

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



April 13, 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 March 2004

RECEIVED
RECORDS MANAGEMENT
94 APR 16 AM 10:03
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 March 2004. The report includes the monthly energy recovery mechanism (ERM) accounting journal together with backup workpapers. Actual net power costs were lower than authorized costs by \$117,842. However, no deferral entry was recorded as the entire amount was applied as a reduction to amounts previously accumulated towards the \$9 million deadband for 2004. The deadband accumulation for 2004 amounted to a positive \$4,843,195 at the end of March.

Actual power supply expenses were lower than authorized due mostly to higher than authorized hydro generation. Hydro generation was 16 aMW above authorized levels. The average market purchase price was \$36.68/MWh compared to an authorized rate of \$38.00/MWh. The average market sales price was \$40.16/MWh compared to an authorized sales price of \$28.39/MWh.

Coyote Springs 2 was out-for-service while the transformer is being serviced. The authorized level of Coyote Springs 2 generation in March is 103 aMW. However, in December 2003, prior to the plant being taken off-line in January 2004, previously purchased gas for March 2004, 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 18 aMW and 26 aMW above the authorized level respectively. Other gas-fired resources generated 9 aMW below the authorized level due to economics. Thermal fuel expense was higher than the authorized level and natural gas fuel expense was lower than the authorized level. Washington retail sales were 11 aMW below the authorized level.

There were no new forward long-term power contracts of one year or longer entered into in the month of March 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 MARCH 2004

Avista Corporation - General Ledger Journal Entry

Print Date: 04-08-2004 12:22 PM

Journal ID: DJ702 Journal Description: WA - ERM Effective Date: 03-31-2004

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

Control Amount Total: 4,257,629.00 Saved By: Linda Donley Saved Date: 04-08-2004 12:21:45 P

Edit Date: 04-08-2004 12:21:35 PM

Seq	WO	UMain	Sub	RC	Cost Code	SL ID	LOC	Debit Amount	Credit Amount	Transaction Description
5	0000	9186	01	028	EE			0.00	117,842.00	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		117,842.00	0.00	0.00	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	2,279,673.00	0.00	POWER TRANSACTIONS /* WA ERM AMT
27	0000	9182	35	028	EE			0.00	2,279,673.00	WASHINGTON ERM DEFERRAL BALANCE
43	0000	9182	35	028	EE			426,794.00	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	531,112.00	NON-UTILITY REVENUE/INT/DIV INCOME
70	0000	9171	00	FIN	EE			531,112.00	0.00	INTEREST & DIVIDENDS REC
<i>Accrue interest income on deferral balance</i>										
80	0000	9171	00	FIN	EE			0.00	531,112.00	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	797,890.00	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	185,889.00	0.00	INCOME TAX /PROV DEFERED IT
<i>DFIT entry for interest income</i>										
89	0000	9283	28	028	EE			612,001.00	0.00	ADFIT-WA ERM CURRENT AND PRIOR YRS

Avista Corporation - General Ledger Journal Entry

Print Date: 04-08-2004 12:22 PM

Journal ID: **DJ702** Journal Description: **WA - ERM** Effective Date: **03-31-2004**

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

Control Amount Total: **4,257,629.00** Saved By: **Linda Donley** Saved Date: **04-08-2004 12:21:45 P**

Edit Date: **04-08-2004 12:21:35 PM**

Seq	WO	UMain	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: 4,257,629.00 4,257,629.00 Trans: 12 Rows: 19

Explanation:

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

Prepared By: *Linda Donley* Date: *4/8/04*
 Reviewed By: *[Signature]* Date: *4/8/04*

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

04/12/04 08:37:32 1 M3LL CIX1 _____

ERM Deferral Balance (Current Year - 2004)

Account 9186.28 028

Balance 2/29/04

Deferral

Balance 3/31/04

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

> 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	23,104,326.37	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

04/12/04 08:39:11 1 M3LL CIX1 _____

ERM Deferral Balance (Prior year - 2003)

Account 9186.29 028

Balance 2/29/04

Interest

Balance 3/31/04

Amount	Journal ID
\$23,000,008.37	
104,318.00	DJ702
<u>\$23,104,326.37</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	93,420,167.28	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

04/12/04 08:38:13 1 M3LL CIX1 _____

Recoverable Deferral Balance
Account 9182.35 028

Balance 2/29/04
 Amortization
 Interest
 Balance 3/31/04

<u>Amount</u>	<u>Journal ID</u>
\$95,273,046.28	
-2,279,673.00	DJ702
426,794.00	DJ702
<u>\$93,420,167.28</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	899,504.00	.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

04/12/04 08:39:24 1 M3LL CIX1 _____

Contract Buyout Deferral Balance

Account 9182.36 028

	<u>Amount</u>	<u>Journal ID</u>
Balance 2/29/04	\$924,702.00	
Amortization*	-\$29,363.00	RJECB
Interest	4,165.00	RJECB
Balance 3/31/04	<u>\$899,504.00</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	4,843,195.00	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

04/12/04 08:38:43 1 M3LL CIX1 _____

ERM Deadband
Account 9186.01 028

Balance 2/29/04
 2004 deadband accumulation
 Balance 3/31/04

Amount	Journal ID
\$4,961,037.00	
-117,842.00	DJ702
<u>\$4,843,195.00</u>	

> 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	4,843,195.00-	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

04/12/04 08:38:57 1 M3LL CIX1 _____

ERM Deadband Contra Account
Account 9186.02 028
 Balance 2/29/04
 2004 deadband contra entry
 Balance 3/31/04

Amount	Journal ID
-\$4,961,037.00	
117,842.00	DJ702
<u>-\$4,843,195.00</u>	

> 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	41,098,391.00-	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

04/12/04 08:38:28 1 M3LL CIX1 _____

Account 9186.28 028 balance	\$0.00
Account 9186.29 028 balance	23,104,326.37
Account 9182.35 028 balance	93,420,167.28
Account 9182.36 028 balance	899,504.00
Total	<u>\$117,423,997.65</u>
Federal income tax rate	-35%
Deferred FIT related to deferrals	<u>-\$41,098,399</u>
Rounding	8
Balance in Account	<u>-\$41,098,391</u>

Changes Semiannually on January 1 and July 1 Beginning 7/1/02							
The rate is based on Avista's actual cost of debt, updated semiannually.							
The actual cost of debt calculated at 6/30 will be used for the interest calculation from July through December.							
The actual cost of debt calculated at 12/31 will be used for the interest calculation from January through June.							
Interest will be accrued monthly and compounded semi-annually.							
Interest is calculated using the prior month ending balance plus 1/2 month of current month charges times the current after tax interest rate							
Actual cost of debt at 12/31/03 is 8.45%.				Actual cost of debt at 6/30/04 is			
The monthly rate is:				The monthly rate is:		0.00000	Before Tax
0.00704 Before Tax						0.00000	After Tax
0.0045771 After Tax						0.35	Tax rate
0.35 Tax rate							
2004 Interest							
12-31-2003	GL Balance including interest	99,774,940		Jan-04	DFIT Expense		ADFIT
Jan-04	Surcharge Amortization	(2,900,072)		Amortization	(1,015,029)	Operating	1,015,029
Jan-04	Interest		450,043	Interest	157,515	Nonoperating	(157,515)
01-31-2004	Balance before interest	96,874,868			(857,514)	Total	857,514
Feb-04							
Feb-04	Surcharge Amortization	(2,489,573)		DFIT Expense			ADFIT
Feb-04	Interest		437,708	Amortization	(871,355)	Operating	871,355
02-29-2004	Balance before interest	94,385,295		Interest	153,198	Nonoperating	(153,198)
Mar-04							
Mar-04	Surcharge Amortization	(2,279,673)		DFIT Expense			ADFIT
Mar-04	Interest		426,794	Amortization	(797,890)	Operating	797,890
03-31-2004	Balance before interest	92,105,622		Interest	149,378	Nonoperating	(149,378)
Total							
Mar-04							
DFIT Expense							
ADFIT							
GL Balance							
Activity							
GL Balance							
@ 2/29/04							
Mar-04							
@ 3/31/04							
	Net ERM Balance	93,420,167		95,273,046	(1,852,879)		93,420,167
	ADFIT Balance	(32,697,058)					

			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		(\$117,842)	\$117,842	
03-31-2004	Balance		\$4,843,195	(\$4,843,195)	\$0
Apr-04	Activity			\$0	
04-30-2004	Balance		\$4,843,195	(\$4,843,195)	\$0
May-04	Activity		\$0	\$0	
05-31-2004	Balance		\$4,843,195	(\$4,843,195)	\$0
Jun-04	Activity		\$0	\$0	
06-30-2004	Balance		\$4,843,195	(\$4,843,195)	\$0
Jul-04	Activity		\$0	\$0	
07-31-2004	Balance		\$4,843,195	(\$4,843,195)	\$0
Aug-04	Activity		\$0	\$0	
08-31-2004	Balance		\$4,843,195	(\$4,843,195)	\$0
Sep-04	Activity		\$0	\$0	
09-30-2004	Balance		\$4,843,195	(\$4,843,195)	\$0
Oct-04	Activity		\$0	\$0	
10-31-2004	Balance		\$4,843,195	(\$4,843,195)	\$0
Nov-04	Activity		\$0	\$0	
11-30-2004	Balance		\$4,843,195	(\$4,843,195)	\$0
Dec-04	Activity		\$0	\$0	
12-31-2004	Balance		\$4,843,195	(\$4,843,195)	\$0

AVISTA CORPORATION
 MARCH 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)	48.512%	99,880,398	0.405¢	\$404,516	0.956277	\$386,829
1 (601-1300 kWh)	30.720%	63,248,801	0.607¢	383,920	0.956277	367,134
1 (over 1300 kWh)	20.768%	42,758,824	0.853¢	364,733	0.956277	348,786
Total Sch 1	100.000%	205,888,023		1,153,169		1,102,749
11		29,045,892	0.788¢	228,882	0.956277	218,875
12		3,868,856	0.788¢	30,487	0.956277	29,154
21		121,549,971	0.549¢	667,309	0.956277	638,132
22		1,981,935	0.549¢	10,881	0.956277	10,405
25		69,074,774	0.352¢	243,143	0.956277	232,512
30		49,680	0.485¢	241	0.956277	230
31		2,629,712	0.485¢	12,754	0.956277	12,196
32		207,750	0.485¢	1,008	0.956277	964
41-46		\$264,258	109.78%	23,542	0.956277	22,513
47		\$83,694	109.78%	7,456	0.956277	7,130
48		\$56,493	109.78%	5,033	0.956277	4,813
Schedule Totals		434,296,593		\$2,383,905		\$2,279,673 Amortization ✓
kWh not subject to surcharge						-35%
Schedule 28		89,360				(\$797,886) DFIT Expense
Schedule 29		1,750,306				
Sch 41-48		2,327,157				
Total kWh		438,463,416				

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

DESCRIPTION	CLS	SCH	CUSTOMERS	CURRENT MONTH QUANTITY	AMOUNT	CUSTOMERS	AVG CUST	YEAR TO DATE QUANTITY	AMOUNT
RESIDENTIAL FIRM-COMMERCIAL INTERDEPARTMENT REV	1 001		186,014	205,886,320	12,253,311.65	558,263	186,087	709,234,496	42,624,704.16
	21 001			1,703	96.08			4,107	233.81
	80 001		186,016	205,888,023	12,253,407.73	558,269	186,089	709,238,603	42,624,937.97
RESIDENTIAL FIRM-COMMERCIAL	1 011				.00				.00
FIRM-COMMERCIAL	21 011		17,902	28,670,747	2,508,994.44	53,774	17,924	93,175,588	8,129,361.10
FIRM-MISC INDUST	31 011		119	291,215	25,617.13	356	118	833,850	74,232.65
LIGHTING-PUB ST-HIWAY	51 011		14	6,416	610.98	42	14	25,409	2,342.33
INTERDEPARTMENT REV	80 011		24	77,514	6,566.42	74	24	298,763	25,268.71
			18,059	29,045,892	2,541,788.97	54,246	18,082	94,333,610	8,231,204.79
RESIDENTIAL FIRM-COMMERCIAL	1 012		6,539	3,868,856	348,666.30	19,506	6,502	12,786,402	1,137,478.54
	21 012		6,539	3,868,856	348,666.30	19,506	6,502	12,786,402	1,137,478.54
RESIDENTIAL FIRM-COMMERCIAL	1 021				.00				.00
FIRM-COMMERCIAL	21 021		3,112	111,332,184	7,320,294.97	9,289	3,096	350,599,122	22,910,986.86
FIRM-MISC INDUST	31 021		118	9,295,587	605,302.09	355	118	28,516,809	1,852,641.67
INTERDEPARTMENT REV	80 021		8	922,200	57,099.28	24	8	2,835,100	175,398.07
			3,238	121,549,971	7,982,696.34	9,668	3,222	381,951,031	24,939,026.60
RESIDENTIAL FIRM-COMMERCIAL	1 022		54	1,981,935	123,104.26	162	54	6,592,336	406,707.84
			54	1,981,935	123,104.26	162	54	6,592,336	406,707.84
FIRM-COMMERCIAL	21 025		9	20,437,221	888,909.85	25	8	63,469,185	2,730,936.54
FIRM-MISC INDUST	31 025		11	48,637,553	2,080,832.41	33	11	146,563,038	6,266,498.32
			20	69,074,774	2,969,742.26	58	19	210,032,223	8,997,434.86
FIRM-COMMERCIAL	21 028		1	89,360	3,620.74	4	1	393,840	15,715.06
FIRM-MISC INDUST	31 028		1	89,360	14,858.40	4	1	393,840	44,083.20
FIRM-PUMPING-IRRIG	39 029		1	1,750,306	.00	3	1	5,877,056	.00
			1	1,750,306	.00	3	1	5,877,056	.00
FIRM-PUMPING-IRRIG	39 030		40	49,680	2,738.61	121	40	61,560	3,814.46
			40	49,680	2,738.61	121	40	61,560	3,814.46
FIRM-COMMERCIAL	21 031		467	1,691,981	102,526.87	1,394	464	5,366,246	322,415.33
FIRM-MISC INDUST	31 031		128	643,093	38,963.16	384	128	2,002,864	121,631.14
FIRM-PUMPING-IRRIG	39 031		364	294,558	20,108.49	1,096	365	936,372	63,046.52
INTERDEPARTMENT REV	80 031		2	80	17.37	6	2	160	46.73
			961	2,629,712	161,615.89	2,880	960	8,305,642	507,139.72
RESIDENTIAL FIRM-PUMPING-IRRIG	1 032		944	189,237	16,605.92	2,839	946	551,646	48,799.15
	39 032		108	18,513	1,684.31	322	107	52,717	4,863.44
			1,052	207,750	18,290.23	3,161	1,053	604,363	53,662.59
LIGHTING-PUB ST-HIWAY	51 041		12	16,056	2,727.06	36	12	48,168	8,181.18
			12	16,056	2,727.06	36	12	48,168	8,181.18
LIGHTING-PUB ST-HIWAY	51 042		214	1,047,202	237,946.77	640	213	3,136,822	712,648.43

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

DESCRIPTION	CLS	SCH	CUSTOMERS	CURRENT MONTH QUANTITY	AMOUNT	CUSTOMERS	AVG CUST	YEAR TO DATE QUANTITY	AMOUNT
LIGHTING-PUB ST-HIWAY	51	044	214	1,047,202	237,946.77	640	213	3,136,822	712,648.43
			13	21,600	1,889.85	39	13	64,800	5,669.55
			13	21,600	1,889.85	39	13	64,800	5,669.55
LIGHTING-PUB ST-HIWAY	51	045	15	219,894	10,061.70	46	15	661,392	30,282.48
			15	219,894	10,061.70	46	15	661,392	30,282.48
LIGHTING-PUB ST-HIWAY	51	046	24	163,950	11,632.72	72	24	489,896	34,765.46
			24	163,950	11,632.72	72	24	489,896	34,765.46
FIRM-COMMERCIAL	21	047		521,520	81,343.30			1,493,848	237,457.00
FIRM-MISC INDUST	31	047		14,653	2,059.85			44,687	6,253.79
FIRM-PUMPING-IRRIG	39	047		167	18.58			501	55.74
INTERDEPARTMENT REV	80	047		1,256	272.28			3,768	816.84
				537,596	83,694.01			1,542,804	244,583.37
RESIDENTIAL	1	048		320,859	56,492.59			962,871	169,506.02
				320,859	56,492.59			962,871	169,506.02
RESIDENTIAL	1	056			.00				
FIRM-COMMERCIAL	21	056			248.96CR				13.34
					248.96CR				13.34
RESIDENTIAL	1	058			431,232.14				1,465,682.54
FIRM-COMMERCIAL	21	058			459,789.68				1,444,743.58
FIRM-MISC INDUST	31	058			28,870.20				88,268.37
FIRM-PUMPING-IRRIG	39	058			195.77				409.35
LIGHTING-PUB ST-HIWAY	51	058			12,349.39				36,989.29
INTERDEPARTMENT REV	80	058			.00				.00
MISC-RENT ELECT PROP	85	058			1,140.84				3,427.88
MISC-OTHER ELECT REV	86	058			16.72				50.16
					933,594.74				3,039,571.17
RESIDENTIAL	1	058A			3,224.80CR				10,765.53CR
FIRM-COMMERCIAL	21	058A			2,199.86CR				6,168.98CR
FIRM-MISC INDUST	31	058A			.51CR				1.53CR
FIRM-PUMPING-IRRIG	39	058A			36.25CR				129.48CR
					5,461.42CR				17,065.52CR
FIRM-ENERGY CHARGE	74	061			.00				.00
SURPLUS-ENERGY CHARG	75	061			.00				.00
					.00				.00
EE - RESIDENTIAL	61	090			4.00				12.00
					4.00				12.00
RESIDENTIAL	1	095			7,464.50				21,736.33
FIRM-COMMERCIAL	21	095			826.00				2,474.33
					8,290.50				24,210.66
THEFT OF SERVICE	18	099			1,912.98				8,403.58
MISC-SERVICE REV SNP	83	099			26,603.00				73,349.00

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

DESCRIPTION	CLS	SCH	CUSTOMERS	CURRENT MONTH QUANTITY	AMOUNT	CUSTOMERS	AVG CUST	YEAR TO DATE QUANTITY	AMOUNT
MISC-RENT ELECT PROP	85	099			24,289.82				72,953.46
MISC-OTHER ELECT REV	86	099			262.09				786.27
					53,067.89				155,492.31
SVC TOTALS			216,259	438,463,416	27,814,221.18	648,911	216,303	1,437,083,419	91,369,076.08

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	\$45,620,892	\$20,898,976	\$14,705,597	\$10,016,319								
2	501 Thermal Fuel	\$4,632,806	\$1,413,525	\$1,496,991	\$1,722,290								
3	547 CT Fuel	\$2,324,613	\$1,642,906	\$403,167	\$278,540								
4	447 Sale for Resale	\$12,807,154	\$6,140,479	\$2,826,196	\$3,840,479								
5	Actual Net Expense	\$39,771,157	\$17,814,928	\$13,779,559	\$8,176,670	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-
6	Poolatch 25 aMW directly assigned to ID	(\$1,766,310)	\$ (601,710)	\$ (562,890)	\$ (601,710)								
7	Poolatch 62 aMW directly assigned to ID	(\$5,530,105)	\$ (2,047,319)	\$ (1,907,665)	\$ (1,575,121)								
8	Adjusted Actual Net Expense	\$32,474,742	\$15,165,899	\$11,309,004	\$5,999,839	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-
AUTHORIZED NET EXPENSE-SYSTEM													
9	555 Purchased Power	\$68,370,477	\$7,820,601	\$6,873,178	\$6,877,530	\$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	\$1,321,593	\$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	\$30,931,880	\$3,209,570	\$2,713,553	\$2,216,117	\$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	\$2,796,420	\$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	\$7,618,820	\$3,544,690	\$(4,439,362)	\$1,425,179	\$8,002,694	\$7,055,338	\$9,037,068	\$9,296,925	\$9,212,198
14	Actual - Authorized Net Expense	\$8,419,585	\$6,034,001	\$4,004,565	\$(1,618,981)								
15	Net Fuel Expense not Incl in Acct 547 (1)	\$1,285,859	\$182,017	\$102,000	\$1,001,842								
16	Adjusted Actual - Authorized Net Exp	\$9,705,444	\$6,216,018	\$4,106,565	\$(617,139)								
17	Washington Alloc. @ 66.29%	\$6,433,739	\$4,120,598	\$2,722,242	\$(409,101)								
18	Enron Contract Buyout	\$97,878	\$32,626	\$32,626	\$32,626								
19	WA Retail Revenue Adjustment	\$(1,688,422)	\$(669,274)	\$(1,277,781)	\$258,633								
20	Net Power Cost Increase (Decrease)	\$4,843,195	\$3,483,950	\$1,477,087	\$(117,842)								
21	100% Net Power Cost Less \$9.0 million Company Band	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-
22	90% Net Power Cost Less \$5.0 million Company Band	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-

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	3,439,618										23,337,748
2	158,509	158,509	158,509										475,527
3	102,015	71,340	71,339										244,694
4	208,697	208,697	208,697										626,091
5	99,817	99,817	99,817										299,451
6	247	355	331										933
7	83,862	128,558	117,527										329,947
8	91,386	307,960	490,688										890,034
9	2,541,438	2,296,432	1,254,691										6,092,561
10	143,856	219,509	118,092										481,457
11	567,300	530,700	567,300										1,665,300
12	1,041,600	974,400	1,041,600										3,057,600
13	590,550	552,450	590,550										1,733,550
14	149,463	144,255	145,150										438,868
15	2,047,319	1,907,665	1,575,121										5,530,105
16	122,000	152,500	134,500										409,000
17													
18	2,624	2,613	2,789										8,026
19	20,898,976	14,705,597	10,016,319	0	0	0	0	0	0	0	0	0	45,620,892
20	Total Account 555												
447 SALES FOR RESALE													
21	5,741,521	2,428,969	3,562,566										11,733,056
22	150,000	150,000	150,000										450,000
23	25,061	30,273	5,762										61,096
24	137	118	116										371
25	34,437	26,372	27,044										87,853
26	183,354	192,024	96,058										471,436
27	14,655	0											14,655
28	(11,310)	-4,173	(3,856)										(19,339)
29	2,624	2,613	2,789										8,026
30	6,140,479	2,826,196	3,840,479										12,807,154

(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	Kettle Falls	557,912	515,287	583,079										1,656,278
31	Colstrip	862,129	981,341	1,129,753										2,973,223
32	Total Coal & Wood	1,420,041	1,496,628	1,712,832										4,629,501
33	Kettle Falls GS	1,911	209	178										2,298
34	Colstrip	(8,427)	154	9,280										1,007
35	Total Oil & Gas	(6,516)	363	9,458										3,305
36	Total Account 501	1,413,525	1,496,991	1,722,290										4,632,806
<u>501 FUEL-TONS</u>														
37	Kettle Falls	46,083	45,232	48,458										139,773
38	Colstrip	101,926	89,232	102,899										294,057
<u>501 FUEL-COST PER TON</u>														
39	Kettle Falls	12.11 \$	11.39 \$	12.03 \$	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	\$ 11.85
40	Colstrip	8.46 \$	11.00 \$	10.98 \$	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	\$ 10.11
<u>547 FUEL</u>														
41	NE Combustion Turbine Gas/Oil	7	22	629										658
42	Boulder Park	69,742	12	(23)										69,731
43	Kettle Falls CT	28,115	17	(32)										28,100
44	Coyote Springs2	1,208,463	375,047	237,939										1,821,449
45	Rathdrum Gas Storage Fee	40,000	40,000	40,000										120,000
46	Rathdrum Fuel Exp	296,579	(11,931)	27										284,675
47	Total Account 547	1,642,906	403,167	278,540										2,324,613
48	TOTAL NET EXPENSE	17,814,928	13,779,559	8,176,670	0									39,771,157

AVISTA UTILITIES
 Washington Electric Jurisdiction
 Energy Recovery Mechanism Revenue Credit
 Month of March 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	438,463,416										1,437,083,419
Deduct Sales for Resale kWhs													
Deduct Exchange (Sch 29) kWhs	(2,466,273)	(1,660,477)	(1,750,306)										(5,877,056)
Deduct Prior Month Unbilled kWhs Heating	(350,076,810)	(294,920,596)	(290,532,463)										(935,529,869)
Deduct Prior Month Unbilled kWhs Cooling													
Add Current Month Unbilled kWhs Heating	294,920,596	290,532,463	282,078,422										867,531,481
Add Current Month Unbilled kWhs Cooling													
Washington Retail kWhs	470,162,989	464,785,917	428,259,069										1,363,207,975
Test Year Consumption	449,477,904	425,137,067	436,508,558	388,111,383	376,471,457	377,440,327	398,586,301	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	(8,249,489)										52,084,446
WA Retail Revenue Credit	\$663,578	\$1,271,935	(\$264,644)										\$1,670,869
Net Wind Revenue Credit	\$5,698	\$5,846	\$6,011										\$17,553
Total Revenue Credit	\$669,274	\$1,277,781	(\$258,633)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,688,422

Schedule 95 Wind Revenue	\$7,856.03	\$8,064.13	\$8,290.50										\$24,210.66
Deduct Admin Expense	\$2,160.41	\$2,217.64	\$2,279.89	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$6,657.93
\$.005 per kWh, 55 kWh per Revenue \$	\$5,695.62	\$5,846.49	\$6,010.61	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$17,552.73
Net Wind Revenue Credit													

Avista Corporation - General Ledger Journal Entry

Print Date: 04-04-2004 02:24 PM

Journal ID: **RJECB** Journal Description: Enron Contract Buyout Amort Effective Date: 03-31-2004

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

Control Amount Total: 20,726.55 Saved By: Linda Donley Saved Date: 04-04-2004 2:24:43 PM

Edit Date: 04-01-2004 3:49:32 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		4,165.00		0.00	WASHINGTON ERM AMORTIZATION
<i>Accrue interest income on unamortized balance for future recovery</i>										
20	Q000	9419	00	Q98	EE	X	098	0.00	4,165.00	NON-UTILITY REVENUE/INT/DIV INCOME
<i>Interest income accrued</i>										
25	0000	9171	00	FIN	EE		4,165.00		0.00	INTEREST & DIVIDENDS REC
<i>Accrue interest income</i>										
30	0000	9171	00	FIN	EE		0.00	4,165.00	4,165.00	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	1,458.00	0.00	INCOME TAX /PROV DEFERED IT
<i>DFIT expense on Interest Income (Non-Operating)</i>										
45	0000	9283	28	028	EE		8,819.00		0.00	ADFIT-WA ERM CURRENT AND PRIOR YRS
Totals:								47,970.00	47,970.00	Trans: 4 Rows: 9

Prepared By: Linda Donley Date: 4/4/04
 Reviewed By: [Signature] Date: 4/5/04

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

Approved For Entry - Corporate Accounting Use Only _____ Date _____

		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				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	2577055716 X55 028	0000918236 028	0135041010 X54 028	(10,277)	10,277
Net of amortization		895,339					
Average balance		910,021					
Interest (net of tax)	0.0045771	4,165	0000918236 028	Q000941900 Q98 098	0135941020 X54 028	1,458	(1,458)
Balance	03-31-2004	\$899,504				(8,819)	(314,827)
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.