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S. Bradley Van Cleve

June 21, 2011

Via Electronic Mail

Honorable Marguerite Friedlander
Administrative Law Judge
Washington Utilities and Transportation Commission
1300 S. Evergreen Park Dr. SW
Olympia, WA 98504-7250

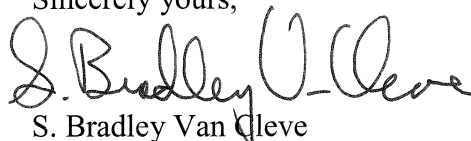
Re: Decoupling and Lost Margin Testimony

Dear Judge Friedlander

The Industrial Customers of Northwest Utilities (“ICNU”) submits this letter responding to your request for comments regarding addressing lost margin and decoupling issues in this proceeding. ICNU supports the request for testimony regarding decoupling and/or lost margins in this proceeding, as well as the request to address whether the proposals are consistent with the Commission’s decoupling policy statement. ICNU reserves the right to oppose any decoupling and/or lost margin proposals in this proceeding, including the proposal made by Avista.

Counsel for Avista mentioned at the Prehearing Conference that Avista may wish to make a new or different decoupling proposal. The joint schedule agreed to by all the parties (except Public Counsel) did not include an opportunity for Avista to make new decoupling proposals. ICNU is not opposed to Avista making a new or different proposal if it is made early enough in the proceeding so that all the parties have an opportunity to submit discovery and fully respond to any new proposal. The schedule in this proceeding does not provide sufficient time to allow Avista to make new proposals after the date upon which parties file their responsive testimony (proposed to be October 14, 2011). Therefore, ICNU requests that any new decoupling proposals should be due no later than the time parties file their responsive testimony. This would allow all parties to respond to any new proposals in their cross answering testimony. Thank you for your consideration.

Sincerely yours,


S. Bradley Van Cleve

cc: Service List