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

January 19, 2017

***Via Electronic Mail***

Steven V. King

Executive Director and Secretary

Washington Utilities & Transportation Commission

1300 S. Evergreen Park Drive S. W.

P.O. Box 47250

Olympia, Washington 98504-7250

Re: Docket No. UE-152076 – Addendum to Avista Utilities “Revised” Annual Conservation Plan (ACP)

Dear Mr. King,

In response to Commission Staff request, the Company provides this addendum to its 2017 Annual Conservation Plan. On January 17, 2017 the Company shared with its Advisory Group its 2016 Energy Savings and Tariff Rider Balance Summary for December. The 2016 Electric energy savings are tracking higher than forecasted. Although good news for Avista customers, the Commission staff raised the concern that Avista should increase its 2017 Business Plan goal to reflect the current status.

As noted in the Commission Staff memo dated December 17, 2015:

The target setting process begins with the development of the Conservation Potential Assessments (CPA), which establish the savings potential in a utility’s service territory over twenty-, ten- and two-year periods. Once the potential is set, the utilities may make necessary adjustments to derive their biennial conservation target. Examples of the changes that might be made include updating savings estimates based on new information, adding savings associated with measures not captured in the CPA (such as behavioral efficiency), and removing savings that will be achieved through regional programs, such as the market transformation work done by the Northwest Energy Efficiency Alliance (NEEA).

Given that the electric energy savings are tracking above originally forecasted, the Company has agreed to increase its forecasted electric energy savings to 50,000 MWh for 2017 which better represents the changing conditions for Avista’s conservation program.

If you have any questions regarding this information, please contact Dan Johnson at 509-495- 2807 or myself at 509-495-4975.

Sincerely,

/s/Linda Gervais/

Senior Manager, Regulatory Policy

[linda.gervais@avistacorp.com](mailto:linda.gervais@avistacorp.com)

509-495-4975