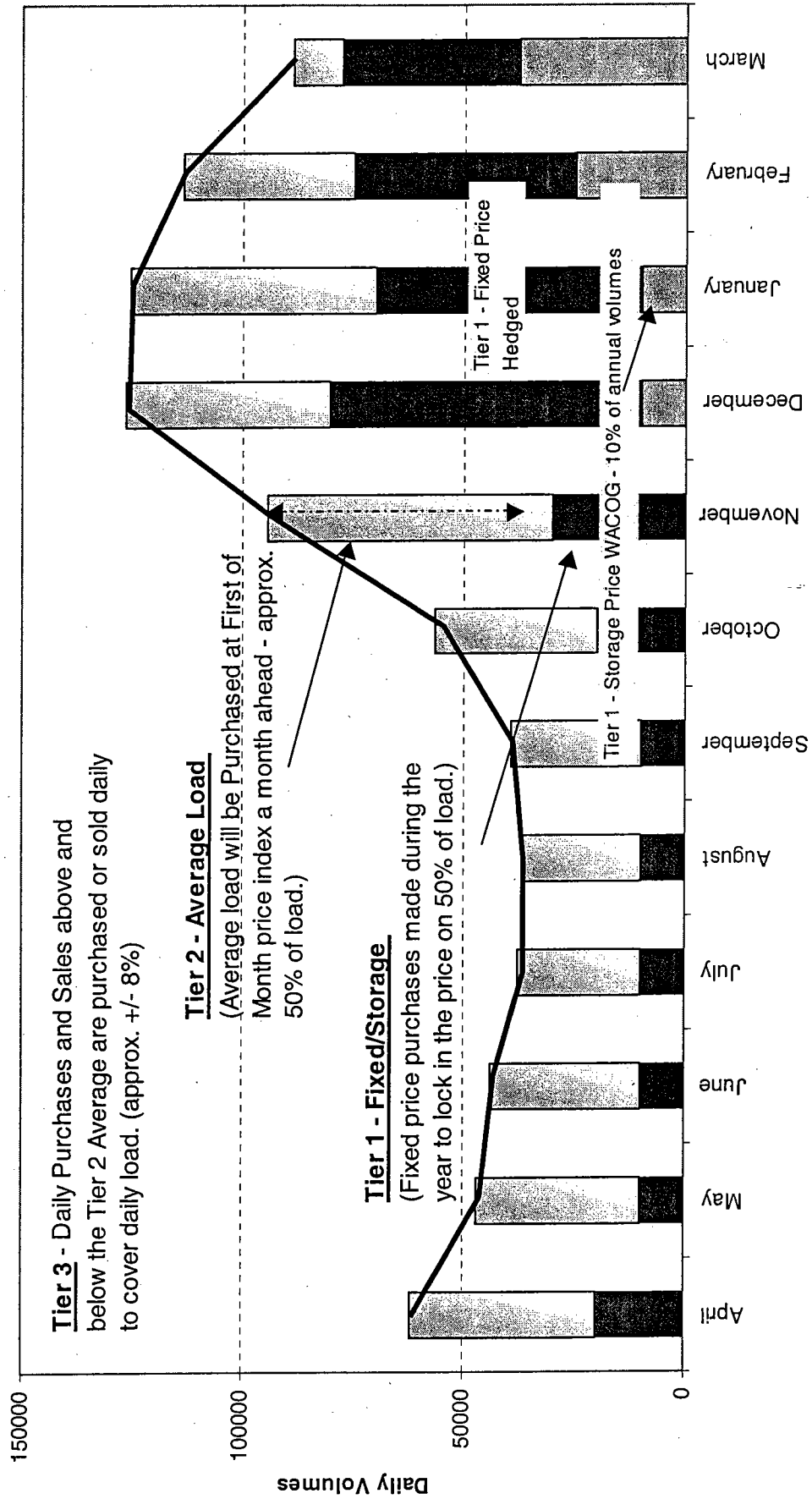
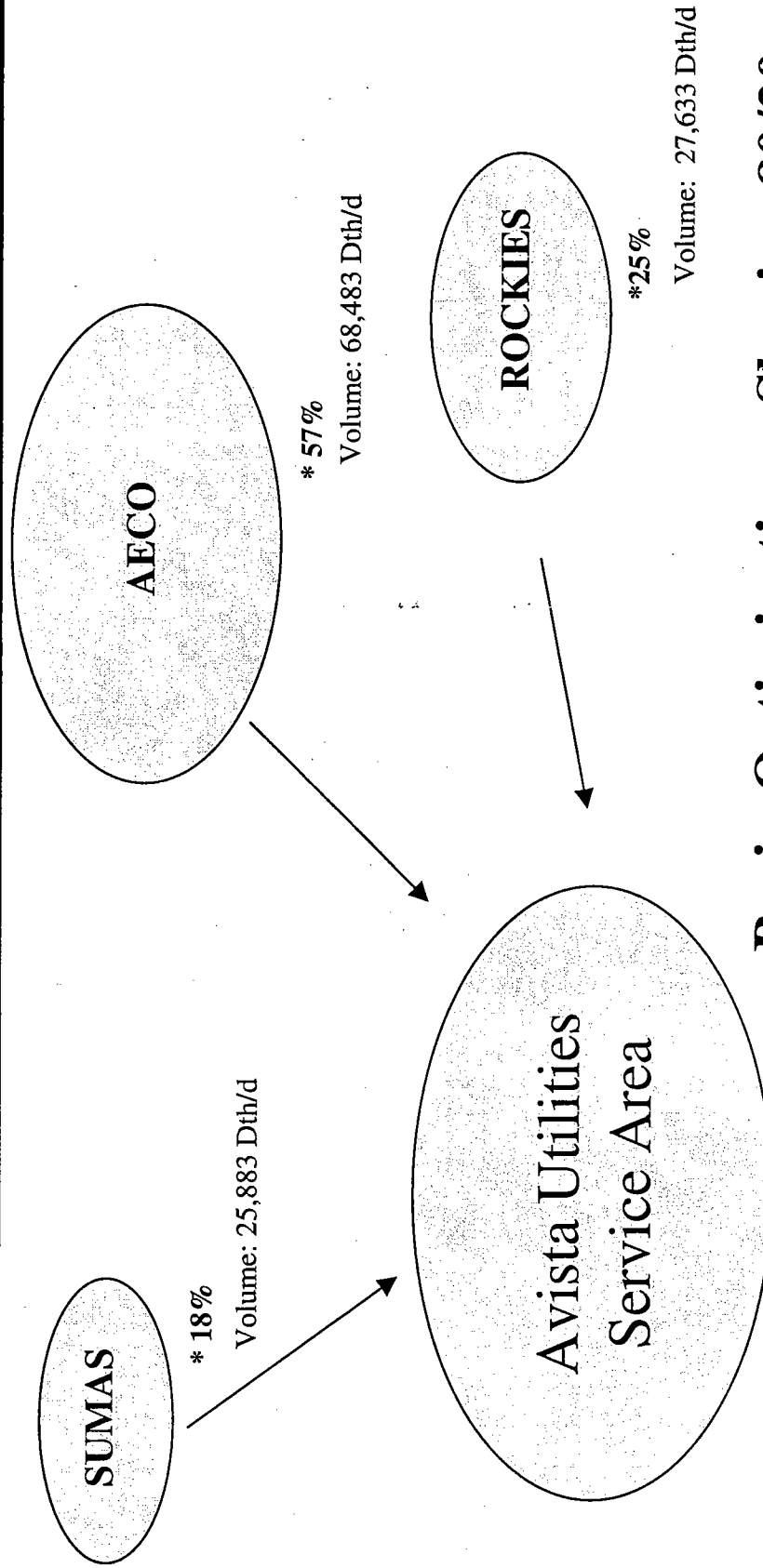


**PROPOSED - Benchmark Mechanism  
Tiered Commodity Program - Tiers 1-3  
Effective: Jan 30, 2004 - Mar 31, 2007**





**Pipeline Transportation - allows Avista Utility to receive  
Commodity from three Supply Basins to serve System load**



**Basin Optimization - Sharing 80/20**

Note: (Volumes listed are available volumes WA only)  
\* % Split between basins effective November 1, 2003.  
- Maximum transportation allowed at Average day is 35% SUMAS, 32% ROCKIES, and 63% AECCO.