

[Service Date December 20, 2011]

December 20, 2011

**NOTICE OF DECOUPLING PHASE PROCEDURAL SCHEDULE
(Evidentiary Hearing set for April 24-25, 2012, at 10:00 a.m.)**

RE: *Washington Utilities and Transportation Commission, Complainant, v. Avista Corporation d/b/a Avista Utilities, Respondent, Dockets UE-110876 and UG-110877 (consolidated)*

TO ALL PARTIES OF RECORD:

On October 10, 2011, the Washington Utilities and Transportation Commission (Commission) convened a prehearing conference to address the process and schedule for consideration of the recently-filed Settlement Stipulation (Settlement) in the above-referenced dockets.¹ The Settlement did not resolve the issue of full decoupling as an option for both the electric and natural gas divisions of Avista Corporation d/b/a Avista Utilities (Avista), and so, the parties were advised that the Commission planned to bifurcate the proceedings into two phases. In the first phase, the Commission would evaluate and rule on the proffered Settlement.² In the second phase, the Commission would address the unresolved issue of decoupling.

On December 16, 2011, the NW Energy Coalition (NWECC) sent a proposed procedural schedule for the second phase which is set forth as follows:

¹ The Settlement was filed on September 30, 2011.

² The Commission entered an order, Order 06, on December 16, 2011, ruling on the Settlement.

Direct Testimony and Exhibits from NWECC	January 9, 2012
Responsive Testimony and Exhibits	February 24, 2012 ³
Settlement Conference	March 1, 2012
NWEC Rebuttal Testimony and Exhibits/ Avista, Staff, Public Counsel, ICNU, and The Energy Project Cross-Answering Testimony and Exhibits	March 28, 2012 ⁴
Evidentiary Hearing	April 24-25, 2012
Post-Hearing Briefs	May 15, 2012

NWEC indicates that Avista, the Commission's regulatory staff (Staff), the Industrial Customers of Northwest Utilities (ICNU), and The Energy Project,⁵ have agreed to the proposed schedule. According to NWEC, the Public Counsel Section of the Washington Office of Attorney General (Public Counsel) neither opposes nor supports the proposed schedule.

The proposed schedule comports with the Commission's calendar, and the Commission adopts NWEC's proposal.

THE COMMISSION GIVES NOTICE THAT it will hold an evidentiary hearing in this matter beginning April 24, 2012, at 10:00 a.m., and continuing thereafter, as necessary, on April 25, 2012, in the Commission's Hearing Room, Second Floor, Richard Hemstad Building, 1300 S. Evergreen Park Drive S.W., Olympia, Washington.

Sincerely,

MARGUERITE E. FRIEDLANDER
Administrative Law Judge

³ After this deadline, NWEC's proposed schedule provides for the shortening of the time for responses to data requests to seven days.

⁴ After this deadline, NWEC's proposed schedule provides for the shortening of the time for responses to data requests to five days.

⁵ Northwest Industrial Gas Users has already indicated that it does not plan to participate in the second phase of the proceeding.