

**BEFORE THE WASHINGTON  
UTILITIES AND TRANSPORTATION COMMISSION**

In the Matter of the Petition of

AVISTA CORPORATION d/b/a  
AVISTA UTILITIES

For an Order Authorizing the Company  
to Revise its Electric and Natural Gas  
Book Depreciation Rates and  
Authorizing Deferred Accounting  
Treatment for the Difference in  
Depreciation Expense

DOCKETS UE-180167 and  
UG-180168 (*Consolidated*)

ORDER 03

GRANTING JOINT MOTION, IN  
PART

- 1 **NATURE OF PROCEEDING.** On February 22, 2018, Avista Corporation d/b/a Avista Utilities (Avista or Company) filed with the Washington Utilities and Transportation Commission (Commission) a petition requesting approval of a proposed change to its electric book depreciation rates and authorizing deferred accounting treatment for the difference in depreciation expense (Docket UE-180167). Avista also filed with the Commission a petition requesting approval of a proposed change to its natural gas book depreciation rates and authorizing deferred accounting treatment for the difference in depreciation expense (Docket UG-180168). On August 22, 2018, Avista filed amended petitions in both dockets.
- 2 On December 12, 2018, the Commission convened a prehearing conference in these dockets, and on December 13, 2018, entered Order 01, Order of Consolidation; Prehearing Conference Order; Notice of Hearing (Order 01).
- 3 **SETTLEMENT IN PRINCIPLE.** On February 4, 2019, Avista filed a Joint Motion to Suspend Procedural Schedule on behalf of the Company, Commission staff, AWEC, and Sierra Club (Settling Parties). In the Motion, the Settling Parties stated that they had reached a settlement in principle and, with the support of Public Counsel, requested that the Commission suspend the procedural schedule. Avista stated that the Settlement

Agreement will be filed no later than February 12, 2019. Avista further requested that the Commission convene a telephonic prehearing conference to establish any additional process.

4 On February 7, 2019, the Commission issued a notice finding good cause to suspend the procedural schedule, convene a telephonic prehearing conference, and require the parties to file the settlement agreement on the schedule proposed by the parties.

5 **SETTLEMENT.** On February 12, 2019, the parties jointly filed a full settlement agreement, to which all parties ascribe (including Public Counsel, who joined after the filing of the joint motion on February 4, 2019). Simultaneously, the parties filed a joint motion requesting a February 15, 2019, deadline for filing testimony in support of the settlement, that the proposed settlement be considered by the Commission based upon the testimony filed by the parties in support of the settlement and without a hearing, and that the Commission consider the proposed settlement on an expedited schedule to accommodate the parties' requested April 1, 2019, effective date.

6 **CONFERENCE.** The Commission convened a telephonic prehearing conference at Olympia, Washington on February 13, 2019, before Administrative Law Judge Andrew J. O'Connell. A representative for each party was present.

7 **DISCUSSION AND DECISION.** We grant the parties' joint motion, in part. Pursuant to WAC 480-07-740(2)(e), the Commission has discretion to conduct a settlement hearing, and does so when it will assist the Commission's decision on whether to approve the settlement.

8 At the prehearing conference, we indicated that the requested deadline of **February 15, 2019**, for filing testimony in support of the settlement was acceptable and that the parties should file their supporting testimony on that date.

9 Additionally, we agree with the parties that a settlement hearing is unnecessary for the consideration of the settlement agreement and supporting testimony in this case. We do not, however, preclude our ability to set a hearing if, after reviewing the settlement agreement and the testimony supporting the settlement, we determine that a hearing is necessary to address any outstanding questions or issues.

10 Lastly, we understand that the parties have requested an expedited consideration of this settlement in order to allow for a proposed effective date of April 1, 2019. The Commission's normal practice when receiving such requests is not to set a deadline for

the Commission's decision, but explain that the Commission will take the reasonable and deliberate time necessary to fully evaluate the proposed settlement, and issue a decision after the assessment is complete. We see no reason to deviate from this practice here. We do note, however, that we will take up the consideration of this matter promptly and esteem to issue a decision without unnecessary delay. This may well result in a decision that accommodates the parties' requested effective date, but we decline to make any commitment.

- 11 **NOTICE TO PARTIES: A party who objects to any portion of this Order must file a written objection within ten (10) calendar days after the service date of this Order, pursuant to WAC 480-07-430 and WAC 480-07-810. The service date appears on the first page of the order in the upper right-hand corner. Absent such objection, this Order will control further proceedings in these dockets, subject to Commission review.**

Dated at Olympia, Washington, and effective February 19, 2019.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

ANDREW J. O'CONNELL  
Administrative Law Judge