

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



December 12, 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, November 2012

Dear Mr. Danner:

Enclosed are an original and five copies of Avista Corporation's Power Cost Deferral Report for the month of November 2012. The report includes the monthly energy recovery mechanism (ERM) accounting journal together with backup workpapers. In November actual net power costs were less than authorized costs by \$1,459,749. The year-to-date difference is \$13,004,449 in the rebate direction. A deferral entry of \$1,313,774 was made in the rebate direction. The year-to-date deferral balance, excluding interest, is \$7,204,004 in the rebate direction, which reflects 75% of the amount within the \$4 million to \$10 million sharing band, or \$4,500,000, and 90% of the amount in excess of \$10 million, or \$2,704,004.

Actual net power costs were lower than the authorized level due primarily to higher hydro generation and low natural gas and power prices. Hydro generation was 77 aMW above the authorized level. The average power purchase price was \$28.32/MWh compared to an authorized price of \$45.67/MWh. The average natural gas price was \$3.53/dth compared to an authorized price of \$4.54/dth.

Colstrip and Kettle Falls generation was 17 aMW above and 13 aMW below the authorized levels, respectively. Gas-fired generation was 320 aMW below the authorized level. The net transmission expense (transmission expense less transmission revenue) was above the authorized level. Washington retail sales were 38 aMW below the authorized level.

Interest is calculated pursuant to the Settlement Stipulation approved by the Commission's Fifth Supplemental Order in Docket No. UE-011595, dated June 18, 2002. Interest is applied to the average of the beginning and ending month deferral balances net of associated deferred federal income tax. The Company's weighted cost of debt is used as the interest rate. The interest rate is updated semi-annually and interest is compounded semi-annually. The January and July reports contain the supporting workpapers for the semi-annual updates of the weighted cost of debt used in the interest calculations. Page 13 of the 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.

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STATE OF WASHINGTON
UTILITY AND TRANSPORTATION
COMMISSION

There were no forward long-term contracts of one year or longer entered into in the month of November 2012. If you have any questions, please contact Bill Johnson at (509) 495-4046 or Jeanne Pluth at (509) 495-2204.

Sincerely,

A handwritten signature in black ink that reads "Kelly Norwood". The signature is written in a cursive style with a large initial "K".

Kelly Norwood
Vice President State and Federal Regulation
JP
Enclosure
C: Mary Kimball, S. Bradley Van Cleve

AVISTA CORPORATION
STATE OF WASHINGTON
DOCKET NO. UE-011595
POWER COST DEFERRAL REPORT

MONTH OF NOVEMBER 2012

Avista Corporation Journal Entry

Effective Date: 201211

Last Saved: 12/06/2012 4:50 PM
 Approval Requested: 12/06/2012 4:51 PM

Last Saved by: Gina Armstrong
 Submitted by: Gina Armstrong
 Approved by:

Currency: USD

Co.	Category	Account	Debit	Credit	Comment
001	001	431600 - INTEREST EXPENSE ENERGY DEFERRALS	40,802.00	40,802.00	Prior Year Interest Accrual
001	001	182350 - REGULATORY ASSET ERM APPROVED FOR RECOVERY		1,313,774.00	Prior Year Interest Accrual
001	001	186280 - REGULATORY ASSET ERM DEFERRED CURRENT YEAR	1,313,774.00		WA ERM Deferral
001	001	557280 - DEFERRED POWER SUPPLY EXPENSE CURRENT YEAR	18,957.00		WA ERM Deferral
001	001	431600 - INTEREST EXPENSE ENERGY DEFERRALS		18,957.00	WA ERM Interest Accrual
001	001	186280 - REGULATORY ASSET ERM DEFERRED CURRENT YEAR	1,373,533.00		WA ERM Interest Accrual
Totals:			1,373,533.00	1,373,533.00	

Gina Armstrong
 Prepared by Gina Armstrong
 Date: 12-7-12

J.F. Videman
 Reviewed by
 Date: 12/7/12

Approved for Entry
 Corporate Accounting use Only
 Date

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

ERM Deferral Balance (Current Year - 2012) - 001120280.ED.WA.DL

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

Period	Currency	PTD	PTD Converted	YTD	YTD Converted
201112	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	-1,607,204.00		-2,948,663.00	
201206	USD	-519,061.00		-3,467,724.00	
201207	USD	-795,045.00		-4,262,769.00	
201208	USD	-2,460,760.00		-6,723,549.00	
201209	USD	331,588.00		-6,391,961.00	
201210	USD	414,565.00		-5,977,396.00	
201211	USD	-1,332,731.00		-7,310,127.00	

Journal Details Summary Balances

ERM Deferral Balance (Current Year - 2012)

Account 186280.ED.WA

	Amount	Journal ID
Balance 10/31/12	-\$5,977,396.00	
Deferral	-1,313,774.00	481 - WA ERM
Interest	(1) -18,957.00	481 - WA ERM
Balance 11/30/12	<u>-\$7,310,127.00</u>	

Year to date deferrals	-\$7,204,004.00
Year to date interest	-106,123.00
Balance in account	<u>-\$7,310,127.00</u>

	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%	-6,000,000.00	-1,500,000.00	-4,500,000.00
Over \$10,000,000 at 10%	-3,004,449.00	-300,445.00	-2,704,004.00
Total	<u>-\$13,004,449.00</u>	<u>-\$5,800,445.00</u>	<u>-\$7,204,004.00</u>

(1) Interest recorded in November was October's interest amount in error. Correct amount is \$20,319. The correct amount will be recorded in December 2012.

Detail Balance for WASTA CORP - 001 186290 ED WA

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

Period	Currency	PTD	PTD Converted	YTD	YTD Converted
201200	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	
201208	USD	0.00		0.00	
201209	USD	0.00		0.00	
201210	USD	0.00		0.00	
201211	USD	0.00		0.00	

Journal Details Summary Balances

ERM Deferral Balance (Prior year - 2011)

Account 186290.ED.WA

Balance 10/31/12

No current month entries

Balance 11/30/12

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

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			
201208	USD	-40,802.00		-13,266,772.00			
201209	USD	-40,802.00		-13,307,574.00			
201210	USD	-40,802.00		-13,348,376.00			
201211	USD	-40,802.00		-13,389,178.00			

Recoverable Deferral Balance

Account 182350.ED.WA

Balance 10/31/12

Interest

Balance 11/30/12

Amount

-\$13,348,376.00

-40,802.00

-\$13,389,178.00

Journal ID

481 - WA ERM

Deferral Balances (AVISTA CORP) - 001 383280 ED WA DC

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

Period	Currency	PTD	PTD Converted	YTD	YTD Converted
201112	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	
201208	USD	875,553.70		6,996,613.23	
201209	USD	-104,517.10		6,892,096.13	
201210	USD	-128,075.05		6,764,021.08	
201211	USD	480,736.55		7,244,757.63	

Journal Details Summary Balances

DFIT Associated with ERM Deferrals

Account 283280.ED.WA

Account 186280.ED.WA balance	-\$7,310,127.00
Account 186290.ED.WA balance	0.00
Account 182350.ED.WA balance	-13,389,178.00
Total	<u>-\$20,699,305.00</u>
Federal income tax rate	-35%
Deferred FIT related to deferrals	<u>\$7,244,757</u>
Rounding	1
Balance that should be in account	<u>\$7,244,758</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	Before Tax	
	0.0030577	After Tax		0.0030945	After Tax	
	35.00%	Tax rate		35.00%	Tax rate	
Account 186280						
			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
	GL Balance including interest	(3,467,724)				
			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	(2,443,845)	Deferral	(855,346)	Operating	855,346
August	Interest	(16,935)	Interest	(5,927)	Nonoperating	5,927
08-31-2012	Balance before interest	(6,694,671)		(861,273)	Total	861,273
			September	DFIT Expense		ADFIT
September	ERM Deferral	351,760	Deferral	123,116	Operating	(123,116)
September	Interest	(20,172)	Interest	(7,060)	Nonoperating	7,060
09-30-2012	Balance before interest	(6,342,911)		116,056	Total	(116,056)
			October	DFIT Expense		ADFIT
October	ERM Deferral	433,522	Deferral	151,733	Operating	(151,733)
October	Interest	(18,957)	Interest	(6,635)	Nonoperating	6,635
10-31-2012	Balance before interest	(5,909,389)		145,098	Total	(145,098)
			November	DFIT Expense		ADFIT
November	ERM Deferral	(1,313,774)	Deferral	(459,821)	Operating	459,821
November	Interest	(20,319)	Interest	(7,112)	Nonoperating	7,112
11-30-2012	Balance before interest	(7,223,163)		(466,933)	Total	466,933
			December	DFIT Expense		ADFIT
December	ERM Deferral	0	Deferral	0	Operating	0
December	Interest	(22,352)	Interest	(7,823)	Nonoperating	7,823
12-31-2012	Balance before interest	(7,223,163)		(7,823)	Total	7,823
	GL Balance	(7,223,163)	(88,326)	ADFIT Balance		0
	Update ERM balance to include Interest		(7,311,489)			2,559,071
				Check		(2,559,071)

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%	Before Tax	Actual cost of debt at 06/30/12 is	5.713%	Before Tax
The monthly rate is:	0.00470	After Tax	The monthly rate is:	0.00476	After Tax
	0.0030577	Tax rate		0.0030945	Tax rate
	35.00%			35.00%	

Account 182350									
12-31-2011	GL Balance including interest	0							0
				January	DFIT Expense			ADFIT	
January	Surcharge Amortization	0		Amortization	0	Operating			0
January	Interest	0	0	Interest	0	Nonoperating			0
01-31-2012	Balance before interest	0				0	Total		0
				February	DFIT Expense			ADFIT	
February	Surcharge Amortization	0		Amortization	0	Operating			0
February	Interest	0	0	Interest	0	Nonoperating			0
02-28-2012	Balance before interest	0				0	Total		0
				March	DFIT Expense			ADFIT	
March	Surcharge Amortization	0		Amortization	0	Operating			0
March	Interest	0	0	Interest	0	Nonoperating			0
03-31-2012	Balance before interest	0				0	Total		0
				April	DFIT Expense			ADFIT	
April	Surcharge Amortization	0		Amortization	0	Operating			0
April	Interest	0	0	Interest	0	Nonoperating			0
04-30-2012	Balance before interest	0				0	Total		0
				May	DFIT Expense			ADFIT	
May	Surcharge Amortization	0		Amortization	0	Operating			0
May	Interest	0	0	Interest	0	Nonoperating			0
05-31-2012	Balance before interest	0				0	Total		0
				June	DFIT Expense			ADFIT	
	Transfer from 186290	(13,185,168)		Amortization	0	Operating			0
June	Surcharge Amortization	0		Interest	0	Nonoperating			0
June	Interest	0	0			0	Total		0
06-30-2012	Balance including interest	(13,185,168)							
				July	DFIT Expense			ADFIT	
	GL Balance including interest	(13,185,168)		Amortization	0	Operating			0
July	Surcharge Amortization	0	(40,802)	Interest	(14,281)	Nonoperating			14,281
July	Interest	0				(14,281)	Total		14,281
07-31-2012	Balance before interest	(13,185,168)							
				August	DFIT Expense			ADFIT	
August	Surcharge Amortization	0	(40,802)	Amortization	0	Operating			0
August	Interest	0		Interest	(14,281)	Nonoperating			14,281
08-31-2012	Balance before interest	(13,185,168)				(14,281)	Total		14,281
				September	DFIT Expense			ADFIT	
September	Surcharge Amortization	0	(40,802)	Amortization	0	Operating			0
September	Interest	0		Interest	(14,281)	Nonoperating			14,281
09-30-2012	Balance before interest	(13,185,168)				(14,281)	Total		14,281
				October	DFIT Expense			ADFIT	
October	Surcharge Amortization	0	(40,802)	Amortization	0	Operating			0
October	Interest	0		Interest	(14,281)	Nonoperating			14,281
10-31-2012	Balance before interest	(13,185,168)				(14,281)	Total		14,281
				November	DFIT Expense			ADFIT	
November	Surcharge Amortization	0	(40,802)	Amortization	0	Operating			0
November	Interest	0		Interest	(14,281)	Nonoperating			14,281
11-30-2012	Balance before interest	(13,185,168)				(14,281)	Total		14,281
				December	DFIT Expense			ADFIT	
December	Surcharge Amortization	0	(40,802)	Amortization	0	Operating			0
December	Interest	0		Interest	(14,281)	Nonoperating			14,281
12-31-2012	Balance before interest	(13,185,168)				(14,281)	Total		14,281
									0
	GL Balance	(13,185,168.00)		(163,152)	ADFIT Balance				4,671.00
	Update ERM balance to include interest			(13,348,320.00)			Check		(4,671.00)

Avista Corp. - Resource Accounting
WASHINGTON POWER COST DEFERRALS

	Jan-12	Feb-12	Mar-12	Apr-12	May-12	Jun-12	Jul-12	Aug-12	Sep-12	Oct-12	Nov-12	Dec-12
WASHINGTON ACTUALS												
555 Purchased Power	\$23,141,987	\$20,794,370	\$19,562,184	\$15,592,228	\$14,344,417	\$14,388,492	\$20,047,457	\$21,177,960	\$18,906,988	\$21,436,587	\$24,319,447	\$0
447 Sale for Resale	(\$13,950,055)	(\$12,418,742)	(\$9,996,182)	(\$9,118,086)	(\$8,828,588)	(\$8,800,004)	(\$11,449,453)	(\$13,066,498)	(\$12,639,812)	(\$15,581,737)	(\$16,941,980)	\$0
501 Thermal Fuel	\$2,994,673	\$2,080,120	\$2,131,703	\$1,107,755	\$227,310	\$1,053,807	\$1,886,877	\$4,066,824	\$2,825,222	\$3,005,125	\$2,310,754	\$0
547 CT Fuel	\$8,638,904	\$7,887,228	\$4,484,187	\$2,102,862	\$1,198,996	\$1,199,228	\$3,643,106	\$8,804,943	\$8,513,800	\$9,607,532	\$6,641,432	\$0
456 Transmission Revenue	(\$980,722)	(\$726,693)	(\$765,880)	(\$885,158)	(\$1,463,279)	(\$1,464,908)	(\$1,383,720)	(\$1,254,831)	(\$998,158)	(\$1,049,828)	(\$796,622)	\$0
565 Transmission Expense	\$1,495,285	\$1,530,877	\$1,480,538	\$1,427,248	\$1,371,518	\$1,420,883	\$1,420,266	\$1,480,814	\$1,516,270	\$1,488,088	\$1,470,876	\$0
557 Broker Fees	\$77,415	\$62,390	\$58,865	\$75,121	\$81,843	\$65,621	\$82,594	\$77,307	\$68,750	\$79,486	\$98,716	\$0
Less Cleanwater Directly assigned to ID	(\$1,684,910)	(\$1,538,598)	(\$1,141,844)	(\$1,859,201)	(\$1,652,935)	(\$1,440,268)	(\$1,454,087)	(\$1,482,371)	(\$1,464,087)	(\$1,520,958)	(\$1,500,226)	\$0
Palouse Wind Deferral - System	\$19,722,677	\$17,431,952	\$15,813,571	\$8,622,769	\$6,259,284	\$6,422,865	\$12,793,070	\$17,783,838	\$16,731,387	\$17,520,865	\$15,799,816	\$0
Adjusted Actual Net Expense												
AUTHORIZED NET EXPENSE-SYSTEM												
1 555 Purchased Power	\$12,917,361	\$11,733,580	\$11,415,839	\$9,228,929	\$6,788,390	\$7,014,446	\$8,036,703	\$9,562,739	\$7,187,284	\$7,175,099	\$10,508,310	\$11,173,530
2 447 Sale for Resale	(\$4,971,201)	(\$4,445,361)	(\$3,877,772)	(\$3,285,131)	(\$3,681,500)	(\$2,904,168)	(\$4,522,777)	(\$2,695,392)	(\$4,825,192)	(\$5,333,874)	(\$6,423,356)	(\$4,412,315)
3 501 Thermal Fuel	\$3,077,916	\$2,852,038	\$2,928,523	\$2,181,146	\$1,468,354	\$1,159,870	\$2,765,418	\$3,115,273	\$3,016,531	\$3,186,434	\$3,066,764	\$3,109,868
4 547 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	\$10,550,899	\$12,385,545	\$12,581,796	\$12,215,779
5 456 Transmission Revenue	(\$1,089,933)	(\$819,912)	(\$917,288)	(\$784,587)	(\$999,459)	(\$1,185,338)	(\$1,148,996)	(\$1,062,294)	(\$1,047,237)	(\$1,035,702)	(\$984,334)	(\$942,050)
6 565 Transmission Expense	\$1,526,636	\$1,474,958	\$1,529,717	\$1,425,005	\$1,430,460	\$1,438,762	\$1,477,824	\$1,441,408	\$1,454,077	\$1,433,340	\$1,473,058	\$1,535,929
7 557 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
Authorized Net Expense	\$21,609,110	\$20,014,670	\$17,656,818	\$11,871,698	\$8,983,960	\$7,757,937	\$13,743,740	\$20,779,848	\$16,686,642	\$17,821,242	\$20,252,736	\$22,811,341
9 Actual - Authorized Net Expense	(\$1,886,533)	(\$2,582,718)	(\$1,843,247)	(\$3,248,829)	(\$1,724,678)	(\$1,335,082)	(\$960,870)	(\$2,996,010)	\$164,755	(\$300,387)	(\$4,462,921)	
10 Resource Optimization	\$891,815	\$1,114,023	\$812,435	\$646,874	(\$352,587)	(\$794,487)	\$253,506	(\$12,760)	\$32,048	\$91,263	\$100,805	\$0
21 Adjusted Net Expense	(\$994,918)	(\$1,468,695)	(\$930,812)	(\$2,801,955)	(\$2,077,263)	(\$2,129,569)	(\$697,164)	(\$3,008,770)	\$196,804	(\$209,124)	(\$4,352,316)	\$0
22 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%
23 Washington Share	(\$648,289)	(\$957,002)	(\$606,517)	(\$1,695,434)	(\$1,353,545)	(\$1,387,827)	(\$454,272)	(\$1,860,515)	\$128,237	(\$136,265)	(\$2,835,969)	\$0
24 WA Retail Revenue Adjustment (+) Surcharge (-) Rebate	(\$511,457)	(\$987,834)	(\$907,483)	\$786,263	(\$1,047,749)	\$708,587	(\$589,864)	(\$814,497)	\$262,607	\$617,956	\$1,376,220	\$0
Net Power Cost (+) Surcharge (-) Rebate	(\$1,159,746)	(\$1,944,836)	(\$1,514,000)	(\$899,151)	(\$2,401,294)	(\$679,060)	(\$1,044,136)	(\$2,775,012)	\$390,844	\$481,691	(\$1,459,749)	
25 Cumulative Balance	(\$1,159,746)	(\$3,104,582)	(\$4,618,582)	(\$5,517,733)	(\$7,919,027)	(\$8,598,087)	(\$9,642,223)	(\$12,417,236)	(\$12,026,391)	(\$11,544,700)	(\$13,004,449)	
Deferral Amount, Cumulative (Customer)	\$0	\$0	(\$463,937)	(\$1,136,300)	(\$2,939,270)	(\$3,448,566)	(\$4,231,667)	(\$6,076,512)	(\$6,323,752)	(\$5,880,230)	(\$7,204,004)	
Deferral Amount, Monthly	\$0	\$0	(\$463,937)	(\$674,363)	(\$1,800,970)	(\$508,295)	(\$783,102)	(\$2,443,845)	\$351,760	\$433,522	(\$1,313,774)	
Oct 567280 Entry: (+) Rebate, (-) Surcharge	\$0	\$0	\$463,937	\$674,363	\$1,800,970	\$509,295	\$783,102	\$2,443,845	(\$351,760)	(\$433,522)	\$1,313,774	
Company Band Gross Margin Impact, Cumulative	(\$1,159,746)	(\$3,104,582)	(\$4,154,545)	(\$4,379,433)	(\$4,979,757)	(\$5,149,522)	(\$5,410,566)	(\$5,741,723)	(\$6,702,639)	(\$5,654,470)	(\$5,800,446)	

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

Line No.	Jan-11	Feb-11	Mar-11	Apr-11	May-11	Jun-11	Jul-11	Aug-11	Sep-11	Oct-11	Nov-11	Dec-11
1	\$13,347,443	\$11,507,098	\$11,880,575	\$7,813,753	\$8,416,611	\$8,435,214	\$13,919,008	\$15,372,174	\$13,144,349	\$15,503,657	\$16,304,997	\$0
2	\$890,965	\$890,965	\$890,965	\$890,965	\$890,965	\$890,965	\$1,006,364	\$1,006,364	\$1,006,364	\$1,006,364	\$1,006,364	\$0
3	\$30,466	\$30,516	\$108,577	\$175,628	\$175,628	\$187,485	\$167,981	\$160,563	\$69,819	\$35,199	\$59,573	\$0
4	\$150,203	\$150,203	\$150,203	\$150,203	\$150,203	\$150,203	\$150,203	\$150,203	\$151,593	\$151,593	\$151,593	\$0
5	\$506,303	\$506,303	\$506,303	\$506,303	\$506,303	\$506,303	\$506,303	\$506,303	\$506,303	\$506,303	\$506,303	\$0
6	\$3,591,877	\$3,245,650	\$1,773,317	\$1,717,470	\$0	\$0	\$0	\$0	\$0	\$0	\$3,018,747	\$0
7	\$633	\$543	\$926	\$376	\$364	\$521	\$172	\$558	\$508	\$462	\$408	\$0
8	\$104,648	\$133,402	\$120,054	\$136,177	\$109,987	\$126,054	\$141,472	\$99,143	\$71,712	\$72,403	\$102,286	\$0
9	\$191,934	\$177,148	\$118,357	\$87,384	\$129,833	\$153,226	\$181,685	\$199,692	\$136,370	\$176,307	\$185,042	\$0
10	\$170,615	\$227,480	\$361,561	\$198,029	\$206,051	\$254,881	\$186,480	\$4,899	\$9,478	\$59,589	\$224,162	\$0
11	\$328,047	\$277,952	\$407,597	\$296,356	\$265,009	\$388,467	\$308,955	\$213,538	\$126,463	\$252,754	\$196,703	\$0
12	\$2,111,292	\$2,126,325	\$2,009,708	\$1,879,349	\$1,799,356	\$1,794,111	\$1,897,511	\$2,068,662	\$2,159,889	\$2,157,265	\$2,032,031	\$0
13	\$1,884,910	\$1,538,596	\$1,141,844	\$1,658,201	\$1,652,935	\$1,440,286	\$1,454,087	\$1,482,371	\$1,464,087	\$1,520,966	\$1,500,228	\$0
14	\$60,602	\$57,260	\$53,813	\$50,517	\$48,663	\$46,251	\$53,719	\$52,918	\$44,833	\$49,031	\$51,819	\$0
15	(\$27,951)	(\$75,081)	\$18,882	\$15,733	(\$7,189)	\$34,535	\$74,617	(\$139,538)	\$15,194	(\$57,285)	\$43,110	\$0
16	\$23,141,987	\$20,794,370	\$19,862,184	\$15,582,228	\$14,344,417	\$14,388,492	\$20,047,657	\$21,177,850	\$18,906,988	\$21,438,587	\$24,319,447	\$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												
17	(\$9,902,147)	(\$8,428,516)	(\$7,436,245)	(\$6,747,707)	(\$6,188,836)	(\$6,198,042)	(\$6,447,391)	(\$9,413,147)	(\$9,581,242)	(\$11,984,403)	(\$13,156,316)	\$0
18	(\$145,085)	(\$146,215)	(\$145,955)	(\$145,085)	(\$145,955)	(\$146,150)	(\$146,085)	(\$145,020)	(\$145,246)	(\$145,955)	(\$146,215)	\$0
19	(\$90,416)	(\$78,912)	(\$64,227)	(\$31,572)	(\$21,830)	(\$17,547)	(\$6,604)	(\$6,604)	(\$118,146)	(\$144,929)	(\$126,384)	\$0
20	(\$6,838)	(\$6,571)	(\$6,812)	(\$6,339)	(\$6,482)	(\$6,531)	(\$6,531)	(\$6,531)	(\$6,531)	(\$6,531)	(\$6,531)	\$0
21	(\$39,487)	(\$35,566)	(\$35,566)	(\$35,175)	(\$25,248)	(\$24,167)	(\$35,147)	(\$33,533)	(\$29,650)	(\$40,436)	(\$40,015)	\$0
22	(\$1,864,700)	(\$1,460,370)	(\$1,194,090)	(\$919,166)	(\$1,172,398)	(\$1,138,065)	(\$1,620,981)	(\$2,177,006)	(\$1,660,716)	(\$1,665,343)	(\$1,528,432)	\$0
23	(\$2,001,372)	(\$2,262,572)	(\$1,110,021)	(\$1,233,042)	(\$1,287,858)	(\$1,269,502)	(\$1,132,560)	(\$1,172,104)	(\$1,126,443)	(\$1,584,135)	(\$1,940,222)	\$0
24	(\$13,950,055)	(\$12,418,742)	(\$9,996,182)	(\$9,116,086)	(\$8,828,686)	(\$8,800,004)	(\$11,449,453)	(\$13,086,498)	(\$12,639,812)	(\$16,581,737)	(\$16,841,980)	\$0
25	\$1,075,902	\$899,553	\$368,884	(\$19,413)	\$0	\$0	\$489,004	\$803,567	\$636,786	\$882,622	\$727,505	\$0
26	(\$558)	\$52	\$6,136	(\$559)	(\$178)	(\$133)	\$3,283	\$44	\$44	\$39	\$2,424	\$0
27	\$1,898,482	\$1,147,188	\$1,741,414	\$1,127,757	\$227,488	\$1,037,138	\$1,315,171	\$3,137,447	\$1,963,738	\$2,112,981	\$1,560,572	\$0
28	\$20,837	\$13,347	\$13,269	\$0	\$0	\$16,802	\$79,439	\$25,566	\$2,921	\$9,483	\$20,253	\$0
29	\$2,994,873	\$2,060,120	\$2,131,703	\$1,107,755	\$227,310	\$1,065,807	\$1,886,877	\$4,068,624	\$2,826,222	\$3,005,125	\$2,310,764	\$0
30	\$0,240	\$43,210	\$19,413	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
31	\$2,959	\$1,685	\$8,194	\$9,108	\$2,799	\$4,605	\$1,832	\$8,259	\$9,751	\$8,589	\$6,981	\$0
32	\$21,42	\$20,82	\$19,00	\$19,08	\$6,94	\$23,25	\$19,03	\$18,81	\$19,34	\$18,17	\$16,73	\$0
33	\$20,42	\$12,51	\$19,75	\$19,06	\$0	\$0	\$21,27	\$31,93	\$20,72	\$21,83	\$16,09	\$0
34	\$2,305	(\$8)	\$3	\$603	\$176	\$498	\$756	\$643	\$1,117	(\$3,206)	\$3,678	\$0
35	\$42,073	\$6,387	\$14,961	\$1,164	\$11,047	\$9,812	(\$35)	\$23,310	\$11,704	\$22,735	\$2,284	\$0
36	\$4,519,965	\$3,925,119	\$1,764,850	\$790,356	\$574,245	\$651,010	\$1,778,059	\$3,225,521	\$4,339,365	\$4,931,553	\$3,153,602	\$0
37	\$4,045,593	\$3,734,764	\$2,704,843	\$1,309,673	\$569,122	\$528,509	\$1,817,405	\$3,472,779	\$4,150,399	\$4,643,772	\$3,448,521	\$0
38	\$13,214	\$1,300	(\$385)	\$1,403	\$44,508	\$9,466	\$47,671	\$77,187	\$399	\$4,083	\$32,317	\$0
39	\$8,638,904	\$7,687,228	\$4,484,187	\$2,102,882	\$1,190,986	\$1,199,228	\$3,643,106	\$6,804,843	\$8,613,800	\$9,607,532	\$6,841,432	\$0
40	\$20,825,609	\$18,102,874	\$16,181,892	\$9,874,759	\$6,942,137	\$7,841,523	\$14,129,087	\$18,862,919	\$17,606,198	\$18,467,517	\$16,429,653	\$0
41	TOTAL NET EXPENSE											

Avista Corp. - Re...ce 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
456	TRANSMISSION REVENUE											
42	466100 ED AN	(\$913,310)	(\$646,281)	(\$688,468)	(\$817,746)	(\$1,385,867)	(\$1,387,494)	(\$1,177,419)	(\$921,746)	(\$872,416)	(\$719,210)	\$0
43	456705 ED AN	(\$77,412)	(\$77,412)	(\$77,412)	(\$77,412)	(\$77,412)	(\$77,412)	(\$77,412)	(\$77,412)	(\$77,412)	(\$77,412)	(\$77,412)
44	Total 456 Transmission Revenue	(\$890,722)	(\$725,893)	(\$765,880)	(\$895,158)	(\$1,463,279)	(\$1,464,906)	(\$1,254,831)	(\$999,158)	(\$1,049,828)	(\$796,622)	\$0
566	TRANSMISSION EXPENSE											
45	565000 ED AN	\$1,493,255	\$1,528,847	\$1,478,508	\$1,425,218	\$1,369,468	\$1,418,853	\$1,458,784	\$1,514,240	\$1,466,068	\$1,468,848	\$0
46	565312 ED AN	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
47	565710 ED AN	\$2,030	\$2,030	\$2,030	\$2,030	\$2,030	\$2,030	\$2,030	\$2,030	\$2,030	\$2,030	\$0
48	Total 566 Transmission Expense	\$1,495,285	\$1,530,877	\$1,480,538	\$1,427,248	\$1,371,518	\$1,420,883	\$1,460,814	\$1,516,270	\$1,468,098	\$1,470,878	\$0
49	Total 567170 ED AN Broker Fees	\$77,416	\$62,390	\$66,866	\$76,121	\$61,843	\$66,821	\$62,534	\$68,750	\$78,498	\$88,716	\$0
RESOURCE OPTIMIZATION												
50	Econ Dispatch-557010	(\$2,032,479)	(\$809,160)	(\$85,290)	\$2,327,485	\$1,130,624	\$370,598	\$2,847,144	\$1,451,328	\$908,712	\$788,536	(\$513,321)
51	Econ Dispatch-557160	\$5,918,543	\$8,778,373	\$8,811,364	\$6,300,878	\$4,225,073	\$6,397,861	\$7,382,492	\$4,395,767	\$1,622,665	\$1,498,346	\$4,069,267
52	Gas Bookouts-557700	\$223,850	\$2,428,636	\$518,338	\$809,000	\$7,153	\$161,161	\$0	\$0	\$0	\$0	\$308,976
53	Gas Bookouts-557711	(\$2,715,897)	(\$2,426,636)	(\$518,338)	(\$809,000)	(\$7,153)	(\$161,161)	\$0	\$0	\$0	(\$308,976)	\$0
54	Intraco Thermal Gas-557730	\$2,715,897	\$2,426,636	\$518,338	\$809,000	\$7,153	\$161,161	\$0	\$0	\$0	\$308,976	\$0
55	Fuel DispatchFin-456010	\$1,083,256	\$238,776	(\$851,218)	(\$1,929,045)	\$3,514,063	\$1,390,720	\$3,797,546	\$2,570,784	\$3,355,997	\$4,239,898	\$81,080
56	Fuel Dispatch-456015	(\$2,946,855)	(\$4,722,448)	(\$4,722,448)	(\$9,932,513)	(\$7,125,100)	(\$7,570,556)	(\$9,524,914)	(\$5,902,019)	(\$2,067,209)	(\$2,589,323)	(\$1,542,155)
57	Intraco Thermal Gas-456730	(\$3,605,893)	(\$10,218,795)	(\$2,979,518)	(\$1,450,165)	(\$405,064)	(\$206,231)	(\$932,550)	(\$905,814)	(\$2,938,780)	(\$3,535,282)	(\$5,405,166)
58	Fuel Bookouts-456711	\$0	\$0	\$382,850	\$691,560	\$7,708	\$12,113	\$381,481	\$0	\$0	\$0	\$0
59	Fuel Bookouts-456720	\$0	\$0	(\$382,850)	(\$691,560)	(\$7,708)	(\$12,113)	(\$381,481)	\$0	\$0	\$0	\$0
60	Resource Optimization Subtotal	\$1,132,469	\$1,022,836	\$1,066,346	\$713,062	(\$30,108)	(\$422,950)	\$236,247	(\$74,802)	(\$114,968)	(\$36,704)	\$174,861
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 456016 ED AN	(\$227,500)	(\$125,000)	(\$185,000)	(\$125,000)	(\$296,776)	(\$427,374)	(\$40,000)	\$0	\$0	(\$185,280)	\$0
63	REC Revenue Subtotal	(\$227,500)	\$102,500	(\$124,167)	(\$54,167)	(\$310,777)	(\$356,541)	\$30,833	\$70,833	\$70,833	(\$124,417)	\$70,833
64	Misc. Power Exp. Authorized	\$28,760	\$27,840	\$29,760	\$28,760	\$29,760	\$28,800	\$29,760	\$28,800	\$28,800	\$28,800	\$29,760
65	Misc. Power Exp. Actual-557160 ED AN	\$29,760	\$27,840	\$26,604	\$28,800	\$29,582	\$28,800	\$29,760	\$29,760	\$110,000	\$96,160	\$87,240
66	REC Purchases Subtotal	\$0	\$0	(\$3,158)	\$40	(\$178)	\$0	\$0	\$0	\$81,200	\$66,360	\$66,440
67	Wind REC Exp Authorized	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
68	Wind REC Exp Actual 557385	(\$13,344)	(\$11,312)	(\$16,588)	(\$12,061)	(\$11,524)	(\$14,996)	(\$12,574)	(\$8,891)	(\$5,016)	(\$10,226)	(\$5,069)
69	Wind REC Subtotal	(\$13,344)	(\$11,312)	(\$16,888)	(\$12,061)	(\$11,524)	(\$14,996)	(\$12,574)	(\$6,891)	(\$5,016)	(\$10,226)	(\$5,069)
70	Net Resource Optimization	\$891,615	\$1,114,023	\$912,435	\$646,874	(\$352,587)	(\$794,487)	\$253,506	(\$12,760)	\$32,049	\$91,263	\$100,605
71	Adjusted Actual Net Expense	\$22,289,102	\$20,084,871	\$17,867,850	\$10,928,844	\$6,659,632	\$7,068,634	\$14,500,663	\$19,253,449	\$19,224,109	\$19,076,548	\$17,303,220

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

	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
Retail Sales - MWh													
Total Billed Sales	534,756	518,002	490,431	459,155	429,820	415,990	419,539	466,041	446,574	409,531	433,065		5,022,907
Deduct Prior Month Unbilled	(405,057)	(391,199)	(376,206)	(370,827)	(322,465)	(309,734)	(280,186)	(330,261)	(363,864)	(328,848)	(381,787)		(3,850,235)
Add Current Month Unbilled	391,199	376,206	370,627	322,465	309,734	290,186	330,261	363,864	328,848	361,787	382,679		3,827,866
Total Retail Sales	520,898	503,009	484,852	410,994	417,089	396,442	489,616	499,844	411,568	442,470	463,958		5,000,528
Test Year Retail Sales	510,744	483,398	486,836	426,802	396,288	410,509	447,904	483,473	416,772	484,738	481,280	649,631	6,628,278
Difference from Test Year	10,154	19,612	18,016	(16,809)	20,801	(14,067)	11,711	16,370	(6,214)	(12,268)	(27,322)		21,784
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
Total Revenue Credit - \$	\$511,467	\$987,834	\$907,483	(\$796,283)	\$1,047,749	(\$708,687)	\$689,864	\$814,497	(\$262,607)	(\$817,966)	(\$1,376,220)		\$1,097,261