



Avista Corp.

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VIA: Electronic Filing

May 9, 2019

Diane Hanian, Commission Secretary
Idaho Public Utilities Commission
P O Box 83720
Boise, ID 83720-0074

RE: CASE NO. AVU-E-19-05 - UPDATE TO PUBLISHED AVOIDED COST RATES

Dear Ms. Hanian:

Avista Corporation dba Avista Utilities (Avista or Company) received the letter from the Idaho Public Utilities Commission (IPUC) dated April 12, 2019 notifying the Company of the annual update to published avoided cost rates to reflect an updated natural gas price forecast of the U.S. Energy Information Administration (EIA). Additionally, Staff proposed the SAR model for each utility reflect changes in the federal and state corporate tax rates and requested Avista to update the model to reflect the cost of capital approved in the Company's last general rate case. The Company has updated the model and has reviewed the new published avoided cost rates and agrees that the calculations are correct.

Please direct any questions on this matter to Clint Kalich at (509) 495-4532 or myself at (509) 495-4975.

Sincerely,

/s/ Linda Gervais

Linda Gervais
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Avista Utilities
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