

**BEFORE THE WASHINGTON STATE
UTILITIES AND TRANSPORTATION COMMISSION**

In the Matter of the Application of	)	DOCKET U-060273
)	
	)	ORDER 01
AVISTA CORPORATION, D/B/A)	
AVISTA UTILITIES,	)	PREHEARING CONFERENCE
	)	ORDER;
For an Order Approving a Corporation	)	NOTICE OF HEARING;
Reorganization to Create a Holding	)	(Set for February 26, 2007 at 9:30
Company, AVA Formation Corp.	)	a.m.);
	)	NOTICE OF PREHEARING
	)	CONFERENCE,
	)	(Set for February 22, 2007 at 9:30
.....	)	a.m.)

1 **NATURE OF PROCEEDING.** Docket U-060273¹ involves a request by Avista Corporation for authority to create a holding company for its utility operations in Washington State.

2 **CONFERENCE.** The Washington Utilities and Transportation Commission (Commission) convened a prehearing conference in this docket at Seattle, Washington on September 6, 2006, before Administrative Law Judges Patricia Clark and C. Robert Wallis.

3 **APPEARANCES.** David Meyer, attorney, Spokane, Washington, represents Applicant Avista Corporation (Avista). Judith Krebs, Assistant Attorney General, Seattle, Washington, represents the Public Counsel Section of the Washington Office of the Attorney General (Public Counsel). Donald T. Trotter, Assistant Attorney General, Olympia, Washington, represents the Commission’s regulatory staff (Commission Staff or Staff).² Matthew W. Perkins, attorney, Davison Van Cleve,

¹ When received, the docket was assigned a UE designation. Because the proposal would affect both Avista’s electric and its gas designation, the commission changed the docket to a U (only) designation.

² In formal proceedings, such as this case, the Commission’s regulatory staff functions as an independent party with the same rights, privileges, and responsibilities as any other party to the proceeding. There is an “*ex parte* wall” separating the Commissioners, the presiding Administrative Law Judge, and the Commissioners’ policy and accounting advisors from all parties, including Staff. RCW 34.05.455.

Portland, Oregon, represents Petitioner Industrial Customers of Northwest Utilities (ICNU).³

4 Contact information provided at the conference for the parties' representatives is attached as Appendix A to this order.

5 **PETITIONS FOR INTERVENTION.** Industrial Customers of Northwest Utilities petitioned in writing to intervene in the docket. No party objected to the petition. The Commission finds that the petitioner has established a substantial interest in this proceeding and that its participation will be in the public interest. The petition to intervene is granted.

6 **LATE-FILED PETITION TO INTERVENE.** In addition, the Northwest Industrial Gas Users, or NWIGU, petitioned on September 8, 2006, for intervention. It failed to appear at the prehearing conference under a mistaken understanding that telephone conferencing would be available for the conference, which was held in Seattle. It attempted to communicate with the presiding officers during the prehearing conference, but was unable to reach them. NWIGU asks the Commission to accept its petition, filed two days after the conference.

7 We are including Mr. Finklea's contact information with that of parties. Any party who objects to NWIGU's petition for intervention may do so within ten days after the date of this order. Any objection must be served on all other parties, and answers may be submitted within five days following service of the objection.

8 The petition on its face shows an adequate interest in the proceeding, and the organization has participated in prior natural gas proceedings. There is no facially apparent prejudice to any party from the two-day delay in submission of the petition. In the absence of an objection showing cause for denial, NWIGU's petition will be deemed granted.

9 **PROTECTIVE ORDER.** The parties ask that the Commission enter a protective order in this docket under RCW 34.05.446, RCW 80.04.095, WAC 480-07-420 and

³ In addition, Edward A. Finklea represents Northwest Industrial Gas Users, or NWIGU. The association submitted a petition to intervene on September 8, 2006, which is discussed below.

WAC 80-07-423 to protect the confidentiality of proprietary information. The request was granted and a protective order will be entered in this docket.

10 **DISCOVERY.** The parties asked that the discovery rules be invoked in this docket, under WAC 480-07-400. The matter is one that qualifies for discovery, and the discovery rules WAC 480-07-400 – 425 are invoked.

11 **PROCEDURAL SCHEDULE.** The parties agreed upon the following procedural schedule during the conference. The Commission adopts this procedural schedule, which is set out below and is attached to this Order as Appendix B.

Company direct testimony	October 20, 2006
Settlement conference for parties	December 11 – 12, 2006
Staff/Intervenor testimony	January 19, 2007
Company, Cross-rebuttal and Answering testimony	February 9, 2007
Prehearing Conference	February 22, 2007
Hearing	February 26 – 28, 2007
Simultaneous Briefs	March 23, 2007

12 **NOTICE OF HEARING.** The Commission will hold evidentiary hearings in this matter beginning **Monday, February 26, 2007, at 9:30 a.m.** in the Commission’s Hearing Room, Second Floor, Chandler Plaza Building, 1300 S. Evergreen Park Drive S. W., Olympia, Washington.

13 **NOTICE OF PREHEARING CONFERENCE.** The Commission will convene a prehearing conference in this matter on **Thursday, February 22, 2007, at 9:30 a.m.** in the Commission’s Hearing Room, Second Floor, Chandler Plaza Building, 1300 S. Evergreen Park Drive S. W., Olympia, Washington to mark exhibits, including exhibits on cross examination, if any, and to address any procedural matters that the parties may present. If no matters warrant attention, the conference will be cancelled.

14 **DOCUMENT PREPARATION AND FILING REQUIREMENTS.** Parties must file an original plus 8 copies of all pleadings, motions, briefs, and other prefiled materials. These materials must conform to the format and publication guidelines in

WAC 480-07-395 and WAC 480-07-460. The Commission requires that materials be three-hole punched with *oversized* holes to allow easy handling. The Commission may require a party to refile any document that fails to conform to these standards.

- 15 All filings must be mailed or delivered to the Executive Secretary, Washington Utilities and Transportation Commission, P.O. Box 47250, 1300 S. Evergreen Park Drive, S.W. Olympia, Washington 98504-7250. Both the post office box and street address are required to expedite deliveries by the U.S. Postal Service.
- 16 An electronic copy of all filings must be provided through the Commission's Web Portal (www.wutc.wa.gov/e-filing) or by e-mail delivery to <records@wutc.wa.gov>. Alternatively, parties may furnish an electronic copy by delivering with each filing a CE or a 3.5-inch IBM-formatted high-density diskette including the filed document(s). Parties should furnish electronic copies in .pdf (Adobe Acrobat) format, supplemented by a separate file in MS Word 6.0 (or later), or WordPerfect 5.1 (or later) format. Parties are required to follow WAC 480-07-140(5) in organizing and identifying electronic files.
- 17 **ELECTRONIC SUBMISSION OF DOCUMENTS.** Pursuant to WAC 480-07-145(6) the presiding officer may grant parties a one-day extension of the paper-filing requirement, allowing electronic submission of documents with the Commission on the filing deadline. Parties may only submit documents electronically with the Commission in this proceeding with the permission of the presiding officer. If, at any time during this proceeding, parties are authorized to submit documents with the Commission electronically under WAC 480-07-145(6), parties must submit the document through the Commission's Web portal (www.wutc.wa.gov/e-filing) or by e-mail to records@wutc.wa.gov, and file an original, plus 8 copies, of the document with the Commission by the following business day. Finally to perfect filing, parties must provide courtesy copies of filings to the presiding officer and advisory staff, as well as the parties to the proceeding. **PLEASE NOTE: The one-day extension of paper filing is NOT the rule of the case, and is not available in the absence of PRIOR authorization from the presiding officer. Parties should request permission at least 48 hours prior to the stated filing deadline.**

18 **ALTERNATE DISPUTE RESOLUTION.** The Commission supports the informal settlement of matters before it. Parties are encouraged to consider means of resolving disputes informally. The Commission does have limited ability to provide dispute resolution services; if you wish to explore those services, please call the Director, Administrative Law Division, at 360-664-1142.

19 **NOTICE TO PARTIES:** Any objection to the provisions of this Order must be filed within ten (10) days after the service date of this Order, pursuant to WAC 480-07-430 and WAC 480-07-810. Absent such objection, this Order will control further proceedings in this matter, subject to Commission review. Parties must provide courtesy copies of filings to the presiding administrative law judge.

Dated at Olympia, Washington, and effective September 13, 2006.

WASHINGTON STATE UTILITIES AND TRANSPORTATION COMMISSION

C. ROBERT WALLIS
Administrative Law Judge

APPENDIX A				
PARTIES' REPRESENTATIVES				
DOCKET U-060273				
PARTY	REPRESENTATIVE⁴	PHONE	FACSIMILE	E-MAIL
Avista Corporation	David J. Meyer Vice President and Chief Counsel for Regulatory and Governmental Affairs P.O. Box 3727 1411 E. Mission Ave., MSC-13 Spokane, WA 99220-3727	(509) 495-4316	(509) 495-8851	david.meyer@avistacorp.com
Public Counsel	Judith Krebs Public Counsel Section Office of Attorney General 900 Fourth Avenue ⁵ Suite 2000 Seattle, WA 98164-1012	(206) 464-6595	206-389-2058	judyk@atg.wa.gov
Industrial Customers of Northwest Utilities (ICNU)	S. Bradley Van Cleve Irion Sanger Matthew Perkins Davison Van Cleve, P.C. 333 S.W. Taylor, Suite 400 Portland, OR 97204	(503) 241-7242	(503) 241-8160	mail@dvclaw.com
Northwest Industrial Gas Users	Edward A. Finklea Chad M. Stokes Cable, Huston, Benedict, Haagenson & Lloyd, LLP 1001 SW Fifth Avenue Suite 2000 Portland, OR 97204-1136	(503) 224-3092	(503) 224-3176	efinklea@chbh.com cstokes@chbh.com
Commission Staff	Donald T. Trotter Assistant Attorney General 1400 S. Evergreen Park Dr. SW P.O. Box 40128 Olympia, WA 98504-0128	(360) 664-1189	(360) 586-5522	dtrotter@wutc.wa.gov
Presiding Officers	C. Robert Wallis (Administrative Law Judge)	(360) 664-1142	(360) 664-2654	bwallis@wutc.wa.gov
	Patricia Clark (Administrative Law Judge)	(360) 664-1136	(360) 664-2654	pclark@wutc.wa.gov

⁴ The first-listed counsel will be treated as counsel of record. Others named need not be served with paper copies and will not be sent mailed copies of documents served by the Commission. Changes in the designation of lead counsel must be made promptly.

⁵ Public Counsel is in the process of moving to a new location. A new address will be provided to all parties when it is available.

APPENDIX B
PROCEDURAL SCHEDULE
DOCKET U-060273

EVENT	DATE	INTERVAL
Company direct testimony	October 20, 2006	
Settlement conference for parties	December 11 – 12, 2006	52 days
Staff/Intervenor testimony	January 19, 2007	38 days
Company, Cross-rebuttal and Answering testimony	February 9, 2007	21 days
Prehearing Conference	February 22, 2007	13 days
Hearing	February 26 – 28, 2007	4 days
Simultaneous Briefs	March 23, 2007	23 days

APPENDIX C

**INFORMAL DISTRIBUTION LIST (In addition to counsel of record)
DOCKET U-060273**

PARTY	REPRESENTATIVE	PHONE	FACSIMILE	E-MAIL
Avista Corporation	Elizabeth M. Andrews (Senior Regulatory Analyst)	(509) 495-8601	(509) 495-8058	Liz.andrews@avistacorp.com
	Kelly Norwood Vice President – State & Federal Regulation)	(509) 495-4267	(509) 495-8851	Kelly.norwood@avistacorp.com
Public Counsel	Steve Johnson (Regulatory Analyst)	(206) 464-6253	(206) 389-2079	stevenj@atg.wa.gov
	Carol Williams (Legal Secretary)	(206) 464-6215	206-389-2058	carolw@atg.wa.gov
ICNU	Mike Gorman (Consultant)	(314) 275-7007	(314) 275-7036	mgorman@consultbai.com
Northwest Industrial Gas Users	Don Schoenbeck RCS, Inc. 900 Washington Street Suite 780 Vancouver, WA 98660			dws@r-c-s-inc.com
Commission Staff	Ken Elgin (Staff)	(360) 664-1313	(360) 586-1150	kelgin@wutc.wa.gov
		(360) 664-	(360) 664-	
Commission Advisory Staff	Dick Byers (Policy)		(360) 664-3604	dbyers@wutc.wa.gov