

CABLE HUSTON BENEDICT HAAGENSEN & LLOYD LLP

ATTORNEYS AT LAW
SUITE 2000
1001 SW FIFTH AVENUE
PORTLAND, OREGON 97204-1136

TELEPHONE (503) 224-3092
FACSIMILE (503) 224-3176

EDWARD A. FINKLEA

EFINKLEA@CHBH.COM
www.cablehuston.com

September 27, 2006

**VIA ELECTRONIC FILING
& FIRST CLASS MAIL**

Oregon Public Utility Commission
550 Capitol St. NE, #215
PO Box 2148
Salem, OR 97308-2148
Attn: Filing Center

Re: UM 1250 – In the Matter of Avista Corp. Application for an Order Approving a
Corporate Reorganization to Create a Holding Company

Dear Filing Center:

Enclosed for filing are the original and one copy of the Northwest Industrial Gas Users' Petition to Intervene Out of Time in the above-captioned proceeding.

Thank you for your assistance in this matter. Should you have any questions regarding this matter, please feel free to contact me. Thank you.

Very truly yours,



Edward A. Finklea

EAF/tr

Enclosure

cc: UM-1250 Service List

**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON**

UM 1250

In the Matter of)	
)	
AVISTA CORP.)	THE NORTHWEST INDUSTRIAL
)	GAS USERS' PETITION TO
Application for an Order Approving a)	INTERVENE OUT OF TIME
Corporate Reorganization to Create a)	
Holding Company.)	
)	
)	

Pursuant to ORS § 756.525 and OAR § 860-013-0021, the Northwest Industrial Gas Users (“NWIGU”) hereby submit this Petition to Intervene Out of Time in the above-captioned proceeding and seek party status as provided in OAR § 860-011-0035(5). In support of this Petition, NWIGU states as follows:

1. The name and address of NWIGU as a party of record in this proceeding is:

Paula E. Pyron
Executive Director
Northwest Industrial Gas Users
4113 Wolf Berry Court
Lake Oswego, OR 97035-1827
Telephone: (503) 636-2580
Facsimile: (503) 636-0703
E-Mail: ppyron@nwigu.org

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Edward A. Finklea and Chad M. Stokes will represent NWIGU in this proceeding. All documents related to this proceeding should be served on NWIGU's attorneys at the following address:

Edward A. Finklea
Chad M. Stokes
Cable Huston Benedict Haagensen & Lloyd LLP
1001 SW Fifth Ave., Suite 2000
Portland, OR 97204-1136
Telephone: (503) 224-3092
Facsimile: (503) 224-3176
E-Mail: efinklea@chbh.com
cstokes@chbh.com

2. NWIGU is a non-profit association comprised of thirty-two end-users of natural gas with major facilities in the States of Oregon, Washington, and Idaho. NWIGU members include diverse industrial interests, including food processing, pulp and paper, wood products, electric generation, aluminum, steel, chemicals, electronics, and aerospace. The Association provides an informational service to its members and participates in various regulatory matters that affect member interests. NWIGU member companies purchase transportation services from Williams Gas Pipeline – West, also known as Northwest Pipeline Corporation and Gas Transmission Northwest Corporation, and purchase sales and transportation services from local distribution companies (“LDCs”) that acquire service from the interstate pipelines. NWIGU member companies acquire natural gas sales and transportation services from Avista Corporation (“Avista”) in Oregon.

3. Avista proposes to modify its current corporate structure by establishing a holding company. The holding company, if approved, would be formed as the parent corporation of the existing regulated company Avista Corporation, which the Company proposes to rename Avista

Utilities, Inc. The holding company would also become the parent company of Avista Capital, Inc., which would continue to hold non-regulated subsidiaries.

Avista states that this corporate reorganization is in the best interest of the Company, its customers and its shareholders. Avista states that the new corporate structure would provide additional protection for ratepayers by further separating utility operations from non-regulated businesses. Avista also states that the reorganization would not entail the transfer of Utility assets, nor would it adversely affect the financial, technical, and managerial ability of Avista Utilities.

4. Avista's proposed reorganization concerns and may impact the rates and terms and conditions of service of all Avista's customers in Oregon. Accordingly, as customers of Avista, NWIGU member companies have a direct and substantial interest in this proceeding. No other party can adequately represent NWIGU member companies' interest and NWIGU will be affected by any Commission determination made in this proceeding.

5. NWIGU's requests that its late intervention be permitted. NWIGU's counsel appeared at the prehearing conference on September 13, 2006. Due to an oversight, NWIGU's counsel did not file an intervention by September 25, 2006, the date set for interventions at the prehearing conference. No party will be prejudiced by NWIGU's late intervention because this proceeding is in its initial stages. Moreover, all parties had notice that NWIGU intended to seek party status at the prehearing conference. NWIGU accepts the record as it stands.

6. NWIGU's participation in this proceeding will assist the Commission in resolving the issues, and will not unreasonably broaden the issues, unduly burden the record, or delay the proceeding.

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WHEREFORE, NWIGU respectfully requests leave to intervene out of time and requests all the rights of a party in this proceeding.

Dated: September 27, 2006

Respectfully submitted,



Edward A. Finklea, OSB # 84216

Chad M. Stokes, OSB # 00400

Cable Huston Benedict Haagensen & Lloyd LLP

1001 SW Fifth Ave., Suite 2000

Portland, OR 97204-1136

Telephone: (503) 224-3092

Facsimile: (503) 224-3176

E-Mail: efinklea@chbh.com

cstokes@chbh.com

Of Attorneys for the
Northwest Industrial Gas Users

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that I caused to be served the foregoing **NORTHWEST INDUSTRIAL GAS USERS' PETITION TO INTERVENE OUT OF TIME** on the Service List obtained on September 27, 2006 from the Oregon Public Utility Commission's Website as follows:

- [XX] by **MAILING** a full, true and correct copy thereof in a sealed, postage-paid envelope, addressed as shown on the attached Service List, and deposited with the U.S. Postal Service at Portland, Oregon, on the date set forth below;
- [XX] **and** by **electronic mail** ("e-mail") to those parties on the Oregon Public Utility Commission's Website Service List who listed an e-mail address.

STEPHANIE S ANDRUS ASSISTANT ATTORNEY GENERAL DEPARTMENT OF JUSTICE REGULATED UTILITY & BUSINESS SEC. 1162 COURT ST NE SALEM OR 97301-4096 stephanie.andrus@state.or.us	KELLY O NORWOOD VICE PRESIDENT - STATE & FEDERAL REGULATION AVISTA UTILITIES PO BOX 3727 SPOKANE WA 99220-3727 kelly.norwood@avistacorp.com
DAVID J MEYER VICE PRESIDENT & CHIEF COUNSEL AVISTA CORPORATION PO BOX 3727 SPOKANE WA 99220-3727 david.meyer@avistacorp.com	

DATED this 27th day of September, 2006.



Edward A. Finklea, OSB # 84216
Chad M. Stokes, OSB #00400
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