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January 16, 2007

Carole J. Washburn, Secretary
Washington Utilities and Transportation Commission
1300 S. Evergreen Park Dr. SW
P. O. Box 47250
Olympia, Washington 98504-7250

Re: *Avista Reorganization*
Docket No. UE-060273

Dear Ms. Washburn:

This letter constitutes the position statement of Commission Staff, Avista Corp., and Public Counsel regarding the issue of convening an oral hearing or a hearing on the written record to review the Settlement filed in this docket on January 5, 2007. I was authorized by Ms. Krebs for Public Counsel and Mr. Meyer for Avista Corp., to file this letter on all parties' behalf.

We believe the Commission can appropriately resolve this case by conducting a hearing on the written record, and avoid the need for an oral hearing.

Of course, should the Commission have any questions about the Settlement, Staff, Avista Corp., and Public Counsel have committed to make witnesses available for that purpose, or respond in any other way the Commission deems appropriate.

Sincerely,

DONALD T. TROTTER
Senior Counsel

DTT:klg
Enclosure
cc: Parties

