

The Avista logo is located in the top left corner of the document. It consists of the word "AVISTA" in a bold, sans-serif font, with a stylized graphic of three intersecting lines to its right. The logo is set against a blue background that is part of a larger header banner.

**Avista Corp.**

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Spokane, Washington 99220-0500  
Telephone 509-489-0500  
Toll Free 800-727-9170

*Via Electronic and Overnight Mail*

July 5, 2018

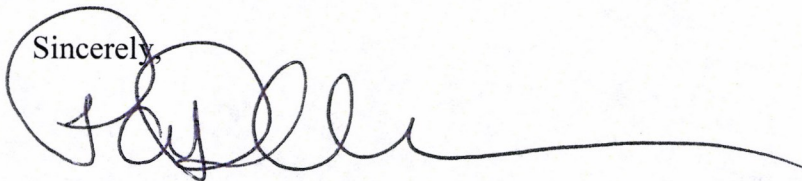
Commission Secretary  
Idaho Public Utilities Commission  
472 W. Washington St.  
Boise, ID 83702

RE: Case Nos. AVU-E-17-09 and AVU-G-17-05

Enclosed for filing with the Commission are an original and 7 copies of the Hydro One and Avista Answer to Petition to Intervene of Avista Customer Group, the Motion for Leave to File Reply Comments, and Attachment A to the Motion (the comments of Avista and Hydro One) in Case Nos. AVU-E-17-09 and AVU-G-17-05.

Please direct any questions related to the transmittal of this filing to me at 509-495-8620.

Sincerely,

A handwritten signature in black ink, appearing to read "Patrick Ehrbar", is written over the word "Sincerely,". The signature is fluid and cursive, with a long horizontal line extending to the right.

Patrick Ehrbar  
Director of Regulatory Affairs

Enclosures

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IDAHO PUBLIC  
UTILITIES COMMISSION



## CERTIFICATE OF SERVICE

I HEREBY CERTIFY that I have this 5<sup>th</sup> day of July, 2018, served the foregoing letter and Answer of Avista and Hydro One to Petition to Intervene of Avista Customer Group in the Merger Case Nos. AVU-E-17-09/AVU-G-17-05, upon the following parties, by mailing a copy thereof, properly addressed with postage prepaid to:

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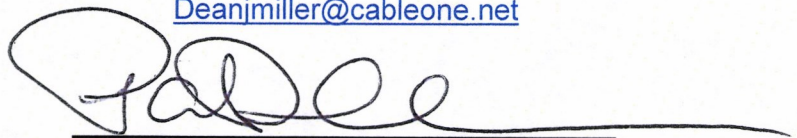
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Patrick Ehrbar  
Director of Regulatory Affairs

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Elizabeth Thomas, Partner  
Kari Vander Stoep, Partner  
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On Behalf of Hydro One Limited  
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Phone: (206) 623-7580, Fax: (206) 623-7022

**BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION**

IN THE MATTER OF THE JOINT	)	
APPLICATION OF HYDRO ONE	)	CASE NO. AVU-E-17-09
LIMITED AND AVISTA CORPORATION	)	AVU-G-17-05
FOR APPROVAL OF MERGER	)	
AGREEMENT	)	<b>ANSWER OF AVISTA / HYDRO ONE</b>
	)	<b>TO PETITION TO INTERVENE OF</b>
	)	<b>AVISTA CUSTOMER GROUP</b>

1 COME NOW, Avista Corporation ("Avista") and Hydro One Limited, ("Hydro One"),  
2 jointly referred to as the "Applicants," and pursuant to Rule 75, respectfully respond to the  
3 Petition to Intervene (the "Petition") filed on June 27, 2018 by what has been styled as the  
4 "Avista Customer Group, ("ACG" or the "Petitioner"). While Applicants have substantial  
5 concerns over the lateness of this Petition, as well as concerns over whether this unincorporated  
6 association has "standing" to bring this Petition, Applicants do not object to the proposed  
7 intervention, so long as it does not serve to unduly broaden the issues at this late juncture.

8 **I.**

9 In its Petition, the ACG contends that "no other party can adequately represent the  
10 interests of ACG."<sup>1</sup> While the Petitioner advertises itself as the "Avista Customer Group",  
11 suggesting a broad-based constituency, it is not at all clear whom the ACG purports to represent.

<sup>1</sup> Petition at p.3.



1 The only representation in the Petition is to an amorphous group composed of “utility ratepayers,  
2 taxpayers and concerned citizens, including electrical and natural gas utility customers of the  
3 Co-Applicant, Avista Corporation.”<sup>2</sup> No other information is provided about this  
4 “unincorporated nonprofit association.”<sup>3</sup> On its face, this raises questions of legal standing and  
5 whether the ACG satisfies the requirement of Rule 74 that a petition must show a “direct and  
6 substantial interest” in the subject matter of the proceeding. How many of its members are, in  
7 fact, customers of Avista? How many of these customers are in Idaho, and thus have interests  
8 cognizable by the Idaho Public Utilities Commission (the “Commission”)? Who are the other  
9 referenced “taxpayers and concerned citizens”? If not customers of Avista, how are these groups  
10 otherwise affected and are their interests within the Commission’s jurisdiction? (Indeed, the only  
11 potential effect on ACG members identified in the “Comments of Avista Customer Group (the  
12 “ACG Comments”),” also filed on June 27, 2018, is potential cost or rate increases resulting  
13 from the proposed merger,<sup>4</sup> that is, the impact on Avista’s rates to its customers – no “taxation”  
14 issues or impacts on non-Avista customers were raised.) Not only does this raise issues  
15 concerning standing, but whether the ACG’s participation will, in fact, unduly broaden the  
16 issues.

## 17 II.

18 Moreover, Avista’s customers are already broadly represented: their advocates include  
19 the Staff of the Commission, the industrial customers (“Clearwater” and “Idaho Forest Group”),  
20 the Community Action Partnership Association of Idaho (“CAPAI”), which represents low-  
21 income customers, the Idaho Conservation League (“ICL”), and a union advocacy group of the

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<sup>2</sup> Petition at p.2.

<sup>3</sup> As an “unincorporated non-profit organization,” there are no public filings available for review that would otherwise describe its purpose or membership. Nor does a cursory search of the internet reveal more information about this organization.

<sup>4</sup> ACG Comments at 1.

1 Washington and Northern Idaho District Council of Laborers (“WNIDCL”) (collectively, the  
2 “Parties”). Every segment of Avista’s “customer group” has already been well-represented from  
3 the outset of this proceeding when it commenced in September of 2017. All of these customer  
4 interests participated vigorously in the discovery process and in scheduled settlement  
5 conferences in April of 2018. It is simply inaccurate to say that “no other party can adequately  
6 represent the interests of ACG,”<sup>5</sup> given the representation of the Parties who are already  
7 participating.

8 More than sufficient notice was given of the filing and of opportunities to intervene on or  
9 before the deadline of October 26, 2017. Now, eight months later, the ACG has filed its Petition  
10 – well after most of the process has been completed. And it does so without any required  
11 showing of “good cause” for waiting until now to file its Petition.

### 12 III.

13 In summary, even though there are real questions of standing and prejudicial delay in this  
14 late-filed Petition, Applicants do not object to the proposed intervention, so long as the issues  
15 are not unduly broadened beyond what was set forth in the ACG Comments filed on June 27,  
16 2018. That was the ACG’s best opportunity to define, in writing, its interests and concerns.

17 Both Avista and Hydro One strongly believe in the importance of public input. We  
18 welcome and encourage all customers of Avista in Idaho to participate and to be heard,  
19 regardless of the positions taken. We also recognize the importance of creating a full and  
20 complete record upon which the Commission can make its decision. We are more than happy to  
21 address any questions and concerns and to provide an opportunity for our customers to have their

22 ///

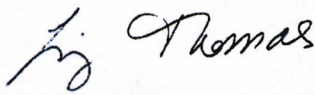
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<sup>5</sup> Petition at p.3.

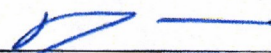
1 say. In order to further that record, the Applicants have filed a companion "Motion For Leave to  
2 File Reply Comments to the Avista Customer Group."

3 Respectfully submitted this 5<sup>th</sup> day of July, 2018.

**HYDRO ONE LIMITED**

By:   
Elizabeth Thomas, Partner, K&L Gates LLP  
Kari Vander Stoep, Partner, K&L Gates LLP  
Admitted *pro hac vice*  
On Behalf of Hydro One Limited and  
Olympus Equity LLC

**AVISTA CORPORATION**

By:   
David J. Meyer, ISB No. 8317  
Attorney for Avista Corporation