

Avista Corp.
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Spokane, Washington 99220-3727
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Corp.

May 12, 2005

Ms. Carole J. Washburn, Executive Secretary
Washington Utilities and Transportation Commission
1300 S. Evergreen Park Drive, S.W.
P.O. Box 47250
Olympia, WA 98504-7250

Re: Docket No. UE-011595, Monthly Power Cost Deferral Report
For the Month of April 2005

Dear Ms. Washburn:

Enclosed are an original and five copies of Avista Corporation's Power Cost Deferral Report for the month of April 2005. The report includes the monthly energy recovery mechanism (ERM) accounting journal together with backup workpapers. Actual net power costs were higher than authorized costs by \$1,405,401. However, no deferral entry was recorded as the entire amount was applied toward the \$9 million deadband for 2005. The deadband has balance at the end of April in the surcharge direction in the amount of \$1,632,708.

Actual power supply expenses were higher than authorized due primarily to lower than authorized hydro generation. Hydro generation was 59 aMW below the authorized level.

Due to Avista's acquisition of the second half of Coyote Springs 2, the plant generated 158 aMW above the authorized level of 67 aMW. Other gas-fired resources generated 2 aMW below the authorized level due to economics. Colstrip generated 2 aMW above the authorized level, and Kettle Falls generated 33 aMW above the authorized level. Both thermal fuel expense and natural gas fuel expense were above the authorized level. Washington retail sales were 9 aMW above the authorized level.

There were no forward long-term contracts of one year or longer entered into in the month of April 2005. If you have any questions, please contact Bill Johnson at (509) 495-4046 or Ron McKenzie at (509) 495-4320.

Sincerely,

A handwritten signature in black ink that reads "Kelly Norwood". The signature is written in a cursive, flowing style.

Kelly Norwood
Vice President State and Federal Regulation
RM
Enclosure

C: Robert Cromwell
S. Bradley Van Cleve

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REGISTRATION

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

MONTH OF APRIL 2005

Avista Corporation Journal Entry

Journal: 481-WA ERM (DJ)
 Sponsor: Resource Accounting
 Tran Type: C
 Bal. Cd.:

Effective Date: 200504

Last Saved by: Lori Hamilton
 Submitted by: Tami Judge
 Saved Date: 05/06/2005 10:03 am

<u>Seq</u>	<u>Co.</u>	<u>FERC</u>	<u>Ser.</u>	<u>Jur.</u>	<u>S.L.</u>	<u>Debit</u>	<u>Credit</u>	<u>Comment</u>
10	001	557290	ED	WA	DL	2,075,747.00		WA ERM surcharge amortization
20	001	182350	ED	WA	DL		2,075,747.00	WA ERM authorized for recovery
30	001	557280	ED	WA	DL			WA ERM current month deferral
40	001	186280	ED	WA	DL			WA ERM current year deferral
50	001	182350	ED	WA	DL	420,742.00		Accrue interest on deferral balance authorized for recovery
60	001	186280	ED	WA	DL			Accrue interest on current year deferral balance
70	001	186290	ED	WA	DL	48,338.00		Accrue interest on previous year deferral balance
80	001	419000	ZZ	ZZ	DL		469,080.00	Non-utility interest income
90	001	410100	ED	WA	DL		726,511.00	DFIT entry for power supply deferral and surcharge amortization
100	001	410200	ZZ	ZZ	DL	181,092.00		Non -op DFIT entry for interest income
110	001	283280	ED	WA	DL	545,419.00		ADFIT WA ERM current and prior years
120	001	186010	ED	WA	DL	1,405,401.00		Track YTD company band accumulation
130	001	186020	ED	WA	DL		1,405,401.00	Contra account for YTD company band accumulation
140	001	182350	ED	WA	DL			Transfer ERM balance deemed prudent
150	001	186290	ED	WA	DL			Clear ERM balance for previous year
TOTALS:						4,676,739.00	4,676,739.00	

Avista Corporation Journal Entry

Journal: 481-WA ERM (DJ) Effective Date: 200504

Sponsor: Resource Accounting

Tran Type: C

Bal. Cd.:

Last Saved by: Lori Hamilton Saved Date: 05/06/2005 10:03 am
Submitted by: Tami Judge

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

L.H. Hamilton 5/6/05
Prepared by ~~Tami Judge~~ LTH Date
Tami Judge 5/6/05
Reviewed by Date

Approved for Entry
Corporate Accounting use Only

Balance Type **Actual**

Currency Type **Entered**

Factor **Units**



Period	Currency	PTD	PTD Converted	YTD	YTD Converted
200413	USD	0.00		10,777,698.00	
200501	USD	-10,777,698.00		0.00	
200502	USD	0.00		0.00	
200503	USD	0.00		0.00	
200504	USD	0.00		0.00	

Journal Details

Summary Balances

ERM Deferral Balance (Current Year - 2005)

Account 186280.ED.WA

Balance 3/31/05

Deferral

Balance 4/30/05

<u>Amount</u>	<u>Journal ID</u>
\$0.00	
0.00	481 - WA ERM
<u>\$0.00</u>	

Balance Type **Actual**

Currency Type **Entered**

Factor **Units**

Period	Currency	PTD	PTD Converted	YTD	YTD Converted
200413	USD	0.00		0.00	
200501	USD	10,826,036.00		10,826,036.00	
200502	USD	48,338.00		10,874,374.00	
200503	USD	48,338.00		10,922,712.00	
200504	USD	48,338.00		10,971,050.00	

Journal Details

Summary Balances

ERM Deferral Balance (Prior year - 2004)

Account 186290.ED.WA

Balance 3/31/05

Interest

Balance 4/30/05

<u>Amount</u>	<u>Journal ID</u>
\$10,922,712.00	
48,338.00	481 - WA ERM
<u>\$10,971,050.00</u>	

Balance Type **Actual**

Currency Type **Entered**

Factor **Units**



Period	Currency	PTD	PTD Converted	YTD	YTD Converted
200413	USD	0.00		102,429,966.65	
200501	USD	-2,232,784.00		100,197,182.65	
200502	USD	-2,178,815.00		98,018,367.65	
200503	USD	-1,844,265.00		96,174,102.65	
200504	USD	-1,655,005.00		94,519,097.65	

Journal Details

Summary Balances

Recoverable Deferral Balance

Account 182350.ED.WA

Balance 3/31/05

Amortization

Interest

Balance 4/30/05

<u>Amount</u>	<u>Journal ID</u>
\$96,174,102.65	
-2,075,747.00	481 - WA ERM
420,742.00	481 - WA ERM
<u>\$94,519,097.65</u>	

Balance Type **Actual**

Currency Type **Entered**

Factor **Units**



Period	Currency	PTD	PTD Converted	YTD	YTD Converted
200413	USD	0.00		667,458.00	
200501	USD	-26,403.00		641,055.00	
200502	USD	-26,522.00		614,533.00	
200503	USD	-26,641.00		587,892.00	
200504	USD	-26,760.00		561,132.00	

Journal Details

Summary Balances

Contract Buyout Deferral Balance

Account 182360.ED.WA

	Amount	Journal ID
Balance 3/31/05	\$587,892.00	
Amortization*	-\$29,331.00	485 - ECB AMORT
Interest	2,571.00	485 - ECB AMORT
Balance 4/30/05	<u>\$561,132.00</u>	

*Amount grossed-up from 90% to 100% for ERM deferral calculations \$32,590

Balance Type **Actual**

Currency Type **Entered**

Factor **Units**



Period	Currency	PTD	PTD Converted	YTD	YTD Converted
200413	USD	0.00		9,000,000.00	
200501	USD	-9,031,191.00		-31,191.00	
200502	USD	-1,979,851.00		-2,011,042.00	
200503	USD	2,238,349.00		227,307.00	
200504	USD	1,405,401.00		1,632,708.00	

Journal Details

Summary Balances

ERM Deadband
Account 186010.ED.WA

Balance 3/31/05
 2005 deadband accumulation
 Balance 4/30/05

<u>Amount</u>	<u>Journal ID</u>
\$227,307.00	
1,405,401.00	481 - WA ERM
<u>\$1,632,708.00</u>	

Balance Type **Actual**

Currency Type **Entered**

Factor **Units**

Period	Currency	PTD	PTD Converted	YTD	YTD Converted
200413	USD	0.00		-9,000,000.00	
200501	USD	9,031,191.00		31,191.00	
200502	USD	1,979,851.00		2,011,042.00	
200503	USD	-2,238,349.00		-227,307.00	
200504	USD	-1,405,401.00		-1,632,708.00	

Journal Details

Summary Balances

ERM Deadband Contra Account

Account 186020.ED.WA

Balance 3/31/05

2005 deadband contra entry

Balance 4/30/05

<u>Amount</u>	<u>Journal ID</u>
-\$227,307.00	
-1,405,401.00	481 - WA ERM
<u>-\$1,632,708.00</u>	

Balance Type **Actual**

Currency Type **Entered**

Factor **Units**

Period	Currency	PTD	PTD Converted	YTD	YTD Converted
200413	USD	0.00		-39,622,681.00	
200501	USD	764,561.00		-38,858,120.00	
200502	USD	745,661.00		-38,112,459.00	
200503	USD	645,493.00		-37,466,966.00	
200504	USD	545,419.00		-36,921,547.00	

Journal Details

Summary Balances

DFIT Associated with ERM Deferrals

Account 283280.ED.WA

Account 186280.ED.WA balance	\$0.00
Account 186290.ED.WA balance	10,971,050.00
Account 182350.ED.WA balance	94,519,097.65
Total	<u>\$105,490,147.65</u>
Federal income tax rate	-35%
Deferred FIT related to deferrals	<u>-\$36,921,552</u>
Rounding	5
Balance in account	<u>-\$36,921,547</u>

Balance Type **Actual**

Currency Type **Entered**

Factor **Units**

Period	Currency	PTD	PTD Converted	YTD	YTD Converted
200413	USD	0.00		-233,613.00	
200501	USD	9,241.00		-224,372.00	
200502	USD	9,283.00		-215,089.00	
200503	USD	9,324.00		-205,765.00	
200504	USD	9,366.00		-196,399.00	

Journal Details

Summary Balances

DFIT Associated with Contract Buyout Deferral
Account 283360.ED.WA

Account 182360.ED.WA balance	\$561,132.00
Federal income tax rate	-35%
Deferred FIT related to contract buyout deferral	-196,396
Rounding	-3
Balance in account	-196,399

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 12/31/04 is 8.28%.				Actual cost of debt at 6/30/04 is 8.44%			
The monthly rate is:				The monthly rate is:-			
0.00690 Before Tax				0.00703 Before Tax			
0.0044850 After Tax				0.0045695 After Tax			
0.35 Tax rate				0.35 Tax rate			
Account 182350		2005 Interest					
12-31-2004	GL Balance including interest	102,429,967		Jan-05	DFIT Expense		ADFIT
Jan-05	Surcharge Amortization	(2,686,159)		Amortization	(940,160)	Operating	940,160
Jan-05	Interest		453,375	Interest	158,681	Nonoperating	(158,681)
01-31-2005	Balance before interest	99,743,808			(781,479)	Total	781,479
				Feb-05	DFIT Expense		ADFIT
Feb-05	Surcharge Amortization	(2,620,290)		Amortization	(917,095)	Operating	917,095
Feb-05	Interest		441,475	Interest	154,516	Nonoperating	(154,516)
02-28-2005	Balance before interest	97,123,518			(762,579)	Total	762,579
				Mar-05	DFIT Expense		ADFIT
Mar-05	Surcharge Amortization	(2,274,763)		Amortization	(796,167)	Operating	796,167
Mar-05	Interest		430,498	Interest	150,674	Nonoperating	(150,674)
03-31-2005	Balance before interest	94,848,755			(645,493)	Total	645,493
				Apr-05	DFIT Expense		ADFIT
Apr-05	Surcharge Amortization	(2,075,747)		Amortization	(726,511)	Operating	726,511
Apr-05	Interest		420,742	Interest	147,260	Nonoperating	(147,260)
04-30-2005	Balance before interest	92,773,008			(579,251)	Total	579,251
				GL Balance	Activity	GL Balance	
				03-31-2005	Apr-05	04-30-2005	
	Net ERM Balance	94,519,098		96,174,103	(1,655,005)	94,519,098	
	ADFIT Balance	(33,081,684)					

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 12/31/04 is 8.28%.		0.00690 Before Tax		Actual cost of debt at 6/30/04 is 8.44%		
The monthly rate is:		0.0044850 After Tax		The monthly rate is:-		
		0.35 Tax rate		0.00703 Before Tax		
				0.0045605 After Tax		
				0.35 Tax rate		
Account 186290		2005 Interest				
12-31-2004	GL Balance including interest	0				
12-31-2004	Transfer from 918628	\$10,777,698.00				
01-01-2005	GL Balance including interest	\$10,777,698.00		<u>Jan-05</u>	<u>DFIT Expense</u>	<u>ADFIT</u>
Jan-05	ERM Transfer to 182350	0		Deferral	0	Operating 0
Jan-05	Interest		48,338	Interest	16,918	Nonoperating (16,918)
01-31-2005	Balance before interest	10,777,698			16,918	Total (16,918)
				<u>Feb-05</u>	<u>DFIT Expense</u>	<u>ADFIT</u>
Feb-05	ERM Transfer to 182350	0		Deferral	0	Operating 0
Feb-05	Interest		48,338	Interest	16,918	Nonoperating (16,918)
02-28-2005	Balance before interest	10,777,698			16,918	Total (16,918)
				<u>Mar-05</u>	<u>DFIT Expense</u>	<u>ADFIT</u>
Mar-05	ERM Transfer to 182350	0		Deferral	0	Operating 0
Mar-05	Interest		48,338	Interest	16,918	Nonoperating (16,918)
03-31-2005	Balance before interest	10,777,698			16,918	Total (16,918)
				<u>Apr-05</u>	<u>DFIT Expense</u>	<u>ADFIT</u>
Apr-05	ERM Transfer to 18235	0		Deferral	0	Operating 0
Apr-05	Interest		48,338	Interest	16,914	Nonoperating (16,914)
04-30-2005	Balance before interest	10,777,698			16,914	Total (16,914)
	Net ERM Balance	10,971,050		GL Balance	Activity	GL Balance
				03-31-05	Apr-05	04-30-05
	ADFIT Balance	(3,839,868)		10,922,712.00	48,338.00	10,971,050.00

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 12/31/04 is 8.28%.		0.00690 Before Tax		Actual cost of debt at 6/30/04 is 8.44%		
The monthly rate is:		0.0044850 After Tax		The monthly rate is:-		0.00703 Before Tax
		0.35 Tax rate				0.0045695 After Tax
						0.35 Tax rate
Account 186280			2005 Interest			
12-31-2004	GL Balance including interest	\$10,777,698.00				
01-01-2005	GL Balance	(\$10,777,698.00)	Transfer to 186290			
01-01-2005	GL Balance	0				
			<u>Jan-05</u>			
			DFIT Expense			
Jan-05	ERM Deferral	0	Deferral	0	Operating	0
Jan-05	Interest	0	Interest	0	Nonoperating	0
01-31-2005	Balance before interest	0		0	Total	0
			<u>Feb-05</u>			
			DFIT Expense			
Feb-05	ERM Deferral	0	Deferral	0	Operating	0
Feb-05	Interest	0	Interest	0	Nonoperating	0
02-28-2005	Balance before interest	0		0	Total	0
			<u>Mar-05</u>			
			DFIT Expense			
Mar-05	ERM Deferral	0	Deferral	0	Operating	0
Mar-05	Interest	0	Interest	0	Nonoperating	0
03-31-2005	Balance before interest	0		0	Total	0
			<u>Apr-05</u>			
			DFIT Expense			
Apr-05	ERM Deferral	0	Deferral	0	Operating	0
Apr-05	Interest	0	Interest	0	Nonoperating	0
04-30-2005	Balance before interest	0		0	Total	0
			GL Balance			
			Activity			
			GL Balance			
Net ERM Balance		0	03-31-05	Apr-05	04-30-05	
ADFIT Balance		0	0	0	0	

DJ702	BEGINNING BALANCE	ADFIT 182350	ADFIT 186280	ADFIT 186290	ADFIT 186290	FOR ALL ACCOUNTS	ENDING BALANCE	BALANCE		
								COMPONENTS	ACCOUNTS	
12-31-2004	(39,622,681)	(35,850,488)	(3,772,194)	0		0	(39,622,681)			
01-31-2005	(39,622,681)	(35,069,014)	0	(3,789,113)		764,554	(38,858,127)			
02-28-2005	(38,858,120)	(34,306,429)	0	(3,806,031)		745,660	(38,112,460)		True up \$7 in Feb	
03-31-2005	(38,112,459)	(33,660,936)	0	(3,806,031)		645,492	(37,466,967)			
04-30-2005	(37,466,966)	(33,081,684)	0	(3,839,868)		545,414	(36,921,552)			
					ADFIT			Interest		
		410100	410200	283280		182350		186280		
01-31-2005	182350	(940,160)	158,681	781,479		453,375		0	419000	
	186280	0	0	0					(501,713)	
	186290	0	16,918	(16,918)						
Total		(940,160)	175,599	764,561						
02-28-2005	182350	(917,095)	154,516	762,579		441,475		0	(489,813)	
	186280	0	0	0						
	186290	0	16,918	(16,918)						
Total		(917,095)	171,434	745,661						
03-31-2005	182350	(796,167)	150,674	645,493		430,498		0	(478,836)	
	186280	0	0	0						
	⊗ 186290	0	⊗ 16,918	⊗ (16,918)						
Total		(796,167)	167,592	628,575						
04-30-2005	182350	(726,511)	147,260	579,251		420,742		0	(469,080)	
	186280	0	0	0						
	186290	0	16,914	(16,914)						
Total		(726,511)	⊗ 164,174	⊗ 562,337						
		⊗	missed this entry in March, pick up in April							

Σ ⊗ 181,092

Σ ⊗ 545,419

			YTD	YTD	
			WA ERM	WA ERM	
			Company	Contra	Total
			Band	Account	GL
			186010	186020	Impact
12-31-2004	Balance		\$9,000,000	(\$9,000,000)	\$0
2004 Requirement		\$9,000,000			
Jan-05	Reverse 2004		(\$9,000,000)	\$9,000,000	\$0
Jan-05	Activity		(\$31,191)	\$31,191	
01-31-2005	Balance		(\$31,191)	\$31,191	\$0
Feb-05	Activity		(\$1,979,851)	\$1,979,851	
02-28-2005	Balance		(\$2,011,042)	\$2,011,042	\$0
Mar-05	Activity		\$2,238,349	(\$2,238,349)	
03-31-2005	Balance		\$227,307 ✓	(\$227,307) ✓	\$0
Apr-05	Activity		\$1,405,401	(\$1,405,401)	
04-30-2005	Balance		\$1,632,708	(\$1,632,708)	\$0

AVISTA CORPORATION
 APRIL 2005 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)	55.568%	99,162,755	0.405¢	\$401,609	0.956277	\$384,049
1 (601-1300 kWh)	30.138%	53,782,161	0.607¢	326,458	0.956277	312,184
1 (over 1300 kWh)	14.294%	25,508,069	0.853¢	217,584	0.956277	208,071
Total Sch 1	100.000%	178,452,985		945,651		904,304
11		26,651,785	0.788¢	210,016	0.956277	200,833
12		3,275,329	0.788¢	25,810	0.956277	24,682
21		116,734,579	0.549¢	640,873	0.956277	612,852
22		2,390,031	0.549¢	13,121	0.956277	12,547
25		77,577,921	0.352¢	273,074	0.956277	261,134
30		1,313,440	0.485¢	6,370	0.956277	6,091
31		3,731,387	0.485¢	18,097	0.956277	17,306
32		305,128	0.485¢	1,480	0.956277	1,415
41-46		\$269,827	109.78%	24,038	0.956277	22,987
47		\$80,642	109.78%	7,184	0.956277	6,870
48		\$55,473	109.78%	4,942	0.956277	4,726
Schedule Totals		410,432,585		\$2,170,656		\$2,075,747 Amortization
kWh not subject to surcharge						-35%
Schedule 28		0				(\$726,511) DFIT Expense
Sch 41-48		2,357,531				
Total kWh		412,790,116				

Electric Revenue Report by Revenue Class
Current Month and Year-to-Date
for Accounting Period : 200504 , State Code : WA

Accounting Period: 200504 | State Code: WA

Rate Schedule Num	Meters	Usage	Revenue Amt	YTD Average Meters	Ytd Usage	Ytd Revenue Amt
001	188,705	178,452,985	10,267,976	188,694	873,672,380	50,937,508
011	18,288	26,651,785	2,340,605	18,311	120,660,431	10,536,724
012	6,797	3,275,329	297,611	6,776	15,766,139	1,399,085
021	3,279	116,734,579	7,731,546	3,283	494,057,352	32,496,988
022	68	2,390,031	145,546	68	11,540,272	693,469
025	21	77,577,921	3,300,963	21	300,686,140	12,842,360
028	0	0	15,400	0	34,740	63,231
030	40	1,313,440	65,678	39	1,560,980	78,731
031	1,031	3,731,387	229,883	1,029	14,499,498	887,584
032	1,073	305,128	24,006	1,075	933,152	79,959
041	12	16,056	2,727	12	64,224	10,908
042	213	1,048,407	238,423	214	4,193,532	953,607
044	13	21,600	1,890	13	86,400	7,559
045	7	182,793	8,006	7	729,420	31,921
046	16	266,616	18,781	16	787,671	55,711
047	0	505,948	80,642	0	2,029,401	323,237
048	0	316,111	55,473	0	1,266,567	222,059
058	0	0	864,012	0	0	3,753,216
058A	0	0	-6,321	0	0	-29,232

Electric Revenue Report by Revenue Class
Current Month and Year-to-Date
for Accounting Period : 200504 , State Code : WA

Accounting Period: 200504 State Code: WA
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	Meters	Usage	Revenue Amt	YTD Average Meters	Ytd Usage	Ytd Revenue Amt
090	0	0	4	0	0	16
095	0	0	9,960	0	0	39,731
099	0	0	52,319	0	0	196,809
Total WA	219,563	412,790,116	25,745,131	219,557	1,842,568,299	115,581,180
Total WA	219,563	412,790,116	25,745,131	219,557	1,842,568,299	115,581,180

Avista Utilities
 WASHINGTON POWER COST DEFERRALS

Line No.	WASHINGTON ACTUALS-2005	Actual Jan-05	Actual Feb-05	Actual Mar-05	Actual Apr-05	Actual May-05	Actual Jun-05	Actual Jul-05	Actual Aug-05	Actual Sep-05	Actual Oct-05	Actual Nov-05	Actual Dec-05
1	555 Purchased Power	\$73,214,743	\$16,986,804	\$15,444,404	\$22,352,133	\$18,431,402	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2	501 Thermal Fuel	\$7,104,426	\$1,705,350	\$1,631,062	\$1,905,899	\$1,862,175	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3	547 CT Fuel	\$23,982,436	\$3,103,807	\$6,421,318	\$7,702,451	\$6,754,860	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4	447 Sale for Resale	\$59,330,232	\$8,099,204	\$14,359,641	\$18,494,785	\$18,376,602	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5	Actual Net Expense	\$44,971,373	\$13,696,757	\$9,137,143	\$13,465,638	\$8,671,835	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
6	Potlatch 25 aMW directly assigned to ID	(\$2,328,391)	(\$601,710)	(\$543,480)	(\$601,710)	(\$561,491)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
7	Potlatch 62 aMW directly assigned to ID	(\$7,240,603)	(\$1,984,277)	(\$1,807,447)	(\$1,479,409)	(\$1,969,470)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
8	Adjusted Actual Net Expense	\$35,402,379	\$11,110,770	\$6,786,216	\$11,384,519	\$6,120,874	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
AUTHORIZED NET EXPENSE-SYSTEM													
9	555 Purchased Power	\$68,370,477	\$7,820,601	\$6,873,178	\$6,877,530	\$2,970,502	\$1,220,238	\$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	\$1,193,467	\$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	\$1,302,967	\$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	\$1,922,246	\$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	\$8,212,198
14	Actual - Authorized Net Expense	\$7,802,532	\$1,978,872	(\$518,223)	\$3,765,699	\$2,576,184	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
15	Net Fuel Expense not incl in Acct 547 (1)	\$ (1,264,297)	\$ (456,235)	\$ (91,865)	(\$514,247)	(\$201,950)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
16	Adjusted Actual - Authorized Net Exp	\$ 6,538,235	\$ 1,522,637	(\$610,088)	\$ 3,251,452	\$ 2,374,234	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
17	Washington Alloc. @ 66.29%	\$4,334,197	\$1,009,356	(\$404,427)	\$2,155,388	\$1,573,880	\$0	\$0	\$0	\$0	\$0	\$0	\$0
18	Enron Contract Buyout 100%	\$130,360	\$32,590	\$32,590	\$32,590	\$32,590	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
19	WA Retail Revenue Adjustment	\$ (2,831,849)	(\$1,073,137)	(\$1,608,014)	\$50,371	(\$201,069)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
20	Net Power Cost Increase (Decrease)	\$ 1,632,708	(\$31,191)	(\$1,979,851)	\$2,238,349	\$1,405,401	\$0	\$0	\$0	\$0	\$0	\$0	\$0

Avista Utilities
System Power Supply Expenses
WASHINGTON DEFERRED POWER COST CALCULATION

ACTUALS

Line No.	Jan-05	Feb-05	Mar-05	Apr-05	May-05	Jun-05	Jul-05	Aug-05	Sep-05	Oct-05	Nov-05	Dec-05	TOTAL 2005
1	8,399,639	7,543,655	15,866,660	11,842,156									43,652,110
2	163,242	163,242	163,242	163,242									652,968
3	106,273	83,621	71,811	131,011									392,716
4	273,832	273,832	273,832	273,832									1,095,328
5	98,106	98,106	98,106	98,106									392,424
6	343	467	406	376									1,592
7	116,157	104,037	101,833	124,765									446,792
8	348,383	342,360	175,976	300,393									1,167,112
9	2,961,151	2,675,699	1,461,911	1,415,883									8,514,644
10	16,881	38,114	(2,459)	89,840									142,376
11	567,300	512,400	567,300	548,238									2,195,238
12	1,041,600	940,800	1,041,600	503,300									3,527,300
13	590,550	533,400	590,550	570,706									2,285,206
14	117,591	114,136	128,148	96,785									456,660
15	1,984,277	1,807,447	1,479,409	1,969,470									7,240,603
16	90,000	112,500	112,500	147,500									462,500
17	108,571	97,729	218,388	153,406									578,094
18	2,908	2,859	2,920	2,394									11,081
19	16,986,804	15,444,404	22,352,133	18,431,402	0	0	0	0	0	0	0	0	73,214,744
(1) Effective November, 2004, WNP-3 purchase expense has been adjusted to reflect the mid-point price (\$34.79/MWh for the 2004-05 contract year), per Settlement Agreement, Cause No. U-86-99													
<u>447 SALES FOR RESALE</u>													
20	7,575,690	13,999,009	18,042,542	17,970,013									57,587,254
21	150,000	150,000	150,000	150,000									600,000
22	62,484	8,619	6,156	7,979									85,218
23	61,750	31,772	64,477	32,487									190,486
24	197,530	172,414	232,356	217,716									820,016
25	52,912	0											52,912
26	(4,050)	(5,032)	(3,666)	(3,987)									(16,735)
26	2,908	2,859	2,920	2,394									11,081
27	8,099,204	14,359,641	18,494,785	18,376,602									59,330,232

Avista Utilities
System Power Supply Expenses
WASHINGTON DEFERRED POWER COST CALCULATION

ACTUALS

Line No.	Jan-05	Feb-05	Mar-05	Apr-05	May-05	Jun-05	Jul-05	Aug-05	Sep-05	Oct-05	Nov-05	Dec-05	TOTAL 2005
<u>501 FUEL-DOLLARS</u>													
28	Kettle Falls	801,206	816,446	906,506	717,674								3,241,832
29	Colstrip	884,025	804,280	994,367	1,115,397								3,798,069
30	Total Coal & Wood	1,685,231	1,620,726	1,900,873	1,833,071								7,039,901
31	Kettle Falls GS	4,561	395	347	2,897								8,200
32	Colstrip	15,558	9,941	4,619	26,207								56,325
33	Total Oil & Gas	20,119	10,336	4,966	29,104								64,525
34	Total Account 501	1,705,350	1,631,062	1,905,839	1,862,175								7,104,426
<u>501 FUEL-TONS</u>													
35	Kettle Falls	52,249	52,877	58,704	47,869								211,699
36	Colstrip	101,200	86,770	84,290	93,546								365,806
<u>501 FUEL-COST PER TON</u>													
37	Kettle Falls	15.33	15.44	15.44	14.99								15.31
38	Colstrip	8.74	9.27	11.80	11.92								10.38
<u>547 FUEL</u>													
39	NE Combustion Turbine Gas/Oil	484	2,078	-	3,579								6,141
40	Boulder Park	156,343	30,746	17,098	71								206,258
41	Kettle Falls CT	48,994	20,302	3,048	13,641								85,985
42	Coyote Springs2	2,855,500	6,327,750	7,642,386	6,737,590								23,563,226
43	Rathdrum Gas Storage Fee	40,000	40,000	40,000	-								120,000
44	Rathdrum Fuel Exp	486	442	(81)	(21)								826
45	Total Account 547	3,103,807	6,421,318	7,702,451	6,754,860								23,982,436
46	TOTAL NET EXPENSE	13,696,757	9,137,143	13,465,638	8,671,835								44,971,374

AVISTA UTILITIES
 Washington Electric Jurisdiction
 Energy Recovery Mechanism Revenue Credit
 Month of April 2005

Description	January	February	March	April	May	June	July	August	September	October	November	December	YTD
Total WA kWhs per Rev Run	498,283,686	492,493,995	439,000,502	412,790,116									1,842,568,299
Deduct Prior Month Unbilled kWhs Heating	(336,802,948)	(321,228,105)	(303,770,568)	(299,482,363)									(1,261,283,984)
Deduct Prior Month Unbilled kWhs Cooling													
Add Current Month Unbilled kWhs Heating	321,228,105	303,770,568	299,482,363	280,846,269									1,205,327,305
Add Current Month Unbilled kWhs Cooling													
Washington Retail kWhs	482,708,843	475,036,458	434,712,297	394,154,022									1,786,611,620
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 in Docket No. UE-011595													
Difference from Test Year	33,230,939	49,899,391	(1,796,261)	6,042,639									87,376,708
WA Retail Revenue Credit	\$1,066,049	\$1,600,772	(\$57,624)	\$193,848	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,803,045
Net Wind Revenue Credit	\$7,088	\$7,242	\$7,253	\$7,221	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$28,804
Total Revenue Credit	\$1,073,137	\$1,608,014	(\$50,371)	\$201,069	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,831,849

Schedule 95 Wind Revenue	\$9,776.86	\$9,989.46	\$10,004.40	\$9,960.06									\$39,730.78
Deduct Admin Expense	\$2,688.64	\$2,747.10	\$2,751.21	\$2,739.02	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$10,925.96
0.005 x 55 = 0.275 per Revenue \$													
Net Wind Revenue Credit	\$7,088.22	\$7,242.36	\$7,253.19	\$7,221.04	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$28,804.82

Avista Corporation Journal Entry

Journal: 485-ECB AMORT (DJ)

Sponsor: Resource Accounting

Tran Type: C

Bal. Cd.:

Effective Date: 200504

Last Saved by: Lori Hamilton Saved Date: 04/29/2005 2:51 pm

Submitted by: Tami Judge

<u>Seq</u>	<u>Co.</u>	<u>FERC</u>	<u>Ser.</u>	<u>Jur.</u>	<u>S.L</u>	<u>Debit</u>	<u>Credit</u>	<u>Comment</u>
10	001	557162	ED	WA	DL	29,331.00		Amortization expense
20	001	182360	ED	WA	DL		29,331.00	Amortization for WA ERM
30	001	182360	ED	WA	DL	2,571.00		Accrue interest on unamortized balance for future recovery
40	001	419000	ZZ	ZZ	DL		2,571.00	Interest income accrued
50	001	410100	ED	WA	DL		10,266.00	DFIT expense on amortization (operating)
60	001	410200	ZZ	ZZ	DL	900.00		DFIT expense on amortization (non-operating)
70	001	283360	ED	WA	DL	9,366.00		ADFIT ECB
TOTALS:						42,168.00	42,168.00	

Explanation:

The WA ERM Settlement created a regulatory asset to be recovered over the 3 year period of the original purchased power contract (2004-2006). As the contract buyout expense is amortized it will become part of the monthly ERM calculation.

L Hamilton
 Prepared by ~~Tami Judge~~ LTH

Tami Judge
 Reviewed by

5/2/05
 Date

5/2/05
 Date

 Date

Approved for Entry
 Corporate Accounting use Only

