

**BEFORE THE WASHINGTON  
UTILITIES AND TRANSPORTATION COMMISSION**

In the Matter of

AVISTA CORPORATION'S

Natural Gas Demand-Side Management  
Programs and Expenditures During 2012  
and 2013

DOCKET UG-141215

ORDER 01

ORDER REGARDING PRUDENCE  
REVIEW

**BACKGROUND**

- 1 Order 05 in consolidated Dockets UE-110876 and UG-110877 requires Avista Corporation (Avista) to file testimony and supporting evidence every two years with the Washington Utilities and Transportation Commission (Commission) to demonstrate the prudence of its natural gas demand-side management (DSM) expenditures during the preceding biennium.<sup>1</sup>
- 2 On May 30, 2014, pursuant to that Order, Avista filed testimony and exhibits to demonstrate the prudence of its natural gas DSM expenditures during 2012 and 2013. Avista asked the Commission to find that those expenditures were prudent.
- 3 On June 6, 2014, the Commission issued a Notice inviting interested persons to file written comments on Avista's filing. During the comment period, the Commission received written comments from Commission Staff (Staff) and the Public Counsel Section of the Attorney General's Office (Public Counsel). At the recessed Open Meeting on July 25, 2014, the Commission heard oral comments from Staff, Public Counsel, and Avista.
- 4 Staff concludes that the testimony and exhibits Avista filed to demonstrate the prudence of its natural gas DSM expenditures during 2012 and 2013 satisfy the requirements in Order 05 in Dockets UE-110876 and UG-110877. Staff observes that, during its concurrent review of conservation expenditures in Docket UG-141209,

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<sup>1</sup> *WUTC v. Avista Corp.*, Dockets UE-110876 and UG-110877, consolidated, Order 05 Granting Joint Motion for Clarification on Forum for Resolution of DSM Prudence ¶¶ 3-4 & n.8 (Aug. 18, 2011).

Staff found no evidence that Avista's natural gas DSM programs or expenditures in 2012-2013 were not prudent. No person, moreover, has requested that the Commission set any of these dockets for adjudication. Staff, therefore, recommends that the Commission take no further action concerning prudence in Docket UG-141215.

5 Public Counsel agrees with Staff that the Commission should not adjudicate the prudence of the Company's natural gas DSM programs in calendar years 2012 and 2013.

6 Avista agrees with Staff's and Public Counsel's recommendation.

### **DISCUSSION**

7 The Commission agrees with Staff and Public Counsel that Avista has satisfied the filing requirements in Order 05 in Dockets UE-110876 and UG-110877. That Order requires Avista to make certain filings and allows any person to request an adjudication. Order 05 does not require the Commission to make a finding of prudence, or lack thereof, if no person requests an adjudication.

8 No person has requested an adjudication in either of the relevant filings, Dockets UG-141215 and UG-141209, or suggested that Avista's natural gas DSM programs or expenditures in 2012-2013 were not prudent. We thus agree with Staff and Public Counsel that a finding of prudence at this time is not necessary. Accordingly, the Commission will take no further action concerning prudence in this docket.

### **FINDINGS AND CONCLUSIONS**

9 (1) The Washington Utilities and Transportation Commission is an agency of the state of Washington vested by statute with the authority to regulate the rates, rules, regulations, practices, and accounts of public service companies, including natural gas companies.

10 (2) Avista is a natural gas company and a public service company subject to Commission jurisdiction.

11 (3) Avista has satisfied the filing requirements in Order 05 in Dockets UE-110876 and UG-110877.

- 12 (4) No comments or information presented to the Commission suggest that Avista's natural gas DSM programs and expenditures during 2012 and 2013 were not prudent.
- 13 (5) The Commission should not adjudicate the prudence in this docket of Avista's natural gas DSM programs and expenditures for calendar years 2012 and 2013.

**ORDER**

**THE COMMISSION ORDERS:**

- 14 (1) Avista Corporation has complied with the filing requirements in Order 05 in consolidated Dockets UE-110876 and UG-110877, with respect to its natural gas demand-side management programs and expenditures for calendar years 2012 and 2013.

DATED at Olympia, Washington, and effective July 31, 2014.

DAVID W. DANNER, Chairman

PHILIP B. JONES, Commissioner

JEFFREY D. GOLTZ, Commissioner