BEFORE THE WASHINGTON

**UTILITIES AND TRANSPORTATION COMMISSION**

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| WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION,  Complainant,  v.  AVISTA CORPORATION, DBA AVISTA UTILITIES,  Respondent.  . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . | ) ) ) ) ) ) ) ) ) ) )  )  ) | DOCKETS UE-140188 and  UG-140189 *(Consolidated)*  ORDER 01  COMPLAINT AND ORDER SUSPENDING TARIFF REVISIONS AND ORDER OF CONSOLIDATION |

**BACKGROUND**

1. On February 4, 2014, Avista Corporation, dba Avista Utilities (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 March 7, 2014. 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 requests authority to increase charges and rates for electric service by approximately $18.2 million or 3.8 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. The overall electric billed increase proposed by Avista is 5.5 percent, including: the above 3.8 percent base rate increase; a Renewable Energy Credit Revenue Mechanism rebate of 1.1 percent; and the expiration of two rebates currently received by electric customers totaling a 2.8 percent billed revenue increase effective January 1, 2015.
4. On February 4, 2014, Avista also filed 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 March 7, 2014. The purpose of this filing is to increase rates and charges for natural gas service provided to customers in the state of Washington.
5. In this filing, Avista seeks to increase rates for natural gas service by approximately $12.1 million or 7.8 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**

1. (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.
2. (2) Avista is an electric and natural gas company and a public service company subject to Commission jurisdiction.
3. (3) The tariff revisions Avista filed on February 4, 2014, would increase charges and rates for service provided by Avista and might injuriously affect the rights and interest of the public.
4. (4) Avista has not yet demonstrated that the tariff revisions would result in rates that are fair, just, reasonable, and sufficient.
5. (5) 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.
6. (6) 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 480-07-400(2)(b)(i) and that discovery will be conducted pursuant to the Commissions discover rules in WAC 480-07-400 – 425.
7. (7) 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.
8. (8) Avista may be required to pay the expenses reasonably attributable and allocable to such an investigation, consistent with RCW 80.20.

**O R D E R**

THE COMMISSION ORDERS:

1. (1) The tariff revisions Avista Corporation, dba Avista Utilities filed on February 4, 2014, are suspended.
2. (2) Dockets UE-140188 and UG-140189 are consolidated for hearing and determination under WAC 480-07-320.
3. (3) The Commission will hold hearings at such times and places as may be required. Such hearings may also examine Avista’s rates and charges for electric or natural gas service shown on any tariffs that Avista does not propose to revise.
4. (4) Avista must not change or alter the tariffs filed in this docket during the suspension period, unless authorized by the Commission.
5. (5) The Commission will institute an investigation of Avista’s books, accounts, practices, activities, property, and operations as described above.
6. (6) Discovery will be conducted pursuant to the Commission’s discovery rules in WAC 480-07-400 – 425.
7. (7) Avista shall pay the expenses reasonably attributable and allocable to the Commission’s investigation, consistent with RCW 80.20.

DATED at Olympia, Washington, and effective February 13, 2014.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

DAVID W. DANNER, Chairman

PHILIP B. JONES, Commissioner

JEFFREY D. GOLTZ, Commissioner

**Appendix**

**WN U-28:**

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| 12h Revised | Sheet No. 1 | Residential Service – Washington |
| 12th Revised | Sheet No. 11 | General Service – Washington |
| 4th Revised | Sheet No. 12 | Residential and Farm General Service – Washington |
| 12th Revised | Sheet No. 21 | Large General Service – Washington |
| 4th Revised | Sheet No. 22 | Residential and Farm Large General Service – Washington |
| 12th Revised | Sheet No. 25 | Extra Large General Service – Washington |
| 9th Revised | Sheet No. 25A | Extra Large General Service – Washington |
| 12th Revised | Sheet No. 31 | Pumping Service – Washington |
| 4th Revised | Sheet No. 32 | Residential and Farm Pumping Service – Washington |
| 11th Revised | Sheet No. 41 | Company Owned Street Light Service - Washington |
| 4th Revised | Sheet No. 41A | Company Owned Street Light Service - Washington |
| 11th Revised | Sheet No. 42 | Company Owned Street Light Service - Washington |
| 5th Revised | Sheet No. 42A | Company Owned Street Light Service - Washington |
| Original | Sheet No. 42B | Company Owned Street Light Service - Washington |
| 11th Revised | Sheet No. 44 | Customer Owned Street Light Energy and Maintenance Service - Washington |
| 4th Revised | Sheet No. 44A | Customer Owned Street Light Energy and Maintenance Service - Washington |
| 12th Revised | Sheet No. 45 | Customer Owned Street Light Energy Service - Washington |
| 12th Revised | Sheet No. 46 | Customer Owned Street Light Energy Service - Washington |
| Original | Sheet No. 46A | Customer Owned Street Light Energy Service - Washington |
| 11th Revised | Sheet No. 47 | Area Lighting – Washington |
| 12th Revised | Sheet No. 47A | Area Lighting – Washington - Continued |
| 4th Revised | Sheet No. 48 | Residential and Farm Area Lighting - Washington |
| Original | Sheet No. 98 | Renewable Energy Credit Revenue Mechanism – Washington |
| Original | Sheet No. 99 | Decoupling Mechanism – Electric |
| Original | Sheet No. 99A | Decoupling Mechanism – Electric (continued) |
| Original | Sheet No. 99B | Decoupling Mechanism – Electric (continued) |
| Original | Sheet No. 99C | Decoupling Mechanism – Electric (continued) |
| Original | Sheet No. 99D | Decoupling Mechanism – Electric (continued) |

**WN U-29:**

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| 13th Revised | Sheet No. 101 | General Service – Firm – Washington |
| 13th Revised | Sheet No. 111 | Large General Service – Firm – Washington |
| 13th Revised | Sheet No. 112 | Large General Service – Firm – Washington |
| 13th Revised | Sheet No. 121 | High Annual Load Factor Large General Service – Firm – Washington |
| 4th Revised | Sheet No. 121A | High Annual Load Factor Large General Service – Firm – Washington |
| 13th Revised | Sheet No. 122 | High Annual Load Factor Large General Service – Firm - Washington |
| 4th Revised | Sheet No. 122A | High Annual Load Factor Large General Service – Firm - Washington |
| 13th Revised | Sheet No. 131 | Interruptible Service – Washington |
| 4th Revised | Sheet No. 131A | Interruptible Service – Washington (continued) |
| 13th Revised | Sheet No. 132 | Interruptible Service – Washington |
| 4th Revised | Sheet No. 132A | Interruptible Service – Washington (continued) |
| 13th Revised | Sheet No. 146 | Transportation Service For Customer-Owned Gas – Washington |
| Original | Sheet No. 199 | Decoupling Mechanism – Natural Gas |
| Original | Sheet No. 199A | Decoupling Mechanism – Natural Gas |
| Original | Sheet No. 199B | Decoupling Mechanism – Natural Gas |
| Original | Sheet No. 199C | Decoupling Mechanism – Natural Gas |
| Original | Sheet No. 199D | Decoupling Mechanism – Natural Gas |