Avista Corp. 1411 East Mission P.O. Box 3727 Spokane. Washington 99220-0500 Telephone 509-489-0500 Toll Free 800-727-9170



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IDAHO PUBLIC UTILITIES COMMISSION

May 29, 2014

Idaho Public Utilities Commission 472 W. Washington St. Boise, ID 83702-5983

AVU-E-14-05 AVU-G-14-01

Attention: Ms. Jean Jewell, Commission Secretary

Re: In the Matter of the Application of Avista Corporation to Initiate Discussions with Interested Parties on an Extension of the Existing Rate Plan.

Dear Ms. Jewell:

Enclosed for filing with the Commission are an original and seven (7) copies of the Application of Avista Corporation to Initiate Discussions with Interested Parties on an Extension of the Existing Rate Plan.

Please direct any questions regarding this filing to Patrick Ehrbar at (509) 495-8620.

Sincerely,

David J. Meyer Vice President and Chief Counsel for Regulatory and Governmental Affairs

Enclosures

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that I have served Avista Corporation's Application to Initiate Discussions with Interested Parties on an Extension of the Existing Rate Plan by mailing a copy thereof, postage prepaid, and sending via email, to the following:

Jean D Jewell, Secretary Idaho Public Utilities Commission Statehouse Boise, ID 83720-5983 Jean.jewell@puc.idaho.gov

Donald Howell Deputy Attorneys General Idaho Public Utilities Commission 472 W. Washington Boise, ID 83702-0659 donald.howell@puc.idaho.gov

Marv Lewallen Clearwater Paper 601 W. Riverside Avenue Suite 1100 Spokane, WA 99201 marv.lewallen@clearwaterpaper.com

Scott Atkison Idaho Forest Products 171 Highway 95 N. Grangeville, ID 83530 scotta@idahoforestgroup.com

Ken Miller Snake River Alliance P. O. Box 1731 Boise, ID 83702 kmiller@snakeriveralliance.org

Larry A Crowley The Energy Strategies Institute Inc 5549 S. Cliffsedge Ave Boise, ID 83716 crowlyla@aol.com

Dated at Spokane, Washington this 29th day of May 2014.

Patrick Ehrbar Manager, Rates & Tariffs Brad M. Purdy Attorney at Law 2019 N 17th Street Boise, ID 83720 bmpurdy@hotmail.com

Peter J. Richardson Greg M. Adams Richardson & O'Leary PLLC 515 N. 27th Street PO Box 7218 Boise, ID 83702 peter@richardsonandoleary.com greg@richardsondoleary.com

Dean J. Miller McDevitt & Miller, LLP 420 W. Bannock St. PO Box 2564-83701 Boise, ID 83701-2564 joe@mcdevitt-miller.com

Benjamin J. Otto Idaho Conservation League 710 N. 6th St. Boise, ID 83702 botto@idahoconservation.org

Christine Zamora Community Action Partnership Association of Idaho 5400 W. Franklin, Suite G Boise, ID 83705 czamora@capai.org David J. Meyer, Esq. Vice President and Chief Counsel for Regulatory and Governmental Affairs Avista Corporation 1411 E. Mission Avenue P.O. Box 3727 Spokane, Washington 99220 Phone: (509) 495-4316 RECEIVED 2014 MAY 30 PM 12: 20 IDAHO PUBLIC UTILITIES COMMISSION

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF THE APPLICATION)OF AVISTA CORPORATION TO INITIATE)DISCUSSIONS WITH INTERESTED)PARTIES ON AN EXTENSION OF THE)EXISTING RATE PLAN.)

CASE No. AVU-E-14-<u>0</u>5 CASE No. AVU-G-14-<u>0</u>

APPLICATION OF AVISTA CORPORATION

Avista Corporation ("Avista" or "Company") hereby files an Application with the Idaho Public Utilities Commission ("Commission" or "IPUC") respectfully requesting that the Commission notice this Application and an Intervention deadline to identify interested parties that would like to participate with the Company in settlement discussions to extend the existing rate plan. In support of this Application, Avista states as follows:

1. Avista is a corporation created and organized under the laws of the State of Washington with its principal office in Spokane, Washington. Avista is an investor-owned utility principally engaged in the business of providing electric and natural gas service in the states of Idaho and Washington, as well as natural gas service in the state of Oregon.

2. Communications in reference to this Application should be addressed to:

APPLICATION OF AVISTA CORPORATION - 1

David J. Meyer, Esq. Vice President and Chief Counsel for Regulatory & Governmental Affairs Avista Corp. P. O. Box 3727 1411 E. Mission Avenue, MSC 27 Spokane, Washington 99220-3727 Telephone: (509) 495-4316 Facsimile: (509) 495-8851 E-mail: david.meyer@avistacorp.com Kelly Norwood Vice President State and Federal Regulation Avista Corp. P. O. Box 3727 1411 E. Mission Avenue, MSC 27 Spokane, Washington 99220-3727 Telephone: (509) 495-4267 Facsimile: (509) 495-8851 E-mail: <u>kelly.norwood@avistacorp.com</u>

3. On March 24, 2014, in compliance with the minimum sixty day notice requirement of Rule 122 of the IPUC Rules of Procedure "Notice of Intent to File a General Rate Case," Avista Corporation provided notice to the Idaho Public Utilities Commission that the Company intends to file a combined electric and natural gas general rate case on or after June 2, 2014.

4. In Case Nos. AVU-E-12-08 and AVU-G-12-07, the Commission approved a settlement that provided for a rate plan that set base rates for a period extending through January 1, 2015.

5. Between May 22, 2014 and May 27, 2014, Avista had informal discussions, individually, with Commission Staff, Clearwater Paper Corporation, Idaho Forest Group, Community Action Partnership Association of Idaho (CAPAI), Idaho Conservation League, and the Snake River Alliance, representing all intervenors and interested parties in the Company's last general rate case (Case No. AVU-E-12-08 and AVU-G-12-07).

6. As a part of those informal discussions, Avista explained a potential proposal to extend the existing rate plan approved by the Commission in the Company's last general rate case and avoid the need for Avista to immediately file a general rate case, that would otherwise take effect at the expiration of the existing rate plan on January 1, 2015. All of the

parties contacted by Avista expressed a willingness to meet on June 25, 2014, for the purpose of exploring an extension of the existing rate plan.

WHEREFORE, Avista respectfully requests that the Commission open and notice a docket and set an intervention deadline that would formally notify interested parties of Avista's intent to engage in settlement discussions, pursuant to IPUC Rule 273, with the desire to reach agreement on terms that would allow the Company to avoid filing a general rate case in 2014 and extend the existing rate plan for an additional period of time.

DATED this 29 day of May 2014.

Avista Corporation

Signature: Name: David J. Meyer

Date: <u>may 29⁺⁷, 2014</u>

Attorney for Avista Corporation