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IDAHO PUBLIC
UTILITIES COMMISSION



June 13, 2011

Idaho Public Utilities Commission
Attn: Kristine A. Sasser
PO Box 83720
Boise, ID 83720-0074

RE: Case No. GNR-E-11-02

Dear Ms. Sasser:

Avista is responding to the notice dated June 3, 2011 regarding the annual revision and updated calculation of the adjustable portion of the avoided cost rates. The Company has reviewed and is in agreement with the Colstrip adjustable rate of 11.38 mill/kWh and the annual average gas price of \$4.99/MMBtu for the 2011-2012 year.

Thank you,

A handwritten signature in black ink, appearing to read "Clint Kalich". The signature is fluid and cursive, with a long horizontal stroke at the end.

Clint Kalich
Manager of Resource Planning and Power Supply Analyses

cc: Rick Sterling, IPUC
Michael Andrea, Avista
Linda Gervais, Avista