

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF AVISTA)	
CORPORATION'S APPLICATION TO)	CASE NOS. AVU-E-12-05
ELIMINATE THE ANNUAL COMPLIANCE)	AVU-G-12-04
FILING REQUIREMENT FOR ASSET)	
RETIREMENT OBLIGATION (ARO))	ORDER NO. 32644
ESTABLISHED IN ORDER NO. 29962)	

On June 29, 2012, Avista Corporation (“Avista” or “Company”) submitted an Application seeking a Commission Order authorizing the Company to discontinue its annual compliance filing requirement established in Order No. 29962 to submit “all journal entries made under the requirements of [Statement of Financial Accounting Standards] SFAS 143.” *Application* at 1.

On August 1, 2012, the Commission issued a Notice of Application and Modified Procedure establishing a 21-day comment period. *See* Order No. 32605. Commission Staff (“Staff”) was the only party to submit comments within the established comment period.

APPLICATION

Avista states that “in Order No. 29962, the Commission directed the Company to record regulatory assets or liabilities associated with the implementation of . . . SFAS 143.” *Id.* Attached to its Application, Avista included three copies of its 2011 SFAS 143 annual compliance filing. *Id.*

The Company stated that it removed the Asset Retirement Obligation (ARO) transactions from the monthly Results of Operations. *Id.* These transactions are “not included in the Company’s earnings or in any rate request in the Company’s general rates cases.” *Id.* Avista notes that the journal entries are “routine in nature” and that the Company has made the “compliance filings for the past five years.” *Id.*

Finally, Avista remarked that it will continue to “maintain the same records regarding the ARO transactions and would have them available to Staff and any other party upon request.” *Id.*

STAFF COMMENTS

Staff reviewed the Company’s filing and agreed with the Company’s proposal to discontinue its annual compliance filing. *Staff Comments* at 2. Staff states that the entries have

become routine and no longer require annual reporting. *Id.* According to Staff, regulatory oversight will remain unaltered as the entries in the annual compliance filing will remain accessible to Staff upon request. *Id.* Staff is capable of confirming that these transactions are not included in any rate request during the review process accompanying the Company's general (and other) rate cases. *Id.*

COMMISSION FINDINGS AND DECISION

The Commission has thoroughly reviewed the Company's Application, including attachment. The Commission finds that Avista's request to discontinue its annual compliance filing is fair, just and reasonable. The Commission is satisfied that a proper accounting of the Company's ongoing Asset Retirement Obligations will continue. Staff will continue to subject these transactions to appropriate regulatory oversight through audit procedures occurring in the context of the Company's general rate case and other filings with the Commission.

CONCLUSIONS OF LAW

The Idaho Public Utilities Commission has jurisdiction over Avista Corporation, an electric utility, and the issues presented in this case, pursuant to the powers granted it under Title 61 of the Idaho Code and pursuant to the Commission's Rules of Procedure, IDAPA 31.01.01.000 *et seq.*

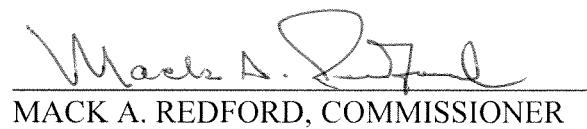
O R D E R

IT IS HEREBY ORDERED that Avista Corporation's request to discontinue its annual compliance filing requirement established in Order No. 29962 to submit all journal entries made under the requirements of Statement of Financial Accounting Standards 143 is approved.

THIS IS A FINAL ORDER. Any person interested in this Order (or in issues finally decided by this Order) or in interlocutory Orders previously issued in Case Nos. AVU-E-12-05 and AVU-G-12-04 may petition for reconsideration within twenty-one (21) days of the service date of this Order with regard to any matter decided in this Order or in interlocutory Orders previously issued in these cases. Within seven (7) days after any person has petitioned for reconsideration, any other person may cross-petition for reconsideration. See *Idaho Code* § 61-626.

DONE by Order of the Idaho Public Utilities Commission at Boise, Idaho this 18th
day of September 2012.


PAUL KJELLANDER, PRESIDENT


MACK A. REDFORD, COMMISSIONER


MARSHA H. SMITH, COMMISSIONER

ATTEST:


Jean D. Jewell
Commission Secretary

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