

**BEFORE THE WASHINGTON
UTILITIES AND TRANSPORTATION COMMISSION**

In the Matter of the Petition of

AVISTA CORPORATION, d/b/a AVISTA
UTILITIES

Petitioner,

For an Order Approving a modification
of a service territory agreement between
Avista and Inland Power and Light

DOCKET UE-200303

ORDER 01

GRANTING PETITION

BACKGROUND

1 On April 1, 2020, Avista Corporation, d/b/a Avista Utilities, (Avista or Company) filed with the Washington Utilities and Transportation Commission (Commission) a petition seeking an Order approving a modification to an existing electric service territory agreement with Inland Power and Light Company (Inland Power). As required under RCW 54.48.030, any agreement of any public utility for the designation of the boundaries of adjoining service areas shall be approved by the Commission.

2 On June 12, 2014, the Commission entered Order 01 in Docket UE-141029, approving the service territory agreement between Avista and Inland Power. Section 8 of that service territory agreement states that “[a]ny variance from the provisions set forth in this Agreement may be made only upon mutual agreement of both Parties, as well as the permission of any person/entity directly affected by such variance,” and that “[a]ny approved variance ... may be subject to regulatory review by the UTC.”

Avista currently provides electric service to a residential customer located at 3621 South Dishman Mica Road, Spokane, Washington (Premises) via a single phase overhead line extending through developed lots served by Inland Power. Inland Power also has an overhead single phase line that provides electric service within the same easement. Citing safety concerns related to maintaining two overhead lines in close proximity to the same easement, Avista has agreed to transfer service to the Premises to Inland Power subject to the terms of the Electric Service Letter of Agreement.

3 Commission staff (Staff) has reviewed the filing and determined that the transfer to Inland Power of service to the Premises is appropriate. Maintaining two overhead lines in close proximity can create safety concerns, such as creating difficulty identifying which line has been de-energized and which has not during an emergency situation. In

addition to this safety concern, the duplication of service lines in the same easement is unnecessary. Therefore, Staff recommends that the Commission grant the Company's petition.

DISCUSSION

4 We agree with Staff that Avista's request for approval a modification of a service territory agreement between Avista and Inland Power and Light is appropriate. RCW 54.48.020 notes the potential for unnecessary hazards to public safety and declares that the duplication of the electric lines and service of public utilities is contrary to the public interest. RCW 54.48.020 further declares that it is in the public interest for public utilities to enter into agreements for the purpose of avoiding or eliminating duplication of electric lines and service. Consistent with these statutory provisions, the modification to the service territory agreement between Avista and Inland Power will eliminate such duplication. Accordingly, we find that the modification is in the public interest and that the Company's petition should be granted.

FINDINGS AND CONCLUSIONS

- 5 (1) The Commission is an agency of the State of Washington vested by statute with the authority to regulate the rates, rules, regulations, practices, accounts, securities, transfers of property, and affiliated interests of public service companies, including electric companies.
- 6 (2) Avista is an electric and natural gas company and a public service company subject to Commission jurisdiction.
- 7 (3) WAC 480-07-370(3), allows companies to file petitions, including that for which Avista seeks approval.
- 8 (4) RCW 54.48.030 requires that any agreement of any public utility for the designation of the boundaries of adjoining service areas shall be approved by the Commission.
- 9 (4) The Commission has reviewed the Company's petition and related work papers filed in Docket UE-200303.
- 10 (5) The Commission finds that Avista's request is reasonable, consistent with RCW 54.48.030, and is in the public interest because it eliminates duplication of electric lines and service. Accordingly, the Commission approves the proposed

modification to the existing electric service territory agreement between Avista and Inland Power and Light Company.

11 (6) This matter came before the Commission at its regularly scheduled meeting on May 7, 2020.

12 (7) After reviewing the Company's petition filed in Docket UE-200303 on April 1, 2020, and giving due consideration to all relevant matters and for good cause shown, the Commission finds that the Company's petition is consistent with applicable law and the public interest, and accordingly should be granted.

ORDER

THE COMMISSION ORDERS:

13 (1) Avista Corporation, d/b/a Avista Utilities' petition for an order approving a modification of a service territory agreement between Avista and Inland Power and Light is granted.

14 (2) This Order shall not affect the Commission's authority over rates, services, accounts, valuations, estimates, or determination of costs, on any matters that may come before it. This Order shall not be construed as an agreement to any estimate or determination of costs, or any valuation of property claimed or asserted.

15 (3) The Commission retains jurisdiction over the subject matter and Avista Corporation, d/b/a Avista Utilities, to effectuate the provisions of this Order.

16 The Commissioners, having determined this Order to be consistent with the public interest, directed the Secretary to enter this Order.

DATED at Lacey, Washington, and effective May 7, 2020.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

MARK L. JOHNSON
Executive Director and Secretary