March 9, 2017

Steven V. King, Executive Director and Secretary

1300 S. Evergreen Park Dr. S.W.

P.O. Box 47250

Olympia, Washington 98504-7250

Re: *Petition of Avista Corporation for an Order authorizing deferred accounting treatment related to the net book value of the company's existing electric meters, Docket UE-160100 – Notice of Retired Electric Meters Annual Report 2016, submitted by Avista Corporation.*

Commission Staff has reviewed the compliance filing of Avista Corporation (Avista or the Company) dated February 2, 2017, its annual Retired Electric Meters Annual Report 2016. On March 15, 2016, the Commission entered Order 01, Granting Amended Accounting Petition Subject to Conditions in Docket UE-160100 (Order 01). As part of the Commission approving the accounting petition for deferred accounting treatment related to the undepreciated net book value of Avista’s existing electric meters, paragraph 19, ordered the Company to file with the Commission an annual report by January 31 of each year, beginning January 31, 2017, documenting the actual number of meters retired in the previous calendar year and the net book value of those meters at the time of retirement. The Company has not retired any electric meters related to AMI deployment during reporting year 2016. Staff has reviewed the Company’s Retired Electric Meters Annual Report, and it complies with the terms of Order 01, Paragraph 19.

Sincerely,

Melissa Cheesman

Regulatory Analyst 3