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STATE OF WASH.
UTIL. AND TRANSP.
COMMISSION

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

DOCKET NO. UE-08 _____

EXHIBIT NO. _____ (RLM-2)

RONALD L. MCKENZIE

REPRESENTING AVISTA CORPORATION

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



January 16, 2008

Ms. Carole J. Washburn, Executive Secretary
 Washington Utilities and Transportation Commission
 P.O. Box 47250
 Olympia, WA 98504-7250

Re: Docket No. UE-011595, Monthly Power Cost Deferral Report, December 2007

Dear Ms. Washburn:

Enclosed are an original and five copies of Avista Corporation's Power Cost Deferral Report for the month of December 2007. The report includes the monthly energy recovery mechanism (ERM) accounting journal together with backup workpapers. In December actual net power costs were higher than authorized costs by \$479,911. The year to date difference is \$24,826,407 in the surcharge direction, with \$16,343,766 being deferred and \$8,482,641 being absorbed by the Company.

Actual power supply expense was slightly higher than the authorized level due to higher fuel and contract power costs that offset hydro generation that was better than normal. Hydro generation was 28 aMW above the authorized level. Both natural gas and thermal fuel expense were above the authorized levels. The average market purchase price was \$60.23/MWh and the average market sales price was \$61.10/MWh.

Coyote Springs 2 generated 48 aMW above the authorized level. Other gas fired resources generated 6 aMW above the authorized level due to economics. Colstrip and Kettle Falls generated 28 aMW above and 10 aMW below the authorized levels, respectively. Net transmission expense (transmission expense less transmission revenue) was above the authorized level. The average price of gas for Coyote Springs 2 was \$7.69/dth. Washington retail sales were 80 aMW above the authorized level.

In December 2007 the deferral balance decreased by \$2,436,959. The December deferral amounted to \$431,920, interest amounted to \$248,130 and amortization amounted to -\$3,117,009. The actual deferral balance at the end of December is \$58.5 million. The deferral balance would reach zero in the November-December 2009 timeframe based on the following assumptions:

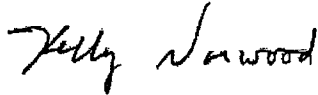
1. No deferrals beyond December 2007.
2. Forecasted amortizations of approximately \$31 million annually assuming no change in the existing surcharge rate.

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.

There were no forward long-term contracts of one year or longer entered into in the month of December 2007. If you have any questions, please contact Bill Johnson at (509) 495-4046 or Ron McKenzie at (509) 495-4320.

Sincerely,



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

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

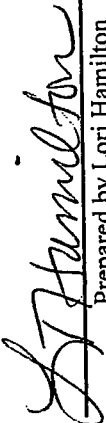
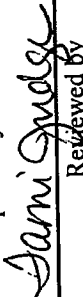
MONTH OF DECEMBER 2007

Avista Corporation Journal Entry

Effective Date: 200712

Journal: 481-WA ERM
 Team: Resource Accounting
 Type: C
 Category: DJ
 Last Saved by: Lori Hamilton
 Submitted by: Lori Hamilton
 Last Saved: 01/08/2008 9:34 AM

<u>Seq.</u>	<u>Co.#</u>	<u>FERC</u>	<u>Ser.</u>	<u>Jur.</u>	<u>S.I.</u>	<u>Debit</u>	<u>Credit</u>	<u>Comment</u>
10	001	557290 - WA ERM AMORTIZATION	ED	WA	DL	3,117,009.00		WA ERM surcharge amortization
20	001	182350 - REGULATORY ASSET ERM APPROVED FOR F	ED	WA	DL		3,117,009.00	WA ERM authorized for recovery
30	001	557280 - DEFERRED POWER SUPPLY EXPENSE	ED	WA	DL		431,920.00	WA ERM current month deferral
40	001	186280 - REGULATORY ASSET ERM DEFERRED CURF	ED	WA	DL	431,920.00		WA ERM current year deferral
50	001	182350 - REGULATORY ASSET ERM APPROVED FOR F	ED	WA	DL	179,614.00		Accrue interest on deferral balance authorized for recovery
60	001	186280 - REGULATORY ASSET ERM DEFERRED CURF	ED	WA	DL	68,516.00		Accrue interest on current year deferral balance
70	001	186290 - REGULATORY ASSET ERM DEFERRED LAST	ED	WA	DL	0.00		Accrue interest on previous year deferral balance
80	001	419600 - INTEREST ON ENERGY DEFERRALS	ED	WA	DL	248,130.00		Non-utility interest income
90	001	410100 - PRV DFIT DR	ED	WA	DL	939,781.00		DFIT entry for power supply deferral and surcharge amortization
100	001	410200 - DFIT EXP-NONOPER (DR)	ZZ	ZZ	DL	86,846.00		Non-op DFIT entry for interest income
110	001	283280 - ADFIT ERM	ED	WA	DL	852,935.00		ADFIT WA ERM current and prior years
120	001	186010 - REGULATORY ASSET ERM YTD COMPANY B	ED	WA	DL	47,991.00		Track YTD company band accumulation
130	001	186020 - REGULATORY ASSET ERM YTD CONTRA AC	ED	WA	DL		47,991.00	Contra account for YTD company band accumulation
TOTALS:						4,784,831.00	4,784,831.00	


 Prepared by Lori Hamilton

 Reviewed by Sami Gudge
 Date: 1/8/08
 Date: 1/8/08
 Date: _____
 Approved for Entry _____
 Corporate Accounting use Only

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

Detail Balances (AWA CORP) - 001.186280.ED.WA.DL

Balance Type: **Actual** Currency Type: **Entered**
 Factor: **Units**

Period	Currency	PTD	PTD Converted	YTD	YTD Converted
200701	USD	68,246.00		0.00	
200702	USD	10,321.00		10,321.00	
200703	USD	10,277.00		44.00	
200704	USD	0.00		44.00	
200705	USD	0.00		44.00	
200706	USD	0.00		44.00	
200707	USD	1,804,054.00		1,804,098.00	
200708	USD	6,072,381.00		7,876,479.00	
200709	USD	532,963.00		8,409,442.00	
200710	USD	1,642,209.00		10,051,651.00	
200711	USD	6,012,808.00		16,064,459.00	
200712	USD	500,436.00		16,564,895.00	

Journal Details Summary Balances

ERM Deferral Balance (Current Year - 2007)

Account 186280.ED.WA

	Amount	Journal ID
Balance 11/30/07	\$16,064,459.00	
Deferral	\$431,920.00	481 - WA ERM
Interest	68,516.00	481 - WA ERM
Balance 12/31/07	<u>\$16,564,895.00</u>	
Year to date deferrals	\$16,343,766.00	
Year to date interest	221,129.00	
Balance in account	<u>\$16,564,895.00</u>	

Detail Balances (AWA CORP) - 001.186290.ED.WA.DL					
Balance Type: Actual			Currency Type: Entered		
			Factor: Units		
Period	Currency	PTD	PTD Converted	YTD	YTD Converted
200701	USD	68,535.00		68,535.00	
200702	USD	289.00		68,824.00	
200703	USD	289.00		69,113.00	
200704	USD	289.00		69,402.00	
200705	USD	289.00		69,691.00	
200706	USD	69,691.00		0.00	
200707	USD	0.00		0.00	
200708	USD	0.00		0.00	
200709	USD	0.00		0.00	
200710	USD	0.00		0.00	
200711	USD	0.00		0.00	
200712	USD	0.00		0.00	

ERM Deferral Balance (Prior year - 2006)
Account 186290.ED.WA
 Balance 11/30/07
 No current month activity
 Balance 12/31/07

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

Detail Balances (AVA CORP) - 001.182350.ED.WA.DL

Balance Type: **Actual** Currency Type: **Entered**
 Factor: **Units**

Period	Currency	PTD	PTD Converted	YTD	YTD Converted
200701	USD	2,979,884.00		67,247,350.65	
200702	USD	2,964,604.00		64,282,746.65	
200703	USD	2,363,152.00		61,919,594.65	
200704	USD	2,095,109.00		59,824,485.65	
200705	USD	1,904,737.00		57,919,748.65	
200706	USD	2,080,529.00		55,839,219.65	
200707	USD	2,036,816.00		53,802,403.65	
200708	USD	2,400,602.00		51,401,801.65	
200709	USD	2,202,354.00		49,199,447.65	
200710	USD	2,038,660.00		47,160,787.65	
200711	USD	2,264,545.00		44,896,242.65	
200712	USD	2,937,395.00		41,958,847.65	

Journal Details Summary Balances

Recoverable Deferral Balance
Account 182350.ED.WA

Balance 11/30/07
 Amortization
 Interest
 Balance 12/31/07

Amount	Journal ID
\$44,896,242.65	
-3,117,009.00	481 - WA ERM
179,614.00	481 - WA ERM
<u>\$41,958,847.65</u>	

Detail Balances (AWA CORP) - 001.186010.ED.WA.DL					
Balance Type: Actual			Currency Type: Entered		
			Factor: Units		
Period	Currency	PTD	PTD Converted	YTD	YTD Converted
200701	USD	3,313,020.00		711,356.00	
200702	USD	3,298,943.00		4,010,299.00	
200703	USD	805,336.00		3,204,963.00	
200704	USD	750,828.00		2,454,135.00	
200705	USD	126,272.00		2,327,863.00	
200706	USD	71,337.00		2,399,200.00	
200707	USD	3,401,030.00		5,800,230.00	
200708	USD	1,738,893.00		7,539,123.00	
200709	USD	55,394.00		7,594,517.00	
200710	USD	178,148.00		7,772,665.00	
200711	USD	661,985.00		8,434,650.00	
200712	USD	47,991.00		8,482,641.00	

ERM Deadband plus Amounts Absorbed

Account 186010.ED.WA

Balance 11/30/07	Amount	Journal ID
Current month entry	\$8,434,650.00	
Balance 12/31/07	47,991.00	481 - WA ERM
	\$8,482,641.00	

	Total	Absorbed	Deferred
First \$4,000,000 at 100%	\$4,000,000.00	\$4,000,000.00	\$0.00
\$4,000,000 to \$10,000,000 at 50%	6,000,000.00	3,000,000.00	3,000,000.00
Over \$10,000,000 at 10%	14,826,407.00	1,482,641.00	13,343,766.00
Total	\$24,826,407.00	\$8,482,641.00	\$16,343,766.00

Detail Balances (AVA CORP) - 001.186020.ED.WA.DL					
Balance Type: Actual			Currency Type: Entered		
			Factor: Units		
Period	Currency	PTD	PTD Converted	YTD	YTD Converted
200701	USD	3,313,020.00		711,356.00	
200702	USD	3,298,943.00		4,010,299.00	
200703	USD	805,336.00		3,204,963.00	
200704	USD	750,628.00		2,454,135.00	
200705	USD	126,272.00		2,327,863.00	
200706	USD	71,337.00		2,399,200.00	
200707	USD	3,401,030.00		5,800,230.00	
200708	USD	1,738,893.00		7,539,123.00	
200709	USD	55,394.00		7,594,517.00	
200710	USD	178,148.00		7,772,665.00	
200711	USD	661,985.00		8,434,650.00	
200712	USD	47,991.00		8,482,641.00	

ERM Deadband Contra Account
Account 186020.ED.WA

Balance 11/30/07
 Current month entry
 Balance 12/31/07

Amount	Journal ID
-\$8,434,650.00	
-47,991.00	481 - WA ERM
<u>-\$8,482,641.00</u>	

Detail Balances (AVA CORP) - 001 283280.ED.WA.DL					
Balance Type: Actual			Currency Type: Entered		
			Factor: Units		
Period	Currency	PTD	PTD Converted	YTD	YTD Converted
200701	USD	1,043,061.00		23,512,585.00	
200702	USD	1,034,400.00		22,478,485.00	
200703	USD	830,801.00		21,647,684.00	
200704	USD	733,390.00		20,914,294.00	
200705	USD	666,759.00		20,247,535.00	
200706	USD	703,793.00		19,543,742.00	
200707	USD	81,466.00		19,462,276.00	
200708	USD	1,285,122.00		20,747,398.00	
200709	USD	584,286.00		20,163,112.00	
200710	USD	138,758.00		20,024,354.00	
200711	USD	1,311,890.00		21,336,244.00	
200712	USD	852,935.00		20,483,309.00	

Journal Details Summary Balances

DFIT Associated with ERM Deferrals

Account 283280.ED.WA

Account 186280.ED.WA balance	\$16,564,895.00
Account 186290.ED.WA balance	0.00
Account 182350.ED.WA balance	41,958,847.65
Total	<u>\$58,523,742.65</u>
Federal income tax rate	-35%
Deferred FIT related to deferrals	<u>-\$20,483,310</u>
Rounding	1
Balance in account	<u><u>-\$20,483,309</u></u>

Changes Semiannually on January 1 and July 1 Beginning 7/1/02						
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 12/31/06 is 7.825%--			Actual cost of debt at 6/30/07 is 7.843%			
The monthly rate is:			0.00652 Before Tax		The monthly rate is: 0.00653583 Before Tax	
			0.0042385 After Tax		0.0042483 After Tax	
			0.35 Tax rate		0.35 Tax rate	
Account 186280			2007 Interest			
12-31-2006	GL Balance including interest	(\$68,246.00)				
01-31-2007	GL Balance	\$68,246.00	Transfer to 186290			
01-31-2007	GL Balance	0				
			Jan-07		DFIT Expense	
Jan-07	ERM Deferral	0	Deferral	0	Operating	0
Jan-07	Interest	0	Interest	0	Nonoperating	0
01-31-2007	Balance before interest	0		0	Total	0
			Feb-07		DFIT Expense	
Feb-07	ERM Deferral	10,299	Deferral	3,605	Operating	(3,605)
Feb-07	Interest	22	Interest	8	Nonoperating	(8)
02-28-2007	Balance before interest	10,299		3,613	Total	(3,613)
			Mar-07		DFIT Expense	
Mar-07	ERM Deferral	(10,299)	Deferral	(3,605)	Operating	3,605
Mar-07	Interest	22	Interest	8	Nonoperating	(8)
03-31-2007	Balance before interest	0		(3,597)	Total	3,597
			Apr-07		DFIT Expense	
Apr-07	ERM Deferral	0	Deferral	0	Operating	0
Apr-07	Interest	0	Interest	0	Nonoperating	0
04-30-2007	Balance before interest	0		0	Total	0
			May-07		DFIT Expense	
May-07	ERM Deferral	0	Deferral	0	Operating	0
May-07	Interest	0	Interest	0	Nonoperating	0
05-31-2007	Balance before interest	0		0	Total	0
			Jun-07		DFIT Expense	
Jun-07	ERM Deferral	0	Deferral	0	Operating	0
Jun-07	Interest	0	Interest	0	Nonoperating	0
06-30-2007	Balance before interest	0		0	Total	0
06-30-2007	GL Balance including interest	44	Jul-07			
Jul-07	ERM Deferral	1,800,230	Deferral	630,081	Operating	(630,081)
Jul-07	Interest	3,824	Interest	1,338	Nonoperating	(1,338)
07-31-2007	Balance before interest	1,800,274		631,419	Total	(631,419)
			Aug-07		DFIT Expense	
Aug-07	ERM Deferral	6,051,878	Deferral	2,118,157	Operating	(2,118,157)
Aug-07	Interest	20,503	Interest	7,176	Nonoperating	(7,176)
08-31-2007	Balance before interest	7,852,152		2,125,333	Total	(2,125,333)
			Sep-07		DFIT Expense	
Sep-07	ERM Deferral	498,546	Deferral	174,491	Operating	(174,491)
Sep-07	Interest	34,417	Interest	12,046	Nonoperating	(12,046)
09-30-2007	Balance before interest	8,350,698		186,537	Total	(186,537)
			Oct-07		DFIT Expense	
Oct-07	ERM Deferral	1,603,327	Deferral	561,164	Operating	(561,164)
Oct-07	Interest	38,882	Interest	13,609	Nonoperating	(13,609)
10-31-2007	Balance before interest	9,954,025		574,773	Total	(574,773)
			Nov-07		DFIT Expense	
Nov-07	ERM Deferral	5,957,865	Deferral	2,085,253	Operating	(2,085,253)
Nov-07	Interest	54,943	Interest	19,230	Nonoperating	(19,230)
11-30-2007	Balance before interest	15,911,890		2,104,483	Total	(2,104,483)
			Dec-07		DFIT Expense	
Dec-07	ERM Deferral	431,920	Deferral	151,172	Operating	(151,172)
Dec-07	Interest	68,516	Interest	23,981	Nonoperating	(23,981)
12-31-2007	Balance before interest	16,343,810		175,153	Total	(175,153)
			GL Balance		Activity	
			11-30-07		12-31-07	
Net ERM Balance			16,564,895		16,564,895	
			16,064,459		500,436	
ADFIT Balance			(5,797,713)			

Changes Semiannually on January 1 and July 1 Beginning 7/1/02						
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 12/31/06 is 7.825%.				Actual cost of debt at 6/30/07 is 7.843%		
The monthly rate is:		0.00652	Before Tax	The monthly rate is:		0.00653583 Before Tax
		0.0042385	After Tax			0.0042483 After Tax
		0.35	Tax rate			0.35 Tax rate
Account 186290		2007 Interest				
12-31-2006	GL Balance including interest	0				
01-31-2007	Transfer from 186280	(\$68,246)				
01-31-2007	GL Balance including interest	(\$68,246)		Jan-07	DFIT Expense	ADFIT
Jan-07	Interest		(289)	Interest	(101)	Nonoperating 101
01-31-2007	Balance before interest	(68,246)			(101)	Total 101
				Feb-07	DFIT Expense	ADFIT
Feb-07	Interest		(289)	Interest	(101)	Nonoperating 101
02-28-2007	Balance before interest	(68,246)			(101)	Total 101
				Mar-07	DFIT Expense	ADFIT
Mar-07				Deferral	0	Operating 0
Mar-07	Interest		(289)	Interest	(101)	Nonoperating 101
03-31-2007	Balance before interest	(68,246)			(101)	Total 101
				Apr-07	DFIT Expense	ADFIT
Apr-07		0		Deferral	0	Operating 0
Apr-07	Interest		(289)	Interest	(101)	Nonoperating 101
04-30-2007	Balance before interest	(68,246)			(101)	Total 101
				May-07	DFIT Expense	ADFIT
May-07		0		Deferral	0	Operating 0
May-07	Interest		(289)	Interest	(101)	Nonoperating 101
05-31-2007	Balance before interest	(68,246)			(101)	Total 101
				Jun-07	DFIT Expense	ADFIT
Jun-07		0		Deferral	0	Operating 0
Jun-07	Interest		(289)	Interest	(101)	Nonoperating 101
06-30-2007	Balance before interest	(68,246)			(101)	Total 101
06-30-2007	GL Balance including interest	(69,980)		Jun-07	DFIT Expense	ADFIT
06-30-2007	ERM Transfer to 182350	69,980		Deferral	0	Operating 0
Jul-07	Interest	0	0	Interest	0	Nonoperating 0
07-31-2007	Balance before interest	0			0	Total 0
				Aug-07	DFIT Expense	ADFIT
Aug-07				Deferral	0	Operating 0
Aug-07	Interest	0	0	Interest	0	Nonoperating 0
08-31-2007	Balance before interest	0			0	Total 0
				Sep-07	DFIT Expense	ADFIT
Sep-07		0		Deferral	0	Operating 0
Sep-07	Interest	0	0	Interest	0	Nonoperating 0
09-30-2007	Balance before interest	0			0	Total 0
				Oct-07	DFIT Expense	ADFIT
Oct-07		0		Deferral	0	Operating 0
Oct-07	Interest	0	0	Interest	0	Nonoperating 0
10-31-2007	Balance before interest	0			0	Total 0
				Nov-07	DFIT Expense	ADFIT
Nov-07		0		Deferral	0	Operating 0
Nov-07	Interest	0	0	Interest	0	Nonoperating 0
11-30-2007	Balance before interest	0			0	Total 0
				Dec-07	DFIT Expense	ADFIT
Dec-07		0		Deferral	0	Operating 0
Dec-07	Interest	0	0	Interest	0	Nonoperating 0
12-31-2007	Balance before interest	0			0	Total 0
	Net ERM Balance	0		GL Balance	Activity	GL Balance
				11-30-07	Dec-07	12-31-07
	ADFIT Balance	0		0	0	0
When WUTC deems 2006 deferred power costs prudent - reclass to 182350 after interest calculation.						
Order granting prudence received 6/27/07						

Changes Semiannually on January 1 and July 1 Beginning 7/1/02						
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 12/31/06 is 7.825%--		0.00652 Before Tax		Actual cost of debt at 6/30/07 is 7.843%		
The monthly rate is:		0.0042385 After Tax		The monthly rate is:		
		0.35 Tax rate		0.00653583 Before Tax		
				0.0042483 After Tax		
				0.35 Tax rate		
Account 182350			2007 Interest			
12-31-2006	GL Balance including interest	70,227,235		<u>January</u>	<u>DFIT Expense</u>	<u>ADFIT</u>
January	Surcharge Amortization	(3,270,611)		Amortization	(1,144,714)	Operating 1,144,714
January	Interest		290,727	Interest	101,754	Nonoperating (101,754)
01-31-2007	Balance before interest	66,956,624			(1,042,960)	Total 1,042,960
				<u>February</u>	<u>DFIT Expense</u>	<u>ADFIT</u>
February	Surcharge Amortization	(3,241,530)		Amortization	(1,134,536)	Operating 1,134,536
February	Interest		276,926	Interest	96,924	Nonoperating (96,924)
02-28-2007	Balance before interest	63,715,094			(1,037,612)	Total 1,037,612
				<u>March</u>	<u>DFIT Expense</u>	<u>ADFIT</u>
March	Surcharge Amortization	(2,627,640)		Amortization	(919,674)	Operating 919,674
March	Interest		264,488	Interest	92,571	Nonoperating (92,571)
03-31-2007	Balance before interest	61,087,454			(827,103)	Total 827,103
				<u>April</u>	<u>DFIT Expense</u>	<u>ADFIT</u>
April	Surcharge Amortization	(2,349,050)		Amortization	(822,168)	Operating 822,168
April	Interest		253,941	Interest	88,879	Nonoperating (88,879)
04-30-2007	Balance before interest	58,738,404			(733,289)	Total 733,289
				<u>May</u>	<u>DFIT Expense</u>	<u>ADFIT</u>
May	Surcharge Amortization	(2,149,145)		Amortization	(752,201)	Operating 752,201
May	Interest		244,408	Interest	85,543	Nonoperating (85,543)
05-31-2007	Balance before interest	56,589,259			(666,658)	Total 666,658
				<u>June</u>	<u>DFIT Expense</u>	<u>ADFIT</u>
June	Surcharge Amortization	(2,245,643)		Amortization	(785,975)	Operating 785,975
June	Interest		235,094	Interest	82,283	Nonoperating (82,283)
06-30-2007	Balance before interest	54,343,616			(703,692)	Total 703,692
06-30-2006	Transfer from 186290	(69,980)				
06-30-2007	GL Balance including interest	55,839,220		<u>July</u>	<u>DFIT Expense</u>	<u>ADFIT</u>
July	Surcharge Amortization	(2,269,218)		Amortization	(794,226)	Operating 794,226
July	Interest		232,402	Interest	81,341	Nonoperating (81,341)
07-31-2007	Balance before interest	53,570,002			(712,885)	Total 712,885
				<u>August</u>	<u>DFIT Expense</u>	<u>ADFIT</u>
August	Surcharge Amortization	(2,622,613)		Amortization	(917,915)	Operating 917,915
August	Interest		222,011	Interest	77,704	Nonoperating (77,704)
08-31-2007	Balance before interest	50,947,389			(840,211)	Total 840,211
				<u>September</u>	<u>DFIT Expense</u>	<u>ADFIT</u>
September	Surcharge Amortization	(2,413,667)		Amortization	(844,783)	Operating 844,783
September	Interest		211,313	Interest	73,960	Nonoperating (73,960)
09-30-2007	Balance before interest	48,533,722			(770,823)	Total 770,823
				<u>October</u>	<u>DFIT Expense</u>	<u>ADFIT</u>
October	Surcharge Amortization	(2,240,088)		Amortization	(784,031)	Operating 784,031
October	Interest		201,428	Interest	70,500	Nonoperating (70,500)
10-31-2007	Balance before interest	46,293,634			(713,531)	Total 713,531
				<u>November</u>	<u>DFIT Expense</u>	<u>ADFIT</u>
November	Surcharge Amortization	(2,455,997)		Amortization	(859,599)	Operating 859,599
November	Interest		191,452	Interest	67,006	Nonoperating (67,006)
11-30-2007	Balance before interest	43,837,637			(792,593)	Total 792,593
				<u>December</u>	<u>DFIT Expense</u>	<u>ADFIT</u>
December	Surcharge Amortization	(3,117,009)		Amortization	(1,090,953)	Operating 1,090,953
December	Interest		179,614	Interest	62,865	Nonoperating (62,865)
12-31-2007	Balance before interest	40,720,628			(1,028,088)	Total 1,028,088
				<u>GL Balance</u>	<u>Activity</u>	<u>GL Balance</u>
				11-30-2007	Dec-07	12-31-2007
	Net ERM Balance	41,958,848		44,896,243	(2,937,395)	41,958,848
	ADFIT Balance	(14,685,597)				

Tax Rate	35%	DJ481 LTD	DJ481 LTD	DJ481 LTD			DJ481 CURMO			
	283280	283280	283280	283280			283280	283280		
	BEGINNING	ADFIT	ADFIT	ADFIT			BALANCE	FOR ALL		
DJ481	BALANCE	182350	186280	186290			COMPONENTS	ACCOUNTS		
								ENDING		
								BALANCE		
12-31-2006	(25,510,633)	(24,579,532)	23,886	0			(24,555,646)	954,987	(24,555,646)	
01-31-2007	(24,555,646)	(23,536,573)	0	23,987			(23,512,586)	1,043,060	(23,512,586)	
02-28-2007	(23,512,585)	(22,498,961)	(3,612)	24,088			(22,478,485)	1,034,100	(22,478,485)	
03-31-2007	(22,478,485)	(21,671,858)	(15)	24,190			(21,647,683)	830,802	(21,647,683)	
04-30-2007	(21,647,684)	(20,938,570)	(15)	24,291			(20,914,294)	733,390	(20,914,294)	
05-31-2007	(20,914,294)	(20,271,912)	(15)	24,392			(20,247,535)	666,759	(20,247,535)	
06-30-2007	(20,247,535)	(19,568,220)	(15)	24,493			(19,543,742)	703,793	(19,543,742)	
07-31-2007	(19,543,742)	(18,830,841)	(631,434)	0			(19,462,275)	81,467	(19,462,275)	
08-31-2007	(19,462,276)	(17,990,631)	(2,756,768)	0			(20,747,399)	(1,285,123)	(20,747,399)	
09-30-2007	(20,747,398)	(17,219,807)	(2,943,305)	0			(20,163,112)	584,286	(20,163,112)	
10-31-2007	(20,163,112)	(16,506,276)	(3,518,078)	0			(20,024,354)	138,758	(20,024,354)	
11-30-2007	(20,024,354)	(15,713,685)	(5,622,561)	0			(21,336,246)	(1,311,892)	(21,336,246)	
12-31-2007	(21,336,244)	(14,685,597)	(5,797,713)	0			(20,483,310)	852,935	(20,483,309)	
			ADFIT				Interest			
		410100	410200	283280			182350	186280	186290	419600
01-31-2007	182350	(1,144,714)	101,754	1,042,960			290,727	0	(289)	(290,438)
	186280	0	0	0						
	186290	0	(101)	101						
Total		(1,144,714)	101,653	1,043,061						
02-28-2007	182350	(1,134,536)	96,924	1,037,612			276,926	22	(289)	(276,659)
	186280	3,605	8	(3,613)						
	186290	0	(101)	101						
Total		(1,130,931)	96,831	1,034,100						
03-31-2007	182350	(919,674)	92,571	827,103			264,488	22	(289)	(264,221)
	186280	(3,605)	8	3,597						
	186290	0	(101)	101						
Total		(923,279)	92,478	830,801						
04-30-2007	182350	(822,168)	88,879	733,289			253,941	0	(289)	(253,652)
	186280	0	0	0						
	186290	0	(101)	101						
Total		(822,168)	88,778	733,390						
05-31-2007	182350	(752,201)	85,543	666,658			244,408	0	(289)	(244,119)
	186280	0	0	0						
	186290	0	(101)	101						
Total		(752,201)	85,442	666,759						
06-30-2007	182350	(785,975)	82,283	703,692			235,094	0	(289)	(234,805)
	186280	0	0	0						
	186290	0	(101)	101						
Total		(785,975)	82,182	703,793						
07-31-2007	182350	(794,226)	81,341	712,885			232,402	3,824	0	(236,226)
	186280	630,081	1,338	(631,419)						
	186290	0	0	0						
Total		(164,145)	82,679	81,466						
08-31-2007	182350	(917,915)	77,704	840,211			222,011	20,503	0	(242,514)
	186280	2,118,157	7,176	(2,125,333)						
	186290	0	0	0						
Total		1,200,242	84,880	(1,285,122)						
09-30-2007	182350	(844,783)	73,960	770,823			211,313	34,417	0	(245,730)
	186280	174,491	12,046	(186,537)						
	186290	0	0	0						
Total		(670,292)	86,006	584,286						
10-31-2007	182350	(784,031)	70,500	713,531			201,428	38,882	0	(240,310)
	186280	561,164	13,609	(574,773)						
	186290	0	0	0						
Total		(222,867)	84,109	138,758						
11-30-2007	182350	(859,599)	67,006	792,593			191,452	54,943	0	(246,395)
	186280	2,085,253	19,230	(2,104,483)						
	186290	0	0	0						
Total		1,225,654	86,236	(1,311,890)						
12-31-2007	182350	(1,090,953)	62,865	1,028,088			179,614	68,516	0	(248,130)
	186280	151,172	23,981	(175,153)						
	186290	0	0	0						
Total		(939,781)	86,846	852,935						
Recon:	Total interest 2007		2,775,069							
	Calc non op DFIT 2007		971,274							
	Total 410200 2007		971,274							

	YTD WA ERM Company Bands 186010	YTD WA ERM Contra Account 186020	YTD WA ERM Company Bands 186010	YTD WA ERM Contra Account 186020	YTD WA ERM Company Bands 186010	YTD WA ERM Contra Account 186020	YTD WA ERM Company Bands 186010	YTD WA ERM Contra Account 186020
2006 Requirement								
Band 1 \$4,000,000	(\$2,601,664)		2006 50/50 Sharing \$4M - \$10M		2006 90/10 Sharing > \$10M			
Jan-07	Reverse 2006		Band 2 <=/=		Band 3			
2007 Requirement								
Band 1 \$4,000,000			2007 50/50 Sharing \$4M - \$10M		2007 90/10 Sharing > \$10M			
Jan-07	Activity	\$711,356	Band 2 <=/=		Band 3			
01-31-2007	Balance	(\$711,356)						
Feb-07	Activity	(\$3,288,644)	Activity	\$10,299				
02-28-2007	Balance	(\$4,000,000)	Balance	(\$10,299)				
Mar-07	Activity	(\$795,037)	Activity	(\$10,299)	Activity	\$0		
03-31-2007	Balance	(\$3,204,963)	Balance	\$0	Balance	\$0		
Apr-07	Activity	(\$750,828)	Activity	\$0	Activity	\$0		
04-30-2007	Balance	(\$2,454,135)	Balance	\$0	Balance	\$0		
May-07	Activity	(\$126,272)	Activity	\$0	Activity	\$0		
05-31-2007	Balance	(\$2,327,863)	Balance	\$0	Balance	\$0		
Jun-07	Activity	\$71,337	Activity	\$0	Activity	\$0		
06-30-2007	Balance	(\$2,399,200)	Balance	\$0	Balance	\$0		
Jul-07	Activity	\$1,600,800	Activity	\$1,800,230	Activity	\$0		
07-31-2007	Balance	(\$4,000,000)	Balance	(\$1,800,230)	Balance	\$0		
Aug-07	Activity	\$0	Activity	\$1,199,770	Activity	\$539,123		
08-31-2007	Balance	(\$4,000,000)	Balance	(\$3,000,000)	Balance	\$539,123		
Sep-07	Activity	\$0	Activity	\$0	Activity	\$55,394		
09-30-2007	Balance	(\$4,000,000)	Balance	(\$3,000,000)	Balance	\$594,517		
Oct-07	Activity	\$0	Activity	\$0	Activity	\$178,148		
10-31-2007	Balance	(\$4,000,000)	Balance	(\$3,000,000)	Balance	\$772,665		
Nov-07	Activity	\$0	Activity	\$0	Activity	\$661,985		
11-30-2007	Balance	(\$4,000,000)	Balance	(\$3,000,000)	Balance	\$1,434,650		
Dec-07	Activity	\$0	Activity	\$0	Activity	\$47,991		
12-31-2007	Balance	(\$4,000,000)	Balance	(\$3,000,000)	Balance	\$1,482,641		
			Activity	\$0	Activity	\$8,482,641		
			Balance	(\$3,000,000)	Balance	\$8,482,641		
			Total company		Total company			
			absorption YTD		absorption YTD			

AVISTA CORPORATION
 DECEMBER 2007 WASHINGTON ELECTRIC SURCHARGE REVENUE & DEFERRAL AMORTIZATION

Schedule (a)	Sch 1 Block Percent (b)	kWh or \$ (c)	Proration Percentages		Surcharge Rates		Rate		Current Month Surcharge Revenue		Conversion Factor (k)	Deferral Amortization (l) (k)
			Before 1-Jan-06 (d)	On/After 1-Jan-06 (e)	Before 1-Jan-06 (f)	On/After 1-Jan-06 (g)	Before 1-Jan-06 (h)	On/After 1-Jan-06 (i)	Total (j) (h)+(i)			
1 (0-600 kWh)	42.405%	110,405,264	0.00%	100.00%	0.405¢	0.446¢	\$0	\$492,407	\$492,407	0.956325	\$470,901	
1 (601-1300 kWh)	31.234%	81,320,552	0.00%	100.00%	0.607¢	0.668¢	0	543,221	543,221	0.956325	519,496	
1 (over 1300 kWh)	26.361%	68,633,255	0.00%	100.00%	0.853¢	0.938¢	0	643,780	643,780	0.956325	615,663	
Total Sch 1	100.000%	260,359,071					0	1,679,408	1,679,408		1,606,060	
11		35,349,232	0.00%	100.00%	0.788¢	0.867¢	0	306,478	306,478	0.956325	293,093	
12		4,918,825	0.00%	100.00%	0.788¢	0.867¢	0	42,646	42,646	0.956325	40,783	
21		140,514,366	0.00%	100.00%	0.549¢	0.604¢	0	848,707	848,707	0.956325	811,640	
22		3,574,480	0.00%	100.00%	0.549¢	0.604¢	0	21,590	21,590	0.956325	20,647	
25		76,235,045	0.00%	100.00%	0.352¢	0.387¢	0	295,030	295,030	0.956325	282,145	
30		(31,800)	0.00%	100.00%	0.485¢	0.534¢	0	-170	-170	0.956325	-163	
31		3,991,807	0.00%	100.00%	0.485¢	0.534¢	0	21,316	21,316	0.956325	20,385	
32		354,767	0.00%	100.00%	0.485¢	0.534¢	0	1,894	1,894	0.956325	1,811	
41-46		\$297,344	0.00%	100.00%	9.78%	10.76%	0	28,301	28,301	0.956325	27,065	
47		\$88,834	0.00%	100.00%	9.78%	10.76%	0	8,455	8,455	0.956325	8,086	
48		\$59,945	0.00%	100.00%	9.78%	10.76%	0	5,706	5,706	0.956325	5,457	
Schedule Totals		525,265,793					\$0	\$3,259,361	\$3,259,361		\$3,117,009	
kWh not subject to surcharge		0										-35%
Sch 28		2,228,262										(\$1,090,953) DFIT Expense
Sch 41-48		527,494,055										
Total kWh												

Electric Revenue Report by Revenue Class
Current Month and Year-to-Date
 for Accounting Period : 200712 , State Code : WA

Accounting Period	200712	State Code	WA
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Rate Schedule Num	Meters	Usage	Revenue Amt	YTD Avg Meters	Ytd Usage	Ytd Revenue Amt
001	198,491	260,359,071	17,759,945	196,465	2,380,356,628	154,181,989
011	19,122	35,349,232	3,255,444	18,943	375,085,994	34,747,911
012	7,583	4,918,825	472,291	7,481	44,155,769	4,313,891
021	3,225	140,514,366	9,627,055	3,213	1,545,260,859	107,709,778
022	70	3,574,480	241,152	71	35,276,253	2,335,184
025	22	76,235,045	3,505,414	22	941,498,341	43,364,801
028	0	0	16,750	1	291,890	245,082
030	37	-31,800	-1,525	37	23,215,420	1,246,474
031	1,076	3,991,807	260,400	1,067	98,813,419	6,151,177
032	1,150	354,767	30,552	1,142	11,981,574	815,230
041	11	8,720	1,520	11	104,640	18,244
042	256	1,102,716	274,127	254	13,183,789	3,275,711
044	13	21,631	2,077	14	263,895	25,315
045	4	92,897	5,244	5	1,070,744	60,764
046	18	187,338	14,376	17	2,237,663	171,774
047	0	512,056	88,834	0	6,014,551	1,049,971
048	0	302,904	59,945	0	3,691,538	716,861
058	0	0	1,244,817	0	0	12,723,566
058A	0	0	-7,703	0	0	-81,790
063	0	0	0	0	0	0
090	0	0	4	0	0	4
095	0	0	13,958	0	0	165,551
099	0	0	53,755	0	0	708,991
Total WA	231,078	527,494,055	36,918,432	228,739	5,482,502,967	373,946,530
Total WA	231,078	527,494,055	36,918,432	228,739	5,482,502,967	373,946,530

Avista Utilities
NGTON POWER COST DEFERRALS

Line No.	2007 WA & ID Actual Deferrals.xlsWA summary WASHINGTON ACTUALS-2007	01-07-2006:2:26 PM sw											
		Actual Jan-07	Actual Feb-07	Actual Mar-07	Actual Apr-07	Actual May-07	Actual Jun-07	Actual Jul-07	Actual Aug-07	Actual Sep-07	Actual Oct-07	Actual Nov-07	Actual Dec-07
1	555 Purchased Power	\$ 18,022,404	\$ 15,556,430	\$ 16,229,490	\$ 14,958,880	\$ 13,780,783	\$ 11,917,904	\$ 16,920,847	\$ 20,005,591	\$ 13,944,356	\$ 13,553,558	\$ 18,985,511	\$ 18,162,014
2	501 Thermal Fuel	\$ 2,644,843	\$ 2,003,296	\$ 1,571,643	\$ 2,063,412	\$ 1,481,073	\$ 1,718,138	\$ 2,478,030	\$ 2,105,948	\$ 2,489,132	\$ 2,422,857	\$ 2,020,817	\$ 2,258,076
3	547 CT Fuel	\$ 99,775,886	\$ 11,596,669	\$ 4,239,767	\$ 856,223	\$ 1,789,184	\$ 4,321,264	\$ 9,802,658	\$ 10,755,686	\$ 10,243,928	\$ 11,045,384	\$ 10,957,367	\$ 12,092,821
4	447 Sale for Resale	\$ (138,609,644)	\$ (11,760,278)	\$ (13,825,329)	\$ (14,134,288)	\$ (16,281,872)	\$ (14,872,488)	\$ (11,589,415)	\$ (9,017,630)	\$ (8,483,868)	\$ (7,818,039)	\$ (9,145,632)	\$ (11,263,220)
5	Actual Net Expense	\$ 178,471,275	\$ 17,396,117	\$ 8,215,571	\$ 3,744,227	\$ 779,168	\$ 3,084,818	\$ 17,612,120	\$ 23,849,595	\$ 18,193,948	\$ 19,203,760	\$ 22,818,063	\$ 21,249,681
6	456100/700 Transmission Revenue	\$ (740,481)	\$ (771,135)	\$ (869,317)	\$ (1,085,918)	\$ (970,024)	\$ (1,104,550)	\$ (1,194,621)	\$ (931,023)	\$ (756,941)	\$ (858,147)	\$ (774,716)	\$ (533,694)
7	565 Transmission Expense	\$ 1,078,463	\$ 1,146,469	\$ 1,039,109	\$ 1,013,095	\$ 1,017,312	\$ 1,095,060	\$ 1,304,968	\$ 1,378,753	\$ 1,287,351	\$ 961,905	\$ 1,277,747	\$ 1,253,008
8	557170 Broker Fees	\$ 52,364	\$ 6,870	\$ 2,285	\$ 5,491	\$ 5,166	\$ 4,451	\$ 3,795	\$ 3,806	\$ 2,733	\$ 1,980	\$ 4,740	\$ 8,052
9	Less Pottlach 62 aMW directly to ID	\$ (1,719,075)	\$ (1,544,347)	\$ (1,112,014)	\$ (1,640,274)	\$ (1,692,336)	\$ (1,723,195)	\$ (1,846,290)	\$ (1,907,021)	\$ (1,540,914)	\$ (1,534,605)	\$ (1,827,362)	\$ (1,774,012)
10	Adjusted Actual Net Expense	\$ 20,946,519	\$ 16,233,974	\$ 7,275,634	\$ 2,036,621	\$ (860,714)	\$ 1,356,604	\$ 15,879,972	\$ 22,394,110	\$ 17,185,777	\$ 17,774,893	\$ 21,498,472	\$ 20,203,045
AUTHORIZED NET EXPENSE-SYSTEM													
11	555 Purchased Power	\$ 78,312,672	\$ 11,193,778	\$ 7,844,080	\$ 5,646,977	\$ 5,167,798	\$ 3,919,404	\$ 3,947,698	\$ 4,611,314	\$ 6,114,915	\$ 7,038,560	\$ 6,475,870	\$ 9,429,894
12	501 Thermal Fuel	\$ 18,966,459	\$ 1,660,398	\$ 1,498,204	\$ 1,704,104	\$ 1,638,517	\$ 1,295,688	\$ 1,037,197	\$ 1,667,775	\$ 1,714,511	\$ 1,660,059	\$ 1,715,380	\$ 1,714,075
13	547 CT Fuel	\$ 70,026,232	\$ 5,972,958	\$ 4,558,576	\$ 9,264,020	\$ 4,700,957	\$ 3,330,490	\$ 1,269,298	\$ 4,313,402	\$ 6,001,145	\$ 7,105,523	\$ 8,212,014	\$ 7,586,613
14	447 Sale for Resale	\$ (62,059,914)	\$ (2,591,928)	\$ (3,322,097)	\$ (6,706,363)	\$ (8,805,375)	\$ (10,402,116)	\$ (7,569,805)	\$ (6,457,020)	\$ (3,368,084)	\$ (1,492,368)	\$ (2,440,168)	\$ (3,350,298)
15	Settlement/Compliance Filing Adj.	\$ (251,923)	\$ 74,750	\$ (516,741)	\$ (129,319)	\$ 921,340	\$ 110,419	\$ (1,353,073)	\$ (1,331,742)	\$ (28,867)	\$ 1,162,101	\$ 855,509	\$ (283,194)
16	456100 Transmission Revenue	\$ (10,268,650)	\$ (850,551)	\$ (850,451)	\$ (850,576)	\$ (854,363)	\$ (856,884)	\$ (860,452)	\$ (862,365)	\$ (861,061)	\$ (861,257)	\$ (853,900)	\$ (853,205)
17	565 Transmission Expense	\$ 13,307,162	\$ 1,132,836	\$ 1,062,210	\$ 1,097,845	\$ 1,091,385	\$ 1,084,923	\$ 1,096,602	\$ 1,107,276	\$ 1,095,400	\$ 1,091,132	\$ 1,117,299	\$ 1,122,262
18	557 Broker Fees	\$ 78,000	\$ 6,500	\$ 6,500	\$ 6,500	\$ 6,500	\$ 6,500	\$ 6,500	\$ 6,500	\$ 6,500	\$ 6,500	\$ 6,500	\$ 6,500
19	565 Compliance Filing	\$ (84,000)	\$ (7,000)	\$ (7,000)	\$ (7,000)	\$ (7,000)	\$ (7,000)	\$ (7,000)	\$ (7,000)	\$ (7,000)	\$ (7,000)	\$ (7,000)	\$ (7,000)
20	Authorized Net Expense	\$ 108,026,038	\$ 16,591,741	\$ 10,317,281	\$ 10,026,168	\$ 3,859,759	\$ (1,518,676)	\$ 3,048,140	\$ 10,667,439	\$ 15,703,250	\$ 15,128,287	\$ 10,719,939	\$ 15,915,735
21	Actual - Authorized Net Expense	\$ 53,898,869	\$ 4,354,778	\$ 5,916,693	\$ (2,750,534)	\$ (1,823,138)	\$ 657,962	\$ 3,789,639	\$ 12,831,892	\$ 11,726,671	\$ 1,482,527	\$ 2,646,596	\$ 4,287,310
22	557 Resource Optimization	\$ 3,857,341	\$ 553,465	\$ 193,272	\$ 2,050,028	\$ 16,770	\$ 31,219	\$ 35,948	\$ 296,166	\$ 352,483	\$ 34,258	\$ 79,341	\$ 34,450
23	Adjusted Net Expense	\$ 57,756,210	\$ 4,908,243	\$ 6,109,965	\$ (700,506)	\$ (1,806,368)	\$ 689,181	\$ 3,825,587	\$ 13,128,018	\$ 12,079,154	\$ 1,516,785	\$ 2,725,937	\$ 4,321,760
24	Washington Alloc. @ 65.16%	\$ 37,633,947	\$ 3,196,211	\$ 3,981,253	\$ (456,450)	\$ (1,177,029)	\$ 449,070	\$ 2,492,752	\$ 8,554,217	\$ 7,870,777	\$ 998,337	\$ 1,776,221	\$ 7,140,529
25	WA Retail Revenue Adjustment	\$ (12,807,540)	\$ (2,486,855)	\$ (672,011)	\$ (426,201)	\$ (575,342)	\$ (575,342)	\$ (3,352,958)	\$ (80,005)	\$ (434,397)	\$ 5,254	\$ (552,679)	\$ (2,336,148)
26	Net Power Cost Increase (Decrease)	\$ 24,826,407	\$ 711,356	\$ 4,020,598	\$ 3,204,963	\$ 2,454,135	\$ 2,327,863	\$ 7,600,459	\$ 15,391,231	\$ 15,945,171	\$ 17,726,646	\$ 24,346,496	\$ 24,826,407
27	Cumulative Balance												

Deferral %
 100%
 50%
 0%
 check # should be zero

Deferral Report
Month of Dec '07
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Company Band Gross Margin Impact, Cumulative
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Avista Utilities
System Power Supply Expenses
WASHINGTON DEFERRED POWER COST CALCULATION
\$
ACTUALS

Line No.	Jan-07	Feb-07	Mar-07	Apr-07	May-07	Jun-07	Jul-07	Aug-07	Sep-07	Oct-07	Nov-07	Dec-07	TOTAL 2007
1	8,652,454	6,571,869	8,230,577	6,771,065	6,347,138	4,336,456	9,673,204	13,140,861	7,356,877	6,703,850	9,041,115	7,219,377	94,044,843
2	130,200	117,600	130,200	125,825	130,200	126,000	130,200	130,200	126,000	130,200	126,175	130,200	1,533,000
3	129,685	124,852	130,200	100,813	20,333	43,535	75,349	134,263	117,847	142,689	133,420	166,181	1,286,228
4	741,090	716,290	728,055	842,759	867,306	777,699	855,858	670,248	770,154	825,920	852,444	886,000	9,533,823
5	122,918	109,016	109,016	199,093	157,124	461,759	124,793	142,374	100,225	121,275	129,341	403,887	2,180,821
6	354,389	354,389	354,389	531,285	354,389	354,389	354,389	354,389	354,389	354,389	354,389	354,389	4,429,564
7	112,559	112,559	112,559	112,559	112,559	112,559	112,559	112,559	116,071	116,071	116,071	26,211	1,274,896
8	802	809	893	502	764	502	408	676	494	436	626	754	7,666
9	106,710	128,982	137,852	135,974	123,589	114,229	71,257	33,272	36,763	50,370	61,509	90,472	1,090,979
10	340,250	261,738	251,160	247,091	280,255	107,254	0	0	0	81,194	128,143	216,063	1,913,148
11	2,451,882	2,215,518	1,210,478	1,172,379	(93,211)	62,119	212,857	(239,635)	172,685	(81,374)	31,592	206,770	241,210
12	576,600	520,800	575,825	558,000	576,600	558,000	576,600	576,600	558,000	576,600	558,775	576,600	6,799,000
13	572,880	517,440	572,110	554,400	572,880	554,400	572,880	572,880	554,400	572,880	555,170	572,880	6,745,200
14	565,440	510,720	564,680	547,200	565,440	547,200	565,440	565,440	547,200	565,440	547,960	565,440	6,657,600
15	641,700	579,600	640,838	621,000	641,700	621,000	641,700	641,700	621,000	641,700	621,863	641,700	7,555,501
16	174,384	169,567	149,938	144,133	145,515	124,128	131,286	198,201	184,081	192,447	187,221	188,974	1,989,875
17	1,719,075	1,544,347	1,112,014	1,640,274	1,692,336	1,723,195	1,846,290	1,907,021	1,540,914	1,534,605	1,827,362	1,774,012	19,861,445
18	57,000	81,250	142,500	142,500	142,500	171,000	171,000	171,000	142,500	142,500	114,000	58,500	1,536,250
19	168,122	338,491	350,821	152,070	172,837	114,850	183,550	272,835	269,523	211,514	333,522	485,704	3,053,839
20	216,337	283,123	285,659	279,792	270,519	304,908	229,715	255,604	223,146	244,166	176,662	403,092	3,172,723
21	189,100	170,800	189,100	0	0	0	54,105	47,430	32,887	16,208	0	0	275,854
22	39,114	25,270	79,787	107,508	122,624	107,773	90,818	189,100	183,000	192,200	186,000	192,200	1,680,600
23	67,579	59,391	54,062	53,223	50,799	50,199	57,489	53,617	48,153	50,420	57,371	59,357	661,660
24	18,022,404	15,556,430	16,229,490	14,958,880	13,780,783	11,917,904	16,920,847	20,005,591	13,944,356	13,553,558	18,985,511	18,162,014	192,037,768
25	6,015,292	7,777,539	10,463,311	10,406,027	12,243,118	10,884,904	7,126,474	4,639,887	4,629,356	3,012,340	4,521,373	6,175,804	87,895,425
26	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	1,800,000
27	51,244	6,948	8,526	7,669	78,829	23,127	7,616	35,865	7,341	62,427	107,661	138,390	535,543
28	48,748	29,778	70,781	77,092	80,669	34,640	60,378	36,136	32,365	127,929	41,765	66,394	708,675
29	257,051	201,152	140,540	192,754	187,695	229,404	273,940	267,358	250,035	294,526	296,314	308,896	2,899,665
30	(5,096)	(4,030)	(3,804)	(5,098)	(3,903)	(4,098)	(8,871)	(8,871)	(8,871)	(4,063)	(3,986)	(5,096)	(56,916)
31	278,590	255,391	231,199	242,269	171,958	170,746	267,071	298,320	276,863	289,327	311,961	345,177	3,138,272
32	224,279	140,367	84,739	111,655	121,427	145,508	182,169	100,875	107,232	122,278	151,194	142,155	1,633,878
33	3,329,898	3,143,842	2,623,241	2,901,431	3,201,280	3,188,058	3,473,149	3,435,572	2,991,394	3,712,855	3,512,579	3,880,143	39,393,442
34	67,579	59,391	56,796	50,489	50,799	50,199	57,489	53,617	48,153	50,420	57,371	59,357	661,660
35	10,417,585	11,760,278	13,825,329	14,134,288	16,281,872	14,872,488	11,569,415	9,017,630	8,483,868	7,818,039	9,145,632	11,263,220	138,609,644
36													
37													
38													
39													

(1) Effective November, 2007, WNP-3 purchase expense has been adjusted to reflect the mid-point price, \$38.25/MWh for the 2007-08 contract year. per Settlement Agreement, Cause No. U-86-99

447 SALES FOR RESALE

29	Short-Term Sales	6,015,292	7,777,539	10,463,311	10,406,027	12,243,118	10,884,904	7,126,474	4,639,887	4,629,356	3,012,340	6,175,804	87,895,425
30	Peaker LLC/PGE Cap Sale	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	1,800,000
31	Sovereign/Kaiser Load Following	51,244	6,948	8,526	7,669	78,829	23,127	7,616	7,341	62,427	107,661	138,390	535,543
32	Pend Oreille DES	48,748	29,778	70,781	77,092	80,669	34,640	60,378	32,365	127,929	41,765	66,394	708,675
33	Nichols Pumping Index Sale	257,051	201,152	140,540	192,754	187,695	229,404	273,940	250,035	294,526	296,314	308,896	2,899,665
34	Enron/PGE Cap Fee, employee svcs	(5,096)	(4,030)	(3,804)	(5,098)	(3,903)	(4,098)	(8,871)	(8,871)	(4,063)	(3,986)	(5,096)	(56,916)
35	Northwestern Load Following	278,590	255,391	231,199	242,269	171,958	170,746	267,071	276,863	289,327	311,961	345,177	3,138,272
36	BPA NT deviation energy rev	224,279	140,367	84,739	111,655	121,427	145,508	182,169	107,232	122,278	151,194	142,155	1,633,878
37	SMUD 50 + 25	3,329,898	3,143,842	2,623,241	2,901,431	3,201,280	3,188,058	3,473,149	2,991,394	3,712,855	3,512,579	3,880,143	39,393,442
38	Merchant Ancillary Services	67,579	59,391	56,796	50,489	50,799	50,199	57,489	48,153	50,420	57,371	59,357	661,660
39	Total Account 447	10,417,585	11,760,278	13,825,329	14,134,288	16,281,872	14,872,488	11,569,415	8,483,868	7,818,039	9,145,632	11,263,220	138,609,644

01-07-21 Deferral Report

Month of Dec '07

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Avista Utilities
System Power Supply Expenses
WASHINGTON DEFERRED POWER COST CALCULATION

ACTUALS

Line No.	Jan-07	Feb-07	Mar-07	Apr-07	May-07	Jun-07	Jul-07	Aug-07	Sep-07	Oct-07	Nov-07	Dec-07	TOTAL 2007
501 FUEL-DOLLARS													
40 Kettle Falls	1,009,650	886,816	281,428	738,842	599,100	580,210	788,441	336,281	969,125	880,440	679,080	962,446	8,713,859
41 Colstrip	1,375,803	1,089,134	1,271,756	1,273,441	847,431	1,131,313	1,633,699	1,758,534	1,479,632	1,539,777	1,324,656	1,282,076	16,207,252
42 Total Coal & Wood	2,585,453	1,975,950	1,553,184	2,012,283	1,446,531	1,711,523	2,422,140	2,096,815	2,448,757	2,420,217	2,003,736	2,244,522	24,921,111
43 Kettle Falls GS	5,345	1,849	445	6,758	2,368	1,863	2,374	8,135	4,427	1,197	2,388	551	37,700
44 Colstrip	54,045	25,497	18,014	44,371	42,174	4,752	53,516	998	35,948	1,443	14,693	13,003	308,454
45 Total Oil & Gas	59,390	27,346	18,459	51,129	44,542	6,615	55,890	9,133	40,375	2,640	17,081	13,554	346,154
46 Total Account 501	2,644,843	2,003,296	1,571,643	2,063,412	1,491,073	1,718,138	2,478,030	2,105,948	2,489,132	2,422,857	2,020,817	2,258,076	25,267,265
501 FUEL-TONS													
47 Kettle Falls	54,932	50,926	35,929	42,767	33,936	19,036	43,054	17,340	37,127	42,336	34,554	37,246	449,183
48 Colstrip	99,408	88,457	85,818	83,354	47,674	70,742	102,756	93,681	98,448	97,808	92,769	96,375	1,057,290
501 FUEL-COST PER TON													
49 Kettle Falls	18.38 \$	17.41 \$	7.83 \$	17.28 \$	17.65 \$	30.48 \$	18.31 \$	19.51 \$	26.10 \$	20.80 \$	19.65 \$	25.84 \$	19.40 \$
50 Colstrip	15.85 \$	12.31 \$	14.82 \$	15.28 \$	17.78 \$	15.99 \$	15.90 \$	18.77 \$	15.03 \$	15.74 \$	14.28 \$	13.30 \$	15.33 \$
547 FUEL													
51 NE Combustion Turbine Gas/Oil	6,119	597	258	(45)	5,072	9,344	2,801	204,506	1,871	(421)	8,385	(7)	238,480
52 Boulder Park	91,277	20,171	4,166	75,463	49,698	46,887	190,679	495,060	189,482	192,945	275,042	179,886	1,810,756
53 Kettle Falls CT	1,978	113	-	1,192	(70)	(43)	15,163	37,778	50,237	(1,057)	(1,302)	35,854	139,843
54 Coyote Springs2	11,729,516	11,543,942	4,199,187	558,529	1,645,459	4,214,959	9,465,520	9,514,353	9,802,267	10,826,281	10,667,480	11,645,189	95,812,682
55 Rathdrum Fuel Exp	246,045	31,846	36,156	221,084	89,025	50,117	128,495	503,989	200,071	27,636	7,762	231,899	1,774,125
56 Total Account 547	12,074,935	11,596,669	4,239,767	856,223	1,789,184	4,321,264	9,802,658	10,755,686	10,243,928	11,045,384	10,957,367	12,092,821	99,775,886
57 TOTAL NET EXPENSE	22,324,597	17,396,117	8,215,571	3,744,227	779,168	3,084,818	17,612,120	23,849,595	18,193,548	19,203,760	22,818,063	21,249,691	178,471,275

AVISTA UTILITIES
 Washington Electric Jurisdiction
 Energy Recovery Mechanism Revenue Credit
 Month of December 2007

Description	January	February	March	April	May	June	July	August	September	October	November	December	YTD
Total WA kWhs per Rev Run	640,607,132	540,949,766	456,972,730	424,100,768	395,516,373	414,771,448	414,662,469	470,746,378	441,323,181	411,685,821	443,752,846	527,484,055	6,482,602,967
Deduct Prior Month Unbilled kWhs	(353,051,283)	(357,627,890)	(300,504,629)	(292,131,378)	(271,237,441)	(269,502,816)	(271,018,987)	(329,210,182)	(307,629,748)	(289,471,684)	(304,521,337)	(336,996,072)	(3,676,803,646)
Add Current Month Unbilled kWhs	357,627,890	300,504,629	292,131,379	271,237,441	269,502,816	271,018,987	329,210,182	307,629,748	289,471,684	304,521,337	336,996,072	349,731,143	3,673,489,408
Washington Retail kWhs	645,083,839	483,828,405	446,599,480	403,206,830	393,781,748	416,287,619	472,873,664	449,165,944	417,165,117	432,735,474	476,227,581	540,229,126	6,478,182,827
Test Year Consumption (1)	481,586,239	466,825,783	439,660,052	414,394,121	379,308,995	354,515,250	387,230,374	447,381,840	406,298,564	433,131,839	463,146,866	480,633,226	5,154,112,149
Difference from Test Year	63,498,600	17,000,622	8,939,428	(11,187,291)	14,472,753	61,772,369	85,643,290	1,784,104	10,866,553	(396,365)	13,080,715	59,595,900	325,070,678
WA Retail Revenue Credit (2)	\$2,478,360	\$663,634	\$348,906	(\$436,640)	\$564,872	\$2,410,976	\$3,342,658	\$69,634	\$424,122	(\$15,470)	\$510,540	\$2,326,028	\$12,687,509
Net Wind Revenue Credit	\$8,505	\$8,477	\$10,279	\$10,439	\$10,470	\$10,439	\$10,300	\$10,371	\$10,275	\$10,216	\$10,139	\$10,120	\$120,030
Total Revenue Credit	\$2,486,865	\$672,111	\$359,185	(\$426,201)	\$575,342	\$2,421,415	\$3,352,958	\$80,005	\$434,397	(\$5,254)	\$520,679	\$2,336,148	\$12,807,539

(1) from Exhibit No. 185 (WGJ-5) in Docket No. UE-050482 and Exhibit No. (WGJ-2) in Docket No. UE-060181.

(2) Production and Transmission Retail Revenue Credit Rate per the Settlement Agreement approved in Docket No. UE-060181, Order 03.

Reflects Exhibit No. 137 (TLK-7) Column F, Line 27 + Line 28, revised for Commission Ordered Adjustments and Revenue Increase Approved in Docket No. UE-050482.

Schedule 95 Wind Revenue	\$11,730.36	\$11,692.65	\$14,177.63	\$14,398.73	\$14,440.76	\$14,398.94	\$14,206.91	\$14,305.11	\$14,172.94	\$14,090.47	\$13,985.26	\$13,957.96	\$165,557.72
Deduct Admin Expense	\$3,225.85	\$3,215.48	\$3,898.85	\$3,959.65	\$3,971.21	\$3,959.71	\$3,906.90	\$3,933.91	\$3,897.56	\$3,874.88	\$3,845.95	\$3,838.44	\$46,526.37
0.005 x 55 = 0.275 per Revenue \$	\$8,504.51	\$8,477.17	\$10,278.78	\$10,439.08	\$10,469.55	\$10,439.23	\$10,300.01	\$10,371.20	\$10,275.38	\$10,215.59	\$10,139.31	\$10,119.52	\$120,029.35
Net Wind Revenue Credit													