

- 5 (2) Avista Corporation d/b/a/ Avista Utilities is an electric company and is a public service company subject to the jurisdiction of the Commission.
- 6 (3) WAC 480-07-370(b)(i), allows companies to file a petition including that for which Avista seeks approval.
- 7 (4) Staff has reviewed the petition in Docket UE-060665 including related workpapers. Staff believes the proposed accounting petition requested by Avista is reasonable and should be approved, subject to transferring the loan to Account 186 and beginning amortization of this loan balance July 1, 2006, without interest over five years.
- 8 (5) In its next rate case, Avista is required to show why any amortization of this loan balance included within its operating accounts during the test period should be borne by Washington ratepayers.
- 9 (6) This matter was brought before the Commission at its regularly scheduled meeting on July 26, 2006.
- 10 (7) After examination of the petition filed in Docket UE-060665 by Avista on April 27, 2006, and giving due consideration to all relevant matters and for good cause shown, the Commission finds that the Petition filed should be approved with modifications.

ORDER

THE COMMISSION ORDERS:

- 11 (1) Avista Corporation d/b/a/ Avista Utilities' is authorized to transfer the Grid West Loan to Account 186. Any proceeds received from Grid West at dissolution will be netted against this balance.
- 12 (2) This authorization is conditioned upon amortization beginning July 1, 2006, without interest over a five-year period.

- 13 (3) In its next rate case, Avista is required to make a showing why expense associated with the amortization should be borne by ratepayers if it is included within its test period operating accounts.
- 14 (4) This Order shall not affect the Commission's authority over rates, services, accounts, evaluations, estimates, or determination of costs in any matters that may come before it, nor be construed as an acquiescence in any estimate or determination of costs claimed or asserted.
- 15 (5) The Commission retains jurisdiction over the subject matter and Avista Corporation d/b/a Avista Utilities to effectuate the provisions of this Order.

DATED at Olympia, Washington, and effective July 26, 2006.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

MARK H. SIDRAN, Chairman

PATRICK J. OSHIE, Commissioner

PHILIP B. JONES, Commissioner