

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF AVISTA)
CORPORATION’S ANNUAL POWER COST) **CASE NO. AVU-E-12-06**
ADJUSTMENT (PCA))
) **NOTICE OF APPLICATION**
) **NOTICE OF**
) **MODIFIED PROCEDURE**
) **NOTICE OF**
) **INTERVENTION DEADLINE**
) **ORDER NO. 32622**

YOU ARE HEREBY NOTIFIED that on July 31, 2012, Avista Corporation (“Avista” or “Company”) filed its annual Power Cost Adjustment (“PCA”) and requested a Commission Order approving the recovery of power costs deferred for the period of July 1, 2011 through June 30, 2012

YOU ARE FURTHER NOTIFIED that the Company’s Application would provide an average rebate of 0.090¢ per kilowatt-hour. The Company estimates an overall decrease of 2.17%.

YOU ARE FURTHER NOTIFIED that Avista’s Application states that its existing PCA methodology and method of recovery were approved in Case No. AVU-E-07-01 by Order No. 30361 dated June 29, 2007. In that case, the Commission approved a change in the method of PCA deferral recovery from a uniform percentage basis to a uniform cents per kilowatt-hour basis effective with the October 1, 2007 PCA rate change.

YOU ARE FURTHER NOTIFIED that the Company’s Application outlines the power cost deferrals, including interest, for the July 1, 2011 through June 30, 2012 deferral period:

Deferrals (July 2011-June 2012)	\$ (3,170,099)
Interest	(21,812)
PCA Deferral Balance as of June 30, 2012	<u>\$ (3,191,911)</u>

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YOU ARE FURTHER NOTIFIED that Avista's Application included copies of its monthly PCA deferral reports for the months of July 2011 through June 2012.

YOU ARE FURTHER NOTIFIED that attached as Exhibit A to Avista's filing, is a copy of the Company's proposed tariff proposing a uniform cents per kilowatt-hour PCA decrease of 0.090¢ to be effective October 1, 2012.

YOU ARE FURTHER NOTIFIED that Avista states that the proposed rebate is designed to pass through the deferrals for the period July 1, 2011 through June 30, 2012, as well as the unrecovered balance related to the July 1, 2010 through June 30, 2011 deferral period, and interest during the recovery period of October 1, 2012 through September 30, 2013.

YOU ARE FURTHER NOTIFIED that the Company attached the direct testimony of Ronald L. McKenzie, Regulatory Account Manager, and William G. Johnson, Power Contracts Analyst.

YOU ARE FURTHER NOTIFIED that the Company requests that its Application be processed through Modified Procedure.

NOTICE OF MODIFIED PROCEDURE

YOU ARE FURTHER NOTIFIED that the Commission has reviewed the Company's filing in Case No. AVU-E-12-06 and finds 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 through .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 concerning Avista's PCA Application may file a written comment in support or opposition with the Commission. 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 Avista's PCA Application shall be filed with the Commission **no later than Friday, September 21, 2012**. Written comments concerning this filing should be mailed to the Commission and the Company at the addresses written below:

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

Street Address for Express Mail:

472 W. Washington Street
Boise, ID 83702-5918

Kelly O. Norwood
Vice President
State and Federal Regulation
Avista Corporation
1411 E. Mission Avenue
Spokane, WA 99220
E-mail: kelly.norwood@avistacorp.com

David J. Meyer
Vice President and Chief Counsel for
Regulatory and Governmental Affairs
Avista Corporation
1411 E. Mission Avenue
Spokane, WA 99220
E-mail: david.meyer@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. 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 Avista's PCA Application can be viewed at www.puc.idaho.gov by clicking on "File Room" and then "Electric Cases," or it can be viewed during regular business hours at the Idaho Public Utilities Commission, 472 West Washington St., Boise, Idaho and Avista Corporation Headquarters, 1411 E. Mission Ave., Spokane, WA 99220.

YOU ARE FURTHER NOTIFIED that the Idaho Public Utilities Commission has jurisdiction over the Company, its filing and the issues pertaining to this case pursuant to Title 61 of the Idaho Code.

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*

NOTICE OF INTERVENTION DEADLINE

YOU ARE FURTHER NOTIFIED that persons desiring to intervene in Case No. AVU-E-12-06 for the purpose of becoming a party, i.e., to present evidence, to acquire rights of cross-examination, to participate in settlement or negotiation conferences, and to make and argue motions must file a Petition to Intervene with the Commission pursuant to Rules 72 and 73 of the

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Commission's Rules of Procedure, IDAPA 31.01.01.072 and .073. Persons desiring to acquire intervenor rights of participation **must file a Petition to Intervene on or before Tuesday, August 28, 2012.** Persons desiring intervenor status shall also provide the Commission Secretary with their electronic mail address to facilitate future communications in this matter.

ORDER

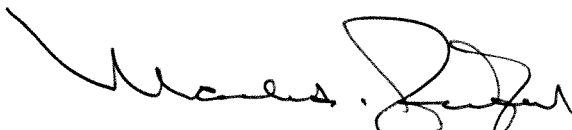
IT IS HEREBY ORDERED that persons interested in submitting written comments regarding Avista's PCA Application should do so **no later than September 21, 2012.**

IT IS FURTHER ORDERED that persons desiring to intervene in this case for the purpose of presenting evidence or cross-examination at hearing shall file a Petition to Intervene with the Commission **no later than August 28, 2012.**

DONE by Order of the Idaho Public Utilities Commission at Boise, Idaho this ^{21st} day of August 2012.



PAUL KJELLANDER, PRESIDENT



MACK A. REDFORD, COMMISSIONER



MARSHA H. SMITH, COMMISSIONER

ATTEST:



Barbara Barrows
Assistant Commission Secretary

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