

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



**Corp.**

December 12, 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, November 2006

Dear Ms. Washburn:

Enclosed are an original and five copies of Avista Corporation's Power Cost Deferral Report for the month of November 2006. The report includes the monthly energy recovery mechanism (ERM) accounting journal together with backup workpapers. In November no deferral entry was made and net deferrals for 2006, excluding carrying costs, were zero at the end of November. In November the deadband balance increased from \$1,930,181 in the rebate direction at the beginning of the month to \$2,753,075 in the rebate direction at the end of the month.

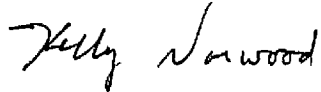
Actual power supply expenses were lower than authorized due primarily to higher hydro generation. Hydro generation was 102 aMW above the authorized level. The average market purchase price was \$57.02/MWh compared to an authorized rate of \$59.38/MWh. The average market sales price was \$56.37/MWh compared to an authorized sales price of \$57.63/MWh.

Due to economics, Coyote Springs 2 generated 38 aMW below the authorized level. Other gas-fired resources generated 5 aMW below the authorized level due to economics. Colstrip and Kettle Falls generated 15 aMW and 1 aMW above the authorized levels, respectively. Net transmission expense (transmission expense less transmission revenue) was above the authorized level. Washington retail sales were 36 aMW above the authorized level.

Enclosed is a forward long-term power contract that contains confidential, market-sensitive information. Avista and the counter-party to the agreement might be directly affected by disclosure of the confidential information. The first page of the contract and the pages containing confidential information have been marked with the designation "confidential per WAC 480-07-160." The unredacted version is being

filed under seal. Six copies of the unredacted version are being submitted in sealed envelopes, copied on yellow paper and identified as "Confidential Attachment A." Six copies of the redacted version are also being submitted. If you have any questions, please contact Bill Johnson at (509) 495-4046 or Ron McKenzie at (509) 495-4320.

Sincerely,

A handwritten signature in black ink that reads "Kelly Norwood". The signature is written in a cursive, flowing style.

Kelly Norwood  
Vice President State and Federal Regulation  
RM  
Enclosure  
C: Mary Kimball, S. Bradley Van Cleve

“Redacted Attachment A”

Avista Corporation  
Monthly Power Cost Deferral Report  
Month of November 2006

Long-term Power Transaction  
(See attached)

AGREEMENT FOR PURCHASE AND SALE OF POWER

This agreement, dated as of January 1, 2007, is made by and between Public Utility District No. 1 of Douglas County, a Washington Municipal Corporation acting through its Electric Distribution System (the "District") and Avista Corporation, a Washington Corporation ("Avista Corp."). The District and Avista Corp. agree as follows:

Section 1. Definitions

Whenever used in this Agreement, the following terms will have the following specified meanings:

1.1 "Delivering Party" means the party obligated to deliver energy to the other party under this Agreement.

1.2 "Energy" and "Capacity" means energy or capacity, as the case may be, which is made available or sold by the District from a District resource for the account of the District's Electric Distribution system.

1.3 "Heavy Load Hours" means the hours ending from 0800 to 2200 on any Monday, Tuesday, Wednesday, Thursday, Friday and Saturday.

1.4 "Hours" means hours measured by Pacific Time, Standard or Daylight, whichever is in effect at the pertinent time.

1.5 "Month" means a calendar month.

1.6 "Person" means any corporation, municipal corporation, cooperative, partnership, association, agency, firm, organization, individual, governmental authority or other entity.

1.7 "Point of Delivery" means the 230-kV bus in the Douglas Switchyard or such other point as the parties may agree upon for the delivery or return of energy under this Agreement.

1.8 "Receiving Party" means the party entitled to receive the delivery of energy by the other party under this Agreement.

1.9 "Term" means the period commencing at 0000 Hours on January 1, 2007 and ending at 2400 Hours on December 31, 2007.

Section 2. Capacity and Energy

2.1 Minimum Capacity. The District shall make available to Avista Corp., and Avista Corp. shall purchase from the District, Capacity at the Point of Delivery during Heavy Load Hours at the following demand levels for each Month included in the Term:

<u>Month</u>	<u>Capacity (kW)</u>
January 2007	10,000
February 2007	25,000
March 2007	50,000
April 2007	50,000
May 2007	50,000
June 2007	60,000
July 2007	60,000
August 2007	60,000
September 2007	50,000
October 2007	50,000
November 2007	15,000
December 2007	10,000

2.2 Additional Capacity. If and to the extent that the District determines that it has Capacity in excess of (a) the District's contractual commitments in effect on the date of this Agreement, (b) the District's needs to service its own service area loads, and (c) the amount of Capacity required to be made available to Avista Corp. under paragraph 2.1, then the District will offer to make such Capacity available to Avista Corp. under this Agreement prior to offering such excess Capacity to any other Person. The District will make available to Avista Corp., and Avista Corp. will purchase from the District, at the point of Delivery so much of such excess Capacity as Avista Corp. agrees to purchase.

2.3 Estimates of Additional Capacity. Upon execution of this Agreement, the District will deliver to Avista Corp. the District's best estimate of the amount of excess Capacity that it will offer to Avista Corp. under paragraph 2.2 for each Month included in the Term. The District will notify Avista Corp. of the amount of such excess Capacity that it has to offer for each Month included in the Term on or before the twentieth (20th) day of the preceding Month. Avista Corp. will notify the District of Avista Corp.'s intent to purchase all, none or a portion of such excess Capacity offered by the District for any Month included in the Term on or before the twenty-fifth (25th) day of the preceding Month.

2.4 Delivery of Energy by the District. The District will deliver to Avista Corp. Energy associated with the Capacity made available to Avista Corp. pursuant to paragraphs 2.1 and 2.2 if and to the extent that such energy is scheduled by Avista Corp. pursuant to paragraph 2.6. The District shall not be obligated to deliver Energy during any continuous Heavy Load Hour period in excess of the product of nine (9) hours and the Capacity made available to Avista Corp. pursuant to paragraphs 2.1 and 2.2.

2.5 Return. If and to the extent any Energy is delivered by the District pursuant to paragraph 2.4, Avista Corp. will return an equivalent amount of energy to the District. Subject to the following, all energy to be returned to the District shall be scheduled by the District pursuant to paragraph 2.6. Upon Avista Corp.'s request, the District will schedule the return of


all or any portion of such energy within twenty-four (24) hours after delivery of the energy to Avista Corp.. The District may, however, limit the return of such energy to seventy-five percent (75%) of the energy delivered to Avista Corp. within the previous twenty-four (24) hours. Upon the District's request, Avista Corp. will return up to fifty percent (50%) of such energy within twenty four (24) hours after delivery of the energy to Avista Corp.. Unless otherwise agreed, the balance will be returned within 168 hours after delivery to Avista Corp.. Unless otherwise agreed, the aggregate quantity of energy not returned within twenty-four (24) hours after delivery to Avista Corp. shall not exceed the product of twenty-four (24) hours and the Capacity made available to Avista Corp. pursuant to paragraphs 2.1 and 2.2 as of 2400 hours on any Saturday over the Term hereof. Notwithstanding the foregoing provisions, Avista Corp. will not have any obligation to return or pay for energy not scheduled by the District for return within 168 hours after delivery to Avista Corp.. Unless otherwise agreed by Avista Corp., the District shall not schedule the return of any energy during Heavy Load Hours or at a rate in excess of the sum of the demand levels specified in paragraph 2.1 and 2.2 for the month in which such energy is to be returned.

2.6 Schedules. The Receiving Party shall submit to the Delivering Party schedules for the delivery or return of energy pursuant to this Agreement no later than 0730 hours on each preschedule day common to both parties consistent with standard utility practice for prescheduling on a five (5) day per week basis. The Receiving Party may at any time revise any such schedule; provided that any revision after 0730 Hours on the aforementioned preschedule day shall be subject to the approval of the Delivering Party, which approval shall not be unreasonably withheld. The Avista Corp. shall be responsible for providing all required interchange schedule "tags"; provided, further, that said "tags" are also required to have "implement" status by 1500 Hours on the aforementioned preschedule day.

2.7 Point of Delivery. All energy to be delivered or returned under this Agreement shall be delivered or returned, as the case may be, at the Point of Delivery.

### Section 3. Compensation

3.1 Capacity. Avista Corp. will pay the District for Capacity made available by the District pursuant to paragraph 2.1 and for any Capacity made available by the District and purchased by Avista Corp. pursuant to paragraph 2.2 at the following rates for each Month included in the Term (if this Agreement commences or is terminated on other than the first or last day of a month, such rates shall be prorated on a daily basis for the Month):

<u>Month</u>	<u>Rate (\$/kW)</u>
January 2007	
February 2007	
March 2007	
April 2007	
May 2007	
June 2007	
July 2007	
August 2007	
September 2007	
October 2007	
November 2007	
December 2007	

3.2 Billing and Payment. The District shall render billings to Avista Corp. for Capacity purchased by Avista Corp. under this Agreement during any Month on or about the tenth (10th) day following the end of such Month. Avista Corp. shall pay the amount owing within twenty (20) days after Avista Corp.'s receipt of the District's billing. All payments are acknowledged to be moneys of the District, derived through ownership of the District's Electric Distribution System and shall accrue to the District's Electric Distribution System Revenue Fund.

#### Section 4. Miscellaneous

4.1 Force Majeure. Neither party shall be liable to the other for, or be considered to be in breach of or default under this agreement on account of, any delay in performance of its obligations under this Agreement if such delay is due to any cause beyond the control of the party claiming force majeure, including but not restricted to: failure or threat of failure of facilities; flood; earthquake; geohydrolic subsidence; tornado; storm; fire; civil disturbances or disobedience; labor dispute; labor or material shortage; sabotage; restraint by court order or public authority (whether valid or invalid); action or non-action by or inability to obtain or keep the necessary authorizations or approvals from any governmental agency or authority; reductions or interruptions in services which, in a party's reasonable judgment, are necessary to protect generation or transmission facilities; curtailments or interruptions of third party transmission service which is being used for transmitting energy hereunder; and necessary maintenance, repairs, replacements or installations of equipment or the investigation of such equipment. Nothing contained herein shall be construed so as to require a party to settle any strike or labor dispute in which it may be involved. Either party rendered unable to fulfill any of its obligations under this Agreement by reason of force majeure shall give prompt written notice of such fact to the other party together with the particulars of the occurrence and shall exercise due diligence to remove its inability to perform with all reasonable dispatch.

4.2 Payment during Force Majeure. If, because of force majeure, either party is unable to fulfill its obligations under Sections 2.4 or 2.5 above, the Delivering Party shall immediately notify the Receiving Party of such interruption, the cause of the interruption, and the expected duration of such reduction or nondelivery, and at such time the District may suspend its obligation under section 2.4 to deliver Energy associated with Capacity to Avista Corp.. If, because of force majeure, the District is unable to deliver Energy and Capacity as provided in section 2.4, the District shall, at its option and upon written notice within 24 hours of the force majeure, deliver such Energy and Capacity as soon as practical thereafter to Avista Corp., or, adjust payments due under this agreement for such prorata Capacity and Energy not delivered. If, because of force majeure, Avista Corp. is unable to return any Energy to the District within 168 hours as required in section 2.5, Avista Corp.'s obligation to return any such outstanding balance of Energy to the District shall remain until satisfied.

4.3 Invalid Provision. If this Agreement is determined by any court or regulatory authority having jurisdiction to be invalid in whole or in part or to place either party in violation of other agreements to which either the District or Avista Corp. is a party, this Agreement may be canceled by either party giving the other party at least 30 days advance written notice of such cancellation. In the event of such cancellation, neither party shall have any claim of any nature whatsoever against the other on account of the cancellation; provided, however, that the right to receive payment for capacity delivered prior to cancellation will survive such cancellation.

4.4 Survival. The provisions of Section 3 and 4 of this Agreement (together with any other provisions which may reasonably be interpreted or construed to survive the expiration, termination or cancellation of this Agreement) shall survive the expiration, termination or cancellation of this Agreement.

4.5 Amendment. No change, modification or amendment of this Agreement shall be valid unless set forth in a written instrument signed by the Party to be bound thereby.

4.6 Assignment. Neither Party shall assign this Agreement without the prior written consent of the other Party. Subject to the foregoing restriction on assignment, this Agreement shall be binding upon, inure to the benefit of and be enforceable by the Parties and their successive successors and assigns.

4.7 No Third-Party Beneficiary. There are no third-party beneficiaries of this Agreement. This Agreement shall not confer any right or remedy upon any Person other than the parties and their respective successors and assigns permitted under paragraph 4.5. No action may be commenced or prosecuted against any party by any third party claiming as a third party beneficiary of this Agreement or the transactions contemplated hereby. This Agreement shall not release or discharge any obligation or liability of any third party to any party or give any third party any right of subrogation or action over or against any party.



4.8 No Dedication of Facilities. No undertaking by either party to the other party under any provision of this Agreement shall constitute a dedication of the electric system of such party (or any portion thereof) to the public or to the other party.

4.9 Governing Law. This Agreement shall be interpreted, construed and enforced in accordance with the laws of the State of Washington or the laws of the United States of America, whichever is applicable, as if executed and to be performed wholly within the State of Washington. Venue of any legal action arising out of this Agreement shall be exclusively in a court of competent jurisdiction of Douglas County, State of Washington, or U.S. District Court for the Eastern District of Washington. In the event that litigation or other proceedings arise in relation to this Agreement, the substantially prevailing party shall be entitled to recover all reasonable costs of suit, including but not limited to, reasonable attorney fees, lodging and meals, and travel.

4.10 Entire Agreement. This Agreement sets forth the entire agreement of the parties with regard to the purchases and sales of Capacity described herein. There exists no promises, terms or conditions with regard to such purchases and sales other than those contained herein; all prior communication and negotiations between the parties, either verbal or written, relating to the subject matter of this Agreement, not herein contained, are hereby withdrawn and annulled.

4.11 Binding Agreement. Each party warrants to the other that it has duly entered into this Agreement and that this Agreement constitutes the valid, legal and binding obligation of such party, enforceable strictly against such party in accordance with its terms. If any court or regulatory authority having jurisdiction determines that either party is in breach of this warranty, this Agreement may be canceled by either party giving the other party at least thirty (30) days advance written notice of such cancellation. In the event of such cancellation, neither party shall have any claim of any nature whatsoever against the other on account of this breach or cancellation; provided, however, that the right to receive payment for Capacity or Energy delivered prior to cancellation will survive such cancellation.

AVISTA CORPORATION

By Scott Morris *RRP*

Name: Scott Morris

Title: President & COO

Date Signed: 11-30-06

PUBLIC UTILITY DISTRICT NO. 1  
OF DOUGLAS COUNTY

By William C. Dobbins  
William C. Dobbins  
Manager

Date Signed: 12-4-06

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

MONTH OF NOVEMBER 2006

**Avista Corporation Journal Entry**

Journal: 481-WA ERM  
 Team: Resource Accounting  
 Type: C  
 Category: DJ

Effective Date: 200611  
 Last Saved by: Lori Hamilton  
 Submitted by: Lori Hamilton  
 Last Saved: 12/06/2006 3:43 PM

Seq.	Co.#	FERC	Ser.	Jur.	S.L.	Debit	Credit	Comment
10	001	557290 - WA ERM AMORTIZATION	ED	WA	DL	2,403,537.00		WA ERM surcharge amortization
20	001	182350 - REGULATORY ASSET ERM APPROVED FOR	ED	WA	DL		2,403,537.00	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	323,791.00		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		323,587.00	Non-utility interest income
90	001	410100 - PRV DFIT DR	ED	WA	DL		841,238.00	DFIT entry for power supply deferral and surcharge amortization
100	001	410200 - DFIT EXP-NONOPER (DR)	ZZ	ZZ	DL	113,256.00		Non-op DFIT entry for interest income
110	001	283280 - ADFIT ERM	ED	WA	DL	727,982.00		ADFIT WA ERM current and prior years
120	001	186010 - REGULATORY ASSET ERM YTD COMPANY	ED	WA	DL		822,894.00	Track YTD company band accumulation
130	001	186020 - REGULATORY ASSET ERM YTD CONTRA	ED	WA	DL	822,894.00		Contra account for YTD company band accumulation
<b>TOTALS:</b>						<b>4,391,460.00</b>	<b>4,391,460.00</b>	

### Avista Corporation Journal Entry

Effective Date: 200611

Journal: 481-WA ERM  
Team: Resource Accounting  
Type: C  
Category: DJ  
Last Saved by: Lori Hamilton  
Submitted by: Lori Hamilton  
Last Saved: 12/06/2006 3:43 PM

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

Lori Hamilton  
Prepared by Lori Hamilton

Jami Judge  
Reviewed by

12/6/06  
Date

12/6/06  
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	
200611	USD	-204.00		-68,042.00	

Journal Details

Summary Balances

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

**Account 186280.ED.WA**

	Amount	Journal ID
Balance 10/31/06	-\$67,838.00	
Deferral	0.00	481 - WA ERM
Interest	-204.00	481 - WA ERM
Balance 11/30/06	<u><u>-\$68,042.00</u></u>	
Year to date deferrals	\$0.00	
Year to date interest	<u>-68,042.00</u>	
Balance in account	<u><u>-\$68,042.00</u></u>	

Balance Type **Actual**

Currency Type **Entered**

Factor **Units**



Period	Currency	PTD	PTD Converted	YTD	YTD Converted
<b>200513</b>	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	
200611	USD	0.00		0.00	

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Journal Details

Summary Balances

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

**Account 186290.ED.WA**

Balance 10/31/06

No current month activity

Balance 11/30/06

Amount

Journal ID

\$0.00

0.00

\$0.00

481 - WA ERM

Balance Type **Actual** Currency Type **Entered**  
 Factor **Units**

Period	Currency	PTD	PTD Converted	YTD	YTD Converted
<b>200513</b>	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	
200611	USD	-2,079,746.00		72,955,565.65	

Journal Details

Summary Balances

**Recoverable Deferral Balance**  
**Account 182350.ED.WA**  
 Balance 10/31/06  
 Amortization  
 Interest  
 Balance 11/30/06

Amount	Journal ID
\$75,035,311.65	
-2,403,537.00	481 - WA ERM
323,791.00	481 - WA ERM
<u>\$72,955,565.65</u>	

Balance Type **Actual**      Currency Type **Entered**  
 Factor **Units**



Period	Currency	PTD	PTD Converted	YTD	YTD Converted
<b>200513</b>	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	
200611	USD	-29,118.00		29,249.00	

Journal Details

Summary Balances

**Contract Buyout Deferral Balance**

**Account 182360.ED.WA**

	<u>Amount</u>	<u>Journal ID</u>
Balance 10/31/06	\$58,367.00	
Amortization*	-29,313.00	485 - ECB AMORT
Interest	195.00	485 - ECB AMORT
Balance 11/30/06	<u><u>\$29,249.00</u></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	
200611	USD	-822,894.00		-2,753,075.00	

Journal Details

Summary Balances

**ERM Deadband plus Amounts Absorbed**

**Account 186010.ED.WA**

	Amount	Journal ID
Balance 10/31/06	-\$1,930,181.00	
Current month entry	-822,894.00	481 - WA ERM
Balance 11/30/06	<u>-\$2,753,075.00</u>	

	Total	Absorbed	Deferred
First \$4,000,000 at 100%	-\$2,753,075.00	-\$2,753,075.00	\$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>-\$2,753,075.00</u>	<u>-\$2,753,075.00</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	
200611	USD	822,894.00		2,753,075.00	

Journal Details

Summary Balances

**ERM Deadband Contra Account**

**Account 186020.ED.WA**

Balance 10/31/06  
 Current month entry  
 Balance 11/30/06

<u>Amount</u>	<u>Journal ID</u>
\$1,930,181.00	
822,894.00	481 - WA ERM
<u>\$2,753,075.00</u>	

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	
200611	USD	727,982.00		-25,510,633.00	

Journal Details

Summary Balances

**DFIT Associated with ERM Deferrals**

**Account 283280.ED.WA**

Account 186280.ED.WA balance	-\$68,042.00
Account 186290.ED.WA balance	0.00
Account 182350.ED.WA balance	72,955,565.65
Total	<u>\$72,887,523.65</u>
Federal income tax rate	-35%
Deferred FIT related to deferrals	<u>-\$25,510,633</u>
Rounding	0
Balance in account	<u><u>-\$25,510,633</u></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	
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	
200611	USD	10,192.00		-10,239.00	

Journal Details

Summary Balances

**DFIT Associated with Contract Buyout Deferral**

**Account 283360.ED.WA**

Account 182360.ED.WA balance	\$29,249.00
Federal income tax rate	-35%
Deferred FIT related to contract buyout deferral	<u>-\$10,237</u>
Rounding	-2
Balance in account	<u><u>-\$10,239</u></u>

Changes Semiannually on January 1 and July 1 Beginning 7/1/02							
The rate is based on Avista's actual cost of debt, updated semiannually.							
The actual cost of debt calculated at 6/30 will be used for the interest calculation from July through December.							
The actual cost of debt calculated at 12/31 will be used for the interest calculation from January through June.							
Interest will be accrued monthly and compounded semi-annually.							
Interest is calculated using the prior month ending balance plus 1/2 month of current month charges times the current after tax interest rate							
Actual cost of debt at 12/31/05 is 8.10%.				Actual cost of debt at 6/30/06 is 8.253%			
The monthly rate is:		0.00675	Before Tax	The monthly rate is:		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	83,312,755		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
				Nov-06	DFIT Expense		ADFIT
Nov-06	Surcharge Amortization	(2,403,537)		Amortization	(841,238)	Operating	841,238
Nov-06	Interest		323,791	Interest	113,327	Nonoperating	(113,327)
11-30-2006	Balance before interest	71,228,243			(727,911)	Total	727,911
				GL Balance	Activity	GL Balance	
				10-31-2006	Nov-06	11-30-2006	
	<b>Net ERM Balance</b>	<b>72,955,566</b>		<b>75,035,312</b>	<b>(2,079,746)</b>	<b>72,955,566</b>	
	<b>ADFIT Balance</b>	<b>(25,534,448)</b>					

Annually on January 1 and July 1 Beginning 7/1/02					
Based on Avista's actual cost of debt, updated semi-annually.					
Cost of debt calculated at 6/30 will be used for the interest calculation from July through December.					
Cost 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					
Cost of debt at 12/31/05 is 8.10%					
Rate is:	0.00675	Before Tax	Actual cost of debt at 6/30/06 is 8.253%		
	0.0043875	After Tax	The monthly rate is: 0.00687750 Before Tax		
	0.35	Tax rate	0.0044704 After Tax		
			0.35 Tax rate		
<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>					
ERM Deferral	0	Deferral	DFIT Expense	ADFIT	
Interest	0	Interest	0	Operating	0
Balance before interest	0		0	Nonoperating	0
				Total	0
<b>Feb-06</b>					
ERM Deferral	0	Deferral	DFIT Expense	ADFIT	
Interest	0	Interest	0	Operating	0
Balance before interest	0		0	Nonoperating	0
				Total	0
<b>Mar-06</b>					
ERM Deferral	(577,437)	Deferral	DFIT Expense	ADFIT	
Interest	(1,267)	Interest	(202,103)	Operating	202,103
Balance before interest	(577,437)		(443)	Nonoperating	443
			(202,546)	Total	202,546
<b>Apr-06</b>					
ERM Deferral	(1,545,747)	Deferral	DFIT Expense	ADFIT	
Interest	(5,924)	Interest	(541,011)	Operating	541,011
Balance before interest	(2,123,184)		(2,073)	Nonoperating	2,073
			(543,084)	Total	543,084
<b>May-06</b>					
ERM Deferral	(1,863,923)	Deferral	DFIT Expense	ADFIT	
Interest	(13,404)	Interest	(652,373)	Operating	652,373
Balance before interest	(3,987,107)		(4,691)	Nonoperating	4,691
			(657,064)	Total	657,064
<b>Jun-06</b>					
ERM Deferral	(761,356)	Deferral	DFIT Expense	ADFIT	
Interest	(19,164)	Interest	(266,475)	Operating	266,475
Balance before interest	(4,748,463)		(6,707)	Nonoperating	6,707
			(273,182)	Total	273,182
<b>Jul-06</b>					
GL Balance including interest	(4,788,222)		DFIT Expense	ADFIT	
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>					
Adjustment to deferral balance	(360,862)	Deferral	DFIT Expense	ADFIT	
Adjustment to YTD interest	(5,859)	Interest	(126,302)	Operating	126,302
Restated balance before interest	(2,134,700)		(2,051)	Nonoperating	2,051
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>					
ERM Deferral	0	Deferral	DFIT Expense	ADFIT	
Interest	(204)	Interest	0	Operating	0
Balance before interest	(45,618)		(71)	Nonoperating	71
			(71)	Total	71
<b>Oct-06</b>					
ERM Deferral	0	Deferral	DFIT Expense	ADFIT	
Interest	(204)	Interest	0	Operating	0
Balance before interest	(45,618)		(71)	Nonoperating	71
			(71)	Total	71
<b>Nov-06</b>					
ERM Deferral	0	Deferral	DFIT Expense	ADFIT	
Interest	(204)	Interest	0	Operating	0
Balance before interest	(45,618)		(71)	Nonoperating	71
			(71)	Total	71
<b>Summary</b>					
Net ERM Balance	(68,042)	GL Balance	Activity	GL Balance	
		10-31-06	Nov-06	11-30-06	
		(67,838)	(204)	(68,042)	
ADFIT Balance	23,815				
Interest compounded July	(39,759)			0	
YTD interest adjustment June	(5,859)	(68,042)	accrued interest for 2006		
Balance before interest compounding	(45,618)	(22,424)	July - Oct accrued interest		

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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	Actual cost of debt at 6/30/06 is 8.253%		0.00687750 Before Tax	
		0.0043875	After Tax			0.0044704 After Tax	
		0.35	Tax rate			0.35 Tax rate	
<b>Account 186290</b>				<b>2006 Interest</b>			
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					
				<u>Jan-06</u>	<u>DFIT Expense</u>		<u>ADFIT</u>
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)
				<u>Feb-06</u>	<u>DFIT Expense</u>		<u>ADFIT</u>
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)
				<u>Mar-06</u>	<u>DFIT Expense</u>		<u>ADFIT</u>
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)
				<u>Apr-06</u>	<u>DFIT Expense</u>		<u>ADFIT</u>
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)
				<u>May-06</u>	<u>DFIT Expense</u>		<u>ADFIT</u>
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)
				<u>Jun-06</u>	<u>DFIT Expense</u>		<u>ADFIT</u>
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					
06-30-2006	ERM Transfer to 182350	(4,247,566)		<u>Jun-06</u>	<u>DFIT Expense</u>		<u>ADFIT</u>
Jul-06	Interest		0	Deferral	0	Operating	0
07-31-2006	Balance before interest	0		Interest	0	Nonoperating	0
					0	Total	0
				<u>Aug-06</u>	<u>DFIT Expense</u>		<u>ADFIT</u>
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
				<u>Sep-06</u>	<u>DFIT Expense</u>		<u>ADFIT</u>
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
				<u>Oct-06</u>	<u>DFIT Expense</u>		<u>ADFIT</u>
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
				<u>Nov-06</u>	<u>DFIT Expense</u>		<u>ADFIT</u>
Nov-06	ERM Transfer to 18235	0		Deferral	0	Operating	0
Nov-06	Interest		0	Interest	0	Nonoperating	0
11-30-2006	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>10-31-06</b>		<b>Nov-06</b>	<b>11-30-06</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	
DJ481	BEGINNING	ADFIT	ADFIT	ADFIT			BALANCE	FOR ALL	
	BALANCE	182350	186280	186290			COMPONENTS	ACCOUNTS	
								283280	
								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)
11-30-2006	(26,238,615)	(25,534,448)	23,815	0			(25,510,633)	727,982	(25,510,633)
			<b>ADFIT</b>				<b>Interest</b>		
		<b>410100</b>	<b>410200</b>	<b>283280</b>			<b>182350</b>	<b>186280</b>	<b>186290</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)					
<b>Total</b>		<b>(1,001,683)</b>	<b>145,515</b>	<b>856,168</b>					
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)					
<b>Total</b>		<b>(984,133)</b>	<b>141,159</b>	<b>842,974</b>					
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)					
<b>Total</b>		<b>(1,158,693)</b>	<b>136,459</b>	<b>1,022,234</b>					
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)					
<b>Total</b>		<b>(1,385,307)</b>	<b>130,878</b>	<b>1,254,429</b>					
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)					
<b>Total</b>		<b>(1,416,704)</b>	<b>124,731</b>	<b>1,291,973</b>					
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)					
<b>Total</b>		<b>(1,034,773)</b>	<b>119,353</b>	<b>915,420</b>					
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					
<b>Total</b>		<b>255,843</b>	<b>123,434</b>	<b>(379,277)</b>					
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					
<b>Total</b>		<b>(273,865)</b>	<b>120,252</b>	<b>153,613</b>					
09-30-2006	182350	(896,009)	120,841	775,168		345,261	(204)	0	(345,057)
	186280	0	(71)	71					
	186290	0	0	0					
<b>Total</b>		<b>(896,009)</b>	<b>120,770</b>	<b>775,239</b>					
10-31-2006	182350	(812,348)	117,023	695,325		334,351	(204)	0	(334,147)
	186280	0	(71)	71					
	186290	0	0	0					
<b>Total</b>		<b>(812,348)</b>	<b>116,952</b>	<b>695,396</b>					
11-30-2006	182350	(841,238)	113,327	727,911		323,791	(204)	0	(323,587)
	186280	0	(71)	71					
	186290	0	0	0					
<b>Total</b>		<b>(841,238)</b>	<b>113,256</b>	<b>727,982</b>					
Recon:	Total interest 2006		3,979,308						
	Calc non op DFIT 2006		1,392,758						
	Total 410200 2006		1,392,759						







**Electric Revenue Report by Revenue Class**  
**Current Month and Year-to-Date**  
 for Accounting Period : 200611 , State Code : WA

Accounting Period: 200611   State Code: WA
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	Meters	Usage	Revenue Amt	YTD Average Meters	Ytd Usage	Ytd Revenue Amt
Rate Schedule Num						
001	195,142	183,768,643	11,464,527	192,818	2,076,040,553	129,905,512
011	18,797	29,384,694	2,737,440	18,630	329,810,139	30,491,623
012	7,294	3,325,770	323,339	7,141	37,590,712	3,618,194
021	3,204	127,345,851	8,880,215	3,230	1,418,396,329	98,467,319
022	73	2,797,144	183,178	74	32,173,478	2,079,666
025	21	78,920,802	3,607,044	21	854,266,975	38,985,768
028	1	156,740	26,091	1	275,510	192,627
030	40	327,760	17,936	39	22,133,120	1,188,552
031	1,059	4,073,638	268,986	1,046	90,082,383	5,589,856
032	1,110	329,151	26,999	1,094	9,633,201	636,568
041	11	8,720	1,520	11	95,920	16,606
042	241	1,084,906	268,968	237	11,860,052	2,918,192
044	14	22,267	2,135	13	242,055	22,965
045	6	90,167	5,124	6	993,502	56,309
046	16	185,029	14,212	16	2,033,285	155,104
047	0	501,057	86,967	0	5,455,844	954,354
048	0	310,005	59,412	0	3,434,222	652,951
058	0	0	980,283	0	0	11,113,909
058A	0	0	-6,216	0	0	-68,708

**Electric Revenue Report by Revenue Class**  
**Current Month and Year-to-Date**  
 for Accounting Period : 200611 , State Code : WA

Accounting Period: 200611   State Code: WA
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	Meters	Usage	Revenue Amt	YTD Average Meters	Ytd Usage	Ytd Revenue Amt
063	4	1,153	0	0	1,153	0
090	0	0	4	0	0	44
095	0	0	11,875	0	0	124,332
099	0	0	53,816	0	0	555,403
Total WA	227,033	432,633,497	29,013,857	224,377	4,894,518,433	327,657,144
Total WA	227,033	432,633,497	29,013,857	224,377	4,894,518,433	327,657,144

**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	\$ 183,654,452	\$ 17,910,644	\$ 23,505,825	\$ 13,191,911	\$ 12,879,532	\$ 14,111,451	\$ 23,185,412	\$ 17,583,071	\$ 11,787,420	\$ 11,288,899	\$ 17,570,731
2 501 Thermal Fuel	\$ 21,993,977	\$ 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	\$ 1,917,987
3 547 CT Fuel	\$ 72,959,241	\$ 4,081,840	\$ 6,063,627	\$ 8,682,070	\$ 1,039,557	\$ 2,516,462	\$ 9,342,220	\$ 10,004,415	\$ 10,312,077	\$ 11,562,548	\$ 8,787,625
4 447 Sale for Resale	\$ (161,722,673)	\$ (14,195,065)	\$ (15,563,340)	\$ (26,417,694)	\$ (17,702,240)	\$ (16,945,256)	\$ (18,645,337)	\$ (8,793,473)	\$ (6,474,627)	\$ (5,981,196)	\$ (16,457,722)
5 Actual Net Expense	\$ 116,894,997	\$ 12,652,745	\$ 10,757,198	\$ 7,857,317	\$ 5,698,983	\$ 6,371,54	\$ 16,118,039	\$ 21,828,189	\$ 17,805,049	\$ 19,405,045	\$ 11,818,621
6 456100 Transmission Revenue	\$ (9,862,026)	\$ (586,712)	\$ (605,537)	\$ (995,296)	\$ (686,810)	\$ (1,501,608)	\$ (1,036,900)	\$ (1,071,042)	\$ (676,162)	\$ (845,172)	\$ (689,610)
7 565 Transmission Expense	\$ 10,754,150	\$ 924,193	\$ 914,470	\$ 909,246	\$ 867,053	\$ 953,460	\$ 1,042,755	\$ 1,050,803	\$ 1,057,903	\$ 1,064,764	\$ 1,052,897
8 557170 Broker Fees	\$ 85,962	\$ 8,757	\$ 10,643	\$ 7,440	\$ 6,308	\$ 6,066	\$ 13,453	\$ 6,195	\$ 4,372	\$ 3,077	\$ 4,972
9 Less Prolatch 62 aMW directly to ID	\$ (19,324,602)	\$ (1,854,831)	\$ (1,648,428)	\$ (1,861,698)	\$ (1,938,096)	\$ (1,089,696)	\$ (1,999,514)	\$ (1,976,681)	\$ (1,796,073)	\$ (1,882,729)	\$ (1,772,510)
10 Adjusted Actual Net Expense	\$ 98,518,481	\$ 11,144,152	\$ 9,428,346	\$ 5,924,369	\$ 4,616,255	\$ 994,624	\$ 14,137,893	\$ 19,837,464	\$ 16,195,089	\$ 17,744,985	\$ 10,414,370

**AUTHORIZED NET EXPENSE-SYSTEM**

	Jan-06	Feb-06	Mar-06	Apr-06	May-06	Jun-06	Jul-06	Aug-06	Sep-06	Oct-06	Nov-06
11 555 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	\$ 8,475,870	\$ 6,922,384
12 501 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
13 547 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
14 447 Sale for Resale	\$ (62,059,914)	\$ (2,591,928)	\$ (3,322,097)	\$ (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	\$ (1,353,073)	\$ (1,331,742)	\$ (28,867)	\$ 1,162,101	\$ 855,509	\$ (283,194)
16 456100 Transmission Revenue	\$ (10,268,850)	\$ (850,551)	\$ (850,451)	\$ (854,363)	\$ (856,884)	\$ (860,452)	\$ (862,365)	\$ (861,081)	\$ (861,257)	\$ (853,900)	\$ (853,565)
17 565 Transmission Expense	\$ 13,307,162	\$ 1,132,836	\$ 1,106,210	\$ 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
19 565 Compliance Filing	\$ (84,000)	\$ (84,000)	\$ (84,000)	\$ (84,000)	\$ (84,000)	\$ (84,000)	\$ (84,000)	\$ (84,000)	\$ (84,000)	\$ (84,000)	\$ (84,000)
20 Authorized Net Expense	\$ 92,110,303	\$ 16,598,741	\$ 10,324,281	\$ 3,866,759	\$ (1,511,676)	\$ (2,426,095)	\$ 3,006,140	\$ 10,667,439	\$ 15,703,250	\$ 15,128,297	\$ 10,719,939
21 Actual - Authorized Net Expense	\$ 6,408,178	\$ (5,454,589)	\$ (895,935)	\$ (4,108,799)	\$ (3,104,579)	\$ 1,431,411	\$ 11,131,693	\$ 9,170,025	\$ 491,839	\$ 2,616,688	\$ (305,569)
22 Net Fuel Expense not incl in Acct 547	\$ 2,654,505	\$ 1,729,085	\$ 766,402	\$ 1,024,018	\$ 5,164	\$ (7,197)	\$ (1,313,257)	\$ 105,939	\$ 45,296	\$ 17,812	\$ 558,748
23 Adjusted Actual-Authorized Net Exp	\$ 9,062,683	\$ (3,725,504)	\$ (129,533)	\$ (3,084,781)	\$ (3,099,415)	\$ 1,424,214	\$ 9,818,436	\$ 9,275,964	\$ 537,135	\$ 2,634,500	\$ 253,179
24 Washington Alloc. @ 65.16%	\$ 5,905,244	\$ (2,427,538)	\$ (84,404)	\$ (3,154,729)	\$ (2,019,579)	\$ 928,018	\$ 6,397,693	\$ 6,044,218	\$ 349,997	\$ 1,716,640	\$ 164,971
25 Enron Contract Buyout 100%	\$ 358,228	\$ 32,563	\$ 32,563	\$ 32,563	\$ 32,563	\$ 32,563	\$ 32,570	\$ 32,570	\$ 32,570	\$ 32,570	\$ 32,570
26 WA Retail Revenue Adjustment	\$ (9,016,547)	\$ (414,475)	\$ 645,853	\$ 30,672	\$ (863,401)	\$ (1,806,533)	\$ (1,943,966)	\$ (364,495)	\$ (2,045,119)	\$ (272,692)	\$ (1,020,435)
27 Net Power Cost Increase (Decrease)	\$ (2,759,075)	\$ (2,809,450)	\$ 594,012	\$ (3,091,494)	\$ (2,850,417)	\$ (884,952)	\$ 4,486,297	\$ 5,712,293	\$ (1,662,552)	\$ 1,476,518	\$ (932,894)
28 Cumulative Balance	\$ (2,809,450)	\$ (2,215,438)	\$ (5,154,874)	\$ (8,246,368)	\$ (11,096,785)	\$ (11,942,737)	\$ (7,456,440)	\$ (1,744,147)	\$ (3,406,699)	\$ (1,930,181)	\$ (2,753,075)

Input	100%	50%	0%
10,000,000 and up	96%	50%	0%
4,000,000 to 10M	50%	50%	0%
0 to 4M	0%	50%	0%

check #-should be zero

**Deferral Report**  
 Deferral Amount, Cumulative  
 Month of Nov '06  
 Account 557 for Budget  
 Page 19 of 24  
 Company Band Gross Margin Impact, Cumulative

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
<b>555 PURCHASED POWER</b>													
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	8,412,784		103,346,445
2	130,200	117,600	130,200	125,825	130,200	126,000	130,200	130,200	126,000	130,375	126,000		1,402,800
3	71,982	56,106	54,061	26,813	12,553	60,659	109,767	118,653	127,019	111,232	143,719		892,564
4	489,969	448,812	439,976	503,114	575,131	654,605	758,763	717,921	585,055	564,512	701,550		6,439,408
5	111,460	83,146	83,143	151,994	133,323	444,931	123,118	149,616	106,758	116,041	109,899		1,613,429
6	303,287	303,287	303,287	(242,877)	303,287	303,287	303,287	303,287	303,287	303,287	303,287		2,789,993
7	120,206	109,038	86,702	109,038	109,038	109,038	109,038	109,038	(79,512)	112,559	112,559		1,006,742
8		0								134,759	(10,964)		123,795
9	677	479	548	454	492	452	398	532	469	398	519		5,418
10	152,947	116,699	110,219	117,174	95,742	114,073	98,539	51,950	51,710	51,774	89,306		1,050,133
11	384,035	337,964	316,463	230,988	239,501	258,750	35,915		18,507	40,267	301,434		2,163,824
12	2,877,241	2,599,868	1,420,490	1,375,751							2,373,081		10,646,431
13	257,874	482,126	494,682	52,149	(62,610)	(38,666)	29,556	(72,263)	50,323	120,786	(184,287)		1,129,670
14	567,300	512,400	567,300	548,238	567,300	549,000	567,300	567,300	549,000	568,063	549,000		6,112,201
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	1,008,000		11,222,400
16	590,550	533,400	590,550	570,706	590,550	571,500	590,550	590,550	571,500	591,344	571,500		6,362,700
17	118,405	106,152	128,634	96,021	88,064	102,674	127,252	130,586	118,350	175,123	175,379		1,366,650
18	1,854,831	1,648,428	1,861,688	1,504,346	1,938,096	1,089,696	1,999,514	1,976,681	1,796,073	1,882,729	1,772,510		19,324,602
19	26,300	54,450	131,500	131,500	131,500	157,800	157,800	157,800	131,500	131,500	75,673		1,287,323
20													1,399,105
21	379,106	212,023	246,879	209,873	228,635	230,489	263,479	266,993	283,252	171,323	328,220		1,999,105
22				11,266	21,930	23,840	55,850	224,705	194,559	226,818	362,642		2,801,060
23									26,785	15,922			207,138
24	50,043	63,329	51,222	46,043	50,726	51,815	56,035	51,872	48,455	53,061	189,100		372,100
25	20,639,556	17,910,644	23,505,825	13,191,911	12,879,532	14,111,451	23,185,412	17,583,071	11,787,420	11,288,899	17,570,731		588,521
													183,654,452
<b>447 SALES FOR RESALE</b>													
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	15,419,388		153,032,579
27	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000		1,650,000
28	7,303	6,003	6,663	6,108	6,379	6,583	47,026	70,572	55,750	81,706	41,337		335,430
29	35,558	28,319	42,447	32,743	30,968	30,479	28,413	92,451	25,409	37,164	33,962		417,913
30	228,144	201,496	204,988	87,402	96,119	132,008	300,236	297,892	222,685	250,453	273,297		2,294,720
31	(4,095)	(3,961)	(4,709)	(5,094)	(12,200)	(4,084)	(4,915)	(4,095)	(4,045)	(4,952)	(4,032)		(56,182)
32	177,878	174,069	163,425	132,108	160,260	229,638	432,414	337,241	243,088	288,643	277,255		2,616,019
33													845,581
34	50,043	63,329	50,922	46,043	50,726	50,207	56,035	51,872	48,455	53,061	65,920		586,613
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	16,457,722		161,722,673

(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

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
<b>501 FUEL-DOLLARS</b>													
36	936,228	1,039,143	856,427	409,137	569,155	244,930	848,045	996,539	924,660	1,007,345	696,979	-	8,528,588
37	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	1,205,122	-	13,162,654
38	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	1,902,101	-	21,691,242
39	22,775	(1,493)	313	661	(976)	4,386	25,156	(10,404)	624	668	2,753	-	44,463
40	148	12,530	14,208	12,780	13,052	2,728	102,541	55,523	12,722	18,907	13,133	-	258,272
41	22,923	11,037	14,521	13,441	12,076	7,114	127,697	45,119	13,346	19,575	15,886	-	302,735
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	1,917,987	-	21,993,977
<b>501 FUEL-TONS</b>													
43	47,240	46,168	46,217	25,253	39,169	13,988	48,300	47,078	51,103	55,992	46,412	-	466,920
44	91,999	85,433	94,722	77,639	55,753	49,165	87,718	106,890	87,675	94,475	96,830	-	928,299
<b>501 FUEL-COST PER TON</b>													
45	19.82	22.51	18.53	16.20	14.53	17.51	17.56	21.17	18.09	17.99	15.02	-	\$ 18.27
46	12.04	15.17	12.84	12.82	11.44	14.29	14.36	18.64	14.17	15.96	12.45	-	\$ 14.18
<b>547 FUEL</b>													
47	102	(77)	17	(178)	399	36	131,578	9,367	(94)	6,045	10,115	-	157,310
48	(2,708)	7,246	1,505	4,296	88,837	82,910	287,029	204,299	261,346	131,357	108,490	-	1,174,607
49	3,153	13,263	(76)	3,779	502	1,065	6,107	42,194	22,870	11,581	311	-	104,749
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	8,636,479	-	70,023,744
51	2,466	401	886	(1,453)	117,026	228,239	993,600	103,950	1,829	19,657	32,230	-	1,498,831
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	8,787,625	-	72,959,241
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	11,818,621	-	116,884,997





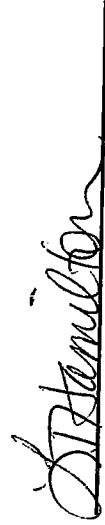

# Avista Corporation Journal Entry

**Journal:** 485-ECB AMORT      **Effective Date:** 200611  
**Team:** Resource Accounting      **Last Saved by:** Lori Hamilton  
**Type:** C      **Submitted by:** Lori Hamilton  
**Category:** DJ      **Last Saved:** 11/28/2006 9:51 AM

Seq.	Co.#	FERC	Ser.	Jur.	S.L.	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	195.00		Accrue interest on unamortized balance for future recovery
40	001	419000 - INTEREST AND DIVIDEND INCOME	ZZ	ZZ	DL		195.00	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	68.00		DFIT expense on interest (non-operating)
70	001	283360 - ADFIT ENRON CONTRACT BUYOUT	ED	WA	DL	10,192.00		ADFIT ECB
<b>TOTALS:</b>						<b>39,768.00</b>	<b>39,768.00</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 12/4/06  

  
 Reviewed by \_\_\_\_\_      Date 12/4/06  
 Approved for Entry \_\_\_\_\_      Date \_\_\_\_\_  
 Corporate Accounting use Only

