

Rowena Pineda
Idaho Community Action Network
3450 Hill Road
Boise, ID 83703
Ph: (208) 457-2225
Fax: (208) 336-0997
rowena@idahocan.org

RECEIVED
2010 AUG -4 PM 1:30
IDAHO PUBLIC
UTILITIES COMMISSION

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF THE APPLICATION)
OF AVISTA CORPORATION DBA AVISTA)
UTILITIES FOR AUTHORITY TO INCREASE) CASE NO. AVU-E-10-01
ITS RATES AND CHARGES FOR ELECTRIC) AVU-G-10-01
AND NATURAL GAS SERVICES IN IDAHO)

COMMENTS ON THE STIPULATION AND SETTLEMENT

The Idaho Community Action Network (ICAN) submits the following comments in response to the proposed Stipulation and Settlement.

Rate Impact Mitigation Plan

According to the Stipulation and Settlement, the electric rate impact to customers will be phased in, beginning on October 1, 2010, over three years. During the first year, customers will see a rate increase of 3.59%, in the second year, the increase will be 3.92%, and in the third year, the increase will be 1.74%. Admittedly, combined the rate increase is lower than the original request of 14.6%. However, ICAN wants it noted that the increase will impact Idaho families whose wages have remained stagnant for several years. In Kootenai County, for example, Idaho Department of Labor figures show that average wages rose by 1.34% from 1999 to 2009. In Latah County, average wages rose by 1.25% from 1999 to 2009. In Nez Perce County, average wages rose by 1.24% from 1999 to 2009. With increases in the cost of food and gasoline, this rise in wages is negligible. Furthermore, the increase will further hurt those families whose heads

of households are currently unemployed. Kootenai County's unemployment is currently at 10 percent, which is higher than the state average of 8.8 percent.

ICAN also wants to note that the rate increase will hurt small businesses in Avista's service territory. Members of the Idaho Main Street Alliance, a coalition of small businesses in the state, have expressed that they bear the disproportionate impact of rate hikes since they are considered residential customers, unlike the bigger industries. Thus, it is heartening to see that the stipulation and settlement include raising rates for big commercial customers to bring those rates closer to what residential customers pay. However, this will not mitigate small businesses, which are viewed as the vehicles to get us out of this economic slump, from possibly having to curtail their growth due to higher rates.

If the rate increase is to be approved, ICAN strongly recommends that a rate moratorium be put in place for 2011 and 2012. This will prevent the possibility of another rate increase on top of the ones that are scheduled to be implemented.

Rate Spread/Rate Design

As in previous rate cases, ICAN continues to oppose increasing the base rates, which disproportionately impact low-income customers and customers on fixed incomes. Customers are unable to avoid these rate increases by cutting down on their power usage. The PUC has listened to consumers in the past, rejecting attempts by Avista and other utilities to raise base rates.

ICAN would like to part of discussions regarding the first tier energy block for residential electric service. Low-income families who are more likely to live in housing with little insulation end up paying more in utility bills. We commend the weatherization efforts put forth by CAPAI

and the company, but these funds are limited. It would be advisable to increase the first tier to reflect the usage of Avista's most vulnerable customers.

Customer Service Related Issues

ICAN would like to be part of discussions concerning Avista's deposit policy and opening and closing customer accounts. Our work with low-income community members provides us with insight on how these policies affect them.

ICAN appreciates and respects the efforts that went into this settlement. However, we do believe that a rate moratorium needs to be put in place in 2011 and 2012 to ensure that no further rate increases are proposed. We also oppose the increase in the base rate.

DATED this 4th day of August 2010.

Respectfully submitted,



Rowena Pineda
Executive Director
Idaho Community Action Network

CERTIFICATE OF SERVICE

I, the undersigned, hereby certify that on the 4th day of August, 2010, I served a copy of the foregoing COMMENTS ON STIPULATION AND SETTLEMENT by email and hand delivery to:

Hand delivery:

Jean Jewell
Commission Secretary
(Original and nine copies)
Idaho Public Utilities Commission
427 W. Washington St.
Boise, ID 83702-5983

Electronic Mail:

Kelly Norwood
David Meyer
Avista Corporation
PO Box 3727
Spokane, WA 99220-3727
kelly.norwood@avistacorp.com
david.meyer@avistacorp.com

Donald L. Howell, II
Kristine A. Sasser
Idaho Public Utilities Commission
472 W. Washington St.
Boise, ID 83702

Peter J. Richardson
Greg M. Adams
515 N. 27th St.
PO Box 7218
Boise, ID 83702
peter@richardsonandoleary.com
greg@richardsonandoleary.com

Howard Ray
PO Box 1126
Lewiston, ID 83501
howard.ray@clearwaterpaper.com

Dean J. Miller
420 W. Bannock St.
Boise, ID 83702
ioe@mcdevitt-miller.com

Larry A. Crowley
5549 S. Cliffsedge Ave.
Boise, ID 83716
crowleyla@aol.com

Brad M. Purdy
Attorney at Law
2019 N 17th St.
Boise, ID 83702
bmpurdy@hotmail.com

Ken Miller
Snake River Alliance
PO Box 1731
Boise, ID 83701
kmiller@snakeriveralliance.org

Benjamin J. Otto
Idaho Conservation League
PO Box 844
Boise, ID 83701
botto@idahoconservation.org

Rob Fluid
Clark Fairchild
North Idaho Energy Logs
PO Box 571
Moyrie Springs, ID 83845
energylogs@gmail.com

Tom Oxford
Secretary Treasurer
North Idaho Energy Logs
oxford@meadowcrk.com



Rowena Pineda