

UNITED STATES
ENVIRONMENTAL PROTECTION AGENCY

2010 FEB -8 PM 1:06

BEFORE THE ADMINISTRATOR

FILED
EPA REGION VIII
HEARING CLERK

IN THE MATTER OF:) Docket No. CWA-08-2009-0035
)
Avista Utilities, Inc.) **JOINT SETTLEMENT REPORT**
1411 East Mission)
Spokane, WA 99202-3727,)
)
(Noxon Rapids Hydroelectric)
Development Facility)
Sanders County, Montana,)
)
Respondent.)

The United States Environmental Protection Agency, Region 8 (EPA), and Avista Utilities, Inc. (Avista), by and through their undersigned counsel, hereby provide the following Joint Settlement Report updating the assigned Alternative Dispute Resolution (ADR) neutral, Administrative Law Judge Spencer T. Nissen, on the status of the parties' voluntary settlement efforts in the above-referenced matter.

1. Pursuant to the Order Granting Motion for Extension of Alternative Dispute Resolution Process issued by Judge Nissen on January 5, 2010, the ADR period in this matter expires on March 10, 2010.

2. The parties have conferred informally to resolve the matter outside of litigation

3. On January 5, 2010, the parties reached a settlement-in-principle.

4. EPA provided Avista a draft Consent Agreement on February 5, 2010, for review and signature.

5. The parties will endeavor to file a fully executed Consent Agreement with the Regional Judicial Officer fully resolving this matter as soon as possible but no later than March 10, 2010.

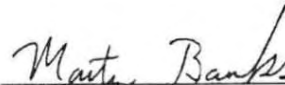
Respectfully submitted this 8th day of February, 2010.

U.S. EPA REGION 8,
COMPLAINANT,



Amy Swanson, Enforcement Attorney
U.S. EPA, Region 8
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AVISTA UTILITIES, INC.,
RESPONDENT,



Martin K. Banks, Esquire
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201 S. Main Street, Suite 1100
Salt Lake City, UT 84111
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CERTIFICATE OF SERVICE

The undersigned hereby certifies that the original and one copy of the JOINT SETTLEMENT REPORT was hand-carried to the Regional Hearing Clerk, EPA Region 8, 1595 Wynkoop Street, Denver, Colorado, and that a true copy of the same was sent in the following manner to the addresses listed below:

Via pouch mail and facsimile to:

The Honorable Spencer T. Nissen, Administrative Judge
Office of Administrative Law Judges (Mail Code 1900L)
U.S. Environmental Protection Agency
1200 Pennsylvania Avenue, N.W.
Washington, DC 20460
Facsimile: (202) 565-0044

Via regular mail to:

Martin K. Banks, Esq.
Stoel Rives, LLP
201 S. Main Street, Suite 1100
Salt Lake City, UT 84111

Date: 2/8/2010

By: Judith M. McTernan