



Avista Corp.

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October 29, 2020

Washington Utilities and Transportation Commission
621 Woodland Square Loop SE
Lacey, WA 98503

Attention: Mr. Mark L. Johnson, Executive Director and Secretary

**TARIFF WN U-28, ELECTRIC SERVICE, and
TARIFF WN U-29, NATURAL GAS SERVICE**

Avista Corporation (“Avista” or “the Company”) hereby submits the attached filing seeking Commission authorization to increase its rates and charges for its electric and natural gas services to its electric and natural gas customers in the state of Washington. In this filing the Company is proposing a base revenue increase which would begin with new rates effective October 1, 2021.

For electric operations, Avista is proposing an overall increase in electric base revenues of \$44.2 million or 8.3%. On a billed revenue basis the increase in revenue is 0.0%, after taking into account the Tax Customer Credit discussed below. For natural gas operations, Avista is proposing an overall increase in base revenues of \$12.8 million or 12.2%. On a billed revenue basis (including the cost of natural gas, upstream third-party owned transportation, and the effect of other tariffs, offset by the Tax Customer Credit), the increase in billed revenue is 0.0%.

The Company’s request is based on a proposed rate of return of 7.43% with a common equity ratio of 50.0% and a 9.9% return on equity.

In this case the Company is proposing a Tax Customer Credit. In our case the Company explains that, concurrent with the filing of this GRC, the Company has filed with this Commission its Tax Accounting Petition, requesting authorization to change its accounting for federal income tax expense from a normalization method to a flow-through method for certain plant basis adjustments, including Industry Director Directive No. 5 (“IDD #5”) and meters. Approval of the Company’s application would provide immediate benefits to customers, which the Company is requesting approval to defer, and to begin amortization through separate tariff of those benefits, concurrent with the effective date of this GRC.

Avista requests that the Commission **immediately suspend the operation of the general tariff revisions** included in this filing, and promptly set the matter for hearing, including the

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establishment of a prehearing conference, at the earliest possible date in accordance with WAC 480-07-440(1)(a).

Please note that the Company has also simultaneously filed:

1. “Avista Corporation’s Motion for a Protective Order Pursuant to WAC 480-07-420”; and
2. “Avista Corporation’s Petition For Limited Exemption From WAC 480-85-070”.

Service of documents pertaining to this filing should be to the following Avista Corporation representatives:

David J. Meyer, Esq.
VP and Chief Counsel for
Regulatory and Governmental Affairs
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Avista Dockets (Electronic Only) - AvistaDockets@avistacorp.com

Enclosed with this filing are an original and two copies of the following proposed tariff sheets, formatted with the coding required by WAC 480-80-105, and three copies in legislative format as required by WAC 480-07-510(2):

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| 16 th Revision Sheet 1 | Canceling | Substitute 15 th Revision Sheet 1 |
| 16 th Revision Sheet 11 | Canceling | Substitute 15 th Revision Sheet 11 |
| 16 th Revision Sheet 21 | Canceling | Substitute 15 th Revision Sheet 21 |
| 16 th Revision Sheet 25 | Canceling | Substitute 15 th Revision Sheet 25 |
| 12 th Revision Sheet 25A | Canceling | Substitute 11 th Revision Sheet 25A |
| 16 th Revision Sheet 31 | Canceling | Substitute 15 th Revision Sheet 31 |
| 15 th Revision Sheet 41 | Canceling | Substitute 14 th Revision Sheet 41 |
| 15 th Revision Sheet 42 | Canceling | Substitute 14 th Revision Sheet 42 |
| 9 th Revision Sheet 42A | Canceling | Substitute 8 th Revision Sheet 42A |
| 15 th Revision Sheet 44 | Canceling | Substitute 14 th Revision Sheet 44 |
| 16 th Revision Sheet 45 | Canceling | Substitute 15 th Revision Sheet 45 |
| 16 th Revision Sheet 46 | Canceling | Substitute 15 th Revision Sheet 46 |
| 2 nd Revision Sheet 46A | Canceling | Substitute 1 st Sheet 46A |
| 15 th Revision Sheet 47 | Canceling | Substitute 14 th Revision Sheet 47 |
| 16 th Revision Sheet 47A | Canceling | Substitute 15 th Revision Sheet 47A |
| 3 rd Revision Sheet 47B | Canceling | Substitute 2 nd Sheet 47B |

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| Original Sheet 76 | | |
| 17 th Revision Sheet 101 | Canceling | Substitute 16 th Revision Sheet 101 |
| 17 th Revision Sheet 111 | Canceling | Substitute 16 th Revision Sheet 111 |
| 17 th Revision Sheet 112 | Canceling | Substitute 16 th Revision Sheet 112 |
| 2 nd Revision Sheet 116 | Canceling | Substitute 1 st Sheet 116 |
| 17 th Revision Sheet 131 | Canceling | Substitute 16 th Revision Sheet 131 |
| 17 th Revision Sheet 132 | Canceling | Substitute 16 th Revision Sheet 132 |
| 17 th Revision Sheet 146 | Canceling | Substitute 16 th Revision Sheet 146 |
| Original Sheet 176 | | |
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As directed by the Commission, the Company has enclosed 5 copies of its prepared direct testimony and exhibits, as well as a copy of workpapers showing how test year data were adjusted.

A summary document pertaining to the filing is provided, as well as the following URLs for locating the financial reports and other documents required under WAC 480-07-510:

FERC Forms

<https://www.utc.wa.gov/regulatedIndustries/utilities/Documents/Forms/AllItems.aspx>

10K's, 10Q's, Annual Reports & Proxy, and Debt & Equity Offerings

<http://investor.avistacorp.com/financial-information/annual-reports>

An electronic version of this filing and all supporting documents is enclosed as well. The Public Counsel Unit of the Washington Attorney General's Office has also been served with a copy of all such documents at the time of filing with the Commission.

Please note that certain sections of the exhibits of Mark T. Thies, Jason R. Thackston, Scott J. Kinney, and Clint G. Kalich contain CONFIDENTIAL information. The workpapers of Dennis P. Vermillion, Jeff A. Schlect, Joshua D. DiLuciano, David R. Howell and Clint G. Kalich as well as a portion of Mark T. Thies, are being provided in electronic format only due to their voluminous and/or electronic nature. In addition, the workpapers of Tara L. Knox have been provided in electronic format in this filing; the paper copies will be provided within 5 business days of this filing. Please also note that Exh. JM-2, JRT-2 and EMA-5 are only being provided electronically due to their voluminous and/or electronic nature.

Additionally, as required by WAC 480-07-160(4)(a), the Company is also submitting an Attorney's Claim of Confidentiality regarding the submission of the unredacted versions of the above-referenced CONFIDENTIAL exhibits and workpapers. These documents should be treated as CONFIDENTIAL per WAC 480-07-160.

In compliance with WAC 480-90-197 and WAC 480-100-197, the Company will provide public notice once the public hearing dates have been selected by the Commission. In compliance with WAC 480-90-193(1) and WAC 480-100-193(1), the Company will post the proposed changes to its tariffs for public inspection and review on its website and will provide access via request by

telephone or mail. A service list is attached, with the parties on the service list receiving a complete copy of the pre-filed testimony, exhibits, and workpapers.

In compliance with WAC 480-07-510(3)(g), the Company states that there are no additional material affiliated transactions to report impacting the test year that otherwise were not already reported in the Company's annual 2019 Report of Affiliated Interest Transactions. The Company's 2019 annual report was filed on April 29, 2020 (See Dockets UE-200390 and UG-200391).

Additional copies of this filing, supporting testimony and exhibits are available from the Company upon request. Questions regarding this filing should be directed to Liz Andrews at (509) 495-8601.

Sincerely,

/s/ *David J. Meyer*

David Meyer
Vice President and Chief Counsel
for Regulatory and Governmental Affairs

Enclosures

cc: Service List