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VIA – Electronic Mail

June 26, 2013

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

Dear Mr. King:

Attached for filing with the Commission is an electronic copy of Avista Corporation's dba Avista Utilities ("Avista or the Company") filing of its proposed revisions to the following tariff sheets, WN U-28:

Fourth Revision Sheet 90A	Canceling	**Third Revision Sheet 90A**
Third Revision Sheet 90B	Canceling	**Second Revision Sheet 90B**
Third Revision Sheet 90C	Canceling	**Second Revision Sheet 90C**

Avista Corporation, doing business as Avista Utilities (hereinafter Avista or Company), at 1411 East Mission Avenue, Spokane, Washington, respectfully proposes revisions to Schedule 90 "Electric Energy Efficiency Programs." The purpose of these revisions is to update and clarify certain aspects of the tariffs as described herein.

The Company engages in ongoing business planning efforts in response to changes in markets, technologies and regulatory direction. In recent months, several changes to the demand side management (DSM) portfolio that the Company believes would lead to improved portfolio performance have been identified and discussed with Avista's External Advisory Group.

The Company has regularly convened stakeholder meetings to gain input from customer representatives, Commission staff members, and individuals from the environmental communities. In these stakeholder meetings the Company's program offerings are reviewed as well as the underlying cost-effectiveness tests and results. Stakeholder involvement has grown in the past couple years, partly due to increased attention on the "I-937" conservation targets. The Company continues to appreciate the time and input provided by Avista's stakeholders.

The proposed revisions to Schedule 90 are as follows:

1. Shift lighting measures that have an independently verified runtime of 40,000 hours or greater from an incentive tier structure formerly applied to all lighting measures to an incentive tier structure for longer-lived non-lighting measures. In the past, the purpose for the distinction between lighting and non-lighting categories was to provide an objective proxy for measure life, thus recognizing that a shorter payback requirement should apply to the shorter lived lighting measures. LED lighting technologies are now becoming increasingly common and more cost-effective. These lighting technologies have measure lives that are more consistent with, and warrant the same treatment as the longer-lived non-lighting measures.

2. Increase the cap on customer incentives from 50% to 70% for the most cost-effective projects in order to increase the likelihood of acquisition of those projects. This revision will apply to (a) non-lighting projects with energy simple paybacks of less than five years and (b) lighting technologies with a greater than 40,000 hour life with energy simple paybacks of less than five years and (c) lighting projects with paybacks of less than three years.

3. Clarifies in the tariff prescriptive programs, Schedule 90 tariff does not explicitly mention prescriptive (or 'standard offer') programs. Prescriptive programs allow the Company to offer a fixed amount for the installation of smaller efficiency measures without the need for individualized calculation of the rebate or the signature of a pre-project agreement. This approach is critical to the efficient marketing and administration

of programs promoting small measures. Prescriptive programs have been a critical element to the Avista DSM portfolio for many years. The Company is proposing additional language to provide greater clarity of how these programs will be offered. The proposed language is as follows:

> Prescriptive programs are guided by the typical application of that measure in accordance with the previously defined incentive structure. Incentive levels for these programs are based on market conditions at the time of program design and are not dependent on actual project cost relative to incentive caps. Incentives shall not exceed project costs.

The Company has developed a written policy to guide the customer-facing elements of the transition that would occur should these proposed revisions be approved.

Pursuant to WAC 480-100-195(2), enclosed is a "Notice of Tariff Change" which will be posted in all Company offices coincident with the date of this filing.

Please direct any questions on this matter to Bruce Folsom, Director, Energy Efficiency at (509) 495-8706 or myself at (509) 495-4975.

Sincerely,

/s/Linda Gervais//

Linda Gervais
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Avista Utilities
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Enclosures