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ATTACHMENT A

Application of Avista Corporation AVU-G-10-OQ

AVU-6-10-02

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AVISTA CORPORATION dba Avista Utilities NOTICE OF TARIFF CHANGE (Idaho Natural Gas Service)

Notice is hereby given that the "Sheets" listed below of Tariffs I.P.U.C. No. 27, covering natural gas service, have been filed with the Idaho Public Utilities Commission (IPUC) in Idaho.

Fifth Revision Sheet 191

Canceling Fourth Revision Sheet 191

This filing requests approval of an increase to Schedule 191, "Energy Efficiency Rider Adjustment." Schedule 191 is designed to recover the costs incurred by the Company associated with providing natural gas energy efficiency services to customers.

Copies of the proposed tariff changes are available for inspection in the Company's offices and on the Company website at <u>www.avistautilities.com/prices/rates</u>. The Company will provide notice to customers with the first bill after the change becomes effective

Issue Date:	February 12, 2010
Keep Posted Until:	April 1, 2010

AV10-5-10-02



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Avista Customers Help Company Surpass 2009 Energy Savings Targets

Avista requests additional funding in Washington and Idaho to meet continuing demand for natural gas energy efficiency programs

SPOKANE, Wash. – Feb. 15, 2010, 7:05 a.m. PST: Avista's electric and natural gas customers in Washington, Idaho and Oregon participated in the company's energy efficiency programs in near-record numbers in 2009, saving enough energy to power over 6,800 Inland Northwest homes for a year and to serve over 3,000 homes with natural gas for a year.

Avista customers saved more than 82 million kilowatt-hours of electricity and 2.3 million therms of natural gas in 2009, the direct result of energy efficiency steps customers took in 2009 for which they qualified for a rebate or incentive from Avista.

Last year almost 35,000 rebates and incentives totaling about \$18.1 million were provided to residential, commercial, industrial and limited income customers in Avista's three-state service area through standard program offerings.

"Our energy future is about using the resources we have wisely, and energy efficiency remains our lowest-cost resource. That's why Avista has sustained a 30-year commitment to delivering energy efficiency programs to our customers," said Bruce Folsom, Avista's director of energy efficiency programming. "Making efficiency improvements is a smart choice that helps customers reduce their energy use and helps reduce the amount of future energy generation required to meet customer demand."

The 2009 energy savings exceeded system-wide electric targets by 44 percent and natural gas goals by 25 percent. Avista's annual goals are set as part of the company's electric and natural gas Integrated Resource Plans (IRP) that guide the company's strategy for acquiring additional energy.

In 2009, Avista provided more than 23,000 rebates to Washington customers totaling \$12.5 million. Idaho customers received more than 9,500 rebates totaling over \$4.6 million, and Oregon customers received over 2,400 rebates totaling \$1 million. The most popular energy and costsaving measures for residential customers included purchasing Energy Star[®] appliances, installing high efficiency natural gas furnaces, and upgrading windows and insulation. The average residential rebate for single family homes was \$187.

Additionally, over 5,000 multi-family housing units in Washington and Idaho received energy efficiency upgrades through the program. Avista also provided another \$2 million to six community action partners to assist low-income customers in making energy efficiency improvements to their homes.

Hear a podcast of Folsom talking about the 2009 energy savings and Avista's energy efficiency programs for customers at

www.avistautilities.com/community/blog/Media/AvistaPodcast_EP_1_FINAL.mp3 .

To continue meeting the growing demand in Washington and Idaho for natural gas energy efficiency programs, Avista has filed a request with the public utility commissions in those states to increase the existing natural gas energy efficiency tariffs, effective March 15, 2010. No electric energy efficiency tariff increase will be filed in either state. A tariff increase would have no impact on company earnings.

If the request is approved by the Washington Utilities and Transportation Commission (WUTC), a residential natural gas customer using 70 therms a month would see a \$2.54 increase, or 4.5 percent, for a revised monthly bill of \$62. A total of \$6.4 million in additional program funds would be available to assist Washington natural gas customers making qualifying energy efficiency improvements to their homes and businesses.

If the request is approved by the Idaho Public Utilities Commission (IPUC), a residential natural gas customer using 66 therms a month would see a \$1.52 increase, or 2.61 percent, for a revised monthly bill of \$60. A total of \$1.6 million in additional program funds would be available to assist Idaho natural gas customers making qualifying energy efficiency improvements to their homes and businesses.

The tariff increases could be offset by customers by either changing a furnace filter each month, weather-stripping one door with a 1/16 inch infiltration leak, or installing a shower flow restrictor.

Information on energy efficiency rebates and incentives Avista offers for residential, commercial and limited income customers is available at <u>www.everylittlebit.com</u>, along with other energy-saving information.

Avista Corp. is an energy company involved in the production, transmission and distribution of energy as well as other energy-related businesses. Avista Utilities is our operating division that provides electric service to 355,000 homes and businesses and natural gas to 312,000 homes and businesses in three Western states, serving more than 492,000 customers. Avista's primary, non-regulated subsidiary is Advantage IQ. Our stock is traded under the ticker symbol "AVA." For more information about Avista, please visit <u>www.avistacorp.com</u>.

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This news release contains forward-looking statements regarding the company's current expectations. Forward-looking statements are all statements other than historical facts. Such statements speak only as of the date of the news release and are subject to a variety of risks and uncertainties, many of which are beyond the company's control, which could cause actual results to differ materially from the expectations. These risks and uncertainties include, in addition to those discussed herein, all of the factors discussed in the company's Annual Report on Form 10-K for the year ended Dec. 31, 2008, and the Quarterly Report on Form 10-Q for the quarter ended September 30, 2009.

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