

**Docket Nos. UE-200900, UG-200901, and UE-200894
(Consolidated) - Vol. II**

WUTC v. Avista Corporation d/b/a Avista Utilities

June 16, 2021



206.287.9066 | 800.846.6989

1325 Fourth Avenue, Suite 1840, Seattle, Washington 98101

www.buellrealtime.com

email: info@buellrealtime.com



BEFORE THE WASHINGTON
UTILITIES AND TRANSPORTATION COMMISSION

WASHINGTON UTILITIES AND) DOCKETS UE-200900,
TRANSPORTATION COMMISSION,) UG-200901, and UE-200894
) (Consolidated)
Complainant,)
))
vs.)
))
AVISTA CORPORATION, d/b/a)
AVISTA UTILITIES,)
))
Respondent.)

VIRTUAL PUBLIC COMMENT HEARING, VOLUME II

Pages 25-37

June 16, 2021

6:00 p.m.

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

REPORTED BY: TAYLER GARLINGHOUSE, CCR 3358

Buell Realtime Reporting, LLC
1325 Fourth Avenue, Suite 1840
Seattle, Washington 98101
(206) 287-9066 | Seattle
(360) 534-9066 | Olympia
(800) 846-6989 | National
www.buellrealtime.com

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A P P E A R A N C E S

Commissioners:

DAVE DANNER, Chair
ANN E. RENDAHL, Commissioner
JAY BALASBAS, Commissioner

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1 LACEY, WASHINGTON; JUNE 16, 2021

2 6:00 P.M.

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P R O C E E D I N G S

5

6 CHAIR DANNER: Good evening, everyone. This
7 is a hearing of the Washington Utilities and
8 Transportation Commission, and we're here tonight to
9 take public comment on a general rate case filed by
10 Avista for a rate increase. And this is Docket
11 UE-200900 and UG-200901 and, as well, UE-200894.

12 I'm Dave Danner. I'm Chair of the
13 Commission. I'm joined by my colleagues, Commissioner
14 Ann Rendahl and Commissioner Jay Balasbas.

15 Tonight we will be taking public comment.
16 This is an opportunity for citizens who are concerned
17 about this proceeding and want to share their thoughts
18 with us. This is an opportunity for us to hear your
19 thoughts. To be clear, this is a proceeding in which we
20 listen and you talk, so we will not be having an
21 exchange.

22 If you have questions, those questions
23 should be directed at Nina Suetake from Public Counsel.
24 Public Counsel is an office in the Attorney General's
25 Office that represents the interests of residential and

1 small business customers in our proceedings. And Nina
2 Suetake will post contact information in the chat if you
3 have questions.

4 As well, you can contact, if there's
5 anything procedural, with Andrew Roberts of the Public
6 Involvement Staff of the Commission, and Andrew will
7 also post his information in the -- in the chat.

8 So at this point, what I'd like to do is
9 turn it over to Andrew Roberts and ask him to give us an
10 overview of this case as well as some of the logistics
11 for this meeting.

12 So unless my colleagues have anything they
13 want to say at this time, I am going to turn it over to
14 Andrew Roberts. All right, Andrew?

15 MR. ROBERTS: Thank you, Chair Danner. Good
16 evening. My name is Andrew Roberts. I'm a public
17 involvement representative with the Utilities and
18 Transportation Commission. I'll be the moderator of
19 this comment hearing. I would like to start with a
20 little background on the case you are here to comment
21 on.

22 Avista filed last October a request to
23 increase its overall electric revenue by \$44.2 million
24 or 8.3 percent. Avista requested overall natural gas
25 revenue increase of \$12.8 million or 12.2 percent.

1 In April, Commission Staff recommended a
2 smaller overall electric revenue increase of \$7.2
3 million and a natural gas overall revenue increase of
4 \$5.6 million. Both proposals would offset the proposed
5 rate increase with a pass-back of tax benefits.

6 Under Staff's proposal, an average
7 residential customer, electric customer, using 914
8 kilowatt hours a month would pay 89 cents less for an
9 average monthly bill of \$81.44, a 1.1 percent decrease.
10 A typical natural gas customer using 67 therms per month
11 would pay 11 cents less for an average monthly bill of
12 \$56.42 or 0.2 percent decrease.

13 The three-member Commission is knocked down
14 by Staff's recommendation. You will have the
15 opportunity this evening to provide your comments to the
16 Commissioners pertaining to this case. The
17 Commissioners act as judges in formal filings like this
18 and cannot answer questions. If you have questions,
19 please email comments, that's
20 c-o-m-m-e-n-t-s@u-t-c.w-a.g-o-v or call 888-333-9882 and
21 ask to speak with me, Andrew Roberts.

22 Now for some meeting logistics. We ask that
23 everyone please mute your connection unless you're
24 called upon to speak. If you called in through Teams,
25 mute by clicking on the microphone on the top right of

1 the screen. A flash will appear across the microphone
2 indicating that you have successfully muted your
3 connection. To unmute, simply click the microphone
4 again, the flash will disappear. Please remember to
5 mute your connection after you are done speaking.

6 If you called in on the phone, please press
7 star 6 to mute yourself. When you are called on to
8 speak, press star 6 again to unmute yourself, and after
9 you're done speaking, please remember to mute yourself
10 again.

11 Please wait to be called on for comment and
12 do not interrupt other speakers.

13 There are two options to report technical
14 difficulties. The first is to use the chat feature in
15 Microsoft Teams. The second is to call me at
16 360-664-1101. The chat feature in Teams should only be
17 used to report technical difficulties.

18 Next, I would like to get the names of those
19 who wish to speak that have not signed up yet. We have
20 one individual who did sign in ahead of time. That is
21 John Wagner. You do not need to provide your -- your
22 contact information with us. We have that already.

23 Is there anyone with the first name
24 beginning A through E that would like to provide comment
25 tonight?

1 Anyone with the first name beginning F
2 through J that would like to provide comment tonight?

3 Getting a lot of noise on the line. Can --
4 thank you.

5 K through O?

6 P through T?

7 U through Z?

8 Is there anyone else at all who would like
9 to provide comment tonight that hasn't spoken up yet?

10 Okay. Hearing nothing, I will turn the time
11 over to Chair Danner, Commissioner Rendahl, and
12 Commissioner Balasbas.

13 CHAIR DANNER: All right. Thank you. So I
14 gather from that, then, that Mr. Wagner, you are the
15 only person who is signed up to speak tonight. So
16 before you speak, I would like to swear you in if that's
17 all right. Could you raise your right hand?

18 (John Wagner sworn.)

19 CHAIR DANNER: All right. Thank you very
20 much. You are on mute, so before you speak, you will
21 need to unmute yourself.

22 MR. WAGNER: Okay. Am I there now?

23 CHAIR DANNER: I can hear you very well.
24 Thank you.

25 MR. WAGNER: Okay.

1 CHAIR DANNER: So please go ahead.

2 MR. WAGNER: Okay. I am -- have a number of
3 things that I would like to bring to the Commission's
4 attention that I will forward that through email or
5 whatever, through the comments tab on the web page
6 rather than go to great lengths here on this Teams
7 meeting. But I do want to bring up a couple of concerns
8 just to put a little more emphasis on them.

9 And when I see Avista's reports of earnings
10 quarterly, it seems like they're making 38 million or 40
11 million a quarter if I'm reading the news and hearing
12 the news right, and that would seem to me that that
13 would be plenty adequate for a company of their size to
14 do numerous expansion and repair projects without asking
15 for rate increases all the time.

16 So with this one, what I'm reading on the
17 website, UTC website, says that this is a rate
18 reduction, but it actually includes an increase, and
19 that increase will remain in place as a part of the base
20 rates after this tax refund is credited back through the
21 so-called rate decrease for this year, and I would like
22 to see a little cleaner bookkeeping.

23 I would just say Avista, let's not have a
24 rate increase. You're doing just fine right now. And
25 then Avista can just straight out send out refunds of

1 this tax money, which if they're going to refund it,
2 that means it's not theirs anyway. That just seems like
3 a much better, cleaner way to do this.

4 And so my request or comment on the rate
5 increase would be that it be put to zero and -- and
6 Avista can refund the tax refund that they're getting
7 and that would be a better way to handle that.

8 Secondly, when it comes to rates, Avista's a
9 natural gas and electric company. They have a rate
10 structure that seriously needs to be reevaluated. As we
11 head into more green energy, there will be a lot higher
12 demands for electricity, and I can imagine that all the
13 electric companies will feel a need to have higher
14 rates. But Avista's rate schedules right now are very
15 old and they are also very punitive in nature towards
16 anyone who likes to heat their home with some other
17 means than Avista's preferred means of heating homes,
18 which is natural gas.

19 And so if someone was to get a ground source
20 heat pump, which is supposed to be much more efficient
21 and much cleaner because there is no natural gas being
22 burned creating carbon emissions, they will have to use
23 electricity to run that heat up. But that will, by
24 necessity, because they're using electricity to run that
25 heat pump, will jack them up into the highest rate

1 Avista is allowed to charge, and that's like 30 percent
2 more than their base rate.

3 My property is such that on all sites but
4 one, and I have six sites to the property, all of those
5 adjoining properties are served by the Inland Power &
6 Light Company, which is PUD. Their rate is 8 and a half
7 cents with no step-ups. So the first kilowatt hour is 8
8 and a half cents and so is the last one that you buy.

9 I think that this rate structure that they
10 have right now is counterproductive as far as
11 encouraging people to use other more clean and energy
12 efficient ways to heat their home than natural gas.

13 When I built our home in 2002, we did a lot
14 of study with information from the Oak Ridge National
15 Testing Laboratory. They said these efficiencies could
16 be very high. So it's much cleaner for our environment
17 to use this electricity because it's so much more
18 efficient, but then we get punished by Avista's rate
19 structure for doing a cleaner job of heating our home
20 and a more efficient job, supposedly, than what natural
21 gas can do.

22 That's -- that's the main concern I have,
23 that there should be some -- a little more -- the rate
24 structure of Avista's rates towards encouraging cleaner
25 use of energy than the way it is right now. If you use

1 a little more electricity, then you get into the 11
2 cents a kilowatt hour range, and it's a little over 11
3 cents right now. And I just feel like they should be
4 doing a lot more than they are to promote these kind of
5 clean energies.

6 And I will send the rest of this information
7 on the -- in an email or a letter electronically, but
8 for now, I just wanted to highlight this. I think it's
9 a glaring conflict of interest on Avista's part that
10 they're the electric company and the gas company and
11 they're trying to dictate that everybody heats with
12 natural gas even if they can do it more clean and
13 efficiently by some other means.

14 So that's all I wanted to bring up for now,
15 and I will forward the rest of these comments in written
16 form on the website. So thank you for your time.

17 CHAIR DANNER: So thank you, John Wagner.
18 Appreciate your comments tonight, and I look forward to
19 reading your written comments. And Andrew Roberts has
20 your -- you have his contact information to send --

21 MR. WAGNER: Correct. Yeah, correct.

22 CHAIR DANNER: All right. Thank you. Thank
23 you very much. I really appreciate it.

24 MR. WAGNER: You bet. You're welcome.

25 CHAIR DANNER: All right. Let me ask again

1 if there is anyone else on the line who wishes to
2 comment to the Commissioners tonight? All right. This
3 is the last call and I am not hearing anything. So at
4 that point -- at this point, unless there is anything
5 else to come before us from Staff or Public Counsel, if
6 you have anything to add, we will adjourn for the
7 evening. All right. Then we are adjourned. Thank you
8 very much, Mr. Wagner, for your participation.
9 Appreciate it.

10 (Adjourned at 6:15 p.m.)

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C E R T I F I C A T E

STATE OF WASHINGTON
COUNTY OF THURSTON

I, Tayler Garlinghouse, a Certified Shorthand Reporter in and for the State of Washington, do hereby certify that the foregoing transcript is true and accurate to the best of my knowledge, skill and ability.



Tayler Garlinghouse
Tayler Garlinghouse, CCR 3358