

**AVISTA CORP.**  
**RESPONSE TO REQUEST FOR INFORMATION**

JURISDICTION:	WASHINGTON	DATE PREPARED:	09/17/2009
CASE NO:	UE-090134 & UG-090135	WITNESS:	Clint G. Kalich
REQUESTER:	Public Counsel	RESPONDER:	Clint G. Kalich
TYPE:	Data Request	DEPT:	Energy Resources
REQUEST NO.:	PC - 534	TELEPHONE:	(509) 495-4532
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**REQUEST:**

Please answer the following questions regarding the statement made in Exhibit No. \_\_\_ (CGK-4T) at 3:1-5: "Resources rarely come into service on a schedule that perfectly meets a Company's needs. Avista discussed the 'lumpiness' of resource acquisitions in its 2007 IRP on page 8-8. Resource acquisitions must be evaluated over their lifetimes, not against a specific deficit year or set of conditions, especially when an opportunity arises to procure a resource such as Lancaster at a significant discount."

- a. When did the Lancaster plant "come into service"?
  
- b. When and how did Avista Corp. management determine that it would assign the Lancaster Contracts to Avista Utilities in 2010 rather than 2009 or 2011? What was the basis for this decision? Provide all documents that show when and how the decision was made as to the timing of the assignment of the Lancaster Contracts.

**RESPONSE:**

- a. As previously stated in Company Witness Storro's direct testimony "The Lancaster Generation Facility ... went into commercial service as a merchant plant in September 2001" (p. 8).
  
- b. The decision to transfer the rights to the Lancaster PPA to Avista Utilities on January 1, 2010 was part of the overall negotiations for the sale of Avista Energy. Also see the Company's responses to PC\_DR\_94, PC\_DR\_95, PC\_DR\_97, PC\_DR\_112 and PC\_DR\_135.