

[Service Date February 11, 2013]

February 11, 2013

Scott L. Morris  
Chairman of the Board, President, and Chief Executive Officer  
Avista Utilities  
1411 East Mission  
Post Office Box 3727  
Spokane, WA 99220-0500

**Re: Avista Utilities' 2012 Natural Gas Integrated Resource Plan  
Docket UG-111588**

Dear Mr. Morris:

The Washington Utilities and Transportation Commission (Commission) has carefully reviewed the 2012 Natural Gas Integrated Resource Plan (Plan) filed by Avista Utilities (Avista or company) and finds that it meets the requirements of WAC 480-90-238.

Please be advised that this finding does not signal pre-approval for ratemaking of any course of action identified in the Plan. At the time of the Commission's review of Avista's general rate case, the Commission will give due weight to the information, analyses and strategies contained in the 2012 Plan, along with other relevant evidence, when determining the prudence of the company's actions.

Because an integrated resource plan (IRP) cannot determinatively pinpoint the future actions that will minimize a utility's costs and risk, we expect that the company will update regularly the assumptions that underlie the IRP and adjust its operational strategies accordingly.

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Attached are specific comments from the Commission regarding the Plan. Commission staff will provide additional detailed comments as Avista develops its next IRP. Avista should file its next Natural Gas IRP work plan on or before August 31, and its next Natural Gas IRP on or before August 31, 2014.

Sincerely,

**DAVID W. DANNER**  
Executive Director and Secretary

Attachment