



STATE OF WASHINGTON
UTILITIES AND TRANSPORTATION COMMISSION
1300 S. Evergreen Park Dr. S.W., P.O. Box 47250 • Olympia, Washington 98504-7250
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February 16, 2018

NOTICE OF INTENT TO CONSOLIDATE
(Comments on Consolidation due by 3 p.m. on Friday, February 23, 2018)

and

NOTICE OF OPPORTUNITY TO COMMENT ON AVISTA'S ACCOUNTING
PETITIONS FILED IN DOCKETS UE-171221 AND UG-171222
(Responses to Petitions due by 3 p.m. on Friday, February 23, 2018)
(Avista's Reply to Responses due by 3 p.m. on Wednesday, February 28, 2018)

RE: *Washington Utilities and Transportation Commission v. Avista Corporation, d/b/a Avista Utilities*, Dockets UE-170485 and UG-170486 (consolidated), and

In the Matter of the Petition of Avista Corporation, d/b/a Avista Utilities, For an Order Authorizing Deferral of Federal Income Tax Expenses for the Effects of Revisions of the Federal Income Tax Code Upon Avista's Cost of Service, Dockets UE-171221 and UG-171222

TO ALL PARTIES:

On May 26, 2017, Avista Corporation, d/b/a Avista Utilities (Avista or Company) filed with the Washington Utilities and Transportation Commission (Commission) revisions to its currently effective Tariff WN U-28, Electric Service, in Docket UE-170485 and revisions to its currently effective Tariff WN U-29, Natural Gas, in Docket UG-170486, designed to effect general rate increases for electric and natural gas services. On December 22, 2017, President Trump signed H.R. 1 – An Act to provide for reconciliation pursuant to titles II and V of the concurrent resolution on the budget for fiscal year 2018 (The Tax Cuts and Jobs Act, or TCJA) into law. The TCJA's most notable impact for utilities regulated by the Commission is the reduction of the federal corporate tax rate from 35 percent to 21 percent.

On January 2, 2018, the Commission issued Bench Request No. 1 in Dockets UE-170485 and UG-170486 to inquire into the TCJA's effects on Avista.

On December 29, 2017, the Company filed petitions requesting an order from the Commission authorizing Avista to use deferred accounting for the impact of the TCJA on its federal income tax expenses. These petitions were designated as Docket UE-171221, for Avista's electric operations, and Docket UG-171222, for its natural gas operations.

Pursuant to WAC 480-07-320, the Commission on its own motion may consolidate matters in which the facts or principles of law are related. The general rate case proceeding in Dockets UE-170485 and UG-170486, and the accounting petitions in Dockets UE-171221 and UG-171222, both involve facts relating to the impacts of the TCJA on the Company's operations. We find that the facts and principles of law in the accounting petitions are directly related to those in the general rate proceeding, and consolidation of these matters promotes administrative efficiency and judicial economy. It is our intent to consolidate these proceedings for final decision.

NOTICE IS HEREBY GIVEN That parties who wish to comment on the Commission's intent to consolidate these matters must do so by 3 p.m., Friday, February 23, 2018.

NOTICE IS ALSO HEREBY GIVEN That parties who wish to respond to the substance of Avista's accounting petitions must do so by 3 p.m., Friday, February 23, 2018.

FURTHER NOTICE IS HEREBY GIVEN That Avista may reply to any responses to its accounting petitions no later than 3 p.m., Wednesday, February 28, 2018.

MARGUERITE E. FRIEDLANDER
Administrative Law Judge