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Corp.

November 8, 2006

Ms. Carole J. Washburn, Executive Secretary  
Washington Utilities and Transportation Commission  
P.O. Box 47250  
Olympia, WA 98504-7250

Re: Docket No. UE-011595, Monthly Power Cost Deferral Report, October 2006

Dear Ms. Washburn:

Enclosed are an original and five copies of Avista Corporation's Power Cost Deferral Report for the month of October 2006. The report includes the monthly energy recovery mechanism (ERM) accounting journal together with backup workpapers. In October no deferral entry was made and net deferrals for 2006, excluding carrying costs, were zero at the end of October. In October the deadband balance decreased from \$3,406,699 in the rebate direction at the beginning of the month to \$1,930,181 in the rebate direction at the end of the month.

Actual power supply expenses were higher than authorized due primarily to higher fuel expense. Thermal fuel expense and natural gas fuel expense, net of the increased generation value, were both above the authorized levels. Hydro generation was 7 aMW above the authorized level. The average market purchase price was \$55.88/MWh compared to an authorized rate of \$49.31/MWh. The average market sales price was \$50.35/MWh compared to an authorized sales price of \$42.23/MWh.

Due to economics, Coyote Springs 2 generated 41 aMW above the authorized level. Other gas-fired resources generated 17 aMW below the authorized level due to economics. Colstrip and Kettle Falls generated 1 aMW below and less than 1 aMW above the authorized levels, respectively. Net transmission expense (transmission expense less transmission revenue) was below the authorized level. Washington retail sales were 9 aMW above the authorized level.

There were no forward long-term contracts of one year or longer entered into in the month of October 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 OCTOBER 2006

**Avista Corporation Journal Entry**

Printed 11/06/06 at 4:24 pm

Journal: 481-WA ERM

Effective Date: 200610

Team: Resource Accounting

Last Saved by: Lori Hamilton

Type: C

Submitted by: Lori Hamilton

Category: DJ

Last Saved: 11/06/2006 4:24 PM

Seq.	Co.#	FERC	Seq.	Jur.	S/L	Debit	Credit	Comment
10	001	557290 - WA ERM AMORTIZATION	ED	WA	DL	2,320,995.00		WA ERM surcharge amortization
20	001	182350 - REGULATORY ASSET ERM APPROVED FOR	ED	WA	DL		2,320,995.00	WA ERM authorized for recovery
30	001	557280 - DEFERRED POWER SUPPLY EXPENSE	ED	WA	DL	0.00		WA ERM current month deferral
40	001	186280 - REGULATORY ASSET ERM DEFERRED	ED	WA	DL		0.00	WA ERM current year deferral
50	001	182350 - REGULATORY ASSET ERM APPROVED FOR	ED	WA	DL	334,351.00		Accrue interest on deferral balance authorized for recovery
60	001	186280 - REGULATORY ASSET ERM DEFERRED	ED	WA	DL		204.00	Accrue interest on current year deferral balance
70	001	186290 - REGULATORY ASSET ERM DEFERRED LAST	ED	WA	DL	0.00		Accrue interest on previous year deferral balance
80	001	419600 - INTEREST ON ENERGY DEFERRALS	ED	WA	DL		334,147.00	Non-utility interest income
90	001	410100 - PRV DFIT DR	ED	WA	DL		812,348.00	DFIT entry for power supply deferral and surcharge amortization
100	001	410200 - DFIT EXP-NONOPER (DR)	ZZ	ZZ	DL	116,952.00		Non-op DFIT entry for interest income
110	001	283280 - ADFIT ERM	ED	WA	DL	695,396.00		ADFIT WA ERM current and prior years
120	001	186010 - REGULATORY ASSET ERM YTD COMPANY	ED	WA	DL	1,476,518.00		Track YTD company band accumulation
130	001	186020 - REGULATORY ASSET ERM YTD CONTRA	ED	WA	DL		1,476,518.00	Contra account for YTD company band accumulation
<b>TOTALS:</b>						<b>4,944,212.00</b>	<b>4,944,212.00</b>	

**Avista Corporation Journal Entry**

Effective Date: 200610

Journal: 481-WA ERM

Team: Resource Accounting

Type: C

Category: DJ

Last Saved by: Lori Hamilton

Last Saved: 11/06/2006 4:24 PM

Submitted by: Lori Hamilton

**Explanation:**

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

Lori Hamilton

Prepared by Lori Hamilton

Sami Gudge

Reviewed by

11/6/06

Date

11/6/06

Date

\_\_\_\_\_

Date

Approved for Entry  
Corporate Accounting use Only

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	
200604	USD	0.00		0.00	
200605	USD	-1,831,779.00		-1,831,779.00	
200606	USD	-2,956,443.00		-4,788,222.00	
200607	USD	3,005,589.00		-1,782,633.00	
200608	USD	1,715,203.00		-67,430.00	
200609	USD	-204.00		-67,634.00	
200610	USD	-204.00		-67,838.00	

Journal Details

Summary Balances

**ERM Deferral Balance (Current Year - 2006)**

**Account 186280.ED.WA**

	<u>Amount</u>	<u>Journal ID</u>
Balance 9/30/06	-\$67,634.00	
Deferral	0.00	481 - WA ERM
Interest	-204.00	481 - WA ERM
Balance 10/31/06	<u><u>-\$67,838.00</u></u>	
Year to date deferrals	\$0.00	
Year to date interest	<u>-67,838.00</u>	
Balance in account	<u><u>-\$67,838.00</u></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			
200604	USD	18,158.00		4,211,250.00			
200605	USD	18,158.00		4,229,408.00			
200606	USD	4,229,408.00		0.00			
200607	USD	0.00		0.00			
200608	USD	0.00		0.00			
200609	USD	0.00		0.00			
200610	USD	0.00		0.00			

Journal Details

Summary Balances

**ERM Deferral Balance (Prior year - 2005)**

Account 186290.ED.WA  
 Balance 9/30/06  
 No current month activity  
 Balance 10/31/06

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
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	
200604	USD	-2,050,571.00		82,750,497.65	
200605	USD	-1,832,184.00		80,918,313.65	
200606	USD	2,394,441.00		83,312,754.65	
200607	USD	-1,921,938.00		81,390,816.65	
200608	USD	-2,154,096.00		79,236,720.65	
200609	USD	-2,214,765.00		77,021,955.65	
200610	USD	-1,986,644.00		75,035,311.65	

Journal Details

Summary Balances

**Recoverable Deferral Balance**  
Account 182350.ED.WA  
 Balance 9/30/06  
 Amortization  
 Interest  
 Balance 10/31/06

Amount	Journal ID
\$77,021,955.65	
-2,320,995.00	481 - WA ERM
334,351.00	481 - WA ERM
<u>\$75,035,311.65</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	
200604	USD	-28,237.00		230,393.00	
200605	USD	-28,360.00		202,033.00	
200606	USD	-28,485.00		173,548.00	
200607	USD	-28,603.00		144,945.00	
200608	USD	-28,731.00		116,214.00	
200609	USD	-28,859.00		87,355.00	
200610	USD	-28,988.00		58,367.00	

Journal Details

Summary Balances

**Contract Buyout Deferral Balance**

**Account 182360.ED.WA**

	Amount	Journal ID
Balance 9/30/06	\$87,355.00	
Amortization*	-29,313.00	485 - ECB AMORT
Interest	325.00	485 - ECB AMORT
Balance 10/31/06	<u>\$58,367.00</u>	

\*Amount grossed-up from 90% to 100% for ERM deferral calculations \$32,570



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	
200604	USD	-3,172,065.00		-8,384,776.00	
200605	USD	-615,224.00		-9,000,000.00	
200606	USD	1,805,726.00		-7,194,274.00	
200607	USD	1,466,054.00		-5,728,220.00	
200608	USD	3,984,073.00		-1,744,147.00	
200609	USD	-1,662,552.00		-3,406,699.00	
200610	USD	1,476,518.00		-1,930,181.00	

Journal Details

Summary Balances

**ERM Deadband plus Amounts Absorbed**

**Account 186010.ED.WA**

	Amount	Journal ID
Balance 9/30/06	-\$3,406,699.00	
Current month entry	1,476,518.00	481 - WA ERM
Balance 10/31/06	<u>-\$1,930,181.00</u>	

	Total	Absorbed	Deferred
First \$4,000,000 at 100%	-\$1,930,181.00	-\$1,930,181.00	\$0.00
\$4,000,000 to \$10,000,000 at 50%	0.00	0.00	0.00
Over \$10,000,000 at 10%	0.00	0.00	0.00
Total	<u>-\$1,930,181.00</u>	<u>-\$1,930,181.00</u>	<u>\$0.00</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	
200604	USD	3,172,065.00		8,384,776.00	
200605	USD	615,224.00		9,000,000.00	
200606	USD	-1,805,726.00		7,194,274.00	
200607	USD	-1,466,054.00		5,728,220.00	
200608	USD	-3,984,073.00		1,744,147.00	
200609	USD	1,662,552.00		3,406,699.00	
200610	USD	-1,476,518.00		1,930,181.00	

Journal Details

Summary Balances

**ERM Deadband Contra Account**

**Account 186020.ED.WA**

Balance 9/30/06

Current month entry

Balance 10/31/06

Amount

\$3,406,699.00

-1,476,518.00

\$1,930,181.00

Journal ID

481 - WA ERM

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	
200604	USD	711,345.00		-30,436,609.00	
200605	USD	1,276,032.00		-29,160,577.00	
200606	USD	1,676,991.00		-27,483,586.00	
200607	USD	379,277.00		-27,862,863.00	
200608	USD	153,613.00		-27,709,250.00	
200609	USD	775,239.00		-26,934,011.00	
200610	USD	695,396.00		-26,238,615.00	

Journal Details

Summary Balances

**DFIT Associated with ERM Deferrals**  
**Account 283280.ED.WA**

Account 186280.ED.WA balance	-\$67,838.00
Account 186290.ED.WA balance	0.00
Account 182350.ED.WA balance	75,035,311.65
Total	<u>\$74,967,473.65</u>
Federal income tax rate	-35%
Deferred FIT related to deferrals	<u>-\$26,238,616</u>
Rounding	1
Balance in account	<u><u>-\$26,238,615</u></u>

Balance Type **Actual**

Currency Type **Entered**

Factor **Units**



Period	Currency	PTD	PTD Converted	YTD	YTD Converted
<b>200513</b>	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	
200604	USD	9,882.00		-80,640.00	
200605	USD	9,926.00		-70,714.00	
200606	USD	9,969.00		-60,745.00	
200607	USD	10,011.00		-50,734.00	
200608	USD	10,056.00		-40,678.00	
200609	USD	10,101.00		-30,577.00	
200610	USD	10,146.00		-20,431.00	

Journal Details

Summary Balances

**DFIT Associated with Contract Buyout Deferral**

**Account 283360.ED.WA**

Account 182360.ED.WA balance	\$58,367.00
Federal income tax rate	-35%
Deferred FIT related to contract buyout deferral	-20,428
Rounding	-3
Balance in account	<u>-20,431</u>

<b>Changes Semiannually on January 1 and July 1 Beginning 7/1/02</b>						
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 6/30/06 is 8.253%			
The monthly rate is:			The monthly rate is:			
	0.00675	Before Tax		0.00687750	Before Tax	
	0.0043875	After Tax		0.0044704	After Tax	
	0.35	Tax rate		0.35	Tax rate	
<b>Account 182350</b>			<b>2006 Interest</b>			
12-31-2005	GL Balance including interest	92,052,195		Jan-06	DFIT Expense	ADFIT
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
				Feb-06	DFIT Expense	ADFIT
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
				Mar-06	DFIT Expense	ADFIT
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
				Apr-06	DFIT Expense	ADFIT
Apr-06	Surcharge Amortization	(2,412,273)		Amortization	(844,296)	Operating 844,296
Apr-06	Interest		361,702	Interest	126,596	Nonoperating (126,596)
04-30-2006	Balance before interest	81,233,051			(717,700)	Total 717,700
				May-06	DFIT Expense	ADFIT
May-06	Surcharge Amortization	(2,183,803)		Amortization	(764,331)	Operating 764,331
May-06	Interest		351,619	Interest	123,067	Nonoperating (123,067)
05-31-2006	Balance before interest	79,049,248			(641,264)	Total 641,264
				Jun-06	DFIT Expense	ADFIT
Jun-06	Surcharge Amortization	(2,195,138)		Amortization	(768,298)	Operating 768,298
Jun-06	Interest		342,013	Interest	119,705	Nonoperating (119,705)
06-30-2006	Balance before interest	76,854,110			(648,593)	Total 648,593
06-30-2006	Transfer from 186290	4,247,566				
06-30-2006	GL Balance including interest	83,912,755		Jul-06	DFIT Expense	ADFIT
Jul-06	Surcharge Amortization	(2,289,262)		Amortization	(801,242)	Operating 801,242
Jul-06	Interest		367,324	Interest	128,563	Nonoperating (128,563)
07-31-2006	Balance before interest	81,023,493			(672,679)	Total 672,679
				Aug-06	DFIT Expense	ADFIT
Aug-06	Surcharge Amortization	(2,510,692)		Amortization	(878,742)	Operating 878,742
Aug-06	Interest		356,596	Interest	124,809	Nonoperating (124,809)
08-31-2006	Balance before interest	78,512,801			(753,933)	Total 753,933
				Sep-06	DFIT Expense	ADFIT
Sep-06	Surcharge Amortization	(2,560,026)		Amortization	(896,009)	Operating 896,009
Sep-06	Interest		345,261	Interest	120,841	Nonoperating (120,841)
09-30-2006	Balance before interest	75,952,775			(775,168)	Total 775,168
				Oct-06	DFIT Expense	ADFIT
Oct-06	Surcharge Amortization	(2,320,995)		Amortization	(812,348)	Operating 812,348
Oct-06	Interest		334,351	Interest	117,023	Nonoperating (117,023)
10-31-2006	Balance before interest	73,631,780			(695,325)	Total 695,325
				GL Balance	Activity	GL Balance
				09-30-2006	Sep-06	10-31-2006
	<b>Net ERM Balance</b>	<b>75,035,312</b>		<b>77,021,956</b>	<b>(1,986,644)</b>	<b>75,035,312</b>
	<b>ADFIT Balance</b>	<b>(26,262,359)</b>				

Semi-annually on January 1 and July 1 Beginning 7/1/02 based on Avista's actual cost of debt, updated semiannually. Interest of debt calculated at 6/30 will be used for the interest calculation from July through December. Interest of debt calculated at 12/31 will be used for the interest calculation from January through June. Interest is accrued monthly and compounded semi-annually. Calculated using the prior month ending balance plus 1/2 month of current month charges times the current after tax interest rate Interest rate at 12/31/05 is 8.10% Actual cost of debt at 6/30/06 is 8.253% The monthly rate is:					
Rate is:	0.00675	Before Tax	0.00687750	Before Tax	
	0.0043875	After Tax	0.0044704	After Tax	
	0.35	Tax rate	0.35	Tax rate	
<b>80</b>	<b>2006 interest</b>				
GL Balance including interest	\$4,138,618.00				
GL Balance	(\$4,138,618.00)	Transfer to 186290			
GL Balance	0				
			<b>Jan-06</b>	<b>DFIT Expense</b>	<b>ADFIT</b>
ERM Deferral	0	Deferral	0	Operating	0
Interest	0	Interest	0	Nonoperating	0
Balance before interest	0		0	Total	0
			<b>Feb-06</b>	<b>DFIT Expense</b>	<b>ADFIT</b>
ERM Deferral	0	Deferral	0	Operating	0
Interest	0	Interest	0	Nonoperating	0
Balance before interest	0		0	Total	0
			<b>Mar-06</b>	<b>DFIT Expense</b>	<b>ADFIT</b>
ERM Deferral	(577,437)	Deferral	(202,103)	Operating	202,103
Interest	(1,267)	Interest	(443)	Nonoperating	443
Balance before interest	(577,437)		(202,546)	Total	202,546
			<b>Apr-06</b>	<b>DFIT Expense</b>	<b>ADFIT</b>
ERM Deferral	(1,545,747)	Deferral	(541,011)	Operating	541,011
Interest	(5,924)	Interest	(2,073)	Nonoperating	2,073
Balance before interest	(2,123,184)		(543,084)	Total	543,084
			<b>May-06</b>	<b>DFIT Expense</b>	<b>ADFIT</b>
ERM Deferral	(1,863,923)	Deferral	(652,373)	Operating	652,373
Interest	(13,404)	Interest	(4,691)	Nonoperating	4,691
Balance before interest	(3,987,107)		(657,064)	Total	657,064
			<b>Jun-06</b>	<b>DFIT Expense</b>	<b>ADFIT</b>
ERM Deferral	(761,356)	Deferral	(266,475)	Operating	266,475
Interest	(19,164)	Interest	(6,707)	Nonoperating	6,707
Balance before interest	(4,748,463)		(273,182)	Total	273,182
GL Balance including interest	(4,788,222)				
ERM Deferral	3,020,243	Deferral	1,057,085	Operating	(1,057,085)
Interest	(14,654)	Interest	(5,129)	Nonoperating	5,129
Balance before interest	(1,767,979)		1,051,956	Total	(1,051,956)
			<b>Aug-06</b>	<b>DFIT Expense</b>	<b>ADFIT</b>
Adjustment to deferral balance	(360,862)	Deferral	(126,302)	Operating	126,302
Adjustment to YTD interest	(5,859)	Interest	(2,051)	Nonoperating	2,051
Restated balance before interest	(2,134,700)				
Adjustment to July interest	(2,285)	Interest	(800)	Nonoperating	800
ERM Deferral	2,089,082	Deferral	731,179	Operating	(731,179)
Interest	(4,873)	Interest	(1,706)	Nonoperating	1,706
Balance before interest	(45,618)		600,320	Total	(600,320)
			<b>Sep-06</b>	<b>DFIT Expense</b>	<b>ADFIT</b>
ERM Deferral	0	Deferral	0	Operating	0
Interest	(204)	Interest	(71)	Nonoperating	71
Balance before interest	(45,618)		(71)	Total	71
			<b>Oct-06</b>	<b>DFIT Expense</b>	<b>ADFIT</b>
ERM Deferral	0	Deferral	0	Operating	0
Interest	(204)	Interest	(71)	Nonoperating	71
Balance before interest	(45,618)		(71)	Total	71
			<b>GL Balance</b>	<b>Activity</b>	<b>GL Balance</b>
<b>Net ERM Balance</b>	<b>(67,838)</b>		<b>09-30-06</b>	<b>Sep-06</b>	<b>10-31-06</b>
			(67,634)	(204)	(67,838)
<b>ADFIT Balance</b>	<b>23,743</b>				
Interest compounded July	(39,759)				0
YTD interest adjustment June	(5,859)	(67,838)	accrued interest for 2006		
Balance before interest compounding	(45,618)				

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%  
 The monthly rate is: 0.00675 Before Tax  
 0.0043875 After Tax  
 0.35 Tax rate

Actual cost of debt at 6/30/06 is 8.253%  
 The monthly rate is: 0.00687750 Before Tax  
 0.0044704 After Tax  
 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)
				Apr-06	DFIT Expense	ADFIT
Apr-06	ERM Transfer to 18235	0		Deferral	0	Operating 0
Apr-06	Interest		18,158	Interest	6,355	Nonoperating (6,355)
04-30-2006	Balance before interest	4,138,618			6,355	Total (6,355)
				May-06	DFIT Expense	ADFIT
May-06	ERM Transfer to 18235	0		Deferral	0	Operating 0
May-06	Interest		18,158	Interest	6,355	Nonoperating (6,355)
05-31-2006	Balance before interest	4,138,618			6,355	Total (6,355)
				Jun-06	DFIT Expense	ADFIT
Jun-06	ERM Transfer to 18235	0		Deferral	0	Operating 0
Jun-06	Interest		18,158	Interest	6,355	Nonoperating (6,355)
06-30-2006	Balance before interest	4,138,618			6,355	Total (6,355)
06-30-2006	GL Balance including interest	4,247,566		Jun-06	DFIT Expense	ADFIT
06-30-2006	ERM Transfer to 182350	(4,247,566)		Deferral	0	Operating 0
Jul-06	Interest		0	Interest	0	Nonoperating 0
07-31-2006	Balance before interest	0			0	Total 0
				Aug-06	DFIT Expense	ADFIT
Aug-06	ERM Transfer to 182350			Deferral	0	Operating 0
Aug-06	Interest		0	Interest	0	Nonoperating 0
08-31-2006	Balance before interest	0			0	Total 0
				Sep-06	DFIT Expense	ADFIT
Sep-06	ERM Transfer to 182350	0		Deferral	0	Operating 0
Sep-06	Interest		0	Interest	0	Nonoperating 0
09-30-2006	Balance before interest	0			0	Total 0
				Oct-06	DFIT Expense	ADFIT
Oct-06	ERM Transfer to 18235	0		Deferral	0	Operating 0
Oct-06	Interest		0	Interest	0	Nonoperating 0
10-31-2006	Balance before interest	0			0	Total 0

<b>Net ERM Balance</b>	<b>0</b>	<b>GL Balance</b>	<b>Activity</b>	<b>GL Balance</b>
		<b>09-30-06</b>	<b>Sep-06</b>	<b>10-31-06</b>
<b>ADFIT Balance</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

6/28/06 - WUTC deemed 2005 deferred power costs prudent. Reclass to 182350 after interest calculation.

Tax Rate	35%	DJ481 LTD	DJ481 LTD	DJ481 LTD			DJ481 CURMO		
	283280	283280	283280	283280			283280	283280	
<b>DJ481</b>	BEGINNING	ADFIT	ADFIT	ADFIT			BALANCE	FOR ALL	
	BALANCE	182350	186280	186290			COMPONENTS	ACCOUNTS	
								ENDING	
								BALANCE	
06-30-2006	(29,160,577)	(27,672,816)	1,675,878	(1,486,648)			(27,483,586)	1,676,991	(27,483,586)
07-31-2006	(27,483,586)	(28,486,786)	623,922	0			(27,862,864)	(379,278)	(27,862,864)
08-31-2006	(27,862,863)	(27,732,852)	23,601	0			(27,709,251)	153,612	(27,709,251)
09-30-2006	(27,709,250)	(26,957,685)	23,672	0			(26,934,013)	775,237	(26,934,013)
10-31-2006	(26,934,011)	(26,262,359)	23,743	0			(26,238,616)	695,395	(26,238,616)
			<b>ADFIT</b>				<b>Interest</b>		
		<b>410100</b>	<b>410200</b>	<b>283280</b>			<b>182350</b>	<b>186280</b>	<b>186290</b>
									<b>419600</b>
01-31-2006	182350	(1,001,683)	139,160	862,523		397,601	0	18,158	(415,759)
	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	(403,312)
	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	(1,267)	18,158	(389,881)
	186280	(202,103)	(443)	202,546					
	186290	0	6,355	(6,355)					
Total		(1,158,693)	136,459	1,022,234					
04-30-2006	182350	(844,296)	126,596	717,700		361,702	(5,924)	18,158	(373,936)
	186280	(541,011)	(2,073)	543,084					
	186290	0	6,355	(6,355)					
Total		(1,385,307)	130,878	1,254,429					
05-31-2006	182350	(764,331)	123,067	641,264		351,619	(13,404)	18,158	(356,373)
	186280	(652,373)	(4,691)	657,064					
	186290	0	6,355	(6,355)					
Total		(1,416,704)	124,731	1,291,973					
06-30-2006	182350	(768,298)	119,705	648,593		342,013	(19,164)	18,158	(341,007)
	186280	(266,475)	(6,707)	273,182					
	186290	0	6,355	(6,355)					
Total		(1,034,773)	119,353	915,420					
07-31-2006	182350	(801,242)	128,563	672,679		367,324	(14,654)	0	(352,670)
	186280	1,057,085	(5,129)	(1,051,956)					
	186290	0	0	0					
Total		255,843	123,434	(379,277)					
08-31-2006	182350	(878,742)	124,809	753,933		356,596	(13,017)	0	(343,579)
	186280	604,877	(4,557)	(600,320)					
	186290	0	0	0					
Total		(273,865)	120,252	153,613					
09-30-2006	182350	(896,009)	120,841	775,168		345,261	(204)	0	(345,057)
	186280	0	(71)	71					
	186290	0	0	0					
Total		(896,009)	120,770	775,239					
10-31-2006	182350	(812,348)	117,023	695,325		334,351	(204)	0	(334,147)
	186280	0	(71)	71					
	186290	0	0	0					
Total		(812,348)	116,952	695,396					
Recon:	Total interest 2006		3,655,721						
	Calc non op DFIT 2006		1,279,502						
	Total 410200 2006		1,279,503						



	YTD WA ERM Company Bands 186010	YTD WA ERM Contra Account 186020	GL Impact	YTD WA ERM Company Bands 186010	YTD WA ERM Contra Account 186020	GL Impact	YTD WA ERM Company Bands 186010	YTD WA ERM Contra Account 186020	GL Impact	YTD WA ERM Company Bands 186010	YTD WA ERM Contra Account 186020	GL Impact
12-31-2005	Balance	\$9,000,000	\$0									
2005 Requirement \$9,000,000												
Jan-06	Reverse 2005	(\$9,000,000)	\$0									
2006 Requirement Band 1 \$4,000,000												
Jan-06	Activity	\$2,809,450	\$0									
01-31-2006	Balance	\$2,809,450	\$0									
Feb-06	Activity	\$594,012	\$0									
02-28-2006	Balance	(\$2,215,438)	\$0									
Mar-06	Activity	\$1,784,562	\$0									
03-31-2006	Balance	(\$4,000,000)	\$0									
Apr-06	Activity	(\$4,000,000)	\$0									
04-30-2006	Balance	(\$4,000,000)	\$0									
May-06	Activity	(\$4,000,000)	\$0									
05-31-2006	Balance	(\$4,000,000)	\$0									
Jun-06	Activity	\$0	\$0									
06-30-2006	Balance	(\$4,000,000)	\$0									
Jul-06	Activity	\$0	\$0									
07-31-2006	Balance	(\$4,000,000)	\$0									
Aug-06	Activity	\$2,255,853	\$0									
08-31-2006	Balance	(\$1,744,147)	\$0									
Sep-06	Activity	(\$1,662,552)	\$0									
09-30-2006	Balance	(\$3,406,699)	\$0									
Oct-06	Activity	\$1,476,518	\$0									
10-31-2006	Balance	(\$1,930,181)	\$0									
Total company absorption YTD (\$1,930,181)												
											\$1,930,181	



**Electric Revenue Report by Revenue Class**  
**Current Month and Year-to-Date**  
**for Accounting Period : 200610 , State Code : WA**

Accounting Period: 200610 | State Code: WA

Rate Schedule Num	Meters	Usage	Revenue Amt	YTD Average Meters	Ytd Usage	Ytd Revenue Amt
001	194,452	160,359,380	10,001,194	192,586	1,892,271,910	118,440,985
011	18,789	28,978,533	2,700,142	18,613	300,425,445	27,754,183
012	7,283	3,052,260	300,766	7,126	34,264,942	3,294,854
021	3,199	135,696,832	9,403,931	3,233	1,291,050,478	89,587,105
022	74	2,659,510	173,958	74	29,376,334	1,896,487
025	21	75,430,901	3,476,876	21	775,346,173	35,378,724
028	0	0	15,941	1	118,770	166,535
030	42	2,458,380	132,049	39	21,805,360	1,170,616
031	1,056	9,828,554	603,278	1,044	86,008,745	5,320,870
032	1,116	790,844	54,963	1,092	9,304,050	609,569
041	11	8,720	1,520	11	87,200	15,085
042	241	1,084,666	269,112	236	10,775,146	2,649,225
044	14	22,267	2,135	13	219,788	20,830
045	6	90,272	5,131	6	903,335	51,185
046	16	184,489	14,172	16	1,848,256	140,892
047	0	503,626	87,723	0	4,954,787	867,387
048	0	312,381	59,672	0	3,124,217	593,539
058	0	0	969,662	0	0	10,133,626
058A	0	0	-4,821	0	0	-62,492

**Electric Revenue Report by Revenue Class**  
**Current Month and Year-to-Date**  
**for Accounting Period : 200610 , State Code : WA**

Accounting Period: 200610 | State Code: WA

	Meters	Usage	Revenue Amt	YTD Average Meters	Ytd Usage	Ytd Revenue Amt
063	0	0	0	0	0	0
090	0	0	4	0	0	40
095	0	0	11,935	0	0	112,456
099	0	0	58,611	0	0	501,586
Total WA	226,320	421,461,615	28,337,954	224,112	4,461,884,936	298,643,288
Total WA	226,320	421,461,615	28,337,954	224,112	4,461,884,936	298,643,288

Line No.	2006 WA & WASHINGTON ACTUAL Deferrals.xlsWA summary WASHINGTON ACTUALS-2006	Avista Utilities WASHINGTON POWER COST DEFERRALS																																																				
		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																																										
1	555 Purchased Power	\$166,083,721	\$20,639,556	\$17,910,644	\$23,505,825	\$13,191,911	\$12,879,592	\$14,111,451	\$23,185,412	\$17,583,071	\$11,787,420	\$11,288,899	\$																																									
2	501 Thermal Fuel	\$20,075,990	\$2,086,414	\$2,346,267	\$2,087,116	\$1,417,995	\$1,218,808	\$954,497	\$2,235,744	\$3,034,176	\$2,180,179	\$2,534,794	\$																																									
3	547 CT Fuel	\$64,171,616	\$4,081,840	\$6,063,627	\$8,682,070	\$566,800	\$1,039,557	\$2,516,462	\$9,342,220	\$10,004,415	\$10,312,077	\$11,562,548	\$																																									
4	447 Sale for Resale	\$(145,264,951)	\$(14,135,065)	\$(15,563,340)	\$(26,417,694)	\$(14,606,723)	\$(17,702,240)	\$(16,945,256)	\$(18,645,337)	\$(8,793,473)	\$(6,474,627)	\$(5,981,196)	\$																																									
5	Actual Net Expense	\$105,066,376	\$12,652,745	\$10,757,198	\$7,857,317	\$569,983	\$(2,564,343)	\$637,154	\$16,118,039	\$21,828,189	\$17,805,049	\$19,405,045	\$																																									
6	456100 Transmission Revenue	\$(9,192,416)	\$(666,712)	\$(605,537)	\$(995,296)	\$(686,810)	\$(987,177)	\$(1,501,608)	\$(1,036,900)	\$(1,071,042)	\$(876,162)	\$(845,172)	\$																																									
7	565 Transmission Expense	\$9,701,253	\$924,193	\$914,470	\$916,606	\$909,246	\$867,053	\$953,460	\$1,042,755	\$1,050,803	\$1,057,903	\$1,064,784	\$																																									
8	557170 Broker Fees	\$80,990	\$8,757	\$10,643	\$7,440	\$14,679	\$6,308	\$6,066	\$13,453	\$6,195	\$4,372	\$3,077	\$																																									
9	Less Pollatch 62 aMW directly to ID	\$(17,552,092)	\$(1,854,831)	\$(1,648,428)	\$(1,861,698)	\$(1,504,346)	\$(1,938,096)	\$(1,089,696)	\$(1,999,514)	\$(1,976,681)	\$(1,796,073)	\$(1,882,729)	\$																																									
10	Adjusted Actual Net Expense	\$88,104,111	\$11,144,152	\$9,428,346	\$5,924,369	\$(697,248)	\$(4,616,255)	\$(994,624)	\$14,137,833	\$19,837,464	\$16,195,089	\$17,744,985	\$																																									
<b>AUTHORIZED NET EXPENSE-SYSTEM</b>																																																						
11	555 Purchased Power	\$78,312,672	\$11,193,778	\$7,844,080	\$5,646,977	\$5,167,798	\$3,919,404	\$3,947,698	\$4,611,314	\$6,114,915	\$7,038,560	\$6,475,870	\$6,922,384																																									
12	501 Thermal Fuel	\$18,966,459	\$1,660,398	\$1,498,204	\$1,704,104	\$1,638,517	\$1,295,688	\$1,037,197	\$1,667,775	\$1,714,511	\$1,860,059	\$1,715,380	\$1,660,551																																									
13	547 CT Fuel	\$70,026,232	\$5,972,958	\$4,558,576	\$9,264,020	\$4,700,957	\$3,330,490	\$1,269,298	\$4,313,402	\$6,001,145	\$7,105,523	\$8,212,014	\$7,711,236																																									
14	447 Sale for Resale	\$(62,059,914)	\$(2,591,928)	\$(3,322,097)	\$(6,706,383)	\$(8,805,375)	\$(10,402,116)	\$(7,569,805)	\$(6,457,020)	\$(3,368,084)	\$(1,492,368)	\$(2,440,168)	\$(5,554,272)																																									
15	Settlement/Compliance Filing Adj.	\$(251,923)	\$74,750	\$(516,741)	\$(129,319)	\$921,340	\$110,419	\$(1,353,073)	\$(1,331,742)	\$(28,867)	\$1,162,101	\$855,509	\$(288,194)																																									
16	456100 Transmission Revenue	\$(10,268,650)	\$(850,551)	\$(850,451)	\$(950,576)	\$(854,363)	\$(856,884)	\$(860,452)	\$(862,365)	\$(861,081)	\$(861,257)	\$(853,900)	\$(853,565)																																									
17	565 Transmission Expense	\$13,307,162	\$1,328,836	\$1,106,210	\$1,097,845	\$1,091,385	\$1,084,823	\$1,096,602	\$1,107,276	\$1,095,400	\$1,091,132	\$1,164,092	\$1,117,299																																									
18	557 Broker Fees	\$78,000	\$6,500	\$6,500	\$6,500	\$6,500	\$6,500	\$6,500	\$6,500	\$6,500	\$6,500	\$6,500	\$6,500																																									
19	565 Compliance Filing	\$(84,000)	\$	\$	\$	\$	\$	\$	\$(49,000)	\$(7,000)	\$(7,000)	\$(7,000)	\$(7,000)																																									
20	Authorized Net Expense	\$81,390,364	\$16,598,741	\$10,324,281	\$10,033,168	\$3,866,759	\$(1,511,676)	\$(2,426,035)	\$3,006,140	\$10,667,439	\$15,703,250	\$15,128,297	\$																																									
21	Actual - Authorized Net Expense	\$6,713,747	\$(5,454,589)	\$(895,935)	\$(4,108,799)	\$(4,564,007)	\$(3,104,579)	\$1,431,411	\$11,131,693	\$9,170,025	\$491,839	\$2,616,688	\$																																									
22	Net Fuel Expense not incl in Acct 547	\$2,095,757	\$1,729,085	\$766,402	\$1,024,018	\$(277,505)	\$5,164	\$(7,197)	\$(1,313,257)	\$105,939	\$45,296	\$17,812	\$																																									
23	Adjusted Actual-Authorized Net Exp	\$8,809,504	\$(3,725,504)	\$(129,533)	\$(3,084,781)	\$(4,841,512)	\$(3,099,415)	\$1,424,214	\$9,818,436	\$9,275,964	\$537,135	\$2,634,500	\$																																									
24	Washington Alloc. @ 65.16%	\$5,740,273	\$(2,427,538)	\$(84,404)	\$(2,010,043)	\$(3,154,729)	\$(2,019,579)	\$928,018	\$6,397,693	\$6,044,218	\$349,997	\$1,716,640	\$																																									
25	Enron Contract Buyout 100%	\$325,658	\$32,563	\$32,563	\$32,563	\$32,563	\$32,563	\$32,563	\$32,570	\$32,570	\$32,570	\$32,570	\$																																									
26	WA Retail Revenue Adjustment	\$(7,996,112)	\$(414,475)	\$645,853	\$(961,956)	\$90,672	\$(863,401)	\$(1,806,533)	\$(1,943,966)	\$(364,495)	\$(2,045,119)	\$(272,692)	\$																																									
27	Net Power Cost Increase (Decrease)	\$(1,930,181)	\$(2,809,450)	\$594,012	\$(2,939,436)	\$(3,091,494)	\$(2,850,417)	\$(845,952)	\$4,486,297	\$5,712,293	\$(1,662,552)	\$1,476,518	\$																																									
28	Cumulative Balance	\$(2,809,450)	\$(2,215,438)	\$(5,154,874)	\$(8,246,366)	\$(11,096,785)	\$(11,942,737)	\$(7,456,440)	\$(1,744,147)	\$(3,406,699)	\$(1,930,181)	\$	\$																																									
<table border="0"> <tr> <td>ppu</td> <td>0.000,000 and up</td> <td>90%</td> </tr> <tr> <td>nppl</td> <td>4,000,000 to \$10M</td> <td>50%</td> </tr> <tr> <td>ppu</td> <td>0 to \$4M</td> <td>0%</td> </tr> </table> <p>check # - should be zero</p>													ppu	0.000,000 and up	90%	nppl	4,000,000 to \$10M	50%	ppu	0 to \$4M	0%																																	
ppu	0.000,000 and up	90%																																																				
nppl	4,000,000 to \$10M	50%																																																				
ppu	0 to \$4M	0%																																																				
<table border="0"> <tr> <td>Deferral Amount, Monthly</td> <td>\$0</td> <td>\$0</td> <td>\$0</td> <td>\$0</td> <td>\$0</td> <td>\$0</td> <td>\$0</td> <td>\$0</td> <td>\$0</td> <td>\$0</td> <td>\$0</td> <td>\$0</td> <td>\$0</td> </tr> <tr> <td>Account 557 for Budget</td> <td>\$(2,809,450)</td> <td>\$(2,215,438)</td> <td>\$(4,000,000)</td> <td>\$(4,000,000)</td> <td>\$(4,000,000)</td> <td>\$(4,000,000)</td> <td>\$(4,000,000)</td> <td>\$(4,000,000)</td> <td>\$(4,000,000)</td> <td>\$(1,744,147)</td> <td>\$(3,406,699)</td> <td>\$(1,930,181)</td> <td>\$0</td> </tr> <tr> <td>Company Band Gross Margin Impact, Cumulative</td> <td>\$(2,809,450)</td> <td>\$(2,215,438)</td> <td>\$(4,577,437)</td> <td>\$(5,728,220)</td> <td>\$(7,194,274)</td> <td>\$(8,246,366)</td> <td>\$(9,242,243)</td> <td>\$(10,242,243)</td> <td>\$(11,242,243)</td> <td>\$(12,242,243)</td> <td>\$(13,242,243)</td> <td>\$(14,242,243)</td> <td>\$(15,242,243)</td> </tr> </table>													Deferral Amount, Monthly	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	Account 557 for Budget	\$(2,809,450)	\$(2,215,438)	\$(4,000,000)	\$(4,000,000)	\$(4,000,000)	\$(4,000,000)	\$(4,000,000)	\$(4,000,000)	\$(4,000,000)	\$(1,744,147)	\$(3,406,699)	\$(1,930,181)	\$0	Company Band Gross Margin Impact, Cumulative	\$(2,809,450)	\$(2,215,438)	\$(4,577,437)	\$(5,728,220)	\$(7,194,274)	\$(8,246,366)	\$(9,242,243)	\$(10,242,243)	\$(11,242,243)	\$(12,242,243)	\$(13,242,243)	\$(14,242,243)	\$(15,242,243)
Deferral Amount, Monthly	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0																																									
Account 557 for Budget	\$(2,809,450)	\$(2,215,438)	\$(4,000,000)	\$(4,000,000)	\$(4,000,000)	\$(4,000,000)	\$(4,000,000)	\$(4,000,000)	\$(4,000,000)	\$(1,744,147)	\$(3,406,699)	\$(1,930,181)	\$0																																									
Company Band Gross Margin Impact, Cumulative	\$(2,809,450)	\$(2,215,438)	\$(4,577,437)	\$(5,728,220)	\$(7,194,274)	\$(8,246,366)	\$(9,242,243)	\$(10,242,243)	\$(11,242,243)	\$(12,242,243)	\$(13,242,243)	\$(14,242,243)	\$(15,242,243)																																									

**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
1	11,111,543	9,184,537	15,446,671	6,616,895	6,684,474	8,207,670	16,342,120	11,014,495	5,770,330	4,554,926			94,933,661
2	130,200	117,600	130,200	125,825	130,200	126,000	130,200	130,200	126,000	130,375			1,276,800
3	71,982	56,106	54,061	26,813	12,553	60,659	109,767	118,653	127,019	111,232			748,845
4	489,969	448,812	439,976	503,114	575,131	654,605	758,763	717,921	585,055	564,512			5,737,858
5	111,460	83,146	83,143	151,994	133,323	444,931	123,118	149,616	106,758	116,041			1,503,530
6	303,287	303,287	303,287	(242,877)	303,287	303,287	303,287	303,287	303,287	303,287			2,486,706
7	120,206	109,038	86,702	109,038	109,038	109,038	109,038	109,038	(79,512)	112,559			894,183
8		0								134,759			134,759
9	677	479	548	454	492	452	398	532	469	398			4,899
10	152,947	116,699	110,219	117,174	95,742	114,073	98,539	51,950	51,710	51,774			960,827
11	384,035	337,964	316,463	230,988	239,501	258,750	35,915		18,507	40,267			1,862,390
12	2,877,241	2,599,868	1,420,490	1,375,751									8,273,350
13	257,874	482,126	494,682	52,149	(62,610)	(38,666)	29,556	(72,263)	50,323	120,786			1,313,957
14	567,300	512,400	567,300	548,238	567,300	549,000	567,300	567,300	549,000	568,063			5,563,201
15	1,041,600	940,800	1,041,600	1,006,600	1,041,600	1,008,000	1,041,600	1,041,600	1,008,000	1,043,000			10,214,400
16	590,550	533,400	590,550	570,706	590,550	571,500	590,550	590,550	571,500	591,344			5,791,200
17	118,405	106,152	128,634	96,021	88,064	102,674	127,252	130,596	118,350	175,123			1,191,271
18	1,854,831	1,648,428	1,861,698	1,504,346	1,938,096	1,089,696	1,999,514	1,976,681	1,796,073	1,882,729			17,552,092
19	26,300	54,450	131,500	131,500	131,500	157,800	157,800	157,800	131,500	131,500			1,211,650
20													1,070,885
21	379,106	212,023	246,879	209,873	228,635	230,489	285,331	224,705	194,559	226,818			2,438,418
22				11,266	21,930	23,840	55,850	51,545	26,785	15,922			207,138
23													189,100
24	50,043	63,329	51,222	46,043	50,726	51,815	56,035	51,872	48,455	53,061			522,601
25	20,639,556	17,910,644	23,503,825	13,191,911	12,879,532	14,111,451	23,185,412	17,583,071	11,787,420	11,288,899			166,083,721

(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). Effective November 2006 the mid-point price is \$37.17/MWh for the 2006-07 contract year, per Settlement Agreement, Cause No. U-86-99

**447 SALES FOR RESALE**

26	13,490,234	14,944,085	25,803,958	14,157,413	17,219,988	16,256,574	17,424,159	7,652,041	5,665,057	4,999,682			137,613,191
27	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000			1,500,000
28	7,303	6,003	6,663	6,108	6,379	6,583	47,026	70,572	55,750	81,706			294,093
29	35,558	28,319	42,447	32,743	30,968	30,479	28,413	92,451	25,409	37,164			383,951
30	228,144	201,496	204,988	87,402	96,119	132,008	300,236	297,892	222,685	250,453			2,021,423
31	(4,095)	(3,961)	(4,709)	(5,094)	(12,200)	(4,084)	(4,915)	(4,095)	(4,045)	(4,952)			(52,150)
32	177,878	174,069	163,425	132,108	160,260	229,638	432,414	337,241	243,088	288,643			2,338,764
33													644,986
34	50,043	63,329	50,922	46,043	50,726	50,207	56,035	51,872	48,455	53,061			520,693
35	14,135,065	15,563,340	26,417,694	14,606,723	17,702,240	16,945,256	18,645,337	8,793,473	6,474,627	5,981,196			145,264,951

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>													
36													
37	936,228	1,039,143	856,427	409,137	569,155	244,930	848,045	996,539	924,660	1,007,345			7,831,609
38	1,107,263	1,296,087	1,216,168	995,417	637,577	702,453	1,260,002	1,992,518	1,242,173	1,507,874			11,957,532
	2,043,491	2,335,230	2,072,595	1,404,554	1,206,732	947,383	2,108,047	2,989,057	2,166,833	2,515,219			19,789,141
39	22,775	(1,493)	313	661	(976)	4,386	25,156	(10,404)	624	668			41,710
40	148	12,530	14,208	12,780	13,052	2,728	102,541	55,523	12,722	18,907			245,139
41	22,923	11,037	14,521	13,441	12,076	7,114	127,697	45,119	13,346	19,575			286,849
42	2,066,414	2,346,267	2,087,116	1,417,995	1,218,808	954,497	2,235,744	3,034,176	2,180,179	2,534,794			20,075,990
<u>501 FUEL-TONS</u>													
43	47,240	46,168	46,217	25,253	39,169	13,988	48,300	47,078	51,103	55,992			420,508
44	91,999	85,433	94,722	77,639	55,753	49,165	87,718	106,890	87,675	94,475			831,469
<u>501 FUEL-COST PER TON</u>													
45	19.82	22.51	18.53	16.20	14.53	17.51	17.56	21.17	18.09	17.99			18.62
46	12.04	15.17	12.84	12.82	11.44	14.29	14.36	18.64	14.17	15.96			14.38
<u>547 FUEL</u>													
47	102	(77)	17	(178)	399	36	131,578	9,367	(94)	6,045			147,195
48	(2,706)	7,246	1,505	4,296	88,837	82,910	287,029	204,299	261,346	131,357			1,066,117
49	3,153	13,263	(76)	3,779	502	1,065	6,107	42,194	22,870	11,581			104,438
50	4,078,827	6,042,794	8,679,738	560,356	832,793	2,204,212	7,923,906	9,644,605	10,026,126	11,393,908			61,387,265
51	2,466	401	886	(1,453)	117,026	228,239	993,600	103,950	1,829	19,657			1,466,601
52	4,081,840	6,063,627	8,682,070	566,800	1,039,557	2,516,462	9,342,220	10,004,415	10,312,077	11,562,548			64,171,616
53	12,652,745	10,757,198	7,857,317	569,983	(2,564,343)	637,154	16,118,039	21,828,189	17,805,049	19,405,045			105,066,376

AVISTA UTILITIES  
Washington Electric-Jurisdiction  
Energy Recovery Mechanism Revenue Credit  
Month of October 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	431,281,589	401,292,137	406,145,773	418,611,569	452,388,330	462,663,181	421,461,615	(306,774,328)	(306,774,328)	4,461,884,936
Deduct Prior Month Unbilled kWhs Heating	(355,532,546)	(333,551,203)	(299,669,681)	(293,686,289)	(294,319,437)	(293,057,121)	(286,171,989)	(299,064,904)	(288,060,092)	(288,339,066)	(306,774,328)	(306,774,328)	(3,338,226,656)
Deduct Prior Month Unbilled kWhs Cooling						(1,199,563)	(2,526,969)	(7,841,740)	(4,466,799)				(16,035,011)
Add Current Month Unbilled kWhs Heating	333,551,203	299,669,681	293,686,289	294,319,437	293,057,121	286,171,989	299,064,904	289,060,092	288,339,066	306,774,328			2,982,694,110
Add Current Month Unbilled kWhs Cooling					1,199,563	2,526,969	7,841,740	4,466,739					16,035,011
Washington Retail kWhs	492,005,759	450,079,300	464,109,426	431,914,737	401,229,384	400,588,047	436,819,255	438,008,517	458,475,416	439,896,877	(306,774,328)	(306,774,328)	4,106,352,390
Test Year Consumption (1)	481,585,239	466,825,783	439,660,052	414,394,121	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	17,520,616	21,920,389	46,072,797	49,588,881	(9,373,323)	52,176,852	6,765,038			202,794,661
WA Retail Revenue Credit (2)	\$406,713	(\$653,615)	\$954,259	\$683,830	\$855,553	\$1,798,221	\$1,935,454	(\$365,841)	\$2,036,463	\$264,039	\$0	\$0	\$7,915,076
Net Wind Revenue Credit	\$7,762	\$7,762	\$7,697	\$7,221	\$7,848	\$8,312	\$8,512	\$8,614	\$8,656	\$8,653	\$0	\$0	\$81,037
Total Revenue Credit	\$414,475	(\$645,853)	\$961,956	\$691,051	\$863,401	\$1,806,533	\$1,943,966	(\$357,227)	\$2,045,119	\$272,692	\$0	\$0	\$7,996,113

(1) from Exhibit No. 185 (WGJ-5) in Docket No. UE-050482 and Exhibit No. (WGJ-2) in Docket No. UE-060181.

(2) Production and Transmission Retail Revenue Credit Rate per the Settlement Agreement approved in Docket No. UE-060181, Order 03.

Reflects Exhibit No. 137 (TLK-7) Column F, Line 27 + Line 28, revised for 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	\$9,860.06	\$10,824.22	\$11,464.50	\$11,740.59	\$11,880.78	\$11,939.79	\$11,934.76	\$0.00	\$0.00	\$111,773.94
Deduct Admin Expense	\$2,944.36	\$2,944.32	\$2,919.37	\$2,739.02	\$2,976.66	\$3,152.74	\$3,228.66	\$3,267.21	\$3,283.44	\$3,282.06	\$0.00	\$0.00	\$30,737.83
Net Wind Revenue Credit	\$7,762.39	\$7,762.29	\$7,696.52	\$7,221.04	\$7,847.56	\$8,311.76	\$8,511.93	\$8,613.57	\$8,656.35	\$8,652.70	\$0.00	\$0.00	\$81,036.11

Year to Date Adjustment to Revenue Credit at May 2006

Revenue Credit as Recorded per ERM Journal	Year to Date Adjustment
\$384,861	\$801,147
\$414,475	\$863,401
	\$1,563,307
	\$110,967

Correct Input Error April 2006 Journal (3)

April Revenue Credit as revised June 2006

Corrected April Revenue Credit

Adjustment recorded with August 2006 Journal

August Total Revenue Credit Entry

April Input Error Adjustment  
(\$30,672)  
\$691,051  
\$721,722

\$364,495

(3) The April 2006 Journal had inadvertently used April 2005 Revenue Run kWhs in the calculation. This adjustment corrects the year to date revenue credit for this error.



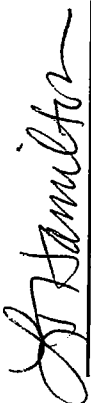
**Avista Corporation Journal Entry**


Journal: 485-ECB AMORT  
 Team: Resource Accounting  
 Type: C  
 Category: DJ

Effective Date: 200610  
 Last Saved by: Lori Hamilton  
 Submitted by: Lori Hamilton  
 Last Saved: 10/30/2006 12:05 PM

Seq.	Co.#	FERC	Ser.	Jur.	S.I.	Debit	Credit	Comment
10	001	557162 - ENRON CONTRACT BUYOUT	ED	WA	DL	29,313.00		Amortization expense
20	001	182360 - REGULATORY ASSET ENRON CONTRACT	ED	WA	DL		29,313.00	Amortization for WA ERM
30	001	182360 - REGULATORY ASSET ENRON CONTRACT	ED	WA	DL	325.00		Accrue interest on unamortized balance for future recovery
40	001	419000 - INTEREST AND DIVIDEND INCOME	ZZ	ZZ	DL		325.00	Interest income accrued
50	001	410100 - PRV DFIT DR	ED	WA	DL		10,260.00	DFIT expense on amortization (operating)
60	001	410200 - DFIT EXP-NONOPER (DR)	ZZ	ZZ	DL	114.00		DFIT expense on interest (non-operating)
70	001	283360 - ADFIT ENRON CONTRACT BUYOUT	ED	WA	DL	10,146.00		ADFIT ECB
<b>TOTALS:</b>						<b>39,898.00</b>	<b>39,898.00</b>	

**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  
 Date: 11/1/06

  
 Reviewed by  
 Date: 11/2/06

Approved for Entry  
 Corporate Accounting use Only  
 Date: \_\_\_\_\_

Account	DR	CR	DFIT	DFIT	DFIT	ED WA	ED WA	ED WA	ADFIT	ADFIT	ADFIT
Avisia Corporation											
Enron Contract Buyout											
Amortization Schedule											
July 2006 - December 2006											
	90%	100%									
	-\$29,313	\$0 Expense for deferral calculation. January through June 2006									
		\$32,570 Expense for deferral calculation. July through Dec 2006									
Uniform Monthly Amortization											
Balance	06-30-2006	\$173,548							283360	ED WA	Edif 1/05
Amortization	Jul-06	-29,313									
Net of amortization	Jul-06	144,235	182360	ED WA							
Average balance		158,892							9,989	ADFIT	
Interest (net of tax)	0.0044704	710	410100	ED WA					(60,745)		
Balance	07-31-2006	\$144,945							10,260		
Amortization	Aug-06	-29,313	419000	ZZ ZZ					(249)		
Net of amortization	Aug-06	115,632	182360	ED WA					10,011		
Average balance		130,289							(50,734)		
Interest (net of tax)	0.0044704	582	410100	ED WA					10,260		
Balance	08-31-2006	\$116,214							204		
Amortization	Sep-06	-29,313	419000	ZZ ZZ					(10,056)		
Net of amortization	Sep-06	86,901	182360	ED WA					10,056		
Average balance		101,558							(40,878)		
Interest (net of tax)	0.0044704	454	410100	ED WA					10,260		
Balance	09-30-2006	\$87,365							(159)		
Amortization	Oct-06	-29,313	419000	ZZ ZZ					10,101		
Net of amortization	Oct-06	58,042	182360	ED WA					(50,577)		
Average balance		72,699							10,260		
Interest (net of tax)	0.0044704	325	419000	ZZ ZZ					114		
Balance	10-31-2006	\$58,367							(10,146)		
Amortization	Nov-06	-29,313	410100	ED WA					10,146		
Net of amortization	Nov-06	29,054	182360	ED WA					(20,151)		
Average balance		43,711							10,260		
Interest (net of tax)	0.0044704	195	419000	ZZ ZZ					68		
Balance	11-30-2006	\$29,249							(10,192)		
Amortization	Dec-06	-29,313	182360	ED WA					10,192		
Net of amortization	Dec-06	-64	557162	ED WA					(10,339)		
Average balance		14,593							10,260		
Interest (net of tax)	0.0044704	64	419000	ZZ ZZ					21		
Balance	12-31-2006	\$0							(10,239)		
									0		
									Total monthly DFIT & ADFIT		

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