

Avista Corp.
1411 East Mission P.O. Box 3727
Spokane, Washington 99220-3727
Telephone 509-489-0500
Toll Free 800-727-9170



October 14, 2010

SENT VIA OVERNIGHT MAIL

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

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

Enclosed is Avista Corporation's confidential tax report for calendar year 2009. Incorporated herein by reference is the tax report for 2007 that was submitted in October 2008 in Docket No. UG 171(1), and the tax report for 2008 that was submitted in October 2009 in Docket No. UG 171(3) (originally submitted as UG 171(2), but changed to UG 171(3) to indicate the third tax report filed subject to a rate adjustment). This filing is made in compliance with OAR 860-022-0041. Docket No. UG 171(4) has been designated as the docket to address the Company's 2009 tax report filing.

The 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 the backup workpapers associated with the 2009 tax report, which are to be handled as being highly confidential. Two copies of the report and the workpapers 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 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.

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 \$900,000. 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 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.

Jason W. Jones
Department of Justice
1162 Court St. NE
Salem, OR 97301-4096
jason.w.jones@state.or.us

W Citizens' Utilities Board
610 SW Broadway, Suite 308
Portland, OR 97205-3404
catriona@OregonCUB.org
Bob@OregonCUB.org
gordon@OregonCUB.org
dockets@oregoncub.org

Daniel W. Meek
Attorney at Law
10949 SW 4th Ave.
Portland, OR 97219
dan@meek.net

W Paula Pyron
Northwest Industrial Gas Users
4113 Wolf Berry Ct.
Lake Oswego, OR 97035-1827
ppyron@nwigu.org

W Chad M. Stokes
Cable Huston Benedict
Haagensen & Lloyd LLP
1001 SW Fifth Ave., Suite 2000
Portland, OR 97204-1136
cstokes@chbh.com

Iron A. Sanger
Melinda J. Davison
Davison Van Cleve
333 SW Taylor, Suite 400
Portland, OR 97204
ias@dvclaw.com
mail@dvclaw.com

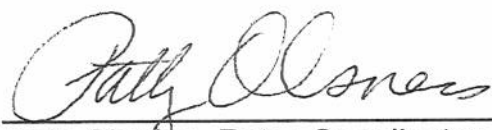
W Randall Dahlgren
Douglas C. Tingey
Portland General Electric
121 SW Salmon St
Portland, OR 97204
pge.opuc.filings@pgn.com
doug.tingey@pgn.com

W David F. White
Tonkon Torp LLP
888 SW Fifth Ave. #1600
Portland, OR 97204
davidw@tonkon.com

Linda K. Williams
Kafoury & McDougal
10266 SW Lancaster Rd.
Portland, OR 97219-6305
linda@lindawilliams.net

W Edward A. Finklea
Energy Action Northwest
PO Box 8308
Portland, OR 97207
efinklea@energyactionnw.org

Dated at Spokane, Washington this 14th day of October 2010.



Patty Olsness, Rates Coordinator