

Transmission Services
Avista Corporation
1411 E Mission Avenue
Spokane, WA 99202

May 16, 2008

Hon. Kimberly D. Bose, Secretary
Federal Energy Regulatory Commission
888 First Street, N.E.
Washington, DC 20426

RE: Avista Corporation, Docket No. OA08-_____
Informational Filing of Operational Penalty Assessments and Distributions as
Required by Order Nos. 890 and 890-A

Dear Secretary Bose:

Pursuant to Federal Energy Regulatory Commission (“FERC”) Order Nos. 890 and 890-A,¹ Avista Corporation (“Avista”) hereby submits its informational filing regarding Operational Penalty Assessments and Distributions. Order No. 890 calls for the following information to be submitted in an annual informational filing: (1) a summary of revenue credits by transmission customer; (2) total penalty revenues collected from affiliates; (3) total penalty revenues collected from non-affiliates; (4) a description of the costs incurred as a result of the offending behavior; and (5) a summary of the portion of unreserved use penalty retained by the transmission provider.

Avista hereby submits that it did not assess or distribute any operational penalties for late studies or unreserved use² for 2007. Additionally, as required by Order No. 890:

- (1) Avista provided no such penalty revenue credits to any customer in 2007;
- (2) Avista collected no such penalty revenues from any affiliates in 2007;

¹ *Preventing Undue Discrimination and Preference in Transmission Service*, Order No. 890, Fed. Reg. 12,226 at P 864 (March 15, 2007), FERC Stats. & Regs. ¶ 31,241 (2007) (“Order No. 890”), *order on reh’g*, 121 FERC ¶ 61,297 (2007) (“Order No. 890-A”), *reh’g pending*.

² Avista does not currently collect a penalty for unreserved use of its Transmission System.

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- (3) Avista collected no such penalty revenues from any non-affiliates in 2007;
- (4) Avista calculated no additional costs incurred in 2007 as a result of such offending behavior;
- (5) Avista has retained no revenues collected from unreserved use penalties in 2007.

Avista has posted a copy of this filing on its OASIS.

Please address all notices, questions and correspondence regarding this filing to:

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Respectfully,

Jeff Schlect
Manager, Transmission Services