

Avista Corp.
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Toll Free 800-727-9170



June 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, May 2007

Dear Ms. Washburn:

Enclosed are an original and five copies of Avista Corporation's Power Cost Deferral Report for the month of May 2007. The report includes the monthly energy recovery mechanism (ERM) accounting journal together with backup workpapers. In May actual net power costs were lower than authorized costs by \$126,272. The year to date difference is \$2,327,863 in the surcharge direction, which is within the \$4,000,000 deadband.

Actual power supply expense was slightly lower than the authorized level due primarily to higher hydro generation. Hydro generation was 77 aMW above the authorized level. The average market purchase price was \$51.42/MWh and the average market sales price was \$38.58/MWh.

Coyote Springs 2 generated 78 aMW below the authorized level. Other gas fired resources generated 10aMW below the authorized level due to economics. Colstrip and Kettle Falls generated 15 aMW below and 5 aMW above the authorized levels, respectively. Net transmission expense (transmission expense less transmission revenue) was below the authorized level. Thermal fuel expense was above the authorized level and natural gas fuel expense was below the authorized level. Washington retail sales were 19 aMW above the authorized level.

There were no forward long-term contracts of one year or longer entered into in the month of May 2007. 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 cursive script that reads "Kelly Norwood".

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

RECEIVED
RECORDS MANAGEMENT
07 JUN 11 AM 9:56
STATE OF WASH
UTIL. AND TRANSP
COMMISSION

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

MONTH OF MAY 2007

Avista Corporation Journal Entry

Effective Date: 200705

Journal: 481-WA ERM

Team: Resource Accounting

Type: C

Category: DJ

Last Saved by: Lori Hamilton

Last Saved: 06/06/2007 2:18 PM

Submitted by: Lori Hamilton

Seq.	Co.#	FERC	Ser.	Jur.	S.I.	Debit	Credit	Comment
10	001	557290 - WA ERM AMORTIZATION	ED	WA	DL	2,149,145.00		WA ERM surcharge amortization
20	001	182350 - REGULATORY ASSET ERM APPROVED FOR	ED	WA	DL		2,149,145.00	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	244,408.00		Accrue interest on deferral balance authorized for recovery
60	001	186280 - REGULATORY ASSET ERM DEFERRED	ED	WA	DL	0.00		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		244,119.00	Non-utility interest income
90	001	410100 - PRV DFIT DR	ED	WA	DL		752,201.00	DFIT entry for power supply deferral and surcharge amortization
100	001	410200 - DFIT EXP-NONOPER (DR)	ZZ	ZZ	DL	85,442.00		Non-op DFIT entry for interest income
110	001	283280 - ADFIT ERM	ED	WA	DL	666,759.00		ADFIT WA ERM current and prior years
120	001	186010 - REGULATORY ASSET ERM YTD COMPANY	ED	WA	DL		126,272.00	Track YTD company band accumulation
130	001	186020 - REGULATORY ASSET ERM YTD CONTRA	ED	WA	DL	126,272.00		Contra account for YTD company band accumulation
TOTALS:						3,272,026.00	3,272,026.00	

Avista Co. Deferral Journal Entry

Effective Date: 200705

Journal: 481-WA ERM

Team: Resource Accounting

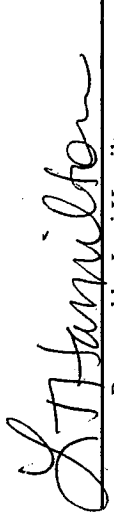
Last Saved by: Lori Hamilton

Last Saved: 06/06/2007 2:18 PM


Type: C

Submitted by: Lori Hamilton

Category: DJ



 Prepared by Lori Hamilton



 Reviewed by

6/6/07
Date

6/6/07
Date

Date

Approved for Entry
Corporate Accounting use Only

Explanation:

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

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	
200703	USD	-10,277.00		44.00	
200704	USD	0.00		44.00	
200705	USD	0.00		44.00	

Journal Details

Summary Balances

ERM Deferral Balance (Current Year - 2007)

Account 186280.ED.WA

Balance 4/30/07

Interest

Balance 5/31/07

Year to date deferrals

Year to date interest

Balance in account

Amount	<u>Journal ID</u>
\$44.00	
0.00	481 - WA ERM
\$44.00	
\$0.00	
44.00	
\$44.00	

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
200616	USD	0.00		0.00	
200701	USD	-68,535.00		-68,535.00	
200702	USD	289.00		-68,824.00	
200703	USD	289.00		-69,113.00	
200704	USD	289.00		-69,402.00	
200705	USD	289.00		-69,691.00	

Journal Details

Summary Balances

ERM Deferral Balance (Prior year - 2006)

Account 186290.ED.WA

Balance 4/30/07

Interest

Balance 5/31/07

Amount

Journal ID

-\$69,402.00

-289.00 481 - WA ERM

-\$69,691.00

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	
200703	USD	2,363,152.00		61,919,594.65	
200704	USD	2,095,109.00		59,824,485.65	
200705	USD	1,904,737.00		57,919,748.65	

Journal Details

Summary Balances

Recoverable Deferral Balance
Account 182350.ED.WA
 Balance 4/30/07
 Amortization
 Interest
 Balance 5/31/07

Amount	Journal ID
\$59,824,485.65	
-2,149,145.00	481 - WA ERM
244,408.00	481 - WA ERM
<u>\$57,919,748.65</u>	

Detail Balances (AVA CORP) - 001.186010.ED.WA.DL

Balance Type **Actual**

Currency Type **Entered**

Factor **Units**

Period	Currency	PTD	PTD Converted	YTD	YTD Converted
200612	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	
200703	USD	805,336.00		3,204,963.00	
200704	USD	750,828.00		2,454,135.00	
200705	USD	126,272.00		2,327,863.00	

Journal Details

Summary Balances

ERM Deadband plus Amounts Absorbed

Account 186010.ED.WA

Balance 4/30/07

Amount
 \$2,454,135.00

Journal ID

Current month entry

-126,272.00 481 - WA ERM

Balance 5/31/07

\$2,327,863.00

	<u>Total</u>	<u>Absorbed</u>	<u>Deferred</u>
First \$4,000,000 at 100%	\$2,327,863.00	\$2,327,863.00	\$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>\$2,327,863.00</u>	<u>\$2,327,863.00</u>	<u>\$0.00</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	
200703	USD	805,336.00		3,204,963.00	
200704	USD	750,828.00		2,454,135.00	
200705	USD	126,272.00		2,327,863.00	

Journal Details

Summary Balances

ERM Deadband Contra Account

Account 186020.ED.WA

Balance 4/30/07

Current month entry

Balance 5/31/07

Amount	Journal ID
-\$2,454,135.00	
126,272.00	481 - WA ERM
<u>-\$2,327,863.00</u>	

Detail Balances (AWA 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	
200703	USD	830,801.00		21,647,684.00	
200704	USD	733,390.00		20,914,294.00	
200705	USD	666,759.00		20,247,535.00	

Journal Details

Summary Balances

DFIT Associated with ERM Deferrals

Account 283280.ED.WA

Account 186280.ED.WA balance	\$44.00
Account 186290.ED.WA balance	-69,691.00
Account 182350.ED.WA balance	57,919,748.65
Total	<u>\$57,850,101.65</u>
Federal income tax rate	-35%
Deferred FIT related to deferrals	<u>-\$20,247,536</u>
Rounding	1
Balance in account	<u><u>-\$20,247,535</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%.				Actual cost of debt at 6/30/06 is 8.253%		
The monthly rate is:		0.00652 Before Tax		The monthly rate is:-	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)
				Mar-07	DFIT Expense	ADFIT
Mar-07	ERM Deferral	(10,299)		Deferral	(3,605)	Operating 3,605
Mar-07	Interest		22	Interest	8	Nonoperating (8)
03-31-2007	Balance before interest	0			(3,597)	Total 3,597
				Apr-07	DFIT Expense	ADFIT
Apr-07	ERM Deferral	0		Deferral	0	Operating 0
Apr-07	Interest		0	Interest	0	Nonoperating 0
04-30-2007	Balance before interest	0			0	Total 0
				May-07	DFIT Expense	ADFIT
May-07	ERM Deferral	0		Deferral	0	Operating 0
May-07	Interest		0	Interest	0	Nonoperating 0
05-31-2007	Balance before interest	0			0	Total 0
				GL Balance	Activity	GL Balance
	Net ERM Balance	44		04-30-07	May-07	05-31-07
				44	0	44
	ADFIT Balance	(15)				

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)					
				<u>Jan-07</u>	<u>DFIT Expense</u>		<u>ADFIT</u>
Jan-07	Interest		(289)	Interest	(101)	Nonoperating	101
01-31-2007	Balance before interest	(68,246)			(101)	Total	101
				<u>Feb-07</u>	<u>DFIT Expense</u>		<u>ADFIT</u>
Feb-07	Interest		(289)	Interest	(101)	Nonoperating	101
02-28-2007	Balance before interest	(68,246)			(101)	Total	101
				<u>Mar-07</u>	<u>DFIT Expense</u>		<u>ADFIT</u>
Mar-07	ERM Transfer to 182350			Deferral	0	Operating	0
Mar-07	Interest		(289)	Interest	(101)	Nonoperating	101
03-31-2007	Balance before interest	(68,246)			(101)	Total	101
				<u>Apr-07</u>	<u>DFIT Expense</u>		<u>ADFIT</u>
Apr-07	ERM Transfer to 18235	0		Deferral	0	Operating	0
Apr-07	Interest		(289)	Interest	(101)	Nonoperating	101
04-30-2007	Balance before interest	(68,246)			(101)	Total	101
				<u>May-07</u>	<u>DFIT Expense</u>		<u>ADFIT</u>
May-07	ERM Transfer to 18235	0		Deferral	0	Operating	0
May-07	Interest		(289)	Interest	(101)	Nonoperating	101
05-31-2007	Balance before interest	(68,246)			(101)	Total	101
	Net ERM Balance	(69,691)		GL Balance	Activity	GL Balance	
				04-30-07	May-07	05-31-07	
	ADFIT Balance	24,392		(69,402)	(289)	(69,691)	
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		The monthly rate is:-
				0.0042385 After Tax		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
				Mar-06	DFIT Expense	ADFIT
Mar-06	Surcharge Amortization	(2,627,640)		Amortization	(919,674)	Operating 919,674
Mar-06	Interest		264,488	Interest	92,571	Nonoperating (92,571)
03-31-2006	Balance before interest	61,087,454			(827,103)	Total 827,103
				Apr-06	DFIT Expense	ADFIT
Apr-06	Surcharge Amortization	(2,349,050)		Amortization	(822,168)	Operating 822,168
Apr-06	Interest		253,941	Interest	88,879	Nonoperating (88,879)
04-30-2006	Balance before interest	58,738,404			(733,289)	Total 733,289
				May-06	DFIT Expense	ADFIT
May-06	Surcharge Amortization	(2,149,145)		Amortization	(752,201)	Operating 752,201
May-06	Interest		244,408	Interest	85,543	Nonoperating (85,543)
05-31-2006	Balance before interest	56,589,259			(666,658)	Total 666,658
				GL Balance	Activity	GL Balance
				04-30-2007	May-07	05-31-2007
	Net ERM Balance	57,919,749		59,824,486	(1,904,737)	57,919,749
	ADFIT Balance	(20,271,912)				

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)	(3,612)	24,088			(22,478,485)	1,034,100
03-31-2007	(22,478,485)	(21,671,858)	(15)	24,190			(21,647,683)	830,802
04-30-2007	(21,647,684)	(20,938,570)	(15)	24,291			(20,914,294)	733,390
05-31-2007	(20,914,294)	(20,271,912)	(15)	24,392			(20,247,535)	666,759
			ADFIT				Interest	
		410100	410200	283280		182350	186280	186290
								419600
01-31-2007	182350	(1,144,714)	101,754	1,042,960		290,727	0	(289)
	186280	0	0	0				
	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)				
	186290	0	(101)	101				
Total		(1,130,931)	96,831	1,034,100				
03-31-2007	182350	(919,674)	92,571	827,103		264,488	22	(289)
	186280	(3,605)	8	3,597				
	186290	0	(101)	101				
Total		(923,279)	92,478	830,801				
04-30-2007	182350	(822,168)	88,879	733,289		253,941	0	(289)
	186280	0	0	0				
	186290	0	(101)	101				
Total		(822,168)	88,778	733,390				
05-31-2007	182350	(752,201)	85,543	666,658		244,408	0	(289)
	186280	0	0	0				
	186290	0	(101)	101				
Total		(752,201)	85,442	666,759				
Recon:	Total interest 2007		1,329,089					
	Calc non op DFIT 2007		465,181					
	Total 410200 2007		465,182					

	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
2006 Requirement												
Band 1 \$4,000,000	(\$2,601,664)	\$2,601,664	\$0	2006 50/50 Sharing \$4M - \$10M Band 2 </=	\$3,000,000					2006 90/10 Sharing > \$10M Band 3		
Jan-07 Reverse 2006	\$2,601,664	(\$2,601,664)	\$0									
2007 Requirement												
Band 1 \$4,000,000				2007 50/50 Sharing \$4M - \$10M Band 2 </=	\$3,000,000					2007 90/10 Sharing > \$10M Band 3		
Jan-07 Activity	\$711,356	(\$711,356)										
01-31-2007 Balance	\$711,356	(\$711,356)	\$0									
Feb-07 Activity	\$3,288,644	(\$3,288,644)		Activity	\$10,299							
02-28-2007 Balance	\$4,000,000	(\$4,000,000)	\$0	Balance	\$10,299							\$0
Mar-07 Activity	(\$795,037)	\$795,037		Activity	(\$10,299)					Activity	\$0	
03-31-2007 Balance	\$3,204,963	(\$3,204,963)	\$0	Balance	\$0					Balance	\$0	\$0
Apr-07 Activity	(\$750,828)	\$750,828		Activity	\$0					Activity	\$0	
04-30-2007 Balance	\$2,454,135	(\$2,454,135)	\$0	Balance	\$0					Balance	\$0	\$0
May-07 Activity	(\$126,272)	\$126,272		Activity	\$0					Activity	\$0	
05-31-2007 Balance	\$2,327,863	(\$2,327,863)	\$0	Balance	\$0					Balance	\$0	\$0
										Total company		
										absorption YTD	\$2,327,863	\$0
											(\$2,327,863)	\$0

AVISTA CORPORATION
 MAY 2007 WASHINGTON ELECTRIC SURCHARGE REVENUE & DEFERRAL AMORTIZATION

Schedule (a)	Sch 1 Block Percent (b)	kWh of \$ (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)	62.362%	98,760,492	0.00%	100.00%	0.405¢	0.446¢	\$0	\$440,472	0.956325	\$421,234
1 (601-1300 kWh)	28.013%	44,363,196	0.00%	100.00%	0.607¢	0.668¢	0	296,346	0.956325	283,403
1 (over 1300 kWh)	9.625%	15,242,772	0.00%	100.00%	0.853¢	0.938¢	0	142,977	0.956325	136,732
Total Sch 1	100.000%	158,366,460					0	879,795		841,369
11		26,422,269	0.00%	100.00%	0.788¢	0.867¢	0	229,081	0.956325	219,076
12		2,970,311	0.00%	100.00%	0.788¢	0.867¢	0	25,753	0.956325	24,628
21		117,755,206	0.00%	100.00%	0.549¢	0.604¢	0	711,241	0.956325	680,178
22		2,393,414	0.00%	100.00%	0.549¢	0.604¢	0	14,456	0.956325	13,825
25		76,189,667	0.00%	100.00%	0.352¢	0.387¢	0	294,854	0.956325	281,976
30		2,152,080	0.00%	100.00%	0.485¢	0.534¢	0	11,492	0.956325	10,990
31		6,279,313	0.00%	100.00%	0.485¢	0.534¢	0	33,532	0.956325	32,067
32		772,849	0.00%	100.00%	0.485¢	0.534¢	0	4,127	0.956325	3,947
41-46		\$295,406	0.00%	100.00%	109.78%	110.76%	0	28,698	0.956325	27,445
47		\$87,617	0.00%	100.00%	109.78%	110.76%	0	8,512	0.956325	8,140
48		\$59,242	0.00%	100.00%	109.78%	110.76%	0	5,755	0.956325	5,504
Schedule Totals		393,301,569					\$0	\$2,247,296		\$2,149,145

-35%
 (\$752,201) DFIT Expense

kWh not subject to surcharge	
Schedule 28, 63	-1,236
Sch 41-48	2,216,040
Total kWh	395,516,373

Electric Revenue Report by Revenue Class
Current Month and Year-to-Date
for Accounting Period : 200705 , State Code : WA

Accounting Period: 200705 State Code: WA
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Rate Schedule Num	Meters	Usage	Revenue Amt	YTD Average Meters	Ytd Usage	Ytd Revenue Amt
001	195,773	158,366,460	9,723,762	195,997	1,113,104,262	69,753,998
011	18,881	26,422,269	2,473,262	18,884	160,716,131	14,850,121
012	7,450	2,970,311	291,797	7,421	20,996,364	1,969,230
021	3,217	117,755,206	8,311,481	3,215	626,742,645	43,803,567
022	69	2,393,414	155,574	72	16,058,681	1,018,235
025	22	76,189,667	3,516,318	22	384,857,697	17,779,111
028	0	0	16,482	1	106,890	99,419
030	37	2,152,080	115,598	36	2,577,560	139,391
031	1,054	6,279,313	405,042	1,051	19,992,407	1,298,658
032	1,140	772,849	52,392	1,126	1,827,792	142,339
041	11	8,720	1,520	11	43,600	7,602
042	253	1,096,591	272,385	252	5,485,313	1,362,573
044	14	22,267	2,135	14	111,335	10,674
045	5	89,597	5,089	5	449,125	25,514
046	16	185,915	14,277	16	927,713	71,250
047	0	502,978	87,617	0	2,497,311	435,895
048	0	309,972	59,242	0	1,551,943	296,347
058	0	0	909,005	0	0	5,404,431
058A	0	0	-5,456	0	0	-41,899

Electric Revenue Report by Revenue Class
Current Month and Year-to-Date
 for Accounting Period : 200705 , State Code : WA

Accounting Period: 200705 State Code: WA
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	Meters	Usage	Revenue Amt	YTD Average Meters	Ytd Usage	Ytd Revenue Amt
063	-4	-1,236	0	0	0	0
090	0	0	4	0	0	20
095	0	0	14,441	0	0	66,440
099	0	0	66,118	0	0	264,776
Total WA	227,938	395,516,373	26,488,084	228,122	2,358,046,769	158,757,691
Total WA	227,938	395,516,373	26,488,084	228,122	2,358,046,769	158,757,691

W NGTON POWER COST DEFERRALS

AVIATA JUNITES

	Actual	Jan-07	Feb-07	Mar-07	Apr-07	May-07	Jun-07	Jul-07	Aug-07	Sep-07	Oct-07	Actual	Nov-07	Actual	Dec-07
1 555 Purchased Power	\$78,547,987	\$ 18,022,404	\$ 15,556,430	\$ 16,229,490	\$ 14,958,880	\$ 13,780,783									
2 501 Thermal Fuel	\$9,774,267	\$ 2,644,843	\$ 2,003,296	\$ 1,571,643	\$ 2,063,412	\$ 1,491,073									
3 547 CT Fuel	\$30,556,778	\$ 12,074,935	\$ 11,596,669	\$ 4,239,767	\$ 856,223	\$ 1,789,184									
4 447 Sale for Resale	\$ (66,419,352)	\$ (10,417,585)	\$ (11,760,278)	\$ (13,825,329)	\$ (14,134,288)	\$ (16,281,872)									
5 Actual Net Expense	\$52,459,680	\$ 22,324,597	\$ 17,396,117	\$ 8,215,571	\$ 3,744,227	\$ 779,168									
6 456100 Transmission Revenue	\$ (4,436,875)	\$ (740,481)	\$ (771,135)	\$ (869,317)	\$ (1,085,918)	\$ (970,024)									
7 565 Transmission Expense	\$5,294,468	\$ 1,078,483	\$ 1,146,469	\$ 1,039,109	\$ 1,013,095	\$ 1,017,312									
8 557170 Broker Fees	\$ 22,807	\$ 2,995	\$ 6,870	\$ 2,285	\$ 5,491	\$ 5,166									
9 Less Pollatch 62 aMW directly to ID	\$ (7,708,046)	\$ (1,719,075)	\$ (1,544,347)	\$ (1,112,014)	\$ (1,640,274)	\$ (1,692,336)									
10 Adjusted Actual Net Expense	\$45,632,034	\$ 20,946,519	\$ 16,233,974	\$ 7,275,634	\$ 2,036,621	\$ (860,714)									
AUTHORIZED NET EXPENSE-SYSTEM															
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	\$ 6,922,384	\$ 9,429,894	
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	\$ 1,660,059	\$ 1,715,380	\$ 1,660,551	\$ 1,660,551	\$ 1,714,075	
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	\$ 7,711,236	\$ 7,586,613	
14 447 Sale for Resale	\$ (62,059,914)	\$ (2,591,928)	\$ (3,322,097)	\$ (6,706,389)	\$ (8,805,375)	\$ (10,402,116)	\$ (7,569,805)	\$ (6,457,020)	\$ (3,368,084)	\$ (1,492,368)	\$ (2,440,168)	\$ (5,554,272)	\$ (5,554,272)	\$ (3,350,298)	
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	\$ (283,194)	\$ (283,194)	\$ 266,894	
16 456100 Transmission Revenue	\$ (10,268,850)	\$ (850,551)	\$ (850,451)	\$ (850,576)	\$ (854,363)	\$ (856,884)	\$ (860,452)	\$ (862,365)	\$ (861,081)	\$ (861,257)	\$ (853,900)	\$ (853,565)	\$ (853,565)	\$ (853,205)	
17 565 Transmission Expense	\$ 13,307,162	\$ 1,132,836	\$ 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	\$ 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	\$ 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)	\$ (7,000)	\$ (7,000)	
20 Authorized Net Expense	\$108,026,038	\$ 16,591,741	\$ 10,317,281	\$ 10,026,168	\$ 3,889,759	\$ (1,518,676)	\$ (2,433,035)	\$ 3,048,140	\$ 10,667,439	\$ 15,703,250	\$ 15,129,297	\$ 10,719,939	\$ 10,719,939	\$ 15,915,735	
21 Actual - Authorized Net Expense	\$ (62,394,004)	\$ 4,354,778	\$ 5,916,693	\$ (2,750,534)	\$ (1,823,138)	\$ 657,962	\$ 2,433,035	\$ (3,048,140)	\$ (10,667,439)	\$ (15,703,250)	\$ (15,129,297)	\$ (10,719,939)	\$ (10,719,939)	\$ (15,915,735)	
22 557 Resource Optimization	\$ 2,844,754	\$ 553,465	\$ 193,272	\$ 2,050,028	\$ 16,770	\$ 31,219									
23 Adjusted Net Expense	\$ (59,549,250)	\$ 4,908,243	\$ 6,109,965	\$ (700,506)	\$ (1,806,368)	\$ 689,181	\$ 2,433,035	\$ (3,048,140)	\$ (10,667,439)	\$ (15,703,250)	\$ (15,129,297)	\$ (10,719,939)	\$ (10,719,939)	\$ (15,915,735)	
24 Washington Alloc. @ 65.16%	\$ (38,802,291)	\$ 3,198,211	\$ 3,981,253	\$ (456,450)	\$ (1,177,029)	\$ 449,070	\$ 1,585,366	\$ (1,986,168)	\$ (6,960,903)	\$ (10,232,238)	\$ (9,857,598)	\$ (6,985,112)	\$ (6,985,112)	\$ (10,370,693)	
25 WA Retail Revenue Adjustment	\$ (3,667,192)	\$ (2,486,855)	\$ (672,011)	\$ (335,185)	\$ 426,201	\$ (575,342)									
26 Net Power Cost Increase (Decrease)	\$ 2,327,963	\$ 711,356	\$ 3,309,242	\$ (815,635)	\$ (750,828)	\$ (126,272)									
27 Cumulative Balance	\$ 711,356	\$ 4,020,598	\$ 3,204,963	\$ 2,454,135	\$ 2,327,863										

Deferral %	Actual	Jan-07	Feb-07	Mar-07	Apr-07	May-07	Jun-07	Jul-07	Aug-07	Sep-07	Oct-07	Actual	Nov-07	Actual	Dec-07
Input: 10,000,000 and up	96%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Input: 4,000,000 to \$10M	50%	\$0	\$20,598	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Input: 0 to \$4M	0%	\$711,356	\$4,000,000	\$3,204,963	\$2,454,135	\$2,327,863									
check # should be zero		0	0	0	0	0									
Deferral Amount, Cumulative		\$0	\$10,299	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Deferral Amount, Monthly		\$0	\$10,299	\$ (10,299)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Account 557 for Budget		\$0	\$ (10,299)	\$10,299	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Company Band Gross Margin Impact, Cumulative		\$711,356	\$4,010,299	\$3,204,963	\$2,454,135	\$2,327,863									

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
555 PURCHASED POWER													
1	8,652,454	6,571,869	8,230,577	6,771,065	6,347,138								36,573,103
2	130,200	117,600	130,200	125,825	130,200								634,025
3	129,685	124,852	97,261	100,813	20,333								472,944
4	741,090	716,290	728,055	842,759	867,306								3,895,500
5	122,918	109,016	109,016	199,093	157,124								697,167
6	354,389	354,389	354,389	531,285	354,389								1,948,841
7	112,559	112,559	112,559	112,559	112,559								562,795
8													
9	802	809	893	502	764								3,770
10	106,710	128,982	137,852	135,974	123,589								633,107
11	340,250	261,738	251,160	247,091	280,255								1,380,494
12	2,451,882	2,215,518	1,210,478	1,172,379									7,050,257
13	-107,866	42,009	147,812	(112,548)									(123,804)
14	576,600	520,800	575,825	558,000	576,600								2,807,825
15	572,880	517,440	572,110	554,400	572,880								2,789,710
16	565,440	510,720	564,680	547,200	565,440								2,753,480
17	641,700	579,600	640,838	621,000	641,700								3,124,838
18	174,384	169,567	149,938	144,133	145,515								783,537
19	1,719,075	1,544,347	1,112,014	1,640,274	1,692,336								7,708,046
20	57,000	81,250	142,500	142,500	142,500								565,750
21	168,122	338,491	350,821	152,070	172,837								1,182,341
22	216,337	283,123	285,659	279,792	270,519								1,335,430
23			1,904	31,983	46,587								80,474
24	189,100	170,800	189,100		0								549,000
25	39,114	25,270	79,787	107,508	122,624								374,303
26					480,000								
27	67,579	59,391	54,062	53,223	50,799								285,054
28	18,022,404	15,556,430	16,229,490	14,958,880	13,780,783								78,067,987

(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

447 SALES FOR RESALE

29	6,015,292	7,777,539	10,463,311	10,406,027	12,243,118								46,905,287
30	150,000	150,000	150,000	150,000	150,000								750,000
31	51,244	6,848	8,526	7,669	78,829								153,116
32	48,748	29,778	70,781	77,092	80,669								307,068
33	257,051	201,152	140,540	192,754	187,695								979,192
34	(5,096)	(4,030)	(3,804)	(5,098)	(3,903)								(21,931)
35	278,590	255,391	231,199	242,269	171,958								1,179,407
36	224,279	140,367	84,739	111,655	121,427								662,467
37	3,329,898	3,143,842	2,623,241	2,901,431	3,201,280								15,199,692
38	67,579	59,391	56,796	50,489	50,799								285,054
39	10,417,585	11,760,278	13,825,329	14,134,288	16,281,872								66,419,352

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>													
40	wood	1,009,650	886,816	281,428	738,842	599,100							3,515,836
41	coal	1,575,803	1,089,134	1,271,756	1,273,441	847,431							6,057,565
42	Total Coal & Wood	2,585,453	1,975,950	1,553,184	2,012,283	1,446,531							9,573,401
43	gas	5,345	1,849	445	6,758	2,368							16,765
44	oil	54,045	25,497	18,014	44,371	42,174							184,101
45	Total Oil & Gas	59,390	27,346	18,459	51,129	44,542							200,866
46	Total Account 501	2,644,843	2,003,296	1,571,643	2,063,412	1,491,073							9,774,267
<u>501 FUEL-TONS</u>													
47	Kettle Falls	54,932	50,926	35,929	42,767	33,936							218,490
48	Colstrip	99,408	88,457	85,818	83,354	47,674							404,711
<u>501 FUEL-COST PER TON</u>													
49	wood \$	18.38	17.41	7.83	17.28	17.65							\$ 16.09
50	coal \$	15.85	12.31	14.82	15.28	17.78							\$ 14.97
<u>547 FUEL</u>													
51	NE Combustion Turbine Gas/Oil	6,119	597	258	(45)	5,072							12,001
52	Boulder Park	91,277	20,171	4,166	75,463	49,698							240,775
53	Kettle Falls CT	1,978	113	-	1,192	(70)							3,213
54	Coyote Springs2	11,729,516	11,543,942	4,199,187	558,529	1,645,459							29,676,633
55	Rathdrum Fuel Exp	246,045	31,846	36,156	221,084	89,025							624,156
56	Total Account 547	12,074,935	11,596,669	4,239,767	856,223	1,789,184							30,556,778
57	TOTAL NET EXPENSE	22,324,597	17,396,117	8,215,571	3,744,227	779,168	0	0	0	0	0	0	51,979,680

AVISTA UTILITIES
 Washington Electric Jurisdiction
 Energy Recovery Mechanism Revenue Credit
 Month of May 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	456,972,730	424,100,768	395,516,373								2,358,046,769
Deduct Prior Month Unbilled kWhs	(353,051,283)	(357,527,990)	(300,504,629)	(282,131,379)	(271,237,441)								(1,574,452,722)
Add Current Month Unbilled kWhs	357,527,990	300,504,629	292,131,379	271,237,441	269,502,816								1,490,904,255
Washington Retail kWhs	545,083,839	483,826,405	448,599,480	403,206,830	393,781,748								2,274,486,302
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	8,939,428	(11,187,291)	14,472,753								92,724,112
WA Retail Revenue Credit (2)	\$2,478,350	\$663,534	\$348,906	(\$436,640)	\$564,872	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$3,619,022
Net Wind Revenue Credit	\$8,505	\$8,477	\$10,279	\$10,439	\$10,470	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$48,170
Total Revenue Credit	\$2,486,855	\$672,011	\$359,185	(\$426,201)	\$575,342	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$3,667,192

(1) from Exhibit No. 185 (WG-J-5) in Docket No. UE-050482 and Exhibit No. (WG-L-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	\$14,177.63	\$14,398.73	\$14,440.76	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$66,440.13
Deduct Admin Expense	\$3,225.85	\$3,215.48	\$3,898.85	\$3,959.65	\$3,971.21	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$18,271.04
<i>0.005 x 55 = 0.275 per Revenue \$</i>													
Net Wind Revenue Credit	\$8,504.51	\$8,477.17	\$10,278.78	\$10,439.08	\$10,469.55	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$48,169.09