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Attorney for the Commission Staff

## BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF AVISTA )  
CORPORATION'S APPLICATION TO ) CASE NO. AVU-G-14-04  
CHANGE ITS RATES AND CHARGES (2014 )  
PURCHASED NATURAL GAS COST ) COMMENTS OF THE  
ADJUSTMENT). ) COMMISSION STAFF  
\_\_\_\_\_)

COMES NOW the Staff of the Idaho Public Utilities Commission, by and through its Attorney of record, Daphne Huang, Deputy Attorney General, and in response to the Notice of Modified Procedure issued in Order No. 33133, submits the following comments.

### BACKGROUND

On September 15, 2014, Avista Corporation dba Avista Utilities filed its annual Purchased Gas Cost Adjustment (PGA) Application. The PGA is a rate mechanism used to adjust rates up or down to reflect changes in the market price of natural gas, and changes in transportation and storage costs. These changes in Avista's natural gas costs are deferred to the PGA account. In this Application, Avista proposes to decrease its PGA rates an average of 2.1%, or about \$1.6 million per year. Application at 1. As set out in greater detail below, Avista's proposal will *decrease* the average residential or small commercial customer's rates by \$1.16 per month (about 2%). *Id.* at 4. Avista also proposes that large commercial customers' rates *decrease* by about 2%, but Avista's sole interruptible customer's PGA rate will *increase* by about 0.2%. *Id.* at 3. Avista's proposal will not affect its earnings. Avista asked that its