

UG-121584



**Avista Corp.**  
1411 East Mission P.O. Box 3727  
Spokane, Washington 99220-0500  
Telephone 509-489-0500  
Toll Free 800-727-9170

September 25, 2012

David Danner, Executive Director and Secretary  
Washington Utilities & Transportation Commission  
1300 S. Evergreen Park Drive S. W.  
P.O. Box 47250  
Olympia, Washington 98504-7250

RE: Avista Utilities Application to Amend Certificate of Public Convenience and Necessity to Operate a Gas Plant for Hire

Dear Mr. Danner:

Enclosed for filing is an original and one copy of an application of Avista Corporation for a "Certificate of Public Convenience and Necessity to Operate a Gas Plant for Hire" in a portion of Franklin County, Washington.

The application seeks to amend Avista Corporation's existing Certificate to incorporate an area where new development is taking place and where customers currently do not have access to natural gas. As requested within the application the Company included Exhibits A and B, which are to be treated as confidential per WAC 480-07-160.

Per RCW 80.28.190, enclosed is a check in the amount of \$25.00 for application processing.

If you have any questions regarding this filing, please contact Terri Patton at (509) 495-4663 or Shawn Bonfield at (509) 495-2782.

Sincerely,

A handwritten signature in black ink that reads "Linda Gervais". The signature is written in a cursive, flowing style.

Linda Gervais  
Manager, Regulatory Policy  
State and Federal Regulation  
Avista Utilities  
509-495-4975  
[linda.gervais@avistacorp.com](mailto:linda.gervais@avistacorp.com)

RECEIVED  
REGULATORY MANAGEMENT  
2012 SEP 26 AM 10:21  
STATE OF WASH.  
UTIL. AND TRANSP.  
COMMISSION

**BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**

In the Matter of the Application of	)	
<u>Avista Corporation</u>	)	Received by _____
_____	)	
for a Certificate of Public Convenience and	)	Date _____
Necessity to Operate a Gas Plant for Hire in	)	
the general area or areas of <u>Franklin County,</u>	)	Application No. _____
<u>Washington</u>	)	
_____	)	Amount \$ _____
_____	)	(LEAVE ABOVE LINES BLANK)

Avista Corporation hereby  
(Name of applicant)  
 makes application to the Washington Utilities and Transportation Commission for a Certificate of Public Convenience and Necessity to Operate a Gas Plant for Hire as provided in RCW 80.28.190.

**APPLICATION**

- Name under which applicant's business is or will be conducted  
Avista Corporation
- Address, main office 1411 East Mission Ave. (PO Box 3727), Spokane, WA 99220-3727
- Address, branch offices \_\_\_\_\_

4. If applicant is a corporation list below the names and addresses of principal officers.

<i>Name</i>	<i>Title</i>	<i>Address</i>
Scott Morris	President, CEO, & Chairman of the Board	1411 East Mission Ave. (PO Box 3727) Spokane, WA 99220-3727
Dennis Vermillion	Senior VP & President of Avista Utilities	1411 East Mission Ave. (PO Box 3727) Spokane, WA 99220-3727
Mark Thies	Senior VP & CFO	1411 East Mission Ave. (PO Box 3727) Spokane, WA 99220-3727
Marian Durkin	Senior VP & Gen Counsel	1411 East Mission Ave. (PO Box 3727) Spokane, WA 99220-3727

5. If a corporation, supply the following information with respect to stockholders of record of applicant as of the last day of the month immediately preceding date of application herein.

<i>Names and addresses of the 10 common or preferred stockholders (if any) owning greatest number of shares with voting rights</i>	<i>Number Shares Owned Common</i>	<i>Preferred</i>	<i>Total Number of Votes</i>
BlackRock Institutional Trust Company, N.A. 400 Howard Street, San Francisco, CA 94105-2618	6,981,310		6,981,310
Vanguard Group, Inc. 100 Vanguard Boulevard, Marlvern, PA 19355-2331	3,627,461		3,627,461
River Road Asset Management, LLC The Meidinger Tower, 462 South Fourth Street-1600 Louisville, KY 40202-3466	2,653,112		2,653,112
LSV Asset Management 155 North Wacker Driver-4600, Chicago, IL 60608-2807	1,880,910		1,880,910
NFJ Investment Group, LLC 2100 Ross Avenue – 700, Dallas, TX 75201-7915	1,861,300		1,861,300
Columbia Management Investment Advisers, LLC 225 Franklin Street, Boston, MA 02110-2804	1,651,788		1,651,788
State Street Global Advisors (US) One Lincoln Street, Boston, MA 02111-2900	1,374,288		1,374,288
Fisher Investments 13100 Skyline Boulevard, Woodside, CA 94062-4527	1,065,257		1,065,257
Principal Global Investors (Equity) 801 Grand Avenue – 2800, Des Moines, IA 50392-0490	1,063,939		1,063,939
Northern Trust Investments, N.A. 181 West Madison Street, Chicago, IL 60602-4562	932,208		932,208

6. If applicant is not a corporation, list below the name and address of each person having an equity in the business.

<i>Name</i>	<i>Address</i>
Not Applicable	

7. Is this an application for an amendment of an existing certificate of public convenience and necessity already issued to applicant? YES  NO

8. Is applicant presently operating a gas plant for hire in the State of Washington in the area or areas involved in this application? YES  NO

<i>Area now served</i>	<i>Since</i>	<i>Area now served</i>	<i>Since</i>
Eastern Washington	1958		

9. Is any other gas company operating a gas plant for hire in any part of the area or areas for which applicant herein requests certification? YES  NO . If YES, give name of other company or companies by areas.

\_\_\_\_\_

10. Does applicant hold franchises or other governmental consents from any municipality in the area or areas involved in this application? YES  NO . If YES, attach a certified copy of such franchise. If NO, state action taken or to be taken to procure such.

The Company is in the process of applying for the franchise agreement.

11. State the adequacy of gas supply and proposed date that service will be made available.

Firm natural gas contracts with Northwest Pipeline covers the natural gas supply.

12. Is applicant familiar with all the rules and regulations of the Washington Utilities and Transportation Commission regarding the operation of a gas plant for hire? YES  NO

13. Is applicant submitting herewith its proposed tariff or tariffs covering the service to be offered in the area or areas involved in this application? YES  NO . If answer is NO, state when applicant intends to submit such. Such tariffs are on file with the Commission.

14. On a separate sheet designated "Exhibit A" submit a feasibility study relating to the area sought stating fully the economic conditions upon which this application is based to include the estimated cost of new plant required to exercise this certificate, the manner of financing such cost, anticipated revenues, expenses, and rate of return.

15. On separate sheets designated "Exhibit B" provide detailed map(s) and legal description for each service area showing the boundaries thereof proposed to be served under this application. Indicate (on separate sheets, if necessary) general location of facilities and service areas in accord with feasibility study.

**FINANCIAL STATEMENT**  
ON FILE  
(Avista Utilities Only – Year-End 2011)

<b>ASSETS</b>		<b>LIABILITIES</b>	
Utility Plant (See Below)	\$ <u>3,955,107,069</u>	Common Stock	\$ <u>832,413,930</u>
Less Deprn. & Amort. Reserves	\$ <u>1,333,212,160</u>	Preferred Stock	\$ _____
Net Utility Plant in Service	\$ <u>2,621,894,909</u>	Premiums, Assessments on	
Invest. in Assoc. Companies	\$ <u>84,018,368</u>	Capital Stock	\$ _____
Other Invest. & Fund Accts.	\$ <u>44,461,508</u>	Installments received on	
Current & Accrued Assets:		Capital Stock	\$ _____
Cash	\$ <u>1,867,419</u>	Capital Surplus	\$ <u>11,686,949</u>
Receivables (Net)	\$ <u>177,352,532</u>	Earned Surplus	\$ <u>336,149,983</u>
Materials & Supplies	\$ <u>25,994,594</u>	Disc. & Exp. on Cap. Stock-Dr.	\$ <u>11,086,811</u>
Other Current & Accrued		Other Equity	\$ <u>(5,636,826)</u>
Assets	\$ <u>65,422,088</u>	Total Equity	\$ <u>1,185,700,847</u>
Deferred Debits:		Long-Term Debt-Bonds	\$ <u>1,171,632,394</u>
Unamortized Debt Discount		-Other	\$ <u>51,547,000</u>
and Expense	\$ <u>14,332,877</u>	Current & Accrued Liabilities:	
Preliminary Survey and		Notes Payable	\$ <u>61,000,000</u>
Investigation Charges	\$ <u>4,180,937</u>	Accounts Payable	\$ <u>98,160,779</u>
Other Deferred Debits	\$ <u>723,350,576</u>	Other	\$ <u>174,273,682</u>
		Deferred Credits:	
		Unamortized Premium on	
		Debt	\$ <u>213,200</u>
		Other	\$ <u>1,019,400,693</u>
		Operating Reserves	\$ _____
		Contributions in Aid of	
		Construction	\$ <u>947,213</u>
		Total Liabilities and Other	
Total All Assets	\$ <u>3,762,875,808</u>	Credits	\$ <u>3,762,875,808</u>

**UTILITY PLANT**

Utility Plant in Service		Utility Plt. Purchased or Sold	\$ _____
Intangible Plant	\$ <u>52,112,668</u>	Utility Plt. in Process of	
Production Plant	\$ <u>1,084,278,499</u>	Reclassification	\$ _____
Production Extraction Plant	\$ _____	Utility Plt. Leased to Others	\$ _____
Storage Plants	\$ <u>40,430,298</u>	Property Held for Future Use	\$ <u>4,764,240</u>
Transmission Plant	\$ <u>521,466,216</u>	Construction (In Progress and	
Distribution Plant	\$ <u>1,837,699,889</u>	Completed Not Classified)	\$ <u>78,182,230</u>
Distribution Plant	\$ _____	Utility Plant Acquisition	
General Plant	\$ <u>336,173,029</u>	Adjustments (Net)	\$ _____
		Plant Adjustments & Other	\$ _____
Total Utility Plant in Service	\$ <u>3,872,160,599</u>	Total Utility Plant	\$ <u>3,955,107,069</u>

WHEREFORE, The undersigned applicant requests that the Washington Utilities and Transportation Commission make its order granting to such applicant a Certificate of Public Convenience and Necessity as provided for in RCW 80.28.190.

DATED at Spokane, Washington , this 25<sup>th</sup> day of September , 2012 .

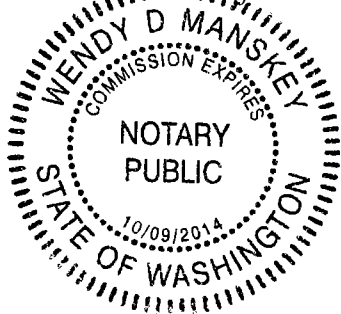
Avista Corporation

By Dennis P. Vermillion  
(Signature of applicant)

STATE of Washington , )  
County of Spokane )

Dennis P. Vermillion , being first duly sworn, deposes and says that he is Senior VP & President of applicant \_\_\_\_\_ in the proceeding entitled above, that he has read the foregoing application and knows the contents thereof; that the same is true of his own knowledge except as to matters which are therein stated on information or belief, and as to those matters he believes it to be true.

Subscribed and sworn to before me this 25<sup>th</sup> day of September , 2012



Wendy D Manskey  
Notary Public in and for the State of Washington  
Residing at Spokane

NOTE: Whenever there is insufficient space provided for supplying any foregoing required information attach same on separate sheets.

Where applicant is an existing public service company and has on file with the Commission documents containing information fully responsive to any inquiry herein reference to such documents may be made.

A remittance of twenty-five dollars (\$25) is to be forwarded with an application for certification or an amendment of an existing certificate; a remittance of ten dollars (\$10) with an application for transfer. Original and copy of this application with exhibits are to be filed.

**“EXHIBIT A -- REDACTED”  
Feasibility Study**

Please see “Exhibit A -- CONFIDENTIAL”. Please note the information is confidential per WAC 480-07-160.

**“Exhibit B -- REDACTED”  
Legal Description & Map**

Please see “Exhibit B -- CONFIDENTIAL”. Please note the information is confidential per WAC 480-07-160.