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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. UE-161096

Re: Tariff WN U-28, Electric Service  
Electric Decoupling Rate Adjustment

Dear Mr. King:

On August 31, 2016, Avista filed its Electric Decoupling Rate Adjustment in compliance with the Commission's Order No. 05 in Docket No. UE-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 slightly changed the rates proposed by the Company.

Therefore, the Company is filing the following tariff sheet which incorporates the updated proposed decoupling rates. The net effect was a reduction to the proposed Non-Residential rebate rate of \$0.00001. The changes did not otherwise affect the Company's proposed tariff revisions to Sheet 75E.

**Substitute First Revision Sheet 75**    Canceling    **Original Sheet 75**

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 cursive script that reads "Joe Miller for Patrick Ehrbar".

Patrick Ehrbar  
Senior Manager, Rates and Tariffs  
enclosures