

Avista Corp.
1411 East Mission PO Box 3727
Spokane, Washington 99220-3727
Telephone 509-489-0500
Toll Free 800-727-9170



January 18, 2008

State of Washington
Washington Utilities & Transportation Commission
1300 S. Evergreen Park Drive
Olympia, Washington 98504-8002

Attention: Ms. Carole Washburn, Executive Secretary

TARIFF WN U-28 ELECTRIC SERVICE & WN U-29 NATURAL GAS SERVICE

Enclosed for filing with the Washington Utilities and Transportation Commission are the following tariff sheets:

Fourth Revision Sheet 93 canceling Third Revision Sheet 93
First Revision Sheet 159 canceling Substitute Original Sheet 159

These tariff sheets bear an effective date of February 18, 2008 however, **the company requests that they be made effective February 1, 2008, on less than statutory notice, so that the company can implement these changes as soon as possible.**

These tariff sheets are being filed to reflect changes that result from Avista's change in general electric and natural gas rates effective January 1, 2008, approved by the Commission in Order No. 5 in Docket Nos. UE-070804 and UG-070805.

Schedule 93 reflects the company's present power cost surcharge rates, which are shown as a rate per kilowatt-hour for all service schedules except street and area light schedules. For street and area light schedules, the surcharge is expressed as a percentage to be applied to the base rates under those schedules. As the company's base tariff rates increased on January 1, 2008, the company would collect additional revenue from street and area light customers unless the surcharge percentage is reduced to reflect the general rate increase. The proposed surcharge percentage will result in the same surcharge revenue collected from these customers before and after the general rate increase, as shown on the top portion of Attachment 1.

Schedule 159 is the company's Natural Gas Decoupling tariff. There are two changes proposed to Schedule 159 as a result of UG-070805. The first is the change in the base-year therm sales, from 2004 to 2006, used in the monthly deferral calculation. These new base-year therms are shown on page 1 of Appendix 7 of the Settlement Stipulation approved by the Commission in Order No. 05 (Stipulation). The other proposed change to Schedule 159 is the new margin per therm for Schedule 101 to be used in the monthly deferral calculation. This calculation is also shown on page 1 of Appendix 7 of the Stipulation, however, there was an error in the calculation shown in the Stipulation. The new Schedule 101 base rate per therm was incorrect, which resulted in an incorrect margin per therm. The bottom portion of Attachment 1 shows the same calculation using the correct base rate for Schedule 101, resulting in the correct margin reflected in the proposed tariff sheet.

If you have any questions regarding this filing, please contact Brian Hirschhorn at 509-495-4723.

Sincerely,

A handwritten signature in cursive script that reads "Kelly Norwood".

Kelly O. Norwood, Vice President
State and Federal Regulation

CC: Steven Johnson, Public Counsel