

Avista Corp.
1411 East Mission PO Box 3727
Spokane, Washington 99220-3727
Telephone 509-489-0500
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2006 SEP 14 AM 9:45

IDAHO PUBLIC
UTILITIES COMMISSION



Corp.

September 13, 2006

State of Idaho
Idaho Public Utilities Commission
Statehouse
Boise, Idaho 83720

AVU-06-03

Attention: Ms. Jean D. Jewell

Advice Number G-06-2

RE: Tariff IPUC No. 27, Natural Gas Service

The following tariff sheets are enclosed for filing with the Commission:

Ninth Revision Sheet 150 canceling Eighth Revision Sheet 150,
Original Sheet 150A and,
Sixth Revision Sheet 155 canceling Fifth Revision Sheet 155

These tariff sheets request an effective date of November 1, 2006 and result from changes in the projected cost of gas purchased and transported for customer use for the November 2006 through October 2007 period and in the amortization rate pertaining to differences between the actual cost of gas and the amount collected from customers.

If these tariff sheets are approved as filed, the Company's estimated annual natural gas revenue will increase by approximately \$2.7 million or about 3.2%. Of this amount, approximately \$3.8 million relates to the projected cost of gas and <\$1.1> million relates to recovery of the difference between the actual cost of gas and the amount collected from customers (deferral balances).

The average residential customer using 65 therms per month will see their monthly bill increase by approximately \$2.41 or about 3%, from \$80.43 to \$82.84 per month. The requested rate changes will have no effect on the Company's net income.

Also enclosed are an Application and workpapers that provide information supporting this proposed rate change.

If you have any questions regarding this filing, please feel free to call Craig Bertholf at (509) 495-4124 or Brian Hirschorn at (509) 495-4723.

Sincerely:

Kelly O. Norwood
Vice President
State and Federal Regulation

Enclosures

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that I have served Avista Corporation dba Avista Utilities' filing with Tariff IPUC No. 27 Natural Gas Service by mailing a copy thereof, postage prepaid to the following:

Jean D Jewell, Secretary
Idaho Public Utilities Commission
472 W. Washington Street
Boise, ID 83720-5983

Paula Pyron
Northwest Industrial Gas Users
4113 Wolfberry Court
Lake Oswego, OR 97035-1827

Conley Ward
Givens Pursley LLP
601 W. Bannock St.
Boise, ID 83701-2720

Curt Hibbard
St. Joseph Regional Medical Center
PO Box 816
Lewiston, ID 83501

Edward A. Finklea
Cable Huston Benedict Haagensen &
Lloyd, LLP
1001 SW 5th, Suite 2000
Portland, OR 97204-1136

Coeur d'Alene Resort
Attn: William Reagan
Box 7200
Coeur d'Alene, ID 83816

Paul Franz
Interstate Concrete & Asphalt
845 West Kathleen Avenue
Coeur d'Alene, Idaho 83814

Stimson Lumber
P.O. Box 7400
Coeur d'Alene, ID 83816

Dated at Spokane, Washington this 13th day of September 2006.



Patty Olsness
Rates Coordinator

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION RECEIVED

2006 SEP 14 AM 9:54

IN THE MATTER OF THE APPLICATION OF)
AVISTA UTILITIES FOR AN ORDER APPROVING)
A CHANGE IN NATURAL GAS RATES AND CHARGES)

IDAHO PUBLIC
UTILITIES COMMISSION

AUG-6-06-03

Application is hereby made to the Idaho Public Utilities Commission for an Order approving a revised schedule of rates and charges for natural gas service in the state of Idaho. The Applicant requests that the proposed rates included in this filing be made effective on November 1, 2006. If approved as filed the Company's annual revenue will increase by approximately \$2.7 million or about 3.2%. In support of this Application, Applicant states as follows:

I.

The name of the Applicant is AVISTA UTILITIES, a unit of AVISTA CORPORATION, a Washington corporation, whose principal business office is 1411 East Mission Avenue, Spokane, Washington, and is qualified to do business in the state of Idaho. Applicant maintains district offices in Moscow, Lewiston, Coeur d'Alene, and Kellogg, Idaho. Communications in reference to this Application should be addressed to:

Kelly O. Norwood
Vice President – State & Federal Regulation
Avista Utilities
P.O. Box 3727
Spokane, WA 99220-3727

II.

Attorney for the Applicant and his address is as follows:

David J. Meyer
Vice President and Chief Counsel for Regulatory &
Governmental Affairs
Avista Utilities
P.O. Box 3727
Spokane, WA 99220-3727

III.

The Applicant is a public utility engaged in the distribution of natural gas in certain portions of Eastern and Central Washington, Northern Idaho and Southwestern and Northeastern Oregon, and further engaged in the generation, transmission, and distribution of electricity in Eastern Washington and Northern Idaho.

IV.

Ninth Revision Sheet 150 and Original Sheet 150A, which Applicant requests the Commission approve, are filed herewith as Exhibit "A". Also included in Exhibit "A" is a copy of Ninth Revision Tariff Sheet 150 with the changes underlined. Also included in Exhibit "A" is a copy of Eighth Revision Tariff Sheet 150 with the proposed changes shown by lining over the current language or amounts.

Additionally, Sixth Revision Sheet 155, which Applicant requests the Commission approve, is also filed herewith as Exhibit "A". Also included in Exhibit "A" is a copy of Sixth Revision Tariff Sheet 155 with the changes underlined. Also included in Exhibit "A" is a copy of Fifth Revision Tariff Sheet 155 with the proposed changes shown by lining over the current language or amounts.

V.

The existing rates and charges for natural gas service on file with the Commission and designated as Applicant's Tariff IPUC No. 27, which will be superseded by the rates and charges filed herewith, are incorporated herein as though fully attached hereto.

VI.

Notice to the Public of Applicant's proposed tariffs is to be given simultaneously with the filing of this Application by posting, at each of the Company's district offices in Idaho, a Notice in the form attached hereto as Exhibit "B" and by means of a press release distributed to various informational agencies. In addition, a separate notice to each Idaho gas customer will be included in their current billing, a copy attached hereto as Exhibit "B - 1" and mailed to customer coincident with this filing.

VII.

The circumstances and conditions relied on for approval of Applicant's revised rates are as follows: Applicant purchases natural gas for customer usage and transports it over Williams Pipeline West (d.b.a. Northwest Pipeline Corporation), Gas Transmission Northwest (GTN), TransCanada (Alberta), TransCanada (BC) and Westcoast Pipeline systems and defers the effect of timing differences due to implementation of rate changes and differences between Applicant's actual weighted average cost of gas (WACOG) purchased and the WACOG embedded in rates. Applicant also defers various pipeline refunds or charges, miscellaneous revenue received from gas related transactions and the revenue received from Cascade Natural Gas for the release of storage capacity at the Jackson Prairie Storage Facility. However, the Company has recalled the release of storage capacity at Jackson Prairie Storage Facility to Cascade Natural Gas effective April 30, 2007.

Applicant's filing of proposed tariff sheet 150 increases the prospective natural gas cost component included in the rates charged to firm sales customers by 5.321 cents per therm.

The Company's present WACOG included in its gas sales rates is 78.600 cents per therm, which was approved by the Commission in Order No. 29902. The WACOG proposed in this requested increase is 84.712 cents per therm.

Generally, the wholesale cost of gas has continued to rise over past years. The proposed WACOG of 84.712 cents per therm represents an increase of approximately 6.1 cents per therm, or about 7.8%, over the present WACOG of 78.600 cents per therm. The proposed WACOG is based on a weighting of forward natural gas prices on August 16th and fixed-price hedges executed to date.

The Company will execute hedges to fix the price on approximately 66% of its estimated annual gas sales for the forthcoming year. The company uses a dollar-cost averaging approach for volumes to be hedged, with those volumes divided into 45-day execution "windows" between February 15th and November 15th. The company has completed approximately 85% of its scheduled hedges for the forthcoming PGA year (Nov. '06 – Oct. '07) at a weighted average price of \$0.873 per therm.

The Company continuously reviews its procurement strategy and makes changes that it believes are appropriate. This past year, the Company has begun incorporating an amount of longer-term hedges into its purchase portfolio to provide an additional degree of rate stability in the future. Approximately 11% of the total purchases for the next year have been hedged at a three-year fixed price. The Company's plan is to continue layering-in three-year fixed price hedges until these hedges represent one-third of the portfolio going forward. At that point, the portfolio would consist of one-third hedged at one year or less, one-third hedged for a period longer than one year, and one-third at first-of-the-month index prices just prior to the month. This revised plan has been

incorporated into the Company's Risk Management Policy and provided to the Commission Staff.

The proposed rates in this filing also incorporate the proposed rate increases filed by the Company's two pipeline suppliers, Northwest Pipeline and Gas Transmission Northwest. The proposed pipeline rates, while not approved, will begin being billed to the Company on January 1, 2007. While these pipeline rate increases are substantial, the effect on the Company's proposed rates in this filing is completely mitigated by an increase in the estimated revenue to be received from pipeline capacity releases. This increase in estimated capacity release revenue is caused by an increase in the volumes released, as compared to the level reflected in present rates, as well as the increase related to the proposed pipeline rates.

In this filing, the Company is also proposing a change to the present amortization rate(s), set forth under Schedule 155. This amortization rate is used to refund or surcharge customers the difference between actual gas costs and projected gas costs (from the last PGA filing) over the past year. The present amortization rate is a surcharge of 5.027 cents per therm; the Company proposes to decrease this amortization rate to 3.420 cents per therm, a decrease of 1.607 cents per therm. The Company has an estimated deferred gas cost balance of approximately \$2.8 million as of October 31, 2006, reflecting higher gas costs than projected during the past year. The proposed amortization rate of 3.420 cents per therm is expected to recover this balance over 12 months.

If the proposed increase to tariff sheet 150 is approved, firm sales customers on Schedules 101, 111, 112, 121 and 122 will see a rate increase of 5.321 cents per therm. Interruptible sales customers on Schedules 131 and 132 will see a rate increase of 7.167 cents per therm.

If the proposed decrease to tariff sheet 155 is approved, firm sales customers on Schedule 101, 111 and 121 will see a rate decrease of 1.607 cents per therm.

The average residential or small commercial customer using 65 therms per month will see an estimated increase of \$2.41 per month or approximately 3%. The average percentage change for the various Schedules are shown on Exhibit "C", page 2.

VIII.

Exhibit "C" attached hereto contains support for the rates proposed by Applicant contained in Exhibit "A".

IX.

Applicant is requesting that Applicant's rates be approved to become effective on November 1, 2006. Applicant requests that, if appropriate, the Commission adopt the procedures prescribed by Rule 201-210, Modified Procedure. Applicant stands ready for immediate consideration on its Application.

X.

WHEREFORE, Applicant requests the Commission issue its Order finding Applicant's proposed rate to be just, reasonable, and nondiscriminatory and to become effective for all natural gas service on and after November 1, 2006.

Dated at Spokane, Washington, this 13th day of September 2006.

AVISTA UTILITIES

BY

A handwritten signature in black ink that reads "Kelly Norwood". The signature is written in a cursive, flowing style.

Kelly O. Norwood
Vice President, State and Federal Regulation

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IDAHO PUBLIC
UTILITIES COMMISSION

AVISTA UTILITIES

Exhibit "A"

Proposed Tariff Sheets

September 13, 2006

AVISTA CORPORATION
d/b/a Avista Utilities

**SCHEDULE 150
PURCHASE GAS COST ADJUSTMENT - IDAHO**

APPLICABLE:

To Customers in the State of Idaho where Company has natural gas service available.

PURPOSE:

To pass through changes in costs resulting from rate adjustments imposed by the Company's suppliers, to become effective as noted below.

RATE:

- (a) The rates of firm gas Schedules 101, 111, 112, 121 and 122 are to be increased by 38.494¢ per therm in all blocks of these rate schedules.
- (b) The rates of interruptible Schedules 131 and 132 are to be increased by 38.964¢ per therm.
- (c) The rate for transportation under Schedule 146 is to be decreased by 00.000¢ per therm.

WEIGHTED AVERAGE GAS COST:

The above rate changes are based on the following weighted average cost of gas per therm as of the effective date shown below:

	Demand	Commodity	Total
Schedules 101	7.853¢	83.953¢	91.806¢
Schedules 111 and 112	7.853¢	83.953¢	91.806¢
Schedules 121 and 122	7.853¢	83.953¢	91.806¢
Schedules 131 and 132	.000¢	83.953¢	83.953¢

BALANCING ACCOUNT:

The Company will maintain a Purchase Gas Adjustment (PGA) Balancing Account whereby monthly entries into this Balancing Account will be made to reflect differences between the actual purchased gas costs collected from customers and the actual purchased gas costs incurred by the Company. Those differences are then collected from or refunded to customers under Schedule 155 – Gas Rate Adjustment.

Additional debits or credits for Pipeline refunds or charges, Pipeline capacity release revenues and miscellaneous revenues or expenses directly related to the Company's cost of purchasing gas to meet customer requirements will be recorded in the Balancing Account.

Issued September 13, 2006

Effective November 1, 2006

Issued by Avista Utilities

By Kelly O. Norwood - Vice-President, State & Federal Regulation



AVISTA CORPORATION
d/b/a Avista Utilities

SCHEDULE 150 - Continued

Deferred gas costs will be determined for individual customers served under Schedules 112, 122, 132 and 146, as well as for customers that switch to or from any of these service schedules to another schedule. The deferred gas cost balance for these customers will be based on monthly entries in the Balancing Account as described above. The deferred gas cost balance for each customer will be eliminated by either, 1) a lump-sum refund or surcharge, as applicable, or 2) an amortization rate per therm to reduce the balance prospectively.

SPECIAL TERMS AND CONDITIONS:

The rates named herein are subject to increases as set forth in Schedule 158.

Issued September 13, 2006

Effective November 1, 2006

Issued by Avista Utilities

By



Kelly O. Norwood - Vice-President, State & Federal Regulation

AVISTA CORPORATION
d/b/a Avista Utilities

SCHEDULE 155
GAS RATE ADJUSTMENT - IDAHO

AVAILABLE:

To Customers in the State of Idaho where Company has natural gas service available.

PURPOSE:

To adjust gas rates for amounts generated by the sources listed below.

MONTHLY RATE:

- (a) The rates of firm gas Schedules 101, 111 and 121 are to be increased by 3.420¢ per therm in all blocks of these rate schedules.
- (b) The rate of interruptible gas Schedule 131 is to be increased by 3.420¢ per therm.

SOURCES OF MONTHLY RATE:

Changes in the monthly rates above result from amounts which have been accumulated in the Purchase Gas Adjustment (PGA) Balancing Account as described in Schedule 150 – Purchase Gas Cost Adjustment.

SPECIAL TERMS AND CONDITIONS:

The above Monthly Rate is subject to the provisions of Tax Adjustment Schedule 158.

Issued September 13, 2006

Effective November 1, 2006

Issued by Avista Utilities

By *Kelly Norwood* Kelly Norwood

, Vice President, State & Federal Regulation

AVISTA CORPORATION
d/b/a Avista Utilities

**SCHEDULE 150
PURCHASE GAS COST ADJUSTMENT - IDAHO**

APPLICABLE:

To Customers in the State of Idaho where Company has natural gas service available.

PURPOSE:

To pass through changes in costs resulting from rate adjustments imposed by the Company's suppliers, to become effective as noted below.

RATE:

- (a) The rates of firm gas Schedules 101, 111, 112, 121 and 122 are to be increased by 38.494¢ per therm in all blocks of these rate schedules.
- (b) The rates of interruptible Schedules 131 and 132 are to be increased by 38.964¢ per therm.
- (c) The rate for transportation under Schedule 146 is to be decreased by 00.000¢ per therm.

WEIGHTED AVERAGE GAS COST:

The above rate changes are based on the following weighted average cost of gas per therm as of the effective date shown below:

	<u>Demand</u>	<u>Commodity</u>	<u>Total</u>
<u>Schedules 101</u>	<u>7.853¢</u>	<u>83.953¢</u>	<u>91.806¢</u>
<u>Schedules 111 and 112</u>	<u>7.853¢</u>	<u>83.953¢</u>	<u>91.806¢</u>
<u>Schedules 121 and 122</u>	<u>7.853¢</u>	<u>83.953¢</u>	<u>91.806¢</u>
<u>Schedules 131 and 132</u>	<u>.000¢</u>	<u>83.953¢</u>	<u>83.953¢</u>

BALANCING ACCOUNT:

The Company will maintain a Purchase Gas Adjustment (PGA) Balancing Account whereby monthly entries into this Balancing Account will be made to reflect differences between the actual purchased gas costs collected from customers and the actual purchased gas costs incurred by the Company. Those differences are then collected from or refunded to customers under Schedule 155 – Gas Rate Adjustment.

Additional debits or credits for Pipeline refunds or charges, Pipeline capacity release revenues and miscellaneous revenues or expenses directly related to the Company's cost of purchasing gas to meet customer requirements will be recorded in the Balancing Account.

Issued September 13, 2006

Effective November 1, 2006

Issued by Avista Utilities

By *Kelly Norwood*

Kelly O. Norwood - Vice-President, State & Federal Regulation

AVISTA CORPORATION
d/b/a Avista Utilities

SCHEDULE 155
GAS RATE ADJUSTMENT - IDAHO

AVAILABLE:

To Customers in the State of Idaho where Company has natural gas service available.

PURPOSE:

To adjust gas rates for amounts generated by the sources listed below.

MONTHLY RATE:

- (a) The rates of firm gas Schedules 101, 111 and 121 are to be increased by 3.420¢ per therm in all blocks of these rate schedules.
- (b) The rate of interruptible gas Schedule 131 is to be increased by 3.420¢ per therm.

SOURCES OF MONTHLY RATE:

Changes in the monthly rates above result from amounts which have been accumulated in the Purchase Gas Adjustment (PGA) Balancing Account as described in Schedule 150 – Purchase Gas Cost Adjustment.

SPECIAL TERMS AND CONDITIONS:

The above Monthly Rate is subject to the provisions of Tax Adjustment Schedule 158.

Issued September 13, 2006

Effective November 1, 2006

Issued by Avista Utilities

By  Kelly Norwood

, Vice President, State & Federal Regulation

AVISTA CORPORATION
d/b/a Avista Utilities

SCHEDULE 150
PURCHASE GAS COST ADJUSTMENT - IDAHO

APPLICABLE:

To Customers in the State of Idaho where Company has natural gas service available.

PURPOSE:

To pass through changes in costs resulting from rate adjustments imposed by the Company's suppliers, to become effective as noted below.

RATE:

- (a) The rates of firm gas Schedules 101, 111, 112, 121 and 122 are to be increased by ~~33.173¢~~ per therm in all blocks of these rate schedules.
- (b) The rates of interruptible Schedules 131 and 132 are to be increased by ~~31.797¢~~ per therm.
- (c) The rate for transportation under Schedule 146 is to be decreased by 00.000¢ per therm.

BALANCING ACCOUNT:

The Company will maintain a Purchase Gas Adjustment (PGA) Balancing Account whereby monthly entries into this Balancing Account will be made to reflect differences between the actual purchased gas costs collected from customers and the actual purchased gas costs incurred by the Company. Those differences are then collected from or refunded to customers under Schedule 155 – Gas Rate Adjustment.

Additional debits or credits for Pipeline refunds or charges, Pipeline capacity release revenues and miscellaneous revenues or expenses directly related to the Company's cost of purchasing gas to meet customer requirements will be recorded in the Balancing account.

Deferred gas costs will be determined for individual customers served under Schedules 112, 122, 132 and 146, as well as for customers that switch to or from any of these service schedules to another schedule. The deferred gas cost balance for these customers will be based on monthly entries in the Balancing Account as described above. The deferred gas cost balance for each customer will be eliminated by either, 1) a lump-sum refund or surcharge, as applicable, or 2) an amortization rate per therm to reduce the balance prospectively.

SPECIAL TERMS AND CONDITIONS:

The rates named herein are subject to increases as set forth in Schedule 158.

Issued October 28, 2005

Effective November 1, 2005

Issued by Avista Utilities

By Kelly O. Norwood - Vice-President, State & Federal Regulation



AVISTA CORPORATION
d/b/a Avista Utilities

SCHEDULE 155
GAS RATE ADJUSTMENT - IDAHO

AVAILABLE:

To Customers in the State of Idaho where Company has natural gas service available.

PURPOSE:

To adjust gas rates for amounts generated by the sources listed below.

MONTHLY RATE:

- (a) The rates of firm gas Schedules 101, 111 and 121 are to be increased by ~~5.027¢~~ per therm in all blocks of these rate schedules.
- (b) The rate of interruptible gas Schedule 131 is to be increased by ~~2.867¢~~ per therm.

SOURCES OF MONTHLY RATE:

Changes in the monthly rates above result from amounts which have been accumulated in the Purchase Gas Adjustment (PGA) Balancing Account as described in Schedule 150 – Purchase Gas Cost Adjustment.

SPECIAL TERMS AND CONDITIONS:

The above Monthly Rate is subject to the provisions of Tax Adjustment Schedule 158.

Issued October 28, 2005

Effective November 1, 2005

Issued by Avista Utilities

By Kelly Norwood

, Vice President, State & Federal Regulation



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IDAHO PUBLIC
UTILITIES COMMISSION

AVISTA UTILITIES

Exhibit "B"

Notice to Public of Applicant's Proposed Tariffs

September 13, 2006

AVISTA UTILITES
NOTICE OF IDAHO TARIFF CHANGE
(Natural Gas Service Only)

Notice is hereby given that the "Sheets" listed below of Tariff IPUC No. 27, covering natural gas service applicable to Idaho customers of Avista Utilities has been filed with the Idaho Public Utilities Commission (IPUC) in Boise, Idaho.

Ninth Revision Sheet 150 canceling Eighth Revision Sheet 150,
Original Sheet 150A and,
Sixth Revision Sheet 155 canceling Fifth Revision sheet 155

Ninth Revision Sheet 150 increases the cost of natural gas by 5.321 cents per therm for all firm sales customers and by 7.167 cents per therm for interruptible sales customers.

Sixth Revision Sheet 155 decreases the amortization rate by 1.607 cents per therm for customers on Schedules 101, 111 and 121.

If the proposed tariff is approved by the IPUC, total Company Idaho revenues will increase by approximately \$2.7 million per year, or about 3.2%. This request is a Purchased Gas Cost Adjustment (PGA) that is filed annually to reflect changes in the cost of gas purchased to serve customers. Any increases or decreases resulting from these PGA filings directly result from the cost of gas purchased in the marketplace; Avista makes no additional profits from these rate changes.

A residential or small business customer served under Schedule 101 using an average of 65 therms per month can expect to see an average increase of approximately \$2.41 per month, or about 3%. Larger commercial customers served under Schedules 111 and 121 can expect to see an average increase of about 3.3% and 3.6% respectively, with the higher percentages due to lower base rates. However, actual customer increases will vary based on therms consumed.

This filing requests an effective date of November 1, 2006.

Copies of the proposed tariff changes are available for inspection in the Company's offices or can be obtained by calling (509) 495-4067 or writing:

Avista Utilities
Attention: Ms. Patty Olsness
P.O. Box 3727
Spokane, WA. 99220-3727

September 13, 2006

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AVISTA UTILITIES

Exhibit "C"

Workpapers

September 13, 2006

Avista Utilities
 State of Idaho
 Average Increase Per Customer

Sch	Actual Annual Usage	Average Monthly Usage	Average No. Of Customers	Average Mo. Usage Per Cust.	Present Rate	Total Present Cost	Proposed Rate	Total Proposed Cost	Estimated Monthly Increase	Estimated Increase Percentage
101	52,641,742	4,386,812	67,258	65	\$1.18692	\$77.15	\$1.22406	\$79.56		
			Basic Charge		\$3.28	\$3.28		\$3.28		
						<u>\$80.43</u>		<u>\$82.84</u>	\$2.41	3.00%
111	14,856,234	1,238,020	734	1,687						
			First 200		\$1.16890	\$233.78	\$1.20604	\$241.21		
			Next 800		\$1.15070	\$920.56	\$1.18784	\$950.27		
			All Over 1,000		\$1.04828	\$720.17	\$1.08542	\$745.68		
						<u>\$1,874.51</u>		<u>\$1,937.16</u>	\$62.65	3.34%
112	1,588	132	1	132						
			First 200		\$1.11863	\$147.66	\$1.17184	\$154.68		
			Next 800		\$1.10043		\$1.15364			
			All Over 1,000		\$0.99801		\$1.05122			
						<u>\$147.66</u>		<u>\$154.68</u>	\$7.02	4.75%
121	1,895,245	157,937	8	19,742						
			First 500		\$1.15779	\$578.90	\$1.19493	\$597.47		
			Next 500		\$1.15051	\$575.26	\$1.18765	\$593.83		
			Next 9,000		\$1.04809	\$9,432.81	\$1.08523	\$9,767.07		
			All Over 10,000		\$1.02931	\$10,027.54	\$1.06645	\$10,389.36		
						<u>\$20,614.51</u>		<u>\$21,347.73</u>	\$733.22	3.56%
122	593,008	49,417	2	24,709						
			First 500		\$1.10752	\$553.76	\$1.16073	\$580.37		
			Next 500		\$1.10024	\$550.12	\$1.15345	\$576.73		
			Next 9,000		\$0.99782	\$8,980.38	\$1.05103	\$9,459.27		
			All Over 10,000		\$0.97904	\$14,400.70	\$1.03225	\$15,183.37		
						<u>\$24,484.96</u>		<u>\$25,799.74</u>	\$1,314.78	5.37%
131					\$0.91560		\$0.99280			
132	535,085	44,590	2	22,295	\$0.88693	\$19,774.10	\$0.95860	\$21,371.99	\$1,597.89	8.08%

Avista Utilities
Calculation of Idaho Proposed Rates

Sch No.	Description	Present Tariff Rate	Proposed Schedule 150	Proposed Schedule 155	Present Schedule 191 (DSM)	Total Proposed Rate
101	General	\$0.80066	\$0.38494	\$0.03420	\$0.00426	\$1.22406
111	Large General					
	First 200	\$0.78317	\$0.38494	\$0.03420	\$0.00373	\$1.20604
	Next 800	\$0.76497	\$0.38494	\$0.03420	\$0.00373	\$1.18784
	Over 1,000	\$0.66255	\$0.38494	\$0.03420	\$0.00373	\$1.08542
112	Large General					
	First 200	\$0.78317	\$0.38494		\$0.00373	\$1.17184
	Next 800	\$0.76497	\$0.38494		\$0.00373	\$1.15364
	Over 1,000	\$0.66255	\$0.38494		\$0.00373	\$1.05122
121	Commercial					
	First 500	\$0.77225	\$0.38494	\$0.03420	\$0.00354	\$1.19493
	Next 500	\$0.76497	\$0.38494	\$0.03420	\$0.00354	\$1.18765
	Next 9,000	\$0.66255	\$0.38494	\$0.03420	\$0.00354	\$1.08523
	Over 10,000	\$0.64377	\$0.38494	\$0.03420	\$0.00354	\$1.06645
122	Commercial					
	First 500	\$0.77225	\$0.38494		\$0.00354	\$1.16073
	Next 500	\$0.76497	\$0.38494		\$0.00354	\$1.15345
	Next 9,000	\$0.66255	\$0.38494		\$0.00354	\$1.05103
	Over 10,000	\$0.64377	\$0.38494		\$0.00354	\$1.03225
131	Interruptible	\$0.56602	\$0.38964	\$0.03420	\$0.00294	\$0.99280
132	Interruptible	\$0.56602	\$0.38964		\$0.00294	\$0.95860
146	Transportation	\$0.10976				\$0.10976
Special Amortization Rates (Note 1)						
	St. Joseph Hospital			\$0.07600		\$0.07600
	Interstate Asphalt			\$0.27320		\$0.27320

Note 1 - Customer has the option of the special amortization rate or a lump sum payment or refund

Avista Utilities
 Calculation of Idaho Present Rates

Sch No.	Description	Present Tariff Rate	Present Schedule 150	Present Schedule 155	Present Schedule 191 (DSM)	Total Present Rate
101	General	\$0.80066	\$0.33173	\$0.05027	\$0.00426	\$1.18692
111	Large General					
	First 200	\$0.78317	\$0.33173	\$0.05027	\$0.00373	\$1.16890
	Next 800	\$0.76497	\$0.33173	\$0.05027	\$0.00373	\$1.15070
	Over 1,000	\$0.66255	\$0.33173	\$0.05027	\$0.00373	\$1.04828
112	Large General					
	First 200	\$0.78317	\$0.33173		\$0.00373	\$1.11863
	Next 800	\$0.76497	\$0.33173		\$0.00373	\$1.10043
	Over 1,000	\$0.66255	\$0.33173		\$0.00373	\$0.99801
121	Commercial					
	First 500	\$0.77225	\$0.33173	\$0.05027	\$0.00354	\$1.15779
	Next 500	\$0.76497	\$0.33173	\$0.05027	\$0.00354	\$1.15051
	Next 9,000	\$0.66255	\$0.33173	\$0.05027	\$0.00354	\$1.04809
	Over 10,000	\$0.64377	\$0.33173	\$0.05027	\$0.00354	\$1.02931
122	Commercial					
	First 500	\$0.77225	\$0.33173		\$0.00354	\$1.10752
	Next 500	\$0.76497	\$0.33173		\$0.00354	\$1.10024
	Next 9,000	\$0.66255	\$0.33173		\$0.00354	\$0.99782
	Over 10,000	\$0.64377	\$0.33173		\$0.00354	\$0.97904
131	Interruptible	\$0.56602	\$0.31797	\$0.02867	\$0.00294	\$0.91560
132	Interruptible	\$0.56602	\$0.31797		\$0.00294	\$0.88693
146	Transportation	\$0.10976				\$0.10976
Special Amortization Rates (Note 1)						
	St. Joseph Hospital			\$0.07324		\$0.07324

Avista Utilities
 State of Idaho
 Recap of Rate Changes

	Previous Rate	Proposed Rate	Increase <Decrease>
Schedule 150			
Schedule 101	\$0.33173	\$0.38494	\$0.05321
Schedule 111	\$0.33173	\$0.38494	\$0.05321
Schedule 112	\$0.33173	\$0.38494	\$0.05321
Schedule 121	\$0.33173	\$0.38494	\$0.05321
Schedule 122	\$0.33173	\$0.38494	\$0.05321
Schedule 131	\$0.31797	\$0.38964	\$0.07167
Schedule 132	\$0.31797	\$0.38964	\$0.07167
Schedule 146			
Schedule 155			
Schedule 101	\$0.05027	\$0.03420	(\$0.01607)
Schedule 111	\$0.05027	\$0.03420	(\$0.01607)
Schedule 112			
Schedule 121	\$0.05027	\$0.03420	(\$0.01607)
Schedule 122			
Schedule 131	\$0.02867	\$0.03420	\$0.00553
Schedule 132			
Schedule 146			
Special Amortization Rates (Note 1)			
St. Joseph Hospital	\$0.07324	\$0.07600	\$0.00276
Interstate Asphalt		\$0.27320	\$0.27320
Combined Schedule 150 & 155			
Schedule 101	\$0.38200	\$0.41914	\$0.03714
Schedule 111	\$0.38200	\$0.41914	\$0.03714
Schedule 112	\$0.33173	\$0.38494	\$0.05321
Schedule 121	\$0.38200	\$0.41914	\$0.03714
Schedule 122	\$0.33173	\$0.38494	\$0.05321
Schedule 131	\$0.34664	\$0.42384	\$0.07720
Schedule 132	\$0.31797	\$0.38964	\$0.07167
Schedule 146			
Special Amortization Rates (Note 1)			
St. Joseph Hospital	\$0.07324	\$0.07600	\$0.00276
Interstate Asphalt		\$0.27320	\$0.27320

Note 1 - Customer has the option of the special amortization rate or a lump sum payment or refund

Avista Utilities
 State of Idaho
 Estimated Commodity WACOG
 (Based on 8/16/06 Forward Prices)

	Idaho Delivered Volumes	Transport Fuel Volumes	Less: Storage Withdrawals	Total Idaho Volumes	Total Idaho Comm. Costs	Less: Storage Cost Withdrawals	Net Idaho Comm. Costs	Idaho WACOG
November	9,861,210	168,630		10,029,840	\$8,284,044		\$8,284,044	\$0.82594
December	12,387,670	211,830	(424,320)	12,175,180	\$11,250,001	(251,333)	\$10,998,668	\$0.90337
January	12,890,710	191,230	(2,913,670)	10,168,270	\$11,139,332	(1,725,805)	\$9,413,527	\$0.92577
February	9,671,110	148,160	(2,697,580)	7,121,690	\$8,093,251	(1,597,818)	\$6,495,433	\$0.91206
March	7,997,520	121,390	(1,004,700)	7,114,210	\$6,992,323	(595,099)	\$6,397,224	\$0.89922
April	5,872,910	101,080	(269,890)	5,704,100	\$4,441,729	(159,860)	\$4,281,869	\$0.75067
May	4,496,210	64,480		4,560,690	\$3,425,833		\$3,425,833	\$0.75117
June	3,139,890	59,400		3,199,290	\$2,447,967		\$2,447,967	\$0.76516
July	2,005,410	37,820		2,043,230	\$1,621,153		\$1,621,153	\$0.79343
August	2,076,460	39,100		2,115,560	\$1,685,811		\$1,685,811	\$0.79686
September	3,653,600	69,140		3,722,740	\$2,908,983		\$2,908,983	\$0.78141
October	5,869,370	101,980		5,971,350	\$4,663,520		\$4,663,520	\$0.78098
	<u>79,922,070</u>	<u>1,314,240</u>	<u>(7,310,160)</u>	<u>73,926,150</u>	<u>\$66,953,947</u>	<u>(\$4,329,915)</u>	<u>\$62,624,032</u>	<u>\$0.84712</u>

Avista Utilities
State of Idaho
Total Gas Costs
For 11/1/06 - 10/31/07

	Demand	Commodity	Total
Proposed Gas Costs			
Schedules 101 - 122	\$0.07853	\$0.83953	\$0.91806
Schedules 131 - 132		\$0.83953	\$0.83953
Present Gas Costs			
Schedules 101 - 122	\$0.09699	\$0.76786	\$0.86485
Schedules 131 - 132		\$0.76786	\$0.76786
Increase <Decrease>			
Schedules 101 - 122	(\$0.01846)	\$0.07167	\$0.05321
Schedules 131 - 132		\$0.07167	\$0.07167

Avista Utilities
 Calculation of Gas Transmission NW Corporation

	FTS-1 F-00177 (Oct - Mar)	FTS-1 F-00177 (Apr - Sept)	FTS-1 F-00178	FTS-1 F-002591	Total
MMBTu's	54,823	30,000	20,782	25,000	
Number of Effective Months	6	6	12	12	
Annual MMBTu's	328,938	180,000	249,384	300,000	1,058,322
Fixed Rate (Note 1)	\$1.306903	\$1.518340	\$1.412621	\$1.412621	
Mileage Rate (Note 1)	\$0.016230	\$0.018740	\$0.017486	\$0.017486	
Mileage	103.19	103.19	103.19	108.29	
Total Mileage Rate	\$1.674770	\$1.933780	\$1.804380	\$1.893560	
Fixed Annual Amount	\$429,890.06	\$273,301.20	\$352,285.08	\$423,786.30	\$ 1,479,262.64
Annual Mileage Based Amount	\$550,895.49	\$348,080.40	\$449,983.50	\$568,068.00	\$ 1,917,027.39
Total Annual Amount	\$980,785.55	\$621,381.60	\$802,268.58	\$991,854.30	\$3,396,290.03

Note 1 - Rate based on two months at current rate and 10 months at proposed rate, see following:

Gas Transmission NW, Third Revised Volume No. 1-A

	8th Revised Sheet No. 4 (Current)	9th Revised Sheet No. 4 (Proposed)	Total Pro-Rated Rate
Daily Fixed Rate Non Mileage		\$ 0.049918	
Annualize		365	
Divide by 12 Months		12	
Monthly Rate (Per MMBTu)	\$ 0.884028	\$1.518340	
Effective Months	2	10	
Divide by 6 Months	12	12	
Pro-Rated Fixed Rate (Per MMBTu)	\$ 0.147338	\$ 1.265283	\$ 1.412621
Daily Fixed Rate Non Mileage		\$ 0.049918	
Annualize		365	
Divide by 12 Months		12	
Monthly Rate (Per MMBTu)	\$ 0.884028	\$1.518340	
Effective Months	2	4	
Divide by 6 Months	6	6	
Pro-Rated Fixed Rate (Per MMBTu)	\$ 0.294676	\$ 1.012227	\$ 1.306903
Daily Mileage Per Mile (Oct - Mar)		\$0.000616	
Annualize		365	
Divide by 12 Months		12	
Monthly Rate (Per MMBTu)	\$ 0.011212	\$0.018740	
Effective Months	2	4	
Divide by 12 Months	6	6	
Pro-Rated Fixed Rate (Per MMBTu)	\$ 0.003737	\$ 0.012493	\$ 0.016230
Daily Mileage Per Mile (Annuals)		\$0.000616	
Annualize		365	
Divide by 12 Months		12	
Daily Mileage Per Mile (Annual)	\$ 0.011212	\$0.018740	
Effective Months	2	10	
Divide by 12 Months	12	12	
Pro-Rated Fixed Rate (Per MMBTu)	\$ 0.001869	\$ 0.015617	\$ 0.017486

Avista Utilities
 TCPL BC (ANG) Demand/Volumetric Calculation

Capacity	Decatherms	Number of Months	Annualized Decatherms
Decatherms	92,239	6	553,432
	117,519	6	705,113
Annualized	<u>209,758</u>	<u>12</u>	<u>1,258,545</u>

FS-1 Firm Service Demand Rate

Tariff Schedule Tab 3, Page 2

Demand Rate (Canadian cents/GJ/Km/Month) \$0.012454355541

Convert to a daily rate

* 12 Mos/365 Days

\$0.0698945257

Convert to MMBtu's

1.055056

\$0.0737426387

Translate to U.S. Dollars

85%

\$0.0626812429

Avista Utilities
TCPL BC (NOVA) Demand Calculation
Effective 11/1/2006

Rate Schedule FT-D	GJ
Demand Rate per month (C\$) 10 ³ m ³	\$3.74
Daily Demand (*12 mos/365 days)	\$0.1230
Convert to GJ (/38.25)	
Convert to MMBtu's (*1.055056)	\$0.129772
Convert to U.S. Dollars	85%
Daily per MMBtu	<u>\$0.110306</u> <u>\$0.137880</u>

Avista Utilities
TCPL BC (NOVA) Demand Calculation

Rate Schedule FT-D	
Demand Rate per month (C\$) (10 cubed/m cubed)	\$446.78
Daily Demand (*12 mos/365 days)	\$14.6887
Convert to GJ (/38.25)	\$0.384017
Convert to MMBtu's (*1.055056)	\$0.405159
Convert to U.S. Dollars	85%
	<u>\$0.344385</u>

Avista Utilities
 State of Idaho - Weighted Average Cost of Gas
 Estimated Transportation Therms/Revenue

	Daily Firm	Annualized Volumes	NWP Demand Rate (Note 2)	Annual Estimated Revenue
Washington Transporters				
Empire Health Services	7,000	84,000	\$1.24871	\$104,892
Eastern Washington University	7,000	84,000	1.24871	104,892
Sacred Heart	4,000	48,000	1.24871	59,938
Kaiser Trentwood (Note 1)			1.24871	
Total Washington	18,000	216,000		269,722
Idaho Transporters				
Potlatch (Note 1)			1.24871	
University of Idaho (Note 1)			1.24871	
Total Idaho				
Total Washington/Idaho	18,000	216,000		\$269,722

Note 1 - These customers no longer have a Buy/Sell Arrangement but are billed direct by NW Pipeline

Note 2 - From NWP Thirtieth Revised Sheet 5, Effective 10/1/05
 Rate Schedule TF-1, Large Customer, System-Wide (MMBTu) \$0.27760

From NWP Proposed Thirty-First Revised Sheet 5, Effective 1/1/07
 Rate Schedule TF-1, Large Customer, System-Wide (MMBTu) \$0.43712

Annualize	365	365
Divide by 12 Months	12	12
Divide by 10 to get from MMBTu's to Therms	10	10
Monthly Rate	\$0.84437	\$1.32957

Effective Months	2	10	
Divide by 12 Months	12	12	
Pro-Rated Rate	\$ 0.14073	\$1.10798	\$1.24871

Avista Utilities
 State of Idaho - Estimated Therm Sales

	Sch 101	Sch 111	Sch 121	Sch 131	Total Est. Sales Therms	Sch 146	Sch 147	Potlatch	Total
January	9,974,817	2,607,241	270,285	38,367	12,890,710	347,157	293,532	4,140,375	17,671,774
February	7,483,144	1,928,273	218,812	40,879	9,671,108	312,204	278,606	4,349,679	14,611,597
March	6,122,785	1,618,284	213,779	42,666	7,997,514	315,113	323,291	4,159,441	12,795,359
April	4,362,438	1,260,875	212,209	37,385	5,872,907	381,505	271,586	4,235,375	10,761,373
May	3,103,882	1,137,267	223,665	31,393	4,496,207	426,417	254,895	4,238,500	9,416,019
June	1,957,087	877,766	258,441	46,597	3,139,891	427,723	258,281	4,251,021	8,076,916
July	1,110,602	673,137	184,376	37,291	2,005,406	410,878	269,751	4,509,914	7,195,949
August	1,175,012	694,347	151,498	55,603	2,076,460	388,004	262,142	4,349,142	7,075,748
September	2,712,012	749,608	139,825	52,154	3,653,599	405,080	280,543	4,443,000	8,782,222
October	4,365,848	1,268,612	182,900	52,012	5,869,372	458,935	276,315	4,298,541	10,903,163
November	7,730,840	1,802,457	213,927	113,983	9,861,207	419,832	199,613	3,964,151	14,444,803
December	9,992,104	2,147,209	205,362	42,996	12,387,671	410,216	196,863	3,894,047	16,888,797
	<u>60,090,571</u>	<u>16,765,076</u>	<u>2,475,079</u>	<u>591,326</u>	<u>79,922,052</u>	<u>4,703,064</u>	<u>3,165,418</u>	<u>50,833,186</u>	<u>138,623,720</u>

Estimated Loss Factor

102.155%

Estimated Therms Purchased

81,644,400

Idaho Commodity Percentage

29.136%

Estimated System Therms Purchased

280,218,000

Avista Utilities
State of Idaho - Estimated Therms Purchased

	Actual System Purchases For 12 Months Ended 06/30/06	Gas Control's Estimated Therms
Jackson Prairie Withdrawals		
Washington	12,132,506	17,559,000
Idaho	4,908,414	7,310,000
 Plymouth Withdrawals		
Purchases Allocated to Washington	170,319,335	
Purchases Allocated to Idaho	70,107,845	
 Firm Volumes		255,349,000
	<hr/> <hr/>	<hr/> <hr/>
	257,468,100	280,218,000

Avista Utilities
 State of Idaho
 Recap of Changes To Schedule 150
 Anticipated Effect Date 11/1/06

CENTS PER THERM

	Commodity	Demand Charge	Total
Schedule 101			
Current Rate	0.31797	0.01376	0.33173
Proposed Incr<Decr>	0.07167	(0.01846)	0.05321
Proposed Rate	<u>0.38964</u>	<u>(0.00470)</u>	<u>0.38494</u>
Schedule 111			
Current Rate	0.31797	0.01376	0.33173
Proposed Incr<Decr>	0.07167	(0.01846)	0.05321
Proposed Rate	<u>0.38964</u>	<u>(0.00470)</u>	<u>0.38494</u>
Schedule 112			
Current Rate	0.31797	0.01376	0.33173
Proposed Incr<Decr>	0.07167	(0.01846)	0.05321
Proposed Rate	<u>0.38964</u>	<u>(0.00470)</u>	<u>0.38494</u>
Schedule 121			
Current Rate	0.31797	0.01376	0.33173
Proposed Incr<Decr>	0.07167	(0.01846)	0.05321
Proposed Rate	<u>0.38964</u>	<u>(0.00470)</u>	<u>0.38494</u>
Schedule 122			
Current Rate	0.31797	0.01376	0.33173
Proposed Incr<Decr>	0.07167	(0.01846)	0.05321
Proposed Rate	<u>0.38964</u>	<u>(0.00470)</u>	<u>0.38494</u>
Schedule 131			
Current Rate	0.31797		0.31797
Proposed Incr<Decr>	0.07167		0.07167
Proposed Rate	<u>0.38964</u>		<u>0.38964</u>
Schedule 132			
Current Rate	0.31797		0.31797
Proposed Incr<Decr>	0.07167		0.07167
Proposed Rate	<u>0.38964</u>		<u>0.38964</u>
Schedule 146 (Firm)			
Current Rate			
Proposed Incr<Decr>			
Proposed Rate			
Schedule 146 (Int)			
Current Rate			
Proposed Incr<Decr>			
Proposed Rate			

Avista Utilities
State of Idaho
Calculation of Changes to Schedule 155

	Current Rate Incr <Decr>	Proposed Rate Incr <Decr>	Total Proposed Incr <Decr>
Firm Customers, Schs 101, 111 & 121	\$0.05027	\$0.03420	(\$0.01607)
Firm Customers, Schedules 112 & 122			
Interruptible Customers, Schedules 131	\$0.02867	\$0.03420	\$0.00553
Interruptible Customers, Schedules 132			
Transportation Customers, Schedules 146			
Special Amortization Rates (Note 1)			
St. Joseph Hospital	\$0.07324	\$0.07600	\$0.00276
Interstate Asphalt		\$0.27320	\$0.27320

Note 1 - Customer has the option of the special amortization rate or a lump sum payment or refund

Avista Utilities
Idaho Gas Tracker
Calculation of New Amortization Rate

	All Firm Customers	All Sales Customers	Total Amortization Rate
Schedule 101	(\$0.03143)	\$0.06563	\$0.03420
Schedule 111	(\$0.03143)	\$0.06563	\$0.03420
Schedule 112			\$0.00000
Schedule 121	(\$0.03143)	\$0.06563	\$0.03420
Schedule 122			\$0.00000
Schedule 131	(\$0.03143)	\$0.06563	\$0.03420
Schedule 132			\$0.00000

Avista Utilities
Idaho Gas Tracker

	Unamortized Deferrals Note 1 (Acct 191000)	Current Deferrals Note 1 (Acct 191010)	Total	Adjustments	Total
All Firm Customers	9,505.24	(2,475,482.80)	(2,465,977.56)		(2,465,977.56)
All Sales Customers	(442,556.74)	5,630,628.52	5,188,071.78		5,188,071.78
Coeur d'Alene Resort		(5,567.44)	(5,567.44)		(5,567.44)
Coeur d'Alene Fiber Fuel	0.10	87.79	87.89		87.89
Idaho Asphalt IMCO					
Interstate Asphalt	15.87	29,070.52	29,086.39		29,086.39
Kootenai Medical Center Lignetics					
Merritt Brothers Pottlatch					
Stimson Lumber - River Avenue	(1.86)	(2,094.27)	(2,096.13)		(2,096.13)
Stimson Lumber - Seltice Way					
St. Joseph Hospital	(5,685.31)	37,713.23	32,027.92		32,027.92
University of Idaho					
	<u>(438,722.70)</u>	<u>3,214,355.55</u>	<u>2,775,632.85</u>		<u>2,775,632.85</u>

Note 1 - Balance includes 7/05 - 8/06 actuals and 9/06 - 10/06 estimates

Account Name	Balance 6/30/05	7/31/05 Commodity Deferral	7/31/05 Demand Deferral	Cascade Revenue	7/31/05 Off-System Cap. Rel	Interest	Balance 7/31/05	8/31/05 Commodity Deferral	8/31/05 Demand Deferral	Cascade Revenue	8/31/05 Off-System Cap. Rel	Interest	Balance 8/31/05
Avista Utilities													
State of Idaho													
Recap of Acct 191.41/191010													
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	Balance	7/31/05	7/31/05	Cascade	7/31/05	Interest	Balance	8/31/05	8/31/05	Cascade	8/31/05	Interest	Balance
	6/30/05	Commodity	Demand	Revenue	Off-System		7/31/05	Commodity	Demand	Revenue	Off-System		8/31/05
		Deferral	Deferral		Cap. Rel			Deferral	Deferral	Cap. Rel	Cap. Rel		
CDA Resort	(0.60)						(0.60)						(0.60)
CDA Fiber Fuel	124.59	0.62	24.35	(1.05)	(11.01)	0.22	137.72	7.47	23.60	(1.06)	(12.28)	0.24	155.69
Idaho Asphalt													
IMS						31.13	18,858.71	2,569.06				33.57	21,461.34
Interstate Asphalt - Sandpoint	18,526.92	300.66											
Kootenai Medical Center													
Lignetics													
Merritt Brothers													
Potlatch													
Stimson Lumber (River Ave)	(2,234.00)	338.00	1,009.73	(43.50)	(456.65)	(3.00)	(1,389.42)					(2.30)	(1,391.72)
Stimson Lumber (Seltice)	12.76						12.76						12.76
St. Joseph	15,946.50	537.32				27.03	16,510.85	4,458.17				31.23	21,000.25
University of Idaho													
Firm Customers	(190,560.44)		339,257.67	(14,614.85)	(153,429.82)	(174.92)	(19,522.36)		327,353.62	(14,658.34)	(170,376.48)	86.06	122,882.50
Sales Customers	2,461,579.62	32,503.67				4,122.51	2,498,205.80	317,129.05				4,423.17	2,819,758.02
	2,303,395.35	33,680.27	340,291.75	(14,659.40)	(153,897.48)	4,002.97	2,512,813.46	324,163.75	327,377.22	(14,659.40)	(170,388.76)	4,571.97	2,983,878.24

Entity	11/30/05		11/05 Comm.		12/31/05		11/05 Demand		12/31/05		12/31/05		1/31/06	
	Demand & Capacity Rel. Deferrals	Cascade Revenue	Interest	Balance 11/30/05	Correction	Commodity Deferral	Correction	11/05 Demand	Demand & Capacity Rel. Deferrals	Cascade Revenue	Interest	Balance 12/31/05	Commodity Deferral	
Avista Utilities														
State of Idaho														
Recap of Acct 191.41/191010														
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	(29.54)	(1.06)	17.37	10,438.47	0.04	7,066.16	0.16	(981.61)	(17.77)	22.45	16,527.70	8,731.56		
CDA Resort			0.03	4.02		86.12		(59.92)	(1.08)	0.03	29.37	120.00		
CDA Fiber Fuel														
Idaho Asphalt														
IMS			49.48	33,661.83						56.10	33,717.93			
Interstate Asphalt - Sandpoint														
Kootenai Medical Center														
Lignetics														
Merritt Brothers														
Pollatch														
Stimson Lumber (River Ave)	(1,179.63)	(42.28)	2.66	1,025.72	3.44	5,541.87	6.33	(2,525.35)	(45.71)	4.20	4,010.50	7,827.51		
Stimson Lumber (Selitice)			65.85	47,821.77	775.52	6,397.52				86.33	55,081.14	6,902.23		
St. Joseph														
University of Idaho														
Firm Customers	(407,761.49)	(14,616.06)	142.10	(125,789.01)			2,188.42	(806,290.56)	(14,594.84)	(891.90)	(945,377.89)			
Sales Customers			6,523.62	5,226,317.60	123,136.05	1,484,057.80				10,154.29	6,843,665.74	1,531,181.70		
	(408,970.66)	(14,659.40)	6,801.11	5,193,480.40	123,915.05	1,503,149.47	2,194.91	(809,857.44)	(14,659.40)	9,431.50	6,007,654.49	1,554,763.00		

	3/31/06	4/30/06	4/30/06	4/30/06	4/30/06	4/30/06	5/31/06	5/31/06	5/31/06	5/31/06	5/31/06	6/30/06
	Balance	Commodity	Demand &	Cascade	Interest	Balance	Commodity	Demand &	Cascade	Interest	Balance	Commodity
	3/31/06	Deferral	Capacity Rel.	Revenue		4/30/06	Deferral	Capacity Rel.	Revenue		5/31/06	Deferral
			Deferrals					Deferrals				
Avista Utilities												
State of Idaho												
Recap of Acct 191.41/191010												
F:\craig\idaho\06Track\Recap191010.xls												
	19,710.36	(4,501.09)	(768.17)	(58.18)	42.62	14,425.54	(3,746.05)	82.60	(65.05)	31.40	10,728.44	(7,989.88)
CDA Resort	86.25				0.22	86.47				0.22	86.69	
CDA Fiber Fuel												
Idaho Asphalt												
IMS												
Interstate Asphalt - Sandpoint	33,949.55	(0.82)			84.87	34,033.60	(58.52)			85.01	34,060.09	
Kootenai Medical Center												
Lignetics												
Merritt Brothers												
Pollatch												
Stimson Lumber (River Ave)	6,364.40	(7,719.95)	(655.91)	(49.68)	5.38	(2,055.76)	(180.92)	62.97	(49.59)	(5.35)	(2,228.65)	
Stimson Lumber (Selitice)	60,915.95	(3,830.46)			147.50	57,232.99	(3,960.13)			138.13	53,410.99	(6,879.46)
St. Joseph												
University of Idaho												
Firm Customers	(2,448,446.84)		(190,040.38)	(14,393.74)	(6,376.66)	(2,659,257.62)		18,269.12	(14,386.96)	(6,643.28)	(2,662,018.74)	
Sales Customers	8,064,222.85	(626,609.05)			19,377.29	7,456,991.09	(459,401.63)			18,068.22	7,015,657.68	(557,160.73)
	5,736,802.52	(642,661.37)	(191,464.46)	(14,501.60)	13,281.22	4,901,456.31	(467,347.25)	18,414.69	(14,501.60)	11,674.35	4,449,696.50	(572,030.07)

Avista Utilities	EST.		EST.		EST.		EST.		EST.		EST.		EST.	
	9/30/06	9/30/06	9/30/06	9/30/06	9/30/06	9/30/06	9/30/06	9/30/06	9/30/06	9/30/06	9/30/06	9/30/06	9/30/06	9/30/06
State of Idaho	Commodity	Demand & Capacity Rel.	Cascade Revenue	Interest	Balance 9/30/06	Commodity Deferral	Demand & Capacity Rel. Deferrals	Cascade Revenue	Interest	Balance 9/30/06	Commodity Deferral	Demand & Capacity Rel. Deferrals	Cascade Revenue	Interest
Recap of Acct 191.41/191010	Deferral	Deferrals	Revenue	Revenue	9/30/06	Deferral	Deferrals	Revenue	Revenue	9/30/06	Deferral	Deferrals	Revenue	Revenue
F:\craig\idaho\06Track\Recap191010.xls	8/31/06	8/31/06	8/31/06	8/31/06	8/31/06	8/31/06	8/31/06	8/31/06	8/31/06	8/31/06	8/31/06	8/31/06	8/31/06	8/31/06
CDA Resort	(4,156.79)	686.78	(58.49)	(8.98)	(3,037.68)	(2,145.56)	(314.97)	(58.49)	(10.74)	(5,567.44)				
CDA Fiber Fuel	87.35			0.22	87.57				0.22	87.79				
Idaho Asphalt														
IMS														
Interstate Asphalt - Sandpoint	29,439.99	269.81		73.94	29,783.74	(786.70)			73.48	29,070.52				
Kootenai Medical Center														
Lignetics														
Merritt Brothers														
Potlatch														
Stimson Lumber (River Ave)	(2,083.84)			(5.21)	(2,089.05)				(5.22)	(2,094.27)				
Stimson Lumber (Sellice)														
St. Joseph	39,103.61	711.31		98.65	39,913.57	(2,297.25)			96.91	37,713.23				
University of Idaho														
Firm Customers	(2,480,115.42)		(14,443.11)	(6,064.06)	(2,377,203.39)		(77,778.03)	(14,443.11)	(6,058.27)	(2,475,482.80)				
Sales Customers	5,926,542.62	77,608.10		14,913.36	6,019,064.08	(402,979.49)			14,543.93	5,630,628.52				
	3,508,817.52	79,276.00	(14,501.60)	9,007.92	3,706,518.84	(408,209.00)	(78,093.00)	(14,501.60)	8,640.31	3,214,355.55				

Washington Water Power Company
 State of Idaho
 Analysis of Account 191010

	Total Acct 191010	Commodity Deferral	Demand Deferral	Cascade Revenue	Interest	A&G Deferral	Benchmark Deferral	Off-System Sales/Cap Rel
6/30/05 Ending Balance	2,303,395.35	4,410,333.05	373,131.53	(192,171.98)	30,154.98	(26,475.03)	(1,572,566.55)	(719,010.65)
7/31/05 Actual Current Deferrals	205,415.14	33,680.27	340,291.75	(14,659.40)	4,002.97			(153,897.48)
7/31/05 Interest	4,002.97							
7/31/05 Ending Balance	2,512,813.46	4,444,013.32	713,423.28	(206,831.38)	34,157.95	(26,475.03)	(1,572,566.55)	(872,908.13)
8/31/05 Actual Current Deferrals	466,492.81	324,163.75	327,377.22	(14,659.40)	4,571.97			(170,388.76)
8/31/05 Interest	4,571.97							
8/31/05 Ending Balance	2,983,878.24	4,768,177.07	1,040,800.50	(221,490.78)	38,729.92	(26,475.03)	(1,572,566.55)	(1,043,296.89)
9/30/05 Actual Current Deferrals	1,165,641.66	1,109,402.79	70,898.27	(14,659.40)	5,943.31			
9/30/05 Interest	5,943.31							
9/30/05 Ending Balance	4,155,463.21	5,877,579.86	1,111,698.77	(236,150.18)	44,673.23	(26,475.03)	(1,572,566.55)	(1,043,296.89)
10/31/05 Actual Current Deferrals	1,114,735.86	1,188,542.86	(59,147.60)	(14,659.40)	7,854.70			
10/31/05 Interest	7,854.70							
10/31/05 Ending Balance	5,278,053.77	7,066,122.72	1,052,551.17	(250,809.58)	52,527.93	(26,475.03)	(1,572,566.55)	(1,043,296.89)
11/30/05 Actual Current Deferrals	2,212,020.87	2,635,650.93	(408,970.66)	(14,659.40)				
11/30/05 Tracker Transfer	(2,303,395.35)	(4,410,333.05)	(373,131.53)	192,171.98	(30,154.98)	26,475.03	1,572,566.55	719,010.65
11/30/05 Interest	6,801.11				6,801.11			
11/30/05 Ending Balance	5,193,480.40	5,291,440.60	270,448.98	(73,297.00)	29,174.06			(324,286.24)
12/31/05 Actual Current Deferrals	804,742.59	1,627,064.52	(807,662.53)	(14,659.40)	9,431.50			Note 1
12/31/05 Interest	9,431.50							
12/31/05 Ending Balance	6,007,654.49	6,918,505.12	(537,213.55)	(87,956.40)	38,605.56			(324,286.24)
1/31/06 Actual Current Deferrals	997,533.48	1,554,763.00	(542,570.12)	(14,659.40)	16,266.05			Note 1
1/31/06 Interest	16,266.05							
1/31/06 Ending Balance	7,021,454.02	8,473,268.12	(1,079,783.67)	(102,615.80)	54,871.61			(324,286.24)
2/28/06 Actual Current Deferrals	(663,053.65)	(152,991.18)	(495,403.07)	(14,659.40)	16,724.82			Note 1
2/28/06 Interest	16,724.82							
2/28/06 Ending Balance	6,375,125.19	8,320,276.94	(1,575,186.74)	(117,275.20)	71,596.43			(324,286.24)

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Washington Water Power Company
 State of Idaho
 Analysis of Account 191010

	Total Acct 191010	Commodity Deferral	Demand Deferral	Cascade Revenue	Interest	A&G Deferral	Benchmark Deferral	Off-System Sales/Cap Rel
3/31/06 Actual Current Deferrals	(653,443.68)	(221,684.74)	(417,099.54)	(14,659.40)	15,121.01			Note 1
Interest	15,121.01							
3/31/06 Ending Balance	5,736,802.52	8,098,592.20	(1,992,286.28)	(131,934.60)	86,717.44			(324,286.24)
4/30/06 Actual Current Deferrals	(848,627.43)	(642,661.37)	(191,464.46)	(14,501.60)	13,281.22			Note 1
Interest	13,281.22							
4/30/06 Ending Balance	4,901,456.31	7,455,930.83	(2,183,750.74)	(146,436.20)	99,998.66			(324,286.24)
5/31/06 Actual Current Deferrals	(463,434.16)	(467,347.25)	18,414.69	(14,501.60)	11,674.35			Note 1
Interest	11,674.35							
5/31/06 Ending Balance	4,449,696.50	6,988,583.58	(2,165,336.05)	(160,937.80)	111,673.01			(324,286.24)
6/30/06 Actual Current Deferrals	(518,123.18)	(572,030.07)	68,408.49	(14,501.60)	10,476.59			Note 1
Interest	10,476.59							
6/30/06 Ending Balance	3,942,049.91	6,416,553.51	(2,096,927.56)	(175,439.40)	122,149.60			(324,286.24)
7/31/06 Actual Current Deferrals	(282,533.25)	(356,058.74)	88,027.09	(14,501.60)	9,501.96			Note 1
Interest	9,501.96							
7/31/06 Ending Balance	3,669,018.62	6,060,494.77	(2,008,900.47)	(189,941.00)	131,651.56			(324,286.24)
8/31/06 Actual Current Deferrals	(169,162.19)	(244,273.91)	89,613.32	(14,501.60)	8,961.09			Note 1
Interest	8,961.09							
8/31/06 Ending Balance	3,508,817.52	5,816,220.86	(1,919,287.15)	(204,442.60)	140,612.65			(324,286.24)
9/30/06 Estimated Current Deferrals	188,693.40	79,276.00	123,919.00	(14,501.60)	9,007.92			Note 1
Interest	9,007.92							
9/30/06 Ending Balance	3,706,518.84	5,895,496.86	(1,795,368.15)	(218,944.20)	149,620.57			(324,286.24)
10/31/06 Estimated Current Deferrals	(500,803.60)	(408,209.00)	(78,093.00)	(14,501.60)	8,640.31			Note 1
Interest	8,640.31							
10/31/06 Ending Balance	3,214,355.55	5,487,287.86	(1,873,461.15)	(233,445.80)	158,260.88			(324,286.24)

NOTE 1 - Capacity Releases have been netted against the Demand Deferral

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AVISTA UTILITIES

Exhibit "D"

Pipeline Tariff Sheets
Used In This Filing

September 13, 2006

STATEMENT OF RATES					
Effective Rates Applicable to Rate Schedules TF-1, TF-2 and TI-1					
(Dollars per Dth)					
Rate Schedule and Type of Rate	Base Tariff Rate		ACA(2)	Currently Effective Tariff Rate(3)	
	Minimum	Maximum		Minimum	Maximum
Rate Schedule TF-1 (4)(5)					
Reservation					
(Large Customer)					
System-Wide	.00000	.43712	-	.00000	.43712
15 Year Evergreen Exp.	.00000	.41621	-	.00000	.41621
25 Year Evergreen Exp.	.00000	.39748	-	.00000	.39748
Volumetric					
(Large Customer)					
System-Wide	.00756	.00756	.00180	.00936	.00936
15 Year Evergreen Exp.	.00369	.00369	.00180	.00549	.00549
25 Year Evergreen Exp.	.00369	.00369	.00180	.00549	.00549
(Small Customer) (6)	.00756	.88180	.00180	.00936	.88360
Scheduled Oerrun	.00756	.44468	.00180	.00936	.44648
Rate Schedule TF-2 (4)(5)					
Reservation	.00000	.43712	-	.00000	.43712
Volumetric	.00756	.00756	-	.00756	.00756
Scheduled Daily Oerrun	.00756	.44468	-	.00756	.44468
Annual Oerrun	.00756	.44468	-	.00756	.44468
Rate Schedule TI-1					
Volumetric (7)	.00756	.44468	.00180	.00936	.44648
Scheduled Oerrun	.00756	.44468	.00180	.00936	.44648

STATEMENT OF RATES (Continued)

Effective Rates Applicable to Rate Schedule LS-1

(Dollars per Dth)

Type of Rate	Currently Effective Tariff Rate (1)
Demand Charge (2)	0.03154
Capacity Charge (2)	0.00403
Liquefaction	0.64110
Vaporization	0.04184

Footnotes

- (1) Shippers receiving service under this rate schedule are required to furnish fuel reimbursement in-kind at the rate specified on Sheet No. 14.
- (2) Rates are daily rates computed on the basis of 365 days per year, except that rates for leap years are computed on the basis of 366 days.

TABLE OF RATES, TOLLS & CHARGES

Service	Rates, Tolls and Charges		
1. Rate Schedule FT-R	Refer to Attachment "1" for applicable FT-R Demand Rate per month & Surcharge for each Receipt Point Average Firm Service Receipt Price (AFSRP) \$141.42/10 ³ m ³		
2. Rate Schedule FT-RN	Refer to Attachment "1" for applicable FT-RN Demand Rate per month & Surcharge for each Receipt Point		
3. Rate Schedule FT-D	FT-D Demand Rate per month (Apr – Oct) \$141.42/10 ³ m ³ FT-D Demand Rate per month (effective November 1, 2006) \$ 3.74/GJ		
4. Rate Schedule STFT	STFT Bid Price. Minimum bid of 100% of FT-D Demand Rate		
5. Rate Schedule FT-DW	FT-DW Bid Price. Minimum bid of 125% of FT-D Demand Rate		
6. Rate Schedule FT-A	FT-A Commodity Rate \$ 0.48/10 ³ m ³		
7. Rate Schedule FT-P	Refer to Attachment "2" for applicable FT-P Demand Rate per month		
8. Rate Schedule LRS	<u>Contract Term</u>	<u>Effective LRS Rate (\$/10³m³/day)</u>	
	1-5 years	9.69	
	6-10 years	8.10	
	15 years	7.26	
	20 years	6.45	
9. Rate Schedule LRS-2	LRS-2 Rate per month \$50,000		
10. Rate Schedule LRS-3	LRS-3 Demand Rate per month (Jan – April) \$196.32/10 ³ m ³ LRS-3 Demand Rate per month (effective May 1, 2006) \$129.55/10 ³ m ³		
11. Rate Schedule IT-R	Refer to Attachment "1" for applicable IT-R Rate & Surcharge for each Receipt Point		
12. Rate Schedule IT-D	IT-D Rate (Apr – Oct) \$ 5.12/10 ³ m ³ IT-D Rate (effective November 1, 2006) \$ 0.1354/GJ		
13. Rate Schedule FCS	The FCS Charge is determined in accordance with Attachment "1" to the applicable Schedule of Service		
14. Rate Schedule PT	<u>Schedule No</u>	<u>PT Rate</u>	<u>PT Gas Rate</u>
	9005-01000-0	\$ 164.91/d	0.0 10 ³ m ³ /d
	9006-01000-0	\$ 15.05/d	1.0 10 ³ m ³ /d
15. Rate Schedule OS	<u>Schedule No.</u>	<u>Charge</u>	
	2003004522-2	\$ 83,333.00 / month	
	2003034359-2	\$ 899.00 / month	
	2004168619-1	\$ 437.50 / month	
	2006222805-2	\$ 8.00 / month	
	2006222973-1	\$ 856.00 / month	
	2006222974-1	\$ 66.00 / month	
	2006223044-1	\$ 171.00 / month	
	2006223045-1	\$ 1,576.00 / month	
	2006223046-1	\$ 294.00 / month	
	2006223047-1	\$ 68.00 / month	
	2006224148-1	\$ 92.00 / month	
	2006224149-1	\$ 536.00 / month	
	2006224337-1	\$ 66.00 / month	
	2006224475-1	\$ 111.00 / month	
	2006224607-1	\$ 3,588.00 / month	
16. Rate Schedule CO ₂	<u>Tier</u>	<u>CO₂ Rate (\$/10³m³)</u>	
	1	674.38	
	2	532.41	
	3	390.43	

3 RATES STATEMENT AND CALCULATION METHODOLOGY**3.1 Statement of Effective Rates and Charges**

	Effective Rates
FS-1 Firm Service	
Demand Rate (cents/GJ/Km/Month*)	1.2454355541
IS-1 Interruptible Service	
Commodity Rate (cents/GJ/Km*)	0.0450404091

* Total distance of pipeline is 170.7 km

Company Use Gas

Shipper's Share of Company Use Gas shall be determined pursuant to Section 10.5 of the General Terms and Conditions.

Westcoast Energy Inc.				
TOLL SCHEDULES - SERVICE				
APPENDIX A				
DEMAND AND COMMODITY TOLLS				
TRANSPORTATION SERVICE - SOUTHERN				
Firm Transportation Service - Southern				
		Demand Tolls \$/10 ³ m ³ /mo.		
Service Term	PNG Delivery Point	Inland Delivery Area	Huntingdon Delivery Area	Terasen Kingsvale to Huntingdon*
1 year	109.76	264.57	484.40	219.83
2 years	106.56	256.86	470.29	213.43
3 years	103.36	249.15	456.18	207.03
4 years	102.30	246.59	451.48	204.89
5 years or more	101.23	244.02	446.78	202.76
* For Firm Transportation Service - Southern provided by Westcoast pursuant to a Firm Service Agreement dated April 15, 2002 between Westcoast and Terasen Gas Inc.				
Plus the amount of tax on fuel gas consumed in operations payable by Westcoast under the Motor Fuel Tax Act (British Columbia) allocated to Shipper for each day in the month.				
AOS and Interruptible Transportation Service - Southern				
		Commodity Tolls\$/10 ³ m ³		
Months	PNG Delivery Point	Inland Delivery Area	Huntingdon Delivery Area	
November to March	4.811	11.597	21.234	
April to October	3.608	8.698	15.925	
Plus the amount of tax on fuel gas consumed in operations payable by Westcoast under the Motor Fuel Tax Act (British Columbia) allocated to Shipper for each day in the month.				
Import Backhaul Service				
		Commodity Tolls \$/10 ³ m ³		
Months	Inland Delivery Area	PNG Delivery Point	Compressor Station No. 2	
November to March	9.637	16.423	21.234	
April to October	7.227	12.317	15.925	
Plus the amount of tax on fuel gas consumed in operations payable by Westcoast under the Motor Fuel Tax Act (British Columbia) allocated to Shipper for each day in the month.				