AVISTA UTILITIES

2011 Washington PGA Filing

EXHIBIT "B"

Notice of Public Applicant's Proposed Tariffs

AVISTA UTILITIES NOTICE OF TARIFF CHANGE

(Gas Service Only)

Notice is given that the "Sheets" listed below of Tariff WN U-29, covering natural gas service have been filed with the Washington Utilities & Transportation Commission at Olympia, Washington.

Tenth Revision Sheet 150 canceling Ninth Revision Sheet 150 and, Fourteenth Sheet 155 canceling Thirteenth Revision Sheet 155

The effect of the proposed change is an estimated *increase* to annual revenue of approximately \$1.5 million or about 0.96%

This filing is a Purchased Gas Cost adjustment (PGA) filing to pass through changes in the estimated cost of natural gas for the forthcoming year and to revise the amortization rate(s) to refund or collect previous gas cost differences accumulated over the previous year. This filing will have no effect on the annual net income of the Company.

If approved as filed customers will see the following rate changes:

		Rate Change Per Therm	Estimated Monthly Percentage
		Increase < Decrease >	Increase < Decrease >
Schedule 101	Residential	\$0.01063	1.3%
Schedule 111	Large General Service	\$0.01194	1.6%
Schedule 121	Large General Service	\$0.01012	1.5%
Schedule 131	Interruptible Service	(\$0.00154)	(0.3%)
Schedule 146	Transportation	\$0.00005	0.1%

Earlier in August, Avista filed a separate gas rate adjustment with the UTC, requesting to decrease natural gas rates for residential and small commercial customers by 0.32% or \$0.4 million. This rate adjustment is related to a program that allows Avista to recover a portion of its fixed costs not recovered as a result of lower gas usage by customers. The recovery of these fixed costs allows Avista to increase focus on energy efficiency programs and services for customers.

If the two proposed changes are approved by the UTC, a residential or small commercial customer using an average of 67 therms per month can expect to see an increase of \$0.51 per month, or about 0.82 percent. The bill for 67 therms would increase from a present amount of \$62.33 to \$62.84. The actual increase will vary based on customer usage.

The Company is requesting that the Washington Utilities and Transportation Commission approve the company's filing effective November 1, 2011. A copy of the proposed tariff changes is available for review in the Spokane business office or can be obtained by calling (509) 495-4067 or writing:

Avista Utilities Attention: Ms. Patty Olsness P.O. Box 3727 Spokane, WA. 99220

September 15, 2011