Avista Corp.

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December 11, 2009

Sent Electronically and via Overnight Mail

Mr. David Danner Executive Director & Secretary Washington Utilities and Transportation Commission 1300 S. Evergreen Park Drive SW P. O. Box 47250 Olympia, Washington 98504-7250

Re: In the Matter of the Power Purchase Agreement Between Avista Turbine Power and Avista Corporation Pursuant to RCW 80.16.020, Docket UE-091902

Dear Mr. Danner:

Thank you for your letter of December 10, 2009, seeking clarification of Avista's intent with respect to the above-captioned affiliated interest filing. Our intent was to make a separate affiliated interest filing, consistent with the representations in Avista's post-hearing brief in Docket No. UE-090134 that it would make such a filing at such time as the Lancaster PPA was executed. (Hence, a courtesy copy was provided to all parties in UE-090134.) The Company was not otherwise asking that it be filed in Dockets UE-090134, UG-090135 and UG-060518 (consolidated). We apologize for any confusion in that regard.

Sincerely,

David Meyer

Vice President and Chief Counsel of Regulatory and Governmental Affairs

cc: Parties of Record in Dockets UE-090134, UG-090135 & UG-060518 (consolidated)

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that I have served Avista's Letter of Clarification in Docket No. UE-091902, upon the persons and entities listed on the Service List below by electronic mail and mailing a copy thereof, postage prepaid to the following:

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I declare under penalty of perjury that the foregoing is true and correct.

Dated at Spokane, Washington this 11th day of December, 2009.

Paul Kimball Regulatory Analyst