

Avista Corp.

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VIA – Electronic and Overnight Mail

April 27, 2018

Washington Utilities and Transportation Commission Attention: Mr. Steven V. King, Executive Director & Secretary 1300 S. Evergreen Park Drive S. W. P.O. Box 47250 Olympia, Washington 98504-7250

RE: Avista Corporation – Docket Nos. UE-170485 / UG-170486 / UE-171221 and UG-171222 – Compliance Filing

Attached for filing with the Commission is an original and ten copies of the Company's revisions to the following tariff sheets in compliance with the Commission's Order No. 07 in the above referenced dockets. The tariff sheets reflect an increase in electric base revenue of \$10.763 million and a decrease in natural gas base revenue of \$2.145 million, as approved by the Commission.

ELECTRIC TARIFFS		
Substitute 14 th Revision Sheet 1	Canceling	Substitute 13 th Revision Sheet 1
Substitute 14 th Revision Sheet 11	Canceling	Substitute 13 th Revision Sheet 11
Substitute 14th Revision Sheet 21	Canceling	Substitute 13 th Revision Sheet 21
Substitute 14th Revision Sheet 25	Canceling	Substitute 13 th Revision Sheet 25
Substitute 14 th Revision Sheet 31	Canceling	Substitute 13 th Revision Sheet 31
Substitute 13 th Revision Sheet 41	Canceling	Substitute 12 th Revision Sheet 41
Substitute 13 th Revision Sheet 42	Canceling	Substitute 12 th Revision Sheet 42
Substitute 7 th Revision Sheet 42A	Canceling	Substitute 6 th Revision Sheet 42A
Substitute 1 st Revision Sheet 42B	Canceling	Substitute Original Revision Sheet 42B
Substitute 13 th Revision Sheet 44	Canceling	Substitute 12 th Revision Sheet 44
Substitute 14 th Revision Sheet 45	Canceling	Substitute 13 th Revision Sheet 45
Substitute 14 th Revision Sheet 46	Canceling	Substitute 13 th Revision Sheet 46
Substitute 13 th Revision Sheet 47	Canceling	Substitute 12 th Revision Sheet 47
Substitute 14th Revision Sheet 47A	Canceling	Substitute 13 th Revision Sheet 47A
Substitute 1 st Revision Sheet 47B	Canceling	Substitute Original Sheet 47B
NATURAL GAS TARIFFS		
13 th Revision Sheet B	Canceling	12 th Revision Sheet B
Substitute 15 th Revision Sheet 101	Canceling	Substitute 14 th Revision Sheet 101

Substitute 15th Revision Sheet 111	Canceling	Substitute 14th Revision Sheet 111
Substitute 15th Revision Sheet 112	Canceling	Substitute 14th Revision Sheet 112
Original Sheet 116		
Original Sheet 116A		
Original Sheet 116B		
Original Sheet 116C		
Original Sheet 116D		
Substitute 15 th Revision Sheet 121	Canceling	Substitute 14th Revision Sheet 121
Substitute 15 th Revision Sheet 122	Canceling	Substitute 14 th Revision Sheet 122
Original Sheet 126		
Original Shect 126A		
Original Sheet 126B		
Original Sheet 126C		
Original Sheet 126D		
Substitute 15th Revision Sheet 131	Canceling	Substitute 14 th Revision Sheet 131
Substitute 15th Revision Sheet 132	Canceling	Substitute 14th Revision Sheet 132
Substitute 15th Revision Sheet 146	Canceling	Substitute 14th Revision Sheet 146
4th Revision Sheet 149	Canceling	3 rd Revision Sheet 149
20th Revision Sheet 150	Canceling	19th Revision Sheet 150
7 th Revision Sheet 150A	Canceling	6 th Revision Sheet 150A
3 rd Revision Sheet 175	Canceling	2 nd Revision Sheet 175
2 nd Revision Sheet 175D	Canceling	1 st Revision Sheet 175D
22 nd Revision Sheet 191	Canceling	21st Revision Sheet 191
6 th Revision Sheet 192	Canceling	Substitute 5th Revision Sheet 192

In support of the tariff revisions, the Company is providing the following workpapers:

- Attachment 1 contains the workpapers supporting the Compliance Tariffs Electric.
- Attachment 2 contains the workpapers supporting the Compliance Tariffs Natural Gas.
- Attachment 3 contains the ERM Authorized Expense and Retail Sales.
- Attachment 4 contains the baseline revenue per customer calculations for Avista's Electric Decoupling Mechanism.
- Attachment 5 contains the baseline revenue per customer calculations for Avista's Natural Gas Decoupling Mechanism.

Please note the following items that are contained in this Compliance Filing:

- 1. For the Company's <u>natural gas base tariffs</u>, Avista has updated the rates shown under "Other Charges", which are provided for informational purposes, in order to show on the base tariff sheets all of the rate components that makeup the total billing rates shown on customer's bills. The "Other Charges" changed as a result of the approval of the Company's recent Purchased Gas Cost Adjustment filing (Schedules 150 & 155 Docket No. UG-170932/171206), Demand Side Management filing (Schedule 191 Docket No. UG-170175) and the increase to LIRAP (Schedule 192 Docket No. UG-170846).
- 2. As part of the Commission's Order 07 is approval of the new natural gas transportation Schedules 116 and 126. As part of this Compliance Filing, the Company has updated all the applicable adder schedules to reflect these new rate schedules. The applicable adder

schedules include Schedules 150, 175, 191, 192 and 196. In addition, a component of the new transportation schedules is the inclusion of these new schedules, and Schedules 112 and 122, into the Decoupling Mechanism. The Company has added these schedules to the decoupling tariff (Schedule 175) and included a new paragraph stating the following:

Customers served on Schedules 112 and 122 who were not part of the decoupling mechanism prior to May 1, 2018 will not be subject to the decoupling rate adjustments until such time that their usage is incorporated into the deferral period of the rate adjustment calculation.

The Company does not believe that customers served under these rate schedules should be subject to the decoupling rate adjustments (presently a surcharge) until their usage is fully reflected into the deferral period of a future decoupling rate adjustment calculation. There are currently zero customers taking service under Schedule 112 and two customers taking service under Schedule 122.

- 3. The Company has also included Schedule 149, "Backup and Supplemental Compressed Natural Gas Service" to reflect the new first block rate for Schedule 111. That rate is one of the key components to determine the Retail Rate per Gas Gallon Equivalent under that schedule.
- 4. The Company has updated the natural gas minimum charges per month to reflect the appropriate breakeven differential between Schedule 101 and these respective rate schedules.
- 5. The Company will work with its low-income agencies by May 1, 2018 to incorporate the increase in funding of \$350,000 for low-income weatherization for electric operations as ordered by the Commission. The additional funding will be incorporated into the Company's annual DSM true-up filing (Schedule 91) on June 1, 2018.

Hard copies of this filing will be sent to the Commission and the Parties via overnight mail. Please direct any questions related to the ERM base or decoupling (Attachments 3, 4 & 5) to Tara Knox at 509,495,4325 and all other tariff questions (Attachments 1 & 2) to Joe Miller at 509,495,4546.

Sincerelly

Patrick Ehrbar

Director of Regulatory Affairs

Enclosures

c: Service List