

Avista Corp.
1411 East Mission PO Box 3727
Spokane, Washington 99220-3727
Telephone 509-489-0600
Toll Free 800-727-9170



November 2, 2004

Washington Utilities and Transportation Commission
1300 S. Evergreen Park Drive S.W.
P.O. Box 47250
Olympia, WA 98504-7250

Attention: Ms. Carole Washburn, Executive Secretary

Re: Avista Natural Gas Rate Case (Docket # UG-041515):
Avista's Acceptance of Conditions Relating to the Grant of Short-term
Implementation of Rates

To Commission Secretary Washburn:

In its Order No. UG-041515 granting approval for the short-term implementation of the proposed settlement rates, the Commission set forth certain conditions requiring Avista's assent. By this letter, Avista advises the Commission that it agrees to the proposed hearing schedule set forth in the Order, and that it will agree to a 90-day extension of the suspension date if the proposed settlement is rejected or otherwise does not become effective. Finally, Avista understands and agrees that the increase is subject to refund to the extent that the rate eventually approved is lower than the short-term rate.

Very truly yours,

A handwritten signature in black ink, appearing to read "D. Meyer", with a horizontal line extending to the right.

David J. Meyer
VP, Chief Counsel for
Regulatory and Government Affairs

cc: Judge Wallis
See attached service list

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that I have served copies of Avista's Acceptance of Conditions Relating to the Grant of Short-term Implementation of Rates, via e-mail and by mailing a copy thereof, postage prepaid to the following:

Carole Washburn
Executive Secretary
Washington Utilities and Transportation Commission
1300 S. Evergreen Park Drive S.W.
P.O. Box 47250
Olympia, WA 98504-7250

Gregory Trautman
Attorney at Law
P.O. Box 40128
1400 S. Evergreen Park Dr. S.W.
Olympia, WA 98504-0128

Ms. Paula E. Pyron
Executive Director
Northwest Industrial Gas Users
4113 Wolfberry Court
Lake Oswego, OR 97035-1827

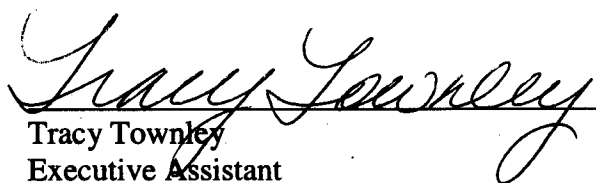
Chuck Eberdt
The Energy Project
1701 Ellis Street
Bellingham, WA 98225

Robert Cromwell, Jr.
Office of the Attorney General
Public Counsel Section
900 Fourth Avenue, Suite 2000
Seattle, WA 98164-1012

Edward A. Finklea
Chad M. Stokes
Northwest Industrial Gas Users
Cable Huston Benedict
Haagensen & Lloyd LLP
1001 SW 5th Avenue, Suite 200
Portland, OR 97204-1136

John Orourke
Citizens Utility Alliance of Washington
212 W. 2nd Avenue
Spokane, WA 99201

Dated in Spokane, Washington this 2nd day of November, 2004.


Tracy Townley
Executive Assistant