

January 8, 2009

Electronic Filing

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

TARIFF WN U-29, NATURAL GAS SERVICE

Enclosed for filing with the Commission is one copy of the Company's proposed tariff revision:

Third Revision Sheet 159

Canceling

Second Revision Sheet 159

This filing is submitted under the guidelines of the WUTC's Electronic Tariff Filing Program.

This tariff sheet is being filed to reflect changes that result from Avista's change in natural gas base rates effective January 1, 2009, approved by the Commission in Order No. 8 in Docket No. UG-080417.

Schedule 159 is the Company's Natural Gas Decoupling tariff. There are two changes proposed to Schedule 159 as a result of UG-080416. The first change is in the base-year therm sales, from 2006 to 2007, used in the monthly deferral calculation. These new base-year therms are shown on page 1 of Appendix 3 of the Settlement Stipulation approved by the Commission in Order No. 8. 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 3 of the Stipulation.

This tariff sheet bears an effective date of February 8, 2009. However, the Company requests that it be made effective February 1, 2009, on less than statutory notice, so that these are appropriately reflected in the January 2009 decoupling deferral.

If you have any questions regarding this filing, please contact Pat Ehrbar at 509-495-8620 or Brian Hirschkorn at 509-495-4723.

Sincerely,

Vice President, State and Federal Regulation