

Request No. 1: Please describe the decisions and decision points inherent in the Company's purchase and subsequent fixing of the price of 27,658 MMBtu/day of gas purchased on March 13, 2001. Please discuss these transactions as they relate to the Company's Risk Policy.

Request No. 2: Please describe the decisions and decision points inherent in the Company's purchase and subsequent fixing of the price of 20,000 MMBtu/day of gas purchased on March 22, 2001. Please discuss these transactions as they relate to the Company's Risk Policy.

Request No. 3: Even though much of both of these purchases have subsequently been unwound, please describe the unwinding process and reference the associated deal tickets and Risk Policy guidelines. Please quantify the loss associated with unwinding these purchases and provide detail on the loss associated with each deal ticket. Please provide the same information on any gains associated with unwinding the deals.

Request No. 4: Did the Company purchase gas at a fixed price for the Company's gas customers approximately 3 years in advance in the spring of 2001? If not, why not? If the Company did, what was the justification? How does this decision differ from the decision to purchase gas 3 years in advance for electric generation?

Request No. 5: Please provide a breakdown of the \$23,383,629 increase in power supply costs identified on page 3, line 15 of the Company's Application. Please break the costs into the following categories:

- Fuel Costs
- Purchased Power Costs
- Non-Firm Sales Revenue
- Other

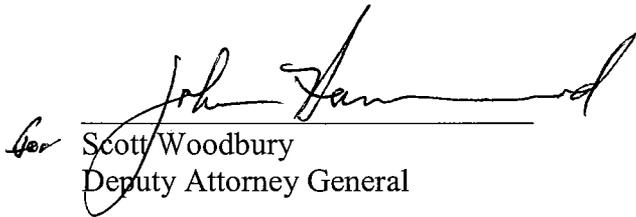
Request No. 6: Please provide the calculations and supporting documentation to justify the statement that "Hydro generation was approximately 12.9 aMW below the authorized level, which would account for approximately \$2.1 million of increased expense."

Request No. 7: Please provide a copy of the insurance claims associated with damaged transformers at the Coyote Springs power plant. Are there any other areas in which the Company could have filed a claim? Please explain.

Request No. 8: Please provide a breakdown of the compensation received as a result of the Coyote Springs Insurance claims and categorize the compensation amounts to reflect account numbers for all capital or expense items booked.

Request No. 9: How much does the Company expect to defer in above normal power supply costs in the July 2003 through June 2004 period? Please break this estimate into the components shown on page 3 of the Company's Application. Please break the category titled "Net Increase in Power Supply Costs" into the components listed in Request No. 5 above.

Dated at Boise, Idaho, this *29th* day of August 2003.


Scott Woodbury
Deputy Attorney General

Technical Staff: Keith Hessing

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CERTIFICATE OF SERVICE

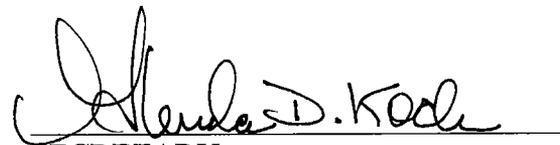
I HEREBY CERTIFY THAT I HAVE THIS 29TH DAY OF AUGUST 2003, SERVED THE FOREGOING **FIRST PRODUCTION REQUEST OF THE COMMISSION STAFF TO AVISTA CORPORATION**, IN CASE NO. AVU-E-03-6, BY MAILING A COPY THEREOF, POSTAGE PREPAID, TO THE FOLLOWING:

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