ORDER VACATING BLANKET AUTHORIZATION
TO EXPORT NATURAL GAS TO CANADA

DOE/FE ORDER NO. 2229-B

On July 21, 2006, the Office of Fossil Energy (FE) of the Department of Energy (DOE) granted blanket authorization to Avista Energy, Inc. (Avista) in DOE/FE Order No. 2229 (Order 2229) (2 FE ¶71,299), as amended by DOE/FE Order 2229-A (Order 2229-A)\(^1\) to export up to a combined total of 219 billion cubic feet (Bcf) of natural gas to Canada. The two-year term began on May 1, 2006, and extends through April 30, 2008.

On September 21, 2007, Avista notified DOE that it has terminated most of its operations in both Canada and the United States and is no longer importing or exporting natural gas to or from Canada. Therefore, the import authorization is no longer needed. Avista requests that DOE vacate Order 2229, effective the date of this Order.

\(^1\) Not yet published in Federal Energy Guidelines.
Accordingly, pursuant to section 3 of the Natural Gas Act, the authorization to export natural gas to Canada granted to Avista in Order 2229, as amended by Order 2229-A, is hereby vacated, effective the date of this Order.

Issued in Washington, D.C., on October 2, 2007.

[Signature]
R. F. Corbin
Manager, Natural Gas Regulatory Activities
Office of Oil and Gas Global Security and Supply
Office of Fossil Energy
September 21, 2007

Manager, Natural Gas Regulatory Activities
Office of Natural Gas Regulatory Activities
Docket Room 3E-042, FE 34
Fossil Energy, U.S. Department of Energy (FE-34)
P.O. Box 44375
Washington, DC 20026-4375

Re: Application of Avista Energy, Inc. to Terminate Certain Orders For the Importation and Exportation of Natural Gas

To whom it may concern:

I am writing on behalf of Avista Energy, Inc. (Avista Energy) to notify the U.S. Department of Energy, Office of Fuels Programs, Fossil Energy, that, in conjunction with a sale of substantially all of its assets, Avista Energy has terminated most of its operations in both Canada and the United States. In particular, Avista Energy is no longer importing or exporting natural gas to or from Canada, and does not foresee doing so in the future.

Accordingly, Avista Energy hereby requests termination and revocation of the following U.S. Department of Energy orders relating to natural gas: (i) Docket No. 06-54-NG, DOE/FE Order No. 2299-A; (ii) Docket No. 06-49-NG, DOE/FE Order No. 2232 and (iii) Docket No. 05-69, DOE/FE Order No. 2133. Avista Energy requests that the termination and revocation of the above referenced orders occur as soon as reasonably practicable.

Thank you for your attention to this matter. Please contact me at (509) 688-6019 if your office requires additional information or if we have overlooked a procedural requirement. Confirmation of termination or revocation may be sent to my attention at the address shown above or by fax to my attention at (509) 688-6155.

Very truly yours,

[Signature]

Name: Tracy Van Orden
Title: Controller