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BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF AVISTA)
CORPORATION'S APPLICATION TO)
CHANGE ITS NATURAL GAS RATES AND)
CHARGES (2015 PURCHASED GAS COST)
ADJUSTMENT).)
CASE NO. AVU-G-15-02
COMMENTS OF THE
COMMISSION STAFF

The Staff of the Idaho Public Utilities Commission comments as follows on Avista Corporation's Application.

BACKGROUND

On August 27, 2015, Avista Corporation dba Avista Utilities filed its annual Purchased Gas Cost Adjustment (PGA) Application. The PGA is, in summary, a Commission-approved mechanism that adjusts rates up or down to reflect changes in Avista's costs to buy natural gas from suppliers—including changes in transportation, storage, and other related costs. Avista defers these costs into its PGA account, and then passes them to customers through an increase or decrease in rates.

With this Application, Avista proposes to: (1) pass any change in the estimated cost of natural gas for the next 12 months to customers (Tariff Schedule 150); and (2) revise the amortization rates to refund or collect the balance of deferred gas costs (Tariff Schedule 155). Avista's proposal would *decrease* Avista's PGA rates by about \$10.3 million (14.5%). Average residential or small commercial customer's rates would decrease by \$7.94 per month (about 13.4%). Large commercial customers' rates would *decrease* by about 18%. The rate of Avista's