

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

DOCKET NO. UE-10 _____

EXHIBIT NO. _____ (RLM-2)

RONALD L. MCKENZIE
REPRESENTING AVISTA CORPORATION

RECEIVED
REGISTRATION DEPARTMENT
2010 MAR 31 AM 10:41
STATION OF WASH
UTILITIES AND TRANSPORTATION COMMISSION

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



Corp.

January 15, 2010

Mr. David Danner, Executive Director and Secretary
Washington Utilities and Transportation Commission
P.O. Box 47250
Olympia, WA 98504-7250

Re: Docket No. UE-011595, Monthly Power Cost Deferral Report, December 2009

Dear Mr. Danner:

Enclosed are an original and five copies of Avista Corporation's Power Cost Deferral Report for the month of December 2009. The report includes the monthly energy recovery mechanism (ERM) accounting journal together with backup workpapers. In December actual net power costs were lower than authorized costs by \$3,943,727. The year to date difference is \$3,037,637 in the rebate direction, which is within the \$4 M deadband. The 2009 deferral balance is \$29,449 at December 30, 2009, and consists of interest on previously deferred 2009 amounts that have been subsequently reversed as power supply cost differences switched from being in the surcharge direction to being in the rebate direction.

Actual power supply expense was lower than the authorized level due primarily to low electricity purchase prices and low natural gas fuel prices. The average purchase price was \$54.82/MWh compared to an authorized price of \$73.43/MWh. The average natural gas price for Coyote Springs 2 was \$4.82/dth compared to an authorized price of \$9.04/dth.

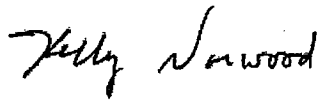
Hydro generation was 4 aMW above the authorized level. Colstrip generation was 1 aMW above the authorized level and Kettle Falls generation was 2 aMW below the authorized level. Coyote Springs 2 generation was 96 aMW above the authorized level. The net transmission expense (transmission expense less transmission revenue) was above the authorized level. Washington retail sales were 47 aMW above the authorized level due to cold weather.

In December 2009 the deferral balances decreased by \$2,724,771. The December deferral was zero, interest amounted to \$24,034, and amortization amounted to \$2,748,805. The actual deferral balances at the end of December total \$6,263,444. The Company has filed a proposal to eliminate the existing surcharge, effective February 12, 2010.

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. Page 23 of the July report shows the calculation of the weighted cost of debt at June 30, 2009, which was used for the July-December 2009 period.

There were no forward long-term contracts of one year or longer entered into in the month of December 2009. 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

AVISTA CORPORATION
STATE OF WASHINGTON
DOCKET NO. UE-011595
POWER COST DEFERRAL REPORT
MONTH OF DECEMBER 2009

Avista Corporation Journal Entry

Effective Date: 200912

Journal: 481-WA ERM

Team: Resource Accounting

Last Saved by: Cheryl Kettner

Type: C

Submitted by: Cheryl Kettner


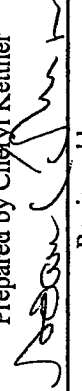
Category: DJ

Last Saved: 01/11/2010 10:33 AM

Seq. Co.#	FERC	Ser.	Jur.	S.I.	Debit	Credit	Comment
10	001	ED	WA	DL			WA ERM surcharge amortization
20	001	ED	WA	DL	2,748,805.00		WA ERM authorized for recovery
25	001	ED	WA	DL	24,033.00		Accrue interest on deferral balance authorized for recovery
30	001	ED	WA	DL	0.00		WA ERM current month deferral
40	001	ED	WA	DL	0.00		WA ERM current year deferral
60	001	ED	WA	DL	1.00		Accrue interest on current year deferral balance
70	001	ED	WA	DL			Accrue interest on previous year deferral balance
80	001	ED	WA	DL		24,034.00	Non-utility interest income
120	001	ED	WA	DL		3,943,727.00	Track 100% company band accumulation
130	001	ED	WA	DL	3,943,727.00		Contra account for 100% company band accumulation
140	001	ED	WA	DL		0.00	Track 50% company band accumulation
150	001	ED	WA	DL	0.00		Contra account for 50% company band accumulation
160	001	ED	WA	DL		0.00	Track 10% company band accumulation
170	001	ED	WA	DL	0.00		Contra account for 10% company band accumulation
TOTALS:					6,716,566.00	6,716,566.00	

Explanation:

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


 Prepared by Cheryl Kettner
 Date: 1/11/2010

 Reviewed by
 Date: 1/11/2010

Approved for Entry
 Corporate Accounting use Only
 Date

Balance Type		Actual		Currency Type	Entered
				Factor	Units
Period	Currency	PTD	PTD Converted	YTD	YTD Converted
200901	USD	7,223,823.00		0.00	
200902	USD	0.00		0.00	
200903	USD	0.00		0.00	
200904	USD	0.00		0.00	
200905	USD	0.00		0.00	
200906	USD	90,914.00		90,914.00	
200907	USD	2,897,913.00		2,988,827.00	
200908	USD	162,745.00		2,826,082.00	
200909	USD	572,572.00		2,153,510.00	
200910	USD	1,146,908.00		1,006,602.00	
200911	USD	977,154.00		29,448.00	
200912	USD	1.00		29,449.00	

ERM Deferral Balance (Current Year - 2009)

Account 186280.ED.WA

Balance 11/30/09
 Deferral
 Interest
 Balance 12/31/09

Amount	Journal ID
\$29,448.00	
0.00	481 - WA ERM
1.00	481 - WA ERM
<u>\$29,449.00</u>	

Year to date deferrals
 Year to date interest
 Balance in account

\$0.00
<u>29,449.00</u>
<u>\$29,449.00</u>

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

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

Period	Currency	PTD	PTD Converted	YTD	YTD Converted
200901	USD	7,249,441.00		7,249,441.00	
200902	USD	25,618.00		7,275,059.00	
200903	USD	25,618.00		7,300,677.00	
200904	USD	25,618.00		7,326,295.00	
200905	USD	25,618.00		7,351,913.00	
200906	USD	25,618.00		7,377,531.00	
200907	USD	7,377,531.00		0.00	
200908	USD	0.00		0.00	
200909	USD	0.00		0.00	
200910	USD	0.00		0.00	
200911	USD	0.00		0.00	
200912	USD	0.00		0.00	

Journal Details Summary Balances

ERM Deferral Balance (Prior year - 2008)

Account 186290.ED.WA

Balance 11/30/09
 No current month entry
 Balance 12/31/09

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

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

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

Period	Currency	PTD	PTD Converted	YTD	YTD Converted
200901	USD	3,573,277.00		26,154,906.65	
200902	USD	3,175,355.00		22,979,551.65	
200903	USD	3,112,821.00		19,866,730.65	
200904	USD	2,388,908.00		17,477,822.65	
200905	USD	2,169,372.00		15,308,450.65	
200906	USD	2,211,199.00		13,097,251.65	
200907	USD	5,286,457.00		18,383,708.65	
200908	USD	2,464,513.00		15,919,195.65	
200909	USD	2,395,398.00		13,523,797.65	
200910	USD	2,140,341.00		11,383,456.65	
200911	USD	2,424,690.00		8,958,766.65	
200912	USD	2,724,772.00		6,233,994.65	

Journal Details Summary Balances

Recoverable Deferral Balance

Account 182350.ED.WA

Balance 11/30/09
 Amortization
 Interest
 Balance 12/31/09

<u>Amount</u>	<u>Journal ID</u>
\$8,958,766.65	
-2,748,805.00	481 - WA ERM
24,033.00	481 - WA ERM
<u>\$6,233,994.65</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
200901	USD	5,694,625.00		-1,694,625.00	
200902	USD	173,136.00		-1,521,489.00	
200903	USD	1,154,359.00		-2,675,848.00	
200904	USD	1,490,918.00		-1,184,930.00	
200905	USD	2,532,855.00		-1,347,925.00	
200906	USD	2,652,075.00		4,000,000.00	
200907	USD	0.00		4,000,000.00	
200908	USD	0.00		4,000,000.00	
200909	USD	0.00		4,000,000.00	
200910	USD	0.00		4,000,000.00	
200911	USD	3,093,910.00		906,090.00	
200912	USD	3,943,727.00		3,037,637.00	

ERM \$4M Deadband
Account 186010.ED.WA
 Balance 11/30/09
 Current month entry
 Balance 12/31/09

Amount	Journal ID
\$906,090.00	
-3,943,727.00	481 - WA ERM
<u>-3,037,637.00</u>	

First \$4,000,000 at 100%
 \$4,000,000 to \$10,000,000 at 50%
 Over \$10,000,000 at 10%
 Total

Total	Absorbed	Deferred
-\$3,037,637.00	-\$3,037,637.00	\$0.00
0.00	0.00	0.00
0.00	0.00	0.00
<u>-\$3,037,637.00</u>	<u>-\$3,037,637.00</u>	<u>\$0.00</u>

Detail Balances (AWA CORP) - 001 186020.ED.WA DL					
Balance Type		Actual		Currency Type	Entered
				Factor	Units
Period	Currency	PTD	PTD Converted	YTD	YTD Converted
200901	USD	5,694,625.00		1,694,625.00	
200902	USD	173,136.00		1,521,489.00	
200903	USD	1,154,359.00		2,675,848.00	
200904	USD	1,490,918.00		1,184,930.00	
200905	USD	2,532,855.00		1,347,925.00	
200906	USD	2,652,075.00		4,000,000.00	
200907	USD	0.00		4,000,000.00	
200908	USD	0.00		4,000,000.00	
200909	USD	0.00		4,000,000.00	
200910	USD	0.00		4,000,000.00	
200911	USD	3,093,910.00		906,090.00	
200912	USD	3,943,727.00		3,037,637.00	

ERM \$4M Deadband Contra Account
Account 186020.ED.WA
 Balance 11/30/09
 Current month entry
 Balance 12/31/09

Amount	Journal ID
-\$906,090.00	
3,943,727.00	481 - WA ERM
<u>\$3,037,637.00</u>	

Detail Balances (AWA CORP) - 001.186030 ED.WA.DL					
Balance Type: Actual			Currency Type	Entered	
			Factor	Units	
Period	Currency	PTD	PTD Converted	YTD	YTD Converted
200901	USD	3,000,000.00		0.00	
200902	USD	0.00		0.00	
200903	USD	0.00		0.00	
200904	USD	0.00		0.00	
200905	USD	0.00		0.00	
200906	USD	90,753.00		90,753.00	
200907	USD	2,892,576.00		2,983,329.00	
200908	USD	171,919.00		2,811,410.00	
200909	USD	680,658.00		2,130,752.00	
200910	USD	1,151,996.00		978,756.00	
200911	USD	978,756.00		0.00	
200912	USD	0.00		0.00	

ERM 50%-50% Sharing Band

Account 186030.ED.WA

Balance 11/30/09

Current month entry

Balance 12/31/09

Amount

Journal ID

\$0.00

0.00

\$0.00

481 - WA ERM

Total

Absorbed

Deferred

First \$4,000,000 at 100%

-\$3,037,637.00

-\$3,037,637.00

\$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

-\$3,037,637.00

-\$3,037,637.00

\$0.00

Detail Balances (AVA CORP) - 001.186035.ED.WA.DL					
Balance Type		Actual		Currency Type	Entered
				Factor	Units
Period	Currency	PTD	PTD Converted	YTD	YTD Converted
200901	USD	3,000,000.00		0.00	
200902	USD	0.00		0.00	
200903	USD	0.00		0.00	
200904	USD	0.00		0.00	
200905	USD	0.00		0.00	
200906	USD	90,753.00		90,753.00	
200907	USD	2,892,576.00		2,983,329.00	
200908	USD	171,919.00		2,811,410.00	
200909	USD	680,658.00		2,130,752.00	
200910	USD	1,151,996.00		978,756.00	
200911	USD	978,756.00		0.00	
200912	USD	0.00		0.00	

ERM 50%-50% Sharing Contra Account
Account 186035.ED.WA

Balance 11/30/09
 No current month entry
 Balance 12/31/09

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

Detail Balances (AWA CORP) - 001.186040.ED.WA.DL					
Balance Type: Actual			Currency Type: Entered	Factor: Units	
Period	Currency	PTD	PTD Converted	YTD	YTD Converted
200901	USD	449,843.00		0.00	
200902	USD	0.00		0.00	
200903	USD	0.00		0.00	
200904	USD	0.00		0.00	
200905	USD	0.00		0.00	
200906	USD	0.00		0.00	
200907	USD	0.00		0.00	
200908	USD	0.00		0.00	
200909	USD	0.00		0.00	
200910	USD	0.00		0.00	
200911	USD	0.00		0.00	
200912	USD	0.00		0.00	

ERM 90%-10% Sharing Band

Account 186040.ED.WA

Balance 11/30/09

No current month entry

Balance 12/31/09

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

First \$4,000,000 at 100%
 \$4,000,000 to \$10,000,000 at 50%
 Over \$10,000,000 at 10%
 Total

Total	Absorbed	Deferred
-\$3,037,637.00	-\$3,037,637.00	\$0.00
0.00	0.00	0.00
0.00	0.00	0.00
<u>-\$3,037,637.00</u>	<u>-\$3,037,637.00</u>	<u>\$0.00</u>

Detail Balances (AWA CORP) - 001 186045.ED.WA.DL					
Balance Type		Actual		Currency Type	Entered
				Factor	Units
Period	Currency	PTD	PTD Converted	YTD	YTD Converted
200901	USD	449,843.00		0.00	
200902	USD	0.00		0.00	
200903	USD	0.00		0.00	
200904	USD	0.00		0.00	
200905	USD	0.00		0.00	
200906	USD	0.00		0.00	
200907	USD	0.00		0.00	
200908	USD	0.00		0.00	
200909	USD	0.00		0.00	
200910	USD	0.00		0.00	
200911	USD	0.00		0.00	
200912	USD	0.00		0.00	

ERM 90%-10% Sharing Contra Account
Account 186045.ED.WA
 Balance 11/30/09
 No current month entry
 Balance 12/31/09

<u>Amount</u>	<u>Journal ID</u>
\$0.00	
0.00	481 - WA ERM
<u>\$0.00</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
200901	USD	1,241,680.65		11,691,520.80	
200902	USD	1,102,407.95		10,589,112.85	
200903	USD	1,080,521.05		9,508,591.80	
200904	USD	827,151.50		8,681,440.30	
200905	USD	750,313.90		7,931,126.40	
200906	USD	733,133.45		7,197,992.95	
200907	USD	282,393.65		7,480,386.60	
200908	USD	919,540.30		6,560,846.30	
200909	USD	1,073,789.50		5,487,056.80	
200910	USD	1,150,537.15		4,336,519.65	
200911	USD	1,190,645.40		3,145,874.25	
200912	USD	953,669.85		2,192,204.40	

DFIT Associated with ERM Deferrals

Account 283280.ED.WA

Account 186280.ED.WA balance	\$29,449.00
Account 186290.ED.WA balance	0.00
Account 182350.ED.WA balance	6,233,994.65
Total	<u>\$6,263,443.65</u>
Federal income tax rate	-35%
Deferred FIT related to deferrals	<u>-\$2,192,205</u>
Rounding	1
Balance in account	<u><u>-\$2,192,204</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 12/31/08 is 6.547%--			Actual cost of debt at 6/30/09 is 6.041%			
The monthly rate is:			Before Tax		0.00503417 Before Tax	
			After Tax		0.0032722 After Tax	
			Tax rate		0.35 Tax rate	
Account 186280 2009 Interest						
12-31-2008	GL Balance including interest	\$7,223,823				
01-31-2009	GL Balance	(\$7,223,823)	Transfer to 186290			
01-31-2009	GL Balance	0				
January						
				DFIT Expense		ADFIT
January	ERM Deferral	0	0	0	Operating	0
January	Interest	0	0	0	Nonoperating	0
01-31-2009	Balance before interest	0		0	Total	0
February						
				DFIT Expense		ADFIT
February	ERM Deferral	0	0	0	Operating	0
February	Interest	0	0	0	Nonoperating	0
02-28-2009	Balance before interest	0		0	Total	0
March						
				DFIT Expense		ADFIT
March	ERM Deferral	0	0	0	Operating	0
March	Interest	0	0	0	Nonoperating	0
03-31-2009	Balance before interest	0		0	Total	0
April						
				DFIT Expense		ADFIT
April	ERM Deferral	0	0	0	Operating	0
April	Interest	0	0	0	Nonoperating	0
04-30-2009	Balance before interest	0		0	Total	0
May						
				DFIT Expense		ADFIT
May	ERM Deferral	0	0	0	Operating	0
May	Interest	0	0	0	Nonoperating	0
05-31-2009	Balance before interest	0		0	Total	0
June						
				DFIT Expense		ADFIT
June	ERM Deferral	90,753		31,764	Operating	(31,764)
June	Interest		161	56	Nonoperating	(56)
06-30-2009	Balance before interest	90,753		31,820	Total	(31,820)
July						
				DFIT Expense		ADFIT
06-30-2009	GL Balance including interest	90,914				
July	ERM Deferral	2,892,576		1,012,402	Operating	(1,012,402)
July	Interest		5,337	1,868	Nonoperating	(1,868)
07-31-2009	Balance before interest	2,983,490		1,014,270	Total	(1,014,270)
August						
				DFIT Expense		ADFIT
August	ERM Deferral	(171,919)		(60,172)	Operating	60,172
August	Interest		9,174	3,211	Nonoperating	(3,211)
08-31-2009	Balance before interest	2,811,571		(56,961)	Total	56,961
September						
				DFIT Expense		ADFIT
September	ERM Deferral	(680,658)		(238,230)	Operating	238,230
September	Interest		8,086	2,830	Nonoperating	(2,830)
09-30-2009	Balance before interest	2,130,913		(235,400)	Total	235,400
October						
				DFIT Expense		ADFIT
October	ERM Deferral	(1,151,996)		(403,199)	Operating	403,199
October	Interest		5,088	1,781	Nonoperating	(1,781)
10-31-2009	Balance before interest	978,917		(401,418)	Total	401,418
November						
				DFIT Expense		ADFIT
November	ERM Deferral	(978,756)		(342,565)	Operating	342,565
November	Interest		1,602	561	Nonoperating	(561)
11-30-2009	Balance before interest	161		(342,004)	Total	342,004
December						
				DFIT Expense		ADFIT
December	ERM Deferral	0		0	Operating	0
December	Interest			0	Nonoperating	0
12-31-2009	Balance before interest	161		0	Total	0
Summary						
				GL Balance	Activity	GL Balance
				11-30-09	Dec-09	12-31-09
	Net ERM Balance	29,449		29,448	1	29,449
	ADFIT Balance	(10,307)				

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 12/31/08 is 6.547%				Actual cost of debt at 6/30/09 is 6.041%			
The monthly rate is:		0.00546	Before Tax	The monthly rate is:		0.00503417	Before Tax
		0.0035463	After Tax			0.0032722	After Tax
		0.35	Tax rate			0.35	Tax rate
Account 186290		2009 Interest					
12-31-2008	GL Balance including interest	0					
01-31-2009	Transfer from 186280	\$7,223,823					
01-31-2009	GL Balance including interest	\$7,223,823					
				January	DFIT Expense	ADFIT	
January	Interest	25,618		Interest	8,966	Nonoperating	(8,966)
01-31-2009	Balance before interest	7,223,823			8,966	Total	(8,966)
				February	DFIT Expense	ADFIT	
February	Interest	25,618		Interest	8,966	Nonoperating	(8,966)
02-28-2009	Balance before interest	7,223,823			8,966	Total	(8,966)
				March	DFIT Expense	ADFIT	
March	Interest	25,618		Deferral	0	Operating	0
03-31-2009	Balance before interest	7,223,823		Interest	8,966	Nonoperating	(8,966)
					8,966	Total	(8,966)
				April	DFIT Expense	ADFIT	
April	Interest	25,618		Deferral	0	Operating	0
04-30-2009	Balance before interest	7,223,823		Interest	8,966	Nonoperating	(8,966)
					8,966	Total	(8,966)
				May	DFIT Expense	ADFIT	
May	Interest	25,618		Deferral	0	Operating	0
05-31-2009	Balance before interest	7,223,823		Interest	8,966	Nonoperating	(8,966)
					8,966	Total	(8,966)
				June	DFIT Expense	ADFIT	
June	Interest	25,618		Deferral	0	Operating	0
06-30-2009	Balance before interest	7,223,823		Interest	8,966	Nonoperating	(8,966)
					8,966	Total	(8,966)
06-30-2009	GL Balance including interest	7,377,531					
06-30-2009	ERM Transfer to 182350	(7,377,531)		Deferral	0	Operating	0
July	Interest	0		Interest	0	Nonoperating	0
07-31-2009	Balance before interest	0			0	Total	0
				August	DFIT Expense	ADFIT	
August	Interest	0		Deferral	0	Operating	0
08-31-2009	Balance before interest	0		Interest	0	Nonoperating	0
					0	Total	0
				September	DFIT Expense	ADFIT	
September	Interest	0		Deferral	0	Operating	0
09-30-2009	Balance before interest	0		Interest	0	Nonoperating	0
					0	Total	0
				October	DFIT Expense	ADFIT	
October	Interest	0		Deferral	0	Operating	0
10-31-2009	Balance before interest	0		Interest	0	Nonoperating	0
					0	Total	0
				November	DFIT Expense	ADFIT	
November	Interest	0		Deferral	0	Operating	0
11-30-2009	Balance before interest	0		Interest	0	Nonoperating	0
					0	Total	0
				December	DFIT Expense	ADFIT	
December	Interest	0		Deferral	0	Operating	0
12-31-2009	Balance before interest	0		Interest	0	Nonoperating	0
					0	Total	0
Net ERM Balance		0		GL Balance	Activity	GL Balance	
				11-30-09	Dec-09	12-31-09	
ADFIT Balance		0		0	0	0	
When WUTC deems 2008 deferred power costs prudent - reclass to 182350.							
Prudency granted 7/16/09.							

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 12/31/08 is 6.547% The monthly rate is:			Actual cost of debt at 6/30/09 is 6.041% The monthly rate is:			
0.00546 Before-Tax			0.00503417 Before Tax			
0.0035463 After-Tax			0.0032722 After Tax			
0.35 Tax-rate			0.35 Tax rate			
Account 182350						
2009 Interest						
12-31-2008 GL Balance including interest		29,728,184		January	DFIT Expense	ADFIT
January	Surcharge Amortization	(3,672,191)		Amortization	(1,285,267)	Operating 1,285,267
January	Interest		98,914	Interest	34,620	Nonoperating (34,620)
01-31-2009	Balance before interest	26,055,993			(1,250,647)	Total 1,250,647
				February	DFIT Expense	ADFIT
February	Surcharge Amortization	(3,261,973)		Amortization	(1,141,691)	Operating 1,141,691
February	Interest		86,618	Interest	30,316	Nonoperating (30,316)
02-28-2009	Balance before interest	22,794,020			(1,111,375)	Total 1,111,375
				March	DFIT Expense	ADFIT
	Lehman Settlement	(235,815)		Amortization	(1,033,266)	Operating 1,033,266
March	Surcharge Amortization	(2,952,188)		Interest	26,314	Nonoperating (26,314)
March	Interest		75,182		(1,006,952)	Total 1,006,952
03-31-2009	Balance before interest	19,606,017				
				April	DFIT Expense	ADFIT
April	Surcharge Amortization	(2,454,085)		Amortization	(858,930)	Operating 858,930
April	Interest		65,177	Interest	22,812	Nonoperating (22,812)
04-30-2009	Balance before interest	17,151,932			(836,118)	Total 836,118
				May	DFIT Expense	ADFIT
May	Surcharge Amortization	(2,226,250)		Amortization	(779,188)	Operating 779,188
May	Interest		56,878	Interest	19,907	Nonoperating (19,907)
05-31-2009	Balance before interest	14,925,682			(759,281)	Total 759,281
				June	DFIT Expense	ADFIT
June	Surcharge Amortization	(2,260,122)		Amortization	(791,043)	Operating 791,043
June	Interest		48,923	Interest	17,123	Nonoperating (17,123)
06-30-2009	Balance before interest	12,665,560			(773,920)	Total 773,920
06-30-2009	Transfer from 186290	7,377,531				
06-30-2009	GL Balance including interest	13,097,252		July	DFIT Expense	ADFIT
July	Surcharge Amortization	(2,154,547)		Amortization	(754,091)	Operating 754,091
July	Interest		63,473	Interest	22,216	Nonoperating (22,216)
07-31-2009	Balance before interest	18,320,236			(731,875)	Total 731,875
				August	DFIT Expense	ADFIT
August	Surcharge Amortization	(2,520,337)		Amortization	(882,118)	Operating 882,118
August	Interest		55,824	Interest	19,538	Nonoperating (19,538)
08-31-2009	Balance before interest	15,799,899			(862,580)	Total 862,580
				September	DFIT Expense	ADFIT
September	Surcharge Amortization	(2,443,101)		Amortization	(855,085)	Operating 855,085
September	Interest		47,703	Interest	16,696	Nonoperating (16,696)
09-30-2009	Balance before interest	13,356,798			(838,389)	Total 838,389
				October	DFIT Expense	ADFIT
October	Surcharge Amortization	(2,180,480)		Amortization	(763,168)	Operating 763,168
October	Interest		40,139	Interest	14,049	Nonoperating (14,049)
10-31-2009	Balance before interest	11,176,318			(749,119)	Total 749,119
				November	DFIT Expense	ADFIT
November	Surcharge Amortization	(2,457,241)		Amortization	(860,034)	Operating 860,034
November	Interest		32,551	Interest	11,393	Nonoperating (11,393)
11-30-2009	Balance before interest	8,719,077			(848,641)	Total 848,641
				December	DFIT Expense	ADFIT
December	Surcharge Amortization	(2,748,805)		Amortization	(962,082)	Operating 962,082
December	Interest		24,033	Interest	8,412	Nonoperating (8,412)
12-31-2009	Balance before interest	5,970,272			(953,670)	Total 953,670
				GL Balance	Activity	GL Balance
				11-30-2009	Dec-09	12-31-2009
Net ERM Balance		6,233,995		8,958,767	(2,724,772)	6,233,995
ADFIT Balance		(2,181,898)				

			Interest		
	182350	186280	186290	419600	
01-31-2009	98,914	0	25,618	(124,532)	
Total					
02-28-2009	86,618	0	25,618	(112,236)	
Total					
03-31-2009	75,182	0	25,618	(100,800)	
Total					
04-30-2009	65,177	0	25,618	(90,795)	
Total					
05-31-2009	56,878	0	25,618	(82,496)	
Total					
06-30-2009	48,923	161	25,618	(74,702)	
Total					
07-31-2009	63,473	5,337	0	(68,810)	
Total					
08-31-2009	55,824	9,174	0	(64,998)	
Total					
09-30-2009	47,703	8,086	0	(55,789)	
Total					
10-31-2009	40,139	5,088	0	(45,227)	
Total					
11-30-2009	32,551	1,602	0	(34,153)	
Total					
12-31-2009	24,033	1	0	(24,034)	
Total					

Interest and DFIT Summary

AVISTA CORPORATION
 DECEMBER 2009 WASHINGTON ELECTRIC SURCHARGE REVENUE & DEFERRAL AMORTIZATION

Schedule (a)	Sch 1 Block Percent (b)	kWh or \$ (c)	Proration Percentages		Surcharge Rates		Rate Before		Current Month Surcharge Revenue	
			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)	On/After 1-Jan-06 (j)	Total (k)
1 (0-600 kWh)	47.260%	109,701,492	0.00%	100.00%	0.405¢	0.446¢	\$0	\$489,269	\$489,269	\$489,269
1 (601-1300 kWh)	31.249%	72,536,223	0.00%	100.00%	0.607¢	0.665¢	0	484,542	484,542	484,542
1 (over 1300 kWh)	21.491%	49,885,628	0.00%	100.00%	0.853¢	0.938¢	0	467,927	467,927	467,927
Total Sch 1	100.000%	232,123,343					0	1,441,738	1,441,738	1,441,738
11		31,839,044	0.00%	100.00%	0.788¢	0.867¢	0	276,045	276,045	276,045
12		4,283,640	0.00%	100.00%	0.788¢	0.867¢	0	37,139	37,139	37,139
21		124,475,816	0.00%	100.00%	0.549¢	0.604¢	0	751,834	751,834	751,834
22		3,383,187	0.00%	100.00%	0.549¢	0.604¢	0	20,434	20,434	20,434
25		71,432,353	0.00%	100.00%	0.352¢	0.387¢	0	276,443	276,443	276,443
30		4,320	0.00%	100.00%	0.485¢	0.534¢	0	23	23	23
31		4,861,970	0.00%	100.00%	0.485¢	0.534¢	0	25,963	25,963	25,963
32		355,604	0.00%	100.00%	0.485¢	0.534¢	0	1,899	1,899	1,899
41-46		\$366,872	0.00%	100.00%	9.78%	9.02%	0	29,128	29,128	29,128
47		\$104,741	0.00%	100.00%	9.78%	9.02%	0	8,316	8,316	8,316
48		\$67,766	0.00%	100.00%	9.78%	9.02%	0	5,380	5,380	5,380
Schedule Totals		472,759,277					\$0	\$2,874,342	\$2,874,342	\$2,874,342

Conversion factor	0.956325
Amortization	\$27,48,305
FIT rate	-35%
DFIT expense	-\$962,082

kWh not subject to surcharge	0
Sch 28	2,198,763
Sch 41-48	474,958,040
Total kWh	477,156,803

Electric Revenue Report by Revenue Class
Current Month and Year-to-Date
for Accounting Period : 200912 , State Code : WA

Accounting Period	200912	State Code	WA
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Rate Schedule Num	Meters	Usage	Revenue Amt	YTD Avg Meters	Ytd Usage	Ytd Revenue Amt
001	200,902	232,123,343	18,317,081	200,134	2,451,686,995	194,604,734
011	19,229	31,839,044	3,570,411	19,191	370,142,442	41,197,508
012	8,043	4,283,640	499,768	7,951	45,792,571	5,414,312
021	3,271	124,475,816	10,511,185	3,272	1,519,262,238	127,379,207
022	81	3,383,187	271,857	79	37,666,990	3,063,167
025	22	71,432,353	3,983,219	22	879,232,638	48,629,615
028	1	0	17,950	0	68,000	219,109
030	34	4,320	492	34	23,689,140	1,544,497
031	1,112	4,861,970	289,716	1,108	100,079,451	7,420,963
032	1,224	355,604	33,781	1,219	12,229,982	997,995
033	11	8,720	1,839	11	104,640	21,866
042	278	1,123,033	338,413	275	13,476,238	4,053,156
044	13	22,352	2,646	13	256,072	29,598
044A	0	0	336	0	0	1,613
045	3	86,565	5,931	3	1,048,309	71,550
046	19	190,743	17,707	19	2,288,809	210,603
047	0	483,485	104,741	0	5,883,746	1,245,696
048	0	283,885	67,766	0	3,467,821	824,663
058	0	0	1,345,283	0	0	15,535,162
058A	0	0	9,379	0	0	95,514
063	0	0	0	0	0	0
090	0	0	4	0	0	48
095	0	0	14,670	0	0	176,498
099	0	0	51,386	0	0	766,414
Sum	234,245	474,958,040	39,436,802	233,332	5,466,376,082	453,332,461

01-11-2010 8:59 AM

ista Utilities
System Power Supply Expenses
WASHINGTON DEFERRED POWER COST CALCULATION

Line No.	Description	ACTUALS											
		744 Jan-09	672 Feb-09	743 Mar-09	720 Apr-09	744 May-09	720 Jun-09	744 Jul-09	744 Aug-09	720 Sep-09	744 Oct-09	721 Nov-09	744 Dec-09
501 FUEL-DOLLARS													
37	Kettle Falls-501110	\$ 653,209	\$ 695,926	\$ 449,073	\$ 282,427	\$ 851	\$ 489,302	\$ 554,557	\$ 904,390	\$ 653,971	\$ 788,893	\$ 759,841	\$ 1,217,320
38	Colstrip Coal-501140	\$ 1,591,762	\$ 1,602,368	\$ 1,157,043	\$ 784,652	\$ 287,463	\$ 686,739	\$ 576,404	\$ 1,532,508	\$ 1,029,550	\$ 681,339	\$ 2,080,366	\$ 1,515,823
39	Total Coal & Wood	\$ 2,174,871	\$ 2,198,312	\$ 1,606,116	\$ 1,067,079	\$ 288,314	\$ 1,176,041	\$ 1,130,971	\$ 2,436,898	\$ 1,663,521	\$ 1,470,232	\$ 2,820,207	\$ 2,733,143
40	Kettle Falls GS-501120	\$ 4,909	\$ 2,403	\$ 2,471	\$ 132	\$ 19	\$ (149)	\$ 6,390	\$ 397	\$ 3,048	\$ 13,908	\$ 8,447	\$ 2,637
41	Colstrip Oil-501160	\$ -	\$ 4,007	\$ (4,978)	\$ 16,507	\$ 5,239	\$ 65	\$ 19,930	\$ 19,298	\$ 662	\$ 875	\$ 51,416	\$ 164
42	Total Oil & Gas	\$ 4,909	\$ 6,410	\$ (2,507)	\$ 16,639	\$ 5,258	\$ (84)	\$ 28,320	\$ 19,693	\$ 3,708	\$ 14,781	\$ 59,863	\$ 2,801
43	Total Account 501	\$ 2,179,880	\$ 2,204,722	\$ 1,603,609	\$ 1,083,718	\$ 293,572	\$ 1,175,957	\$ 1,159,291	\$ 2,456,591	\$ 1,667,229	\$ 1,485,013	\$ 2,880,070	\$ 2,735,944
501 FUEL-TONS													
44	Kettle Falls	27,151	28,722	27,327	12,159	19,996	19,996	21,937	35,246	25,493	31,871	30,856	48,484
45	Colstrip	107,102	92,329	93,314	41,516	43,525	34,163	46,344	51,341	49,266	48,410	98,466	97,691
501 FUEL-COST PER TON													
46	Kettle Falls	\$ 24.06	\$ 23.41	\$ 16.43	\$ 23.23	#DIV/0!	\$ 24.47	\$ 25.28	\$ 25.66	\$ 25.65	\$ 24.75	\$ 24.63	\$ 25.11
47	Colstrip	\$ 14.21	\$ 16.27	\$ 12.40	\$ 18.90	\$ 6.80	\$ 20.10	\$ 12.44	\$ 29.85	\$ 20.90	\$ 14.07	\$ 20.92	\$ 15.52
547 FUEL													
48	NE CT Gas/Oil-547213	\$ 278	\$ 194	\$ -	\$ -	\$ -	\$ 1,918	\$ 1,016	\$ (232)	\$ (85)	\$ (390)	\$ 378	\$ 418
49	Boulder Park-547216	\$ 3,239	\$ 1,808	\$ 131,948	\$ 68,372	\$ 16,837	\$ 19,627	\$ 212,203	\$ 327,478	\$ 341,898	\$ 137,508	\$ 54,889	\$ 144,776
50	Kettle Falls CT-547211	\$ 672	\$ 394	\$ (32)	\$ (1,152)	\$ 7	\$ (53)	\$ 56,920	\$ 104,884	\$ 38,235	\$ 28,794	\$ 10,908	\$ 62,669
51	Coyote Springs-547610	\$ 6,542,047	\$ 10,293,807	\$ 7,193,794	\$ 1,407,594	\$ 747,896	\$ 653,678	\$ 6,267,066	\$ 6,694,002	\$ 6,310,200	\$ 5,458,743	\$ 4,741,495	\$ 8,109,993
52	Rathdrum CT-547910	\$ (6,843)	\$ 1,257	\$ 107,516	\$ 57,142	\$ 40,282	\$ 23,242	\$ 72,447	\$ 780,316	\$ 946,109	\$ 8,562	\$ (8,002)	\$ 605,740
53	Total Account 547	\$ 6,539,393	\$ 10,297,460	\$ 7,433,226	\$ 1,531,956	\$ 605,002	\$ 598,412	\$ 6,609,652	\$ 7,906,448	\$ 7,636,447	\$ 5,635,217	\$ 4,799,668	\$ 8,923,780
54	TOTAL NET EXPENSE	\$ 19,933,724	\$ 19,162,111	\$ 16,632,057	\$ 8,289,241	\$ 2,093,300	\$ 3,454,671	\$ 18,147,046	\$ 23,301,370	\$ 22,501,676	\$ 20,656,187	\$ 17,285,936	\$ 24,911,615
456 TRANSMISSION REV													
55	456100 ED AN	\$ (621,149)	\$ (552,524)	\$ (691,843)	\$ (620,253)	\$ (812,978)	\$ (790,323)	\$ (871,043)	\$ (769,476)	\$ (908,713)	\$ (893,938)	\$ (706,772)	\$ (700,063)
56	466700 ED-WA	\$ (7,479)	\$ (7,479)	\$ (7,479)	\$ (7,479)	\$ (7,479)	\$ (7,479)	\$ (7,479)	\$ 52,353	\$ (7,479)	\$ (7,479)	\$ (7,479)	\$ (7,479)
57	to WA summary	\$ (628,628)	\$ (560,003)	\$ (699,322)	\$ (627,732)	\$ (820,458)	\$ (797,802)	\$ (878,522)	\$ (747,123)	\$ (906,713)	\$ (893,938)	\$ (706,772)	\$ (700,063)
565 TRANSMISSION EXP													
58	565000 ED AN	\$ 1,205,862	\$ 1,092,261	\$ 1,108,844	\$ 1,139,045	\$ 980,023	\$ 1,027,768	\$ 1,055,346	\$ 1,116,830	\$ 1,072,164	\$ 1,063,119	\$ 1,143,935	\$ 1,308,523
59	565710 ED AN	\$ 2,030	\$ 2,030	\$ 2,030	\$ 2,030	\$ 2,030	\$ 2,030	\$ 14,691	\$ 2,030	\$ 2,030	\$ 2,030	\$ 2,030	\$ 2,030
60	to WA summary	\$ 1,207,892	\$ 1,094,291	\$ 1,110,874	\$ 1,141,075	\$ 982,053	\$ 1,029,799	\$ 1,070,037	\$ 1,118,860	\$ 1,074,194	\$ 1,065,149	\$ 1,145,965	\$ 1,310,553
61	557170 ED AN Broker Fees	\$ 6,856	\$ 7,506	\$ 11,728	\$ 10,282	\$ 13,327	\$ 11,915	\$ 14,875	\$ 5,976	\$ 14,031	\$ 13,831	\$ 8,903	\$ 5,161
RESOURCE OPTIMIZATION													
62	Econ Dispatch-557150	\$ 7,811,315	\$ 2,692,645	\$ 6,419,422	\$ 3,458,788	\$ 751,706	\$ (54,785)	\$ 2,705,061	\$ 2,777,432	\$ 2,182,782	\$ 522,602	\$ 1,643,090	\$ 970,462
63	Gas Bookouts-557700	\$ -	\$ -	\$ -	\$ 107,417	\$ -	\$ (107,417)	\$ -	\$ -	\$ 45,750	\$ -	\$ 99,393	\$ -
64	Fuel Dispatch-456015	\$ (5,745,102)	\$ (2,229,050)	\$ (3,997,753)	\$ (3,344,348)	\$ (851,916)	\$ 3,197	\$ (4,440,355)	\$ (4,637,801)	\$ (4,235,818)	\$ (751,581)	\$ (1,631,474)	\$ (1,128,879)
65	Fuel Bookouts-456720	\$ -	\$ -	\$ -	\$ (105,285)	\$ -	\$ -	\$ 105,295	\$ -	\$ (45,750)	\$ -	\$ (99,375)	\$ -
66	to WA summary	\$ 2,066,213	\$ 463,595	\$ 2,421,669	\$ 116,562	\$ (100,210)	\$ (51,588)	\$ (1,737,416)	\$ (1,860,369)	\$ (2,053,056)	\$ (228,979)	\$ 11,634	\$ (159,397)
67	Misc Rev's 456016 ED AN	\$ (109,952)	\$ (1,454)	\$ (3,954)	\$ (1,454)	\$ (1,454)	\$ -	\$ (673)	\$ -	\$ -	\$ (24,069)	\$ -	\$ -
40 aMW at \$1													
68	REC Expense Authorized	\$ 29,760	\$ 26,880	\$ 29,720	\$ 28,800	\$ 29,760	\$ 28,800	\$ 29,760	\$ 29,760	\$ 28,800	\$ 28,800	\$ 28,840	\$ 28,760
69	557160 ED AN Actuals	\$ 29,760	\$ 26,880	\$ 29,720	\$ 28,800	\$ 29,760	\$ 28,800	\$ 29,760	\$ 29,760	\$ 28,800	\$ 28,800	\$ 28,840	\$ 28,760
70	to WA summary	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
71	Net Resource Optimization	\$ 1,956,261	\$ 462,141	\$ 2,417,715	\$ 115,108	\$ (101,884)	\$ (53,042)	\$ (1,738,089)	\$ (1,860,369)	\$ (2,053,036)	\$ (253,048)	\$ 11,634	\$ (159,397)
Adjusted Actual Net Expense													
		\$ 22,476,105	\$ 20,166,046	\$ 19,273,052	\$ 8,897,974	\$ 2,166,558	\$ 3,646,441	\$ 16,615,347	\$ 21,818,714	\$ 20,630,152	\$ 20,586,183	\$ 17,745,656	\$ 25,367,889

2009 WA & ID Actual Deferrals.xls WA monthly-09

