

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



August 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, July 2011

Dear Mr. Danner:

Enclosed are an original and five copies of Avista Corporation's Power Cost Deferral Report for the month of July 2011. The report includes the monthly energy recovery mechanism (ERM) accounting journal together with backup workpapers. In July actual net power costs were lower than authorized costs by \$457,537. The year-to-date difference is \$7,317,883 in the rebate direction. A deferral of \$343,152 was recorded in the rebate direction. The year-to-date deferral balance, excluding interest, is \$2,488,412 in the rebate direction, which represents 75% of the amount above the \$4 M deadband.

Actual power supply expense was lower than the authorized level due primarily to high hydro generation. Hydro generation was 397 aMW above the authorized level. The value of that extra hydro generation was tempered by low wholesale market prices. Avista is normally a wholesale power seller in July and the low power prices this July reduced wholesale revenue. The average actual wholesale power sales rate was \$18.89/MWh compared to an authorized rate of \$41.90/MWh.

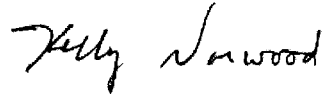
Colstrip and Kettle Falls generation was 53 and 7 aMW below the authorized levels, respectively. Gas-fired generation was 265 aMW below the authorized level. The net transmission expense (transmission expense less transmission revenue) was below the authorized level. Washington retail sales were less than 1 aMW below 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 12 of this report shows the calculation of the weighted cost of debt at June 30, 2011, which will be used for the July-December 2011 period.

STATE OF WASHINGTON
UTILITIES AND TRANSPORTATION
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There were no forward long-term contracts of one year or longer entered into in the month of July 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 JULY 2011

Avista Corporation Journal Entry

Effective Date: 201107

Journal: 481-WA ERM

Team: Resource Accounting

Type: C

Category: DJ

Currency: USD

Last Saved by: Cameron Dunlop


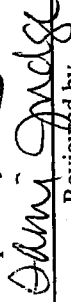
Last Saved: 08/04/2011 4:34 PM

Submitted by: Cameron Dunlop

Approval Requested: 08/04/2011 5:13 PM

Approved by:

Seq	Co.	FERC	ED	Jur.	S/L	Debit	Credit	Comment
10	001	186280 - REGULATORY ASSET ERM DEFERRED CURRENT YEAR	ED	WA	DL		343,152.00	
20	001	557280 - DEFERRED POWER SUPPLY EXPENSE CURRENT YEAR	ED	WA	DL	343,152.00		
30	001	431600 - INTEREST EXPENSE ENERGY DEFERRALS	ED	WA	DL	7,160.00		
40	001	186280 - REGULATORY ASSET ERM DEFERRED CURRENT YEAR	ED	WA	DL		7,160.00	
Totals:						350,312.00	350,312.00	


 Prepared by Cameron Dunlop

 Reviewed by Amy Gudge

8/7/11
 Date
 8/4/11
 Date

Date

Approved for Entry
 Corporate Accounting use Only

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

Detail Balances (AMSTA CORP) - 001.186280.ED.WA.DL						
Balance Type		Actual		Currency Type		Total
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		
201104	USD	1,330,616.00		-4,037,508.00		
201105	USD	1,067,676.00		2,969,832.00		
201106	USD	788,206.00		-2,181,626.00		
201107	USD	350,312.00		2,531,938.00		

ERM Deferral Balance (Current Year - 2011)

Account 186280.ED.WA

	Amount	Journal ID
Balance 6/30/11	-\$2,181,626.00	
Deferral	-343,152.00	481 - WA ERM
Interest	-7,160.00	481 - WA ERM
Balance 7/31/11	-\$2,531,938.00	

Year to date deferrals	-\$2,488,412.00
Year to date interest	-43,526.00
Balance in account	-\$2,531,938.00

	Total	Absorbed	Deferred
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%	-3,317,883.00	-829,471.00	-2,488,412.00
Over \$10,000,000 at 10%	0.00	0.00	0.00
Total	-\$7,317,883.00	-\$4,829,471.00	-\$2,488,412.00

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

Balance Type: **Actual** Currency Type: **Total**

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	
201104	USD	0.00		0.00	
201105	USD	0.00		0.00	
201106	USD	0.00		0.00	
201107	USD	0.00		0.00	

Journal Details Summary Balances

ERM Deferral Balance (Prior year - 2010)

Account 186290.ED.WA

Balance 6/30/11

Interest

Balance 7/31/11

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

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

Balance Type: **Actual** Currency Type: **Total**

Period	Currency	PTD	PTD Converted	YTD	YTD Converted
2011013	USD	0.00		0.00	
201101	USD	0.00		0.00	
201102	USD	0.00		0.00	
201103	USD	0.00		0.00	
201104	USD	0.00		0.00	
201105	USD	0.00		0.00	
201106	USD	0.00		0.00	
201107	USD	0.00		0.00	

Journal Details Summary Balances

Recoverable Deferral Balance

Account 182350.ED.WA

Balance 6/30/11

Interest

Balance 7/31/11

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

Detail Balances (AVISTA CORP) - 001 283280.ED.WA.DL					
Balance Type: Actual			Currency Type: Total		
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	
201104	USD	465,715.60		1,413,128.68	
201105	USD	373,686.60		1,039,442.08	
201106	USD	275,872.10		763,569.98	
201107	USD	122,609.20		886,179.18	

DFIT Associated with ERM Deferrals

Account 283280.ED.WA

Account 186280.ED.WA balance	-\$2,531,938.00
Account 186290.ED.WA balance	0.00
Account 182350.ED.WA balance	0.00
Total	<u>-\$2,531,938.00</u>
Federal income tax rate	-35%
Deferred FIT related to deferrals	<u>\$886,178</u>
Rounding	1
Balance in account	<u><u>\$886,179</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		5.617%	
The monthly rate is:		0.00468	Before Tax	The monthly rate is:		0.00468	Before Tax
		0.0030409	After Tax			0.0030425	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	(1,472,267)		Deferral	(515,293)	Operating	515,293
March	Interest		* (5,969)	Interest	(2,089)	Nonoperating	2,089
3/31/2011	Balance before interest	(2,699,058)			(517,382)	Total	517,382
				April	DFIT Expense	ADFIT	
April	ERM Deferral	(1,320,401)		Deferral	(462,140)	Operating	462,140
April	Interest		* (10,215)	Interest	(3,575)	Nonoperating	3,575
4/30/2011	Balance before interest	(4,019,459)			(465,715)	Total	465,715
				May	DFIT Expense	ADFIT	
May	ERM Deferral	1,078,259		Deferral	377,391	Operating	(377,391)
May	Interest		* (10,583)	Interest	(3,704)	Nonoperating	3,704
5/31/2011	Balance before interest	(2,941,200)			373,687	Total	(373,687)
				June	DFIT Expense	ADFIT	
June	ERM Deferral	795,940		Deferral	278,579	Operating	(278,579)
June	Interest		* (7,734)	Interest	(2,707)	Nonoperating	2,707
6/30/2011	Balance before interest	* (2,145,260)			275,872	Total	(275,872)
				July	DFIT Expense	ADFIT	
	GL Balance including interest	Ⓞ (2,181,626)		Deferral	(120,103)	Operating	120,103
July	ERM Deferral	(343,152)		Interest	(2,506)	Nonoperating	2,506
July	Interest		/(7,160)		(122,609)	Total	122,609
7/31/2011	Balance before interest	(2,524,778)					

COMPOUND SEMI ANNUALLY

$$\textcircled{1} \Sigma * = \$ \underline{\underline{2,181,626}}$$

Avista Corp. - Resource 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	\$14,030,492	\$11,251,310	\$9,863,399	\$16,733,775	\$0	\$0	\$0	\$0	\$0
2	447 Sale for Resale	(\$11,503,112)	(\$8,726,578)	(\$6,558,192)	(\$9,106,868)	(\$6,407,122)	(\$4,879,494)	(\$10,857,205)	\$0	\$0	\$0	\$0	\$0
3	501 Thermal Fuel	\$2,393,545	\$1,297,563	\$2,199,437	\$1,737,261	\$1,825,461	\$2,571,063	\$2,352,576	\$0	\$0	\$0	\$0	\$0
4	547 CT Fuel	\$5,189,184	\$3,527,911	\$1,360,752	\$3,733,340	\$1,732,616	\$1,274,849	\$3,282,448	\$0	\$0	\$0	\$0	\$0
5	456 Transmission Revenue	(\$740,040)	(\$728,798)	(\$838,596)	(\$786,223)	(\$808,629)	(\$1,402,418)	(\$1,876,464)	\$0	\$0	\$0	\$0	\$0
6	565 Transmission Expense	\$1,492,452	\$1,437,473	\$1,480,830	\$1,415,624	\$1,389,451	\$1,359,908	\$1,404,644	\$0	\$0	\$0	\$0	\$0
7	557 Broker Fees	\$42,656	\$64,015	\$129,860	\$97,390	\$52,577	\$70,281	\$65,808	\$0	\$0	\$0	\$0	\$0
8	Less Cleanwater directly assigned to ID	(\$1,697,271)	(\$1,416,274)	(\$1,198,155)	(\$1,576,194)	(\$1,655,253)	(\$1,557,266)	(\$1,665,897)	\$0	\$0	\$0	\$0	\$0
9	Adjusted Actual Net Expense	\$16,179,146	\$16,654,495	\$15,659,324	\$9,544,822	\$7,380,411	\$7,290,322	\$9,439,666	\$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	\$8,687,285	\$3,518,933	\$2,875,756	\$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	\$22,738,207	\$19,448,034	\$19,950,428	\$8,461,616	\$3,661,014	\$4,078,472	\$11,240,538	\$17,168,148	\$16,083,688	\$18,506,590	\$21,138,960	\$23,965,566
18	Actual - Authorized Net Expense	(\$4,557,061)	(\$2,793,539)	(\$4,291,104)	\$1,083,207	\$3,719,397	\$3,211,850	(\$1,800,854)					
19	Resource Optimization	\$931,933	\$592,287	\$1,299,211	(\$1,252,358)	(\$845,527)	(\$418,554)	\$1,071,692					
20	Adjusted Net Expense	(\$3,625,128)	(\$2,201,252)	(\$2,991,893)	(\$169,151)	\$2,873,870	\$2,793,296	(\$729,162)	\$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)	(\$109,728)	\$1,864,279	\$1,812,011	(\$473,007)	\$0	\$0	\$0	\$0	\$0
23	WA Retail Revenue Adjustment (+) Surcharge (-) Rebate	\$154,343	(\$2,010,491)	(\$22,182)	(\$1,650,807)	(\$426,600)	(\$750,757)	\$15,470	\$0	\$0	\$0	\$0	\$0
24	Net Power Cost (+) Surcharge (-) Rebate	(\$2,197,278)	(\$3,438,443)	(\$1,963,023)	(\$1,760,535)	\$1,437,679	\$1,061,254	(\$457,537)					
25	Cumulative Balance	(\$2,197,278)	(\$5,635,721)	(\$7,598,744)	(\$9,359,279)	(\$7,921,600)	(\$6,860,346)	(\$7,317,893)	#VALUE!	#VALUE!	#VALUE!	#VALUE!	#VALUE!
	Deferral Amount, Cumulative (Customer)	\$0	(\$1,226,791)	(\$2,699,058)	(\$4,019,459)	(\$2,941,200)	(\$2,145,250)	(\$2,488,412)					
	Deferral Amount, Monthly	\$0	(\$1,226,791)	(\$1,472,267)	(\$1,320,401)	\$1,078,259	\$795,940	(\$343,152)					
	Acct 557280 Entry; (+) Rebate, (-) Surcharge	\$0	\$1,226,791	\$1,472,267	\$1,320,401	(\$1,078,259)	(\$795,940)	\$343,152					
	Company Band Gross Margin Impact, Cumulative	(\$2,197,278)	(\$4,408,930)	(\$4,899,688)	(\$5,339,820)	(\$4,980,400)	(\$4,716,086)	(\$4,829,471)	#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	\$13,701,024	\$12,638,899	\$12,254,383	\$6,470,073	\$5,313,403	\$3,923,331	\$10,583,491	\$0	\$0	\$0	\$0	\$0
2	\$133,680	\$157,761	\$137,408	\$122,726	\$154,936	\$439,222	\$133,514	\$0	\$0	\$0	\$0	\$0
3	\$146,954	\$146,954	\$146,954	\$146,954	\$146,954	\$146,954	\$146,954	\$0	\$0	\$0	\$0	\$0
4	\$505,464	\$505,463	\$505,461	\$505,470	\$505,466	\$505,461	\$505,465	\$0	\$0	\$0	\$0	\$0
5	\$412,606	\$391,159	\$403,468	\$528,128	\$542,862	\$455,032	\$531,306	\$0	\$0	\$0	\$0	\$0
6	\$45,606	\$78,060	\$91,284	\$119,976	\$128,565	\$110,010	\$148,647	\$0	\$0	\$0	\$0	\$0
7	\$3,357,872	\$3,034,183	\$1,657,782	\$1,605,560	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
8	\$141	\$693	\$671	\$611	\$671	\$487	\$380	\$0	\$0	\$0	\$0	\$0
9	\$136,766	\$135,254	\$128,323	\$134,658	\$135,339	\$129,924	\$116,833	\$0	\$0	\$0	\$0	\$0
10	\$179,922	\$165,034	\$145,830	\$88,868	\$135,509	\$141,932	\$202,512	\$0	\$0	\$0	\$0	\$0
11	\$321,567	\$362,494	\$295,778	\$245,758	\$195,772	\$191,874	\$294,752	\$0	\$0	\$0	\$0	\$0
12	\$45,000	\$0	\$0	\$135,000	\$135,000	\$165,000	\$165,000	\$0	\$0	\$0	\$0	\$0
13	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
14	\$355,193	\$308,730	\$341,013	\$414,378	\$336,762	\$397,582	\$265,251	\$0	\$0	\$0	\$0	\$0
15	\$1,869,812	\$1,826,509	\$1,746,975	\$1,843,020	\$1,779,756	\$1,764,403	\$1,846,745	\$0	\$0	\$0	\$0	\$0
16	\$1,697,271	\$1,416,274	\$1,198,155	\$1,576,194	\$1,655,253	\$1,557,266	\$1,665,897	\$0	\$0	\$0	\$0	\$0
17	\$66,508	\$68,104	\$55,981	\$49,536	\$47,783	\$45,634	\$49,724	\$0	\$0	\$0	\$0	\$0
18	\$35,346	(\$34,378)	(\$28,044)	\$43,583	\$38,279	(\$120,713)	\$77,304	\$0	\$0	\$0	\$0	\$0
19 Total 555 Purchased Power	\$23,001,732	\$21,199,193	\$19,083,388	\$14,030,492	\$11,251,310	\$9,853,399	\$16,733,775	\$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	(\$6,752,558)	(\$5,256,186)	(\$3,552,583)	(\$5,968,758)	(\$3,356,251)	(\$2,256,774)	(\$7,432,623)	\$0	\$0	\$0	\$0	\$0
21	(\$146,020)	(\$146,345)	(\$144,955)	(\$146,150)	(\$146,085)	(\$146,085)	(\$146,150)	\$0	\$0	\$0	\$0	\$0
22	(\$97,088)	(\$73,875)	(\$68,628)	(\$76,190)	(\$75,562)	(\$68,521)	(\$101,653)	\$0	\$0	\$0	\$0	\$0
23	(\$6,386)	(\$5,871)	(\$6,667)	(\$6,264)	(\$6,771)	(\$6,512)	(\$6,669)	\$0	\$0	\$0	\$0	\$0
24	(\$41,841)	(\$38,713)	(\$41,440)	(\$40,290)	(\$32,075)	(\$21,475)	(\$29,485)	\$0	\$0	\$0	\$0	\$0
25	(\$250,968)	(\$32,256)	(\$35,742)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
26	(\$117,683)	(\$99,520)	(\$97,452)	(\$131,600)	(\$19,219)	(\$18,760)	(\$11,000)	\$0	\$0	\$0	\$0	\$0
27	(\$2,127,448)	(\$1,747,094)	(\$1,439,282)	(\$1,584,172)	(\$1,536,965)	(\$1,465,030)	(\$1,944,173)	\$0	\$0	\$0	\$0	\$0
28	(\$1,983,120)	(\$1,326,818)	(\$1,171,443)	(\$1,153,444)	(\$1,234,195)	(\$896,337)	(\$1,185,452)	\$0	\$0	\$0	\$0	\$0
29 Total 447 Sales for Resale	(\$11,503,112)	(\$8,726,578)	(\$6,558,192)	(\$9,106,868)	(\$6,407,122)	(\$4,879,494)	(\$10,857,205)	\$0	\$0	\$0	\$0	\$0

501 FUEL-DOLLARS

30	\$720,927	(\$7,551)	\$381,831	\$610,231	\$987,105	\$2,066,726	\$850,189	\$0	\$0	\$0	\$0	\$0
31	(\$696)	\$1,293	\$6,213	\$1,903	\$326	\$9,418	\$6,488	\$0	\$0	\$0	\$0	\$0
32	\$1,650,366	\$1,277,058	\$1,798,049	\$1,124,528	\$836,089	\$491,565	\$1,431,535	\$0	\$0	\$0	\$0	\$0
33	\$22,948	\$26,753	\$13,344	\$599	\$1,941	\$3,354	\$64,364	\$0	\$0	\$0	\$0	\$0
34 Total 501 Fuel Expense	\$2,393,545	\$1,297,553	\$2,199,437	\$1,737,261	\$1,825,461	\$2,571,063	\$2,352,576	\$0	\$0	\$0	\$0	\$0

501 FUEL-TONS

35	30,205		16,111	26,412	42,815	34,163	36,345					
36	84,543	75,306	87,235	38,332	39,752	37,393	66,441					

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
76	Cleanwater REC Exp Authorized	\$29,760	\$26,880	\$29,720	\$28,800	\$29,760	\$28,800	\$29,760	\$28,800	\$29,760	\$28,840	\$29,760
77	Cleanwater REC Actuals - 557160	\$29,760	\$26,880	\$27,916	\$28,800	\$29,760	\$45,462	\$0	\$0	\$0	\$0	\$0
78	Cleanwater REC Subtotal	\$0	\$0	(\$1,804)	\$0	\$0	\$15,702	\$0	\$0	\$0	\$0	\$0
79	Wind REC Exp Authorized	\$13,456	\$8,894	\$14,254	\$12,537	\$12,049	\$10,872	\$11,601	\$9,080	\$9,262	\$11,530	\$9,340
80	Wind REC Exp Actual 557395	(\$15,036)	(\$12,836)	(\$14,179)	(\$17,225)	(\$14,002)	(\$11,029)	\$0	\$0	\$0	\$0	\$0
81	Wind REC Subtotal	(\$1,580)	(\$3,942)	\$75	(\$4,688)	(\$1,953)	(\$157)	\$0	\$0	\$0	\$0	\$0
82	Net Resource Optimization	\$931,933	\$592,287	\$1,299,211	(\$1,252,358)	(\$845,527)	\$1,071,692					
83	Adjusted Actual Net Expense	\$20,808,350	\$18,663,056	\$18,156,690	\$9,868,658	\$8,190,137	\$8,429,034	\$12,177,274				

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	452,108	446,055	427,740	410,586						3,310,105
Deduct Prior Month Unbilled	(420,723)	(394,368)	(407,182)	(391,621)	(357,344)	(330,664)	(323,643)						(2,625,544)
Add Current Month Unbilled	394,368	407,182	391,621	357,344	330,664	323,643	331,350						2,596,171
Total Retail Sales	524,030	528,755	481,727	427,832	419,375	420,720	418,293						3,220,731
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	32,813	8,479	14,923	(308)						93,242
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	\$4,691,025
Total Revenue Credit - \$	(\$154,343)	\$2,010,491	\$22,182	\$1,650,807	\$426,600	\$750,757	(\$15,470)						

AVISTA CORPORATION

Cost of Long-Term Debt Detail - Washington
June 30, 2011

Line No.	Description	Coupon Rate	Maturity Date	Settlement Date	Principal Amount	Issuance Costs	SWAP Loss/(Gain)	Discount (Premium)	Loss/Reacq Expenses	Net Proceeds	Yield to Maturity	Principal Outstanding 6/30/2011	Effective Cost	Line No.
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)	
1	FMBS - SERIES A	7.530%	5/5/2023	5/6/1993	5,500,000	42,712	-	-	963,011	4,494,277	9.359%	5,500,000	514,744	1
2	FMBS - SERIES A	7.540%	5/5/2023	5/7/1993	1,000,000	7,766	-	-	175,412	816,822	9.375%	1,000,000	93,747	2
3	FMBS - SERIES A	7.370%	5/10/2012	5/10/1993	7,000,000	49,114	-	-	1,227,883	5,723,003	9.455%	7,000,000	661,877	3
4	FMBS - SERIES A	7.390%	5/11/2018	5/11/1993	7,000,000	54,364	-	-	1,227,883	5,717,753	9.287%	7,000,000	650,114	4
5	FMBS - SERIES A	7.450%	6/11/2018	6/9/1993	15,500,000	120,377	-	50,220	2,140,440	13,186,963	8.953%	15,500,000	1,387,715	5
6	FMBS - SERIES A	7.180%	8/11/2023	8/12/1993	7,000,000	54,364	-	-	-	6,945,636	7.244%	7,000,000	507,064	6
7	KETTLE FALLS P.C	6.000%	12/1/2023	7/29/1993	4,100,000	115,355	-	20,500	146,393	3,817,752	6.523%	4,100,000	287,441	7
8	ADVANCE ASSOCIAT	1.347%	6/1/2037	6/3/1997	40,000,000	1,296,086	-	-	(1,769,125)	40,473,039	1.309%	40,000,000	523,652	8
9	SERIES C SET UP	N/A	6/15/2013	6/15/1998	-	666,169	-	-	-	-	-	-	44,411	9
10	FMBS - 6.37%	6.370%	6/19/2028	6/19/1998	25,000,000	158,304	-	-	188,649	24,653,047	6.475%	25,000,000	1,618,863	10
11	FMBS - 5.45%	5.450%	12/1/2019	11/18/2004	90,000,000	1,192,681	-	239,400	-	88,567,919	5.608%	90,000,000	5,047,001	11
12	FMBS - 6.25%	6.250%	12/1/2035	11/17/2005	150,000,000	1,812,935	(4,446,000)	900,500	1,700,376	150,031,188	6.248%	150,000,000	9,372,302	12
13	FMBS - 5.70%	5.700%	7/1/2037	12/15/2006	150,000,000	4,702,304	3,738,000	222,000	483,583	140,854,113	6.144%	150,000,000	9,216,608	13
14	FMBS - 5.95%	5.950%	6/1/2018	4/2/2008	250,000,000	2,246,419	16,395,000	835,000	-	230,523,581	7.034%	250,000,000	17,585,352	14
15	FMBS - 5.125%	5.125%	4/1/2022	9/22/2009	250,000,000	2,284,788	(10,776,222)	575,000	2,904,144	255,012,290	4.909%	250,000,000	12,271,632	15
16	FMBS - 1.68%	1.680%	12/30/2013	12/30/2010	50,000,000	305,790	-	-	-	49,694,210	1.891%	50,000,000	945,329	16
17	FMBS - 3.89%	3.890%	12/20/2020	12/20/2010	52,000,000	383,338	-	-	6,273,664	45,342,997	5.578%	52,000,000	2,900,325	17
18	FMBS - 5.55%	5.550%	12/20/2040	12/20/2010	35,000,000	258,834	-	-	5,263,822	29,477,345	6.788%	35,000,000	2,375,887	18
19												1,139,100,000	65,984,066	19
20	Repurchase	8.85%	6/5/2028	5/24/2002	10,000,000	-	-	-	-2,228,153	12,228,153	6.981%	-	-188,084	20
21	Repurchase	8.83%	6/5/2028	4/3/2003	10,000,000	-	-	-	-407,637	10,407,637	8.435%	-	-39,616	21
22	Repurchase	8.83%	12/29/2022	3/11/2003	5,000,000	-	-	-	92,363	4,907,637	9.029%	-	10,341	22
23	Repurchase	8.37%	9/10/2012	7/7/2003	12,000,000	-	-	-	357,674	11,642,326	8.848%	-	59,291	23
24	Repurchase	1.50%	3/1/2034	12/15/2010	17,000,000	-	-	-	1,093,059	15,906,941	1.842%	-	56,760	24
25	Repurchase	1.50%	10/1/2032	12/15/2010	66,700,000	-	-	-	3,392,425	63,307,575	1.783%	-	187,762	25
26												1,139,100,000	66,070,519	26
27	Short Term Debt				82,422,921							82,422,921	2,538,436	27
28												1,221,522,921	68,608,955	28
29														29
30														30
31														31
32														32
33														33
34														34

Adjusted Weighted Average Cost of Debt

WASHINGTON'S TOTAL DEBT OUTSTANDING AND COST OF DEBT AT June 30, 2011

- 1 Average Monthly Average Rate over a twelve month period
- 2 Coupon Rate at the time of repurchase
- 3 Calculated using the Internal Rate of Return method