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1 BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION

2 COMMISSION

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WASHINGTON UTILITIES AND )

4 TRANSPORTATION COMMISSION, )

)

5 Complainant, )

) DOCKET NO. UE-090134

6 vs. ) UG-090135

) UG-060518

7 AVISTA CORPORATION d/b/a ) Volume VI

AVISTA UTILITIES, ) Pages 267 - 309

8 )

Respondent. )

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11 A prehearing conference in the above matter

12 was held on September 30, 2009, at 12:30 p.m., at the

13 City of Spokane Valley Council Chambers, 11707 E. Sprague

14 Avenue, Spokane Valley, Washington, before Administrative

15 Law Judge ADAM TOREM.

16

17 The parties were present as follows:

18 AVISTA CORPORATION, by DAVID J. MEYER, Vice

President and Chief Counsel for Regulatory and

19 Governmental Affairs, East 1411 Mission Avenue, Spokane,

Washington 99220-3727; telephone, (509) 495-4316.

20

WASHINGTON UTILITIES AND TRANSPORTATION

21 COMMISSION, by GREGORY J. TRAUTMAN, Assistant Attorney

General, 1400 South Evergreen Park Drive Southwest, Post

22 Office Box 40128, Olympia, Washington 98504; telephone,

(360) 664-1187.

23

24 Raymond H. Groth, CSR

25 Court Reporter

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1 PUBLIC COUNSEL, by SIMON J. ffITCH,

2 Assistant Attorney General, 800 5th Avenue, Suite 2000,

3 Seattle, Washington 98104; telephone (206) 389-2055.

4

5 COMMISSIONERS: Chairman Jeff Goltz, Patrick

6 J. Oshie, Philip B. Jones

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8 AVISTA REPRESENTATIVES: Dennis Vermillion,

9 President; Kelly Norwood, Vice-president State and

10 Federal Regulation

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1 P R O C E E D I N G S

2 MR. GOLTZ: Good afternoon. I'd like to

3 call this meeting of the Utilities and Transportation

4 Commission to order. My name is Jeff Goltz, I'm Chairman

5 of the Washington Utilities and Transportation

6 Commission. With me up here are my colleague to my left,

7 Commissioner Pat Oshie, and to my right is my colleague,

8 Commissioner Phil Jones. Commissioner Jones is from the

9 Spokane area, so he's the one that got us here today.

10 Also, up here is Administrative Law

11 Judge, Adam Torem. Judge Torem will be conducting this

12 public hearing today, and in a moment I'll turn it over

13 to him. But, first, I just wanted to express my thanks

14 to the City of Spokane Valley for making this facility

15 available to all of us for this important part of our

16 public process. And, especially, to thank all the

17 members of the public who took time out of your day to

18 come here today and help us out.

19 This public hearing is an important part

20 of the rate hearing process of the Utilities and

21 Transportation Commission. Next week we will have the

22 more formal adjudicatory legal proceedings where we will

23 hear evidence from the Company, evidence from Public

24 Counsel, evidence from the Commission Staff, and the

25 various other parties in the case. But this public

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1 hearing gives us, the Commissioners, an opportunity to

2 really get a unique perspective on these very important

3 and very complex, very meaningful and significant issues

4 that we will deal with in this rate process. So, with

5 that, I'd like to turn this over to Judge Torem.

6 JUDGE TOREM: Thank you, Chairman Goltz.

7 First, I have to formally identify these cases for the

8 record. This is the Avista General Case, when the

9 company was originally seeking a $69.8 million, or a net

10 8.6 percent increase to its electric rates. They were

11 also seeking a $4.9 million, or a 2.4 percent increase to

12 their natural gas rates. Those cases have two docket

13 numbers, UE-090134, and UG-090135. Since the original

14 filing of the rate cases the Commission granted a

15 petition to consolidate with them the matter of the

16 future of Avista's decoupling mechanism, that docket

17 number is UG-060518.

18 Today is Wednesday, it is September 30th,

19 2009, it's a little after 12:30 in the afternoon, and we

20 are convened at the City Hall is Spokane Valley,

21 Washington. This will be the public comment hearing, one

22 of two today here in Spokane. In the Valley, first, and

23 then in downtown Spokane this evening at 5:30, if those

24 of you who wish to attend both hearings today. If you're

25 going to comment today, though, we'll ask you to not sign

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1 up tonight.

2 Now, my role this afternoon, and again

3 this evening, is to, as Chairman Goltz said, facilitate

4 the public comment hearing. The Commissioners' roles, as

5 all of them to my left, is simply to listen to your

6 comments. As you're going to be able to see, Ray is

7 taking a maddening pace here, typing away as a court

8 reporter, so everything you say today will be part of the

9 record of this case.

10 Public comment hearings, as the Chairman

11 said, are part of the Commission's formal hearing

12 process, and we're going to be considering all the way

13 until to December, when we issue a final decision,

14 proposed revisions to the tariffs, which are labeled

15 WNU28, that's the electric tariff of Avista, and WNU29,

16 the gas tariff. These proposed changes were filed by the

17 company back on January the 23rd of this year, and the

18 Commission suspended those tariffs so they wouldn't go

19 into effect until we could issue a decision after hearing

20 all the evidence, both pro and con, on the company's

21 proposals.

22 The Commission, if you're familiar with

23 rate hearings, has to determine whether it's necessary to

24 raise the rates to find out if they are fair, just and

25 reasonable rates. The hearings will be held next week in

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1 Olympia, if you're going to be in the area on the west

2 side, starting on Tuesday afternoon, with your testimony

3 regarding a partial settlement on some of the issues in

4 this case, and the contested issues will be on Wednesday,

5 Thursday and Friday, through Friday, October 9th.

6 I mentioned earlier that the original

7 rate request from January, Avista was seeking $69.8

8 million, or a net 8.6 percent increase to electric rates,

9 and $4.9 million, or a 2.4 percent increase for natural

10 gas. Since January, Avista has negotiated with a number

11 of the other parties a partial settlement which reduced

12 the original -- the rate case to be seeking $38.6 million

13 dollars to electric rates, and $3.14 million total for

14 natural gas. And since that time, that was filed

15 September 4th, I understand that Avista has made some

16 additional downward adjustments, and they'll have a

17 chance to clarify this, but I believe as their case now

18 stands, going forward to hearing before the Commission,

19 they're seeking thirty-seven and a half million dollars,

20 or, essentially, a nine and a half percent increase, if

21 other adjustments are made, a net three percent increase

22 to electric rates, and a $2.85 million, or one and a half

23 percent increase in gas rates.

24 Now, of course, these gentlemen to my

25 left will be making the final decision on what amount, if

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1 any, the rates will be increased. But I wanted you to

2 know, based on the original rate requests, it's come down

3 already by negotiation among the parties, and the parties

4 are still several million dollars apart. So, there's

5 room either way for what the company is asking for, what

6 the parties' positions are to hearing next week. That's

7 why your comments are particularly important.

8 Now, as Chairman Goltz said, we take

9 technical testimony in Olympia, we hear from economists,

10 we hear from accountants, they appear before us and

11 explain the nuts and bolts of this rate increase, but the

12 public testimony that we get here in Spokane Valley this

13 afternoon, and in downtown Spokane tonight, this tells us

14 the people that actually pay these rates what the impact

15 is on you, and how we need to consider that as well.

16 So, today, give the Commissioners the

17 information they can use to make sure that the rates are

18 fair, just and reasonable and sufficient for the company

19 and for its customers. Anybody that signs up on our

20 sign-in sheets today will be given a chance to stand up

21 and take the oath of witness. So, every comment that's

22 provided is under oath -- and I'll ask you to do that as

23 a group in just a little bit -- and then, again, with the

24 court reporter, all of your comments become part of the

25 record.

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1 At this time we have a couple of

2 representatives in the room who will be available after

3 the hearing for questions, you can have more of a

4 dialogue with them. Given some rules about the hearing

5 process, we can't really answer questions from the bench

6 tonight, but we're here to listen. So, let me ask

7 counsel to make some formal appearances, so they're going

8 to stand up, tell you who they are, and who they

9 represent. And, as you follow along to my left, you're

10 going to hear two different introductions of Assistant

11 Attorneys General, each of them has a separate client,

12 and a separate purpose in matters before the Commission.

13 And they'll make that clear in their introduction.

14 The company, Avista, is here today, and

15 I'll start with their Counsel, David Meyer. If he'll

16 stand up and identify himself.

17 MR. MEYER: Thank you, Your Honor.

18 Appearing on behalf of Avista, my name is David Meyer,

19 and I'd also just like to introduce two gentlemen,

20 Mr. Kelly Norwood, please stand up. He is the

21 Vice-president in charge of rates and regulation. And

22 the President of the company, Mr. Dennis Vermillion.

23 And, as Your Honor said, we have other representatives

24 here who, during a recess, or at the end of this hearing,

25 you can talk to if you have some specific questions. Our

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1 purpose, here, is to hear from you as our customer. So,

2 thank you.

3 JUDGE TOREM: Also we have a Public

4 Counsel.

5 MR. ffITCH: Thank you, Your Honor, and

6 Commissioners. Simon ffitch, Assistant Attorney General,

7 with the Public Counsel Office of the Washington State

8 Attorney General, and our formal role in this case and

9 other cases before the Commission is to represent the

10 customers of Washington's regulated utility companies.

11 In this case we're representing Avista's customers in the

12 rate case. And I'll be around afterwards, I'll be happy

13 to talk with the folks after the comment period is

14 over.

15 JUDGE TOREM: Also, representing

16 Commission Staff.

17 MR. TRAUTMAN: Thank you, Your Honor. My

18 name is a Greg Trautman, I represent the Commission

19 Staff. I'm also an Assistant Attorney General. The

20 Commission Staff is a separate party from the Commission

21 as an advocacy party in the rate case, in addition to

22 Public Counsel and the intervening parties. And I'll

23 also be around after the public hearing if you have

24 questions.

25 JUDGE TOREM: I know, Mr. ffitch, you

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1 brought with you, also, a position paper that's

2 available. If you didn't pick one up on the way in,

3 they're on the table outside to tell you Public Counsel's

4 position in the case. Mr. Trautman made reference to

5 intervening parties. There are four other parties to the

6 case who thought they had substantial interests and

7 wanted to present witnesses. I don't know if any of them

8 are here today, I don't expect so. But, for your

9 information, there's a group called the Industrial

10 Customers, the Northwest Utilities, they tend to be

11 electric industrial customers. There are The Northwest

12 Industrial Gas Users, I think that name tells you who

13 they are. There's another group called The Energy

14 Project, who tends to focus on low income, or fixed

15 income issues. And, finally, The Northwest Energy

16 Coalition, a group that looks at renewable and other

17 green interests, as well as ways to reduce consumption.

18 Are any of those parties here today? I didn't expect so.

19 But those are the other parties that will be presenting

20 witnesses next week in Olympia.

21 All right. Members of the public, today,

22 here in Spokane Valley, it's an opportunity, again, to

23 offer comments concerning both the proposed settlement,

24 if you have comments directly on that, or the proposed

25 rate increases, and also the proposed decoupling issue,

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1 if you've had any experience on your bills during the

2 pilot program.

3 If you have questions, again, we have

4 some folks here from our Public Involvement Staff out in

5 the hallway, Ms. Linda Johnson and Pam Smith, who have

6 some information that they can provide, and these

7 gentlemen from the Attorney General's Office, the two

8 different branches of it, can also answer your questions.

9 All right. Now, my experience in taking

10 public comment is talking about three minutes of time is

11 sufficient. If you have a written comment that you want

12 to read into the record, that's fine. And if you think

13 that I'm cutting you too short, from a written

14 perspective, feel free to hand that written comment in,

15 and it will become a public comment exhibit, as well. I

16 do have signs that I'll hold up for you, I know you're

17 going to be talking to the Commissioners, but I'll be

18 able to wave, two minutes, one minute, and give you a

19 30-second, and when you -- if you see the red paper come

20 up, it's the same thing that it means out on the streets,

21 I'll let you know your three minutes is done, and, if

22 necessary, ask you to sum up.

23 A lot of you may have the same sentiments

24 today, so if you hear the comments of another speaker

25 that you agree with, there's really no need to repeat

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1 everything they said, you can indicate your agreement, if

2 you find someone that phrased things particularly well.

3 But, please, if you have a personal view that's distinct,

4 give that, and don't let somebody else steal your

5 thunder, tell us where you're coming from, as well.

6 Now, written comments, we had said in the

7 press release we were going to accept those until

8 tomorrow, October the 1st. If there's a need for folks

9 to be later than that, I've conferred with the Chairman,

10 and we've decided we can extend that until the close of

11 the hearing itself. Next Friday, October the 9th, is the

12 new public comment deadline that we'll be announcing this

13 afternoon, as I'm doing, and this evening, so long as

14 it's received by e-mail, or postmarked, if you're going

15 to use the Postal Service to send it to Olympia. I'll

16 give you, again, the address for that at the end of the

17 hearing. But if you have a written comment, for some

18 reason you don't want to stand up today, or you think of

19 something additional, the deadline for us to make it part

20 of the record is Friday, October 9th, a week from this

21 Friday. All right. Mr. Meyer, did you want to add

22 anything else about what I said about the case?

23 MR. MEYER: No. No, thank you, Your

24 Honor. You summarized it very well.

25 JUDGE TOREM: All right. Then we're

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1 ready to take the comments. So, what I want to do is ask

2 those folks, who have already signed in and indicated

3 they want to comment, or if you know you haven't signed

4 in yet, but you think you will, please stand up, and I'll

5 give the oath, and you just have to say you do swear to

6 tell the truth. Okay.

7 Do each of you wishing to comment in this

8 case solemnly swear or affirm that the testimony you'll

9 provide the Commissioners this afternoon will be the

10 truth?

11 PARTICIPANTS: Yes.

12 JUDGE TOREM: Thank you, all. The first

13 three names I have that wish to comment are Dwayne

14 Statler, Flow Tillemans and Steve Hergenrather, I

15 hope I'm not butchering those names too badly. So,

16 Mr. Statler, if you'll make your way up to the podium.

17 What I'm going to ask you to do, Mr. Statler, and all

18 that follows, is to state your name, and spell your last

19 name for the record. I'm going to ask you to state where

20 you live in the area, and if you're representing yourself

21 or a group. And, finally, just confirm if you're a

22 customer of Avista. All right. Mr. Statler, go ahead.

23 MR. STATLER: Thank you, Your Honor, and

24 Chairman, and Commissioners, Attorney Generals. My name

25 is Dwayne Statler, 2002 North Vista Road, Spokane Valley

0280

1 99212. A lifetime resident in the Spokane area,

2 Washington state. And I don't know what else you asked

3 for.

4 JUDGE TOREM: It appears that you're

5 representing yourself today, right?

6 MR. STATLER: I represent myself and my

7 family.

8 JUDGE TOREM: All right. And you're a

9 customer of Avista?

10 MR. STATLER: A customer of Avista

11 Utilities. I was a customer of Washington Water Power

12 Utilities. A loyal customer.

13 Anyway, where do you start? I start with

14 a newscast about a month ago. The newscast a month ago I

15 get -- I'm watching it, Avista is raising -- or, lowering

16 their rates. I'm thinking, "Wow. Great. What a good

17 outfit. Do everything they do for the community, treat

18 their employees well, and they're lowering our rates." I

19 open up my bill the exact same day, I mean it was

20 simultaneously with the newscast, and I get this, which

21 basically states a 16 percent increase in electricity

22 rates, and 2.6 or 2.8, I think it is, in here in natural

23 gas hook-up fees.

24 Well, I get my bill, and I see this on my

25 bill where it's in a tiered schedule, and it's really

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1 kind of hard to understand, especially for somebody

2 that's, you know, not used to the way that they bill

3 everything, to realize how a tiered schedule works, and

4 how they calculate their 2.8 or 2.6 percent increase in

5 the gas rates, which, basically, from my understanding

6 is, is it's your hook-up fee. So, that fee is going to

7 stay there no matter what, it's not going to fluctuate

8 with the cost of natural gas. So, basically, that's

9 going to be there forever. They add that on, that's

10 there forever, from my understanding on that.

11 Anyway, I'm a little disappointed with

12 the hook-up fees with the gas, because that's -- it's

13 non-negotiable. And I look back to the electric fees,

14 and I wonder what they're doing with that. My level of

15 service hasn't increased any. I mean, granted, they've

16 been, you know, remodeling their building, they're

17 remodeling it today, hanging new signs, they've got nice

18 landscaping, it's beautiful down there, a great place,

19 but I truly believe, though, for my well-being, for my

20 family's well-being, my parents on fixed income, the

21 school where I work, what's going to happen when they

22 take these big increases? Are they going to cut more

23 staff? Are we going to lose somemore teachers? I just

24 truly believe that now is not the time for an increase.

25 Now is not the time.

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1 The increases that we've had, and the

2 stimulus that has helped our economy right now is being

3 dragged back down into the mud again by these increases

4 in energy costs. I just beg you to consider that now is

5 not the time. Their corporation appears to be very

6 healthy, their employees are well-treated, they respond

7 good to work needs, I just truly don't believe they need

8 anymore at this time. Thank you. Thank you. Thanks for

9 your prompt response to my complaints when I filed them

10 with the Attorney General's Office. Thank you for your

11 responses when I filled out my complaint forms there,

12 too. And thanks for taking the time to come to Spokane.

13 JUDGE TOREM: Thank you, Mr. Statler.

14 MR. STATLER: I just wish that I could

15 take you salmon fishing on the Spokane River. They're

16 not there anymore thanks to our dams. Thank you.

17 JUDGE TOREM: Our next speaker is Flow

18 Tillemans.

19 MS. TILLEMANS: Thank you, gentlemen. My

20 name is Flow, last name, Tillemans, T, as in Tom,

21 i-l-l-e-m-a-n-s. I spoke in 2005 requesting no rate

22 increase. Well, that was to no avail, because we got

23 rate increases. And now they're asking for another one.

24 But from 2005 up until today rate increases have

25 increased every year, whether or not we wanted it or not.

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1 I have here in my hand my Avista bills. In December of

2 2006 my monthly bill was $190.61. Well, I have a

3 manufactured 2-by-6 manufactured mobile home, it's on a

4 rented lot, yes, but, still, it's only 1,400 square feet.

5 Now, when I go up, and to -- let me get this straight --

6 From December of 2006, I said it was 190, the December

7 for 2007 it jumped up to $211, I don't change anything,

8 I'm only there by myself, and that's a difference of $21

9 for that month. Now, in March of 2007 it jumped up to --

10 I paid $44.75 more. The 2007 bill was $112, the 2008

11 bill was 157. So, that's $44 it jumped up.

12 Just a minute. I have all of my bills.

13 Now, in January of 2009 my bill jumped up to $250.18

14 compared to the 2008 of 196. That's $53.64. Now, you

15 tell me, these people are not jumping on rates. I'm sure

16 glad I don't go to the grocery store and have six

17 different churches on a loaf of bread or a gallon of

18 milk, because you don't know what in the world they're

19 doing. They're just adding prices to your bill. And I

20 think it's unfair, it's not right. I got a raise. I

21 still work. I work a 40-hour week. I'm 79 years old. I

22 don't get any extra assistance from anyone, and yet I'm

23 asked to pay for all of these CEOs, their extra fund, I

24 don't get fund. None of us in the senior citizens get

25 fund. We're all on limited income, and I just don't see

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1 where they get off with asking all these -- I can't even

2 get them to come out and do an energy audit for free.

3 No. I have to pay for that. I put in a whole new living

4 room window just so I could help save last year, but it

5 didn't save me, it cost me. I don't know what else to do

6 for these people. But I do thank you for your time.

7 JUDGE TOREM: Thank you. Thank you,

8 Ms. Tillemans, for your feelings and your views. Steve

9 Hegenrather is going to be followed by, I think it's Mag

10 Wick, and then Shirley Rademacher.

11 MR. HERGENRATHER: Steve Hergenrather,

12 and the last name spelling is, H-e-r-g-e-n-r-a-t-h-e-r.

13 And I live at 4604 North (inaudible) Road, 99216, Spokane

14 Valley, Washington. I am an Avista customer. I was born

15 and raised in Spokane. I've been with Washington Water

16 Power, and my wife worked for Washington Water Power when

17 it was Washington Water Power. I'm just here to say that

18 being a long-time resident of Spokane, and I visit the

19 lakes around here, and I know that, with the run-off

20 we've had lately, that the reservoirs, which are lakes

21 and stuff, were all up to capacity, so there's no reason

22 for rate increase on that.

23 The price of natural gas has gone down,

24 because I watch the Money Channel every day, because I'm

25 disabled 100 percent, and I collect Social Security. I

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1 was informed this year that there will be no rate

2 increase on Social Security, because the cost of living

3 did not raise this year. And, possibly, next year it

4 won't raise. So, possibly, next year there will be no

5 rate increase. That's in my Veteran's Disability and my

6 Social Security Disability.

7 My wife works for a company in the

8 Spokane Valley, here, that usually hires, approximately,

9 160 to 200 people. They're down to 160 right now, they

10 had a layoff down to the people that just had up to 10

11 years or more seniority. They're back up to about 160,

12 now, they just had their evaluation, and they were told

13 there will be no cost of living raises this year because

14 of the economy, and they can't afford it. Plus, their

15 bonuses, there will be no new bonuses.

16 I have a nephew that works out at Spokane

17 Falls Community College in the book store, he was

18 informed, through the State of Washington, there will be

19 no rate increases this year, so they can't expect the

20 cost of living raises, or anything. I look at Avista

21 as -- used to be part of the community, where they used

22 to open up an open hand to you. But, nowadays, in the

23 drowning economy Avista is more like this, and when you

24 ask for the raise, it's like pushing you down, not

25 allowing you to get a grasp of air. And, in my opinion,

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1 if that's the way they want to do business, then there's

2 a possibility that maybe I should talk to the Chamber of

3 Commerce here in Spokane, and when it comes time for

4 their contract next year, maybe have Vera, Modern

5 Electric, or one of the other companies that supplied

6 this area around here, consider them to supply to Spokane

7 Valley. And that's, basically, all I have to say. Thank

8 you. Thank you.

9 JUDGE TOREM: Thank you, sir. Mag Wick?

10 I'm not sure if you wanted to comment. It says --

11 There's a question mark, here.

12 MR. WICK: No.

13 JUDGE TOREM: All right. We'll pass on

14 that. Shirley Rademacher. And after her, Harold

15 Colburn.

16 MS. RADEMACHER: Gentlemen, my name is

17 Shirley Rademacher, R-a-d-e-m-a-c-h-e-r. My address is

18 19303 East River Rock Lane, Spokane Valley, Washington

19 99016. I have expressed my displeasure with Avista, just

20 a little history. My husband was born and raised here,

21 and always Washington Water Power was our provider. He

22 left to go in the military, and was a naval fighter

23 pilot. When he left the military we moved back here to

24 raise our children, and for 16 years we had Washington

25 Water Power. And, honestly, I don't remember that many

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1 raises. Maybe one or two small ones in 16 years. And I

2 would have noticed, because it was tight, we had four

3 children, and an involent mother that we were taking care

4 of. So, I don't remember Washington Water Power ever

5 going after rate increases like this company.

6 Well, then we left for Alaska for 11

7 years, my husband was offered a job there. He passed

8 away there, I returned in 2001, and my Avista bill has

9 gone up practically every year since I returned. And I

10 don't know what happened while we were gone. It looks

11 like a mini Enron came upon the scene, because I -- it

12 seems to me that the Executive CEO and President salaries

13 are so excessive that I cannot believe it, over

14 $2,000,000. Well, most of us are not living on two, and

15 one million, and 500,000, and 600,000, and the people in

16 this community don't make those kind of salaries,

17 ordinarily. We have school teachers that are making

18 35,000. My niece's family had $450 monthly bills in the

19 winter. We cannot absorb these rate increases. They are

20 exorbitant, they are constant, and I am so against it.

21 Thank you very much, gentlemen.

22 JUDGE TOREM: Thank you, ma'am.

23 Mr. Colburn? And I'm guessing on the penmanship, here,

24 and my interpretation skills, maybe it's Dan or Don Mills

25 will follow, and then Bethann Daigre, or Daigre.

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1 MR. COLBURN: I'm a retired pharmacist,

2 I'm 73 years old, live here in the Valley.

3 JUDGE TOREM: Can you state and spell

4 your name for us, sir.

5 MR. COLBURN: Yes. Harold, H-a-r-o-l-d,

6 Colburn, C-o-l-b-u-r-n.

7 JUDGE TOREM: Thank you.

8 MR. COLBURN: And I'm 73, and I got a

9 one-track mind, you know, when somebody says "What time

10 is it?" There goes my mind. But, anyway, what I wanted

11 to say was that I get 900 a month Social Security, it's

12 not a lot of money, we survive. And when I look around

13 where the companies here are laying off, I talked to a

14 fellow who worked for the School District, and he said,

15 "No pay increases. You got to get by." We realize

16 things are going up, but I think the real message is,

17 here, we're not against Avista, we're against being --

18 raising at a time when things are tough. I mean, a lot

19 of people are out of work here, and our neighbors are

20 looking for jobs, and I think it's the wrong time. I

21 think that they should tighten their belt a little bit,

22 and say, "We'll come back next year." And that's it.

23 That's all I have to say. Thank you.

24 JUDGE TOREM: Thank you, sir.

25 MS. DAIGRE: Thank you for being here.

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1 I'm Bethann Daigre, B-e-t-h-a-n-n, D-a-i-g-r-e. I live

2 at 2620 South Bolivar, B-o-l-i-v-a-r, Road, Spokane

3 Valley. I don't see how Washington Avista can justify

4 giving their shareholders any kind of an increase when

5 the majority of us aren't getting increases, as has been

6 earlier stated, and some of us don't even have jobs. If

7 natural gas costs have steeply declined, why is an

8 increase necessary. I believe Avista could cut costs,

9 including profit for their bottom line, while we're in

10 recession, and they should have to share the stress that

11 we're all under in trying to have to pay these kind of

12 bills. I'm a widow on Social Security, and as the lady

13 in the yellow jacket stated, you know, this is -- the

14 cost increases year after year after year are just

15 becoming prohibitive for those of us who have small fixed

16 incomes. And, of course, even if we wanted to go out and

17 get a job to help cover these increases, we can't, there

18 aren't jobs there.

19 The moms and dads raising kids need to

20 have those jobs, not those of us who are probably able to

21 work, but we only have one mouth to feed in our

22 households. So, I would appreciate it if you would, very

23 strongly, search their justifications for their

24 increases. Thank you.

25 JUDGE TOREM: Thank you, ma'am. If

0290

1 there's not a Dan Mills, then the next speaker is

2 Catherine Thompson, and then Bruce Ottmore.

3 MR. MILES: That's Dean Miles. And I

4 think these other people said it, nicely. So, I'm going

5 to leave it to them.

6 JUDGE TOREM: Thank you, Mr. Miles. So,

7 Catherine Thompson.

8 MS. THOMPSON: My name is Catherine

9 Thompson, T-h-o-m-p-s-o-n. I live at 11218 East 10th

10 Avenue, Spokane 99206. They charge $5.75 to read your

11 gas, 5.75 a month to read your electricity. I live on

12 a -- between Pierce and Bowdish, there are 28 homes, the

13 majority of us are retired on fixed incomes. $11 a month

14 just to read the meters is, to me, outrageous. I want to

15 know how they can come at this rate? And, like I said,

16 most of us are on fixed incomes, and we are hurting. We

17 don't get raises, either. That's all I have to say.

18 JUDGE TOREM: Thank you, ma'am. Bruce

19 Ottmore, and then Sharon Mongeon, and then after that is

20 Stu -- I'm not sure, it starts with an N.

21 MR. NEGRETTI: Negretti. Steve Negretti.

22 JUDGE TOREM: I'll take it as that,

23 Mr. Negretti. Bruce Ottmore.

24 MR. OTTMORE: Yeah. Bruce Ottmore, 7003

25 North Tucannon, T-u-c-a-n-n-o-n, Court. And I just

0291

1 joined the ranks of the fixed income, but, you know, when

2 I look around at the cars and trucks that Avista drives,

3 they're better than most of the other cars that I see

4 going down the street, newer, shinier. And, yeah, it

5 seems like every year they ask and received a rate

6 increase. I look around here, and I'm kind of upset

7 because there aren't more people here, and I think a lot

8 of people are thinking, "Well, big business. Big

9 business has money, and they get what they want, and so

10 why come." And if I had the income, that these people

11 behind me in the front row have, then I wouldn't care,

12 either. But there are a lot of people out there on fixed

13 incomes, and that, that are having to really struggle. A

14 lot of businesses are struggling to try to stay afloat in

15 this economy. And I feel that this is just too much to

16 ask for. Thank you.

17 JUDGE TOREM: Thank you, sir. Sharon

18 Mongeon.

19 MS. MONGEON: My name is Sharon Mongeon,

20 and it's M-o-n-g-e-o-n. I live at 4416 North Locust

21 Court. I will, as of a year sometime in October, I will

22 be with Avista for a year. I've spent 13 years in

23 Spokane, and at that time I spent 13 years with Inland

24 Power and Light, and when we came our electric bill

25 started at 90. My house was totally electric, and we had

0292

1 a 1,600 manufactured home energy -- high energy bills.

2 And in those 13 years, when we left, my electrical bill

3 was $120, and probably over -- and every year we received

4 a rebate from Inland Power and Light. I don't know how

5 they do it, but they continue to increase their service.

6 And I was very happy with them. And the other thing that

7 bothers me is, is that, if I'm understanding this right,

8 and I'm not sure I do, but I don't know of anywhere else

9 you get natural gas. And the new development we moved

10 into has a natural gas furnace, and hot water heater, and

11 so I'm thinking there's no competition, and competition

12 does keep prices down. So, I'm really concerned. I

13 haven't had to experience the continued increases as of

14 yet, but I am paying an electric bill that is probably

15 about 20, $30 over my Inland Power and Light bill.

16 So, I'm wondering, with the economy the

17 way it is, and that there is like 9 percent unemployment

18 in the City of Spokane, many many of our citizens are

19 senior citizens, and my husband and I are now retired,

20 but I do work part-time to meet our obligations, and with

21 losing over half of my retirement in the economy drop,

22 I'm a little concerned. I had to go to work to meet the

23 rest of the obligations because I couldn't draw more on

24 that.

25 So, I'm just wondering if there's a real

0293

1 necessity for that increase. And I feel that it is a

2 real burden, it will be a real burden for those of us

3 people who are not employed and cannot have any increase

4 in income. So, I thank you for letting me speak, and I

5 hope you consider our messages to your decision. Thank

6 you.

7 JUDGE TOREM: Thank you, Ms. Mongeon.

8 Mr. Negretti?

9 MR. NEGRETTI: Hello. Thank you for

10 letting me speak today. My name is Steve Negretti, it's

11 N-e-g-r-e-t-t-i. Do you need my address?

12 JUDGE TOREM: Just who you're

13 representing.

14 MR. NEGRETTI: Myself.

15 JUDGE TOREM: Yourself. Great.

16 MR. NEGRETTI: And the entire free world.

17 JUDGE TOREM: All right. And do you live

18 here in the Spokane Valley, sir?

19 MR. NEGRETTI: I live in North Spokane,

20 near Nine Mile Falls.

21 JUDGE TOREM: Thanks.

22 MR. NEGRETTI: And when I heard you were

23 coming I thought, "Hey, it's a great chance to bring up

24 some things that --

25 JUDGE TOREM: Mr. Negretti, the rest of

0294

1 the folks probably can't hear you unless you use the

2 microphone.

3 MR. NEGRETTI: Can you hear me?

4 JUDGE TOREM: All right. Go ahead, sir.

5 MR NEGRETTI: Well, I thought it would be

6 a good chance to bring up some things that I bring with

7 me from my past. I was with Avista for 18 years, when I

8 left I was a Senior DSM Analyst, and for those of you

9 that may not know, Demand Site Management is often called

10 conservation or energy efficiency. I hate the word

11 conservation, because it's -- they teach you in physics

12 it doesn't happen, so energy efficiency would be the

13 right word.

14 There's one thing I want to start off

15 with right now is, I'd like to take just a moment to

16 decouple the motion of a rate impact, and look at just

17 the financial part. Now, the rates department over here

18 at Washington Water Power Avista will submit documents to

19 your staff. Their staff will look it over, and send

20 stuff back, and back and forth, and back and forth. And

21 there's always a little gamesmanship going on there.

22 The staff will never give you a paper

23 that says, "We approve this all the way." One of them

24 will probably get fired. But, things happen. There is

25 an inefficiency built in there. Now, I know you can't

0295

1 take questions, but I hope that maybe Mr. Norwood or

2 Mr. Meyer would correct me if I'm wrong, but isn't the

3 UTC and their staff fully funded by all the utilities and

4 trucking companies in the state? So, in fact, this

5 hearing is being funded by their money, correct? So to

6 speak, just so you know where it's coming from.

7 Now, the next thought, I would like to

8 see a fully financial, no emotional finding. And, by

9 that, I mean, do not let the Sierra Club lower the output

10 of the Monroe Street Dam because they want it to look

11 different. It costs the same to run that dam, whether

12 the water is funded through, or not, it's in the rates.

13 The environmentalist group said they wanted it changed.

14 Somehow they negotiated a change with Avista.

15 That gets me to my next point. It has

16 been a constant irritant. Transparency. You talk about

17 parties negotiating rates, some of the largest, most

18 aggressive parties are not industrial, electric and gas

19 groups, they are environmentalists. And I don't even

20 call them that anymore. I call them the environmental

21 industry. And I'm not talking about people that care

22 about animals, trying to save endangered species, I'm

23 talking about the industry built up around the

24 environmental. I'll give you a quick example. You had

25 one that was called the Northwest Energy Coalition.

0296

1 JUDGE TOREM: Correct.

2 MR. NEGRETTI: I was there when that was

3 started. The Northwest Energy Efficiency Alliance was

4 supposed to do its job, help get contact florescence

5 (phonetic) in place to get them working, and other

6 things, and then it was supposed to go away. It was an

7 ad hoc committee. But now, they, along with others, you

8 folks are paying for them, is that -- that's how I

9 understand it, for all these different negotiated

10 settlements, Avista, through their rates, has to pay for.

11 And the rates are passed along one way or another to the

12 rate payer, or the cost. The stock payer has not gotten

13 rich off Avista in a long time, and they're going to have

14 to some day, or they will abandon them.

15 The last quick thing I wanted to say --

16 if I can remember it in my last 30 seconds -- your

17 insured rates, especially for Schedule 1, is bizarre.

18 Having been one who worked on the rates before, it's

19 bizarre. It goes up, and that was supposed to keep you

20 from kind of doing a little conservation on your own, and

21 not go above a certain level. But it goes up, then

22 drops. Then it goes up again. And you guys hit it right

23 where my heat pump kicks off, so, you know. I had you

24 figured out, there, you know, but now it's changed.

25 Okay. My time is up. And I guess that's the last thing

0297

1 I had to say, is maybe adjust that to give the customers

2 a choice that they can work with their heating system to

3 adjust the tier's rates.

4 And along with the last thing I can say

5 where they can save money, I think is a terrible reverse

6 socialistic attitude, Rate Schedule 91 and 191, is that

7 the energy efficiency one, gentlemen? Anyone? They're

8 charging -- these people are getting charged for energy

9 efficiency projects. I was an industrial account

10 executive, and an industrial energy service manager. I

11 like the work I did, I hated where the money came from.

12 The pool of money came from all customers, and

13 residential, and we spent a hell of a lot of money on the

14 industrial customers. I think you want to keep rates as

15 low as you can to satisfy this group, drop them out of

16 that Schedule 91, and 191 immediately. Thank you.

17 JUDGE NEGRETTI: Thank you, Mr. Negretti.

18 The next couple folks listed weren't sure if they wanted

19 to comment. So, Betty Carroll?

20 MS. CARROLL: No.

21 JUDGE TOREM: Alright, ma'am. And

22 there's a Fred --

23 FRED: No.

24 JUDGE TOREM: All right. Thank you, sir.

25 Kathy Doer and Jeff Hannah, any comments? None. All

0298

1 right. Sandy Everson had indicated she did want to

2 comment. She'll be followed by Ron and Mary Franklin, if

3 they wish.

4 MS. EVERSON: My name is Sandy Everson,

5 E-v-e-r-s-o-n. I live in Northport, Washington, which is

6 approximately 130 miles north of here. Obviously, not a

7 lot of people could come down here from our area.

8 Responding via computer is also an issue, that's not

9 really huge in our area. Our town's statistics, we have

10 58.8 percent people that make under $25,000 a year. 62

11 percent are retired and disabled, and I believe that's

12 indicative of Stevens County.

13 In today's economy of high unemployment,

14 work hours cut, pay freezes, pay cuts, retiring positions

15 not being replaced, I think it's criminal for our company

16 to ask for 16.7 percent increase, or a net 9 percent

17 increase. My husband is disabled, has been for 30 years.

18 We live on a fixed income. We did receive a 1.2 percent

19 cost of living increase, and have heard that next year

20 that would not be happening.

21 Just recently I attended a conference

22 where David Barrels spoke, and he has something called

23 the "Futures Game." And, in that, he makes you look at

24 the ramifications of every decision you make, and how it

25 affects you 5, 10, 20 years down the road. And the

0299

1 decision to put a pay increase in our area can mean the

2 difference between someone staying in their home and

3 living in the woods with cardboard and tarps, which

4 happens.

5 I was recently sharing with a waitress in

6 our area, that I was going to come down here and speak --

7 which this is not my forte at all, it's probably the

8 first time I've ever done this -- and she works at a

9 pretty classy restaurant in Colville. Avista comes in at

10 least two nights a week. They actually have a button on

11 their register, and they bill Avista once a month. For

12 her, personally, the ones that she has seen, it's $150 a

13 pop. I would ask them to please look internally, cut

14 like our state, our county and our schools have had to

15 do. And because I live so far away, we did put a

16 petition around in our area for people to sign. They

17 have put their full names, addresses, and slight

18 comments. I ask that you accept these on behalf of our

19 town. Thank you.

20 JUDGE TOREM: I'll take that petition

21 from you, Ms. Everson, and make sure our Public

22 Involvement Staff puts them in the record.

23 MS. EVERSON: Thank you.

24 MR. GOLTZ: Thank you so much for coming

25 such a long way. I appreciate it.

0300

1 JUDGE TOREM: Ron and Mary Franklin, and

2 then Cindy Marshall, do either of you wish to comment?

3 MR. FRANKLIN: I'm the Ron Franklin part

4 of the Ron and Mary. It's F-r-a-n-k-l-i-n, and we reside

5 at East 2505 Amberwood Court, and that's Spokane. And

6 I'm appearing in Spokane Valley, it's been a long time --

7 I was long-time resident in Spokane Valley. I've been

8 President in the Chamber, the Rotary, active in the

9 community, so I'm interested in both Spokane, and Spokane

10 Valley.

11 I'm mildly upset with the rate increases

12 that have been going on. I think, for the most part,

13 they haven't really been needed. In this time,

14 particularly, when everybody's suffering, I've been in

15 the executive status in organizations myself, and I think

16 it would behoove the management of Avista to either

17 freeze their salaries, or take a small increase rather

18 than taking increases in times like this. I don't think

19 it shows well at all for their thoughts of the community.

20 I would encourage that cost studies be

21 done somehow from the outside, so they can see that these

22 rates are either really needed, or not needed. I think

23 there ought to be, really, cost analysis going on here.

24 That's about all I have to say. I'd really appreciate it

25 if they hold the line and decrease rates. Thank you.

0301

1 JUDGE TOREM: Thank, you, Mr. Franklin.

2 Cindy Marshall?

3 MS. MARSHALL: My name is a Cindy

4 Marshall, and it's, M-a-r-s-h-a-l-l, and I reside at East

5 22711 Euclid Avenue in Otis Orchards, Washington. And I

6 missed the first part, so am I limited to three minutes?

7 JUDGE TOREM: Yes, ma'am.

8 MS. MARSHALL: Okay. Thank you. I'm

9 going to take a little bit different twist. I think I

10 follow along with the gentleman that was sitting here,

11 and I was hoping he would be in here when he heard me

12 talk. Out in Otis Orchards we've been dealing with

13 Avista quite a bit again, frequently, and the reason is

14 because we have a little substation that sits right in

15 the middle of our farming community.

16 Back in 2004 we had an ongoing debate

17 with them on increasing that substation. We were able to

18 be successful, because we had a lot of citizens' input,

19 and we were able to move a huge, huge facility that would

20 have ended up in our community over to the edge of our

21 community which borders Spokane Valley and Otis Orchards.

22 It's on Barker. So, I'm hoping people know what I'm

23 talking about. That huge monstrosity would have ended up

24 right in the middle of our little farming community.

25 They're at it again. At first they told

0302

1 us that our little substation was going to be

2 decommissioned back then. They promised us that in

3 writing, as well. Somewhere between then and now, the

4 spring of this year, they've changed their mind, and now

5 they want to increase. So, we've been in conference with

6 them, probably pretty much every month since March, our

7 little group out there, and my thought is, "I don't want

8 to just look at the increases that's going to pay CEOs."

9 I'm going, "Where is this coming from?" And I've been

10 asking them, "Where is it coming from?" "Where is your

11 mandate to increase transformers in our area?" "Where is

12 your mandate to put more supply lines in?"

13 Our little community has not grown that

14 much. The community across the river has, which is

15 Liberty Lake, and Spokane Valley, and we service both of

16 those areas, as well as Idaho. They haven't given me a

17 straight answer, number one. So, I do some looking on my

18 own. I talked to different people, and what I've heard,

19 and I haven't been able to find the research -- or, I've

20 been researching it, but I haven't been able to find the

21 answers is, someone told me that Congress had mandated

22 the power companies to put in more transformers, and

23 create more electrical grids, and I'm going, "Okay, why

24 would they do that?"

25 Well, in my other research I find out

0303

1 with -- one of the things that they talked about when

2 they're in our meetings is that they're trying to put a

3 more successful grid in so that the electricity flows in

4 such a pattern, blah, blah, blah, and that we in our

5 little area have used more electricity, and we're going,

6 "Wait a minute. We put in" -- A lot of us have put in

7 more energy efficient windows, more -- you know, more

8 insulation, and such, and we should be coming down in our

9 usage, and they're telling us we're going up. And

10 they're saying, "Well, now, it's the new TVs that we're

11 putting in. It's the new whatever we're putting in."

12 And I'm still questioning that, going, "No. Liberty

13 Lake -- You're telling us Liberty Lake, who has a lot

14 more housing, and such, they're using less electricity

15 than our little farming community?" I don't buy it.

16 So, I came acrossed a piece of paper that

17 was mailed out in an Avista bill, and there was talk of a

18 Restoration Act that has to do with the Stimulus package.

19 And they're talking about pulling that, something from

20 the Stimulus package to create more grids. And I'm

21 going, "Okay, green cars." And talking to some of our

22 linemen, they're going, "We can't take on the green cars

23 that you plug in, unless we put in more transformers,

24 because we can't handle it right now." And so I'm

25 thinking, "Okay, this is where Avista is really looking

0304

1 at, they're looking at putting in more transformers to be

2 able to handle those green cars for people to be driving

3 around and plugging them in. They're going to have

4 stations everywhere to plug in your green cars." This is

5 where my thought pattern goes.

6 So, they're going to have to ask for more

7 money so that they have that out there to be able to fund

8 it, and that's going to come from our community. So, I'm

9 just going to suggest to the folks here, take a look a

10 little bit beyond the scope of just the CEOs, and what

11 they make, I don't agree with what they make, but look at

12 what Avista is planning to do with the money in the funds

13 from the green industry, from what this gentleman was

14 talking about, as well. The sustainability stuff. Look

15 at all of that, because it all ties into the "Cap and

16 Trade" Stimulus package, and green cars.

17 Oh, and, by the way, if I could get an

18 answer on where this -- if Congress did mandate the

19 utility companies, or the power companies to increase,

20 who would I talk to? Who would I get that information

21 from?

22 JUDGE TOREM: Mr. Norwood is raising his

23 hand behind you.

24 MR. GOLTZ: Mr. Norwood, after this

25 public hearing, I'm sure you can have a conversation.

0305

1 MS. MARSHALL: Okay. Thank you very

2 much.

3 JUDGE TOREM: Thank you, Ms. Marshall.

4 That exhausts the names that are on the sign-up list that

5 I've been handed by our Public Involvement Staff. They

6 would have brought me another sheet by now if there was

7 anyone else that had signed in late. For those assembled

8 here this afternoon, are there any others that wish to

9 comment that didn't sign up originally? All right.

10 Seeing none, then, let me just remind folks that we'll

11 close the record for this afternoon, there will be

12 another public comment hearing in downtown Spokane at

13 their City Council Chambers at 5:30 tonight. If you have

14 written comments you want to make, based on maybe what

15 you heard today, or if you refrained from making a verbal

16 comment, or just want to reinforce it with a written

17 comment, as long as we have it postmarked, or received

18 electronically by next Friday, October 9th, we'll make

19 that part of the record.

20 The address to mail your comments is to

21 Utilities and Transportation Commission, which is UTC,

22 P.O. Box 47250, it's in Olympia, Washington, and the zip

23 code 98504. The web site, www.utc.wa.gov, has an area

24 you can indicate if you want to make a public comment.

25 What I'd ask you, if you send in a written comment, is

0306

1 that you put down it's regarding the Avista Rate Case.

2 Even better, if you can indicate it's for these rate case

3 dockets, and I'll repeat them again. Any of these three

4 numbers will get them to the right place, 090134, or

5 090135, or even 060518, which is the docket dealing with

6 the decoupling project.

7 Commissioners, any closing comments for

8 this afternoon?

9 MR. GOLTZ: No. I really appreciate

10 everyone coming, and coming from, at least one case, from

11 a very long ways away, and I made a lot of notes today,

12 and things that we'll follow up on during the formal rate

13 case proceedings next week, and as we deliberate on this.

14 So, thank you very much.

15 JUDGE TOREM: And, tempting as it might

16 be to want to come up and talk to the Commissioners, I

17 have to let you know we have some rules about Judges, and

18 the Commissioners do sit as Judges, and we can't have

19 folks in a jury trial coming to talk to a Judge

20 separately, the rules regarding that are called ex-parte

21 communication. So, if they appear at all stand-offish,

22 it's not that they don't want to talk to you, but with

23 the litigation pending they can't, and those are the

24 rules. The folks you can talk to, though, again, are

25 Mr. ffitch, from the Public Counsel Office, and

0307

1 Mr. Trautman, from the Commission Staff, and those that

2 are here from Avista, Mr. Meyer, Mr. Norwood, and the

3 rest of the company representatives who are here. So,

4 please talk to them.

5 I know a number of the issues that came

6 up are rather confusing. I've been a Judge with the

7 Commission for two and a half years out of my total of

8 eight years working as a Judge for the state, I'll tell

9 you that some of what I'm hearing today is what I

10 initially walked in the door with two and a half years

11 ago, and I'm still struggling with how rates can go up

12 and down, simultaneously. I encourage you to get those

13 questions addressed, because there is a good answer for

14 what you're paying for, what goes up, and what goes down,

15 and what the company is really asking for.

16 So, today if you were the ones asking

17 those questions, check in. If you're interested, if

18 you're on the fixed income, I ask you to inquire,

19 particularly, of Mr. ffitch's office, as to what they're

20 doing for low income and fixed income folks, and

21 representing your interest before the Commission. He's

22 the person to go talk to about that. The company can

23 tell you about their programs, but Mr. ffitch's office is

24 truly your advocate. Let them know what you're feeling.

25 Hopefully, you'll get a copy of his handout explaining

0308

1 the Public Counsel's position.

2 And as far as the questions on power

3 supply, that Ms. Marshall was raising, Mr. ffitch's

4 offices has taken some positions regarding what's a

5 prudent acquisition, or not, in this case. So, all the

6 issues you've talked about today are before the

7 Commission, and being thoroughly looked at. Your views,

8 and your very poignant heart-felt comments are

9 appreciated, and do make an impact on our ultimate

10 decision.

11 The hearing, again, is next week. The

12 parties will be submitting legal briefs and arguments

13 sometime in early November, and we have to issue a

14 decision by mid December, and so you should look for

15 something toward the end of the year as to what the

16 gentlemen, here, are going to rule as to whether there

17 will be a rate increase, and if so, how much on both the

18 electric, or the natural gas sides. Again, I thank you,

19 again, for taking part in what's a very important public

20 process. I'm glad this isn't as much like the health

21 care debates, it was civil today, we appreciate that, and

22 we definitely appreciate your comments. It's now about

23 1:30, and we are adjourned. Thank you.

24

25 (1.30 p.m.)

0309

1 STATE OF WASHINGTON )

) ss.

2 County of Spokane )

3

4 I, Raymond H. Groth, do hereby certify that

5 at the time and place heretofore mentioned in the caption

6 of the foregoing matter, I was a Certified Shorthand

7 Reporter and Notary Public for Washington; that at said

8 time and place I reported in stenotype all testimony

9 adduced and proceedings had in the foregoing matter; that

10 thereafter my notes were reduced to typewriting and that

11 the foregoing transcript consisting of 42 typewritten

12 pages is a true and correct transcript of all such

13 testimony adduced and proceedings had and of the whole

14 thereof.

15 I further certify that I am herewith securely

16 sealing the said original deposition transcript and

17 promptly delivering the same to Judge Adam Torem.

18 Witness my hand at Spokane, Washington, on

19 this \_\_\_\_\_\_\_\_\_ day of October, 2009.

20

21

22 \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

23 Raymond H. Groth

Certified Shorthand Reporter

24 CSR No. 2824

Notary Public for Washington

25 My commission expires: 8-19-10