

AVISTA CORP.
RESPONSE TO REQUEST FOR INFORMATION

JURISDICTION:	Washington	DATE PREPARED:	10/21/2005
CASE NO:	UE-050482/UG-050483	WITNESS:	Ron Peterson
REQUESTER:	WUTC	RESPONDER:	Mike Fink
TYPE:	Bench Request	DEPT:	State & Federal Regulation
REQUEST NO.:	06	TELEPHONE:	(509) 495-4706

REQUEST:

Please provide a current copy of Avista's risk management document.

RESPONSE:

The Avista Utilities Energy Resources Risk Policy presently consists of the documents described below.

1. The "Avista Utilities Energy Resources Risk Policy" was approved by the Risk Management Committee in November 2000 and was officially adopted November 9, 2000, after it was reviewed with the Audit Committee of the Board of Directors. This policy replaced the applicable sections of any prior risk policy documents, most notable a document titled "Corporate Financial Risk Policies", dated 6/28/1999. Section E, subpart a., of this Risk Policy was revised on April 19, 2004, by approval of the Risk Management Committee on that date. The revision is incorporated into the Risk Policy by changes on page 3 and insertion of a partial page 3a into the text.
2. Exhibit D to the Risk Policy, "Employees Authorized to Enter into Electric or Natural Gas-related Transactions", has been changed at various times to reflect changes in personnel. The Vice President of Energy Resources may change Exhibit D at any time. The most recent change is dated October 3, 2005.
3. The "Avista Utilities Natural Gas Supply, Procurement, and Hedging Policy" was adopted by the Risk Management Committee on March 29, 2005.
4. The schedule titled "Hedge Strategy for Core WA/ID Loads" relates to the natural gas policy above. It was developed by the Director of Gas Supply in conjunction with the Policy. This schedule may be changed from time to time by the Director of Gas Supply to meet prevailing needs.

Please see Avista's **CONFIDENTIAL** response numbered BR-6(C), which contains a copy of Avista's Energy Resources Risk Policy.