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October 11, 2016

Mr. Steven King, Executive Director and Secretary
Washington Utilities and Transportation Commission
1300 S. Evergreen Park Drive, S.W.
P.O. Box 47250
Olympia, Washington 98504-7250

Docket No. UG-161094

Re: Tariff WN U-29, Natural Gas Service
Natural Gas Decoupling Rate Adjustment

Dear Mr. King:

On August 31, 2016, Avista filed its Natural Gas Decoupling Rate Adjustment in compliance with the Commission's Order No. 05 in Docket No. UG-140189. Since that time, Commission Staff has reviewed the Company's filing and has suggested several changes. More specifically, Staff has proposed changes to the interest calculation contained within Attachment A to the Company's filing, as well as the effect of revenue sensitive expenses on the earnings sharing amount. The Company agrees with Staff's proposed modifications, and therefore is including in this filing an updated Attachment A. In the end, the agreed-upon modifications did not otherwise affect the proposed rates contained within the originally filed tariffs in this docket.

The Company has also provided in this filing a copy of its customer notice which was distributed to customers in September. The Company inadvertently did not include a copy of the notice in its original filing. Please direct any questions on this matter to Tara Knox, Senior Regulatory Analyst at (509) 495-4325 or myself at (509) 495-8620.

Sincerely,

A handwritten signature in black ink that reads "Joe Miller for Patrick Ehrbar".

Patrick Ehrbar
Senior Manager, Rates and Tariffs

Enclosures