

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



April 11, 2011

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, March 2011

Dear Mr. Danner:

Enclosed are an original and five copies of Avista Corporation's Power Cost Deferral Report for the month of March 2011. The report includes the monthly energy recovery mechanism (ERM) accounting journal together with backup workpapers. In March actual net power costs were lower than authorized costs by \$1,963,023. The year-to-date difference is \$7,598,744 in the rebate direction. A deferral of \$1,472,267 was recorded in the rebate direction. The year-to-date rebate deferral is \$2,699,058, which represents 75% of the amount above the \$4 M deadband.

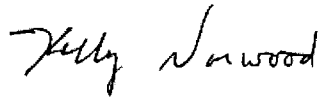
Actual power supply expense was lower than the authorized level due primarily to higher hydro generation. Hydro generation was 204 aMW above the authorized level, which was the second highest March hydro generation since 1997. Power and natural gas prices were also below the authorized levels. The average power purchase price was \$35.44/MWh compared to an authorized price of \$41.61/MWh, and the average natural gas price was \$4.14/dth compared to an authorized price of \$5.12/dth.

Colstrip and Kettle Falls generation were 16 and 30 aMW below the authorized levels, respectively. Gas-fired generation was 258 aMW below the authorized level. The net transmission expense (transmission expense less transmission revenue) was above the authorized level. Washington retail sales were 1 aMW above the authorized level.

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 5 of the January 2011 report shows the calculation of the weighted cost of debt at December 31, 2010, which will be used for the January-June 2011 period.

There were no forward long-term contracts of one year or longer entered into in the month of March 2011. 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 MARCH 2011

Avista Corporation Journal Entry



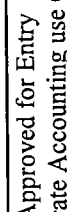
Journal: 481-WA ERM
 Team: Resource Accounting
 Type: C
 Category: DJ
 Currency: USD

Effective Date: 201103
 Last Saved by: Rick Lloyd
 Submitted by: Rick Lloyd
 Approved by:

Last Saved: 04/07/2011 9:44 AM
 Approval Requested: 04/07/2011 9:45 AM

Seq	Co	FERC	Ser.	Jur.	S.I.	Debit	Credit	Comment
10	001	186280 - REGULATORY ASSET ERM DEFERRED CURRENT YEAR	ED	WA	DL		1,472,267.00	
20	001	557280 - DEFERRED POWER SUPPLY EXPENSE	ED	WA	DL	1,472,267.00		
30	001	431600 - INTEREST EXPENSE DEFERRALS	ED	WA	DL	7,502.00		
40	001	186280 - REGULATORY ASSET ERM DEFERRED CURRENT YEAR	ED	WA	DL		7,502.00	
Totals:						1,479,769.00	1,479,769.00	

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

Prepared by  Date 4/7/11
 Reviewed by  Date 4/17/2011
 Approved for Entry  Date _____
 Corporate Accounting use Only

Detail Balances (AVA CORP) - 001.186280.ED.WA.DL					
Balance Type Actual			Currency Type Entered		
			Factor Units		
Period	Currency	PTD	PTD Converted	YTD	YTD Converted
201013	USD	0.00		0.00	
201101	USD	0.00		0.00	
201102	USD	-1,227,123.00		-1,227,123.00	
201103	USD	-1,479,769.00		-2,706,892.00	

Journal Details
Summary Balances

ERM Deferral Balance (Current Year - 2011)

Account 186280.ED.WA

	<u>Amount</u>	<u>Journal ID</u>
Balance 2/28/11	-\$1,227,123.00	
Deferral	-1,472,267.00	481 - WA ERM
Interest	-7,502.00	481 - WA ERM
Balance 3/31/11	<u><u>-\$2,706,892.00</u></u>	
Year to date deferrals	-\$2,699,058.00	
Year to date interest	-7,834.00	
Balance in account	<u><u>-\$2,706,892.00</u></u>	

	<u>Total</u>	<u>Absorbed</u>	<u>Deferred</u>
First \$4,000,000 at 100%	-\$4,000,000.00	-\$4,000,000.00	\$0.00
\$4,000,000 to \$10,000,000 at 75%	-3,598,744.00	-899,686.00	-2,699,058.00
Over \$10,000,000 at 10%	0.00	0.00	0.00
Total	<u><u>-\$7,598,744.00</u></u>	<u><u>-\$4,899,686.00</u></u>	<u><u>-\$2,699,058.00</u></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
201013	USD	0.00		0.00	
201101	USD	0.00		0.00	
201102	USD	0.00		0.00	
201103	USD	0.00		0.00	

ERM Deferral Balance (Prior year - 2010)

Account 186290.ED.WA

Balance 2/28/11
 Interest
 Balance 3/31/11

<u>Amount</u>	<u>Journal ID</u>
\$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
201013	USD	0.00			0.00	
201101	USD	0.00			0.00	
201102	USD	0.00			0.00	
201103	USD	0.00			0.00	

Recoverable Deferral Balance
Account 182350.ED.WA
 Balance 2/28/11
 Interest
 Balance 3/31/11

Amount	Journal ID
\$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
201013	USD	0.00		0.88	
201101	USD	0.00		0.88	
201102	USD	429,493.05		429,493.93	
201103	USD	517,919.15		947,413.08	

Journal Details Summary Balances

DFIT Associated with ERM Deferrals
Account 283280.ED.WA

Account 186280.ED.WA balance	-\$2,706,892.00
Account 186290.ED.WA balance	0.00
Account 182350.ED.WA balance	0.00
Total	<u>-\$2,706,892.00</u>
Federal income tax rate	-35%
Deferred FIT related to deferrals	<u>\$947,412</u>
Rounding	1
Balance in account	<u><u>\$947,413</u></u>

Changes Semiannually on January 1 and July 1							
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 12/31/10 is		5.614%		Actual cost of debt at 06/30/11 is		1.000%	
The monthly rate is:		0.00468 Before Tax		The monthly rate is:		0.00083 Before Tax	
		0.0030409 After Tax				0.0005417 After Tax	
		0.35 Tax rate				0.35 Tax rate	
Account 186280							0
				January		DFIT Expense	
						ADFIT	
January	ERM Deferral	0		Deferral	0	Operating	0
January	Interest		0	Interest	0	Nonoperating	0
01-31-2011	Balance before interest	0			0	Total	0
				February		DFIT Expense	
						ADFIT	
February	ERM Deferral	(1,226,791)		Deferral	(429,377)	Operating	429,377
February	Interest		(1,865)	Interest	(653)	Nonoperating	653
02-28-2011	Balance before interest	(1,226,791)			(430,030)	Total	430,030
				March		DFIT Expense	
						ADFIT	
March	ERM Deferral	(1,472,267)		Deferral	(515,293)	Operating	515,293
March	Interest		(5,969)	Interest	(2,089)	Nonoperating	2,089
03-31-2011	Balance before interest	(2,699,058)			(517,382)	Total	517,382

Actual cost of debt at 12/31/10 is		5.74%	Actual cost of debt at 06/30/11 is		1.000%
The monthly rate is		0.00468 Before Tax	The monthly rate is		0.00083 Before Tax
		0.0030409 After Tax			0.0005417 After Tax
		0.35 Tax rate			0.35 Tax rate
Account 186280					
0					
			January	DFIT Expense	ADFIT
January	ERM Deferral	0	Deferral	0	Operating 0
January	Interest	0	Interest	0	Nonoperating 0
1/31/2011	Balance before interest	0		0	Total 0
			February	DFIT Expense	ADFIT
February	ERM Deferral	(1,226,791)	Deferral	429,377	Operating (429,377)
February	Interest	1,865	Interest	653	Nonoperating (653)
2/28/2011	Balance before interest	1,226,791		430,030	Total (430,030)
			March	DFIT Expense	ADFIT
March	ERM Deferral	0	Deferral	0	Operating 0
March	Interest	3,731	Interest	1,306	Nonoperating (1,306)
3/31/2011	Balance before interest	1,226,791		1,306	Total (1,306)
			April	DFIT Expense	ADFIT
April	ERM Deferral	0	Deferral	0	Operating 0
April	Interest	2,731	Interest	1,306	Nonoperating (1,306)

Dkd5684:
 true up interest in March,
 we booked \$332
 \$1533.00

Avista Corp. - f. ce Accounting
WASHINGTON POWER COST DEFERRALS

Line No.	WASHINGTON ACTUALS	Jan-11	Feb-11	Mar-11	Apr-11	May-11	Jun-11	Jul-11	Aug-11	Sep-11	Oct-11	Nov-11	Dec-11
1	555 Purchased Power	\$23,001,732	\$21,199,193	\$19,083,388	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2	447 Sale for Resale	(\$11,503,112)	(\$8,726,578)	(\$6,558,192)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
3	501 Thermal Fuel	\$2,393,545	\$1,297,553	\$2,199,437	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
4	547 CT Fuel	\$5,189,184	\$3,527,911	\$1,360,752	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
5	456 Transmission Revenue	(\$740,040)	(\$728,798)	(\$838,596)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
6	565 Transmission Expense	\$1,492,452	\$1,437,473	\$1,480,830	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
7	557 Broker Fees	\$42,656	\$64,015	\$129,860	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
8	Less Clearwater directly assigned to ID	(\$1,697,271)	(\$1,416,274)	(\$1,198,155)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
9	Adjusted Actual Net Expense	\$18,179,146	\$16,654,495	\$15,659,324	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
AUTHORIZED NET EXPENSE-SYSTEM													
10	555 Purchased Power	\$11,944,984	\$9,846,565	\$10,853,067	\$6,732,714	\$4,712,966	\$4,927,815	\$7,041,743	\$7,484,808	\$6,620,235	\$6,005,442	\$8,349,912	\$9,537,086
11	447 Sale for Resale	(\$3,563,619)	(\$4,040,473)	(\$3,415,529)	(\$4,350,662)	(\$5,618,561)	(\$5,671,884)	(\$10,007,193)	(\$7,148,106)	(\$6,784,137)	(\$2,871,260)	(\$4,145,606)	(\$4,289,456)
12	501 Thermal Fuel	\$3,348,316	\$3,062,689	\$3,327,639	\$1,902,982	\$1,556,472	\$1,454,724	\$3,034,374	\$3,367,673	\$3,234,240	\$3,355,439	\$3,270,601	\$3,355,029
13	547 CT Fuel	\$10,313,555	\$9,965,514	\$9,687,286	\$3,518,933	\$2,675,756	\$3,294,621	\$11,094,720	\$13,127,806	\$12,566,735	\$11,569,604	\$13,114,461	\$14,645,319
14	456 Transmission Revenue	(\$901,304)	(\$825,004)	(\$1,002,240)	(\$898,432)	(\$1,029,104)	(\$1,371,347)	(\$1,379,878)	(\$1,150,203)	(\$1,025,629)	(\$1,027,312)	(\$925,342)	(\$810,690)
15	565 Transmission Expense	\$1,583,916	\$1,428,384	\$1,489,847	\$1,545,721	\$1,353,126	\$1,434,184	\$1,446,414	\$1,475,811	\$1,441,885	\$1,464,318	\$1,464,565	\$1,517,909
16	557 Broker Fees	\$10,359	\$10,359	\$10,359	\$10,359	\$10,359	\$10,359	\$10,359	\$10,359	\$10,359	\$10,359	\$10,359	\$10,359
17	Authorized Net Expense	\$22,736,207	\$19,448,034	\$19,950,428	\$8,461,615	\$3,661,014	\$4,078,472	\$11,240,539	\$17,168,148	\$16,063,688	\$18,506,590	\$21,138,950	\$23,965,556
18	Actual - Authorized Net Expense	(\$4,557,061)	(\$2,793,539)	(\$4,291,104)									
19	Resource Optimization	\$931,933	\$592,287	\$1,299,211									
20	Adjusted Net Expense	(\$3,625,128)	(\$2,201,252)	(\$2,991,893)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
21	Washington Allocation	64.87%	64.87%	64.87%	64.87%	64.87%	64.87%	64.87%	64.87%	64.87%	64.87%	64.87%	64.87%
22	Washington Share	(\$2,351,621)	(\$1,427,952)	(\$1,940,841)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
23	WA Retail Revenue Adjustment	\$154,343	(\$2,010,491)	(\$22,182)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
23	(+) Surcharge (-) Rebate												
24	Net Power Cost (+) Surcharge (-) Rebate	(\$2,197,278)	(\$3,438,443)	(\$1,963,023)									
25	Cumulative Balance	(\$2,197,278)	(\$5,635,721)	(\$7,598,744)	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!
input	10,000,000 and up	\$0	\$0	\$0	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!
input	4,000,000 to \$10M	\$0	(\$1,635,721)	(\$3,598,744)	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!
input	0 to \$4M	(\$2,197,278)	(\$4,000,000)	(\$4,000,000)	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!
	check #-should be zero	\$0	\$0	\$0									
	Deferral Amount, Cumulative (Customer)	\$0	(\$1,226,791)	(\$2,699,058)									
	Deferral Amount, Monthly	\$0	(\$1,226,791)	(\$1,472,267)									
	Account 557 Actuals	\$0	\$1,226,791	\$1,472,267									
	Company Band Gross Margin Impact, Cumulative	(\$2,197,278)	(\$4,408,930)	(\$4,899,886)	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!

Avista Corp. Resource Accounting
 WASHINGTON DEFERRED POWER COST CALCULATION - ACTUAL SYSTEM POWER SUPPLY EXPENSES

Line No.	Jan-11	Feb-11	Mar-11	Apr-11	May-11	Jun-11	Jul-11	Aug-11	Sep-11	Oct-11	Nov-11	Dec-11
555 PURCHASED POWER												
1	ST Purchases	\$13,701,024	\$12,638,899	\$12,254,383	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2	Chelan-Rocky Reach	\$133,680	\$157,761	\$137,408	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
3	Douglas-Wells	\$146,954	\$146,954	\$146,954	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
4	Grant-Priest Rapids/Wanapum	\$505,464	\$505,463	\$505,461	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
5	Grant-Displacement	\$412,606	\$391,159	\$403,468	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
6	Douglas Wells Settlement	\$45,606	\$76,060	\$91,284	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
7	WNP-3 (1)	\$3,357,872	\$3,034,183	\$1,657,782	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
8	Deer Lake-IP&L	\$141	\$693	\$637	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
9	Small Power	\$136,766	\$135,254	\$128,323	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
10	Stimson Lumber	\$179,922	\$165,034	\$145,830	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
11	City of Spokane-Upriver	\$321,567	\$362,494	\$295,778	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
12	Douglas Exchange Capacity	\$45,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
13	Black Ck Hydro	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
14	JP Morgan Ventures Wind	\$355,193	\$308,730	\$341,013	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
15	Lancaster PPA (Rathdrum)	\$1,860,812	\$1,825,509	\$1,748,975	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
16	Clearwater (PFI)	\$1,697,271	\$1,416,274	\$1,198,155	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
17	WPM Ancillary Services	\$66,508	\$68,104	\$55,981	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
18	Non-Mon. Accruals	\$35,346	(\$34,378)	(\$28,044)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
19	Total 555 Purchased Power	\$23,001,732	\$21,199,193	\$19,083,388	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

(1) Effective November, 2008, WNP-3 purchase expense has been adjusted to reflect the mid-point price, per Settlement Agreement, Cause No. U-86-99

447 SALES FOR RESALE												
20	Short-Term Sales	(\$6,752,558)	(\$5,256,186)	(\$3,552,583)	\$0	\$0	(\$50)	\$0	\$0	\$0	\$0	\$0
21	Peaker LLC/PGE Cap Sale	(\$146,020)	(\$146,345)	(\$144,955)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
22	Nichols Pumping Index Sale	(\$97,088)	(\$73,975)	(\$68,628)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
23	Sovernig/Kaiser Load Following	(\$6,386)	(\$5,871)	(\$6,667)	\$0	\$0	\$50	\$0	\$0	\$0	\$0	\$0
24	Pend Oreille DES	(\$41,841)	(\$38,713)	(\$41,440)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
25	Northwestern Load Following	(\$250,968)	(\$32,256)	(\$35,742)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
26	NatuEner Glacier Wind	(\$117,683)	(\$99,520)	(\$97,452)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
27	SMUD 50 + 25	(\$2,127,448)	(\$1,747,094)	(\$1,439,282)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
28	Merchant Ancillary Services	(\$1,963,120)	(\$1,326,618)	(\$1,171,443)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
29	Total 447 Sales for Resale	(\$11,503,112)	(\$8,726,578)	(\$6,558,192)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

501 FUEL-DOLLARS												
30	Kettle Falls Wood-501110	\$720,927	(\$7,551)	\$381,831	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
31	Kettle Falls Gas-501120	(\$696)	\$1,293	\$6,213	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
32	Colstrip Coal-501140	\$1,650,366	\$1,277,058	\$1,798,049	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
33	Colstrip Oil-501160	\$22,948	\$26,753	\$13,344	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
34	Total 501 Fuel Expense	\$2,393,545	\$1,297,553	\$2,199,437	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

501 FUEL-TONS												
35	Kettle Falls	30,205	-	16,111	-	-	-	-	-	-	-	-
36	Colstrip	84,543	75,306	87,235	-	-	-	-	-	-	-	-
37	Kettle Falls	\$23.87	\$19.96	\$23.70	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
38	Colstrip	\$19.52	\$20.61	\$20.61	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

501 FUEL-COST PER TON												
37	Kettle Falls	wood	\$23.87	\$19.96	\$23.70	\$0	\$0	\$0	\$0	\$0	\$0	\$0
38	Colstrip	coal	\$19.52	\$20.61	\$20.61	\$0	\$0	\$0	\$0	\$0	\$0	\$0
39	NE CT Gas/Oil-547213		(\$14,185)	\$18,860	\$2,804	\$0	\$0	\$0	\$0	\$0	\$0	\$0
40	Boulder Park-547216		\$19,111	\$35,131	\$13,543	\$0	\$0	\$0	\$0	\$0	\$0	\$0
41	Kettle Falls CT-547211		\$13,997	(\$9,423)	(\$88)	\$0	\$0	\$0	\$0	\$0	\$0	\$0

Avista Corp. - Jurce Accounting
 WASHINGTON DEFERRED POWER COST CALCULATION - ACTUAL SYSTEM POWER SUPPLY EXPENSES

Line No.	Jan-11	Feb-11	Mar-11	Apr-11	May-11	Jun-11	Jul-11	Aug-11	Sep-11	Oct-11	Nov-11	Dec-11
42	\$2,460,195	\$1,645,369	\$701,752	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
43	\$2,612,390	\$1,877,030	\$628,078	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
44	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
45	\$97,676	(\$39,056)	\$14,663	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
46	\$5,189,184	\$3,527,911	\$1,360,752	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
47	\$19,081,349	\$17,298,079	\$16,085,385	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
456 TRANSMISSION REVENUE												
56	(\$661,335)	(\$650,093)	(\$759,891)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
57	(\$78,705)	(\$78,705)	(\$78,705)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
58	(\$740,040)	(\$728,798)	(\$638,596)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
565 TRANSMISSION EXPENSE												
59	\$1,490,422	\$1,435,443	\$1,478,800	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
60	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
61	\$2,030	\$2,030	\$2,030	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
62	\$1,492,452	\$1,437,473	\$1,480,830	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
63	\$42,656	\$64,015	\$129,860	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
RESOURCE OPTIMIZATION												
64	(\$360,411)	(\$324,471)	(\$1,380,406)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
65	\$17,663,373	\$10,581,938	\$19,271,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
66	\$2,518,750	\$672,420	\$672,008	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
67	(\$2,518,750)	(\$672,420)	(\$5,639,620)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
68	\$1,754,217	\$3,870,301	\$4,967,612	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
69	(\$210,538)	(\$76,553)	\$794,021	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
70	(\$13,412,414)	(\$12,135,362)	(\$17,383,675)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
71	(\$4,491,266)	(\$1,319,624)	(\$633,340)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
72	\$2,317,935	\$947,575	\$1,478,608	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
73	(\$2,317,935)	(\$947,575)	(\$845,266)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
74	\$942,961	\$596,229	\$1,300,940	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
75	(\$9,448)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
76	\$29,760	\$26,880	\$29,720	\$28,800	\$29,760	\$28,800	\$29,760	\$29,760	\$28,800	\$29,760	\$28,840	\$29,760
77	\$29,760	\$26,880	\$27,916	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
78	\$0	\$0	(\$1,804)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
79	\$13,456	\$8,894	\$14,254	\$12,537	\$12,049	\$13,656	\$10,872	\$11,601	\$9,090	\$9,262	\$11,530	\$9,340
80	(\$15,036)	(\$12,836)	(\$14,179)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
81	(\$1,580)	(\$3,942)	\$75	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
82	\$931,933	\$592,287	\$1,299,211	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
83	\$20,808,350	\$18,663,056	\$18,156,690	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

Avista Corp. - Resource Accounting
 Washington Electric Jurisdiction
Energy Recovery Mechanism (ERM) Retail Revenue Credit Calculation - 2011

Retail Sales - MWh	Jan-11	Feb-11	Mar-11	Apr-11	May-11	Jun-11	Jul-11	Aug-11	Sep-11	Oct-11	Nov-11	Dec-11	YTD
Total Billed Sales	550,386	515,941	497,287										1,563,614
Deduct Prior Month Unbilled	(420,723)	(394,368)	(407,182)	(391,621)									(1,613,894)
Add Current Month Unbilled	394,368	407,182	391,621										1,193,171
Total Retail Sales	524,030	528,755	481,727	(391,621)	-	-	-	-	-	-	-	-	1,142,891
Test Year Retail Sales	527,098	488,793	481,286	395,019	410,896	405,797	418,600	445,346	406,549	415,472	473,454	539,219	5,407,529
Difference from Test Year	(3,068)	39,962	441										37,335
Production Rate - \$/MWh	\$50.31	\$50.31	\$50.31	\$50.31	\$50.31	\$50.31	\$50.31	\$50.31	\$50.31	\$50.31	\$50.31	\$50.31	\$1,878,330
Total Revenue Credit - \$	(\$154,343)	\$2,010,491	\$22,182										