

**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON**

UG 171

In the Matter of)
)
AVISTA UTILITIES) ORDER
)
Proposed Tariff for Gas Service.)
Advice No. 06-01-G)

DISPOSITION: TARIFF SHEETS SUSPENDED

On January 24, 2006, Avista Utilities filed tariff sheets in Advice No. 06-01-G to be effective March 8, 2006. The terms of the proposed tariff sheets are set forth in the Staff Report dated February 8, 2006, attached as the Appendix to this order.

At its March 7, 2006, public meeting, the Public Utility Commission of Oregon found good and sufficient cause exists to investigate the propriety and reasonableness of the tariff sheets pursuant to ORS 757.210 and 757.215. The Commission ordered suspension of the advice pending that investigation.

IT IS ORDERED that Advice No. 06-01-G filed by AVISTA UTILITIES is suspended for a period of time not to exceed nine months from March 8, 2006, the effective date of the tariff sheets.

Made, entered, and effective MAR 07 2006.



BY THE COMMISSION:

Becky Beier
Becky Beier
Commission Secretary

A party may request rehearing or reconsideration of this order pursuant to ORS 756.561. A request for rehearing or reconsideration must be filed with the Commission within 60 days of the date of service of this order. The request must comply with the requirements in OAR 860-014-0095. A copy of any such request must also be served on each party to the proceeding as provided by OAR 860-013-0070(2). A party may appeal this order by filing a petition for review with the Court of Appeals in compliance with ORS 183.480-183.484.

kwillia

ITEM NO. CA1

PUBLIC UTILITY COMMISSION OF OREGON
STAFF REPORT
PUBLIC MEETING DATE: March 7, 2006

REGULAR X CONSENT _____ EFFECTIVE DATE March 8, 2006

DATE: February 8, 2006

TO: Public Utility Commission

FROM: Judy Johnson *JJ*

THROUGH: *W* Lee Sparling and *EB* Ed Busch

SUBJECT: AVISTA UTILITIES: (Docket No. UG 171/Advice No. 06-01-G)
Establishes Schedule 461, Income Tax Adjustment - Oregon.

STAFF RECOMMENDATION:

I recommend that the Commission suspend Avista Utilities' application for a new tariff schedule in Advice No. 06-01-G.

DISCUSSION:

On November 22, 2005, the Commission accepted Staff's recommendation that Avista Utilities (Avista) file an automatic adjustment clause tariff in compliance with the requirements of Senate Bill 408. This filing is in compliance with that requirement. There would be currently no rate effect for this filing. The rates are set to zero until the tax report for 2006 is filed in October of 2007.

Staff recommends the Commission suspend the tariffs for investigation. Avista, Staff and other parties are conducting workshops in Docket AR 499, which will adopt permanent rules to implement SB 408. Suspending the tariffs will enable the Commission in AR 499 to thoroughly investigate and determine how an automatic adjustment clause should be calculated. The company's proposed tariffs contain definitions and terms that have not been agreed to by the AR 499 participants or adopted by the Commission.

ORS 757.215(1) allows the Commission to suspend the proposed tariffs an additional three months if it finds the investigation will not be completed by the end of the initial six-month suspension period. Due to the complexity of the issues, Staff believes there is sufficient cause for the Commission to determine that the investigation cannot be

Avista Docket UG 171/ Advice No. 06-01-G
February 8, 2006
Page 2

completed within the initial suspension period, and the additional three-month suspension should be approved at this time.

PROPOSED COMMISSION MOTION:

Avista's application for new tariff schedule in Advice No. 06-01-G (UG 171), with a proposed effective date of March 8, 2006, be suspended for nine months.

Avista Advice 06-01-G