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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 evening. I'll call this
3 meeting of the Washington Utilities Transportation
4 Commission to order. My name is Jeff Goltz, I'm Chairman
5 of the Commission. With me, to my left, is Pat Oshie,
6 Commissioner, and with me to the right is Phil Jones, who
7 is a Spokane native, and also a Commissioner. Also up
8 here is Adam Torem, who is Administrative Law Judge.
9 Judge Torem will be running this hearing this evening,
10 and I'll turn it over to him in just a minute.

11 I did want to say just a couple of
12 things. First of all, I wanted to thank the City of
13 Spokane for making available to us their council
14 chambers. And, also, most of all, thanks to all of you
15 who have decided to make time in your day to come out and
16 give statements at this public hearing.

17 These public hearings are a very
18 important part of the rate hearing process. Next week in
19 Olympia, for a number of days, we will have a more
20 technical adjudicative hearing with lawyers presenting
21 evidence, and witnesses being sworn and giving testimony.
22 And after that we will go into deliberations and make
23 decisions on this rate case. But these public hearings
24 are a very important part of the process, and always
25 bring a different and new, sometimes unique perspective

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1 to the issues that we're dealing with.

2 This afternoon, earlier this afternoon we
3 had a hearing, another hearing out here in the Spokane
4 Valley where we heard from a number of citizens who gave
5 their presentations, made their comments, gave their
6 testimony, and gave their perspectives on how they think
7 we should resolve this case, and, also, maybe just the
8 approach that we should -- or how we should look at the
9 issues that are going to be before us. At this time I'd
10 like to turn it over to Judge Torem, who will introduce
11 to you the process for this evening, introduce some other
12 participants in the hearing process, and then commence
13 hearing your statements. So, thanks again for coming

14 JUDGE TOREM: Thank you, Chairman Goltz.
15 Let me identify the case, again, for the record. This is
16 the Avista rate case, it has three different docket
17 numbers. The first is UE-090134, that's the electric
18 rate case. The second docket number is UG-090135, that's
19 the natural gas case. And, also, consolidated since
20 spring of this year with these rate cases has been the
21 matter regarding Avista's decoupling mechanism, it has
22 its own Docket Number UG-060518. Again, for the record,
23 we're convened on Wednesday evening, September 30th, 2009
24 at the City Hall in Spokane, and it's now a little after
25 5:30.

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1 As the Chairman said, my role this
2 evening is to facilitate the Commissioner's hearing your
3 public comments. Their role is simply to listen tonight,
4 it's not an interactive question and answer from the
5 bench, unfortunately, but, as you can see, your comments
6 are going to become part of the record, we have a court
7 reporter here taking down your comments. I'm probably
8 speaking just about at the rate that's a bit too fast, so
9 if you can speak slowly and annunciate, it will help the
10 court reporter get everything down and make it part of
11 our record.

12 Back in January Avista requested an
13 increase to its electric and natural gas rates, that was
14 on January 23rd when they filed proposed revisions to
15 their tariffs. The electric tariff is WNU28, and the gas
16 tariff is WNU29. As happens in these cases, to keep the
17 rates from going into effect, the Commission ordered in
18 February that the tariffs be suspended, and that we hold
19 this hearing, not only these public comment hearings
20 today, but also some evidentiary hearings, that being
21 next Tuesday afternoon in Olympia, and what the
22 Commission does is determine if the request for the rate
23 increases would create fair, just, reasonable and
24 sufficient rates. That's what our statutory obligation
25 is under Washington law.

1 Now, the original requests, if you
2 reviewed it, from January, was Avista seeking \$69.8
3 million more in electric rates, a net increase of 8.6
4 percent, and \$4.9 million more, or a 2.4 percent increase
5 to natural gas rates. Since that time Avista and the
6 other parties to the case have negotiated a partial
7 settlement that they're going to present for the
8 Commissioners to review, and, perhaps, approve, they've
9 reduced the request to down from the 69.8 to \$38.6
10 million in electric rates, and down from \$4.9 million on
11 gas to \$3.14 million.

12 Since that was filed, the partial
13 settlement on September 4th, Avista has made some
14 additional adjustments, and the latest numbers I have is
15 that the rate increase is seeking thirty-seven and a
16 half million dollars, a nine and a half percent, or a net
17 3 percent increase in electric rates. So, again, they're
18 seeking a net of the 3 percent, instead of the original
19 8.6 percent increase on electric. The natural gas number
20 is 2.85 million, approximately a one and a half percent
21 increase in gas rates. Those numbers may yet change
22 again, but at hearing next week on Tuesday afternoon the
23 parties will present their proposed settlement, and the
24 following couple of days, Wednesday, Thursday and Friday,
25 the disputed issues will be before the Commissioners, and

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1 just because the parties have settled, don't feel like
2 it's a done deal. The parties have their settlement, but
3 the Commissioners are the ultimate decision-making
4 authority.

5 Now, the Commission's hearing process,
6 obviously, is a long one. We started with the filing in
7 January, the ultimate date to have a decision out is mid
8 December. So, we expect that sometime in early to mid
9 December you'll have the Commission's decision. Now, all
10 the evidence has been submitted to the Commission in a
11 written format, and tonight your public comments help the
12 Commission see, not only what the company is asking for,
13 what the other parties to the case are asking, but what
14 the impact on you might be of any rate increase, and
15 that's equally important.

16 This afternoon we heard some poignant
17 comments, and some different points of view, and I hope
18 you'll be willing to share, frankly, in the minutes
19 provided tonight, your views and how this impacts
20 yourselves, your companies, and your homes. So, tonight,
21 give the Commissioners the information they can have to
22 determine if the proposed rate increase not only keeps
23 the company going, but what it does to the people here in
24 Spokane to whether it's in the public interest.

25 The other parties to the case have some

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1 representatives here tonight. I'm going to ask the
2 Counsel that are here in the room to make their formal
3 appearances so you can see who they are. They're going
4 to state their name on the record, here, and tell you who
5 they represent. As you follow along, not only will you
6 meet the representatives from Avista, but also two
7 different Assistant Attorneys General that have two
8 distinct purposes in the case for the Commission. And
9 I'll check again if our other intervening parties have
10 representatives tonight, but I don't expect that they do.

11 Let me start by calling on David Meyer,
12 from Avista, to identify himself, and the other people
13 here from the company tonight.

14 MR. MEYER: Thank you, Your Honor. I'm
15 David Meyer, for the record, and I'm appearing on behalf
16 of Avista. We welcome you as our customers. And I'd
17 like to just introduce, if I might, two individuals,
18 Mr. Dennis Vermillion, if you'll stand up, he's the
19 President of the company, and then Kelly Norwood, who is
20 Vice-president of the Department of Rates and
21 Regulations. We also have half-a-dozen other people who
22 are here. I won't introduce them, but during a break or
23 at the end of the hearing, if you have questions of any
24 sort, we're here to answer them. Thank you for
25 attending.

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1 JUDGE TOREM: Let me call on Mr. ffitch,
2 from the Public Counsel Office, to introduce himself.

3 MR. ffITCH: Thank you, Your Honor, and
4 Commissioners. I'm Simon ffitch, I'm an Assistant
5 Attorney General, and I'm appearing on behalf of the
6 Public Counsel Office as a representative of the
7 customers of Avista. Our office is established under
8 statute to appear in commission cases, and represent the
9 interests of customers and regulated facilities. We have
10 provided an informational handout, which is available on
11 the front table in the lobby. Thank you, Your Honor.

12 JUDGE TOREM: All right. And,
13 Mr. Trautman.

14 MR. TRAUTMAN: Thank you, Your Honor, and
15 Commissioners. I'm Greg Trautman, Assistant Attorney
16 General, I represent the Commission Staff, which is
17 another advocacy party entirely separate from the
18 Commission, and we also, along with the other parties to
19 the case, are reviewing and making recommendations on the
20 company's request for a rate increase.

21 JUDGE TOREM: Thank you, gentlemen. The
22 other parties that are participating for their own
23 interests in this case are the industrial customers, The
24 Northwest Utilities, they are interested in electric
25 rates; The Northwest Industrial Gas Users, obviously,

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1 they're on the natural gas side of the case. Another
2 entity called The Energy Project, they focus on low
3 income or fixed income customers, and their issues. And
4 then The Northwest Energy Coalition, focusing on
5 renewable resources and conservation issues. Are any of
6 their attorneys or other representatives here in Spokane
7 tonight? Okay.

8 So, you have before you tonight for
9 questions, perhaps, depending on when we get done, the
10 Avista Company members will certainly be able to stay.
11 If we're done between 7:00 and 7:15 we'll have a few
12 moments for flight arrangements for the folks that are
13 heading back to Seattle on the plane tonight.

14 Members of the public, tonight really is
15 your opportunity to tell people in person what you think
16 about the proposed settlement, if you know anything about
17 that, the proposed rate increase, as it now stands for
18 the decoupling pilot project, which you should have seen
19 on your bills the last two, two and a half years. If you
20 have questions, as you came in you signed in on a sheet,
21 if you wanted to comment, and with our public information
22 folks, they also have some handouts outside, and the
23 parties that are represented in our consumer information
24 staff, those are the folks you can ask questions to
25 tonight and get information.

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1 And I do want to announce that if we do
2 run past 7:30 tonight, and I don't think we will, given
3 the number of folks here, I may have to excuse some of
4 the Commissioners to make sure they catch their flight.
5 I'll certainly be here until we're done, as will
6 Commissioner Jones. And, if that's necessary, we'll
7 review transcripts later of any comments that they missed
8 in person. So, just in case we run long, I don't want
9 anybody to think folks are being rude or bored, it's a
10 question of cost savings and getting people back rather
11 than overnight.

12 Now, tonight I don't think we'll have
13 that issue, but I'm going to give people a pretty
14 generous allocation of three minutes, and they know it
15 from earlier this afternoon I've been judicious in
16 letting people run on when they need to, but I'll have
17 some signs up here that give you an idea of how long
18 you've got left, and I'll give them to you at one minute,
19 30 seconds, something like that. If you see red
20 cardboard go up, it's the universal stop. So, at that
21 point you'll wrap up, please.

22 Those of you that have spoken in public
23 before do know, though, that three minutes is a lot of
24 time to present your thoughts. If you've got a written
25 script that you're reading from, sometimes that's easier,

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1 but if you want to hand in a copy of the written script
2 as a written comment, we'd love to have that, as well.
3 Those of you that don't want to comment tonight, or maybe
4 haven't yet sent in a comment, we had earlier in our
5 press release said that tomorrow, October 1st, would be
6 the deadline for written comments. We've extended that
7 to next Friday, October the 9th. So, if you're going to
8 submit a written comment, so long as it's postmarked
9 October the 9th, we'll be able to accept it and make it
10 part of the record. You certainly can send in an
11 electronic comment up until close of business on the 9th,
12 as well. And I'll give you the address to mail those
13 comments, and the address for our web site for electronic
14 comments at the close of tonight's hearing.

15 All right. I'm going to ask if there's
16 anything else, Mr. Meyer, that you want to add to the
17 summary of the numbers of what I gave earlier?

18 MR. MEYER: No. I think that summarizes,
19 nicely. Thank you, Your Honor.

20 JUDGE TOREM: All right. Then, we're
21 ready to take the public comments. And those of you that
22 signed up on the sheet, and whether you put a "yes" or a
23 "maybe," if you're going to comment I'm going to ask you
24 to take the oath of witness. So, I'm going to give that
25 to you, and we'll all stand and raise your right hand,

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1 and I'll swear in the group that's here.

2 Do each of you solemnly swear or affirm
3 that the testimony you will provide to the Commission
4 this evening will be the truth?

5 PARTICIPANTS: Yes.

6 JUDGE TOREM: Thank you, all. I'll call
7 the first three, and then give you kind of an idea who is
8 coming next. Margaret Herzog will be our first
9 commenter, and I'll ask you to come to the microphone,
10 here, Ms. Herzog, and then Nima Michael, and, perhaps,
11 Patricia Torngren, if she wishes to -- she's got a
12 question mark, here.

13 When you give your name, if you'll spell
14 it for the court reporter, first and last, and tell us --
15 if you want us to put your address, that's fine, if you
16 just want to tell us what city or region of the city
17 you live in, that would be helpful, and if you're a
18 customer of Avista, that kind of preliminary information,
19 and then I'll start your three minutes. Go ahead, Ms.
20 Herzog.

21 MS. HERZOG: I'm Margaret Herzog,
22 H-e-r-z-o-g, I live in Spokane. I've been an Avista
23 customer all my life, so, that's a while. I'm taking
24 some information from the flyer that came in the bill
25 that -- the last bill that we received, and I notice the

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1 numbers are not quite exactly the same as what was
2 printed in my most recent information, so please excuse
3 that. But my information, based on that, said Avista
4 claims to need 19.4 percent rate hikes, 16.7 for
5 electric -- I'm talking residential -- 2.7 for gas. This
6 fact is listed in the flyer that accompanied our last
7 bill.

8 Let's acknowledge some other pertinent
9 facts regarding Avista customers who live in this area,
10 facts not mentioned in the Avista flyer. According to
11 the Bureau of Labor Statistics, the unemployment rate for
12 our area, Spokane County, is 8.5, and that does not take
13 into account those who are part-time employed, or those
14 who have given up the search for employment. From the
15 Census Department for the year 2008 Spokane County has a
16 per capita income of \$19,233 per year. The persons
17 living below poverty level are 13.1 percent of that
18 population. Persons over the age of 65 are 12.8 percent
19 of Spokane County's population. Persons under the age --
20 or dependents under the age of 5 is 6.5 percent. These
21 statistics are just numbers, unless they're held up
22 against the requests of Avista.

23 First, Avista is requesting an 11.8
24 return on equity. This at a time when most of the
25 retired customers cited above, who saw their hard-earned

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1 retirement funds such as IRAs slashed in half by the
2 economic downturn. And we were also notified recently in
3 the next three years there will be no COLA increase on
4 Social Security. Yet, in May of this year, the Spokesman
5 Review reported that in the past 18 months Avista had
6 raised its dividend three times with more increases on
7 the way. My question, being, are Avista investors immune
8 from the reality of the U.S. economic situation? And,
9 isn't it true, that when investors buy stock they
10 generate money for capital projects? Yet, Avista is
11 asking the ratepayer to foot the bill of \$3.1 million to
12 replace aging infrastructure. And that's generating
13 plants, power lines, poles, substations, right out of
14 here.

15 Incidentally, Avista customers were asked
16 for exactly the same thing last year. And at that time
17 my objection, then, as now, is that any well-run business
18 should have maintenance and operation as a line item on
19 their business ledgers. This is a normal part of running
20 a company, and yet Avista, a monopoly in the City of
21 Spokane, expects their customers to assume this
22 maintenance item. Furthermore, Avista wants to transfer
23 contract obligations from the corporation to its
24 customers for the purchase of electricity from the
25 Lancaster Power Plant in Idaho. Again, isn't this just

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1 part of doing business if you're a power company?

2 Avista says that it wants its customers
3 to ante up \$1.5 million to compensate the Coeur d'Alene
4 Tribe. Is it legal to, retroactively, charge the Avista
5 customer for Avista's contract errors? Isn't this
6 retroactive rate-making.

7 Another point. There's a request for
8 \$1.6 million to clean up a Montana coal plant in
9 compliance with the Mercury Emission Laws. Why are
10 Washington customers being held responsible for past
11 and/or present Montana problems? Hasn't EPA required
12 scrubbers for these emissions all along? They certainly
13 require the waste and energy plant here in Spokane to
14 filter or scrub their emissions.

15 Avista is asking \$3.8 million to
16 relicense the Spokane River's hydroelectric facilities.
17 Surely they realize that this licensing was coming to. I
18 know I've read it for two years. Avista should have
19 planned for this expense just as every homeowner has to
20 plan for yearly property tax or regular auto licensing.

21 According to Avista's annual report, the
22 DMS, Demand Site Management, was the first of its kind in
23 the U.S. This decoupling surcharge gave Avista -- and I
24 found differing numbers, here, I'm just taking one that I
25 researched -- \$1.5 million. The Avista customers only

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1 got 250,000 for using less energy. As the newspaper
2 said, quote, "Where's the incentive for customers to be
3 economical if the surcharge is greater than what they're
4 spending? How is this surcharge doing anything but
5 adding to Avista's coffeers at the expense of all their
6 customers?"

7 Per their bill flyer, which I mentioned,
8 Avista is asking for a natural gas increase of 2.4
9 percent. The utilities in June locked into the gas
10 prices that were 75 percent lower than the previous
11 November. With that kind of set stockpiled price, why is
12 Avista asking for an increase in natural gas prices.

13 Avista's First Quarter earnings were up
14 23 percent. No doubt this was due to the severe weather
15 and the power usage. But this increase seems to be
16 reflected only in the shareholders' dividends and the
17 CEO's salary. In March of 2008, the year before, the CEO
18 earned 1. -- I mean, 1,196,000, etcetera, while a year
19 later in March of 2009 the CEO earned \$2.2 million.
20 Certainly, the primary aim of Avista should be to provide
21 the most economical power for customers, but their
22 primary goal of the company seems to be the CEO, and the
23 shareholder profit.

24 In January of 2009 Avista touted its
25 donation of \$500,000 to Project Share. This is certainly

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1 a worthy cause. But wait, in the last UTC request Avista
2 requested increased rates, quote, "For energy assistance
3 programs." This, no less, or bleed contribution was
4 the ratepayer's money coming out of their monthly bills.
5 Ratepayers are also asked on every bill to contribute to
6 energy assistance. This appears to be double jeopardy.

7 So, let's review again. 32.4 percent,
8 almost one-third of the citizens of Spokane County are
9 either living below poverty level, are over the age of
10 65, and probably living on Social Security with very
11 diminished retirement funds, or they are minors dependent
12 on others. Again, the per capita income for this county
13 is \$19,233.

14 JUDGE TOREM: Ms. Herzog, I'm going to
15 ask you to wrap up. I got a note that Ms. Michael is
16 yielding to you her time, but still we're over twice.

17 MS. HERZOG: I'm just finishing. Thank
18 you. All I think anyone is asking Avista to do is to
19 live in the real world with the current economic
20 realities of this area, and practice the same budget
21 management that's required of their customers. Thank you
22 for listening to my concerns.

23 JUDGE TOREM: Thank you. Ms. Michael,
24 did I interpret your wave correctly?

25 ATTENDEE: (Nods head affirmatively.)

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1 JUDGE TOREM: All right. Thank you. The
2 next speaker is Patricia Torngren. Did you want to
3 speak, ma'am? While she's on her way down, I just want
4 to remind folks -- and Mr. Roland Torngren would be
5 next -- if you hear someone that you agreed with tonight,
6 you may want to refer back to that speaker and indicate
7 that you agreed or disagreed with what they said, but
8 there's not a need to repeat other speakers, so that will
9 make things a little bit more efficient as we go.

10 MR. MICHAEL: I'm sorry, I think it's a
11 misunderstanding, my name is Nima Michael.

12 JUDGE TOREM: Oh, I'm sorry.

13 MR. MICHAEL: It's alright. Did you
14 think that was somebody else?

15 JUDGE TOREM: The way she waved, and it
16 was on there. I'll have you come up next, sir.

17 MR. MICHAEL: It's okay, if there's no
18 time, but I'm available.

19 JUDGE TOREM: No. There is. It was a
20 different person yielding their time, then. I'll find
21 out. But you'll be next, then, sir.

22 MR. MICHAEL: Okay.

23 JUDGE TOREM: Ms. Torngren, if you can
24 state and spell your last name.

25 MS. TORNGREN: Patricia Torngren,

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1 T-o-r-n-g-r-e-n, I live on 17th and Bernard. I'll be
2 very brief, just to kind of focus on one of her points.
3 My husband and I are both retired, we live on Social
4 Security, and that's it, we have no retirement benefits.
5 So, we have to budget very, very tightly, and any rate
6 increase at this point is going to put us in serious
7 jeopardy. And I really can't say much more than that,
8 but there's an awful lot of us in the same boat. Thank
9 you.

10 JUDGE TOREM: Thank you, Ms. Torngren,
11 for taking the time to come down. Mr. Michael, I'm
12 sorry, I misidentified you, why don't you come up and
13 give your comments now.

14 MR. MICHAEL: Your Honor, Commissioners,
15 good afternoon. My name is Nima Michael, N-i-m-a,
16 Michael, M-i-c-h-a-e-l. Gentlemen, I run an engineering
17 architectural company in Spokane, and I've been here for
18 quite some time. On my off time I try to -- I'm involved
19 in several organizations that are trying to help the
20 local community do business locally. As you guys from
21 the west side know, it's pretty hard to keep money inside
22 the Eastern Washington area. We have had some success or
23 failures, we're trying to help the small businesses, and
24 minority companies stay and thrive in Spokane.

25 I have had many, many dealings with

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1 Avista Corporation. My view is probably going to be a
2 little bit different than what other people are going to
3 discuss with you. I'm all for profit. We are a for
4 profit organization, and -- but I believe that if you're
5 going to be for profit you also have to have some kind of
6 social conscience. That either makes me a Democrat with
7 a fiscal responsibility, or a Republican with a social
8 conscience, I'm not sure which, but perhaps somewhere in
9 the middle.

10 Over the years I have met and talked to a
11 number of presidents of Avista, and vice-presidents, so
12 forth, and so on. It seems like whenever the community
13 is asking for Avista to help with local businesses they
14 do just enough to have a presence, and to just meet the
15 basic, basic needs, and then just back off. I won't
16 mention any names, but, fortunately, there was an Avista
17 president some time ago, a few years ago that was
18 actually pretty honest with me. He looked me straight in
19 the eye, and said, "You see, I do not see that I have any
20 responsibility to spend any money locally." I believe
21 they do. And I believe they have failed at that,
22 especially involving local businesses.

23 Now, if everything was going well,
24 perhaps, we would not all be sitting here talking at this
25 time, but right now, not just my organization, but many

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1 of the engineers and architects here in Spokane are
2 hurting. A lot of my comrades have gone bankrupt. We
3 have been working on reduced wages, not reduced hours,
4 but reduced wages. We have been trying to help the
5 community in any which way we can come together. I just
6 feel that, with the exception of, perhaps, Paine Hamblen,
7 I cannot really sit here and tell you what businesses in
8 Spokane have thrived under help from Avista.

9 There was -- I have to say this before I
10 close. There was a president that Avista had at a
11 certain time that they brought from another state, and I
12 will tell you, that gentleman proved to be most local
13 conscious about helping business locally. Sadly, that
14 gentleman did not last very long.

15 I won't take much more of your time, but
16 this just from my own past experience working in small
17 businesses and trying to do something locally with the
18 community. Gentlemen, this city is hurting. It is
19 hurting. And it is time for a company like Avista, right
20 now, if anything, to drop their rates to help the
21 community come together and survive these economic times.
22 To ask for a raise at this stage, I find that very
23 unconscionable, frankly. Thinking that this is okay is
24 no more different than thinking that what Wall Street has
25 done to the United States of America is okay. Or, the

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1 tobacco companies. This is a time that Avista should
2 step up to the plate and say, "We want to be part of this
3 community, and do what we can to help people in need,
4 and, perhaps, bring our profits down, and, perhaps, bring
5 down some of the projects we would like to see happen in
6 the future, at least for now, until things get better."
7 Thank you very much for your time.

8 JUDGE TOREM: Thank you, sir. Roland
9 Torngren, did you want to add anything?

10 MR. TORNGREN: The only thing that I want
11 to --

12 JUDGE TOREM: You'll need to come
13 forward, if you're going to testify, sir. After
14 Mr. Torngren it will be Larry Stuckart, representing
15 SNAP. And then Carol Taylor, if she wishes.
16 Mr. Torngren, if you could state and spell your name.

17 MR. TORNGREN: Roland Torngren,
18 T-o-r-n-g-r-e-n. Fellow citizens, can I call you that?
19 I concur with the first speaker that we had. That was
20 just about my same idea about the situation, so I'm going
21 to make it very short. Thank you.

22 MR. TOREM: Thank you, sir. Larry
23 Stuckart?

24 MR. STUCKART: Good evening. Thank you
25 for coming to Spokane for the hearing. I'm the Executive

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1 Director of SNAP, that's legally known as Spokane
2 Neighborhood Action Partners.

3 SNAP has provided help for poor people
4 paying their heating bills and energy bills for over 35
5 years. There's several energy programs differentiated by
6 sources of funding and particular demographic groups.
7 Last year in particular we were funded by different
8 combinations of the federal LIHEAP block grant, tariffs
9 on the Avista customers, donations from the customers of
10 Inland Power, Modern Electric and Avista Energy,
11 donations from Avista Utilities, some mandated by the
12 Commission, and other additional donations freely given
13 to Project Share by the shareholders of Avista, not the
14 customers, and, finally, United Way.

15 Our customers usually do not know where
16 Snap obtained the resources used to assist them. For
17 instance, our regular Energy Assistance Program has
18 funding from the Avista tariff, we call it LIRAP, and
19 also from the federal LIHEAP block grant. Avista
20 customers could be receiving help from one fund or the
21 other, but not both. The programs are identical for us
22 to administer, the only variation is who is eligible.
23 Both programs vary the amount of assistance provided by
24 the income of the household and the yearly heating costs.
25 Operating these programs together lessens our

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1 administrative costs and lowers our potential for errors.

2 We have a potential population of
3 eligible low income households that is growing, the
4 number we've been using, but we've been using it for the
5 past four years, is over 34,000 households. I think the
6 over is getting bigger and bigger, and different budget
7 cuts were not seen, things come out of OFM, as we'd like
8 numbers pertaining to population.

9 Our actual service numbers for the
10 2008-2009, that's the heating seasons listed as of today,
11 was the last day of that heating season, that's the same
12 as the federal LIHEAP block grant, as of today, which was
13 13,137 households. In the 2007-2008 we helped 9,179
14 households between the two programs. This increase is
15 due to a large increase in the federal LIHEAP funds that
16 became available. This came at an unplanned, last-minute
17 Senate-House Conference Committee allocation of federal
18 stimulus dollars to the LIHEAP program. We didn't know
19 this was coming. It was the last minute, it was probably
20 two weeks a year ago in two weeks. We did not become
21 aware of these funds, we needed a place for additional
22 staff. We received an increase in the tariff funding,
23 also, because of actions with this Commission. We
24 received the tariff funding increase in January 2009, yet
25 you will see that we served many more people and assisted

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1 them with additional help without the appropriate
2 planning we would have liked to have done.

3 Our Direct Service spending for 2007-08
4 heating season combined LIHEAP and LIRAP was \$4,646,000,
5 and the average client payment was 505. During this last
6 year with the combined expenses were 7,611,000, that's a
7 tremendous increase. The average household payment was
8 \$579.

9 We have not received a contract yet for
10 this coming heating season, which starts tomorrow. We
11 have submitted a contract with the Department of Commerce
12 for the federal LIHEAP program, but the contract we have
13 signed is for the same amount of dollars as 2007 and
14 2008, not the amount we received last year. A
15 significant reduction. Regardless, we will start the
16 program, limited to payments to Avista accounts. We have
17 increased staffing, we've been interviewing right down
18 the hall interviewing the workers, we can -- we have four
19 additional interviewing people working. Last year we
20 received federal funding on time. This year the federal
21 funding is late, as of tomorrow. The LIHEAP contract
22 amounts will not be finalized until the Senate and the
23 House and President agree on a final funding level.

24 We're starting the program only because
25 the Avista LIRAP program has sufficient carryover for us

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1 to start the program. We need the two-plus months
2 operating revenues, and this can supply it. We can only
3 help Avista customers, to start with, this year. It's
4 going to be difficult, but we can start, and we will
5 spend more money this year.

6 So, where does this leave us? We support
7 additional funding for low income, as the settlement
8 calls for. We must, to the extent possible, minimize the
9 neglect effects on low income. We oppose increases in
10 the base rate, whether in the regular or the -- either
11 one of the cases. This is a -- Base rate increases are
12 not equitable for low end users.

13 I appreciate the opportunity to speak to
14 you. We are willing to make any adjustments in our
15 program, and we're working with Avista to make those
16 adjustments, and we're in favor of anything low income.

17 MR. GOLTZ: Judge Torem, can I just ask
18 one question, if I may. I may not have gotten all the
19 numbers, but you said for the -- I think it was two years
20 ago, it was about \$4.6 million that distributed, with an
21 average of 505. And that number went, dramatically, up.
22 Was part of that due to federal stimulus funding? Did I
23 hear that correctly?

24 MR. STUCKART: Right. I have a chart
25 here that I've got four copies of it that I can hand out.

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1 MR. GOLTZ: I'd like to see that. My
2 question is, is that, to your knowledge, is that a
3 federal stimulus sort of bubble of money? In other
4 words, this is a one-time money? Or, is it possible it's
5 going to continue? Or, is just one time, and that's it?

6 MR. STUCKART: The President's budget did
7 not include the amount that was last funded last year.
8 The House and Senate versions of the bill have been at
9 the same level. It will go to conference again, and they
10 have to receive approval. It's a toss-up of coin. The
11 budget that we get until that one is signed, if we get a
12 continuing resolution, is based on the President's
13 budget. So, we will not, even if they passed a
14 continuing resolution, we will not receive sufficient
15 funds to operate the program at the size of last year. I
16 would like to say that the Senate and the House will
17 prevail, but that's politics.

18 MR. GOLTZ: And could we get copies of
19 that, and then make extra copies later on. Make that an
20 exhibit in the case.

21 JUDGE TOREM: Mr. Stuckart, I'd encourage
22 you to give both your written comments and the chart to
23 submit it as a written comment. That will be fantastic.
24 Thank you. Next on the list that had a question mark,
25 Carol Taylor. Did you wish to speak? Following

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1 Ms. Taylor, it appears that there's a number of folks who
2 wrote a question mark, the next one would be Jody
3 Heitzman, and then Bob Apple had indicated "No," but I'll
4 ask you if you wanted to change your mind. Ms. Taylor?

5 MS. TAYLOR: So, I'm supposed to state
6 where I live?

7 JUDGE TOREM: Yes. State your name, and
8 spell it, and tell us where you live, and how long you've
9 been an Avista customer.

10 MS. TAYLOR: My name is Carol Taylor, I
11 live at 4214 East 28th Avenue in Spokane. I'm an Eastern
12 Washington employee, I'm a professor in computer science,
13 and I agree a lot with the first customer -- excuse me --
14 the first person who was speaking, plus the gentleman who
15 had the engineering firm. And I just want to add a
16 couple other things that, you know, maybe not the
17 obvious. There was a lot of numbers talked about, but
18 what I did is I went to the web and printed off the
19 profitability of Avista, so what -- just reading it said,
20 basically, it was in 2008 Avista contributed net income
21 of about 45.3 million for six months, in 2009, basically,
22 they earned more, about 56 million, and they said this
23 was primarily the result of increased gross margin --
24 operating revenues less resource costs -- from the
25 implementation of new retail rates in Washington and

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1 Idaho. And they go on to say that the increases were
2 determined to be reasonable and fair.

3 So, this isn't a time period where we had
4 a financial meltdown in 2008, a huge number of people
5 have lost their jobs. At my university -- you're all
6 Washington people, and reside over there on the west --
7 they cut education 25 percent. People have lost their
8 jobs all over WSU, University of Washington, and Eastern
9 Washington University, my university, we're not even
10 through with the final round of cuts. We had already a
11 whole bunch of cuts, and people are gone that are no
12 longer there. We're going to have another round of cuts
13 in January, and maybe another round of cuts in May. We
14 haven't absolutely all the costs. So, in addition to all
15 the job losses that have happened to date, there's going
16 to be a whole bunch more. These are people with no
17 opportunity to have other jobs in this huge downturn of a
18 market.

19 So, again, I agree with all the people
20 that have talked so far, the fact that they want a rate
21 increase in this terrible time when we're all cutting
22 costs and tightening our belts is unconscionable. I just
23 think that, you know, if I had an option, if there was
24 some other option to go with besides Avista, I would take
25 it. Right now I'm searching for a way to do solar at my

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1 house, because I just don't want to be -- you know, my
2 salary right now is fixed, I'm not getting any increases,
3 I won't see any increases for probably the next five to
4 ten years, if things keep going, so I want to figure a
5 way to get off being obligated to Avista, to a company
6 that doesn't didn't seem to have any conscience for the
7 people. Thanks.

8 JUDGE TOREM: Thank you, Ms. Taylor, for
9 coming out tonight. Jody Heitzman? I don't see Jody
10 Heitzman. So, Bob Apple?

11 MR. APPLE: My name is Bob Apple, and
12 it's A-p-p-l-e, just as it sounds. I want to thank the
13 Commission tonight for allowing us to speak here in
14 Spokane directly to you, because it's more important for
15 me to be able to do that. And I say that, because I'm
16 also a small elected official in my community, on the
17 Spokane City Council.

18 And, basically, what I want to talk to
19 you about, some of the information I have as a
20 Councilman, and in representing my constituents. I
21 received a paper, or a notice document this summer from
22 the U.S. Department of Housing and Urban Development that
23 indicated that one out of two people in Spokane have
24 received some sort of assistance in the last calendar
25 year from either state, federal or local sources, but

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1 with federal funding involved. That's pretty indicative
2 of what Spokane is, and is known as a poverty pocket in
3 the state of Washington.

4 Also, you know, to get a good idea of how
5 our local economy is faring, the City of Spokane also has
6 a number of utilities, and is a single source supplier,
7 garbage and water, with regards to those services our
8 water service is substantially down this summer, in spite
9 of the fact we had a very hot summer. Also, our garbage
10 collection is down substantially, as well, and that's
11 very comparative to sales of products in stores. So,
12 we're seeing a marked revenue reduction in that.

13 Not only that, sales tax -- and that's
14 where most communities in the state reference their
15 economic plight these days, I suppose, in the bad
16 terms -- we're only down about 7 percent. But, you know,
17 across the state it's double digit, most of the people
18 being subsistent, here, you still have to buy the basics
19 to get by, so it's not probably as bad, but we're feeling
20 the very strong pinch. It is more than we anticipated,
21 it will go down as a Council, and as a City Government,
22 but the point is, is that we have to deal with these
23 shortfalls, too.

24 And like a private business, sometimes
25 the private businesses, as well, are going to have to

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1 deal with it. Many of them aren't in Spokane. Our
2 number of business licenses is dropping, as well, and if
3 we look at the numbers of commercial and residential
4 rental units, there are a very large supply available,
5 because there's a lot of vacancy. I would give you
6 specific numbers, but the general view, as what I'm
7 trying to give you is that, you know, business in Spokane
8 is tight. Small business is hurting. The only wage
9 increases I think you're going to see are minimum wage
10 requirement increases, if they apply this coming year.
11 You know that fixed wages, even from the federal
12 government and assistance programs, are not going to
13 occur, including, I believe, our military. So, we have
14 an air base here in the region, a lot of the people live
15 in Spokane.

16 So, we have, you know, tight constraints,
17 and I want to make that very clear. I think that in the
18 past, if you look at the energy consumption, I don't know
19 whether Avista is seeing a downturn, but what I do
20 believe is very clear, is that the cost of raw energy is
21 dropping. Looking at the barrel price, I saw where it
22 was last year, two, if not three times what it is today,
23 and it's \$66 as of yesterday, from what I saw. So, I
24 just don't know that we can afford to beat up the
25 community anymore, and as a local resident, and as a

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1 citizen representing the public, I just don't see how I
2 can see raising city rates. So, this is a very difficult
3 question I hope that you will deal with -- well, I know
4 you'll have to give strong deliberation to the remarks.
5 Thank you.

6 MR. GOLTZ: Thank you.

7 JUDGE TOREM: Thank you, Councilman
8 Apple. And I wanted to let you know, too, you mentioned
9 the minimum wage increase. We sat this afternoon and
10 noted that the Department of Labor and Industries did not
11 raise the minimum wage for Washington --

12 MR. APPLE: Right.

13 JUDGE TOREM: -- on January 2010.

14 MR. APPLE: I suspected, but, thank
15 you.

16 JUDGE TOREM: Today was the official
17 announcement.

18 MR. JONES: Mr. Apple, you mentioned
19 sales tax collections for the City were down 7 percent.
20 What sort of belt-tightening, or cost-cutting furloughs,
21 or what have you been doing? Have you been forced to
22 layoff people here in the City?

23 MR. APPLE: We may, but what we're
24 looking at right now is we're trying to work with the
25 labor unions, we're trying to work with the

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1 administrative personnel to try to see where we can make,
2 you know, cuts without really having to get rid of
3 people. That's the last resort in my mind, but if we can
4 get concessions, that's what we're looking at. We do
5 have a reserve account. We have committed, if the labor
6 well work with us, we'll use some of the reserves.

7 JUDGE TOREM: The next speaker signed up
8 is Peggy, I believe it's Boothe, with a question mark.
9 All right. She's coming down. And Loraine Larson, and
10 Nick Beamer, from the Aging and Long-term Care Services.
11 So, Ms. Boothe.

12 MS. BOOTHE: Good evening. My name is
13 Peggy Boothe, B-o-o-t-h-e, I'm a Spokane resident, I've
14 been here all my life. An Avista customer, Washington
15 Water Power customer. Same thing, I've lived here and
16 worked here all my life, I have to wear two sweatshirts
17 at night, keep my heat at 62, even my dogs have to wear
18 sweaters. We're cold. We can't afford the gas. My
19 mother is 92. She, fortunately, can live by herself, but
20 she has to sit there and be cold. There is no reason why
21 we should sit home and be cold. I work full-time. My
22 mother has a fairly good retirement.

23 What does a person do in a job that
24 requires \$2,000,000? I cannot imagine what that person
25 does. And to get a million-dollar raise? Hoky smokes, I

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1 haven't had a raise in two years, and that was fifty
2 cents an hour. During these times we all have to buckle
3 down. We all have to give up a little bit. I think
4 Avista needs to start looking at that. Look at everybody
5 as a whole, not just their little company. It's a
6 whole -- It's the whole area. We that are working
7 full-time, we shouldn't have to sit in the cold, sit in
8 the dark, wear two or three sweatshirts to keep warm. My
9 parents shouldn't have to be doing that, and neither
10 should my neighbors. It's tough times. And to want us
11 to pay more for production costs, and for raises for the
12 CEOs in these companies, it's wrong. It is just wrong.
13 It's just wrong.

14 And that's what I have to say. That's my
15 story, and I'm sticking to it. Thank you.

16 JUDGE TOREM: Thank you, Ms. Boothe.
17 Loraine Larson? All right. Nick, from Aging and
18 Long-term Care. Sorry, sir, I just can't make out the
19 last name.

20 MR. BEAMER: I'll help you with that. My
21 name is Nick Beamer, and I'm the Executive Director for
22 Aging and Long-term Care of Eastern Washington. I'm here
23 tonight to speak on behalf of the Planning and Management
24 Council of Aging and Long-term Care. We are the area
25 agency on aging that covers Spokane, Ferry, Stevens and

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1 Pend Oreille Counties to the north, and Whitman County to
2 the south. The Council is composed of 32 volunteers
3 which come from throughout all of those counties.

4 As you might suspect, council members are
5 very concerned about the impact that electrical and gas
6 rates will have on home heating, cooling and lighting
7 costs for the low income seniors, and also for persons
8 with disabilities who are residents of Spokane County in
9 these other areas, especially the areas that, of course,
10 are covered by Avista.

11 You've heard some background, and I want
12 to add to some facts and figures about the folks that I
13 and our Council would serve in this area. Approximately,
14 22 percent of the owner-occupied homes without mortgages,
15 which are usually senior citizens, report a household
16 income of less than \$25,000. You have heard, I would
17 imagine, from the Social Security Administration that
18 they do not think that there will be any cost of living
19 increase for 2010, or planned for 2011. You've already
20 heard about the unemployment statistics for our area.

21 From the recent State bi-annual budget
22 that was adopted just recently by the legislature,
23 seniors and others in need of long-term care who would
24 like to live at home suffered reductions. There will be
25 a reduction in average hours of in-home care from about

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1 three to four percent. That varies, of course, by
2 individual. Those are the individuals that are eligible
3 for Medicaid. They, also, would otherwise be in a
4 nursing home, if they were not eligible, if they were
5 having to go that way for their care. But in our state
6 we've been able to offer options. Those options get
7 harder and harder when rates go up for things like
8 electricity and gas to stay at home. There's also been
9 some elimination for transportation funding for folks
10 that used to be able to avail themselves to adults they
11 help.

12 I believe that the electricity and
13 natural gas rates can result in a decline in both health,
14 safety and other things that low income seniors face,
15 because in the wintertime folks are more susceptible to
16 colds, flu and pneumonia, especially when they cannot
17 heat their homes to the degree they need to. Some will
18 make up for increased heating costs by taking less
19 medications, and sometimes by taking less food than they
20 need.

21 For these reasons the Council has taken
22 the following positions regarding this rate case. We
23 agree that Avista should be granted a small increase in
24 electrical rates, and that in line with the UTC staff
25 recommendation would be where we would end up. We also

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1 think that Avista should be commended for moving quickly
2 to file a separate request with the UTC for a reduction
3 in the natural gas rates in order to pass along
4 reductions in the purchase price of the natural gas. And
5 then no increase in gas rates are justified in the
6 general rate case. We also feel that decoupling should
7 not continue. We also feel that funding to help low
8 income individuals to meet increased costs due to any
9 approved rate increase be included in the rate case
10 settlement.

11 Agency staff have been working in
12 conjunction with other community agencies and Avista to
13 address the impact of rate increases on vulnerable and
14 at-risk seniors. We commend Avista for their rates --
15 pardon me -- for their interest in this area, and their
16 efforts to mitigate the impact of rate increases.

17 One thing the Commission could do, it
18 always seems like this rate case comes up in November and
19 December, and you say you're going to make your decision
20 in December, that is the peak of the heating season. It
21 goes into January, of course, in this area, February,
22 March, sometimes April, and I would recommend that you
23 delay implementation of the rate increase until July.
24 That concludes my testimony, unless you have questions.

25 JUDGE TOREM: Thank you, Mr. Beamer.

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1 Brenda or Troy Dilley, one of you had made an indication
2 that you might want to speak. Troy? All right. Come on
3 down, sir.

4 MR. DILLEY: I, originally, resided in
5 the Spokane Valley, but I missed the earlier one, that's
6 why I'm here.

7 JUDGE TOREM: All right. Can you state
8 and spell your name for the court reporter.

9 MR. DILLEY: Spell my name?

10 JUDGE TOREM: Yes, please.

11 MR. DILLEY: T-r-o-y, D-i-l-l-e-y.

12 JUDGE TOREM: Thank you, sir.

13 MR. DILLEY: I know a lot of people who
14 is on Avista, really good friends, and they have lost
15 their jobs, they have children, they get very little
16 unemployment insurance, and -- which is about ready to
17 run out. I think -- I don't know how many times I've
18 (inaudible) it's been a lot. But I think it's time for
19 Avista to live up to the facts that this country, state,
20 whatever you want to call it, is in a recession. I know
21 it's very hard for people to find work. For example,
22 I'll give you one example. Somebody on Craig's List was
23 putting an ad to help somebody move, help them move, and
24 I asked my friend, "How many" -- I asked him, "How many
25 responses did he get?" He got 80 responses in less than

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1 an hour. That's unreal. I mean -- I know you guys are
2 paying pretty good wages for that one day, but, still,
3 that's a lot.

4 And another instance, I've seen this guy
5 on the internet, he was requesting a stranger, asking if
6 somebody would loan him or give him charity, give him
7 some money so he could pay his Avista bill. And that's
8 getting really, you know, down to earth. So, I think
9 it's time for Avista to live up, and maybe stop -- I
10 don't know -- realize what's going on in this country,
11 instead of always wanting money, money, money, money.
12 You know, I don't know what -- we're not their customer,
13 but I don't know what Inland Power, whatever they charge,
14 because, of course, we don't have their service. But all
15 I know is every year it seems like Avista wants another
16 increase, like they make it a yearly thing. And I could
17 be wrong, but that's what it feels like.

18 I don't know if you guys remember -- one
19 more last thing -- that was in the winter of last year,
20 or when it was cold, when this lady set up a protest in
21 front of Avista headquarters. Me and my wife were there,
22 because we weren't -- I mean, I was actually not doing it
23 for me, I was doing it for all the people who have kids.
24 I wasn't doing it for us, I was doing it for all the
25 people who are suffering, you know. So, that's what I

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1 was -- that's why I was there. And, thank you very much.

2 JUDGE TOREM: Thank you, Mr. Dilley.

3 Karen Eberts, and Eugene Eberts?

4 MR. EBERTS: I'm going to let my wife
5 speak first, and then I'll follow.

6 JUDGE TOREM: Thank you, sir.

7 MS. EBERTS: Hello. Can you hear me
8 alright? My name is Karen Eberts, spelled, E-b-e-r-t-s,
9 I am not employed anymore. I used to work at Eastern
10 State Hospital, but I took a disability from there after
11 working there for 15 years.

12 I came last year to the meeting over at
13 the Spokane House, I think it was called. While I was
14 there I had picked up a few of these things that I also
15 picked one again this year. One is Avista's Energy Star
16 Program. A great program. My husband and I have put new
17 siding on our house, we've put new windows on our house.
18 We use the little curly lights, I can't remember what
19 they're called. We ended up putting more filler in the
20 attic. All these things were done to promote energy
21 saving. Then, tonight I was looking through a couple of
22 papers that I was trying to get together for this
23 meeting, and I found that it said that people that make
24 the effort to decrease their rates, in the end, have to
25 pay more. Because when you decrease it, you actually end

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1 up paying more by saving. So, I guess I won't do that
2 anymore.

3 Another thing that I was looking
4 through -- I have articles, here -- "Avista Ecology
5 Settled River Appeals." I remember that last year.
6 There was a gentleman that came to the meeting, and he
7 spoke at great length about how Avista was going to have
8 to pay for dam charges for -- I guess for use. I'm not
9 sure how that works. What I didn't understand, and when
10 I asked at that time was, why didn't they plan ahead?
11 When I have to buy something -- because I do live on a
12 fixed income, and when I have to buy something I have to
13 plan for it. I cannot depend on someone else to take
14 care of my bills.

15 Another thing was, like my friend
16 commented, "Avista CEO, 2.2 million." Boy, that must be
17 nice. I don't think I'll ever see 2.2 million, unless I
18 win the lottery, which is highly unlikely. He also got
19 salary incentives, stock and retirement. I'd like to
20 tell you that what I get for retirement from Eastern
21 State Hospital is \$178.28, and I worked there for 15
22 years. Big deal.

23 "Avista Faces Rate Appeal" -- excuse
24 me -- "Faces Face Appeal. Attorney General targets
25 increases have started January 1st." Well, I'm glad to

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1 see the Attorney Generals are here. I think it's about
2 time that they started doing some pushing, because I
3 think Avista is not our friend. If I could have Inland
4 Power and Light, I sure would. I've talked to my husband
5 about putting solar panels on our house. I've talked to
6 him about putting one of those little wind contraptions
7 in my back yard, except I think it probably would be
8 probably -- we probably live in the wrong neighborhood to
9 put one of those up.

10 It says, "Agencies Object to Avista
11 Hikes." Well, so do I. I have a fixed income, guys. I
12 got to live with it. You all have very nice suits on,
13 the Attorney Generals do, and the Avista guys do. This
14 is my daily clothing. I wear blue jeans from Wal-Mart,
15 and T-shirts, because that's what I can afford. I can't
16 afford fancy suits.

17 It says, here, my last article is,
18 "Avista is Cutting Natural Gas Rates." But then I got to
19 reading this thing, here, that Avista put out -- or,
20 excuse me, I think the Attorney General put out -- and it
21 says that, "Avista is now requesting an increase of 38.6
22 million for electric, and 3.14 million for gas
23 customers." What happened to the rate cut? Where did it
24 go? I'm a little confused. I would like some answers,
25 gentlemen. Thank you very much.

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1 JUDGE TOREM: Thank you, Ms. Eberts.
2 Eugene Eberts.

3 MR. EBERTS: My name is Eugene Eberts,
4 that's spelled E-b-e-r-t-s. And I've been a resident of
5 Spokane for 15 and a half years. I live at 3810 West
6 Wiley. Prior to that time I lived up in Suncrest, which
7 is in lower Stevens County. We were serviced by Inland
8 Power and Light, which I believe is a co-op.
9 Unfortunately, I can't get Inland Power and Light. If I
10 could, I would. And looking at those two companies, I
11 wonder if we could have competition in this city with
12 Avista with regards to our utilities, if Avista would be
13 pursuing a rate increase. That's pretty much what I have
14 to say, gentlemen. And I thank you for coming.

15 JUDGE TOREM: Thank you, Mr. Eberts. Is
16 there anyone else present that didn't sign in that did
17 want to give testimony tonight? All right. Not seeing
18 any hands, for those of you that wanted answers on these
19 substitutive questions that are before the Commission,
20 tonight, unfortunately, I can't have you ask the
21 Commissioners, they are still waiting, and have to, just
22 like any Judge, or a jury, they can't talk to folks
23 outside of the courtroom, if you will. At least not
24 about the case. If you want to ask them about the
25 weather, or their flight over, what they had for lunch

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1 today, they'll let you know. But they can't talk to you
2 about the case itself. The folks that can talk to you
3 and give you some answers are Mr. Trautman and
4 Mr. Ffitch, two different Attorneys General that have
5 vast knowledge about the case, and can tell you about
6 their organization's positions on the proposed rate
7 increase and the decoupling issues. And, also,
8 Mr. Meyer, Mr. Norwood can answer questions about the
9 company, and why it's going forward on what it is -- why
10 they're seeking a rate increase even at this time.

11 They were given the same opportunities
12 this afternoon in the Spokane Valley, and I know they had
13 a lot of folks walk up. I encourage you to engage these
14 folks while you have them in front of you tonight,
15 particularly about the question about the, "Where is the
16 rate increase?" Where is the rate decrease?" That's one
17 that they can try to explain to you. There's some
18 differences there, and I won't go into them now, but I
19 encourage you to take the time tonight while you're here.

20 Now, for those of you that were giving
21 your testimony, that's now part of the record. Those of
22 you that didn't comment to the Commissioners tonight can
23 still send in written comment up until next Friday,
24 October the 9th. Let me give you the addresses to send
25 in your written comments, if they're going to be

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1 postmarked by October the 9th they can be accepted. Send
2 them to the Utilities and Transportation Commission, or
3 UTC, the P.O. Box is 47250. It's Olympia, Washington,
4 and the zip code is 98504.

5 If you want to look on the web site and
6 submit your comments electronically, it's www.utc.wa.gov,
7 and there is a link to put up a public comment. So long
8 as you indicate it's about the Avista rate case, or
9 Avista decoupling, it should get to the right portion of
10 the Commission. If you want to be more specific, again,
11 you can write down any of these three docket numbers,
12 090134, 090135, those are the rate case dockets, and for
13 decoupling it's 060518.

14 Commissioners, any comments for those
15 assembled tonight?

16 MR. GOLTZ: No. Just, once again, thank
17 you all for coming and providing some, what I thought
18 were some very, very thoughtful comments, and very useful
19 to us. Thank you.

20 JUDGE TOREM: Again, I want to echo the
21 thanks and say it's good to see folks that are willing to
22 come out both in the Valley this afternoon, and, sir, for
23 you coming all the way out from the Valley to catch us in
24 downtown Spokane tonight, particularly, we had a number
25 of people that traveled from far and wide for both of our

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1 hearings today. Please know that your comments are taken
2 seriously. We will consider them in our deliberations in
3 the months ahead, and I hope you'll find that those
4 feelings are recognized in the opinion that's written and
5 published sometime in December. Thank you, again, all.
6 And thank you, again, to the City of Spokane, and this
7 afternoon for the Spokane Valley for letting us make use
8 of your Chambers. This meeting is adjourned tonight at
9 6:35. Thank you.

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(6:35 p.m.)

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1 STATE OF WASHINGTON)
) ss.
2 County of Spokane)

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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 48 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
24 Certified Shorthand Reporter
CSR No. 2824
Notary Public for Washington
25 My commission expires: 8-19-10