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October 29, 2010

SENT VIA OVERNIGHT MAIL

Public Utility Commission of Oregon
Attn: Filing Center
550 Capitol St NE #215
Salem, OR 97308-2148

Re: Amended 2009 Tax Report Filing of Avista Corporation, Docket UG 171(4)

Enclosed is Avista Corporation's amended confidential tax report for calendar year 2009. The amendment bears a revision date of October 29, 2010. A previous amendment that adjusted the deferred tax floor was filed on October 26, 2010. This amendment results from a correction to the Oregon stand-alone tax calculation. In conducting their audit, Staff requested a reconciliation of the operation and maintenance expense shown in the tax report and in results of operations. In doing the reconciliation an error was found in the amounts used in the Oregon stand-alone tax calculation. This filing makes the appropriate corrections to the tax report.

The amended 2009 tax report is being filed under seal and is to be handled as a highly confidential document pursuant to the protective order issued in Order No. 06-033. The Company is also submitting a backup workpaper associated with the amended 2009 tax report, which is to be handled as being highly confidential. Two copies of the report and the workpaper are stamped confidential, copied on green paper, and enclosed in a sealed envelope that is labeled as containing confidential information. Also enclosed are two copies of an electronic version of the amended tax report on two compact disks that are also marked as being confidential and are subject to the protections for highly confidential information applicable to the tax report. One copy of each of the confidential items is to be designated as the Staff's working copy.

The correction does not change the difference between taxes paid and taxes collected due to the deferred tax floor. For 2009 the amount of federal and state income tax paid, as calculated pursuant to the rule, is more than the amount of taxes authorized to be collected by \$1,267,000. Under SB 408, this difference, plus interest, would be surcharged through the automatic adjustment clause (AAC).

If you have any questions, please contact Ron McKenzie at (509) 495-4320.

Sincerely,

A handwritten signature in cursive script that reads "Kelly Norwood".

Kelly Norwood, Vice President, State and Federal Regulation
Enclosures

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that I have this day served Avista Utilities' letter to the filing Center of the Public Utility Commission of Oregon in connection with its Amended 2009 Tax Report Filing (UG-171(4)), upon the parties listed below by electronic mail or by mailing a copy thereof, where paper service has not been waived.

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Dated at Spokane, Washington this 29th day of October 2010.



Patty Olsness, Rates Coordinator