

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



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OFFICE OF THE
UTILITY AND
TRANSPORTATION
COMMISSION

February 12, 2008

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, January 2008

Dear Ms. Washburn:

Enclosed are an original and five copies of Avista Corporation's Power Cost Deferral Report for the month of January 2008. The report includes the monthly energy recovery mechanism (ERM) accounting journal together with backup workpapers. In January actual net power costs were higher than authorized costs by \$940,109. No deferral was recorded as the entire amount was applied against the 2008 deadband.

Actual power supply expense was higher than the authorized level primarily due to lower than authorized hydro generation and higher market power prices. Hydro generation was 28 aMW below the authorized level. The average market purchase price was \$71.92/MWh and the average market sales price was \$62.99/MWh.

Coyote Springs 2 generated 137 aMW above the authorized level. Other gas fired resources generated 11 aMW above the authorized level due to economics. Colstrip and Kettle Falls generated 12 aMW above and 5 aMW below the authorized levels, respectively. Net transmission expense (transmission expense less transmission revenue) was above the authorized level. The average price of gas for Coyote Springs 2 was \$7.42/dth. Washington retail sales were 4 aMW below the authorized level.

In January 2008 the deferral balance decreased by \$3,058,315. The January deferral was zero, interest amounted to \$241,526 and amortization amounted to -\$3,299,841. The actual deferral balance at the end of January is \$55.5 million. The deferral balance would reach zero in the November-December 2009 timeframe based on the following assumptions:

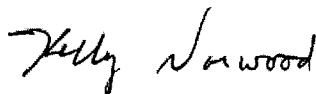
1. No deferrals beyond January 2007.
2. Forecasted amortizations of approximately \$31 million annually assuming no change in the existing surcharge rate.

Interest is calculated pursuant to the Settlement Stipulation approved by the Commission's Fifth Supplemental Order in Docket No. UE-011595, dated June 18, 2002. Interest is applied to the average of the beginning and ending month deferral

balances net of associated deferred federal income tax. The Company's weighted cost of debt is used as the interest rate. The interest rate is updated semi-annually and interest is compounded semi-annually. The January and July reports contain the supporting workpapers for the semi-annual updates of the weighted cost of debt used in the interest calculations. Pages 20-22 of the workpapers show the calculation of the weighted cost of debt at December 31, 2007, which is to be used for the January-June 2008 period.

There were no forward long-term contracts of one year or longer entered into in the month of January 2008. 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

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

MONTH OF JANUARY 2008

Avista Corporation Journal Entry

Effective Date: 200801

Journal: 481-WA ERM

Team: Resource-Accounting

Last Saved by: Lori Hamilton

Last Saved: 02/08/2008 10:18 AM

Type: C

Submitted by: Lori Hamilton

Category: DJ

Seq.	Co.#	FERC	Ser.	Jur.	S.I.	Debit	Credit	Comment
10	001	557290 - WA ERM AMORTIZATION	ED	WA	DL	3,299,841.00		WA ERM surcharge amortization
20	001	182350 - REGULATORY ASSET ERM APPROVED FOR F	ED	WA	DL		3,299,841.00	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 CURF	ED	WA	DL	0.00		WA ERM current year deferral
41	001	186290 - REGULATORY ASSET ERM DEFERRED LAST	ED	WA	DL	16,564,895.00		Transfer prior yr deferral for prudency review
42	001	186280 - REGULATORY ASSET ERM DEFERRED CURF	ED	WA	DL		16,564,895.00	Transfer prior yr deferral for prudency review
50	001	182350 - REGULATORY ASSET ERM APPROVED FOR F	ED	WA	DL	171,180.00		Accrue interest on deferral balance authorized for recovery
60	001	186280 - REGULATORY ASSET ERM DEFERRED CURF	ED	WA	DL	0.00		Accrue interest on current year deferral balance
70	001	186290 - REGULATORY ASSET ERM DEFERRED LAST	ED	WA	DL	70,346.00		Accrue interest on previous year deferral balance
80	001	419600 - INTEREST ON ENERGY DEFERRALS	ED	WA	DL		241,526.00	Non-utility interest income
90	001	410100 - PRV DFIT DR	ED	WA	DL		1,154,944.00	DFIT entry for power supply deferral and surcharge amortization
100	001	410200 - DFIT EXP-NONOPER (DR)	ZZ	ZZ	DL	84,534.00		Non -op DFIT entry for interest income
110	001	283280 - ADFIT ERM	ED	WA	DL	1,070,410.00		ADFIT WA ERM current and prior years
112	001	186010 - REGULATORY ASSET ERM 100% COMPANY	ED	WA	DL		8,482,641.00	Reverse prior year co band accumulation
113	001	186020 - REGULATORY ASSET ERM 100% CONTRA	ED	WA	DL	8,482,641.00		Reverse prior year contra account
120	001	186010 - REGULATORY ASSET ERM 100% COMPANY	ED	WA	DL	940,109.00		Track 100% company band accumulation
130	001	186020 - REGULATORY ASSET ERM 100% CONTRA	ED	WA	DL		940,109.00	Contra account for 100% company band accumulation
TOTALS:						30,683,956.00	30,683,956.00	

Avista Corporation Journal Entry

Effective Date: 200801

Journal: 481-WA ERM

Team: Resource Accounting

Type: C

Category: DJ

Last Saved by: Lori Hamilton

Last Saved: 02/08/2008 10:18 AM

Submitted by: Lori Hamilton

<i>L Hamilton</i>	Date	<i>2/8/08</i>
Prepared by Lori Hamilton		
<i>Sami Judge</i>	Date	<i>2/8/08</i>
Reviewed by		
Approved for Entry	Date	
Corporate Accounting use Only		

Explanation:

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

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
200713	USD	0.00		8,482,641.00	
200801	USD	7,542,532.00		940,109.00	

Journal Details Summary Balances

ERM Deadband plus Amounts Absorbed

<u>Account 186010.ED.WA</u>	<u>Amount</u>	<u>Journal ID</u>
Balance 12/31/07	\$8,482,641.00	
Reverse prior year balance	-\$8,482,641.00	481 - WA ERM
Current month entry	940,109.00	481 - WA ERM
Balance 1/31/08	<u>\$940,109.00</u>	

	<u>Total</u>	<u>Absorbed</u>	<u>Deferred</u>
First \$4,000,000 at 100%	\$940,109.00	\$940,109.00	\$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>\$940,109.00</u>	<u>\$940,109.00</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	
200713	USD	0.00		8,482,641.00		
200801	USD	7,542,532.00		940,109.00		

ERM Deadband Contra Account		
Account 186020.ED.WA		
	Amount	Journal ID
Balance 12/31/07	-\$8,482,641.00	
Reverse prior year balance	\$8,482,641.00	481 - WA ERM
Current month entry	-940,109.00	481 - WA ERM
Balance 1/31/08	<u><u>-\$940,109.00</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
200713	USD	0.00		20,483,309.00	
200801	USD	1,070,410.00		19,412,899.00	

DFIT Associated with ERM Deferrals
Account 283280.ED.WA

Account 186280.ED.WA balance	\$0.00
Account 186290.ED.WA balance	16,635,241.00
Account 182350.ED.WA balance	38,830,186.65
Total	<u>\$55,465,427.65</u>
Federal income tax rate	-35%
Deferred FIT related to deferrals	<u>-\$19,412,900</u>
Rounding	<u>1</u>
Balance in account	<u><u>-\$19,412,899</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 12/31/07 is 7.840%.		0.00653 Before Tax		Actual cost of debt at 6/30/07 is 7.843%		0.00653583 Before Tax	
The monthly rate is:		0.0042467 After Tax		The monthly rate is:-		0.0042483 After Tax	
		0.35 Tax rate				0.35 Tax-rate	
Account 186280				2008 Interest			
12-31-2007	GL Balance including interest	\$16,564,895					
01-31-2008	GL Balance	(\$16,564,895)	Transfer to 186290				
01-31-2008	GL Balance	0					
				<u>January</u>	<u>DFIT Expense</u>		<u>ADFIT</u>
January	ERM Deferral	0		Deferral	0	Operating	0
January	Interest	0		Interest	0	Nonoperating	0
01-31-2008	Balance before interest	0			0	Total	0
				<u>GL Balance</u>	<u>Activity</u>	<u>GL Balance</u>	
	Net ERM Balance	0		12-31-07	Jan-08	01-31-08	
				16,564,895	(16,564,895)	0	
	ADFIT Balance	0					

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.							
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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 12/31/07 is 7.840%.		0.00653 Before Tax		Actual cost of debt at 6/30/07 is 7.843%		0.00653583 Before Tax	
The monthly rate is:		0.0042467 After Tax		The monthly rate is:-		0.0042483 After Tax	
		0.35 Tax rate				0.35 Tax rate	
Account 186290		2008 Interest					
12-31-2007	GL Balance including interest	0					
01-31-2008	Transfer from 186280	\$16,564,895					
01-31-2008	GL Balance including interest	\$16,564,895		January	DFIT Expense		ADFIT
January	Interest		70,346	Interest	24,621	Nonoperating	(24,621)
01-31-2008	Balance before interest	16,564,895			24,621	Total	(24,621)
	Net ERM Balance	16,635,241		GL Balance	Activity	GL Balance	
				12-31-07	Jan-08	01-31-08	
	ADFIT Balance	(5,822,334)		0	16,635,241	16,635,241	

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 12/31/07 is 7.840%.		Actual cost of debt at 6/30/07 is 7.843%				
The monthly rate is:		0.00653 Before Tax	The monthly rate is:-	0.00653583 Before Tax		
		0.0042467 After Tax		0.0042483 After Tax		
		0.35 Tax rate		0.35 Tax rate		
Account 182350		2008 Interest				
12-31-2007	GL Balance including interest	41,958,848		<u>January</u>	<u>DFIT Expense</u>	<u>ADFIT</u>
January	Surcharge Amortization	(3,299,841)		Amortization	(1,154,944)	Operating 1,154,944
January	Interest		171,180	Interest	59,913	Nonoperating (59,913)
01-31-2008	Balance before interest	38,659,007			(1,095,031)	Total 1,095,031
				<u>GL Balance</u>	<u>Activity</u>	<u>GL Balance</u>
				<u>12-31-2007</u>	<u>Jan-08</u>	<u>01-31-2008</u>
	Net ERM Balance	38,830,187		41,958,848	(3,128,661)	38,830,187
	ADFIT Balance	(13,590,565)				

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
								BALANCE
12-31-2007	(21,336,244)	(14,685,597)	(5,797,713)	0			(20,483,310)	852,935
01-31-2008	(20,483,309)	(13,590,565)	0	(5,822,334)			(19,412,899)	1,070,410
			ADFIT				Interest	
		410100	410200	283280		182350	186280	186290
01-31-2008	182350	(1,154,944)	59,913	1,095,031		171,180	0	70,346
	186280	0	0	0				
	186290	0	24,621	(24,621)				
Total		(1,154,944)	84,534	1,070,410				
Recon:	Total interest 2008		241,526					
	Calc non op DFIT 2008		84,534					
	Total 410200 2008		84,534					

AVISTA CORPORATION
 JANUARY 2008 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)* (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)	39.183%	110,817,490	0.00%	100.00%	0.405¢	0.446¢	\$0	\$494,246	0.956325	\$472,660
1 (601-1300 kWh)	30.432%	86,067,883	0.00%	100.00%	0.607¢	0.668¢	0	574,933	0.956325	549,823
1 (over 1300 kWh)	30.385%	85,934,956	0.00%	100.00%	0.853¢	0.938¢	0	806,070	0.956325	770,865
Total Sch 1	100.000%	282,820,329					0	1,875,249		1,793,348
11		37,601,007	0.00%	100.00%	0.788¢	0.867¢	0	326,001	0.956325	311,763
12		5,267,702	0.00%	100.00%	0.788¢	0.867¢	0	45,671	0.956325	43,676
21		136,351,586	0.00%	100.00%	0.549¢	0.604¢	0	823,564	0.956325	787,595
22		3,773,701	0.00%	100.00%	0.549¢	0.604¢	0	22,793	0.956325	21,798
25		74,764,723	0.00%	100.00%	0.352¢	0.387¢	0	289,339	0.956325	276,702
30		(17,180)	0.00%	100.00%	0.485¢	0.534¢	0	-92	0.956325	-88
31		3,801,785	0.00%	100.00%	0.485¢	0.534¢	0	20,302	0.956325	19,415
32		385,599	0.00%	100.00%	0.485¢	0.534¢	0	2,059	0.956325	1,969
41-46		\$326,272	0.00%	100.00%	9.78%	10.76%	0	31,054	0.956325	29,698
47		\$91,014	0.00%	100.00%	9.78%	10.76%	0	8,663	0.956325	8,285
48		\$62,401	0.00%	100.00%	9.78%	10.76%	0	5,939	0.956325	5,680
Schedule Totals		544,749,252					\$0	\$3,450,542		\$3,299,841
kWh not subject to surcharge		0								
Sch 28		0								
Sch 41-48		2,215,231								
Total kWh		546,964,483								
										Amortization
										(\$1,154,944)
										DFIT Expense
										-35%

Electric Revenue Report by Revenue Class
Current Month and Year-to-Date
for Accounting Period : 200801 , State Code : WA

Accounting Period	200801	State Code	WA
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Rate Schedule Num	Meters	Usage	Revenue Amt	YTD Avg Meters	Ytd Usage	Ytd Revenue Amt
001	198,858	282,820,329	20,097,366	198,858	282,820,329	20,097,366
011	19,148	37,601,007	3,570,789	19,148	37,601,007	3,570,789
012	7,621	5,267,702	534,100	7,621	5,267,702	534,100
021	3,212	136,351,586	9,731,117	3,212	136,351,586	9,731,117
022	71	3,773,701	259,599	71	3,773,701	259,599
025	22	74,764,723	3,445,633	22	74,764,723	3,445,633
028	0	0	16,750	0	0	16,750
030	33	-17,180	-718	33	-17,180	-718
031	1,079	3,801,785	253,932	1,079	3,801,785	253,932
032	1,157	385,599	32,010	1,157	385,599	32,010
41	11	8,720	1,671	11	8,720	1,671
042	257	1,104,466	301,594	257	1,104,466	301,594
044	13	21,631	2,282	13	21,631	2,282
045	4	88,977	5,483	4	88,977	5,483
046	18	187,552	15,242	18	187,552	15,242
047	0	498,747	91,014	0	498,747	91,014
048	0	305,138	62,401	0	305,138	62,401
058	0	0	1,334,228	0	0	1,334,228
058A	0	0	-10,121	0	0	-10,121
063	0	0	0	0	0	0
090	0	0	4	0	0	4
095	0	0	13,898	0	0	13,898
099	0	0	46,192	0	0	46,192
Sum	231,504	546,964,483	39,804,464	231,504	546,964,483	39,804,464

AVISIA UTILITIES
INGTON POWER COST DEFERRALS

Line No.	2008 WA Actual Deferrals.xlsWA summary WASHINGTON ACTUALS-2008	Actual Jan-08	Actual Feb-08	Actual Mar-08	Actual Apr-08	Actual May-08	Actual Jun-08	Actual Jul-08	Actual Aug-08	Actual Sep-08	Actual Oct-08	02-08-20C Actual Nov-08	AM sw Actual Dec-08
1	555 Purchased Power	\$ 21,249,348											
2	501 Thermal Fuel	\$ 2,580,856											
3	547 CT Fuel	\$ 11,557,553											
4	447 Sale for Resale	\$ (10,257,852)											
5	Actual Net Expense	\$ 25,129,905	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
6	456016/100/700 Transmission Revenue	\$ (704,392)											
7	565 Transmission Expense	\$ 1,351,141											
8	557170 Broker Fees	\$ 4,507											
9	Less Politatch 62 aMW directly to ID	\$ (1,703,881)											
10	Adjusted Actual Net Expense	\$ 24,077,280	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
AUTHORIZED NET EXPENSE-SYSTEM													
11	555 Purchased Power	\$ 118,454,461	\$ 16,873,784	\$ 10,015,962	\$ 11,979,075	\$ 6,937,925	\$ 5,310,561	\$ 5,039,557	\$ 6,119,078	\$ 10,757,020	\$ 12,519,647	\$ 11,358,422	\$ 12,877,645
12	501 Thermal Fuel	\$ 24,772,212	\$ 2,324,182	\$ 2,195,481	\$ 2,306,191	\$ 2,036,664	\$ 978,477	\$ 1,076,887	\$ 2,266,701	\$ 2,342,250	\$ 2,348,297	\$ 2,283,837	\$ 2,337,481
13	547 CT Fuel	\$ 75,022,747	\$ 5,500,597	\$ 5,979,584	\$ 5,617,375	\$ 3,069,671	\$ 2,715,420	\$ 2,339,513	\$ 7,936,629	\$ 8,964,531	\$ 8,719,367	\$ 9,214,143	\$ 8,672,254
14	447 Sale for Resale	\$ (58,637,113)	\$ (1,823,694)	\$ (3,053,458)	\$ (2,201,112)	\$ (7,112,455)	\$ (11,788,024)	\$ (10,761,577)	\$ (7,774,515)	\$ (2,261,396)	\$ (2,270,716)	\$ (4,113,089)	\$ (2,671,351)
15	456100 Transmission Revenue	\$ (9,204,726)	\$ (712,626)	\$ (674,135)	\$ (774,215)	\$ (640,216)	\$ (753,096)	\$ (1,135,807)	\$ (947,332)	\$ (863,299)	\$ (704,938)	\$ (671,240)	\$ (659,543)
16	565 Transmission Expense	\$ 13,752,996	\$ 1,146,083	\$ 1,146,083	\$ 1,146,083	\$ 1,146,083	\$ 1,146,083	\$ 1,146,083	\$ 1,146,083	\$ 1,146,083	\$ 1,146,083	\$ 1,146,083	\$ 1,146,083
17	557 Broker Fees	\$ 92,004	\$ 7,667	\$ 7,667	\$ 7,667	\$ 7,667	\$ 7,667	\$ 7,667	\$ 7,667	\$ 7,667	\$ 7,667	\$ 7,667	\$ 7,667
18	Mark-to-Model Adjustment	\$ (697,180)	\$ (445,121)	\$ (195,951)	\$ (58,289)	\$ 239,815	\$ 34,070	\$ (363,539)	\$ 127,100	\$ 94,095	\$ 67,115	\$ (61,050)	\$ (203,515)
19	Authorized Net Expense	\$ 163,555,401	\$ 22,870,872	\$ 15,421,233	\$ 18,022,775	\$ 5,685,154	\$ (2,348,842)	\$ (2,651,216)	\$ 7,238,445	\$ 19,159,039	\$ 17,617,266	\$ 21,869,181	\$ 19,164,773
20	Actual - Authorized Net Expense	\$ (139,478,121)	\$ 1,206,408	\$ (15,421,233)	\$ (18,022,775)	\$ (5,685,154)	\$ 2,348,842	\$ 2,651,216	\$ (7,238,445)	\$ (19,159,039)	\$ (17,617,266)	\$ (21,869,181)	\$ (19,164,773)
21	557 Resource Optimization	\$ 29,630	\$ 29,630										
22	Adjusted Net Expense	\$ (139,448,491)	\$ 1,236,038	\$ (15,421,233)	\$ (18,022,775)	\$ (5,685,154)	\$ 2,348,842	\$ 2,651,216	\$ (7,238,445)	\$ (19,159,039)	\$ (17,617,266)	\$ (21,869,181)	\$ (19,164,773)
23	Washington Alloc. @ 65.83%	\$ (91,798,941)	\$ 813,684	\$ (10,151,798)	\$ (11,864,393)	\$ (3,742,537)	\$ 1,546,243	\$ 1,745,295	\$ (4,765,068)	\$ (12,612,395)	\$ (11,597,446)	\$ (14,396,482)	\$ (14,157,874)
24	WA Retail Revenue Adjustment	\$ 126,425											
25	Net Power Cost Increase (Decrease)	\$ 940,109	\$ 940,109										
26	Cumulative Balance	\$ 940,109											

input: 10,000,000 and up
input: 1,000,000 to \$10M
input: 0 to \$1M
check # should be zero

Deferral %
90%
50%
0%
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-08	Feb-08	Mar-08	Apr-08	May-08	Jun-08	Jul-08	Aug-08	Sep-08	Oct-08	Nov-08	Dec-08	TOTAL 2008
555 PURCHASED POWER													
1 Short-Term Purchases	11,707,330												11,707,330
2 Northwestern Load Following	151,380												151,380
3 Priest Rapids	882,536												882,536
4 Rocky Reach	124,067												124,067
5 Wanapum	457,314												457,314
6 Wells	116,071												116,071
7 Black Creek Index Purchase													792
8 Deer Lake-IP&L													79,209
9 Small Power													159,443
10 Spokane-Upriver													2,912,355
11 WNP-3 (1)													(615,229)
12 Non-Mon. Accruals													576,600
13 MS #17189													572,880
14 MS #17633													565,288
15 MS #19537													641,700
16 BPEGY #102182													158,526
17 Stimson Lumber													1,703,881
18 Potlatch 62 aMW Purch													65,000
19 Douglas Capacity													428,571
20 BPA NT deviation energy													274,110
21 PPM Wind Power													192,200
22 Seattle Capacity													26,913
23 Douglas Settlement #107240													68,411
24 BPA Spin Reserve													21,249,348
25 WPM Ancillary Services													0
26 Total Account 555	21,249,348	0	0	0	0	0	0	0	0	0	0	0	21,249,348
(1) Effective November, 2007, WNP-3 purchase expense has been adjusted to reflect the mid-point price, \$38.25/MWh for the 2007-08 contract year. per Settlement Agreement, Cause No. U-86-99													
447 SALES FOR RESALE													
27 Short-Term Sales	4,259,411												4,259,411
28 Peaker LLC/PGE Cap Sale	150,000												150,000
29 Sovereign/Kaiser Load Following	10,628												10,628
30 Pend Oreille DES	38,937												38,937
31 Nichols Pumping Index Sale	277,449												277,449
32 Enron/PGE Cap Fee, employee svcs	(3,969)												(3,969)
33 Northwestern Load Following	616,718												616,718
34 BPA NT deviation energy rev	308,207												308,207
35 SMUD 50 + 25	4,532,060												4,532,060
36 Merchant Ancillary Services	68,411												68,411
37 Total Account 447	10,257,852												10,257,852

Avista Utilities
System Power Supply Expenses
WASHINGTON DEFERRED POWER COST CALCULATION

\$
ACTUALS

Line No.	Jan-08	Feb-08	Mar-08	Apr-08	May-08	Jun-08	Jul-08	Aug-08	Sep-08	Oct-08	Nov-08	Dec-08	TOTAL 2008
<u>501 FUEL-DOLLARS</u>													
38	wood	872,100											872,100
39	coal	1,693,941											1,693,941
40	Total Coal & Wood	2,566,041	0										2,566,041
41	gas	2,012											2,012
42	oil	12,803											12,803
43	Total Oil & Gas	14,815	0										14,815
44	Total Account 501	2,580,856	0										2,580,856
<u>501 FUEL-TONS</u>													
45	Kettle Falls	44,035											44,035
46	Colstrip	102,698											102,698
<u>501 FUEL-COST PER TON</u>													
47	wood \$	19.80	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	19.80
48	coal \$	16.49	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	16.49
<u>547 FUEL</u>													
49	NE Combustion Turbine Gas/Oil	3,168											3,168
50	Boulder Park	427,640											427,640
51	Kettle Falls CT	108,578											108,578
52	Coyote Springs2	10,857,771											10,857,771
53	Rathdrum CT	160,396											160,396
54	Total Account 547	11,557,553											11,557,553
55	TOTAL NET EXPENSE	25,129,905	0	0	0	0	0	0	0	0	0	0	25,129,905

AVISTA UTILITIES
Washington Electric Jurisdiction
Energy Recovery Mechanism Revenue Credit
Month of January 2008

Description	January	February	March	April	May	June	July	August	September	October	November	December	YTD
Total WA kWhs per Rev Run	546,964,483												546,964,483
Deduct Prior Month Unbilled kWhs	(349,731,143)	(359,263,450)											(708,994,593)
Add Current Month Unbilled kWhs	359,263,450												359,263,450
Washington Retail kWhs	556,496,790	(359,263,450)											197,233,340
Test Year WA Retail Sales (1)	559,753,000	502,124,000	514,703,000	437,704,000	429,845,000	414,160,000	459,551,000	476,165,000	437,987,000	471,756,000	455,072,000	533,363,000	5,692,183,000
Difference from Test Year	(3,256,210)												(3,256,210)
WA Retail Revenue Credit (2)	0.04192												
Net Wind Revenue Credit	(\$136,501)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$136,501)
Total Revenue Credit	\$10,076	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$10,076
	(\$126,425)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$126,425)

(1) from Exhibit No. ___ (WGJ-5) in Docket No. UE-070804.

(2) Production and Transmission Retail Revenue Credit Rate per the Production Factor Calculation in the Settlement Agreement approved in Docket No. UE-070804.

Schedule 95 Wind Revenue	\$13,898.11												\$13,898.11
Deduct Admin Expense	0.275	\$3,821.98	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$3,821.98
0.005 x 55 = 0.275 per Revenue \$													
Net Wind Revenue Credit		\$10,076.13	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$10,076.13

AVISTA CORP.

Total Debt Capital as of December 31, 2007

Line No.	Coupon Rate	Maturity Date	Settlement Date	Principal Amount	Issuance Costs	Issue Costs Refl. Costs	Net Proceeds	Yield to Maturity	Principal Outstanding 12/31/2007	Effective Cost	Line No.
SECURED MEDIUM TERM NOTES, SERIES A (A FORM OF FIRST MORTGAGE BOND)											
1		8/31/2010	5/1/1993	373,693							1
2		7/12/2010	7/12/1993	5,000,000	33,750	1,331	4,964,919	6.740%	5,000,000	21,663	2
3	6.67%	6/4/2008	6/4/1993	10,000,000	67,500	2,663	9,929,837	6.966%	10,000,000	356,998	3
4	6.89%	6/3/2008	6/3/1993	10,000,000	67,500	2,663	9,929,837	7.026%	10,000,000	40,616	4
5	6.95%	8/11/2023	8/12/1993	7,000,000	52,500	1,864	6,945,636	7.244%	7,000,000	696,614	5
6	7.18%	5/10/2012	5/10/1993	7,000,000	47,250	1,864	6,950,886	7.440%	7,000,000	92,062	6
7	7.37%	5/11/2018	5/11/1993	7,000,000	52,500	1,227,883	6,945,636	7.459%	7,000,000	702,642	7
8	7.39%	6/11/2018	6/9/1993	15,500,000	116,250	1,227,883	15,329,403	7.548%	15,500,000	92,062	8
9	7.45%	5/5/2023	5/6/1993	5,500,000	41,250	2,140,440	5,457,288	7.596%	5,500,000	507,064	9
10	7.53%	5/5/2023	5/7/1993	1,000,000	7,500	175,412	992,274	7.606%	1,000,000	520,769	10
11	7.54%	4/30/2015	1/21/2005	5,000,000	534,070	396,981	4,982,056	6.982%	5,000,000	83,246	11
12	7.26%	4/30/2015	1/21/2005	10,000,000	1,000,000	122,626	67,445,716	8.197%	66,000,000	1,170,012	12
13	7.30%	4/30/2015	1/21/2005	1,000,000						85,618	13
14	7.44%	4/30/2015	1/21/2005	1,000,000						417,781	14
15										32,100	15
16										76,057	16
17										8,882	17
18										52,104	18
19										38,730	19
20										11,964	20
21										5,573,738	21
22											22
23											23
24											24
25											25
26											26
27											27
28											28
29											29
30											30
31											31
32											32
33											33
34											34
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37											37
38											38
39											39
40											40
41											41
42											42
43											43
44											44
45											45
46											46
47											47
48											48
49											49
TOTAL DEBT SECURED BY MORTGAGE											49
TOTAL SECURED MEDIUM TERM NOTES - Series A											
SECURED MEDIUM TERM NOTES, SERIES B (A FORM OF FIRST MORTGAGE BOND)											
25		5/1/2009	5/1/1994	329,022							25
26	6.90%	7/1/2010	6/9/1995	5,000,000	33,750	4,194	4,962,056	7.420%	5,000,000	21,935	26
27										349,077	27
28										371,012	28
29											29
30											30
31											31
32											32
33											33
34											34
35											35
36											36
37											37
38											38
39											39
40											40
41											41
42											42
43											43
44											44
45											45
46											46
47											47
48											48
49											49
TOTAL DEBT SECURED BY MORTGAGE											49

AVISTA CORP.

Total Debt Capital as of December 31, 2007

Line No.	Coupon Rate	Maturity Date	Settlement Date	Principal Amount	Issuance Costs	Issue Refi Costs	Net Proceeds	Yield to Maturity	Principal Outstanding 12/31/2007	Effective Cost	Line No.
MEDIUM TERM NOTES, SERIES C											
82											82
83		6/15/2013	6/15/1998		452,261						83
84		6/15/2013	4/15/1999		150,633					30,151	84
85		6/15/2013	2/28/2003		7,900					10,633	85
86		6/15/2013	6/19/1998	15,000,000	93,750	1,232	14,905,018	6.418%	15,000,000	765	86
87	6.37%	6/19/2028				79,196				962,674	87
88						822				2,640	88
89	6.37%	6/19/2028	6/19/1998	10,000,000	62,500	109,453	9,936,678	6.418%	10,000,000	641,783	89
90						822				3,646	90
91	6.06%	12/10/2008	12/10/1998	25,000,000	156,250	2,931	24,840,819	6.146%	25,000,000	1,536,544	91
92	8.02%	10/26/2010	10/26/1999	25,000,000	156,250	5,037	24,838,713	8.110%	25,000,000	2,027,439	92
93						707,527				64,321	93
94		3/1/2011	5/24/2002			-2,350,000				-268,571	94
95		5/1/2011	4/30/2003			-407,637				-50,429	95
96							74,521,228	6.615%	75,000,000	4,961,596	96
97											97
Total Medium Term Notes - Series C											
98											98
SENIOR CORP. NOTES, 9.75%											
99	9.750%	6/1/2008	4/3/2001	272,860,000	5,457,200	2,621,934	264,780,866	10.340%	272,860,000	28,213,716	99
100							264,780,866		272,860,000	28,213,716	100
101											101
Repurchases											
102		3/1/2011				938,274				121,068	102
103		7/1/2011				369,462				45,707	103
104		6/30/2011				859,304				109,698	104
105		3/1/2011				10,225,725				1,146,810	105
106		3/1/2011				232,456				27,619	106
107		3/1/2011				92,340				11,081	107
108		3/1/2011				134,471				16,809	108
109		6/15/2011				1,683,866				153,081	109
110		8/15/2014				14,804				1,433	110
111		8/15/2014				2,631,939				261,019	111
112		7/15/2014				4,353,872				417,972	112
113		3/15/2015				412,127				35,579	113
114		1/31/2018				65,251				5,633	114
115		5/31/2018				6,204				536	115
116		6/30/2018								2,354,043	116
117											117
118											118
119							339,302,093	10.235%	347,860,000	35,617,376	119
120											120
121											121
122											122
123											123
124											124
125											125
126											126
127											127
128											128
129											129
TOTAL MEDIUM TERM NOTES											
120											120
121											121
122											122
123											123
124											124
125											125
126											126
127											127
128											128
129											129
TOTAL LONG-TERM DEBT											
120											120
121											121
122											122
123											123
124											124
125											125
126											126
127											127
128											128
129											129
TOTAL SHORT-TERM DEBT											
120											120
121											121
122											122
123											123
124											124
125											125
126											126
127											127
128											128
129											129
TOTAL DEBT OUTSTANDING AND COST OF DEBT AT December 31, 2007											
120											120
121											121
122											122
123											123
124											124
125											125
126											126
127											127
128											128
129											129