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January 22, 2009

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

Attention: Mr. David Danner, Executive Director and Secretary

TARIFF WN U-28, ELECTRIC SERVICE, and TARIFF WN U-29, NATURAL GAS SERVICE

2009 JAN 23 AN 9: 18

Avista Corporation ("the Company") hereby submits the attached filing seeking Commission authorization to increase its rates and charges for its electric and natural gas services to its electric and natural gas customers in the state of Washington. With this filing the Company requests an overall increase in billed rates of 16.0% or \$69.8 million for electric service and 2.4% or \$4.9 million for natural gas service, to be implemented at the end of the general rate case proceedings. As part of the filing, the Company also proposes to decrease the current Energy Recovery Mechanism surcharge by \$32.4 million, or 7.4%, for an overall net increase of 8.6%.

Additionally, Avista Corporation requests that the Commission **immediately suspend the operation of the general tariff revisions** included in this filing, and set the matter for hearing including the establishment of a prehearing conference at the earliest possible date in accordance with WAC 480-07-440(1)(a).

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

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Enclosed with this filing are an original and two 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:

7 <sup>th</sup> Revision Sheet 1	Canceling	6 <sup>th</sup> Revision Sheet 1
7 <sup>th</sup> Revision Sheet 11	Canceling	6 <sup>th</sup> Revision Sheet 11
7 <sup>th</sup> Revision Sheet 21	Canceling	6 <sup>th</sup> Revision Sheet 21
7 <sup>th</sup> Revision Sheet 25	Canceling	6 <sup>th</sup> Revision Sheet 25
4 <sup>th</sup> Revision Sheet 25A	Canceling	3 <sup>rd</sup> Revision Sheet 25A

7 <sup>th</sup> Revision Sheet 31	Canceling	6 <sup>th</sup> Revision Sheet 31
6 <sup>th</sup> Revision Sheet 41	Canceling	5 <sup>th</sup> Revision Sheet 41
6 <sup>th</sup> Revision Sheet 42	Canceling	5 <sup>th</sup> Revision Sheet 42
6 <sup>th</sup> Revision Sheet 44	Canceling	5 <sup>th</sup> Revision Sheet 44
7 <sup>th</sup> Revision Sheet 45	Canceling	6 <sup>th</sup> Revision Sheet 45
7 <sup>th</sup> Revision Sheet 46	Canceling	6 <sup>th</sup> Revision Sheet 46
6 <sup>th</sup> Revision Sheet 47	Canceling	5 <sup>th</sup> Revision Sheet 47
7 <sup>th</sup> Revision Sheet 47A	Canceling	6 <sup>th</sup> Revision Sheet 47A
7 <sup>th</sup> Revision Sheet 101	Canceling	6 <sup>th</sup> Revision Sheet 101
7 <sup>th</sup> Revision Sheet 111	Canceling	6 <sup>th</sup> Revision Sheet 111
7 <sup>th</sup> Revision Sheet 112	Canceling	6 <sup>th</sup> Revision Sheet 112
7 <sup>th</sup> Revision Sheet 121	Canceling	6 <sup>th</sup> Revision Sheet 121
7 <sup>th</sup> Revision Sheet 122	Canceling	6 <sup>th</sup> Revision Sheet 122
7 <sup>th</sup> Revision Sheet 131	Canceling	Sub. 6 <sup>th</sup> Revision Sheet 131
7 <sup>th</sup> Revision Sheet 132	Canceling	Sub. 6 <sup>th</sup> Revision Sheet 132
7 <sup>th</sup> Revision Sheet 146	Canceling	6 <sup>th</sup> Revision Sheet 146
15 <sup>th</sup> Revision Sheet 156	Canceling	14 <sup>th</sup> Revision Sheet 156

In support of this filing, the Company has enclosed 19 copies of its prepared direct testimony and exhibits, as well as 3 copies of work papers showing how test year data were adjusted. A summary document pertaining to the filing is provided as well as the financial reports and other documents required under WAC 480-07-510. An electronic version of this filing and all supporting documents are enclosed as well. The Office of Public Counsel has also been served with a copy of all such documents at the time of filing with the Commission.

Certain sections of the work papers of Richard L. Storro, Scott J. Kinney, William G. Johnson, and Clint G. Kalich have CONFIDENTIAL information. The work papers of Clint G. Kalich are only being provided electronically on CD. Additionally as required by WAC 480-07-160(3)(a), the Company is also submitting an Attorney's Claim of Confidentiality regarding the submission of the unredacted versions of the above-referenced CONFIDENTIAL workpapers. These work papers should be treated as CONFIDENTIAL per WAC 480-07-160 and RCW 80-04-095.

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 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

Enclosures

c: See attached service lists

## **CERTIFICATE OF SERVICE**

I HEREBY CERTIFY that I have served Avista Corporation's Direct Testimony and Exhibits in its Washington Electric and Gas General Rate Case Filing, by mailing a copy thereof, postage prepaid to the following:

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Dated at Spokane, Washington this 22nd day of January 2009.

Patty Olsness Rates Coordinator