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IDAHO PUBLIC UTILITIES COMMISSION

## **AVISTA UTILITIES**

Exhibit "B"

Notice to Public of Applicant's Proposed Tariffs

September 12, 2008

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IDAHO PUBLIC UTILITIES COMMISSION

## AVISTA UTILITES NOTICE OF IDAHO TARIFF CHANGE (Natural Gas Service Only)

Notice is hereby given that the *revised* "Sheets" listed below of Tariff IPUC No. 27, covering natural gas service applicable to Idaho customers of Avista Utilities have been filed with the Idaho Public Utilities Commission (IPUC) in Boise, Idaho.

Eleventh Revision Sheet 150 canceling Tenth Revision Sheet 150 First Revision Sheet 150A canceling Original Sheet 150A and, Eighth Revision Sheet 155 canceling Seventh Revision Sheet 155

Eleventh Revision Sheet 150 and First Revision Sheet 150A update the forward-looking cost of natural gas purchased for customer usage. Eighth Revision Sheet 155 updates the amortization rate used to refund or recover previous gas cost differences.

These *revised* tariffs replace the tariffs originally submitted on August 15, 2008. Wholesale natural gas prices have fallen recently which allowed the company to revise the original tariffs and request a smaller annual revenue increase of approximately \$3.3 million per year, or about 4% instead of the \$11.6 million or 14.2% increase originally requested.

This request is a Purchased Gas Cost Adjustment (PGA) that is filed annually to reflect changes in the cost of gas purchased to serve customers. Any increases or decreases resulting from these PGA filings directly result from the cost of gas purchased in the marketplace; Avista makes no additional profits from these rate changes.

A residential or small business customer served under Schedule 101 using an average of 65 therms per month can expect to see an average *increase* of approximately \$2.96 per month, or about 3.9%. Larger commercial customers served under Schedules 111 can expect to see an average *increase* of about 4.4%, with the higher percentages due to lower base rates. However, actual customer increases will vary based on therms consumed.

This revised filing, like the original, requests an effective date of October 1, 2008.

Copies of the proposed tariff changes are available for inspection in the Company's offices or can be obtained by calling (509) 495-4067 or writing:

Avista Utilities Attention: Ms. Patty Olsness P.O. Box 3727 Spokane, WA. 99220-3727

September 15, 2008