

**BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION**

**IN THE MATTER OF THE APPLICATION** )  
**OF AVISTA CORPORATION DBA AVISTA** ) **CASE NO. AVU-E-08-04**  
**UTILITIES FOR AN ORDER** )  
**AUTHORIZING THE ACCOUNTING OF** ) **NOTICE OF APPLICATION**  
**WIND GENERATION SITE COSTS AS** )  
**CONSTRUCTION WORK IN PROGRESS** ) **NOTICE OF**  
) **MODIFIED PROCEDURE**  
) )  
) **ORDER NO. 30581**

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YOU ARE HEREBY NOTIFIED that on June 4, 2008, Avista Corporation filed an Application requesting an order “allowing for costs associated with wind generation site land, land rights, reservation costs, and other incremental costs associated with site evaluation, selection and acquisition to be accounted for as construction work in progress (CWIP), and allowing for the accrual of allowance for funds used during construction (AFUDC).” Avista’s Integrated Resource Plan calls for the acquisition of 300 MW of wind generation capacity.

YOU ARE FURTHER NOTIFIED that the Application states that in May the Company purchased permits, studies, lease assignments and wind data for the development of a wind generation site near Reardan, Washington. The Company is requesting to have all reservation payments and other costs associated with development of the site accounted for as CWIP. According to the Application, Commission authorization is required to account for wind generation site costs in FERC Account 107-CWIP, because normally this account is used when plant is in the process of construction. Construction at the site is expected to begin in 2011. Given the lead time between the expenditures for site costs, the ordering of equipment and start of construction, Avista states it is necessary to obtain Commission approval to account for these costs in Account 107-CWIP.

YOU ARE FURTHER NOTIFIED that the Commission has determined that the public interest may not require a formal hearing in this matter and will proceed under Modified Procedure pursuant to Rules 201 through 204 of the Idaho Public Utilities Commission’s Rules of Procedure, IDAPA 31.01.01.201-204. The Commission notes that Modified Procedure and

written comments have proven to be an effective means for obtaining public input and participation.

YOU ARE FURTHER NOTIFIED that any person desiring to state a position on this Application may file a written comment in support or opposition with the Commission within twenty-one (21) days from the service date of this Notice. The comment must contain a statement of reasons supporting the comment. Persons desiring a hearing must specifically request a hearing in their written comments. Written comments concerning this Application may be mailed to the Commission and Avista at the addresses reflected below:

Commission Secretary  
Idaho Public Utilities Commission  
PO Box 83720  
Boise, Idaho 83720-0074

Street Address for Express Mail:

472 W. Washington Sreet  
Boise, ID 83702-5918

David J. Meyer, Vice President,  
Chief Counsel, Reg. & Gov't Affairs  
Avista Corporation  
PO Box 3727  
1411 East Mission Avenue  
Spokane, WA 99220-3727  
E-Mail: [david.meyer@avistacorp.com](mailto:david.meyer@avistacorp.com)

Kelly Norwood  
Vice President – State & Federal Regulation  
Avista Utilities  
PO Box 3727  
1411 East Mission Avenue  
Spokane, WA 99220-3727  
E-Mail: [kelly.norwood@avistacorp.com](mailto:kelly.norwood@avistacorp.com)

These comments should contain the case caption and case number shown on the first page of this document. Persons desiring to submit comments via e-mail may do so by accessing the Commission's home page located at [www.puc.idaho.gov](http://www.puc.idaho.gov). Click the "Comments and Questions" icon, and complete the comment form, using the case number as it appears on the front of this document. These comments must also be sent to Avista at the e-mail addresses listed above.

YOU ARE FURTHER NOTIFIED that if no written comments or protests are received within the time limit set, the Commission will consider this matter on its merits and enter its Order without a formal hearing. If written comments are received within the time limit set, the Commission will consider them and, in its discretion, may set the same for formal hearing.

YOU ARE FURTHER NOTIFIED that the Application and supporting workpapers have been filed with the Commission and are available for public inspection during regular business hours at the Commission offices or on the Commission's Website at [www.puc.idaho.gov](http://www.puc.idaho.gov) under the "File Room" and then "Electric Cases."


YOU ARE FURTHER NOTIFIED that all proceedings in this case will be held pursuant to the Commission's jurisdiction under Title 61 of the Idaho Code and that the Commission may enter any final order consistent with its authority under Title 61.

YOU ARE FURTHER NOTIFIED that all proceedings in this matter will be conducted pursuant to the Commission's Rules of Procedure, IDAPA 31.01.01.000 et seq.

### **ORDER**

IT IS HEREBY ORDERED that the Application of Avista Corporation for an order authorizing the accounting of wind generation site costs as construction work in progress be processed by Modified Procedure, IDAPA 31.01.01.201-.204. Persons interested in submitting written comments in this matter must do so within twenty-one (21) days from the service date of this Notice.


DONE by Order of the Idaho Public Utilities Commission at Boise, Idaho this 25<sup>th</sup>  
day of June 2008.

  
MACK A. REDFORD, PRESIDENT

  
MARSHA H. SMITH, COMMISSIONER

  
JIM D. KEMPTON, COMMISSIONER

ATTEST:

  
Jean D. Jewell  
Commission Secretary

bls/O:AVU-E-08-04\_ws