

**BEFORE THE
WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION,)	DOCKETS UE-240006 and UG-240007 (<i>Consolidated</i>)
)	
Complainant,)	
)	
v.)	
)	
AVISTA CORPORATION d/b/a AVISTA UTILITIES,)	
)	
Respondent.)	
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In the Matter of the Petition of)	
)	
AVISTA CORPORATION)	
)	
Petitioner,)	
)	
For an Accounting Order Authorizing deferred accounting treatment of purchased power agreement expenses pursuant to RCW 80.28.410)	PETITION TO INCREASE CUSTOMER REPRESENTATION SUB-FUND OF THE ALLIANCE OF WESTERN ENERGY CONSUMERS
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1 Pursuant to WAC § 480-07-370(3) and Article 4.2.4 of the Washington Extended Interim Participatory Funding Agreement (“Extended Interim Agreement”), the Alliance of Western Energy Consumers (“AWEC”) files this Petition to Increase the Avista Customer Representation Sub-Fund by \$5,000 to compensate for the cost of the required Aurora license from Energy Exemplar to review Avista’s power costs in this proceeding (“Petition”).

2 On January 18, 2024, Avista Corporation d/b/a Avista Utilities, (“Avista” or the “Company”) filed its request for a general rate revision for its electric and natural gas service.

The Commission docketed these filings as UE-240006 and UG-240007. On January 31, 2024, the Commission issued Order 01 in this proceeding, consolidating Dockets UE-240006 and UG-240007, suspending the tariffs, and setting the matters for adjudication.

3 On March 21, 2024, AWEC filed a Proposed Budget with the Washington Utilities and Transportation Commission (“Commission”), requesting a Fund Grant of \$85,000 from the Avista Customer Representation Sub-Fund to partially offset the costs of AWEC’s participation in this proceeding. In its budget request, AWEC noted that at the outset of its 2024 General Rate Case filing, Avista informed AWEC that, due to its understanding of changes to policies implemented by Aurora’s licensor, Energy Exemplar, it would not be procuring an Aurora license for intervenors, including AWEC, to facilitate the review of its net power supply expense in this case, as it has done in previous cases. It is not possible to fully review Avista’s net power supply expense without utilizing the Aurora model. Based on AWEC’s discussions with Energy Exemplar, AWEC determined that it could procure a case-specific intervenor Aurora license for this proceeding for \$5,000 (see Attachment A).

4 On April 3, 2024, AWEC’s Proposed Budget was approved by the Commission in Order 06 in the full amount of \$85,000. The Commission did not directly address AWEC’s procurement of an Aurora license at its own expense. As shown in AWEC’s budget, and as noted by the Commission in Order 06, AWEC’s expected cost to participate in this case far exceeds its

approved funding request.¹ The Commission also noted that Avista’s Customer Representation Sub-fund has been fully allocated due to approved budgets in this proceeding.²

5 On a non-precedential basis, and after discussions with Avista, The Energy Project, NW Energy Coalition, and Commission Staff, AWEC agreed to directly procure an Aurora license given the support of these parties as well as Avista regarding AWEC’s request to recover such costs through participatory funding. AWEC has obtained an intervenor license from Energy Exemplar³ and is now requesting that the Avista Customer Representation Sub-Fund be increased by \$5,000 to compensate AWEC for the cost of the required license. In the filing of this request, AWEC conferred with Avista, The Energy Project, and NW Energy Coalition. Each party has indicated its support for AWEC’s Petition.

6 Article 4.2.4 of the Extended Interim Agreement allows a Participating Organization to file a petition to increase the current year’s Sub-Fund in the event that the Sub-Fund has been fully exhausted and allows the Commission to grant such a request upon good cause shown to utilize additional funds in a specific proceeding. Any interested stakeholder, as well as Commission Staff, may file a response to such a petition. Based on the approved budget requests for AWEC, The Energy Project and NW Energy Coalition, the Avista Customer Representation Sub-fund has been fully allocated, thus meeting Article 4.2.4’s first requirement.

7 Additionally, good cause exists to increase the Customer Representation Sub-Fund to accommodate AWEC’s request in this Petition. First, Avista’s net power supply

¹ Order 06 ¶¶ 21-22.

² *Id.* at ¶ 23.

expense cannot be fully reviewed for prudence and reasonableness without an Aurora license. Second, placing the financial burden on intervenors to procure an Aurora license is unduly prejudicial because it significantly restricts a party's ability to determine whether Avista's requested rate increase is just and reasonable by making it effectively impossible to audit the Company's power costs. This is particularly true in light of the fact that an Aurora license was available to AWEC in prior proceedings.

8 Finally, it is unduly burdensome to place the expense of procuring an intervenor license on individual intervenors who are already facing costs to participate in this proceeding. Thus, by requiring AWEC to use a portion of its allocation of the existing Sub-Fund to procure an Aurora license, the amount available to AWEC to offset its normal participation in the case (issuing discovery, drafting testimony, participating in settlement conferences, and other activities) is reduced by the cost of the license. Meanwhile, all consumers will benefit from any net power supply expense reductions ordered by the Commission based on AWEC's use of Aurora. As noted above, AWEC anticipates incurring substantially greater costs than what it may receive through participatory funding.

9 Given the need to procure an Aurora license in a timely manner to ensure sufficient time to review Avista's power costs, AWEC believes it is reasonable for this case (and Avista's rate case) to recover this cost through participatory funding. As a matter of general policy, AWEC does not believe it is reasonable to require customers to pay for the cost of licenses necessary to audit a utility's power costs. This has a chilling effect on reviewing a substantial cost driver in each utility's rate case due to the additional administrative work

necessary to secure the license and the uncertainty of cost recovery for the intervenor. Accordingly, for future cases, AWEC recommends that the Commission require utilities to procure these licenses for intervenors at their own cost, whether this occurs through the utility procuring an intervenor license directly or reimbursing the intervenor for license costs.

10 Therefore, AWEC respectfully requests that the Commission issue an order granting a Customer Sub-Fund Grant Increase in the amount specified above.

Dated this 18th day of June 2024.

Respectfully submitted,

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