Service Date: January 19, 2023



STATE OF WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

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January 19, 2023

RE: Washington Utilities and Transportation Commission v. Avista Corporation d/b/a Avista Utilities

In the Matter of the Electric Service Reliability Reporting Plan of Avista Corporation d/b/a Avista Utilities

Dockets UE-220053, UG-220054, and UE-210854 (Consolidated)

TO ALL PARTIES:

On December 12, 2022, the Washington Utilities and Transportation Commission (Commission) entered Order 10/04, Rejecting Tariff Sheets; Granting Petition; Approving and Adopting Full multiparty Settlement Stipulation Subject to Conditions; Authorizing and Requiring Compliance Filing (Order 10/04). Order 10/04, among other things, required Avista Corporation d/b/a Avista Utilities (Avista) to file revised tariff sheets necessary to implement the requirements of Order 10/04 no later than December 14, 2022.

On December 14, 2022, Avista filed its revised tariff sheets for electric Tariff WN U-28 and natural gas Tariff WN U-29. On December 16, 2022, the Company supplemented the filing to make minor corrections.

On December 19, 2022, Commission staff (Staff) filed a letter in these consolidated dockets informing the Commission that Staff had reviewed the compliance filing and believes that it complies with the terms of Order 10/04. In its letter, Staff recommends the Commission approve the filing and allow the revised tariff sheets to go into effect.

On December 19, 2022, the Commission issued a compliance acknowledgment letter indicating that it had reviewed the tariff sheets filed on December 14 and supplemented on December 16, 2022, and found that they complied with the requirements of Order 10/04.

The revised tariff sheets became effective December 21, 2022.

On January 18, 2023, Avista filed supplemental revisions to the tariffs sheets for electric Tariff WN U-28, indicating that it had recently "discovered that the electric compliance base

rates that were approved by a Compliance Acknowledgment Letter dated December 19, 2022, included an incorrect formula reference which has resulted in incorrect base tariff rates affecting tariff Schedules 13/23 (Commercial EV Rate), Schedule 21 (Large General Service) and Schedule 31 (Pumping Service)."

On January 18, 2023, Staff filed a letter in these consolidated dockets informing the Commission that it had reviewed the compliance filing, explained that the "formula error inadvertently removed the Colstrip costs from the billing rates instead of base rates. The effect was an overstated base rate" in the schedules noted by Avista. Staff believes that the revised tariff revisions comply with Order 10/04, entered December 12, 2022.

The Commission requires more information from Avista and Staff. By January 20, 2023, please file supplemental letters explaining and providing supporting detail of the revenue Avista has collected vis-à-vis its authorized revenue. Also, please indicate whether the Commission should expect Avista to make a filing to request a deferral of either under or over collected revenue as a result of the discovered error and Avista's proposed refund mechanism for customers, if applicable.

AMANDA MAXWELL Executive Director and Secretary