

**BEFORE THE
WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**

In the Matter of)	DOCKET NO. UE-190324
)	
PUGET SOUND ENERGY,)	RESPONSE OF COMMISSION STAFF
)	TO PUGET SOUND ENERGY’S 2019
For Approval of its April 2019 Power)	POWER COST ADJUSTMENT FILING
Cost Adjustment Mechanism Report)	
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In the Matter of)	DOCKET NO. UE-190458
)	
PACIFIC POWER & LIGHT)	RESPONSE OF COMMISSION STAFF
COMPANY,)	TO PACIFIC POWER’S 2019 POWER
)	COST ADJUSTMENT MECHANISM
For Approval of its April 2019 Power)	FILING
Cost Adjustment Mechanism Report)	
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In the Matter of)	DOCKET NO. UE-190222
)	
AVISTA CORPORATION, d/b/a)	ANSWER OF AVISTA CORPORATION
AVISTA UTILITIES,)	TO STAFF’S MOTION TO SUSPEND
)	ERM PROCEDURAL SCHEDULE
2019 Power Energy Recovery)	
Mechanism Report)	
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1 COMES NOW, Avista Corporation (hereinafter “Avista” or “Company”), and respectfully answers the Motion filed by Staff on Thursday, September 26, 2019, asking to suspend the ERM procedural schedule calling for testimony to be filed on Thursday, October 3, 2019. By email dated September 30 from Judge O’Connell to all parties, it was clarified that Avista’s objection to this Motion to suspend is to be filed no later than October 1, 2019, but that any answer to Staff’s Motion to Sever and Consolidate would not be due until October 10, 2019. Accordingly, this Answer is

confined just to the Motion to Suspend; Avista will later file its objection to the Motion to Sever and Consolidate.¹

The Testimony Pre-filing Date of October 3, 2019, Should Not Be Suspended

2 In its Motion at ¶37, Staff requests that the Commission suspend the October 3, 2019 testimony filing date “until the Commission rules on this pleading [Motion].” The Motion being referred to is the Motion to Sever and Consolidate with the power cost adjustment dockets of Puget Sound Energy (PSE) (Docket No. UE-190324) and Pacific Power (Docket No. UE-190458). This request should be denied for the following reasons:

3 Avista filed its ERM case on March 29, 2019, after which it was suspended and set for hearing by Order No. 03, issuing on May 30, 2019. Staff has engaged in extensive (if not burdensome) discovery, beginning in April, and continuing right up to the present. Avista has thusfar responded to over 150 requests for information from Staff and 100 from the other parties. In response to those questions, Avista has provided detailed responses and provided over 600 relevant documents. Avista employees have spent literally hundreds of hours responding to Staff data requests. In a word, Staff has had more than enough time over the past five months to develop positions on the ERM and determine whether to bring a Motion to Sever and Consolidate. Instead, it waited until the “eleventh hour” to file the Motions, setting off a flurry of last minute actions

¹ As Avista will explain when it later responds to the Motion to Sever and Consolidate, the effect of Staff’s Motion is to skirt Judge O’Connell’s Pre-hearing Conference Order 03, ¶6 dated at May 30, 2019, in which he explained why the ERM was initially consolidated with Avista’s current GRC (over Staff’s objection):

CONSOLIDATION. Pursuant to WAC 480-07-320, the Commission determines that the facts and principles of law in Dockets UE-190334, UG-190335, and UE-190222 are related. The Commission, therefore, grants Avista’s Motion to consolidate Docket UE-190222 with Dockets UE-190334 and UG-190335. The Commission is also persuaded that consolidation of these dockets is appropriate because it will allow the Commission, as well as the parties, to more efficiently direct their resources. Additionally, consolidation will create greater rate stability for customers because the rate impact, if any, of Avista’s general rate case will align with the commencement of the return of the ERM balance, thereby avoiding additional and frequent rate fluctuations. (Emphasis added)

and shortened response periods, all to the detriment of the Company, the Commission and other parties. Nowhere does Staff explain why it waited so long.²

4 Aside from expressing some frustration with the late timing of these Motions, the real danger in granting the suspension of the October 3, 2019, prefiling date for Staff and other parties, is that the Commission will not know what the contested issues in the ERM docket are when it makes its decision on the Motion to Sever and Consolidate. And it needs to know which ERM issues, if any, pertain only to Avista and which issues are truly “common” to PSE’s and Pacific Power’s power cost filings. It should not simply accept Staff’s bald assertion that “the Power Cost Filings all involve the same issues of fact and principles of law.” Motion at ¶27. In fact, they do not: In Avista’s ERM filing, the Company discusses a variety of matters – e.g., changes in contract pricing, natural gas price fluctuations, and hydro and other generation, in addition to power costs associated with Colstrip. Any commonality among the three separate power cost filings would occur, if at all, only with respect to the limited issue relating to the causes of the Colstrip outage in 2018; indeed, not even each Company’s approach to procuring replacement power (if at issue) would be the same, and any evidence adduced in that regard will be confidential.


5 This will all be made abundantly clear only after the filing on October 3rd, when the parties identify any and all ERM issues – nearly all of which may have no commonality with PSE and Pacific Power.³ That is why it is so very important to have that testimony in hand, before the Commission can decide whether there is sufficient “commonality” to justify consolidation with the other utilities’ power cost adjustment cases. Until then, we are left to ponder, “commonality” pertaining to what? In short, the necessary predicate for any determination on “commonality” of

² Nor can it be argued that Staff was assuming that the parties might reach settlement on all ERM issues, in conjunction with the Avista GRC settlement conference held on September 19, 2019.

³ It is to be remembered that Public Counsel & AWEC have yet to identify their Avista ERM issues, which may extend beyond Colstrip.

facts and law will be missing, absent the timely filing of testimony on October 3, 2019, which will force all of the ERM issues out into the open.⁴ Until then, there is no basis for the Commission to move forward to decide the companion Motion to Sever and Consolidate.

DATED this 1st day of October 2019

By:  For David Meyer
David J. Meyer
Vice President and Chief Counsel, Avista Corp.

⁴ Presumably, at this juncture, Staff and other parties will have their testimony well in-hand and ready to file – it being within a day of when the ruling on the Motion will presumably issue (Wednesday, October 2nd versus Thursday, October 3rd). It would seem only sensible to first see that testimony, so we will know where we are at on the contested issues.