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VIA: UTC Web portal

April 21, 2015

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

Re: 2014 Essential Utilities Services Contracts Report

Dear Mr. King:

Pursuant to WAC 480-100-268 and WAC 480-90-268, Avista Corporation dba Avista Utilities (Avista or Company) submits its 2014 "Essential Utilities Services Contracts Report."

Pursuant to WAC 480-07-160, the Company requests that this filing be treated as "CONFIDENTIAL" material. The Company has identified and marked the report as confidential and printed it on yellow paper under seal in a separate envelope marked "CONFIDENTIAL." The proprietary information relates to prices contained in the specified contracts that if not accorded confidential treatment would adversely affect the Company, customers and vendors. Also attached is the redacted version of the report.

A hard copy has been sent via overnight mail to the record center. If you have any questions regarding this filing, please feel free to contact me at (509) 495-4975.

Sincerely,

/s/Linda Gervais/

Manager, Regulatory Policy
State and Federal Regulation
Avista Utilities
509-495-4975
linda.gervais@avistacorp.com

**AVISTA UTILITIES
2014 Essential Utilities Services Contracts Annual Report**

ESSENTIAL SERVICES VENDOR (1)	PAYMENTS	BUDGET	TYPE OF CONTRACT	ESSENTIAL OBLIGATIONS	TERM
Bonneville Power Administration	REDACTED	REDACTED	Long-term power purchase	WNP-3 long-term power purchase	1986 - 2019
	REDACTED	(2)	Short-term power purchases	WSPP Schedule C short-term purchases, deviation energy and reserves	N/A
	REDACTED	REDACTED	Long-term transmission	Includes long-term transmission purchases from BPA for Colstrip, Coyote Springs 2, WNP-3 and Lancaster	various
	REDACTED	(2)	Short-term transmission	Short-term BPA nonfirm transmission purchases	N/A
Avista Turbine Power, Inc.	REDACTED	REDACTED	Long-term power purchase agreement	Long-term power purchase agreement for the Lancaster combustion turbine	11/1/2005 -2052
PPL Montana	REDACTED	(2)	Short-term power purchases	WSPP Schedule C short-term purchases	N/A
Western Energy Company	REDACTED	REDACTED	Long-term coal purchase	Long-term coal supply for Colstrip and Royalty Settlement	Ends 12/31/2019
Macquarie Cook Energy Canada Limited	REDACTED	(2)	North American Energy Standards Board (NAESB) Agreement	The NAESB Master Agreement enables short and long-term gas supply purchases (for LDC and Thermal) to be made under a confirmation process. Each transaction terminates upon completion of delivery.	08/01/2007-Variou Lengths
Gas Transmission Northwest Corporation	REDACTED	(2)	Long Term Transportation Contract	GTN provides firm transportation capacity to Avista on the gas pipeline under long term contracts. Avista pays fixed monthly reservation charges for the right, but not the obligation, to transport specified quantities of gas from receipt points to delivery points on the pipeline each day.	Predating 1992 - various termination dates through 2035
Natural Gas Exchange, Inc.	REDACTED	(2)	Long-term Natural Gas Purchase Agreement	The Master Agreement enables short and long-term gas supply purchases (for LDC and Thermal) to be made under a confirmation process. Each transaction terminates upon completion of delivery.	06/21/2004-Variou Lengths

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ESSENTIAL SERVICES VENDOR (1)	PAYMENTS	BUDGET	TYPE OF CONTRACT	ESSENTIAL OBLIGATIONS	TERM
Shell Energy North America (U.S.) L.P.	REDACTED	(2)	ISDA Master Agreement	The ISDA Master Agreement enables short and long-term financial derivative transactions based upon an underlying commodity price (electric or natural gas). Short and long-term physical electric and physical natural gas transactions can also be enabled under the ISDA if the ISDA contains the applicable physical commodity annexes to the Master Agreement.	09/29/2008-Various Lengths
Northwest Pipeline Corp.	REDACTED	REDACTED	Long Term Transportation Contract	NWP provides firm transportation capacity to Avista on the gas pipeline under long term contracts. Avista pays fixed monthly reservation charges for the right, but not the obligation, to transport specified quantities of gas from receipt points to delivery points on the pipeline each day.	Predating 1989 - various termination dates through 2042
TransCanada - GTN System	REDACTED	REDACTED	Long Term Transportation Contract	GTN provides firm transportation capacity to Avista on the gas pipeline under long term contracts. Avista pays fixed monthly reservation charges for the right, but not the obligation, to transport specified quantities of gas from receipt points to delivery points on the pipeline each day.	Predating 1989 - various termination dates through 2028

Notes:

- (1) Parties to the contract are the Vendor and Avista.
- (2) Avista does not budget electric short-term purchases or gas purchases at the vendor level.