

## DECISION MEMORANDUM

**TO:** COMMISSIONER KEMPTON  
COMMISSIONER SMITH  
COMMISSIONER REDFORD  
COMMISSION SECRETARY  
COMMISSION STAFF  
LEGAL

**FROM:** NEIL PRICE  
DEPUTY ATTORNEY GENERAL

**DATE:** MAY 12, 2010

**SUBJECT:** AVISTA'S PROPOSED REVISION OF TARIFF I.P.U.C. NO. 28 FOR  
SCHEDULE 63; CASE NO. AVU-E-10-02

On April 20, 2010, Avista Corporation (hereinafter "Avista") submitted, via electronic filing, to the Commission Secretary its First Revision of Tariff Sheet No. 63 canceling Original Sheet No. 63 of Tariff I.P.U.C. No. 28 (hereinafter "Filing"). The Company proposes an effective date for the revised tariff sheet of May 20, 2010.

### TARIFF REQUEST

Avista's Filing proposes to alter the maximum generating capacity that Schedule No. 63 (Net Metering) customers "may connect to the system while still being eligible for net metering." Avista allows customers to enroll as Net Metering customers on a "first come, first serve" basis until the cumulative generating capacity of all Net Metering customers equals 1.52 MW (0.1% of Avista's retail peak demand in 1996). In order to be eligible for the Net Metering Program, customers must own a facility, located on the customer's premises, that generates electricity and "uses as its fuel either solar, wind, biomass or hydropower, or represents fuel cell technology."

If approved, the allowable generating capacity would increase from its current 25 kilowatt ("kW") maximum to a 100 kW maximum. Avista states that the "current average customer using net metering is in the range of 5-10 kW, the proposed change to 100 kilowatts would allow for larger generating facilities to be considered." Avista believes that the proposed revision "would not impact the distribution system or other customer's service."

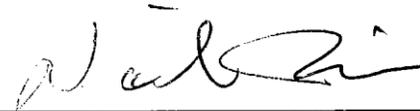
### STAFF RECOMMENDATION

Staff has reviewed the Company's Filing and would like to obtain additional information to better evaluate the Company's plan to increase the maximum generating capacity allowed for net metering customers. Staff also believes that the increase in capacity is not a "minor change" to the tariff as allowed by Commission Rule 134.01. Accordingly, Staff recommends that the Commission suspend the proposed effective date of the Filing and process the case through Modified Procedure with a 28-day comment period.

### COMMISSION DECISION

Does the Commission wish to suspend the proposed effective date for Avista's Filing pursuant to *Idaho Code* § 61-622?

Does the Commission wish to process Avista's Filing through Modified Procedure with a corresponding 28-day comment period?



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Neil Price  
Deputy Attorney General

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