

**BEFORE THE WASHINGTON STATE
UTILITIES AND TRANSPORTATION COMMISSION**

In the Matter of the Application of)	DOCKET U-060273
)	
AVISTA CORPORATION D/B/A)	ORDER 04
AVISTA UTILITIES,)	
)	
For an Order Approving a Corporate)	ORDER GRANTING MOTION TO
Reorganization To Create a Holding)	TERMINATE DOCKET AND
Company, AVA Formation Corp.)	RENDERING MOOT ORDER
)	APPROVING SETTLEMENT
)	STIPULATION
.....)	

1 **Synopsis:** *The Commission grants Avista’s motion to terminate this docket because it no longer intends to form a holding company. This ruling renders moot the Commission’s earlier order accepting a settlement stipulation and authorizing that corporate reorganization.*

2 **Procedural History.** On February 16, 2006, Avista Corporation d/b/a Avista Utilities (Avista) filed a request for an Order Approving a Corporate Reorganization to Create a Holding Company, AVA Formation Corp.¹ By Order 03, Order Accepting Settlement Stipulation and Approving Corporate Reorganization, entered February 28, 2007, the Washington Utilities and Transportation Commission (Commission), among other things, authorized the corporate reorganization. The Settlement Stipulation provided that the reorganization could not close until the transaction was approved in all applicable jurisdictions including approval by the Washington, Oregon, Idaho, and Montana state regulatory commissions and the Federal Energy Regulatory Commission (FERC).²

¹ A complete procedural history is set out in Order 03, *Order Accepting Settlement Stipulation and Approving Corporate Reorganization to Form a Holding Company*, entered February 28, 2007, and will not be repeated here.

² Settlement Stipulation at IV (F), ¶¶ 19 and 22 and n.4. At the time the Settlement Stipulation was filed in Washington, all jurisdictions except Oregon and Montana had approved the transaction.

3 On August 28, 2009, Avista filed a motion to terminate this docket because it has decided not to proceed with the formation of a holding company. Avista asserted that while it had gained approval for the transaction from the Idaho commission, FERC, and this commission, the parties in the Oregon proceeding proposed conditions and commitments that Avista concluded would pose risks and uncertainties such that it would not be in the best interests of the company and its customers to proceed with this transaction. Therefore, Avista decided against the formation of a holding company and requested termination of this docket and rescission of Order 03, as appropriate. Avista stated that it was authorized to represent that no party opposed the motion.

4 **Discussion and Decision.** The Commission concludes that Avista's motion should be granted. If Avista no longer intends to form a holding company, no further purpose would be served in this docket and it should be terminated. Granting Avista's motion renders moot the approval of the transaction authorized by Order 03 in this proceeding.

ORDER

5 THE COMMISSION ORDERS That the unopposed motion to terminate this proceeding filed by Avista Corporation d/b/a Avista Utilities, on August 28, 2009, is granted.

DATED at Olympia, Washington, and effective September 22, 2009.

WASHINGTON STATE UTILITIES AND TRANSPORTATION COMMISSION

PATRICK J. OSHIE, Commissioner

PHILIP B. JONES, Commissioner

NOTICE TO PARTIES: This is a final order of the Commission. In addition to judicial review, administrative relief may be available through a petition for reconsideration, filed within 10 days of the service of this order pursuant to RCW 34.05.470 and WAC 480-07-850, or a petition for rehearing pursuant to RCW 80.04.200 or RCW 81.04.200 and WAC 480-07-870.