

ATTORNEY GENERAL OF WASHINGTON

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Electronic Filing and Service

July 31, 2023

Amanda Maxwell, Executive Director and Secretary Washington Utilities and Transportation Commission 7141 Clean Water Dr SW P.O. Box 40128 Olympia, WA 98504-0128

Re: Washington Utils. and Transp. Comm'n v. Avista Corporation d/b/a Avista Utilities Dockets UE-220053, UG-220054, and UE-210854 (Consolidated)

Dear Ms. Maxwell:

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 in the above-referenced docket. Order 10/04, among other things, required Avista Corporation (Avista) to provide a capital projects review. The order and stipulation required the report to include assurances that the provisional capital included prior to the rate effective year is in service for customers during the rate effective period (for 2022 capital) and during [Rate Year 1] (2023 capital) and [Rate Year 2] (2024 capital) or those costs would be subject to refund. Additionally, Avista is required to report on the Inflation Reduction Act (IRA) and Infrastructure Investment and Jobs Act (IIJA) funding options and offsetting benefits for all retrospective review of provisional plant (capital projects).

On March 31, 2023, Avista submitted its first required Annual Provisional Capital Report (for 2022 capital). Commission Staff subsequently reviewed this compliance filing, issued informal data requests, and met with Avista to discuss several of the capital projects deemed most significant. The report, accompanying workpapers, and follow up discussions suggests the provisional plant to be known and measurable, used and useful, and prudent. Avista provided

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sufficient information regarding IRA or IIJA opportunities it is considering, and indicated no offsetting benefits at this time as these programs are at such a nascent stage in their development. Commission Staff opines that this report complies with the Commission's Order 10/04, entered December 12, 2022. As a result of this filing, there is no change in customer rates.

Sincerely,

/s/ Nash Callaghan
Nash Callaghan
Assistant Attorney General
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cc: Parties