BEFORE THE
WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

In the Matter of the Petition of	)	
	)	
Avista Corporation dba Avista Utilities	)	DOCKET NO. UE-23_____
	)	
For an Order Authorizing Exemption of	)	
WAC 480-109-130 and Condition 12(d)	)	PETITION OF AVISTA
Of Attachment A in Order 01, Docket No.	)	CORPORATION
UE-210826	)	
___________________________________	)	

I. INTRODUCTION

1 In accordance with WAC 480-07-395 and WAC 480-109-030, Avista Corporation, doing business as Avista Utilities (Avista or "the Company"), at 1411 East Mission Avenue, Spokane, Washington, hereby petitions the Washington Utilities and Transportation Commission (Commission) for an order exempting the Company from WAC 480-109-130 – Avista's annual requirement to file revisions to its tariff WN U-28, Schedule 91, Demand Side Management Rate Adjustment, and from Condition 12(d) of Attachment A in Order 01 of Docket No. UE-210826, as it contains parallel cost recovery filing requirements to those in WAC 480-109-130. The Company has provided documentation (workpapers) in support of this request.

2 Avista is a utility that provides service to approximately 403,000 retail electric customers and 369,000 retail natural gas customers in a 30,000 square-mile service territory covering portions of Washington, Idaho, and Oregon. The largest community served by Avista is Spokane, Washington, which is the location of its corporate headquarters.

3 The Company requests that all correspondence related to this Petition be directed to:

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II. BACKGROUND

4 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. <u>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</u> (emphasis added).

5 Avista's Demand Side Management (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, 2023, the Schedule 91 (electric) tariff rider balance was approximately $3.7 million (M) overfunded. While this balance might suggest that the tariff revenue is overly sufficient to support the Company's energy efficiency efforts into the forthcoming program year, the current level of collections from customers is consistent with the expectations of Avista's 2022-2023 Biennial Conservation Plan (BCP),[1] in that Avista anticipates increased spend in its energy efficiency sector as the industry begins to rebound from the economic impacts of the COVID-19 pandemic. Furthermore, as part of its planning efforts, Avista has increased various incentive values in order to help meet conservation goals, and has also increased participation in Named Communities, both of which will likely result in higher participation and, in turn, higher than

[1] See Docket Nos. UE-210826/UG-210827.

anticipated expenses.[2] With this projected elevated spend, the Company anticipates the current Schedule 91 rate is on track to bring this overfunded balance of $3.7M to a near-zero balance by April 2024, and to an underfunded balance of approximately $0.8M by July 2024.

6 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 influx in customer participation that may impact 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 fail to clear the overfunded balance at the end of the next twelve month period, Avista will request a revision to decrease its Schedule 91 rate in its June 1, 2024 filing. Keeping the rate unchanged will also help to minimize the number of rate changes our customers could see within the next year due to the potential unpredictability of energy efficiency customer uptake and associated costs.

VI. REQUEST FOR RELIEF

7 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 and Condition 12(d) of Attachment A, Order 01, Docket No. UE-210826 for the June 1, 2023 filing.

DATED this 28th day of April 2023

By: /s/ David Meyer
David J. Meyer
Vice President and Chief Counsel for
Regulatory and Governmental Affairs

[2] The Clean Energy Transformation Act (CETA) of 2019, codified as RCW 19.405, brought with it the definitions of "Highly impacted community" and "Vulnerable population" (WAC 480-100-605), collectively referred to as "Named Communities". Details regarding Avista's approach to reaching customers in Named Communities are included in the Company's 2023 Annual Conservation Plan (ACP), Docket No. UE-210826.