Avista Corp.

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October 28, 2002

Jean D. Jewell, Secretary Idaho Public Utilities Commission Statehouse Mail W. 472 Washington Street Boise, Idaho 83720

Re: Case No. GNR-U-02-1, Pilot Winter Protection Program

Dear Ms. Jewell:

We have received the Staff Decision Memorandum and appreciate Staff's general support of the proposed two-year pilot Winter Protection Program.

Avista Utilities would like to reiterate its desire to proceed with this pilot effective December 1, 2002 to coincide with the established moratorium dates. The Company believes that it is in the participating customer's best interest to have an arranged monthly minimum payment to avoid a larger payment for all winter usage in the following Spring. The Company would not disconnect a customer who is eligible for assistance from a community action agency and makes minimal monthly payments. Thus, the Company does not believe that this pilot would create an undue customer hardship requiring a significant hearing schedule.

Should the Commission prefer to consider approval of this program effective January 1, 2003, the Company would be able implement this program at that time or in "midseason."

Avista Utilities, upon request at the technical workshops, provided supporting customer data from past moratoriums and can expeditiously provide this or other documentation to the Commission.

Please call me at (509) 495-8706 regarding any related matters.

Sincerely,

Bruce Folsom

Manager, Regulatory Compliance