

Avista Corp.
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Spokane, Washington 99220-3727
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Toll Free 800-727-9170



March 26, 2008

Sent via Overnight Mail

Ms. Carole J. Washburn, Executive Secretary
Washington Utilities and Transportation Commission
1300 S. Evergreen Park Drive SW
P. O. Box 47250
Olympia, Washington 98504-7250

Re: Docket No. UE-08 _____ Energy Recovery Mechanism (ERM)
Avista's Annual Filing to Review Deferrals (2007 Calendar Year)

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RECORDS MANAGEMENT
2008 MAR 27 AM 9:20
STATE OF WASH.
UTIL. AND TRANSP.
COMMISSION

Dear Ms. Washburn:

Enclosed for filing are an original and 12 copies of Avista Corporation's annual filing to review ERM deferrals for the 2007 calendar year. Also enclosed is a certificate of service. The filing consists of the direct testimony and exhibits of William G. Johnson and Ronald L. McKenzie. Mr. Johnson's testimony indicates the supporting documentation that is being provided. Due to the extensive amount of material being provided, the material is being provided in electronic format on two compact disks. One compact disk contains non-confidential material. The other compact disk contains confidential material, filed under seal, per Protective Order in Docket No. UE-011595 and WAC 480-07-160. Enclosed is an "Attorney's Claim of Confidentiality" document.

Please direct any questions related to this filing to Ron McKenzie at (509) 495-4320.

Sincerely,

Kelly Norwood
Vice President State and Federal Regulation

Enclosures
RM

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that I have served Avista Corporation's annual filing to review ERM deferrals for the 2007 year, by mailing a copy thereof, postage prepaid to the following:

Ms. Carole J. Washburn, Executive Secretary
Washington Utilities & Transportation Commission
1300 S. Evergreen Park Drive SW
P.O. Box 47250
Olympia, WA 98504-7250

Donald T. Trotter, Senior Counsel
Attorney General of Washington
PO Box 40128
1400 S. Evergreen Park Dr. SW
Olympia, WA 98504-0128

Simon J. ffitch
Office of the Attorney General
Public Counsel
800 Fifth Avenue, Suite 2000
Seattle, WA 98104-3188

S Bradley Van Cleve
Matthew W. Perkins
Davison Van Cleve, PC
333 S.W. Taylor, Ste. 400
Portland, OR 97204

Dated at Spokane, Washington this 26th day of March 2008.



Patty Olsness
Rates Coordinator

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BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

DOCKET NO. UE-08_____

ATTORNEY'S CLAIM OF CONFIDENTIALITY
RELATING TO INFORMATION PROVIDED AS PART
OF AVISTA'S ANNUAL FILING TO REVIEW ERM DEFERRALS

DAVID J. MEYER

VICE PRESIDENT and CHIEF COUNSEL FOR
REGULATORY AND GOVERNAMENTAL AFFAIRS

REPRESENTING AVISTA CORPORATION

1 I, David J. Meyer, represent Avista Corporation. I am Vice President and Chief
2 Counsel for Regulatory and Governmental Affairs for Avista Corporation (“Avista” or
3 “Company”) and I am appearing on its behalf in this proceeding.

4 I make this claim of confidentiality pursuant to WAC 480-07-160 (3)(a) because
5 Avista, through its Direct Testimony, Exhibits and supporting workpapers, is disclosing certain
6 information that is CONFIDENTIAL and constitutes VALUABLE COMMERCIAL
7 INFORMATION as defined by WAC 480-07-160 (2) and protected under WAC 480-07-160
8 and RCW 80-04-095.

9 Any printed information Avista provides will, as required under WAC 480-07-160 and
10 WAC 480-07-423, be marked as CONFIDENTIAL, submitted on yellow or canary paper, and
11 will be provided under separate cover. The electronic information Avista provides will be
12 reproduced separately on a compact disk (CD) and will also be marked as CONFIDENTIAL.

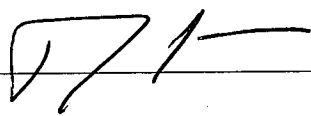
13 The confidential information that Avista is disclosing can be classified into three basic
14 categories: 1) information pertaining to contract prices, terms and conditions, 2) certain results
15 providing detailed information on the Company's load and resource positions by month, and 3)
16 Risk Management Policies which contain general policies, guidelines, and position limits.

17 Avista herein asserts that the aforementioned information is confidential in that: 1) the
18 contract information is prohibited, by the contract terms, from public disclosure, 2) making the
19 load and resource information public will give entities access to competitive information on
20 future operating plans and market purchase requirements and Avista believes the information
21 could be used to disadvantage its customers, and 3) the Risk Management Policies, if shared
22 with competitors, could also be used to disadvantage Avista's customers.

1 I am of the opinion, therefore, that this information is "CONFIDENTIAL," as defined
2 by WAC 480-07-160, and should be protected from public inspection, examination and
3 copying, and should be utilized only in accordance with the terms of the Protective Agreement
4 between Avista Corporation and the Washington Utilities and Transportation Commission, in
5 Docket No. UE-011595.

6 RESPECTFULLY SUBMITTED this 25th day of March, 2008

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David J. Meyer
Vice President and Chief Counsel for
Regulatory and Governmental Affairs
Avista Corporation