Avista Corporation

1411 East Mission P.O. Box 3727 Spokane, Washington 99220-3727 Telephone 509-489-0500 Toll Free 800-727-9170



June 16, 2000

Carole J. Washburn, Secretary Washington Utilities and Transportation Commission P.O. Box 47250 Olympia, WA 98504-7250



RE: Docket No. UG-990473—Response to Staff's Request for Information.

Dear Ms. Washburn:

Avista Utilities provides the following responses to the Customer Notice Questionnaire dated June 2, 2000 in the above-cited docket.

1. Please describe how your company currently meets the commission's policy providing customers 30 days prior notice of proposed rate increases?

For Avista Utilities' 1999 electric and natural gas rate increase filings, all customers received written notice in the Company's 28 day billing cycle months prior to the public hearing. Staff's Penny Hansen and Avista's Brian Hirschkorn discussed the content of these notices prior to printing and distributing this information. This was done pursuant to WAC 480-09-310(1).

For all other tariff filings, the Company included a paragraph in its advice letter that stated (or had language similar to): "Also enclosed is a 'Notice of Tariff Change' which will be posted in all company offices coincident with the date of this filing." This was done pursuant to WAC 480-08-120. The Company has respected the Staff Public Involvement Coordinator's request to include notices in customers' bills on some selected issues.

By way of clarification, the Company reads the applicable existing rules (WAC 480-80-120) to require that the Company "...must place on file the tariff containing such modification or change at its listed business offices in the territory affected thereby for a period of at least thirty days prior to the expiration of statutory notice in connection therewith. A notice, coincident with or immediately prior to the date of such filing, that such tariff is on file at said offices shall be posted at the cashier's windows or other places where the customers pay their bills at the aforesaid offices. Said posted notice shall give anyone viewing same a brief summary as to the content of the tariff; state that the tariff is

Ms. Washburn June 16, 2000 Page 2

being submitted to the Washington utilities and transportation commission at Olympia; indicate the inserted effective date thereof; and relate that a copy of the tariff is available for inspection."

2. By using this method do <u>all</u> affected customers receive notice 30 days in advance of the effective date?

All affected customers receive notification of the above-stated rate increases more than 30 days in advance of the public hearings. The Company believes that the existing rules do not support a proposition that noticing customers through bill inserts is either required or must be completed 30 days prior to the effective date of any tariff filing (not including rate increases over 3% as defined by WAC 480-09-310).

3. On average, how many customers use pay stations to pay bills a month?

Approximately 6% of Avista customers provide payments through pay stations.

4. Is your business office open to the general public? If so, does the business office accept payment from walk-in customers?

Customers of Avista Utilities may drop off payments at the Company's business offices. Avista Utilities' main business offices have telephones directly routed to the Company's Call Center to respond to walk-in customers.

5. How many billing cycles does your company have?

21

6. Please list each billing cycle's start date.

Please see the attached meter reading schedule. The billing cycle generally starts two business days later.

7. How many customers are in the last complete billing cycle?

Approximately 336,457, Washington jurisdiction.

Ms. Washburn June 16, 2000 Page 3

8. How are your customers billed? Monthly or bi-monthly?

Monthly.

- 9. What do you estimate the costs to issue the following types of notices?
- A. Direct mail notice:

The incremental non-labor costs would be approximately: \$115,404 Postage (\$0.243) x Materials—envelope&letter (\$0.10) x customers 336,457

This estimate assumes a one-page letter, black ink on white paper.

Design and labor costs would be extra and dependent on contents.

B. Bill Insert:

The incremental non-labor costs would be approximately: \$17,000 Materials(\$0.05) x customers

This estimate assumes that there is extra "space" in the bill and that incremental postage costs would not be triggered.

Design and labor costs would be extra and dependent on contents.

C. Bill Message:

For purposes of this response, the Company assumes no incremental cost. The message box is already established in the customer information system (computer) and there would be no incremental programming cost. The set-up costs to place a message on the bill would be minimal.

10. How were these costs derived?

See response to question 9 for derivation of these costs.

Ms. Washburn June 16, 2000 Page 4

11. How many customers does your company currently serve? A current estimate is fine.

	'99 Washington Electric	'99 Washington Gas				
Residential	182,871	106,484				
Commercial	20,628	11,743				
Industrial	674	182				

Please contact Bruce Folsom at (509) 495-8706 if you have additional questions.

Sincerely,

Thomas D. Dukich, Director

Rates and Regulation

ITRON METER READING SCHEDULE - 2000

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SVC	33	31	31	33	33	33	31	31	33	33	33	31	34	34	34	34	32	35	35	31	31	
Dec	Nov-29	Nov-30	Dec-1	Dec-4	Dec-5	Dec-6	Dec-7	Dec-8	Dec-11	Dec-12	Dec-13	Dec-14	Dec-18	Dec-19	Dec-20	Dec-21	Dec-22	Dec-26	Dec-27	Dec-28	Dec-29	
SVC	29	31	59	29	58	58	31	59	29	29	. 29	31	29	29	29	29	31	58	59	33	33	
Nov	Oct-27	Oct-30	Oct-31	Nov-1	Nov-2	Nov-3	Nov-6	Nov-7	Nov-8	Nov-9	Nov-10	Nov-13	Nov-14	Nov-15	Nov-16	Nov-17	Nov-20	Nov-21	Nov-22	Nov-27	Nov-28	
SVC	30	30	32	32	53	53	53	31	29	58	29	29	31	29	29	29	59	31	53	29	29	H H
Oct	Sep-28	Sep-29	Oct-2	Oct-3	Oct-4	Oct-5	Oct-6	Oct-9	Oct-10	Oct-11	Oct-12	Oct-13	Oct-16	Oct-17	Oct-18	Oct-19	Oct-20	Oct-23	Oct-24	Oct-25	Oct-26	אח האא
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SVC	30	32	32	30	53	59	31	59	58	58	59	31	53	29	29	32	32	30	30	30	32	NO CO
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May	80	May-1	May-2	May-3	May-4	May-5	May-8	May-9	May-10	May-11	May-12	May-15	May-16	May-17	May-18	May-19	May-22	May-23	May-24	May-25	May-26	
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SVC		29	53	31	29	59	59	29	31		29	59	29	31	29	29	29	29	31	29	29	1
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SVC	29	59	29	53	31	29	29	59	59	31	59	29			31	29	. 58	29	29	33	29	
7 6	1	Feb-2	Feb-3	Feb-4	Feb-7	Feb-8	Feb-9	Feb-10	Feb-11	Feb-14	Feb-15	Feb-16	Feb-17	Feb-18	Feb-21	Feb-22	Feb-23	Feb-24	Feb-25	7k Feb-28	Feb-29	
SVC	34	34	34	34	32	. 48	34	34	34	32	34	48									32	1
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THE NUMBER OF SERVICE DAYS WILL CHANGE IF ACTUAL READ DATE VARIES FROM SCHEDULED READ DATE.