



Rob McKenna

## ATTORNEY GENERAL OF WASHINGTON

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July 23, 2012

### **VIA ELECTRONIC FILING & ABC LMI**

David Danner  
Executive Directory and Secretary  
Washington Utilities & Transportation Commission  
1300 S. Evergreen Pk. Dr. S.W.  
P.O. Box 47250  
Olympia, WA 98504-7250

Re: WUTC v. Avista Corporation  
Docket Nos. UE-120436 & UG-120437(Consolidated)  
Docket Nos. UE-110876 & UG-110877(Consolidated)

Dear Mr. Danner:

Avista, Commission Staff, and Public Counsel worked collaboratively to develop the customer notice that the Company will include in its billing cycle to notify customers of the rate increase and of the public comment hearings. While Avista incorporated many of the suggestions put forth by Commission Staff and Public Counsel, Public Counsel is concerned about two issues that could be reflected more accurately or clearly in the customer notice. Public Counsel shared its concerns and requested specific language, which was rejected by Avista. Public Counsel files this letter to express its concerns as a matter of record in this proceeding.

WAC 480-90-194(4) and WAC 480-100-194(4)<sup>1</sup> provide the required content for general rate case customer notices. Customer notices should “reflect matters clearly and accurate” even when expressed “simply and tersely.”<sup>2</sup>

Public Counsel is concerned that language addressing the Energy Recovery Mechanism (ERM) bill decrease and the requested attrition adjustment are not adequately reflected in the customer notice. Although Avista states in its notice, “The Company is also proposing a one-year Energy Recovery Mechanism...”, more direct language would have been, “The ERM bill decrease proposed in this case will expire after one year.” Public Counsel’s proposed language would clearly inform the public that the bill decrease would expire after one year, reverting back to the full 8.8% requested increase after the first year.

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<sup>1</sup> See also WAC 480-90-197 and WAC 480-100-197 (adjudicative proceedings where public testimony will be taken).

<sup>2</sup> *In the Matter of the Joint Application of Verizon Communications, Inc. and MCI, Inc. for Approval of Agreement and Plan of Merger*, Docket No. UE-050814, Order Regarding Text and Publication of Notice (Order 06), ¶ 12.

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In addition, Avista includes a description of its attrition adjustment, but refused to include the term "attrition adjustment." The text description does not include the dollar amount associated with the attrition adjustment. Public Counsel advocated for inclusion of both the term and the dollar amount. Public Counsel strongly feels that the language in the proposed customer notice does not adequately reflect the Company's request as clearly and accurately as required with respect to the attrition adjustment.

Public Counsel recognizes that the proposed notice includes the minimum requirements provided for in regulation. Nevertheless, the notice fails to clearly and accurately present components of the Company's request in this case.

Sincerely,



LISA W. GAFKEN

Assistant Attorney General

Public Counsel Division

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LWG:cjw

cc: Service List (First Class Mail & E-mail)