of 0.2 percent. The  
increase in the regulatory fee approved in SB 5634 was not considered in the Company’s current  
general rate case, Dockets UE-220053 and UG-220054. As a result, without approval to defer  
the increased expense for regulatory fees, the Company will forego recovering this increased  
expense until the regulatory fee can be updated in its next general rate case.

## III. PROPOSED ACCOUNTING TREATMENT

7 The Company proposes to record the deferral as a regulatory asset in FERC Account 186  
(Miscellaneous Deferred Debits) and will record a carrying charge at its actual cost of debt while  
being deferred and during the amortization period.

8 Avista's regulatory fees paid to the Commission in 2022, based on revenues from 2021,  
were \$1,473,550.77.<sup>1</sup> The increase in regulatory fees deferred will be higher than the regulatory  
fees paid in 2022, for each year that the incremental regulatory fees are deferred. In 2023, Avista  
is estimating regulatory fees of \$3.2 million, an increase of approximately \$1.7 million related  
to primarily the effects of SB 5634, but also due to increased revenues associated with general  
rate case activity and recent increases in natural gas rates due to wholesale natural gas cost  
increases. As it relates to the split between electric and natural gas operations of the \$3.2 million  
in 2023, Avista is estimating electric fees of \$2.27 million, and natural gas fees of \$0.95 million.

9 Avista seeks to defer the increased regulatory fees until the rates from its next general rate  
case go into effect, at which time it will also seek recovery of this deferral, if approved.

#### IV. REQUEST FOR RELIEF

10 WHEREFORE, Avista respectfully requests that the Commission issue an Order approving  
the requested deferred accounting and ratemaking treatment, as described above. Customer rates  
would not be impacted by this approval, and any deferral of costs or revenues will be addressed  
in future filings.

DATED this 4th day of January 2023



By: \_\_\_\_\_

Patrick D. Ehrbar

Director of Regulatory Affairs

---

<sup>1</sup> Electric fees were \$1.143 million, and natural gas fees were \$0.33 million, for a total of \$1.473 million.