BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

In the Matter of the Petition of	
AVISTA Corporation dba Avista Utilities)	DOCKET NO. UE-20
For an Order Requesting Exemption of WAC 480-109-130	PETITION OF AVISTA CORPORATION

I. PETITIONER

In accordance with WAC 480-07-395, the name and address of Petitioner, Avista Corporation ("Avista Corp." "Avista," or "Company"), is as shown below. Please direct all correspondence related to this Petition as follows:

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II. SUMMARY

Pursuant to WAC 480-07-110, Avista Corp. hereby requests that the Commission issue an order approving this petition and allowing for an exemption from WAC 480-109-130, the Company's annual requirement to file revisions to its tariff WN U-28, Schedule 91 – Demand Side Management ("DSM") Rate Adjustment. The Company has provided the attached work papers as documentation in support of this request.

III. REASON FOR REQUESTED EXEMPTION

WAC 480-109-130 provides that:

Utilities must file with the Commission for recovery of all expected conservation cost changes and amortization of deferred balances...no later than June 1st of each year with a requested effective date at least sixty days after the filing. If the utility believes that a filing is unnecessary, then it must file a request for exception and supporting documents no later than May 1st of each year demonstrating why a rate change is not necessary (emphasis added).

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Avista's DSM tariff rider mechanism is designed to match future revenue with budgeted expenditures. To ensure appropriate recovery, the mechanism includes a true-up feature that reconciles the previous periods' actual expenditures and collections. As of March 31, 2020, the Schedule 91 (electric) tariff rider balance was approximately \$5.6M underfunded. While this balance might suggest that the tariff revenue is significantly under-collected, the current level of collections from customers is consistent with expectations of Avista's 2019 Schedule 91 rate filing. In comparison to the Schedule 91 balance of \$8.7M from April 2019, as noted in the aforementioned filing, the current underfunded balance of \$5.6 indicates that the current Schedule 91 rate is on track to reach the goal of attaining a zero balance by July 2021.

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Therefore, Avista is requesting no revision to Schedule 91 at this time, to allow for adequate revenue to both fund current energy efficiency operations as well as to mitigate any potential underfunding of the tariff rider balance. The Company will continue to track the progress of this balance, and should the retention of the current tariff rider rate either fail to clear an underfunded balance or lead to an overfunded balance at the end of the next twelve month period, Avista will request a revision to clear that balance in its June 1, 2021 filing. Finally, keeping the

¹ Docket No. UE-190406

rate unchanged will also help to minimize the number of rate changes our customers could see

during the COVID-19 pandemic.

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The Company notified its Energy Efficiency Advisory Group on Monday, April 13, 2020 of its intention to maintain the current Schedule 91 rates, and received no feedback.

VI. COMPANY'S REQUEST

The Company respectfully requests that the Commission issue an order approving the Company's request for the continuation of the current rates related to DSM funding in Schedule 91 and exempting the Company from WAC 480-109-130 for the June 1, 2020 filing.

DATED this 30th day of April 2020

By: <u>/s/David Meyer</u>

David J. Meyer

Vice President and Chief Counsel for Regulatory and Governmental Affairs