



Avista Corp.

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WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

June 15, 2016

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, May 2016
Docket No. UE-140188, Monthly REC Report, May 2016

Dear Mr. King:

Enclosed are an original and five copies of Avista Corporation's Power Cost Deferral Report for the month of May 2016.

The report includes the monthly energy recovery mechanism (ERM) accounting journal together with backup workpapers (Attachment A). In May, actual net power costs were less than authorized costs by \$201,851. Year-to-date actual net power costs were less than authorized costs by \$5,782,502. A deferral entry of \$151,389 was made in the rebate direction. The ERM deferral at May 2016 is \$1,345,443 (including interest) in the rebate direction.

Actual power supply expense was lower than the authorized level due primarily to low power prices. The average purchased power price was \$12.65/MWh compared to an authorized price of \$16.41/MWh. Hydro generation was 27 aMW below the authorized level. The average natural gas price was \$3.27/dth compared to an authorized price of \$2.63/dth.

Colstrip and Kettle Falls generation was 55 aMW and 9 aMW below the authorized level respectively. Gas-fired generation was 36 aMW above the authorized level. The net transmission expense (transmission expense less transmission revenue) was below the authorized level. Washington retail sales were 18 aMW below the authorized level.

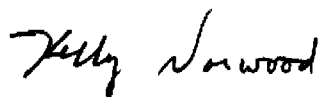
The report also includes the monthly renewable energy credits (REC) accounting journal together with backup work papers (Attachment B). Per Order 05, Docket UE-140188 the Company defers 100% of the net monthly renewable energy credits (REC) not associated with compliance for the Washington Energy Independence Act. The amount of net revenues for May 2016 is \$334,684. The Company also is authorized to return to customers an amortization amount based on actual and projected net REC revenues from 2012 through June 2016. The rebate revenue amounted to \$437,502 for the month of May 2016. After adjusting for revenue-sensitive expenses, \$417,810 of amortization of the deferral balance was recorded.

Interest for the ERM 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 actual cost of debt is used as the interest rate. The interest rate is updated semi-annually and interest is compounded semi-annually. The January 2016 report on page 23 contains the information for the January – June calculations.

Interest for RECs is calculated per footnote 3 of the Settlement Stipulation in Order No. 5, Docket UE-140188 dated May 25, 2014 where parties agreed to the use of an after-tax cost of capital interest rate (6.34%) on the rebate balance. This interest rate will be updated at the next General Rate Case.

If you have any questions, please contact Bill Johnson at (509) 495-4046 or Annette Brandon at (509) 495-4324.

Sincerely,



Kelly Norwood
Vice President, State and Federal Regulation

AB

Enclosure

C: Public Counsel
Industrial Customers of Northwest Utilities

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

MONTH OF MAY 2016

STATE OF WASHINGTON
186280 ERM DEFERRAL (CURRENT YEAR)

Accounting Period	Beginning Balance	Monthly Activity	Ending Balance
Beginning Balance			\$ (11,535,183.18)
201601	\$ (11,535,183.18)	\$ (32,804.00)	\$ (11,567,987.18)
201602	\$ (11,567,987.18)	\$ 11,567,987.00	\$ (0.18)
201603	\$ (0.18)	\$ (1,159,616.00)	\$ (1,159,616.18)
201604	\$ (1,159,616.18)	\$ (30,851.00)	\$ (1,190,467.18)
201605	\$ (1,190,467.18)	\$ (154,976.00)	\$ (1,345,443.18)
201606		\$ -	
201607		\$ -	
201608		\$ -	
201609		\$ -	
201610		\$ -	
201611		\$ -	
201612		\$ -	

201605 \$ (1,345,443.18)

<u>Current Month</u>	<u>GL Account</u>	<u>Amount</u>	<u>Journal ID</u>
Balance 4/30/2016		\$ (1,190,467)	
Deferral		\$ (151,389)	481 - ERM
Interest		\$ (3,587)	481 - ERM
Balance 02/29/2016		\$ (1,345,443)	
 YTD			
Balance 1/31/2016		\$ (11,535,183)	
Deferral Year to Date		\$ (1,336,877)	481 - ERM
Transfer to Account 186290		\$ 11,535,183	481 - ERM
Interest		\$ (8,566)	481 - ERM
Balance 02/29/2016		\$ (1,345,443)	
 Total			
First \$4M at 100%	\$ (2,471,553)	\$ (2,471,553)	\$ -
\$4M to \$10M at 25% (rebate)	\$ (1,782,502)	\$ (445,625)	\$ (1,336,877)
\$4M to \$10M at 50% (surcharge)	\$ -	\$ -	\$ -
Over \$10M at 10%	\$ -	\$ -	\$ -
	\$ (4,254,055)	\$ (2,917,178)	\$ (1,336,877)

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STATE OF WASHINGTON
186290 ERM AMORTIZATION BALANCE (Pending Approval 2015)

Accounting Period	Beginning Balance	Monthly Activity	Ending Balance
Beginning Balance			\$ -
201601	\$ -	\$ -	\$ -
201602	\$ -	\$ (11,600,791.00)	\$ (11,600,791.00)
201603	\$ (11,600,791.00)	\$ (32,804.00)	\$ (11,633,595.00)
201604	\$ (11,633,595.00)	\$ (32,804.00)	\$ (11,666,399.00)
201605	\$ (11,666,399.00)	\$ (32,804.00)	\$ (11,699,203.00)
201606		\$ -	
201607		\$ -	
201608		\$ -	
201609		\$ -	
201610		\$ -	
201611		\$ -	
201612		\$ -	
201605			\$ (11,699,203.00)

<u>Current Month</u>	<u>Amount</u>	<u>Journal ID</u>
Balance 4/30/2016	\$ (11,666,399.00)	
Transfer from 186280	\$ -	481 - ERM
interest	\$ (32,804.00)	481 - ERM
Balance 02/29/2016	\$ (11,699,203.00)	

STATE OF WASHINGTON
182350 RECOVERABLE DEFERRAL BALANCE (CURRENT YEAR - 2016)

Accounting Period	Beginning Balance	Monthly Activity	Ending Balance
Beginning Balance			\$ (6,457,270.71)
201601	\$ (6,457,270.71)	\$ 579,345.00	\$ (5,877,925.71)
201602	\$ (5,877,925.71)	\$ 27,371.00	\$ (5,850,554.71)
201603	\$ (5,850,554.71)	\$ (16,541.00)	\$ (5,867,095.71)
201604	\$ (5,867,095.71)	\$ (16,541.00)	\$ (5,883,636.71)
201605	\$ (5,883,636.71)	\$ (16,541.00)	\$ (5,900,177.71)
201606		\$ -	
201607		\$ -	
201608		\$ -	
201609		\$ -	
201610		\$ -	
201611		\$ -	
201612		\$ -	

201605

\$ (5,900,177.71)

<u>Current Month</u>	<u>Amount</u>	<u>Journal ID</u>
Balance 4/30/2016	\$ (5,883,636.71)	
Surcharge Amortization	\$ -	481 - ERM
Transfer From 186290	\$ -	481 - ERM
Interest	\$ (16,541.00)	481 - ERM
	\$ (5,900,177.71)	

STATE OF WASHINGTON
232380 DFIT ASSOCIATED WITH ERM DEFERRALS

DFIT Associated with ERM Deferrals

Account 283280.ED.WA

Account 186280.ED.WA balance	\$ (1,345,443.18)
Account 186290.ED.WA balance	\$ (11,699,203.00)
Account 182350.ED.WA balance	\$ (5,900,177.71)

Federal income tax rate	-35%
Deferred FIT related to deferrals	\$ 6,630,688.36
Rounding	\$ 0.88
Balance that should be in account	\$ 6,630,689.24

GL Check	\$ 6,630,689.24
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\$ 0.00

STATE OF WASHINGTON
186322 REC AMORTIZATION

FERC Account	Accounting Period	Beginning Balance	Monthly Activity	Ending Balance
186322	Beginning Balance			\$ 2,038,919.11
ED.WA	201601	\$ 2,038,919.11	\$ 577,521.00	\$ 2,616,440.11
	201602	\$ 2,616,440.11	\$ 506,191.00	\$ 3,122,631.11
	201603	\$ 3,122,631.11	\$ 470,428.00	\$ 3,593,059.11
	201604	\$ 3,593,059.11	\$ 442,617.00	\$ 4,035,676.11
	201605	\$ 4,035,676.11	\$ 439,893.00	\$ 4,475,569.11
	201606		\$ -	
	201607		\$ -	
	201608		\$ -	
	201609		\$ -	
	201610		\$ -	
	201611		\$ -	
	201612		\$ -	

GL YTD Check 201605 \$ 4,475,569.11

<u>Current Month</u>		<u>Amount</u>	<u>Journal ID</u>
Account 186322	Begin Balance	\$ 4,035,676.11	
Amortization		\$ 417,810.00	475 - WA REC Journal
Interest - 6.340%		\$ 22,083.00	475 - WA REC Journal
	Ending Balance	\$ 4,475,569.11	

STATE OF WASHINGTON
232305/283310 DFIT ASSOCIATED WITH REC DEFERRALS

DFIT Associated with ERM Deferrals

Account 283305.ED.WA

Account 186322.ED.WA balance	\$ 4,475,569.11	\$ 1,566,449.19
Account 186323.ED.WA balance	\$ (2,075,776.13)	\$ (726,521.65)
Account 186324.ED.WA balance	\$ (1,477,609.00)	\$ (517,163.15)
Total	\$ 922,183.98	
Federal income tax rate		-35%
Deferred FIT related to deferrals	\$ (322,764.39)	
True up to Tax Return	\$ 8,082.00	
Balance that should be in account	\$ (314,682.39)	

GL Check

201605 \$ (314,682.39)

\$ (0.00)

Attachment A

Avista Corporation
Monthly Power Cost Deferral Report
Month of May 2016

ERM Deferral Journal

Avista Corporation Journal Entry

Effective Date: 201605

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

Last Saved by: Cheryl Kettner
 Submitted by: Cheryl Kettner
 Approved by:

Last Saved: 06/07/2016 1:19 PM
 Approval Requested: 06/07/2016 1:19 PM

Seq	Co.	FERC	ED	WA	DL	Ser.	Jur.	S.L.	Debit	Credit	Comment
10	001	182350 - REGULATORY ASSET ERM APPROVED FOR RECOVERY	ED	WA	DL				16,541.00	16,541.00	Interest Accrual for Amortization Balance
20	001	431600 - INTEREST EXPENSE ENERGY DEFERRALS	ED	WA	DL				151,389.00	151,389.00	Interest Expense on Amortization Balance Current Year ERM (2016)
30	001	186280 - REGULATORY ASSET ERM DEFERRED CURRENT YEAR	ED	WA	DL				3,587.00	3,587.00	Current Year ERM Deferral Expense (2016) Current Year ERM Interest Accrual (2016)
40	001	557280 - DEFERRED POWER SUPPLY EXPENSE	ED	WA	DL				32,804.00	32,804.00	Current Year ERM Interest Expense (2016) Int Expense on 2015 Pending Balance
50	001	186280 - REGULATORY ASSET ERM DEFERRED CURRENT YEAR	ED	WA	DL						Int Accrual for 2015 Pending Balance
60	001	431600 - INTEREST EXPENSE ENERGY DEFERRALS	ED	WA	DL						
70	001	431600 - INTEREST EXPENSE ENERGY DEFERRALS	ED	WA	DL						
80	001	186290 - REGULATORY ASSET ERM DEFERRED LAST YEAR	ED	WA	DL						
Totals:									204,321.00	204,321.00	

Explanation:

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

Prepared by: Cheryl Kettner
 Date: 6/7/16

Reviewed by: _____
 Date: _____

Approved for Entry
 Corporate Accounting use Only

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 changes times the current after tax interest rate

Jan-June Interest Rate	0.28438%
Jul-Dec Interest Rate	0.29001%

Account 182350

Month Ending	Beg. Balance	Balance Transfer	Amortization	Adjustments	Interest	Interest Adjustments	End Balance before interest	Balance with Interest	GLW Balance	Check	Adjustment Notes
12/31/2015	(6,457,271)								(6,457,271)		
1/31/2016	(5,860,411)		596,860		(17,515)		(5,860,411)	(5,877,926)	(5,877,926)	0.00	
2/29/2016	(5,816,437)		43,974		(16,603)		(5,816,437)	(5,850,555)	(5,850,555)	0.00	
3/31/2016	(5,816,437)		0		(16,541)		(5,816,437)	(5,867,096)	(5,867,096)	0.00	
4/30/2016	(5,816,437)		0		(16,541)		(5,816,437)	(5,883,637)	(5,883,637)	0.00	
5/31/2016	(5,816,437)		0		(16,541)		(5,816,437)	(5,900,178)	(5,883,637)	16,541.00	
6/30/2016											
7/31/2016		0									
8/31/2016											
9/30/2016											
10/31/2016											
11/30/2016											
12/31/2016											

Entry:	Debit	Credit	
182350 ED WA	0		Regulatory Asset ERM Approved For Recovery
557290 ED WA		0	WA ERM Amortization
431600 ED WA	16,541		Interest Expense Energy Deferrals
182350 ED WA		16,541	Regulatory Asset ERM Approved For Recovery

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

Jan-June Interest Rate	0.28438%
Jul-Dec Interest Rate	0.29001%

Account 186280

Month Ending	12/31/2015	1/31/2016	2/29/2016	3/31/2016	4/30/2016	5/31/2016	6/30/2016	7/31/2016	8/31/2016	9/30/2016	10/31/2016	11/30/2016	12/31/2016
Req. Balance	(11,535,183)	0	0	0	(1,157,969)	(1,157,969)	(1,157,969)						
Balance Transfer		11,535,183											
Deferral - Sur./ (Reb.)		0			(1,157,969)	(27,519)	(151,389)						
Interest Adjustments		0	0	0	(1,647)	(3,332)	(3,587)						
End Balance before interest		0	0	0	(1,157,969)	(1,185,488)	(1,336,877)						
Balance with Interest		0	0	0	(1,157,969)	(1,190,467)	(1,345,463)						
GLW Balance	(11,535,183)	(11,567,987)	0	0	(1,159,616)	(1,190,467)	(1,190,467)						
Check		(11,567,987)			0	0	154,976.00						
Adjustment Notes													This transfer should have occurred in Jan but was completed on the Feb DJ481

Entity:	Debit	Credit
557280 ED WA	151,389.00	
186280 ED WA		151,389.00 / Deferred Power Supply Expense
431600 ED WA	3,587.00	
186280 ED WA		3,587.00 / Regulatory Asset ERM Deferred Current Year Interest Expense Energy Deferrals
		3,587.00 / Regulatory Asset ERM Deferred Current Year

Avista Corp. - Res. - Accounting
WASHINGTON POWER COST DEFERRALS

Line No.	WASHINGTON ACTUALS	TOTAL	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16
1	555 Purchased Power	\$64,064,506	\$13,993,633	\$13,763,477	\$13,932,523	\$11,975,351	\$10,399,522	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2	447 Sale for Resale	(\$52,162,029)	(\$10,291,009)	(\$10,637,878)	(\$11,228,965)	(\$9,817,050)	(\$10,187,127)	\$0	\$0	\$0	\$0	\$0	\$0	\$0
3	501 Thermal Fuel	\$10,066,888	\$2,753,922	\$2,300,863	\$2,083,055	\$2,266,480	\$662,548	\$0	\$0	\$0	\$0	\$0	\$0	\$0
4	547 CT Fuel	\$28,003,925	\$9,063,065	\$6,579,394	\$5,500,996	\$3,000,674	\$3,859,806	\$0	\$0	\$0	\$0	\$0	\$0	\$0
5	456 Transmission Revenue	(\$6,313,590)	(\$1,328,449)	(\$1,116,884)	(\$1,302,590)	(\$1,407,227)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
6	565 Transmission Expense	\$7,195,015	\$1,376,369	\$1,599,865	\$1,438,139	\$1,405,327	\$1,375,315	\$0	\$0	\$0	\$0	\$0	\$0	\$0
7	557 Broker Fees	\$173,956	\$35,918	\$36,649	\$23,939	\$35,762	\$41,688	\$0	\$0	\$0	\$0	\$0	\$0	\$0
8	Adjusted Actual Net Expense	\$51,028,671	\$15,603,449	\$12,525,496	\$10,591,247	\$7,563,954	\$4,744,525	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total through May														
AUTHORIZED NET EXPENSE-SYSTEM														
9	555 Purchased Power	\$53,769,606	\$12,809,205	\$11,591,985	\$10,660,401	\$10,031,892	\$8,675,133	\$8,326,700	\$8,166,121	\$9,056,301	\$7,893,689	\$8,186,793	\$11,995,843	\$12,493,230
10	447 Sale for Resale	(\$38,528,617)	(\$6,593,991)	(\$6,331,593)	(\$7,373,144)	(\$9,451,450)	(\$8,788,449)	(\$9,347,826)	(\$7,766,255)	(\$5,454,044)	(\$6,343,594)	(\$6,461,587)	(\$7,582,420)	(\$7,533,482)
11	501 Thermal Fuel	\$11,694,500	\$2,696,114	\$2,503,517	\$2,494,287	\$2,179,004	\$1,851,578	\$1,612,580	\$2,427,227	\$2,652,598	\$2,644,728	\$2,706,850	\$2,628,470	\$2,755,227
12	547 CT Fuel	\$31,936,212	\$9,014,456	\$7,698,692	\$7,292,619	\$5,265,751	\$2,664,694	\$2,712,482	\$5,239,795	\$6,788,998	\$6,983,768	\$7,442,560	\$7,920,542	\$8,801,867
13	456 Transmission Revenue	(\$6,179,126)	(\$1,305,692)	(\$1,061,936)	(\$1,137,644)	(\$1,166,933)	(\$1,506,921)	(\$1,586,833)	(\$1,599,620)	(\$1,447,883)	(\$1,304,804)	(\$1,285,929)	(\$1,197,858)	(\$1,199,571)
14	565 Transmission Expense	\$7,218,993	\$1,485,367	\$1,417,562	\$1,557,827	\$1,347,286	\$1,410,951	\$1,401,574	\$1,411,206	\$1,443,939	\$1,441,121	\$1,400,226	\$1,464,406	\$1,437,755
15	557 Broker Fees	\$297,876	\$67,876	\$67,500	\$67,500	\$67,500	\$67,500	\$67,500	\$67,500	\$67,500	\$67,500	\$67,500	\$67,500	\$67,500
16	Settlement Adjustment	(\$903,234)	(\$130,554)	(\$193,170)	(\$193,170)	(\$193,170)	(\$193,170)	(\$193,170)	(\$193,170)	(\$193,170)	(\$193,170)	(\$193,170)	(\$193,170)	(\$193,170)
17	Authorized Net Expense	\$59,305,210	\$16,022,781	\$15,682,567	\$13,358,676	\$9,069,870	\$4,171,316	\$3,983,007	\$7,742,804	\$12,904,239	\$11,169,238	\$11,853,243	\$15,093,313	\$16,619,356
18	Actual - Authorized Net Expense	(\$9,276,539)	(\$2,419,332)	(\$3,157,071)	(\$2,767,429)	(\$505,916)	\$573,209							
19	Resource Optimization - Subtotal	(\$3,991,546)	(\$1,670,162)	(\$126,333)	(\$485,617)	(\$505,286)	(\$1,204,148)							
20	Adjusted Net Expense	(\$12,268,085)	(\$4,089,494)	(\$3,283,404)	(\$3,253,046)	(\$1,011,202)	(\$630,939)	\$0	\$0	\$0	\$0	\$0	\$0	\$0
21	Washington Allocation		64.86%	64.71%	64.71%	64.71%	64.71%	64.71%	64.71%	64.71%	64.71%	64.71%	64.71%	64.71%
22	Washington Share	(\$7,944,813)	(\$2,652,446)	(\$2,124,691)	(\$2,105,046)	(\$654,349)	(\$408,281)	\$0	\$0	\$0	\$0	\$0	\$0	\$0
23	Washington 100% Activity (EIA 937)	\$458,971	\$266,163	\$5,438	\$5,438	\$181,932	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
24	WA Retail Revenue Adjustment	\$1,703,340	\$77,754	\$542,838	\$440,594	\$435,724	\$206,430							
24	(+) Surcharge (-) Rebate													
25	Net Power Cost (+) Surcharge (-)	(\$5,782,502)	(\$2,308,629)	(\$1,576,416)	(\$1,669,014)	(\$36,693)	(\$201,851)							
27	Cumulative Balance		(\$2,308,629)	(\$3,884,944)	(\$5,580,651)	(\$5,762,502)								
	Deferral Amount, Cumulative (Customer)		\$0	\$0	(\$1,157,969)	(\$1,185,486)	(\$1,336,877)							
	Deferral Amount, Monthly Entry		\$0	\$0	(\$1,157,969)	(\$27,519)	(\$151,389)							
	Acct 657280 Entry; (+) Rebate, (-) Surcharge		\$0	\$0	\$1,157,969	\$27,519	\$151,389							
	Company Band Gross Margin Impact, Cumulative		(\$2,308,629)	(\$3,884,944)	(\$4,395,969)	(\$4,395,163)	(\$4,445,625)							

Avista Corp. - Finance Accounting
 WASHINGTON DEFERRED POWER COST CALCUL N - ACTUAL SYSTEM POWER SUPPLY EXPENSES

Line No.		Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16
555 PURCHASED POWER													
1	Short-Term Purchases	\$19,574,314	\$3,534,857	\$4,742,755	\$4,181,604	\$3,391,033	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2	Chelan County PUD (Rocky Reach Slice)	\$5,171,985	\$1,034,397	\$1,034,397	\$1,034,397	\$1,034,397	\$0	\$0	\$0	\$0	\$0	\$0	\$0
3	Douglas County PUD (Wells Settlement)	\$515,514	\$7,941	\$52,500	\$130,689	\$173,528	\$0	\$0	\$0	\$0	\$0	\$0	\$0
4	Douglas County PUD (Wells)	\$763,930	\$152,786	\$152,786	\$152,786	\$152,786	\$0	\$0	\$0	\$0	\$0	\$0	\$0
5	Grant County PUD (Priest Rapids/Wanapum)	\$2,977,330	\$595,466	\$595,466	\$595,466	\$595,466	\$0	\$0	\$0	\$0	\$0	\$0	\$0
6	Bonneville Power Admin. (WNP-3)	\$9,152,502	\$3,182,991	\$2,876,135	\$1,571,428	\$1,521,948	\$0	\$0	\$0	\$0	\$0	\$0	\$0
7	Inland Power & Light - Deer Lake	\$3,402	\$505	\$517	\$1,152	\$670	\$0	\$0	\$0	\$0	\$0	\$0	\$0
8	Small Power	\$726,655	\$148,489	\$179,736	\$144,771	\$134,880	\$0	\$0	\$0	\$0	\$0	\$0	\$0
9	Stimson Lumber	\$647,190	\$154,074	\$120,136	\$97,983	\$131,037	\$0	\$0	\$0	\$0	\$0	\$0	\$0
10	City of Spokane-Upriver	\$1,843,226	\$290,963	\$433,302	\$428,478	\$337,508	\$0	\$0	\$0	\$0	\$0	\$0	\$0
11	City of Spokane - Waste-to-Energy	\$2,011,342	\$179,092	\$475,957	\$440,063	\$458,837	\$0	\$0	\$0	\$0	\$0	\$0	\$0
12	Place Holder	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
13	Rathdrum Power, LLC (Lancaster PPA)	\$10,782,272	\$2,291,398	\$2,222,770	\$2,144,775	\$2,041,651	\$0	\$0	\$0	\$0	\$0	\$0	\$0
14	Palouse Wind	\$9,193,423	\$2,014,951	\$1,894,190	\$2,352,918	\$1,216,297	\$0	\$0	\$0	\$0	\$0	\$0	\$0
15	WPM Ancillary Services	\$664,541	\$159,500	\$143,002	\$126,079	\$113,744	\$0	\$0	\$0	\$0	\$0	\$0	\$0
16	Non-Mon. Accruals	\$36,880	\$57,015	\$23,812	(\$53,447)	\$81,081	\$0	\$0	\$0	\$0	\$0	\$0	\$0
17	Total 555 Purchased Power	\$64,064,506	\$13,993,633	\$13,763,477	\$13,932,523	\$11,975,351	\$0	\$0	\$0	\$0	\$0	\$0	\$0

(1) Effective November, 2008, WNP-3 purchase expense has been adjusted to reflect the mid-point price, per Settlement Agreement, Cause No. U-86-99

555 PURCHASED POWER

555000		\$50,536,451	\$11,172,330	\$10,466,744	\$8,821,585	\$7,910,479	\$0	\$0	\$0	\$0	\$0	\$0	\$0
555030		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
555100		\$11,044,606	\$1,073,575	\$1,927,903	\$3,114,788	\$2,083,875	\$0	\$0	\$0	\$0	\$0	\$0	\$0
555312		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
555313		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
555380		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
555550		\$36,880	\$57,015	(\$53,447)	(\$71,561)	\$91,081	\$0	\$0	\$0	\$0	\$0	\$0	\$0
555700		\$791,497	\$193,750	\$185,160	\$108,291	\$93,953	\$0	\$0	\$0	\$0	\$0	\$0	\$0
555710		\$664,541	\$159,500	\$143,002	\$126,079	\$113,744	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	WNP3 Mid Point	\$990,531	\$44,479,500	\$170,068,000	\$164,713,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	Total 555 Purchased Power	\$64,064,506	\$13,993,633	\$13,763,477	\$13,932,523	\$11,975,351	\$0	\$0	\$0	\$0	\$0	\$0	\$0

447 SALES FOR RESALE

447000		(\$46,256,473)	(\$9,145,032)	(\$9,432,598)	(\$9,964,540)	(\$9,040,411)	\$0	\$0	\$0	\$0	\$0	\$0	\$0
447100		\$243,725	\$96,485	\$51,605	\$36,444	\$28,689	\$40,502	\$0	\$0	\$0	\$0	\$0	\$0
447313		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
447700		\$259,029	\$53,367	\$52,121	\$55,282	\$47,873	\$50,386	\$0	\$0	\$0	\$0	\$0	\$0
447720		(\$6,469,073)	(\$1,297,630)	(\$1,320,149)	(\$1,368,961)	(\$1,250,287)	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	Total 447 Sales for Resale	(\$52,162,029)	(\$10,291,009)	(\$10,637,878)	(\$11,228,965)	(\$9,817,050)	(\$10,187,127)	\$0	\$0	\$0	\$0	\$0	\$0

447 SALES FOR RESALE

447000		(\$24,642,355)	(\$6,496,636)	(\$5,424,454)	(\$4,367,257)	(\$3,765,345)	\$0	\$0	\$0	\$0	\$0	\$0	\$0
447100		(\$19,558,479)	(\$2,146,443)	(\$3,541,393)	(\$5,250,573)	(\$4,021,805)	\$0	\$0	\$0	\$0	\$0	\$0	\$0
447313		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
447700		(\$827,581)	(\$190,800)	(\$208,860)	(\$116,095)	(\$99,178)	(\$212,628)	\$0	\$0	\$0	\$0	\$0	\$0
447720		(\$664,541)	(\$159,500)	(\$143,002)	(\$126,079)	(\$113,744)	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	Total 447 Sales for Resale	(\$52,162,029)	(\$10,291,009)	(\$10,637,878)	(\$11,228,965)	(\$9,817,050)	(\$10,187,127)	\$0	\$0	\$0	\$0	\$0	\$0

501 FUEL-DOLLARS

24	Kettle Falls Wood-501110	\$2,474,844	\$605,629	\$648,276	\$532,607	\$564,829	\$123,503	\$0	\$0	\$0	\$0	\$0	\$0
25	Kettle Falls Gas-501120	\$11,369	\$6,552	\$1,238	\$1,537	\$1,740	\$2,778	\$0	\$0	\$0	\$0	\$0	\$0
26	Colstrip Coal-501140	\$7,515,905	\$2,120,032	\$1,637,450	\$1,538,966	\$1,698,966	\$520,491	\$0	\$0	\$0	\$0	\$0	\$0
27	Colstrip Oil-501160	\$64,770	\$21,709	\$16,395	\$9,945	\$945	\$15,776	\$0	\$0	\$0	\$0	\$0	\$0
28	Total 501 Fuel Expense	\$10,066,888	\$2,753,922	\$2,300,883	\$2,083,055	\$2,266,480	\$662,548	\$0	\$0	\$0	\$0	\$0	\$0

501 FUEL-TONS

29	Kettle Falls	211,041	52,760	52,312	47,910	49,319	8,740	\$0	\$0	\$0	\$0	\$0	\$0
30	Colstrip	345,489	98,075	81,222	70,154	66,206	29,832	\$0	\$0	\$0	\$0	\$0	\$0
31	Total 501 Fuel-COST PER TON	wood	\$11.48	\$12.39	\$11.12	\$11.45	\$14.13	\$0	\$0	\$0	\$0	\$0	\$0

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

Line No.	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16
TOTAL	\$21,62	\$20,16	\$21,94	\$25,66	\$17,45							
coal												
547 FUEL												
33 NE CT Gas/Oil-547213	\$9,745	\$6,936	(\$217)	\$1,249	\$1,728	\$0	\$0	\$0	\$0	\$0	\$0	\$0
34 Boulder Park-547216	\$165,973	\$4,942	\$7,792	\$33,927	\$75,378	\$0	\$0	\$0	\$0	\$0	\$0	\$0
35 Kettle Falls CT-547211	\$25,230	(\$1,229)	\$6,888	\$1,778	\$4,494	\$0	\$0	\$0	\$0	\$0	\$0	\$0
36 Coyote Springs2-547610	\$13,614,522	\$3,662,342	\$2,926,444	\$1,221,907	\$1,253,656	\$0	\$0	\$0	\$0	\$0	\$0	\$0
37 Lancaster-547312	\$13,920,883	\$4,373,672	\$2,889,442	\$1,727,538	\$2,377,237	\$0	\$0	\$0	\$0	\$0	\$0	\$0
38 Rathdrum CT-547310	\$267,572	\$16,951	\$7,095	\$14,275	\$147,313	\$0	\$0	\$0	\$0	\$0	\$0	\$0
39 Total 547 Fuel Expense	\$28,003,925	\$6,579,354	\$5,500,996	\$3,000,674	\$3,859,806	\$0	\$0	\$0	\$0	\$0	\$0	\$0
40 TOTAL NET EXPENSE	\$49,973,280	\$15,519,611	\$10,287,609	\$7,425,455	\$4,734,749	\$0	\$0	\$0	\$0	\$0	\$0	\$0
456 TRANSMISSION REVENUE												
41 456100 ED AN	(\$3,505,293)	(\$617,128)	(\$665,591)	(\$673,083)	(\$737,296)	\$0	\$0	\$0	\$0	\$0	\$0	\$0
45 456120 ED AN - BPA Settlement	(\$1,330,000)	(\$266,000)	(\$266,000)	(\$266,000)	(\$266,000)	\$0	\$0	\$0	\$0	\$0	\$0	\$0
46 456020 ED AN - Sale of excess BPA Trans	(\$237,654)	\$0	(\$10,016)	(\$93,901)	(\$133,737)	\$0	\$0	\$0	\$0	\$0	\$0	\$0
47 456130 ED AN - Ancillary Services Revenue	(\$664,541)	(\$143,002)	(\$126,079)	(\$122,216)	(\$113,744)	\$0	\$0	\$0	\$0	\$0	\$0	\$0
48 456017 ED AN - Low Voltage	(\$25,100)	(\$5,020)	(\$5,020)	(\$5,020)	(\$5,020)	\$0	\$0	\$0	\$0	\$0	\$0	\$0
49 456700 ED WA - Low Voltage	(\$41,610)	(\$8,322)	(\$8,322)	(\$8,322)	(\$8,322)	\$0	\$0	\$0	\$0	\$0	\$0	\$0
50 456705 ED AN - Low Voltage	(\$509,392)	(\$77,412)	(\$77,412)	(\$134,048)	(\$143,108)	\$0	\$0	\$0	\$0	\$0	\$0	\$0

Avista Corp. - Price Accounting
 WASHINGTON DEFERRED POWER COST CALCULI - ACTUAL SYSTEM POWER SUPPLY EXPENSES

Line No.	TOTAL	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16
51	Total 456 Transmission Revenue	(\$6,313,590)	(\$1,328,449)	(\$1,116,864)	(\$1,158,440)	(\$1,302,590)	(\$1,407,227)	\$0	\$0	\$0	\$0	\$0	\$0
565 TRANSMISSION EXPENSE													
52	565000 ED AN	\$7,184,865	\$1,374,339	\$1,597,835	\$1,436,109	\$1,403,297	\$1,373,285	\$0	\$0	\$0	\$0	\$0	\$0
53	565312 ED AN	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
54	565710 ED AN	\$10,150	\$2,030	\$2,030	\$2,030	\$2,030	\$2,030	\$0	\$0	\$0	\$0	\$0	\$0
55	Total 565 Transmission Expense	\$7,195,015	\$1,376,369	\$1,599,865	\$1,438,139	\$1,405,327	\$1,375,315	\$0	\$0	\$0	\$0	\$0	\$0
557 Broker & Related Fees													
56	557170 ED AN	\$172,456	\$35,543	\$36,274	\$23,564	\$35,367	\$41,688	\$0	\$0	\$0	\$0	\$0	\$0
57	557172 ED AN	\$1,500	\$375	\$375	\$375	\$375	\$0	\$0	\$0	\$0	\$0	\$0	\$0
58	Total 557 ED AN Broker & Related Fees	\$173,956	\$35,918	\$36,649	\$23,939	\$35,762	\$41,688	\$0	\$0	\$0	\$0	\$0	\$0
RESOURCE OPTIMIZATION													
59	Econ Dispatch-557010	\$23,016,398	\$3,554,533	\$3,401,868	\$4,730,932	\$5,396,722	\$5,932,343	\$0	\$0	\$0	\$0	\$0	\$0
60	Econ Dispatch-557150	(\$10,586,634)	(\$4,400,743)	(\$1,532,123)	(\$2,088,815)	(\$879,906)	(\$1,685,047)	\$0	\$0	\$0	\$0	\$0	\$0
61	Gas Bookouts-557700	\$526,402	\$200,335	\$146,030	\$180,037	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
62	Gas Bookouts-557711	(\$526,402)	(\$200,335)	(\$146,030)	(\$180,037)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
63	Intraco Thermal Gas-557730	\$13,304,721	\$2,751,487	\$4,645,223	\$2,366,339	\$2,073,340	\$1,468,332	\$0	\$0	\$0	\$0	\$0	\$0
64	Fuel DispatchFin -456010	(\$14,363,791)	(\$1,894,955)	(\$1,958,501)	(\$2,842,316)	(\$3,730,666)	(\$3,937,353)	\$0	\$0	\$0	\$0	\$0	\$0
65	Fuel Dispatch-456015	(\$2,686,309)	(\$12,189)	(\$627,696)	(\$947,007)	(\$1,026,064)	\$0	\$0	\$0	\$0	\$0	\$0	\$0
66	Intraco Thermal Gas-456730	(\$12,676,325)	(\$1,668,568)	(\$4,609,447)	(\$2,024,110)	(\$2,417,801)	(\$1,956,399)	\$0	\$0	\$0	\$0	\$0	\$0
67	Fuel Bookouts-456711	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
68	Fuel Bookouts-456720	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
69	Resource Optimization Subtotal	(\$3,991,940)	(\$1,670,435)	(\$126,333)	(\$485,666)	(\$505,318)	(\$1,204,188)	\$0	\$0	\$0	\$0	\$0	\$0
70	Misc. Power Exp. Actual-557160 ED AN	\$273	\$273	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
71	Misc. Power Exp. Subtotal	\$273	\$273	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
72	Wind REC Exp Authorized	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
73	Wind REC Exp Actual 557395	\$121	\$0	\$0	\$49	\$32	\$40	\$0	\$0	\$0	\$0	\$0	\$0
74	Wind REC Subtotal	\$121	\$0	\$0	\$49	\$32	\$40	\$0	\$0	\$0	\$0	\$0	\$0
75	WA EIA937 Requirement (EWEB) - Expense	\$437,219	\$260,725	\$0	\$0	\$176,494	\$0	\$0	\$0	\$0	\$0	\$0	\$0
76	WA EIA937 Requirement (EWEB) - Broker Fee Exp	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
77	WA EIA 937 Requirement (EWEB) - Broker Fee Exp	\$21,752	\$5,438	\$5,438	\$5,438	\$5,438	\$0	\$0	\$0	\$0	\$0	\$0	\$0
78	EWEB REC WA EIA 937 Compliance	\$458,971	\$266,163	\$5,438	\$5,438	\$181,932	\$0	\$0	\$0	\$0	\$0	\$0	\$0
79	Net Resource Optimization	(\$3,991,546)	(\$1,670,162)	(\$126,333)	(\$485,617)	(\$505,286)	(\$1,204,148)	\$0	\$0	\$0	\$0	\$0	\$0
80	Adjusted Actual Net Expense	\$47,496,096	\$14,199,450	\$12,404,601	\$10,111,068	\$7,240,600	\$3,540,377	\$0	\$0	\$0	\$0	\$0	\$0

Avista Corp. - Resource Accounting
 Washington Electric Jurisdiction
Energy Recovery Mechanism (ERM) Retail Revenue Credit Calculation - 2016

Retail Sales - MWh	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	YTD
Total Billed Sales	568,164	493,703	455,358	424,541	419,370	-	-	-	-	-	-	-	2,361,136
Deduct Prior Month Unbilled	(246,831)	(226,595)	(196,875)	(205,495)	(184,275)	-	-	-	-	-	-	-	(1,060,071)
Add Current Month Unbilled	226,595	196,875	205,495	184,275	190,230	-	-	-	-	-	-	-	1,003,470
Total Retail Sales	547,928	463,983	463,978	403,321	425,325	-	-	-	-	-	-	-	2,304,535
Test Year Retail Sales	552,475	498,647	492,113	431,145	438,507	423,630	451,024	469,267	421,946	451,214	471,440	548,964	2,412,887
Difference from Test Year	(4,547)	(34,664)	(28,135)	(27,824)	(13,182)	-	-	-	-	-	-	-	(108,352)
Production Rate - \$/MWh	\$17.10	\$15.66	\$15.66	\$15.66	\$15.66	\$15.66	\$15.66	\$15.66	\$15.66	\$15.66	\$15.66	\$15.66	\$15.66
Total Revenue Credit - \$	(\$77,754)	(\$542,838)	(\$440,594)	(\$435,724)	(\$206,430)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$1,703,340)

Avista Corp. - Finance Accounting
Washington Energy Recovery Mechanism (ERM) Pending Deferral Balances from 2015

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

Jan-June Interest Rate	0.28438%
Jul-Dec Interest Rate	0.29001%

Account 186290

Month Ending	Req. Balance	Balance Transfer	Other Activity	Adjustments	Interest	Interest Adjustments	End Balance before interest	Balance with Interest	GLW Balance	Check	Adjustment Notes
12/31/2015									0		
1/31/2016		0			(32,804)		(11,535,183)	(11,567,987)	0	11,567,987.00	
2/29/2016	(11,535,183)	0			(32,804)		(11,535,183)	(11,600,791)	(11,600,791)		0.00
3/31/2016	(11,535,183)				(32,804)		(11,535,183)	(11,633,595)	(11,633,595)		0.00
4/30/2016	(11,535,183)				(32,804)		(11,535,183)	(11,666,399)	(11,666,399)		0.00
5/31/2016	(11,535,183)				(32,804)		(11,535,183)	(11,699,203)	(11,666,399)	32,804.00	
6/30/2016											
7/31/2016											
8/31/2016											
9/30/2016											
10/31/2016											
11/30/2016											
12/31/2016											

Entry:	Debit	Credit
431600 ED WA	32,804	
186290 ED WA		32,804
	Interest Expense on 2015 Pending Balance	
	Interest Accrual for 2015 Pending Balance	

Electric Revenue Report by Revenue Class Current Month and Year-to-Date for Accounting Period : 201605 , State Code : WA

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Accounting Period:201605 State Code:WA

Rate Schedule Desc	Meters	Usage	Revenue Amt	YTD Average Meter	Ytd Usage	Ytd Revenue Amt
0001 - RESIDENTIAL	208,493	148,102,898	13,462,440	208,975	1,031,375,924	93,601,145
0002 - RESIDENTIAL DISCOUNT	511	392,754	22,719	383	2,219,197	129,899
0011 - GENERAL SERVICE	22,276	41,743,561	5,065,702	22,208	235,488,940	28,072,509
0012 - RESID&FARM-GEN SERV	9,027	3,731,707	588,695	8,971	26,044,450	3,755,511
0021 - LARGE GENERAL SERV	1,849	110,568,172	10,255,807	1,868	557,713,107	51,401,924
0022 - RESID&FRM-LGE GEN SE	48	2,058,600	190,509	48	12,957,159	1,177,075
0025 - EXTRA LGE GEN SERV	22	98,986,457	5,899,275	21	456,435,284	27,260,632
0030 - PUMPING SERV-SPECIAL	31	3,043,980	213,232	31	4,015,480	283,459
0031 - PUMPING SERVICE	1,207	8,201,374	709,634	1,208	23,445,032	2,081,472
0032 - PUMPING SVC RES&FRM	1,220	581,883	73,347	1,192	1,651,023	252,859
0041 - CO OWNED ST LIGHTS	11	7,741	1,799	11	40,770	9,479
0042 - CO OWND ST LTS SO VA	325	1,057,664	391,150	323	5,256,434	1,968,915
0044 - CST OWND ST LT SO VA	13	26,926	3,483	13	131,430	17,305
0045 - CUST OWND ST LT ENGY	9	57,880	4,358	9	277,849	21,681
0046 - CUST OWND ST LT S V	52	107,650	10,697	51	510,580	51,782
0047 - AREA LIGHT-COM&INDUS	0	456,488	112,463	0	2,323,249	565,831
0048 - AREA LGHT-FARM&RESID	0	244,709	65,914	0	1,250,510	331,581
0058 - TAX ADJUSTMENT	0	0	1,325,139	0	0	7,611,965
0058A - TAX ADJUSTMENT TRIBAL	0	0	-4,908	0	0	-34,353
0095 - WIND POWER	0	0	14,913	0	0	74,923
0099 - MISC ELECT REVENUE	0	0	50,005	0	0	239,613
025B - PVD	0	0	-85,090	0	0	-422,390
Total WA	245,094	419,370,443	38,371,282	245,314	2,361,136,418	218,452,815
Total WA	245,094	419,370,443	38,371,282	245,314	2,361,136,418	218,452,815

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VENUE		REVENUE CLASS CODE	RATE SCHED	Current Gross Unbilled kWh	Current Gross Unbilled REVENUE	Prev Month Revenue RWH	Prev Month Revenue REVENUE	Net Change RWH	Net Change REVENUE
WASHINGTON									
2600	01	0001		86,433,917	\$ 5,112,649	\$ 5,120,842	\$ 18,870,084	\$ 5,780,926	\$ 157,135
2600	01	0002		228,280	\$ 13,419	\$ 14,868	\$ 114,688	\$ 25,106	\$ 1,329
2600	01	0003		2,413,978	\$ 336,408	\$ 2,437,468	\$ 2,863,820	\$ 123,679	\$ 7,742
2600	01	0004		1,224,101	\$ 182,857	\$ 1,201,939	\$ 106,351	\$ 166,829	\$ 15,464
2600	01	0005		25,858	\$ 28,854	\$ 110,803	\$ 119,810	\$ 113,387	\$ 9,574
2600	01	0006		92,314,364.00	\$ 3,395,317	\$ 3,309,538.00	\$ 18,178,553	\$ 113,387	\$ 9,574
2600	01	0007		26,577,537	\$ 2,876,352	\$ 22,800,714	\$ 12,865,385	\$ 1,974,223	\$ 210,987
2600	01	0008		60,800,879	\$ 4,780,056	\$ 5,182,432	\$ 4,391,481	\$ 6,407,847	\$ 368,576
2600	01	0009		2,748,481	\$ 233,081	\$ 1,892,098	\$ 146,843	\$ 1,084,413	\$ 86,238
2600	01	0010		308,275	\$ 34,873	\$ 248,388	\$ 131,187	\$ 58,969	\$ 3,406
2600	01	0011		3,686,078	\$ 431,463	\$ 4,370,864	\$ 3,963,319	\$ 1,118,474	\$ 36,134
2600	01	0012		3,247,263	\$ 199,287	\$ 1,839,045	\$ 184,047	\$ 3,247,263	\$ 199,287
2600	01	0013		788,875	\$ 68,085	\$ 1,839,045	\$ 184,047	\$ 3,182,859	\$ 4,045
2600	01	0014		190,230,182.00	\$ 11,188,284	\$ 11,188,284	\$ 119,841,787	\$ 7,851,362	\$ 258,417
2600	01	0015							
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2600	01	0163							

Attachment B

Avista Corporation
Monthly Power Cost Deferral Report
Month of May 2016

REC Revenues Deferral Journal

Avista Corporation Journal Entry

Effective Date: 201605

Journal: 475-WASHINGTON REC DEFERRAL

Team: Resource Accounting

Last Saved by: Keri Meister

Last Saved: 06/06/2016 4:14 PM

Type: C

Submitted by: Keri Meister

Approval Requested: 06/06/2016 4:14 PM

Category: DJ

Approved by:

Currency: USD

Seq	Co.	FERC	Exp.	Jul.	S.L.	Debit	Credit	Comment
10	001	557322 - DEF POWER SUPPLY EXP-RECS	ED	WA	DL	335,684.00		2016 WA REC Deferral Expense
20	001	186324 - MISC DEF DEBIT-WA REC 3	ED	WA	DL		335,684.00	2016 WA REC Deferred Liability
30	001	431016 - INTEREST EXPENSE ON REC DEFERRAL	ED	WA	DL	6,829.00		2016 WA REC Interest Expense Accrual
40	001	186324 - MISC DEF DEBIT-WA REC 3	ED	WA	DL		6,829.00	2016 WA REC Interest Liability Accrual
50	001	431016 - INTEREST EXPENSE ON REC DEFERRAL	ED	WA	DL	10,685.00		2015 WA REC Interest Expense Accrual
60	001	186323 - MISC DEF DEBIT-WA REC 2	ED	WA	DL		10,685.00	2015 WA REC Interest Liability Accrual
70	001	557324 - DEF POWER SUPPLY EXP-REC AMORT	ED	WA	DL	417,810.00		2012-2014 WA REC Deferral Amortization
80	001	186322 - MISC DEF DEBIT - WA REC 1	ED	WA	DL		417,810.00	2012-2014 WA REC Deferral Amortization
90	001	419600 - INTEREST ON ENERGY DEFERRALS	ED	WA	DL	22,083.00		2012-2014 WA REC Deferral Interest Exp Accrual
100	001	186322 - MISC DEF DEBIT - WA REC 1	ED	WA	DL		22,083.00	2012-2014 WA REC Deferral Interest Liability
Totals:						793,091.00	793,091.00	Accrual

Explanation:

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

Prepared by Keri Meister
 Reviewed by
 Approved for Entry
 Corporate Accounting use Only

Avista Corp. - Resource Accounting
 DJ475 - Washington REC (Current 2016 Deferral)

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 monthly interest rate

Per rate order, REC rate is after tax cost of capital	6.340%
The monthly rate is:	0.0052833
Tax rate	35.00%

Account 186324-ED-WA

Beginning Balance including interest interest		0
January	REC Deferral	(194,244)
January	Interest	(513)
1/31/2016 Balance before interest		(194,244)
February	REC Deferral	(263,626)
February	Interest	(1,723)
2/29/2016 Balance before interest		(457,870)
March	REC Deferral	(286,119)
March	Interest	(3,175)
3/31/2016 Balance before interest		(743,989)
April	REC Deferral	(380,759)
April	Interest	(4,937)
4/30/2016 Balance before interest		(1,124,748)
May	REC Deferral	(335,684) (1)
May	Interest	(6,829)
5/31/2016 Balance before interest		(1,460,432)

GL Balance	(1,124,748)	(10,348)
Update REC balance to include Interest		(1,135,096)

186324.ED.WA GL Wand (1,135,096.00)

Difference

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

REC REVENUE & EXPENSE		Debit	Credit	Entry
March Revenue				
186322			\$287,324	
557322		\$287,324		
March Expense				
186322		\$1,205		
557322			\$1,205	
March Total				
186322		\$1,205	\$287,324	\$286,119 Credit
557322		\$287,324	\$1,205	-\$286,119 Debit
April Revenue				
186322			\$381,795	
557322		\$381,795		
April Expense				
186322		\$1,036		
557322			\$1,036	
April Total				
186322		\$1,036	\$381,795	\$380,759 Credit
557322		\$381,795	\$1,036	-\$380,759 Debit
May Revenue				
186322			\$335,684	
557322		\$335,684		
May Expense				
186322		\$0		
557322			\$0	
May Total				
186322		\$0	\$335,684	\$335,684 Credit
557322		\$335,684	\$0	-\$335,684 Debit

(H)

Avista Corp. - Resource Accounting
 DJ 475 - Washington REC Deferral
 2016 REC Revenue Deferral Calculation
 Per UE-120436 and UG-120437 Order 14

Actual	201601	201602	201603	201604	201605	201606	201607	201608	201609	201610	201611	201612	Total
Source													
456016-ED-AN	(301,068)	(405,644)	(440,748)	(585,665)	(514,932)								
From Nucleus													
Total	\$(301,068)	\$(405,644)	\$(440,748)	\$(585,665)	\$(514,932)								\$(2,248,057)
Authorized - System													
Non WA EIA - Voluntary REC Revenue													
WA EIA937 Requirement (EMEB) - PGE Rev													
Sacramento Municipal Utility District (SMUD) - REC Rev													
Total Authorized	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Difference													
Non WA EIA - Voluntary REC Revenue													
WA EIA937 Requirement (EMEB) - PGE Revenue	(301,068)	(405,644)	(440,748)	(585,665)	(514,932)								
Sacramento Municipal Utility District (SMUD) - REC Rev													
Total (*) = Surcharge	\$(301,068)	\$(405,644)	\$(440,748)	\$(585,665)	\$(514,932)								\$(2,248,057)
WA Share of Difference													
Non WA EIA - Voluntary (65.19%)	(196,266)	(264,439)	(287,324)	(381,795)	(335,684)								
WA EIA937 Requirement (EMEB) - PGE Rev (100%)													
SMUD (65.19%)													
Total - 100% Surcharge (*) or Rebate (-)	\$(196,266)	\$(264,439)	\$(287,324)	\$(381,795)	\$(335,684)								\$(1,465,508)
Accounting Entries													
196322-ED-WA													
557322-ED-WA													

Avista Corp. - Resource Accounting
 DJ 475 - Washington REC Deferral
 2016 REC Expense Deferral Calculation
 Per UE: 120436 and UG-120437 Order 14

Actual	Source	201601	201602	201603	201604	201605	201606	201607	201608	201609	201610	201611	201612	Total
Other Non WA EIA - Voluntary REC Expense	557160-ED-AN													
Other Non WA EIA - Voluntary REC Broker Fee Exp.	557171-ED-AN	3,102	1,247	1,849	1,590									\$ 7,787
Total Other Non WA EIA REC Expenses		\$ 3,102	\$ 1,247	\$ 1,849	\$ 1,590	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7,787
Authorized - System														
Other Non WA EIA - Voluntary REC Expense														\$ -
Total Authorized		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Difference														
Other Non WA EIA - Voluntary REC Expense		3,102	1,247	1,849	1,590									\$ 7,787
Total		\$ 3,102	\$ 1,247	\$ 1,849	\$ 1,590	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7,787
WA Share of Difference														
Non WA EIA - Voluntary (85.19%)		2,022	813	1,205	1,036									\$ 5,076
Total - 100% Surcharge (+) or Rebate (-)		\$ 2,022	\$ 813	\$ 1,205	\$ 1,036	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,076
Accounting Entries														
186322-ED-WA			Debit	Debit	Debit	Debit								
557322-ED-WA			Credit	Credit	Credit	Credit								

Avlata Corp. - Resource Accounting
 DJ475 - Washington REC (Current "2015" Deferral)

Rate will remain the same throughout the year for 2015

The rate is based on WA Rate Order for REC deferral effective 1.1.15

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 monthly interest rate

Per rate order, REC rate is after tax cost of capital	6.340%	1.1.15
The monthly rate is:	0.0052833	
	35.00%	Tax rate

Account 186323-ED-WA		Current (2015) Deferral	
	Balance including Jan-Jun interest	(981,404)	Semi-Annual Compounding
July	REC Deferral	(132,321)	
	REC Deferral Adjustment -NSJ004	38,979	WA I-937 Compliance-Foregone ID REC Rev Adj (Annual adjustment)
July	Interest		(5,329)
7/30/2015	Balance before interest	(1,074,746)	
Aug	REC Deferral	(176,946)	
Aug	Interest		(6,146)
8/31/2015	Balance before interest	(1,251,692)	
Sept	REC Deferral	(159,025)	
Sept	Interest		(7,033)
9/30/2015	Balance before interest	(1,410,717)	
Oct	REC Deferral	(140,831)	
Oct	Interest		(7,829)
10/31/2015	Balance before interest	(1,552,269)	
Nov	REC Deferral	(185,673)	
Nov	Interest		(8,692)
11/30/2015	Balance before interest	(1,737,942)	
Dec	REC Deferral	(239,558)	
Dec	Interest		(9,815)
12/31/2015	Balance before interest	(1,977,500)	
	Balance including Jul-Dec interest	(2,022,344)	Semi-Annual Compounding
Jan 2016	REC Deferral	0	use acct 186324 as of Jan'16
Jan 2016	Interest		(10,685)
1/31/2016	Balance before interest	(2,022,344)	
Feb 2016	REC Deferral	0	use acct 186324 as of Jan'16
Feb 2016	Interest		(10,685)
2/28/2016	Balance before interest	(2,022,344)	
Mar 2016	REC Deferral	0	use acct 186324 as of Jan'16
Mar 2016	Interest		(10,685)
3/31/2016	Balance before interest	(2,022,344)	
Apr 2016	REC Deferral	0	use acct 186324 as of Jan'16
Apr 2016	Interest		(10,685)
4/30/2016	Balance before interest	(2,022,344)	
May 2016	REC Deferral	0	use acct 186324 as of Jan'16
May 2016	Interest		(10,685)
5/31/2016	Balance before interest	(2,022,344)	

Start using acct 186324 to record deferral as of Jan'16 per Annette Brandon. Do not xfer balance out of 186323 and continue to record interest on balance in acct 186323 as before.

GL Balance	(2,022,344)	(42,740)
Update REC balance to include Interest		(2,065,084)

186323.ED.WA GL Wand (2,065,091.13)
 Difference 7.13

Avista Corp. - Resource Accounting
 DJ475 - Washington REC Deferral (Current Amortization)

Rate will remain the same throughout the year for 2015
 The rate is based on WA Rate Order for REC deferral effective 1.1.15
 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 monthly interest rate

Per rate order, REC rate is after tax cost of capital	6.340%	1.1.15
The monthly rate is:	0.0052833	
	35.00%	Tax rate

Account 186322-ED-WA Currently Amortization of 2012-2014 activity, Amortized over 18 months (Jan '15-June '16)
 Semi-Annual Compounding

July	REC Amortization	480,682	
July	Interest		(2,997)
7/31/2015	Balance before interest	(326,939)	
August	REC Amortization	533,175	
August	Interest		(319)
8/31/2015	Balance before interest	206,236	
September	REC Amortization	465,306	
September	Interest		2,319
9/30/2015	Balance before interest	671,542	
October	REC Amortization	401,728	
October	Interest		4,609
10/31/2015	Balance before interest	1,073,270	
November	REC Amortization	428,427	
November	Interest		6,802
11/30/2015	Balance before interest	1,501,697	
December	REC Amortization	517,507	
December	Interest		9,301
12/31/2015	Balance before interest	2,019,204	
	Balance including Jul-Dec Interest	2,038,919	
January	REC Amortization	565,256	
January	Interest		12,265
1/31/2016	Balance before interest	2,604,175	
February	REC Amortization	491,135	
February	Interest		15,056
2/29/2016	Balance before interest	3,095,310	
March	REC Amortization	452,878	
March	Interest		17,550
3/31/2016	Balance before interest	3,548,188	
April	REC Amortization	422,754	
April	Interest		19,863
4/30/2016	Balance before interest	3,970,942	
May	REC Amortization	417,810	
May	Interest		22,083
5/31/2016	Balance before interest	4,388,752	

9/4/15 talked to Annette about balance becoming positive earlier than anticipated (notes say amortization Jan'15-Jun'16). Balance flipped due to super hot summer causing load increases so we amortized more than anticipated. Also, the rate projected used 2013 actuals.

The balance will continue to grow as a debit and this is ok because it is being offset by the deferrals in account 186323.

Update 3/30/2016: Tariff WN U-28 filed with Commission proposed effective 7/1/2016 for rate adjustment to decrease present rebate related to RECs

GL Balance	3,970,942	64,734
Update REC balance to include Interest		4,035,676

186322.ED.WA GL Wand 4,035,676.11

Difference

AVISTA CORPORATION
MAY 2016 WASHINGTON REC REVENUE & DEFERRAL AMORTIZATION

Schedule	kWh or \$ (a)	Proration Percentages		Rebate Rates		Rate Before 1-Jan-15 (g)	Rate On/After 1-Jan-15 (h)	Total (i)
		Before 1-Jan-15 (c)	On/After 1-Jan-15 (d)	Before 1-Jan-15 (e)	On/After 1-Jan-15 (f)			
1	148,102,898	0.00%	100.00%	0.000¢	(0.104¢)	\$ -	(154,027)	(154,027)
2	392,754	0.00%	100.00%	0.000¢	(0.104¢)	\$ -	(408)	(408)
11	41,743,561	0.00%	100.00%	0.000¢	(0.104¢)	\$ -	(43,413)	(43,413)
12	3,731,707	0.00%	100.00%	0.000¢	(0.104¢)	\$ -	(3,881)	(3,881)
21	110,568,172	0.00%	100.00%	0.000¢	(0.106¢)	\$ -	(117,202)	(117,202)
22	2,058,600	0.00%	100.00%	0.000¢	(0.106¢)	\$ -	(2,182)	(2,182)
25	98,986,457	0.00%	100.00%	0.000¢	(0.102¢)	\$ -	(100,966)	(100,966)
30	3,043,980	0.00%	100.00%	0.000¢	(0.113¢)	\$ -	(3,440)	(3,440)
31	8,201,374	0.00%	100.00%	0.000¢	(0.113¢)	\$ -	(9,268)	(9,268)
32	581,883	0.00%	100.00%	0.000¢	(0.113¢)	\$ -	(658)	(658)
41-46	1,257,861	0.00%	100.00%	0.000¢	(0.105¢)	\$ -	(1,321)	(1,321)
47	456,488	0.00%	100.00%	0.000¢	(0.105¢)	\$ -	(479)	(479)
48	244,709	0.00%	100.00%	0.000¢	(0.105¢)	\$ -	(257)	(257)
Schedule Totals	419,370,444					\$0	(437,502)	(437,502)

kWh not subject to surcharge	Conversion factor	0.954989
Sch 62	Amortization	-\$417,810
Total kWh	FIT rate	-35%
	DFIT expense	\$146,234

m