

BEFORE THE WASHINGTON STATE  
UTILITIES AND TRANSPORTATION COMMISSION

In the Matter of the Petition of	)	
	)	DOCKET NO. UE-060181
AVISTA CORPORATION, d/b/a	)	
AVISTA UTILITIES,	)	ORDER NO. 02
	)	
For Continuation of the Company's	)	
Energy Recovery Mechanism, with	)	PREHEARING CONFERENCE
Certain Modifications	)	ORDER
	)	
.....	)	

1     **PROCEEDINGS:** On January 31, 2006, Avista Corporation (Avista) filed its Petition for continuation of the company's Energy Recovery Mechanism (ERM), with certain modifications. The filing satisfies a condition established in the Commission's Order No. 05, "Approving and Adopting Settlement Agreement with Conditions," entered on December 21, 2005, in Avista's most recent general rate proceeding, Docket Nos. UE-050482 and UG-050483. In paragraph 177 of that order, the Commission required Avista to file a petition on or before January 31, 2006, to initiate further review of the ERM.

2     **APPEARANCES:** David J. Meyer, Avista VP and Chief Counsel, Spokane, Washington, represents the Company. Irion Sanger, Davison Van Cleve P. C., Portland, Oregon, represents Industrial Customers of Northwest Utilities (ICNU). S. Bradley Van Cleve and Matthew W. Perkins, Davison Van Cleve P.C., also filed appearances for ICNU. Simon J. ffitich, Assistant Attorney General, Seattle, Washington, represents the Public Counsel Section of the Washington Office of Attorney General. Gregory J. Trautman, Assistant Attorney General, Olympia, Washington, represents the Commission's regulatory staff

("Commission Staff or Staff").<sup>1</sup> Contact information provided at the prehearing conference for the parties' representatives is attached as Appendix A to this Order.

3 **PETITION TO INTERVENE:** ICNU filed its Petition to Intervene on February 16, 2006. No objection was heard to ICNU's petition. The Commission finds that ICNU has established a substantial interest in this proceeding and that its participation will be in the public interest. ICNU's petition to intervene is granted.

4 **DISCOVERY; PROTECTIVE ORDER:** Discovery will proceed pursuant to the Commission's discovery rules, WAC 480-07-400—425. After May 12, 2006, responses to data requests must be provided by the third day following receipt, not counting the day of receipt. The Commission urges the parties to work cooperatively together to avoid having to bring discovery matters forward for formal resolution.

5 Avista requests that the Commission enter its standard form of protective order with provisions for handling information and documents that parties may designate as "confidential" consistent with the terms of such order and the Commission's procedural rules. WAC 480-07-420 and -423. The Commission will enter a protective order in this proceeding to facilitate the filing and exchange among parties, during discovery and otherwise, of information that is deemed confidential by the party in whose custody and control the information is held.

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<sup>1</sup> In formal proceedings, such as this case, the Commission's regulatory staff functions as an independent party with the same rights, privileges, and responsibilities as any other party to the proceeding. There is an "ex parte wall" separating the Commissioners, the presiding Administrative Law Judge, and the Commissioners' policy and accounting advisors from all parties, including Staff. RCW 34.05.455.

- 6     **PROCEDURAL SCHEDULE:** The Commission establishes the procedural schedule that is attached to this Order as Appendix B, which is incorporated into the body of this Order by this reference.
- 7     **ALTERNATE DISPUTE RESOLUTION:** The Commission supports the informal settlement of matters before it. The parties in this proceeding have scheduled settlement conferences within the procedural schedule. If parties need the services of a settlement judge, they should call the Director, Administrative Law Division, at 360-664-1142.
- 8     **FILING; COPIES OF MATERIALS:** Parties must submit the original and 12 copies of all documents filed. All paper copies of filed documents must be mailed to the Commission Secretary, Washington Utilities and Transportation Commission, P.O. Box 47250, 1300 S. Evergreen Park Drive, S.W. Olympia, Washington 98504-7250, or delivered by hand to the Commission's Records Center at the agency's physical address. Both the post office box and street address are required to expedite deliveries by U.S. Postal Service.
- 9     Paper copies of filed materials are required to conform to the format and publication guidelines set forth in WAC 480-07-395 and 480-07-460, and must be three-hole punched with *oversized* holes to allow easy handling. The Commission may require a party to refile any document that fails to conform to these standards.
- 10    An electronic copy of all filings is required. Electronic copies may be provided by e-mail delivery to <[records@wutc.wa.gov](mailto:records@wutc.wa.gov)>. Alternatively, Parties may furnish an electronic copy by delivering with each filing a 3.5-inch IBM-formatted high-density diskette including the filed document(s).

11 The Commission prefers that parties furnish electronic copies of all filings that do not include confidential information and unredacted versions of documents that do include confidential information in .pdf (Adobe Acrobat) format, supplemented by a separate file in MS Word 6.0 (or later), or WordPerfect 5.1 (or later) format. **Electronic documents that are redacted versions that mask confidential information should be filed exclusively in "read-only" .pdf format.** Parties are required to organize and identify electronic files as specified in WAC 480-07-140(5).

12 **NOTICE TO PARTIES: Any objection to the provisions of this Order must be filed within ten (10) days after the service date of this Order, pursuant to WAC 480-07-430 and WAC 480-07-810. Absent such objection, this Order will control further proceedings in this matter, subject to Commission review.**

DATED at Olympia, Washington, and effective this 23<sup>rd</sup> day of February, 2006.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

DENNIS J. MOSS  
Administrative Law Judge

APPENDIX A

PARTIES' REPRESENTATIVES				
DOCKET NO. UE-060181				
PARTY	REPRESENTATIVE	PHONE	FACSIMILE	E-MAIL
Avista	David J. Meyer VP and Chief Counsel Avista Corporation 1411 E. Mission Avenue, MSC-13 P.O. Box 3727 Spokane, WA 99220-3727	509-495-4316	509-495-8856	<a href="mailto:david.meyer@avistacorp.com">david.meyer@avistacorp.com</a>
Industrial Customers of Northwest Utilities (ICNU)	Irion Sanger S. Bradley Van Cleve Matthew W. Perkins Davison Van Cleve, P.C. 333 S.W. Taylor, Ste 400 Portland, OR 97204	503-241-7242	503-241-8160	<a href="mailto:mail@dvclaw.com">mail@dvclaw.com</a>
Public Counsel	Simon ffitich, Public Counsel Section Office of Attorney General 900 Fourth Avenue, Ste 2000 Seattle, WA 98164-1012	206-389-2055	206-389-2079	<a href="mailto:simonf@atg.wa.gov">simonf@atg.wa.gov</a>
Commission Regulatory Staff	Gregory J. Trautman Assistant Attorney General 1400 S. Evergreen Park Dr. S.W. P.O. Box 40128 Olympia, WA 98504-0128	360-664-1187	360-586-5522	<a href="mailto:gtrautma@wutc.wa.gov">gtrautma@wutc.wa.gov</a>

**APPENDIX B**

**PROCEDURAL SCHEDULE  
DOCKET NO. UE-060181**

<b>EVENT</b>	<b>DATE</b>	<b>INTERVAL</b>
Avista's Prefiled Direct Testimony	January 31, 2006	
Settlement Conference	March 29-30, 2006	
Staff, Public Counsel, and Intervenor Response Testimony	April 21, 2006	80 days
Avista Rebuttal Testimony and Cross Answering Testimony (if any)	May 12, 2006	21 days
Exchange of Cross-Examination Exhibits	May 23, 2006, Noon	
Evidentiary Hearing	May 25-26, 2006	13 days
Simultaneous Initial Briefs	June 16, 2006	20 days