

May 16, 2012

**NOTICE OF OPPORTUNITY TO RESPOND TO MOTION FOR LEAVE TO FILE
LETTER OF CLARIFICATION
(Response due by Friday, May 25, 2012)**

RE: *Washington Utilities and Transportation Commission v. Avista Corporation, d/b/a Avista Utilities*, Dockets UE-120436 and UG-120437, and Dockets UE-110876 and UG-110877 (Second Phase) (*Consolidated*)

TO ALL PARTIES:

On May 16, 2012, Avista Corporation, d/b/a Avista Utilities (Avista or the Company) filed a Motion for Leave to File Letter of Clarification (Motion) and Clarification of Open Meeting Comments Letter.¹ Avista requests an opportunity to correct what it calls “a misunderstanding concerning [its] earned returns in 2011.” At the Washington Utilities and Transportation Commission’s (Commission) April 26, 2012, open meeting, Avista claims that the Commission’s regulatory staff (Commission Staff) stated that the Company’s 2011 restated electric earnings rate of return was 8.32 percent.² Avista posits that Commission Staff was likely relying on the Company’s exhibit EMA-2, page 7, which contains a table with the column titled “Restated TOTAL” and a listed “Rate of Return” given as “8.32%.”³

The Company asserts that the 8.32 percent indicated in the above-referenced exhibit does not represent Avista’s 2011 restated results of operations on a normalized basis, which it

¹ Motion, ¶ 3.

² *Id.* ¶ 2.

³ See exhibit filed as EMA-2, page 7 (April 2, 2012).

calculates at 6.56 percent.⁴ Avista requests leave to file a letter of clarification to eliminate any confusion related to this incident.⁵

NOTICE IS HEREBY GIVEN That parties who wish to respond to Avista's Motion for Leave to File Letter of Clarification must do so by 5:00 p.m., Friday, May 25, 2012.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

MARGUERITE E. FRIEDLANDER
Administrative Law Judge

⁴ Motion, ¶ 2 (citing exhibit filed as MNL-5, page 2).

⁵ *Id.*, ¶¶ 4-5.