

March 18, 2003

**NOTICE OF CANCELLATION OF SETTLEMENT HEARING
(March 27, 2003)**

RE: Washington Utilities and Transportation Commission v. Avista
Corporation d/b/a Avista Utilities
Docket No. UG-020218

On February 21, 2003, Commission Staff and Avista, the only two parties to this proceeding, filed a settlement agreement resolving all matters in dispute in this docket. Attached to the settlement agreement were Appendix A, B and C, supporting the agreement.

Based on the Commission's review of the original settlement agreement and attached appendices, the Commission has determined to act on the settlement based on the filings made in the case. The Commission does not, at this time, require any further hearing on the matter.

The Commission is also reviewing the March 4, 2003 joint letter from the parties clarifying one of the terms of Appendix C to the Settlement Agreement. If further proceedings are required as a result of this review, the Commission will notify the parties.

The parties are notified that the settlement hearing currently scheduled for March 27, 2003 is cancelled.

Sincerely,

THEODORA M. MACE
Administrative Law Judge