

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

WASHINGTON UTILITIES AND)	DOCKET UG-041515
TRANSPORTATION)	
COMMISSION,)	ORDER NO. 01
)	
Complainant,)	
)	
v.)	
)	
Avista Corp. d/b/a Avista Utilities,)	
)	COMPLAINT AND ORDER
Respondent.)	SUSPENDING TARIFF REVISIONS
.....)	

BACKGROUND

1 On August 20, 2004, Avista Corp. d/b/a Avista Utilities (“The Company”) filed with the Commission revisions to its currently effective Tariff WN U-29. The proposed revisions to its tariffs are:

Second Revision Sheet 101	Canceling	First Revision Sheet 101
Second Revision Sheet 111	Canceling	First Revision Sheet 111
Second Revision Sheet 112	Canceling	First Revision Sheet 112
Second Revision Sheet 121	Canceling	First Revision Sheet 121
Second Revision Sheet 122	Canceling	First Revision Sheet 122
Second Revision Sheet 131	Canceling	First Revision Sheet 131
Second Revision Sheet 132	Canceling	First Revision Sheet 132
Second Revision Sheet 146	Canceling	First Revision Sheet 146
Eighth Revision Sheet 156	Canceling	Seventh Revision Sheet 156

2 The stated effective date is September 20, 2004. The purpose of the filing is to increase its rates and charges for its natural gas service to natural gas customers in the state of Washington. With this filing the Company, (Avista

Utilities), requests an overall general rate increase of 6.2% or \$8.6 million, to be implemented at the end of the general rate case proceedings.

- 3 The filing would increase charges and rates for service provided by Avista Utilities. Because those increases might injuriously affect the rights and interests of the public and Avista Utilities has not demonstrated that the increases would result in rates that are fair, just, reasonable, and sufficient, the Commission suspends the tariff filing and will hold public hearings if necessary to determine whether the proposed increases are fair, just, reasonable, and sufficient. Issues may include consideration of alternative rate design or structure. Also at issue is whether the Company's existing rates are fair, just, reasonable, and sufficient.

FINDINGS AND CONCLUSIONS

- 4 (1) The Washington Utilities and Transportation Commission is an agency of the State of Washington vested by statute with the authority to regulate rates, regulations, practices, accounts, securities, and transfers of public service companies, including gas companies. *RCW 80.01.040; Chapter 80.04 RCW; and Chapter 80.28 RCW.*
- 5 (2) Avista Utilities is a gas company and is a public service company subject to the jurisdiction of the Commission.
- 6 (3) This matter was brought before the Commission at its regularly scheduled open meeting on September 8, 2004.
- 7 (4) The tariff revisions filed by Avista Utilities on August 20, 2004, would increase charges and rates for service provided by Avista Utilities, and might injuriously affect the rights and interests of the public.
- 8 (5) Avista Utilities has not yet demonstrated that the increased rates and charges in its tariff revisions would result in rates that are fair, just, reasonable, and sufficient. Issues may include consideration of alternative rate design or structure. Also at issue is whether the Company's existing rates are fair, just, reasonable, and sufficient.

- 9 (6) As required by RCW 80.04.130, Avista Utilities bears the burden of proof to show that the proposed increases are fair, just, reasonable, and sufficient.
- 10 (7) In order to carry out the duties imposed upon the Commission by law, and as authorized in RCW 80.04.130, the Commission believes it necessary to investigate Avista Utilities's books, accounts, practices and activities; to make a valuation or appraisal of Avista Utilities's property; and to investigate and appraise various phases of Avista Utilities's operations.
- 11 (8) Avista Utilities may be required to pay the expenses reasonably attributable and allocable to such an investigation to the extent the requirements for such payment are in accordance with the provisions of Chapter 80.20 RCW.

ORDER

THE COMMISSION ORDERS:

- 12 (1) The tariff revisions filed on August 20, 2004, are suspended.
- 13 (2) The Commission will hold hearings at such times and places as may be required.
- 14 (3) Avista Utilities must not change or alter the tariff revisions filed in this docket during the suspension period, unless authorized by the Commission.
- 15 (4) The Commission will institute an investigation of Avista Utilities's books, accounts, practices, activities, property and operations, as described above.
- 16 (5) Avista Utilities shall pay the expenses reasonably attributable and allocable to the Commission's investigation to the extent the

requirements for such payment are in accordance with the provisions of chapter 80.20 RCW.

- 17 (6) As required by WAC 480-80-125, Avista Utilities must supply a notice to all affected customers in the form and manner specified in WAC 480-90-125.

DATED at Olympia, Washington, and effective this 8th day of September, 2004.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

MARILYN SHOWALTER, Chairwoman

RICHARD HEMSTAD, Commissioner

PATRICK OSHIE, Commissioner