Avista Corporation

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April 24, 2001

Carole Washburn, Executive Secretary Washington Utilities & Transportation Commission 1300 S. Evergreen Park Drive S. W. P.O. Box 47250 Olympia, Washington 98504-7250

RE: Docket Nos. UE-010436 and UG-010437

Dear Ms. Washburn:

Avista has had ongoing discussions with the Commission Staff regarding implementation and related issues of the proposed low-income energy assistance program in the above-cited dockets. The Company will be working with the Staff on an ongoing basis in the areas of design, implementation and evaluation components of the low-income rate assistance program. Avista will also be seeking input from other interested stakeholders through the low-income subgroup of the Company's External Energy Efficiency Board.

Implementation Issues: Agreements will be developed by Avista and signed by the participating community action agencies consistent with the program design outlined in the Company's March 30, 2001 advice letters in these dockets. These agreements will spell out the implementation details associated with those programs described in the Company's filings. Avista intends to work with Staff in the review of program design as the Company formalizes these agreements. Furthermore, Avista will ensure that Staff participates in the design of the educational materials.

<u>Evaluation Issues</u>: The Company will issue a Request for Proposals for the design, implementation, and analysis of program evaluation. Stakeholder input will be solicited from Staff and interested parties as the RFP is developed. The final draft of the RFP will be submitted to Staff for final review.

<u>Progress Reports</u>: Avista will submit annual progress reports regarding program implementation, by type (regular and emergency), payment history, and other data points resulting from the issues identified in the evaluation RFP. These reports will provide financial details, program participation, and related items including in particular the level of emergency assistance applied to arrearages.

Please direct any questions on this matter to Bruce Folsom at (509) 495-8706 or Anne Marie Axworthy at (509) 495-4863.

Sincerely.

Thomas D. Dukich

Manager, Rates and Tariff Administration

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