

Avista Corp.
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August 30, 2006

Washington Utilities and Transportation Commission
1300 S. Evergreen Park Drive S. W.
P.O. Box 47250
Olympia, Washington 98504-7250

Attention: Ms. Carole Washburn, Executive Secretary

TARIFF WN-U-28, ELECTRIC SERVICE

Avista Corporation hereby submits the attached filing seeking Commission approval of its request for an update to the Company's base power supply (production) and transmission costs and a corresponding increase in rates and charges for the electric services to its electric customers in the state of Washington. The updated production and transmission costs result in a proposed rate increase request of \$28.9 million or 8.8%. The proposed increase is driven primarily by additional investments in Avista's hydroelectric and thermal generating plants, and transmission system, together with the continuing high power supply costs to serve growing retail load requirements. In its filing, Avista requests that the Commission set a date for a prehearing conference at its earliest convenience, and establish a procedural schedule that would provide for a Commission decision and new rates to become effective on or before February 1, 2007.

Service of documents pertaining to this filing should be to the following Avista Corporation representatives:

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Enclosed with this filing are three copies of the following proposed tariff sheets formatted with the coding required by WAC 480-80-105, and three copies in legislative format as required by WAC 480-07-510:

5 th Revision Sheet 1	Canceling	4 th Revision Sheet 1
5 th Revision Sheet 11	Canceling	4 th Revision Sheet 11
5 th Revision Sheet 21	Canceling	4 th Revision Sheet 21
5 th Revision Sheet 25	Canceling	4 th Revision Sheet 25
2 nd Revision Sheet 25A	Canceling	1 st Revision Sheet 25A

5 th Revision Sheet 31	Canceling	4 th Revision Sheet 31
4 th Revision Sheet 41	Canceling	3 rd Revision Sheet 41
4 th Revision Sheet 42	Canceling	3 rd Revision Sheet 42
4 th Revision Sheet 44	Canceling	3 rd Revision Sheet 44
5 th Revision Sheet 45	Canceling	4 th Revision Sheet 45
5 th Revision Sheet 46	Canceling	4 th Revision Sheet 46
4 th Revision Sheet 47	Canceling	3 rd Revision Sheet 47
5 th Revision Sheet 47A	Canceling	4 th Revision Sheet 47A

Three copies of a "Notice of Tariff Change" are enclosed. This notice will be posted in the Company's offices coincident with the date of this filing. A "Notice to Customers" will be provided to customers as a bill insert beginning approximately September 1, 2006.

In support of this filing, the Company has enclosed 12 copies of its prepared direct testimony and exhibits, as well as three copies of work papers showing how current authorized data were adjusted. Avista is also providing one Compact Disk (CD) containing an electronic copy of these same documents.

Exhibit number (RRP_2), for Avista witness Peterson, is a CD containing Avista's 2005 Electric Integrated Resource Plan (IRP). Four color "paper copies" of the IRP have been included in this filing, three of which are provided as personal copies for the Commissioners. Additional hard copies are available upon request.

Avista also hereby submits three paper copies of the CONFIDENTIAL workpapers (unredacted) for Avista's witnesses Johnson and Kinney. Avista is also providing one Compact Disk containing an electronic copy of these same workpapers. Three copies of Workpapers for Company witness Kalich are only provided electronically on CDs. These workpapers should be treated as CONFIDENTIAL PER WAC 480-07-160 and RCW 80-04-095. Additionally as required by WAC 480-07-160(3)(a), Avista is submitting an Attorney's Claim of Confidentiality.

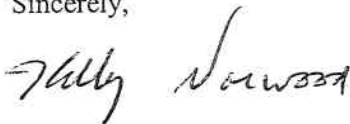
A summary document pertaining to the filing is provided as well as the financial reports and other documents required under WAC 480-07-510.

Additionally, Avista has included three copies of a Petition For an Order Approving Avista's Update of Its Base Power Supply and Transmission Costs.

A service list is attached, with the parties on the service list receiving a complete copy of the pre-filed testimony and exhibits.

Additional copies of this filing, supporting testimony and exhibits are available from the Company upon request. Questions regarding this filing should be directed to Liz Andrews at (509) 495-8601.

Sincerely,



Kelly Norwood
VP, State & Federal Regulation
Avista Corporation

Enclosures

c: See attached service lists

Docket No. UE-06 _____
CERTIFICATE OF SERVICE

I HEREBY CERTIFY that I have served the foregoing documents upon the persons and entities listed on the Service List below, and by providing a copy of said documents to the parties, pre-paid, via overnight delivery and via electronic mail:

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Dated at Spokane, Washington this 30th day of August 2006.



Patty Olsness
Rates Coordinator