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UTILITIES COMMISSION
AVU-E-12-01

February 27, 2014

Via email and Federal Express

Mr. Scott Kinney
Director, Power Supply
Avista Corporation
1411 East Mission Avenue
Spokane, WA 99202

Dear Mr. Kinney:

RE: Termination of Power Purchase Agreement

This letter is in regard to the Amended Power Purchase Agreement (“Agreement”) between Kootenai Electric Cooperative, Inc. (“KEC”) and Avista Corporation (“Avista”) for sale of the output of KEC’s Fighting Creek Landfill Gas-to-Energy Station on an “as available” basis to Avista, originally approved by the Idaho Public Utilities Commission in Order No. 32459, and as most recently amended by Order No. 32592. As you may be aware, KEC intends to sell the output of this project on a long-term basis to Idaho Power Company and intends to commence such sales on April 1, 2014.

Accordingly, this letter serves as notice of termination to Avista pursuant to Section 4.1 of the Agreement. Specifically, KEC hereby terminates the Agreement effective April 1, 2014, and will make the final sale to Avista under the Agreement on March 31, 2014.

Please contact me with any questions regarding this matter.

Sincerely,

A handwritten signature in cursive script that reads 'Douglas A. Elliott'.

Douglas A. Elliott
General Manager

DAE/cm
c: Robert Lafferty