Avista Corp.

1411 East Mission P.O. Box 3727 Spokane. Washington 99220-0500 Telephone 509-489-0500 Toll Free 800-727-9170



June 30, 2008

Electronic Submittal

Ms. Carole J. Washburn, Executive Secretary Washington Utilities and Transportation Commission 1300 S. Evergreen Park Drive SW P. O. Box 47250 Olympia, Washington 98504-7250

Re: Docket No. UE-080559 Energy Recovery Mechanism (ERM) Avista's Annual Filing to Review Deferrals (2007 Calendar Year)

Dear Ms. Washburn:

Avista submits a filing each year to allow interested parties the opportunity to review the Energy Recovery Mechanism (ERM) accounting entries for the prior calendar year. The normal review period ends on June 30th. The ERM mechanism approved by the Commission provides that the review period may be extended by agreement of the parties participating in the review, or by Commission order. Through this letter, and with Commission Staff's concurrence, Avista agrees to extend the review period through July 31, 2008.

Please direct any questions related to this filing to Ron McKenzie at (509) 495-4320.

Sincerely,

Kelly Norwood

Telly Nawood

Vice President State and Federal Regulation

Service List Attached

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that I have served Avista Corporation's annual filing to review ERM deferrals for the 2007 year, by emailing a copy thereof on June 30, 2008, and mailing a copy thereof, postage prepaid on July 1, 2008 to the following:

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

Donald T. Trotter, Senior Counsel Attorney General of Washington PO Box 40128 1400 S. Evergreen Park Dr. SW Olympia, WA 98504-0128

Simon J. ffitch Office of the Attorney General Public Counsel 800 Fifth Avenue, Suite 2000 Seattle, WA 98104-3188 S Bradley Van Cleve Matthew W. Perkins Davison Van Cleve, PC 333 S.W. Taylor, Ste. 400 Portland, OR 97204

Dated at Spokane, Washington this 30th day of June 2008.

Patrick Ehrbar Regulatory Analyst