

**Avista Corp.**

1411 East Mission P.O. Box 3727
 Spokane, Washington 99220-0500
 Telephone 509-489-0500
 Toll Free 800-727-9170

January 17, 2023

Ms. Amanda Maxwell
 Executive Director and Secretary
 Washington Utilities and Transportation Commission
 621 Woodland Square Loop SE
 Lacey, WA 98503

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 UTIL. AND TRANSP.
 COMMISSION

RE: Docket U-210590 - Avista's Responses Related to Performance Metrics – Phase 2A Work Plan

Dear Ms. Maxwell:

Avista Corporation, dba Avista Utilities (Avista or the Company), submits the following comments in accordance with the Washington Utilities and Transportation Commission's (Commission) Notice of Opportunity to File Written Comments (Notice) issued in Docket U-210590 on January 5, 2023, regarding the development of a "policy statement addressing alternatives to traditional cost of service ratemaking". Specifically, in the Notice the Commission is "seeking public comments on its proposed work plan for Phase 2A of this proceeding...as well as suggestions for further phases of this proceeding."

Avista believes the work plan for Phase 2A seems reasonable, recognizing that the Commission can alter the work plan to accommodate any need to change the schedule or scope of the phase as needed. One piece that feels missing in this overall process before assessing the scope of Phase 2A is the completion of Phase 1. Avista's understanding of the overall work plan for this docket is that a Policy Statement for Phase 1 is expected to be issued in March 2023. That Policy Statement may inform the Company's thoughts on the scope and timing of Phase 2A, however, for the time being, the work plan seems reasonable.

The following are the Company's responses to the specific questions posed in the Notice:

1. Do you have any thoughts, concerns, or suggestions on the proposed scope or timing of Phase 2A?

Response: As noted above, the Company believe the work plan for Phase 2A seems reasonable. In particular, the Company appreciates the work plan allows for up to two months for comments to be submitted in response to the anticipated notice for comments in April 2023. Given the complexities and importance of the calculations for the established metrics, along with establishing a process for reporting

and review, additional time to comment on the general concept questions posed for the notice is important. The remaining scope of the work plan and timing for each item seems appropriate, given what we know today.

2. What are the most important issues for the Commission to address in Phase 2A?

Response: The most important issues for the Commission to address in Phase 2A are the following:

1. Definition to be used in calculations – without adequate definition, questions will remain about what the metrics are trying to accomplish, potentially leading to issues down the road.
 2. Availability of data – data availability will be a key point to discuss and agree upon during this phase as there are likely metrics proposed where data just is not available and obtaining the data would be costly or overly burdensome.
 3. Timing of when data is available – for certain metrics, the timing of when data is available for the calculations may lag for a period of time. This is an important factor when considering the timing of metric reporting and review.
 4. Reporting process – the frequency of reporting of the metric should be at a time interval where it does not become burdensome for parties to review the data or on the utilities to provide.
 5. Review process – it is important to have a clear review process and expectation for the outcome of the review process. Over time we know that the metrics will change, but changes should not happen too frequently. For this reason it will be important to set a proper cadence for discussing potential changes needed to metrics and calculations.
3. Do you have any other comments you would like to offer on the overall work plan ([filed on January 27, 2022](#)), including phases beyond Phase 2A, or on the development of policy under RCW 80.28.425 more generally?

Response: Avista does not have any additional comments to offer on the overall work plan at this time and looks forward to continuing to participate in this process.

If you have any questions regarding this filing, you can contact me at 509-495-2782 or shawn.bonfield@avistacorp.com.

Sincerely,

/s/ Shawn Bonfield

Shawn Bonfield
Sr. Manager of Regulatory Policy & Strategy