

Exhibit No. ____ (BJH-3)

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

DOCKET NO. UG-09 _____

EXHIBIT NO. ____ (BJH-3)

BRIAN J. HIRSCHKORN

REPRESENTING AVISTA CORPORATION

AVISTA UTILITIES
 Washington - Gas
 Approved Decoupling Mechanism
 2007 compared to 2004 Test Year
 Adjusted for Actual New Customer Usage
 1st Year Pilot Period Jan - Jun 2007

	2007 January	2007 February	2007 March	2007 April	2007 May	2007 June	YTD Total
2007 Actual							
Schedule 101							
Schedule 101 Billed Therms	21,292,599	21,234,566	14,472,322	9,724,124	6,113,562	3,664,833	76,502,006
Deduct New Customer Usage(1)	(1,620,408)	(1,565,117)	(1,001,608)	(706,395)	(412,954)	(269,857)	(5,576,339)
Deduct Prior Month Unbilled Therms	(11,318,911)	(12,417,092)	(8,476,763)	(6,557,935)	(5,501,940)	(2,947,283)	(47,219,925)
Add Current Month Unbilled Therms	12,417,092	8,476,763	6,557,935	5,501,940	2,947,283	1,688,657	37,589,672
Add Weather Adjustment	(1,160,271)	817,052	1,664,981	141,329	1,068,395	204,307	2,735,794
Weather Adj Calendar Therms	19,610,101	16,546,172	13,216,866	8,103,064	4,214,346	2,340,657	64,031,207
Weather Adj Calendar Therms	19,610,101	16,546,172	13,216,866	8,103,064	4,214,346	2,340,657	64,031,207
Less Test Year Therms	20,224,840	16,393,846	14,157,246	8,557,146	4,587,478	1,965,936	65,886,492
Therm Difference	(614,739)	152,327	(940,379)	(454,083)	(373,132)	374,721	(1,855,285)
Times Current Margin Rate per Therm	0.20595	0.20595	0.20595	0.20595	0.20595	0.20595	0.20595
Revenue Excess (Shortfall)	(\$126,606)	\$31,372	(\$193,671)	(\$93,518)	(\$76,847)	\$77,174	(\$382,096)
90% Limitation	90%	90%	90%	90%	90%	90%	90%
Deferred Revenue Account Entry	(\$113,945)	\$28,235	(\$174,304)	(\$84,166)	(\$69,162)	\$69,456	(\$343,886)
407328 or (407428)							

(1) Per monthly reports - current month usage for new services opened since that month of the test year (2004)

	New Base Rates January 1, 2008												Period to Date Total	
	2007 July	2007 August	2007 September	2007 October	2007 November	2007 December	2008 January	2008 February	2008 March	2008 April	2008 May	2008 June		
12 Months Ended June 2006 Actual														
Schedule 101														
Schedule 101 Billed Therms	2,462,636	2,010,203	2,332,936	4,484,817	9,398,517	18,392,852	20,755,627	22,514,347	14,859,076	13,629,159	8,714,627	4,232,714	123,787,511	
Deduct New Customer Usage(1)	(180,683)	(141,329)	(161,990)	(277,602)	(613,037)	(1,421,829)	(840,804)	(933,547)	(590,323)	(544,390)	(304,416)	(134,597)	(6,144,547)	
Deduct Prior Month Unbilled Therms	(1,688,657)	(512,729)	(861,827)	(3,069,728)	(6,526,099)	(10,839,346)	(11,907,095)	(12,692,443)	(9,661,573)	(9,011,346)	(6,832,115)	(3,107,922)	(76,710,880)	
Add Current Month Unbilled Therms	512,729	861,827	3,069,728	6,526,099	10,839,346	11,778,585	12,692,443	9,661,573	9,011,346	6,832,115	3,107,922	1,731,459	76,625,172	
Add Weather Adjustment	692,582	236,742	31,659	15,894	47,991	673,724	(1,132,989)	(107,342)	(1,381,024)	(1,653,998)	840,841	(354,262)	(2,090,162)	
Weather Adj Calendar Therms	1,798,607	2,454,713	4,410,505	7,679,480	13,146,718	18,583,987	19,567,202	18,442,588	12,237,502	9,251,540	5,526,859	2,367,392	115,467,094	
Weather Adj Calendar Therms	1,798,607	2,454,713	4,410,505	7,679,480	13,146,718	18,583,987	19,567,202	18,442,588	12,237,502	9,251,540	5,526,859	2,367,392	115,467,094	
Less Test Year Therms	1,992,869	2,626,004	3,962,139	9,013,668	14,551,772	19,133,174	20,193,658	16,744,930	14,101,624	9,347,535	5,032,140	2,400,167	119,099,680	
Therm Difference	(194,262)	(171,291)	448,366	(1,334,188)	(1,405,054)	(549,187)	(626,456)	1,697,658	(1,864,122)	(95,995)	494,719	(32,775)	(3,632,587)	
Times Current Margin Rate per Therm (2)	0.19822	0.19822	0.19822	0.19822	0.19822	0.19822	0.21748	0.21748	0.21748	0.21748	0.21748	0.21748	0.21748	
Revenue Excess (Shortfall)	(\$38,507)	(\$33,953)	\$88,875	(\$264,463)	(\$278,510)	(\$108,860)	(\$136,242)	\$369,207	(\$405,409)	(\$20,877)	\$107,591	(\$7,128)	(\$728,275)	
90% Limitation	90%	90%	90%	90%	90%	90%	90%	90%	90%	90%	90%	90%	90%	
Deferred Revenue Account Entry	(\$34,656)	(\$30,558)	\$79,988	(\$238,016)	(\$250,659)	(\$97,974)	(\$122,617)	\$332,286	(\$364,868)	(\$18,789)	\$96,832	(\$6,415)	(\$655,447)	
407328 or (407428)														
Original Journal Entry													(678,014)	
Correction for December 2007													22,567	

(1) Per monthly reports - current month usage for new services opened since that month of the test year (2004 for July through December, 2006 for January through June)
 (2) Revised Margin Rate per Therm corrected in October per agreement with Staff and Public Counsel in Docket No. UG-071863, margin rate January through June from UG-070805 is exclusive of incremental revenue related cost items.

	New Rates Effective 01/01/2009 with 2007 Test Year												
	2008 July	2008 August	2008 September	2008 October	2008 November	2008 December	2009 January	2009 February	2009 March	2009 April	2009 May	2009 June	Period to Date Total
AVISTA UTILITIES													
Washington - Gas													
Approved Decoupling Mechanism													
2008/2009 compared to 2006 Test Year Jul to Dec, compared to 2007 Test Year Jan to Jun													
Adjusted for Actual New Customer Usage													
3rd Year Pilot Period July 2008 - June 2009													
12 Months Ended June 2009 Actual													
Schedule 101 Billed Therms	2,763,613	2,223,233	2,487,966	3,933,329	8,603,159	15,345,278	24,885,757	21,106,338	17,754,612				99,103,285
Deduct New Customer Usage(1)	(82,104)	(66,736)	(78,849)	(127,362)	(276,318)	(599,812)	(837,285)	(628,669)	(571,631)				(3,268,766)
Deduct Prior Month Unbilled Therms	(1,731,459)	(1,267,630)	(1,309,729)	(1,930,178)	(6,206,433)	(9,576,840)	(16,255,704)	(12,772,752)	(10,188,273)	(9,003,631)			(70,242,629)
Add Current Month Unbilled Therms	1,267,630	1,309,729	1,930,178	6,206,433	9,576,840	16,255,704	12,772,752	10,188,273	9,003,631				68,511,170
Add Weather Adjustment	-	-	-	331,716	1,494,158	(2,505,968)	(1,544,178)	(704,787)	(2,625,925)				(5,554,984)
Weather Adj Calendar Therms	2,217,680	2,198,596	3,029,566	8,413,938	13,191,406	18,918,362	19,021,342	17,188,403	13,372,414	(9,003,631)			88,548,076
Weather Adj Calendar Therms	2,217,680	2,198,596	3,029,566	8,413,938	13,191,406	18,918,362	19,021,342	17,188,403	13,372,414	(9,003,631)			88,548,076
Less Test Year Therms	1,983,193	2,049,321	3,228,950	8,830,784	14,228,112	20,663,191	20,189,483	18,089,596	13,420,523	7,791,044	4,652,911	2,115,994	117,243,102
Therm Difference	234,487	149,275	(199,384)	(416,846)	(1,036,706)	(1,744,829)	(1,166,141)	(901,193)	(48,109)				(5,131,446)
Times Current Margin Rate per Therm	0.21748	0.21748	0.21748	0.21748	0.21748	0.21748	0.24201	0.24201	0.24201	0.24201	0.24201	0.24201	\$0
Revenue Excess (Shortfall)	\$50,996	\$32,464	(\$43,362)	(\$90,656)	(\$225,463)	(\$379,465)	(\$282,702)	(\$218,098)	(\$11,643)	\$0	\$0	\$0	(\$1,167,928)
90% Limitation	90%	90%	90%	90%	90%	90%	90%	90%	90%	90%	90%	90%	\$0
Deferred Revenue Account Entry	\$45,897	\$29,218	(\$39,026)	(\$81,590)	(\$202,917)	(\$341,519)	(\$254,432)	(\$196,288)	(\$10,479)	\$0	\$0	\$0	(\$1,051,135)
407328 or (407428)													
Correction for December 2007 New Customer Report Error							\$22,567						\$22,567
January 2009 Net Journal Entry							\$ (231,865)						(\$1,028,568)

(1) Per monthly reports - current month usage for new services opened since that month of the test year (2006 for July through December and 2007 for January through June)