May 30, 2012

NOTICE OF OPPORTUNITY TO RESPOND TO MOTION FOR LEAVE TO FILE SUPPLEMENTAL AND REVISED TESTIMONY AND EXHIBITS

(Responses due by June 8, 2012, at 5:00 p.m.)

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 29, 2012, Avista Corporation, d/b/a Avista Utilities (Avista or the Company) filed with the Washington Utilities and Transportation Commission (Commission) a Motion for Leave to File Supplemental and Revised Testimony and Exhibits (Motion) in the above matter. Avista states that the revisions to the testimony are necessary "to correct for a computational error in the attrition analysis" performed by Dr. Mark N. Lowry. Avista is not seeking a change in its requested revenue requirement. The Company contends that the effects of Dr. Lowry's revision necessitate changes in the following testimony and exhibits:

- Revised Direct Testimony of Scott L. Morris, page 31;
- Revised Direct Testimony of Kelly O. Norwood, pages 10, 21-26;
- Revised Direct Testimony of Mark N. Lowry, pages 3, 22-23;
- Supplemental Exhibit of Mark N. Lowry; and
- Revised Direct Testimony of Elizabeth M. Andrews, page 35.

¹ Motion, ¶ 2. Avista asserts that Dr. Lowry has revised his testimony and supplied a supplemental exhibit "to reflect the effect of converting from logarithmic growth factors to arithmetic growth factors for the two year escalation rates that are used to trend the 2011 base year amounts to the 2013 rate year amounts in his attrition study." Id.

Avista also requests leave to supplement the direct testimony and exhibits of Ms. Andrews "providing further analysis supporting her demonstration of the impact of attrition on the Company's natural gas business."²

NOTICE IS HEREBY GIVEN That parties who wish to respond to Avista's Motion for Leave to File Supplemental and Revised Testimony and Exhibits must do so by 5:00 p.m., Friday, June 8, 2012.

MARGUERITE E. FRIEDLANDER Administrative Law Judge

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² Motion, \P 5.