

**BEFORE THE
WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**

In the Matter of the Petition of)
)
AVISTA Corporation, dba Avista Utilities) DOCKET NO. UG-20_____
)
For an Order to Amend Natural Gas Energy) PETITION OF AVISTA CORPORATION
Efficiency Prudence Review Process)

I. PETITIONER

1 In accordance with WAC 480-07-395, the name and address of Petitioner, Avista Corporation, doing business as Avista Utilities ("Avista" or "Company"), is as shown below.

Please direct all correspondence related to this Petition as follows:

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II. INTRODUCTION

2 Avista Utilities hereby submits to the Washington Utilities and Transportation Commission ("Commission") an uncontested request to amend Order 05 in Docket Nos. UE-110876 and UG-110877, thereby allowing the Company to complete the prudence review of its natural gas energy efficiency programs and expenditures consistent with the way in which it completes the review of its electric energy efficiency prudence.

II. SUMMARY

3 Prior to the Energy Independence Act¹ (EIA), the prudence of Avista’s electric and natural gas Energy Efficiency programs was addressed in general rate case proceedings. On August 1, 2011, a Joint Motion was filed in Docket Nos. UE-110876 and UG-110877 (*consolidated*) on behalf of Avista, the Public Counsel Section of the Washington State Attorney General’s Office (Public Counsel), and Commission Staff (collectively “the Parties”), requesting that the Commission clarify that Avista’s demand-side management (DSM) programs and expenditures will be reviewed for prudence in a process separate and distinct from the Company’s general rate cases, asserting instead that this review of prudence should follow a process outlined by the Parties in an appended Memorandum of Understanding (MOU). As provided in the Joint Motion:²

In summary, the MOU provides a process for Avista DSM prudence review, for both electric and natural gas operations, which contains the same basic components historically available in Avista’s DSM prudence review in rate cases. The MOU has the effect of moving DSM prudence issues for both electric and natural gas programs from the rate case context to the future June EIA filings for electricity, and a simultaneously-filed, separate docket for natural gas DSM prudence. (Emphasis added)

4 Though the intention of the MOU, as provided above, was to delegate the appropriate forum for these prudence filings, subsequent years of energy efficiency prudence review have led the Parties to identify an unintended administrative issue in its original agreement. This Petition is intended to rectify this issue, by modifying the “Filing” element in the MOU, to better align with the reporting requirements of the EIA, rather than requiring the filing of testimony and supporting evidence (Emphasis added) to demonstrate the prudence of its natural gas DSM expenditures. This

¹ RCW 19.285 and WAC 480-109

² See *Utilities and Transp. Comm’n v. Avista Corp. d/b/a Avista Utilities*, Dockets UE-110876 and UG-110877 (*consolidated*), Joint Motion of Avista, Commission Staff and Public Counsel for Order Clarifying Forum for Resolution for DSM Prudence, ¶ 9 (Aug. 2011).

issue is largely one of form, as review of Avista’s conservation programs for the past two biennia, 2014-2015 and 2016-2017, has occurred through an ongoing cycle of planning, implementation, and reporting. Each cycle includes Energy Efficiency Advisory Group collaboration,³ as well as comprehensive assessment of annual and biennial conservation plans and reports, evaluation of Conservation Potential Assessments (CPAs), and thorough review of annual cost recovery tariff filings. The Company believes—and the Parties support—that this same process used for electric programs should be sufficient for natural gas programs, and that this is what was envisioned in the MOU as approved by the Commission. Through this format, the same issues are investigated, simply in a design devoid of traditional testimony and exhibits. The Parties would like to continue this process of treating Avista’s natural gas DSM filings as simple compliance filings, unless there is a stakeholder request for adjudication, as this is the manner in which the Company’s electric and natural gas energy efficiency programs have been analyzed over the past several years.

IX. REQUEST FOR RELIEF

5 WHEREFORE, for the reasons described in this Petition, Avista respectfully requests that the Commission issue an Order amending the requirement to file testimony and supporting evidence to demonstrate the prudence of its DSM expenditures, as mandated in the approved Memorandum of Understanding in Docket Nos. UE-110876 and UG-110877. Instead, the Company requests that prudence determination more closely align with the reporting requirements of the EIA, utilizing the comprehensive, ongoing cycle of planning,

³ Avista’s Energy Efficiency Advisory Group consists of representatives from Avista, Public Counsel, Idaho and Washington Commission Staff, Northwest Energy Coalition (NWECC), Idaho Conservation League (ICL), Department of Commerce, Northwest Energy Efficiency Alliance (NEEA), fellow investor-owned utilities (IOUs), Spokane Neighborhood Action Partnership (SNAP), The Energy Project, Northwest Power and Conservation Council, Northwest Energy Efficiency Council (NEEC), Community Action Partnership Association of Idaho (CAPAI), and Rosauers Supermarkets.

implementation, and reporting already in place for the determination of prudence for both electric and natural gas dockets.

DATED this 26th day of May 2020.

By: /s/ David Meyer
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