Avista Corp.
1411 East Mission P.O. Box 3727
Spokane. Washington 99220-0500
Telephone 509-489-0500
Toll Free 800-727-9170

October 30, 2026

Public Utilities Commission of Oregon
Attn: Filing Center
201 High Street SE, Suite 100
Salem, OR 97301-3612

RE: Docket No. UM 1978—Avista Utilities Application for Reauthorization

Filing Center:

In accordance with ORS 757.259 and OAR 860-027-0300, Avista Corporation, dba Avista Utilities (Avista or Company), hereby submits for electronic filing an Application for Reauthorization to defer certain expenses or revenues related to its Low-Income Rate Assistance Program (LIRAP).

As required by OAR 860-027-0300(3)(e) and (6), a Notice of Application and list of persons served with the Notice has been sent to all parties in the Company's current general rate case, Docket No. UG 519. A copy of the Notice and the Certificate of Service are attached as an Exhibit to the Application.

If you have any questions regarding this filing, please contact Athena Allen at (509) 495-8325 or email athena.allen@avistacorp.com.

Sincerely,

/s/Joe Miller

Joe Miller
Sr. Manager of Rates & Tariffs
Avista Utilities
509-495-4546
joe.miller@avistacorp.com

BEFORE THE PUBLIC UTILITY COMMISSION

OF OREGON

DOCKET NO. UM 1978

IN THE MATTER OF THE APPLICATION OF AVISTA UTILITIES FOR AN ORDER AUTHORIZING DEFERRAL OF LOW-INCOME RATE ASSISTANCE PROGRAM EXPENSES COLLECTED THROUGH RATE SCHEDULE 493	) APPLICATION) FOR REAUTHORIZATION) OF CERTAIN DEFERRAL) ACCOUNTS

Pursuant to ORS 757.259 and OAR 860-027-0300(4), Avista Corporation, dba Avista Utilities (Avista or Company), hereby applies to the Public Utility Commission of Oregon (Commission) for an order reauthorizing the Company to utilize deferred accounting for its Low-Income Rate Assistance Program (LIRAP). Avista respectfully requests that this reauthorization be effective for the 12-month period beginning January 1, 2027.

In support of this Application, the Company states:

Avista provides natural gas service in southwestern and northeastern Oregon and is a public utility subject to the Commission's jurisdiction under ORS 757.005(1)(a)(A).

Avista requests that all notices, pleadings, and correspondence regarding this Application be sent to the following:

Patrick Ehrbar
Vice President, Regulatory Affairs
Avista Corporation
P.O. Box 3727
1411 E. Mission, MSC-27
Spokane, WA 99220-3727
(509) 495-8620
Pat.ehrbar@avistacorp.com

Anni Glogovac
Counsel for Regulatory Affairs
Avista Corporation
P.O. Box 3727
1411 E. Mission, MSC-27
Spokane, WA 99220-3727
(509) 495-7341
Anni.glogovac@avistacorp.com

This Application is filed pursuant to ORS 757.259, which empowers the Commission to authorize the deferral of expenses or revenues of a public utility for later incorporation into rates.

BACKGROUND

Deferral of the revenues related to the Company's natural gas Low-Income Rate Assistance Program was previously authorized by the Commission on December 09, 2025, through Order No. 25-485 of Docket No. UM 1978. The authorization for deferred accounting treatment as described above can be authorized pursuant to ORS 757.259(2)(e). Under the Company's Tariff Schedule 493, "Residential Low-Income Rate Assistance Program (LIRAP) – Oregon", Avista collects funds necessary to administer and deliver low-income programs to its customers. The purpose of LIRAP is to reduce the energy cost burden among those customers least able to pay energy bills, and the revenue collected is disbursed to qualifying customers by Avista as well as by the four Community Action Agencies (CAAs or Agencies) within the Company's Oregon service territory.[1]

Over a 12-month period, the Company records the funds collected through Schedule 493, netted with the costs of LIRAP, in a balancing account; any unspent funds or uncollected costs are held over to the following year, with any adjustments needed requested in July of each year along with the Company's Purchased Gas Adjustment (PGA) filings. This meets the requirement under ORS 757.259(2)(e), specifically "identifiable utility expenses or revenues, the recovery or refund of which the commission finds should be deferred in order to minimize the frequency of rate changes or the fluctuation of rate levels or to match appropriately the costs borne by and benefits received by ratepayers."

DESCRIPTION OF CURRENT DEFERRAL

Presently, Avista records the funds collected with Schedule 493 and the costs of managing LIRAP in FERC Account No. 242.7 (Low Income Energy Assistance). A summary of the

[1] Historically, LIRAP was administered solely by Avista's partner Agencies. See Docket No. ADV 1410 for further information regarding changes made to LIRAP effective October 1, 2022, including approval of joint administration by both the CAAs as well as Avista.

accounting entries recorded by Avista is as follows:

Transactions to Record LIRAP Revenues and Costs

FERC	Account Description	DR	CR
142.1	Customer Accounts Receivable	$XXX	
48X.X	Revenue from Customers		$XXX
	To record revenue collected from Schedule 493.		
908.6	Customer Service & Information Expense	$XXX	
242.7	Low Income Energy Assistance		$XXX
	To transfer funds collected from Schedule 493 to balancing account.		
242.7	Low Income Energy Assistance	$XXX	
232.1	Accounts Payable		$XXX
	To record LIRAP costs.		

As funds are distributed for LIRAP activities, the balancing account is debited for the amount of the expenditure disbursement. The balance in the account (either unspent funds or uncollected costs) is deferred at December 31 each year, with the net amount in the account included in the Company's filing when the LIRAP Surcharge is updated. In absence of a deferred accounting order from the Commission, Avista would instead transfer the balance of the account at December 31 into earnings. Interest accrues on this balancing account each month based on the effective Modified Blended Treasury Rate (MBT), in accordance with Order No. 24-270 in Docket no. UG 499 and alignment with the previous reauthorization in this Docket (UM 1978).

PROPOSED ACCOUNTING

Avista is not requesting any additional adjustments to the current deferral accounting in this Reauthorization request and would continue to record the funds collected through Schedule 493 as described above.

CURRENT DEFERRAL BALANCES

At December 31, 2025, the total deferral balance in the Low-Income Energy Assistance account, subject to deferral, was $528,617. For illustrative purposes, since December 31, 2023, a summary of LIRAP funds collected and spent is as follows:

Avista's LIRAP Summary Transactions Recorded in Balancing Account (FERC Account No. For December 31, 2023 through December 31, 2025		
Balance at December 31, 2023	$	224,634
2024 Tariff Collections		(1,532,256)
2024 LIRAP Costs		2,579,691
2024 Interest		34,888
Balance at December 31, 2024	$	1,306,957
2025 Tariff Collections		(3,858,904)
2025 LIRAP Costs		3,046,967
2025 Interest		33,597
Balance at December 31, 2025	$	528,617

At December 31, 2023, the Company's program-to-date costs exceeded its collections by $224,634, with these funds subsequently collected in 2024. At December 31, 2024, the program costs exceeded the program collections by $1,047,435 thereby increasing the total carryover balance to $1,305,957 after accounting for $34,888 in accumulated interest, with collections then exceeding costs by $811,937 in 2025. At December 31, 2025, the carryover balance was $528,617.

WHEREFORE, Avista Corporation respectfully requests that the Commission reauthorize the Company to defer the unspent funds or uncollected costs of its low-income programs for the 12-month period, January 1, 2027 through December 31, 2028. The Company is not proposing an adjustment to customers' retail rates through this Application. Pursuant to OAR 800-027-0300(3)(e)(6), a copy of the Notice of Application and list of persons served with the Notice is

attached to this Application as Exhibit A.

DATED this 30th day of October 2026.

Respectfully submitted,

By: _____

Anni Glogovac, OSB #260305
Counsel for Regulatory Affairs
Avista Corporation

Docket No. UM 1978

NOTICE OF APPLICATION FOR REAUTHORIZATION OF CERTAIN DEFERRAL ACCOUNTS

October 30, 2026

To All Parties Who Participated in UG 519:

Please be advised that on October 30, 2026, Avista Corporation, dba Avista Utilities (Avista or Company), applied to the Public Utility Commission of Oregon (Commission) for an order reauthorizing the Company to utilize deferred accounting for its Low-Income Rate Assistance Program (LIRAP). This filing has been made pursuant to ORS 757.259 and OAR 860-027-0300(4).

This Notice is being Provided to all parties that participated in Avista's most recent general rate case, Docket No. UG 519, to inform them that an Application for Reauthorization has been filed. Parties wanting more information or who wish to obtain a copy of the filing can access the Application on the Commission website, or by contacting either of the following:

Avista Utilities
Attn: Patrick Ehrbar
P.O. Box 3727
1411 E. Mission, MSC-27
Spokane, WA 99220-3727
(509) 495-8620

Public Utility Commission of Oregon
Attn: Filing Center
201 High Street SE, Suite 100
PO Box 1088
Salem, OR 97301-1088
(509) 373-0886

Any person may submit to the Commission written comments on this matter by November 24, 2026. Approval of Avista's Application will not authorize a change in the Company's rates but will permit the Commission to consider allowing such deferred amounts in rates in a subsequent proceeding.

DATED this 30th day of October 2026. By: _____

Anni Glogovac
Counsel for Regulatory Affairs

UM 1978 – EXHIBIT A

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that I have this day served Avista's application for an order authorizing deferred accounting and ratemaking treatment of costs associated with certain expenses or revenues related to its Low-Income Rate Assistance Program (LIRAP), upon the parties listed below.

Stephanie Andrus
Oregon Department of Justice
Business Activities Section
1162 Court St. NE, Salem, OR 97301-4096
stephanie.andrus@doj.oregon.gov

Curtis Dlouhy
Public Utility Commission of Oregon
201 High St SE, Suite 100
Salem, Oregon 97301
curtis.dlouhy@puc.oregon.gov

Claire Valentine-Fossum
Citizens' Utilities Board
610 SW Broadway, Suite 400
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Alexander Houston
Green Energy Institute
10101 S. Terwilliger Blvd
Portland, OR 97219
ahouston@lclark.edu

I declare under penalty of perjury that the foregoing is true and correct.

Dated at Spokane, Washington this 30th day of October 2026.

/s/ Athena Allen
Athena Allen
Regulatory Affairs Analyst