

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



March 13, 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, February 2012

Dear Mr. Danner:

Enclosed are an original and five copies of Avista Corporation's Power Cost Deferral Report for the month of February 2012. The report includes the monthly energy recovery mechanism (ERM) accounting journal together with backup workpapers. In February actual net power costs were lower than authorized costs by \$1,944,836. The year-to-date difference is \$3,104,582 in the rebate direction, which is within the \$4 M deadband. When the difference is within the \$4 M deadband, no deferral entry is made.

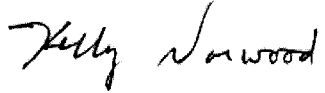
Actual power supply expense was lower than the authorized level due primarily to low natural gas prices. The average natural gas price was \$2.56/dth compared to an authorized price of \$4.35/dth. Hydro generation was 58 aMW below the authorized level. The average power purchase price was \$37.52/MWh compared to an authorized price of \$33.64/MWh.

Colstrip and Kettle Falls generation was 19 aMW above and less than 1 aMW above the authorized levels, respectively. Gas-fired generation was 70 aMW below the authorized level. The net transmission expense (transmission expense less transmission revenue) was above the authorized level. Washington retail sales were 28 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 the 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.

There were no forward long-term contracts of one year or longer entered into in the month of February 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: 201202

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

Last Saved by: Amy Parsons  
 Submitted by: Amy Parsons  
 Approved by:

Last Saved: 03/07/2012 4:10 PM  
 Approval Requested: 03/07/2012 4:14 PM

Seq	Co.	FERC	Set.	Jur.	S.I.	Debit	Credit	Comment
10	001	431600 - INTEREST EXPENSE ENERGY DEFERRALS	ED	WA	DL	39,590.00		WA ERM Amort Interest
20	001	186290 - REGULATORY ASSET ERM DEFERRED LAST YEAR	ED	WA	DL		39,590.00	WA ERM Amort Interest
<b>Totals:</b>						<b>39,590.00</b>	<b>39,590.00</b>	

*Amy Parsons*  
 Prepared by: Amy Parsons  
 Date: 3/7/12

*[Signature]*  
 Reviewed by:  
 Date: 3/7/12

Approved for Entry  
 Corporate Accounting use Only  
 Date

**Explanation:**

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





Detail Balances (AVISTA CORP) - 001.182350.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	0.00		0.00	
201202	USD	0.00		0.00	

Journal Details      Summary Balances

**Recoverable Deferral Balance**

**Account 182350.ED.WA**

Balance 1/31/12  
 Interest  
 Balance 2/29/12

<u>Amount</u>	<u>Journal ID</u>
\$0.00	
0.00	481 - WA ERM
<u>\$0.00</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
<b>Account 186290</b>							
12-31-2011	GL Balance including interest	(12,947,628)					\$4,531,670
January		0		January	DFIT Expense		ADFIT
January	Interest		(39,590)	Interest	(13,857)	Nonoperating	13,857
01-31-2012	Balance before interest	(12,947,628)			(13,857)	Total	13,857
February		0		February	DFIT Expense		ADFIT
February	Interest		(39,590)	Interest	(13,857)	Nonoperating	13,857
02-28-2012	Balance before interest	(12,947,628)			(13,857)	Total	13,857
March		0		March	DFIT Expense		ADFIT
March	Interest		(39,590)	Interest	(13,857)	Nonoperating	13,857
03-31-2012	Balance before interest	(12,947,628)			(13,857)	Total	13,857
April		0		April	DFIT Expense		ADFIT
April	Interest		(39,590)	Deferral		Nonoperating	13,857
04-30-2012	Balance before interest	(12,947,628)		Interest	(13,857)	Total	13,857
May		0		May	DFIT Expense		ADFIT
May	Interest		(39,590)	Deferral		Nonoperating	13,857
05-31-2012	Balance before interest	(12,947,628)		Interest	(13,857)	Total	13,857
June		0		June	DFIT Expense		ADFIT
June	Interest		(39,590)	Deferral		Nonoperating	13,857
06-30-2012	Balance before interest	(12,947,628)		Interest	(13,857)	Total	13,857
July				July	DFIT Expense		ADFIT
July	GL Balance including interest	(13,185,168)		Deferral		Nonoperating	0
July	ERM Transfer to 182350	13,185,168		Interest	0	Total	0
07-31-2012	Balance before interest	0		Interest	0	Total	0
August		0		August	DFIT Expense		ADFIT
August	Interest		0	Deferral		Nonoperating	0
08-31-2012	Balance before interest	0		Interest	0	Total	0
September		0		September	DFIT Expense		ADFIT
September	Interest		0	Deferral		Nonoperating	0
09-30-2012	Balance before interest	0		Interest	0	Total	0
October		0		October	DFIT Expense		ADFIT
October	Interest		0	Deferral		Nonoperating	0
10-31-2012	Balance before interest	0		Interest	0	Total	0
November		0		November	DFIT Expense		ADFIT
November	Interest		0	Deferral		Nonoperating	0
11-30-2012	Balance before interest	0		Interest	0	Total	0
December		0		December	DFIT Expense		ADFIT
December	Interest		0	Deferral		Nonoperating	0
12-31-2012	Balance before interest	0		Interest	0	Total	0
<b>GL Balance</b>		<b>(12,947,628)</b>	<b>(39,590)</b>	<b>ADFIT Balance</b>			<b>4,614,812</b>
Update ERM balance to include Interest			(12,987,218)				4,545,526
						<b>Check</b>	69,286

Avesta 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	\$23,141,387	\$20,794,370	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2	447 Sale for Resale	(\$13,950,055)	(\$12,418,742)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
3	501 Thermal Fuel	\$2,994,673	\$2,060,120	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
4	547 CT Fuel	\$8,638,904	\$7,667,226	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
5	456 Transmission Revenue	(\$990,722)	(\$725,693)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
6	565 Transmission Expense	\$1,495,285	\$1,530,877	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
7	557 Broker Fees	\$77,415	\$62,390	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
8	Less Cleanwater directly assigned to ID	(\$1,584,910)	(\$1,538,596)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
9	<b>Adjusted Actual Net Expense</b>	<b>\$19,722,577</b>	<b>\$17,431,952</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>AUTHORIZED NET EXPENSE-SYSTEM</b>													
10	555 Purchased Power	\$12,917,361	\$11,733,560	\$11,415,639	\$9,228,929	\$6,768,390	\$7,014,446	\$8,036,703	\$9,562,739	\$7,187,264	\$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)	(\$5,333,374)	(\$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	\$3,109,988
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	\$12,385,545	\$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)	(\$984,394)	(\$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	<b>Authorized Net Expense</b>	<b>\$21,609,110</b>	<b>\$20,014,870</b>	<b>\$17,656,818</b>	<b>\$11,871,598</b>	<b>\$6,983,950</b>	<b>\$7,757,937</b>	<b>\$13,743,740</b>	<b>\$20,779,848</b>	<b>\$16,566,642</b>	<b>\$17,821,242</b>	<b>\$20,252,736</b>	<b>\$22,811,341</b>
18	<b>Actual - Authorized Net Expense</b>	<b>(\$1,886,533)</b>	<b>(\$2,582,718)</b>										
19	Resource Optimization	\$891,615	\$1,114,023										
20	Adjusted Net Expense	(\$994,918)	(\$1,468,695)	\$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)	(\$957,002)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
23	WA Retail Revenue Adjustment (+) Surcharge (-) Rebate	(\$511,457)	(\$987,834)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
24	<b>Net Power Cost (+) Surcharge (-) Rebate</b>	<b>(\$1,159,746)</b>	<b>(\$1,944,836)</b>										
25	<b>Cumulative Balance</b>	<b>(\$1,159,746)</b>	<b>(\$3,104,582)</b>										
	Deferral Amount, Cumulative (Customer)	\$0	\$0										
	Deferral Amount, Monthly	\$0	\$0										
	<b>Acct 557280 Entry; (+) Rebate, (-) Surcharge</b>	<b>\$0</b>	<b>\$0</b>										
	<b>Company Band Gross Margin Impact, Cumulative</b>	<b>(\$1,159,746)</b>	<b>(\$3,104,582)</b>										

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
<b>555 PURCHASED POWER</b>												
1		\$14,268,874	\$12,428,579	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2		\$890,965	\$890,965	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
3		\$30,466	\$30,466	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
4		\$150,203	\$150,203	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
5		\$506,303	\$506,303	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
6		\$3,591,877	\$3,245,650	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
7		\$633	\$543	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
8		\$104,648	\$133,402	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
9		\$191,934	\$177,148	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
10		\$170,615	\$227,490	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
11		\$328,047	\$277,952	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
12		\$2,111,292	\$2,126,325	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
13		\$1,684,910	\$1,538,596	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
14		\$60,602	\$57,260	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
15		(\$27,951)	(\$75,081)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
16		\$23,141,987	\$20,794,370	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>447 SALES FOR RESALE</b>												
17		(\$9,802,147)	(\$8,428,516)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
18		(\$145,085)	(\$146,215)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
19		(\$90,416)	(\$76,912)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
20		(\$6,838)	(\$6,571)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
21		(\$39,497)	(\$35,596)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
22		(\$1,664,700)	(\$1,460,370)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
23		(\$2,001,372)	(\$2,262,572)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
24		(\$13,960,065)	(\$12,418,742)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>501 FUEL-DOLLARS</b>												
25		\$1,075,902	\$899,553	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
26		(\$358)	\$52	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
27		\$1,898,492	\$1,147,168	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
28		\$20,837	\$13,347	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
29		\$2,994,873	\$2,060,120	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>501 FUEL-TONS</b>												
30		50,240	43,210	-	-	-	-	-	-	-	-	-
31		92,959	91,685	-	-	-	-	-	-	-	-	-
<b>501 FUEL-COST PER TON</b>												
32		\$21.42	\$20.82	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
33		\$20.42	\$12.51	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>547 FUEL</b>												
34		\$2,305	(\$8)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
35		\$42,073	\$6,367	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
36		\$16,754	(\$316)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
37		\$4,518,965	\$3,925,119	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
38		\$4,045,583	\$3,734,764	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
39		\$13,214	\$1,300	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
40		\$8,638,904	\$7,667,226	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>41 TOTAL NET EXPENSE</b>												
41		\$20,626,609	\$16,102,974	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>456 TRANSMISSION REVENUE</b>												
42		(\$913,310)	(\$648,281)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
43		(\$77,412)	(\$77,412)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
44		(\$990,722)	(\$725,693)	\$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

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
<b>565 TRANSMISSION EXPENSE</b>												
45	\$1,483,255	\$1,528,847	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
46	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
47	\$2,030	\$2,030	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
48	<b>\$1,485,285</b>	<b>\$1,530,877</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
49	<b>\$77,415</b>	<b>\$62,390</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>RESOURCE OPTIMIZATION</b>												
50	(\$2,032,479)	(\$809,160)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
51	\$5,918,543	\$8,778,373	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
52	\$223,650	\$2,426,636	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
53	(\$223,650)	(\$2,426,636)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
54	\$2,715,887	\$7,242,610	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
55	\$1,083,256	\$236,776	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
56	(\$2,946,855)	(\$4,206,969)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
57	(\$3,605,893)	(\$10,218,795)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
58	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
59	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
60	<b>\$1,132,469</b>	<b>\$1,022,835</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
61	REC Rev in Base Rates	\$0	(\$70,833)	(\$70,833)	(\$70,833)	(\$70,833)	(\$70,833)	(\$70,833)	(\$70,833)	(\$70,833)	(\$70,833)	(\$70,833)
62	Misc Rev's 466016 ED AN	(\$227,500)	(\$125,000)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
63	<b>REC Revenue Subtotal</b>	<b>(\$227,500)</b>	<b>\$70,833</b>	<b>\$70,833</b>	<b>\$70,833</b>	<b>\$70,833</b>	<b>\$70,833</b>	<b>\$70,833</b>	<b>\$70,833</b>	<b>\$70,833</b>	<b>\$70,833</b>	<b>\$70,833</b>
64	REC Exp Authorized	\$28,760	\$27,840	\$28,760	\$29,760	\$28,800	\$29,760	\$29,760	\$28,800	\$29,800	\$28,800	\$29,760
65	Cleanwater REC - 557160 ED AN	\$28,760	\$27,840	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
66	<b>REC Purchases Subtotal</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
67	Wind REC Exp Authorized	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
68	Wind REC Exp Actual 557395	(\$13,344)	(\$11,312)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
69	<b>Wind REC Subtotal</b>	<b>(\$13,344)</b>	<b>(\$11,312)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
70	<b>Net Resource Optimization</b>	<b>\$891,615</b>	<b>\$1,114,023</b>									
71	<b>Adjusted Actual Net Expense</b>	<b>\$22,299,102</b>	<b>\$20,084,671</b>									

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	518,002											1,052,759
Deduct Prior Month Unbilled	(405,057)	(391,199)	(376,206)										(1,172,462)
Add Current Month Unbilled	391,199	376,206											767,405
<b>Total Retail Sales</b>	<b>520,898</b>	<b>503,009</b>	<b>(376,206)</b>										<b>647,701</b>
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	549,531	5,528,276
Difference from Test Year	10,154	19,612											29,766
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	\$50.37
<b>Total Revenue Credit - \$</b>	<b>\$511,457</b>	<b>\$987,834</b>											<b>\$1,499,292</b>

Value to Put in Deferral Calculator 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
<b>Actual</b>	<b>(\$511,457)</b>	<b>(\$987,834)</b>											<b>(\$1,499,292)</b>
Rebate	Rebate	Rebate	Rebate	Rebate	Rebate	Rebate	Rebate	Rebate	Rebate	Rebate	Rebate	Rebate	Rebate
Budget	(\$1,765,275)	(\$524,815)	(\$1,695,804)	(\$27,425)	(\$2,435,185)	(\$802,206)	(\$1,281,770)	(\$336,125)	(\$877,416)	\$183,116	\$109,544	(\$246,533)	(8,678,993)
Rebate	Rebate	Rebate	Rebate	Rebate	Rebate	Rebate	Rebate	Rebate	Rebate	Rebate	Rebate	Rebate	Rebate
Forecast	(\$1,765,275)												(\$1,765,275)
Rebate	Rebate												Rebate
Surcharge	Surcharge	Surcharge	Surcharge	Surcharge	Surcharge	Surcharge	Surcharge	Surcharge	Surcharge	Surcharge	Surcharge	Surcharge	Surcharge