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Corp.

September 28, 2005

Carole Washburn, Executive Secretary
Washington Utilities and Transportation Commission
P.O. Box 47250
1300 S. Evergreen Park Drive S.W.
Olympia, WA 98504-7250

Re: Least Cost Planning Rulemaking, WAC 480-100-238
(Docket No. UE-030311)

Dear Ms. Washburn:

Thank you for the opportunity to provide comments regarding the proposed revisions to the electric least cost planning rule. Avista submitted comments on May 13, 2005 as part of the Commission's CR-101 process in this docket. The Company's comments at this time address new language added to the proposed rule since that time.

Section 3(d) of the proposed rule would require that a company assess its "transmission system capability and reliability." Avista is not opposed to this addition but wants to note that the process to achieve the level of detail associated with this analysis will need to be compliant with the Federal Energy Regulatory Commission (FERC) Standards of Conduct (SOC) rules. As the WUTC is aware, the SOC rules require a separation of transmission and power supply functions.

The SOC rule limits merchant (i.e., utility power supply) employees' access to information about the transmission system to information that is available to all customers on OASIS (Open Access Same-time Information System). Transmission employees are similarly prohibited from disclosing information "off-OASIS" to merchant employees. This does not allow a free exchange of transmission information as was the case prior to adoption of the current SOC rules in 2004. Utilities cannot now evaluate all the transmission alternatives in the collaborative environment that has been a hallmark of the WUTC's integrated resource planning process.

Methods will need to be developed to assess a company's "transmission system capability and reliability" for purposes of integrated resource planning in a manner compliant with the FERC's SOC rules. These methods will need to make available transmission system information to all customers, at the same time, during this process.

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Thank you for the opportunity to provide comments. Please call me at (509) 495-8706 regarding any questions on this matter.

Sincerely,

A handwritten signature in black ink that reads "Bruce Folsom". The signature is written in a cursive style with a large, prominent "B" and "F".

Bruce Folsom
Manager, Regulatory Compliance