

Avista Corp.
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Spokane, Washington 99220-3727
Telephone 509-489-0500
Toll Free 800-727-9170



Corp.

March 8, 2007

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, February 2007

Dear Ms. Washburn:

Enclosed are an original and five copies of Avista Corporation's Power Cost Deferral Report for the month of February 2007. The report includes the monthly energy recovery mechanism (ERM) accounting journal together with backup workpapers. In February actual net power costs were higher than authorized costs by \$3,309,242. Of that amount, \$3,288,644 was absorbed as the remaining portion of the \$4,000,000 deadband. Of the \$20,598 residual amount above the deadband, 50% or \$10,299 was absorbed, and 50% or \$10,299 was deferred.

Actual power supply expense was higher than the authorized level due primarily to high natural gas prices. Natural gas costs for Coyote Springs 2 averaged \$8.71/dth compared to the authorized price of \$7.25/dth. Hydro generation was 14 aMW above the authorized level. The average market purchase price was \$55.94/MWh and the average market sales price was \$54.96/MWh.

Coyote Springs 2 generated 41 aMW above the authorized level. Colstrip and Kettle Falls generated 12 aMW and 2 aMW above the authorized levels, respectively. Net transmission expense (transmission expense less transmission revenue) was above the authorized level. Thermal and natural gas fuel expense was above the authorized level. Washington retail sales were 25 aMW above the authorized level.

There were no forward long-term contracts of one year or longer entered into in the month of February 2007. 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

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

MONTH OF FEBRUARY 2007

Avista Corporation Journal Entry

Journal: 481-WA ERM

Team: Resource Accounting

Type: C

Category: DJ

Effective Date: 200702

Last Saved by: Lori Hamilton

Submitted by: Lori Hamilton



Last Saved: 03/06/2007 3:38 PM

Seq.	Co.#	FERC	Ser.	Jur.	S.L.	Debit	Credit	Comment
10	001	557290 - WA ERM AMORTIZATION	ED	WA	DL	3,241,530.00		WA ERM surcharge amortization
20	001	182350 - REGULATORY ASSET ERM APPROVED FOR	ED	WA	DL		3,241,530.00	WA ERM authorized for recovery
30	001	557280 - DEFERRED POWER SUPPLY EXPENSE	ED	WA	DL		10,299.00	WA ERM current month deferral
40	001	186280 - REGULATORY ASSET ERM DEFERRED	ED	WA	DL	10,299.00		WA ERM current year deferral
50	001	182350 - REGULATORY ASSET ERM APPROVED FOR	ED	WA	DL	276,926.00		Accrue interest on deferral balance authorized for recovery
60	001	186280 - REGULATORY ASSET ERM DEFERRED	ED	WA	DL	22.00		Accrue interest on current year deferral balance
70	001	186290 - REGULATORY ASSET ERM DEFERRED LAST	ED	WA	DL		289.00	Accrue interest on previous year deferral balance
80	001	419600 - INTEREST ON ENERGY DEFERRALS	ED	WA	DL		276,659.00	Non-utility interest income
90	001	410100 - PRV DFIT DR	ED	WA	DL		1,130,931.00	DFIT entry for power supply deferral and surcharge amortization
100	001	410200 - DFIT EXP-NONOPER (DR)	ZZ	ZZ	DL	96,831.00		Non-op DFIT entry for interest income
110	001	283280 - ADFIT ERM	ED	WA	DL	1,034,100.00		ADFIT WA ERM current and prior years
120	001	186010 - REGULATORY ASSET ERM YTD COMPANY	ED	WA	DL	3,298,943.00		Track YTD company band accumulation
130	001	186020 - REGULATORY ASSET ERM YTD CONTRA	ED	WA	DL		3,298,943.00	Contra account for YTD company band accumulation
TOTALS:						7,958,651.00	7,958,651.00	

Avista Corporation Journal Entry

Journal: 481-WA ERM
 Team: Resource Accounting
 Type: C
 Category: DJ
 Effective Date: 200702
 Last Saved by: Lori Hamilton
 Submitted by: Lori Hamilton
 Last Saved: 03/06/2007 3:38 PM

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

	<u>3/6/07</u>
Prepared by Lori Hamilton	Date
	<u>3/6/07</u>
Reviewed by	Date
Approved for Entry	Date
Corporate Accounting use Only	

Detail Balances (AVA CORP) - 001.186280.ED.WA.DL

Balance Type **Actual**

Currency Type **Entered**

Factor **Units**

Period	Currency	PTD	PTD Converted	YTD	YTD Converted
200613	USD	0.00		68,246.00	
200701	USD	68,246.00		0.00	
200702	USD	10,321.00		10,321.00	

Journal Details

Summary Balances

ERM Deferral Balance (Current Year - 2007)

Account 186280.ED.WA

	<u>Amount</u>	<u>Journal ID</u>
Balance 1/31/07	\$0.00	
Deferral	\$10,299.00	481 - WA ERM
Interest	22.00	481 - WA ERM
Balance 2/28/07	<u>\$10,321.00</u>	
Year to date deferrals	\$10,299.00	
Year to date interest	22.00	
Balance in account	<u>\$10,321.00</u>	

Detail Balances (AVA CORP) - 001.186290.ED.WA.DL

Balance Type **Actual**

Currency Type **Entered**

Factor **Units**

Period	Currency	PTD	PTD Converted	YTD	YTD Converted
200613	USD	0.00		0.00	
200701	USD	-68,535.00		-68,535.00	
200702	USD	289.00		-68,824.00	

Journal Details

Summary Balances

ERM Deferral Balance (Prior year - 2006)

Account 186290.ED.WA

Balance 1/31/07

Interest

Balance 2/28/07

Amount

Journal ID

-\$68,535.00

-289.00

481 - WA ERM

-\$68,824.00

Detail Balances (AVA CORP) - 001.182350.ED.WA.DL

Balance Type **Actual**

Currency Type **Entered**

Factor **Units**

Period	Currency	PTD	PTD Converted	YTD	YTD Converted
200613	USD	0.00		70,227,234.65	
200701	USD	2,979,884.00		67,247,350.65	
200702	USD	2,964,604.00		64,282,746.65	

Journal Details

Summary Balances

Recoverable Deferral Balance

Account 182350.ED.WA

Balance 1/31/07

Amortization

Interest

Balance 2/28/07

Amount	Journal ID
\$67,247,350.65	
-3,241,530.00	481 - WA ERM
276,926.00	481 - WA ERM
<u>\$64,282,746.65</u>	

Balance Type **Actual**

Currency Type **Entered**

Factor **Units**

Period	Currency	PTD	PTD Converted	YTD	YTD Converted
200613	USD	0.00		2,601,664.00	
200701	USD	3,313,020.00		711,356.00	
200702	USD	3,298,943.00		4,010,299.00	

Journal Details

Summary Balances

ERM Deadband plus Amounts Absorbed

Account 186010.ED.WA

Balance 1/31/07	Amount	Journal ID
Current month entry	\$711,356.00	
Balance 2/28/07	3,298,943.00	481 - WA ERM
	<u>\$4,010,299.00</u>	

	<u>Total</u>	<u>Absorbed</u>	<u>Deferred</u>
First \$4,000,000 at 100%	\$4,000,000.00	\$4,000,000.00	\$0.00
\$4,000,000 to \$10,000,000 at 50%	20,598.00	10,299.00	10,299.00
Over \$10,000,000 at 10%	0.00	0.00	0.00
Total	<u>\$4,020,598.00</u>	<u>\$4,010,299.00</u>	<u>\$10,299.00</u>

Detail Balances (AVA CORP) - 001.186020.ED.WA.DL

Balance Type: **Actual**

Currency Type: **Entered**

Factor: **Units**

Period	Currency	PTD	PTD Converted	YTD	YTD Converted
200613	USD	0.00		2,601,664.00	
200701	USD	3,313,020.00		711,356.00	
200702	USD	3,298,943.00		4,010,299.00	

Journal Details

Summary Balances

ERM Deadband Contra Account

Account 186020.ED.WA

Balance 1/31/07

Current month entry

Balance 2/28/07

<u>Amount</u>	<u>Journal ID</u>
-\$711,356.00	
-3,298,943.00	481 - WA ERM
<u><u>-\$4,010,299.00</u></u>	

Detail Balances (AVA CORP) - 001.283280.ED.WA.DL

Balance Type **Actual**

Currency Type **Entered**

Factor **Units**

Period	Currency	PTD	PTD Converted	YTD	YTD Converted
200613	USD	0.00		-24,555,646.00	
200701	USD	1,043,061.00		-23,512,585.00	
200702	USD	1,034,100.00		-22,478,485.00	

Journal Details

Summary Balances

DFIT Associated with ERM Deferrals
Account 283280.ED.WA

Account 186280.ED.WA balance	\$10,321.00
Account 186290.ED.WA balance	-68,824.00
Account 182350.ED.WA balance	64,282,746.65
Total	<u>\$64,224,243.65</u>
Federal income tax rate	-35%
Deferred FIT related to deferrals	<u>-\$22,478,485</u>
Rounding	0
Balance in account	<u><u>-\$22,478,485</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 12/31/06 is 7.825%.		0.00652 Before Tax		Actual cost of debt at 6/30/06 is 8.253%			
The monthly rate is:		0.0042385 After Tax		The monthly rate is:-		0.00687750 Before Tax	
		0.35 Tax rate				0.0044704 After Tax	
						0.35 Tax rate	
Account 182350		2007 Interest					
12-31-2006	GL Balance including interest	70,227,235		Jan-07	DFIT Expense		ADFIT
Jan-07	Surcharge Amortization	(3,270,611)		Amortization	(1,144,714)	Operating	1,144,714
Jan-07	Interest		290,727	Interest	101,754	Nonoperating	(101,754)
01-31-2007	Balance before interest	66,956,624			(1,042,960)	Total	1,042,960
				Feb-07	DFIT Expense		ADFIT
Feb-07	Surcharge Amortization	(3,241,530)		Amortization	(1,134,536)	Operating	1,134,536
Feb-07	Interest		276,926	Interest	96,924	Nonoperating	(96,924)
02-28-2007	Balance before interest	63,715,094			(1,037,612)	Total	1,037,612
				GL Balance	Activity	GL Balance	
				01-31-2007	Feb-07	02-28-2007	
	Net ERM Balance	64,282,747		67,247,351	(2,964,604)	64,282,747	
	ADFIT Balance	(22,498,961)					

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 12/31/06 is 7.825%.		0.00652 Before Tax		Actual cost of debt at 6/30/06 is 8.253%			
The monthly rate is:		0.0042385 After Tax		The monthly rate is:-		0.00687750 Before Tax	
		0.35 Tax rate				0.0044704 After Tax	
						0.35 Tax rate	
Account 186290		2007 Interest					
12-31-2006	GL Balance including interest	0					
01-31-2007	Transfer from 186280	(\$68,246)					
01-31-2007	GL Balance including interest	(\$68,246)					
				Jan-07	DFIT Expense		ADFIT
Jan-07	Interest		(289)	Interest	(101)	Nonoperating	101
01-31-2007	Balance before interest	(68,246)			(101)	Total	101
				Feb-07	DFIT Expense		ADFIT
Feb-07	Interest		(289)	Interest	(101)	Nonoperating	101
02-28-2007	Balance before interest	(68,246)			(101)	Total	101
	Net ERM Balance	(68,824)		GL Balance	Activity	GL Balance	
				01-31-07	Feb-07	02-28-07	
	ADFIT Balance	24,088		(68,535)	(289)	(68,824)	
When WUTC deems 2006 deferred power costs prudent - reclass to 182350 after interest calculation.							

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 12/31/06 is 7.825%.		Actual cost of debt at 6/30/06 is 8.253%				
The monthly rate is:		0.00652 Before Tax		0.00687750 Before Tax		
		0.0042385 After Tax		0.0044704 After Tax		
		0.35 Tax rate		0.35 Tax rate		
Account 186280		2007 Interest				
12-31-2006	GL Balance including interest	(\$68,246.00)				
01-31-2007	GL Balance	\$68,246.00	Transfer to 186290			
01-31-2007	GL Balance	0				
			Jan-07	DFIT Expense	ADFIT	
Jan-07	ERM Deferral	0	Deferral	0	Operating	0
Jan-07	Interest	0	Interest	0	Nonoperating	0
01-31-2007	Balance before interest	0		0	Total	0
			Feb-07	DFIT Expense	ADFIT	
Feb-07	ERM Deferral	10,299	Deferral	3,605	Operating	(3,605)
Feb-07	Interest	22	Interest	8	Nonoperating	(8)
02-28-2007	Balance before interest	10,299		3,613	Total	(3,613)
			GL Balance	Activity	GL Balance	
Net ERM Balance		10,321	01-31-07	Feb-07	02-28-07	
			0	10,321	10,321	
ADFIT Balance		(3,612)				

Tax Rate	35%	DJ481 LTD	DJ481 LTD	DJ481 LTD			DJ481 CURMO	
	283280	283280	283280	283280			283280	283280
DJ481	BEGINNING	ADFIT	ADFIT	ADFIT			BALANCE	FOR ALL
	<u>BALANCE</u>	<u>182350</u>	<u>186280</u>	<u>186290</u>			<u>COMPONENTS</u>	<u>ACCOUNTS</u>
								<u>BALANCE</u>
12-31-2006	(25,510,633)	(24,579,532)	23,886	0			(24,555,646)	954,987
01-31-2007	(24,555,646)	(23,536,573)	0	23,987			(23,512,586)	1,043,060
02-28-2007	(23,512,585)	(22,498,961)		24,088			(22,474,873)	1,037,712
			ADFIT				Interest	
		410100	410200	283280		182350	186280	186290
01-31-2007	182350	(1,144,714)	101,754	1,042,960		290,727	0	(289)
	186280	0	0	0				(290,438)
	186290	0	(101)	101				
Total		(1,144,714)	101,653	1,043,061				
02-28-2007	182350	(1,134,536)	96,924	1,037,612		276,926	22	(289)
	186280	3,605	8	(3,613)				(276,659)
	186290	0	(101)	101				
Total		(1,130,931)	96,831	1,034,100				
Recon:	Total interest 2007		567,097					
	Calc non op DFIT 2007		198,484					
	Total 410200 2007		198,484					

AVISTA CORPORATION
 FEBRUARY 2007 WASHINGTON ELECTRIC SURCHARGE REVENUE & DEFERRAL AMORTIZATION

Schedule (a)	Sch 1 Block Percent (b)	kWh, or \$ (c)	Proration Percentages		Surcharge Rates		Current Month Surcharge Revenue		Conversion Factor (k)	Deferral Amortization (l)	(j)*(k)
			Before 1-Jan-06 (d)	On/After 1-Jan-06 (e)	Before 1-Jan-06 (f)	On/After 1-Jan-06 (g)	Rate Before 1-Jan-06 (h)	Rate On/After 1-Jan-06 (i)			
1 (0-600 kWh)	39.436%	106,540,681	0.00%	100.00%	0.405¢	0.446¢	\$0	\$475,171	0.956325	\$454,418	
1 (601-1300 kWh)	29.372%	79,351,681	0.00%	100.00%	0.607¢	0.668¢	0	530,069	0.956325	506,918	
1 (over 1300 kWh)	31.192%	84,268,610	0.00%	100.00%	0.853¢	0.938¢	0	790,440	0.956325	755,918	
Total Sch 1	100.000%	270,160,972					0	1,795,680		1,717,254	
11		36,863,615	0.00%	100.00%	0.788¢	0.867¢	0	319,608	0.956325	305,649	
12		5,138,245	0.00%	100.00%	0.788¢	0.867¢	0	44,549	0.956325	42,603	
21		136,695,626	0.00%	100.00%	0.549¢	0.604¢	0	825,642	0.956325	789,582	
22		3,830,558	0.00%	100.00%	0.549¢	0.604¢	0	23,137	0.956325	22,126	
25		82,322,601	0.00%	100.00%	0.352¢	0.387¢	0	318,588	0.956325	304,674	
30		3,560	0.00%	100.00%	0.485¢	0.534¢	0	19	0.956325	18	
31		3,324,193	0.00%	100.00%	0.485¢	0.534¢	0	17,751	0.956325	16,976	
32		287,386	0.00%	100.00%	0.485¢	0.534¢	0	1,535	0.956325	1,468	
41-46		\$296,068	0.00%	100.00%	109.78%	110.76%	0	28,762	0.956325	27,506	
47		\$87,851	0.00%	100.00%	109.78%	110.76%	0	8,534	0.956325	8,161	
48		\$59,341	0.00%	100.00%	109.78%	110.76%	0	5,765	0.956325	5,513	
Schedule Totals		538,626,756					\$0	\$3,389,570		\$3,241,530	
kWh not subject to surcharge										-35%	
Schedule 28		0									
Sch 41-48		2,223,010									
Total kWh		540,849,766								(\$1,134,536) DFIT Expense	

Electric Revenue Report by Revenue Class
Current Month and Year-to-Date
 for Accounting Period : 200702 , State Code : WA

Accounting Period: 200702 State Code: WA
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Rate Schedule Num	Meters	Usage	Revenue Amt	YTD Average Meters	Ytd Usage	Ytd Revenue Amt
001	196,195	270,160,972	17,132,434	196,010	552,619,130	35,085,809
011	18,933	36,863,615	3,381,248	18,873	73,761,666	6,763,550
012	7,405	5,138,245	471,506	7,390	10,285,139	943,644
021	3,233	136,695,626	9,398,180	3,205	269,820,124	18,573,059
022	73	3,830,558	239,302	74	7,770,078	485,445
025	22	82,322,601	3,759,035	22	155,521,128	7,209,352
028	0	0	16,482	1	22,140	33,857
030	36	3,560	406	36	-32,040	-1,275
031	1,054	3,324,193	217,405	1,051	6,720,308	437,597
032	1,128	287,386	23,570	1,123	539,422	45,246
041	11	8,720	1,520	11	17,440	3,041
042	251	1,099,031	273,041	250	2,194,115	545,024
044	14	22,267	2,135	14	44,534	4,270
045	5	90,167	5,124	6	180,334	10,248
046	16	185,516	14,248	16	370,766	28,477
047	0	505,878	87,851	0	998,125	174,280
048	0	311,431	59,341	0	624,489	119,030
058	0	0	1,224,152	0	0	2,462,935
058A	0	0	-8,766	0	0	-18,301

Electric Revenue Report by Revenue Class
Current Month and Year-to-Date
 for Accounting Period : 200702 , State Code : WA

Accounting Period: 200702 State Code: WA
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	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	8
095	0	0	11,693	0	0	23,423
099	0	0	47,896	0	0	92,837
Total WA	228,376	540,849,766	36,357,806	228,079	1,081,456,898	73,021,552
Total WA	228,376	540,849,766	36,357,806	228,079	1,081,456,898	73,021,552

	Actual Jan-07	Actual Feb-07	Actual Mar-07	Actual Apr-07	Actual May-07	Actual Jun-07	Actual Jul-07	Actual Aug-07	Actual Sep-07	Actual Oct-07	Actual Nov-07	Actual Dec-07
1 555 Purchased Power	\$ 18,022,404	\$ 15,556,430										
2 501 Thermal Fuel	\$ 2,644,843	\$ 2,003,296										
3 547 CT Fuel	\$ 12,074,935	\$ 11,596,669										
4 447 Sale for Resale	\$ (22,177,863)	\$ (11,760,278)										
5 Actual Net Expense	\$ 39,720,714	\$ 17,396,117										
6 456100/700 Transmission Revenue	\$ (1,511,616)	\$ (771,135)										
7 565 Transmission Expense	\$ 2,224,952	\$ 1,146,469										
8 557170 Broker Fees	\$ 9,865	\$ 6,870										
9 Less Pollatch 62 aMW directly to ID	\$ (3,263,422)	\$ (1,544,347)										
10 Adjusted Actual Net Expense	\$ 37,180,493	\$ 16,233,974										
AUTHORIZED NET EXPENSE-SYSTEM												
11 555 Purchased Power	\$ 78,312,672	\$ 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	\$ 9,429,894
12 501 Thermal Fuel	\$ 18,966,459	\$ 1,499,204	\$ 1,704,104	\$ 1,638,517	\$ 1,295,688	\$ 1,037,197	\$ 1,667,775	\$ 1,714,511	\$ 1,660,059	\$ 1,715,380	\$ 1,660,551	\$ 1,714,075
13 547 CT Fuel	\$ 70,026,232	\$ 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	\$ 7,586,613
14 447 Sale for Resale	\$ (62,059,914)	\$ (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)	\$ (3,350,298)
15 Settlement/Compliance Filing Adj.	\$ (251,923)	\$ (516,741)	\$ (129,319)	\$ 921,340	\$ 110,419	\$ (1,353,073)	\$ (1,331,742)	\$ (28,867)	\$ 1,162,101	\$ 855,509	\$ (283,194)	\$ 266,894
16 456100 Transmission Revenue	\$ (10,268,650)	\$ (850,451)	\$ (850,576)	\$ (854,363)	\$ (856,884)	\$ (860,452)	\$ (862,365)	\$ (861,081)	\$ (861,257)	\$ (853,900)	\$ (853,565)	\$ (853,205)
17 565 Transmission Expense	\$ 13,307,162	\$ 1,106,210	\$ 1,097,845	\$ 1,091,385	\$ 1,094,823	\$ 1,096,602	\$ 1,107,276	\$ 1,095,400	\$ 1,091,132	\$ 1,164,092	\$ 1,117,299	\$ 1,122,262
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)	\$ (7,000)	\$ (7,000)	\$ (7,000)	\$ (7,000)	\$ (7,000)	\$ (7,000)	\$ (7,000)	\$ (7,000)	\$ (7,000)	\$ (7,000)	\$ (7,000)
20 Authorized Net Expense	\$ 108,026,038	\$ 16,591,741	\$ 10,026,168	\$ 3,859,759	\$ (1,518,676)	\$ (2,433,035)	\$ 3,048,140	\$ 10,667,439	\$ 15,703,250	\$ 15,128,297	\$ 10,719,939	\$ 15,915,735
21 Actual - Authorized Net Expense	\$ (70,845,545)	\$ 4,354,778	\$ 5,916,693	\$ (3,859,759)	\$ 1,518,676	\$ 2,433,035	\$ (3,048,140)	\$ (10,667,439)	\$ (15,703,250)	\$ (15,128,297)	\$ (10,719,939)	\$ (15,915,735)
22 557 Resource Optimization	\$ 746,737	\$ 553,465	\$ 193,272									
23 Adjusted Net Expense	\$ (70,098,808)	\$ 4,908,243	\$ 6,109,965	\$ (3,859,759)	\$ 1,518,676	\$ 2,433,035	\$ (3,048,140)	\$ (10,667,439)	\$ (15,703,250)	\$ (15,128,297)	\$ (10,719,939)	\$ (15,915,735)
24 Washington Alloc. @ 65.16%	\$ (45,676,383)	\$ 3,198,211	\$ 3,981,253	\$ (2,515,019)	\$ 989,569	\$ 1,585,366	\$ (1,986,168)	\$ (6,950,903)	\$ (10,232,238)	\$ (9,857,598)	\$ (6,985,112)	\$ (10,370,693)
25 WA Retail Revenue Adjustment	\$ (3,158,866)	\$ (672,011)										
26 Net Power Cost Increase (Decrease)	\$ 4,020,598	\$ 3,309,242										
27 Cumulative Balance	\$ 711,356	\$ 4,020,598										

	Actual Jan-07	Actual Feb-07	Actual Mar-07	Actual Apr-07	Actual May-07	Actual Jun-07	Actual Jul-07	Actual Aug-07	Actual Sep-07	Actual Oct-07	Actual Nov-07	Actual Dec-07
11 555 Purchased Power	\$ 18,022,404	\$ 15,556,430										
12 501 Thermal Fuel	\$ 2,644,843	\$ 2,003,296										
13 547 CT Fuel	\$ 12,074,935	\$ 11,596,669										
14 447 Sale for Resale	\$ (22,177,863)	\$ (11,760,278)										
15 Settlement/Compliance Filing Adj.	\$ (251,923)	\$ (516,741)	\$ (129,319)	\$ 921,340	\$ 110,419	\$ (1,353,073)	\$ (1,331,742)	\$ (28,867)	\$ 1,162,101	\$ 855,509	\$ (283,194)	\$ 266,894
16 456100 Transmission Revenue	\$ (1,511,616)	\$ (771,135)										
17 565 Transmission Expense	\$ 2,224,952	\$ 1,146,469										
18 557 Broker Fees	\$ 9,865	\$ 6,870										
19 565 Compliance Filing	\$ (84,000)	\$ (7,000)	\$ (7,000)	\$ (7,000)	\$ (7,000)	\$ (7,000)	\$ (7,000)	\$ (7,000)	\$ (7,000)	\$ (7,000)	\$ (7,000)	\$ (7,000)
20 Authorized Net Expense	\$ 108,026,038	\$ 16,591,741	\$ 10,026,168	\$ 3,859,759	\$ (1,518,676)	\$ (2,433,035)	\$ 3,048,140	\$ 10,667,439	\$ 15,703,250	\$ 15,128,297	\$ 10,719,939	\$ 15,915,735
21 Actual - Authorized Net Expense	\$ (70,845,545)	\$ 4,354,778	\$ 5,916,693	\$ (3,859,759)	\$ 1,518,676	\$ 2,433,035	\$ (3,048,140)	\$ (10,667,439)	\$ (15,703,250)	\$ (15,128,297)	\$ (10,719,939)	\$ (15,915,735)
22 557 Resource Optimization	\$ 746,737	\$ 553,465	\$ 193,272									
23 Adjusted Net Expense	\$ (70,098,808)	\$ 4,908,243	\$ 6,109,965	\$ (3,859,759)	\$ 1,518,676	\$ 2,433,035	\$ (3,048,140)	\$ (10,667,439)	\$ (15,703,250)	\$ (15,128,297)	\$ (10,719,939)	\$ (15,915,735)
24 Washington Alloc. @ 65.16%	\$ (45,676,383)	\$ 3,198,211	\$ 3,981,253	\$ (2,515,019)	\$ 989,569	\$ 1,585,366	\$ (1,986,168)	\$ (6,950,903)	\$ (10,232,238)	\$ (9,857,598)	\$ (6,985,112)	\$ (10,370,693)
25 WA Retail Revenue Adjustment	\$ (3,158,866)	\$ (672,011)										
26 Net Power Cost Increase (Decrease)	\$ 4,020,598	\$ 3,309,242										
27 Cumulative Balance	\$ 711,356	\$ 4,020,598										

Deferral %

100%
50%
0%

check # should be zero

Deferral Amount, Cumulative
 Deferral Amount, Monthly
 Account 557 for Budget

Company Band Gross Margin Impact, Cumulative

Avista Utilities
System Power Supply Expenses
WASHINGTON DEFERRED POWER COST CALCULATION

ACTUALS

Line No.	Jan-07	Feb-07	Mar-07	Apr-07	May-07	Jun-07	Jul-07	Aug-07	Sep-07	Oct-07	Nov-07	Dec-07	TOTAL 2007
<u>555 PURCHASED POWER</u>													
1		8,652,454	6,571,869										15,224,323
2		130,200	117,600										247,800
3		129,685	124,852										254,537
4		741,090	716,290										1,457,380
5		122,918	109,016										231,934
6		354,389	354,389										708,778
7		112,559	112,559										225,118
8													
9		802	809										1,611
10		106,710	128,982										235,692
11		340,250	261,738										601,988
12		2,451,882	2,215,518										4,667,400
13		-107,866	42,009										(65,857)
14		576,600	520,800										1,097,400
15		572,880	517,440										1,090,320
16		641,700	579,600										1,076,160
17		174,384	169,567										1,221,300
18		1,719,075	1,544,347										3,433,951
19		57,000	81,250										3,263,422
20		168,122	338,491										138,250
21		216,337	283,123										506,613
22													499,460
23		189,100	170,800										359,900
24		39,114	25,270										64,384
25		67,579	59,391										126,970
26		18,022,404	15,556,430	0	0	0	0	0	0	0	0	0	33,578,834
27													
<u>447 SALES FOR RESALE</u>													
28		6,015,292	7,777,539										13,792,831
29		150,000	150,000										300,000
30		51,244	6,848										58,092
31		48,748	29,778										78,526
32		257,051	201,152										458,203
33		(5,096)	(4,030)										(9,126)
34		278,590	255,391										533,981
35		224,279	140,367										364,646
36		3,329,898	3,143,842										6,473,740
37		67,579	59,391										126,970
38		10,417,585	11,760,278										22,177,863

(1) Effective November, 2006, WNP-3 purchase expense has been adjusted to reflect the mid-point price, \$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-07	Feb-07	Mar-07	Apr-07	May-07	Jun-07	Jul-07	Aug-07	Sep-07	Oct-07	Nov-07	Dec-07	TOTAL 2007
<u>501 FUEL-DOLLARS</u>													
39	wood	1,009,650	886,816										1,896,466
40	coal	1,575,803	1,089,134										2,664,937
41	Total Coal & Wood	2,585,453	1,975,950	0									4,561,403
42	gas	5,345	1,849										7,194
43	oil	54,045	25,497										79,542
44	Total Oil & Gas	59,390	27,346	0									86,736
45	Total Account 501	2,644,843	2,003,296	0									4,648,139
<u>501 FUEL-TONS</u>													
46	Kettle Falls	54,932	50,926										105,858
47	Colstrip	99,408	88,457										187,865
<u>501 FUEL-COST PER TON</u>													
48	wood	\$ 18.38	\$ 17.41										\$ 17.92
49	coal	\$ 15.85	\$ 12.31										\$ 14.19
<u>547 FUEL</u>													
50	NE Combustion Turbine Gas/Oil	6,119	597										6,716
51	Boulder Park	91,277	20,171										111,448
52	Kettle Falls CT	1,978	113										2,091
53	Coyote Springs2	11,729,516	11,543,942										23,273,458
54	Rathdrum Fuel Exp	246,045	31,846										277,891
55	Total Account 547	12,074,935	11,596,669										23,671,604
56	TOTAL NET EXPENSE	22,324,597	17,396,117	0	0	0	0	0	0	0	0	0	39,720,714

AVISTA UTILITIES
Washington Electric Jurisdiction
Energy Recovery Mechanism Revenue Credit
Month of February 2007

Description	January	February	March	April	May	June	July	August	September	October	November	December	YTD
Total WA kWhs per Rev Run	540,607,132	540,849,766											1,081,456,898
Deduct Prior Month Unbilled kWhs	(353,051,283)	(357,527,990)											(710,579,273)
Add Current Month Unbilled kWhs	357,527,990	300,504,629											658,032,619
Washington Retail kWhs	545,083,839	483,826,405											1,028,910,244
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	63,498,600	17,000,622											80,499,222
WA Retail Revenue Credit (2)	\$2,478,350	\$663,534	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$3,141,885
Net Wind Revenue Credit	\$8,505	\$8,477	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$16,982
Total Revenue Credit	\$2,486,855	\$672,011	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$3,158,867

(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	\$11,730.36	\$11,692.65											\$23,423.01
Deduct Admin Expense	\$3,225.85	\$3,215.48	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$6,441.33
0.005 x 55 = 0.275 per Revenue \$													
Net Wind Revenue Credit	\$8,504.51	\$8,477.17	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$16,981.68