



UG-210729

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Avista Corp.

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

VIA – Commission Portal

November 15, 2021

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

RE: Avista Corporation – Docket No. UG-210729 – Compliance Filing

Dear Ms. Maxwell:

Attached for filing with the Commission is an electronic copy of the Company’s revisions to the following tariff sheet in compliance with the Commission’s Order No. 01 in the above referenced docket.

Natural Gas Tariff		
Third Revision Sheet 151A	Canceling	Second Revision Sheet 151A

The tariff sheet reflects a decrease in the natural gas line extension allowance to reflect a modification of the existing line extension allowance amounts to incorporate a net present value (NPV) of seven years as ordered by the Commission. The result of moving to the NPV method is a reduction in the Schedule 101 (mostly residential) allowance from the current level of \$4,678 to a new level of \$2,143. In addition, the Schedule 111 allowance level is reduced from the current level of \$3.44 per first year therm to \$1.57 per first year therm. The Company applied the updated allowance calculation to the levels currently embedded within its existing allowance amounts from the Company’s 2017 general rate case filing (UG-170486). Had the Company updated these values based on its most recent general rate case filing (UG-200901), the Schedule 101 allowance would have been \$2,668, as opposed to the lower level of \$2,143. The Company believes that utilizing the lower allowance levels better aligns with the Commissions intent of reducing the line extension allowance for the residential customers of each company to approximately \$2,000 as stated in Order 01.¹

¹ UG-210729, Order 01, Paragraph 29.

The tariff sheet is proposed to become effective on November 24, 2021. The Company will work to provide a transition period to maintain the existing allowance levels for those customers who have submitted applications as of the date of this compliance filing, as well as those customers who can demonstrate or attest that their applications have been submitted to local permitting offices, as stated in the Commission's Order 01. The Company's contractual Gas Service Agreement (GSA) is executable by the customer for a six-month period. The Company intends to honor the present allowance levels for those limited number of customers who have been in contact with the Company, and have been sent a GSA prior to November 24, 2021 that extends beyond the April 1, 2022 transition period. While the Company expects this scenario to affect a limited number of customers, in some instances, completion of the work may extend beyond April 1. The Company will make its best effort to work with these customers to complete the work related to any of these fully executed GSA's as quickly as possible in recognition of the April 1 transition date.

In support of the tariff revisions, the Company is providing workpapers detailing the calculations.

Please direct any questions to Joe Miller at 509.495.4546.

Sincerely,

/s/ Patrick Ehrbar

Patrick Ehrbar
Director of Regulatory Affairs

Enclosures