

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



March 11, 2009

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, February 2009

Dear Mr. Danner:

Enclosed are an original and five copies of Avista Corporation's Power Cost Deferral Report for the month of February 2009. The report includes the monthly energy recovery mechanism (ERM) accounting journal together with backup workpapers. In February actual net power costs were higher than authorized costs by \$173,136. No deferral was recorded as the entire amount was applied against the 2009 deadband. The year to date difference is \$1,521,489 in the rebate direction.

Actual power supply expense was higher than the authorized level due primarily to lower hydro generation. Hydro generation was 34 aMW below the authorized level. The average purchase power price was \$46.93/MWh and the average wholesale sale price was \$53.17/MWh.

Coyote Springs 2 generated 104 aMW above the authorized level due to economics. The average Coyote Springs 2 gas cost was \$7.80/dth. Colstrip and Kettle Falls generated 8 aMW above and 13 aMW below the authorized levels, respectively. Net transmission expense (transmission expense less transmission revenue) was above the authorized level. Washington retail sales were less than 1 aMW above the authorized level.

In February 2009 the deferral balances decreased by \$3,149,737. The February deferral was zero, interest amounted to \$112,236, and amortization amounted to -\$3,261,973. The actual deferral balances at the end of February total \$30.3 million. The deferral balances would reach zero in the January 2010 timeframe based on the following assumptions:

1. Projected deferrals of -\$4.107 million for the remainder of 2009. (Note: Actual hydro generation will depend on precipitation, temperatures and other variables during the year.)
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

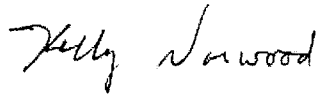
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balances net of associated deferred federal income tax. The Company's weighted cost of debt is used as the interest rate. The interest rate is updated semi-annually and interest is compounded semi-annually. The January and July reports contain the supporting workpapers for the semi-annual updates of the weighted cost of debt used in the interest calculations. Page 23 of the January report shows the calculation of the weighted cost of debt at December 31, 2008, which is to be used for the January-June 2009 period.

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

Avista Corporation Journal Entry

Effective Date: 200902

Journal: 481-WA ERM

Team: Resource Accounting

Type: C

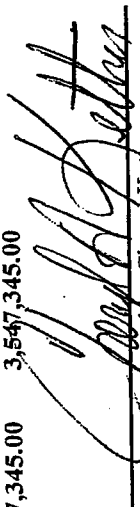
Category: DJ

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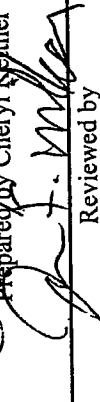
Submitted by: Cheryl Kettner

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Seq.	Co.#	FERC	Ser.	Jur.	S.L.	Debit	Credit	Comment
10	001	557290 - WA ERM AMORTIZATION	ED	WA	DL	3,261,973.00		WA ERM surcharge amortization
20	001	182350 - REGULATORY ASSET ERM APPROVED FOR F	ED	WA	DL		3,261,973.00	WA ERM authorized for recovery
25	001	182350 - REGULATORY ASSET ERM APPROVED FOR F	ED	WA	DL	86,618.00		Accrue interest on deferral balance 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
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	25,618.00		Accrue interest on previous year deferral balance
80	001	419600 - INTEREST ON ENERGY DEFERRALS	ED	WA	DL		112,236.00	Non-utility interest income
120	001	186010 - REGULATORY ASSET ERM 100% COMPANY	ED	WA	DL	173,136.00		Track 100% company band accumulation
130	001	186020 - REGULATORY ASSET ERM 100% CONTRA	ED	WA	DL		173,136.00	Contra account for 100% company band accumulation
140	001	186030 - REGULATORY ASSET ERM 50% COMPANY	ED	WA	DL	0.00		Track 50% company band accumulation
150	001	186035 - REGULATORY ASSET ERM 50% CONTRA	ED	WA	DL		0.00	Contra account for 50% company band accumulation
160	001	186040 - REGULATORY ASSET ERM 10% COMPANY	ED	WA	DL	0.00		Track 10% company band accumulation
170	001	186045 - REGULATORY ASSET ERM 10% CONTRA	ED	WA	DL		0.00	Contra account for 10% company band accumulation
TOTALS:						3,547,345.00	3,547,345.00	



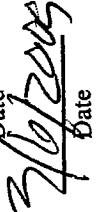
 Prepared by Cheryl Kettner



 Reviewed by



 Date 3/6/2009



 Date 3/6/2009

Explanation:

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

Approved for Entry _____ Date _____

Corporate Accounting use Only

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

Balance Type **Actual**
Currency Type **Entered**

Factor **Units**

Period	Currency	PTD	PTD Converted	YTD	YTD Converted
200813	USD	0.00		7,223,823.00	
200901	USD	-7,223,823.00		0.00	
200902	USD	0.00		0.00	

Journal Details
Summary Balances

ERM Deferral Balance (Current Year - 2009)		
Account 186280.ED.WA	<u>Amount</u>	<u>Journal ID</u>
Balance 1/31/09	\$0.00	
Deferral	0.00	481 - WA ERM
Interest	0.00	481 - WA ERM
Balance 2/28/09	<u>\$0.00</u>	
	\$0.00	
Year to date deferrals	0.00	
Year to date interest	<u>0.00</u>	
Balance in account	<u>\$0.00</u>	

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

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

Period	Currency	PTD	PTD Converted	YTD	YTD Converted
200813	USD	0.00		0.00	
200901	USD	7,249,441.00		7,249,441.00	
200902	USD	25,618.00		7,275,059.00	

Journal Details Summary Balances

ERM Deferral Balance (Prior year - 2008)		
<u>Account 186290.ED.WA</u>	<u>Amount</u>	<u>Journal ID</u>
Balance 1/31/09	\$7,249,441.00	
Interest	25,618.00	481 - WA ERM
Balance 2/28/09	<u>\$7,275,059.00</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
200813	USD	0.00		29,728,183.65	
200901	USD	3,573,277.00		26,154,906.65	
200902	USD	3,175,355.00		22,979,551.65	

Journal Details Summary Balances

Recoverable Deferral Balance	Amount	Journal ID
Account 182350.ED.WA		
Balance 1/31/09	\$26,154,906.65	
Amortization	-3,261,973.00	481 - WA ERM
Interest	86,618.00	481 - WA ERM
Balance 2/28/09	<u>\$22,979,551.65</u>	

Detail Balances (AWA CORP) - 001.186010.ED.WA.DL					
Balance Type Actual			Currency Type Entered		
			Factor Units		
Period	Currency	PTD	PTD Converted	YTD	YTD Converted
200812	USD	0.00		4,000,000.00	
200901	USD	5,694,625.00		-1,694,625.00	
200902	USD	173,136.00		-1,521,489.00	

ERM \$4M Deadband
Account 186010.ED.WA
 Balance 1/31/09
 Current month entry
 Balance 2/28/09

Amount	Journal ID
-\$1,694,625.00	
173,136.00	481 - WA ERM
-\$1,521,489.00	

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
-\$1,521,489.00	-\$1,521,489.00	\$0.00
0.00	0.00	0.00
0.00	0.00	0.00
-\$1,521,489.00	-\$1,521,489.00	\$0.00

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
200813	USD	0.00		-4,000,000.00	
200901	USD	5,694,625.00		1,694,625.00	
200902	USD	-173,136.00		1,521,489.00	

ERM \$4M Deadband Contra Account
Account 186020.ED.WA
 Balance 1/31/09
 Current month entry
 Balance 2/28/09

<u>Amount</u>	<u>Journal ID</u>
\$1,694,625.00	
-173,136.00	481 - WA ERM
\$1,521,489.00	

Detail Balances (AVA CORP) - 001.186030.ED.WA.DL

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

Period	Currency	PTD	PTD Converted	YTD	YTD Converted
200813	USD	0.00		3,000,000.00	
200901	USD	-3,000,000.00		0.00	
200902	USD	0.00		0.00	

Journal Details Summary Balances

ERM 50%-50% Sharing Band

Account 186030.ED.WA

Balance 1/31/09

No current month entry

Balance 2/28/09

Amount

Journal ID

\$0.00

0.00

481 - WA ERM

\$0.00

Total

Absorbed

Deferred

First \$4,000,000 at 100%

-\$1,521,489.00

-\$1,521,489.00

\$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

-\$1,521,489.00

-\$1,521,489.00

\$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
200813	USD	0.00		3,000,000.00	
200901	USD	3,000,000.00		0.00	
200902	USD	0.00		0.00	

Journal Details Summary Balances

ERM 50%-50% Sharing Contra Account		
Account 186035.ED.WA	Amount	Journal ID
Balance 1/31/09	\$0.00	
No current month entry	0.00	481 - WA ERM
Balance 2/28/09	<u>\$0.00</u>	

Detail Balances (AVA CORP) - 001.186040.ED.WA.DL					
Balance Type Actual			Currency Type Entered		
			Factor Units		
Period	Currency	PTD	PTD Converted	YTD	YTD Converted
200813	USD	0.00		449,843.00	
200901	USD	449,843.00		0.00	
200902	USD	0.00		0.00	

Journal Details

Summary Balances

**ERM 90%-10% Sharing Band
 Account 186040.ED.WA**

	<u>Amount</u>	<u>Journal ID</u>
Balance 1/31/09	\$0.00	
No current month entry	0.00	481 - WA ERM
Balance 2/28/09	<u>\$0.00</u>	

	<u>Total</u>	<u>Absorbed</u>	<u>Deferred</u>
First \$4,000,000 at 100%	-\$1,521,489.00	-\$1,521,489.00	\$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><u>-\$1,521,489.00</u></u>	<u><u>-\$1,521,489.00</u></u>	<u><u>\$0.00</u></u>

Detail Balances (AVA CORP) - 001.186045.ED.WA.DL

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

Period	Currency	PTD	PTD Converted	YTD	YTD Converted
200813	USD	0.00		449,843.00	
200901	USD	449,843.00		0.00	
200902	USD	0.00		0.00	

Journal Details Summary Balances

ERM 90%-10% Sharing Contra Account

Account 186045.ED.WA

Balance 1/31/09
 No current month entry
 Balance 2/28/09

<u>Amount</u>	<u>Journal ID</u>
\$0.00	
0.00	481 - WA ERM
<u>\$0.00</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
200813	USD	0.00		-12,933,201.45	
200901	USD	1,241,680.65		-11,691,520.80	
200902	USD	1,102,407.95		-10,589,112.85	

DFIT Associated with ERM Deferrals	
Account 283280.ED.WA	
Account 186280.ED.WA balance	\$0.00
Account 186290.ED.WA balance	7,275,059.00
Account 182350.ED.WA balance	22,979,551.65
Total	<u>\$30,254,610.65</u>
Federal income tax rate	-35%
Deferred FIT related to deferrals	<u>-\$10,589,114</u>
Rounding	1
Balance in account	<u><u>-\$10,589,113</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 6/30/08 is 6.683%		
The monthly rate is:			0.00546	Before Tax	The monthly rate is:-	
			0.0035463	After Tax	0.00556917 Before Tax	
			0.35	Tax rate	0.0036200 After Tax	
					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	Deferral	0	Operating	0
January	Interest	0	Interest	0	Nonoperating	0
01-31-2009	Balance before interest	0		0	Total	0
			February		DFIT Expense	ADFIT
February	ERM Deferral	0	Deferral	0	Operating	0
February	Interest	0	Interest	0	Nonoperating	0
02-28-2009	Balance before interest	0		0	Total	0
			GL Balance	Activity	GL Balance	
Net ERM Balance			01-31-09	Feb-09	02-28-09	
			0	0	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 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 6/30/08 is 6.683%			
The monthly rate is:		0.00546	Before Tax	The monthly rate is:		0.00556917 Before Tax
		0.0035463	After Tax			0.0036200 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)
	Net ERM Balance	7,275,059		GL Balance	Activity	GL Balance
				01-31-09	Feb-09	02-28-09
	ADFIT Balance	(2,546,271)		7,249,441	25,618	7,275,059

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 6/30/08 is 6.683%		
The monthly rate is:		0.00546	Before Tax	The monthly rate is: 0.00556917 Before Tax		
		0.0035463	After Tax	0.0036200 After Tax		
		0.35	Tax rate	0.35 Tax rate		
Account 182350						
2009 Interest						
				<u>January</u>	<u>DFIT Expense</u>	<u>ADFIT</u>
12-31-2008	GL Balance including interest	29,728,184		Amortization	(1,285,267)	Operating 1,285,267
January	Surcharge Amortization	(3,672,191)		Interest	34,620	Nonoperating (34,620)
January	Interest		98,914		(1,250,647)	Total 1,250,647
01-31-2009	Balance before interest	26,055,993				
				<u>February</u>	<u>DFIT Expense</u>	<u>ADFIT</u>
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
				<u>GL Balance</u>	<u>Activity</u>	<u>GL Balance</u>
				<u>01-31-2009</u>	<u>Feb-09</u>	<u>02-28-2009</u>
Net ERM Balance		22,979,552		26,154,907	(3,175,355)	22,979,552
ADFIT Balance		(8,042,843)				

		<u>Interest</u>	
	<u>182350</u>	<u>186280</u>	<u>419600</u>
01-31-2009	98,914	0	(124,532)
Total			
02-28-2009	<u>86,618</u>	<u>0</u>	<u>25,618</u> / <u>(112,236)</u>
Total			

AVISTA CORPORATION
 FEBRUARY 2009 WASHINGTON ELECTRIC SURCHARGE REVENUE & DEFERRAL AMORTIZATION

Schedule (a)	Sch 1 Block Percent (b)	kWh or \$ (c)	Proration Percentages		Surcharge Rates		Rate		Current Month Surcharge Revenue		Conversion Factor (k)	Deferral Amortization (l) * (k)
			Before 1-Jan-06 (d)	Or/After 1-Jan-06 (e)	Before 1-Jan-06 (f)	Or/After 1-Jan-06 (g)	Before 1-Jan-06 (h)	Or/After 1-Jan-06 (i)	Rate Before 1-Jan-06 (j)	Rate Or/After 1-Jan-06 (k)		
1 (0-600 kWh)	39.153%	108,634,358	0.00%	100.00%	0.405¢	0.446¢	\$0	\$484,509	\$484,509	0.956325	\$463,348	
1 (601-1300 kWh)	29.304%	81,307,211	0.00%	100.00%	0.607¢	0.668¢	0	543,132	543,132	0.956325	519,411	
1 (over 1300 kWh)	31.543%	87,519,565	0.00%	100.00%	0.853¢	0.938¢	0	820,934	820,934	0.956325	785,080	
Total Sch 1	100.000%	277,461,134					0	1,848,575	1,848,575		1,767,839	
11		36,714,559	0.00%	100.00%	0.788¢	0.867¢	0	318,315	318,315	0.956325	304,413	
12		5,505,683	0.00%	100.00%	0.788¢	0.867¢	0	47,734	47,734	0.956325	45,649	
21		133,047,349	0.00%	100.00%	0.549¢	0.604¢	0	803,606	803,606	0.956325	768,509	
22		4,211,404	0.00%	100.00%	0.549¢	0.604¢	0	25,437	25,437	0.956325	24,326	
25		78,223,581	0.00%	100.00%	0.352¢	0.387¢	0	302,725	302,725	0.956325	289,503	
30		2,360	0.00%	100.00%	0.485¢	0.534¢	0	13	13	0.956325	12	
31		3,707,408	0.00%	100.00%	0.485¢	0.534¢	0	19,798	19,798	0.956325	18,933	
32		444,504	0.00%	100.00%	0.485¢	0.534¢	0	2,374	2,374	0.956325	2,270	
41-46		\$359,387	0.00%	100.00%	9.78%	9.02%	0	28,533	28,533	0.956325	27,287	
47		\$104,827	0.00%	100.00%	9.78%	9.02%	0	8,323	8,323	0.956325	7,959	
48		\$69,446	0.00%	100.00%	9.78%	9.02%	0	5,514	5,514	0.956325	5,273	
Schedule Totals		539,317,982					\$0	\$3,410,947	\$3,410,947		\$3,261,973	
kWh not subject to surcharge												-35%
Sch 28		25,000										(\$1,141,691) DFIT Expense
Sch 41-48		2,223,396										
Total kWh		541,566,378										

Electric Revenue Report by Revenue Class
Current Month and Year-to-Date
 for Accounting Period : 200902 , State Code : WA

Accounting Period	200902	State Code	WA
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Rate Schedule Num	Meters	Usage	Revenue Amt	YTD Avg Meters	Ytd Usage	Ytd Revenue Amt
001	200,801	277,461,134	22,558,206	200,776	596,932,071	47,331,112
011	19,217	36,714,559	4,029,584	19,209	76,509,293	8,138,952
012	7,896	5,505,683	629,121	7,890	11,600,425	1,279,506
021	3,257	133,047,349	10,946,531	3,264	275,119,419	21,935,403
022	78	4,211,404	333,746	78	8,581,987	658,842
025	22	78,223,581	4,281,801	22	154,473,042	8,141,360
028	1	25,000	19,745	1	25,000	37,095
030	34	2,360	360	34	4,440	690
031	1,090	3,707,408	287,854	1,093	7,136,854	537,946
032	1,207	444,504	40,230	1,210	912,222	79,913
	11	8,720	1,807	11	17,440	3,477
042	272	1,120,088	331,742	272	2,265,198	674,949
044	13	21,203	2,426	13	42,406	4,670
045	3	88,216	6,009	3	176,432	11,788
046	19	190,743	17,403	19	381,379	33,537
047	0	500,177	104,827	0	1,002,296	204,751
048	0	294,249	69,446	0	589,497	135,382
058	0	0	1,531,037	0	0	3,140,568
058A	0	0	-11,644	0	0	-22,856
063	0	0	0	0	0	0
090	0	0	4	0	0	8
095	0	0	14,646	0	0	29,374
099	0	0	57,557	0	0	112,005
Sum	233,921	541,566,378	45,252,437	233,893	1,135,769,401	92,468,474

Avista Utilities
WASHINGTON POWER COST DEFERRALS

2009 WA & ID Actual Deferrals.xlsWA summary
03-06-2009 11:06 AM SW

Line No.	2009 WA & ID Actual Deferrals.xlsWA summary	WASHINGTON ACTUALS-2009													
		Actual Jan-09	Actual Feb-09	Actual Mar-09	Actual Apr-09	Actual May-09	Actual Jun-09	Actual Jul-09	Actual Aug-09	Actual Sep-09	Actual Oct-09	Actual Nov-09	Actual Dec-09		
1	555 Purchased Power	\$ 33,956,314	\$ 28,657,796	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2	501 Thermal Fuel	\$ 2,179,880	\$ 2,204,722	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3	547 CT Fuel	\$ 6,539,393	\$ 10,237,460	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4	447 Sale for Resale	\$ (22,741,863)	\$ (21,937,867)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5	Actual Net Expense	\$ 19,933,724	\$ 19,162,111	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
6	456 Transmission Revenue	\$ (738,580)	\$ (561,457)												
7	565 Transmission Expense	\$ 1,207,892	\$ 1,094,291												
8	557 Broker Fees	\$ 6,856	\$ 7,506												
9	Less Pollatch 62 aMW directly to ID	\$ (1,618,857)	\$ (1,436,103)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
10	Adjusted Actual Net Expense	\$ 18,791,035	\$ 18,285,348	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
AUTHORIZED NET EXPENSE-SYSTEM															
11	555 Purchased Power	\$ 193,363,843	\$ 22,497,321	\$ 23,748,739	\$ 9,576,306	\$ 6,013,792	\$ 11,291,787	\$ 14,534,468	\$ 16,911,420	\$ 16,868,118	\$ 17,130,195	\$ 18,840,297			
12	501 Thermal Fuel	\$ 30,388,680	\$ 2,625,875	\$ 2,658,774	\$ 2,503,526	\$ 1,171,537	\$ 2,823,145	\$ 2,907,513	\$ 2,808,407	\$ 2,900,544	\$ 2,821,155	\$ 2,885,942			
13	547 CT Fuel	\$ 75,438,365	\$ 7,064,719	\$ 5,388,438	\$ 1,822,977	\$ 1,374,669	\$ 7,640,615	\$ 10,639,904	\$ 9,441,646	\$ 7,054,881	\$ 8,772,818	\$ 9,013,307			
14	447 Sale for Resale	\$ (114,526,485)	\$ (14,285,980)	\$ (15,604,909)	\$ (8,013,034)	\$ (12,014,237)	\$ (12,975,470)	\$ (7,700,787)	\$ (6,912,310)	\$ (2,903,607)	\$ (4,488,401)	\$ (4,075,797)			
15	456 Transmission Revenue	\$ (9,252,389)	\$ (656,246)	\$ (730,202)	\$ (696,692)	\$ (790,645)	\$ (1,014,918)	\$ (861,786)	\$ (653,241)	\$ (718,736)	\$ (703,074)	\$ (632,890)			
16	565 Transmission Expense	\$ 14,331,977	\$ 1,193,417	\$ 1,193,417	\$ 1,193,417	\$ 1,193,417	\$ 1,193,417	\$ 1,193,417	\$ 1,204,390	\$ 1,193,417	\$ 1,193,417	\$ 1,193,417			
17	557 Broker Fees	\$ 52,000	\$ 4,334	\$ 4,334	\$ 4,334	\$ 4,333	\$ 4,333	\$ 4,333	\$ 4,333	\$ 4,333	\$ 4,333	\$ 4,333			
18	Authorized Net Expense	\$ 189,795,989	\$ 18,443,440	\$ 16,858,591	\$ 6,390,634	\$ (3,047,194)	\$ 8,962,909	\$ 20,716,062	\$ 21,804,645	\$ 24,398,950	\$ 24,720,443	\$ 27,228,209			
19	Actual - Authorized Net Expense	\$ (152,738,606)	\$ (177,092)	\$ (16,858,591)	\$ (6,390,834)	\$ 3,047,194	\$ (8,962,909)	\$ (20,716,062)	\$ (21,804,645)	\$ (24,398,950)	\$ (24,720,443)	\$ (27,228,209)			
20	Resource Optimization	\$ 2,529,808	\$ 463,595												
21	Adjusted Net Expense	\$ (150,208,798)	\$ 286,503	\$ (16,858,591)	\$ (6,390,834)	\$ 3,047,194	\$ (8,962,909)	\$ (20,716,062)	\$ (21,804,645)	\$ (24,398,950)	\$ (24,720,443)	\$ (27,228,209)			
22	Washington Alloc. @ 64.59%	\$ (97,019,863)	\$ 185,052	\$ (10,888,964)	\$ (4,127,840)	\$ 1,968,183	\$ (5,789,143)	\$ (13,380,504)	\$ (14,083,620)	\$ (15,759,282)	\$ (15,966,934)	\$ (17,686,700)			
23	WA Retail Revenue Adjustment	\$ 654,281	\$ (11,916)												
24	Total Power Cost Increase (Decrease)	\$ (1,521,490)	\$ 173,136	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -			
25	Cumulative Balance	\$ (1,694,626)	\$ 173,136	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -			
Deferral %															
Surch		\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0			
Reb		\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0			
check # should be zero		\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0			
Deferral Amount, Cumulative		\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0			
Deferral Amount, Monthly		\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0			
Account 557 for Budget		\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0			
Company Band Gross Margin Impact, Cumulative		\$ (1,694,626)	\$ 173,136	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0			

Account 557 for Budget

Company Band Gross Margin Impact, Cumulative

Avista Utilities System Power Supply Expenses WASHINGTON DEFERRED POWER COST CALCULATION												
Line No.	Description	744	672	743	720	744	720	744	720	744	720	744
		Jan-09	Feb-09	Mar-09	Apr-09	May-09	Jun-09	Jul-09	Aug-09	Sep-09	Oct-09	Nov-09
555 PURCHASED POWER												
1	Other Purchases	22,822,489	19,163,442									
2	Northwestern Load Following	198,396	166,911									
3	Priest Rapids	975,269	460,965									
4	Rocky Reach	118,798	142,225									
5	Wanapum	509,220	509,220									
6	Wells	124,153	126,636									
7	Douglas Capacity	933,501	933,501									
8	Black Crk Hydro	0	0									
9	Deer Lake-IP&L	730	800									
10	Small Power	54,154	77,947									
11	Spokane-Upriver	296,159	215,560									
12	WNP-3 (1)	3,123,031	2,821,971									
13	MS #17189	576,600	520,800									
14	MS #17633	572,860	517,440									
15	MS #19537	565,440	510,720									
16	BPEGY #102182	641,700	579,600									
17	Stimson Lumber	90,520	72,607									
18	Clearwater (PFI)	1,618,857	1,436,103									
19	BPA NT deviation energy	111,301	92,115									
20	PPM Wind Power	341,046	91,710									
21	Seattle Capacity	192,200	192,200									
22	Douglas Settlement #107240	23,730	9,525									
23	WPM Ancillary Services	66,088	55,938									
24	Non-Mon. Accruals	(1,948)	(40,160)									
25	Total Account 555	33,956,314	28,657,796	0	0	0	0	0	0	0	0	0
447 SALES FOR RESALE												
26	Short-Term Sales	18,819,813	18,608,981									
27	Peaker LLC/PGE Cap Sale	144,891	146,345									
28	Soverign/Kaiser Load Following	72,750	73,725									
29	Pend Oreille DES	49,902	48,481									
30	Nichols Pumping Index Sale	182,533	143,192									
31	NaturEner Glacier Wind	71,821	52,914									
32	Northwestern Load Following	473,246	373,015									
33	BPA NT deviation energy rev	143,456	102,935									
34	SMUD 50 + 25	2,715,563	2,932,341									
35	Merchant Ancillary Services	68,088	55,938									
36	Total Account 447	22,741,863	21,937,867									

(1) Effective November, 2008, WNP-3 purchase expense has been adjusted to reflect the mid-point price, \$39.38/MWh for the 2008-09 contract year.

Avista 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	\$ 653,209	\$ 695,926										
38	Colstrip Coal-501140	\$ 1,521,762	\$ 1,502,386										
39	Total Coal & Wood	\$ 2,174,971	\$ 2,198,312										
40	Kettle Falls GS	\$ 4,909	\$ 2,403										
41	Colstrip Oil-501160	\$ -	\$ 4,007										
42	Total Oil & Gas	\$ 4,909	\$ 6,410	0									
43	Total Account 501	\$ 2,179,880	\$ 2,204,722										
501 FUEL-TONS													
44	Kettle Falls	27,151	29,722										
45	Colstrip	107,102	92,329										
501 FUEL-COST PER TON													
46	Kettle Falls	\$ 24.06	\$ 23.41	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
47	Colstrip	\$ 14.21	\$ 16.27	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
547 FUEL													
48	NE Combustion Turbine Gas/Oil	\$ 278	\$ 184										
49	Boulder Park	\$ 3,239	\$ 1,808										
50	Kettle Falls CT	\$ 672	\$ 394										
51	Coyote Springs2	\$ 6,542,047	\$ 10,233,807										
52	Rathrum CT	\$ (6,843)	\$ 1,257										
53	Total Account 547	\$ 6,539,383	\$ 10,237,460										
54	TOTAL NET EXPENSE	19,933,724	19,162,111	0	0	0	0	0	0	0	0	0	0

AVISTA UTILITIES
Washington Electric Jurisdiction
Energy Recovery Mechanism Revenue Credit
Month of February 2009

Description	January	February	March	April	May	June	July	August	September	October	November	December	YTD
Total WA kWhs per Rev Run	594,203,023	541,566,378											1,135,769,401
Deduct Prior Month Unbilled kWhs	(410,882,853)	(359,706,111)	(300,949,240)										(1,071,538,204)
Add Current Month Unbilled kWhs	359,706,111	300,949,240	(300,949,240)										660,655,351
Washington Retail kWhs	543,026,281	482,808,507	(300,949,240)										724,886,548
Test Year WA Retail Sales (1)	557,362,856	482,599,842	469,215,165	413,064,770	417,489,177	417,457,930	475,798,809	458,543,840	425,385,485	456,639,554	475,819,710	532,405,915	5,580,783,052
Difference from Test Year	(14,336,575)	209,665											(14,126,910)
WA Retail Revenue Credit (1)	(\$668,371)	\$9,775	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$658,597)
Net Wind Revenue Credit	\$2,174	\$2,141	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$4,315
Total Revenue Credit	(\$666,197)	\$11,916	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$654,282)

(1) from APPENDIX 2 of the Settlement Agreement in Docket No. UE-080416

Current Period Schedule 95 Revenue	\$14,728.58	\$14,645.85											\$29,374.43
Schedule 95 Revenue in Base Rates	\$ 11,730.36	\$ 11,692.85											\$165,557.72
Incremental Schedule 95 Renewable Revenue	\$2,998.22	\$2,953.20											\$5,951.42
Deduct Admin Expense	\$824.51	\$812.13											\$1,636.64
0.005 x 55 = 0.275 per Revenue \$													
Net Renewable Revenue Credit	\$2,173.71	\$2,141.07	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$4,314.78