
IDAHO PUBLIC UTILITIES COMMISSION

For Immediate Release

Case No. AVU-G-03-2

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Website: www.puc.state.id.us

Avista submits long-range gas supply plan

Boise – The Idaho Public Utilities Commission is taking comment through June 25 on Avista Utilities' long-range plan to meet the needs of its natural gas customers in northern Idaho.

The supply options for Avista consist of various components including long-term and short-term contracts, firm and interruptible transportation from seven interstate pipelines and purchases from three storage services.

In 2000, the natural gas industry experienced the highest prices ever seen. In response, Avista established a schedule to lock-in hedges and volumes for price stability. Avista established a baseline that about half of its annual monthly loads would be hedged with fixed-price natural gas before Nov. 15, the beginning of the winter heating season.

Avista reports that its firm and interruptible natural gas transportation contracts provide the company with sufficient capacity to meet current and future demands. Based on current forecasts, Avista's north operating division (Washington and Idaho) will need to acquire additional transportation by the 2007-08 heating season. The company's goal is to contract for a reasonable amount of transportation. Contracting for too much firm transportation could keep the company from its goal of providing low-cost energy. Failing to contract for enough transportation impairs the company's goal of being a reliable energy provider.

The company plans to continue its gas and electric efficiency activities, which are funded by a 0.5 percent tariff rider on customer bills. The rider generates about \$1 million in revenues. Some gas efficiency programs for residential customers include funding assistance for programmable thermostats, high-efficiency gas furnaces, high-efficiency gas water heating and weatherization. Qualified low-income customers are eligible to receive incentives from community action agencies within Avista's service territory.

Avista Utilities, headquartered in Spokane, provides gas and electric service in eastern Washington, northern Idaho and southern Oregon. Avista has about 60,000 natural gas customers in northern Idaho.

Copies of Avista's complete Integrated Resource Plan are available on the commission's Web site at www.puc.state.id.us. Click on the gas icon, then on "Gas Cases," and scroll down to the

case number, AVU-G-03-2. Copies are also available for public inspection at the commission's office at 472 W. Washington St. in Boise or at Avista Utilities' offices.

Persons wishing to submit comments can do so via e-mail by accessing the commission's homepage and clicking on "Comments & Questions." Fill in the case number and enter your comments. Comments can also be mailed to P.O. Box 83720, Boise, ID 83720-0074 or faxed to (208) 334-3762.

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