**Avista Corp.**

1411 East Mission P.O. Box 3727

Spokane. Washington 99220-0500

Telephone 509-489-0500

Toll Free 800-727-9170

February 14, 2017

Mr. Steven V. King

Executive Director and Secretary

Washington Utilities and Transportation Commission

PO Box 47250

1300 S. Evergreen Park Drive SW

Olympia, WA 98504-7250

Dear Mr. King:

RE: CONFIDENTIAL UE-140188/UG-140189

Electric and Natural Gas Decoupling Mechanism

Quarterly Report

Please find the CONFIDENTIAL and Redacted versions of the Electric and Natural Gas Decoupling Mechanism Quarterly Report.

The report consists of spreadsheets showing the monthly revenue deferral calculations for October through December 2016.

Also included in the report are the monthly general ledger balances resulting from the deferral and amortization activity during the fourth quarter of 2016.

The Company has not released its earnings for 2016, therefore, we are asking that the financial information contained in these reports be treated confidentially pursuant to WAC 480-07-160. These documents are stamped “CONFIDENTIAL per WAC 480-07-160.”

Questions regarding this filing should be directed to Tara Knox at (509) 495-4325.

Sincerely,

Patrick Ehrbar

Manager, Rates and Tariffs

Enc.