

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



July 17, 2014

Steven V. King
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,
June 2014

Dear Mr. King:

Enclosed are an original and five copies of Avista Corporation's Power Cost Deferral Report for the month of June 2014.

The report includes the monthly energy recovery mechanism (ERM) accounting journal together with backup workpapers (Attachment A). In June, actual net power costs were less than authorized costs by \$1,203,484. Year-to-date actual net power costs were less than authorized costs by \$7,537,917. A deferral entry of \$902,613 was made in the rebate direction. The ERM deferral at June 30, 2014 is \$2,653,438 in the rebate direction.

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 \$654,744 for the month of June 2014. After adjusting for revenue-sensitive expenses, \$625,346 of amortization of the deferral balance was recorded.

Actual net power costs for June 2014 were less than the authorized level due primarily to higher hydro generation and strong wholesale power prices. Avista was a net seller in June and higher wholesale prices increased revenue. Hydro generation was 75 aMW above the authorized level. Colstrip generation was 30 aMW below the authorized level. Kettle Falls generation was 16 aMW below the authorized level. Natural gas-fired generation was 7 aMW above the authorized level.

The average power purchase price was \$24.21/MWh compared to an authorized price of \$12.74/MWh. The net transmission expense (transmission expense less transmission revenue) was below the authorized level. Washington retail sales were 18 aMW above the authorized level.

Posted

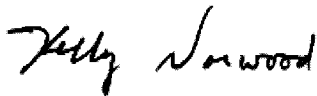
The report also includes the monthly renewable energy credits (REC) accounting journal together with backup workpapers (Attachment B). In June 2014, actual net REC revenues were less than authorized revenues by \$15,005. The Company records 100% of the net REC revenues in a separate deferral account 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 30 of the report for January 2014 shows the calculation of the weighted cost of debt at December 31, 2013, which is used for the January through June 2014 period.

There were no forward long-term power contract executed in June 2014.

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, slightly slanted 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 JUNE 2014

2014 JUL 18 AM 10:09

2014 JUL 18 AM 10:09

2014 JUL 18 AM 10:09

Page Items: Statind: DL Ferc Acct: 186280						
▶ Service	▶ Jurisdiction	▶ Accounting Period	▶ Beginning Balance	▶ Monthly Activity	▶ Ending Balance	
ED	WA	201306	-681,978.00	251,774.00	-430,204.00	
ED	WA	201307	-430,204.00	424,037.00	-6,167.00	
ED	WA	201308	-6,167.00	6,167.00	0.00	
ED	WA	201309	0.00	0.00	0.00	
ED	WA	201310	0.00	0.00	0.00	
ED	WA	201311	0.00	0.00	0.00	
ED	WA	201312	0.00	1,256,447.00	1,256,447.00	
ED	WA	201401	1,256,447.00	-1,247,407.00	9,040.00	
ED	WA	201402	9,040.00	-9,040.00	0.00	
ED	WA	201403	0.00	0.00	0.00	
ED	WA	201404	0.00	0.00	0.00	
ED	WA	201405	0.00	-1,748,236.00	-1,748,236.00	
ED	WA	201406	-1,748,236.00	-914,303.00	-2,662,539.00	

ERM Deferral Balance (Current Year - 2014)			
Account 186280.ED.WA		<u>Amount</u>	<u>Journal ID</u>
Balance 5/31/2014		-\$1,748,236.00	
Deferral - Current Month		-902,613.00	481 - WA ERM
Interest - Current Month (Note 1)		-6,512.00	481 - WA ERM
Interest - Correct Prior Month	(1)	-5,178.00	481 - WA ERM
Balance 6/30/2014		<u>-\$2,662,539.00</u>	
Year to date deferrals		-\$2,653,438.00	
Year to date interest		-9,101.00	
Balance in account		<u>-\$2,662,539.00</u>	
	<u>Total</u>	<u>Absorbed</u>	<u>Deferred</u>
First \$4,000,000 at 100%	-\$4,000,000.00	-\$4,000,000.00	\$0.00
\$4,000,000 to \$10,000,000 at 75%	-3,537,917.00	-884,479.00	-2,653,438.00
Over \$10,000,000 at 10%	0.00	0.00	0.00
Total	-\$7,537,917.00	-\$4,884,479.00	-\$2,653,438.00

Note 1: Interest was recorded backwards in May 2014. This was corrected in June 2014.

2014 JUL 18 AM 10:09

Page Items: Statind: DL Ferc Acct: 186290

▶ Service	▶ Jurisdiction	▶ Accounting Period	▶ Beginning Balance	▶ Monthly Activity	▶ Ending Balance
ED	WA	201306	-9,084,142.14	-27,677.00	-9,111,819.14
ED	WA	201307	-9,111,819.14	-28,222.00	-9,140,041.14
ED	WA	201308	-9,140,041.14	-28,052.00	-9,168,093.14
ED	WA	201309	-9,168,093.14	-28,137.00	-9,196,230.14
ED	WA	201310	-9,196,230.14	-28,137.00	-9,224,367.14
ED	WA	201311	-9,224,367.14	-28,137.00	-9,252,504.14
ED	WA	201312	-9,252,504.14	-28,137.00	-9,280,641.14
ED	WA	201401	-9,280,641.14	1,235,876.00	-8,044,765.14
ED	WA	201402	-8,044,765.14	9,319,254.14	1,274,489.00
ED	WA	201403	1,274,489.00	3,827.00	1,278,316.00
ED	WA	201404	1,278,316.00	-14,785.71	1,263,530.29
ED	WA	201405	1,263,530.29	3,692.00	1,267,222.29
ED	WA	201406	1,267,222.29	3,692.00	1,270,914.29

ERM Deferral Balance (Prior year - 2013)			
Account 186290.ED.WA			
		Amount	Journal ID
Balance 5/31/2014		\$1,267,222.29	
Interest - Current Month		3,692.00	481 - WA ERM
Balance 6/30/2014		<u>\$1,270,914.29</u>	

Page Items: Statind: DL Fero Acct: 182350

▶ Service	▶ Jurisdiction	▶ Accounting Period	▶ Beginning Balance	▶ Monthly Activity	▶ Ending Balance
ED	WA	201306	-12,086,977.00	285,518.00	-11,801,459.00
ED	WA	201307	-11,801,459.00	292,909.00	-11,508,550.00
ED	WA	201308	-11,508,550.00	326,836.00	-11,181,714.00
ED	WA	201309	-11,181,714.00	319,218.00	-10,862,496.00
ED	WA	201310	-10,862,496.00	304,514.00	-10,557,982.00
ED	WA	201311	-10,557,982.00	295,773.00	-10,262,209.00
ED	WA	201312	-10,262,209.00	382,815.00	-9,879,394.00
ED	WA	201401	-9,879,394.00	546,382.00	-9,333,012.00
ED	WA	201402	-9,333,012.00	-8,518,899.14	-17,851,911.14
ED	WA	201403	-17,851,911.14	737,656.00	-17,114,255.14
ED	WA	201404	-17,114,255.14	599,294.22	-16,514,960.92
ED	WA	201405	-16,514,960.92	610,932.00	-15,904,028.92
ED	WA	201406	-15,904,028.92	580,003.00	-15,324,025.92

Recoverable Deferral Balance			
Account 182350.ED.WA			
		<u>Amount</u>	<u>Journal ID</u>
Balance 5/31/2014		-\$15,904,028.92	
Surcharge Amortization		625,346.00	481 - WA ERM
Interest		-45,343.00	481 - WA ERM
Balance 6/30/2014		<u>-\$15,324,025.92</u>	

Page Items: Statind: DL Ferc Acct: 283280

▶ Service	▶ Jurisdiction	▶ Accounting Period	▶ Beginning Balance	▶ Monthly Activity	▶ Ending Balance
ED	WA	201306	7,648,584.88	-178,365.25	7,470,219.63
ED	WA	201307	7,470,219.63	-241,053.40	7,229,166.23
ED	WA	201308	7,229,166.23	-106,732.85	7,122,433.38
ED	WA	201309	7,122,433.38	-101,878.35	7,020,555.03
ED	WA	201310	7,020,555.03	-96,731.95	6,923,823.08
ED	WA	201311	6,923,823.08	-93,672.60	6,830,150.48
ED	WA	201312	6,830,150.48	-563,893.75	6,266,256.73
ED	WA	201401	6,266,256.73	-187,197.85	6,079,058.88
ED	WA	201402	6,079,058.88	-276,960.25	5,802,098.63
ED	WA	201403	5,802,098.63	-259,519.05	5,542,579.58
ED	WA	201404	5,542,579.58	-204,577.98	5,338,001.60
ED	WA	201405	5,338,001.60	396,764.20	5,734,765.80
ED	WA	201406	5,734,765.80	115,712.80	5,850,478.60

DFIT Associated with ERM Deferrals		
Account 283280.ED.WA		
Account 186280.ED.WA balance		-\$2,662,539.00
Account 186290.ED.WA balance		1,270,914.29
Account 182350.ED.WA balance		-15,324,025.92
Total		-\$16,715,650.63
Federal income tax rate		-35%
Deferred FIT related to deferrals		\$5,850,478
Rounding		1
Balance that should be in account - June 30, 2014		\$5,850,479

Page Items: Statind: DL Ferc Acct: 186322

▶ Service	▶ Jurisdiction	▶ Accounting Period	▶ Beginning Balance	▶ Monthly Activity	▶ Ending Balance
ED	WA	201306	-956,538.81	-184,694.00	-1,141,232.81
ED	WA	201307	-1,141,232.81	-1,149.00	-1,142,381.81
ED	WA	201308	-1,142,381.81	58,343.00	-1,084,038.81
ED	WA	201309	-1,084,038.81	8,437.00	-1,075,601.81
ED	WA	201310	-1,075,601.81	-197,447.00	-1,273,048.81
ED	WA	201311	-1,273,048.81	-36,192.00	-1,309,240.81
ED	WA	201312	-1,309,240.81	-297,707.00	-1,606,947.81
ED	WA	201401	-1,606,947.81	82,083.00	-1,524,864.81
ED	WA	201402	-1,524,864.81	-79,905.00	-1,604,769.81
ED	WA	201403	-1,604,769.81	-221,015.00	-1,825,784.81
ED	WA	201404	-1,825,784.81	-361,430.83	-2,187,215.64
ED	WA	201405	-2,187,215.64	84,889.00	-2,102,326.64
ED	WA	201406	-2,102,326.64	-21,300.25	-2,123,626.89

REC Deferral Balance			
<u>Account 186322.ED.WA</u>	<u>Amount</u>	<u>Journal ID</u>	
Balance 5/31/2014	-\$2,102,326.64		
Deferral	-61,390.00	475 - WA REC DEFERRAL	
Interest	-6,296.00	475 - WA REC DEFERRAL	
Record ID Share of RECs used in WA for I-937	46,385.75	NSJ-014	
Balance 6/30/2014	-\$2,123,626.89		
Balance 1/1/2014	-\$1,606,948		
Year to date deferrals	-604,053		
Year to date interest	-32,477		
Adjustment for reclassifying 2012 REC Expenses	36,510		
Adjustment for reclassifying 2013 REC Expenses	36,955		
Record ID Share of RECs used in WA for I-937	46,386		
Balance 6/30/2014	-\$2,123,627		

Page Items: Statind: DL Ferc Accr: 283305						
▶ Service	▶ Jurisdiction	▶ Accounting Period	▶ Beginning Balance	▶ Monthly Activity	▶ Ending Balance	
ED	WA	201306	334,788.58	64,642.90	399,431.48	
ED	WA	201307	399,431.48	402.15	399,833.63	
ED	WA	201308	399,833.63	-20,420.05	379,413.58	
ED	WA	201309	379,413.58	-3,663.95	375,749.63	
ED	WA	201310	375,749.63	69,817.45	445,567.08	
ED	WA	201311	445,567.08	12,667.20	458,234.28	
ED	WA	201312	458,234.28	104,197.45	562,431.73	
ED	WA	201401	562,431.73	-28,729.05	533,702.68	
ED	WA	201402	533,702.68	27,966.75	561,669.43	
ED	WA	201403	561,669.43	75,592.30	637,261.73	
ED	WA	201404	637,261.73	124,479.89	761,741.62	
ED	WA	201405	761,741.62	-37,792.30	723,949.32	
ED	WA	201406	723,949.32	19,320.09	743,269.41	

DFIT Associated with REC Deferrals	
Account 283305.ED.WA	
Account 186322.ED.WA balance	-\$2,123,626.89
Total	-2,123,626.89
Federal income tax rate	-35%
Deferred FIT related to deferrals	\$743,269
Rounding	0
Balance that should be in account - June 30, 2014	\$743,269
Balance 6/30/2014	\$743,269

Attachment A

Avista Corporation
Monthly Power Cost Deferral Report
Month of June 2014

ERM Deferral Journal

Avista Corporation Journal Entry

Effective Date: 201406
 Last Saved: 07/07/2014 3:31 PM
 Approval Requested: 07/07/2014 3:31 PM

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

Last Saved by: Tara Moses
 Submitted by: Tara Moses
 Approved by:

Seq	Co	FERC	ED	WA	DL	Ser.	Jul.	S/L	Debit	Credit	Comment
10	001	186290 - REGULATORY ASSET ERM DEFERRED	ED	WA	DL	ED	WA	DL	3,692.00		Prior Year's (2013) Interest Accrual
20	001	431600 - INTEREST EXPENSE ENERGY DEFERRALS	ED	WA	DL	ED	WA	DL		3,692.00	Prior Year's (2013) Interest Income
30	001	182350 - REGULATORY ASSET ERM APPROVED	ED	WA	DL	ED	WA	DL	625,346.00		Current Amortization
40	001	557290 - WA ERM AMORTIZATION	ED	WA	DL	ED	WA	DL		625,346.00	Current Amortization Expense
50	001	182350 - REGULATORY ASSET ERM APPROVED	ED	WA	DL	ED	WA	DL		45,343.00	Interest Accrual for Amortization Balance
60	001	431600 - INTEREST EXPENSE ENERGY DEFERRALS	ED	WA	DL	ED	WA	DL			Interest Expense on Amortization Balance
70	001	186280 - REGULATORY ASSET ERM DEFERRED	ED	WA	DL	ED	WA	DL	45,343.00		Current Year ERM (2014)
80	001	557280 - DEFERRED POWER SUPPLY EXPENSE	ED	WA	DL	ED	WA	DL			Current Year ERM Deferral Expense (2014)
90	001	186280 - REGULATORY ASSET ERM DEFERRED	ED	WA	DL	ED	WA	DL	902,613.00		Current Year ERM Interest Accrual (2014)
100	001	431600 - INTEREST EXPENSE ENERGY DEFERRALS	ED	WA	DL	ED	WA	DL			Current Year ERM Interest Expense (2014)
110	001	431600 - INTEREST EXPENSE ENERGY DEFERRALS	ED	WA	DL	ED	WA	DL	6,512.00		Correct 201405 Current Interest, entered backwards
120	001	186280 - REGULATORY ASSET ERM DEFERRED	ED	WA	DL	ED	WA	DL	5,178.00		Correct 201405 Current Interest, entered backwards
Totals:									1,588,684.00	1,588,684.00	

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

Tara Moses
 Prepared by: Tara Moses
 Date: 7-1-14

T.F. Jones
 Reviewed by:
 Date: 7/7/14

Approved for Entry
 Corporate Accounting use Only
 Date:

**Avista Corp. - Resource Accounting
 Washington Energy Recovery Mechanism (ERM) Current Year 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	5.458%	Actual cost of debt at 06/30/14 is	
The monthly rate is:	0.00455 Before Tax 0.0029570 After Tax 35.00% Tax rate	The monthly rate is:	0.00000 Before Tax 0.0000000 After Tax 35.00% Tax rate

Account 186280

0

				<u>January</u>	<u>DFIT Expense</u>	<u>ADFIT</u>
January	ERM Deferral	0		Deferral	0 Operating	0
January	Interest		0	Interest	0 Nonoperating	0
	01-31-2014 Balance before interest	0			0 Total	0
				<u>February</u>	<u>DFIT Expense</u>	<u>ADFIT</u>
February	ERM Deferral	0		Deferral	0 Operating	0
February	Interest		0	Interest	0 Nonoperating	0
	02-28-2014 Balance before interest	0			0 Total	0
				<u>March</u>	<u>DFIT Expense</u>	<u>ADFIT</u>
March	ERM Deferral	0		Deferral	0 Operating	0
March	Interest		0	Interest	0 Nonoperating	0
	03-31-2014 Balance before interest	0			0 Total	0
				<u>April</u>	<u>DFIT Expense</u>	<u>ADFIT</u>
April	ERM Deferral	0		Deferral	0 Operating	0
April	Interest		0	Interest	0 Nonoperating	0
	04-30-2014 Balance before interest	0			0 Total	0
				<u>May</u>	<u>DFIT Expense</u>	<u>ADFIT</u>
May	ERM Deferral	(1,750,825)		Deferral	(612,789) Operating	612,789
May	Interest		(2,589)	Interest	(906) Nonoperating	906
	05-31-2014 Balance before interest	(1,750,825)			(613,695) Total	613,695
				<u>June</u>	<u>DFIT Expense</u>	<u>ADFIT</u>
June	ERM Deferral	(902,613)		Deferral	(315,915) Operating	315,915
June	Interest		(6,512)	Interest	(2,279) Nonoperating	2,279
	06-30-2014 Balance before interest	(2,653,438)			(318,194) Total	318,194
	GL Balance including interest:	(2,662,539)				
	interest related to WNP-3		0			
	GL Balance including interest	(2,662,539)				
				<u>July</u>	<u>DFIT Expense</u>	<u>ADFIT</u>
July	ERM Deferral	0		Deferral	0 Operating	0
July	Interest		0	Interest	0 Nonoperating	0
	07-31-2014 Balance before interest	(2,662,539)			0 Total	0
				<u>August</u>	<u>DFIT Expense</u>	<u>ADFIT</u>
August	ERM Deferral	0		Deferral	0 Operating	0
August	Interest		0	Interest	0 Nonoperating	0
	08-31-2014 Balance before interest	0			0 Total	0
				<u>September</u>	<u>DFIT Expense</u>	<u>ADFIT</u>
September	ERM Deferral	0		Deferral	0 Operating	0
September	Interest		0	Interest	0 Nonoperating	0
	09-30-2014 Balance before interest	0			0 Total	0
				<u>October</u>	<u>DFIT Expense</u>	<u>ADFIT</u>
October	ERM Deferral	0		Deferral	0 Operating	0
October	Interest		0	Interest	0 Nonoperating	0
	10-31-2014 Balance before interest	0			0 Total	0
				<u>November</u>	<u>DFIT Expense</u>	<u>ADFIT</u>
November	ERM Deferral	0		Deferral	0 Operating	0
November	Interest		0	Interest	0 Nonoperating	0
	11-30-2014 Balance before interest	0			0 Total	0
				<u>December</u>	<u>DFIT Expense</u>	<u>ADFIT</u>
December	ERM Deferral	0		Deferral	0 Operating	0
December	Interest		0	Interest	0 Nonoperating	0
	12-31-2014 Balance before interest	0				
	12-31-2014 Balance with interest	0				

Washington Energy Recovery Mechanism (ERM) Amortizing Deferral Balance

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	5.459%	Actual cost of debt at 06/30/14 is	0.000%
The monthly rate is:	0.00455 Before Tax	The monthly rate is:	0.00000 Before Tax
	0.0029570 After Tax		0.0000000 After Tax
	35.00% Tax rate		35.00% Tax rate

Account 182350

12-31-2012 GL Balance including interest (9,879,394) 3,457,788

			<u>January</u>		<u>DFIT Expense</u>		<u>ADFIT</u>
January	Surcharge Amortization	574,746	Amortization	201,161	Operating	(201,161)	
January	Interest	(28,364)	Interest	(9,927)	Nonoperating	9,927	
01-31-2014	Balance before interest	(9,304,648)		191,234	Total	(191,234)	
			<u>February</u>		<u>DFIT Expense</u>		<u>ADFIT</u>
February	Transfer from 186290	(9,308,084)	2012 Balance	Amortization	295,013	Operating	(295,013)
February	Remove Jan. 2014 Interest	(27,443)	Don't compound	Interest	(18,799)	Nonoperating	18,799
February	Balance before Jan. Interest	(9,280,641)	Use to calculate simple Interest		276,214	Total	(276,214)
February	Total Balance before Interest	(18,585,269)	Total used to calculate simple interest				
February	Surcharge Amortization	842,895					
February	Interest	(53,710)					
02-28-2014	Balance before interest	(17,742,394)					
			<u>March</u>		<u>DFIT Expense</u>		<u>ADFIT</u>
March	Surcharge Amortization	788,954	Amortization	276,134	Operating	(276,134)	
March	Interest	(51,298)	Interest	(17,954)	Nonoperating	17,954	
03-31-2014	Balance before interest	(16,953,440)		258,180	Total	(258,180)	
			<u>April</u>		<u>DFIT Expense</u>		<u>ADFIT</u>
April	REC Expense Reclass NSJ016	(32,859)	Amortization	238,481	Operating	(238,481)	
April	Surcharge Amortization	681,374	Interest	(17,227)	Nonoperating	17,227	
April	Interest	(49,221)		221,254	Total	(221,254)	
04-30-2014	Balance before interest	(16,304,925)					
			<u>May</u>		<u>DFIT Expense</u>		<u>ADFIT</u>
May	Surcharge Amortization	658,173	Amortization	230,361	Operating	(230,361)	
May	Interest	(47,241)	Interest	(16,534)	Nonoperating	16,534	
05-31-2014	Balance before interest	(15,646,752)		213,827	Total	(213,827)	
			<u>June</u>		<u>DFIT Expense</u>		<u>ADFIT</u>
June	Balance transfer		Amortization	218,871	Operating	(218,871)	
June	Surcharge Amortization	625,346	Interest	(15,870)	Nonoperating	15,870	
June	Interest	0	(45,343)		203,001	Total	(203,001)
06-30-2014	Balance including interest	(15,021,406)					
			<u>July</u>		<u>DFIT Expense</u>		<u>ADFIT</u>
July	GL Balance including interest	(15,296,583)	Amortization	0	Operating	0	
July	Surcharge Amortization		Interest	0	Nonoperating	0	
July	Interest - corrected	0		0	Total	0	
07-31-2014	Balance before interest	(15,296,583)					
			<u>August</u>		<u>DFIT Expense</u>		<u>ADFIT</u>
August	Surcharge Amortization		Amortization	0	Operating	0	
August	Interest	0	Interest	0	Nonoperating	0	
08-31-2014	Balance before interest	(15,296,583)		0	Total	0	
			<u>September</u>		<u>DFIT Expense</u>		<u>ADFIT</u>
September	Surcharge Amortization		Amortization	0	Operating	0	
September	Interest	0	Interest	0	Nonoperating	0	
09-30-2014	Balance before interest	(15,296,583)		0	Total	0	
			<u>October</u>		<u>DFIT Expense</u>		<u>ADFIT</u>
October	Surcharge Amortization		Amortization	0	Operating	0	
October	Interest	0	Interest	0	Nonoperating	0	
10-31-2014	Balance before interest	(15,296,583)		0	Total	0	
			<u>November</u>		<u>DFIT Expense</u>		<u>ADFIT</u>
November	Surcharge Amortization		Amortization	0	Operating	0	
November	Interest	0	Interest	0	Nonoperating	0	
11-30-2014	Balance before interest	(15,296,583)		0	Total	0	
			<u>December</u>		<u>DFIT Expense</u>		<u>ADFIT</u>
December	Surcharge Amortization		Amortization	0	Operating	0	
December	Interest	0	Interest	0	Nonoperating	0	
12-31-2014	Balance before interest	(15,296,583)		0	Total	0	
12-31-2014	Balance including interest	(15,296,583)					

**Avista Corp. - Resource Accounting
 Washington Energy Recovery Mechanism (ERM) Pending Deferral Balances from 2013**

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		5.459%	Actual cost of debt at 06/30/14 is		0.000%
The monthly rate is:		0.00455 Before Tax	The monthly rate is:		0.00000 Before Tax
		0.0029570 After Tax			0.0000000 After Tax
		35.00% Tax rate			35.00% Tax rate
Account 186290					
12-31-2013	GL Balance including interest	0			\$0
01-01-2014	Transfer from 186290	1,256,447			(\$439,756)
01-01-2014	Transfer correct interest	1,602			(\$561)
01-01-2014	Beginning Balance including interest	1,258,049			
January					
January		0		DFIT Expense	ADFIT
January	Interest	3,720	Interest	1,302 Nonoperating	(1,302)
01-31-2014	Balance before interest	1,258,049		1,302 Total	(1,302)
February					
February	Palouse Transfer from 186810			DFIT Expense	ADFIT
February	Transfer in Colstrip Adj. NSJ002	9,040			
February	2012 REC Expense Adjustment				
February	Balance before interest	1,267,089			
February	Interest	3,760	Interest	1,316 Nonoperating	(1,316)
02-28-2014	Balance before interest	1,267,089		1,316 Total	(1,316)
March					
March		0		DFIT Expense	ADFIT
March	Interest	3,747	Interest	1,311 Nonoperating	(1,311)
03-31-2014	Balance before interest	1,267,089		1,311 Total	(1,311)
April					
April	REC Expense Reclass NSJ016	(18,478)		DFIT Expense	ADFIT
April	Interest		Deferral Interest	1,292 Nonoperating	(1,292)
04-30-2014	Balance before interest	1,248,611		1,292 Total	(1,292)
May					
May		0		DFIT Expense	ADFIT
May	Interest	3,692	Deferral Interest	1,292 Nonoperating	(1,292)
05-31-2014	Balance before interest	1,248,611		1,292 Total	(1,292)
June					
June		0		DFIT Expense	ADFIT
June	Interest		Deferral Interest	1,292 Nonoperating	(1,292)
June	Balance including interest	1,270,914		1,292 Total	(1,292)
06-30-2014	Balance	1,270,914			
July					
July		0		DFIT Expense	ADFIT
July	Interest - corrected	0	Deferral Interest	0 Nonoperating	0
07-31-2014	Balance before interest	1,270,914		0 Total	0
August					
August		0		DFIT Expense	ADFIT
August	Interest	0	Deferral Interest	0 Nonoperating	0
08-31-2014	Balance before interest	1,270,914		0 Total	0
September					
September		0		DFIT Expense	ADFIT
September	Interest	0	Deferral Interest	0 Nonoperating	0
09-30-2014	Balance before interest	1,270,914		0 Total	0
October					
October		0		DFIT Expense	ADFIT
October	Interest	0	Deferral Interest	0 Nonoperating	0
10-31-2014	Balance before interest	1,270,914		0 Total	0
November					
November		0		DFIT Expense	ADFIT
November	Interest	0	Deferral Interest	0 Nonoperating	0
11-30-2014	Balance before interest	1,270,914		0 Total	0
December					
December		0		DFIT Expense	ADFIT
December	Interest	0	Deferral Interest	0 Nonoperating	0
12-31-2014	Balance before interest	1,270,914		0 Total	0
12-31-2014	Balance with interest	1,270,914			

Moses, Tara

From: Moses, Tara
Sent: Wednesday, June 11, 2014 10:20 AM
To: Pluth, Jeanne
Subject: RE: WA & ID Deferral Spreadsheets

Yes, definitely entered backwards.

I will fix in June.

TARA

Tara Moses
Resource Accounting Analyst



1411 E Mission MCS-7
Spokane, WA 99202
P 509 485 2032
<http://www.avistautilities.com>

Dr. 431600 ED WA \$5,178
Cr. 186280 ED WA \$5,178

Correct 201405 Current year ERM Interest Expense
entered backwards

From: Pluth, Jeanne
Sent: Wednesday, June 11, 2014 9:27 AM
To: Moses, Tara
Subject: FW: WA & ID Deferral Spreadsheets

It looks like the interest on WA ERM – account 186280 – for \$2589 was made backwards???

I am preparing monthly report. Please let me know so I can address in my report. If it is, we can just correct it next month.

Thanks
Jeanne

From: Moses, Tara
Sent: Friday, June 06, 2014 10:43 AM
To: Pluth, Jeanne
Subject: WA & ID Deferral Spreadsheets

Good Morning Jeanne,

Attached are the WA & ID deferral calculation and journal workbooks.

I added the SMUD data to the calculation workbook.

Please let me know if you have any questions or need any additional information.

TARA

Tara Moses
Resource Accounting Analyst

Printed 06/05 at 4:41 pm

Avista Corporation Journal Entry

Effective Date: 201405
 Journal: 481-WA ERM
 Team: Resource Accounting
 Type: C
 Category: DJ
 Currency: USD
 Last Saved by: Tara Moses
 Submitted by: Tara Moses
 Approved by:
 Last Saved: 06/05/2014 4:41 PM
 Approval Requested: 06/05/2014 4:41 PM

Seq	Co	FERC	Set	Jur	SL	Debit	Credit	Comment
10	001	186290 - REGULATORY ASSET ERM DEFERRED LAST YEAR	ED	WA	DL	3,692.00		Prior Year's (2013) Interest Accrual
20	001	431600 - INTEREST EXPENSE ENERGY DEFERRALS	ED	WA	DL		3,692.00	Prior Year's (2013) Interest Income
30	001	182350 - REGULATORY ASSET ERM APPROVED FOR RECOVERY	ED	WA	DL	658,173.00		Current Amortization
40	001	557290 - WA ERM AMORTIZATION	ED	WA	DL		658,173.00	Current Amortization Expense
50	001	182350 - REGULATORY ASSET ERM APPROVED FOR RECOVERY	ED	WA	DL		47,241.00	Interest Accrual for Amortization Balance
60	001	431600 - INTEREST EXPENSE ENERGY DEFERRALS	ED	WA	DL	47,241.00		Interest Expense on Amortization Balance
70	001	186280 - REGULATORY ASSET ERM DEFERRED CURRENT YEAR	ED	WA	DL		1,750,825.00	Current Year ERM (2014)
80	001	557280 - DEFERRED POWER SUPPLY EXPENSE	ED	WA	DL	1,750,825.00		Current Year ERM Deferral Expense (2014)
90	001	186280 - REGULATORY ASSET ERM DEFERRED CURRENT YEAR	ED	WA	DL	2,589.00		Current Year ERM Interest Accrual (2014)
100	001	431600 - INTEREST EXPENSE ENERGY DEFERRALS	ED	WA	DL		2,589.00	Current Year ERM Interest Expense (2014)
Totals:						2,462,520.00	2,462,520.00	

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

Entered backwards
 Corrected
 201406
 [Signature]

Prepared by Tara Moses
 Date 6-5-14

Reviewed by
 Date

Approved for Entry
 Corporate Accounting use Only
 Date

AVISTA CORPORATION
 JUNE 2014 WASHINGTON ENERGY RECOVERY MECHANISM REBATE REVENUE & DEFERRAL AMORTIZATION

Schedule	(a) kWh or \$ (b)	Proration Percentages		Rebate Rates		Rate		Current Month Rebate Revenue	
		Before 01-Jan-14 (c)	On/After 01-Jan-14 (d)	Before 01-Jan-14 (e)	On/After 01-Jan-14 (f)	Before 01-Jan-13 (g)	On/After 01-Jan-13 (h)	01-Jan-13 (i)	Total (g)+(h)
1	143,928,993	0.00%	100.00%	(0.080¢)	(0.164¢)	0	-236,044	-236,044	-236,044
11	36,985,033	0.00%	100.00%	(0.110¢)	(0.224¢)	0	-82,846	-82,846	-82,846
12	3,567,157	0.00%	100.00%	(0.110¢)	(0.224¢)	0	-7,990	-7,990	-7,990
21	109,967,292	0.00%	100.00%	(0.083¢)	(0.169¢)	0	-185,845	-185,845	-185,845
22	2,353,340	0.00%	100.00%	(0.083¢)	(0.169¢)	0	-3,977	-3,977	-3,977
25	91,684,982	0.00%	100.00%	(0.053¢)	(0.108¢)	0	-99,020	-99,020	-99,020
30	4,696,731	0.00%	100.00%	(0.073¢)	(0.150¢)	0	-7,045	-7,045	-7,045
31	13,426,098	0.00%	100.00%	(0.073¢)	(0.150¢)	0	-20,139	-20,139	-20,139
32	945,137	0.00%	100.00%	(0.073¢)	(0.150¢)	0	-1,418	-1,418	-1,418
41-46	1,343,693	0.00%	100.00%	(0.246¢)	(0.503¢)	0	-6,759	-6,759	-6,759
47	464,272	0.00%	100.00%	(0.246¢)	(0.503¢)	0	-2,335	-2,335	-2,335
48	263,705	0.00%	100.00%	(0.246¢)	(0.503¢)	0	-1,326	-1,326	-1,326
Schedule Totals	409,626,433					\$0	-\$654,744	-\$654,744	

kWh not subject to surcharge	0	Conversion factor	0.955100
Sch 62		Amortization	-\$626,346 ✓
Total kWh	409,626,433	FIT rate	-35%
		DFIT expense	\$218,871

Electric Revenue Report by Revenue Class Current Month and Year-to-Date for Accounting Period : 201406 , State Code : WA

Accounting Period:201406 State Code:WA

Rate Schedule Num	Meters	Usage	Revenue Amt	YTD Avg Meters	Ytd Usage	Ytd Revenue Amt
001	204,431	143,928,993	12,587,549.96	205,244	1,296,485,315	113,171,839.17
011	21,840	36,985,033	4,484,459.43	21,627	269,179,341	31,621,534.02
012	8,804	3,567,157	533,078.06	8,802	31,740,927	4,307,209.41
021	1,947	109,967,292	10,054,588.16	1,958	677,901,568	61,191,080.72
022	52	2,353,340	207,049.50	53	19,321,260	1,664,634.03
025	21	91,684,982	5,319,823.47	21	550,526,594	31,741,292.85
030	32	4,696,731	324,968.28	32	7,738,034	537,631.14
031	1,197	13,426,098	1,090,511.31	1,187	38,061,057	3,231,415.36
032	1,213	945,137	96,736.01	1,212	2,927,563	352,533.66
041	11	8,720	2,007.21	11	52,320	12,011.86
042	295	1,101,978	374,971.51	292	6,713,045	2,274,142.42
044	13	24,587	3,165.39	14	147,522	18,977.61
044A	1	-	336.00	1	-	1,680.00
045	11	89,173	6,324.46	11	535,038	37,983.16
046	53	119,235	11,549.39	53	715,575	69,346.20
047	-	464,272	108,624.07	-	2,787,077	649,706.76
048	-	263,705	66,069.52	-	1,587,800	394,920.89
058	-	-	1,269,859.52	-	-	9,076,474.03
058A	-	-	(5,496.59)	-	-	(50,411.28)
062	-	-	-	-	-	-
090	-	-	-	-	-	-
095	-	-	15,282.67	-	-	91,837.16
099	-	-	50,072.88	-	-	306,940.46
Sum	239,921	409,626,433	36,601,530.21	240,518	2,906,420,036	260,702,779.63

✓

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
01	2800	Washington Residential Service	001	101,611,726	\$ 8,637,883	(107,900,681)	\$ (9,322,888)	(6,289,455)	\$ (564,686)
01	2800	Washington Residential Farm Gen	012	2,894,683	\$ 381,486	(2,891,483)	\$ (370,221)	(1,460,569)	\$ (8,725)
01	2800	Washington Residential Farm Lg	022	1,647,338	\$ 130,398	(1,646,074)	\$ (129,892)	(1,138)	\$ 807
01	2800	Washington Residential Farm Pump	032	429,463	\$ 44,696	(391,013)	\$ (31,347)	137,450	\$ 11,248
21	2800	Washington Commercial General	011	28,366,876	\$ 2,971,961	(26,873,919)	\$ (2,962,745)	132,857	\$ 9,218
21	2800	Washington Commercial Lg General	021	71,026,036	\$ 6,506,114	(68,477,949)	\$ (5,165,008)	5,548,086	\$ 420,108
21	2800	Washington Commercial Extra Lg	025	22,481,326	\$ 1,464,371	(22,468,640)	\$ (1,462,603)	(468,314)	\$ (8,232)
21	2800	Washington Commercial Pump	031	5,692,952	\$ 482,064	(5,213,126)	\$ (238,794)	2,789,858	\$ 226,280
31	2800	Washington Industrial General	011	296,628	\$ 33,022	(291,913)	\$ (32,489)	5,615	\$ 533
31	2800	Washington Industrial Lg General	021	6,196,239	\$ 466,634	(6,729,297)	\$ (431,633)	472,962	\$ 34,901
31	2800	Washington Industrial Extra Lg	025	66,327,447	\$ 3,892,073	(69,890,071)	\$ (3,664,945)	(3,362,560)	\$ (162,672)
31	2800	Washington Industrial Pump	031	3,838,129	\$ 322,039	(3,166,631)	\$ (182,432)	1,722,966	\$ 139,807
WASHINGTON TOTAL				369,819,481	\$ 24,361,641	(349,278,983)	\$ (24,253,374)	540,468	\$ 108,167
IDAHO									
01	3800	Idaho Residential Service	001	48,634,962	\$ 4,416,860	(52,302,704)	\$ (4,708,621)	(3,265,762)	\$ (291,761)
01	3800	Idaho Residential Farm Gen	012	1,954,679	\$ 124,828	(1,164,620)	\$ (137,781)	(109,373)	\$ (7,835)
01	3800	Idaho Residential Farm Lg	022	426,463	\$ 30,028	(420,382)	\$ (28,865)	6,111	\$ 661
01	3800	Idaho Residential Farm Pump	032	197,792	\$ 20,119	(129,339)	\$ (14,091)	69,413	\$ 9,038
21	3800	Idaho Commercial General	011	16,907,322	\$ 1,934,918	(16,162,729)	\$ (1,660,661)	805,089	\$ 74,067
21	3800	Idaho Commercial Lg General	021	33,166,470	\$ 2,280,311	(29,912,872)	\$ (2,049,694)	3,343,788	\$ 230,717
21	3800	Idaho Commercial Extra Lg	025	4,645,982	\$ 246,946	(4,864,616)	\$ (287,829)	(208,526)	\$ (10,064)
21	3800	Idaho Commercial Pump	031	2,176,276	\$ 183,876	(1,293,391)	\$ (115,664)	881,894	\$ 78,291
31	3800	Idaho Industrial General	011	230,711	\$ 21,809	(258,070)	\$ (24,374)	(27,967)	\$ (2,565)
31	3800	Idaho Industrial Lg General	021	8,434,188	\$ 366,223	(6,696,022)	\$ (362,998)	(262,734)	\$ (12,766)
31	3800	Idaho Industrial Extra Lg	025	20,126,908	\$ 1,092,873	(20,786,025)	\$ (1,090,992)	(230,317)	\$ (7,379)
31	3800	Idaho Industrial Pump	031	1,480,164	\$ 128,681	(1,024,713)	\$ (81,822)	415,471	\$ 37,068
IDAHO TOTAL				136,748,994	\$ 10,656,078	(134,320,887)	\$ (10,461,724)	1,428,107	\$ 94,352
WASHINGTON & IDAHO TOTAL				442,668,445	\$ 0,0789	(440,698,870)	\$ (34,715,098)	1,968,575	\$ 202,519

KETTLE FALLS GENERATION STATION HOG FUEL INVENTORY - ACCRUAL METHOD

DESCRIPTION	PERIOD	INVENTORY GREEN TONS	151210 ZZ ZZ AMOUNT	PRICE per TON
G/L BALANCE 151210	5-31-14	133,442	\$1,831,844.05	13.73

REVERSE PRIOR MONTH FUEL DELIVERIES (ACTUAL TONS, ESTIMATED AMOUNT)		-43,993	(604,023.89)	13.73
FUEL & CARRIER TRANSACTIONS RECORDED AFTER MONTH END				
May-14 FUEL ONLY	May-14	43,993	\$216,223.96	
TRANSPORTATION ONLY			\$362,677.15	
FUEL & TRANSP	May-14		\$40,635.60	
Prepays	May-14		\$0.00	
FUEL DELIVERIES FOR MONTH (ACTUAL TONS, ACTUAL AMOUNT)	May-14	43,993	\$619,536.71	14.08
REVERSE FUEL BURNED (ACTUAL TONS, ESTIMATED AMOUNT)	May-14	30,441	417,954.93	13.73
FUEL BURNED (ACTUAL TONS, ACTUAL AMOUNT)	May-14	163,883	\$2,265,311.80	13.82
FUEL BURNED (ACTUAL TONS, ACTUAL AMOUNT)	May-14	-30,441	(\$420,694.62)	13.82

RESTATED G/L BALANCE	5-31-14	133,442	\$1,844,617.18	13.82
-----------------------------	----------------	----------------	-----------------------	--------------

INVENTORY ADJUSTMENT	Jun-14	-15,237	(\$210,575.34)	
RESTATED BALANCE		118,205	\$1,634,041.84	13.82
DELIVERIES (+ACTUAL TONS, ESTIMATED AMOUNT)	Jun-14	36,743	\$507,788.26	13.82
FUEL AVAILABLE (ACTUAL TONS, ESTIMATED AMOUNT)	Jun-14	154,948	\$2,141,830.10	13.82
FUEL BURNED (-ACTUAL TONS, ESTIMATED AMOUNT)	Jun-14	0	\$0.00	13.82

G/L BALANCE 151210	6-30-14	154,948	\$2,141,830.10	13.82
---------------------------	----------------	----------------	-----------------------	--------------

copy down

COLSTRIP FUEL INVENTORY
 ACCOUNT 151120

Mark Stevens
 (406) 748-5051
 m.stevens@ppweb.com

FUEL DELIVERED/BURNED

	05-31-2014	ESTIMATED	TONS	AMOUNT	\$ PER TON
BALANCE			99,898.40	2,786,502.10	27.893

151120 ZZ ZZ

Copy Down

DELIVERIES	May-14	REV - EST	(40,458.60)	(1,588,437.75)	39.261
GAIN SHARING	May-14	REV - EST	0.00	0.00	
		Total rev-est deliveries		(1,588,437.75)	
DELIVERIES	May-14	ACTUAL	40,458.60	1,149,935.40	28.423
GAIN SHARING	May-14	ACTUAL	0.00	0.00	
		Total actual deliveries		1,149,935.40	
BURNED	May-14	REV - EST	39,892.70	1,112,766.97	27.894
INV ADJ	May-14	REV - EST	0.00	0.00	27.894

PRIOR MONTH
 AVAILABLE

May-14	ACTUAL	139,791.10	3,460,766.72	24.757
--------	--------	------------	--------------	--------

BURNED
 INV ADJ

May-14	ACTUAL	(39,892.70)	(987,623.57)	24.757	
May-14	ACTUAL	0.00	0.00	24.757	
DELIVERIES	Jun-14	ESTIMATED	39,353.30 (+)	1,411,141.14	35.858
GAIN SHARING	Jun-14	ESTIMATED	0.00 (+)	0.00	
		Total estimated deliveries		1,411,141.14	

CURRENT MONTH
 AVAILABLE

Jun-14	ESTIMATED	139,251.70	3,884,284.29	27.894
--------	-----------	------------	--------------	--------

BURNED
 INV ADJ

Jun-14	ESTIMATED (-)	(38,755.00) (-)	(1,081,031.97)	27.894
	ESTIMATED	0.00	0.00	27.894

151120 ZZ ZZ

BALANCE	06-30-2014	ESTIMATED	100,496.70	2,803,252.32	27.894
----------------	-------------------	------------------	-------------------	---------------------	---------------

07-03-2014

H:\Generation\Colstrip\Colstrip Fuel\2014 Colstrip Fuel\2014 Colstrip Fuel

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

Deal #	\$/MWh	Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14	Total
		Volume - MWhs												MWhs
System NR 141888	\$0.00	26	15	2,449	6	1,380	1,326							5,202
System 142305	\$9.00													-
System 141868	\$9.50		100	28,740	33,225	28,118	26,670							116,853
CS2 141878	\$8.00	37,158	33,457	3,889	2,700	7,691	7,941							92,836
CS2 142314	\$7.50													-
Mid C 141880	\$8.00			350										350
Mid C 142315	\$7.50													-
Lanc 166019	\$8.00													-
Lanc 166020	\$7.50													-
Total All Deals		37,184	33,572	35,428	35,931	37,189	35,937							215,241
Total Excluding "Brown" Power Deal 141888		37,158	33,557	32,979	35,925	35,809	34,611							210,039

Deal #	\$/MWh	Dollars												Total
		Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14	Dollars
System NR 141888	\$0.00	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
System 142305	\$9.00	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
System 141868	\$9.50	\$0	\$950	\$273,030	\$315,638	\$267,121	\$253,365	\$0	\$0	\$0	\$0	\$0	\$0	\$1,110,104
CS2 141878	\$8.00	\$297,264	\$267,656	\$31,112	\$21,600	\$61,528	\$63,528	\$0	\$0	\$0	\$0	\$0	\$0	\$742,688
CS2 142314	\$7.50	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Mid C 141880	\$8.00	\$0	\$0	\$2,800	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,800
Mid C 142315	\$7.50	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Lanc 166019	\$8.00	\$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
Total All Deals		\$297,264	\$268,606	\$306,942	\$337,238	\$328,649	\$316,893	\$0	\$0	\$0	\$0	\$0	\$0	\$1,855,592
Total Excluding "Brown" Power Deal 141888		\$297,264	\$268,606	\$306,942	\$337,238	\$328,649	\$316,893	\$0	\$0	\$0	\$0	\$0	\$0	\$1,855,592

Avista Corp. - Resource Accounting
WASHINGTON POWER COST DEFERRALS

Line No.	WASHINGTON ACTUALS	Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14
	TOTAL	\$105,922,940	\$21,837,002	\$21,929,187	\$23,776,856	\$15,594,828	\$11,686,613	\$0	\$0	\$0	\$0	\$0	\$0
1	555 Purchased Power	(\$79,654,895)	(\$16,799,872)	(\$12,355,172)	(\$13,519,401)	(\$12,490,297)	(\$13,315,264)	\$0	\$0	\$0	\$0	\$0	\$0
2	447 Sale for Resale	\$1,855,592	\$297,264	\$268,606	\$306,942	\$337,238	\$316,893	\$0	\$0	\$0	\$0	\$0	\$0
3	Less SMUD RECs	\$11,458,859	\$2,404,223	\$2,713,455	\$1,871,612	\$2,179,270	\$1,105,711	\$0	\$0	\$0	\$0	\$0	\$0
4	501 Thermal Fuel	\$36,492,510	\$12,167,651	\$13,775,030	\$2,035,023	\$3,891,130	\$2,757,899	\$0	\$0	\$0	\$0	\$0	\$0
5	547 CT Fuel	(\$6,055,174)	(\$822,550)	(\$762,846)	(\$903,805)	(\$1,010,617)	(\$1,256,173)	\$0	\$0	\$0	\$0	\$0	\$0
6	456 Transmission Revenue	\$9,899,003	\$1,690,954	\$1,610,959	\$1,808,808	\$1,580,867	\$1,590,834	\$0	\$0	\$0	\$0	\$0	\$0
7	565 Transmission Expense	\$293,111	\$55,076	\$37,496	\$73,604	\$59,102	\$33,038	\$0	\$0	\$0	\$0	\$0	\$0
8	557 Broker Fees	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
9	Less Cleantwater directly assigned to ID	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
10	Adjusted Actual Net Expense	\$80,211,946	\$20,529,748	\$27,216,715	\$15,449,639	\$8,116,168	\$4,100,285	\$4,799,391	\$0	\$0	\$0	\$0	\$0
	Total through June												
	AUTHORIZED NET EXPENSE-SYSTEM												
11	555 Purchased Power	\$68,178,408	\$14,997,448	\$13,232,443	\$12,710,608	\$10,429,524	\$8,530,863	\$8,277,524	\$8,213,533	\$10,240,223	\$8,039,783	\$12,786,401	\$13,454,232
12	447 Sale for Resale	(\$41,588,081)	(\$6,903,038)	(\$6,253,766)	(\$6,574,919)	(\$8,035,136)	(\$7,462,411)	(\$7,752,369)	(\$4,810,418)	(\$6,285,985)	(\$7,401,091)	(\$8,405,153)	(\$8,733,727)
13	Less SMUD RECs	\$2,303,814	\$383,969	\$383,969	\$383,969	\$383,969	\$383,969	\$383,969	\$383,969	\$383,969	\$383,969	\$383,969	\$383,969
14	501 Thermal Fuel	\$13,422,574	\$2,779,051	\$2,867,744	\$2,775,501	\$2,020,557	\$1,704,426	\$1,475,295	\$2,967,332	\$2,919,939	\$9,052,588	\$2,913,823	\$3,010,108
15	547 CT Fuel	\$36,974,201	\$9,324,060	\$8,646,899	\$8,377,117	\$4,998,775	\$3,034,991	\$2,592,359	\$7,522,825	\$8,820,667	\$9,214,643	\$9,279,297	\$9,863,116
16	456 Transmission Revenue	(\$5,079,315)	(\$963,388)	(\$999,857)	(\$945,492)	(\$729,613)	(\$637,839)	(\$1,003,326)	(\$1,160,267)	(\$1,024,607)	(\$947,472)	(\$1,081,246)	(\$878,220)
17	565 Transmission Expense	\$8,761,040	\$1,520,361	\$1,465,382	\$1,508,739	\$1,443,538	\$1,426,268	\$1,396,752	\$1,441,175	\$1,489,048	\$1,492,163	\$1,556,734	\$1,644,372
18	557 Broker Fees	\$456,779	\$42,656	\$64,015	\$129,860	\$97,390	\$52,577	\$70,281	\$65,808	\$76,848	\$86,944	\$43,966	\$100,670
19	Authorized Net Expense	\$83,429,420	\$21,181,117	\$19,506,829	\$18,465,383	\$10,609,004	\$6,833,044	\$6,834,043	\$11,453,706	\$18,143,062	\$15,248,767	\$18,376,205	\$19,689,045
20	Actual - Authorized Net Expense	(\$3,217,474)	(\$651,369)	\$7,098,886	(\$3,015,744)	(\$2,482,836)	(\$2,732,759)	(\$2,034,652)	\$0	\$0	\$0	\$0	\$0
21	Resource Optimization - Subtotal	(\$5,289,557)	(\$405,020)	(\$2,232,888)	(\$1,335,360)	(\$442,568)	(\$414,608)	(\$459,113)	\$0	\$0	\$0	\$0	\$0
22	Adjusted Net Expense	(\$8,507,031)	(\$1,056,389)	\$5,476,998	(\$4,351,104)	(\$2,935,404)	(\$3,147,367)	(\$2,493,765)	\$0	\$0	\$0	\$0	\$0
23	Washington Allocation		65.24%	65.24%	65.24%	65.24%	65.24%	65.24%	65.24%	65.24%	65.24%	65.24%	65.24%
24	Washington Share	(\$5,549,987)	(\$689,188)	\$3,573,193	(\$2,838,680)	(\$1,915,058)	(\$2,053,342)	(\$1,626,932)	\$0	\$0	\$0	\$0	\$0
25	WA Retail Revenue Adjustment (+) Surcharge (-) Rebate	(\$1,987,930)	(\$830,724)	(\$125,417)	(\$417,082)	(\$534,397)	(\$503,758)	\$423,448	\$0	\$0	\$0	\$0	\$0
26	Net Power Cost (+) Surcharge (-) Rebate	(\$7,537,917)	(\$1,519,912)	\$3,447,776	(\$3,255,742)	(\$2,448,455)	(\$2,557,100)	(\$1,203,484)	\$0	\$0	\$0	\$0	\$0
27	Cumulative Balance	(\$1,519,912)	\$1,927,864	(\$1,327,878)	(\$3,777,333)	(\$6,334,433)	(\$7,537,917)	\$0	\$0	\$0	\$0	\$0	\$0
	Deferral Amount, Cumulative (Customer)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	Deferral Amount, Monthly	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	Acct 557280 Entry: (+) Rebate, (-) Surcharge	\$2,653,438	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	Company Band Gross Margin Impact, Cumulative	(\$1,519,912)	\$1,927,864	(\$1,327,878)	(\$3,777,333)	(\$4,563,608)	(\$4,884,479)	\$0	\$0	\$0	\$0	\$0	\$0

501 FUEL-TONS										
32	Kettle Falls	206,196	54,406	46,664	21,970	37,478	30,441	15,237		
33	Colstrip	371,364	65,707	86,804	76,279	63,926	38,893	38,755		
501 FUEL-COST PER TON										
34	Kettle Falls	wood	\$12.95	\$13.37	(\$7.92)	\$13.82	\$13.87	\$14.00		
35	Colstrip	coal	\$25.63	\$23.56	\$26.49	\$25.61	\$15.60	\$24.35		
547 FUEL										
36	NE CT Gas/Oil-547213	\$52,820	\$979	\$17,378	\$37,568	(\$2,315)	(\$1,121)	\$331		
37	Boulder Park-547216	\$310,397	\$88,747	\$72,900	\$44,316	\$8,204	\$65,674	\$30,556		
38	Kettle Falls CT-547211	\$120,952	\$29,791	\$58,419	\$11,302	\$2,874	\$25,607	(\$7,041)		
39	Coyote Springs-547610	\$19,278,229	\$6,611,274	\$7,376,158	\$994,304	\$748,500	\$1,778,957	\$1,768,976		
40	Lancaster-547312	\$16,461,400	\$5,442,430	\$6,130,985	\$883,482	\$1,100,609	\$1,940,383	\$963,511		
41	Rathdrum CT-547310	\$268,712	(\$5,570)	\$119,190	\$64,051	\$7,845	\$81,630	\$1,566		
42	Total 547 Fuel Expense	\$36,492,510	\$12,167,651	\$13,775,030	\$2,035,023	\$1,865,777	\$3,891,130	\$2,757,899		
43 TOTAL NET EXPENSE										
		\$74,219,414	\$19,409,004	\$26,062,500	\$14,164,090	\$7,149,578	\$3,378,190	\$4,056,052		
456 TRANSMISSION REVENUE										
44	456100 ED AN	(\$5,529,780)	(\$916,902)	(\$759,858)	(\$766,656)	(\$875,192)	(\$1,147,715)	(\$1,063,457)		
45	456120 ED AN - BPA Settlement	\$0	\$0	\$0	\$0	\$0	\$0	\$0		
46	456020 ED AN-Sale of excess BPA Trans	(\$525,394)	(\$5,648)	(\$2,988)	(\$137,149)	(\$135,425)	(\$106,458)	(\$135,726)		
47	Exclude Prior Year BPA Settlement	\$0	\$0	\$0	\$0	\$0	\$0	\$0		
48	456705 ED AN - Do not include Low Voltage	\$0	\$0	\$0	\$0	\$0	\$0	\$0		
49	Total 456 Transmission Revenue	(\$6,055,174)	(\$922,550)	(\$762,846)	(\$903,805)	(\$1,010,617)	(\$1,256,173)	(\$1,199,183)		
565 TRANSMISSION EXPENSE										
50	565000 ED AN	\$9,886,823	\$1,688,924	\$1,608,929	\$1,806,778	\$1,578,837	\$1,614,551	\$1,588,804		
51	565312 ED AN	\$0	\$0	\$0	\$0	\$0	\$0	\$0		
52	565710 ED AN	\$12,180	\$2,030	\$2,030	\$2,030	\$2,030	\$2,030	\$2,030		
53	Total 565 Transmission Expense	\$9,899,003	\$1,690,954	\$1,610,959	\$1,808,808	\$1,580,867	\$1,616,581	\$1,590,834		
54	Total 557170 ED AN Broker Fees	\$293,111	\$55,076	\$37,496	\$73,604	\$59,102	\$33,038	\$34,795		

RESOURCE OPTIMIZATION

55 Econ Dispatch-557010	(\$10,579,192)	\$308,095	\$1,187,582	(\$8,690,279)	(\$1,628,569)	(\$882,721)	(\$872,300)	\$0	\$0	\$0	\$0
56 Econ Dispatch-557150	\$20,508,019	\$928,477	(\$2,123,678)	\$11,640,860	\$3,548,645	\$1,963,092	\$4,550,624	\$0	\$0	\$0	\$0
57 Gas Bookouts-557700	\$1,148,931	\$663,498	\$0	\$185,723	\$0	\$0	\$299,710	\$0	\$0	\$0	\$0
58 Gas Bookouts-557711	(\$1,148,931)	(\$663,498)	\$0	(\$185,723)	\$0	\$0	(\$299,710)	\$0	\$0	\$0	\$0
59 Intraco Thermal Gas-557730	\$32,143,295	\$6,796,131	\$5,069,665	\$5,942,634	\$4,906,450	\$7,110,457	\$2,317,938	\$0	\$0	\$0	\$0
60 Fuel DispatchFin-456010	\$6,537,227	(\$47,723)	(\$1,218,356)	\$5,688,019	\$1,136,631	\$476,629	\$492,027	\$0	\$0	\$0	\$0
61 Fuel Dispatch-456015	(\$22,969,036)	(\$321,991)	(\$125,662)	(\$11,909,132)	(\$4,133,659)	(\$3,334,602)	(\$3,143,990)	\$0	\$0	\$0	\$0
62 Intraco Thermal Gas-456730	(\$30,896,511)	(\$8,059,830)	(\$5,012,112)	(\$4,002,364)	(\$4,271,142)	(\$5,747,562)	(\$3,803,501)	\$0	\$0	\$0	\$0
63 Fuel Bookouts-456711	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
64 Fuel Bookouts-456720	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
65 Resource Optimization Subtotal	(\$5,256,198)	(\$396,841)	(\$2,222,542)	(\$1,320,262)	(\$442,644)	(\$414,707)	(\$469,202)	\$0	\$0	\$0	\$0
66 Misc. Power Exp. Authorized	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
67 Misc. Power Exp. Actual-557160 ED AN	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
68 KFWF Contract Buyout	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
69 Misc. Power Exp. Subtotal	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
70 Wind REC Exp Authorized	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
71 Wind REC Exp Actual 557395	(\$33,359)	(\$8,179)	(\$10,346)	(\$15,098)	\$76	\$99	\$89	\$0	\$0	\$0	\$0
72 Wind REC Subtotal	(\$33,359)	(\$8,179)	(\$10,346)	(\$15,098)	\$76	\$99	\$89	\$0	\$0	\$0	\$0
73 Net Resource Optimization	(\$5,289,557)	(\$405,020)	(\$2,232,888)	(\$1,335,360)	(\$442,568)	(\$414,608)	(\$459,113)	\$0	\$0	\$0	\$0
74 Adjusted Actual Net Expense	\$73,066,797	\$19,827,464	\$24,715,221	\$13,807,337	\$7,336,362	\$3,357,028	\$4,023,365	\$0	\$0	\$0	\$0

Attachment B

Avista Corporation
Monthly Power Cost Deferral Report
Month of June 2014

REC Revenues Deferral Journal

Printed 07/07/2014 at 10:32 am

Avista Corporation Journal Entry

Effective Date: 201406

Journal: 475-WASHINGTON REC DEFERRAL

Team: Resource Accounting

Last Saved by: Marcus Garbarino

Last Saved: 07/07/2014 10:32 AM

Type: C

Submitted by: Marcus Garbarino

Approval Requested: 07/07/2014 10:32 AM

Category: DJ

Approved by:

Currency: USD

Seq	Co.	FERC	Exp	Ser.	Jur.	S/L	Debit	Credit	Comment
10	001	557322 - DEF POWER SUPPLY EXP-RECS		ED	WA	DL	61,390.00		WA REC Deferral Expense
20	001	186322 - MISC DEF DEBIT - WA REC DEF		ED	WA	DL		61,390.00	WA REC Balance
30	001	419016 - INTEREST INCOME ON REC DEFERRAL		ED	WA	DL	0.00		WA REC Interest Income Accrual
40	001	186322 - MISC DEF DEBIT - WA REC DEF		ED	WA	DL		0.00	WA REC Balance Interest Income Accrual
50	001	431016 - INTEREST EXPENSE ON REC DEFERRAL		ED	WA	DL	6,296.00		WA REC Interest Expense Accrual
60	001	186322 - MISC DEF DEBIT - WA REC DEF		ED	WA	DL	67,686.00	6,296.00	WA REC Balance Interest Expense Accrual
Totals:								67,686.00	

Marcus Garbarino
 Prepared by Marcus Garbarino
 Date: 7/7/14

[Signature]
 Reviewed by
 Date: 7/7/14

Approved for Entry
 Corporate Accounting use Only

Explanation:

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

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

REC REVENUE & EXPENSE	Debit	Credit	Entry
January Revenue			
186322	\$101,308		
557322		\$101,308	
January Expense			
186322		\$14,601	
557322	\$14,601		
January Total			
186322	\$101,308	\$14,601	-\$86,707 Debit
557322	\$14,601	\$101,308	\$86,707 Credit
February Revenue			
186322		\$61,253	
557322	\$61,253		
February Expense			
186322		\$14,045	
557322	\$14,045		
February Total			
186322	\$0	\$75,298	\$75,298 Credit
557322	\$75,298	\$0	-\$75,298 Debit
March Revenue			
186322		\$200,236	
557322	\$200,236		
March Expense			
186322		\$15,742	
557322	\$15,742		
March Total			
186322	\$0	\$215,978	\$215,978 Credit
557322	\$215,978	\$0	-\$215,978 Debit
April Revenue			
186322		\$350,207	
557322	\$350,207		
April Expense			
186322		\$78,915	
557322	\$78,915		
April Total			
186322	\$0	\$429,122	\$429,122 Credit
557322	\$429,122	\$0	-\$429,122 Debit
May Revenue			
186322	\$105,268		
557322		\$105,268	
May Expense			
186322		\$14,240	
557322	\$14,240		
May Total			
186322	\$105,268	\$14,240	-\$91,028 Debit
557322	\$14,240	\$105,268	\$91,028 Credit
June Revenue			
186322		\$42,619	
557322	\$42,619		
June Expense			
186322		\$18,771	
557322	\$18,771		
June Total			
186322	\$0	\$61,390	\$61,390 Credit
557322	\$61,390	\$0	-\$61,390 Debit

Avista Corp. - Resource 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:	5.459%	Actual cost of debt at 06/30/14 is:	0.00000 Before Tax
The monthly rate is:	0.00455 Before Tax	The monthly rate is:	0.0000000 After Tax
	0.0029570 After Tax		35.00% Tax rate
	35.00% Tax rate		

Account 186322-ED-WA

0

Beginning Balance including Interest interest (1,606,948)

				January	DFIT Expense	ADFIT
January	REC Deferral	86,707		Deferral	30,347 Operating	(30,347)
January	Interest		(4,624)	Interest	(1,618) Nonoperating	1,618
01-31-2013	Balance before interest	(1,520,241)			28,729 Total	(28,729)
				February	DFIT Expense	ADFIT
February	REC Deferral	(75,298)		Deferral	(26,354) Operating	26,354
February	Interest		(4,607)	Interest	(1,776) Nonoperating	1,776
02-28-2013	Balance before interest	(1,595,539)			(28,130) Total	28,130
				March	DFIT Expense	ADFIT
March	REC Deferral	(215,978)		Deferral	(75,592) Operating	75,592
March	Interest		(5,037)	Interest	(1,763) Nonoperating	1,763
03-31-2013	Balance before interest	(1,811,517)			(77,355) Total	77,355
				April	DFIT Expense	ADFIT
April	NSJ016 - Transfer Prior Yr REC Exp	73,465		Deferral	(150,193) Operating	150,193
April	REC Deferral	(429,122)		Interest	(2,021) Nonoperating	2,021
04-30-2013	Balance before interest	(2,167,174)	(5,774)		(152,214) Total	152,214
				May	DFIT Expense	ADFIT
May	REC Deferral	91,028		Deferral	31,860 Operating	(31,860)
May	Interest		(6,139)	Interest	(2,149) Nonoperating	2,149
05-31-2013	Balance before interest	(2,076,146)			29,711 Total	(29,711)
				June	DFIT Expense	ADFIT
June	REC Deferral	(61,390)		Deferral	(21,487) Operating	21,487
June	NSJ014 - REC Deferral Adj	46,386		Deferral Adj	16,235 Operating	(16,235)
06-30-2013	Balance before interest	(2,091,150)	(6,296)	Interest	(2,204) Nonoperating	2,204
					(7,456) Total	7,456
				July	DFIT Expense	ADFIT
July	GL Balance including interest	(2,124,093)		Deferral	0 Operating	0
July	REC Deferral - Corrected		0	Interest	0 Nonoperating	0
07-31-2013	Balance before interest	(2,124,093)			0 Total	0
				August	DFIT Expense	ADFIT
August	REC Deferral		0	Deferral	0 Operating	0
August	Interest		0	Interest	0 Nonoperating	0
08-31-2013	Balance before interest	(2,124,093)			0 Total	0
				September	DFIT Expense	ADFIT
September	REC Deferral		0	Deferral	0 Operating	0
September	Interest		0	Interest	0 Nonoperating	0
09-30-2013	Balance before interest	(2,124,093)			0 Total	0
				October	DFIT Expense	ADFIT
October	REC Deferral		0	Deferral	0 Operating	0
October	Interest		0	Interest	0 Nonoperating	0
10-31-2013	Balance before interest	(2,124,093)			0 Total	0
				November	DFIT Expense	ADFIT
November	REC Deferral		0	Deferral	0 Operating	0
November	Interest		0	Interest	0 Nonoperating	0
11-30-2013	Balance before interest	(2,124,093)			0 Total	0
				December	DFIT Expense	ADFIT
December	REC Deferral		0	Deferral	0 Operating	0
December	Interest		0	Interest	0 Nonoperating	0
12-31-2013	Balance before interest	(2,124,093)			0 Total	0

Avista Corporation Journal Entry

Journal: NSJ014 - RPS Compliance - Foregone REC Rev Adjust
 Team: Resource Accounting
 Type: C
 Category: NSJ
 Currency: USD

Effective Date: 201406
 Last Saved by: Tara Moses
 Submitted by: Tara Moses
 Approved by: John Wilcox

Last Saved: 07/03/2014 10:37 AM
 Approval Requested: 07/03/2014 10:38 AM
 Approved on: 07/03/2014 10:57 AM

Seq	Co	FERC	SEL	JUL	S/L	Debit	Credit	Comment
10	001	557380 - IDAHO PCA-DEF	ED	ID	DL	46,385.75		WA I-937 Compliance-Foregone ID REC Rev Adjustment
20	001	182386 - REGULATORY ASSET ID PCA DEFERRAL 2	ED	ID	DL		46,385.75	WA I-937 Compliance-Foregone ID REC Rev Adjustment
30	001	186322 - MISC DEF DEBIT - WA REC DEF	ED	WA	DL	46,385.75		WA I-937 Compliance-Foregone ID REC Rev Adjustment
40	001	557322 - DEF POWER SUPPLY EXP-RECs	ED	WA	DL		46,385.75	WA I-937 Compliance-Foregone ID REC Rev Adjustment
Totals:						92,771.50	92,771.50	

Explanation:

For WA I-937 RPS compliance, we retired Hydro RECs from 2012 as required in 2014. The retirement of the RECs for WA purposes eliminated the ability for ID to recognize revenue if the RECs could have been sold.

Prepared by Tara Moses	Date
Reviewed by	Date
Approved for Entry Corporate Accounting use Only	Date

Moses, Tara

From: Moses, Tara
Sent: Thursday, July 03, 2014 10:30 AM
To: Johnson, Bill; Pluth, Jeanne
Cc: Armstrong, Gina; Garbarino, Marcus; Wilcox, John
Subject: RE: EIA Compliance - Foregone REC revenue adjustment

Based on further discussion, rather than just hitting the balance sheet, it was decided we needed to also hit the income statement.

Revised accounting entry booked on NSJ016 for 201406:

Idaho

Dr. 557380 ED ID
CR. 182386 ED ID

This is the entry to give Idaho customers a "rebate"

Washington

DR. 186322 ED WA
CR. 557322 ED WA

This is the entry to give Washington customers a "surcharge"

The calculation for the amount of \$46,385.75 remains the same.

TARA

Tara Moses
Resource Accounting Analyst



1411 E Mission MGS-7
Spokane, WA 99202
P 509.495.2032
<http://www.avistautilities.com>

From: Moses, Tara
Sent: Wednesday, July 02, 2014 9:59 AM
To: Pluth, Jeanne; Johnson, Bill
Cc: Armstrong, Gina; Garbarino, Marcus; Wilcox, John
Subject: EIA Compliance - Foregone REC revenue adjustment

Good Morning,

In satisfaction of our commitment to make Idaho whole for foregone REC revenue due to WA EIA compliance, we will be booking an NSJ for June, 2014.

In Avista's response to WA Public Counsel data request 088, the company states:

"To the extent that the Company uses system hydro generation upgrades to satisfy EIA compliance the Company intends to debit the Washington REC deferral and credit the Idaho Power Cost Adjustment deferral for Idaho's share of foregone REC revenue"

In 2014, we retired 191,205 hydro RECs for EIA compliance.

139,006 of these RECs were derived from Avista Hydro resources (Cabinet & Noxon) that are Green-e certified and thus able to be sold in the REC markets.

In 2012, the average sales prices of these Cabinet & Noxon RECs was **\$0.96**.

The calculation for the journal entry is as follows:

139,006
X \$0.96 = \$133,445.80

\$133,445.80
X .3476 (2012 PT Ratio) = \$46,385.75

DR. 186322 (WA REC Deferral)
CR. 182386 (ID PCA)

The entry will be on an NSJ for transparency, but the amounts will be included in the WA REC Deferral and ID PCA Deferral balances for June to calculate interest.

Please let me know if you have any questions or comments before we book this entry.

TARA

Tara Moses
Resource Accounting Analyst



1411 E Mission MCS 7
Spokane, WA 99202
P 509.496.2032
<http://www.avistautilities.com>

Avista Corp. - Resource Accounting
 DJ 475 - Washington REC Deferral
 2014 REC Revenue Deferral Calculation
 Per UE-120436 and UG-120437 Order 14

Actual	Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14	Jun-14 YTD Total
Non WA EIA - Voluntary REC Revenue	(\$49,303)	(\$281,613)	(\$501,200)	(\$657,881)	(\$11,848)	(\$235,112)	\$0	\$0	\$0	\$0	\$0	\$0	\$0 (\$1,736,957)
WA EIA937 Requirement (EWEB) - PGE Revenue	\$0	\$0	\$0	(\$97,500)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0 (\$97,500)
Sacramento Municipal Utility District (SMUD) - REC Revenue	(\$297,264)	(\$268,606)	(\$306,942)	(\$337,238)	(\$328,649)	(\$316,893)	\$0	\$0	\$0	\$0	\$0	\$0	\$0 (\$1,855,592)
Total	(\$346,567)	(\$550,219)	(\$808,142)	(\$1,092,619)	(\$340,497)	(\$552,005)	\$0	\$0	\$0	\$0	\$0	\$0	\$0 (\$3,690,049)
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)	(\$188,750)
WA EIA937 Requirement (EWEB) - PGE Revenue	\$0	\$0	\$0	(\$79,000)	\$0	\$0	\$0	\$0	\$0	(\$79,000)	\$0	\$0	(\$79,000)
Sacramento Municipal Utility District (SMUD) - REC Revenue	(\$470,394)	(\$424,872)	(\$469,762)	(\$455,220)	(\$470,394)	(\$455,220)	(\$313,596)	(\$313,596)	(\$303,480)	(\$313,596)	(\$303,902)	(\$313,596)	(\$2,745,812)
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	(\$17,845)	(\$250,154)	(\$469,742)	(\$626,423)	\$19,610	(\$203,654)	\$31,458	\$31,458	\$31,458	\$31,458	\$31,458	\$31,458	(\$1,548,207)
WA EIA937 Requirement (EWEB) - PGE Revenue	\$0	\$0	\$0	(\$18,500)	\$0	\$0	\$0	\$0	\$0	\$79,000	\$0	\$0	(\$18,500)
Sacramento Municipal Utility District (SMUD) - REC Revenue	\$173,130	\$156,266	\$162,820	\$117,982	\$141,745	\$138,327	\$313,596	\$313,596	\$303,480	\$313,596	\$303,902	\$313,596	\$890,270
Total (+) = Surcharge	\$155,285	(\$93,888)	(\$306,922)	(\$526,941)	\$161,355	(\$65,327)	\$345,054	\$345,054	\$334,938	\$424,054	\$335,360	\$345,054	(\$676,437)
WA Share of Difference													
Non WA EIA - Voluntary (65.24%)	(\$111,642)	(\$163,201)	(\$306,459)	(\$408,678)	\$12,794	(\$132,864)	\$20,523	\$20,523	\$20,523	\$20,523	\$20,523	\$20,523	(\$1,010,050)
WA EIA937 Requirement (EWEB) - PGE Revenue (100%)	\$0	\$0	\$0	(\$18,500)	\$0	\$0	\$0	\$0	\$0	\$79,000	\$0	\$0	(\$18,500)
SMUD (65.24%)	\$112,950	\$101,946	\$106,224	\$76,971	\$92,474	\$90,245	\$204,590	\$204,590	\$197,990	\$204,590	\$198,265	\$204,590	\$580,812
Total - 100% Surcharge (+) or Rebate (-)	\$101,308	(\$61,253)	(\$200,236)	(\$350,207)	\$105,268	(\$42,619)	\$225,113	\$225,113	\$218,514	\$304,113	\$218,789	\$225,113	(\$447,738)
Accounting Entries													
186322-ED-WA													Credit
557322-ED-WA													Debit

Avista Corp. - Resource Accounting
 DJ 475 - Washington REC Deferral
 2014 REC Expense Deferral Calculation
 Per UE-120436 and UG-120437 Order 14

Actual	Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14	Jun-14 YTD Total
Other Non WA EIA - Voluntary REC Expense	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Non WA EIA - Voluntary REC Broker Fee Expense	\$2,625	\$5,324	\$5,603	\$5,639	\$7,906	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$27,097
Total Other Non WA EIA REC Expenses	\$2,625	\$5,324	\$5,603	\$5,639	\$7,906	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$27,097
WA EIA937 Requirement (EWEB) - Expense	\$183,498	\$0	\$0	\$116,566	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$300,063
WA EIA937 Requirement (EWEB) - Broker Fee Expense	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
WA EIA 937 Requirement (EWEB) - Broker Fee Expense	\$3,964	\$3,964	\$3,964	\$3,964	\$3,964	\$3,964	\$0	\$0	\$0	\$0	\$0	\$0	\$23,781
Total WA EIA 937 Requirement REC Expenses	\$187,461	\$3,964	\$3,964	\$120,529	\$3,964	\$3,964	\$0	\$0	\$0	\$0	\$0	\$0	\$323,844
Authorized - System													
Other Non WA EIA - Voluntary REC Expense	\$29,760	\$26,880	\$29,760	\$28,760	\$29,760	\$28,800	\$0	\$0	\$0	\$0	\$0	\$0	\$173,720
WA EIA937 Requirement (EWEB) - Expense	\$184,359	\$3,945	\$3,945	\$184,359	\$3,945	\$3,945	\$184,359	\$3,945	\$3,945	\$184,359	\$3,945	\$3,945	\$384,500
Total Authorized	\$214,119	\$30,825	\$33,705	\$213,119	\$33,705	\$32,745	\$184,359	\$3,945	\$3,945	\$184,359	\$3,945	\$3,945	\$942,720
Difference													
Other Non WA EIA - Voluntary REC Expense	(\$27,135)	(\$21,556)	(\$24,157)	(\$23,121)	(\$21,854)	(\$28,800)	\$0	\$0	\$0	\$0	\$0	\$0	(\$146,623)
WA EIA937 Requirement (EWEB) - Expense	\$3,102	\$18	\$18	(\$63,830)	\$18	\$18	(\$184,359)	(\$3,945)	(\$3,945)	(\$184,359)	(\$3,945)	(\$3,945)	(\$60,656)
Total	(\$24,033)	(\$21,537)	(\$24,139)	(\$86,952)	(\$21,836)	(\$28,782)	(\$184,359)	(\$3,945)	(\$3,945)	(\$184,359)	(\$3,945)	(\$3,945)	(\$207,279)
WA Share of Difference													
Non WA EIA - Voluntary (65.24%)	(\$17,703)	(\$14,063)	(\$15,760)	(\$15,084)	(\$14,258)	(\$18,789)	\$0	\$0	\$0	\$0	\$0	\$0	(\$85,657)
WA EIA937 Requirement (EWEB) - (100%)	\$3,102	\$18	\$18	(\$63,830)	\$18	\$18	(\$184,359)	(\$3,945)	(\$3,945)	(\$184,359)	(\$3,945)	(\$3,945)	(\$60,656)
Total - 100% Surcharge (+) or Rebate (-)	(\$14,601)	(\$14,045)	(\$15,742)	(\$78,915)	(\$14,240)	(\$18,771)	(\$184,359)	(\$3,945)	(\$3,945)	(\$184,359)	(\$3,945)	(\$3,945)	(\$166,313)
Accounting Entries													
186322-ED-WA													
557322-ED-WA													

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

REC REVENUE & EXPENSE		Debit	Credit	Entry
January Revenue				
186322		\$101,308		
557322			\$101,308	
January Expense				
186322			\$14,601	
557322		\$14,601		
January Total				
186322		\$101,308	\$14,601	-\$86,707 Debit
557322		\$14,601	\$101,308	\$86,707 Credit
February Revenue				
186322			\$61,253	
557322		\$61,253		
February Expense				
186322			\$14,045	
557322		\$14,045		
February Total				
186322		\$0	\$75,298	\$75,298 Credit
557322		\$75,298	\$0	-\$75,298 Debit
March Revenue				
186322			\$200,236	
557322		\$200,236		
March Expense				
186322			\$15,742	
557322		\$15,742		
March Total				
186322		\$0	\$215,978	\$215,978 Credit
557322		\$215,978	\$0	-\$215,978 Debit
April Revenue				
186322			\$350,207	
557322		\$350,207		
April Expense				
186322			\$78,915	
557322		\$78,915		
April Total				
186322		\$0	\$429,122	\$429,122 Credit
557322		\$429,122	\$0	-\$429,122 Debit
May Revenue				
186322		\$105,268		
557322			\$105,268	
May Expense				
186322			\$14,240	
557322		\$14,240		
May Total				
186322		\$105,268	\$14,240	-\$91,028 Debit
557322		\$14,240	\$105,268	\$91,028 Credit
June Revenue				
186322			\$42,619	
557322		\$42,619		
June Expense				
186322			\$18,771	
557322		\$18,771		
June Total				
186322		\$0	\$61,390	\$61,390 Credit
557322		\$61,390	\$0	-\$61,390 Debit

