

**BEFORE THE
WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**

WASHINGTON UTILITIES AND)	
TRANSPORTATION COMMISSION)	DOCKETS UE-140188 and
)	UG-140189 (<i>Consolidated</i>)
)	
Complainant,)	
)	
v.)	
)	ADDENDUM TO THE SETTLEMENT
AVISTA CORPORATION d/b/a)	STIPULATION
AVISTA UTILITIES)	
Respondent.)	
.....)	

1. PARTIES

1. This Addendum to the Settlement Stipulation is entered into by Avista Corporation (“Avista” or the “Company”), the Staff of the Washington Utilities and Transportation Commission (“Staff”), the Public Counsel Section of the Washington Office of Attorney General (“Public Counsel”), the Alliance of Western Energy Consumers (“AWEC”)¹, and The Energy Project. These entities are collectively referred to as the "Parties," and represent all of the parties in the above-referenced dockets. The Parties understand this Addendum to the Settlement Stipulation is subject to approval of the Washington Utilities and Transportation Commission (the “Commission”).

2. The purpose of the Addendum to the Settlement Stipulation is to modify the condition within paragraph 13, sub-section a, related to the stated term of the electric and natural gas Decoupling Mechanisms approved by the Commission in Order 05 in these Dockets. The present language as described in paragraph 13, sub-section a is as follows:

¹ The Northwest Industrial Gas Users (“NWIGU”) and the Industrial Customers of Northwest Utilities (“ICNU”) were parties in this proceeding, but on March 31, 2018, NWIGU merged into the ICNU, and on April 1, 2018 ICNU changed its name to AWEC. The advocacy and work previously performed by NWIGU now occurs as part of AWEC.

13. Electric and Natural Gas Decoupling.

- a) The electric and natural gas Decoupling Mechanisms illustrated in Appendices 4 and 5 will commence concurrent with the natural gas and electric rate changes January 1, 2015. Per the Company's testimony, **the length of the decoupling mechanisms is five years**, with a third-party evaluation of the mechanisms paid for by Avista, to be completed following the end of the third full-year. (emphasis added) (footnote omitted)

3. The five year term of the Mechanisms will expire on December 31, 2019, unless the Company takes action to extend the life of the Mechanisms.

4. The Parties agree, in this Addendum, that the Decoupling Mechanisms should be extended until the conclusion of Avista's next general rate case, currently estimated to be on or around April 1, 2020. Should the Company seek to extend the mechanisms, the Parties would then be able to review any proposed modifications to the Decoupling Mechanisms in the context of Avista's upcoming general rate case.

5. The Parties agree that the Addendum to the Stipulation is in the public interest and that all of its terms and conditions are fair, just and reasonable. The Parties shall cooperate in submitting this Settlement Stipulation promptly to the Commission for acceptance. Each Party shall make available a witness or representative in support of this Addendum to the Settlement Stipulation. The Parties agree to cooperate, in good faith, in the development of such other information as may be necessary to support and explain the basis of this Addendum to the Settlement Stipulation and to supplement the record accordingly.

6. This Addendum may be executed by the Parties in several counterparts and as executed shall constitute one Addendum to the Settlement Stipulation.

Entered into this _____ day of January 2019.

Company:

By: 
David J. Meyer
VP, Chief Counsel for Regulatory and
Governmental Affairs

Staff:

By: _____
Christopher M. Casey
Assistant Attorney General

Public Counsel:

By: _____
Lisa W. Gafken
Assistant Attorney General

AWEC:

By: _____
Tyler C. Pepple
Davison Van Cleve, P.C.

The Energy Project:

By: _____
Simon ffitch
Attorney for The Energy Project

Company:

By: _____

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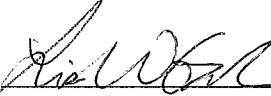
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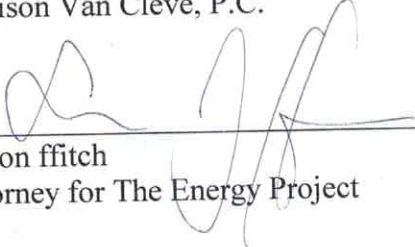
Public Counsel:

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Lisa W. Gafken
Assistant Attorney General

AWEC:

By: _____
Tyler C. Pepple
Davison Van Cleve, P.C.

The Energy Project:

By:  _____ 2/5/19
Simon ffitch
Attorney for The Energy Project