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October 15, 2008

VIA E-MAIL AND REGULAR MAIL

Michelle Manary, FE-2
Manager, Residential Exchange Program
Bonneville Power Administration
PO Box 3621
Portland, OR 97293

E-mail: BPAAverageSystemCost@BPA.gov
ascfiling@bpa.gov

Re: Avista Corporation's Revised Average System Cost Filing for 2010 and 2011
BPA File No. ASCM-08

Dear Ms. Manary:

On June 30, 2008, Bonneville Power Administration ("BPA") released its Final Record of Decision for its 2008 Average System Cost Methodology (Decision). The Decision requires a utility to file a new Appendix 1 with BPA by October 15, 2008. Additional filing requirements have been enumerated in a number of other communications, including a clarifying e-mail sent recently by Dolena on your behalf (Wed 09-24-2008 10:42 AM). Avista Corporation ("Avista") hereby submits for filing its revised ASC Appendix 1 to BPA for FY 2010 and 2011. Per the discussion in the ASC workshop held in Portland today, Avista will file the remainder of the pertinent filing materials on Monday, October 20, 2008.

Avista recognizes the opportunity made available by BPA to work closely with its staff in the development of both the revision of the methodology and the Expedited and Final filings for 2009. In particular, we appreciate the opportunity to work toward resolution of Avista's issues related to New Large Single Loads and the corresponding CF/CT determination.

With respect to reporting of data for Avista's potential NLSL, we have incorporated that information into our Appendix 1, page 4.1, consistent with the format we have used in prior filings.

The following attachments to this letter are included in this Avista Final ASC filing for the FY 2010 and 2011:

1. Appendix 1

The following attachments related to this Avista Final ASC filing for the FY 2010 and 2011, will be filed on Monday, October 20, 2008:

2. ASC Forecast Model
3. Utility Specific NLSL Model
4. NLSL Data
5. Utility Specific Price Spread

By return e-mail, please confirm BPA's receipt of Avista's Revised Average System Cost Expedited Template Filing.

Sincerely,

Larry La Bolle
Director, Federal and Regional Affairs