

**Avista Corp.**

1411 East Mission P.O. Box 3727  
 Spokane, Washington 99220-0500  
 Telephone 509-489-0500  
 Toll Free 800-727-9170

November 21, 2022

Amanda Maxwell  
 Executive Director and Secretary  
 Washington Utilities and Transportation Commission  
 621 Woodland Square Loop SE  
 Lacey, Washington 98503

Received  
 Records Management  
 11/21/22 14:43:20  
 State Of WASH.  
 UTIL. AND TRANSP.  
 COMMISSION

Re: Avista Corporation – Docket Nos. UE-190334 / UG-190335 / UE-190222  
**Request for Approval of Electric and Natural Gas Decoupling Mechanisms Request for Proposals**

Dear Ms. Maxwell:

Attached for electronic filing with the Commission is a Request for Proposals (“RFP”) for a third-party evaluation of Avista’s Electric and Natural Gas Decoupling Mechanisms (“Mechanisms”). Included in this filing are the following exhibits:

- Exhibit A – Statement of Work (including attachments A through E)
- Exhibit B – RFP Instructions and Requirements
- Exhibit C – Professional Services Agreement Template
- Exhibit D – General Conditions for Services Agreements

Avista respectfully requests that the Commission approve the attached RFP no later than January 6, 2023, to give adequate time to integrate any modifications ordered by the Commission and release the RFP on January 13, 2023.

This filing complies with Commission’s Order No. 09 in Dockets UE-190334 and UG-190335, whereby the Commission extended the Company’s Decoupling Mechanisms for an additional five-year period. As a part of that Order, the Commission required the following:

- The Commission ordered Avista to conduct another evaluation of the Mechanisms to assess the effect of the modifications required under Order 09.
- Order 09 requires a third-party evaluation of the Mechanisms that includes an analysis of the following elements:

- The Mechanisms' impact on conservation,
  - The Mechanisms' impact on Avista's revenues, and
  - The extent to which fixed costs are recovered in fixed charges from the individual customer classes.
- In addition, the Evaluation must include an analysis of the effects of:
    - Excluding new customers from the Decoupling Mechanisms,
    - Using a moving average of weather data gathered by Avista regarding a 30-, 20-, 15-, and 10-year moving average, and
    - The three percent (3%) cap on annual surcharge rate adjustments compared with:
      - (i) a five percent (5%) cap which has been approved for other utilities in Washington, and
      - (ii) no cap on annual surcharge rate adjustments.

As required by Order No. 09, Avista consulted with its Energy Efficiency Advisory Group (EEAG) during the development of this RFP. Members of the EEAG were provided a draft of the RFP and given the opportunity to provide feedback. Avista received comments from one member of the EEAG, who stated that the documents looked reasonable overall given the requirements of Order No. 09. Avista will also consult with the EEAG during the selection of the third-party evaluator as required by Order No. 09.<sup>1</sup>

Avista requests the Commission approve the attached RFP documents for use in retaining a third-party evaluator for our Decoupling Mechanisms. Avista intends to release the RFP for bids on January 13, 2023. In line with this timeline, Avista requests the Commission approve this RFP no later than January 6, 2023, to give adequate time to finalize and release the RFP.

Please direct any questions on this matter to Joel Anderson at (509) 495-2811 or me at (509) 495-4546.

Sincerely,

*/s/ Joe Miller*

Joe Miller  
Senior Manager of Rates and Tariffs, Regulatory Affairs

Enclosures

---

<sup>1</sup> Order No. 9 states: "We also require the Company to consult with its EEAG in the development of the Request for Proposals (RFP) and the selection of the third-party evaluator."