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January 27, 2012

State of Washington
Washington Utilities and
Transportation Commission
1300 S. Evergreen Park Drive SW
Olympia, WA 98504-7252

Attention: Mr. David W. Danner, Executive Director and Secretary

Tariff WN U-28, Electric Service

Enclosed for filing with the Commission is an electronic copy of the following tariff sheet:

Twenty Second Revision Sheet 58 Canceling Twenty First Revision Sheet 58

The purpose of this filing is to pass through a reduction to the utility tax imposed on gross revenue from the business of selling, furnishing, or transmitting electric energy in the City of Liberty Lake in accordance with Ordinance No. 188A, from 6% to 3%. This tax reduction is requested to become effective March 1, 2012 and is estimated to collect approximately \$300,000 in annual revenue at the new 3% tax rate.

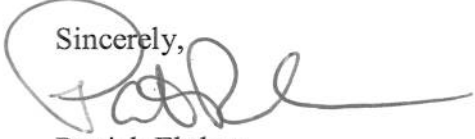
Electric and/or gas customers in the City of Liberty Lake will see the following notice on their bills for one billing cycle beginning March 1:

The City of Liberty Lake has reduced the electric and natural gas utility tax from 6% to 3%, effective March 1, 2012, per Ordinance 188A. For any questions please call 1-(800)-227-9187.

The Company requests that the Commission approve the proposed tariff changes included in this filing to be effective March 1, 2012. Enclosed is a copy of the pertinent city ordinance, as well as a "Notice of Tariff Change" which will be posted in all Company offices coincident with the date of this filing.

Questions or comments regarding this filing should be directed to Joe Miller at (509) 495-4546.

Sincerely,



Patrick Ehrbar
Manager, Rates and Tariffs
Enclosures

AVISTA CORPORATION
DBA AVISTA UTILITIES

NOTICE OF TARIFF CHANGE
(Electric Service Only)

Notice is hereby given that the "Sheet" listed below of Tariff WN U-28, covering electric service, has been filed with the Washington Utilities and Transportation Commission at Olympia:

Twenty Second Revision Sheet 58 Canceling Twenty First Revision Sheet 58

The purpose of this filing is to pass through a reduction to the utility tax imposed on gross revenue from the business of selling, furnishing, or transmitting electric energy in the City of Liberty Lake in accordance with Ordinance No. 188A, from 6% to 3%. This tax reduction is requested to become effective March 1, 2012 and is estimated to collect approximately \$285,000 in annual revenue.

Copies of the proposed tariff changes are available for inspection in the Company's offices and on the Company website at www.avistautilities.com/services/energypricing.

Issue Date: January 27, 2012
Post Until: March 1, 2012



RECEIVED
FAXED

DEC 30 2011

BY: C. Cooper 3 Jan 2012
AVISTA TAX DEPT

Administrative Services

December 27, 2011

RE: Utility Tax Percentage Change by the City of Liberty Lake, Washington

Dear Tax Department Representative,

On December 13, 2011, the City of Liberty Lake City Council passed Ordinance No. 188-A, amending the utility tax on electricity, natural gas, solid waste/recycling, cable television, and telephone, including cellular telephones and pager services to three percent (3%). This decrease is effective sixty (60) Days after the enactment of the Ordinance per RCW 35.21.865. Therefore, the rate change shall be effective March 1st, 2012.

A copy of the City of Liberty Lake Ordinance No. 188-A is enclosed for your information.

If you are no longer doing business in Washington State or if you have any questions, please contact me at (509) 755-6720 or you can email me at rstevenson@libertylakewa.gov.

Sincerely,

RJ Stevenson

RJ Stevenson
Finance Director

Enclosures: City of Liberty Lake Utility Tax Ordinance No. 188-A

CITY OF LIBERTY LAKE
SPOKANE COUNTY, WASHINGTON
ORDINANCE NO. 188-A

AN ORDINANCE OF THE CITY OF LIBERTY LAKE, WASHINGTON, AMENDING
THE UTILITY TAX RATE TO PROVIDE REVENUE FOR CITY SERVICES AND
CAPITAL REQUIREMENTS;
AND ESTABLISHING AN EFFECTIVE DATE.

WHEREAS, the City has reviewed the six percent (6%) Utility Tax Rate established for 2011; and

WHEREAS, the City has determined that for the 2012 Budget there are sufficient revenues from other sources; and

WHEREAS, the City Council has determined that the public interest is best served by reducing the utility tax rate for 2012; and

WHEREAS, the City Council will annually review the utility tax rate before adoption of each annual budget;

NOW, THEREFORE, the City Council of the City of Liberty Lake, Washington, do ordain as follows:

Section 1. Amendment. City Ordinance No. 188 shall be amended as follows:

Section 4. Occupations Subject to Tax - Amount.


- All references in Section 4 to a tax rate of six percent (6%) shall be reduced to three percent (3%); and
- Paragraph six (6) shall be deleted in its entirety. Provided the City Council will continue to conduct an annual review of the utility tax rate prior to adoption of the City's annual budget.

Section 2. Effective Date. This Ordinance shall be published in the official newspaper of the City, and shall take effect and be in full force on January 1st, 2012.

Section 3. Severability. If any section, paragraph, sentence, clause or phrase of this Ordinance, or its application to any person or circumstance should be held to be invalid or unconstitutional by a court of competent jurisdiction, such invalidity or unconstitutionality shall not affect the validity or constitutionality of any other section, paragraph, sentence, clause or phrase of this Ordinance.


All other terms and conditions of Ordinance No. 188 shall remain in full force and effect without any further changes.

Passed by the City Council this 13th day of December, 2011.



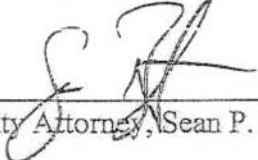
Mayor, Wendy Van Orman

ATTEST:



City Clerk, Ann Swenson

APPROVED AS TO FORM:



City Attorney, Sean P. Boutz