

Avista Corp.
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Corp.

June 9, 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 May 2005

Dear Ms. Washburn:

Enclosed are an original and five copies of Avista Corporation's Power Cost Deferral Report for the month of May 2005. 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 \$3,247,308. 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 May in the rebate direction in the amount of \$1,614,600.

Actual power supply expenses were lower than authorized due partly to higher than authorized hydro generation and higher prices for surplus sales. Hydro generation was 57 aMW above the authorized levels. The average market purchase price was \$35.08/MWh, compared to an authorized rate of \$31.00/MWh. The average market sales price was \$33.78/MWh, compared to an authorized sales price of \$19.52/MWh. Because Avista was surplus in May, the higher selling price increased sales for resale revenue.

Colstrip generated 113 aMW above the authorized level, and Kettle Falls generated 2 aMW below the authorized level. Due to economics gas fueled plants generated 18 aMW below the authorized level. Thermal fuel expense was above the authorized level and natural gas fuel expense was below the authorized level. Washington retail sales were 11 aMW above the authorized level.

There were no forward long-term contracts of one year or longer entered into in the month of May 2005. 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
RM
Enclosure
C: Robert Cromwell
S. Bradley Van Cleve

AVISTA CORPORATION
STATE OF WASHINGTON
DOCKET NO. UE-011595
POWER COST DEFERRAL REPORT
MONTH OF MAY 2005

Avista Corporation Journal Entry

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

Effective Date: 200505

Last Saved by: Lori Hamilton
 Submitted by: Tami Judge
 Saved Date: 06/07/2005 3:42 pm

Seq	Co.	FERC	Ser.	Jur.	S.I.	Debit	Credit	Comment
10	001	557290	ED	WA	DL	1,936,245.00		WA ERM surcharge amortization
20	001	182350	ED	WA	DL		1,936,245.00	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	411,745.00		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		460,083.00	Non-utility interest income
90	001	410100	ED	WA	DL		677,686.00	DFIT entry for power supply deferral and surcharge amortization
100	001	410200	ZZ	ZZ	DL			Non-op DFIT entry for interest income
110	001	283280	ED	WA	DL	161,029.00		ADFIT WA ERM current and prior years
120	001	186010	ED	WA	DL		3,247,308.00	Track YTD company band accumulation
130	001	186020	ED	WA	DL	3,247,308.00		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:						6,321,322.00	6,321,322.00	

Avista Corporation Journal Entry

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

Effective Date: 200505

Last Saved by: Lori Hamilton Saved Date: 06/07/2005 3:42 pm
Submitted by: Tami Judge

Explanation:

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

<i>L Hamilton</i>	<i>6/8/05</i>
Prepared by Tami Judge <i>GH</i>	Date
<i>Tami Judge</i>	<i>6/8/05</i>
Reviewed by	Date
Approved for Entry	Date
Corporate Accounting use Only	

Detail Balances (AVA CORP) - 001.186280.ED.WA.DL

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	
200505	USD	0.00		0.00	

Journal Details

Summary Balances

ERM Deferral Balance (Current Year - 2005)

Account 186280.ED.WA

Balance 4/30/05

Deferral

Balance 5/31/05

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

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	
200505	USD	48,338.00		11,019,388.00	

Journal Details

Summary Balances

ERM Deferral Balance (Prior year - 2004)

Account 186290.ED.WA

Balance 4/30/05
 Interest
 Balance 5/31/05

Amount	Journal ID
\$10,971,050.00	
48,338.00	481 - WA ERM
<u>\$11,019,388.00</u>	

Detail Balances (AVA CORP) - 001.182350.ED.WA.DL

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	
200505	USD	-1,524,500.00		92,994,597.65	

Journal Details

Summary Balances

Recoverable Deferral Balance

Account 182350.ED.WA

Balance 4/30/05
 Amortization
 Interest
 Balance 5/31/05

<u>Amount</u>	<u>Journal ID</u>
\$94,519,097.65	
-1,936,245.00	481 - WA ERM
411,745.00	481 - WA ERM
<u>\$92,994,597.65</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	
200505	USD	-26,880.00		534,252.00	

Journal Details

Summary Balances

Contract Buyout Deferral Balance

Account 182360.ED.WA

Balance 4/30/05

Amortization*

Interest

Balance 5/31/05

Amount

Journal ID

\$561,132.00

-\$29,331.00 485 - ECB AMORT

2,451.00 485 - ECB AMORT

\$534,252.00

*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	
200505	USD	-3,247,308.00		-1,614,600.00	

Journal Details

Summary Balances

ERM Deadband	<u>Amount</u>	<u>Journal ID</u>
Account 186010.ED.WA		
Balance 4/30/05	\$1,632,708.00	
2005 deadband accumulation	-3,247,308.00	481 - WA ERM
Balance 5/31/05	<u>-\$1,614,600.00</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	
200505	USD	3,247,308.00		1,614,600.00	

[Journal Details](#)

[Summary Balances](#)

ERM Deadband Contra Account

Account 186020.ED.WA

Balance 4/30/05

2005 deadband contra entry

Balance 5/31/05

<u>Amount</u>	<u>Journal ID</u>
-\$1,632,708.00	
<u>3,247,308.00</u>	481 - WA ERM
\$1,614,600.00	

Detail Balances (AVA CORP) - 001.283280.ED.WA.DL

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	
200505	USD	516,657.00		-36,404,890.00	

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	11,019,388.00
Account 182350.ED.WA balance	92,994,597.65
Total	\$104,013,985.65
Federal income tax rate	-35%
Deferred FIT related to deferrals	-\$36,404,895
Rounding	5
Balance in account	-\$36,404,890

Detail Balances (AVA CORP) - 001.283360.ED.WA.DL

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	
200505	USD	9,408.00		-186,991.00	

Journal Details

Summary Balances

DFIT Associated with Contract Buyout Deferral	
Account 283360.ED.WA	
Account 182360.ED.WA balance	\$534,252.00
Federal income tax rate	-35%
Deferred FIT related to contract buyout deferral	<u>-\$186,988</u>
Rounding	-3
Balance in account	<u>-\$186,991</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 12/31/04 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 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
				May-05	DFIT Expense		ADFIT
May-05	Surcharge Amortization	(1,936,245)		Amortization	(677,686)	Operating	677,686
May-05	Interest		411,745	Interest	144,111	Nonoperating	(144,111)
05-31-2005	Balance before interest	90,836,763			(533,575)	Total	533,575
				GL Balance	Activity	GL Balance	
				04-30-2005	May-05	05-31-2005	
	Net ERM Balance	92,994,598		94,519,098	(1,524,500)	92,994,598	
	ADFIT Balance	(32,548,109)					

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%	0.00703 Before Tax
The monthly rate is:	0.0044850 After Tax	The monthly rate is:-	0.0045695 After Tax
	0.35 Tax rate		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>	<u>DFIT Expense</u>	<u>ADFIT</u>
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>	<u>DFIT Expense</u>	<u>ADFIT</u>
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>	<u>DFIT Expense</u>	<u>ADFIT</u>
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>	<u>DFIT Expense</u>	<u>ADFIT</u>
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
				<u>May-05</u>	<u>DFIT Expense</u>	<u>ADFIT</u>
May-05	ERM Deferral	0		Deferral	0 Operating	0
May-05	Interest	0		Interest	0 Nonoperating	0
05-31-2005	Balance before interest	0			0 Total	0
				<u>GL Balance</u>	<u>Activity</u>	<u>GL Balance</u>
	Net ERM Balance	0		<u>04-30-05</u>	<u>May-05</u>	<u>05-31-05</u>
				0	0	0
	ADFIT Balance	0				

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:		0.00690 Before Tax	The monthly rate is:-	0.00703 Before Tax	
		0.0044850 After Tax		0.0045695 After Tax	
		0.35 Tax rate		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			
Jan-05	ERM Transfer to 182350	0	Jan-05	DFIT Expense	ADFIT
Jan-05	Interest	48,338	Deferral	0	Operating 0
01-31-2005	Balance before interest	10,777,698	Interest	16,918	Nonoperating (16,918)
				16,918	Total (16,918)
			Feb-05	DFIT Expense	ADFIT
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)
			Mar-05	DFIT Expense	ADFIT
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)
			Apr-05	DFIT Expense	ADFIT
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)
			May-05	DFIT Expense	ADFIT
May-05	ERM Transfer to 18235	0	Deferral	0	Operating 0
May-05	Interest	48,338	Interest	16,918	Nonoperating (16,918)
05-31-2005	Balance before interest	10,777,698		16,918	Total (16,918)
	Net ERM Balance	11,019,388	GL Balance	Activity	GL Balance
			04-30-05	May-05	05-31-05
	ADFIT Balance	(3,856,786)	10,971,050.00	48,338.00	11,019,388.00

DJ702	BEGINNING	ADFIT	ADFIT	ADFIT	ADFIT	BALANCE		FOR ALL	ENDING
	BALANCE	182350	186280	186290	186290	COMPONENTS	ACCOUNTS	BALANCE	
12-31-2004	(39,622,681)	(35,850,488)	(3,772,194)	0	0	(39,622,682)	0	(39,622,681)	
01-31-2005	(39,622,681)	(35,069,014)	0	(3,789,113)	(3,789,113)	(38,858,127)	764,554	(38,858,127)	
02-28-2005	(38,858,120)	(34,306,429)	0	(3,806,031)	(3,806,031)	(38,112,460)	745,660	(38,112,460)	
03-31-2005	(38,112,459)	(33,660,936)	0	(3,806,031)	(3,806,031)	(37,466,967)	645,492	(37,466,967)	
04-30-2005	(37,466,966)	(33,081,684)	0	(3,839,868)	(3,839,868)	(36,921,552)	545,414	(36,921,552)	
05-31-2005	(36,921,547)	(32,548,109)	0	(3,856,786)	(3,856,786)	(36,404,895)	516,657	(36,404,890)	
						<i>Interest</i>			
01-31-2005	182350	<u>410100</u>	<u>ADFIT</u>	<u>283280</u>	<u>182350</u>	<u>186280</u>	<u>186290</u>	<u>419000</u>	
	186280	(940,160)	158,681	781,479	453,375	0	48,338	(501,713)	
	186290	0	0	0					
Total				(16,918)					
		(940,160)	175,599	764,561					
02-28-2005	182350	(917,095)	154,516	762,579	441,475	0	48,338	(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	48,338	(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	48,338	(469,080)	
	186280	0	0	0					
	186290	0	16,914	(16,914)					
Total		(726,511)	164,174	562,337					
05-31-2005	182350	(677,686)	144,111	533,575	411,745	0	48,338	(460,083)	
	186280	0	0	0					
	186290	0	16,918	(16,918)					
Total		(677,686)	161,029	516,657					

True up \$7 in Feb

			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
May-05	Activity		(\$3,247,308)	\$3,247,308	
05-31-2005	Balance		(\$1,614,600)	\$1,614,600	\$0

AVISTA CORPORATION
 MAY 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)	61.616%	95,980,175	0.405¢	\$388,720	0.956277	\$371,724
1 (601-1300 kWh)	28.677%	44,670,596	0.607¢	271,151	0.956277	259,295
1 (over 1300 kWh)	9.707%	15,120,741	0.853¢	128,980	0.956277	123,341
Total Sch 1	100.000%	155,771,512		788,851		754,360
11		25,301,546	0.788¢	199,376	0.956277	190,659
12		2,769,449	0.788¢	21,823	0.956277	20,869
21		118,150,100	0.549¢	648,644	0.956277	620,283
22		4,030,264	0.549¢	22,126	0.956277	21,159
25		75,095,637	0.352¢	264,337	0.956277	252,779
30		2,791,340	0.485¢	13,538	0.956277	12,946
31		5,591,112	0.485¢	27,117	0.956277	25,931
32		673,625	0.485¢	3,267	0.956277	3,124
41-46		\$264,576	109.78%	23,570	0.956277	22,539
47		\$80,736	109.78%	7,193	0.956277	6,879
48		\$55,375	109.78%	4,933	0.956277	4,717
Schedule Totals		390,174,585		\$2,024,775		\$1,936,245 Amortization
kWh not subject to surcharge						-35%
Schedule 28		2,450				(\$677,686) DFIT Expense
Sch 41-48		2,272,938				
Total kWh		392,449,973				

Electric Revenue Report by Revenue Class
Current Month and Year-to-Date
for Accounting Period : 200505 , State Code : WA

Accounting Period: 200505 State Code: WA
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	Meters	Usage	Revenue Amt	YTD Average Meters	Ytd Usage	Ytd Revenue Amt
Rate Schedule Num						
001	188,679	155,771,512	8,895,696	188,691	1,029,443,892	59,833,204
011	18,278	25,301,546	2,229,302	18,304	145,961,977	12,766,026
012	6,817	2,769,449	257,660	6,784	18,535,588	1,656,745
021	3,283	118,150,100	7,843,556	3,283	612,207,452	40,340,544
022	68	4,030,264	229,859	68	15,570,536	923,328
025	22	75,095,637	3,220,481	21	375,781,777	16,062,841
028	1	2,450	15,553	0	37,190	78,784
030	40	2,791,340	139,137	39	4,352,320	217,868
031	1,037	5,591,112	338,959	1,030	20,090,610	1,226,543
032	1,071	673,625	44,383	1,074	1,606,777	124,341
041	12	16,056	2,727	12	80,280	13,635
042	217	1,050,736	239,002	214	5,244,268	1,192,609
044	13	21,600	1,890	13	108,000	9,449
045	7	182,793	8,006	7	912,213	39,928
046	16	182,887	12,951	16	970,558	68,661
047	0	505,554	80,736	0	2,534,955	403,972
048	0	313,312	55,375	0	1,579,879	277,434
058	0	0	836,648	0	0	4,589,864
058A	0	0	-4,811	0	0	-34,043

Electric Revenue Report by Revenue Class
Current Month and Year-to-Date
for Accounting Period : 200505 , State Code : WA

Accounting Period: 200505 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	20
095	0	0	10,363	0	0	50,094
099	0	0	51,405	0	0	248,214
Total WA	219,561	392,449,973	24,508,880	219,557	2,235,018,272	140,090,060
Total WA	219,561	392,449,973	24,508,880	219,557	2,235,018,272	140,090,060

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	\$89,701,411	\$16,986,804	\$15,444,404	\$22,352,133	\$18,431,402	\$16,486,668	\$	\$	\$	\$	\$	\$
2	501 Thermal Fuel	\$8,394,263	\$1,705,350	\$1,631,062	\$1,905,839	\$1,862,175	\$1,289,837	\$	\$	\$	\$	\$	\$
3	547 CT Fuel	\$24,936,100	\$3,103,807	\$6,421,318	\$7,702,451	\$6,754,860	\$953,664	\$	\$	\$	\$	\$	\$
4	447 Sale for Resale	\$79,890,378	\$8,099,204	\$14,359,641	\$18,494,785	\$18,376,602	\$20,560,146	\$	\$	\$	\$	\$	\$
5	Actual Net Expense	\$43,141,396	\$13,696,757	\$9,137,143	\$13,465,638	\$8,671,835	\$1,829,977	\$	\$	\$	\$	\$	\$
6	Poitlatch 25 aMW directly assigned to ID	(\$2,930,101)	\$ (601,710)	\$ (543,480)	\$ (601,710)	\$ (581,491)	\$ (601,710)	\$	\$	\$	\$	\$	\$
7	Poitlatch 62 aMW directly assigned to ID	(\$9,082,300)	\$ (1,984,277)	\$ (1,807,447)	\$ (1,479,409)	\$ (1,969,470)	\$ (1,841,697)	\$	\$	\$	\$	\$	\$
8	Adjusted Actual Net Expense	\$31,128,995	\$11,110,770	\$6,786,216	\$11,384,519	\$6,120,874	\$ (4,273,384)	\$	\$	\$	\$	\$	\$
AUTHORIZED NET EXPENSE-SYSTEM													
9	555 Purchased Power	\$68,370,477	\$7,820,601	\$6,873,178	\$6,877,530	\$2,970,502	\$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	\$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	\$3,852,416	\$1,978,872	\$ (518,223)	\$3,765,699	\$2,576,184	\$ (3,950,116)	\$	\$	\$	\$	\$	\$
15	Net Fuel Expense not incl in Acct 547 (1)	\$ (1,871,189)	\$ (456,235)	\$ (91,865)	\$ (514,247)	\$ (201,950)	\$ (606,892)	\$	\$	\$	\$	\$	\$
16	Adjusted Actual - Authorized Net Exp	\$ 1,981,227	\$1,522,637	\$ (610,088)	\$3,251,452	\$2,374,234	\$ (4,557,008)	\$	\$	\$	\$	\$	\$
17	Washington Alloc. @ 66.29%	\$1,313,356	\$1,009,356	\$ (404,427)	\$2,155,388	\$1,573,880	\$ (33,020,841)	\$0	\$0	\$0	\$0	\$0	\$0
18	Enron Contract Buyout 100%	\$162,950	\$32,590	\$32,590	\$32,590	\$32,590	\$32,590	\$32,590	\$32,590	\$32,590	\$32,590	\$32,590	\$32,590
19	WA Retail Revenue Adjustment	\$ (3,090,906)	\$ (1,073,137)	\$ (1,608,014)	\$50,371	\$ (201,069)	\$ (259,057)	\$	\$	\$	\$	\$	\$
20	Net Power Cost Increase (Decrease)	\$ (1,614,600)	\$ (31,191)	\$ (1,979,851)	\$2,238,349	\$1,405,401	\$ (3,247,308)	\$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	10,986,980								54,639,090
2	163,242	163,242	163,242	163,242	134,280								787,248
3	106,273	83,621	71,811	131,011	200,198								592,914
4	273,832	273,832	273,832	273,832	244,597								1,339,925
5	98,106	98,106	98,106	98,106	98,106								490,530
6	343	467	406	376	361								1,953
7	116,157	104,037	101,833	124,765	112,002								558,794
8	348,383	342,360	175,976	300,393	310,479								1,477,591
9	2,961,151	2,675,699	1,461,911	1,415,883	(0)								8,514,644
10	16,881	38,114	(2,459)	89,840	(53,043)								89,333
11	567,300	512,400	567,300	548,238	567,300								2,762,538
12	1,041,600	940,800	1,041,600	503,300	1,041,600								4,568,900
13	590,550	533,400	590,550	570,706	590,550								2,875,756
14	117,591	114,136	128,148	96,785	88,065								544,725
15	1,984,277	1,807,447	1,479,409	1,969,470	1,841,697								9,082,300
16	90,000	112,500	112,500	147,500	152,500								615,000
17	108,571	97,729	218,388	153,406	167,253								745,347
18	2,908	2,859	2,920	2,394	3,742								14,823
19	16,966,804	15,444,404	22,352,133	18,431,402	16,486,668	0	0	0	0	0	0	0	89,701,411
(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													
447 SALES FOR RESALE													
20	7,575,690	13,999,009	18,042,542	17,970,013	20,231,230								77,818,484
21	150,000	150,000	150,000	150,000	150,000								750,000
22	62,464	8,619	6,156	7,979	28,267								113,485
23	61,750	31,772	64,477	32,487	30,697								221,183
24	197,530	172,414	232,356	217,716	133,679								953,695
25	52,912	0	(3,666)	(3,987)	(17,469)								52,912
26	(4,050)	(5,032)	2,920	2,394	3,742								(34,204)
27	2,908	2,859	2,920	2,394	3,742								14,823
	8,099,204	14,359,641	18,494,785	18,376,602	20,560,146								79,890,378

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	89,116								3,330,948
29	Colstrip	884,025	804,280	994,367	1,115,397	1,181,167								4,979,236
30	Total Coal & Wood	1,685,231	1,620,726	1,900,873	1,833,071	1,270,283								8,310,184
31	Kettle Falls GS	4,561	395	347	2,897	1,368								9,568
32	Colstrip	15,558	9,941	4,619	26,207	18,186								74,511
33	Total Oil & Gas	20,119	10,336	4,966	29,104	19,554								84,079
34	Total Account 501	1,705,350	1,631,062	1,905,839	1,862,175	1,289,837								8,394,263
<u>501 FUEL-TONS</u>														
35	Kettle Falls	52,249	52,877	58,704	47,869	2,262								213,961
36	Colstrip	101,200	86,770	84,290	93,546	99,907								465,713
<u>501 FUEL-COST PER TON</u>														
37	Kettle Falls	15.33 \$	15.44 \$	15.44 \$	14.99 \$	39.40 \$	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	15.57 \$
38	Colstrip	8.74 \$	9.27 \$	11.80 \$	11.92 \$	11.82 \$	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	10.69 \$
<u>547 FUEL</u>														
39	NE Combustion Turbine Gas/Oil	484	2,078		3,579	155								6,296
40	Boulder Park	158,343	30,746	17,098	71	3,750								210,008
41	Kettle Falls CT	48,994	20,302	3,048	13,641	330								86,315
42	Coyote Springs2	2,855,500	6,327,750	7,642,386	6,737,590	948,047								24,511,273
43	Rathdrum Gas Storage Fee	40,000	40,000	40,000										120,000
44	Rathdrum Fuel Exp	486	442	(81)	(21)	1,382								2,208
45	Total Account 547	3,103,807	6,421,318	7,702,451	6,754,860	953,664								24,936,100
46	TOTAL NET EXPENSE	13,696,757	9,137,143	13,465,638	8,671,835	(1,829,977)								43,141,396

AVISTA UTILITIES
 Washington Electric Jurisdiction
 Energy Recovery Mechanism Revenue Credit
 Month of May 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	392,449,973								2,235,018,272
Deduct Prior Month Unbilled kWhs Heating	(336,802,948)	(321,228,105)	(303,770,568)	(289,482,363)	(280,846,269)								(1,542,130,253)
Deduct Prior Month Unbilled kWhs Cooling													
Add Current Month Unbilled kWhs Heating	321,228,105	303,770,568	299,482,363	280,846,269	271,038,777								1,476,366,082
Add Current Month Unbilled kWhs Cooling					1,670,129								1,670,129
Washington Retail kWhs	482,708,843	475,036,458	434,712,297	394,154,022	384,312,610								2,170,924,230
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-071595													
Difference from Test Year	33,230,939	49,899,391	(1,796,261)	6,042,639	7,841,153								95,217,861
WA Retail Revenue Credit	\$1,066,049	\$1,600,772	(\$57,624)	\$193,848	\$251,544	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$3,054,569
Net Wind Revenue Credit	\$7,088	\$7,242	\$7,253	\$7,221	\$7,513	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$36,317
Total Revenue Credit	\$1,073,137	\$1,608,014	(\$50,371)	\$201,069	\$259,057	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$3,090,906

Schedule 95 Wind Revenue	\$9,776.86	\$9,989.46	\$10,004.40	\$9,960.06	\$10,362.81	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$50,093.59
Deduct Admin Expense	\$2,688.64	\$2,747.10	\$2,751.21	\$2,739.02	\$2,849.77	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$13,775.74
0.005 x 55 = 0.275 per Revenue \$	\$7,088.22	\$7,242.36	\$7,253.19	\$7,221.04	\$7,513.04	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$36,317.85
Net Wind Revenue Credit													

Avista Corporation Journal Entry

Journal: 485-ECB AMORT (DJ)

Sponsor: Resource Accounting

Tran Type: C

Bal. Cd.:

Effective Date: 200505

Last Saved by: Lori Hamilton

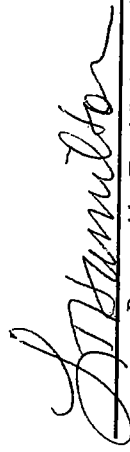
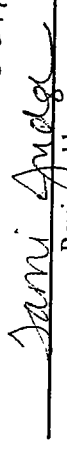
Saved Date: 05/31/2005 2:51 pm

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	2,451.00		Accrue interest on unamortized balance for future recovery
40	001	419000	ZZ	ZZ	DL		2,451.00	Interest income accrued
50	001	410100	ED	WA	DL		10,266.00	DFIT expense on amortization (operating)
60	001	410200	ZZ	ZZ	DL	858.00		DFIT expense on amortization (non-operating)
70	001	283360	ED	WA	DL	9,408.00		ADFIT ECB
TOTALS:						42,048.00	42,048.00	

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.


 Prepared by Lori Hamilton 6/1/05
 Date

 Reviewed by Tami Judge 6/1/05
 Date

 Approved for Entry
 Corporate Accounting use Only

 Date

