

[Service Date January 12, 2012]

January 12, 2012

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' 2011 Electric Integrated Resource Plan
Docket UE-101482**

Dear Mr. Morris:

The Washington Utilities and Transportation Commission (Commission) has carefully reviewed the 2011 Electric Integrated Resource Plan (Plan) filed by Avista Utilities (Avista or Company) and finds that it meets the requirements of Revised Code of Washington 19.280.030 and Washington Administrative Code 480-100-238.

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 2011 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 Electric IRP work plan on or before August 31, 2012, and its next Electric IRP on or before August 31, 2013.

Sincerely,

DAVID W. DANNER
Executive Director and Secretary

Attachment