

**BEFORE THE WASHINGTON  
UTILITIES AND TRANSPORTATION COMMISSION**

WASHINGTON UTILITIES AND  
TRANSPORTATION COMMISSION,

Complainant,

v.

AVISTA CORPORATION, d/b/a  
AVISTA UTILITIES,

Respondent.

DOCKETS UE-140188 and UG-  
140189 (*Consolidated*)

ORDER 09

APPROVING ADDENDUM TO  
SETTLEMENT STIPULATION  
WITHOUT CONDITIONS

**BACKGROUND**

- 1 On November 25, 2014, the Washington Utilities and Transportation Commission (Commission) entered Order 05, Final Order Rejecting Tariff Filing, Accepting with Conditions Full Settlement Stipulation, Authorizing Tariff Filing, and Requiring Compliance Filing (Order 05) in this docket. Among other requirements, the Settlement Stipulation the Commission approved and adopted in Order 05 established electric and natural gas decoupling mechanisms for five years beginning on January 1, 2015, the effective date of the rates the Commission approved for Avista Corporation d/b/a Avista Utilities (Avista or Company).<sup>1</sup> The decoupling mechanisms thus will expire on December 31, 2019.
- 2 On February 6, 2019, Avista, Commission Staff, the Public Counsel Section of the Office of the Washington Attorney General, the Alliance of Western Energy Consumers,<sup>2</sup> and the Energy Project (collectively Parties) filed an Addendum to the Settlement Stipulation (Addendum). The Parties have agreed to, and request that the Commission approve, an extension of the decoupling mechanisms until the conclusion of Avista's next general rate case, which the Company estimates will be on or about April 1, 2020. The Parties

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<sup>1</sup> Order 05, Appendix A ¶ 13(a).

<sup>2</sup> The Alliance of Western Energy Consumers is the successor organization to the Northwest Industrial Gas Users and the Industrial Customers of Northwest Utilities, which were parties to the Settlement Stipulation.

contend that the extension would enable them to review any modifications Avista might make to the mechanisms, should the Company seek to extend them.

### DISCUSSION AND DECISION

3 “The commission will approve a settlement if it is lawful, supported by an appropriate record, and consistent with the public interest in light of all the information available to the commission.”<sup>3</sup> The Commission may approve the Addendum, with or without conditions, or reject it.<sup>4</sup> In addition, the Commission may alter or amend any order it has entered.<sup>5</sup>

4 We approve the Addendum without conditions and amend Order 05 accordingly. We conclude that the Addendum is lawful, supported by an appropriate record, and consistent with the public interest. The Commission established the decoupling mechanisms in a general rate case, and we agree with the Parties that any extension or modification of those mechanisms would best be considered in a general rate case. If Avista anticipates filing such a case later this year, the decoupling mechanisms should remain in place pending the conclusion of that case.

5 We note, however, that the Addendum does not expressly establish a specific date for the extension, providing only that “the Decoupling Mechanisms should be extended until the conclusion of Avista’s next general rate case, currently estimated to be on or about April 1, 2020.”<sup>6</sup> No general rate case for Avista is currently pending before the Commission, and the Company largely, if not exclusively, controls when the next such case will be initiated. We do not believe the Parties intend, nor would we approve, an unlimited extension of the decoupling mechanisms. We therefore interpret the Addendum to extend those mechanisms until no later than April 1, 2020, unless the Commission takes action to further extend that date.

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<sup>3</sup> WAC 480-07-750(2).

<sup>4</sup> *Id.*

<sup>5</sup> WAC 480-07-875(1).

<sup>6</sup> Addendum ¶ 4.

**ORDER**

6 THE COMMISSION ORDERS:

- 7 (1) The Commission approves and adopts the Addendum to the Settlement  
Stipulation among Avista Corporation, Commission Staff, the Public Counsel  
Section of the Office of the Washington Attorney General, the Alliance of  
Western Energy Consumers, and the Energy Project attached to this Order as  
Appendix A and amends Order 05 in accordance with that document and this  
Order.
- 8 (2) The orders the Commission previously entered in this docket otherwise remain in  
full force and effect according to their terms.
- 9 (3) The Commission retains jurisdiction to enforce this Order.

Dated at Olympia, Washington, and effective February 14, 2019.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

DAVID W. DANNER, Chairman

ANN E. RENDAHL, Commissioner

JAY M. BALASBAS, Commissioner