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Via Electronic Filing

Mr. Steven V. King
Executive Director and Secretary
Washington Utilities & Transportation Commission
1300 S. Evergreen Pk. Dr. S.W.
P. O. Box 47250
Olympia, WA 98504-7250

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

Dear Mr. King:

The Industrial Customers of Northwest Utilities ("ICNU") and Northwest Industrial Gas Users ("NWIGU") support consolidation of the above-referenced dockets. These proceedings are closely related, and ICNU and NWIGU believe that consolidating them would allow efficient resolution of both.

Dockets UE-170485 and UG-170486, Avista's 2017 general rate case ("GRC"), are nearing resolution. However, the recently-passed Tax Cuts and Jobs Act ("TCJA") has made significant changes to Avista's federal income tax burden, so rates set in Avista's 2017 general rate case will be immediately outdated. Avista has requested to use deferred accounting to account for the impact of the TCJA, and dockets UE-171221 and UG-171222 were opened to consider this proposal.

Ratepayers are entitled to the full benefit of whatever tax benefits the TCJA provides to Avista. Consolidating these dockets will allow the Commission to provide immediate rate relief as part of Avista's 2017 GRC to account for well-understood provisions of the TCJA. Adjustments for less-certain changes to federal tax law could still be made on a

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deferred basis, but ICNU and NWIGU are of the opinion that the Commission should endeavor to account for as many tax changes as possible as part of its decision in the Company's GRC.

ICNU and NWIGU appreciate the Commission's interest in ensuring that ratepayers receive all benefits associated with the TCJA as efficiently and expeditiously as possible.

Sincerely,

/s/ Riley G. Peck

Patrick J. Oshie, WSB 17796

Riley G. Peck

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