

- 1 • Ample opportunity has been afforded all Parties to participate meaningfully
2 in the settlement process.
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4 • In the final analysis, any settlement reflects a compromise, in the give-and-
5 take of negotiations; the Commission, however, has before it a Partial
6 Settlement that is supported by sound analysis and sufficient evidence. Its
7 approval is “in the public interest,” and satisfies the requirement that rates
8 be fair, just, reasonable, and sufficient.

9 **Q. Are there legal standards that must be satisfied with respect to any**
10 **settlement?**

11 A. Yes. The Commission’s charge is to regulate in the public interest. The
12 settlement, if approved, must result in rates that are fair, just, reasonable, and sufficient.
13 (RCW 80.28.010.) As such, the Commission must not only assure fair prices and services
14 to customers, but also “provide the utility with rates sufficient to cover its prudently
15 incurred costs and an opportunity to recover a return on its investment.” (WUTC v Avista
16 Corporation, Docket Nos. UE-050482/UG-050483, Order No. 05 (December 21, 2005) at
17 p. 10.) In the final analysis, it is the “end result” that matters, not the methods by which
18 rates are determined. (Id., at p.11) The Partial Settlement represents the Parties’ best efforts
19 at arriving at an end result that satisfies these requirements, as it pertains to the issues
20 addressed in the Partial Settlement.

21 **Q. Does that conclude your Joint Testimony in Support of the Partial**
22 **Settlement?**

23 A. Yes, it does.