February 21, 2002

NOTICE OF HEARING ON SETTLEMENT PROPOSAL

(Monday, February 25, 2002, 10:00 a.m.)

RE: In the Matter of Avista Corporation, d/b/a Avista Utilities For an Order Finding Avista's Deferred Power Costs Were Prudently Incurred and Are Recoverable, Docket No. UE-011514

WUTC v. Avista Corporation, d/b/a Avista Utilities, Docket No. UE-011595

TO ALL PARTIES:

On February 20, 2002, Commission Staff, Avista Utilities, Public Counsel, and Industrial Customers of Northwest Utilities filed a Settlement Stipulation that resolves all contested issues in this proceeding. The Commission will convene a hearing for purposes of exploring the terms and conditions of the settlement and to determine whether the result of the settlement is consistent with the public interest.

PLEASE TAKE NOTICE that a hearing on the parties proposed settlement will be held on Monday, February 25, 2002, beginning at 10:00 a.m. in Room 206, Chandler Plaza Building, 1300 S. Evergreen Park Drive SW, Olympia, Washington.

Sincerely,

DENNIS J. MOSS Administrative Law Judge