

Avista Corp.
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April 15, 2013

Steven V. King
Acting 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 2013

2013 APR 17 AM 8:12
COMMUNICATIONS SECTION
WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

Dear Mr. King:

Enclosed are an original and five copies of Avista Corporation's Power Cost Deferral Report for the month of March 2013.

The report includes the monthly energy recovery mechanism (ERM) accounting journal together with backup workpapers (Attachment A). In March, actual net power costs were lower than authorized costs by \$246,978, which is within the \$4 million deadband. No deferral entry is made when the difference is within the \$4 million deadband.

In Order 09, Docket UE-120436, the Company was authorized to return a portion of the accumulated ERM deferral balance to customers effective January 1, 2013. Total rebate revenue amounted to \$380,364 for the month of March 2013. After adjusting for revenue-sensitive expenses, \$363,286 of amortization of the deferral balance was recorded.

In March, the Company transferred \$80,774 for the benefit of customers into the ERM deferral account, which was the amount the Company had deferred in 2012 for the Palouse Wind Power Purchase Agreement and the Thornton 230 kV Switching Station. The Company notified the Commission on August 24, 2012 of its intent to defer these costs, in accordance with WAC 480-100-435.

Actual net power costs for March 2013 were lower than the authorized level due partially to better than authorized hydro generation. Hydro generation was 3 aMW above the authorized level. The average power purchase price was \$29.82/MWh compared to an authorized price of \$24.72/MWh. The average natural gas price was \$3.79/dth compared to an authorized price of \$3.23/dth.

Colstrip and Kettle Falls generation was 29 aMW above and 2 aMW below the authorized levels, respectively. Natural gas-fired generation was 124 aMW below the authorized level. The net transmission expense (transmission expense less transmission revenue) was above the authorized level. Washington retail sales were 29 aMW below the authorized level.

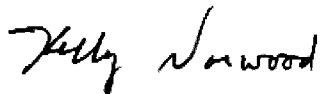
The report also includes the monthly renewable energy credits (REC) accounting journal together with backup workpapers (Attachment B). In March 2013, actual net REC revenues were greater than authorized revenues by \$60,986. The Company records 100% of the net REC revenues in a separate deferral account per Order 09, Docket UE-120436.

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 21 of this report for January 2013 shows the calculation of the weighted cost of debt at December 31, 2012, which will be used for the January through June 2013 period.

There were no forward long-term contracts of one year or longer entered into in the month of March 2013.

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, flowing style.

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 MARCH 2013

Detail Balances (AMISTA CORP) - 001 186280 ED.WA DL

Balance Type Actual Currency Type Total

Period	Currency	PTD	PTD Converted	YTD	YTD Converted
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	
201208	USD	-2,460,780.00		-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	
201212	USD	-1,446,511.00		-8,756,638.00	
201213	USD	0.00		-8,756,638.00	
201301	USD	8,756,638.00		0.00	
201302	USD	0.00		0.00	
201303	USD	0.00		0.00	

ERM Deferral Balance (Current Year - 2013)

Account 186280.ED.WA

	Amount	Journal ID
Balance 02/28/13	\$0.00	
Deferral	0.00	481 - WA ERM
Interest	0.00	
Balance 03/31/13	\$0.00	
Year to date deferrals	\$0.00	
Year to date interest	0.00	
Balance in account	\$0.00	

	<u>Total</u>	<u>Absorbed</u>	<u>Deferred</u>
First \$4,000,000 at 100%	-\$3,055,944.00	-\$3,055,944.00	\$0.00
\$4,000,000 to \$10,000,000 at 75%	0.00	0.00	0.00
Over \$10,000,000 at 10%	0.00	0.00	0.00
Total	-\$3,055,944.00	-\$3,055,944.00	\$0.00

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

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

Period	Currency	PTD	PTD Converted	YTD	YTD Converted
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	
201212	USD	0.00		0.00	
201213	USD	0.00		0.00	
201301	USD	-8,783,727.00		-8,783,727.00	
201302	USD	-136,736.00		-8,920,462.00	
201303	USD	-108,326.14		-9,028,788.14	

ERM Deferral Balance (Prior year - 2012)

Account 186290.ED.WA

	Amount	Journal ID
Balance 02/28/13	-\$8,920,462.00	
Interest	-27,552.00	481 - WA ERM
Transfer Palouse Wind Deferral	-80,774.14	481 - WA ERM
Balance 03/31/13	-\$9,028,788.14	

Detail Balances (AMISTA CORP) - 001 182350 ED.WA DL

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

Period	Currency	PTD	PTD Converted	YTD	YTD Converted
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	
201212	USD	-40,802.00		-13,429,980.00	
201213	USD	0.00		-13,429,980.00	
201301	USD	68,875.00		-13,361,105.00	
201302	USD	369,570.00		-12,991,535.00	
201303	USD	314,872.00		-12,676,663.00	

Recoverable Deferral Balance

Account 182350.ED.WA

	<u>Amount</u>	<u>Journal ID</u>
Balance 02/28/13	-\$12,991,535.00	
Surcharge Amortization	363,286.00	481 - WA ERM
Interest	-39,414.00	481 - WA ERM
Correction - February Amortization	-9,000.00	481 - WA ERM
Balance 03/31/13	<u>-\$12,676,663.00</u>	

Detail Balances (AVISTA CORP) - 001 283280.ED.WA.DL

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

Period	Currency	PTD	PTD Converted	YTD	YTD Converted
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	
201212	USD	520,559.55		7,765,317.18	
201213	USD	0.00		7,765,317.18	
201301	USD	-14,625.10		7,750,692.08	
201302	USD	-81,492.25		7,669,199.83	
201303	USD	-72,291.05		7,596,908.78	

DFIT Associated with ERM Deferrals

Account 283280.ED.WA

Account 186280.ED.WA balance	\$0.00
Account 186290.ED.WA balance	-9,028,788.14
Account 182350.ED.WA balance	-12,676,663.00
Total	<u>-\$21,705,451.14</u>
Federal income tax rate	-35%
Deferred FIT related to deferrals	<u>\$7,596,908</u>
Rounding	<u>1</u>
Balance that should be in account - Feb 28, 2013	<u>\$7,596,909</u>

Detail Balances (AMISTA CORP) - 001 186322 ED.WA.DL

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

Period	Currency	PTD	PTD Converted	YTD	YTD Converted
201212	USD	-277,010.00		-277,010.00	
201213	USD	0.00		-277,010.00	
201301	USD	26,287.00		-248,723.00	
201302	USD	-115,804.81		-364,527.81	
201303	USD	-62,201.00		-426,728.81	

REC Deferral Balance
Account 186322.ED.WA

	<u>Amount</u>	<u>Journal ID</u>
Balance 02/28/13	-\$364,527.81	
Deferral	-60,986.00	475 - WA REC DEFERRAL
Interest	-1,215.00	475 - WA REC DEFERRAL
Balance 03/31/13	<u>-\$426,728.81</u>	

Detail Balances (AMISTA CORP) - 001.283305.ED.WA.DL

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

Period	Currency	PTD	PTD Converted	YTD	YTD Converted
201212	USD	96,953.50		96,953.50	
201213	USD	0.00		96,953.50	
201301	USD	-9,900.45		87,053.05	
201302	USD	40,531.68		127,584.73	
201303	USD	21,770.35		149,355.08	

DFIT Associated with REC Deferrals

Account 283305.ED.WA

Account 186322.ED.WA balance	-\$426,728.81
Total	-426,728.81
Federal income tax rate	-35%
Deferred FIT related to deferrals	\$149,355
Rounding	0
Balance that should be in account - 3/31/2013	\$149,355

Attachment A

Avista Corporation
Monthly Power Cost Deferral Report
Month of March 2013

ERM Deferral Journal

Avista Corporation Journal Entry

Effective Date: 201303

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

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

Last Saved: 04/04/2013 2:11 PM
 Approval Requested: 04/04/2013 2:11 PM

Seq	Co	FERC	Sec	Jur	S/L	Debit	Credit	Comment
10	001	431600 - INTEREST EXPENSE ENERGY DEFERRALS	ED	WA	DL	27,552.00		Last year (2012) ERM Balance Interest Accrual
20	001	186290 - REGULATORY ASSET ERM DEFERRED	ED	WA	DL		27,552.00	Last year (2012) ERM Interest Accrual
		LAST YEAR						
30	001	182350 - REGULATORY ASSET ERM APPROVED	ED	WA	DL	363,286.00		Approved for Recovery ERM Balance Amortization
		FOR RECOVERY						
40	001	557290 - WA ERM AMORTIZATION	ED	WA	DL		363,286.00	Approved for Recovery ERM Balance Amortization
50	001	431600 - INTEREST EXPENSE ENERGY DEFERRALS	ED	WA	DL	39,414.00		Approved for Recovery ERM Balance Interest Accr
60	001	182350 - REGULATORY ASSET ERM APPROVED	ED	WA	DL		39,414.00	Approved for Recovery ERM Balance Interest Accr
		FOR RECOVERY						
70	001	186280 - REGULATORY ASSET ERM DEFERRED	ED	WA	DL		0.00	Current Year (2013) ERM
		CURRENT YEAR						
80	001	557280 - DEFERRED POWER SUPPLY EXPENSE	ED	WA	DL	0.00		Current Year (2013) Deferral Expense
90	001	431600 - INTEREST EXPENSE ENERGY DEFERRALS	ED	WA	DL	0.00		Current Year (2013) Interest Accrual
100	001	186280 - REGULATORY ASSET ERM DEFERRED	ED	WA	DL		0.00	Current Year (2013) Interest accrual current year
		CURRENT YEAR						
110	001	186290 - REGULATORY ASSET ERM DEFERRED	ED	WA	DL		80,774.14	Palouse Wind Transfer
		LAST YEAR						
120	001	186810 - DEF PALOUSE WIND & THORNTON SW ST	ED	WA	DL	80,774.14		Palouse Wind Transfer
130	001	182350 - REGULATORY ASSET ERM APPROVED	ED	WA	DL		9,000.00	Correct amortization for Feb. 2013
		FOR RECOVERY						
140	001	557290 - WA ERM AMORTIZATION	ED	WA	DL	9,000.00		Correct amortization for Feb. 2013
		Totals:				520,026.14	520,026.14	

Avista Corporation Journal Entry

Effective Date: 201303

Journal: 481-WA ERM

Team: Resource Accounting

Last Saved by: Gina Armstrong

Last Saved: 04/04/2013 2:11 PM

Type: C


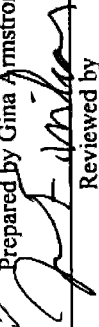
Submitted by: Gina Armstrong

Approval Requested: 04/04/2013 2:11 PM

Category: DJ

Approved by:

Currency: USD


 Prepared by Gina Armstrong

 Reviewed by

4/4/2013

Date

4-4-13

Date

Date

Approved for Entry
Corporate Accounting use Only

Explanation:

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

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 12/31/12 is	5.711%	Actual cost of debt at 06/30/13 is	5.713%
The monthly rate is:	0.00476 Before Tax	The monthly rate is:	0.00476 Before Tax
	0.0030935 After Tax		0.0030945 After Tax
	35.00% Tax rate		35.00% Tax rate

Account 186280

0

			January	DFIT Expense	ADFIT
January	ERM Deferral	0	Deferral	0 Operating	0
January	Interest	0	Interest	0 Nonoperating	0
01-31-2013 Balance before interest				0 Total	0
			February	DFIT Expense	ADFIT
February	ERM Deferral	0	Deferral	0 Operating	0
February	Interest	0	Interest	0 Nonoperating	0
02-28-2013 Balance before interest				0 Total	0
			March	DFIT Expense	ADFIT
March	ERM Deferral	0	Deferral	0 Operating	0
March	Interest	0	Interest	0 Nonoperating	0
03-31-2013 Balance before interest				0 Total	0
			April	DFIT Expense	ADFIT
April	ERM Deferral	0	Deferral	0 Operating	0
April	Interest	0	Interest	0 Nonoperating	0
04-30-2013 Balance before interest				0 Total	0
			May	DFIT Expense	ADFIT
May	ERM Deferral	0	Deferral	0 Operating	0
May	Interest	0	Interest	0 Nonoperating	0
05-31-2013 Balance before interest				0 Total	0
			June	DFIT Expense	ADFIT
June	ERM Deferral	0	Deferral	0 Operating	0
June	Interest	0	Interest	0 Nonoperating	0
06-30-2013 Balance before interest				0 Total	0
GL Balance including interest					
July	ERM Deferral	0	Deferral	0 Operating	0
July	Interest	0	Interest	0 Nonoperating	0
07-31-2013 Balance before interest				0 Total	0
			August	DFIT Expense	ADFIT
August	ERM Deferral	0	Deferral	0 Operating	0
August	Interest	0	Interest	0 Nonoperating	0
08-31-2013 Balance before interest				0 Total	0
			September	DFIT Expense	ADFIT
September	ERM Deferral	0	Deferral	0 Operating	0
September	Interest	0	Interest	0 Nonoperating	0
09-30-2013 Balance before interest				0 Total	0
			October	DFIT Expense	ADFIT
October	ERM Deferral	0	Deferral	0 Operating	0
October	Interest	0	Interest	0 Nonoperating	0
10-31-2013 Balance before interest				0 Total	0
			November	DFIT Expense	ADFIT
November	ERM Deferral	0	Deferral	0 Operating	0
November	Interest	0	Interest	0 Nonoperating	0
11-30-2013 Balance before interest				0 Total	0
			December	DFIT Expense	ADFIT
December	ERM Deferral	0	Deferral	0 Operating	0
December	Interest	0	Interest	0 Nonoperating	0
12-31-2013 Balance before interest				0 Total	0

GL Balance	0	0	ADFIT Balance	0
Update ERM balance to include Interest		0		0
			Check	0

Avista Corp. - Resource Accounting
WASHINGTON POWER COST DEFERRALS

Line No.	WASHINGTON ACTUALS	Jan-13	Feb-13	Mar-13	Apr-13	May-13	Jun-13	Jul-13	Aug-13	Sep-13	Oct-13	Nov-13	Dec-13
1	555 Purchased Power	\$21,539,745	\$22,104,015	\$20,960,073	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2	447 Sale for Resale	(\$45,006,972)	(\$15,517,405)	(\$16,583,582)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
3	Less SMUD RECs	\$1,193,154	\$413,775	\$392,734	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
4	501 Thermal Fuel	\$2,623,111	\$2,267,901	\$2,859,659	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
5	547 CT Fuel	\$9,204,962	\$8,536,356	\$10,881,589	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
6	458 Transmission Revenue	(\$951,740)	(\$1,195,617)	(\$252,995)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
7	565 Transmission Expense	\$4,442,502	\$1,466,879	\$1,491,322	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
8	557 Broker Fees	\$264,384	\$78,884	\$97,888	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
9	Less Cleantwater directly assigned to ID	(\$4,575,186)	(\$1,653,450)	(\$1,386,702)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
10	Adjusted Actual Net Expense	\$64,894,941	\$19,815,893	\$18,767,814	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	Total through												
	March												
11	AUTHORIZED NET EXPENSE-SYSTEM	\$40,940,497	\$13,232,443	\$12,710,608	\$10,429,524	\$8,530,863	\$9,277,524	\$8,213,533	\$10,240,223	\$8,039,783	\$9,414,550	\$12,788,401	\$13,454,232
12	555 Purchased Power	(\$19,731,723)	(\$6,253,766)	(\$6,574,919)	(\$8,035,136)	(\$7,462,411)	(\$6,358,811)	(\$7,752,369)	(\$4,810,418)	(\$6,289,865)	(\$7,401,091)	(\$8,406,153)	(\$8,733,727)
13	447 Sale for Resale	\$1,151,907	\$383,969	\$383,969	\$383,969	\$383,969	\$383,969	\$383,969	\$383,969	\$383,969	\$383,969	\$383,969	\$383,969
14	Less SMUD RECs	\$8,222,296	\$2,779,051	\$2,667,744	\$2,020,557	\$1,704,426	\$1,475,295	\$2,739,032	\$2,967,332	\$2,919,839	\$3,052,588	\$2,913,823	\$3,010,108
15	501 Thermal Fuel	\$26,348,076	\$9,324,080	\$8,646,899	\$4,998,775	\$3,034,991	\$2,592,359	\$7,522,825	\$8,820,667	\$9,214,843	\$9,279,297	\$9,863,116	\$10,707,841
16	547 CT Fuel	(\$2,508,737)	(\$963,388)	(\$845,492)	(\$729,613)	(\$837,639)	(\$1,003,326)	(\$1,160,267)	(\$1,024,607)	(\$947,472)	(\$1,081,246)	(\$894,834)	(\$878,220)
17	458 Transmission Revenue	\$4,494,482	\$1,520,361	\$1,465,382	\$1,443,538	\$1,426,268	\$1,396,752	\$1,441,175	\$1,489,048	\$1,482,163	\$1,556,734	\$1,674,187	\$1,644,372
18	565 Transmission Expense	\$236,531	\$42,656	\$64,015	\$97,390	\$92,577	\$70,281	\$65,808	\$76,848	\$96,844	\$43,966	\$52,696	\$100,670
19	557 Broker Fees	\$59,153,329	\$21,181,117	\$19,506,829	\$18,465,383	\$10,609,004	\$6,833,044	\$6,834,043	\$11,453,706	\$18,143,062	\$16,248,767	\$18,376,205	\$19,689,045
20	Authorized Net Expense	(\$4,458,388)	(\$1,356,434)	(\$2,739,216)	(\$353,739)								
21	Actual - Authorized Net Expense	-\$1,027,743	(\$6,780)	\$76,226	(\$1,097,189)								
22	Resource Optimization	(\$5,486,131)	(\$1,372,214)	(\$2,662,989)	(\$1,450,928)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
23	Adjusted Net Expense		65.24%	65.24%	65.24%	65.24%	65.24%	65.24%	65.24%	65.24%	65.24%	65.24%	65.24%
24	Washington Allocation	(\$3,578,151)	(\$895,232)	(\$1,737,334)	(\$946,585)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
25	Washington Share	\$523,207	(\$777,950)	\$601,550	\$699,607								
26	WA Retail Revenue Adjustment												
27	(+) Surcharge (-) Rebate												
28	Net Power Cost (+) Surcharge (-)	(\$3,055,944)	(\$1,673,182)	(\$1,135,784)	(\$246,978)								
29	Rebate												
30	Cumulative Balance	(\$1,673,182)	(\$2,808,966)	(\$3,055,944)									
31	Deferral Amount, Cumulative (Customer)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
32	Deferral Amount, Monthly	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
33	Acct 657280 Entry; (+) Rebate, (-) Surcharge	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
34	Company Band Gross Margin Impact, Cumulative	(\$1,673,182)	(\$2,808,966)	(\$3,055,944)									

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

Line No.	Jan-13	Feb-13	Mar-13	Apr-13	May-13	Jun-13	Jul-13	Aug-13	Sep-13	Oct-13	Nov-13	Dec-13
555 PURCHASED POWER												
1	\$10,052,771	\$10,888,066	\$10,689,484	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2	\$985,401	\$985,401	\$985,401	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
3	\$89,299	\$42,583	\$38,244	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
4	\$151,593	\$151,593	\$151,593	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
5	\$513,376	\$513,376	\$513,239	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
6	\$3,356,106	\$3,032,593	\$1,656,844	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
7	\$644	\$821	\$685	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
8	\$127,624	\$168,708	\$128,300	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
9	\$177,403	\$154,919	\$135,319	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
10	\$231,837	\$275,539	\$406,100	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
11	\$591,864	\$466,708	\$509,194	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
12	\$235,641	\$345,786	\$293,496	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
13	\$2,109,744	\$2,110,000	\$2,160,263	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
14	\$1,215,994	\$1,578,213	\$1,721,857	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
15	\$1,653,450	\$1,386,702	\$1,535,034	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
16	\$61,878	\$52,609	\$52,182	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
17	(\$14,460)	(\$49,702)	\$2,838	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
18	\$21,539,746	\$22,104,015	\$20,960,073	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(1) Effective November, 2008, WNP-3 purchase expense has been adjusted to reflect the mid-point price, per Settlement Agreement, Cause No. U-86-98												
447 SALES FOR RESALE												
19	(\$9,056,956)	(\$11,348,683)	(\$11,775,438)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
20	(\$145,955)	(\$146,410)	(\$146,150)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
21	(\$99,524)	(\$93,651)	(\$133,768)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
22	(\$6,543)	(\$5,984)	(\$6,779)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
23	(\$42,340)	(\$36,776)	(\$40,340)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
24	(\$1,801,862)	(\$1,856,399)	(\$2,081,277)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
25	(\$1,752,795)	(\$2,029,502)	(\$2,399,840)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
26	(\$12,906,976)	(\$15,517,406)	(\$16,583,692)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
501 FUEL-DOLLARS												
27	\$678,253	\$531,718	\$739,340	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
28	(\$63)	\$2,227	\$522	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
29	\$1,916,760	\$1,733,757	\$2,113,384	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
30	\$28,151	\$199	\$6,413	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
31	\$2,623,111	\$2,267,901	\$2,859,659	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
501 FUEL-TONS												
32	43,023	36,056	51,328	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
33	97,687	92,223	95,656	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
501 FUEL-COST PER TON												
34	\$15.76	\$14.75	\$14.40	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
35	\$19.62	\$18.80	\$22.09	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
547 FUEL												
36	(\$14)	\$1,281	\$36	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
37	\$52,379	(\$19)	\$45,838	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
38	\$14,890	\$0	\$7,806	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
39	\$4,463,471	\$4,301,488	\$5,331,017	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
40	\$4,599,425	\$4,233,735	\$5,208,243	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
41	\$74,811	(\$129)	\$98,649	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
42	\$9,204,962	\$8,636,356	\$10,681,589	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

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

Line No.	Jan-13	Feb-13	Mar-13	Apr-13	May-13	Jun-13	Jul-13	Aug-13	Sep-13	Oct-13	Nov-13	Dec-13
43	TOTAL NET EXPENSE	\$20,461,843	\$17,390,867	\$17,917,728	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
		201301	201302	201303	201304	201306	201307	201308	201309	201310	201311	201312
	456 TRANSMISSION REVENUE											
44	456100 ED AN	(\$951,740)	(\$663,617)	(\$784,995)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
45	456120 ED AN - BPA Settlement	\$0	(\$12,224,000)	(\$266,000)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
46	Exclude Prior Year BPA Settlement	\$0	\$11,692,000	\$798,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
47	456705 ED AN - Do not include Low Voltage	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
48	Total 456 Transmission Revenue	(\$951,740)	(\$1,195,617)	(\$262,995)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	565 TRANSMISSION EXPENSE											
49	565000 ED AN	\$1,482,471	\$1,464,648	\$1,469,292	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
50	565312 ED AN	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
51	565710 ED AN	\$2,030	\$2,030	\$2,030	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
52	Total 565 Transmission Expense	\$1,484,501	\$1,466,678	\$1,491,322	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
53	Total 567170 ED AN Broker Fees	\$87,884	\$78,612	\$87,888	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	RESOURCE OPTIMIZATION											
54	Econ Dispatch-557010	\$968,629	\$1,030,570	\$1,608,007	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
55	Econ Dispatch-557150	\$5,165,586	\$4,950,782	\$4,897,734	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
56	Gas Bookouts-557700	\$0	\$5,100	\$1,743,692	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
57	Gas Bookouts-557711	\$0	(\$5,100)	(\$1,743,692)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
58	Intraco Thermal Gas-557730	\$4,446,559	\$4,473,129	\$4,685,083	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
59	Fuel Dispatch in -456010	(\$1,086,951)	(\$956,810)	(\$1,551,264)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
60	Fuel Dispatch-456015	(\$1,664,426)	(\$130,271)	(\$303,632)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
61	Intraco Thermal Gas-456730	(\$7,893,996)	(\$9,311,944)	(\$10,621,480)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
62	Fuel Bookouts-456711	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
63	Fuel Bookouts-456720	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
64	Resource Optimization Subtotal	(\$44,609)	\$55,456	(\$1,085,552)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
65	Misc. Power Exp. Authorized	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
66	Misc. Power Exp. Actual-557160 ED AN	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
67	KFWF Contract Buyout	\$47,200	\$34,400	\$34,400	\$14,400	\$0	\$0	\$0	\$0	\$0	\$0	\$0
68	Misc. Power Exp. Subtotal	\$47,200	\$34,400	\$34,400	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
69	Wind REC Exp Authorized	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
70	Wind REC Exp Actual 557395	(\$9,371)	(\$13,630)	(\$11,637)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
71	Wind REC Subtotal	(\$9,371)	(\$13,630)	(\$11,637)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
72	Net Resource Optimization	(\$6,780)	\$76,226	(\$1,097,189)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
73	Adjusted Actual Net Expense	\$21,076,708	\$17,816,787	\$18,158,755	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

Avista Corp. - Resource Accounting
 Washington Electric Jurisdiction
Energy Recovery Mechanism (ERM) Retail Revenue Credit Calculation - 2013

Retail Sales - MWh	Jan-13	Feb-13	Mar-13	Apr-13	May-13	Jun-13	Jul-13	Aug-13	Sep-13	Oct-13	Nov-13	Dec-13	YTD
Total Billed Sales	551,664	547,330	478,059										1,577,052
Deduct Prior Month Unbilled	(396,432)	(394,313)	(345,363)	(324,673)									(1,460,780)
Add Current Month Unbilled	394,313	345,363	324,673										1,064,348
Total Retail Sales	549,545	498,380	457,369	(324,673)									1,180,620
Test Year Retail Sales	526,347	517,091	479,129	413,722	412,816	423,337	437,872	482,267	407,780	448,458	475,296	561,952	5,674,866
Difference from Test Year	24,198	(18,711)	(21,761)										(16,274)
Production Rate - \$/MWh	\$32.15	\$32.15	\$32.15	\$32.15	\$32.15	\$32.15	\$32.15	\$32.15	\$32.15	\$32.15	\$32.15	\$32.15	\$32.15
Total Revenue Credit - \$	\$777,960	(\$601,660)	(\$695,607)										(\$523,207)

ELECTRIC UNBILLED KWH AND REVENUE		REVENUE CLASS CODE	TOWN	ACCOUNT DESCRIPTION	RATE SCH	Current Gross Unbilled KWH	Current Gross Unbilled REVENUE	Prior Month Reversal KWH	Prior Month Reversal REVENUE	Net Change KWH	Net Change REVENUE
WASHINGTON											
2800	Residential Service	01	2800	Residential Farm Gen	001	132,749,248	\$ 11,316,226	(168,267,649)	\$ (13,162,456)	(23,518,601)	\$ (1,846,231)
2800	Residential Farm Gen	01	2800	Residential Farm Gen	012	3,180,046	\$ 414,104	(3,618,024)	\$ (461,751)	(437,978)	\$ (47,947)
2800	Residential Farm Lg	01	2800	Residential Farm Lg	022	2,120,031	\$ 167,831	(2,424,846)	\$ (178,061)	(304,815)	\$ (21,230)
2800	Residential Farm Pump	01	2800	Residential Farm Pump	032	141,335	\$ 21,281	(163,868)	\$ (22,489)	(12,623)	\$ (1,217)
2800	Commercial General	21	2800	Commercial General	011	25,263,688	\$ 2,844,439	(26,711,795)	\$ (3,000,135)	(1,448,097)	\$ (155,696)
2800	Commercial Lg General	21	2800	Commercial Lg General	021	62,752,805	\$ 4,934,440	(62,363,181)	\$ (4,922,874)	389,724	\$ 11,566
2800	Commercial Extra Lg	21	2800	Commercial Extra Lg	025	22,637,625	\$ 1,406,026	(22,336,761)	\$ (1,385,389)	498,864	\$ 20,656
2800	Commercial Pump	21	2800	Commercial Pump	031	1,626,367	\$ 137,335	(1,655,054)	\$ (139,838)	(28,697)	\$ (2,503)
2800	Industrial General	31	2800	Industrial General	011	282,871	\$ 30,776	(307,917)	\$ (33,454)	(25,246)	\$ (2,679)
2800	Industrial Lg General	31	2800	Industrial Lg General	021	5,616,081	\$ 418,711	(6,308,647)	\$ (402,903)	229,534	\$ 15,808
2800	Industrial Extra Lg	31	2800	Industrial Extra Lg	025	67,636,347	\$ 3,723,301	(63,604,103)	\$ (3,842,716)	3,932,244	\$ 180,585
2800	Industrial Pump	31	2800	Industrial Pump	031	566,341	\$ 74,002,440	(4,223,761)	\$ (48,935)	26,486	\$ 2,059
WASHINGTON TOTAL						324,672,866	\$ 25,455,461	(345,362,890)	\$ (27,301,980)	(20,690,205)	\$ (1,846,529)
IDAHO											
3800	Residential Service	01	3800	Residential Farm Gen	001	64,889,268	\$ 5,676,654	(70,128,084)	\$ (6,022,641)	(5,431,818)	\$ (446,787)
3800	Residential Farm Gen	01	3800	Residential Farm Gen	012	1,342,686	\$ 149,462	(1,601,096)	\$ (164,081)	(158,408)	\$ (14,629)
3800	Residential Farm Lg	01	3800	Residential Farm Lg	022	800,676	\$ 39,723	(854,324)	\$ (42,801)	(53,648)	\$ (3,178)
3800	Residential Farm Pump	01	3800	Residential Farm Pump	032	106,002	\$ 11,797	(116,489)	\$ (12,641)	(9,487)	\$ (844)
3800	Commercial General	21	3800	Commercial General	011	16,076,899	\$ 1,614,245	(17,435,797)	\$ (1,636,166)	(1,358,898)	\$ (121,921)
3800	Commercial Lg General	21	3800	Commercial Lg General	021	28,838,417	\$ 1,867,967	(28,462,317)	\$ (1,845,228)	456,100	\$ 22,729
3800	Commercial Extra Lg	21	3800	Commercial Extra Lg	025	6,086,387	\$ 271,487	(4,802,864)	\$ (281,146)	263,623	\$ 10,341
3800	Commercial Pump	21	3800	Commercial Pump	031	1,024,681	\$ 89,917	(885,261)	\$ (78,057)	139,420	\$ 11,860
3800	Industrial General	31	3800	Industrial General	011	247,337	\$ 22,869	(230,938)	\$ (21,226)	16,369	\$ 1,433
3800	Industrial Lg General	31	3800	Industrial Lg General	021	6,123,407	\$ 322,887	(6,167,809)	\$ (324,928)	(34,202)	\$ (2,341)
3800	Industrial Extra Lg	31	3800	Industrial Extra Lg	025	20,446,778	\$ 1,078,746	(17,646,767)	\$ (960,084)	2,900,021	\$ 128,662
3800	Industrial Pump	31	3800	Industrial Pump	031	883,346	\$ 78,433	(885,261)	\$ (78,606)	(1,915)	\$ (173)
IDAHO TOTAL						144,652,661	\$ 11,120,667	(147,825,776)	\$ (11,535,708)	(3,272,895)	\$ (414,848)
WASHINGTON & IDAHO TOTAL						469,225,666	\$ 36,576,318	(492,188,666)	\$ (38,837,688)	(23,963,100)	\$ (2,261,377)

Electric Revenue Report by Revenue Class
Current Month and Year-to-Date
 for Accounting Period : 201303 , State Code : WA

Accounting Period	201303	State Code	WA
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RevClsDesc	Meters	Usage	Revenue Amt	YTD Average Meters	Ytd Usage
01 RESIDENTIAL	213,095	229,626,677	20,119,190	213,351	798,624,949
18 THEFT OF SERVICE-ELECTRIC	0	0	2,887	0	0
21 FIRM COMMERCIAL	23,280	171,795,101	16,484,223	23,285	542,005,317
31 FIRM- INDUSTRIAL	353	74,122,078	4,533,623	357	228,789,505
39 FIRM-PUMPING-IRRIGATION ONLY	566	298,405	34,157	568	863,473
51 LIGHTING-PUBLIC STREET AND HIW.	378	1,409,850	422,950	378	4,230,557
61 ENERGY EXCHANGE-RESIDENTIAL	0	0	0	0	0
80 INTERDEPARTMENT REVENUE	57	806,491	73,334	54	2,538,690
83 MISC-SERVICE REVENUE SNP	0	0	34,044	0	0
85 MISC-RENT FROM ELECTRIC PROPE	0	0	24,476	0	0
Total WA	237,729	478,058,602	41,728,883	237,991	1,577,052,491
Total WA	237,729	478,058,602	41,728,883	237,991	1,577,052,491

Source: Electric Revenue Report Electric, Source Id IN ('REVCSS','REVCORR','REVHBL','REVCAE','REVCORRR'), Rate Schedule Num LIKE :Rate Schedule

Accounting Period	201303	State Code	WA
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RevClsDesc	Ytd Revenue Amt
01 RESIDENTIAL	70,023,864
18 THEFT OF SERVICE-ELECTRIC	3,709
21 FIRM COMMERCIAL	51,330,376
31 FIRM- INDUSTRIAL	13,828,648
39 FIRM-PUMPING-IRRIGATION ONLY	97,601
51 LIGHTING-PUBLIC STREET AND HIW.	1,247,733
61 ENERGY EXCHANGE-RESIDENTIAL	-268
80 INTERDEPARTMENT REVENUE	228,110
83 MISC-SERVICE REVENUE SNP	93,946
85 MISC-RENT FROM ELECTRIC PROPE	73,341
Total WA	136,927,060
Total WA	136,927,060

Rate Schedule Num LIKE :Rate Schedule

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 12/31/12 is	5.711%	Actual cost of debt at 06/30/12 is	5.713%
The monthly rate is:	0.00476 Before Tax	The monthly rate is:	0.00476 Before Tax
	0.0030935 After Tax		0.0030945 After Tax
	35.00% Tax rate		35.00% Tax rate

Account 186290

12-31-2012 GL Balance including interest (8,756,638) \$3,064,823

		January	DFIT Expense	ADFIT
January	0			
January Interest	(27,089)	Interest	(9,481) Nonoperating	9,481
01-31-2013 Balance before interest	(8,756,638)		(9,481) Total	9,481
		February	DFIT Expense	ADFIT
February 2012 Trans. Revenue Adj.	(101,807)			
February 2012 REC Expense Adjustment	(7,545)			
February Interest	(27,383)	Interest	(9,584) Nonoperating	9,584
02-28-2013 Balance before interest	(8,865,990)		(9,584) Total	9,584
		March	DFIT Expense	ADFIT
March	0			
March Palouse Transfer from 186810	(80,774)			
March Interest	(27,552)	Interest	(9,643) Nonoperating	9,643
03-31-2013 Balance before interest	(8,946,764)		(9,643) Total	9,643
		April	DFIT Expense	ADFIT
April	0	Deferral		
April Interest	(27,677)	Interest	(9,687) Nonoperating	9,687
04-30-2013 Balance before interest	(8,946,764)		(9,687) Total	9,687
		May	DFIT Expense	ADFIT
May	0	Deferral		
May Interest	(27,677)	Interest	(9,687) Nonoperating	9,687
05-31-2013 Balance before interest	(8,946,764)		(9,687) Total	9,687
		June	DFIT Expense	ADFIT
June	0	Deferral		
June Interest	(27,677)	Interest	(9,687) Nonoperating	9,687
Balance including interest	(8,946,764)		(9,687) Total	9,687
ERM Transfer to 182350	0			
06-30-2013 Balance	(8,946,764)			
		July	DFIT Expense	ADFIT
July	0	Deferral		
July Interest	0	Interest	0 Nonoperating	0
07-31-2013 Balance before interest	0		0 Total	0
		August	DFIT Expense	ADFIT
August	0	Deferral		
August Interest	0	Interest	0 Nonoperating	0
08-31-2013 Balance before interest	0		0 Total	0
		September	DFIT Expense	ADFIT
September	0	Deferral		
September Interest	0	Interest	0 Nonoperating	0
09-30-2013 Balance before interest	0		0 Total	0
		October	DFIT Expense	ADFIT
October	0	Deferral		
October Interest	0	Interest	0 Nonoperating	0
10-31-2013 Balance before interest	0		0 Total	0
		November	DFIT Expense	ADFIT
November	0	Deferral		
November Interest	0	Interest	0 Nonoperating	0
11-30-2013 Balance before interest	0		0 Total	0
		December	DFIT Expense	ADFIT
December	0	Deferral		
December Interest	0	Interest	0 Nonoperating	0
12-31-2013 Balance before interest	0		0 Total	0

GL Balance	(8,946,764)	(82,024)	ADFIT Balance	3,122,592
Update ERM balance to include Interest		(9,028,788)		3,160,076
			Check	(37,484)

AVISTA CORP
 PALOUSE WIND DEFERRAL - WA

Period	Sep-12	Oct-12	Nov-12	Dec-12	TOTAL	YTD GL Wand Check
PPA 557270 ED WA	\$ (2,231.35)	\$ (36,833.68)	\$ (63,477.57)	\$ (69,367.54)	\$ (171,910.14)	
Thornton 407496 ED WA	\$ 25,984.00	\$ 12,037.00	\$ 26,509.00	\$ 26,606.00	\$ 91,136.00	
Total 186810 ED WA	\$ 23,752.65	\$ (24,796.68)	\$ (36,968.57)	\$ (42,761.54)	\$ (80,774.14)	\$ (80,774.14) \$ (0.00)

Redo 9/12 Rev Reg from 9/13 on when test power was received

Work with Gina, after WA ERM Review and prudence, move balance to ERM.



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August 24, 2012

Sent Electronically and via Overnight Mail

Mr. David Danner, Executive Director and Secretary
Washington Utilities and Transportation Commission
1300 S. Evergreen Park Drive SW
P. O. Box 47250
Olympia, Washington 98504-7250

Re: Notification to Defer Costs Associated with the Palouse Wind Power Purchase Agreement
and Thornton 230 kV Switching Station

Dear Mr. Danner:

Pursuant to WAC 480-100-435 (see "Attachment A") Avista hereby notifies the Commission of its intent to defer costs in connection with the Palouse Wind Power Purchase Agreement (Palouse Wind PPA) and the Thornton 230 kV Switching Station.

Project Description

The Palouse Wind PPA is a 30-year agreement for Avista to purchase all of the generation output and all environmental benefits associated with the Palouse Wind, LLC power project. The Agreement also includes a purchase option after year ten. The Palouse Wind Project will consist of 58 Vestas 1.8 MW wind turbines that will be located 30 miles South of Spokane with a total capacity of approximately 105 MWs (39 aMW energy). The project will be directly connected to the Avista electric system via the Thornton 230 kV Switching Station, and is expected to begin commercial operation by the end of 2012. Test power is expected to be received in mid-September 2012.

Avista's 2009 Integrated Resource Plan (IRP) indicated an approximate need for 50 aMW of qualifying renewable energy credits prior to 2016, in order to meet Washington's renewable portfolio standard (RPS). In early 2011, the 2011 IRP was well into development and identified a slightly lower need level of 42 aMW of qualifying renewable energy credits. In February 2011, Avista decided to issue a request for proposals (RFP) that would meet the Company's 2016 need for qualifying renewable energy credits prior to the December 31, 2012 expiration of renewable energy federal and state tax incentives and other benefits, and also take advantage of the low equipment and construction costs that appeared to be available at the time. The Palouse Wind PPA was selected as a result of the RFP. The Palouse Wind PPA meets Washington's renewable portfolio standard (RPS) under the Energy Independence Act (19.285 RCW).

Notification of Avista's Intent to Defer Costs

Pursuant to Section (3)(a) of WAC 480-100-435 Avista must notify the commission within ten business days of its intent to defer costs associated with an eligible renewable resource as defined in RCW 19.285.030 that the electrical company owns or has entered a power purchase agreement for a term of five or more years. Avista hereby makes such notification to defer costs

associated with the Palouse Wind PPA and the Thornton 230 kV Switching Station that will connect the project to Avista's transmission system.

Section (4) of WAC 480-100-435 states that the deferral begins with the date on which the power plant begins commercial operation or the effective date of the power purchase agreement. Avista proposes that deferrals begin effective with the month that Avista begins to receive test power from the Palouse Wind PPA, potentially anticipated to be on or about September 10, 2012. The Thornton 230 kV Switching Station will be in service when the test power is received.


Avista's pending general rate case filing (Dockets UE-120436 & UG-120437, and UE-110876 & UG-110877 (consolidated)) reflects inclusion of the Palouse Wind PPA and the Thornton 230 kV Switching Station. The Company's pro forma power supply adjustment reflected by Company witness Mr. Johnson includes the expenses and generation related to the purchase from the Palouse Wind PPA. The Company's 2012 Capital Additions adjustment included in Company witness Ms. Andrews testimony and exhibit reflects the capital addition and related costs associated with the Thornton 230 kV Switching Station. Company witness Mr. Lafferty's testimony and exhibits reflect the process of selecting the Palouse Wind PPA. Avista is proposing to defer costs associated with the Palouse Wind PPA and the Thornton 230 kV Switching Station until those costs are recovered through its pending general rate case filing.

The costs that Avista intends to defer are the cost associated with the purchase of test power, the cost of power purchased under the Palouse Wind PPA after test power purchases are concluded, and costs associated with the Thornton 230 kV Switching Station. The price of test power is to be at 80% of the market price of energy when the test power is delivered. When testing is concluded, purchases will be at prices reflected in the Palouse Wind PPA.

Costs associated with the Thornton 230 kV Switching Station include return on investment, depreciation expense, and property taxes. "Attachment B" shows an example calculation as to how the deferral amounts are to be determined. The first and last month of the Thornton 230 kV Switching Station deferrals would be prorated based, in the first month, on when test power begins to be received, and, in the last month, based on the effective date of the general rate increase. Costs would be deferred by debiting a 186 Account and crediting a 407 Account for the Thornton 230 kV Switching Station costs, and crediting or debiting, as appropriate, a 557 Account for the power purchases. Once a prudence determination is made in the rate case, the costs would be transferred from the 186 Account to the ERM Account 182.350 that reflects amounts approved for recovery or rebate.

Please direct any questions related to these filings to Patrick Ehrbar at (509) 495-8620.

Sincerely,



Kelly Norwood
Vice President State and Federal Regulation
RM

*Current yr. deferral
2012 Norw
moved to
186290*

“Attachment A”

WAC 480-100-435

Electrical company deferral of costs associated with long-term financial commitments — Notice and reporting.

(1) An electrical company may account for and defer for later consideration by the commission costs incurred in connection with a long-term financial commitment for:

(a) Baseload electric generation; or

(b) An eligible renewable resource as defined in RCW 19.285.030 that the electrical company owns or has entered a power purchase agreement for a term of five or more years.

(2) Deferred costs may include operating and maintenance costs, depreciation, taxes, and cost of invested capital.

(3) An electrical company deferring costs under subsection (1) of this section must:

(a) Notify the commission within ten business days of its intent to defer such costs; and

(b) File quarterly with the commission a report documenting the balances of costs deferred in a form specified by the commission.

(4) The deferral begins with the date on which the power plant begins commercial operation or the effective date of the power purchase agreement and continues for a period not to exceed twenty-four months; provided that if during such period the company files a general rate case or other proceeding for the recovery of such costs, deferral ends on the effective date of the final decision by the commission in such proceeding. Creation of such a deferral account does not by itself determine the actual costs of the long-term financial commitment, whether recovery of any or all of these costs is appropriate, or other issues to be decided by the commission in a general rate case or other proceeding authorized by the commission for recovery of these costs.

"Attachment B"

Avista Utilities
 Thornton 230kV Switching Station
 Projected Revenue Requirement
For the First Twelve Months in Service

Line No.	<u>Washington Authorized Rate of Return in UE-100467 & UG-100468</u>			
		Capital		Weighted
	<u>Component</u>	<u>Structure</u>	<u>Cost</u>	<u>Cost</u>
1	Debt	53.50%	5.93%	3.17%
2	Equity	46.50%	10.20%	4.74%
3	Total	100.00%		7.91%
	Effective 12/1/2010. This is the most recent case that specified a rate of return and debt and equity components.			
4	Gross plant - assumed in service mid-September 2012			\$4,350,000
5	Accumulated depreciation			-89,610
6	Accumulated deferred income tax			-103,583 (1)
7	Rate base 12 months after being placed in service			\$4,156,807
8	Average rate base			\$4,253,404
9	Rate of return			7.91%
10	Return requirement			\$336,444
11	Depreciation expense		0.0206	89,610
12	Property tax		0.015	65,250
13	FIT benefit of depreciation and property tax			-54,201
14	FIT benefit of interest			-47,192
15	Total net operating income requirement			\$389,911
16	Net to gross conversion factor - WA			0.620815
17	Total revenue requirement - first twelve months			\$628,063
18	Washington allocation			65.24%
19	Washington portion of revenue requirement			\$409,748
20	Monthly Washington revenue requirement			\$34,146
	(1) Calculation of accumulated deferred income tax after twelve months			
21	2012 tax depreciation - 3.5 months		0.0375	\$163,125
22	2013 tax depreciation - 8.5 months		0.07219	\$222,435
23	Less book depreciation for 12 months			-89,610
24	Tax depreciation in excess of book depreciation			\$295,950
25	Federal income tax rate			0.35
26	Accumulated deferred income tax at end of 12 months			-\$103,583

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 12/31/12 is	5.711%	Actual cost of debt at 06/30/12 is	5.713%
The monthly rate is:	0.00476 Before Tax	The monthly rate is:	0.00476 Before Tax
	0.0030935 After Tax		0.0030945 After Tax
	35.00% Tax rate		35.00% Tax rate

Account 182350

12-31-2012 GL Balance including interest (13,429,980) 4,700,493

				January	DFIT Expense	ADFIT
January	Surcharge Amortization	110,250		Amortization	38,588 Operating	(38,588)
January	Interest		(41,375)	Interest	(14,481) Nonoperating	14,481
01-31-2013	Balance before interest	(13,319,730)			24,107 Total	(24,107)
February	Surcharge Amortization	401,167		February	DFIT Expense	ADFIT
February	Interest		(40,597)	Amortization	140,408 Operating	(140,408)
02-28-2013	Balance before interest	(12,918,563)		Interest	(14,209) Nonoperating	14,209
					126,199 Total	(126,199)
March	Surcharge Amortization	363,286		March	DFIT Expense	ADFIT
March	Interest		(39,414)	Amortization	127,150 Operating	(127,150)
03-31-2013	Balance before interest	(12,555,277)		Interest	(13,795) Nonoperating	13,795
					113,355 Total	(113,355)
April	Surcharge Amortization	0		April	DFIT Expense	ADFIT
April	Interest		(38,852)	Amortization	0 Operating	0
04-30-2013	Balance before interest	(12,555,277)		Interest	(13,598) Nonoperating	13,598
					(13,598) Total	13,598
May	Surcharge Amortization	0		May	DFIT Expense	ADFIT
May	Interest		(38,852)	Amortization	0 Operating	0
05-31-2013	Balance before interest	(12,555,277)		Interest	(13,598) Nonoperating	13,598
					(13,598) Total	13,598
June	Surcharge Amortization	0		June	DFIT Expense	ADFIT
June	Interest		(38,852)	Amortization	0 Operating	0
06-30-2013	Balance including interest	(12,555,277)		Interest	(13,598) Nonoperating	13,598
					(13,598) Total	13,598
July	GL Balance including interest	(12,555,277)		July	DFIT Expense	ADFIT
July	Surcharge Amortization	0		Amortization	0 Operating	0
July	Interest		(38,852)	Interest	(13,598) Nonoperating	13,598
07-31-2013	Balance before interest	(12,555,277)			(13,598) Total	13,598
August	Surcharge Amortization	0		August	DFIT Expense	ADFIT
August	Interest		(38,852)	Amortization	0 Operating	0
08-31-2013	Balance before interest	(12,555,277)		Interest	(13,598) Nonoperating	13,598
					(13,598) Total	13,598
September	Surcharge Amortization	0		September	DFIT Expense	ADFIT
September	Interest		(38,852)	Amortization	0 Operating	0
09-30-2013	Balance before interest	(12,555,277)		Interest	(13,598) Nonoperating	13,598
					(13,598) Total	13,598
October	Surcharge Amortization	0		October	DFIT Expense	ADFIT
October	Interest		(38,852)	Amortization	0 Operating	0
10-31-2013	Balance before interest	(12,555,277)		Interest	(13,598) Nonoperating	13,598
					(13,598) Total	13,598
November	Surcharge Amortization	0		November	DFIT Expense	ADFIT
November	Interest		(38,852)	Amortization	0 Operating	0
11-30-2013	Balance before interest	(12,555,277)		Interest	(13,598) Nonoperating	13,598
					(13,598) Total	13,598
December	Surcharge Amortization	0		December	DFIT Expense	ADFIT
December	Interest		(38,852)	Amortization	0 Operating	0
12-31-2013	Balance before interest	(12,555,277)		Interest	(13,598) Nonoperating	13,598
					(13,598) Total	13,598

GL Balance	(12,555,277.00)	(121,386)	ADFIT Balance	4,676,386
Update ERM balance to include Interest		(12,676,663.00)		4,436,832
			Check	239,554

AVISTA CORPORATION
 MARCH 2013 WASHINGTON ENERGY RECOVERY MECHANISM REBATE REVENUE & DEFERRAL AMORTIZATION

Schedule	kWh or \$ (b)	Proration Percentages		Rebate Rates		Rate		Current Month Rebate Revenue		Total (i) (g)+(h)
		Before 01-Jan-13 (c)	On/After 01-Jan-13 (d)	Before 01-Jan-13 (e)	On/After 01-Jan-13 (f)	Before 01-Jan-13 (g)	On/After 01-Jan-13 (h)	On/After 01-Jan-13 (b)*(d)*(f)	On/After 01-Jan-13 (b)*(d)*(f)	
1	220,392,514	0.00%	100.00%	0.00¢	(0.080¢)	0	-176,314	-176,314	-176,314	
11	42,497,473	0.00%	100.00%	0.00¢	(0.110¢)	0	-46,747	-46,747	-46,747	
12	5,252,219	0.00%	100.00%	0.00¢	(0.110¢)	0	-5,777	-5,777	-5,777	
21	114,400,067	0.00%	100.00%	0.00¢	(0.083¢)	0	-94,952	-94,952	-94,952	
22	3,494,510	0.00%	100.00%	0.00¢	(0.083¢)	0	-2,900	-2,900	-2,900	
25	86,028,844	0.00%	100.00%	0.00¢	(0.053¢)	0	-45,595	-45,595	-45,595	
30	3,540	0.00%	100.00%	0.00¢	(0.073¢)	0	-3	-3	-3	
31	3,614,245	0.00%	100.00%	0.00¢	(0.073¢)	0	-2,638	-2,638	-2,638	
32	234,282	0.00%	100.00%	0.00¢	(0.073¢)	0	-171	-171	-171	
41-46	1,401,071	0.00%	100.00%	0.00¢	(0.246¢)	0	-3,447	-3,447	-3,447	
47	471,490	0.00%	100.00%	0.00¢	(0.246¢)	0	-1,160	-1,160	-1,160	
48	268,347	0.00%	100.00%	0.00¢	(0.246¢)	0	-660	-660	-660	
Schedule Totals	478,058,602					\$0	-\$380,364	-\$380,364	-\$380,364	

kWh not subject to surcharge	0	Conversion factor	0.955100
Sch 28	0	Amortization	-\$363,286
Total kWh	478,058,602	FIT rate	-35%
		DFIT expense	\$127,150

Electric Revenue Report by Revenue Class Current Month and Year-to-Date for Accounting Period : 201303 , State Code : WA

Accounting State Code:WA

Rate Schedule Num	Meters	Usage	Revenue Amt	YTD Avg Meters	Ytd Usage	Ytd Revenue Amt
001	203,429	220,392,514	18,350,099.73	203,675	767,869,540	64,200,835.02
011	20,852	42,497,473	4,896,388.03	20,805	136,074,695	15,442,670.26
012	8,504	5,252,219	684,997.33	8,507	17,570,529	2,218,059.99
021	2,086	114,400,067	10,115,613.71	2,135	356,915,018	31,203,307.10
022	58	3,494,510	287,075.95	59	11,663,920	946,188.49
025	18	86,028,844	4,933,278.41	22	268,659,976	15,199,231.05
030	31	3,540	716.54	32	11,800	2,126.98
031	1,160	3,614,245	311,560.77	1,160	11,101,096	947,639.24
032	1,217	234,282	37,391.73	1,223	761,899	112,231.93
041	11	8,720	1,953.17	11	26,160	5,818.94
042	286	1,143,650	378,219.60	286	3,429,938	1,114,673.71
044	13	24,502	3,105.12	13	73,506	9,263.98
044A	1	-	336.00	1	-	1,008.00
045	11	84,237	5,968.60	11	252,711	17,918.46
046	52	139,962	13,424.00	52	417,483	39,947.36
047	-	471,490	106,039.30	-	1,412,946	319,844.57
048	-	268,347	63,062.21	-	811,274	194,536.47
058	-	-	1,473,210.78	-	-	4,770,176.08
058A	-	-	(9,112.53)	-	-	(31,741.80)
090	-	-	-	-	-	(268.00)
095	-	-	15,225.77	-	-	45,824.88
099	-	-	60,328.58	-	-	167,767.73
Sum	237,729	478,058,602	41,728,882.80	237,991	1,577,052,491	136,927,060.44

Avista Corporation Journal Entry

Effective Date: 201302

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

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

Last Saved: 03/06/2013 5:56 PM
 Approval Requested: 03/06/2013 5:56 PM

Seq	Co	FERC	Debit	Credit	Comment
10	001	431600 - INTEREST EXPENSE DEFERRALS	27,383.00		Last year (2012) ERM Balance Interest Accru
20	001	186290 - REGULATORY ASSET ERM DEFERRED		27,383.00	Last year (2012) ERM Interest Accru
30	001	182350 - REGULATORY ASSET ERM APPROVED	410,167.00		Approved for Recovery ERM Balance Amortization
40	001	557290 - WA ERM AMORTIZATION		410,167.00	Approved for Recovery ERM Balance Amortization
50	001	431600 - INTEREST EXPENSE DEFERRALS	40,597.00		Approved for Recovery ERM Balance Interest Accru
60	001	182350 - REGULATORY ASSET ERM APPROVED		40,597.00	Approved for Recovery ERM Balance Interest Accru
70	001	186280 - REGULATORY ASSET ERM DEFERRED		0.00	Current Year (2013) ERM
80	001	557280 - DEFERRED POWER SUPPLY EXPENSE	0.00		Current Year (2013) Deferral Expense
90	001	431600 - INTEREST EXPENSE DEFERRALS	0.00		Current Year (2013) Interest Accru
100	001	186280 - REGULATORY ASSET ERM DEFERRED		0.00	Current Year (2013) Interest accrual current year
Totals:			478,147.00	478,147.00	

Gina Armstrong
 Prepared by Gina Armstrong
 Date: 3-6-13

Gina Armstrong
 Reviewed by
 Date: 3-6-13

Approved for Entry
 Corporate Accounting use Only
 Date: _____

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

AVISTA CORPORATION
 FEBRUARY 2013 WASHINGTON ENERGY RECOVERY MECHANISM REBATE REVENUE & DEFERRAL AMORTIZATION

Schedule (a)	kWh or \$ (b)	Proration Percentages		Rebate Rates		Current Month Rebate Revenue		Total (i) (g)+(h)
		Before 01-Jan-13 (c)	On/After 01-Jan-13 (d)	Before 01-Jan-13 (e)	On/After 01-Jan-13 (f)	Rate On/After 01-Jan-13 (h)	Rate On/After 01-Jan-13 (b)*(d)*(f)	
1	271,466,630	3.77%	96.23%	0.00¢	(0.080¢)	0	-208,986	-208,986
11	47,098,399	4.06%	95.94%	0.00¢	(0.110¢)	0	-49,705	-49,705
12	6,306,516	5.03%	94.97%	0.00¢	(0.110¢)	0	-6,588	-6,588
21	118,360,722	4.12%	95.88%	0.00¢	(0.083¢)	0	-94,192	-94,192
22	4,193,870	8.08%	91.92%	0.00¢	(0.083¢)	0	-3,200	-3,200
25	93,723,602	0.00%	100.00%	0.00¢	(0.053¢)	0	-49,674	-49,674
30	5,000	4.40%	95.60%	0.00¢	(0.073¢)	0	-3	-3
31	3,768,089	3.80%	96.20%	0.00¢	(0.073¢)	0	-2,646	-2,646
32	264,466	2.61%	97.39%	0.00¢	(0.073¢)	0	-188	-188
41-46	1,399,776	11.64%	88.36%	0.00¢	(0.246¢)	0	-3,043	-3,043
47	470,657	1.47%	98.53%	0.00¢	(0.246¢)	0	-1,141	-1,141
48	272,041	1.35%	98.65%	0.00¢	(0.246¢)	0	-660	-660
Schedule Totals	547,329,768					\$0	-\$420,026	-\$420,026
kWh not subject to surcharge	0							0.955100
Sch 28								-\$401,167
Total kWh	547,329,768							-35%
								\$140,408
								DFIT expense

JMP 03-04-2013

Attachment B

**Avista Corporation
Monthly Power Cost Deferral Report
Month of March 2013**

REC Revenues Deferral Journal

Avista Corporation Journal Entry

Effective Date: 201303

Journal: 475-WASHINGTON REC DEFERRAL

Last Saved by: Gina Armstrong

Last Saved: 04/04/2013 10:00 AM

Team: Resource Accounting

Submitted by: Gina Armstrong

Approval Requested: 04/04/2013 10:00 AM

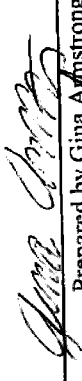
Type: C

Approved by:

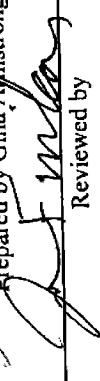
Category: DJ

Currency: USD

Seq	Co	FERC	Exp	Ser.	Jur.	S.I.	Debit	Credit	Comment
10	001	557322	DEF POWER SUPPLY EXP-RECs	ED	WA	DL	60,986.00	60,986.00	WA REC Deferral Expense
20	001	186322	MISC DEF DEBIT - WA REC DEF	ED	WA	DL	0.00	0.00	WA REC Balance
30	001	419016	INTEREST INCOME ON REC DEFERRAL	ED	WA	DL	0.00	0.00	WA REC Interest Income Accrual
40	001	186322	MISC DEF DEBIT - WA REC DEF	ED	WA	DL	1,215.00	1,215.00	WA REC Balance Interest Income Accrual
50	001	431016	INTEREST EXPENSE ON REC DEFERRAL	ED	WA	DL	2,031.00	2,031.00	WA REC Interest Expense Accrual
60	001	186322	MISC DEF DEBIT - WA REC DEF	ED	WA	DL	2,031.00	2,031.00	Transfer EWEB Broker Fee Expense
70	001	186850	RENEWABLE ENERGY CERTIFICATE FEES	ED	WA	DL	64,232.00	64,232.00	Transfer EWEB Broker Fee Expense
80	001	557171	REC BROKER FEES	ED	WA	DL			
Totals:									



 Prepared by Gina Armstrong



 Reviewed by

 Date: 4/4/2013

 Date: 4-4-13

 Date:

Approved for Entry _____ Date _____
 Corporate Accounting use Only

Explanation:
 To account for the Washington REC Deferral per Washington UE-120436 and UE-120437.

Avista Corp. - Resources Accounting
 DJ475 - Washington REC Deferral

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 12/31/13 is	5.711%	Actual cost of debt at 06/30/13 is	5.713%
The monthly rate is:	0.00476 Before Tax	The monthly rate is:	0.00476 Before Tax
	0.0030935 After Tax		0.0030945 After Tax
	35.00% Tax rate		35.00% Tax rate

Account 186322-ED-WA

Beginning Balance before interest			(277,010)				
				<u>January</u>	<u>DFIT Expense</u>	<u>ADFIT</u>	
January	REC Deferral	29,099		Deferral	10,185 Operating		(10,185)
January	Interest		(812)	Interest	(284) Nonoperating		284
01-31-2013 Balance before interest		(247,911)			9,901 Total		(9,901)
				<u>February</u>	<u>DFIT Expense</u>	<u>ADFIT</u>	
February	REC Deferral	(29,556)		Deferral	(10,345) Operating		10,345
February	Transfer 2012 Balance from 254360	(84,839)		Interest	(494) Nonoperating		494
February	Interest		(944)		(10,839) Total		10,839
February	EWEB REC Balance Interest from Jan. 2013		(466)				
02-28-2013 Balance before interest		(362,306)					
				<u>March</u>	<u>DFIT Expense</u>	<u>ADFIT</u>	
March	REC Deferral	(60,986)		Deferral	(21,345) Operating		21,345
March	Interest		(1,215)	Interest	(425) Nonoperating		425
03-31-2013 Balance before interest		(423,292)			(21,770) Total		21,770
				<u>April</u>	<u>DFIT Expense</u>	<u>ADFIT</u>	
April	REC Deferral	0		Deferral	0 Operating		0
April	Interest		(1,309)	Interest	(458) Nonoperating		458
04-30-2013 Balance before interest		(423,292)			(458) Total		458
				<u>May</u>	<u>DFIT Expense</u>	<u>ADFIT</u>	
May	REC Deferral	0		Deferral	0 Operating		0
May	Interest		(1,309)	Interest	(458) Nonoperating		458
05-31-2013 Balance before interest		(423,292)			(458) Total		458
				<u>June</u>	<u>DFIT Expense</u>	<u>ADFIT</u>	
June	REC Deferral	0		Deferral	0 Operating		0
June	Interest		(1,309)	Interest	(458) Nonoperating		458
06-30-2013 Balance before interest		(423,292)			(458) Total		458
				<u>July</u>	<u>DFIT Expense</u>	<u>ADFIT</u>	
July	GL Balance including interest	(430,656)		Deferral	0 Operating		0
July	REC Deferral	0		Interest	(467) Nonoperating		467
July	Interest		(1,333)		(467) Total		467
07-31-2013 Balance before interest		(430,656)					
				<u>August</u>	<u>DFIT Expense</u>	<u>ADFIT</u>	
August	REC Deferral	0		Deferral	0 Operating		0
August	Interest		(1,333)	Interest	(467) Nonoperating		467
08-31-2013 Balance before interest		(430,656)			(467) Total		467
				<u>September</u>	<u>DFIT Expense</u>	<u>ADFIT</u>	
September	REC Deferral	0		Deferral	0 Operating		0
September	Interest		(1,333)	Interest	(467) Nonoperating		467
09-30-2013 Balance before interest		(430,656)			(467) Total		467
				<u>October</u>	<u>DFIT Expense</u>	<u>ADFIT</u>	
October	REC Deferral	0		Deferral	0 Operating		0
October	Interest		(1,333)	Interest	(467) Nonoperating		467
10-31-2013 Balance before interest		(430,656)			(467) Total		467
				<u>November</u>	<u>DFIT Expense</u>	<u>ADFIT</u>	
November	REC Deferral	0		Deferral	0 Operating		0
November	Interest		(1,333)	Interest	(467) Nonoperating		467
11-30-2013 Balance before interest		(430,656)			(467) Total		467
				<u>December</u>	<u>DFIT Expense</u>	<u>ADFIT</u>	
December	REC Deferral	0		Deferral	0 Operating		0
December	Interest		(1,333)	Interest	(467) Nonoperating		467
12-31-2013 Balance before interest		(430,656)			(467) Total		467

**Avista Corp. - Resource Accounting
 Washington REC Deferral Summary - DJ475**

	<u>Debit</u>	<u>Credit</u>	
REC REVENUE & EXPENSE			
January Revenue (Adjustment)			
186322	\$35		
557322		\$35	
January Expense			
186322	\$854		
557322		\$854	
February Revenue			
186322		\$26,237	
557322	\$26,237		
February Expense			
186322		\$4,208	
557322	\$4,208		
March Revenue			
186322		\$68,228	
557322	\$68,228		
March Expense			
186322	\$7,242		
557322		\$7,242	
March Total			
186322	\$7,242	\$68,228	\$60,986
557322	\$68,228	\$7,242	-\$60,986

Vista Corp. - Resource Accounting
 J 475 - Washington REC Deferral
 013 REC Revenue Deferral Calculation
 er UE-120436 and UG-120437 Order 14

	Jan-13	Feb-13	Mar-13	Apr-13	May-13	Jun-13	Jul-13	Aug-13	Sep-13	Oct-13	Nov-13	Dec-13	Total
Actual													
Non WA EIA - Voluntary REC Revenue	(\$70,550)	(\$82,772)	(\$213,066)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$366,386)
WA EIA937 Requirement (EWEB) - PGE Revenue	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Sacramento Municipal Utility District (SMUD) - REC Revenue	(\$386,645)	(\$413,775)	(\$392,734)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$1,193,154)
Total	(\$457,195)	(\$496,547)	(\$605,800)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$1,559,542)
Authorized - System													
Non WA EIA - Voluntary REC Revenue	(\$31,458)	(\$31,458)	(\$31,458)	(\$31,458)	(\$31,458)	(\$31,458)	(\$31,458)	(\$31,458)	(\$31,458)	(\$31,458)	(\$31,458)	(\$31,458)	(\$377,500)
WA EIA937 Requirement (EWEB) - PGE Revenue	\$0	\$0	\$0	(\$79,000)	\$0	\$0	\$0	\$0	\$0	(\$79,000)	\$0	\$0	(\$158,000)
Sacramento Municipal Utility District (SMUD) - REC Revenue	(\$470,394)	(\$424,872)	(\$468,762)	(\$455,220)	(\$470,394)	(\$455,220)	(\$313,596)	(\$313,596)	(\$303,480)	(\$313,596)	(\$303,902)	(\$313,596)	(\$4,807,827)
Total Authorized	(\$501,852)	(\$456,330)	(\$501,220)	(\$565,678)	(\$501,852)	(\$486,678)	(\$345,054)	(\$345,054)	(\$334,938)	(\$424,054)	(\$335,360)	(\$345,054)	(\$5,143,127)
Difference													
Non WA EIA - Voluntary REC Revenue	(\$39,092)	(\$51,314)	(\$181,608)	\$31,458	\$31,458	\$31,458	\$31,458	\$31,458	\$31,458	\$31,458	\$31,458	\$31,458	\$11,112
WA EIA937 Requirement (EWEB) - PGE Revenue	\$0	\$0	\$0	\$79,000	\$0	\$0	\$0	\$0	\$0	\$79,000	\$0	\$0	\$158,000
Sacramento Municipal Utility District (SMUD) - REC Revenue	\$83,749	\$11,097	\$77,028	\$455,220	\$470,394	\$455,220	\$313,596	\$313,596	\$303,480	\$313,596	\$303,902	\$313,596	\$3,414,473
Total (+) = Surcharge	\$44,657	(\$40,217)	(\$104,580)	\$565,678	\$501,852	\$486,678	\$345,054	\$345,054	\$334,938	\$424,054	\$335,360	\$345,054	\$3,583,585
WA Share of Difference													
Non WA EIA - Voluntary (65.24%)	(\$25,503)	(\$33,477)	(\$118,481)	\$20,523	\$20,523	\$20,523	\$20,523	\$20,523	\$20,523	\$20,523	\$20,523	\$20,523	\$7,249
WA EIA937 Requirement (EWEB) - PGE Revenue (100%)	\$0	\$0	\$0	\$79,000	\$0	\$0	\$0	\$0	\$0	\$79,000	\$0	\$0	\$158,000
SMUD (65.24%)	\$54,638	\$7,240	\$50,253	\$296,986	\$306,885	\$296,986	\$204,590	\$204,590	\$197,990	\$204,590	\$198,265	\$204,590	\$2,227,802
Total - 100% Surcharge (+) or Rebate (-)	\$29,134	(\$26,237)	(\$68,228)	\$396,509	\$327,408	\$317,509	\$225,113	\$225,113	\$218,514	\$304,113	\$218,789	\$225,113	\$2,392,852

Accounting Entries	Debit	Credit	Debit	Credit
186322-ED-WA				
557322-ED-WA				

Avista Corp. - Resource Accounting
Sacramento Municipal Utility District (SMUD) Deal Delivery Summary From Nucleus

System NR	Deal #	\$/MWh	Volume - MWhs												Total MWhs		
			Jan-13	Feb-13	Mar-13	Apr-13	May-13	Jun-13	Jul-13	Aug-13	Sep-13	Oct-13	Nov-13	Dec-13			
	141888	\$0.00	12	-	-	-	-	-	-	-	-	-	-	-	-	-	12
System	142305	\$9.00	1,750	8,400	470	-	-	-	-	-	-	-	-	-	-	-	10,620
System	141868	\$9.50	6,599	16,800	1,400	-	-	-	-	-	-	-	-	-	-	-	24,799
CS2	141878	\$8.00	27,929	16,800	33,588	-	-	-	-	-	-	-	-	-	-	-	78,317
CS2	142314	\$7.50	7,942	5,890	14,200	-	-	-	-	-	-	-	-	-	-	-	28,032
Mid C	141880	\$8.00	2,400	-	-	-	-	-	-	-	-	-	-	-	-	-	2,400
Mid C	142315	\$7.50	801	-	-	-	-	-	-	-	-	-	-	-	-	-	801
Lanc	166019	\$8.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Lanc	166020	\$7.50	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total All Deals			47,433	47,890	49,658	-	-	-	-	-	-	-	-	-	-	-	144,981
Total Excluding "Brown"			47,421	47,890	49,658	-	-	-	-	-	-	-	-	-	-	-	144,969
Power Deal 141888																	

System NR	Deal #	\$/MWh	Dollars												Total Dollars		
			Jan-13	Feb-13	Mar-13	Apr-13	May-13	Jun-13	Jul-13	Aug-13	Sep-13	Oct-13	Nov-13	Dec-13			
	141888	\$0.00	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
System	142305	\$9.00	\$15,750	\$75,600	\$4,230	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$95,580
System	141868	\$9.50	\$62,691	\$159,600	\$13,300	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$235,591
CS2	141878	\$8.00	\$223,432	\$134,400	\$268,704	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$626,536
CS2	142314	\$7.50	\$59,565	\$44,175	\$106,500	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$210,240
Mid C	141880	\$8.00	\$19,200	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$19,200
Mid C	142315	\$7.50	\$6,008	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$6,008
Lanc	166019	\$8.00	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Lanc	166020	\$7.50	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total All Deals			\$386,645	\$413,775	\$392,734	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,193,154
Total Excluding "Brown"			\$386,645	\$413,775	\$392,734	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,193,154
Power Deal 141888																	

Account Reconciliation - Accounting Period: 201302 (February 2013 - Current)

File Module Security Help

Accounting Period: Frequency: FERC
 Person Responsible: Project:
 Team Responsible:

Totals	Reconciled	Un-Reconciled	Total
GL	0.00	-27,319,271.88	-27,319,271.88
Projects	0.00	0.00	0.00

GL (8) Projects (0)

FERC	FERC Description	Service	Jurisdiction	Ending Balance	Reconciled	Reconciliation Comments	Account Activity
182350	REGULATORY ASSET ERM APPROVED	ED	WA	-12,991,535.00	<input checked="" type="checkbox"/>	Off \$9000 due to transposed # fix in March	Upon WUTC prudency approval balance was transferred to it will not be amortized until au
182385	REGULATORY ASSET ID PCA DEFERR	ED	ID	-3,156,551.07	<input checked="" type="checkbox"/>		PCA deferral for the period 7
182386	REGULATORY ASSET ID PCA DEFERR	ED	ID	0.00	<input checked="" type="checkbox"/>		PCA deferral balance for the
182387	REGULATORY ASSET ID PCA DEFERR	ED	ID	-1,888,227.00	<input checked="" type="checkbox"/>		PCA deferral balance for the
186280	REGULATORY ASSET ERM DEFERRED	ED	WA	0.00	<input checked="" type="checkbox"/>		Current year (2012) ERM de
186290	REGULATORY ASSET ERM DEFERRED	ED	WA	-8,920,462.00	<input checked="" type="checkbox"/>		Prior year (2011) ERM defen
186322	MISC DEF DEBIT - WA REC DEF	ED	WA	-364,527.81	<input checked="" type="checkbox"/>		
186850	RENEWABLE ENERGY CERTIFICATE F	ED	WA	2,031.00	<input checked="" type="checkbox"/>	Needs to be expensed in March	

*EWEE
 Broker
 Fees*

