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IDAHO PUBLIC UTILITIES COMMISSION

1 David J. Meyer  
 2 Vice President and Chief Counsel of  
 3 Regulatory and Governmental Affairs  
 4 Avista Corporation  
 5 1411 E. Mission Avenue  
 6 P. O. Box 3727  
 7 Spokane, Washington 99220  
 8 Phone: (509) 489-0500, Fax: (509) 495-8851  
 9 Idaho State Bar Number: 8317

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

11	IN THE MATTER OF THE APPLICATION OF	)	CASE NO. AVU-E-18-03
12	AVISTA CORPORATION, dba AVISTA	)	CASE NO. AVU-G-18-02
13	UTILITIES, REQUESTING AUTHORITY	)	AGREED-UPON MOTION
14	TO REVISE ITS ELECTRIC AND NATURAL	)	TO REVISE SCHEDULE
15	GAS BOOK DEPRECIATION RATES	)	

16  
 17  
 18 On February 23, 2018, Avista Corporation (herein after “Avista” or the “Company”)  
 19 filed an Application requesting that the Commission approve changes to the Company's  
 20 depreciation rates for electric and natural gas property. The Company included a request for an  
 21 effective date of January 1, 2019. The Commission subsequently issued a Notice of Application  
 22 and set an intervention deadline of April 23, 2018. Order No. 34014. Clearwater Paper, Idaho  
 23 Conservation League (ICL), Idaho Forest Group, and the Sierra Club intervened as parties. Order  
 24 Nos. 34016, 34049.

25 At the direction of the Commission, the parties conferred, and Staff recommended a  
 26 procedural schedule to the Commission. By Order No. 34116, the Commission approved the use  
 27 of modified procedure, and adopted a proposed schedule.

28 By this Motion, Avista is notifying the Commission that it is revising the proposed  
 29 effective date for new depreciation rates from January 1, 2019 to April 1, 2019, and with the  
 30 consent of all parties, is proposing to revise the procedural dates previously set forth in Order No.

1 34116.

2           Given recent developments in the Province of Ontario concerning management at  
3 Hydro One, various Commissions have scheduled further proceedings in the Avista/Hydro One  
4 merger dockets to address the developments: The Washington Utilities and Transportation  
5 Commission (WUTC) has called for additional testimony, culminating in an evidentiary hearing  
6 on October 23, 2018, to allow for a decision by December 14, 2018 (its statutory deadline); The  
7 Oregon Public Utilities Commission (OPUC) has scheduled similar proceedings, with a target date  
8 for decision of December 14, 2018, as well; and in this jurisdiction, the Commission postponed a  
9 previously scheduled July 23, 2018, technical hearing and requested a status update on  
10 management changes at Hydro One, which was provided on August 15, 2018, along with a motion  
11 for a scheduling conference.

12           Accordingly, Avista is modifying its request in Washington, Idaho and Oregon (as to  
13 common plant) to revise the proposed date for changes in depreciation rates from January 1, 2019  
14 to April 1, 2019, and in so doing, synchronizing the effective date for depreciation purposes in all  
15 jurisdictions.

16           In the State of Washington, for example, an all-party settlement has been reached in  
17 the Avista/Hydro One merger case (Docket No. U-170970) and is still pending before the  
18 Commission, with an Order on or before December 14, 2018. An integral condition of that  
19 settlement calls for accelerated depreciation of Avista's investment in Colstrip Units 3&4 to 2027,  
20 from 2034 and 2036, respectively.

21           Because the revised depreciation rates in the Washington depreciation docket will  
22 depend, in part, on the final disposition of the merger settlement, which itself addresses Colstrip  
23 depreciation rates, additional time is needed beyond December 31, 2018 for synchronizing the

1 effective date for changes in the Company's overall depreciation rates across all jurisdictions –  
2 hence, the Company has revised the proposed effective date of new depreciation rates to April 1,  
3 2019, in all jurisdictions.<sup>1</sup>

4 Avista has contacted all parties in this case, and no party objects to the following  
5 changes in the dates set forth in Order No. 34116:

	Original	Revised
6 Settlement Conferences	August 29, 2018	November 27, 2018
7	September 25, 2018 (if necessary)	December 11, 2018
8	October 16, 2018 (if necessary)	January 22, 2019
9		
10 Comment Deadline	November 15, 2018	February 15, 2019
11		
12 Reply Deadline	November 29, 2018	February 28, 2019
13		

14 WHEREFORE, Avista respectfully requests an Order acknowledging the revision in the  
15 proposed effective date for changes in Idaho depreciation rates from January 1, 2019 to April 1,  
16 2019, and adopting the proposed changes to the procedural schedule.

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<sup>1</sup> It is critical that the Company maintain uniform utility accounts and depreciation rates for common plant that are consistent among the Company's regulatory jurisdictions. In the event different depreciation rates or methods were to be ordered for allocated plant (a category which is primarily composed of production, transmission, intangible, and general plant assets serving multiple jurisdictions), the result would require multiple sets of depreciation accounts and records that would need to be adjusted annually for changes in allocation factors, which would impose a costly administrative burden on the Company and unnecessary expense for the Company's ratepayers, as well as possible unrecovered or stranded costs.

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Respectfully submitted this 22<sup>nd</sup> day of August 2018.

AVISTA CORPORATION

BY   
\_\_\_\_\_  
David J. Meyer  
Vice President and Chief Counsel for  
Regulatory & Governmental Affairs

## CERTIFICATE OF SERVICE

I HEREBY CERTIFY that I have this 22<sup>nd</sup> day of August, 2018, served the foregoing motion to revise schedule in Docket No. AVU-E-18-03 and AVU-G-18-02, upon the following parties, by mailing a copy thereof, properly addressed with postage prepaid to:

<p>Diane Hanian, Secretary Idaho Public Utilities Commission Statehouse Boise, ID 83720-5983 <a href="mailto:diane.hanian@puc.idaho.gov">diane.hanian@puc.idaho.gov</a></p>	<p>Brandon Karpen Deputy Attorneys General Idaho Public Utilities Commission 472 W. Washington Boise, ID 83702-0659 <a href="mailto:brandon.karpen@puc.idaho.gov">brandon.karpen@puc.idaho.gov</a></p>
<p><b>SIERRA CLUB:</b> Travis Ritchie Sierra Club 2101 Webster Street, Suite 1300 Oakland, CA 94612 415-977-5727 <a href="mailto:Travis.ritchie@sierraclub.org">Travis.ritchie@sierraclub.org</a> <a href="mailto:Ana.boyd@sierraclub.org">Ana.boyd@sierraclub.org</a></p> <p><input type="checkbox"/> via Overnight <input checked="" type="checkbox"/> via E-Mail</p>	<p><b>IDAHO CONSERVATION LEAGUE:</b> Benjamin J. Otto Idaho Conservation League 710 N. 6th St. Boise, ID 83702 208-345-9633 x 12 <a href="mailto:botto@idahoconservation.org">botto@idahoconservation.org</a></p> <p><input checked="" type="checkbox"/> via Overnight <input checked="" type="checkbox"/> via E-Mail</p>
<p><b>CLEARWATER PAPER CORP.:</b> Peter Richardson Richardson Adams, PLLC 515 N. 27<sup>th</sup> St Boise, ID 83702 208-938-7901 <a href="mailto:peter@richardsonadams.com">peter@richardsonadams.com</a></p> <p><input checked="" type="checkbox"/> via Overnight <input checked="" type="checkbox"/> via E-Mail</p>	<p><b>CLEARWATER PAPER CORP.:</b> Dr. Don Reading 6070 Hill Road Boise, ID 83703 208-342-1700 <a href="mailto:dreading@mindspring.com">dreading@mindspring.com</a></p> <p><input checked="" type="checkbox"/> via Overnight <input checked="" type="checkbox"/> via E-Mail</p>
<p><b>CLEARWATER PAPER CORP.:</b> <a href="mailto:marv.lewallen@clearwaterpaper.com">marv.lewallen@clearwaterpaper.com</a> <a href="mailto:carol.haugen@clearwaterpaper.com">carol.haugen@clearwaterpaper.com</a></p> <p><input type="checkbox"/> via Overnight <input checked="" type="checkbox"/> via E-Mail</p>	<p><b>IDAHO FOREST GROUP:</b> 687 Canfield Ave. Suite 100 Coeur D'Alene, ID 83815</p> <p><input type="checkbox"/> via Overnight <input type="checkbox"/> via E-Mail</p>
<p><b>IDAHO FOREST GROUP:</b> Ronald Williams Williams Bradbury, P.C. PO Box 388 Boise, ID 83701 208-344-6633 <a href="mailto:ron@williamsbradbury.com">ron@williamsbradbury.com</a></p> <p><input checked="" type="checkbox"/> via Overnight</p>	<p><b>IDAHO FOREST GROUP:</b> Dean Miller 3620 E Warm Springs Ave. Boise, ID 83716 <a href="mailto:deanmiller@cableone.net">deanmiller@cableone.net</a></p> <p><input checked="" type="checkbox"/> via Overnight <input checked="" type="checkbox"/> via E-Mail</p>

<input checked="" type="checkbox"/> via E-Mail	
<b>IDAHO FOREST GROUP:</b> Larry Crowley, Director The Energy Strategies Institute, Inc. 5549 S. Cliffsedge Ave. Boise, ID 83716 <a href="mailto:crowleyla@aol.com">crowleyla@aol.com</a>	
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	Paul Kimball Sr. Regulatory Analyst