

DECISION MEMORANDUM

**TO: COMMISSIONER KJELLANDER
COMMISSIONER REDFORD
COMMISSIONER SMITH
COMMISSION SECRETARY
COMMISSION STAFF
LEGAL**

**FROM: KARL KLEIN
DEPUTY ATTORNEY GENERAL**

DATE: FEBRUARY 8, 2013

**SUBJECT: CASE NOS. AVU-E-12-08 / AVU-G-12-07
GENERAL RATE CASE – ELECTRIC/GAS**

On October 11, 2012, Avista applied to the Commission for authority to increase its electric base rates by \$11.4 million (4.6%) and its natural gas base rates by \$4.6 million (7.2%). Application at 1. The Company proposed an April 1, 2013 effective date. *See* Amendment to Application. The Commission subsequently suspended the proposed effective date and allowed the following parties to intervene: Idaho Forest Group; Clearwater Paper; CAPAI; Idaho Conservation League; and Snake River Alliance (SRA). The Commission also set deadlines for the parties to file testimony and exhibits and tentatively scheduled a technical hearing date. *See* Order Nos. 32671, 32678, 32680 and 32687, and 32689.

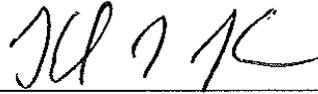
Settlement conferences occurred on January 17 and 24, 2013. On February 6, 2013, the Company, Staff, Idaho Forest Group, Clearwater Paper, and the Idaho Conservation League filed a Stipulation and Settlement that proposes to fully resolve the case.¹ The stipulating parties agreed that there would be no electric rate increase on April 1, 2013; a 4.9% natural gas increase on April 1, 2013; a net electric rate increase of 1.9% on October 1, 2013; a net natural gas rate increase of 0.9% on October 1, 2013; and no additional base rate increases until January 2015. Additionally, the stipulating parties and CAPAI and SRA agreed to the following amended case schedule:

¹ CAPAI participated in settlement discussions and is continuing to review its position with regard to the Stipulation and Settlement, and will be filing separate comments and/or testimony in that regard. The SRA, as an intervenor, was provided notice of the settlement discussions, but did not participate.

DATE	ACTIVITY
February 25, 2013	Deadline for parties (Company/Staff/Intervenors) to file direct testimony and exhibits
March 1, 2013	Deadline for rebuttal testimony and exhibits
March 4 and 5, 2013	Public Hearings
March 7, 2013	Technical Hearing

COMMISSION DECISION

Should the Commission issue a Notice of Proposed Settlement, Notice of Amended Schedule, and Notice of Public and Technical Hearings?



Karl Klein
Deputy Attorney General

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