

1 **Q. When would the proposed rebate go into effect?**

2 A. The Company ~~would file~~ has provided Schedule 93 ~~as part of its with its tariff~~
3 ~~compliance filing, at the conclusion of this case~~ to pass through this deferral balance to
4 ~~customers over a 12 month period, at the conclusion of this case.~~

5
6 **IX. SUMMARY OF UE-110876/UG-110877 ORDER No. 06 REQUIREMENTS**

7 **Q. There were several requirements the Commission required of the**
8 **Company to address in this docket based on Order No. 06 (and Settlement Stipulation)**
9 **in Dockets UE-110876 and UG-110877. Would you please provide a summary of those**
10 **items and how they have been addressed by the Company in this rate case?**

11 A. Yes. Detailed below are four items that the Company was required to
12 address based on Order No. 06 in Dockets UE-110876 and UG-110877. Shown below are
13 the requirements, the page number and paragraph where the items are located in the Order,
14 and the witnesses that address the issues in this docket.

15 **Item 1 – Order Page 19, Paragraphs 42-43, addressed by Witness Feltes:**

16 "Accordingly, we order the Company to file with the Commission in this proceeding
17 by February 29, 2012, the following information: A description of current executive
18 compensation, including but not limited to base salary, non-equity incentive pay, and
19 incentive pay. This description should state what elements and amounts are included
20 in rates for the Company and what elements and amounts are not recovered through
21 rates. A description of how levels of executive compensation are set. This
22 description should include discussion of the basis for selecting ostensibly
23 comparable utilities that were surveyed, state what those survey results showed, and
24 explain how the results relate to Avista. Avista is also required to state whether
25 executive compensation paid by any Pacific Northwest investor-owned (e.g., Puget
26 Sound Energy, PacifiCorp, et cetera) or publicly-owned utilities (e.g., Seattle City
27 Light, Tacoma Power, Public Utility District No. 1 of Snohomish County, and the
28 Bonneville Power Administration) were considered and, if not, explain why not. A
29 discussion of Avista's perspective on whether and, if so, why, the existing levels of
30 executive compensation are appropriate for recovery in utility rates. We also
31 require the Company to update this information at the time it files its next general
32 rate case so that the Company's testimony can be evaluated for the prudence of