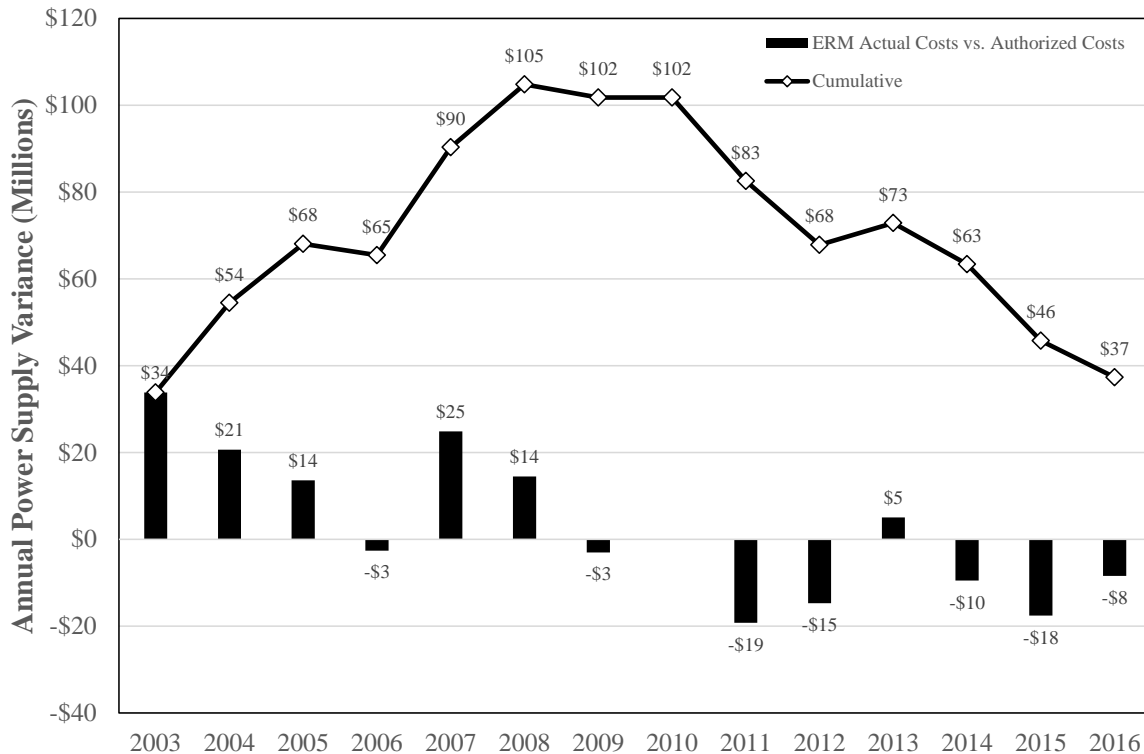


1 inverse of what was experienced between 2003 and 2007, when actual costs were mostly
 2 higher than authorized due to rising natural gas prices.

3 At one point the cumulative ERM balance reached \$105 million to the Company's
 4 detriment; the ERM never has in total been to the Company's favor. Also it is interesting to
 5 note that ERM balances, while in the Company's favor in recent years, are less volatile than
 6 in the past. In other words, if anything our filings are more accurate relative to what is actually
 7 experienced. Data supporting Figure No. is provided in the Company's workpapers.

8
 9 **Figure No. 1: Actual Costs as Compared Actuals³⁰**



21 **Q. How AURORA_{XMP} maximize the value of Avista resources to the benefit**
 22 **of customers to capture their overall value?**

³⁰Ibid.