

Avista Corp.
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IDAHO PUBLIC UTILITIES COMMISSION

VIA OVERNIGHT MAIL

July 30, 2015

Ms. Jean D. Jewell, Commission Secretary
Idaho Public Utilities Commission
472 W. Washington St.
Boise, ID 83702-5983

**RE: Case No. AVU-E-15-07
Power Cost Adjustment (PCA) Annual Filing of Avista Corporation**

Dear Ms. Jewell:

Enclosed for filing with the Commission is Avista's Power Cost Adjustment (PCA) annual filing. The filing consists of an original and seven copies of Avista's Application and nine copies of prefiled testimony and exhibits. Also enclosed are three copies of supporting workpapers and documentation. A certificate of service, three copies of a customer notice, and three copies of a press release are also enclosed. A computer readable copy of the testimonies, exhibits, and workpapers, required under Rule 231.05, are included on an enclosed compact disc.

The Company is requesting that the Commission issue an order approving recovery of power costs deferred for the period July 1, 2014 through June 30, 2015, and approving a PCA rebate of 0.032¢ per kilowatt-hour to be effective October 1, 2015. Under the Company's proposal, the PCA rate for all customers, including residential customers, would decrease from a surcharge rate of 0.252¢ per kilowatt-hour to a rebate rate of 0.032¢ per kilowatt-hour, or a decrease of 0.284¢ per kilowatt-hour. Since PCA rate adjustments are spread on a uniform cents per kilowatt-hour basis, the resulting percentage decreases vary by rate schedule. The overall decrease is 3.5%.

For an average residential customer using 929 kilowatt-hours per month, the monthly decrease will be \$2.64. Under present rates, a residential bill for 929 kilowatt-hours amounts to \$85.24. With the proposed rebate in place the monthly bill would be \$82.60, or 3.1% less than the bill under present rates.

Please note that Avista has deemed certain supporting documents to be classified as CONFIDENTIAL, rendering these documents exempt from public inspection, examination and copying pursuant to Sections 9-340A through 9-340F of the Idaho Code. Avista believes that the identified CONFIDENTIAL supporting documents contain valuable commercial information.

As such, Avista is submitting a separate electronic CD containing the electronic form of the CONFIDENTIAL supporting documents, in compliance with Rule 067.02.b.

Please direct any questions regarding this filing to Annette Brandon at (509) 495-4324 or Patrick Ehrbar at (509) 495-4620.

Sincerely,

A handwritten signature in black ink, appearing to read "D J Meyer", with a horizontal line extending to the right.

David J. Meyer
Vice President and Chief Counsel for Regulatory and Governmental Affairs

Enclosures