Avista Corp.

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 Spokane, Washington 99220-3727

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STATE OF WASH. UTIL. AND TRANSP. COMMISSION

March 30, 2006

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-06_____ Energy Recovery Mechanism (ERM)

Avista's Annual Filing to Review Deferrals (2005 Calendar Year)

Dear Ms. Washburn:

Enclosed for filing are an original and 12 copies of Avista Corporation's annual filing to review ERM deferrals for the 2005 calendar year. Also enclosed is a certificate of service. The filing consists of the direct testimony and exhibits of Richard L. Storro, William G. Johnson and Ronald L. McKenzie. Mr. Storro'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

Hely Norwood

Vice President State and Federal Regulation

Enclosures

RM