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1 BEFORE THE WASHINGTON STATE
2 UTILITIES AND TRANSPORTATION COMMISSION

3 In the Matter of the)
4 Application of Avista)
5 Corporation d/b/a Avista) DOCKET NO. U-060273
6 Utilities for an Order)
7 Approving a Corporation) Volume I
8 Reorganization to Create a) Pages 1 to 10
9 Holding Company, AVA)
10 Formation Corp.)
11 _____)

12 A prehearing conference in the above matter
13 was held on September 6, 2006, from 10:45 a.m to 10:55
14 a.m., at 900 Fourth Avenue, 24th Floor, Seattle,
15 Washington, before Administrative Law Judges PATRICIA
16 CLARK and C. ROBERT WALLIS.

17 The parties were present as follows:

18 AVISTA CORPORATION, by DAVID J. MEYER, Vice
19 President and Chief Counsel, 1411 East Mission Avenue,
20 Spokane, Washington 99220, Telephone (509) 495-4316, Fax
21 (509) 495-8851, E-Mail david.meyer@avistacorp.com.

22 THE PUBLIC, by JUDITH KREBS, Assistant
23 Attorney General, 900 Fourth Avenue, Suite 2000,
24 Seattle, Washington 98164-1012, Telephone (206)
25 464-6595, Fax (206) 389-2079, E-Mail judyk@atg.wa.gov.

26 THE COMMISSION, by DONALD T. TROTTER, Senior
27 Assistant Attorney General, 1400 South Evergreen Park
28 Drive Southwest, Olympia, Washington 98504-0128,
29 Telephone (360) 664-1189, Fax (360) 586-5522, E-Mail
30 dtrotter@wutc.wa.gov.

31 Joan E. Kinn, CCR, RPR
32 Court Reporter

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1 INDUSTRIAL CUSTOMERS OF NORTHWEST UTILITIES,
2 by MATTHEW W. PERKINS, Attorney at Law, Davison Van
3 Cleve, 333 Southwest Taylor Street, Suite 400, Portland,
4 Oregon, 97204, Telephone (503) 241-7242, Fax (503)
5 241-8160, E-Mail mail@dvclaw.com.

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1 P R O C E E D I N G S

2 JUDGE CLARK: Good morning, it's
3 approximately 10:45, September 6, 2006, in Seattle,
4 Washington. This is the time and the place set for the
5 prehearing conference in Docket U-060273 In the Matter
6 of the Application of Avista Corporation for an Order
7 Approving a Corporation Reorganization to Create a
8 Holding Company, AVA Formation Corporation, Patricia
9 Clark, Administrative Law Judge for the Commission
10 presiding. The purpose of this morning's prehearing
11 conference is to establish a procedural schedule,
12 address discovery matters, and any other matter that
13 would aid in the efficient and expeditious resolution of
14 this case.

15 At this time I would like to take the
16 appearances of the parties. Appearing on behalf of
17 Avista?

18 MR. MEYER: Thank you, Your Honor. My name
19 is David Meyer, Vice President and Chief Counsel for
20 Regulatory Affairs, business address is 1411 East
21 Mission, P.O. Box 3727, Spokane, Washington 99220-3727,
22 telephone number (509) 495-4316, fax number is (509)
23 495-8851, E-mail david.meyer@avistacorp.com.

24 JUDGE CLARK: Appearing on behalf of Public
25 Counsel.

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1 MS. KREBS: Yes, Judith Krebs, Assistant
2 Attorney General, and I'm appearing on behalf of the
3 Public Counsel Section of the Attorney General's Office,
4 my address is 900 Fourth Avenue, Suite 2000, Seattle,
5 Washington 98164, my direct line is (206) 464-6595, my
6 fax is (206) 389-2079, my E-mail address is
7 judyk@atg.wa.gov.

8 This is my current mailing address, 900
9 Fourth Avenue, we will be updating our address on
10 September 18th, and we will be sure to update via filing
11 service in this docket and all other dockets before the
12 Commission.

13 JUDGE CLARK: Thank you.

14 Appearing on behalf of the Commission Staff.

15 MR. TROTTER: Thank you, Your Honor. My name
16 is Donald T. Trotter, Assistant Attorney General,
17 appearing for the Commission Staff, my address is 1400
18 South Evergreen Park Drive Southwest, P.O. Box 40128,
19 Olympia, Washington 98504-0128, my phone is (360)
20 664-1189, fax (360) 586-5522, and E-mail is
21 dtrotter@wutc.wa.gov.

22 JUDGE CLARK: Thank you, Mr. Trotter.

23 Is there anyone else who wishes to enter an
24 appearance this morning?

25 MR. PERKINS: Yes, thank you, Your Honor, for

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1 the Industrial Customers of Northwest Utilities, I'm
2 Matthew Perkins from the law firm of Davison Van Cleve.
3 Also participating in this proceeding from our office
4 will be Brad Van Cleve, he's not here today though. Our
5 address is 333 Southwest Taylor, Suite 400, Portland,
6 Oregon 97204, phone number is (503) 241-7242, fax number
7 is (503) 241-8160, and our E-mail address is mail,
8 M-A-I-L, @dvclaw.com.

9 JUDGE CLARK: Thank you. Is it your
10 intention to enter a petition to intervene either orally
11 or written in this proceeding?

12 MR. PERKINS: Yes, Your Honor, we have
13 submitted a written petition to intervene previously,
14 I'm not sure of the exact date.

15 JUDGE CLARK: Thank you.

16 Anyone else wish to enter an appearance or
17 submit an oral petition to intervene?

18 Is there any objection to the written
19 petition to intervene submitted by Mr. Perkins' client?

20 MR. MEYER: There is no objection, Your
21 Honor.

22 JUDGE CLARK: All right, thank you.

23 Are there any preliminary matters that we
24 need to address before we proceed to the procedural
25 schedule?

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1 MR. MEYER: I would ask for a standard form
2 protective order.

3 JUDGE CLARK: All right, why don't we kind of
4 run through my list in order so I don't forget anything,
5 Mr. Meyer. Immediately before the prehearing conference
6 convened, the parties did have an opportunity to discuss
7 a procedural schedule. Would you like to memorialize
8 that for the record, Mr. Meyer.

9 MR. MEYER: I will be happy to do so, thank
10 you. The first date on the schedule would be a date for
11 filing of company direct, and that would be October
12 20th. Settlement conferences December 11th and 12th,
13 recognizing that that date may be somewhat fluid based
14 on other filings. Next date, Staff and Intervener
15 testimony, January 19th, 2007. Next date, Company
16 rebuttal and cross answering testimony of February 9th,
17 2007. Hearings February 26 through 28. Briefs March
18 23rd. And we had a suggested target date for an order,
19 but that was just for planning purposes, of April 23rd.

20 JUDGE CLARK: Is there anyone who wishes to
21 make any corrections or amendments to the schedule
22 proposed by Mr. Meyer?

23 All right.

24 MR. TROTTER: Excuse me, Your Honor, did he
25 include cross answering testimony on February 9th?

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1 JUDGE CLARK: Yes, he did.

2 MR. TROTTER: Okay, thank you.

3 JUDGE CLARK: And I think it will be
4 necessary to also schedule a prehearing conference to
5 mark exhibits in this proceeding or to address any other
6 procedural matters that might arise immediately
7 preceding the hearing. The hearing is scheduled for the
8 28th, are the parties available on Monday the 26th?

9 MR. MEYER: Excuse me, Your Honor, I show for
10 the hearings themselves --

11 JUDGE CLARK: Oh, I'm sorry, 26th through the
12 28th, I'm sorry, Friday the 23rd?

13 MR. MEYER: That would be fine with us.

14 JUDGE CLARK: All right.

15 (Discussion on the Bench.)

16 JUDGE CLARK: I have been advised that it
17 probably would be recommended to schedule that
18 prehearing conference a little bit more in advance of
19 the hearing than that, so I'm going to revise my
20 proposal to be February 22nd, are the parties available
21 on that date?

22 MR. MEYER: That's acceptable to the company.

23 JUDGE CLARK: All right.

24 Is that acceptable to everyone else?

25 MR. TROTTER: Yes.

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1 JUDGE CLARK: All right.

2 And then now we can move along to the
3 protective order that you were discussing, Mr. Meyer.

4 MR. MEYER: Just request that a standard form
5 protective order issue in this docket.

6 JUDGE CLARK: All right. Does anyone wish to
7 be heard on that?

8 All right, how about discovery?

9 MR. TROTTER: We would ask that the discovery
10 rule be invoked.

11 JUDGE CLARK: All right, the discovery rules
12 will be invoked in this proceeding as well.

13 And I am advised by the records section of
14 the Commission that any documents that must be filed
15 with the Commission it's necessary to file an original
16 and 12 documents in this proceeding.

17 Are there any other matters that we need to
18 address during this morning's prehearing conference?

19 The record should also reflect that
20 Administrative Law Judge C. Robert Wallis is present for
21 this morning's prehearing conference and may well be
22 entering the prehearing order in this docket.

23 MR. TROTTER: Your Honor, the other issue was
24 whether there was a need for customer testimony, a
25 special hearing for customer testimony. Usually Public

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1 Counsel weighs in on that issue, I just thought I would
2 put it on the table.

3 MS. KREBS: We will not be seeking a public
4 hearing in this case.

5 JUDGE CLARK: All right.

6 Any other matters?

7 MR. MEYER: Just the same request that was
8 made in the earlier docket, which I thought was a good
9 one, for additional people for electronic service, and I
10 have provided some Avista specific information in that
11 regard.

12 JUDGE CLARK: Right, let me just try to
13 quickly memorialize that agreement. In docket U-060518,
14 the parties agreed that they would submit a list of
15 individuals, that is staff and/or expert individual
16 witnesses who will be participating in the discovery
17 process. That list would be submitted to the
18 Administrative Law Judge and incorporated in the
19 prehearing conference order and that to the extent
20 possible discovery responses and requests could be made
21 directly to those individuals as well as counsel in the
22 event counsel is unavailable in order to expedite the
23 discovery process. And I request that a similar list,
24 if it is in any way different from the list submitted in
25 that proceeding, be submitted in this docket as well.

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1 Did I accurately memorialize?

2 MR. MEYER: Yes, thank you.

3 JUDGE CLARK: Anything further?

4 MR. PERKINS: Your Honor, I would just note
5 about the list that you just discussed, ICNU has not
6 submitted a petition to intervene in the other docket,
7 but I believe the people we would like to have discovery
8 and filing served on are noted in our petition to
9 intervene, so that can serve as our list.

10 JUDGE CLARK: All right, thank you.

11 Anything further?

12 Hearing nothing, we're adjourned.

13 (Prehearing conference adjourned at
14 10:55 a.m.)

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