



**Avista Corp.**

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

January 18, 2024

Commission Secretary  
Idaho Public Utilities Commission  
11331 W. Chinden Blvd  
Bldg 8 Suite 201-A  
Boise, Idaho 83702-5983

Attention: Commission Secretary

**Advice No. 24-\_\_-G**

RE: Tariff IPUC No.27, Natural Gas Service

Enclosed for electronic filing with the Commission is a copy of the following proposed tariff sheet:

**Eleventh Revision Sheet 158 Canceling Tenth Revision Sheet 158**

The purpose of this filing is to pass through a new 1% franchise fee imposed on gross revenue from the sale of natural gas within the City of Fernan Lake Village as specified in Resolution No. 196 and authorized by Ordinance No. 167. The fee is requested to become effective March 1, 2024 and will increase annual revenues by approximately \$900.

Natural Gas customers in the City of Fernan Lake Village will see the following notice on their bills for one billing cycle beginning March 1<sup>st</sup>:

The City of Fernan Lake Village has imposed a new natural gas franchise fee of 1% effective March 1, 2024 per Resolution No. 196 and Ordinance No. 167.

The Company requests that the Commission approve the proposed tariff changes included in this filing to be effective March 1, 2024. Enclosed is a copy of the pertinent city ordinances, as well as a "Notice of Tariff Change" which will be posted in the Company's Idaho offices and on the Company's website coincident with the date of this filing.

Questions or comments regarding this filing should be directed to Joe Miller at (509) 495-4546.

Sincerely,

*/s/ Patrick Ehrbar*

Patrick Ehrbar  
Director of Regulatory Affairs

Enclosures

AVISTA CORPORATION  
d/b/a Avista Utilities

SCHEDULE 158  
TAX ADJUSTMENT SCHEDULE - IDAHO

The rate schedule of the Company for natural gas service furnished in Idaho do not include any portion of municipal occupation, business, excise or use of the streets, taxes or charges. In order to reimburse the Company for such taxes or charges, amounts equivalent to such taxes or charges where now imposed, or which may hereafter be imposed, will be billed by the Company to its customers as set forth below.

APPLICABLE:

To all charges for natural gas service rendered pursuant to this tariff within the jurisdiction imposing a tax or charge, as provided in Rule 3 of the Rules and Regulations included in this tariff.

TAX ADJUSTMENT:

The rates and charges named in this tariff shall be proportionately increased by an adjustment equivalent to the amount of the tax or charge imposed by the jurisdiction and effective as listed below:

<u>Idaho Municipality</u>	<u>Ordinance</u>	<u>Date Ordinance Effective</u>	<u>Charge*</u>
Village of Bonners Ferry	Ord. No. 209	July 2, 1963	3% franchise fee
City of Coeur d'Alene	Ord. No. 2518	July 1, 1993	5% franchise fee
City of Dalton Gardens	Ord. No. 168 as amended by Ord. No. 171	February 1, 2005	1% Franchise fee
City of Dover	Ord. No. 53	October 1, 2000	1% franchise fee
City of Fernan Lake Village	Res. No. 196 Ord. No. 167	March 1, 2024	1% franchise fee
City of Hauser	Ord. No. 111	May 1, 1999	1% franchise fee
City of Hayden	Ord. No. 392	October 1, 2005	1% franchise fee
City of Hayden Lake	Ord. No. 125 as amended by Ord. No. 131	January 1, 1995	3% franchise fee
City of Kellogg	Ord. No. 556	October 1, 2012	1% franchise fee
City of Kootenai	Ord. No. 112	August 1, 1996	1% franchise fee
City of Lewiston	Ord. No. 4256	January 1, 2000	1% franchise fee
City of Moscow	Ord. No.2006-06	June, 1 2006	3% franchise fee
City of Mullan	Ord. No. 309A	May 1, 1997	1% franchise fee
City of Osburn	Ord. No. 297	February 1, 2020	1% franchise fee
City of Pinehurst	Ord. No. 2022-239	July 1, 2022	1% franchise fee
City of Ponderay	Ord. No. 3-17	November 1, 1996	1% franchise fee
City of Post Falls	Ord. No. 1015	March 1, 2003	1% franchise fee
City of Rathdrum	Ord. No. 377	November 1, 1996	1% franchise fee
City of Sandpoint	Ord. No. 1076	March 1, 2003	1% franchise fee
City of Spirit Lake	Ord. No. 510	December 1, 2007	1% franchise fee
City of Wallace	Ord. No. 95-07	January 1, 1996	1% franchise fee

\*Federal bills excluded

Issued January 18, 2024

Effective March 1, 2024

Issued by Avista Utilities

Patrick Ehrbar,

Director of Regulatory Affairs



**RESOLUTION NUMBER 196**

**CITY OF FERNAN LAKE VILLAGE**


**December 4, 2023**

WHEREAS, the City Council passed Ordinance Number 167 in July of 2010 providing Avista Corporation a franchise in part for the transmission, distribution and sale of natural gas and providing a 1% franchise fee to the City; and


WHEREAS, the City Council believes that it is in the City's best interest to collect the 1% franchise fee as a source of general revenue.

THEREFORE, BE IT RESOLVED that the City of Fernan Lake Village has approved collecting a franchise fee of 1% as provided in Section 13.0 of Ordinance Number 167 effective on the date of this resolution.

DATED this 4<sup>th</sup> day of December 2023.

  
\_\_\_\_\_  
HEIDI ACUFF  
MAYOR

ATTEST:

  
\_\_\_\_\_  
CLERK

CITY OF FERNAN LAKE VILLAGE

ORDINANCE NO.167

AN ORDINANCE OF THE CITY OF FERNAN LAKE VILLAGE, IDAHO, GRANTING AVISTA CORPORATION, A WASHINGTON CORPORATION, THE RIGHT, PRIVILEGE, AUTHORITY, AND FRANCHISE TO LOCATE, CONSTRUCT, OWN, MAINTAIN, REPAIR, REPLACE, EXTEND, OPERATE AND USE FACILITIES IN, UPON, OVER, UNDER, ALONG, AND ACROSS THE FRANCHISE AREA FOR PURPOSES OF TRANSMISSION, DISTRIBUTION AND SALE OF NATURAL GAS; SAID FRANCHISE TO HAVE A TERM OF TWENTY-FIVE (25) YEARS AND CONTINUING YEAR-TO-YEAR THEREAFTER UNTIL TERMINATED; AND PROVIDING A ONE PERCENT (1%) FRANCHISE FEE TO THE CITY; CONTAINING A SEVERABILITY CLAUSE; AND SETTING AN EFFECTIVE DATE.

---

**WHEREAS**, Avista Corporation, is a corporation organized under the laws of the State of Washington, and licensed to do business in the State of Idaho, (hereinafter referred to as "Grantee"), engaged in the business of providing utility services to Consumers consistent with applicable laws and regulations; and

**WHEREAS**, Grantee has respectfully requested that the City of Fernan Lake Village, Idaho, (hereinafter referred to as "City" or "Grantor"), renew its Franchise to locate, construct, own, maintain, repair, replace, extend, operate, and use such works, Facilities, and all necessary or desirable appurtenances thereto for the distribution of Gas in, upon, over, under, along, and across Grantor's Franchise Area, as it presently exists or may be amended; and

**WHEREAS**, the City has determined it is in the best interest of the persons and businesses in the City to have access to Grantee's services; NOW THEREFORE,

BE IT ORDAINED BY THE MAYOR AND THE CITY COUNCIL OF THE CITY OF FERNAN LAKE VILLAGE, KOOTENAI COUNTY, IDAHO:

**Section 1. Definitions.** For the purposes of this Franchise and all exhibits attached hereto (if any), the following terms, phrases, words and their derivations shall have the meaning given herein. When not inconsistent with the context, words used in the present tense include the future, words in the plural include the singular, and words in the singular include the plural. Words not defined shall be given their common and ordinary meaning.

- 1.1. **Consumer.** "Consumer" means any person, firm, association, entity, municipal corporation, or corporation that uses Gas for residential, commercial, industrial, or governmental purposes.
- 1.2. **Effective Date.** "Effective Date" means the date designated herein, after approval, passage, acceptance by Grantee, and legal publication of this Ordinance, upon which the

rights, duties and obligations shall come into effect, and the date from which the time requirement for any notice, extension and/or renewal will be measured.

- 1.3. **Facilities.** "Facilities" means, collectively, any and all Gas works, systems, including but not limited to gas pipes, pipelines, mains, laterals, conduits, feeders, regulators, valves, meters, meter-reading devices, fixtures, and communication systems and any and all other equipment, appliances, attachments, appurtenances and other items necessary, convenient, or in any way appertaining to any and all of the foregoing for the purposes of transmission, distribution, and sale of Gas, whether the same be located above or below ground.
- 1.4. **Franchise.** "Franchise" means the grant of rights, privileges and authority embodied in this Ordinance.
- 1.5. **Franchise Area.** "Franchise Area" means the surface and space above and below all rights-of-way, as the same exist now or may hereafter be amended, for public roads, streets, avenues, alleys, bridges, easements, and highways of the Grantor, as now laid out, platted, dedicated, acquired or improved; all rights-of-way for public roads, streets, avenues, alleys, bridges, easements, and highways that may hereafter be laid out, platted, dedicated, acquired or improved within the present limits of the City and as such limits may be hereafter extended; all City-owned utility easements dedicated for the placement and location of various utilities provided such easement would permit Grantee to fully exercise the rights granted under this Franchise within the area covered by the easement; and any specifically designated City-owned property.
- 1.6. **Gas.** "Gas" means natural, manufactured, and/or mixed gases.
- 1.7. **Grantee.** "Grantee" means Avista Corporation, a corporation organized under the laws of the State of Washington, and its respective successors and assigns.
- 1.8. **Grantor.** "Grantor" means the City of Fernan Lake ("City"), a municipal corporation of the State of Idaho, and its respective successors and assigns.
- 1.9. **IPUC.** "IPUC" means the Idaho Public Utilities Commission or such successor regulatory agency having jurisdiction over public service companies.
- 1.10. **Maintenance, maintaining, or maintain.** "Maintenance, maintaining, or maintain" means and shall include: relaying, repairing, replacing, examining, testing, inspecting, removing, digging and excavating, and restoring operations incidental thereto.
- 1.11. **Parties.** "Parties" means Grantor and Grantee collectively.
- 1.12. **Party.** "Party" means either Grantor or Grantee individually.
- 1.13. **State.** "State" means the State of Idaho.
- 1.14. **Tariff.** "Tariff" means "tariff" as that term is used in describing rate schedules, rules, and regulations relating to charges and conditions of service as may hereinafter be adopted by the regulatory authority with jurisdiction, under the laws of the State of Idaho, over public service companies.

**Section 2. Grant of Franchise**

Avista Corporation, its successors and assigns, is hereby granted a non-exclusive Franchise for the purposes identified below and subject to the following terms and conditions.

**Section 3. Scope of Franchise; Purpose**

Grantor hereby grants to Grantee, its successors and assigns, the right, power, privilege, authority, and Franchise to locate, construct, own, maintain, repair, replace, operate, and use its existing Facilities, and all necessary or desirable appurtenances thereto, for the purchase, transmission, and distribution of Gas, including the right to locate, construct, acquire, own, extend, maintain, repair, replace, operate, and use its approved new and existing Gas transmission and distribution Facilities, in, upon, over, under, along, and across the Franchise Area within the present or any future corporate limits of the Grantor, for the purpose of transporting, distributing, and selling Gas (with the right and privilege to make such connections with said pipes as will enable the Grantee to supply Gas) for any and all domestic, commercial, and industrial purposes within and through the Grantor's corporate limits and to the Grantor and the Consumers located therein.

**Section 4. Non-Franchise Area Grantor-owned Property**

This Franchise shall not convey any right to Grantee to locate, install, extend, or construct Facilities on or to otherwise use Grantor-owned or leased properties outside the Franchise Area.

Existing Facilities installed or maintained by Grantee on public grounds and places within the Grantor's territorial limits in accordance with prior franchise agreements (but which such Facilities are not within the Franchise Area as defined by this Franchise) may be maintained, repaired, replaced, operated, and used in like kind by Grantee at the location where such Facilities exist as of the Effective Date of this Franchise for the term of this Franchise; provided, however, that no such Facilities may be enlarged, improved, or expanded without the prior review and approval of the Grantor pursuant to applicable ordinances, codes, resolutions, standards, and procedures.

**Section 5. Term of Franchise**

The rights, privileges, and Franchise hereby granted to, and conferred upon the Grantee, as the Grantee has made a long-term investment in locating, constructing, owning, repairing, replacing, maintaining, operating, and using its Gas transmission and distribution systems in, upon, over, under, along, and across the Franchise Area of the Grantor, to provide Gas service to the citizens of the Grantor, shall, unless this Franchise be sooner terminated, as herein provided, extend for a term of twenty-five (25) years from the Effective Date of this Franchise, and shall continue year-to-year thereafter, until such time as the Franchise is either terminated, with not less than one hundred and eighty (180) day's prior written notice, or otherwise renewed based on terms agreed to by the Parties.

**Section 6. Compliance with Laws**

In carrying out any authorized activities under the privileges granted herein, Grantee shall meet accepted industry standards and comply with all applicable laws of any governmental entity with jurisdiction over the pipeline and its operation. This shall include all applicable laws, rules and regulations existing at the Effective Date of this Franchise or that may be subsequently enacted by any governmental entity with jurisdiction over Grantee and/or the pipeline(s) and Facilities.

**Section 7. Conduct of Grantee's Business**

**7.1. Reasonable Rules and Regulations**

The Grantor shall have the right to make and enforce reasonable rules and regulations pertaining to the conduct of the Grantee's business. Prior to the adoption of any new rule, procedure, or policy, Grantee shall be provided a written draft document for comment with a response period of not less than thirty (30) business days. Service shall be supplied to the Grantor and persons and businesses within Grantor's jurisdiction in accordance with the Grantee's rules and regulations and Tariffs filed or hereafter filed with the appropriate regulatory body of this State having jurisdiction over the Grantee. This Franchise is subject to the provisions of any applicable Tariff on file with the IPUC or its successor. In the event of any conflict or inconsistency between the provisions of this Franchise and such Tariff, the provisions of such Tariff shall control.

**7.2. Non-Competition with Grantee**

Grantor shall not engage in the business of manufacturing, distributing, and/or selling of Gas during the life of this Franchise or any extension thereof in competition with the Grantee, its successor and assigns; but nothing herein contained shall be construed or deemed to prevent the Grantor from exercising at any time any power of eminent domain granted to it under the laws of this State.

**7.3. Non-Interference with Existing Facilities**

All location, construction, installation, repair, replacement, relocation, or operation of Facilities and appurtenances performed by Grantee in, upon, over, under, across, and along the Franchise Area subject to this Franchise shall be done in such a manner as not to interfere with existing facilities of other utilities, public or private, including drains, drainage ditches and structures, irrigation ditches and structures located therein, nor with the grading or improvement of such streets and alleys subject to this Franchise.

**7.4. Facility Location Information**

Grantee shall provide the Grantor, upon the Grantor's reasonable request, Facility location information, electronic or hard copy, showing the location of Grantee's Facilities at specific locations within the Franchise Area, to the extent reasonably available. As to any such Facility location information so provided, Grantee does not warrant the accuracy thereof and, to the extent the location of Facilities are shown, such Facilities may be shown in their approximate

location. With respect to any excavations within the Franchise Area undertaken by or on behalf of Grantee or the Grantor, nothing herein is intended, nor shall be construed, to relieve either Grantor or Grantee of their respective obligations arising under applicable law with respect to determining the location of utility facilities, including those Facilities owned, maintained, and/or used by Grantee.

**7.5. Necessary Construction/Maintenance by Grantor**

The location, construction, repair, replacement, relocation, operation, or use of Grantee's Facilities authorized by this Franchise shall not preclude the Grantor, its agents or its contractors, from using the Franchise area in a manner not in conflict with Grantee's Facilities.

**7.6. Right of Ingress and Egress by Grantee to Consumer**

The Grantee, its agents, servants, and employees shall have the right and power to require of every Consumer a contractual right of ingress and egress upon, and from, any and all Gas Consumers' properties for the purpose of installing, servicing, moving, changing, and reading meters, inspecting, maintaining, or repairing meters, and for the purpose of testing, examining, or inspecting the Grantee's Facilities and appliances of the Consumer, if, as, and when the Grantee chooses.

**Section 8. Right of Excavation**

**8.1. Authorization**

For the purpose of carrying into effect the privileges granted hereunder, Grantee shall be authorized to make any necessary excavations in, under, and across the Franchise Area, for purposes of constructing, maintaining, operating, extending, repairing, or replacing its Gas transmission and distribution Facilities, subject to the terms and conditions stated herein.

**8.2. Excavation, Construction, or Maintenance Work**

Except in the case of emergency, prior to commencing any excavation, construction, or maintenance work in the Franchise Area, the Grantee shall notify Grantor of the intended work by a means acceptable to both parties. Upon Grantor's reasonable request, Grantee shall supply additional information, plans and/or specifications as are in Grantor's opinion necessary to protect the public health and safety during the excavation, construction, or maintenance work and for the remaining term of this Franchise. All excavation, construction, or maintenance work shall be performed in conformity with Federal Department of Transportation ("DOT") regulations and any other applicable federal, state, and local laws and standards, except in instances in which deviation may be allowed due to unforeseen conditions and/or circumstances.

**8.3. Workman-like Completion**

Any excavation work performed in the Franchise Area shall be carried out with reasonable dispatch, in a workmanlike manner, and with as little interference with or inconvenience to the rights of the public as may be feasible.



#### **8.4. Restoration of Franchise Area**

Upon completion of any phase of an excavation project within the Franchise Area, the Grantee shall, without delay, and at Grantee's sole expense, remove all debris and restore the surface of the Franchise Area as nearly as possible to as good or better condition as it was in before the work began. Grantee shall replace any property corner monuments, survey references, or hubs that were disturbed, damaged, or destroyed during Grantee's work in the Franchise Area. Such restoration shall be done in a manner consistent with applicable codes and laws, under the supervision of the Grantor, and to the Grantor's satisfaction and specifications.

#### **8.5. Compliance with Rules and Regulations**

Grantee shall comply with all ordinances, rules, regulations, or policies now or hereafter adopted by Grantor regarding excavations in the Franchise Area and the Facilities contained therein.

### **Section 9. Relocation of Facilities**

Upon request of the Grantor, the Grantee shall relocate its Facilities as necessary within the Franchise Area or other Grantor-owned property specifically designated by the Grantor for such purpose. Whether relocation is necessary shall be determined by Grantor in its sole discretion, which discretion shall be reasonably exercised taking into account all facts and circumstances. Grantor shall notify Grantee of any intended or expected requirement or request to relocate Grantee's Facilities as early as practicable, but not less than one hundred twenty (120) calendar days prior to any such relocation. Grantor shall endeavor to cause any such relocation to be consistent with any applicable long-term development plan or projection of Grantor or approved by Grantor. If, at any time, the Grantor shall cause or require the alteration or the improvement of any street or alley within the Franchise Area, the Grantee shall, upon written notice from the Grantor, with all convenient speed, change the location or readjust the elevation of its system and other Facilities so that the same shall not interfere with such work and so that such equipment and Facilities shall conform to such new grades or routes as may be established. In the event a relocation forces the Grantee off Grantor's existing easement(s) then Grantor shall make a reasonable effort to accommodate said relocation on alternative easement(s). If the Grantor requires the subsequent relocation of any of Grantee's Facilities within five (5) years from the date of relocation of such Facilities or installation of new Facilities, the Grantor shall bear the entire cost of such subsequent relocation.

#### **9.1. Costs of Relocation**

The Grantor shall have no responsibility for the costs of such relocations unless one of the following applies:

- (i) Grantor has failed to provide the required advanced notice, then any and all reasonable excess costs caused by the failure to provide such notice shall be paid by the Grantor.

- (ii) The Facilities are to be relocated for the benefit of a third party, in which case the third party shall pay the costs of relocation. Grantee shall have the right as a condition of such relocation, to require such third party to make payment to Grantee, at a time and upon terms acceptable to Grantee, for any and all costs and expenses incurred by Grantee in the relocation of Grantee's Facilities. Grantor shall condition any improvement or change upon the benefited third party paying or entering into an agreement with Grantee to pay Grantee for the cost of relocation.

### **9.2. Availability of Other Funds**

In the event federal, state or other funds are available in whole or in part for utility relocating purposes, upon Grantee's request in writing, the Grantor shall apply for such funds and the Grantee shall be reimbursed to the extent any such funds are actually obtained, less all costs and attorneys fees incurred by Grantor associated with obtaining such funds.

### **9.3. Existing Facility Relocation.**

This Section shall apply to the location or relocation of any Facilities existing pursuant to easement, and all other rights not derived from this Franchise or any earlier version thereof, insofar as the Facilities are located in the Franchise Area or any other area owned by Grantor.

## **Section 10. Vegetation Management**

The right of Grantee to operate and maintain its Facilities and appurtenances shall include the right, as exercised in Grantee's sole discretion, to utilize an integrated vegetation management program, including the right to cut, trim, or remove any and all trees, brush, or shrubs growing in, on, or hanging over any portion of the Franchise Area, whether such trees or vegetation originate within or outside said Franchise Area that interfere with or may interfere with Grantee's Facilities. All tree pruning and removal work shall be done under the direction of a Certified Arborist (International Society of Arboriculture) and in compliance with ANSI A300 and Z1333 Safety Standards. Nothing contained in this Section shall prevent Grantee, when necessary and with the approval of the record owner of the property on which they may be located, from cutting down and removing any trees which overhang the Franchise Area and that may interfere with Grantee's Facilities.

## **Section 11. Vacation of Properties by Grantor**

If, at any time, the Grantor shall vacate any street or alley which is subject to rights granted by this Franchise, to the extent permitted by law and in the event Grantee has already constructed Facilities in the subject street or alley, such vacation shall be subject to the reservation of a perpetual easement in favor of Grantee for the purpose of operating and maintaining the Facilities of the Grantee and other public utilities. The Grantor shall, in its vacation procedure, reserve, and grant said easement to the

Grantee for Grantee's Facilities and shall also expressly prohibit any use of the vacated properties, which may interfere with the Grantee's full enjoyment and use of said easement.

**Section 12. Removal of Facilities**

In the event the Grantor declares this franchise to be forfeited or upon its termination and if it is not renewed, the Grantor may require the Grantee or its successors and assigns to remove such of its facilities from the public properties at its own expense where there is a demonstrated threat to public health and safety and as may interfere with the use of the Grantor streets, alleys or other public properties, and if it becomes necessary for the Grantor to do so, the Grantor shall be paid for the reasonable cost of such removal by the Grantee. Any such Facilities to be left in place shall be made inert by the Grantee by purging all Gas from such Facilities (including displacement of natural gas with an appropriate inert gas) and disconnecting and sealing such Facilities, all in compliance with applicable regulations and industry standards.

**Section 13. Franchise Fees**

The City shall have the right during the term of this Franchise to unilaterally impose a 1% franchise fee. Said "franchise fee" shall be defined as: Grantee shall pay to the City a sum equal to one percent (1%) of its gross operating revenue which are hereby defined to mean all amounts of money which the Grantee receives or becomes lawfully entitled to less uncollectables for the sale of natural gas within the City. The City also has the right to increase its franchise fee up to three percent (3%), by obtaining approval of a majority of voters of the City voting on the question at an election held in accordance with Chapter 4, Title 50, Idaho Code. Any such vote to increase the franchise fee hereunder shall provide that the increased franchise fee will apply to any natural gas provider (other than the City) who utilizes the City's streets, alleys, or other public places to provide natural gas within the City, during the term of this Franchise.

**Section 14. Preservation of Grantor's Right to Control**

The Grantor, in granting this Franchise, does not waive any rights which it may now have or may hereafter acquire with respect to the Franchise Area of Grantor under this Franchise, and this Franchise shall not be construed to deprive the Grantor of any such powers, rights, or privileges which it now has or may hereafter acquire to regulate the use of and to control the Franchise Area covered by this Franchise. Grantee shall be bound by all ordinances, resolutions, rules, regulations or policies now or hereafter adopted regarding Grantor's Franchise Area.

**14.1. Expansion of Grantee's Facilities**

Any Facilities and appurtenances in Grantor's streets and alleys, incidental to the Franchise Area, that have been, or are at any future time acquired, newly constructed, leased, or utilized in any manner by Grantee are thereupon to be deemed authorized by and shall be subject to all provisions of this Franchise.

**14.2. Change of Boundaries of Grantor**

Any subsequent additions or modifications of the boundaries of the Grantor, whether by annexation, consolidation, or otherwise, shall be subject to the provisions of this Franchise as to all such areas. Grantor shall notify Grantee of the precise scope of any change of boundaries not less than sixty (60) days prior to such change becoming effective.

**Section 15. Dangerous Conditions**

**15.1. Notice to Grantee**

In the event that Grantee's Facilities or operations cause or contribute to a condition that appears to endanger any person or substantially impair the lateral support of any portion of the Franchise Area, or other public or private property, the Grantor may direct Grantee, at no charge or expense to the Grantor, to take actions to resolve the condition or remove the endangerment to the extent of non-compliance with applicable safety standards established by the regulatory body having jurisdiction over such matters. Such directive may include compliance within a reasonable prescribed period of time.

**15.2. Authority for Grantor to Abate**

In the event Grantee fails to promptly take action as directed by the Grantor, or fails to fully comply with such direction, or if emergency conditions exist which require immediate action to prevent imminent injury or damages to persons or property, the Grantor may take actions as it believes are necessary to protect persons or property and Grantee shall be responsible to reimburse the Grantor for its costs. The Grantor's authority to act upon Grantee's Facilities hereunder is specifically limited to actions, taken by trained emergency response personnel, to stop the flow of Gas actively contributing to a dangerous condition in the face of Grantee's failure to timely respond to the Grantor's request for such action.

**Section 16. Ruptures, Leaks and Emergencies**

**16.1 Monitoring.** Grantee shall operate in accordance with DOT regulations and any other applicable federal, state, and local laws or standards as amended from time to time.

**16.2 Emergency Plan and Procedure.** During the term of this Franchise, Grantee shall operate in accordance with DOT regulations and any other applicable federal, state, and local laws or standards. Upon acceptance of this Franchise, Grantee shall provide a copy upon request of its then-current emergency response plans and procedures, including, but not limited to, emergency rupture response recognizing that these plans and procedures may change from time to time. Grantee's emergency plans and procedures shall designate Grantee's responsible local emergency response officials and a direct 24-hour emergency contact number. Grantee shall, after being notified of an emergency, cooperate with the Grantor and make every effort to respond as soon as possible to protect the public's health, safety and welfare. The parties agree to meet as necessary to review the emergency plans and procedures.

**16.3 Leaks, Ruptures, or Release of Gas.** Grantee shall operate in accordance with DOT regulations and any other applicable federal, state, and local laws or standards, as amended from time to time.

**16.4 Emergency Management.** Upon the reasonable request of Grantor, Grantee shall meet with the Grantor's fire and emergency personnel to coordinate emergency management operations and participate in emergency preparedness drills or planning sessions.

### **Section 17. Indemnity**

Grantee, their successors or assigns, agrees to defend, indemnify and hold harmless the Grantor, its appointed and elected officers and employees, agents, representatives, or assigns, from any and all liabilities, claims, causes of action, losses, damages and expenses, including costs and reasonable attorneys fees, that the Grantor may sustain, incur, become liable for, or be required to pay, as a consequence of or arising from or out of the negligent acts or omissions of Grantee in its construction, installation, maintenance, condition or operation of the Grantee's equipment or Facilities, or appurtenances thereto, connected with this Franchise, that now or may hereafter be upon, under, over, in, across or along, the highways, roads, alleys, bridges or other public ways or places of the Grantor; provided, however, that this indemnification provision shall not apply to the extent that said liabilities, claims, damages, losses and so forth were caused by or result from the negligence of the Grantor, its employees or agents.

Grantor agrees to defend, indemnify and hold harmless the Grantee, its officers and employees, agents, representatives, or assigns, from any and all liabilities, claims, causes of action, losses, damages and expenses, including costs and reasonable attorneys fees, that the Grantee may sustain, incur, become liable for, or be required to pay, as a consequence of or arising from or out of the negligent acts or omissions of the Grantor, its officers, employees or agents; provided, however, that this indemnification provision shall not apply to the extent that said liabilities, claims, damages, losses and so forth were caused by or result from the negligence of the Grantee, its employees or agents.

### **Section 18. Insurance**

During the term of this Franchise, the Grantor may review the relative risk of the Grantee's installation and operations and request changes to insurance and liability protections at least sixty (60) days before the anniversary date of the Franchise. Unless so modified, Grantee shall furnish satisfactory evidence of commercial general liability insurance or similar liability utility insurance and maintain the same in good standing, with limits of at least five hundred thousand dollars (\$500,000) per occurrence and one million dollars (\$1,000,000) aggregate, with the City of Fernan Lake named as an additional insured and a provision that the coverage may not be cancelled or reduced without at least thirty (30) days notice to the Grantor. Self insurance is acceptable, if approved by the Grantor and backed by the resources of the Grantee.

Any Grantee insurance policy or approved self insurance arrangements addressing requirements of Section 17.0 above or otherwise because of Grantee's negligent or intentional acts or omissions shall be primary to any Grantor insurance coverage or Grantor self insurance and shall afford first dollar protection coverage for risks arising from Grantee's operations. On or before thirty (30) days of the anniversary date of the Franchise, Grantee shall file with the appropriate official proof of continued insurance coverage compliant with terms described in this section, through a Certificate of Insurance, or attestation that Grantee continues to self-insure as approved by Grantor.

## **Section 19. Non-exclusive Franchise**

### **19.1. Scope**

This Franchise is not, and shall not be deemed to be, an exclusive Franchise. This Franchise shall not in any manner prohibit the Grantor from granting other and further franchises in, upon, over, under, along, and across the Franchise Area that do not interfere with Grantee's rights under this Franchise. This Franchise shall not prohibit or prevent the Grantor from using the Franchise Area or affect the jurisdiction of the Grantor over the same or any part thereof.

### **19.2. Non-assumption of Risk by Grantor**

By granting this Franchise, the Grantor is not assuming any risks or liabilities there from, which shall be solely and separately borne by Grantee. Grantee shall, at its sole cost and expense, take all necessary and prudent steps to protect, support, and keep safe from harm its Facilities, or any part thereof, when necessary to protect the public health and safety.

### **19.3. Limited Rights Conveyed**

This Franchise is only intended to convey a limited right and interest. It is not a warranty of title or interest in the Franchise Area or any other Grantor-owned property. None of the rights granted herein shall affect the Grantor's jurisdiction over its property, including but not limited to the Franchise Area.

The limited rights and privileges granted under this Franchise shall not convey any right to Grantee to install any new pipeline(s) and/ or Facilities without the express written consent of Grantor.

## **Section 20. Franchise as Contract**

This Franchise shall have the effect of and shall be a contract between Grantor and Grantee and shall be the measure of the rights and obligations of the Grantor as well as of Grantee.

## **Section 21. Forfeiture**

If Grantee shall willfully violate or fail to substantially comply with any of the provisions of this Franchise through willful and unreasonable neglect or willful and unreasonable failure to heed or comply with any notice given Grantee under the provisions of this Franchise, then Grantee shall forfeit all rights conferred hereunder and this Franchise may be revoked or annulled by the Grantor; provided, however,

the Grantor shall give ninety (90) days written notice of its intention to revoke or annul the Franchise during which period Grantee shall have the opportunity to remedy any breach. No forbearance by the Grantor shall constitute a waiver of the Grantor's right to enforce any provision of this Franchise.

**Section 22. Non-waiver**

Failure of the Grantor to declare any breach or default of this Franchise immediately upon the occurrence thereof, or delay in taking any action in connection therewith, shall not waive such breach or default, but the Grantor shall have the right to declare any such breach or default at any time. Failure of the Grantor to declare one breach or default does not act as a waiver of the Grantor's right to declare another breach or default. In addition, the pursuit of any right or remedy by the Grantor shall not prevent the Grantor from thereafter declaring a forfeiture or revocation for breach of the conditions herein.

**Section 23. Franchise Dispute Resolution**

Disputes regarding the interpretation or execution of the terms within this Franchise shall be submitted to the appropriate official for attempted resolution. If a mutually satisfactory resolution cannot then be reached, then the Grantee may appeal to the City Council, with both Grantor and Grantee reserving their rights to judicial relief.

**Section 24. Attorneys Fees and Costs**

Except with respect to specific instances identified herein with respect to payment by one Party of the other Party's attorneys' fees, in which case said specific provisions shall apply; in all other instances, each Party shall pay for its own attorneys' fees and costs incurred in any action arising out of the existence of this Franchise.

**Section 25. Equality of Franchise Fees and Costs**

In the event that Grantor charges or imposes upon Grantee any fees, taxes, or other costs in connection with the issuance, maintenance, existence, continuation, or use of the Franchise, or the Franchise Area and/or Facilities governed pursuant to this Ordinance, then Grantor shall impose equivalent charges, fees, taxes, or costs upon any other franchisee in a comparable business or otherwise competing with Grantee.

**Section 26. Prior Franchises Superseded**

Upon Grantee's acceptance of this Franchise, all rights and obligations of the Grantor and Grantee under the prior Franchise granted by Grantor shall terminate, and the Parties' rights and obligations shall be governed by the terms and conditions provided in this Franchise as of the Effective Date of this Ordinance. Termination of the prior Franchise shall not, however, relieve the Parties from any obligations which accrued under said Franchise prior to Grantee's acceptance, including but not limited to, any outstanding indemnity or administrative fee payment obligations.

**Section 27. Assignment of Franchise**

Grantee shall have the right to assign its rights, benefits and privileges in and under this Franchise. Any assignee shall, within thirty (30) days of the date of any assignment, file written notice of the assignment with the Grantor together with its written acceptance of all terms and conditions of this Franchise. Notwithstanding the foregoing, Grantee shall have the right, without such notice or such written acceptance, to mortgage its rights, benefits and privileges in and under this Franchise for the benefit of bondholders.

**Section 28. Headings**

The headings or titles in this Franchise are for the purpose of reference only and shall not in any way affect the interpretation or construction of this Franchise.

**Section 29. Acceptance of Franchise by Grantee**

After the passage and legal publication of this Ordinance, and if accepted within thirty (30) days after such publication, the Grantee shall indicate such acceptance by its filing with the Grantor, an unconditional written acceptance thereof, to be executed according to law, and a failure of the Grantee to do accept this Ordinance within the said period of time shall be deemed a rejection thereof by the Grantee, and the rights and privileges herein granted shall, after the expiration of said period of thirty (30) days, if not so accepted, absolutely cease and terminate unless said period of time shall be extended by the Grantor by ordinance duly passed for that purpose.

**Section 30. Severability**

If any section, sentence, clause or phrase in this Franchise shall be held to be invalid, unenforceable, or unconstitutional by a court of competent jurisdiction, such invalidity or unconstitutionality shall not affect the validity, enforceability, or the constitutionality of any other section, sentence, clause or phrase of this Franchise.

**Section 31. Effective Date**

This Ordinance shall be in full force and effect five (5) days from, and after, its passage, approval, and legal publication (all at the cost of the Grantee herein) as provided by law, provided it is duly accepted as hereinbefore provided.

Passed under the suspension of the rules upon which a roll call vote was taken and enacted an ordinance of the City of Fernan Lake Village at a regular meeting of the Mayor and city Council held on \_\_\_\_\_, ~~2009~~ 2010



PASSED AND APPROVED on this 12 day of July, 2010.

CITY OF FERNAN LAKE VILLAGE

By: [Signature]  
JIM ELDER, MAYOR

ATTEST

By: [Signature]  
CHERI HOWELL, CITY CLERK

\_\_\_\_\_, 20\_\_\_\_

Comes now Avista Corporation and on this date accepts that certain Gas Franchise granted to it by the City of Fernan Lake Village, Kootenai County, state of Idaho, under Ordinance No. \_\_\_\_\_, approved \_\_\_\_\_, 20\_\_\_\_.

AVISTA CORPORATION

By: [Signature]  
DENNIS VERMILLION  
Vice President (President, Avista Utilities)

\*\*\*\*\*

We hereby acknowledge receipt of the Formal Acceptance by Avista Corporation of the Gas Franchise granted to said Company by the City of Fernan Lake Village, Kootenai County, state of Idaho, under Ordinance No. \_\_\_\_\_, said Acceptance being duly signed by Dennis Vermillion, Vice President of the Corporation (President, Avista Utilities) on \_\_\_\_\_, 20\_\_\_\_.

CITY OF FERNAN LAKE VILLAGE

By: [Signature]  
JIM ELDER, MAYOR

7/12, 2010

AVISTA CORPORATION  
d/b/a Avista Utilities

SCHEDULE 158

TAX ADJUSTMENT SCHEDULE - IDAHO

The rate schedule of the Company for natural gas service furnished in Idaho do not include any portion of municipal occupation, business, excise or use of the streets, taxes or charges. In order to reimburse the Company for such taxes or charges, amounts equivalent to such taxes or charges where now imposed, or which may hereafter be imposed, will be billed by the Company to its customers as set forth below.

APPLICABLE:

To all charges for natural gas service rendered pursuant to this tariff within the jurisdiction imposing a tax or charge, as provided in Rule 3 of the Rules and Regulations included in this tariff.

TAX ADJUSTMENT:

The rates and charges named in this tariff shall be proportionately increased by an adjustment equivalent to the amount of the tax or charge imposed by the jurisdiction and effective as listed below:

<u>Idaho Municipality</u>	<u>Ordinance</u>	<u>Date Ordinance Effective</u>	<u>Charge*</u>
Village of Bonners Ferry	Ord. No. 209	July 2, 1963	3% franchise fee
City of Coeur d'Alene	Ord. No. 2518	July 1, 1993	5% franchise fee
City of Dalton Gardens	Ord. No. 168 as amended by Ord. No. 171	February 1, 2005	1% Franchise fee
City of Dover	Ord. No. 53	October 1, 2000	1% franchise fee
<del>City of Fernan Lake Village</del>	<del>Res. No. 196 Ord. No. 167</del>	<del>March 1, 2024</del>	<del>1% franchise fee</del>
City of Hauser	Ord. No. 111	May 1, 1999	1% franchise fee
City of Hayden	Ord. No. 392	October 1, 2005	1% franchise fee
City of Hayden Lake	Ord. No. 125 as amended by Ord. No. 131	January 1, 1995	3% franchise fee
City of Kellogg	Ord. No. 556	October 1, 2012	1% franchise fee
City of Kootenai	Ord. No. 112	August 1, 1996	1% franchise fee
City of Lewiston	Ord. No. 4256	January 1, 2000	1% franchise fee
City of Moscow	Ord. No.2006-06	June, 1 2006	3% franchise fee
City of Mullan	Ord. No. 309A	May 1, 1997	1% franchise fee
City of Osburn	Ord. No. 297	February 1, 2020	1% franchise fee
City of Pinehurst	Ord. No. 2022-239	July 1, 2022	1% franchise fee
City of Ponderay	Ord. No. 3-17	November 1, 1996	1% franchise fee
City of Post Falls	Ord. No. 1015	March 1, 2003	1% franchise fee
City of Rathdrum	Ord. No. 377	November 1, 1996	1% franchise fee
City of Sandpoint	Ord. No. 1076	March 1, 2003	1% franchise fee
City of Spirit Lake	Ord. No. 510	December 1, 2007	1% franchise fee
City of Wallace	Ord. No. 95-07	January 1, 1996	1% franchise fee

\*Federal bills excluded

Issued January 18, 2024

Effective March 1, 2024

Issued by Avista Utilities

Patrick Ehrbar,

Director of Regulatory Affairs



AVISTA CORPORATION  
DBA AVISTA UTILITIES

NOTICE OF TARIFF CHANGE  
(Natural Gas Service Only)

-----

Notice is hereby given that the "Sheet" listed below of Tariff IPUC No. 27, covering natural gas service, has been filed with the Idaho Public Utilities Commission in Boise, Idaho:

Eleventh Revision Sheet 158 Canceling Tenth Revision Sheet 158

The purpose of this filing is to pass through a new 1% franchise fee imposed on gross revenues from the sale of natural gas to customers within the City of Fernan Lake Village as specified by Resolution No. 196 and authorized by Ordinance No. 167. The fee is requested to become effective March 1, 2024 and could increase annual revenues by approximately \$900.

Copies of the proposed tariff changes are available for inspection in the Company's offices and on the Company website at [www.myavista.com/about-us/our-rates-and-tariffs/idaho-rate-requests](http://www.myavista.com/about-us/our-rates-and-tariffs/idaho-rate-requests).

Issue Date: January 18, 2024  
Keep Posted Until: March 1, 2024