

Avista Corp.
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Corp.

August 10, 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 July 2005

Dear Ms. Washburn:

Enclosed are an original and five copies of Avista Corporation's Power Cost Deferral Report for the month of July 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 \$3,131,961. 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 July in the surcharge direction in the amount of \$2,422,805.

Actual power supply expenses were higher than authorized due partly to lower hydro generation. Hydro generation was 80 aMW below the authorized levels. The average market purchase price was \$51.94/MWh compared to an authorized rate of \$45.06/MWh. The average market sales price was \$50.47/MWh compared to an authorized sales price of \$34.97/MWh.

Colstrip generated 11 aMW above the authorized level, and Kettle Falls generated 18 aMW below the authorized level. Coyote Springs 2 generated 64 aMW above the authorized level due primarily to the acquisition of the second half of the plant. Due to economics other gas-fueled plants generated 50 aMW below the authorized level. Thermal fuel and natural gas fuel expense were both above the authorized level. Washington retail sales were 12 aMW above the authorized level.

The journal and workpapers associated with the Enron contract amortization are included in the enclosed report at pages 22-26. Workpapers supporting the semi-annual update of the carrying charge are included in the enclosed report at pages 27-30. There were no forward long-term contracts of one year or longer entered into in the month of July 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 JULY 2005

Avista Corporation Journal Entry

Journal: 481-WA ERM

Team: Resource Accounting

Type: C

Effective Date: 200507

Last Saved by: Lori Hamilton Last Saved: 08/04/2005 3:58 PM

Submitted by: Lori Hamilton

Approved by: Tami Judge Approved on: 08/04/2005 3:25 PM

SEQ	FERC	Ser.	Jur.	S.I.	Debit	Credit	Comment
10	557290 - WA ERM AMORTIZATION	ED	WA	DL	1,946,582.00		WA ERM surcharge amortization
20	182350 - REGULATORY ASSET ERM APPROVED FOR	ED	WA	DL		1,946,582.00	WA ERM authorized for recovery
30	557280 - DEFERRED POWER SUPPLY EXPENSE	ED	WA	DL			WA ERM current month deferral
40	186280 - REGULATORY ASSET ERM DEFERRED CURRENT	ED	WA	DL			WA ERM current year deferral
50	182350 - REGULATORY ASSET ERM APPROVED FOR	ED	WA	DL	446,806.00		Accrue interest on deferral balance authorized for recovery
60	186280 - REGULATORY ASSET ERM DEFERRED CURRENT	ED	WA	DL			Accrue interest on current year deferral balance
70	186290 - REGULATORY ASSET ERM DEFERRED LAST	ED	WA	DL			Accrue interest on previous year deferral balance
80	419600 - INTEREST ON ENERGY DEFERRALS	ED	WA	DL		446,806.00	Non-utility interest income
90	410100 - PRV DFIT DR	ED	WA	DL		681,304.00	DFIT entry for power supply deferral and surcharge amortization
100	410200 - DFIT EXP-NONOPER (DR)	ZZ	ZZ	DL	156,382.00		Non-op DFIT entry for interest income
110	283280 - ADFIT ERM	ED	WA	DL	524,922.00		ADFIT WA ERM current and prior years
120	186010 - REGULATORY ASSET ERM YTD COMPANY BAND	ED	WA	DL	3,131,961.00		Track YTD company band accumulation
130	186020 - REGULATORY ASSET ERM YTD CONTRA	ED	WA	DL		3,131,961.00	Contra account for YTD company band accumulation
TOTALS:					6,206,653.00	6,206,653.00	

Explanation:

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

L Hamilton
 Prepared by Lori Hamilton
 Date: 8/4/05

Tami Judge
 Reviewed by
 Date: 8/4/05

Approved for Entry
 Corporate Accounting use Only
 Date

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	
200506	USD	0.00		0.00	
200507	USD	0.00		0.00	

Journal Details

Summary Balances

ERM Deferral Balance (Current Year - 2005)

Account 186280.ED.WA

Balance 6/30/05

Deferral

Balance 7/31/05

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

Detail Balances (AWA CORP) - 001.186290.ED.WA.DL

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	
200506	USD	-11,019,388.00		0.00	
200507	USD	0.00		0.00	

Journal Details

Summary Balances

ERM Deferral Balance (Prior year - 2004)
Account 186290.ED.WA
 Balance 6/30/05
 No current month entry
 Balance 7/31/05

Amount	Journal ID
\$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		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	
200506	USD	9,564,809.00		102,559,406.65	
200507	USD	-1,499,776.00		101,059,630.65	

Journal Details

Summary Balances

Recoverable Deferral Balance

Account 182350.ED.WA

Balance 6/30/05
 Amortization
 Interest
 Balance 7/31/05

<u>Amount</u>	<u>Journal ID</u>
\$102,559,406.65	
-1,946,582.00	481 - WA ERM
446,806.00	481 - WA ERM
<u>\$101,059,630.65</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	
200506	USD	-27,001.00		507,251.00	
200507	USD	-27,141.00		480,110.00	

Journal Details

Summary Balances

Contract Buyout Deferral Balance

Account 182360.ED.WA

Balance 6/30/05

Amortization*

Interest

Balance 7/31/05

Amount

Journal ID

\$507,251.00

-29,308.00 485 - ECB AMORT

2,167.00 485 - ECB AMORT

\$480,110.00

*Amount grossed-up from 90% to 100% for ERM deferral calculations

\$32,564

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	
200506	USD	905,444.00		-709,156.00	
200507	USD	3,131,961.00		2,422,805.00	

Journal Details

Summary Balances

ERM Deadband

Account 186010.ED.WA

Balance 6/30/05
 2005 deadband accumulation
 Balance 7/31/05

Amount

Journal ID

-\$709,156.00
 3,131,961.00 481 - WA ERM
 \$2,422,805.00

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	
200506	USD	-905,444.00		709,156.00	
200507	USD	-3,131,961.00		-2,422,805.00	

Journal Details

Summary Balances

ERM Deadband Contra Account

Account 186020.ED.WA

Balance 6/30/05

2005 deadband contra entry

Balance 7/31/05

<u>Amount</u>	<u>Journal ID</u>
\$709,156.00	
-3,131,961.00	481 - WA ERM
<u>-\$2,422,805.00</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			
200505	USD	516,657.00		-36,404,890.00			
200506	USD	509,103.00		-35,895,787.00			
200507	USD	524,922.00		-35,370,865.00			

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	0.00
Account 182350.ED.WA balance	101,059,630.65
Total	\$101,059,630.65
Federal income tax rate	-35%
Deferred FIT related to deferrals	-\$35,370,871
Rounding	6
Balance in account	-\$35,370,865

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			
200506	USD	9,450.00		-177,541.00			
200507	USD	9,500.00		-168,041.00			

Journal Details

Summary Balances

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

Account 182360.ED.WA balance	\$480,110.00
Federal income tax rate	-35%
Deferred FIT related to contract buyout deferral	-\$168,039
Rounding	-2
Balance in account	-\$168,041

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 6/30/05 is 8.12%			
The monthly rate is:			0.00690 Before Tax	The monthly rate is: 0.00676667 Before Tax		
			0.0044850 After Tax	0.0043983 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
				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
				Jun-05	DFIT Expense	ADFIT
Jun-05	Surcharge Amortization	(1,906,046)		Amortization	(667,116)	Operating 667,116
Jun-05	Interest		403,129	Interest	141,095	Nonoperating (141,095)
06-30-2005	Balance before interest	88,930,717			(526,021)	Total 526,021
06-30-2005	Transfer from 186290	11,067,726				
06-30-2005	GL Balance including interest	102,559,407		Jul-05	DFIT Expense	ADFIT
Jul-05	Surcharge Amortization	(1,946,582)		Amortization	(681,304)	Operating 681,304
Jul-05	Interest		446,806	Interest	156,382	Nonoperating (156,382)
07-31-2005	Balance before interest	100,612,825			(524,922)	Total 524,922
				GL Balance	Activity	GL Balance
				06-30-2005	Jul-05	07-31-2005
	Net ERM Balance	101,059,631		102,559,407	(1,499,776)	101,059,631
	ADFIT Balance	(35,370,871)				

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 6/30/05 is 8.12%			
The monthly rate is:			0.00690 Before Tax	The monthly rate is:		
			0.0044850 After Tax	0.00676667 Before Tax		
			0.35 Tax rate	0.0043983 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>	<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>Jun-05</u>	<u>DFIT Expense</u>		<u>ADFIT</u>
Jun-05	ERM Deferral		Deferral	0	Operating	0
Jun-05	Interest	0	Interest	0	Nonoperating	0
06-30-2005	Balance before interest	0		0	Total	0
06-30-2005	GL Balance including interest	0	<u>Jul-05</u>	<u>DFIT Expense</u>		<u>ADFIT</u>
Jul-05	ERM Deferral		Deferral	0	Operating	0
Jul-05	Interest	0	Interest	0	Nonoperating	0
07-31-2005	Balance before interest	0		0	Total	0
			<u>GL Balance</u>	<u>Activity</u>	<u>GL Balance</u>	
	Net ERM Balance	0	<u>06-30-05</u>	<u>Jul-05</u>	<u>07-31-05</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 6/30/05 is 8.12%		
The monthly rate is:		0.00690	Before Tax	The monthly rate is:	
		0.0044850	After Tax	0.00676667 Before Tax	
		0.35	Tax rate	0.0043983 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>
Jan-05	ERM Transfer to 182350	0		Deferral	0 Operating
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>
Feb-05	ERM Transfer to 182350	0		Deferral	0 Operating
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>
Mar-05	ERM Transfer to 182350	0		Deferral	0 Operating
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>
Apr-05	ERM Transfer to 18235	0		Deferral	0 Operating
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)
				<u>May-05</u>	<u>DFIT Expense</u>
May-05	ERM Transfer to 18235	0		Deferral	0 Operating
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)
				<u>Jun-05</u>	<u>DFIT Expense</u>
Jun-05	ERM Transfer to 18235	0		Deferral	0 Operating
Jun-05	Interest		48,338	Interest	16,918 Nonoperating (16,918)
06-30-2005	Balance before interest	10,777,698			16,918 Total (16,918)
06-30-2005	GL Balance including interest	11,067,726		<u>Jun-05</u>	<u>DFIT Expense</u>
06-30-2005	ERM Transfer to 182350	(11,067,726)		Deferral	0 Operating
Jul-05	Interest		0	Interest	0 Nonoperating
07-31-2005	Balance before interest	0			0 Total
					0
	Net ERM Balance	0		GL Balance	Activity
				06-30-05	Jul-05
	ADFIT Balance	0		0.00	0.00
					07-31-05
					0.00
Annual Filing for Prudency Review made March 30, 2005					
Order received 6/29/2005 per Ron Mckenzie					
Transfer \$11,067,726 to 182350 after interest calculation is made					

Interest and DFIT Summary

DJ702	BEGINNING		ADFIT		ADFIT		ADFIT		ADFIT	BALANCE COMPONENTS	FOR ALL ACCOUNTS	ENDING	
	BALANCE	182350	186280	186290	186290		BALANCE						
10-31-2004	(40,666,732)	(37,116,384)	(3,550,347)	0	0	(40,666,731)					1	(40,666,731)	
11-30-2004	(39,862,249)	(36,564,060)	(3,298,189)	0	0	(39,862,249)					0	(39,862,249)	
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)	(35,089,014)	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)	
06-30-2005	(36,404,890)	(32,022,088)	0	(3,873,704)	(3,873,704)	(35,895,792)					509,103	(35,895,787)	
07-31-2005	(35,895,787)	(35,370,871)	0	0	0	(35,370,871)					524,922	(35,370,865)	
01-31-2005	182350	(940,160)	410100	ADFIT	ADFIT	182350					186290	419600	
	186280	0	158,681	283280	781,479	453,375					48,338	(501,713)	
	186290	0	16,918	(16,918)									
Total													
	182350	(940,160)	175,599	764,561									
02-28-2005	182350	(917,095)	154,516	762,579	441,475						48,338	(489,813)	
	186280	0	0	0									
	186290	0	16,918	(16,918)									
Total													
	182350	(917,095)	171,434	745,661									
03-31-2005	182350	(796,167)	150,674	645,493	430,498						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						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						48,338	(460,083)	
	186280	0	0	0									
	186290	0	16,918	(16,918)									
Total													
	(677,686)	161,029	516,657										
06-30-2005	182350	(667,116)	141,095	526,021	403,129						48,338	(451,467)	
	186280	0	0	0									
	186290	0	16,918	(16,918)									
Total													
	(667,116)	158,013	509,103										
07-31-2005	182350	(681,304)	156,382	524,922	446,806						0	(446,806)	
	186280	0	0	0									
	186290	0	0	0									
Total													
	(681,304)	156,382	524,922										

True up \$7 in Feb

			YTD	YTD	
			WA ERM	WA ERM	
			Company	Contra	Total
			Band	Account	GL
			<u>186010</u>	<u>186020</u>	<u>Impact</u>
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
Jun-05	Activity		\$905,444	(\$905,444)	
06-30-2005	Balance		(\$709,156)	\$709,156	\$0
Jul-05	Activity		\$3,131,961	(\$3,131,961)	
07-31-2005	Balance		\$2,422,805	(\$2,422,805)	\$0

AVISTA CORPORATION
 JULY 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)	63.174%	92,804,338	0.405¢	\$375,858	0.956277	\$359,424
1 (601-1300 kWh)	27.934%	41,035,812	0.607¢	249,087	0.956277	238,196
1 (over 1300 kWh)	8.892%	13,062,591	0.853¢	111,424	0.956277	106,552
Total Sch 1	100.000%	146,902,741		736,369		704,172
11		26,011,383	0.788¢	204,970	0.956277	196,008
12		2,861,887	0.788¢	22,552	0.956277	21,566
21		112,462,618	0.549¢	617,420	0.956277	590,425
22		12,386,675	0.549¢	68,003	0.956277	65,030
25		76,487,530	0.352¢	269,236	0.956277	257,464
30		4,359,800	0.485¢	21,145	0.956277	20,220
31		11,072,879	0.485¢	53,703	0.956277	51,355
32		1,294,271	0.485¢	6,277	0.956277	6,003
41-46		\$267,069	109.78%	23,792	0.956277	22,752
47		\$80,463	109.78%	7,168	0.956277	6,855
48		\$55,546	109.78%	4,948	0.956277	4,732
Schedule Totals		393,839,784		\$2,035,583		\$1,946,582 Amortization
kWh not subject to surcharge						-35%
Schedule 28		117,540				(\$681,304) DFIT Expense
Sch 41-48		2,282,950				
Total kWh		396,240,274				

Electric Revenue Report by Revenue Class
Current Month and Year-to-Date
for Accounting Period : 200507 , State Code : WA

Accounting Period: 200507 State Code: WA

	Meters	Usage	Revenue Amt	YTD Average Meters	Ytd Usage	Ytd Revenue Amt
Rate Schedule Num						
001	188,590	146,902,741	8,419,356	188,564	1,320,040,046	76,470,131
011	18,261	26,011,383	2,291,280	18,288	196,821,553	17,250,849
012	6,859	2,861,887	266,969	6,802	24,127,137	2,179,017
021	3,283	112,462,618	7,532,355	3,282	847,686,694	56,002,408
022	70	12,386,675	654,619	69	30,001,174	1,703,880
025	22	76,487,530	3,274,698	21	529,381,140	22,628,561
028	1	117,540	34,770	0	154,730	128,954
030	40	4,359,800	217,083	39	13,126,120	654,722
031	1,039	11,072,879	633,957	1,033	40,314,970	2,390,941
032	1,074	1,294,271	76,435	1,074	3,851,644	259,225
041	12	16,056	2,727	12	112,392	19,089
042	226	1,059,256	241,513	217	7,359,700	1,674,702
044	13	21,600	1,890	13	151,200	13,229
045	7	182,793	8,006	7	1,277,799	55,940
046	16	182,621	12,933	16	1,335,898	94,533
047	0	504,593	80,463	0	3,544,800	565,146
048	0	316,031	55,546	0	2,212,834	388,650
05B	0	0	822,825	0	0	6,232,120
058A	0	0	-3,853	0	0	-43,371

Electric Revenue Report by Revenue Class
Current Month and Year-to-Date
 for Accounting Period : 200507 , State Code : WA

Accounting Period: 200507 | State Code: WA

	Meters	Usage	Revenue Amt	YTD Average Meters	Ytd Usage	Ytd Revenue Amt
090	0	0	4	0	0	28
095	0	0	10,131	0	0	70,613
099	0	0	51,919	0	0	353,360
Total WA	219,513	396,240,274	24,685,624	219,437	3,021,499,831	189,092,728
Total WA	219,513	396,240,274	24,685,624	219,437	3,021,499,831	189,092,728

Avista Utilities
 WASHINGTON POWER COST DEFERRALS

Line No.	WASHINGTON ACTUALS-2005	WASHINGTON POWER COST DEFERRALS													
		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	\$129,654,434	\$16,986,804	\$15,444,404	\$22,352,133	\$18,431,402	\$16,486,668	\$17,939,891	\$22,013,132	\$	\$	\$	\$	\$	\$
2	501 Thermal Fuel	\$12,021,749	\$1,705,350	\$1,631,062	\$1,905,839	\$1,862,175	\$1,289,837	\$1,643,869	\$1,983,617	\$	\$	\$	\$	\$	\$
3	547 CT Fuel	\$30,889,383	\$3,103,807	\$6,421,318	\$7,702,451	\$6,754,860	\$953,664	\$484,879	\$5,488,404	\$	\$	\$	\$	\$	\$
4	447 Sale for Resale	\$120,823,454	\$8,099,204	\$14,359,641	\$18,494,785	\$18,376,802	\$20,560,146	\$21,110,600	\$19,822,476	\$	\$	\$	\$	\$	\$
5	Actual Net Expense	\$51,742,112	\$13,696,757	\$9,137,143	\$13,465,638	\$8,671,835	\$1,829,977	\$1,041,961	\$9,642,677	\$	\$	\$	\$	\$	\$
6	Pollatch 25 atMW directly assigned to ID	(\$4,114,111)	(\$601,710)	(\$543,480)	(\$601,710)	(\$581,491)	(\$601,710)	(\$582,300)	(\$601,710)						
7	Pollatch 62 atMW directly assigned to ID	(\$12,476,285)	(\$1,984,277)	(\$1,807,447)	(\$1,479,409)	(\$1,969,470)	(\$1,841,697)	(\$1,417,691)	(\$1,976,294)						
8	Adjusted Actual Net Expense	\$35,151,716	\$11,110,770	\$6,786,216	\$11,394,519	\$6,120,874	\$4,273,384	\$3,041,952	\$7,064,673	\$	\$	\$	\$	\$	\$
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	\$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	\$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	\$1,302,967	\$642,820	\$1,720,868	\$3,644,073	\$4,169,327	\$4,111,073	\$2,703,227	\$2,355,980	\$2,142,305	
12	447 Sale for Resale	\$49,213,167	\$3,395,816	\$3,610,669	\$2,796,420	\$1,922,246	\$2,752,789	\$8,044,786	\$9,136,979	\$5,227,898	\$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	(\$323,268)	(\$4,439,362)	\$1,425,179	\$8,002,694	\$7,055,338	\$9,037,068	\$9,296,925	\$8,212,198	
14	Actual - Authorized Net Expense	-\$10,889,320	\$1,978,872	(\$518,223)	\$3,765,699	\$2,576,184	(\$3,950,116)	\$1,397,410	\$5,639,494						
15	Net Fuel Expense not incl In Acct 547 (1)	\$ (1,797,180)	\$ (456,235)	\$ (91,865)	\$ (514,247)	\$ (201,950)	\$ (606,892)	\$ 596,352	\$ (522,343)						
16	Adjusted Actual - Authorized Net Exp	\$ 9,092,140	\$ 1,522,637	\$ (610,088)	\$ 3,251,452	\$ 2,374,234	\$ (4,557,008)	\$ 1,993,762	\$ 5,117,151	\$	\$	\$	\$	\$	
17	Washington Alloc. @ 66.29%	\$6,027,180	\$1,009,356	(\$404,427)	\$2,155,388	\$1,573,880	(\$3,020,841)	\$1,321,665	\$3,392,159	\$0	\$0	\$0	\$0	\$0	
18	Enron Contract Buyout 100%	\$228,104	\$32,590	\$32,590	\$32,590	\$32,590	\$32,590	\$32,590	\$32,564						
19	WA Retail Revenue Adjustment	\$ (3,832,479)	(\$1,073,137)	(\$1,608,014)	\$50,371	(\$201,069)	(\$259,057)	(\$448,811)	(\$292,762)						
20	Net Power Cost Increase (Decrease)	\$ 2,422,805	(\$31,191)	(\$1,979,851)	\$2,238,349	\$1,405,401	(\$3,247,308)	\$905,444	\$3,131,961	\$0	\$0	\$0	\$0	\$0	

Avista Utilities
System Power Supply Expenses
WASHINGTON DEFERRED POWER COST CALCULATION

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
ACTUALS													
1	8,399,639	7,543,655	15,866,660	11,842,156	10,986,980	12,686,242	16,602,900						83,928,232
2	163,242	163,242	163,242	163,242	134,280	163,242	163,242						1,113,732
2	106,273	83,621	71,811	131,011	200,198	417,000	156,180						1,166,094
3	273,832	273,832	273,832	273,832	244,597	273,832	273,832						1,887,589
4	98,106	98,106	98,106	98,106	98,106	98,106	87,069						675,705
5													
6	343	467	406	376	361	379	331						2,663
7	116,157	104,037	101,833	124,765	112,002	106,336	103,533						768,663
8	348,383	342,360	175,976	300,393	310,479	121,033	3,341						1,601,965
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)	17,714	(28,089)						78,958
11	567,300	512,400	567,300	548,238	567,300	549,000	567,300						3,878,838
12	1,041,600	940,800	1,041,600	503,300	1,041,600	1,008,000	1,041,600						6,618,500
13	590,550	533,400	590,550	570,706	590,550	571,500	590,550						4,037,806
14	117,591	114,136	128,148	96,785	88,065	82,919	133,595						761,239
15	1,984,277	1,807,447	1,479,409	1,969,470	1,841,697	1,417,691	1,976,294						12,476,285
16	90,000	112,500	112,500	147,500	152,500	178,000	178,500						971,500
17	108,571	97,729	218,388	153,406	167,253	243,296	157,650						1,146,293
18	2,908	2,859	2,920	2,394	3,742	5,601	5,304						25,728
19	16,966,804	15,444,404	22,352,133	18,431,402	16,486,668	17,939,891	22,013,132	0					129,654,434
(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	20,740,145	19,385,275						117,943,904
21	150,000	150,000	150,000	150,000	150,000	150,000	150,000						1,050,000
22	62,464	8,619	6,156	7,979	28,267	13,236	6,473						133,194
23	61,750	31,772	64,477	32,487	30,697	31,376	29,850						282,408
24	197,530	172,414	232,356	217,716	133,679	174,163	250,348						1,378,206
25	52,912	0	(3,666)	(3,987)	(17,469)	(3,920)	(4,774)						52,912
26	(4,050)	(5,032)	2,920	2,394	3,742	5,601	5,304						(42,898)
26	2,908	2,859	2,920	2,394	3,742	5,601	5,304						25,728
27	8,099,204	14,359,641	18,494,785	18,376,602	20,560,146	21,110,600	19,822,476						120,923,454

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	wood	801,206	816,446	906,506	717,674	89,116	627,475	806,092					4,764,515
29	coal	884,025	804,280	994,367	1,115,397	1,181,167	1,003,449	1,164,926					7,147,611
30	Total Coal & Wood	1,685,231	1,620,726	1,900,873	1,833,071	1,270,283	1,630,924	1,971,018					11,912,126
31	gas	4,561	395	347	2,897	1,368	4,382	1,874					15,824
32	oil	15,558	9,941	4,619	26,207	18,186	8,563	10,725					93,799
33	Total Oil & Gas	20,119	10,336	4,966	29,104	19,554	12,945	12,599					109,623
34	Total Account 501	1,705,350	1,631,062	1,905,839	1,862,175	1,289,837	1,643,869	1,983,617					12,021,749
<u>501 FUEL-TONS</u>													
35	Kettle Falls	52,249	52,877	58,704	47,869	2,262	12,286	46,959					273,206
36	Colstrip	101,200	86,770	84,290	93,546	99,907	91,250	100,553					657,516
37	wood \$	15.33	15.44	15.44	14.99	39.40	51.07	17.17					17.44
38	coal \$	8.74	9.27	11.80	11.92	11.82	11.00	11.59					10.87
<u>547 FUEL</u>													
39	NE Combustion Turbine Gas/Oil	484	2,078		3,579	155	675						6,971
40	Boulder Park	158,343	30,746	17,098	71	3,750	30,120	144,024					384,152
41	Kettle Falls CT	48,994	20,302	3,048	13,641	330	6,150	68,053					160,518
42	Coyote Springs2	2,855,500	6,327,750	7,642,386	6,737,590	948,047	448,585	5,110,914					30,070,772
43	Rathdrum Gas Storage Fee	40,000	40,000	40,000									120,000
44	Rathdrum Fuel Exp	486	442	(81)	(21)	1,382	(651)	145,413					146,970
45	Total Account 547	3,103,807	6,421,318	7,702,451	6,754,860	953,664	484,879	5,468,404					30,889,383
46	TOTAL NET EXPENSE	13,696,757	9,137,143	13,465,638	8,671,835	(1,829,977)	(1,041,961)	9,642,677					51,742,112

AVISTA UTILITIES
Washington Electric Jurisdiction
Energy Recovery Mechanism Revenue Credit
Month of July 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	390,241,285	396,240,274						3,021,499,831
Deduct Prior Month Unbilled kWhs Heating	(336,802,948)	(321,228,105)	(303,770,568)	(299,482,363)	(280,846,269)	(271,038,777)	(269,939,011)						(2,083,108,041)
Deduct Prior Month Unbilled kWhs Cooling						(1,670,129)	(3,724,562)						(5,394,691)
Add Current Month Unbilled kWhs Heating	321,228,105	303,770,568	299,482,363	280,846,269	271,038,777	269,939,011	267,211,214						2,013,516,307
Add Current Month Unbilled kWhs Cooling					1,670,129	3,724,562	17,675,427						23,070,118
Washington Retail kWhs	482,708,843	475,036,458	434,712,297	394,154,022	384,312,610	391,195,952	407,463,342						2,969,583,524
Test Year Consumption from Attachment 1 Settlement Stipulation in Docket No. UE-071595	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
Difference from Test Year	33,230,939	49,899,391	(1,796,261)	6,042,639	7,941,153	13,755,625	8,897,041						117,870,526
WA Retail Revenue Credit	\$1,066,049	\$1,600,772	(\$57,624)	\$193,848	\$251,544	\$441,280	\$285,417	\$0	\$0	\$0	\$0	\$0	\$3,781,286
Net Wind Revenue Credit	\$7,088	\$7,242	\$7,253	\$7,221	\$7,513	\$7,531	\$7,345	\$0	\$0	\$0	\$0	\$0	\$51,193
Total Revenue Credit	\$1,073,137	\$1,608,014	(\$50,371)	\$201,069	\$259,057	\$448,811	\$292,762						\$3,832,479

Schedule 95 Wind Revenue	\$9,776.86	\$9,989.46	\$10,004.40	\$9,960.06	\$10,362.81	\$10,388.16	\$10,131.21						\$70,612.96
Deduct Admin Expense	\$2,668.64	\$2,747.10	\$2,751.21	\$2,739.02	\$2,849.77	\$2,856.74	\$2,786.08	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$19,418.56
Net Wind Revenue Credit	\$7,088.22	\$7,242.36	\$7,253.19	\$7,221.04	\$7,513.04	\$7,531.42	\$7,345.13	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$51,194.40

Avista Corporation Journal Entry

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 Team: Resource Accounting
 Type: C

Effective Date: 200507

Last Saved by: Lori Hamilton
 Submitted by: Lori Hamilton
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<u>SEQ</u>	<u>FERC</u>	<u>Ser.</u>	<u>Jur.</u>	<u>S.I.</u>	<u>Debit</u>	<u>Credit</u>	<u>Comment</u>
10	557162 - ENRON CONTRACT BUYOUT	ED	WA	DL	29,308.00		Amortization expense
20	182360 - REGULATORY ASSET ENRON CONTRACT	ED	WA	DL		29,308.00	Amortization for WA ERM
30	182360 - REGULATORY ASSET ENRON CONTRACT	ED	WA	DL	2,167.00		Accrue interest on unamortized balance for future recovery
40	419000 - INTEREST AND DIVIDEND INCOME	ZZ	ZZ	DL		2,167.00	Interest income accrued
50	410100 - PRV DFIT DR	ED	WA	DL		10,258.00	DFIT expense on amortization (operating)
60	410200 - DFIT EXP-NONOPER (DR)	ZZ	ZZ	DL	758.00		DFIT expense on amortization (non-operating)
70	283360 - ADFIT ENRON CONTRACT BUYOUT	ED	WA	DL	9,500.00		ADFIT ECB
	TOTALS:				41,733.00	41,733.00	

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.

Lori Hamilton
 Prepared by Lori Hamilton
 Date: 8/1/05

Jami Gudge
 Reviewed by
 Date: 8/1/05

Approved for Entry
 Corporate Accounting use Only
 Date: _____

Avisia Corporation		Weighted cost of debt at 12/31/04		8.28%											
Enron Contract Buyout		Weighted cost of debt at 06/30/05		8.12%											
Amortization Schedule															
January 2005 - December 2006															
		100%												283360 ED WA Eff 1/05	
Uniform Monthly Amortization		\$29,331		\$32,690 Expense for deferral calculation - January through June 2005											
		-\$29,308		\$32,564 Expense for deferral calculation - July through Dec 2005											
Amortization		90%													
Net of amortization		-29,331		DR		GR		DFIT		ADFIT					
Average balance		504,921		557162 ED WA		182360 ED WA		410100 ED WA		10,266					
Interest (net of tax)		519,587													
Balance		2,330		182360 ED WA		419000 ZZ ZZ		410200 ZZ ZZ		816		(816)			
		\$507,251								(9,450)		9,450		Total monthly DFIT & ADFIT	
Amortization		Jul-05		557162 ED WA		182360 ED WA		410100 ED WA		(10,258)					
Net of amortization		477,943													
Average balance		492,597		182360 ED WA		419000 ZZ ZZ		410200 ZZ ZZ		758		(758)			
Interest (net of tax)		2,167								(9,500)		9,500			
Balance		\$480,110		557162 ED WA		182360 ED WA		410100 ED WA		(10,258)		(168,041)			
Amortization		Aug-05		557162 ED WA		182360 ED WA		410100 ED WA		10,258					
Net of amortization		450,802													
Average balance		465,456		182360 ED WA		419000 ZZ ZZ		410200 ZZ ZZ		716		(716)			
Interest (net of tax)		2,047								(9,542)		9,542			
Balance		\$452,849		557162 ED WA		182360 ED WA		410100 ED WA		(10,258)		(158,499)			
Amortization		Sep-05		557162 ED WA		182360 ED WA		410100 ED WA		10,258					
Net of amortization		423,541													
Average balance		438,195		182360 ED WA		419000 ZZ ZZ		410200 ZZ ZZ		674		(674)			
Interest (net of tax)		1,927								(9,584)		9,584			
Balance		\$425,468		557162 ED WA		182360 ED WA		410100 ED WA		(10,258)		(148,915)			
Amortization		Oct-05		557162 ED WA		182360 ED WA		410100 ED WA		10,258					
Net of amortization		396,160													
Average balance		410,814		182360 ED WA		419000 ZZ ZZ		410200 ZZ ZZ		632		(632)			
Interest (net of tax)		1,807								(9,626)		9,626			
Balance		\$397,967		557162 ED WA		182360 ED WA		410100 ED WA		(10,258)		(39,299)			
Amortization		Nov-05		557162 ED WA		182360 ED WA		410100 ED WA		10,258					
Net of amortization		368,659													
Average balance		383,313		182360 ED WA		419000 ZZ ZZ		410200 ZZ ZZ		590		(590)			
Interest (net of tax)		1,686								(9,668)		9,668			
Balance		\$370,345		557162 ED WA		182360 ED WA		410100 ED WA		(10,258)		(129,621)			
Amortization		Dec-05		557162 ED WA		182360 ED WA		410100 ED WA		10,258					
Net of amortization		341,037													
Average balance		355,691		182360 ED WA		419000 ZZ ZZ		410200 ZZ ZZ		547		(547)			
Interest (net of tax)		1,564								(9,711)		9,711			
Balance		\$342,601		557162 ED WA		182360 ED WA		410100 ED WA		(10,258)		(1,910)			

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

Avista Corporation
Enron Contract Buyout
Amortization Schedule
July 2005 - December 2006

Weighted cost of debt at 6/30/05 is 8.12%.

		<u>90%</u>	<u>100%</u>
Uniform Monthly Amortization		-\$29,308	-\$32,564
Balance	6/30/2005	\$507,251	
Amortization	Jul-05	-29,308	
Net of amortization		477,943	
Average balance		492,597	
Interest (net of tax)	0.0043983	2,167	
Balance	7/31/2005	\$480,110	
Amortization	Aug-05	-29,308	
Net of amortization		450,802	
Average balance		465,456	
Interest (net of tax)	0.0043983	2,047	
Balance	8/31/2005	\$452,849	
Amortization	Sep-05	-29,308	
Net of amortization		423,541	
Average balance		438,195	
Interest (net of tax)	0.0043983	1,927	
Balance	9/30/2005	\$425,468	
Amortization	Oct-05	-29,308	
Net of amortization		396,160	
Average balance		410,814	
Interest (net of tax)	0.0043983	1,807	
Balance	10/31/2005	\$397,967	
Amortization	Nov-05	-29,308	
Net of amortization		368,659	
Average balance		383,313	
Interest (net of tax)	0.0043983	1,686	
Balance	11/30/2005	\$370,345	
Amortization	Dec-05	-29,308	
Net of amortization		341,037	
Average balance		355,691	
Interest (net of tax)	0.0043983	1,564	
Balance	12/31/2005	\$342,601	

Amortization	Jan-06	<u>-29,308</u>
Net of amortization		313,293
Average balance		327,947
Interest (net of tax)	0.0043983	<u>1,442</u>
Balance	1/31/2006	\$314,735

Amortization	Feb-06	<u>-29,308</u>
Net of amortization		285,427
Average balance		300,081
Interest (net of tax)	0.0043983	<u>1,320</u>
Balance	2/28/2006	\$286,747

Amortization	Mar-06	<u>-29,308</u>
Net of amortization		257,439
Average balance		272,093
Interest (net of tax)	0.0043983	<u>1,197</u>
Balance	3/31/2006	\$258,636

Amortization	Apr-06	<u>-29,308</u>
Net of amortization		229,328
Average balance		243,982
Interest (net of tax)	0.0043983	<u>1,073</u>
Balance	4/30/2006	\$230,401

Amortization	May-06	<u>-29,308</u>
Net of amortization		201,093
Average balance		215,747
Interest (net of tax)	0.0043983	<u>949</u>
Balance	5/31/2006	\$202,042

Amortization	Jun-06	<u>-29,308</u>
Net of amortization		172,734
Average balance		187,388
Interest (net of tax)	0.0043983	<u>824</u>
Balance	6/30/2006	\$173,558

Amortization	Jul-06	<u>-29,308</u>
Net of amortization		144,250
Average balance		158,904
Interest (net of tax)	0.0043983	<u>699</u>
Balance	7/31/2006	\$144,949

Amortization	Aug-06	<u>-29,308</u>
Net of amortization		115,641
Average balance		130,295
Interest (net of tax)	0.0043983	<u>573</u>
Balance	8/31/2006	\$116,214

Amortization	Sep-06	<u>-29,308</u>
Net of amortization		86,906
Average balance		101,560
Interest (net of tax)	0.0043983	<u>447</u>
Balance	9/30/2006	\$87,353

Amortization	Oct-06	<u>-29,308</u>
Net of amortization		58,045
Average balance		72,699
Interest (net of tax)	0.0043983	<u>320</u>
Balance	10/31/2006	\$58,365

Amortization	Nov-06	<u>-29,308</u>
Net of amortization		29,057
Average balance		43,711
Interest (net of tax)	0.0043983	<u>192</u>
Balance	11/30/2006	\$29,249

Amortization	Dec-06	<u>-29,308</u>
Net of amortization		-59
Average balance		14,595
Interest (net of tax)	0.0043983	<u>64</u>
Balance	12/31/2006	\$5

AVISTA CORP.

Total Debt Capital as of June 30, 2005

Line No.	Rating S&P, M, Fitch	Coupon Rate	Maturity Date	Settlement Date	Principal Amount	Issuance Costs	Loss/Reacq Expenses	Net Proceeds	Yield to Maturity	Principal Outstanding 6/30/2005	Effective Cost	Line No.
SECURED MEDIUM TERM NOTES, SERIES A (A FORM OF FIRST MORTGAGE BOND) Ratings S&P BBB-, Moody's Baa3, Fitch BBB-												
1	RATINGS											1
2	Series Costs		8/31/2010	5/1/1993		373,693						2
3	BBB-, Baa3, BBB-	6.39%	7/8/2005	7/8/1993	1,500,000	9,375	399	1,490,226	6.469%	1,500,000	21,663	3
4	BBB-, Baa3, BBB-	6.67%	7/12/2010	7/12/1993	5,000,000	33,750	207,139	4,964,919	6.740%	5,000,000	17,262	4
5	BBB-, Baa3, BBB-	6.89%	6/4/2008	6/4/1993	10,000,000	67,500	690,464	9,929,837	6.966%	10,000,000	336,998	5
6	BBB-, Baa3, BBB-	6.95%	6/3/2008	6/3/1993	10,000,000	67,500	1,380,929	9,929,837	7.026%	10,000,000	40,616	6
7	BBB-, Baa3, BBB-	7.18%	8/11/2023	8/12/1993	7,000,000	52,500	1,864	6,945,636	7.244%	7,000,000	92,062	7
8	BBB-, Baa3, BBB-	7.37%	5/10/2012	5/10/1993	7,000,000	47,250	1,864	6,950,886	7.440%	7,000,000	702,642	8
9	BBB-, Baa3, BBB-	7.39%	5/11/2018	5/11/1993	7,000,000	52,500	1,227,863	6,945,636	7.459%	7,000,000	92,062	9
10	BBB-, Baa3, BBB-	7.45%	6/11/2018	6/9/1993	15,500,000	116,250	1,227,863	15,329,403	7.548%	15,500,000	83,246	10
11	BBB-, Baa3, BBB-	7.53%	5/5/2023	5/6/1993	5,500,000	41,250	54,347	5,457,288	7.596%	5,500,000	507,064	11
12	BBB-, Baa3, BBB-	7.54%	5/5/2023	5/7/1993	1,000,000	7,500	2,140,440	992,274	7.606%	1,000,000	620,769	12
13	BBB-, Baa3, BBB-	7.90%	8/25/2006	8/25/1994	4,000,000	25,000	963,011	3,970,824	7.996%	4,000,000	64,625	13
14	BBB-, Baa3, BBB-	7.26%	4/30/2015	1/21/2005	5,000,000	534,070	175,412	4,476	8.882	5,000,000	522,129	14
15	BBB-, Baa3, BBB-	7.30%	4/30/2015	1/21/2005	10,000,000	396,981	1,462	9,603,019	8.882	10,000,000	83,246	15
16	BBB-, Baa3, BBB-	7.44%	4/30/2015	1/21/2005	1,000,000	122,626	226	827,374	8.882	1,000,000	85,618	16
17	BBB-, Baa3, BBB-	7.90%	8/25/2006	8/25/1994	4,000,000	25,000	175,412	3,970,824	7.996%	4,000,000	417,781	17
18	BBB-, Baa3, BBB-	7.26%	4/30/2015	1/21/2005	5,000,000	534,070	1,462	4,476	8.882	5,000,000	32,100	18
19	BBB-, Baa3, BBB-	7.30%	4/30/2015	1/21/2005	10,000,000	396,981	1,462	9,603,019	8.882	10,000,000	76,057	19
20	BBB-, Baa3, BBB-	7.44%	4/30/2015	1/21/2005	1,000,000	122,626	226	827,374	8.882	1,000,000	8,882	20
21	BBB-, Baa3, BBB-	6.50%	11/28/2005	11/28/1995	15,000,000	93,750	47,970	14,858,280	6.631%	15,000,000	319,826	21
22	BBB-, Baa3, BBB-	6.50%	11/15/2005	11/28/1995	5,000,000	31,250	15,990	4,952,760	6.631%	5,000,000	52,104	22
23	BBB-, Baa3, BBB-	6.90%	7/1/2010	6/9/1995	5,000,000	33,750	4,194	4,962,056	6.982%	5,000,000	38,730	23
24	BBB-, Baa3, BBB-	7.89%	8/25/2006	8/25/1994	26,000,000	162,500	3,811	25,833,689	7.974%	26,000,000	11,964	24
25					Total Secured Medium Term Notes - Series A			72,906,765	8.174%	73,500,000	6,007,859	25
26	SECURED MEDIUM TERM NOTES, SERIES B (A FORM OF FIRST MORTGAGE BOND) Ratings S&P BBB-, Moody's Baa3, Fitch BBB-											
27	RATINGS											26
28	Series Costs		5/1/2009	5/1/1994		329,022						27
29	BBB-, Baa3, BBB-	6.50%	11/28/2005	11/28/1995	15,000,000	93,750	47,970	14,858,280	6.631%	15,000,000	21,935	28
30	BBB-, Baa3, BBB-	6.50%	11/15/2005	11/28/1995	5,000,000	31,250	15,990	4,952,760	6.631%	5,000,000	994,611	29
31	BBB-, Baa3, BBB-	6.90%	7/1/2010	6/9/1995	5,000,000	33,750	4,194	4,962,056	6.982%	5,000,000	331,529	30
32	BBB-, Baa3, BBB-	7.89%	8/25/2006	8/25/1994	26,000,000	162,500	3,811	25,833,689	7.974%	26,000,000	349,077	31
33					Total Secured Medium Term Notes - Series B			50,606,786	7.398%	51,000,000	2,500	32
34												33
												34

AVISTA CORP.

Total Debt Capital as of June 30, 2005

Line No.	Rating S&P,M,Fitch	Coupon Rate	Maturity Date	Settlement Date	Principal Amount	Issuance Costs	Loss/Reacq Expenses	Net Proceeds	Yield to Maturity	Principal Outstanding 6/30/2005	Effective Cost	Line No.
35	RATINGS											35
36	BBB-,Baa3,BBB-	7.75%	1/1/2007	12/19/2001	150,000,000	1,875,000	1,159,351	146,965,649	8.248%	150,000,000	12,371,982	36
37							5,548,458				1,091,500	37
38	RATINGS							146,965,649	8.976%	150,000,000	13,463,482	38
39	BBB-,Baa3,BBB-	6.125%	9/1/2013	9/8/2003	45,000,000	292,500	638,913	44,068,587	6.409%	45,000,000	2,883,906	39
40							815,824				81,582	40
41	RATINGS							44,068,587	6.590%	45,000,000	2,965,488	41
42	BBB-,Baa3,BBB-	5.450%	12/1/2019	11/18/2004	90,000,000	675,000	618,552	88,706,448	5.592%	90,000,000	5,033,114	42
43											0	43
44	RATINGS							88,706,448	5.592%	90,000,000	5,033,114	44
45	BBB-,Baa3,BBB-										0	45
46											5,033,114	46
47	RATINGS							403,254,235	7.629%	409,500,000	31,242,783	47
48	BBB-,Baa3,BBB-										0	48
49											0	49
50	RATINGS										13,042	50
51	Series Costs		7/30/2015	11/30/2004			142,372				13,042	51
52											0	52
53	RATINGS										0	53
54	Series Costs		6/1/2008				-1,502,769				-261,351	54
55											0	55
56	RATINGS										0	56
57	SWAP/STRATEGY		6/1/2018	11/30/2004	25,000,000		83,958				6,181	57
58			4/30/2035	4/30/2005	50,000,000		50,000				1,667	58
59			1/1/2014	11/30/2004	75,000,000		55,902				6,098	59
60	RATINGS										-247,405	60
61	Convertible Debt										0	61
62							247,406				0	62
63											0	63
64											0	64
65	TOTAL STRATEGY COSTS										-234,363	65
66												66
67												67
68	RATINGS											68
69	POLLUTION CONTROL BONDS	6.00%	12/1/2023	7/1/1993	4,100,000	30,750	243,525	3,825,725	6.507%	4,100,000	266,795	69
70			12/1/2023	12/31/2002			4,452				212	70
71	Insurance		10/1/2004	10/1/2003	66,700,000		7,356,507	59,343,493	5.749%	66,700,000	3,834,268	71
72	AAA-Aaa	5.00%	10/1/2032	9/1/1999	17,000,000		2,124,593	14,875,407	5.986%	17,000,000	1,017,541	72
73	AAA-Aaa	5.125%	3/1/2034	9/1/1999	17,000,000			78,044,625	6.068%	87,800,000	5,328,066	73
74												74
75	RATINGS											75
76	MEDIUM TERM NOTES, SERIES A, Ratings S&P BB+, Moody's Ba1, Fitch BB+,	7.94%	1/22/2007	1/22/1992	3,000,000	20,250	309	2,979,441	8.019%	3,000,000	240,581	76
77	BB+,Ba1,BB+						89,342				6,623	77
78								2,979,441	8.240%	3,000,000	247,203	78
79												79
80												80

AVISTA CORP.

Total Debt Capital as of June 30, 2005

Line No.	Rating S&P,M,Fitch	Coupon Rate	Maturity Date	Settlement Date	Principal Amount	Issuance Costs	Loss/Reacq Expenses	Net Proceeds	Yield to Maturity	Principal Outstanding 6/30/2005	Effective Cost	Line No.
81	RATINGS											81
82	Series Costs		6/30/2008	4/1/1991		276,594					16,112	82
83	BB+,Ba1,BB+	7.90%	1/22/2007	1/22/1992	9,000,000	60,750	1,297	8,937,953	7.980%	9,000,000	718,168	83
84							298,027				19,868	84
85	BB+,Ba1,BB+	8.14%	12/18/2006	12/17/1991	8,000,000	54,000	1,153	7,944,847	8.221%	8,000,000	657,660	85
86		7.99%	4/1/2015	2/3/2005	5,000,000		184,019				17,953	
87		8.15%	4/1/2015	2/2/2005	5,000,000		458,998				44,780	
88					Total Medium Term Notes - Series B			16,882,800	8.305%	17,000,000	1,411,808	88
89												89
90	RATINGS											90
91	Series Costs		6/15/2013	34,499		452,261					30,151	91
92	BB+,Ba1,BB+		6/15/2013	34,803		150,633					10,633	92
93			6/15/2013	36,218		7,900					765	93
94	BB+,Ba1,BB+	6.37%	6/19/2028	6/19/1998	15,000,000	93,750	1,232	14,905,018	6.418%	15,000,000	962,674	94
95							79,196				2,640	95
96	BB+,Ba1,BB+	6.37%	6/19/2028	6/19/1998	10,000,000	62,500	822	9,936,678	6.418%	10,000,000	641,783	96
97							109,453				3,648	97
98	BB+,Ba1,BB+	5.99%	12/10/2007	12/10/1998	13,850,000	83,100	1,559	13,765,341	6.079%	13,850,000	841,967	98
99							55,183				12,040	99
100							993				124	100
101	BB+,Ba1,BB+	6.06%	12/10/2008	12/10/1998	25,000,000	156,250	2,931	24,840,819	6.146%	25,000,000	1,536,544	101
102	BB+,Ba1,BB+	8.02%	10/26/2010	10/26/1999	25,000,000	156,250	5,037	24,838,713	8.110%	25,000,000	2,027,439	102
103							707,527				64,321	103
104			3/1/2011	5/24/2002			-2,350,000				-268,571	104
105			5/1/2011	4/30/2003			-407,637				-50,429	105
106					Total Medium Term Notes - Series C			88,286,569	6.546%	88,850,000	5,815,727	106
107												107
108	SENIOR CORP. NOTES, 9.75%											108
109	BB+,Ba1,BB+	9.750%	6/1/2008	4/3/2001	279,735,000	5,594,700	2,687,997	271,452,303	10.340%	279,735,000	28,924,591	109
110								271,452,303		279,735,000	28,924,591	110
111												111
112	RATINGS											112
113	BB+,Ba1,BB+		3/1/2011	7/1/2011			938,274				121,068	113
114							369,462				45,707	114
115			6/30/2011	3/1/2011			859,304				109,698	115
116			3/1/2011	3/1/2011			10,225,725				1,146,810	116
117			3/1/2011	3/1/2011			232,456				27,619	117
118			3/1/2011	3/1/2011			92,340				11,081	118
119			6/15/2011	8/15/2014			134,471				16,809	119
120			8/15/2014	8/15/2014			1,683,886				153,081	120
121			8/15/2014	8/15/2014			14,804				1,433	121
122			7/15/2014	7/15/2014			2,631,939				261,019	122
123			3/15/2015	3/15/2015			4,353,872				417,972	123
124					Total Corporate Notes						2,312,295	124
125												125

AVISTA CORP.

Total Debt Capital as of June 30, 2005

Line No.	Rating S&P,M,Fitch	Coupon Rate	Maturity Date	Settlement Date	Principal Amount	Issuance Costs	Loss/Reaccq Expenses	Net Proceeds	Yield to Maturity	Principal Outstanding 6/30/2006	Effective Cost	Line No.	
126												126	
127								379,601,113	9.962%	388,585,000	38,711,625	127	
128												128	
129								860,899,973	8.472%	885,885,000	75,048,111	129	
130												130	
131												131	
132												132	
133												133	
134					108,000,000			108,000,000	4.232%	108,000,000	4,570,456	134	
135									N/A	N/A	1,064,090	135	
136												136	
137								0			0	137	
138												138	
139												139	
140									5.217%	108,000,000	5,634,546	140	
141									8.118%	993,885,000	80,682,656	141	
142												142	
					TOTAL MEDIUM TERM NOTES								
					TOTAL LONG-TERM DEBT								
					OTHER DEBT								
					Notes Payable - \$350M Credit Line								
					Commitment Fees - Bank Lines of Credit								
					Capital Lease Obligations (including current)								
					TOTAL SHORT-TERM DEBT								
					TOTAL DEBT OUTSTANDING AND COST OF DEBT AT June 30, 2005								