

**BEFORE THE WASHINGTON
UTILITIES AND TRANSPORTATION COMMISSION**

WASHINGTON UTILITIES AND)	DOCKET UE-120436
TRANSPORTATION)	
COMMISSION,)	DOCKET UG-120437
)	<i>(Consolidated)</i>
Complainant,)	
)	ORDER 02
v.)	
)	
AVISTA CORPORATION,)	COMPLAINT AND ORDER
)	SUSPENDING TARIFF REVISIONS
Respondent.)	AND ORDER OF CONSOLIDATION
.....)	

BACKGROUND

- 1 On April 2, 2012, Avista Corporation, (Avista or Company) filed with the Washington Utilities and Transportation Commission (Commission) revisions to its currently effective Tariff WN U-28, Electric Service, designated as listed in the appendix attached to this Order. The stated effective date is May 3, 2012. The purpose of this filing is to increase rates and charges for electric service provided to customers in the state of Washington.
- 2 In this filing, Avista would increase charges and rates for electric service by approximately \$41.0 million or 9.0 percent. Because those increases might injuriously affect the rights and interests of the public and Avista has not demonstrated that the increases would result in rates that are fair, just, reasonable and sufficient, the Commission suspends the tariff filing and will hold public hearings, if necessary, to determine whether the proposed increases are fair, just, reasonable and sufficient.
- 3 In addition, the prefiled testimony Avista filed in support of its tariff revisions discussed a proposed one-year Energy Recovery Mechanism (ERM) bill decrease, or rebate, to electric customers of \$13.6 million (about 2.9 percent). On April 18, 2012, Avista supplemented its filing to include tariff Schedule 93, which reflects the proposed ERM bill decrease. This tariff also bears an effective date of May 3, 2012.
- 4 On April 2, 2012, Avista also filed with the Commission revisions to its currently effective Tariff WN U-29, Natural Gas, designated as listed in the appendix attached to this Order. The stated effective date is May 3, 2012. The purpose of this filing is to

increase rates and charges for electric service provided to customers in the state of Washington.

5 In this filing, Avista would increase charges and rates for natural gas service by approximately \$10.1 million or 7.0 percent. Because those increases might injuriously affect the rights and interests of the public and Avista has not demonstrated that the increases would result in rates that are fair, just, reasonable and sufficient, the Commission suspends the tariff filing and will hold public hearings, if necessary, to determine whether the proposed increases are fair, just, reasonable and sufficient.

6 The matters in the two dockets appear to involve related facts and principles of law. It is appropriate that they be consolidated for hearing and determination pursuant to WAC 480-07-320.

FINDINGS AND CONCLUSIONS

- 7 (1) The Washington Utilities and Transportation Commission is an agency of the State of Washington vested by statute with the authority to regulate rates, regulations, practices, accounts, securities, transfers of property and affiliated interests of public service companies, including electric and natural gas companies. [RCW 80.01.040](#), [RCW 80.04](#), [RCW 80.08](#), [RCW 80.12](#), [RCW 80.16](#) and [RCW 80.28](#).
- 8 (2) Avista is an electric and natural gas company, and a public service company subject to Commission jurisdiction.
- 9 (3) This matter came before the Commission at its regularly scheduled meeting on April 26, 2012.
- 10 (4) The tariff revisions Avista filed on April 2, 2012, would increase charges and rates for service provided by Avista, and might injuriously affect the rights and interest of the public.
- 11 (5) Avista has not yet demonstrated that the tariff revisions would result in rates that are fair, just, reasonable and sufficient.

- 12 (6) Avista's rates and charges for electric or natural gas services shown on any tariffs that Avista does not propose to revise may also be investigated to determine if they are fair, just, reasonable and sufficient.
- 13 (7) In order to carry out the duties imposed upon the Commission by law, and as authorized in [RCW 80.04.130](#), the Commission believes it is necessary to investigate Avista's books, accounts, practices and activities; to make a valuation or appraisal of Avista's property; and to investigate and appraise various phases of Avista's operations. The Commission finds that these dockets meet the criteria of WAC 480-07-004(2)(b)(i) and that discovery will be conducted pursuant to the Commission's discovery rules in WAC 480-007-400 – 425.
- 14 (8) As required by [RCW 80.04.130 \(4\)](#), Avista bears the burden of proof to show that the proposed increases are fair, just, reasonable and sufficient.
- 15 (9) Avista may be required to pay the expenses reasonably attributable and allocable to such an investigation, consistent with [RCW 80.20](#).

ORDER

THE COMMISSION ORDERS:

- 16 (1) The tariff revisions Avista Corporation filed on April 2, 2012, and April 18, 2012, in Dockets UE-120436 and UG-120437 are suspended.
- 17 (2) Dockets UE-120436 and UG-120437 are consolidated for hearing and determination under WAC 480-07-320.
- 18 (3) The Commission will hold hearings at such times and places as may be required. Such hearings may also examine Avista Corporation's rates and charges for electric or natural gas service shown on any tariffs that Avista Corporation does not propose to revise.
- 19 (4) Avista Corporation must not change or alter the tariffs filed in this docket during the suspension period, unless authorized by the Commission.

- 20 (5) The Commission will institute an investigation of Avista Corporation's books,
accounts, practices, activities, property and operations as described above.
- 21 (6) Discovery will be conducted pursuant to the Commission's discovery rules in
WAC 480-07-400 – 425.
- 22 (7) Avista Corporation shall pay the expenses reasonably attributable and allocable to
the Commission's investigation, consistent with [RCW 80.20](#).

DATED at Olympia, Washington, and effective April 26, 2012.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

JEFFREY D. GOLTZ, Chairman

PATRICK J. OSHIE, Commissioner

PHILIP B. JONES, Commissioner

APPENDIX

TARIFF WN U-28 ELECTRIC SERVICE

10 th Revision Sheet 1	Canceling	9 th Revision Sheet 1
10 th Revision Sheet 11	Canceling	9 th Revision Sheet 11
10 th Revision Sheet 21	Canceling	9 th Revision Sheet 21
10 th Revision Sheet 25	Canceling	9 th Revision Sheet 25
7 th Revision Sheet 25A	Canceling	6 th Revision Sheet 25A
10 th Revision Sheet 31	Canceling	9 th Revision Sheet 31
9 th Revision Sheet 41	Canceling	8 th Revision Sheet 41
9 th Revision Sheet 42	Canceling	8 th Revision Sheet 42
9 th Revision Sheet 44	Canceling	8 th Revision Sheet 44
10 th Revision Sheet 45	Canceling	9 th Revision Sheet 45
10 th Revision Sheet 46	Canceling	9 th Revision Sheet 46
9 th Revision Sheet 47	Canceling	8 th Revision Sheet 47
10 th Revision Sheet 47A	Canceling	9 th Revision Sheet 47A
8 th Revision Sheet 93	Canceling	7 th Revision Sheet 93

TARIFF WN U-29 NATURAL GAS SERVICE

10 th Revision Sheet 101	Canceling	9 th Revision Sheet 101
10 th Revision Sheet 111	Canceling	9 th Revision Sheet 111
10 th Revision Sheet 112	Canceling	9 th Revision Sheet 112
10 th Revision Sheet 121	Canceling	9 th Revision Sheet 121
10 th Revision Sheet 122	Canceling	9 th Revision Sheet 122
10 th Revision Sheet 131	Canceling	9 th Revision Sheet 131
10 th Revision Sheet 132	Canceling	9 th Revision Sheet 132
10 th Revision Sheet 146	Canceling	9 th Revision Sheet 146
12 th Revision Sheet 150	Canceling	11 th Revision Sheet 150