

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



February 14, 2012

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, January 2012

Dear Mr. Danner:

Enclosed are an original and five copies of Avista Corporation's Power Cost Deferral Report for the month of January 2012. The report includes the monthly energy recovery mechanism (ERM) accounting journal together with backup workpapers. In January actual net power costs were lower than authorized costs by \$1,159,746, which is within the \$4 M deadband. No deferral entry is made when the difference is within the \$4 M deadband.

Actual power supply expense was lower than the authorized level due primarily to low natural gas prices. The average natural gas price was \$2.83/dth compared to an authorized price of \$4.36/dth. Hydro generation was 17 aMW below the authorized level. The average power purchase price was \$36.61/MWh compared to an authorized price of \$35.36/MWh.

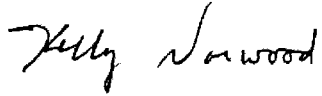
Colstrip and Kettle Falls generation was 7 aMW above and 1 aMW below the authorized levels, respectively. Gas-fired generation was 89 aMW below the authorized level. The net transmission expense (transmission expense less transmission revenue) was above the authorized level. Washington retail sales were 14 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 13 of this report for January 2012 shows the calculation of the weighted cost of debt at December 31, 2011, which will be used for the January-June 2012 period.

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STATE OF WASHINGTON
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There were no forward long-term contracts of one year or longer entered into in the month of January 2012. 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 black ink that reads "Kelly Norwood". The signature is written in a cursive, flowing style.

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 JANUARY 2012

Avista Corporation Journal Entry

Effective Date: 201201
 Journal: 481-WA.ERM
 Team: Resource Accounting
 Type: C
 Category: DJ
 Currency: USD
 Last Saved by: Cameron Dunlop
 Submitted by: Cameron Dunlop
 Approved by:
 Last Saved: 02/07/2012 11:43 AM
 Approval Requested: 02/07/2012 11:45 AM

Seq	Co.	FERC	Ser.	Jur.	S.I.	Debit	Credit	Comment
10	001	186280 - REGULATORY ASSET ERM DEFERRED CURRENT YEAR	ED	WA	DL	12,947,628.00		WA ERM Entry - Transfer out
20	001	186290 - REGULATORY ASSET ERM DEFERRED LAST YEAR	ED	WA	DL		12,947,628.00	WA ERM Entry Transfer in
30	001	431600 - INTEREST EXPENSE ENERGY DEFERRALS	ED	WA	DL	39,590.00		WA ERM Amort Interest
40	001	186290 - REGULATORY ASSET ERM DEFERRED LAST YEAR	ED	WA	DL		39,590.00	WA ERM Amort Interest
Totals:						12,987,218.00	12,987,218.00	

Prepared by Cameron Dunlop Date 2/7/12
 Reviewed by Sami Gady Date 2/7/12

Approved for Entry _____ Date _____
 Corporate Accounting use Only

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

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

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

Period	Currency	PTD	PTD Converted	YTD	YTD Converted
201113	USD	0.00		0.00	
201201	USD	-12,987,218.00		-12,987,218.00	

Journal Details Summary Balances

ERM Deferral Balance (Prior year - 2011)

Account 186290.ED.WA

Balance 12/31/11
 Transfer from Account 186280.ED.WA
 Interest
 Balance 1/31/12

<u>Amount</u>	<u>Journal ID</u>
\$0.00	
-\$12,947,628.00	481 - WA ERM
-39,590.00	481 - WA ERM
<u><u>-\$12,987,218.00</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 12/31/11 is	5.645%		Actual cost of debt at 06/30/12 is	1.000%		
The monthly rate is:	0.00470	Before Tax	The monthly rate is:	0.00083	Before Tax	
	0.0030577	After Tax		0.0005417	After Tax	
	35.00%	Tax rate		35.00%	Tax rate	
Account 186290						
12/31/2011	GL Balance including interest	(12,947,628)				\$4,531,670
January						
January		0		DFIT Expense		ADFIT
January	Interest	(39,590)	Interest	(13,857)	Nonoperating	13,857
1/31/2012	Balance before interest	(12,947,628)		(13,857)	Total	13,857
February						
February		0		DFIT Expense		ADFIT
February	Interest	(39,590)	Interest	(13,857)	Nonoperating	13,857
2/28/2012	Balance before interest	(12,947,628)		(13,857)	Total	13,857
March						
March		0		DFIT Expense		ADFIT
March	Interest	(39,590)	Interest	(13,857)	Nonoperating	13,857
3/31/2012	Balance before interest	(12,947,628)		(13,857)	Total	13,857
April						
April		0	Deferral			ADFIT
April	Interest	(39,590)	Interest	(13,857)	Nonoperating	13,857
4/30/2012	Balance before interest	(12,947,628)		(13,857)	Total	13,857
May						
May		0	Deferral			ADFIT
May	Interest	(39,590)	Interest	(13,857)	Nonoperating	13,857
5/31/2012	Balance before interest	(12,947,628)		(13,857)	Total	13,857
June						
June		0	Deferral			ADFIT
June	Interest	(39,590)	Interest	(13,857)	Nonoperating	13,857
6/30/2012	Balance before interest	(12,947,628)		(13,857)	Total	13,857
July						
July	GL Balance including interest	(13,185,168)		DFIT Expense		ADFIT
July	ERM Transfer to 182350	13,185,168	Deferral			
7/31/2012	Balance before interest	0	Interest	0	Nonoperating	0
				0	Total	0
August						
August		0	Deferral			ADFIT
August	Interest	0	Interest	0	Nonoperating	0
8/31/2012	Balance before interest	0		0	Total	0
September						
September		0	Deferral			ADFIT
September	Interest	0	Interest	0	Nonoperating	0
9/30/2012	Balance before interest	0		0	Total	0
October						
October		0	Deferral			ADFIT
October	Interest	0	Interest	0	Nonoperating	0
10/31/2012	Balance before interest	0		0	Total	0
November						
November		0	Deferral			ADFIT
November	Interest	0	Interest	0	Nonoperating	0
11/30/2012	Balance before interest	0		0	Total	0
December						
December		0	Deferral			ADFIT
December	Interest	0	Interest	0	Nonoperating	0
12/31/2012	Balance before interest	0		0	Total	0
Totals						
	GL Balance	(12,947,628)	(39,590)	ADFIT Balance		4,614,812
	Update ERM balance to include Interest		(12,987,218)			4,545,526
				Check		69,286

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 12/31/11 is		5.645%	Actual cost of debt at 06/30/12 is		5.617%
The monthly rate is:		0.00470 Before Tax	The monthly rate is:		0.00468 Before Tax
		0.0030577 After Tax			0.0030425 After Tax
		35.00% Tax rate			35.00% 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	0	Deferral	0 Operating	0
February	Interest	0	Interest	0 Nonoperating	0
2/28/2011	Balance before interest	0		0 Total	0
			March	DFIT Expense	ADFIT
March	ERM Deferral	0	Deferral	0 Operating	0
March	Interest	0	Interest	0 Nonoperating	0
3/31/2011	Balance before interest	0		0 Total	0
			April	DFIT Expense	ADFIT
April	ERM Deferral	0	Deferral	0 Operating	0
April	Interest	0	Interest	0 Nonoperating	0
4/30/2011	Balance before interest	0		0 Total	0
			May	DFIT Expense	ADFIT
May	ERM Deferral	0	Deferral	0 Operating	0
May	Interest	0	Interest	0 Nonoperating	0
5/31/2011	Balance before interest	0		0 Total	0
			June	DFIT Expense	ADFIT
June	ERM Deferral	0	Deferral	0 Operating	0
June	Interest	0	Interest	0 Nonoperating	0
6/30/2011	Balance before interest	0		0 Total	0
	GL Balance including interest	0			
			July	DFIT Expense	ADFIT
July	ERM Deferral	0	Deferral	0 Operating	0
July	Interest	0	Interest	0 Nonoperating	0
7/31/2011	Balance before interest	0		0 Total	0
			August	DFIT Expense	ADFIT
August	ERM Deferral	0	Deferral	0 Operating	0
August	Interest	0	Interest	0 Nonoperating	0
8/31/2011	Balance before interest	0		0 Total	0
			September	DFIT Expense	ADFIT
September	ERM Deferral	0	Deferral	0 Operating	0
September	Interest	0	Interest	0 Nonoperating	0
9/30/2011	Balance before interest	0		0 Total	0
			October	DFIT Expense	ADFIT
October	ERM Deferral	0	Deferral	0 Operating	0
October	Interest	0	Interest	0 Nonoperating	0
10/31/2011	Balance before interest	0		0 Total	0
			November	DFIT Expense	ADFIT
November	ERM Deferral	0	Deferral	0 Operating	0
November	Interest	0	Interest	0 Nonoperating	0
11/30/2011	Balance before interest	0		0 Total	0
			December	DFIT Expense	ADFIT
December	ERM Deferral	0	Deferral	0 Operating	0
December	Interest	0	Interest	0 Nonoperating	0
12/31/2011	Balance before interest	0		0 Total	0

Avista Corp. - Resource Accounting
WASHINGTON POWER COST DEFERRALS

Line No.	WASHINGTON ACTUALS	Jan-12	Feb-12	Mar-12	Apr-12	May-12	Jun-12	Jul-12	Aug-12	Sep-12	Oct-12	Nov-12	Dec-12
1	555 Purchased Power	\$23,141,987	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2	447 Sale for Resale	(\$13,950,055)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
3	501 Thermal Fuel	\$2,994,673	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
4	547 CT Fuel	\$8,638,904	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
5	456 Transmission Revenue	(\$990,722)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
6	565 Transmission Expense	\$1,495,285	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
7	557 Broker Fees	\$77,415	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
8	Less Cleantwater directly assigned to ID	(\$1,684,910)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
9	Adjusted Actual Net Expense	\$19,722,577	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
AUTHORIZED NET EXPENSE-SYSTEM													
10	555 Purchased Power	\$12,917,361	\$11,733,560	\$11,415,839	\$9,228,929	\$6,768,390	\$7,014,446	\$8,036,703	\$9,562,739	\$7,187,284	\$7,175,099	\$10,508,310	\$11,173,530
11	447 Sale for Resale	(\$4,971,201)	(\$4,445,361)	(\$3,677,772)	(\$3,285,131)	(\$3,661,500)	(\$2,904,168)	(\$4,522,777)	(\$2,695,392)	(\$4,625,192)	(\$5,333,974)	(\$6,423,358)	(\$4,412,315)
12	501 Thermal Fuel	\$3,077,916	\$2,852,038	\$2,928,523	\$2,181,146	\$1,469,354	\$1,158,870	\$2,765,418	\$3,115,273	\$3,016,531	\$3,166,434	\$3,066,764	\$3,109,968
13	547 CT Fuel	\$10,117,831	\$9,188,887	\$6,347,309	\$3,075,716	\$1,946,215	\$2,204,865	\$7,105,068	\$10,387,613	\$10,550,699	\$12,365,545	\$12,581,796	\$12,215,779
14	456 Transmission Revenue	(\$1,089,933)	(\$819,912)	(\$917,298)	(\$784,567)	(\$999,459)	(\$1,185,338)	(\$1,148,996)	(\$1,062,294)	(\$1,047,237)	(\$1,035,702)	(\$984,334)	(\$842,050)
15	565 Transmission Expense	\$1,526,636	\$1,474,958	\$1,529,717	\$1,425,005	\$1,430,460	\$1,438,762	\$1,477,824	\$1,441,409	\$1,454,077	\$1,433,340	\$1,473,058	\$1,535,929
16	557 Broker Fees	\$30,500	\$30,500	\$30,500	\$30,500	\$30,500	\$30,500	\$30,500	\$30,500	\$30,500	\$30,500	\$30,500	\$30,500
17	Authorized Net Expense	\$21,609,110	\$20,014,670	\$17,656,818	\$11,871,598	\$6,983,960	\$7,757,937	\$13,743,740	\$20,779,848	\$16,566,642	\$17,821,242	\$20,252,736	\$22,811,341
18	Actual - Authorized Net Expense	(\$1,886,533)											
19	Resource Optimization	/\$891,615											
20	Adjusted Net Expense	(\$994,918)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
21	Washington Allocation	65.16%	65.16%	65.16%	65.16%	65.16%	65.16%	65.16%	65.16%	65.16%	65.16%	65.16%	65.16%
22	Washington Share	(\$648,289)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
23	WA Retail Revenue Adjustment (+) Surcharge (-) Rebate	(\$511,457)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
24	Net Power Cost (+) Surcharge (-) Rebate	(\$1,159,746)											
25	Cumulative Balance	(\$1,159,746)											
	Deferral Amount, Cumulative (Customer)	\$0											
	Deferral Amount, Monthly	\$0											
	Act 557280 Entry; (+) Rebate, (-) Surcharge	\$0											
	Company Band Gross Margin Impact, Cumulative	(\$1,159,746)											

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

Line No.	Jan-12	Feb-12	Mar-12	Apr-12	May-12	Jun-12	Jul-12	Aug-12	Sep-12	Oct-12	Nov-12	Dec-12
555 PURCHASED POWER												
1	\$14,268,874	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2	\$890,965	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
3	\$30,466	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
4	\$150,203	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
5	\$506,303	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
6	\$3,591,877	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
7	\$633	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
8	\$104,648	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
9	\$191,934	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
10	\$170,615	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
11	\$328,047	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
12	\$2,111,292	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
13	\$1,684,910	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
14	\$60,602	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
15	(\$27,951)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
16 Total 555 Purchased Power	\$23,141,987	\$0	\$0	\$0	\$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												
17	(\$9,802,147)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
18	(\$145,065)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
19	(\$90,416)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
20	(\$6,838)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
21	(\$39,497)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
22	(\$1,864,700)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
23	(\$2,001,372)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
24 Total 447 Sales for Resale	(\$13,950,055)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
501 FUEL-DOLLARS												
25	\$1,075,902	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
26	(\$558)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
27	\$1,898,492	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
28	\$20,837	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
29 Total 501 Fuel Expense	\$2,994,673	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
501 FUEL-TONS												
30	50,240	-	-	-	-	-	-	-	-	-	-	-
31	92,859	-	-	-	-	-	-	-	-	-	-	-

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

Line No.	Jan-12	Feb-12	Mar-12	Apr-12	May-12	Jun-12	Jul-12	Aug-12	Sep-12	Oct-12	Nov-12	Dec-12
501 FUEL-COST PER TON												
32												
	wood	\$21.42										
33	coal	\$20.42										
547 FUEL												
34	NE CT Gas/Oil-547213	\$2,305	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
35	Boulder Park-547216	\$42,073	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
36	Kettle Falls CT-547211	\$16,754	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
37	Coyote Springs2-547610	\$4,518,965	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
38	Lancaster-547312	\$4,045,593	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
39	Rathdrum CT-547310	\$13,214	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
40	Total 547 Fuel Expense	\$8,638,904	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
41 TOTAL NET EXPENSE												
41		\$20,825,509	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
456 TRANSMISSION REVENUE												
42	456100 ED AN	(\$913,310)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
43	456705 ED AN	(\$77,412)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
44	Total 456 Transmission Revenue	(\$990,722)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
565 TRANSMISSION EXPENSE												
45	565000 ED AN	\$1,493,255	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
46	565312 ED AN	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
47	565710 ED AN	\$2,030	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
48	Total 565 Transmission Expense	\$1,495,285	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
49 Total 557170 ED AN Broker Fees												
49		\$77,415	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
RESOURCE OPTIMIZATION												
50	Econ Dispatch-557010	(\$2,032,479)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
51	Econ Dispatch-557150	\$5,918,543	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
52	Gas Bookouts-557700	\$223,650	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
53	Gas Bookouts-557711	(\$223,650)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
54	Intraco Thermal Gas-557730	\$2,715,887	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
55	Fuel DispatchFin -456010	\$1,083,256	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
56	Fuel Dispatch-456015	(\$2,946,855)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
57	Intraco Thermal Gas-456730	(\$3,605,893)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
58	Fuel Bookouts-456711	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
59	Fuel Bookouts-456720	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
60	Resource Optimizaton Subtotal	\$1,132,459	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
61 Misc Rev's 456016 ED AN												
61		(\$227,500)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

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

Line No.	Jan-12	Feb-12	Mar-12	Apr-12	May-12	Jun-12	Jul-12	Aug-12	Sep-12	Oct-12	Nov-12	Dec-12
62	\$29,760	\$27,840	\$29,760	\$28,760	\$29,760	\$28,800	\$29,760	\$29,760	\$28,800	\$29,800	\$28,800	\$29,760
63	\$29,760	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
64	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
65	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
66	(\$13,344)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
67	(\$13,344)											
68	\$891,615											
69	\$22,299,102											

Avista Corp. - Resource Accounting
 Washington Electric Jurisdiction
Energy Recovery Mechanism (ERM) Retail Revenue Credit Calculation - 2012

Retail Sales - MWh	Jan-12	Feb-12	Mar-12	Apr-12	May-12	Jun-12	Jul-12	Aug-12	Sep-12	Oct-12	Nov-12	Dec-12	YTD
Total Billed Sales	534,756												534,756
Deduct Prior Month Unbilled	(405,057)	(391,199)											(796,256)
Add Current Month Unbilled	391,199												391,199
Total Retail Sales	520,898	(391,199)											129,699
Test Year Retail Sales	510,744	483,398	466,836	426,802	396,288	410,509	447,904	483,473	416,772	464,738	481,280	549,631	5,528,276
Difference from Test Year	10,154												10,154
Production Rate - \$/MWh	\$50.37	\$50.37	\$50.37	\$50.37	\$50.37	\$50.37	\$50.37	\$50.37	\$50.37	\$50.37	\$50.37	\$50.37	\$511,457
Total Revenue Credit - \$	\$511,457												\$511,457

Value to Put in Deferral Calculation Spreadsheet	Jan-12	Feb-12	Mar-12	Apr-12	May-12	Jun-12	Jul-12	Aug-12	Sep-12	Oct-12	Nov-12	Dec-12	YTD
Actual	(\$511,457)												(\$511,457)
Rebate													Rebate
Budget	(\$1,785,275)												(\$1,785,275)
Rebate													Rebate
Surcharge	(\$524,815)	(\$1,695,004)	(\$2,435,185)	(\$27,425)	(\$2,435,185)	(\$802,208)	(\$1,261,770)	(\$336,125)	(\$977,416)	\$183,118	\$109,544	(\$248,633)	(\$9,679,983)
Rebate													Rebate
Surcharge													Surcharge
Forecast	(\$1,765,275)												(\$1,765,275)
Rebate													Rebate
Surcharge													Surcharge

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 12/31/2011	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%	6/1/2018	6/9/1993	15,500,000	120,377	-	50,220	2,140,440	13,188,963	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	-	-	1,46,393	6,945,636	7.244%	7,000,000	507,064	6
7	KEITTLE 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	267,441	7
8	ADVANCE ASSOCIAT	1.309%	6/1/2037	6/3/1997	40,000,000	1,296,086	-	-	(1,769,125)	40,473,039	1.271%	40,000,000	508,447	8
9	Series C Setup C	N/A	6/15/2013	6/15/1998	-	666,169	-	-	-	-	-	-	44,411	9
10	FMBS - SERIES	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 - SERIES	5.450%	12/1/2019	11/18/2004	90,000,000	1,192,681	-	239,400	1,700,376	88,567,919	5.608%	90,000,000	5,047,003	11
12	FMBS - 6.25%	6.250%	12/1/2035	11/17/2005	150,000,000	1,812,935	(4,445,000)	367,500	1,700,376	150,564,188	6.222%	150,000,000	9,332,891	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	5.95% SERIES	5.950%	6/1/2018	4/2/2008	250,000,000	2,246,419	18,395,000	835,000	2,875,817	230,523,581	7.034%	250,000,000	17,585,352	14
15	5.125% SERIES	5.125%	4/1/2022	9/22/2009	250,000,000	2,284,788	(10,776,222)	575,000	2,875,817	255,040,618	4.907%	250,000,000	12,268,615	15
16	1.68% SERIES	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	3.89% SERIES	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	5.55% SERIES	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	4.450% SERIES	4.450%	12/14/2041	12/14/2011	85,000,000	682,771	10,557,000	-	-	73,760,229	5.339%	85,000,000	4,538,120	19
20												1,224,100,000	70,464,553	20
21														21
22	Repurchase	8.85%	6/5/2028	5/24/2002	10,000,000	-	-	-	-2,228,153	12,228,153	6.981%	3	-188,084	22
23	Repurchase	8.83%	6/5/2028	4/9/2003	10,000,000	-	-	-	-407,637	10,407,637	8.435%	3	-39,616	23
24	Repurchase	8.83%	12/29/2022	3/11/2003	5,000,000	-	-	-	92,363	4,907,637	9.029%	3	10,341	24
25	Repurchase	8.37%	9/10/2012	7/7/2003	12,000,000	-	-	-	357,674	11,642,326	8.848%	3	59,291	25
26	Repurchase	1.50%	3/1/2034	12/15/2010	17,000,000	-	-	-	1,093,059	15,906,941	1.842%	3	56,760	26
27	Repurchase	1.50%	10/1/2032	12/15/2010	66,700,000	-	-	-	3,392,425	63,307,575	1.783%	3	187,762	27
28												1,224,100,000	70,551,006	28
29												77,491,222	2,925,578	29
30												1,301,591,222	73,476,564	30
31														31
32														32
33														33
34														34
35														35
36														36

Adjusted Weighted Average Cost of Debt

WASHINGTON'S TOTAL DEBT OUTSTANDING AND COST OF DEBT AT December 31, 2011

3 Short Term-Debt

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