BEFORE THE WASHINGTON STATE UTILITIES AND TRANSPORTATION COMMISSION

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION, Complainant,) DOCKETS UE-090134) and UG-090135) (consolidated)
v.))
AVISTA CORPORATION d/b/a AVISTA UTILITIES,)))
Respondent.))
In the Matter of the Petition of) DOCKET UG-060518) (consolidated)
AVISTA CORPORATION, D/B/A AVISTA UTILITIES,)))
For an Order Authorizing Implementation of a Natural Gas Decoupling Mechanism and to Record Accounting Entries Associated With the Mechanism.) NW ENERGY COALITION'S) RESPONSE TO AVISTA'S PETITION) TO CONTINUE DECOUPLING) MECHANISM ON AN INTERIM) BASIS

The NW Energy Coalition ("Coalition") does not oppose Avista's petition to continue the Decoupling Mechanism ("Mechanism") on an interim basis, with one proviso. Avista states that it will reverse any deferrals recorded during the interim period if the Commission does not make the Mechanism permanent. This accounting treatment is reasonable and appropriate under the scenario that Avista presents. But Avista does

not discuss what should occur if the Commission *modifies* the Mechanism and makes the *modified* Mechanism permanent. The Coalition believes that any such modification should apply not only prospectively, *i.e.*, from and after the Commission's final order regarding the Mechanism, but also retroactively to and during the interim period, *i.e.*, from and after June 30, 2009 through the final order.

Dated this 26th day of May, 2009.

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¹ Avista Petition dated April 30. 2009, at ¶ 14.