

[Service Date May 9, 2012]

May 9, 2012

**NOTICE OF STATUS CONFERENCE**  
**(Set for Friday, May 11, 2012, at 1:30 p.m.)**

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

TO ALL PARTIES:

On December 20, 2011, the Washington Utilities and Transportation Commission (Commission) issued a Notice of Decoupling Phase Procedural Schedule (Notice). In the Notice, the Commission established a procedural schedule to examine the issue of full decoupling as an option for Avista Corporation, d/b/a Avista Utilities (Avista).<sup>1</sup> On March 6, 2012, Avista, the Commission's regulatory staff, the Public Counsel Section of the Washington Office of Attorney General, Industrial Customers of Northwest Utilities, and The Energy Project filed a Joint Motion for an Order Revising Procedural Schedule for Decoupling Phase (Joint Motion).<sup>2</sup>

The Joint Motion proposed that the Commission postpone the evidentiary hearing in this matter until many of the same decoupling issues were resolved in the Puget Sound Energy, Inc. (PSE) general rate case, Dockets UE-111048 and UG-111049.<sup>3</sup> Specifically, the parties argued that delaying the hearing in this proceeding until after the PSE order was entered would provide the parties with "additional guidance" and an "opportunity to respond to issues raised in the PSE order on decoupling, in the context of the Avista case,

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<sup>1</sup> The Notice scheduled an evidentiary hearing for April 24 and 25, 2012.

<sup>2</sup> The Joint Motion requested that the April 2012 hearing be rescheduled for June 4, 2012, and June 11, 2012, if necessary.

<sup>3</sup> Joint Motion, ¶ 2.

rather than having ... no further opportunity to address any remaining Commission concerns.”<sup>4</sup> This request was granted.

The Commission entered a final order in PSE’s rate case, Dockets UE-111048 and UG-111049, declining to impose full decoupling on PSE.<sup>5</sup> In addition, Avista filed a general rate case on April 2, 2012, containing an attrition adjustment mechanism, one component of which is the company’s demand side management program.<sup>6</sup>

Given these developments, the Commission will hold a status conference to determine whether this case should continue as scheduled, or if administrative efficiency would be better served by allowing the decoupling issues to be raised by interveners and addressed in Avista’s recently filed rate case.

**THE COMMISSION GIVES NOTICE THAT it will conduct a status conference in this proceeding in Olympia on Friday, May 11, 2012, at 1:30 p.m., in Room 206 of the Commission’s headquarters, Richard Hemstad Building, 1300 S. Evergreen Park Drive S.W., Olympia, Washington.** The Commission encourages the parties to collaborate prior to the conference in an attempt to reach consensus as to the most efficient handling of this matter. Parties who find it more convenient to attend telephonically may participate via the Commission’s teleconference bridge line at **(360) 664-3846**.

Sincerely,

MARGUERITE E. FRIEDLANDER  
Administrative Law Judge

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<sup>4</sup> Joint Motion, ¶ 3.

<sup>5</sup> Order 08, ¶¶ 453-456 (May 7, 2012).

<sup>6</sup> Andrews, Exh. No. EMA-1T, at 37:8-14.