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February 16, 2010

Jean D. Jewell, Secretary Idaho Public Utilities Commission W. 472 Washington Street Boise, Idaho 83720

RE: Avista's 2009 Annual Report on Optional Alternative Renewable Energy

Dear Ms. Jewell:

Pursuant to Order No. 28948 in Case No. AVU-E-01-16, enclosed for filing are an original and seven (7) copies of Avista Utilities report on the Company's alternative energy resources offered as options to customers in 2009 under Schedule 95—Optional Renewable Power Rate. Avista Utilities' voluntary program, marketed as the "Buck-A-Block" program, for wind resources was initiated on February 1, 2002.

Avista Utilities offers an alternative renewable energy rate in the form of a wind power option to residential and commercial electric customers in both Washington and Idaho. The program offers blocks of 300 kWh for \$1.00 each, paid in addition to their regular rates. Customers may purchase as many blocks as they would like. Customers subscribe on a monthly basis and can cancel and re-subscribe at anytime by either phone, internet, or bill inserts. Avista Utilities purchases renewable energy certificates from PPM Energy to supply the program. The Company marketed the program through billing inserts, earned media, local public radio, selected fairs, and print media.

The attachment included shows the rate of customer participation, the amount of qualified alternative energy resources purchased by customers, and the amount of utility investments in qualified alternative energy resources.

Please direct questions on this matter to me at (509) 495-4975 or Chris Drake at (509) 495-8624.

Sincerely,

Linda Gervais

Manager, Regulatory Policy

Enc.



Buck-A-Block Program Summary for 2009

	ΑII		RES. (~315,000)	(C&I (~44,000)	
	Total	WA	QI	RES	WA	QI	C&I
Customers	3,718	2,563	1,051	3,614	99	38	104
Blocks	19,576	10,391	4,096	14,487	4,340	749	5,089
Average Purchase	5.27	1.4	3.9	4.0	65.8	19.7	48.9
% of Wind Customers	1	%69	28%	%26	2%	%	3%
% of Electric Customers	1.1%	1.2%	1.0%	1.1%	0.3%	0.5%	0.5%
% of Total Purchases	ŀ	23%	21%	74%	22%	4%	56%
						Jan	\$19,668.27

2009 Number of Blocks Sold 2009 Number of kWh Sold

\$235,592 70,677,600

\$19,568.65 \$19,498.20 \$19,608.91 \$19,661.24 \$19,585.99 \$19,731.42 \$19,652.49 \$19,554.25 \$235,592.01 \$19,608.29 \$19,676.03 Mar Apr Aug Sep Oct Oct