

[Service Date August 4, 2011]

August 4, 2011

**NOTICE OF EX PARTE COMMUNICATIONS**

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

TO ALL PARTIES:

On August 2, 2011, Avista Corporation d/b/a Avista Utilities (Avista) sent presentation materials, including a PowerPoint, to Danny Kermode, Senior Policy Advisor for the Washington Utilities and Transportation Commission (Commission). The materials were intended for use at a regularly-scheduled Smart Grid meeting attended by Avista representatives and Commissioner Philip Jones and Mr. Kermode. Mr. Kermode and Administrative Law Judge Marguerite Friedlander briefly scanned the PowerPoint presentation, which contained construction costs and budgets for the Spokane and Pullman Smart Grid Projects.<sup>1</sup>

That information is relevant to Avista's general rate case proceeding. Therefore, the Commission placed the presentation materials on the public record of the above-referenced dockets. The Commission also has placed all of Avista's Smart Grid briefing materials from meetings held since Avista's rate filing on the record. Pursuant to WAC 480-07-310(4), parties have ten days to file a request and rebuttal statement to the ex parte communications of May 24, 2011, and August 2, 2011.

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<sup>1</sup> It would appear that the same materials also were distributed in anticipation of the May 24, 2011, Smart Grid briefing, a mere eight days after Avista filed its rate case and prior to the Commission's suspension of Avista's proposed tariff revisions. The Commission understood, at that time, that the case did not include any Smart Grid investment or costs. It was only in preparation for a July 12, 2011, site visit that the Commission discovered the case indeed had Smart Grid issues, which prompted the cancellation of the site visit. The May 24, 2011, materials also have been placed on the public record.

Parties are invited to attend the next Smart Grid briefing by Avista in September 2011. Location, date and time will be provided as soon as they are available.

Sincerely,

MARGUERITE E. FRIEDLANDER  
Administrative Law Judge