

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



March 9, 2004

Ms. Carole J. Washburn, Executive Secretary
Washington Utilities and Transportation Commission
P.O. Box 47250
Olympia, WA 98504-7250

Re: Docket No. UE-011595, Monthly Power Cost Deferral Report
For the Month of February 2004

RECEIVED
RECORDS MANAGEMENT
04 MAR 15 AM 9:42
Corp.
STATE OF WASH.
UTIL. AND TRANSP.
COMMISSION

Dear Ms. Washburn:

Enclosed are an original and five copies of Avista Corporation's Power Cost Deferral Report for the month of February 2004. The report includes the monthly energy recovery mechanism (ERM) accounting journal together with backup workpapers. Actual net power costs exceeded authorized costs by \$1,477,087. However, no deferral entry was recorded as the entire amount was applied toward the \$9 million deadband for 2004. The deadband accumulation for 2004 amounted to \$4,961,037 at the end of February.

Actual power supply expenses were higher than authorized as a result of higher purchased power expense due mostly to lower hydro generation. Hydro generation was 76 aMW below authorized levels while the average market purchase price was \$42.54/MWh compared to an authorized rate of \$44.26/MWh. The average market sales price was \$41.29/MWh compared to an authorized sales price of \$32.60/MWh.

Coyote Springs 2 was out-for-service while the transformer is being serviced. The authorized level of Coyote Springs 2 generation is 100 aMW in February. However, in December 2003, prior to the plant being taken off-line in January 2004, previously purchased gas that could have been used for Coyote Springs 2 had been sold due to economics, and electricity had been purchased.

Colstrip and Kettle Falls generated 19 aMW and 17 aMW above the authorized levels, respectively. Other gas-fired resources generated 28 aMW below the authorized level. Thermal fuel expense was higher than the authorized level and natural gas fuel expense was lower than the authorized level. Washington retail sales were 57 aMW above the authorized level.

There were no new forward long-term power contracts of one year or longer entered into in the month of February 2004. If you have any questions, please contact Bill Johnson at (509) 495-4046 or Ron McKenzie at (509) 495-4320.

Sincerely,

Kelly Norwood
Vice President State and Federal Regulation
Enclosure
RM

c: Robert Cromwell, S. Bradley Van Cleve

AVISTA CORPORATION
STATE OF WASHINGTON
DOCKET NO. UE-011595
POWER COST DEFERRAL REPORT

MONTH OF FEBRUARY 2004

Avista Corporation - General Ledger Journal Entry

Print Date: 03-05-2004 08:52 AM

Journal ID: DJJ702 Journal Description: WA - ERM Effective Date: 02-29-2004

Corp: WWP Journal Sponsor: RESOURCE \$/#: \$ Tran Type: C Error Code: Q Code: G

Control Amount Total: 5,922,067.00 Saved By: Linda Donley Saved Date: 03-05-2004 8:52:49 AM

Edit Date: 03-05-2004 8:52:42 AM

Seq	WO	UMain	Sub	RC	Cost Code	SL ID	LOC	Debit Amount	Credit Amount	Transaction Description
5	0000	9186	01	028	EE			1,477,087.00	0.00	WA ERM YTD COMPANY BAND
<i>Record YTD accumulation of Company Band for WA ERM. Allows tracking of balance on the GL.</i>										
10	0000	9186	02	028	EE			0.00	1,477,087.00	WA ERM YTD CONTRA ACCOUNT
<i>Contra account for YTD WA ERM Company Band. Offsets 918601 to prevent Balance Sheet inflation.</i>										
15	2577	0557	28	G55	EE	X	028	0.00	0.00	POWER TRANSACTIONS/* WA ERM DEF
20	0000	9186	28	028	EE			0.00	0.00	WA ERM - CURRENT YEAR
23	2577	0557	29	X55	EE	X	028	2,489,573.00	0.00	POWER TRANSACTIONS /* WA ERM AMT
27	0000	9182	35	028	EE			0.00	2,489,573.00	WASHINGTON ERM DEFERRAL BALANCE
43	0000	9182	35	028	EE			437,708.00	0.00	WASHINGTON ERM DEFERRAL BALANCE
<i>Interest income on deferral balance in 18235 authorized for recovery</i>										
45	0000	9186	28	028	EE			0.00	0.00	WA ERM - CURRENT YEAR
<i>Interest income (expense) on deferral balance in 18628</i>										
47	0000	9186	29	028	EE			104,318.00	0.00	WA ERM - LAST YEAR
<i>Interest income (expense) on deferral balance in 18629</i>										
50	Q000	9419	00	Q98	EE	X	098	0.00	542,026.00	NON-UTILITY REVENUE/INT/DIV INCOME
70	0000	9171	00	FIN	EE			542,026.00	0.00	INTEREST & DIVIDENDS REC
<i>Accrue interest income on deferral balance</i>										
80	0000	9171	00	FIN	EE			0.00	542,026.00	INTEREST & DIVIDENDS REC
<i>Transfer interest income accrual to deferred power costs (in lieu of receipt)</i>										
82	0135	0410	10	X54	EE	X	028	0.00	871,355.00	INCOME TAX /* PRV DFIT DR
<i>DFIT entry includes, power supply deferral, generation options, surcharge amortization</i>										
85	0135	9410	20	X54	EE	X	028	189,709.00	0.00	INCOME TAX /PROV DEFERED IT
<i>DFIT entry for interest income</i>										
89	0000	9283	28	028	EE			681,646.00	0.00	ADFIT-WA ERM CURRENT AND PRIOR YRS

vista Corporation - General Ledger Journal Entry

Journal ID: **DJ702** Journal Description: **WA - ERM** Effective Date: **02-29-2004**

Corp: **WWP** Journal Sponsor: **RESOURCE** \$#: **\$** Tran Type: **C** Error Code: **Q** Code: **G**

Control Amount Total: **5,922,067.00** Saved By: **Linda Donley** Saved Date: **03-05-2004 8:52:49 AM**

Edit Date: **03-05-2004 8:52:42 AM**

Seq	WO	U Main	Sub	RC	Cost Code	SL ID	LOC	Debit Amount	Credit Amount	Transaction Description
100	0000	9186	01	028	EE			0.00	0.00	WA ERM YTD COMPANY BAND
<i>Reverse prior year accumulation of Company Band for WA ERM. Allows tracking of balance on the GL.</i>										
101	0000	9186	02	028	EE			0.00	0.00	WA ERM YTD CONTRA ACCOUNT
<i>Reverse Contra account for prior year WA ERM Company Band. Offsets 918601 to prevent Balance Sheet inflation.</i>										
200	0000	9186	28	028	EE			0.00	0.00	WA ERM - CURRENT YEAR
<i>Transfer 2003 ERM deferral to prior year balance account</i>										
201	0000	9186	29	028	EE			0.00	0.00	WA ERM - LAST YEAR
<i>Transfer from 2003 will accrue interest in this account until it is deemed prudent for recovery</i>										
Totals:								5,922,067.00	5,922,067.00	Trans: 12 Rows: 19

Explanation:
 Record current month deferred power supply costs, interest and DFIT per WA accounting order.

Prepared By: *Linda Donley* Date: *3/5/04*
 Reviewed By: *[Signature]* Date: *3/5/04*

Approved For Entry - Corporate Accounting Use Only Date

> GD WWP,0000918628,028 ON GLMLY

----- GL:M - AMOUNT MAINTENANCE -----
 CORP: WWP ACCOUNT: 0000918628 CENTER: 028
 WA ERM - CURRENT YEAR

PER	CURR YEAR ACTUALS	LAST YEAR ACTUALS	2ND YEAR ACTUALS
01	.00	.00	730,862.00
02	.00	.00	214,588.82-
03	.00	.00	927,912.16-
04	.00	94,153.00	640,898.16-
05	.00	1,437,758.00	782,317.25
06	.00	5,521,304.47	4,173,702.11
07	.00	10,897,385.37	.00
08	.00	14,878,366.37	3,462,701.00
09	.00	17,291,968.37	4,591,436.00
10	.00	18,996,002.37	7,990,106.00
11	.00	19,319,437.37	10,046,279.00
12	.00	22,791,372.37	18,418,548.00
TOTAL	.00	.00	.00

03/08/04 10:22:21 1 M3LL CIX1 _____

ERM Deferral Balance (Current Year - 2004)

Account 9186.28 028

Balance 1/31/04

Deferral

Balance 2/29/04

<u>Amount</u>	<u>Journal ID</u>
\$0.00	
<hr/>	
\$0.00	DJ702

> GD WWP,0000918629,028

ON GLMLY

----- GL:M - AMOUNT MAINTENANCE -----
 CORP: WWP ACCOUNT: 0000918629 CENTER: 028
 WA ERM - LAST YEAR

PER	CURR YEAR ACTUALS	LAST YEAR ACTUALS	2ND YEAR ACTUALS
01	22,895,690.37	18,507,141.00	5,590,562.00-
02	23,000,008.37	18,595,734.00	.00
03	.00	18,684,327.00	.00
04	.00	18,772,920.00	.00
05	.00	18,861,513.00	.00
06	.00	18,950,106.00	.00
07	.00	19,040,688.00	.00
08	.00	19,131,270.00	.00
09	.00	19,221,852.00	.00
10	.00	19,312,434.00	.00
11	.00	19,403,016.00	.00
12	.00	.00	.00
TOTAL	.00	.00	.00

03/08/04 10:23:43 1 M3LL CIX1 _____

ERM Deferral Balance (Prior year - 2003)

Account 9186.29 028

Balance 1/31/04
 Interest
 Balance 2/29/04

Amount	Journal ID
\$22,895,690.37	
104,318.00	DJ702
<u>\$23,000,008.37</u>	

> GD WWP,0000918235,028

ON GLMLY

----- GL:M - AMOUNT MAINTENANCE -----
 CORP: WWP ACCOUNT: 0000918235 CENTER: 028
 WASHINGTON ERM DEFERRAL BALANCE

PER	CURR YEAR ACTUALS	LAST YEAR ACTUALS	2ND YEAR ACTUALS
01	97,324,911.28	102,120,741.28	132,006,255.17
02	95,273,046.28	100,387,075.28	122,433,021.17
03	.00	98,579,839.28	118,334,898.17
04	.00	96,934,524.28	115,248,382.17
05	.00	95,426,432.28	112,494,809.17
06	.00	93,918,785.28	109,873,441.17
07	.00	92,464,598.28	111,925,345.28
08	.00	90,760,912.28	110,453,043.28
09	.00	89,095,467.28	109,001,480.28
10	.00	87,584,937.28	107,664,179.28
11	.00	85,922,928.28	106,072,397.28
12	.00	99,774,940.28	104,166,540.28
TOTAL	.00	.00	.00

03/08/04 10:22:32 1 M3LL CIX1 _____

Recoverable Deferral Balance
Account 9182.35 028

	Amount	Journal ID
Balance 1/31/04	\$97,324,911.28	
Amortization	-2,489,573.00	DJ702
Interest	437,708.00	DJ702
Balance 2/29/04	<u>\$95,273,046.28</u>	

> GD WWP,0000918236,028 ON GLMLY

----- GL:M - AMOUNT MAINTENANCE -----
 CORP: WWP ACCOUNT: 0000918236 CENTER: 028
 WASHINGTON ERM AMORTIZATION

PER	CURR YEAR ACTUALS	LAST YEAR ACTUALS	2ND YEAR ACTUALS
01	949,785.00	.00	.00
02	924,702.00	.00	.00
03	.00	.00	.00
04	.00	.00	.00
05	.00	.00	.00
06	.00	.00	.00
07	.00	.00	.00
08	.00	.00	.00
09	.00	.00	.00
10	.00	.00	.00
11	.00	.00	.00
12	.00	974,754.00	.00
TOTAL	.00	.00	.00

03/08/04 10:24:01 1 M3LL CIX1 _____

Contract Buyout Deferral Balance

Account 9182.36 028

	<u>Amount</u>	<u>Journal ID</u>
Balance 1/31/04	\$949,785.00	
Amortization*	-\$29,363.00	RJECB
Interest	4,280.00	RJECB
Balance 2/29/04	<u>\$924,702.00</u>	

*Amount grossed-up from 90% to 100% for ERM deferral calculations \$32,626

> GD WWP,0000918601,028

ON GLMLY

----- GL:M - AMOUNT MAINTENANCE -----
 CORP: WWP ACCOUNT: 0000918601 CENTER: 028
 WA ERM YTD COMPANY BAND

PER	CURR YEAR ACTUALS	LAST YEAR ACTUALS	2ND YEAR ACTUALS
01	3,483,950.00	4,982,867.00	.00
02	4,961,037.00	6,578,313.00	.00
03	.00	8,748,531.00	.00
04	.00	9,000,000.00	.00
05	.00	9,000,000.00	.00
06	.00	9,000,000.00	.00
07	.00	9,000,000.00	4,319,249.00
08	.00	9,000,000.00	4,500,000.00
09	.00	9,000,000.00	4,500,000.00
10	.00	9,000,000.00	4,500,000.00
11	.00	9,000,000.00	4,500,000.00
12	.00	9,000,000.00	4,500,000.00
TOTAL	.00	.00	.00

03/08/04 10:23:05 1 M3LL CIX1 _____

ERM Deadband

Account 9186.01 028

Balance 1/31/04

2004 deadband accumulation

Balance 2/29/04

Amount	Journal ID
\$3,483,950.00	
<u>1,477,087.00</u>	DJ702
\$4,961,037.00	

> GD WWP,0000918602,028 ON GLMLY

----- GL:M - AMOUNT MAINTENANCE -----
 CORP: WWP ACCOUNT: 0000918602 CENTER: 028
 WA ERM YTD CONTRA ACCOUNT

PER	CURR YEAR ACTUALS	LAST YEAR ACTUALS	2ND YEAR ACTUALS
01	3,483,950.00-	4,982,867.00-	.00
02	4,961,037.00-	6,578,313.00-	.00
03	.00	8,748,531.00-	.00
04	.00	9,000,000.00-	.00
05	.00	9,000,000.00-	.00
06	.00	9,000,000.00-	.00
07	.00	9,000,000.00-	4,319,249.00-
08	.00	9,000,000.00-	4,500,000.00-
09	.00	9,000,000.00-	4,500,000.00-
10	.00	9,000,000.00-	4,500,000.00-
11	.00	9,000,000.00-	4,500,000.00-
12	.00	9,000,000.00-	4,500,000.00-
TOTAL	.00	.00	.00

03/08/04 10:23:27 1 M3LL CIX1 _____

ERM Deadband Contra Account
Account 9186.02 028

	Amount	Journal ID
Balance 1/31/04	-\$3,483,950.00	
2004 deadband contra entry	-1,477,087.00	DJ702
Balance 2/29/04	-\$4,961,037.00	

> GD WWP,0000928328,028

ON GLMLY

----- GL:M - AMOUNT MAINTENANCE -----
 CORP: WWP ACCOUNT: 0000928328 CENTER: 028
 ADFIT-WA ERM CURRENT AND PRIOR YRS

PER	CURR YEAR ACTUALS	LAST YEAR ACTUALS	2ND YEAR ACTUALS
01	42,409,636.00-	42,219,761.00-	44,235,381.00-
02	41,719,211.00-	41,643,986.00-	42,520,405.00-
03	.00	41,042,461.00-	40,604,160.00-
04	.00	40,530,561.00-	39,702,680.00-
05	.00	40,503,998.00-	39,098,236.00-
06	.00	41,436,569.00-	39,830,678.00-
07	.00	42,840,936.00-	39,003,353.00-
08	.00	43,669,694.00-	39,870,511.00-
09	.00	43,963,253.00-	39,757,522.00-
10	.00	44,062,684.00-	40,479,002.00-
11	.00	43,625,888.00-	40,641,539.00-
12	.00	43,239,378.00-	42,904,783.00-
TOTAL	.00	.00	.00

03/08/04 10:22:48 1 M3LL CIX1 _____

Account 9186.28 028 balance	\$0.00
Account 9186.29 028 balance	23,000,008.37
Account 9182.35 028 balance	95,273,046.28
Account 9182.36 028 balance	924,702.00
Total	<u>\$119,197,756.65</u>
Federal income tax rate	-35%
Deferred FIT related to deferrals	<u>-\$41,719,215</u>
Rounding	4
Balance in Account	<u>-\$41,719,211</u>

Tax Rate	35%	DJ702 LTD	DJ702 LTD	DJ702 LTD	FJECB LTD		DJ702 CURMO	ADJUS	
	928328	928328	928328	928328	928328	928328	928328	928328	928328
DJ702	GL	ADFIT	ADFIT	ADFIT	ADFIT	BALANCE	FOR ALL	ADFIT	ENDING
	BALANCE	918235	18628	18629	18236	COMPONENTS	ACCOUNTS	18236	BALANCE
12-31-2003	(43,239,378)	(34,921,229)	(7,976,980)	(5)	(341,164)	(43,239,378)	0	0	(43,239,378)
01-01-2004	(43,239,378)	(34,921,229)	0	(7,976,985)	(341,164)	(43,239,378)	0	0	(43,239,378)
01-31-2004	(42,409,636)	(34,063,719)	0	(8,013,492)	(332,425)	(42,409,636)	0	0	(42,409,636)
02-29-2004	(41,719,211)	(33,345,566)	0	(8,050,003)	(323,646)	(41,719,215)	(4)	0	(41,719,215)
03-31-2004							0		
04-30-2004							0		
05-31-2004							0		
06-30-2004							0		
07-31-2004							0		
08-31-2004							0		
09-30-2004							0		
10-31-2004							0		
11-30-2004							0		
12-31-2004							0		
			ADFIT				Interest		
		41010	941020	928328		918235	918628	918629	941900
01-31-2004	918235	(1,015,029)	157,515	857,514		450,043	0	104,318	(554,361)
	918628	0	0	0					
	918629	0	36,511	(36,511)					
Total		(1,015,029)	194,026	821,003					
02-29-2004	918235	(871,355)	153,198	718,157		437,708	0	104,318	(542,026)
	918628	0	0	0					
	918629	0	36,511	(36,511)					
Total		(871,355)	189,709	681,646					

			YTD	YTD	
			WA ERM	WA ERM	
			Company	Contra	Total
			Band	Account	GL
			918601	918602	Impact
12-31-2003	Balance		\$9,000,000	(\$9,000,000)	\$0
2003 Requirement		\$9,000,000			
Jan-04	Reverse 2003		(\$9,000,000)	\$9,000,000	\$0
Jan-04	Activity		\$3,483,950	(\$3,483,950)	
01-31-2004	Balance		\$3,483,950	(\$3,483,950)	\$0
Feb-04	Activity		\$1,477,087	(\$1,477,087)	
02-29-2004	Balance		\$4,961,037	(\$4,961,037)	\$0
Mar-04	Activity			\$0	
03-31-2004	Balance		\$4,961,037	(\$4,961,037)	\$0
Apr-04	Activity			\$0	
04-30-2004	Balance		\$4,961,037	(\$4,961,037)	\$0
May-04	Activity		\$0	\$0	
05-31-2004	Balance		\$4,961,037	(\$4,961,037)	\$0
Jun-04	Activity		\$0	\$0	
06-30-2004	Balance		\$4,961,037	(\$4,961,037)	\$0
Jul-04	Activity		\$0	\$0	
07-31-2004	Balance		\$4,961,037	(\$4,961,037)	\$0
Aug-04	Activity		\$0	\$0	
08-31-2004	Balance		\$4,961,037	(\$4,961,037)	\$0
Sep-04	Activity		\$0	\$0	
09-30-2004	Balance		\$4,961,037	(\$4,961,037)	\$0
Oct-04	Activity		\$0	\$0	
10-31-2004	Balance		\$4,961,037	(\$4,961,037)	\$0
Nov-04	Activity		\$0	\$0	
11-30-2004	Balance		\$4,961,037	(\$4,961,037)	\$0
Dec-04	Activity		\$0	\$0	
12-31-2004	Balance		\$4,961,037	(\$4,961,037)	\$0

AVISTA CORPORATION
 FEBRUARY 2004 WASHINGTON ELECTRIC SURCHARGE REVENUE & DEFERRAL AMORTIZATION

Schedule (a)	Sch 1 Block Percent (b)	kWh or \$ (c)	Surcharge Rate On/After 1-Jul-02 (d)	Revenue (e) (c)*(d)	Conversion Factor (f)	Deferral Amortization (g) (e)*(f)
1 (0-600 kWh)	44.470%	101,573,762	0.405¢	\$411,374	0.956277	\$393,387
1 (601-1300 kWh)	30.230%	69,048,231	0.607¢	419,123	0.956277	400,798
1 (over 1300 kWh)	25.300%	57,787,636	0.853¢	492,929	0.956277	471,377
Total Sch 1	100.000%	228,409,629		1,323,426		1,265,562
11		31,168,895	0.788¢	245,611	0.956277	234,872
12		4,301,270	0.788¢	33,894	0.956277	32,412
21		122,960,353	0.549¢	675,052	0.956277	645,537
22		2,183,258	0.549¢	11,986	0.956277	11,462
25		74,740,865	0.352¢	263,088	0.956277	251,585
30		(22,660)	0.485¢	-110	0.956277	-105
31		2,851,864	0.485¢	13,832	0.956277	13,227
32		202,479	0.485¢	982	0.956277	939
41-46		\$264,233	109.78%	23,540	0.956277	22,511
47		\$79,121	109.78%	7,049	0.956277	6,741
48		\$56,695	109.78%	5,051	0.956277	4,830
Schedule Totals		466,795,953		\$2,603,401		\$2,489,573
kWh not subject to surcharge						-35%
Schedule 28		99,360				(\$871,351)
Schedule 29		1,660,477				DFIT Expense
Sch 41-48		2,278,737				
Total kWh		470,834,527				

WCIP7761) AVISTA UTILITIES - STATEMENT OF ELECTRIC REVENUES BY RATE SCHEDULE FOR WASHINGTON MONTH OF FEBRUARY 04

DESCRIPTION	CLS	SCH	CURRENT MONTH		AMOUNT	CUSTOMERS	AVG CUST	YEAR TO DATE	QUANTITY	AMOUNT
			CUSTOMERS	QUANTITY						
RESIDENTIAL	1	001	186,120	228,408,122	13,705,627.69	372,249	186,124	503,348,176	503,348,176	30,371,392.51
FIRM-COMMERCIAL	21	001			84.88			2,404		137.73
INTERDEPARTMENT REV	80	001	186,122	228,409,629	13,705,712.57	372,253	186,126	503,350,580	503,350,580	30,371,530.24
RESIDENTIAL	1	011	17,952	30,729,516	2,684,877.77	35,872	17,936	64,504,841	64,504,841	5,620,366.66
FIRM-COMMERCIAL	21	011	118	319,339	28,355.97	237	118	542,635	542,635	48,615.52
FIRM-MISC INDUST	31	011	14	8,189	757.58	28	14	18,993	18,993	1,731.35
LIGHTING-PUB ST-HIWAY	51	011	25	111,851	9,458.95	50	25	221,249	221,249	18,702.29
INTERDEPARTMENT REV	80	011	18,109	31,168,895	2,723,450.27	36,187	18,093	65,287,718	65,287,718	5,689,415.82
RESIDENTIAL	1	012	6,490	4,301,270	381,764.91	12,967	6,483	8,917,546	8,917,546	788,812.24
FIRM-COMMERCIAL	21	012								
RESIDENTIAL	1	021	6,490	4,301,270	381,764.91	12,967	6,483	8,917,546	8,917,546	788,812.24
RESIDENTIAL	1	021	3,103	112,648,131	7,393,914.34	6,177	3,088	239,266,938	239,266,938	15,590,691.89
FIRM-COMMERCIAL	21	021	119	9,353,182	607,715.28	237	118	19,221,222	19,221,222	1,247,339.58
FIRM-MISC INDUST	31	021	8	959,040	59,260.44	16	8	1,912,900	1,912,900	118,298.79
INTERDEPARTMENT REV	80	021	3,230	122,960,353	8,060,890.06	6,430	3,215	260,401,060	260,401,060	16,956,330.26
RESIDENTIAL	1	022	54	2,183,258	135,365.19	108	54	4,610,401	4,610,401	283,603.58
FIRM-COMMERCIAL	21	025	54	2,183,258	135,365.19	108	54	4,610,401	4,610,401	283,603.58
FIRM-MISC INDUST	31	025	8	22,125,530	945,336.17	16	8	43,031,964	43,031,964	1,842,026.69
FIRM-COMMERCIAL	21	028	1	52,615,335	2,232,530.36	22	11	97,925,485	97,925,485	4,185,665.91
FIRM-MISC INDUST	31	028	19	74,740,865	3,177,866.53	38	19	140,957,449	140,957,449	6,027,692.60
FIRM-COMMERCIAL	21	028	1	99,360	3,957.99	3	1	304,480	304,480	12,094.32
FIRM-MISC INDUST	31	028	1	2,183,258	135,365.19	108	54	4,610,401	4,610,401	283,603.58
FIRM-PUMPING-IRRIG	39	029	1	1,660,477		2	1	4,126,750	4,126,750	
FIRM-PUMPING-IRRIG	39	029	1	1,660,477		2	1	4,126,750	4,126,750	
FIRM-PUMPING-IRRIG	39	030	40	22,660CR	928.57CR	81	40	11,880	11,880	1,075.85
FIRM-PUMPING-IRRIG	39	030	40	22,660CR	928.57CR	81	40	11,880	11,880	1,075.85
FIRM-COMMERCIAL	21	031	463	1,902,384	112,939.54	927	463	3,674,265	3,674,265	219,888.46
FIRM-MISC INDUST	31	031	128	655,225	40,046.02	256	128	1,359,771	1,359,771	82,667.98
FIRM-PUMPING-IRRIG	39	031	365	294,215	20,317.54	732	366	641,814	641,814	42,938.03
INTERDEPARTMENT REV	80	031	2	40	14.68	4	2	80	80	29.36
RESIDENTIAL	1	032	958	2,851,864	173,317.78	1,919	959	5,675,930	5,675,930	345,523.83
FIRM-COMMERCIAL	21	032	948	183,554	16,233.02	1,895	947	362,409	362,409	32,193.23
FIRM-MISC INDUST	31	032	108	18,925	1,701.02	214	107	34,204	34,204	3,179.13
FIRM-PUMPING-IRRIG	39	032	1,056	202,479	17,934.04	2,109	1,054	396,613	396,613	35,372.36
LIGHTING-PUB ST-HIWAY	51	041	12	16,056	2,727.06	24	12	32,112	32,112	5,454.12
LIGHTING-PUB ST-HIWAY	51	041	12	16,056	2,727.06	24	12	32,112	32,112	5,454.12
LIGHTING-PUB ST-HIWAY	51	042	214	1,047,077	237,922.09	426	213	2,089,620	2,089,620	474,701.66

WCIP7761) AVISTA UTILITIES - STATEMENT OF ELECTRIC REVENUES BY RATE SCHEDULE FOR WASHINGTON MONTH OF FEBRUARY 04

DESCRIPTION	CLS	SCH	CUSTOMERS	CURRENT MONTH QUANTITY	AMOUNT	CUSTOMERS	AVG CUST	YEAR TO DATE QUANTITY	AMOUNT
LIGHTING-PUB ST-HIWAY	51	044	214	1,047,077	237,922.09	426	213	2,089,620	474,701.66
			13	21,600	1,889.85	26	13	43,200	3,779.70
			13	21,600	1,889.85	26	13	43,200	3,779.70
LIGHTING-PUB ST-HIWAY	51	045	15	219,894	10,061.70	31	15	441,498	20,220.78
			15	219,894	10,061.70	31	15	441,498	20,220.78
LIGHTING-PUB ST-HIWAY	51	046	24	163,950	11,632.72	48	24	325,946	23,132.74
			24	163,950	11,632.72	48	24	325,946	23,132.74
FIRM-COMMERCIAL	21	047		471,936	76,788.76			972,328	156,113.70
FIRM-MISC INDUST	31	047		14,471	2,041.29			30,034	4,193.94
FIRM-PUMPING-IRRIG	39	047		167	18.58			334	37.16
INTERDEPARTMENT REV	80	047		1,256	272.28			2,512	544.56
				487,830	79,120.91			1,005,208	160,889.36
RESIDENTIAL	1	048		322,330	56,694.59			642,012	119,013.43
				322,330	56,694.59			642,012	119,013.43
RESIDENTIAL	1	056			.00				13.34
FIRM-COMMERCIAL	21	056			248.96				248.96
					248.96				262.30
RESIDENTIAL	1	058			470,290.93				1,034,450.40
FIRM-COMMERCIAL	21	058			473,154.61				984,953.90
FIRM-MISC INDUST	31	058			29,115.88				59,398.17
FIRM-PUMPING-IRRIG	39	058			62.43				213.58
LIGHTING-PUB ST-HIWAY	51	058			12,350.79				24,639.90
INTERDEPARTMENT REV	80	058			.00				.00
MISC-RENT ELECT PROP	85	058			1,143.52				2,287.04
MISC-OTHER ELECT REV	86	058			16.72				33.44
					986,134.88				2,105,976.43
RESIDENTIAL	1	058A			3,797.42CR				7,540.73CR
FIRM-COMMERCIAL	21	058A			2,133.83CR				3,969.12CR
FIRM-MISC INDUST	31	058A			.51CR				1.02CR
FIRM-PUMPING-IRRIG	39	058A			50.21CR				93.23CR
					5,981.97CR				11,604.10CR
FIRM-ENERGY CHARGE	74	061			.00				.00
SURPLUS-ENERGY CHARG	75	061			.00				.00
					.00				.00
EE - RESIDENTIAL	61	090			4.00				8.00
					4.00				8.00
RESIDENTIAL	1	095			7,238.80				14,271.83
FIRM-COMMERCIAL	21	095			825.33				1,648.33
					8,064.13				15,920.16
THEFT OF SERVICE	18	099			3,642.24				6,490.60
MISC-SERVICE REV SNP	83	099			26,382.00				46,746.00

WCIP7761) AVISTA UTILITIES - STATEMENT OF ELECTRIC REVENUES BY RATE SCHEDULE FOR WASHINGTON MONTH OF FEBRUARY 04

DESCRIPTION	CLS	SCH	CUSTOMERS	CURRENT MONTH QUANTITY	AMOUNT	CUSTOMERS	AVG CUST	YEAR TO DATE QUANTITY	AMOUNT
MISC-RENT ELECT PROP	85	099			24,331.82				48,663.64
MISC-OTHER ELECT REV	86	099			262.09				524.18
					54,618.15				102,424.42
SVC TOTALS			216,358	470,834,527	29,837,326.24	432,652	216,326	998,620,003	63,554,854.90

Avista Utilities
WASHINGTON POWER COST DEFERRALS

Line No.

WASHINGTON ACTUALS-2004

	Actual Jan-04	Actual Feb-04	Actual Mar-04	Actual Apr-04	Actual May-04	Actual Jun-04	Actual Jul-04	Actual Aug-04	Actual Sep-04	Actual Oct-04	Actual Nov-04	Actual Dec-04
1 555 Purchased Power	\$35,604,573	\$20,898,976	\$ 14,705,597									
2 501 Thermal Fuel	\$2,910,516	\$ 1,413,525	\$ 1,496,991									
3 547 CT Fuel	\$2,046,073	\$ 1,642,906	\$ 403,167									
4 447 Sale for Resale	\$8,966,675	\$ 6,140,479	\$ 2,826,196									
5 Actual Net Expense	\$31,594,487	\$17,814,928	\$13,779,559	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
6 Potlatch 25 aMW directly assigned to ID	(\$1,164,600)	\$ (601,710)	\$ (562,890)									
7 Potlatch 62 aMW directly assigned to ID	(\$3,954,984)	\$ (2,047,319)	\$ (1,907,665)									
8 Adjusted Actual Net Expense	\$26,474,903	\$15,165,899	\$11,309,004	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

AUTHORIZED NET EXPENSE-SYSTEM

	Jan-04	Feb-04	Mar-04	Apr-04	May-04	Jun-04	Jul-04	Aug-04	Sep-04	Oct-04	Nov-04	Dec-04
9 555 Purchased Power	\$68,370,477	\$ 7,820,601	\$6,873,178	\$2,970,502	\$1,220,238	\$781,522	\$5,416,130	\$7,510,269	\$6,079,663	\$6,429,357	\$8,215,787	\$ 8,175,700
10 501 Thermal Fuel	\$15,777,429	\$ 1,497,543	\$ 1,328,377	\$1,193,467	\$566,463	\$1,103,034	\$1,501,955	\$1,550,936	\$1,519,166	\$1,449,825	\$1,289,090	\$ 1,455,980
11 547 CT Fuel	\$30,931,860	\$ 3,209,570	\$ 2,713,553	\$1,302,967	\$642,820	\$1,720,868	\$3,644,073	\$4,169,327	\$4,111,073	\$2,703,227	\$2,355,980	\$ 2,142,305
12 447 Sale for Resale	\$49,213,167	\$ 3,395,816	\$3,610,669	\$1,922,246	\$2,752,789	\$8,044,786	\$ 9,136,979	\$ 5,227,838	\$4,654,564	\$1,545,341	\$ 2,563,932	\$ 3,561,787
13 Authorized Net Expense	\$65,866,619	\$ 9,131,898	\$7,304,439	\$3,544,690	\$(323,268)	\$(4,439,362)	\$1,425,179	\$8,002,694	\$7,055,338	\$9,037,068	\$9,296,925	\$8,212,198
14 Actual - Authorized Net Expense	\$10,038,566	\$ 6,034,001	\$ 4,004,565									
15 Net Fuel Expense not incl in Acct 547 (1)	\$ 284,017	\$ 182,017	\$ 102,000									
16 Adjusted Actual - Authorized Net Exp	\$ 10,322,583	\$ 6,216,018	\$ 4,106,565									
17 Washington Alloc. @ 66.29%	\$6,842,840	\$4,120,598	\$2,722,242									
18 Enron Contract Buyout	\$65,252	\$32,626	\$32,626									
19 WA Retail Revenue Adjustment	\$(1,947,055)	\$(669,274)	\$(1,277,781)									
20 Net Power Cost Increase (Decrease)	\$ 4,961,037	\$3,483,950	\$1,477,087									

21 100% Net Power Cost Less \$9.0 million Company Band	\$ -											
22 90% Net Power Cost Less \$9.0 million Company Band	\$ -											
	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

Avista Utilities
 System Power Supply Expenses
WASHINGTON DEFERRED POWER COST CALCULATION
 \$
 ACTUALS

Line No.	Jan-04	Feb-04	Mar-04	Apr-04	May-04	Jun-04	Jul-04	Aug-04	Sep-04	Oct-04	Nov-04	Dec-04	TOTAL 2004
555 PURCHASED POWER													
1	12,948,293	6,949,837											19,898,130
2	158,509	158,509											317,018
3	102,015	71,340											173,355
4	208,697	208,697											417,394
5	99,817	99,817											199,634
6	247	355											602
7	83,862	128,558											212,420
8	91,386	307,960											399,346
9	2,541,438	2,296,432											4,837,870
10													
11	143,856	219,509											363,365
12	567,300	530,700											1,098,000
13	1,041,600	974,400											2,016,000
14	590,550	552,450											1,143,000
15	149,463	144,255											293,718
16	2,047,319	1,907,665											3,954,984
17	122,000	152,500											274,500
18													
19	2,624	2,613											5,237
20	20,898,976	14,705,597	0	0	0	0	0	0	0	0	0	0	35,604,573
447 SALES FOR RESALE													
21	5,741,521	2,428,969											8,170,490
22	150,000	150,000											300,000
23	25,061	30,273											55,334
24	137	118											255
25	34,437	26,372											60,809
26	183,354	192,024											375,378
27	14,655	0											14,655
28	(11,310)	-4,173											(15,483)
28	2,624	2,613											5,237
29	6,140,479	2,826,196											8,966,675

(1) Effective November, 2003, WNP-3 purchase expense has been adjusted to reflect the mid-point price (\$33.78/MWh for the 2003-04 contract year) per Settlement Agreement, Cause No. U-86-99

Avista Utilities
System Power Supply Expenses
WASHINGTON DEFERRED POWER COST CALCULATION

ACTUALS

Line No.	Jan-04	Feb-04	Mar-04	Apr-04	May-04	Jun-04	Jul-04	Aug-04	Sep-04	Oct-04	Nov-04	Dec-04	TOTAL 2004
<u>501 FUEL-DOLLARS</u>													
30		wood 557,912	515,287										1,073,199
31		coal 862,129	991,341										1,843,470
32		Total Coal & Wood 1,420,041	1,496,628	0									2,916,669
33		gas 1,911	209										2,120
34		oil (8,427)	154										(8,273)
35		Total Oil & Gas (6,516)	363	0									(6,153)
36		Total Account 501 1,413,525	1,496,991	0									2,910,516
<u>501 FUEL-TONS</u>													
37		Kettle Falls 46,083	45,232										91,315
38		Colstrip 101,926	89,232										191,158
<u>501 FUEL-COST PER TON</u>													
39		wood \$ 12.11	\$ 11.39	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	\$ 11.75
40		coal \$ 8.46	\$ 11.00	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	\$ 9.64
<u>547 FUEL</u>													
41		NE Combustion Turbine Gas/Oil 7	22										29
42		Boulder Park 69,742	12										69,754
43		Kettle Falls CT 28,115	17										28,132
44		Coyote Springs2 1,208,463	375,047										1,583,510
45		Rathdrum Gas Storage Fee 40,000	40,000										80,000
46		Rathdrum Fuel Exp 296,579	(11,931)										284,648
47		Total Account 547 1,642,906	403,167										2,046,073
48		TOTAL NET EXPENSE 17,814,928	13,779,559	0	0								31,594,487

AVISTA UTILITIES
 Washington Electric Jurisdiction
 Energy Recovery Mechanism Revenue Credit
 Month of February 2004

Description	January	February	March	April	May	June	July	August	September	October	November	December	YTD
Total WA kWhs per Rev Run	527,785,476	470,834,527											998,620,003
Deduct Sales for Resale kWhs													(4,126,750)
Deduct Exchange (Sch 29) kWhs	(2,466,273)	(1,660,477)											(644,997,406)
Deduct Prior Month Unbilled kWhs Heating	(350,076,810)	(294,920,596)											
Deduct Prior Month Unbilled kWhs Cooling													
Add Current Month Unbilled kWhs Heating	294,920,596	290,532,463											585,453,059
Add Current Month Unbilled kWhs Cooling													
Washington Retail kWhs	470,162,989	464,785,917											934,948,906
Test Year Consumption	449,477,904	425,137,067	436,508,558	388,111,383	376,471,457	377,440,327	398,566,301	444,487,437	354,506,791	387,418,707	437,581,917	533,208,120	5,008,915,969
from Attachment 1 Settlement Stipulation													
Difference from Test Year	20,685,085	39,648,850											60,333,935
WA Retail Revenue Credit	\$663,578	\$1,271,935											\$1,935,513
Net Wind Revenue Credit	\$5,696	\$5,846											\$11,542
Total Revenue Credit	\$669,274	\$1,277,781	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,947,055

Schedule 95 Wind Revenue	\$7,856.03	\$8,064.13											\$15,920.16
Deduct Admin Expense	\$2,160.41	\$2,217.64	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$4,378.04
Net Wind Revenue Credit	\$5,695.62	\$5,846.49	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$11,542.12

Avista Corporation - General Ledger Journal Entry

Print Date: 03-03-2004 02:54 PM

Journal ID: **RJECB** Journal Description: Enron Contract Buyout Amort Effective Date: 02-29-2004

Corp: WWP Journal Sponsor: RESOURCE \$#: \$ Tran Type: C Error Code: Q Code: G

Control Amount Total: 48,200.00 Saved By: Linda Donley Saved Date: 03-03-2004 2:54:17 PM

Edit Date: 03-03-2004 2:54:10 PM

Seq	WO	UMain	Sub	RC	Cost Code	SLID	LOC	Debit Amount	Credit Amount	Transaction Description
5	0000	9182	36	028	EE			0.00	29,363.00	WASHINGTON ERM AMORTIZATION
<i>Amortize Enron Contract buyout for WA ERM</i>										
10	2577	0557	16	X55	EE	X	028	29,363.00	0.00	POWER TRANSACTIONS /PS REG EXPENSE
<i>Amortization expense for Enron Contract Buyout</i>										
15	0000	9182	36	028	EE			4,280.00	0.00	WASHINGTON ERM AMORTIZATION
<i>Accrue interest income on unamortized balance for future recovery</i>										
20	0000	9419	00	Q98	EE	X	098	0.00	4,280.00	NON-UTILITY REVENUE/INT/DIV INCOME
<i>Interest income accrued</i>										
25	0000	9171	00	FIN	EE			4,280.00	0.00	INTEREST & DIVIDENDS REC
<i>Accrue interest income</i>										
30	0000	9171	00	FIN	EE			0.00	4,280.00	INTEREST & DIVIDENDS REC
<i>Transfer interest income accrual to deferred contract buyout for future recovery</i>										
35	0135	0410	10	X54	EE	X	028	0.00	10,277.00	INCOME TAX /* PRV DFIT DR
<i>DFIT expense on Amortization (Operating)</i>										
40	0135	9410	20	X54	EE	X	028	1,498.00	0.00	INCOME TAX /PROV DEFERED IT
<i>DFIT expense on Interest Income (Non-Operating)</i>										
45	0000	9283	28	028	EE			8,779.00	0.00	ADFIT-WA ERM CURRENT AND PRIOR YRS
Totals:								48,200.00	48,200.00	

Trans: 9 Rows: 9

Explanation:

WA ERM settlement created a regulatory asset to be recovered over the 3 years of the original purchased power contract (2004 - 2006). As the contract buyout is amortized it will become part of the monthly ERM calculation. See attached for details

Prepared By: Linda Donley Date: 3/3/04
 Reviewed By: JT Hamilton Date: 3/3/04

Approved For Entry - Corporate Accounting Use Only _____ Date _____

03-04-2004
 7:39 PM

EnronAmort.xls
 Jan - Jun 2004

February

		90%	100%					
Avista Corporation		Weighted cost of debt at 12/31/03 is 8.45%.						
Enron Contract Buyout								
Amortization Schedule								
January 2004 - December 2006								
Uniform Monthly Amortization		-\$29,363	\$32,626 Expense for deferral calculation	January through June 2004.				0000928328
			DR	CR	DFIT	DFIT	ADFIT	
Balance	12-31-2003	\$974,754						(341,164)
Amortization	Jan-04	-29,363	2577055716 X55 028	0000918236 028	0135041010 X54 028	(10,277)		10,277
Net of amortization		945,391						
Average balance		960,073						
Interest (net of tax)	0.0045771	4,394	0000918236 028	Q000941900 Q98 098	0135941020 X54 028	1,538		(1,538)
Balance	01-31-2004	\$949,785				(8,739)		(332,425)
Amortization	Feb-04	-29,363	2577055716 X55 028	0000918236 028	0135041010 X54 028	(10,277)		10,277
Net of amortization		920,422						
Average balance		935,104						
Interest (net of tax)	0.0045771	4,280	0000918236 028	Q000941900 Q98 098	0135941020 X54 028	1,498		(1,498)
Balance	02-29-2004	\$924,702				(8,779)		(323,646)
Amortization	Mar-04	-29,363						
Net of amortization		895,339						
Average balance		910,021						
Interest (net of tax)	0.0045771	4,165						
Balance	03-31-2004	\$899,504						
Amortization	Apr-04	-29,363						
Net of amortization		870,141						
Average balance		884,823						
Interest (net of tax)	0.0045771	4,050						
Balance	04-30-2004	\$874,191						
Amortization	May-04	-29,363						
Net of amortization		844,828						
Average balance		859,510						
Interest (net of tax)	0.0045771	3,934						
Balance	05-31-2004	\$848,762						
Amortization	Jun-04	-29,363						
Net of amortization		819,399						
Average balance		834,081						
Interest (net of tax)	0.0045771	3,818						
Balance	06-30-2004	\$823,217						

Note: The interest rate will be updated every six months and the uniform monthly amortization will also be updated every six months.