

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



April 10, 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, March 2012

Dear Mr. Danner:

Enclosed are an original and five copies of Avista Corporation's Power Cost Deferral Report for the month of March 2012. 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 \$1,514,000. The year-to-date difference is \$4,618,582 in the rebate direction. A deferral entry of \$463,937 was made in the rebate direction, which reflects 75% of the amount above the \$4 M deadband.

Actual power supply expense was lower than the authorized level due primarily to increased hydro generation and low natural gas and power prices. Hydro generation was 101 aMW above the authorized level. The average natural gas price was \$2.66/dth compared to an authorized price of \$4.31/dth. The average power purchase price was \$22.20/MWh compared to an authorized price of \$33.68/MWh.

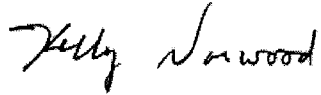
Colstrip and Kettle Falls generation was 2 aMW and 26 aMW below the authorized levels, respectively. Gas-fired generation was 98 aMW below the authorized level. The net transmission expense (transmission expense less transmission revenue) was above the authorized level. Washington retail sales were 24 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.

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UTIL. AND TRANSP.  
COMMISSION

There were no forward long-term contracts of one year or longer entered into in the month of March 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 MARCH 2012

### Avista Corporation Journal Entry

Effective Date: 201203

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: 04/05/2012 5:41 PM  
 Approval Requested: 04/05/2012 5:41 PM

Seq	Co.	FERC	Ser.	Jur.	S.L.	Debit	Credit	Comment
10	001	431600 - INTEREST EXPENSE ENERGY DEFERRALS	ED	WA	DL	39,590.00		Prior Year Interest Accrual
20	001	186290 - REGULATORY ASSET ERM DEFERRED	ED	WA	DL		39,590.00	Prior Year Interest Accrual
30	001	186280 - REGULATORY ASSET ERM DEFERRED	ED	WA	DL		463,937.00	WA ERM Deferral
40	001	557280 - DEFERRED POWER SUPPLY EXPENSE	ED	WA	DL	463,937.00		WA ERM Deferral
50	001	431600 - INTEREST EXPENSE ENERGY DEFERRALS	ED	WA	DL	709.00		WA ERM Interest Accrual
60	001	186280 - REGULATORY ASSET ERM DEFERRED	ED	WA	DL		709.00	WA ERM Interest Accrual
<b>Totals:</b>						<b>504,236.00</b>	<b>504,236.00</b>	

Amy Parsons  
 Prepared by Amy Parsons  
 Date: 4/5/12

Jami Gudge  
 Reviewed by  
 Date: 4/5/12

\_\_\_\_\_  
 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) - 001.186280.ED.WA DL					
Balance Type			Currency Type		
Actual			Total		
Period	Currency	PTD	PTD Converted	YTD	YTD Converted
201113	USD	0.00		12,947,628.00	
201201	USD	12,947,628.00		0.00	
201202	USD	0.00		0.00	
201203	USD	464,646.00		464,646.00	

**ERM Deferral Balance (Current Year - 2012)**

**Account 186280.ED.WA**

	Amount	Journal ID
Balance 2/29/12	\$0.00	
Deferral	-463,937.00	481 - WA ERM
Interest	-709.00	481 - WA ERM
Balance 3/31/12	-\$464,646.00	

Year to date deferrals	-\$463,937.00
Year to date interest	-709.00
Balance in account	-\$464,646.00

	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%	-618,582.00	-154,645.00	-463,937.00
Over \$10,000,000 at 10%	0.00	0.00	0.00
Total	-\$4,618,582.00	-\$4,154,645.00	-\$463,937.00

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

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

Period	Currency	PTD	PTD Converted	YTD	YTD Converted
<del>201113</del>	USD	0.00		0.00	
201201	USD	-12,987,218.00		-12,987,218.00	
201202	USD	-39,590.00		-13,026,808.00	
201203	USD	-39,590.00		-13,066,398.00	

Journal Details      Summary Balances

**ERM Deferral Balance (Prior year - 2011)**

**Account 186290.ED.WA**

Balance 2/29/12

Interest

Balance 3/31/12

Amount

-\$13,026,808.00

-39,590.00

-\$13,066,398.00

Journal ID

481 - WA ERM

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	
201203	USD	0.00		0.00	

Journal Details      Summary Balances

<b>Recoverable Deferral Balance</b>		<u>Amount</u>	<u>Journal ID</u>
<b>Account 182350.ED.WA</b>			
Balance 2/29/12		\$0.00	
Interest		0.00	481 - WA ERM
Balance 3/31/12		<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
<b>201113</b>	USD	0.00		4,531,670.68	
201201	USD	13,856.50		4,545,527.18	
201202	USD	13,856.50		4,559,383.68	
201203	USD	176,482.60		4,735,866.28	

Journal Details      Summary Balances

**DFIT Associated with ERM Deferrals**  
**Account 283280.ED.WA**

Account 186280.ED.WA balance	-\$464,646.00
Account 186290.ED.WA balance	-13,066,398.00
Account 182350.ED.WA balance	0.00
Total	<u>-\$13,531,044.00</u>
Federal income tax rate	-35%
Deferred FIT related to deferrals	<u>\$4,735,865</u>
Rounding	1
Balance in account	<u><u>\$4,735,866</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		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	
<b>Account 186280</b>							
				<u>January</u>		<u>DFIT Expense</u>	
						<u>ADFIT</u>	
January	ERM Deferral	0		Deferral	0	Operating	0
January	Interest		0	Interest	0	Nonoperating	0
01-31-2012	Balance before interest	0			0	Total	0
				<u>February</u>		<u>DFIT Expense</u>	
						<u>ADFIT</u>	
February	ERM Deferral	0		Deferral	0	Operating	0
February	Interest		0	Interest	0	Nonoperating	0
02-29-2012	Balance before interest	0			0	Total	0
				<u>March</u>		<u>DFIT Expense</u>	
						<u>ADFIT</u>	
March	ERM Deferral	(463,937)		Deferral	(162,378)	Operating	162,378
March	Interest		(709)	Interest	(248)	Nonoperating	248
03-31-2012	Balance before interest	(463,937)			(162,626)	Total	162,626
				<u>April</u>		<u>DFIT Expense</u>	
						<u>ADFIT</u>	
April	ERM Deferral	0		Deferral	0	Operating	0
April	Interest		(1,419)	Interest	(497)	Nonoperating	497
04-30-2012	Balance before interest	(463,937)			(497)	Total	497
				<u>May</u>		<u>DFIT Expense</u>	
						<u>ADFIT</u>	
May	ERM Deferral	0		Deferral	0	Operating	0
May	Interest		(1,419)	Interest	(497)	Nonoperating	497
05-31-2012	Balance before interest	(463,937)			(497)	Total	497
				<u>June</u>		<u>DFIT Expense</u>	
						<u>ADFIT</u>	
June	ERM Deferral	0		Deferral	0	Operating	0
June	Interest		(1,419)	Interest	(497)	Nonoperating	497
06-30-2012	Balance before interest	(463,937)			(497)	Total	497
				<u>July</u>		<u>DFIT Expense</u>	
						<u>ADFIT</u>	
July	GL Balance including interest	(468,903)		Deferral	0	Operating	0
July	ERM Deferral	0		Interest	(499)	Nonoperating	499
July	Interest		(1,427)		(499)	Total	499
07-31-2012	Balance before interest	(468,903)					
				<u>August</u>		<u>DFIT Expense</u>	
						<u>ADFIT</u>	
August	ERM Deferral	0		Deferral	0	Operating	0
August	Interest		(1,427)	Interest	(499)	Nonoperating	499
08-31-2012	Balance before interest	(468,903)			(499)	Total	499
				<u>September</u>		<u>DFIT Expense</u>	
						<u>ADFIT</u>	
September	ERM Deferral	0		Deferral	0	Operating	0
September	Interest		(1,427)	Interest	(499)	Nonoperating	499
09-30-2012	Balance before interest	(468,903)			(499)	Total	499
				<u>October</u>		<u>DFIT Expense</u>	
						<u>ADFIT</u>	
October	ERM Deferral	0		Deferral	0	Operating	0
October	Interest		(1,427)	Interest	(499)	Nonoperating	499
10-31-2012	Balance before interest	(468,903)			(499)	Total	499
				<u>November</u>		<u>DFIT Expense</u>	
						<u>ADFIT</u>	
November	ERM Deferral	0		Deferral	0	Operating	0
November	Interest		(1,427)	Interest	(499)	Nonoperating	499
11-30-2012	Balance before interest	(468,903)			(499)	Total	499
				<u>December</u>		<u>DFIT Expense</u>	
						<u>ADFIT</u>	
December	ERM Deferral	0		Deferral	0	Operating	0
December	Interest		(1,427)	Interest	(499)	Nonoperating	499
12-31-2012	Balance before interest	(468,903)			(499)	Total	499

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
		0.0030577	After Tax			0.0005417
		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
				<u>January</u>	<u>DFIT Expense</u>	<u>ADFIT</u>
January		0				
January	Interest		(39,590)	Interest	(13,857)	Nonoperating 13,857
01-31-2012	Balance before interest	(12,947,628)			(13,857)	Total 13,857
				<u>February</u>	<u>DFIT Expense</u>	<u>ADFIT</u>
February		0				
February	Interest		(39,590)	Interest	(13,857)	Nonoperating 13,857
02-28-2012	Balance before interest	(12,947,628)			(13,857)	Total 13,857
				<u>March</u>	<u>DFIT Expense</u>	<u>ADFIT</u>
March		0				
March	Interest		(39,590)	Interest	(13,857)	Nonoperating 13,857
03-31-2012	Balance before interest	(12,947,628)			(13,857)	Total 13,857
				<u>April</u>	<u>DFIT Expense</u>	<u>ADFIT</u>
April		0		Deferral		
April	Interest		(39,590)	Interest	(13,857)	Nonoperating 13,857
04-30-2012	Balance before interest	(12,947,628)			(13,857)	Total 13,857
				<u>May</u>	<u>DFIT Expense</u>	<u>ADFIT</u>
May		0		Deferral		
May	Interest		(39,590)	Interest	(13,857)	Nonoperating 13,857
05-31-2012	Balance before interest	(12,947,628)			(13,857)	Total 13,857
				<u>June</u>	<u>DFIT Expense</u>	<u>ADFIT</u>
June		0		Deferral		
June	Interest		(39,590)	Interest	(13,857)	Nonoperating 13,857
06-30-2012	Balance before interest	(12,947,628)			(13,857)	Total 13,857
				<u>July</u>	<u>DFIT Expense</u>	<u>ADFIT</u>
July	GL Balance including interest	(13,185,168)		Deferral		
July	ERM Transfer to 182350	13,185,168		Interest	0	Nonoperating 0
07-31-2012	Balance before interest	0			0	Total 0
				<u>August</u>	<u>DFIT Expense</u>	<u>ADFIT</u>
August		0		Deferral		
August	Interest		0	Interest	0	Nonoperating 0
08-31-2012	Balance before interest	0			0	Total 0
				<u>September</u>	<u>DFIT Expense</u>	<u>ADFIT</u>
September		0		Deferral		
September	Interest		0	Interest	0	Nonoperating 0
09-30-2012	Balance before interest	0			0	Total 0
				<u>October</u>	<u>DFIT Expense</u>	<u>ADFIT</u>
October		0		Deferral		
October	Interest		0	Interest	0	Nonoperating 0
10-31-2012	Balance before interest	0			0	Total 0
				<u>November</u>	<u>DFIT Expense</u>	<u>ADFIT</u>
November		0		Deferral		
November	Interest		0	Interest	0	Nonoperating 0
11-30-2012	Balance before interest	0			0	Total 0
				<u>December</u>	<u>DFIT Expense</u>	<u>ADFIT</u>
December		0		Deferral		
December	Interest		0	Interest	0	Nonoperating 0
12-31-2012	Balance before interest	0			0	Total 0
	<b>GL Balance</b>	<b>(12,947,628)</b>	<b>(79,180)</b>	<b>ADFIT Balance</b>		<b>4,614,812</b>
	Update ERM balance to include Interest		(13,026,808)			4,559,383
					<b>Check</b>	<b>55,429</b>

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	\$20,794,370	\$19,562,184	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2	447 Sale for Resale	(\$13,950,055)	(\$12,418,742)	(\$9,996,182)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
3	501 Thermal Fuel	\$2,984,673	\$2,060,120	\$2,131,703	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
4	547 CT Fuel	\$8,638,904	\$7,667,226	\$4,484,187	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
5	456 Transmission Revenue	(\$990,722)	(\$725,693)	(\$765,880)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
6	565 Transmission Expense	\$1,495,285	\$1,530,877	\$1,480,538	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
7	557 Broker Fees	\$77,415	\$62,390	\$58,865	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
8	Less Clearwater directly assigned to ID	(\$1,684,910)	(\$1,538,596)	(\$1,141,844)	\$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>\$15,813,571</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	\$11,415,839	\$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)	(\$5,333,974)	(\$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	\$10,117,931	\$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)	(\$984,334)	(\$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	<b>Authorized Net Expense</b>	<b>\$21,609,110</b>	<b>\$20,014,670</b>	<b>\$17,656,818</b>	<b>\$11,871,598</b>	<b>\$6,983,960</b>	<b>\$7,757,937</b>	<b>\$13,743,740</b>	<b>\$20,779,848</b>	<b>\$16,556,642</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>	<b>(\$1,843,247)</b>									
19	Resource Optimization	\$891,615	\$1,114,023	\$912,435	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
20	Adjusted Net Expense	(\$994,918)	(\$1,468,695)	(\$930,812)	\$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)	(\$606,517)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
23	WA Retail Revenue Adjustment (+) Surcharge (-) Rebate	(\$511,457)	(\$987,834)	(\$907,483)	\$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>	<b>(\$1,514,000)</b>									
25	<b>Cumulative Balance</b>	<b>(\$1,159,746)</b>	<b>(\$3,104,582)</b>	<b>(\$4,618,582)</b>									
	Deferral Amount, Cumulative (Customer)	\$0	\$0	(\$463,937)									
	Deferral Amount, Monthly	\$0	\$0	(\$463,937)									
	<b>Acct 557280 Entry; (+) Rebate, (-) Surcharge</b>	<b>\$0</b>	<b>\$0</b>	<b>\$463,937</b>									
	<b>Company Band Gross Margin Impact, Cumulative</b>	<b>(\$1,159,746)</b>	<b>(\$3,104,582)</b>	<b>(\$4,154,645)</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	\$12,880,117	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2	\$890,965	\$890,965	\$890,965	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
3	\$30,466	\$30,516	\$108,577	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
4	\$150,203	\$150,203	\$150,203	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
5	\$506,303	\$506,303	\$506,303	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
6	\$3,591,877	\$3,245,650	\$1,773,317	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
7	\$633	\$543	\$628	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
8	\$104,648	\$133,402	\$120,054	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
9	\$191,934	\$177,148	\$118,357	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
10	\$170,615	\$227,490	\$381,561	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
11	\$328,047	\$277,852	\$407,597	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
12	\$2,111,292	\$2,126,325	\$2,009,708	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
13	\$1,684,910	\$1,538,596	\$1,141,844	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
14	\$60,602	\$57,260	\$53,813	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
15	(\$27,951)	(\$75,081)	\$19,682	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
16	<b>\$23,141,987</b>	<b>\$20,794,370</b>	<b>\$19,562,184</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>
(1) Effective November, 2008, WNP-3 purchase expense has been adjusted to reflect the mid-point price, per Settlement Agreement, Cause No. U-98-99												
<b>447 SALES FOR RESALE</b>												
17	(\$9,802,147)	(\$8,428,516)	(\$7,436,245)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
18	(\$145,085)	(\$146,215)	(\$145,955)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
19	(\$90,416)	(\$78,912)	(\$84,227)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
20	(\$6,838)	(\$6,571)	(\$6,812)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
21	(\$39,497)	(\$35,566)	(\$38,832)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
22	(\$1,864,700)	(\$1,460,370)	(\$1,194,090)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
23	(\$2,001,372)	(\$2,252,572)	(\$1,110,021)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
24	<b>(\$13,950,055)</b>	<b>(\$12,418,742)</b>	<b>(\$9,996,182)</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>501 FUEL-DOLLARS</b>												
25	\$1,075,902	\$899,553	\$368,984	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
26	(\$556)	\$52	\$6,136	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
27	\$1,898,492	\$1,147,168	\$1,741,414	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
28	\$20,837	\$13,347	\$15,269	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
29	<b>\$2,994,873</b>	<b>\$2,060,120</b>	<b>\$2,131,703</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>501 FUEL-TONS</b>												
30	50,240	43,210	19,413	-	-	-	-	-	-	-	-	-
31	92,959	91,685	66,194	-	-	-	-	-	-	-	-	-
<b>501 FUEL-COST PER TON</b>												
32	\$21.42	\$20.82	\$19.00	wood								
33	\$20.42	\$12.51	\$19.75	coal								
<b>547 FUEL</b>												
34	\$2,305	(\$8)	\$3									
35	\$42,073	\$6,367	\$14,961									
36	\$16,754	(\$316)	\$115									
37	\$4,518,965	\$3,925,119	\$1,764,650									
38	\$4,045,593	\$3,734,764	\$2,704,843									
39	\$13,214	\$1,300	(\$385)									
40	<b>\$8,638,904</b>	<b>\$7,667,226</b>	<b>\$4,484,187</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>41 TOTAL NET EXPENSE</b>												
	<b>\$20,825,609</b>	<b>\$16,102,974</b>	<b>\$16,181,892</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>456 TRANSMISSION REVENUE</b>												
42	(\$913,310)	(\$648,281)	(\$668,466)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
43	(\$77,412)	(\$77,412)	(\$77,412)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
44	<b>(\$990,722)</b>	<b>(\$726,693)</b>	<b>(\$765,860)</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>

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	\$1,489,255	\$1,528,847	\$1,478,508	\$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	\$2,030	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
48	<b>\$1,486,285</b>	<b>\$1,530,877</b>	<b>\$1,480,538</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>\$77,416</b>	<b>\$62,380</b>	<b>\$66,865</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)	(\$85,290)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
51	\$5,918,543	\$8,778,373	\$8,811,364	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
52	\$223,650	\$2,426,636	\$518,338	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
53	(\$223,650)	(\$2,426,636)	(\$518,338)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
54	\$2,715,887	\$7,242,610	\$665,454	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
55	\$1,083,256	\$236,778	(\$851,216)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
56	(\$2,946,855)	(\$4,206,969)	(\$4,722,448)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
57	(\$3,605,893)	(\$10,218,795)	(\$2,979,518)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
58	\$0	\$0	\$382,850	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
59	\$0	\$0	(\$382,850)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
60	<b>\$1,132,459</b>	<b>\$1,022,835</b>	<b>\$1,066,346</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	\$0	(\$70,833)	(\$70,833)	(\$70,833)	(\$70,833)	(\$70,833)	(\$70,833)	(\$70,833)	(\$70,833)	(\$70,833)	(\$70,833)	(\$70,833)
62	<b>(\$227,600)</b>	<b>(\$125,000)</b>	<b>(\$196,000)</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>
63	<b>(\$227,600)</b>	<b>\$102,600</b>	<b>(\$124,167)</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	\$29,760	\$27,840	\$29,760	\$28,760	\$29,760	\$28,760	\$29,760	\$29,760	\$28,800	\$28,800	\$28,800	\$29,760
65	\$29,760	\$27,840	\$26,604	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
66	<b>\$0</b>	<b>\$0</b>	<b>(\$3,166)</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	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
68	(\$13,344)	(\$11,312)	(\$16,588)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
69	<b>(\$13,344)</b>	<b>(\$11,312)</b>	<b>(\$16,588)</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>\$891,616</b>	<b>\$1,114,023</b>	<b>\$912,436</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>
71	<b>\$22,299,102</b>	<b>\$20,084,571</b>	<b>\$17,867,860</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>

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	480,431										1,543,190
Deduct Prior Month Unbilled	(405,057)	(391,199)	(376,206)	(370,627)									(1,543,089)
Add Current Month Unbilled	391,199	376,206	370,627										1,138,032
<b>Total Retail Sales</b>	<b>520,898</b>	<b>503,009</b>	<b>484,852</b>	<b>(370,627)</b>									<b>1,138,133</b>
<b>Test Year Retail Sales</b>	<b>510,744</b>	<b>483,398</b>	<b>466,836</b>	<b>426,802</b>	<b>396,288</b>	<b>410,509</b>	<b>447,904</b>	<b>483,473</b>	<b>416,772</b>	<b>454,738</b>	<b>481,280</b>	<b>549,531</b>	<b>5,528,276</b>
Difference from Test Year	10,154	19,612	18,016										47,782
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	\$2,406,775
<b>Total Revenue Credit - \$</b>	<b>\$511,457</b>	<b>\$987,834</b>	<b>\$907,483</b>										<b>\$2,406,775</b>

Value to Pull 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>	(\$511,457) Rebate	(\$987,834) Rebate	(\$907,483) Rebate										(\$2,406,775) Rebate
<b>Budget</b>	(\$1,765,275) Rebate	(\$524,815) Rebate	(\$1,695,604) Rebate	(\$27,425) Rebate	(\$2,435,165) Rebate	(\$802,206) Rebate	(\$1,261,770) Rebate	(\$336,125) Rebate	(\$877,416) Rebate	\$183,116 Surcharge	\$109,544 Surcharge	(\$246,633) Rebate	(9,679,983) Rebate
<b>Forecast</b>	(\$1,765,275) Rebate												(\$1,765,275) Rebate