

**BEFORE THE WASHINGTON  
UTILITIES AND TRANSPORTATION COMMISSION**

In the Matter of the Petition of

AVISTA CORPORATION d/b/a  
AVISTA UTILITIES

For an Order Authorizing the Company  
to Revise its Electric and Natural Gas  
Book Depreciation Rates and  
Authorizing Deferred Accounting  
Treatment for the Difference in  
Depreciation Expense

DOCKETS UE-180167 and  
UG-180168 (*Consolidated*)

ORDER 01

ORDER OF CONSOLIDATION

PREHEARING CONFERENCE  
ORDER; NOTICE OF HEARING

**(Set for Monday, May 6, 2019,  
at 9 a.m.)**

- 1 **NATURE OF PROCEEDING.** On February 22, 2018, Avista Corporation d/b/a Avista Utilities (Avista or Company) filed with the Washington Utilities and Transportation Commission (Commission) a petition requesting approval of a proposed change to its electric book depreciation rates and authorizing deferred accounting treatment for the difference in depreciation expense (Docket UE-180167). Avista also filed with the Commission a petition requesting approval of a proposed change to its natural gas book depreciation rates and authorizing deferred accounting treatment for the difference in depreciation expense (Docket UG-180168) (collectively, Petitions). On August 22, 2018, Avista filed amended petitions in both dockets, withdrawing its request that the difference between depreciation expense under current book depreciation rates and depreciation expense under the updated depreciation rates be deferred.
- 2 On November 30, 2018, Avista filed a letter to both Docket UE-180167 and Docket UG-180168 requesting the Commission commence an adjudicative proceeding and set the matters for hearing.
- 3 **CONSOLIDATION.** Pursuant to WAC 480-07-320, the Commission determines that the facts and principles of law in Dockets UE-180167 and UG-180168 are related and,

therefore, exercises its discretion to consolidate Dockets UE-180167 and UG-180168 on its own motion.

4     **CONFERENCE.** The Commission convened a prehearing conference at Olympia, Washington on December 12, 2018, before Administrative Law Judge Andrew J. O’Connell.

5     **APPEARANCES.** David J. Meyer, Vice President and Chief Counsel for Regulatory and Governmental Affairs, Spokane, Washington, represents Avista. Lisa W. Gafken and Nina Suetake, Assistant Attorneys General, Seattle, Washington, represent the Public Counsel Unit of the Attorney General’s Office (Public Counsel). Chris Casey, Assistant Attorney General, Olympia, Washington, represents Commission staff (Staff).<sup>1</sup> Tyler Pepple, Davison Van Cleve, P.C., Portland, Oregon, represents the Alliance of Western Energy Consumers (AWEC). Matthew Gerhart, Staff Attorney, Denver, Colorado, and Marta Darby, Associate Attorney, Oakland, California, represent Sierra Club. Contact information for the representatives of those granted party status is attached as Appendix A to this Order.

6     **PETITIONS FOR INTERVENTION.** AWEC and Sierra Club filed petitions to intervene.

7     Absent objections to the petitions to intervene, the Commission finds that these petitioners have established a substantial interest in this proceeding and that their participation will be in the public interest. Accordingly, the Commission grants those petitions.

8     **PROTECTIVE ORDER.** The Commission will enter a Protective Order, Order 02, in these dockets on December 13, 2018.

9     **DISCOVERY.** Discovery will be conducted according to this Order, the procedural schedule attached to this Order as Appendix B, the Protective Order, and the Commission’s discovery rules, WAC 480-07-400 – 425. The Commission urges the

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<sup>1</sup> In formal proceedings such as this, the Commission’s regulatory staff participates like any other party, while the Commissioners make the decision. To assure fairness, the Commissioners, the presiding administrative law judge, and the Commissioners’ policy and accounting advisors do not discuss the merits of this proceeding with the regulatory staff, or any other party, without giving notice and opportunity for all parties to participate. *See* RCW 34.05.455.

parties to work cooperatively together to avoid having to bring discovery matters forward for formal resolution.

10 The Commission believes it will aid discovery in this case if every data request and each response thereto is shared with all parties. No party objects to the Commission making the exchange of data requests and responses with all parties a requirement for discovery in this case. Accordingly, the Commission requires the parties to share every data request and response with all parties, subject to any confidentiality limitations contained in Commission rule or the protective order issued in these dockets.

11 **PROCEDURAL SCHEDULE.** The parties presented an agreed procedural schedule at the prehearing conference. The Commission adopts this procedural schedule, which is attached to this Order as Appendix B.

12 **DOCUMENT FILING AND SERVICE REQUIREMENTS.** Parties must file and serve all pleadings, motions, briefs, and other prefiled materials in compliance with all of the following requirements:

- (a) Parties must submit electronic copies of all documents by 5 p.m. on the filing deadline established in the procedural schedule (or other deadline as applicable) unless the Commission orders otherwise. Parties must comply with WAC 480-07-140(6) in formatting, organizing, and identifying electronic files. Documents that include information designated as confidential must comply with the requirements in WAC 480-07-160 and the Protective Order in these dockets.
- (b) The Commission accepts only electronic versions of documents for formal filing. The Commission requires electronic copies to be in searchable .pdf format (adobe acrobat or comparable software), or to otherwise comply with WAC 480-07-140(6)(a). Parties must submit documents electronically through the Commission's web portal ([www.utc.wa.gov/e-filing](http://www.utc.wa.gov/e-filing)). If a party is unable to use the web portal to submit documents for filing, the Commission will accept a submission via email to [records@utc.wa.gov](mailto:records@utc.wa.gov) provided the email: (1) explains the reason the documents are not being submitted via the web portal, and (2) complies with the requirements in WAC 480-07-140(5)(b).
- (c) Parties must also file **an original and three (3)** paper copies (with original signatures, if applicable) of the documents with the Commission by 5 p.m. on the next business day following the filing deadline established in the

procedural schedule (or other deadline as applicable) unless the Commission orders otherwise. If any of the exhibits contain information designated as confidential, parties must file an electronic copy of the redacted version in searchable .pdf (adobe acrobat or comparable software) of each such exhibit. All hard copy filings must be mailed or otherwise delivered to the Executive Director and Secretary, Washington Utilities and Transportation Commission, P.O. Box 47250, 1300 S. Evergreen Park Drive S.W., Olympia, Washington 98504-7250.

- (d) Documents filed with the Commission must conform to the formatting and other requirements in WAC 480-07-395 and WAC 480-07-460, and must comply with the requirements in WAC 480-07-160 and the Protective Order in these dockets for documents that include information designated as confidential.
- (e) Parties must electronically serve the other parties and provide courtesy electronic copies of filings to the presiding administrative law judge ([andrew.j.oconnell@utc.wa.gov](mailto:andrew.j.oconnell@utc.wa.gov)) by 5 p.m. on the filing deadline unless the Commission orders otherwise. If parties are unable to email copies, they may furnish electronic copies by delivering them on a flash drive only.

13 **EXHIBITS FOR CROSS-EXAMINATION.** Parties are required to file with the Commission and serve all proposed cross-examination exhibits by **5 p.m. on April 29, 2019.** The Commission requires electronic copies in searchable .pdf (adobe acrobat or comparable software), the original paper copy, and three (3) paper copies of the exhibits. If any of the exhibits contain information designated as confidential, parties must file an electronic copy of the redacted version in searchable .pdf (adobe acrobat or comparable software) of each such exhibit. The exhibits must be grouped according to the witness the party intends to cross examine with the exhibits. The paper copies of the exhibits also must be organized into sets that are tabbed and labeled.

14 **EXHIBIT LISTS.** With each submission of prefiled testimony and exhibits, the party making the submission must include a preliminary exhibit list that identifies each submitted exhibit in the format the Commission uses for exhibit lists it prepares for evidentiary hearings. The Company will prepare and file its preliminary exhibit list for their initial filing in these dockets. Each party must file and serve a final list of all exhibits the party intends to introduce into the evidentiary record, including all prefiled testimony and exhibits, as well as cross-examination exhibits by **5 p.m., April 29, 2019.**

- 15 **CROSS-EXAMINATION TIME ESTIMATES.** Each party must provide a list of witnesses the party intends to cross-examine at the evidentiary hearing and an estimate of the time that party anticipates the cross-examination of that witness will take. Parties should not file witness lists or cross-examination time estimates but must provide them to the administrative law judge ([andrew.j.oconnell@utc.wa.gov](mailto:andrew.j.oconnell@utc.wa.gov)) and the other parties by **5 p.m., April 29, 2019.**
- 16 **NOTICE OF HEARING.** The Commission will hold an evidentiary hearing in these dockets on **May 6, 2019**, at **9 a.m.**, in the Commission's Hearing Room, Second Floor, Richard Hemstad Building, 1300 S. Evergreen Park Drive S.W., Olympia, Washington.
- 17 **ALTERNATE DISPUTE RESOLUTION.** The Commission supports the informal settlement of matters before it. Parties are encouraged to consider means of resolving disputes informally. The Commission has limited ability to provide dispute resolution services. If you wish to explore those services, please contact Rayne Pearson, Director, Administrative Law Division ([rayne.pearson@utc.wa.gov](mailto:rayne.pearson@utc.wa.gov) or 360-664-1136).
- 18 **NOTICE TO PARTIES: A party who objects to any portion of this Order must file a written objection within ten (10) calendar days after the service date of this Order, pursuant to WAC 480-07-430 and WAC 480-07-810. The service date appears on the first page of the order in the upper right-hand corner. Absent such objection, this Order will control further proceedings in these dockets, subject to Commission review.**

Dated at Olympia, Washington, and effective December 13, 2018.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

ANDREW J. O'CONNELL  
Administrative Law Judge

**APPENDIX A  
PARTIES' REPRESENTATIVES  
DOCKETS UE-180167 and UG-180168**

<b>PARTY</b>	<b>REPRESENTATIVE</b>	<b>PHONE</b>	<b>E-MAIL</b>
Avista	David J. Meyer, Esq. VP and Chief Counsel for Regulatory and Governmental Affairs Avista Corp. P.O. Box 3727 1411 E. Mission Avenue, MSC-27 Spokane, WA 99220-3727	(509) 495-4316	<a href="mailto:david.meyer@avistacorp.com">david.meyer@avistacorp.com</a>
	Patrick D. Ehrbar Director of Regulatory Affairs	(509) 495-8620	<a href="mailto:patrick.ehrbar@avistacorp.com">patrick.ehrbar@avistacorp.com</a>
	Avista Staff		<a href="mailto:avistadockets@avistacorp.com">avistadockets@avistacorp.com</a>
Commission Staff	Christopher Casey Assistant Attorney General Office of the Attorney General Utilities and Transportation Division 1400 S. Evergreen Park Drive S.W. P.O. Box 40128 Olympia, WA 98504	(360) 664-1189	<a href="mailto:chris.casey@utc.wa.gov">chris.casey@utc.wa.gov</a>
	Chris McGuire	(360) 664-1310	<a href="mailto:chris.mcguire@utc.wa.gov">chris.mcguire@utc.wa.gov</a>
	Krista Gross		<a href="mailto:krista.gross@utc.wa.gov">krista.gross@utc.wa.gov</a>
	Betsy DeMarco		<a href="mailto:betsy.demarco@utc.wa.gov">betsy.demarco@utc.wa.gov</a>
Public Counsel	Lisa W. Gafken Assistant Attorney General Washington State Attorney General's Office Public Counsel Unit 800 5th Avenue, Suite 2000 Seattle, WA 98104-3188	(206) 464-6595	<a href="mailto:lisaw4@atg.wa.gov">lisaw4@atg.wa.gov</a> <a href="mailto:PCCSeaEF@atg.wa.gov">PCCSeaEF@atg.wa.gov</a>
	Nina Suetake	(206) 464-6451	<a href="mailto:NinaS@atg.wa.gov">NinaS@atg.wa.gov</a>
	Luther Caulkins		<a href="mailto:LutherC@atg.wa.gov">LutherC@atg.wa.gov</a>
	Chanda Mak		<a href="mailto:ChandaM@atg.wa.gov">ChandaM@atg.wa.gov</a>
AWEC	Tyler C. Pepple Davison Van Cleve, P.C. 1750 SW Harbor Way, Suite 450 Portland, OR 97201	(503) 241-7242	<a href="mailto:tcp@dvclaw.com">tcp@dvclaw.com</a>
	Bradley G. Mullins	(503) 954-2852	<a href="mailto:brmullins@mwanalytics.com">brmullins@mwanalytics.com</a>
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	Haley M. Thomas		<a href="mailto:hmt@dvclaw.com">hmt@dvclaw.com</a>

PARTY	REPRESENTATIVE	PHONE	E-MAIL
Sierra Club	Matthew Gerhart Staff Attorney Sierra Club Environmental Law Program 1536 Wynkoop St., Suite 200 Denver, CO 80202	(510) 847-7721	<a href="mailto:matt.gerhart@sierraclub.org">matt.gerhart@sierraclub.org</a>
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	Ana Boyd		<a href="mailto:ana.boyd@sierraclub.org">ana.boyd@sierraclub.org</a>
	Katherine Chamberlain		<a href="mailto:katie.chamberlain@sierraclub.org">katie.chamberlain@sierraclub.org</a>

**APPENDIX B**  
**PROCEDURAL SCHEDULE**  
**DOCKETS UE-180167 and UG-180168**

<b>EVENT</b>	<b>DATE</b>
Avista Petition	<b>February 22, 2018</b>
Avista Amended Petition	<b>August 22, 2018</b>
Avista Request for Adjudicative Proceeding	<b>November 30, 2018</b>
Prehearing Conference	<b>December 12, 2018</b>
Prehearing Conference Order (Order 01) <sup>2</sup>	<b>December 13, 2018</b>
Initial Settlement Conference	<b>January 16, 2019</b>
Avista Testimony <sup>3</sup>	<b>February 7, 2019</b>
Second Settlement Conference	<b>February 26, 2019</b>
Avista Rebuttal Testimony and Exhibits; Staff, Public Counsel, and Intervenor Response Testimony and Exhibits <sup>4</sup>	<b>April 19, 2019</b>
Discovery Deadline – Last Day to Issue Data Requests	<b>April 23, 2019</b>
Cross-Examination Exhibits, Witness Lists, and Time Estimates	<b>April 29, 2019</b>
Evidentiary Hearing	<b>May 6, 2019, at 9 a.m.</b>
Simultaneous Post-Hearing Briefs	<b>March 22, 2019</b>

<sup>2</sup> Response time to data requests will be 7 business days.

<sup>3</sup> Response time to data requests will be 5 business days. Workpapers must be filed simultaneously with testimony.

<sup>4</sup> Response time to data requests will be 3 business days. Workpapers must be filed simultaneously with testimony.