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**2006 August 17 PM 12:00**  
**IDAHO PUBLIC**  
**UTILITIES COMMISSION**

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



August 17, 2006

Jean Jewell, Secretary  
State of Idaho  
Idaho Public Utilities Commission  
Statehouse  
Boise, ID 83720

Re: Avista's Case No. AVU-E-06-4

Dear Ms. Jewell:

Enclosed for electronic filing with the Commission and pursuant to Order No. 30111 is a copy of Avista's revisions to the following tariff sheet:

Third Revision Sheet 62

Replacing Second Revision Sheet 62

Avista has made the addition of new language to the definition of the Daily Shape Adjustment per Order No. 30111. There is no revenue change associated with this filing. Pursuant to Section 61-307, Idaho Code, the Company will provide notice to customers with the first bill after the change becomes effective.

Any questions regarding this filing should be directed to Linda Gervais at (509) 495-4975 or myself at (509) 495-8706.

Sincerely,

Bruce Folsom  
Manager, Regulatory Compliance

AVISTA CORPORATION  
d/b/a Avista Utilities

**SCHEDULE 62  
COGENERATION AND SMALL POWER PRODUCTION SCHEDULE - IDAHO**

**AVAILABLE:**

In all the electric territory served by the Company in the State of Idaho.

**APPLICABLE:**

To any Customer who installs and owns facilities on property owned by the Customer for the purposes of generating electric energy in parallel with the Company's system. To be eligible under this tariff the facility must qualify as a cogeneration facility or a small power production facility pursuant to Section 201 of the Public Utility Regulatory Policies Act of 1978, or be eligible for the net metering option defined on Sheet 62B. For output from qualifying facilities, this tariff will be limited to qualifying facilities with a generation capacity no more than 10 average megawatts in any given month. Customers selling electric energy from a qualifying facility to the Company under this tariff will be required to enter into a written agreement with the Company which may be subject to the approval of the Idaho Public Utilities Commission and the Washington Utilities and Transportation Commission. In addition, any such written agreement relying upon the rates in this tariff shall contain language providing for security, if applicable, against the potential overpayment existing should the Customer's generating facilities fail to perform as contracted.

**DEFINITIONS:**

"Customer" as used herein means any individual, partnership, corporation, association, governmental agency, political subdivision, municipality or other entity.

"Cogeneration facility" means equipment used to produce electric energy and forms of useful thermal energy (such as heat or steam), used for industrial, commercial, heating, or cooling purposes, through the sequential use of energy.

"Daily Shape Adjustment" means an adjustment to rates based on a difference between on-peak (6 am to 10pm) rates and off-peak (10 pm to 6 am) rates of \$5 per megawatt hour, increases the on-peak rate and decreases the off-peak rate such that the difference between the on-peak and off-peak rate is \$5/MWh and the average rate weighted by the number of on-peak and off-peak hours is equal to the unadjusted avoided cost.

"Facility," also referred to as Electrical Generating System (EGS), means the source of electricity owned by the Customer that is located on the Customer's side of the PCC, and all facilities ancillary and appurtenant thereto, including interconnection equipment, which the Customer requests to interconnect to the Company's distribution system.

"In-Service Date" means the date on which the Facility and System Modifications (if applicable) are complete and ready for service, even if the Facility is not placed in service on or by that date.

"Interconnection Service Agreement" is an agreement for interconnection service, between the Customer and the Company. The agreement also includes any amendments or supplements thereto entered into by the Customer and the Company.

Issued August 17, 2006

Effective August 17, 2006

Issued by Avista Utilities  
By

Kelly O. Norwood VP, State & Federal Regulation

AVISTA CORPORATION  
d/b/a Avista Utilities

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"Daily Shape Adjustment" increases the on-peak rate and decreases the off-peak rate such that the difference between the on-peak and off-peak rate is \$5/MWh and the average rate weighted by the number of on-peak and off-peak hours is equal to the unadjusted avoided cost.

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