

August 3, 2011

**NOTICE OF OPPORTUNITY TO RESPOND TO JOINT MOTION
REGARDING PRUDENCE REVIEW OF DEMAND SIDE MANAGEMENT
PROGRAMS**

(Responses due by Friday, August 12, 2011, 3:00 p.m.)

RE: *Washington Utilities and Transportation Commission, Complainant, v. Avista Corporation d/b/a Avista Utilities, Respondent, Dockets UE-110876 and UG-110877 (consolidated)*

TO PARTIES OF RECORD:

On August 1, 2011, the Washington Utilities and Transportation Commission (Commission) received a Joint Motion for Order Clarifying Forum for Resolution of DSM Prudence (Joint Motion) from the Commission's regulatory staff, the Public Counsel Section of the Washington State Attorney General's Office, and Avista Corporation d/b/a Avista Utilities (Avista or the Company).¹ The Joint Motion and attached Memorandum of Understanding (MOU) request that the Commission approve procedures for the prudency review of Avista's electric and natural gas Demand Side Management (DSM) programs.² Historically, review of Avista's DSM programs has occurred in the context of the Company's general rate case.³ The MOU anticipates a process for prudency review of Avista's electric DSM program over a six month period in the same docket as the Company's next biennial conservation

¹ On July 28, 2011, the Commission received the same request in Docket UE-100176, *In the Matter of the Petition of Avista Corporation's Ten-Year Achievable Conservation Potential and Biennial Conservation Target Under RCW 19.285.040 and WAC 480-109-010*.

² Joint Motion, ¶ 1.

³ *Id.* at ¶ 7.

target filing in June of 2012.⁴ Avista's natural gas DSM program would be filed simultaneously in a separate docket.⁵ Neither the Joint Motion nor the MOU modify the settlement provision approved in Order 07 in Dockets UE-100467 and UG-100468 requiring Avista to conduct comprehensive reviews and audits of its internal processes involving DSM.⁶

Pursuant to WAC 480-07-375(4), the Commission may establish a time for responses to written motions. If any party wishes to respond to the Joint Motion filed by Avista, Public Counsel, and Staff, they should do so by **August 12, 2011, at 3:00 p.m.** Please direct questions regarding this notice to Judge Marguerite E. Friedlander, at 360-664-1285, or by e-mail at mfriedla@utc.wa.gov.

Sincerely,

MARGUERITE E. FRIEDLANDER
Administrative Law Judge

⁴ Joint Motion, ¶ 3. Appendix A to Joint Motion, ¶ 1.

⁵ Joint Motion, ¶¶ 3 and 9.

⁶ *WUTC, Complainant, v. Avista Corp.*, Dockets UE-100467 and UG-100468, Appendix A to Order 07, ¶¶ 15-17 (November 19, 2010).