

**BEFORE THE WASHINGTON
UTILITIES AND TRANSPORTATION COMMISSION**

WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION,

Complainant,

v.

AVISTA CORPORATION, d/b/a
AVISTA UTILITIES,

Respondent.

AVISTA CORPORATION, d/b/a
AVISTA UTILITIES,

REVISES TARIFF WN U-28 TO
REVIEW 2018 CALENDAR YEAR
DEFERRALS AND REBATE OF
OVERALL DEFERENTIAL BALANCES.

DOCKETS UE-190334 and
UG-190335 (*Consolidated*)

DOCKET UE-190222

PUBLIC COUNSEL'S RESPONSE
TO AVISTA'S MOTION FOR
CONSOLIDATION

1. Public Counsel responds to Avista Corporation's motion to consolidate its ERM filing, made in Docket UE-190222, with its general rate case filing, made in Dockets UE-190334 and UG-190335. Public Counsel respectfully requests that the Utilities and Transportation Commission (Commission) deny Avista's motion to consolidate.
2. Avista presents a \$34.4 million rebate to customers in its ERM filing, resulting from power costs embedded in rates being less than actual power costs. Avista also seeks a multi-year rate increase in its general rate case. If the Commission were to grant Avista's request, rates charged to electric customers would increase by \$45.8 million in the first year and \$18.9 million in the second year.
3. Avista's ERM filing might proceed through the Commission's Open Meeting process, or it might result in an adjudication. The Commission has not yet made that decision, and Public

Counsel and Commission Staff are reviewing the filing. To date, Staff has asked a number of

PUBLIC COUNSEL'S RESPONSE TO AVISTA'S MOTION FOR CONSOLIDATION DOCKETS UE-190334 & UG-190335, UE-190222	1	ATTORNEY GENERAL OF WASHINGTON PUBLIC COUNSEL 800 5 TH AVE., SUITE 2000 SEATTLE, WA 98104-3188 (206) 464-7744
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data requests in the ERM docket, and Public Counsel is working with an expert to review the filing and the responses. Public Counsel may ask further questions of the Company as well.

4. Additionally, Public Counsel, Commission Staff, and the Alliance of Western Energy Consumers (AWEC) have been participating in workshops with Avista concerning its power cost modeling, as ordered in Order 07 in Dockets UE-170485 and UG-170486.¹ These workshops have been productive and highlight the need to devote time and attention to power cost filings.

5. The general rate case proceeding will undoubtedly involve numerous important issues. Consolidating the ERM filing will add another significant issue to an already crowded docket, which may also include issues from the remand of Dockets UE-150204 and UG-150205. To ensure that issues in the ERM filing receive the attention they deserve, Public Counsel believes the ERM filing should remain separate and not be consolidated into the general rate case.

6. Additionally, Public Counsel does not support consolidating the two matters because the rate impact of the ERM rebate will mask the general rate case impact. Avista suggests that consolidating the ERM with the general rate case will provide an opportunity to “shape” the rate impact over their proposed two-year rate plan.² The impact of the ERM and general rate case filings will certainly overlap, but each impact should be clearly communicated to customers.

7. Avista cites instances in which ERM balances were used in past cases to affect the bill impact of general rate increases; however, those cases did not involve instances where the ERM rate adjustment trigger had been met.³ In those prior cases, customers would not have received

¹ *WUTC v. Avista Corp.*, Dockets UE-170485 & UG-170486 (*Consolidated*), Order 07 ¶ 161 (Apr. 26, 2018).

² Avista Motion ¶ 4.

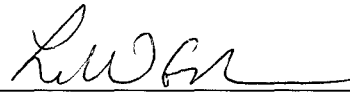
³ Avista Motion ¶ 6-8 (citing *WUTC v. Avista Corp.*, Dockets UE-120436 & UG-120437, Order 09 ¶ 97 (Dec. 26, 2012); *WUTC v. Avista Corp.*, Dockets UE-140188 & UG-140189, Order 05 (Nov. 25, 2014).

any benefit from the ERM balances but for using the funds to offset or “shape” the general rate impact. Unlike those cases, Avista here has activated the rate adjustment trigger, and customers will receive a rebate, regardless of whether those funds are used to mask the results of the general rate case.

8. For the reasons stated above, Public Counsel asks the Commission to deny Avista’s Motion for Consolidation and consider the ERM and general rate case filings separately.

9. DATED this 15th day of May 2019.

ROBERT W. FERGUSON
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