

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



Corp.

April 11, 2006

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

RECEIVED
APPROVED FOR
06 APR 13 AM 8:31
SECRETARY
UTILITY
COMMISSION

Re: Docket No. UE-011595, Monthly Power Cost Deferral Report
For the Month of March 2006

Dear Ms. Washburn:

Enclosed are an original and five copies of Avista Corporation's Power Cost Deferral Report for the month of March 2006. 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 \$2,743,056. However, no deferral entry was recorded as the entire amount was applied toward the \$9 million deadband for 2006. The deadband has a balance at the end of March in the rebate direction of \$5,212,711.

Actual power supply expenses were lower than authorized due primarily to higher than authorized hydro generation. Hydro generation was 37 aMW above the authorized level. The average market purchase price was \$51.24/MWh compared to an authorized rate of \$64.14/MWh. The average market sales price was \$63.59/MWh compared to an authorized sales price of \$56.06/MWh.

Due to economics Coyote Springs 2 generated 41 aMW below the authorized level. The average Coyote Springs 2 natural gas purchase cost was \$8.18/dth compared to an authorized level of \$7.25/dth. Other gas-fired resources generated 15 aMW below the authorized level due to economics. Colstrip generated 17 aMW above the authorized level, and Kettle Falls generated 2 aMW above the authorized level. Thermal fuel and natural gas fuel expense were both above the authorized level. Washington retail sales were 33 aMW above the authorized level.

There were no forward long-term contracts of one year or longer entered into in the month of March 2006. 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: Mary Kimball, S. Bradley Van Cleve

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

MONTH OF MARCH 2006

Avista Corporation Journal Entry

Effective Date: 200603

Journal: 481-WA ERM

Team: Resource Accounting

Last Saved by: Lori Hamilton

Type: C

Submitted by: Lori Hamilton

Category: DJ

<u>Seq.</u>	<u>FERC</u>	<u>Ser.</u>	<u>Jur.</u>	<u>S.L.</u>	<u>Debit</u>	<u>Credit</u>	<u>Comment</u>
10	557290 - WA ERM AMORTIZATION	ED	WA	DL	2,733,113.00		WA ERM surcharge amortization
20	182350 - REGULATORY ASSET ERM APPROVED FOR	ED	WA	DL		2,733,113.00	WA ERM authorized for recovery
30	557280 - DEFERRED POWER SUPPLY EXPENSE	ED	WA	DL	0.00		WA ERM current month deferral
40	186280 - REGULATORY ASSET ERM DEFERRED CURRENT	ED	WA	DL		0.00	WA ERM current year deferral
50	182350 - REGULATORY ASSET ERM APPROVED FOR	ED	WA	DL	372,990.00		Accrue interest on deferral balance authorized for recovery
60	186280 - REGULATORY ASSET ERM DEFERRED CURRENT	ED	WA	DL	0.00		Accrue interest on current year deferral balance
70	186290 - REGULATORY ASSET ERM DEFERRED LAST	ED	WA	DL	18,158.00		Accrue interest on previous year deferral balance
80	419600 - INTEREST ON ENERGY DEFERRALS	ED	WA	DL		391,148.00	Non-utility interest income
90	410100 - PRV DFIT DR	ED	WA	DL		956,590.00	DFIT entry for power supply deferral and surcharge amortization
100	410200 - DFIT EXP-NONOPER (DR)	ZZ	ZZ	DL	136,902.00		Non-op DFIT entry for interest income
110	283280 - ADFIT ERM	ED	WA	DL	819,688.00		ADFIT WA ERM current and prior years
120	186010 - REGULATORY ASSET ERM YTD COMPANY BAND	ED	WA	DL		2,743,056.00	Track YTD company band accumulation
130	186020 - REGULATORY ASSET ERM YTD CONTRA	ED	WA	DL	2,743,056.00		Contra account for YTD company band accumulation
				TOTALS:	6,823,907.00	6,823,907.00	

Avista Corporation Journal Entry

Effective Date: 200603

Journal: 481-WA ERM

Team: Resource Accounting

Last Saved by: Lori Hamilton

Type: C

Submitted by: Lori Hamilton

Last Saved: 04/07/2006 11:31 AM

Category: DJ

Explanation:

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

Lori Hamilton

Prepared by Lori Hamilton

4/7/06

Date

Jami Guege

Reviewed by

4/7/06

Date

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
200513	USD	0.00		4,138,618.00	
200601	USD	-4,138,618.00		0.00	
200602	USD	0.00		0.00	
200603	USD	0.00		0.00	

Journal Details

Summary Balances

ERM Deferral Balance (Current Year - 2006)

Account 186280.ED.WA

Balance 2/28/06
 No current month activity
 Balance 3/31/06

<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
200513	USD	0.00		0.00	
200601	USD	4,156,776.00		4,156,776.00	
200602	USD	18,158.00		4,174,934.00	
200603	USD	18,158.00		4,193,092.00	

Journal Details

Summary Balances

ERM Deferral Balance (Prior year - 2005)

Account 186290.ED.WA

Balance 2/28/06

Interest

Balance 3/31/06

Amount

Journal ID

\$4,174,934.00

18,158.00

481 - WA ERM

\$4,193,092.00

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
200513	USD	0.00		92,052,194.65	
200601	USD	-2,464,349.00		89,587,845.65	
200602	USD	-2,426,654.00		87,161,191.65	
200603	USD	-2,360,123.00		84,801,068.65	

Journal Details

Summary Balances

Recoverable Deferral Balance
Account 182350.ED.WA

Balance 2/28/06
 Amortization
 Interest
 Balance 3/31/06

<u>Amount</u>	<u>Journal ID</u>
\$87,161,191.65	
-2,733,113.00	481 - WA ERM
372,990.00	481 - WA ERM
<u>\$84,801,068.65</u>	

Balance Type **Actual**

Currency Type **Entered**

Factor **Units**

Period	Currency	PTD	PTD Converted	YTD	YTD Converted
200513	USD	0.00		342,601.00	
200601	USD	-27,868.00		314,733.00	
200602	USD	-27,990.00		286,743.00	
200603	USD	-28,113.00		258,630.00	

Journal Details

Summary Balances

Contract Buyout Deferral Balance

Account 182360.ED.WA

Balance 2/28/06

Amortization*

Interest

Balance 3/31/06

Amount

Journal ID

\$286,743.00

-29,307.00 485 - ECB AMORT

1,194.00 485 - ECB AMORT

\$258,630.00

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

\$32,563

Balance Type **Actual**

Currency Type **Entered**

Factor **Units**



Period	Currency	PTD	PTD Converted	YTD	YTD Converted
200513	USD	0.00		9,000,000.00	
200601	USD	-11,902,131.00		-2,902,131.00	
200602	USD	432,476.00		-2,469,655.00	
200603	USD	-2,743,056.00		-5,212,711.00	

Journal Details

Summary Balances

ERM Deadband		
<u>Account 186010.ED.WA</u>	<u>Amount</u>	<u>Journal ID</u>
Balance 2/28/06	-\$2,469,655.00	
2006 deadband accumulation	-2,743,056.00	481 - WA ERM
Balance 3/31/06	<u>-\$5,212,711.00</u>	

Balance Type **Actual**

Currency Type **Entered**

Factor **Units**

Period	Currency	PTD	PTD Converted	YTD	YTD Converted
200513	USD	0.00		9,000,000.00	
200601	USD	11,902,131.00		2,902,131.00	
200602	USD	432,476.00		2,469,655.00	
200603	USD	2,743,056.00		5,212,711.00	

Journal Details

Summary Balances

ERM Deadband Contra Account
Account 186020.ED.WA
 Balance 2/28/06
 2006 deadband contra entry
 Balance 3/31/06

<u>Amount</u>	<u>Journal ID</u>
\$2,469,655.00	
2,743,056.00	481 - WA ERM
\$5,212,711.00	

Balance Type **Actual**

Currency Type **Entered**

Factor **Units**

Period	Currency	PTD	PTD Converted	YTD	YTD Converted
200513	USD	0.00		-33,666,784.00	
200601	USD	856,168.00		-32,810,616.00	
200602	USD	842,974.00		-31,967,642.00	
200603	USD	819,688.00		-31,147,954.00	

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	4,193,092.00
Account 182350.ED.WA balance	84,801,068.65
Total	<u>\$88,994,160.65</u>
Federal income tax rate	-35%
Deferred FIT related to deferrals	<u>-\$31,147,956</u>
Rounding	2
Balance in account	<u>-\$31,147,954</u>

Balance Type **Actual**

Currency Type **Entered**

Factor **Units**



Period	Currency	PTD	PTD Converted	YTD	YTD Converted
200513	USD	0.00		-119,910.00	
200601	USD	9,753.00		-110,157.00	
200602	USD	9,796.00		-100,361.00	
200603	USD	9,839.00		90,522.00	

Journal Details

Summary Balances

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

Account 182360.ED.WA balance	\$258,630.00
Federal income tax rate	-35%
Deferred FIT related to contract buyout deferral	-\$90,521
Rounding	-1
Balance in account	-\$90,522

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 12/31/05 is 8.10%.		Actual cost of debt at 6/30/05 is 8.12%				
The monthly rate is:		0.00675 Before Tax	The monthly rate is:	0.00676667 Before Tax		
		0.0043875 After Tax		0.0043983 After Tax		
		0.35 Tax rate		0.35 Tax rate		
Account 182350		2006 Interest				
12-31-2005	GL Balance including interest	92,052,195		<u>Jan-06</u>	<u>DFIT Expense</u>	<u>ADFIT</u>
Jan-06	Surcharge Amortization	(2,861,950)		Amortization	(1,001,683)	Operating 1,001,683
Jan-06	Interest		397,601	Interest	139,160	Nonoperating (139,160)
01-31-2006	Balance before interest	89,190,245			(862,523)	Total 862,523
				<u>Feb-06</u>	<u>DFIT Expense</u>	<u>ADFIT</u>
Feb-06	Surcharge Amortization	(2,811,808)		Amortization	(984,133)	Operating 984,133
Feb-06	Interest		385,154	Interest	134,804	Nonoperating (134,804)
02-28-2006	Balance before interest	86,378,437			(849,329)	Total 849,329
				<u>Mar-06</u>	<u>DFIT Expense</u>	<u>ADFIT</u>
Mar-06	Surcharge Amortization	(2,733,113)		Amortization	(956,590)	Operating 956,590
Mar-06	Interest		372,990	Interest	130,547	Nonoperating (130,547)
03-31-2006	Balance before interest	83,645,324			(826,043)	Total 826,043
				<u>GL Balance</u>	<u>Activity</u>	<u>GL Balance</u>
				<u>02-28-2006</u>	<u>Mar-06</u>	<u>03-31-2006</u>
	Net ERM Balance	84,801,069		87,161,192	(2,360,123)	84,801,069
	ADFIT Balance	(29,680,374)				

Actual cost of debt at 12/31/05 is 8.10%. The monthly rate is:		0.00675 Before Tax 0.0043875 After Tax 0.35 Tax rate		Actual cost of debt at 6/30/05 is 8.12% The monthly rate is:-		0.00676667 Before Tax 0.0043983 After Tax 0.35 Tax rate		
Account 186280			2006 Interest					
12-31-2005	GL Balance including interest	\$4,138,618.00						
01-01-2006	GL Balance	(\$4,138,618.00)	Transfer to 186290					
01-01-2006	GL Balance	0						
				Jan-06	DFIT Expense		ADFIT	
Jan-06	ERM Deferral	0		Deferral	0	Operating	0	
Jan-06	Interest		0	Interest	0	Nonoperating	0	
01-31-2006	Balance before interest	0			0	Total	0	
				Feb-06	DFIT Expense		ADFIT	
Feb-06	ERM Deferral	0		Deferral	0	Operating	0	
Feb-06	Interest		0	Interest	0	Nonoperating	0	
02-28-2006	Balance before interest	0			0	Total	0	
				Mar-06	DFIT Expense		ADFIT	
Mar-06	ERM Deferral	0		Deferral	0	Operating	0	
Mar-06	Interest		0	Interest	0	Nonoperating	0	
03-31-2006	Balance before interest	0			0	Total	0	
				GL Balance	Activity	GL Balance		
	Net ERM Balance	0		02-28-06	Mar-06	03-31-06		
				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 12/31/05 is 8.10%.				Actual cost of debt at 6/30/05 is 8.12%			
The monthly rate is:				The monthly rate is:-			
0.00675 Before Tax				0.00676667 Before Tax			
0.0043875 After Tax				0.0043983 After Tax			
0.35 Tax rate				0.35 Tax rate			
Account 186290		2006 Interest					
12-31-2005	GL Balance including interest	0					
01-31-2006	Transfer from 186280	\$4,138,618					
01-31-2006	GL Balance including interest	\$4,138,618		Jan-06	DFIT Expense		ADFIT
Jan-06	Interest		18,158	Interest	6,355	Nonoperating	(6,355)
01-31-2006	Balance before interest	4,138,618			6,355	Total	(6,355)
				Feb-06	DFIT Expense		ADFIT
Feb-06	Interest		18,158	Interest	6,355	Nonoperating	(6,355)
02-28-2006	Balance before interest	4,138,618			6,355	Total	(6,355)
				Mar-06	DFIT Expense		ADFIT
Mar-06	ERM Transfer to 182350	0		Deferral	0	Operating	0
Mar-06	Interest		18,158	Interest	6,355	Nonoperating	(6,355)
03-31-2006	Balance before interest	4,138,618			6,355	Total	(6,355)
	Net ERM Balance	4,193,092		GL Balance	Activity	GL Balance	
				02-28-06	Mar-06	03-31-06	
	ADFIT Balance	(1,467,582)		4,174,934.00	18,158.00	4,193,092.00	
<i>Per Ron Mckenzie the prudency review completion is anticipated for June 2006.</i>							

Tax Rate	35%	DJ481 LTD	DJ481 LTD	DJ481 LTD			DJ481 CURMO	
	283280	283280	283280	283280			283280	283280
DJ481	BEGINNING	ADFIT	ADFIT	ADFIT			BALANCE	FOR ALL
	<u>BALANCE</u>	<u>182350</u>	<u>186280</u>	<u>186290</u>			<u>COMPONENTS</u>	<u>ACCOUNTS</u>
	<u>BALANCE</u>							<u>BALANCE</u>
12-31-2005	(33,048,222)	(32,218,268)	(1,448,516)	0			(33,666,784)	(618,562)
01-31-2006	(33,666,784)	(31,355,746)	0	(1,454,872)			(32,810,618)	856,166
02-28-2006	(32,810,616)	(30,506,417)	0	(1,461,227)			(31,967,644)	842,972
03-31-2006	(31,967,642)	(29,680,374)	0	(1,467,582)			(31,147,956)	819,686
			ADFIT				Interest	
		410100	410200	283280			182350	186280
							186280	186290
01-31-2006	182350	(1,001,683)	139,160	862,523		397,601	0	18,158
	186280	0	0	0				
	186290	0	6,355	(6,355)				
Total		(1,001,683)	145,515	856,168				
02-28-2006	182350	(984,133)	134,804	849,329		385,154	0	18,158
	186280	0	0	0				
	186290	0	6,355	(6,355)				
Total		(984,133)	141,159	842,974				
03-31-2006	182350	(956,590)	130,547	826,043		372,990	0	18,158
	186280	0	0	0				
	186290	0	6,355	(6,355)				
Total		(956,590)	136,902	819,688				
Recon:	Total interest 2006		1,210,219					
	Calc non op DFIT 2006		423,577					
	Total 410200 2006		423,576					

			YTD	YTD	
			WA ERM	WA ERM	
			Company	Contra	Total
			Band	Account	GL
			186010	186020	Impact
12-31-2005	Balance		\$9,000,000	(\$9,000,000)	\$0
2005 Requirement		\$9,000,000			
Jan-05	Reverse 2005		(\$9,000,000)	\$9,000,000	\$0
Jan-06	Activity		(\$2,902,131)	\$2,902,131	
01-31-2006	Balance		(\$2,902,131)	\$2,902,131	\$0
Feb-06	Activity		\$432,476	(\$432,476)	
02-28-2006	Balance		(\$2,469,655)	\$2,469,655	\$0
Mar-06	Activity		(\$2,743,056)	\$2,743,056	
03-31-2006	Balance		(\$5,212,711)	\$5,212,711	\$0

AVISTA CORPORATION
 MARCH 2006 WASHINGTON ELECTRIC SURCHARGE REVENUE & DEFERRAL AMORTIZATION

Schedule	Sch 1 Block Percent (a)	kWh or \$ (b)	Proration Percentages		Surcharge Rates		Rate Before		Current Month Surcharge Revenue Rate		Conversion Factor (k)	Deferral Amortization (l)
			Before 1-Jan-06 (d)	On/After 1-Jan-06 (e)	Before 1-Jan-06 (f)	On/After 1-Jan-06 (g)	1-Jan-06 (h)	On/After 1-Jan-06 (i)	On/After 1-Jan-06 (j)	Total (n)+(i)		
1 (0-600 kWh)	46.061%	104,703,593	0.00%	100.00%	0.405¢	0.446¢	\$0	\$466,978	\$466,978	0.956325	\$446,583	
1 (601-1300 kWh)	30.624%	69,612,966	0.00%	100.00%	0.607¢	0.668¢	0	465,015	465,015	0.956325	444,705	
1 (over 1300 kWh)	23.315%	52,998,508	0.00%	100.00%	0.853¢	0.938¢	0	497,126	497,126	0.956325	475,414	
Total Sch 1	100.000%	227,315,067					0	1,429,119	1,429,119		1,366,702	
11		31,494,577	0.00%	100.00%	0.788¢	0.867¢	0	273,058	273,058	0.956325	261,132	
12		4,047,311	0.00%	100.00%	0.788¢	0.867¢	0	35,090	35,090	0.956325	33,557	
21		125,443,485	0.00%	100.00%	0.549¢	0.604¢	0	757,679	757,679	0.956325	724,587	
22		3,473,612	0.00%	100.00%	0.549¢	0.604¢	0	20,981	20,981	0.956325	20,065	
25		72,393,134	0.00%	100.00%	0.352¢	0.387¢	0	280,161	280,161	0.956325	267,925	
30		1,500	0.00%	100.00%	0.485¢	0.534¢	0	8	8	0.956325	8	
31		3,424,379	0.00%	100.00%	0.485¢	0.534¢	0	18,286	18,286	0.956325	17,487	
32		229,273	0.00%	100.00%	0.485¢	0.534¢	0	1,224	1,224	0.956325	1,171	
41-46		\$286,726	0.00%	100.00%	109.78%	110.76%	0	28,049	28,049	0.956325	26,824	
47		\$87,940	0.00%	100.00%	109.78%	110.76%	0	8,543	8,543	0.956325	8,170	
48		\$59,047	0.00%	100.00%	109.78%	110.76%	0	5,736	5,736	0.956325	5,485	
Schedule Totals		467,822,338					\$0	\$2,857,934	\$2,857,934		\$2,733,113	

Amortization -35%
 (\$956,590) DFIT Expense

kWh not subject to surcharge
 Schedule 28 77,400
 Sch 41-48 2,193,080
 Total kWh 470,092,818

Electric Revenue Report by Revenue Class
Current Month and Year-to-Date
for Accounting Period : 200603 , State Code : WA

Accounting Period: 200603 | State Code: WA

Rate Schedule Num	Meters	Usage	Revenue Amt	YTD Average Meters	Ytd Usage	Ytd Revenue Amt
001	192,403	227,315,067	14,483,150	192,304	719,460,998	44,951,991
011	18,593	31,494,577	2,909,193	18,561	97,227,955	8,858,362
012	7,081	4,047,311	383,889	7,052	13,008,907	1,203,154
021	3,279	125,443,485	8,752,434	3,284	382,907,571	26,270,827
022	76	3,473,612	224,075	76	10,693,261	671,634
025	21	72,393,134	3,341,140	21	226,676,133	10,179,095
028	1	77,400	20,953	1	87,910	52,951
030	39	1,500	320	39	4,240	933
031	1,032	3,424,379	235,707	1,032	10,727,083	698,884
032	1,083	229,273	21,000	1,085	647,473	59,523
041	11	8,720	1,520	11	26,160	4,443
042	233	1,073,711	265,803	233	3,223,584	777,383
044	13	21,600	2,050	13	64,800	5,989
045	6	90,407	5,139	6	271,221	15,256
046	16	185,050	14,214	16	555,150	41,560
047	0	506,654	87,940	0	1,518,340	259,055
048	0	306,938	59,047	0	939,956	176,595
058	0	0	1,079,711	0	0	3,287,981
058A	0	0	-7,593	0	0	-24,894

Electric Revenue Report by Revenue Class
Current Month and Year-to-Date
 for Accounting Period : 200603 , State Code : WA

Accounting Period: 200603 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	12
095	0	0	10,616	0	0	32,029
099	0	0	49,810	0	0	136,006
Total WA	223,887	470,092,818	31,940,122	223,732	1,468,040,742	97,658,767
Total WA	223,887	470,092,818	31,940,122	223,732	1,468,040,742	97,658,767

Avista Utilities
WASHINGTON POWER COST DEFERRALS

Line No.	WASHINGTON ACTUALS-2006	Actual Jan-06	Actual Feb-06	Actual Mar-06	Actual Apr-06	Actual May-06	Actual Jun-06	Actual Jul-06	Actual Aug-06	Actual Sep-06	Actual Oct-06	Actual Nov-06	Actual Dec-06
1	555 Purchased Power	\$62,056,025	\$ 17,910,644	\$ 23,505,825	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2	501 Thermal Fuel	\$6,499,797	\$ 2,346,267	\$ 2,087,116	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3	547 CT Fuel	\$18,827,537	\$ 4,081,840	\$ 6,063,627	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4	447 Sale for Resale	-\$56,116,099	\$(14,135,065)	\$(15,563,340)	\$(25,417,694)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5	Actual Net Expense	\$31,267,260	\$ 12,652,745	\$ 10,757,198	\$ 7,857,317	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
6	Credit CS2 1/2 Exchange	(\$378,000)	\$(130,200)	\$(130,200)	\$(130,200)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
7	Less Pooltch 62 aMW directly to ID	(\$5,364,957)	\$(1,854,831)	\$(1,648,428)	\$(1,861,698)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
8	Adjusted Actual Net Expense	\$25,524,303	\$ 10,667,714	\$ 8,991,170	\$ 5,865,419	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
AUTHORIZED NET EXPENSE-SYSTEM													
9	555 Purchased Power	\$78,312,672	\$ 11,193,778	\$ 7,844,080	\$5,167,798	\$3,919,404	\$3,947,698	\$4,611,314	\$6,114,915	\$7,038,560	\$6,475,870	\$6,922,384	\$ 9,429,894
10	501 Thermal Fuel	\$18,966,459	\$ 1,660,398	\$ 1,498,204	\$1,638,517	\$1,295,688	\$1,037,197	\$1,667,775	\$1,714,511	\$1,660,059	\$1,715,380	\$1,660,551	\$ 1,714,075
11	547 CT Fuel	\$70,026,232	\$ 5,972,958	\$ 4,558,576	\$4,700,957	\$3,330,490	\$1,269,298	\$4,313,402	\$6,001,145	\$7,105,523	\$8,212,014	\$7,711,236	\$ 7,566,613
12	447 Sale for Resale	\$(62,059,914)	\$(2,591,928)	\$(3,322,097)	-\$6,805,375	-\$10,402,116	-\$7,569,805	\$(6,457,020)	\$(3,368,084)	\$(1,492,368)	\$(2,440,168)	\$(5,554,272)	\$(3,350,298)
13	Settlement/Compliance Filing Adj.	\$ (251,923)	\$ 74,750	\$(516,741)	\$921,340	\$110,419	-\$1,353,073	\$(1,331,742)	\$(28,867)	\$ 1,162,101	\$ 855,509	\$(283,194)	\$ 266,894
14	Authorized Net Expense	\$104,993,526	\$ 16,309,956	\$ 10,062,022	\$ 9,779,399	\$ (1,746,115)	\$ (2,668,685)	\$ 2,803,729	\$ 10,433,620	\$ 15,473,875	\$ 14,818,605	\$ 10,456,705	\$ 15,647,178
15	Actual - Authorized Net Expense	(\$10,627,074)	\$(5,642,242)	\$(1,070,952)	\$(3,913,980)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
16	Net Fuel Expense not incl in Acct 547 (1)	\$ 3,519,505	\$ 1,729,085	\$ 766,402	\$ 1,024,018	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
17	Adjusted Actual - Authorized Net Exp	\$ (7,107,569)	\$(3,913,157)	\$(304,450)	\$(2,889,962)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
18	Washington Alloc. @ 65.16%	(\$4,631,292)	(\$2,549,813)	(\$198,380)	(\$1,863,099)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
19	Enron Contract Buyout 100%	\$97,689	\$32,563	\$32,563	\$32,563	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
20	WA Retail Revenue Adjustment	\$(679,106)	(\$384,881)	\$598,293	(\$892,520)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
21	Net Power Cost Increase (Decrease)	\$ (5,212,711)	\$(2,902,131)	\$432,476	\$(2,743,056)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
22	Cummulative Balance		(\$2,902,131)	(\$2,469,655)	(\$5,212,711)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Avista Utilities
System Power Supply Expenses
WASHINGTON DEFERRED POWER COST CALCULATION

ACTUALS

Line No.	Jan-06	Feb-06	Mar-06	Apr-06	May-06	Jun-06	Jul-06	Aug-06	Sep-06	Oct-06	Nov-06	Dec-06	TOTAL_2006
555 PURCHASED POWER													
1 Short-Term Purchases	11,111,543	9,184,537	15,446,671										35,742,751
2 PGE CS2 1/2 Exchange	130,200	117,600	130,200										378,000
3 Northwestern Load Following	71,982	56,106	54,061										182,149
4 Priest Rapids	489,969	448,812	439,976										1,378,757
5 Rocky Reach	111,460	83,146	83,143										277,749
6 Wanapum	303,287	303,287	303,287										909,861
7 Wells	120,206	109,038	86,702										315,946
8 Black Creek Index Purchase		0											
9 Deer Lake-IP&L	677	479	548										1,704
10 Small Power	152,947	116,699	110,219										379,865
11 Spokane-Upriver	384,035	337,964	316,463										1,038,462
12 WNP-3 (1)	2,877,241	2,599,868	1,420,490										6,897,599
13 Non-Mon. Accruals	257,874	482,126	494,682										1,234,682
14 DUKE #2108 (25 FLAT)-30.50	567,300	512,400	567,300										1,647,000
15 DUKE& MS #2113/14 (50 FLAT)-28	1,041,600	940,800	1,041,600										3,024,000
16 EL PASO/MS #2107 (25 FLAT)	590,550	533,400	590,550										1,714,500
17 Haleywest	118,405	106,152	128,634										353,191
18 Pollatch 62 aMW Purch	1,854,831	1,648,428	1,861,698										5,364,957
19 Douglas Capacity	26,300	54,450	131,500										212,250
20 PPLM Wind Power	379,106	212,023	246,879										838,008
21 WPM Ancillary Services	50,043	63,329	51,222										164,594
22 Total Account 555	20,639,556	17,910,644	23,505,825	0	0	0	0	0	0	0	0	0	62,056,025
(1) Effective November, 2005, WNP-3 purchase expense has been adjusted to reflect the mid-point price (\$35.62/MWh for the 2005-06 contract year) per Settlement Agreement, Cause No. U-86-99													
447 SALES FOR RESALE													
23 Short-Term Sales	13,490,234	14,944,085	25,803,958										54,238,277
24 Peaker LLC/PGE Cap Sale	150,000	150,000	150,000										450,000
25 Kaiser Load Following	7,303	6,003	6,663										19,969
26 Pend Oreille DES	35,558	28,319	42,447										106,324
27 Nichols Pumping Index Sale	228,144	201,496	204,988										634,628
28 Enron/PGE Cap Fee, employee svcs	(4,095)	(3,961)	(4,709)										(12,765)
29 Northwestern Load Following	177,878	174,069	163,425										515,372
30 Merchant Ancillary Services	50,043	63,329	50,922										164,294
31 Total Account 447	14,135,065	15,563,340	26,417,694										56,116,099

Avista Utilities
System Power Supply Expenses
WASHINGTON DEFERRED POWER COST CALCULATION

ACTUALS

Line No.	Jan-06	Feb-06	Mar-06	Apr-06	May-06	Jun-06	Jul-06	Aug-06	Sep-06	Oct-06	Nov-06	Dec-06	TOTAL 2006
<u>501 FUEL-DOLLARS</u>													
32	wood	936,228	1,039,143	856,427									2,831,798
33	coal	1,107,263	1,296,087	1,216,168									3,619,518
34	Total Coal & Wood	2,043,491	2,335,230	2,072,595									6,451,316
35	gas	22,775	(1,493)	313									21,595
36	oil	148	12,530	14,208									26,886
37	Total Oil & Gas	22,923	11,037	14,521									48,481
38	Total Account 501	2,066,414	2,346,267	2,087,116									6,499,797
<u>501 FUEL-TONS</u>													
39	Kettle Falls	47,240	46,168	46,217									139,625
40	Colstrip	91,999	85,433	94,722									272,154
<u>501 FUEL-COST PER TON</u>													
41	wood \$	19.82	\$ 22.51	\$ 18.53									\$ 20.28
42	coal \$	12.04	\$ 15.17	\$ 12.84									\$ 13.30
<u>547 FUEL</u>													
43	NE Combustion Turbine Gas/Oil	102	(77)	17									42
44	Boulder Park	(2,708)	7,246	1,505									6,043
45	Kettle Falls CT	3,153	13,263	(76)									16,340
46	Coyote Springs2	4,078,827	6,042,794	8,679,738									18,801,359
47	Rathdrum Fuel Exp	2,466	401	886									3,753
48	Total Account 547	4,081,840	6,063,627	8,682,070									18,827,537
49	TOTAL NET EXPENSE	12,652,745	10,757,198	7,857,317	0								31,267,260

AVISTA UTILITIES
 Washington Electric Jurisdiction
 Energy Recovery Mechanism Revenue Credit
 Month of March 2006

Description	January	February	March	April	May	June	July	August	September	October	November	December	YTD
Total WA kWhs per Rev Run	513,987,102	483,960,822	470,092,818										1,468,040,742
Deduct Prior Month Unbilled kWhs Heating	(355,532,546)	(333,551,203)	(299,669,681)	(293,686,289)									(1,282,439,719)
Deduct Prior Month Unbilled kWhs Cooling													
Add Current Month Unbilled kWhs Heating	333,551,203	299,669,681	293,686,289										926,907,173
Add Current Month Unbilled kWhs Cooling													
Washington Retail kWhs	492,005,759	450,079,300	464,109,426	(293,686,289)									1,112,508,196
Test Year Consumption (1)	481,585,239	466,825,783	439,660,052	414,384,121	379,308,995	354,515,250	387,230,374	447,381,840	406,298,564	433,131,839	463,146,866	480,633,226	5,154,112,149
Difference from Test Year	10,420,520	(16,746,483)	24,449,374										18,123,411
WA Retail Revenue Credit (2)	\$377,119	(\$606,055)	\$684,823	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$655,886
Net Wind Revenue Credit	\$7,762	\$7,762	\$7,697	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$23,221
Total Revenue Credit	\$384,881	(\$598,293)	\$692,520	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$679,107

(1) from Exhibit No. 185 (WGT-5) in Docket No. UE-050482

(2) Reflects Exhibit No. 137 (TLK-7) Line 36 Column F with Commission Ordered Adjustments and Revenue Increase Approved in Docket No. UE-050482.

Schedule 95 Wind Revenue	\$10,706.75	\$10,706.60	\$10,615.89										\$32,029.24
Deduct Admin Expense	\$2,944.36	\$2,944.32	\$2,919.37	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$8,808.04
0.005 x 55 = 0.275 per Revenue \$													
Net Wind Revenue Credit	\$7,762.39	\$7,762.29	\$7,696.52	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$23,221.20

Avista Corporation Journal Entry

Journal: 485-ECB AMORT

Team: Resource Accounting

Type: C

Category: DJ

Effective Date: 200603

Last Saved by: Lori Hamilton
Last Saved: 03/28/2006 4:14 PM

Submitted by: Lori Hamilton

Seq.	FERC	Ser.	Jur.	S.I.	Debit	Credit	Comment
10	557162 - ENRON CONTRACT BUYOUT	ED	WA	DL	29,307.00		Amortization expense
20	182360 - REGULATORY ASSET ENRON CONTRACT	ED	WA	DL		29,307.00	Amortization for WA ERM
30	182360 - REGULATORY ASSET ENRON CONTRACT	ED	WA	DL	1,194.00		Accrue interest on unamortized balance for future recovery
40	419000 - INTEREST AND DIVIDEND INCOME	ZZ	ZZ	DL		1,194.00	Interest income accrued
50	410100 - PRV DFIT DR	ED	WA	DL		10,257.00	DFIT expense on amortization (operating)
60	410200 - DFIT EXP-NONOPER (DR)	ZZ	ZZ	DL	418.00		DFIT expense on interest (non-operating)
70	283360 - ADFIT ENRON CONTRACT BUYOUT	ED	WA	DL	9,839.00		ADFIT ECB
TOTALS:					40,758.00	40,758.00	

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 Lori Hamilton
Date: 4/3/06

Jami Judge
Reviewed by
Date: 4/3/06

Approved for Entry
Corporate Accounting use Only
Date

