

## DECISION MEMORANDUM

**TO:** COMMISSIONER KJELLANDER  
COMMISSIONER RAPER  
COMMISSIONER ANDERSON  
COMMISSION SECRETARY  
COMMISSION STAFF  
LEGAL

**FROM:** CAMILLE CHRISTEN  
DEPUTY ATTORNEY GENERAL

**DATE:** AUGUST 10, 2017

**SUBJECT:** THE POWER COST ADJUSTMENT (PCA) ANNUAL RATE  
ADJUSTMENT FILING OF AVISTA CORPORATION, CASE NO. AVU-  
E-17-07

On August 1, 2017, Avista Corporation dba Avista Utilities filed its Power Cost Adjustment (PCA) annual rate adjustment. The Company requests that the Commission issue an Order approving the level of power costs deferred for the period July 1, 2016 through June 30, 2017, and approve a PCA rebate rate of 0.240 cents per kilowatt-hour to be effective October 1, 2017. Application at 1. The Company requests that the Application be processed under Modified Procedure. *Id.* at 2.


The Company indicates that its power cost deferrals for the period July 2016 – June 2017, including renewable energy credit retirement benefits and interest, total (\$7,233,993). *Id.* at 4. The Company's witnesses provide detail on the power cost deferrals. *Id.* When this amount is included in the Company's PCA calculations, the result is a uniform per kilowatt-hour rebate rate of 0.240 cents. *Id.* at 5. The Company explains that because the PCA changes are spread on a uniform cents per kilowatt-hour basis, the resulting percentage reductions vary by rate schedule. *Id.* at 6. The overall decrease is 2.7%. *Id.* Residential customers using an average of 910 kilowatt-hours per month would see a decrease of \$2.03, or 2.4%. *Id.*

### STAFF RECOMMENDATION

Staff recommends that the Commission issue a Notice of Application and Notice of Modified Procedure, with comments due September 15, 2017, and reply comments, if any, due September 20, 2017.

**COMMISSION DECISION**

Does the Commission wish to issue a Notice of Application and a Notice of Modified Procedure, with comments due September 15, 2017, and reply comments, if any, due September 20, 2017?

  
Camille Christen  
Deputy Attorney General

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