

RECEIVED
REGULATORY MANAGEMENT

2008 MAR 27 AM 9:20

STATE OF WASH.
UTIL. AND TRANSP.
COMMISSION

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

DOCKET NO. UE-08 _____

EXHIBIT NO. _____ (WGJ-2)

WILLIAM G. JOHNSON

REPRESENTING AVISTA CORPORATION

Avista Utilities
W.INGTON POWER COST DEFERRALS

Line No.	2007 WA & ID Actual Deferrals, xlsx WA summary WASHINGTON ACTUALS-2007	01-07-2008 2:26 PM sw												
		Actual Jan-07	Actual Feb-07	Actual Mar-07	Actual Apr-07	Actual May-07	Actual Jun-07	Actual Jul-07	Actual Aug-07	Actual Sep-07	Actual Oct-07	Actual Nov-07	Actual Dec-07	
1	555 Purchased Power	\$ 192,037,768	\$ 18,022,404	\$ 15,556,430	\$ 16,229,490	\$ 14,958,880	\$ 13,780,783	\$ 11,917,904	\$ 16,920,847	\$ 20,005,591	\$ 13,944,356	\$ 13,553,558	\$ 18,965,511	\$ 18,162,014
2	501 Thermal Fuel	\$ 25,267,265	\$ 2,644,843	\$ 2,003,296	\$ 1,571,643	\$ 2,063,412	\$ 1,491,073	\$ 1,718,138	\$ 2,478,030	\$ 2,105,948	\$ 2,499,132	\$ 2,422,857	\$ 2,020,817	\$ 2,258,076
3	547 CT Fuel	\$ 99,775,886	\$ 12,074,935	\$ 11,596,669	\$ 4,239,767	\$ 856,223	\$ 1,789,184	\$ 4,321,264	\$ 9,802,658	\$ 10,755,696	\$ 10,243,928	\$ 11,045,384	\$ 10,957,367	\$ 12,082,821
4	447 Sale for Resale	\$ (139,609,644)	\$ (10,417,585)	\$ (11,760,278)	\$ (13,825,329)	\$ (14,134,288)	\$ (16,281,872)	\$ (14,872,488)	\$ (11,589,415)	\$ (9,017,630)	\$ (8,483,868)	\$ (7,818,039)	\$ (9,145,632)	\$ (11,263,220)
5	Actual Net Expense	\$ 178,471,275	\$ 22,324,597	\$ 17,396,117	\$ 3,744,227	\$ 779,168	\$ 3,084,818	\$ 17,612,120	\$ 23,849,595	\$ 18,193,548	\$ 19,203,760	\$ 22,818,063	\$ 21,249,691	\$ 21,249,691
6	456100/700 Transmission Revenue	\$ (10,590,567)	\$ (740,481)	\$ (771,135)	\$ (869,317)	\$ (1,085,918)	\$ (1,104,550)	\$ (1,194,621)	\$ (931,023)	\$ (756,941)	\$ (858,147)	\$ (858,147)	\$ (774,716)	\$ (533,694)
7	565 Transmission Expense	\$ 13,853,280	\$ 1,078,483	\$ 1,148,469	\$ 1,039,109	\$ 1,013,095	\$ 1,017,312	\$ 1,095,080	\$ 1,304,968	\$ 1,378,753	\$ 1,287,351	\$ 961,905	\$ 1,277,747	\$ 1,253,908
8	557170 Broker Fees	\$ 52,364	\$ 2,995	\$ 6,870	\$ 2,285	\$ 5,491	\$ 4,451	\$ 3,785	\$ 3,806	\$ 2,733	\$ 1,980	\$ 4,740	\$ 4,740	\$ 8,052
9	Less Poolatch 62 aMW directly to ID	\$ (18,861,445)	\$ (1,719,075)	\$ (1,544,347)	\$ (1,112,014)	\$ (1,640,274)	\$ (1,692,336)	\$ (1,723,195)	\$ (1,846,290)	\$ (1,907,021)	\$ (1,540,914)	\$ (1,534,605)	\$ (1,827,362)	\$ (1,774,012)
10	Adjusted Actual Net Expense	\$ 161,824,907	\$ 20,946,519	\$ 16,233,874	\$ 7,275,634	\$ 2,036,621	\$ (860,714)	\$ 1,355,604	\$ 15,879,972	\$ 22,394,110	\$ 17,185,777	\$ 17,774,893	\$ 21,498,472	\$ 20,203,045
AUTHORIZED NET EXPENSE-SYSTEM														
11	555 Purchased Power	\$ 78,312,672	\$ 11,193,778	\$ 7,844,080	\$ 5,646,977	\$ 3,919,404	\$ 3,947,698	\$ 4,611,314	\$ 6,114,915	\$ 7,038,560	\$ 7,038,560	\$ 6,475,870	\$ 6,922,384	\$ 9,429,894
12	501 Thermal Fuel	\$ 18,966,459	\$ 1,660,398	\$ 1,498,204	\$ 1,704,104	\$ 1,638,517	\$ 1,037,197	\$ 1,667,775	\$ 1,714,511	\$ 1,660,059	\$ 1,660,059	\$ 1,715,380	\$ 1,660,551	\$ 1,714,075
13	547 CT Fuel	\$ 70,026,232	\$ 5,972,958	\$ 4,558,576	\$ 9,264,020	\$ 4,700,957	\$ 1,269,298	\$ 4,313,402	\$ 6,001,145	\$ 7,105,523	\$ 7,105,523	\$ 8,212,014	\$ 7,711,236	\$ 7,586,613
14	447 Sale for Resale	\$ (62,059,914)	\$ (2,591,928)	\$ (3,322,097)	\$ (6,706,383)	\$ (8,805,375)	\$ (10,402,116)	\$ (7,569,805)	\$ (6,457,020)	\$ (4,492,368)	\$ (2,440,168)	\$ (2,440,168)	\$ (5,554,272)	\$ (3,350,298)
15	Settlement/Compliance Filing Adj.	\$ (251,823)	\$ 74,750	\$ (516,741)	\$ (129,319)	\$ 921,340	\$ 110,419	\$ (1,353,073)	\$ (1,331,742)	\$ (28,867)	\$ 1,162,101	\$ 855,509	\$ (283,194)	\$ 266,894
16	456100 Transmission Revenue	\$ (10,268,650)	\$ (850,551)	\$ (850,451)	\$ (850,576)	\$ (854,363)	\$ (856,884)	\$ (862,365)	\$ (861,081)	\$ (861,257)	\$ (853,900)	\$ (853,900)	\$ (853,565)	\$ (853,205)
17	565 Transmission Expense	\$ 13,307,162	\$ 1,132,836	\$ 1,106,210	\$ 1,097,845	\$ 1,091,385	\$ 1,084,823	\$ 1,096,602	\$ 1,107,276	\$ 1,095,400	\$ 1,091,132	\$ 1,164,092	\$ 1,117,289	\$ 1,122,262
18	557 Broker Fees	\$ 78,000	\$ 6,500	\$ 6,500	\$ 6,500	\$ 6,500	\$ 6,500	\$ 6,500	\$ 6,500	\$ 6,500	\$ 6,500	\$ 6,500	\$ 6,500	\$ 6,500
19	565 Compliance Filing	\$ (84,000)	\$ (7,000)	\$ (7,000)	\$ (7,000)	\$ (7,000)	\$ (7,000)	\$ (7,000)	\$ (7,000)	\$ (7,000)	\$ (7,000)	\$ (7,000)	\$ (7,000)	\$ (7,000)
20	Authorized Net Expense	\$ 108,026,038	\$ 16,591,741	\$ 10,317,281	\$ 10,026,168	\$ 3,859,759	\$ (1,518,676)	\$ (2,433,035)	\$ 3,048,140	\$ 10,667,439	\$ 15,703,250	\$ 15,128,297	\$ 10,719,939	\$ 15,915,735
21	Actual - Authorized Net Expense	\$ 53,896,869	\$ 4,354,778	\$ 5,916,693	\$ (2,750,534)	\$ (1,823,138)	\$ 657,962	\$ 3,789,639	\$ 12,831,832	\$ 11,726,671	\$ 1,482,527	\$ 2,646,596	\$ 10,778,533	\$ 4,287,310
22	557 Resource Optimization	\$ 3,857,341	\$ 553,465	\$ 193,272	\$ 2,050,028	\$ 16,770	\$ 31,219	\$ 35,948	\$ 296,186	\$ 352,483	\$ 34,258	\$ 79,341	\$ 179,921	\$ 34,450
23	Adjusted Net Expense	\$ 57,756,210	\$ 4,908,243	\$ 6,109,965	\$ (700,506)	\$ (1,806,368)	\$ 689,181	\$ 3,825,587	\$ 13,128,018	\$ 12,079,154	\$ 1,516,785	\$ 2,725,937	\$ 10,958,454	\$ 4,321,760
24	Washington Alloc. @ 65.16%	\$ 37,633,947	\$ 3,188,211	\$ 3,981,253	\$ (456,450)	\$ (1,177,029)	\$ 449,070	\$ 2,482,752	\$ 8,554,417	\$ 7,870,777	\$ 988,337	\$ 1,776,221	\$ 7,140,529	\$ 2,816,059
25	WA Retail Revenue Adjustment	\$ (12,807,540)	\$ (2,486,855)	\$ (672,011)	\$ (359,185)	\$ 426,201	\$ (575,342)	\$ (2,421,415)	\$ (3,352,958)	\$ (990,005)	\$ (434,397)	\$ 5,254	\$ (520,678)	\$ (2,336,148)
26	Net Power Cost Increase (Decrease)	\$ 24,826,407	\$ 711,356	\$ 3,309,242	\$ (815,635)	\$ (750,828)	\$ (126,272)	\$ 71,337	\$ 5,201,259	\$ 7,790,772	\$ 553,940	\$ 1,781,475	\$ 6,619,850	\$ 479,911
27	Cumulative Balance		\$ 711,356	\$ 4,020,598	\$ 3,204,963	\$ 2,454,135	\$ 2,327,863	\$ 2,399,200	\$ 7,600,459	\$ 15,391,231	\$ 15,945,171	\$ 17,726,646	\$ 24,346,496	\$ 24,826,407

check # should be zero

Deferral %

Deferral Report
Month of Dec '07
Page 15 of 18
Company Band Gross Margin Impact, Cumulative
Page 1 of 4

Avista Utilities
System Power Supply Expenses
WASHINGTON DEFERRED POWER COST CALCULATION

ACTUALS

Line No.	Jan-07	Feb-07	Mar-07	Apr-07	May-07	Jun-07	Jul-07	Aug-07	Sep-07	Oct-07	Nov-07	Dec-07	TOTAL 2007
555 PURCHASED POWER													
1 Short-Term Purchases	8,652,454	6,571,869	8,230,577	6,771,065	6,347,138	4,336,456	9,673,204	13,140,861	7,356,877	6,703,850	9,041,115	7,219,377	94,044,843
2 PGE CS2 1/2 Exchange	130,200	117,600	130,200	125,825	130,200	126,000	130,200	130,200	126,000	130,200	126,175	130,200	1,533,000
3 Northwestern Load Following	129,685	124,852	97,261	100,813	20,333	43,535	75,349	134,263	117,847	142,689	133,444	166,181	1,286,228
4 Priest Rapids	741,090	716,290	728,055	842,759	867,306	777,699	855,858	670,248	770,154	825,920	852,420	886,000	9,533,823
5 Rocky Reach	122,918	109,016	109,016	199,093	157,124	461,759	124,793	142,374	100,225	121,275	129,341	403,887	2,180,821
6 Wanapum	354,389	354,389	354,389	531,285	354,389	354,389	354,389	354,389	354,389	354,389	354,389	354,389	4,429,564
7 Wells	112,559	112,559	112,559	112,559	112,559	112,559	112,559	112,559	116,071	116,071	116,071	26,211	1,274,896
8 Black Creek Index Purchase								0		144,040	28		144,068
9 Dear Lake-IP&L	802	809	893	502	764	502	408	676	494	436	626	754	7,666
10 Small Power	106,710	128,982	137,852	135,974	123,589	114,229	71,257	33,272	36,763	50,370	61,509	90,472	1,090,979
11 Spokane-Upriver	340,250	261,738	251,160	247,091	280,255	107,254	0			81,194	128,143	216,063	1,913,148
12 WNP-3 (1)	2,451,882	2,215,518	1,210,478	1,172,379	(93,211)	62,119	212,857	(239,635)	172,685	(81,374)	2,818,798	2,912,355	12,781,408
13 Non-Mon. Accruals	-107,866	42,009	147,812	(112,548)	(93,211)	62,119	212,857	(239,635)	172,685	(81,374)	31,592	206,770	241,210
14 MS #17189	576,600	520,800	575,825	558,000	576,600	558,000	576,600	576,600	558,000	576,600	558,775	576,600	6,789,000
15 MS #17633	572,880	517,440	572,110	554,400	572,880	554,400	572,880	572,880	554,400	572,880	555,170	572,880	6,745,200
16 MS #19537	565,440	510,720	564,680	547,200	565,440	547,200	565,440	565,440	547,200	565,440	547,960	565,440	6,657,600
17 BPEGY #102182	641,700	579,600	640,838	621,000	641,700	621,000	641,700	641,700	621,000	641,700	621,863	641,700	7,555,501
18 Stimson Lumber	174,384	168,567	149,938	144,133	145,515	124,128	131,286	198,201	184,081	192,447	187,221	188,974	1,989,875
19 Potlatch 62 aMW Purch	1,719,075	1,544,347	1,112,014	1,640,274	1,692,336	1,723,195	1,846,290	1,907,021	1,540,914	1,534,605	1,827,362	1,774,012	19,861,445
20 Douglas Capacity	57,000	81,250	142,500	142,500	142,500	171,000	171,000	171,000	142,500	142,500	114,000	58,500	1,536,250
21 BPA NT deviation energy	168,122	338,491	350,821	152,070	172,897	114,850	183,550	272,895	269,523	211,514	333,522	485,704	3,053,839
22 PPM Wind Power	216,337	283,123	285,659	279,792	270,519	304,908	229,715	255,604	223,146	244,166	176,662	403,092	3,172,723
23 M.C.S.F LOSSES			1,904	31,983	46,587	44,750	54,105	47,430	32,887	16,208			275,854
24 Seattle Capacity	189,100	170,800	189,100		0	107,773	189,100	189,100	183,000	192,200	186,000	192,200	1,680,600
25 Douglas Settlement #107240	39,114	25,270	79,787	107,508	122,624	107,773	90,818	74,956	(111,953)	23,818	25,956	30,896	980,000
26 BPA Spin Reserve					480,000	500,000	57,489	53,617	48,153	50,420	57,371	59,357	661,660
27 WPM Ancillary Services	67,579	59,391	54,062	53,223	50,799	50,199	57,489	53,617	48,153	50,420	57,371	59,357	661,660
28 Total Account 555	18,022,404	15,556,430	16,229,490	14,958,880	13,780,783	11,917,904	16,920,847	20,005,591	13,944,356	13,553,558	18,985,511	18,162,014	192,037,768

(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-96-99

447 SALES FOR RESALE

29 Short-Term Sales	6,015,292	7,777,539	10,463,311	10,406,027	12,243,118	10,884,904	7,126,474	4,639,887	4,629,356	3,012,340	4,521,373	6,175,804	87,895,425
30 Peaker LLC/PGE Cap Sale	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	1,800,000
31 Sovereign/Kaiser Load Following	51,244	6,848	8,526	7,669	78,829	23,127	7,616	35,865	7,341	62,427	107,661	138,390	535,543
32 Pend Oreille DES	48,748	29,778	70,781	77,092	80,669	34,640	60,378	36,136	32,365	127,929	41,765	68,394	708,675
33 Nichols Pumping Index Sale	257,051	201,152	140,540	192,754	187,695	229,404	273,940	267,358	250,035	294,526	296,314	308,896	2,899,665
34 Enron/PGE Cap Fee, employee svcs	(5,096)	(4,030)	(3,804)	(5,096)	(3,903)	(4,098)	(8,871)		(8,871)	(4,063)	(3,986)	(5,096)	(56,916)
35 Northwestern Load Following	278,590	255,391	231,199	242,269	171,958	170,746	267,071	298,320	276,863	289,327	311,361	345,177	3,138,272
36 BPA NT deviation energy rev	224,279	140,367	84,739	111,655	121,427	145,508	182,169	100,875	107,232	122,278	151,194	142,155	1,633,878
37 SMUD 50 + 25	3,329,898	3,143,842	2,623,241	2,901,431	3,201,280	3,188,058	3,473,149	3,435,572	2,991,394	3,712,855	3,512,579	3,880,143	39,393,442
38 Merchant Ancillary Services	67,579	59,391	56,796	50,489	50,799	50,199	57,489	53,617	48,153	50,420	57,371	59,357	661,660
39 Total Account 447	10,417,585	11,760,278	13,825,329	14,134,288	16,281,872	14,872,488	11,589,415	9,017,630	8,483,868	7,818,039	9,145,632	11,263,220	138,609,644

Deferral Report
01-07-21

2007 WA & ID Actual Deferrals.xls WA monthly-07

Month of Dec '07

Page 16 of 18

Avista Utilities
System Power Supply Expenses
WASHINGTON DEFERRED POWER COST CALCULATION
\$

ACTUALS

Line No.	Jan-07	Feb-07	Mar-07	Apr-07	May-07	Jun-07	Jul-07	Aug-07	Sep-07	Oct-07	Nov-07	Dec-07	TOTAL 2007
501 FUEL-DOLLARS													
40	1,009,650	886,816	281,428	738,842	599,100	580,210	788,441	338,281	969,125	880,440	679,080	962,446	8,713,859
41	1,575,803	1,089,134	1,271,756	1,273,441	847,431	1,131,313	1,633,699	1,768,534	1,479,632	1,539,777	1,324,656	1,282,076	16,207,252
42	2,585,453	1,975,950	1,553,184	2,012,283	1,446,531	1,711,523	2,422,140	2,096,815	2,448,757	2,420,217	2,003,736	2,244,522	24,921,111
43	5,345	1,849	445	6,758	2,368	1,863	2,374	8,135	4,427	1,197	2,388	551	37,700
44	54,045	25,497	18,014	44,371	42,174	4,752	53,516	998	35,948	1,443	14,693	13,003	308,454
45	59,390	27,346	18,459	51,129	44,542	6,615	55,890	9,133	40,375	2,640	17,081	13,554	346,154
46	2,644,843	2,003,296	1,571,643	2,063,412	1,491,073	1,718,138	2,478,030	2,105,948	2,489,132	2,422,857	2,020,817	2,258,076	25,267,265
501 FUEL-IONS													
47	54,932	50,926	35,929	42,767	33,936	19,036	43,054	17,340	37,127	42,336	34,554	37,246	449,183
48	99,408	88,457	85,818	83,354	47,674	70,742	102,756	93,681	98,448	97,808	92,769	96,375	1,057,290
501 FUEL-COST PER ION													
49	18.38 \$	17.41 \$	7.83 \$	17.28 \$	17.65 \$	30.48 \$	18.31 \$	19.51 \$	26.10 \$	20.80 \$	19.65 \$	25.84 \$	19.40 \$
50	15.85 \$	12.31 \$	14.82 \$	15.28 \$	17.78 \$	15.99 \$	15.90 \$	18.77 \$	15.03 \$	15.74 \$	14.28 \$	13.30 \$	15.33 \$
547 FUEL													
51	6,119	597	258	(45)	5,072	9,344	2,801	204,506	1,871	(421)	8,385	(7)	238,480
52	91,277	20,171	4,166	75,463	49,698	46,887	190,679	495,060	189,482	192,945	275,042	179,886	1,810,756
53	1,978	113	-	1,192	(70)	(43)	15,163	37,778	50,237	(1,057)	(1,302)	35,854	139,843
54	11,729,516	11,543,942	4,199,187	558,529	1,645,459	4,214,959	9,465,520	9,514,353	9,802,267	10,926,281	10,667,480	11,645,189	95,812,682
55	246,045	31,846	36,156	221,084	89,025	50,117	128,495	503,989	200,071	27,636	7,762	231,899	1,774,125
56	12,074,935	11,596,669	4,239,767	856,223	1,789,184	4,321,264	9,802,658	10,755,686	10,243,928	11,045,384	10,957,367	12,092,821	99,775,886
57	22,324,597	17,396,117	8,215,571	3,744,227	779,168	3,084,818	17,612,120	23,849,595	18,193,548	19,203,760	22,818,063	21,249,691	178,471,275

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

Description	January	February	March	April	May	June	July	August	September	October	November	December	YTD
Total WA kWhs per Rev Run	540,807,132	540,849,766	456,972,730	424,100,768	395,518,373	414,771,448	414,882,469	470,746,378	441,323,181	411,686,821	443,752,846	527,494,056	5,482,502,967
Deduct Prior Month Unbilled kWhs	(353,051,283)	(367,527,990)	(300,504,929)	(292,131,378)	(271,237,441)	(269,502,816)	(271,018,987)	(329,210,182)	(307,829,748)	(283,471,884)	(304,521,337)	(336,996,072)	(3,676,803,648)
Add Current Month Unbilled kWhs	357,527,990	300,504,829	292,131,379	271,237,441	269,502,816	271,018,987	329,210,182	307,829,748	283,471,884	304,521,337	336,996,072	349,731,143	3,673,483,408
Washington Retail kWhs	646,083,838	483,828,405	448,599,480	403,206,830	393,781,748	416,287,619	472,873,664	449,165,944	417,165,117	432,735,474	476,227,581	540,228,126	5,479,182,927
Test Year Consumption (1)	481,585,239	468,825,783	439,660,052	414,394,121	379,308,985	354,515,250	387,230,374	447,381,840	406,298,564	433,131,839	463,146,866	480,633,226	5,154,112,149
Difference from Test Year	63,498,600	17,000,622	8,939,428	(11,187,291)	14,472,753	61,772,369	85,643,290	1,784,104	10,866,553	(998,365)	13,080,715	59,595,900	325,070,878
WA Retail Revenue Credit (2)	\$2,478,350	\$663,534	\$348,908	(\$436,840)	\$564,872	\$2,410,978	\$3,342,658	\$69,834	\$424,122	(\$15,470)	\$510,540	\$2,326,028	\$12,687,509
Net Wind Revenue Credit	\$8,505	\$8,477	\$10,279	\$10,439	\$10,470	\$10,439	\$10,300	\$10,371	\$10,276	\$10,216	\$10,139	\$10,120	\$120,030
Total Revenue Credit	\$2,486,855	\$672,011	\$359,186	(\$426,201)	\$575,342	\$2,421,415	\$3,352,958	\$80,205	\$434,397	(\$5,254)	\$520,679	\$2,336,148	\$12,807,539

(1) from Exhibit No. 165 (WGJ-5) in Docket No. (WGJ-2) in Docket No. UE-060161.

(2) Production and Transmission Retail Revenue Credit Rate per the Settlement Agreement approved in Docket No. UE-060161, Order 03.

Reflects Exhibit No. 137 (TLK-7) Column F, Line 27 + Line 28, revised for Commission Ordered Adjustments and Revenue Increase Approved in Docket No. UE-050482.

Schedule 95 Wind Revenue	\$11,730.36	\$11,692.65	\$14,177.83	\$14,398.73	\$14,440.76	\$14,388.94	\$14,206.91	\$14,305.11	\$14,172.94	\$14,080.47	\$13,965.26	\$13,957.98	\$165,567.72
Deduct Admin Expense	\$3,225.85	\$3,215.48	\$3,898.85	\$3,959.66	\$3,971.21	\$3,959.71	\$3,906.90	\$3,933.91	\$3,997.56	\$3,874.88	\$3,845.95	\$3,838.44	\$45,528.37
0.005 x 55 = 0.275 per Revenue \$	\$8,504.51	\$8,477.17	\$10,278.78	\$10,439.08	\$10,469.55	\$10,439.23	\$10,300.01	\$10,371.20	\$10,276.38	\$10,215.59	\$10,139.31	\$10,118.52	\$120,029.35
Net Wind Revenue Credit													