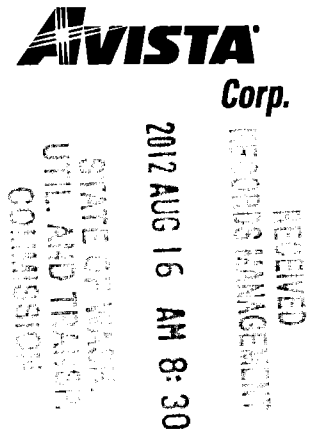


Avista Corp.  
1411 East Mission P.O. Box 3727  
Spokane, Washington 99220-3727  
Telephone 509-489-0500  
Toll Free 800-727-9170



August 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, July 2012

Dear Mr. Danner:

Enclosed are an original and five copies of Avista Corporation's Power Cost Deferral Report for the month of July 2012. 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 \$1,044,136. The year-to-date difference is \$9,642,223 in the rebate direction. A deferral entry of \$783,102 was made in the rebate direction. The year-to-date deferral balance, excluding interest, is \$4,231,667 in the rebate direction, which reflects 75% of the amount within the \$4 million to \$10 million sharing band.

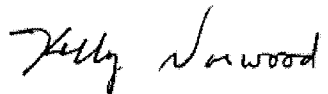
Actual net power costs were lower than the authorized level due primarily to increased hydro generation and lower power and natural gas prices. Hydro generation was 178 aMW above the authorized level. The average power purchase price was \$13.51/MWh compared to an authorized price of \$36.39/MWh. The average natural gas price was \$3.22/dth compared to an authorized price of \$4.29/dth.

Colstrip and Kettle Falls generation was 70 aMW and 16 aMW below the authorized levels, respectively. Gas-fired generation was 144 aMW below the authorized level. The net transmission expense (transmission expense less transmission revenue) was below the authorized level. Washington retail sales were 16 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 enclosed report for July 2012 shows the calculation of the weighted cost of debt at June 30, 2012, which will be used for the July-December 2012 period.

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

**Avista Corporation Journal Entry**

Effective Date: 201207

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: 08/06/2012 2:31 PM

Approval Requested: 08/06/2012 2:59 PM

Seq	Co.	FERC	Ser.	Jur.	S.L	Debit	Credit	Comment
10	001	431600 - INTEREST EXPENSE DEFERRALS	ED	WA	DL	40,802.00		Prior Year Interest Accrual
20	001	182350 - REGULATORY ASSET ERM APPROVED FOR RECOVERY	ED	WA	DL		40,802.00	Prior Year Interest Accrual
30	001	186280 - REGULATORY ASSET ERM DEFERRED CURRENT YEAR	ED	WA	DL		783,102.00	WA ERM Deferral
40	001	557280 - DEFERRED POWER SUPPLY EXPENSE	ED	WA	DL	783,102.00		WA ERM Deferral
50	001	431600 - INTEREST EXPENSE DEFERRALS	ED	WA	DL	11,943.00		WA ERM Interest Accrual
60	001	186280 - REGULATORY ASSET ERM DEFERRED CURRENT YEAR	ED	WA	DL		11,943.00	WA ERM Interest Accrual
<b>Totals:</b>						<b>835,847.00</b>	<b>835,847.00</b>	

*Amy Parsons*  
 Prepared by Amy Parsons  
*Amy Gudge*  
 Reviewed by  
 Approved for Entry  
 Corporate Accounting use Only

8/6/12  
 Date  
8/6/12  
 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	
201204	USD	-676,813.00		-1,141,459.00	
201205	USD	-1,807,204.00		-2,948,663.00	
201206	USD	-519,061.00		-3,467,724.00	
201207	USD	-795,045.00		-4,262,769.00	

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

**Account 186280.ED.WA**

	Amount	Journal ID
Balance 6/30/12	-\$3,467,724.00	
Deferral	-783,102.00	481 - WA ERM
Interest	-11,943.00	481 - WA ERM
Balance 7/31/12	-\$4,262,769.00	
Year to date deferrals	-\$4,231,667.00	
Year to date interest	-31,102.00	
Balance in account	-\$4,262,769.00	

	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%	-5,642,223.00	-1,410,556.00	-4,231,667.00
Over \$10,000,000 at 10%	0.00	0.00	0.00
Total	-\$9,642,223.00	-\$5,410,556.00	-\$4,231,667.00

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	
201202	USD	39,590.00		-13,026,808.00	
201203	USD	39,590.00		-13,066,398.00	
201204	USD	39,590.00		-13,105,988.00	
201205	USD	39,590.00		-13,145,578.00	
201206	USD	13,145,578.00		0.00	
201207	USD	0.00		0.00	

Journal Details      Summary Balances

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

**Account 186290.ED.WA**

Balance 6/30/12

No current month entries

Balance 7/31/12

<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
201113	USD	0.00		0.00	
201201	USD	0.00		0.00	
201202	USD	0.00		0.00	
201203	USD	0.00		0.00	
201204	USD	0.00		0.00	
201205	USD	0.00		0.00	
201206	USD	-13,185,168.00		-13,185,168.00	
201207	USD	40,802.00		-13,225,970.00	

Journal Details      Summary Balances

**Recoverable Deferral Balance**

**Account 182350.ED.WA**

Balance 6/30/12

Interest

Balance 7/31/12

Amount

-\$13,185,168.00

-40,802.00

-\$13,225,970.00

Journal ID

481 - WA ERM

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	
201204	USD	250,741.05		4,986,607.33	
201205	USD	646,377.90		5,632,985.23	
201206	USD	195,527.85		5,828,513.08	
201207	USD	292,546.45		6,121,059.53	

Journal Details      Summary Balances

**DFIT Associated with ERM Deferrals**

**Account 283280.ED.WA**

Account 186280.ED.WA balance	-\$4,262,769.00
Account 186290.ED.WA balance	0.00
Account 182350.ED.WA balance	-13,225,970.00
Total	<u>-\$17,488,739.00</u>
Federal income tax rate	-35%
Deferred FIT related to deferrals	<u>\$6,121,059</u>
Rounding	1
Balance in account	<u><u>\$6,121,060</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		5.713%
The monthly rate is:		0.00470	Before Tax	The monthly rate is:		0.00476
		0.0030577	After Tax			0.0030945
		35.00%	Tax rate			35.00%
<b>Account 186280</b>						
				January	DFIT Expense	ADFIT
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
				February	DFIT Expense	ADFIT
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
				March	DFIT Expense	ADFIT
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
				April	DFIT Expense	ADFIT
April	ERM Deferral	(674,363)		Deferral	(236,027)	Operating 236,027
April	Interest		(2,450)	Interest	(858)	Nonoperating 858
04-30-2012	Balance before interest	(1,138,300)			(236,885)	Total 236,885
				May	DFIT Expense	ADFIT
May	ERM Deferral	(1,800,970)		Deferral	(630,340)	Operating 630,340
May	Interest		(6,234)	Interest	(2,182)	Nonoperating 2,182
05-31-2012	Balance before interest	(2,939,270)			(632,522)	Total 632,522
				June	DFIT Expense	ADFIT
June	ERM Deferral	(509,295)		Deferral	(178,253)	Operating 178,253
June	Interest		(9,766)	Interest	(3,418)	Nonoperating 3,418
06-30-2012	Balance before interest	(3,448,565)			(181,671)	Total 181,671
				July	DFIT Expense	ADFIT
July	ERM Deferral	(783,102)		Deferral	(274,086)	Operating 274,086
July	Interest		(11,943)	Interest	(4,180)	Nonoperating 4,180
07-31-2012	Balance before interest	(4,250,826)			(278,266)	Total 278,266
				August	DFIT Expense	ADFIT
August	ERM Deferral	0		Deferral	0	Operating 0
August	Interest		(13,154)	Interest	(4,604)	Nonoperating 4,604
08-31-2012	Balance before interest	(4,250,826)			(4,604)	Total 4,604
				September	DFIT Expense	ADFIT
September	ERM Deferral	0		Deferral	0	Operating 0
September	Interest		(13,154)	Interest	(4,604)	Nonoperating 4,604
09-30-2012	Balance before interest	(4,250,826)			(4,604)	Total 4,604
				October	DFIT Expense	ADFIT
October	ERM Deferral	0		Deferral	0	Operating 0
October	Interest		(13,154)	Interest	(4,604)	Nonoperating 4,604
10-31-2012	Balance before interest	(4,250,826)			(4,604)	Total 4,604
				November	DFIT Expense	ADFIT
November	ERM Deferral	0		Deferral	0	Operating 0
November	Interest		(13,154)	Interest	(4,604)	Nonoperating 4,604
11-30-2012	Balance before interest	(4,250,826)			(4,604)	Total 4,604
				December	DFIT Expense	ADFIT
December	ERM Deferral	0		Deferral	0	Operating 0
December	Interest		(13,154)	Interest	(4,604)	Nonoperating 4,604
12-31-2012	Balance before interest	(4,250,826)			(4,604)	Total 4,604
<b>GL Balance</b>		<b>(2,939,270)</b>	<b>(9,393)</b>	<b>ADFIT Balance</b>		<b>0</b>
Update ERM balance to include Interest			(2,948,663)			1,032,032
				<b>Check</b>		<b>(1,032,032)</b>

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		5.713%	
The monthly rate is:		0.00470 Before Tax		The monthly rate is:		0.00476 Before Tax	
		0.0030577 After Tax				0.0030945 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
				<b>January</b>		<b>DFIT Expense</b>	
January		0					<b>ADFIT</b>
January	Interest		(39,590)	Interest	(13,857)	Nonoperating	13,857
01-31-2012	Balance before interest	(12,947,628)			(13,857)	Total	13,857
				<b>February</b>		<b>DFIT Expense</b>	
February		0					<b>ADFIT</b>
February	Interest		(39,590)	Interest	(13,857)	Nonoperating	13,857
02-28-2012	Balance before interest	(12,947,628)			(13,857)	Total	13,857
				<b>March</b>		<b>DFIT Expense</b>	
March		0					<b>ADFIT</b>
March	Interest		(39,590)	Interest	(13,857)	Nonoperating	13,857
03-31-2012	Balance before interest	(12,947,628)			(13,857)	Total	13,857
				<b>April</b>		<b>DFIT Expense</b>	
April		0		Deferral			<b>ADFIT</b>
April	Interest		(39,590)	Interest	(13,857)	Nonoperating	13,857
04-30-2012	Balance before interest	(12,947,628)			(13,857)	Total	13,857
				<b>May</b>		<b>DFIT Expense</b>	
May		0		Deferral			<b>ADFIT</b>
May	Interest		(39,590)	Interest	(13,857)	Nonoperating	13,857
05-31-2012	Balance before interest	(12,947,628)			(13,857)	Total	13,857
				<b>June</b>		<b>DFIT Expense</b>	
June		0		Deferral			<b>ADFIT</b>
June	Interest		(39,590)	Interest	(13,857)	Nonoperating	13,857
	Balance including interest	(13,185,168)			(13,857)	Total	13,857
	ERM Transfer to 182350	13,185,168					
06-30-2012	Balance	0					
				<b>July</b>		<b>DFIT Expense</b>	
July		0		Deferral			<b>ADFIT</b>
July	Interest		0	Interest	0	Nonoperating	0
07-31-2012	Balance before interest	0			0	Total	0
				<b>August</b>		<b>DFIT Expense</b>	
August		0		Deferral			<b>ADFIT</b>
August	Interest		0	Interest	0	Nonoperating	0
08-31-2012	Balance before interest	0			0	Total	0
				<b>September</b>		<b>DFIT Expense</b>	
September		0		Deferral			<b>ADFIT</b>
September	Interest		0	Interest	0	Nonoperating	0
09-30-2012	Balance before interest	0			0	Total	0
				<b>October</b>		<b>DFIT Expense</b>	
October		0		Deferral			<b>ADFIT</b>
October	Interest		0	Interest	0	Nonoperating	0
10-31-2012	Balance before interest	0			0	Total	0
				<b>November</b>		<b>DFIT Expense</b>	
November		0		Deferral			<b>ADFIT</b>
November	Interest		0	Interest	0	Nonoperating	0
11-30-2012	Balance before interest	0			0	Total	0
				<b>December</b>		<b>DFIT Expense</b>	
December		0		Deferral			<b>ADFIT</b>
December	Interest		0	Interest	0	Nonoperating	0
12-31-2012	Balance before interest	0			0	Total	0
<b>GL Balance</b>		0		<b>ADFIT Balance</b>			<b>4,614,812</b>
Update ERM balance to include Interest			0				0
						<b>Check</b>	<b>4,614,812</b>

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	5.713%			
The monthly rate is:	0.00470	Before Tax	The monthly rate is:	0.00476	Before Tax		
	0.0030577	After Tax		0.0030945	After Tax		
	35.00%	Tax rate		35.00%	Tax rate		
<b>Account 182350</b>							
12-31-2011	GL Balance including interest	0					0
			<u>January</u>	<u>DFIT Expense</u>		<u>ADFIT</u>	
January	Surcharge Amortization	0	Amortization	0	Operating	0	
January	Interest	0	Interest	0	Nonoperating	0	
01-31-2012	Balance before interest	0		0	Total	0	0
			<u>February</u>	<u>DFIT Expense</u>		<u>ADFIT</u>	
February	Surcharge Amortization	0	Amortization	0	Operating	0	
February	Interest	0	Interest	0	Nonoperating	0	
02-28-2012	Balance before interest	0		0	Total	0	0
			<u>March</u>	<u>DFIT Expense</u>		<u>ADFIT</u>	
March	Surcharge Amortization	0	Amortization	0	Operating	0	
March	Interest	0	Interest	0	Nonoperating	0	
03-31-2012	Balance before interest	0		0	Total	0	0
			<u>April</u>	<u>DFIT Expense</u>		<u>ADFIT</u>	
April	Surcharge Amortization	0	Amortization	0	Operating	0	
April	Interest	0	Interest	0	Nonoperating	0	
04-30-2012	Balance before interest	0		0	Total	0	0
			<u>May</u>	<u>DFIT Expense</u>		<u>ADFIT</u>	
May	Surcharge Amortization	0	Amortization	0	Operating	0	
May	Interest	0	Interest	0	Nonoperating	0	
05-31-2012	Balance before interest	0		0	Total	0	0
			<u>June</u>	<u>DFIT Expense</u>		<u>ADFIT</u>	
	<b>Transfer from 186290</b>	<b>(13,185,168)</b>	Amortization	0	Operating	0	
June	Surcharge Amortization	0	Interest	0	Nonoperating	0	
June	Interest	0		0	Total	0	0
06-30-2012	Balance including interest	(13,185,168)		0		0	0
			<u>July</u>	<u>DFIT Expense</u>		<u>ADFIT</u>	
	GL Balance including interest	(13,185,168)	Amortization	0	Operating	0	
July	Surcharge Amortization	0	Interest	(14,281)	Nonoperating	14,281	
July	Interest	(40,802)		(14,281)	Total	14,281	14,281
07-31-2012	Balance before interest	(13,185,168)					
			<u>August</u>	<u>DFIT Expense</u>		<u>ADFIT</u>	
August	Surcharge Amortization	0	Amortization	0	Operating	0	
August	Interest	(40,802)	Interest	(14,281)	Nonoperating	14,281	
08-31-2012	Balance before interest	(13,185,168)		(14,281)	Total	14,281	28,562
			<u>September</u>	<u>DFIT Expense</u>		<u>ADFIT</u>	
September	Surcharge Amortization	0	Amortization	0	Operating	0	
September	Interest	(40,802)	Interest	(14,281)	Nonoperating	14,281	
09-30-2012	Balance before interest	(13,185,168)		(14,281)	Total	14,281	42,843
			<u>October</u>	<u>DFIT Expense</u>		<u>ADFIT</u>	
October	Surcharge Amortization	0	Amortization	0	Operating	0	
October	Interest	(40,802)	Interest	(14,281)	Nonoperating	14,281	
10-31-2012	Balance before interest	(13,185,168)		(14,281)	Total	14,281	57,124
			<u>November</u>	<u>DFIT Expense</u>		<u>ADFIT</u>	
November	Surcharge Amortization	0	Amortization	0	Operating	0	
November	Interest	(40,802)	Interest	(14,281)	Nonoperating	14,281	
11-30-2012	Balance before interest	(13,185,168)		(14,281)	Total	14,281	71,405
			<u>December</u>	<u>DFIT Expense</u>		<u>ADFIT</u>	
December	Surcharge Amortization	0	Amortization	0	Operating	0	
December	Interest	(40,802)	Interest	(14,281)	Nonoperating	14,281	
12-31-2012	Balance before interest	(13,185,168)		(14,281)	Total	14,281	85,686
	<b>GL Balance</b>	<b>0.00</b>	<b>0</b>	<b>ADFIT Balance</b>		<b>0</b>	
	Update ERM balance to include Interest		0.00			0	
					<b>Check</b>	<b>0</b>	

Avista Corp. - Resource Accounting  
**WASHINGTON POWER COST DEFERRALS**

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>WASHINGTON ACTUALS</b>												
1	565 Purchased Power	\$23,141,987	\$20,794,370	\$19,562,184	\$15,582,228	\$14,344,417	\$14,388,492	\$20,047,557	\$0	\$0	\$0	\$0
2	447 Sale for Resale	(\$13,950,055)	(\$12,418,742)	(\$9,986,182)	(\$9,116,086)	(\$8,828,586)	(\$8,800,004)	(\$11,449,453)	\$0	\$0	\$0	\$0
3	501 Thermal Fuel	\$2,984,673	\$2,060,120	\$2,131,703	\$1,107,755	\$2,227,310	\$1,053,807	\$1,886,877	\$0	\$0	\$0	\$0
4	547 CT Fuel	\$8,638,904	\$7,667,226	\$4,484,187	\$2,102,862	\$1,199,228	\$3,643,106	\$0	\$0	\$0	\$0	\$0
5	456 Transmission Revenue	(\$990,722)	(\$725,693)	(\$765,880)	(\$895,158)	(\$1,463,279)	(\$1,464,906)	(\$1,383,720)	\$0	\$0	\$0	\$0
6	565 Transmission Expense	\$1,495,285	\$1,530,877	\$1,480,538	\$1,427,248	\$1,371,518	\$1,420,883	\$1,420,256	\$0	\$0	\$0	\$0
7	557 Broker Fees	\$77,415	\$62,390	\$58,865	\$75,121	\$61,843	\$65,621	\$82,534	\$0	\$0	\$0	\$0
8	Less Cleanwater directly assigned to ID	(\$1,684,910)	(\$1,538,596)	(\$1,141,844)	(\$1,659,201)	(\$1,652,935)	(\$1,440,266)	(\$1,454,087)	\$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>\$8,622,769</b>	<b>\$5,259,284</b>	<b>\$6,422,855</b>	<b>\$12,793,070</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	\$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)	(\$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	\$1,459,354	\$1,158,870	\$2,765,418	\$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	\$12,385,545	\$12,581,796	\$12,215,779
14	456 Transmission Revenue	(\$1,089,933)	(\$819,912)	(\$917,298)	(\$784,567)	(\$999,459)	(\$1,186,338)	(\$1,148,996)	(\$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	\$1,477,924	\$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
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>\$20,779,848</b>	<b>\$16,566,842</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>	<b>(\$3,248,829)</b>	<b>(\$1,724,676)</b>	<b>(\$1,335,082)</b>	<b>(\$950,870)</b>				
19	Resource Optimization	\$891,615	\$1,114,023	\$912,435	\$646,874	(\$352,587)	(\$794,487)	\$253,506	\$0	\$0	\$0	\$0
20	Adjusted Net Expense	(\$994,918)	(\$1,468,695)	(\$930,812)	(\$2,601,955)	(\$2,077,263)	(\$2,129,569)	(\$697,164)	\$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%
22	Washington Share	(\$648,289)	(\$957,002)	(\$606,517)	(\$1,695,434)	(\$1,353,545)	(\$1,387,627)	(\$454,272)	\$0	\$0	\$0	\$0
23	WA Retail Revenue Adjustment (+) Surcharge (-) Rebate	(\$511,457)	(\$987,834)	(\$907,483)	\$796,283	(\$1,047,749)	\$708,567	(\$589,864)	\$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>	<b>(\$899,151)</b>	<b>(\$2,401,284)</b>	<b>(\$679,060)</b>	<b>(\$1,044,136)</b>				
25	<b>Cumulative Balance</b>	<b>(\$1,159,746)</b>	<b>(\$3,104,582)</b>	<b>(\$4,618,582)</b>	<b>(\$5,517,733)</b>	<b>(\$7,919,027)</b>	<b>(\$8,598,087)</b>	<b>(\$9,642,223)</b>				
	Deferral Amount, Cumulative (Customer)	\$0	\$0	(\$463,937)	(\$1,138,300)	(\$2,939,270)	(\$3,448,565)	(\$4,231,667)				
	Deferral Amount, Monthly	\$0	\$0	(\$463,937)	(\$674,363)	(\$1,800,970)	(\$509,295)	(\$783,102)				
	<b>Acct 567280 Entry; (+) Rebate, (-) Surcharge</b>	<b>\$0</b>	<b>\$0</b>	<b>\$463,937</b>	<b>\$674,363</b>	<b>\$1,800,970</b>	<b>\$509,295</b>	<b>\$783,102</b>				
	<b>Company Band Gross Margin Impact, Cumulative</b>	<b>(\$1,159,746)</b>	<b>(\$3,104,582)</b>	<b>(\$4,154,645)</b>	<b>(\$4,379,433)</b>	<b>(\$4,879,757)</b>	<b>(\$5,149,522)</b>	<b>(\$5,410,556)</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	\$12,425,579	\$12,880,117	\$6,882,130	\$9,483,202	\$8,513,674	\$15,082,353	\$0	\$0	\$0	\$0	\$0
2	\$890,965	\$890,965	\$890,965	\$890,965	\$890,965	\$890,965	\$1,006,364	\$0	\$0	\$0	\$0	\$0
3	\$30,466	\$30,516	\$108,577	\$177,412	\$175,626	\$187,495	\$150,203	\$0	\$0	\$0	\$0	\$0
4	\$150,203	\$150,203	\$150,203	\$150,203	\$150,203	\$150,203	\$150,203	\$0	\$0	\$0	\$0	\$0
5	\$506,303	\$506,303	\$506,303	\$506,303	\$506,303	\$506,303	\$506,303	\$0	\$0	\$0	\$0	\$0
6	\$3,591,877	\$3,245,650	\$1,773,317	\$1,717,470	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
7	\$633	\$543	\$628	\$376	\$364	\$521	\$172	\$0	\$0	\$0	\$0	\$0
8	\$104,648	\$133,402	\$120,054	\$138,177	\$108,687	\$126,054	\$141,472	\$0	\$0	\$0	\$0	\$0
9	\$191,934	\$177,146	\$118,357	\$87,384	\$129,833	\$153,226	\$181,685	\$0	\$0	\$0	\$0	\$0
10	\$170,615	\$227,490	\$381,561	\$199,029	\$206,051	\$254,881	\$186,480	\$0	\$0	\$0	\$0	\$0
11	\$328,047	\$277,952	\$407,587	\$265,008	\$265,008	\$368,467	\$306,955	\$0	\$0	\$0	\$0	\$0
12	\$2,111,292	\$2,126,325	\$2,009,708	\$1,879,349	\$1,799,356	\$1,794,111	\$1,897,511	\$0	\$0	\$0	\$0	\$0
13	\$1,684,910	\$1,538,596	\$1,141,844	\$1,652,935	\$1,652,935	\$1,440,266	\$1,454,087	\$0	\$0	\$0	\$0	\$0
14	\$60,602	\$57,260	\$53,813	\$48,663	\$48,663	\$46,251	\$53,719	\$0	\$0	\$0	\$0	\$0
15	Non-Mon. Accruals	(\$27,951)	\$18,682	\$15,733	(\$7,189)	\$34,535	\$74,617	\$0	\$0	\$0	\$0	\$0
16	<b>Total 555 Purchased Power</b>	<b>\$23,141,987</b>	<b>\$20,794,370</b>	<b>\$19,662,184</b>	<b>\$15,682,228</b>	<b>\$14,344,417</b>	<b>\$14,388,492</b>	<b>\$20,047,667</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-86-89												
<b>447 SALES FOR RESALE</b>												
17	(\$9,802,147)	(\$8,428,516)	(\$7,436,245)	(\$6,747,707)	(\$6,168,836)	(\$6,198,042)	(\$8,447,391)	\$0	\$0	\$0	\$0	\$0
18	(\$145,085)	(\$146,215)	(\$145,955)	(\$145,085)	(\$145,955)	(\$146,150)	(\$146,085)	\$0	\$0	\$0	\$0	\$0
19	(\$90,416)	(\$78,912)	(\$94,227)	(\$31,572)	(\$21,830)	(\$17,547)	(\$60,665)	\$0	\$0	\$0	\$0	\$0
20	(\$6,838)	(\$6,571)	(\$6,339)	(\$6,462)	(\$6,531)	(\$6,531)	(\$6,604)	\$0	\$0	\$0	\$0	\$0
21	(\$39,497)	(\$35,686)	(\$38,832)	(\$35,175)	(\$25,248)	(\$24,167)	(\$35,147)	\$0	\$0	\$0	\$0	\$0
22	(\$1,864,700)	(\$1,460,370)	(\$1,194,090)	(\$919,166)	(\$1,172,399)	(\$1,138,065)	(\$1,620,961)	\$0	\$0	\$0	\$0	\$0
23	Merchant Ancillary Services	(\$2,001,372)	(\$2,262,572)	(\$1,110,021)	(\$1,233,042)	(\$1,269,502)	(\$1,132,560)	\$0	\$0	\$0	\$0	\$0
24	<b>Total 447 Sales for Resale</b>	<b>(\$13,950,065)</b>	<b>(\$12,418,742)</b>	<b>(\$9,996,192)</b>	<b>(\$9,118,086)</b>	<b>(\$9,600,004)</b>	<b>(\$11,449,463)</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	(\$19,413)	\$0	\$0	\$489,004	\$0	\$0	\$0	\$0	\$0
26	(\$558)	\$52	\$6,136	(\$589)	(\$178)	(\$133)	\$3,263	\$0	\$0	\$0	\$0	\$0
27	\$1,898,492	\$1,147,168	\$1,741,414	\$1,127,757	\$227,488	\$1,037,138	\$1,315,171	\$0	\$0	\$0	\$0	\$0
28	Colstrip Oil-501160	\$20,837	\$13,347	\$15,269	\$0	\$0	\$16,902	\$79,439	\$0	\$0	\$0	\$0
29	<b>Total 501 Fuel Expense</b>	<b>\$2,984,673</b>	<b>\$2,060,120</b>	<b>\$2,131,703</b>	<b>\$1,107,755</b>	<b>\$227,310</b>	<b>\$1,886,877</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	59,108	32,799	44,605	25,701	\$0	\$0	\$0	\$0	\$0
31	Colstrip	92,959	86,194				61,832	\$0	\$0	\$0	\$0	\$0
<b>501 FUEL-COST PER TON</b>												
32	wood	\$21.42	\$20.82	\$19.00	\$19.08	\$23.25	\$19.03	\$0	\$0	\$0	\$0	\$0
33	coal	\$20.42	\$12.51	\$19.75	\$6.94	\$0	\$21.27	\$0	\$0	\$0	\$0	\$0
<b>547 FUEL</b>												
34	NE CT Gas/Oil-547213	\$2,305	(\$8)	\$3	\$603	\$176	\$498	\$756	\$0	\$0	\$0	\$0
35	Boulder Park-547216	\$42,073	\$6,367	\$14,961	\$1,164	\$1,047	\$9,812	(\$35)	\$0	\$0	\$0	\$0
36	Kettle Falls CT-547211	\$16,754	(\$316)	\$115	(\$337)	(\$102)	(\$67)	(\$750)	\$0	\$0	\$0	\$0
37	Coyote Springs-547610	\$4,518,965	\$3,925,119	\$1,764,650	\$790,356	\$574,245	\$651,010	\$1,778,059	\$0	\$0	\$0	\$0
38	Lancaster-547312	\$4,045,593	\$3,734,764	\$2,704,643	\$1,309,673	\$599,122	\$528,509	\$1,817,405	\$0	\$0	\$0	\$0
39	Rathrum CT-547310	\$13,214	\$1,300	(\$385)	\$1,403	\$44,508	\$9,466	\$47,671	\$0	\$0	\$0	\$0
40	<b>Total 547 Fuel Expense</b>	<b>\$8,638,904</b>	<b>\$7,667,226</b>	<b>\$4,484,187</b>	<b>\$2,102,862</b>	<b>\$1,198,996</b>	<b>\$1,199,228</b>	<b>\$3,643,108</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>41 TOTAL NET EXPENSE</b>												
	\$20,825,509	\$18,102,974	\$16,181,892	\$9,674,759	\$6,942,137	\$7,841,523	\$14,128,087	\$0	\$0	\$0	\$0	\$0
<b>456 TRANSMISSION REVENUE</b>												
42	456100 ED AN	(\$913,310)	(\$648,281)	(\$688,468)	(\$617,746)	(\$1,385,667)	(\$1,387,494)	(\$1,306,308)	\$0	\$0	\$0	\$0
43	456705 ED AN	(\$77,412)	(\$77,412)	(\$77,412)	(\$77,412)	(\$77,412)	(\$77,412)	(\$77,412)	\$0	\$0	\$0	\$0
44	<b>Total 456 Transmission Revenue</b>	<b>(\$990,722)</b>	<b>(\$725,693)</b>	<b>(\$765,880)</b>	<b>(\$695,158)</b>	<b>(\$1,463,279)</b>	<b>(\$1,464,906)</b>	<b>(\$1,383,720)</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>665 TRANSMISSION EXPENSE</b>												
45	\$1,493,255	\$1,529,847	\$1,478,508	\$1,425,218	\$1,369,488	\$1,418,853	\$1,418,226	\$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	\$2,030	\$2,030	\$2,030	\$2,030	\$0	\$0	\$0	\$0	\$0
48	<b>\$1,495,285</b>	<b>\$1,530,877</b>	<b>\$1,480,538</b>	<b>\$1,427,248</b>	<b>\$1,371,518</b>	<b>\$1,420,883</b>	<b>\$1,420,256</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>\$66,865</b>	<b>\$75,121</b>	<b>\$61,843</b>	<b>\$65,521</b>	<b>\$62,534</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>RESOURCE OPTIMIZATION</b>												
50	(\$2,032,479)	(\$609,160)	(\$85,290)	\$2,327,485	\$1,130,624	\$370,598	\$2,947,144	\$0	\$0	\$0	\$0	\$0
51	\$5,918,543	\$8,778,373	\$9,811,364	\$6,300,876	\$4,225,073	\$6,397,861	\$7,382,492	\$0	\$0	\$0	\$0	\$0
52	\$223,650	\$2,426,636	\$518,338	\$608,000	\$7,153	\$161,161	\$0	\$0	\$0	\$0	\$0	\$0
53	(\$223,650)	(\$2,426,636)	(\$518,338)	(\$608,000)	(\$7,153)	(\$161,161)	\$0	\$0	\$0	\$0	\$0	\$0
54	\$2,715,867	\$7,242,610	\$893,454	\$5,996,524	\$3,514,063	\$1,390,720	\$3,797,546	\$0	\$0	\$0	\$0	\$0
55	\$1,083,256	\$236,776	(\$851,216)	(\$1,923,045)	(\$1,369,704)	(\$805,342)	(\$3,434,471)	\$0	\$0	\$0	\$0	\$0
56	(\$2,946,855)	(\$4,206,969)	(\$4,722,448)	(\$9,932,613)	(\$7,125,100)	(\$7,570,556)	(\$9,524,914)	\$0	\$0	\$0	\$0	\$0
57	(\$3,605,893)	(\$10,218,795)	(\$2,979,518)	(\$1,450,165)	(\$405,064)	(\$206,231)	(\$932,550)	\$0	\$0	\$0	\$0	\$0
58	\$0	\$0	\$382,850	\$691,560	\$7,708	\$12,113	\$381,481	\$0	\$0	\$0	\$0	\$0
59	\$0	\$0	(\$382,850)	(\$691,560)	(\$7,708)	(\$12,113)	(\$381,481)	\$0	\$0	\$0	\$0	\$0
60	<b>\$1,132,469</b>	<b>\$1,022,835</b>	<b>\$1,056,346</b>	<b>\$713,062</b>	<b>(\$30,108)</b>	<b>(\$422,950)</b>	<b>\$235,247</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	(\$227,500)	(\$125,000)	(\$195,000)	(\$125,000)	(\$295,776)	(\$427,374)	(\$40,000)	\$0	\$0	\$0	\$0	\$0
63	(\$227,500)	\$102,500	(\$124,167)	(\$64,167)	(\$310,777)	(\$356,641)	\$30,833	\$70,833	\$70,833	\$70,833	\$70,833	\$70,833
64	\$29,760	\$27,840	\$29,760	\$28,760	\$29,760	\$28,800	\$29,760	\$29,760	\$28,800	\$29,800	\$28,800	\$29,760
65	\$29,760	\$27,840	\$26,604	\$28,800	\$29,582	\$28,800	\$28,760	\$0	\$0	\$0	\$0	\$0
66	\$0	\$0	(\$3,166)	\$40	(\$178)	\$0	\$0	\$0	\$0	\$0	\$0	\$0
67	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
68	(\$13,344)	(\$11,312)	(\$16,588)	(\$12,061)	(\$11,524)	(\$14,996)	(\$12,574)	\$0	\$0	\$0	\$0	\$0
69	(\$13,344)	(\$11,312)	(\$16,588)	(\$12,061)	(\$11,524)	(\$14,996)	(\$12,574)	\$0	\$0	\$0	\$0	\$0
70	<b>\$891,615</b>	<b>\$1,114,023</b>	<b>\$912,435</b>	<b>\$646,874</b>	<b>(\$352,687)</b>	<b>(\$794,487)</b>	<b>\$253,506</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
71	<b>\$22,299,102</b>	<b>\$20,094,671</b>	<b>\$17,867,860</b>	<b>\$10,928,844</b>	<b>\$6,559,632</b>	<b>\$7,068,634</b>	<b>\$14,500,663</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	594,756	518,002	490,431	459,155	429,820	415,990	419,539						3,267,695
Deduct Prior Month Unbilled	(405,057)	(391,199)	(376,206)	(370,627)	(322,465)	(309,734)	(290,166)						(2,465,474)
Add Current Month Unbilled	391,199	376,206	370,627	322,465	309,734	290,186	330,261						2,390,678
<b>Total Retail Sales</b>	<b>520,898</b>	<b>503,009</b>	<b>484,852</b>	<b>410,994</b>	<b>417,089</b>	<b>396,442</b>	<b>459,615</b>						<b>3,192,899</b>
Test Year Retail Sales	510,744	483,398	466,836	426,802	396,288	410,509	447,904	483,473	416,772	454,738	481,280	549,631	5,528,276
Difference from Test Year	10,154	19,612	18,016	(15,809)	20,801	(14,067)	11,711						60,418
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>\$907,483</b>	<b>(\$796,283)</b>	<b>\$1,047,749</b>	<b>(\$708,567)</b>	<b>\$589,864</b>						<b>\$2,639,537</b>

Value to Furimber Retail 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
<b>Actual</b>	<b>(\$511,457)</b> Rebate	<b>(\$987,834)</b> Rebate	<b>(\$907,483)</b> Rebate	<b>\$796,283</b> Surcharge	<b>(\$1,047,749)</b> Rebate	<b>\$708,567</b> Surcharge	<b>(\$589,864)</b> Rebate						<b>(\$2,539,537)</b> Rebate
<b>Budget</b>	<b>(\$1,765,275)</b> Rebate	<b>(\$524,915)</b> Rebate	<b>(\$1,695,804)</b> Rebate	<b>(\$27,425)</b> Rebate	<b>(\$2,435,185)</b> Rebate	<b>(\$802,206)</b> Rebate	<b>(\$1,261,770)</b> Rebate	<b>(\$336,125)</b> Rebate	<b>(\$877,416)</b> Rebate	<b>\$183,116</b> Surcharge	<b>\$109,544</b> Surcharge	<b>(\$246,633)</b> Rebate	<b>(9,679,993)</b> Rebate
<b>Forecast</b>	<b>(\$1,765,275)</b> Rebate	<b>(\$700,958)</b> Rebate	<b>(\$1,026,850)</b> Rebate	<b>\$202,271</b> Surcharge	<b>(\$692,242)</b> Rebate								<b>(\$3,983,053)</b> Rebate

**AVISTA CORPORATION**  
 Cost of Long-Term Debt Detail - Washington  
 June 30, 2012

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 6/30/2012	Effective Cost	Line No.
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(g)	(h)	(i)	(j)	(k)	(l)	
1	FMB5 - 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	FMB5 - 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	FMB5 - 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	3
4	FMB5 - SERIES A	7.450%	6/11/2018	6/9/1993	15,500,000	120,377	-	50,220	2,140,440	13,188,963	8.953%	15,500,000	1,387,715	4
5	FMB5 - 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	5
6	ADVANCE ASSOCIAT	1.429%	6/1/2037	6/3/1997	40,000,000	1,296,086	-	-	-	40,473,039	1.391%	40,000,000	556,266	6
7	Series C Setup C	N/A	6/15/2013	6/15/1998	-	666,169	-	-	-	-	-	-	44,411	7
8	FMB5 - 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	8
9	5.45% SERIES	5.450%	12/1/2019	11/18/2004	90,000,000	1,192,681	-	239,400	7,244,918	81,323,001	6.462%	90,000,000	5,815,420	9
10	FMB5 - 6.25%	6.250%	12/1/2035	11/17/2005	150,000,000	1,812,935	-	367,500	1,700,376	150,564,188	6.222%	150,000,000	9,332,891	10
11	FMB5 - 5.70%	5.700%	7/1/2037	12/15/2006	150,000,000	4,702,304	-	222,000	-	141,337,696	6.120%	150,000,000	9,179,674	11
12	5.95% SERIES	5.950%	6/1/2018	4/2/2008	250,000,000	2,246,419	-	835,000	-	230,523,581	7.034%	250,000,000	17,585,352	12
13	5.125% SERIES	5.125%	4/1/2022	9/22/2009	250,000,000	2,284,788	-	575,000	-	255,040,618	4.907%	250,000,000	12,268,615	13
14	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	14
15	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	15
16	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	16
17	4.45% SERIES	4.450%	12/14/2041	12/14/2011	85,000,000	692,722	-	-	-	73,750,278	5.340%	85,000,000	4,538,863	17
18												1,213,000,000	70,315,282	18
19														19
20	Repurchase	2	6/5/2028	5/24/2002	10,000,000	-	-	-	-2,228,153	12,228,153	6.981%		-188,084	20
21	Repurchase	2	6/5/2028	4/3/2003	10,000,000	-	-	-	-450,769	10,450,769	8.395%		-43,661	21
22	Repurchase	2	12/29/2022	3/11/2003	5,000,000	-	-	-	92,363	4,907,637	9.029%		10,341	22
23	Repurchase	2	9/10/2012	7/7/2003	12,000,000	-	-	-	357,674	11,642,326	8.848%		58,291	23
24	Repurchase	2	3/1/2034	12/30/2009	17,000,000	-	-	-	1,957,486	15,042,504	6.683%		163,206	24
25	Repurchase	2	10/1/2032	12/31/2008	66,700,000	-	-	-	3,709,755	62,990,245	7.034%		324,413	25
26												1,213,000,000	70,640,788	26
27	3 Short Term-Debt				62,660,400						3.577%	62,660,400	2,241,360	27
28												1,275,660,400	72,882,148	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, 2012

- 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