

Avista Corp.  
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August 1, 2011

Mr. David Danner  
Executive Director and Secretary  
Washington Utilities and Transportation Commission  
PO Box 47250  
1300 S. Evergreen Park Drive SW  
Olympia, WA 98504-7250

Dear Mr. Danner:

RE: UG-090135/UG-060518  
Natural Gas Decoupling Mechanism  
Quarterly Report

Attached for filing with the Commission is an electronic copy of the Natural Gas Decoupling Mechanism Quarterly Report.

The report consists of a spreadsheet showing the monthly revenue deferral calculation for the period April 2011 through June 2011.

Also included in the report are the monthly general ledger balances resulting from the deferral and amortization activity during the second quarter of 2011.

Questions regarding this filing should be directed to Tara Knox at (509) 495-4325.

Sincerely,

A handwritten signature in black ink, appearing to read "Patrick Ehrbar", with a long horizontal line extending to the right.

Patrick Ehrbar  
Manager, Rates and Tariffs  
Enc.



# Avista Corporation Natural Gas Decoupling Mechanism Washington Jurisdiction Quarterly Report for 2nd Quarter 2011

**2009 Test Year Factors, 2010 - 2011 Actual Weather and Unbilled  
12 Months Ended December 2009 Monthly Data**

**Weather Normalization**

	Jan-11	Feb-11	Mar-11	Apr-11	May-11	Jun-11	Jul-11	Aug-11	Sep-11	Oct-11	Nov-11	Dec-10	Total
Normal Degree Days (30 Year Average 1980 - 2009)	1,120	913	776	542	323	143	35	34	185	540	889	1,157	6,657
Actual Degree Days	1,103	1,006	790	698	401	192	35	34	185	540	889	1,096	6,969
<b>Degree Day Adjustment (1.7)</b>	17	(93)	(14)	(156)	(78)	(49)	-	-	-	-	-	61	(312)
<b>Monthly</b>													
Res 101	0.1002	0.1002	0.1002	0.0877	0.0877	0.0877	0.0000	0.0000	0.0000	0.0877	0.0877	0.1002	0.0877
Com 101	0.2467	0.2467	0.2467	0.1670	0.1670	0.1670	0.0000	0.0000	0.0000	0.1670	0.1670	0.2467	0.2467
Ind 101	0.4266	0.4266	0.4266	0.2961	0.2961	0.2961	0.0000	0.0000	0.0000	0.2961	0.2961	0.4266	0.4266
<b>Schl. 101</b>													
Res 101	224,547	(1,228,341)	(184,819)	(1,800,159)	(898,992)	(563,879)	-	-	-	-	-	809,310	(3,642,333)
Com 101	49,534	(270,820)	(40,710)	(306,736)	(153,290)	(96,338)	-	-	-	-	-	178,207	(640,153)
Ind 101	624	(3,491)	(514)	(3,834)	(1,963)	(1,233)	-	-	-	-	-	2,238	(8,173)
<b>Total 101</b>	274,705	(1,502,652)	(226,043)	(2,110,729)	(1,054,245)	(661,450)	-	-	-	-	-	989,755	(4,290,659)

**Revenue Run Customers (Meters Billed)**

Class	Jan-09	Feb-09	Mar-09	Apr-09	May-09	Jun-09	Jul-09	Aug-09	Sep-09	Oct-09	Nov-09	Dec-09	Annual Total
Residential 101	131,823	131,816	131,750	131,579	131,420	131,217	131,144	131,208	131,483	131,710	132,145	132,409	1,579,704
Commercial 101	11,811	11,804	11,787	11,774	11,768	11,773	11,757	11,776	11,805	11,808	11,866	11,842	141,571
Industrial 101	86	88	86	83	85	85	85	86	87	86	83	86	1,026
Interdepartmental 101	27	26	26	26	26	26	26	26	26	26	26	26	313
<b>Total</b>	143,747	143,734	143,649	143,462	143,299	143,101	143,012	143,096	143,401	143,630	144,120	144,363	1,722,614

**Monthly Unbilled Calculation**

	Jan-11	Feb-11	Mar-11	Apr-11	May-11	Jun-11	Jul-11	Aug-11	Sep-11	Oct-11	Nov-11	Dec-10	Jun-11
Unbilled Sch 101 per Books													
Rev Run Customers (Meters Billed)	14,203,169	14,414,731	14,293,952	14,203,169	14,414,731	14,293,952	14,203,169	14,414,731	10,637,340	9,290,207	4,956,495	2,725,410	2,725,410
Average Unbilled per Customer	97.36	97.36	98.01	97.36	97.36	98.01	97.36	98.91	73.01	63.86	34.08	18.77	18.77
Test Year Customer Current Unbilled	13,995,304	14,216,031	14,149,481	13,995,304	14,216,031	14,149,481	13,995,304	14,216,031	10,488,247	9,160,899	4,883,128	2,686,086	2,686,086

Avista Corporation Natural Gas Decoupling Mechanism  
Washington Jurisdiction  
Quarterly Report for 2nd Quarter 2011  
**Balance Sheet Accounts**

GL Account Balance Accounting Period : '201104, 201105, 201106'

Ferc Acct Desc:REG ASSET-DECOUPLING DEFERRED Service:GD Jurisdiction:WA Acct:186328			
Accounting Period	Beginning Balance	Monthly Activity	Ending Balance
201104	192,847.00	-111,282.00	81,565.00
201105	81,565.00	39,396.00	120,961.00
201106	120,961.00	143,603.00	264,564.00
<b>Sum:</b>			<b>71,717.00</b>

GL Account Balance Accounting Period : '201104, 201105, 201106'

Ferc Acct Desc:REG ASSET- DECOUPLING SURCHARG Service:GD Jurisdiction:WA Acct:182328			
Accounting Period	Beginning Balance	Monthly Activity	Ending Balance
201104	225,013.60	-52,837.92	172,175.68
201105	172,175.68	-27,812.24	144,363.44
201106	144,363.44	-13,846.86	130,516.58
<b>Sum:</b>			<b>-94,497.02</b>

GL Account Balance Accounting Period : '201104, 201105, 201106'

Ferc Acct Desc:REG ASSET- DECOUPLING PRIOR YE Service:GD Jurisdiction:WA Acct:182329			
Accounting Period	Beginning Balance	Monthly Activity	Ending Balance
201104	0.00	0.00	0.00
201105	0.00	0.00	0.00
201106	0.00	0.00	0.00
<b>Sum:</b>			<b>0.00</b>

GL Account Balance Accounting Period : '201104, 201105, 201106'

Ferc Acct Desc:ADFIT DECOUPLING DEFERRED REV Service:GD Jurisdiction:WA Acct:283328			
Accounting Period	Beginning Balance	Monthly Activity	Ending Balance
201104	-146,251.27	57,441.97	-88,809.30
201105	-88,809.30	-4,054.32	-92,863.62
201106	-92,863.62	-45,414.65	-138,278.27
<b>Sum:</b>			<b>7,973.00</b>

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**Income Statement Accounts**

GL Account Balance Accounting Period : '201104, 201105, 201106'

Ferc Acct Desc:REG CREDIT DECOUPLING DEF REV Service:GD Jurisdiction:WA Acct:407428			
Accounting Period	Beginning Balance	Monthly Activity	Ending Balance
201104	-237,623.00	0.00	-237,623.00
201105	-237,623.00	-39,396.00	-277,019.00
201106	-277,019.00	-143,603.00	-420,622.00
<b>Sum:</b>			<b>-182,999.00</b>

GL Account Balance Accounting Period : '201104, 201105, 201106'

Ferc Acct Desc:REG DEBIT DECOUPLING DEF REV Service:GD Jurisdiction:WA Acct:407328			
Accounting Period	Beginning Balance	Monthly Activity	Ending Balance
201104	0.00	111,282.00	111,282.00
201105	111,282.00	0.00	111,282.00
201106	111,282.00	0.00	111,282.00
<b>Sum:</b>			<b>111,282.00</b>

GL Account Balance Accounting Period : '201104, 201105, 201106'

Ferc Acct Desc:REG DEBIT AMT DECOUPLING SURCH Service:GD Jurisdiction:WA Acct:407329			
Accounting Period	Beginning Balance	Monthly Activity	Ending Balance
201104	249,375.08	53,375.05	302,750.13
201105	302,750.13	28,240.31	330,990.44
201106	330,990.44	14,218.59	345,209.03
<b>Sum:</b>			<b>95,833.95</b>