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

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

June 16, 2021



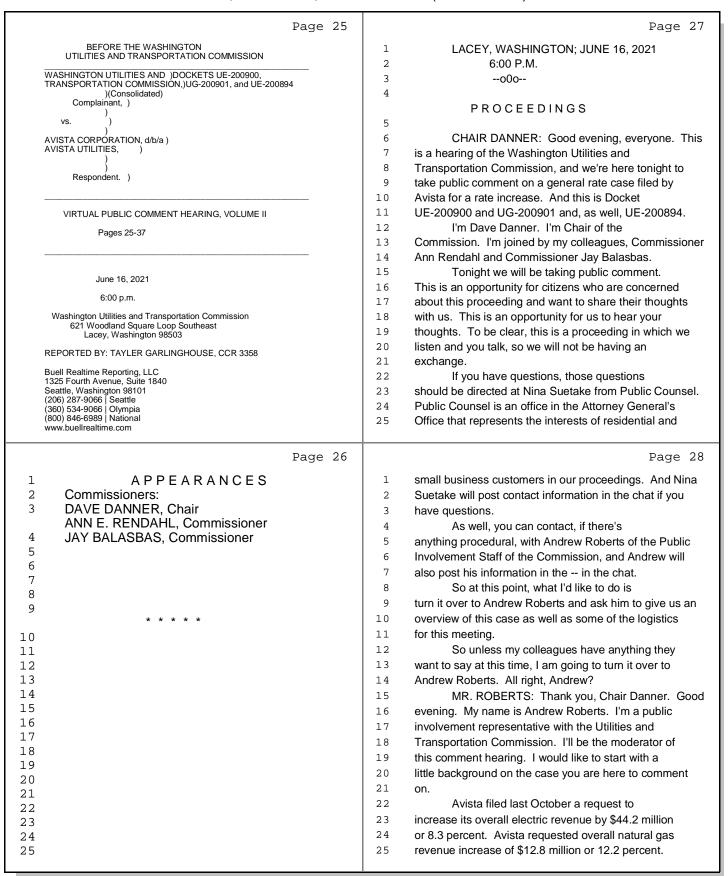
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In April, Commission Staff recommended a smaller overall electric revenue increase of \$7.2 million and a natural gas overall revenue increase of \$5.6 million. Both proposals would offset the proposed rate increase with a pass-back of tax benefits.

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

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

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

Anyone with the first name beginning F through J that would like to provide comment tonight? Getting a lot of noise on the line. Can --

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thank you. K through O? P through T? U through Z?

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

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

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

(John Wagner sworn.)

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

MR. WAGNER: Okay. Am I there now? CHAIR DANNER: I can hear you very well. Thank you.

MR. WAGNER: Okay.

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

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

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

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

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

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

CHAIR DANNER: So please go ahead.

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

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

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

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

2 (Pages 29 to 32)

2.3

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

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

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

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

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

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

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

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

MR. WAGNER: Correct. Yeah, correct.
CHAIR DANNER: All right. Thank you. Thank
you very much. I really appreciate it.

MR. WAGNER: You bet. You're welcome.
CHAIR DANNER: All right. Let me ask again

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

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

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

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

That's -- that's the main concern I have, that there should be some -- a little more -- the rate structure of Avista's rates towards encouraging cleaner use of energy than the way it is right now. If you use Page 36

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

(Adjourned at 6:15 p.m.)

Appreciate it.

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3	STATE OF WASHINGTON	
4	COUNTY OF THURSTON	
5		
6	I, Tayler Garlinghouse, a Certified Shorthand	
7	Reporter in and for the State of Washington, do hereby	
8 9	certify that the foregoing transcript is true and accurate to the best of my knowledge, skill and ability.	
10	accurate to the best of my knowledge, skill and ability.	
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14	Tayler Garlinghouse, CCR 3358	
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