

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION
RESPONSE TO DATA REQUEST

DATE PREPARED:	May 22, 2000	WITNESS:	Alan Buckley
CASE NO:	UE-991606	RESPONDER:	Alan Buckley
	UG-991607	TELEPHONE:	(360) 664-1306
REQUESTER:	Avista Corporation		

REQUEST NO. 114:

RE: Page 36 – “incomplete analysis.” Please explain in detail what Staff believes would have been a complete analysis in choosing a relatively short-term replacement resource (in this case three and one-half years) for Centralia. Attach all supporting documentation.

RESPONSE:

The Company has apparently misread Staff's statement on page 36. Staff is referring to an "incomplete analysis" of all alternative replacement power options, not an incomplete analysis of the single short-term replacement resource chosen by the Company. Staff's recommendation is not based on a criticism of the price paid for the short-term TransAlta purchase, it is based on the lack of showing that the TransAlta purchase was the most prudent replacement option and should be embedded into the base rates of the customers. See Exhibit T-___ (APB-T), page 36, line 10 through page 37, line 21. See also the Eleventh and Nineteenth Supplemental Orders in Docket Nos. UE-920433, et al., and the Commission's discussions in those orders regarding resource acquisitions. Staff's recommendation is to hold the ratepayers harmless, from a power supply expense standpoint, as a result of the lack of sufficient demonstration by the Company regarding Centralia replacement costs.

WUTC		
DOCKET NO. <u>UE-991606</u>		
# <u>551</u>		
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