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CABLE HUSTON

CABLE HUSTON BENEDICT HAAGENSEN & LLOYD LLP • ATTORNEYS

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December 23, 2008

**VIA ELECTRONIC FILING
& FIRST CLASS MAIL**

Oregon Public Utility Commission
Attn: Filing Center
550 Capitol Street, N.E., #215
P.O. Box 2148
Salem, Oregon 97308-2148

Re: In the Matter of the OREGON PUBLIC UTILITY STAFF Requesting the Commission direct AVISTA UTILITIES to file tariffs establishing automatic adjustment clauses under the terms of SB 408 (**Docket No. UG-171**)

Issues List for the Northwest Industrial Gas Users

Dear Filing Center:

Intervenor Northwest Industrial Gas Users identifies the following issues in this proceeding:

1. Has Avista demonstrated that a rate adjustment under the automatic adjustment clause in connection with its tax report for 2007 would violate the "fair and reasonable" rate provisions of ORS 756.040?
2. In making a determination regarding Avista's potential claim that a rate adjustment would violate ORS 756.040 in connection with its tax report for 2007, what applicable years should the Commission consider in performing earnings reviews from the utility's results of operations reports?
3. In making a determination regarding Avista's potential claim that a rate adjustment would violate ORS 756.040 in connection with its tax report for 2007, what level of return on equity would be deemed confiscatory pursuant to *Federal Power Commission v. Hope Natural Gas Pipeline* ("Hope"), 320 US 591, 64 S.Ct. 281, 88 L.ed 333 (1944)?
4. In making a determination regarding Avista's potential claim that an automatic adjustment would violate ORS 756.040 in connection with its tax report for 2007, what is the

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appropriate remedy that should be considered by the Commission in protecting the interests of the consumers on Avista's system?

Should you have any questions regarding this filing, please call.

Very truly yours,

A handwritten signature in black ink, appearing to be "TAB", with a long horizontal line extending to the right.

Tommy A. Brooks
Chad M. Stokes

TAB & CMS:wc

Enclosures

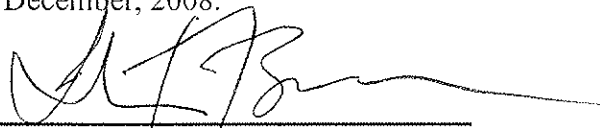
cc: UG-171 Service List

CERTIFICATE OF SERVICE

I CERTIFY that I have on this day served the foregoing document upon all parties of record in this proceeding via electronic mail or by mailing a copy to those parties not waiving paper service in a properly addressed envelope with first class postage prepaid.

W=Waive Paper Service	
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Dated in Portland, Oregon, this 23rd day of December, 2008.



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Of Attorneys for the Northwest Industrial Gas Users