



**Avista Corp.**

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November 7, 2017

***Via Electronic Mail***

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

Re: Docket No. UG-171090

Dear Mr. King,

Avista Corporation respectfully submits its “2018 DSM Annual Conservation Plan (ACP).”

Avista’s Natural Gas ACP outlines the Company’s approach to acquiring natural gas energy efficiency savings for residential, commercial and industrial customers in the upcoming 2018 program year. The Company’s 2015 Natural Gas Integrated Resource Plan (IRP) identified a conservation target of 612,830 therms for 2018. The Company estimates that during 2018, it will achieve 719,451 therms through its low-income, residential, and commercial programs.

The Company has provided in its plan the annual estimated savings and budgets for each program. Please see Appendix F for the annual program summary outlining the Company’s planned savings by sector.

Avista’s 2018 natural gas budget reflects forecasted expenditures needed to achieve the total conservation target outlined in the plan. The Company estimates a total natural gas budget of \$3,273,905 which is \$185,677 lower than the prior year’s budget of \$3,459,582.

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The natural gas conservation portfolio is estimated to achieve an overall Total Resource Cost (TRC) benefit-to-cost ratio of 1.1 and a Utility Cost Test (UCT) benefit-to-cost ratio of 2.4.

The 2018 ACP includes several appendices:

*Appendix A: 2018 Program Plans*

*Appendix B: 2018 Evaluation, Measurement and Verification Plan*

*Appendix C: Summarization of Cost-Effectiveness Methodology*

*Appendix D: Quick Reference Guide*

*Appendix E: Schedule 190, Washington*

*Appendix F: Program Summary*

If you have any questions regarding this information and/or the Company's filing, please contact Dan Johnson at 509-495- 2807 or myself at 509-495-4975.

Sincerely,

*/s/Linda Gervais/*

Senior Manager, Regulatory Policy

Avista Utilities

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Cc: Avista Advisory Group