

SERVICE DATE

SEP 14 2005
RECEIVED

SEP 16 2005

EXECUTIVE DEPT.

BEFORE THE WASHINGTON STATE
UTILITIES AND TRANSPORTATION COMMISSION

In the Matter of the Application of)	DOCKET NO. UG-050983
)	
Avista Corporation,)	ORDER NO. 01
)	
Applicant,)	
)	
To Amend its Certificate of Public)	
Convenience and Necessity to Operate)	
a Gas Plant for Hire in the General)	ORDER GRANTING
Area of Spokane County)	APPLICATION
.....)	

BACKGROUND

- 1 On June 24, 2005, in compliance with RCW 80.28.190 Avista Corporation (Avista or the Company) filed an application to amend its present Certificate of Public Convenience and Necessity to Operate a Gas Plant for Hire, to include an additional area in designated portions of Spokane County which are contiguous to presently certificated areas. (Exhibits A & B).

- 2 Avista is presently certificated for and is now providing gas service in Spokane County. Avista is requesting a certificate to expand the service area North of Spokane. The additional area requested is contiguous to the existing certificated area. (See Exhibit A for legal description.)

- 3 This filing requests no determination at this time as to the reasonableness of the gas pipeline facility to service this addition to Avista's service area, and recognizes the right of the Commission to determine such reasonable services and expenditures, together with the treatment of same, in any formal proceeding before the Commission dealing with Avista's results of operation for ratemaking purposes.

- 4 It appears that Avista is best suited to serve the requested service territory economically, therefore, the application should be granted to satisfy the public convenience and necessity.

FINDINGS AND CONCLUSIONS

- 5 (1) The Washington Utilities and Transportation Commission is an agency of the State of Washington vested by statute with the authority to regulate rates, rules, regulations, practices, accounts, securities, and transfers of public service companies, including gas companies. *RCW 80.01.040; Chapter 80.04 RCW, and Chapter 80.28 RCW.*
- 6 (2) Avista is a gas company and is a public service company subject to the jurisdiction of the Commission.
- 7 (3) RCW 80.28.190 states no gas company shall operate in this state any gas plant for hire without first having obtained from the Commission a certificate declaring that public convenience and necessity requires or will require such operation and setting forth the area or areas within which service is to be rendered.
- 8 (4) Avista has previously been issued a Certificate of Public Convenience and Necessity to operate a gas plant for hire.
- 9 (5) Avista has filed an application to amend its Certificate of Public Convenience and Necessity to include an additional area in Northern Spokane. This area is contiguous to Avista's presently certificated area.

- 10 (6) Commission Staff has reviewed the Company's application and recommends the operation of a gas plant for hire in the additional area requested is required for the public convenience and necessity.
- 11 (7) This matter was brought before the Commission at its regularly scheduled meeting on September 14, 2005.
- 12 (8) After review of the request filed in Docket UG-050983 by Avista and giving due consideration, the Commission finds it is consistent with the public convenience and necessity that the Certificate of Avista be amended to reflect the addition of areas east of Bruce Road in Northern Spokane.

ORDER

THE COMMISSION ORDERS:

- 13 (1) The application of Avista to amend its Certificate of Public Convenience and Necessity to Operate a Gas Plant for Hire within the certificated area in Spokane County is granted and the Certificate shall be in accordance with the attached Exhibit B.
- 14 (2) This Order makes no determination at this time as to the reasonableness of the gas pipeline facility to serve this addition to Avista's service area, and recognizes the right of the Commission to determine such reasonable services and expenditures, together with treatment of same, in any formal proceeding before the Commission dealing with Avista's results of operations for ratemaking purposes.

- 15 (3) The Commission retains jurisdiction over the subject matter and Avista to effectuate the provisions of this Order.

The Commissioners, having determined this Order to be consistent with the public interest, directed the Secretary to enter this Order.

DATED at Olympia, Washington, and effective this 14th day of September, 2005.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

A handwritten signature in cursive script, reading "Carole J. Washburn". The signature is written in black ink and is positioned above the printed name of the signatory.

CAROLE J. WASHBURN, Secretary

“EXHIBIT A”

Spokane, WA. has experienced a large amount of growth into the outlying areas of Avista's service territory, due to the continued approval of large housing subdivisions in suburban/rural areas by our local County Government. This has resulted in Avista's facilities being extended right to our current existing Certificated boundary, in the Northeast area of Spokane County.

The Mead-Mt. Spokane High School area in particular, has been growing very fast and is populated with several large housing developments of substantial homes. This area is at the far reaches of not only our distribution system, but also right at our current Certificated area boundary. We have experienced low pressure and spotty outages in this area during the winter heating seasons; even during the fairly mild weather we have experienced the last couple years. Avista has determined that a new source of gas distribution is needed to reinforce this growing section of our service territory.

It is proposed to install a 6" diameter steel high-pressure natural gas distribution main approximately 24,000 ft. along Bruce Rd. in Northeast Spokane County, WA. Avista will install a district regulating station at the end of this high pressure line and extend approximately 8500 feet of 6" intermediate P.E. main to tie into our existing distribution system. This project will also provide capacity for future growth and possible extension to customers that have requested gas service, but were out of our certificated area and beyond existing system capability.

The total cost of this project is currently estimated at \$1,500,000.

It is planned to begin construction on the reinforcement project this summer 2005, with connection and service beginning in Fall 2005.

"Exhibit B"
Legal Description

Beginning at the northwest corner of Sec. 19, T. 29 N., R. 44 E., and running southerly along the west line of Secs. 19, 30, and 31, T. 29 N., R. 44 E., to the southwest corner of Sec. 31, T. 29 N., R. 44 E.; thence easterly along the south line of Sec. 31, T. 29 N., R. 44 E., to the northwest corner of Sec. 6, T. 28 N., R. 44 E.; thence southerly along the west line of Secs. 6, 7, 18, 19, 30 and 31, T. 28 N., R. 44 E., and Secs. 6, 7, 18, 19, 30 and 31, T. 27 N., R. 44 E., and Sec. 6, T. 26 N., R. 44 E., to the southwest corner of Sec. 6, T. 26 N., R. 44 E.; thence easterly along the south line of Secs. 6, 5, 4, 3, 2 and 1, T. 26 N., R. 44 E., and Secs. 6, 5, 4, 3, 2 and 1, T. 26 N., R. 45 E. and fractional Sec. 6, T. 26 N., R. 46 E., to the southeast corner of fractional Sec. 6, T. 26 N., R. 46 E., and the intersection with the common boundary line between the States of Washington and Idaho; thence northerly along the common boundary line between the States of Washington and Idaho, along fractional Sec. 6, T. 26 N., R. 46 E., and fractional Secs. 31 and 30, T. 27 N., R. 46 E., to the northeast corner of fractional Sec. 30, T. 27 N., R. 46 E.; thence westerly along the north line of fractional Sec. 30, T. 27 N., R. 46 E. and Secs. 25, 26, 27, 28, 29 and 30, T. 27 N., R. 45 E. to the northwest corner of Sec. 30, T. 27 N., R. 45 E., being a point on the east line of Sec. 24, T. 27 N., R. 44 E.; thence northerly along the east line of Secs. 24, 13, 12 and 1, T. 27 N., R. 44 E., and Secs. 36, 25, 24, 13, 12 and 1, T. 28 N., R. 44 E., and Secs. 36, 25 and 24, T. 29 N., R. 44 E., to the northeast corner of Sec. 24, T. 29 N., R. 44 E.; thence westerly along the north line of Secs. 24, 23, 22, 21, 20 and 19, T. 29 N., R. 44 E., to the Northwest corner of Section 19, T. 29 N., R. 44 E., which is the point of beginning.

STEVENS
COUNTY
R.42 E.

P E N D O R E I L

R.43 E. R.44

"EXHIBIT B"

YELLOW HIGHLIGHTED AREA INDICATES
EXISTING CERTIFICATED BOUNDARY.

GREEN HIGHLIGHTED AREA INDICATES
PROPOSED CERTIFICATED AMMENDMENT.

RED DASHED LINE INDICATES PROPOSED
HIGH PRESSURE AND INTERMEDIATE
REINFORCEMENT GAS LINES.

