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IDAHO PUBLIC  
UTILITIES COMMISSIONDeloitte & Touche LLP  
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## INDEPENDENT AUDITORS' REPORT

Avista Corporation  
Spokane, Washington

We have audited the balance sheet—regulatory basis of Avista Corporation (the “Company”) as of December 31, 2004, and the related statements of income—regulatory basis; retained earnings—regulatory basis; cash flows—regulatory basis, and accumulated other comprehensive income, comprehensive income, and hedging activities—regulatory basis for the year ended December 31, 2004, included on pages 110 through 123.30 of the accompanying Federal Energy Regulatory Commission Form 1. These financial statements are the responsibility of the Company’s management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company’s internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As discussed in Note 1, these financial statements were prepared in accordance with the accounting requirements of the Federal Energy Regulatory Commission as set forth in its applicable Uniform System of Accounts and published accounting releases, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

In our opinion, such financial statements present fairly, in all material respects, the assets, liabilities, and proprietary capital of Avista Corporation as of December 31, 2004, and the results of its operations and its cash flows for the year ended December 31, 2004, in accordance with the accounting requirements of the Federal Energy Regulatory Commission as set forth in its applicable Uniform System of Accounts and published accounting releases.

This report is intended solely for the information and use of the board of directors and management of Avista Corporation and for filing with the Federal Energy Regulatory Commission and is not intended to be and should not be used by anyone other than these specified parties.

*Deloitte & Touche LLP*

March 9, 2005

THIS FILING IS

Item 1:  An Initial (Original) Submission      OR     Resubmission No. \_\_\_\_\_

Form 1 Approved  
OMB No. 1902-0021  
(Expires 6/30/2007)  
Form 1-F Approved  
OMB No. 1902-0029  
(Expires 6/30/2007)  
Form 3-Q Approved  
OMB No. 1902-0205  
(Expires 6/30/2007)



# FERC FINANCIAL REPORT

## FERC FORM No. 1: Annual Report of Major Electric Utilities, Licensees and Others and Supplemental Form 3-Q: Quarterly Financial Report

These reports are mandatory under the Federal Power Act, Sections 3, 4(a), 304 and 309, and 18 CFR 141.1 and 141.400. Failure to report may result in criminal fines, civil penalties and other sanctions as provided by law. The Federal Energy Regulatory Commission does not consider these reports to be of confidential nature

Exact Legal Name of Respondent (Company)

Avista Corporation

Year/Period of Report

End of 2004/Q4

**FERC FORM NO. 1/3-Q:  
REPORT OF MAJOR ELECTRIC UTILITIES, LICENSEES AND OTHER**

**IDENTIFICATION**

01 Exact Legal Name of Respondent Avista Corporation		02 Year/Period of Report End of <u>2004/Q4</u>	
03 Previous Name and Date of Change (if name changed during year)  //			
04 Address of Principal Office at End of Period (Street, City, State, Zip Code) 1411 East Mission Avenue, Spokane, WA, 99202			
05 Name of Contact Person M. K. Malquist		06 Title of Contact Person Senior VP, CFO and Treasurer	
07 Address of Contact Person (Street, City, State, Zip Code) 1411 East Mission Avenue, Spokane, WA, 99202			
08 Telephone of Contact Person, Including Area Code (509) 495-4171	09 This Report Is (1) <input checked="" type="checkbox"/> An Original      (2) <input type="checkbox"/> A Resubmission		10 Date of Report (Mo, Da, Yr) 04/25/2005

**ANNUAL CORPORATE OFFICER CERTIFICATION**

The undersigned officer certifies that:

I have examined this report and to the best of my knowledge, information, and belief all statements of fact contained in this report are correct statements of the business affairs of the respondent and the financial statements, and other financial information contained in this report, conform in all material respects to the Uniform System of Accounts.

01 Name M. K. Malquist	03 Signature 	04 Date Signed (Mo, Da, Yr) 04/25/2005
02 Title Senior VP, CFO and Treasurer		

Title 18, U.S.C. 1001 makes it a crime for any person to knowingly and willingly to make to any Agency or Department of the United States any false, fictitious or fraudulent statements as to any matter within its jurisdiction.

Name of Respondent Avista Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/25/2005	Year/Period of Report End of <u>2004/Q4</u>
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LIST OF SCHEDULES (Electric Utility)

Enter in column (c) the terms "none," "not applicable," or "NA," as appropriate, where no information or amounts have been reported for certain pages. Omit pages where the respondents are "none," "not applicable," or "NA".

Line No.	Title of Schedule (a)	Reference Page No. (b)	Remarks (c)
1	General Information	101	
2	Control Over Respondent	102	NA
3	Corporations Controlled by Respondent	103	
4	Officers	104	
5	Directors	105	
6	Important Changes During the Year	108-109	
7	Comparative Balance Sheet	110-113	
8	Statement of Income for the Year	114-117	
9	Statement of Retained Earnings for the Year	118-119	
10	Statement of Cash Flows	120-121	
11	Notes to Financial Statements	122-123	
12	Statement of Accum Comp Income, Comp Income, and Hedging Activities	122(a)(b)	
13	Summary of Utility Plant & Accumulated Provisions for Dep, Amort & Dep	200-201	
14	Nuclear Fuel Materials	202-203	NA
15	Electric Plant in Service	204-207	
16	Electric Plant Leased to Others	213	NA
17	Electric Plant Held for Future Use	214	NA
18	Construction Work in Progress-Electric	216	
19	Accumulated Provision for Depreciation of Electric Utility Plant	219	
20	Investment of Subsidiary Companies	224-225	
21	Materials and Supplies	227	
22	Allowances	228-229	NA
23	Extraordinary Property Losses	230	NA
24	Unrecovered Plant and Regulatory Study Costs	230	NA
25	Other Regulatory Assets	232	
26	Miscellaneous Deferred Debits	233	
27	Accumulated Deferred Income Taxes	234	
28	Capital Stock	250-251	
29	Other Paid-in Capital	253	NA
30	Capital Stock Expense	254	
31	Long-Term Debit	256-257	
32	Reconciliation of Reported Net Income with Taxable Inc for Fed Inc Tax	261	
33	Taxes Accrued, Prepaid and Charged During the Year	262-263	
34	Accumulated Deferred Investment Tax Credits	266-267	
35	Other Deferred Credits	269	
36	Accumulated Deferred Income Taxes-Accelerated Amortization Property	272-273	NA

LIST OF SCHEDULES (Electric Utility) (continued)

Enter in column (c) the terms "none," "not applicable," or "NA," as appropriate, where no information or amounts have been reported for certain pages. Omit pages where the respondents are "none," "not applicable," or "NA".

Line No.	Title of Schedule (a)	Reference Page No. (b)	Remarks (c)
37	Accumulated Deferred Income Taxes-Other Property	274-275	
38	Accumulated Deferred Income Taxes-Other	276-277	
39	Other Regulatory Liabilities	278	
40	Electric Operating Revenues	300-301	
41	Sales of Electricity by Rate Schedules	304	
42	Sales for Resale	310-311	
43	Electric Operation and Maintenance Expenses	320-323	
44	Purchased Power	326-327	
45	Transmission of Electricity for Others	328-330	
46	Transmission of Electricity by Others	332	
47	Miscellaneous General Expenses-Electric	335	
48	Depreciation and Amortization of Electric Plant	336-337	
49	Regulatory Commission Expenses	350-351	
50	Research, Development and Demonstration Activities	352-353	NA
51	Distribution of Salaries and Wages	354-355	
52	Common Utility Plant and Expenses	356	
53	Monthly Transmission System Peak Load	398	
54	Electric Energy Account	400	
55	Monthly Peaks and Output	401	
56	Steam Electric Generating Plant Statistics (Large Plants)	401	
57	Hydroelectric Generating Plant Statistics (Large Plants)	402-403	
58	Pumped Storage Generating Plant Statistics (Large Plants)	406-407	NA
59	Generating Plant Statistics (Small Plants)	408-409	
60	Transmission Line Statistics	410-411	
61	Transmission Lines Added During Year	422-423	
62	Substations	424-425	
63	Footnote Data	426-427	
64	Stockholders Rpts Check Approp box: Four copies... No annual report...	450	
	<b>Stockholders' Reports Check appropriate box:</b> <input checked="" type="checkbox"/> Four copies will be submitted <input type="checkbox"/> No annual report to stockholders is prepared		

<b>Name of Respondent</b> Avista Corporation	<b>This Report Is:</b> (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	<b>Date of Report</b> (Mo, Da, Yr) 04/25/2005	<b>Year/Period of Report</b> End of <u>2004/Q4</u>
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**GENERAL INFORMATION**

1. Provide name and title of officer having custody of the general corporate books of account and address of office where the general corporate books are kept, and address of office where any other corporate books of account are kept, if different from that where the general corporate books are kept.

M. K. Malquist, Senior Vice President, Chief Financial Officer and Treasurer  
 1411 E. Mission Avenue  
 Spokane, WA 99202

2. Provide the name of the State under the laws of which respondent is incorporated, and date of incorporation. If incorporated under a special law, give reference to such law. If not incorporated, state that fact and give the type of organization and the date organized.

State of Washington, Incorporated March 15, 1889

3. If at any time during the year the property of respondent was held by a receiver or trustee, give (a) name of receiver or trustee, (b) date such receiver or trustee took possession, (c) the authority by which the receivership or trusteeship was created, and (d) date when possession by receiver or trustee ceased.

Not Applicable

4. State the classes or utility and other services furnished by respondent during the year in each State in which the respondent operated.

Electric service in the states of Washington, Idaho and Montana

Natural gas service in the states of Washington, Idaho, Oregon, and California

5. Have you engaged as the principal accountant to audit your financial statements an accountant who is not the principal accountant for your previous year's certified financial statements?

- (1)  Yes...Enter the date when such independent accountant was initially engaged:  
 (2)  No

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**CORPORATIONS CONTROLLED BY RESPONDENT**

1. Report below the names of all corporations, business trusts, and similar organizations, controlled directly or indirectly by respondent at any time during the year. If control ceased prior to end of year, give particulars (details) in a footnote.
2. If control was by other means than a direct holding of voting rights, state in a footnote the manner in which control was held, naming any intermediaries involved.
3. If control was held jointly with one or more other interests, state the fact in a footnote and name the other interests.

**Definitions**

1. See the Uniform System of Accounts for a definition of control.
2. Direct control is that which is exercised without interposition of an intermediary.
3. Indirect control is that which is exercised by the interposition of an intermediary which exercises direct control.
4. Joint control is that in which neither interest can effectively control or direct action without the consent of the other, as where the voting control is equally divided between two holders, or each party holds a veto power over the other. Joint control may exist by mutual agreement or understanding between two or more parties who together have control within the meaning of the definition of control in the Uniform System of Accounts, regardless of the relative voting rights of each party.

Line No.	Name of Company Controlled (a)	Kind of Business (b)	Percent Voting Stock Owned (c)	Footnote Ref. (d)
1	Avista Capital, Inc.	Parent company to the	100	
2		Company's subsidiaries.		
3				
4	Avista Advantage, Inc.	Provider of utility bill	100	Subsidiary of
5		processing, payment and		Avista Capital
6		information services to multi		
7		site customers in North Amer.		
8				
9	Avista Communications, Inc.	Telecommunications	100	Currently inactive
10				Subsidiary of
11				Avista Capital
12				
13				
14				
15				
16	Avista Development, Inc.	Nonoperating company which	100	Subsidiary of
17		maintains an investment		Avista Ventures
18		portfolio of real estate and		
19		other investments.		
20				
21	Avista Energy, Inc.	Wholesale electricity and	99.8	Subsidiary of
22		natural gas trading, marketing		Avista Capital
23		and resource management.		
24				
25	Avista Laboratories, Inc.	Holds a cost based investment	100	
26		in a fuel cell technology		
27		company.		

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1				
2	Avista Power, LLC	Owns non-regulated generation	100	Subsidiary of
3		assets.		Avista Capital
4				
5	Avista Services, Inc.	No longer operating.	100	Dissolved in 2/2004
6				
7	Avista Turbine Power, Inc.	Receives assignments of	100	Subsidiary of
8		purchase power agreements.		Avista Power
9				
10	Avista Rathdrum, LLC	Owns 49 percent of Rathdrum	100	Subsidiary of
11		Power, LLC		Avista Power
12				
13	Avista Ventures, Inc.	Invests in emerging business.	100	Subsidiary of
14		Parent of Avista Development		Avista Capital
15		and Pentzer Corporation		
16				
17	Pentzer Corporation	Parent company of Advanced	100	Subsidiary of
18		Manufacturing and		Avista Ventures
19		Development.		
20				
21	Advanced Manufacturing and Development, Inc.	Performs custom sheet metal	93	Subsidiary of
22		manufacturing of electronic		Pentzer Corporation
23		enclosures, parts and systems		
24		for the computer, telecom and		
25		medical industries. AM&D		
26		also has a wood products		
27		division that provides		

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Line No.	Name of Company Controlled (a)	Kind of Business (b)	Percent Voting Stock Owned (c)	Footnote Ref. (d)
1		complete fabrication and		
2		turnkey assembly for arcade		
3		games, kiosks, store fixtures		
4		and displays.		
5				
6	Avista Receivables Corporation	Acquires and sells accounts	100	
7		receivable of Avista Corp.		
8				
9	Avista Energy Canada, Ltd.	A wholly owned subsidiary of	100	Subsidiary of
10		Avista Energy, Inc. that		Avista Energy
11		provides natural gas service		
12		to approximately 250		
13		individual customers in		
14		British Columbia, Canada		
15				
16	Rathdrum Power, LLC	Developed and owns an	49	
17		electric generation asset.		
18				
19	Coyote Springs 2, LLC	Developed and owns an	50	
20		electric generation asset.		
21				
22	WP Funding LP	Owens an electric generation	0	Controlled pursuant
23		asset.		to FIN 46.
24				
25	Spokane Energy, LLC	Marketing of energy.	100	
26				
27				

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Line No.	Name of Company Controlled (a)	Kind of Business (b)	Percent Voting Stock Owned (c)	Footnote Ref. (d)
1	Avista Capital I	An affiliated business trust	100	Currently inactive.
2		formed by the Company.		Will be dissolved
3		Issued Pref. Trust Securities		in 2005.
4				
5	Avista Capital II	An affiliated business trust	100	
6		formed by the Company.		
7		Issued Pref. Trust Securities		
8				
9	AVA Capital Trust III	An affiliated business trust	100	
10		formed by the Company.		
11		Issued Pref. Trust Securities		
12				
13	Steam Plant Square, LLC	Commercial office and retail	99	Subsidiary of
14		leasing.		Avista Development
15				
16	Courtyard Office Center	Commercial office and retail	100	Subsidiary of
17		leasing.		Avista Development
18				
19	L&S The Highlands, Ltd.	Low income housing	50	Subsidiary of
20				Avista Development
21	L&S Chewelah Meadows, Ltd.	Low income housing	50	Subsidiary of
22				Avista Development
23	L&S The Falls, Ltd.	Low income housing	50	Subsidiary of
24				Avista Development
25	Homestead Limited Partnership	Low income housing	99	Subsidiary of
26				Avista Development
27				

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**OFFICERS**

1. Report below the name, title and salary for each executive officer whose salary is \$50,000 or more. An "executive officer" of a respondent includes its president, secretary, treasurer, and vice president in charge of a principal business unit, division or function (such as sales, administration or finance), and any other person who performs similar policy making functions.
2. If a change was made during the year in the incumbent of any position, show name and total remuneration of the previous incumbent, and the date the change in incumbency was made.

Line No.	Title (a)	Name of Officer (b)	Salary for Year (c)
1	Chairman of the Board, President and		
2	Chief Executive Officer	G. G. Ely	
3			
4	Senior Vice President, Chief Financial Officer and		
5	Treasurer (Title change effective 02/06/2004)	M. K. Malquist	
6			
7	Senior Vice President	S. L. Morris	
8			
9	Vice President and Chief Counsel for Regulatory and		
10	Governmental Affairs (Title change effective 02/06/2004)	D. J. Meyer	
11			
12	Vice President	R. R. Peterson	
13			
14	Vice President	R. D. Woodworth	
15			
16	Vice President and Controller	C. M. Burmeister - Smith	
17			
18	Vice President	K. O. Norwood	
19			
20	Vice President and Corporate Secretary	K. S. Feltes	
21			
22	Vice President (Effective 05/14/2004)	D. F. Kopczynski	
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**DIRECTORS**

- Report below the information called for concerning each director of the respondent who held office at any time during the year. Include in column (a), abbreviated titles of the directors who are officers of the respondent.
- Designate members of the Executive Committee by a triple asterisk and the Chairman of the Executive Committee by a double asterisk.

Line No.	Name (and Title) of Director (a)	Principal Business Address (b)
1	David A. Clack***	325 E. Sprague Avenue, Spokane WA 99202
2		
3	Lura J. Powell	2400 Stevens Dr., Suite B, Richland, WA 99352
4		
5	R. John Taylor***	111 Main Street, Lewiston ID 83501
6		
7	John F. Kelly	4915 E. Doubletree Ranch Rd., Paradise Valley, AZ 85253
8		
9	Jack W. Gustavel	P. O. Box J, Coeur d' Alene, ID 83816
10		
11	Jessie J. Knight, Jr.	Emerald Plaza, 402 W. Broadway, Suite 1000,
12		San Diego, CA 92101
13		
14	Erik J. Anderson	3720 Carillon Point, Kirkland, WA 98033
15		
16	Kristianne Blake***	P.O. Box 28338, Spokane WA 99228
17		
18	Gary G. Ely**	1411 E. Mission Ave, Spokane, WA 99202
19	(Chairman, President, & CEO)	
20		
21	Roy Lewis Eiguren	P.O. Box 2720, Boise, ID 83701
22		
23	Michael L. Noel	11960 W. Six Shooter Rd. , Prescott, AZ 86305
24		
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**IMPORTANT CHANGES DURING THE QUARTER/YEAR**

Give particulars (details) concerning the matters indicated below. Make the statements explicit and precise, and number them in accordance with the inquiries. Each inquiry should be answered. Enter "none," "not applicable," or "NA" where applicable. If information which answers an inquiry is given elsewhere in the report, make a reference to the schedule in which it appears.

1. Changes in and important additions to franchise rights: Describe the actual consideration given therefore and state from whom the franchise rights were acquired. If acquired without the payment of consideration, state that fact.
2. Acquisition of ownership in other companies by reorganization, merger, or consolidation with other companies: Give names of companies involved, particulars concerning the transactions, name of the Commission authorizing the transaction, and reference to Commission authorization.
3. Purchase or sale of an operating unit or system: Give a brief description of the property, and of the transactions relating thereto, and reference to Commission authorization, if any was required. Give date journal entries called for by the Uniform System of Accounts were submitted to the Commission.
4. Important leaseholds (other than leaseholds for natural gas lands) that have been acquired or given, assigned or surrendered: Give effective dates, lengths of terms, names of parties, rents, and other condition. State name of Commission authorizing lease and give reference to such authorization.
5. Important extension or reduction of transmission or distribution system: State territory added or relinquished and date operations began or ceased and give reference to Commission authorization, if any was required. State also the approximate number of customers added or lost and approximate annual revenues of each class of service. Each natural gas company must also state major new continuing sources of gas made available to it from purchases, development, purchase contract or otherwise, giving location and approximate total gas volumes available, period of contracts, and other parties to any such arrangements, etc.
6. Obligations incurred as a result of issuance of securities or assumption of liabilities or guarantees including issuance of short-term debt and commercial paper having a maturity of one year or less. Give reference to FERC or State Commission authorization, as appropriate, and the amount of obligation or guarantee.
7. Changes in articles of incorporation or amendments to charter: Explain the nature and purpose of such changes or amendments.
8. State the estimated annual effect and nature of any important wage scale changes during the year.
9. State briefly the status of any materially important legal proceedings pending at the end of the year, and the results of any such proceedings culminated during the year.
10. Describe briefly any materially important transactions of the respondent not disclosed elsewhere in this report in which an officer, director, security holder reported on Page 106, voting trustee, associated company or known associate of any of these persons was a party or in which any such person had a material interest.
11. (Reserved.)
12. If the important changes during the year relating to the respondent company appearing in the annual report to stockholders are applicable in every respect and furnish the data required by Instructions 1 to 11 above, such notes may be included on this page.
13. Describe fully any changes in officers, directors, major security holders and voting powers of the respondent that may have occurred during the reporting period.
14. In the event that the respondent participates in a cash management program(s) and its proprietary capital ratio is less than 30 percent please describe the significant events or transactions causing the proprietary capital ratio to be less than 30 percent, and the extent to which the respondent has amounts loaned or money advanced to its parent, subsidiary, or affiliated companies through a cash management program(s). Additionally, please describe plans, if any to regain at least a 30 percent proprietary ratio.

PAGE 108 INTENTIONALLY LEFT BLANK  
SEE PAGE 109 FOR REQUIRED INFORMATION.

Name of Respondent	This Report is:	Date of Report	Year/Period of Report
Avista Corporation	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) 04/25/2005	2004/Q4
IMPORTANT CHANGES DURING THE QUARTER/YEAR (Continued)			

1. None
2. None
3. None
4. None
5. None

6. In April 2004, the Company issued Junior Subordinated Debt Securities, with a principal amount of \$61.9 million to AVA Capital Trust III, a business trust. Concurrently, AVA Capital Trust III issued \$60.0 million of Preferred Trust Securities to third parties and \$1.9 million of Common Trust Securities to the Company. The issuance was approved by the following state commission orders: WUTC (Washington) docket UE-040329 Order No. 1; IPUC (Idaho) case AVU-U-04-01 Order No. 29447; OPUC (Oregon) UF 4202 Order No. 04 162; CPUC (California) application 00-04-011 decision 00-06-064; and Montana Commission docket 6690 Order No. 4535.

The Company used the proceeds from the Junior Subordinated Debt Securities to redeem \$61.9 million of 7.875 percent Junior Subordinated Deferrable Interest Debentures, Series A, originally issued in 1997 to Avista Capital I, a business trust. Avista Capital I used these proceeds to redeem \$60.0 million of Preferred Trust Securities issued to third parties and \$1.9 million of Common Trust Securities issued to the Company. Reference is made to Note 11 of Notes to Financial Statements, page 123 of this Report.

In November 2004, the Company issued \$90.0 million of 5.45 percent First Mortgage Bonds due in 2019. The Company used the proceeds to repay a portion of the borrowings outstanding under its committed line of credit. This debt was issued under a registration statement filed on Form S-3 with the Securities and Exchange Commission. The issuance was approved by the following state commission orders: WUTC (Washington) docket UE-031031 Order No. 1; IPUC (Idaho) case AVU-E-03-3 Order No. 29266; OPUC (Oregon) docket UF-4198 Order No. 03-347; CPUC (California) application 00-04-011 decision 00-06-064; and Montana Commission docket 6690 Order No. 4535. Reference is made to Note 10 of Notes to Financial Statements, page 123 of this Report.

On May 6, 2004, the Company amended its committed line of credit with various banks to increase the available amount to \$350.0 million from \$245.0 million and extend the expiration date to May 5, 2005. On December 17, 2004, the Company entered into a five-year committed line of credit with various banks in the amount of \$350.0 million with an expiration date of December 16, 2009. This committed line of credit replaced a \$350.0 million committed line of credit with a 364-day term that had an expiration date of May 5, 2005. Reference is made to Note 12 of Notes to Financial Statements, page 123 of this Report.

In December 2004, the Company issued \$172.6 million of non-transferable First Mortgage Bonds (Collateral Bonds) under its Mortgage and Deed of Trust, dated as of June 1, 1939, as amended and supplemented (Mortgage), in order to provide the benefit of the lien of the Mortgage to secure its obligations with respect to previously issued and outstanding unsecured debt securities, including \$88.9 million of its Medium Term Notes, Series C and the municipal bond insurance policies insuring \$83.7 million of Pollution Control Revenue Bonds issued for the benefit of the Company by the City of Forsyth, Montana. The Collateral Bonds were issued in order to suspend certain negative covenants, which had limited the Company's ability to issue additional secured debt. The issuance was approved by the following state commission orders: WUTC (Washington) dockets UE-971300 and UE-011475 Order No. 2; IPUC (Idaho) case AVU-U-04-3 Order No. 29643; OPUC (Oregon) dockets UF-4153(1), UF-4185(1) and UF-4079(1) Order No. 04-689; CPUC (California) application 00-04-011 decision 00-06-064; and Montana Commission docket 6690 Order No. 4535. Reference is made to Note 10 of Notes to Financial Statements, page 123 of this Report.

7. No changes in articles of incorporation or amendments to charter. The Bylaws of Avista Corporation were amended on August 13, 2004. The amendments include the addition of Section 11 of Article II, which provides specific procedures for shareholders to propose business to be brought before the Annual Meeting of Shareholders.

The amendments also include the addition of the following sentences to Section 2 of Article III: No person may be elected or re-elected as a director if at the time of their election or re-election, such person shall have attained the age of seventy (70) years. Any director who attains such age while in office shall retire from the Board of Directors effective at the Annual Meeting of Shareholders held in the year in which their then current term expires, and any such director shall not be nominated or re-elected as a director.

Additionally, Section 15 of Article III was deleted from the Bylaws of Avista Corporation, which previously stated: Directors who are seventy (70) years of age or more shall retire from the Board effective at the conclusion of the Annual Meeting of Shareholders held in the year in which their term expires, and any such Director shall not be nominated for election at such Annual Meeting. The foregoing

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IMPORTANT CHANGES DURING THE QUARTER/YEAR (Continued)			

shall be effective in 1988 and thereafter as to any Director who is seventy (70) years of age or more during the year in which his or her term expires.

8. Average annual wage increases were 2.7% during 2004 for non-exempt personnel. Annual wage increases were 3.4% for exempt employees (including officers) during 2004. Bargaining unit employees were granted increases of 3.5% during 2004.

9. Reference is made to Note 21 of Notes to Financial Statements, page 123 of this Report.

10. None

11. Reserved

12. See Notes to Financial Statements at Page 123 of this Report.

13. In February 2004, D.A. Brukardt, Vice President and Treasurer, resigned. M.K. Malquist was named Treasurer in February 2004. In January 2004, T.L. Syms, Vice President and Assistant to the Chairman, retired. In February 2004, D.J. Meyer was named Vice President and Chief Counsel for Regulatory and Governmental Affairs. D.J. Meyer was previously Senior Vice President and General Counsel. Don Kopczynski was named Vice President in May 2004. Michael L. Noel was elected as a director in 2004.

14. Proprietary capital is not less than 30 percent.

Name of Respondent Avista Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/25/2005	Year/Period of Report End of <u>2004/Q4</u>
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**COMPARATIVE BALANCE SHEET (ASSETS AND OTHER DEBITS)**

Line No.	Title of Account (a)	Ref. Page No. (b)	Current Year End of Quarter/Year Balance (c)	Prior Year End Balance 12/31 (d)
<b>1</b>	<b>UTILITY PLANT</b>			
2	Utility Plant (101-106, 114)	200-201	2,631,344,033	2,544,618,721
3	Construction Work in Progress (107)	200-201	49,895,113	49,615,389
4	TOTAL Utility Plant (Enter Total of lines 2 and 3)		2,681,239,146	2,594,234,110
5	(Less) Accum. Prov. for Depr. Amort. Depl. (108, 110, 111, 115)	200-201	928,445,545	886,846,714
6	Net Utility Plant (Enter Total of line 4 less 5)		1,752,793,601	1,707,387,396
7	Nuclear Fuel in Process of Ref., Conv., Enrich., and Fab. (120.1)	202-203	0	0
8	Nuclear Fuel Materials and Assemblies-Stock Account (120.2)		0	0
9	Nuclear Fuel Assemblies in Reactor (120.3)		0	0
10	Spent Nuclear Fuel (120.4)		0	0
11	Nuclear Fuel Under Capital Leases (120.6)		0	0
12	(Less) Accum. Prov. for Amort. of Nucl. Fuel Assemblies (120.5)	202-203	0	0
13	Net Nuclear Fuel (Enter Total of lines 7-11 less 12)		0	0
14	Net Utility Plant (Enter Total of lines 6 and 13)		1,752,793,601	1,707,387,396
15	Utility Plant Adjustments (116)	122	0	0
16	Gas Stored Underground - Noncurrent (117)		0	0
<b>17</b>	<b>OTHER PROPERTY AND INVESTMENTS</b>			
18	Nonutility Property (121)		3,272,992	3,264,833
19	(Less) Accum. Prov. for Depr. and Amort. (122)		135,292	118,011
20	Investments in Associated Companies (123)		13,403,000	13,403,000
21	Investment in Subsidiary Companies (123.1)	224-225	256,786,600	255,904,488
22	(For Cost of Account 123.1, See Footnote Page 224, line 42)			
23	Noncurrent Portion of Allowances	228-229	0	0
24	Other Investments (124)		37,182,363	42,335,128
25	Sinking Funds (125)		0	0
26	Depreciation Fund (126)		0	0
27	Amortization Fund - Federal (127)		0	0
28	Other Special Funds (128)		20,246,110	16,429,928
29	Special Funds (Non Major Only) (129)		0	0
30	Long-Term Portion of Derivative Assets (175)		0	0
31	Long-Term Portion of Derivative Assets - Hedges (176)		55,824,772	34,516,248
32	TOTAL Other Property and Investments (Lines 18-21 and 23-31)		386,580,545	365,735,614
<b>33</b>	<b>CURRENT AND ACCRUED ASSETS</b>			
34	Cash and Working Funds (Non-major Only) (130)		0	0
35	Cash (131)		-5,239,043	-2,136,438
36	Special Deposits (132-134)		572,613	0
37	Working Fund (135)		495,365	577,122
38	Temporary Cash Investments (136)		6,699,209	21,143,327
39	Notes Receivable (141)		153,770	0
40	Customer Accounts Receivable (142)		56,067,151	45,726,942
41	Other Accounts Receivable (143)		4,433,112	4,175,943
42	(Less) Accum. Prov. for Uncollectible Acct.-Credit (144)		2,810,071	2,281,537
43	Notes Receivable from Associated Companies (145)		42,000,000	40,018,082
44	Accounts Receivable from Assoc. Companies (146)		610,682	10,855
45	Fuel Stock (151)	227	4,049,604	2,395,349
46	Fuel Stock Expenses Undistributed (152)	227	0	0
47	Residuals (Elec) and Extracted Products (153)	227	0	0
48	Plant Materials and Operating Supplies (154)	227	9,867,767	9,522,082
49	Merchandise (155)	227	0	0
50	Other Materials and Supplies (156)	227	0	0
51	Nuclear Materials Held for Sale (157)	202-203/227	0	0
52	Allowances (158.1 and 158.2)	228-229	0	0

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**COMPARATIVE BALANCE SHEET (ASSETS AND OTHER DEBITS)(Continued)**

Line No.	Title of Account (a)	Ref. Page No. (b)	Current Year End of Quarter/Year Balance (c)	Prior Year End Balance 12/31 (d)
53	(Less) Noncurrent Portion of Allowances		0	0
54	Stores Expense Undistributed (163)	227	-62,610	-496,415
55	Gas Stored Underground - Current (164.1)		9,268,257	8,176,453
56	Liquefied Natural Gas Stored and Held for Processing (164.2-164.3)		724,434	640,745
57	Prepayments (165)		3,899,276	1,092,491
58	Advances for Gas (166-167)		0	0
59	Interest and Dividends Receivable (171)		19,493	961
60	Rents Receivable (172)		391,040	459,233
61	Accrued Utility Revenues (173)		0	0
62	Miscellaneous Current and Accrued Assets (174)		82,082	610,557
63	Derivative Instrument Assets (175)		0	0
64	(Less) Long-Term Portion of Derivative Instrument Assets (175)		0	0
65	Derivative Instrument Assets - Hedges (176)		66,023,684	39,499,770
66	(Less) Long-Term Portion of Derivative Instrument Assets - Hedges (176)		55,824,772	34,516,248
67	Total Current and Accrued Assets (Lines 34 through 66)		141,421,043	134,619,274
68	<b>DEFERRED DEBITS</b>			
69	Unamortized Debt Expenses (181)		16,858,709	20,113,211
70	Extraordinary Property Losses (182.1)	230	0	0
71	Unrecovered Plant and Regulatory Study Costs (182.2)	230	0	0
72	Other Regulatory Assets (182.3)	232	231,982,032	239,863,731
73	Prelim. Survey and Investigation Charges (Electric) (183)		12,084,058	12,156,159
74	Preliminary Natural Gas Survey and Investigation Charges 183.1)		0	0
75	Other Preliminary Survey and Investigation Charges (183.2)		0	0
76	Clearing Accounts (184)		728,989	1,510,244
77	Temporary Facilities (185)		0	0
78	Miscellaneous Deferred Debits (186)	233	51,242,169	86,083,253
79	Def. Losses from Disposition of Utility Plt. (187)		0	0
80	Research, Devel. and Demonstration Expend. (188)	352-353	0	0
81	Unamortized Loss on Reaquired Debt (189)		36,554,021	28,712,173
82	Accumulated Deferred Income Taxes (190)	234	50,892,673	34,222,386
83	Unrecovered Purchased Gas Costs (191)		28,639,755	15,352,084
84	Total Deferred Debits (lines 69 through 83)		428,982,406	438,013,241
85	TOTAL ASSETS (lines 14-16, 32, 67, and 84)		2,709,777,595	2,645,755,525

Name of Respondent Avista Corporation	This Report is: (1) <input type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (mo, da, yr) 04/25/2005	Year/Period of Report end of 2004/Q4
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**COMPARATIVE BALANCE SHEET (LIABILITIES AND OTHER CREDITS)**

Line No.	Title of Account (a)	Ref. Page No. (b)	Current Year End of Quarter/Year Balance (c)	Prior Year End Balance 12/31 (d)
1	PROPRIETARY CAPITAL			
2	Common Stock Issued (201)	250-251	629,055,981	626,787,347
3	Preferred Stock Issued (204)	250-251	0	0
4	Capital Stock Subscribed (202, 205)	252	0	0
5	Stock Liability for Conversion (203, 206)	252	0	0
6	Premium on Capital Stock (207)	252	0	0
7	Other Paid-In Capital (208-211)	253	0	0
8	Installments Received on Capital Stock (212)	252	0	0
9	(Less) Discount on Capital Stock (213)	254	0	0
10	(Less) Capital Stock Expense (214)	254	10,676,498	10,949,795
11	Retained Earnings (215, 215.1, 216)	118-119	91,642,291	81,854,919
12	Unappropriated Undistributed Subsidiary Earnings (216.1)	118-119	64,211,690	64,022,832
13	(Less) Reaquired Capital Stock (217)	250-251	0	0
14	Noncorporate Proprietorship (Non-major only) (218)		0	0
15	Accumulated Other Comprehensive Income (219)	122(a)(b)	-21,157,918	-9,355,089
16	Total Proprietary Capital (lines 2 through 15)		753,075,546	752,360,214
17	LONG-TERM DEBT			
18	Bonds (221)	256-257	521,300,000	431,300,000
19	(Less) Reaquired Bonds (222)	256-257	0	0
20	Advances from Associated Companies (223)	256-257	114,803,000	114,836,826
21	Other Long-Term Debt (224)	256-257	497,427,068	576,532,661
22	Unamortized Premium on Long-Term Debt (225)		0	0
23	(Less) Unamortized Discount on Long-Term Debt-Debit (226)		1,608,182	1,994,486
24	Total Long-Term Debt (lines 18 through 23)		1,131,921,886	1,120,675,001
25	OTHER NONCURRENT LIABILITIES			
26	Obligations Under Capital Leases - Noncurrent (227)		3,028,272	2,807,168
27	Accumulated Provision for Property Insurance (228.1)		0	0
28	Accumulated Provision for Injuries and Damages (228.2)		1,188,972	1,299,994
29	Accumulated Provision for Pensions and Benefits (228.3)		44,754,150	35,897,551
30	Accumulated Miscellaneous Operating Provisions (228.4)		0	0
31	Accumulated Provision for Rate Refunds (229)		0	0
32	Long-Term Portion of Derivative Instrument Liabilities		0	0
33	Long-Term Portion of Derivative Instrument Liabilities - Hedges		39,971,987	33,060,110
34	Asset Retirement Obligations (230)		1,190,714	659,307
35	Total Other Noncurrent Liabilities (lines 26 through 34)		90,134,095	73,724,130
36	CURRENT AND ACCRUED LIABILITIES			
37	Notes Payable (231)		0	0
38	Accounts Payable (232)		66,444,650	48,421,782
39	Notes Payable to Associated Companies (233)		0	0
40	Accounts Payable to Associated Companies (234)		7,909,608	19,845,113
41	Customer Deposits (235)		6,286,185	4,452,327
42	Taxes Accrued (236)	262-263	11,313,430	9,241,055
43	Interest Accrued (237)		18,632,069	18,484,237
44	Dividends Declared (238)		0	0
45	Matured Long-Term Debt (239)		0	0

Name of Respondent Avista Corporation	This Report is: (1) <input type="checkbox"/> An Original (2) <input type="checkbox"/> A Rresubmission	Date of Report (mo, da, yr) 04/25/2005	Year/Period of Report end of 2004/Q4
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**COMPARATIVE BALANCE SHEET (LIABILITIES AND OTHER CREDITS) (Continued)**

Line No.	Title of Account (a)	Ref. Page No. (b)	Current Year End of Quarter/Year Balance (c)	Prior Year End Balance 12/31 (d)
46	Matured Interest (240)		0	0
47	Tax Collections Payable (241)		1,736	0
48	Miscellaneous Current and Accrued Liabilities (242)		15,927,496	28,275,405
49	Obligations Under Capital Leases-Current (243)		946,251	633,401
50	Derivative Instrument Liabilities (244)		0	0
51	(Less) Long-Term Portion of Derivative Instrument Liabilities		0	0
52	Derivative Instrument Liabilities - Hedges (245)		45,684,937	36,057,271
53	(Less) Long-Term Portion of Derivative Instrument Liabilities-Hedges		39,971,987	33,060,110
54	Total Current and Accrued Liabilities (lines 37 through 53)		133,174,375	132,350,481
55	DEFERRED CREDITS			
56	Customer Advances for Construction (252)		937,286	978,187
57	Accumulated Deferred Investment Tax Credits (255)	266-267	570,960	620,268
58	Deferred Gains from Disposition of Utility Plant (256)		0	0
59	Other Deferred Credits (253)	269	33,121,416	34,008,549
60	Other Regulatory Liabilities (254)	278	34,700,436	13,027,706
61	Unamortized Gain on Reaquired Debt (257)		4,225,371	4,696,571
62	Accum. Deferred Income Taxes-Accel. Amort.(281)	272-277	0	0
63	Accum. Deferred Income Taxes-Other Property (282)		293,535,925	265,021,296
64	Accum. Deferred Income Taxes-Other (283)		234,380,299	248,293,122
65	Total Deferred Credits (lines 56 through 64)		601,471,693	566,645,699
66	TOTAL LIABILITIES AND STOCKHOLDER EQUITY (lines 16, 24, 35, 54 and 65)		2,709,777,595	2,645,755,525

Name of Respondent Avista Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/25/2005	Year/Period of Report End of <u>2004/Q4</u>
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**STATEMENT OF INCOME**

1. Enter in column (e) operations for the reporting quarter and in column (f) the operations for the same three month period for the prior year.
2. Report in Column (g) year to date amounts for electric utility function; in column (i) the year to date amounts for gas utility, and in (k) the year to date amounts for the other utility function for the current quarter/year.
3. Report in Column (h) year to date amounts for electric utility function; in column (j) the year to date amounts for gas utility, and in (l) the year to date amounts for the other utility function for the previous quarter/year.
4. If additional columns are needed place them in a footnote.

Line No.	Title of Account (a)	(Ref.) Page No. (b)	Total Current Year to Date Balance for Quarter/Year (c)	Total Prior Year to Date Balance for Quarter/Year (d)	Current 3 Months Ended Quarterly Only No 4th Quarter (e)	Prior 3 Months Ended Quarterly Only No 4th Quarter (f)
1	UTILITY OPERATING INCOME					
2	Operating Revenues (400)	300-301	1,000,167,839	929,400,226		
3	Operating Expenses					
4	Operation Expenses (401)	320-323	706,876,899	628,688,576		
5	Maintenance Expenses (402)	320-323	34,361,705	30,395,326		
6	Depreciation Expense (403)	336-337	65,095,728	65,752,096		
7	Depreciation Expense for Asset Retirement Costs (403.1)	336-337				
8	Amort. & Depl. of Utility Plant (404-405)	336-337	7,682,080	8,151,368		
9	Amort. of Utility Plant Acq. Adj. (406)	336-337	99,066	99,048		
10	Amort. Property Losses, Unrecov Plant and Regulatory Study Costs (407)		-5,733	-3,693		
11	Amort. of Conversion Expenses (407)					
12	Regulatory Debits (407.3)		230,801	218,244		
13	(Less) Regulatory Credits (407.4)		12,638,745	10,449,403		
14	Taxes Other Than Income Taxes (408.1)	262-263	66,293,271	60,791,111		
15	Income Taxes - Federal (409.1)	262-263	5,019,926	22,613,266		
16	- Other (409.1)	262-263	1,302,010	1,282,899		
17	Provision for Deferred Income Taxes (410.1)	234, 272-277	17,792,760	5,291,061		
18	(Less) Provision for Deferred Income Taxes-Cr. (411.1)	234, 272-277	5,013,788	4,678,097		
19	Investment Tax Credit Adj. - Net (411.4)	266	-49,308	-49,308		
20	(Less) Gains from Disp. of Utility Plant (411.6)					
21	Losses from Disp. of Utility Plant (411.7)					
22	(Less) Gains from Disposition of Allowances (411.8)					
23	Losses from Disposition of Allowances (411.9)					
24	Accretion Expense (411.10)					
25	TOTAL Utility Operating Expenses (Enter Total of lines 4 thru 24)		887,046,672	808,102,494		
26	Net Util Oper Inc (Enter Tot line 2 less 25) Carry to Pg117, line 27		113,121,167	121,297,732		

STATEMENT OF INCOME FOR THE YEAR (Continued)

ELECTRIC UTILITY		GAS UTILITY		OTHER UTILITY		Line No.
Current Year to Date (in dollars) (g)	Previous Year to Date (in dollars) (h)	Current Year to Date (in dollars) (i)	Previous Year to Date (in dollars) (j)	Current Year to Date (in dollars) (k)	Previous Year to Date (in dollars) (l)	
						1
679,674,513	652,111,450	320,493,326	277,288,776			2
						3
447,578,339	406,888,146	259,298,560	221,800,430			4
28,475,946	25,258,364	5,885,759	5,136,962			5
50,720,406	50,578,273	14,375,322	15,173,823			6
						7
6,708,236	6,790,075	973,844	1,361,293			8
99,066	99,048					9
-5,733	-3,693					10
						11
		230,801	218,244			12
12,638,745	10,449,403					13
46,434,772	43,903,386	19,858,499	16,887,725			14
13,754,983	25,776,211	-8,735,057	-3,162,945			15
1,135,937	972,732	166,073	310,167			16
7,664,355	1,172,553	10,128,405	4,118,508			17
4,939,086	4,554,927	74,702	123,170			18
		-49,308	-49,308			19
						20
						21
						22
						23
						24
584,988,476	546,430,765	302,058,196	261,671,729			25
94,686,037	105,680,685	18,435,130	15,617,047			26

Name of Respondent Avista Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/25/2005	Year/Period of Report End of 2004/Q4
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STATEMENT OF INCOME FOR THE YEAR (continued)

Line No.	Title of Account (a)	(Ref.) Page No. (b)	TOTAL		Current 3 Months Ended Quarterly Only No 4th Quarter (e)	Prior 3 Months Ended Quarterly Only No 4th Quarter (f)
			Current Year (c)	Previous Year (d)		
27	Net Utility Operating Income (Carried forward from page 114)		113,121,167	121,297,732		
28	Other Income and Deductions					
29	Other Income					
30	Nonutility Operating Income					
31	Revenues From Merchandising, Jobbing and Contract Work (415)			1,789		
32	(Less) Costs and Exp. of Merchandising, Job. & Contract Work (416)		22,042	-17,014		
33	Revenues From Nonutility Operations (417)		-1,650	-130		
34	(Less) Expenses of Nonutility Operations (417.1)		1,220,086	1,609,187		
35	Nonoperating Rental Income (418)		-9,704	-4,377		
36	Equity in Earnings of Subsidiary Companies (418.1)	119	3,381,428	9,156,784		
37	Interest and Dividend Income (419)		10,586,797	12,050,635		
38	Allowance for Other Funds Used During Construction (419.1)		1,885,496	853,013		
39	Miscellaneous Nonoperating Income (421)					
40	Gain on Disposition of Property (421.1)		424,383	89,613		
41	TOTAL Other Income (Enter Total of lines 31 thru 40)		15,024,622	20,555,154		
42	Other Income Deductions					
43	Loss on Disposition of Property (421.2)		1,276	282,852		
44	Miscellaneous Amortization (425)	340	1,323,416	1,323,416		
45	Donations (426.1)	340	512,357	466,094		
46	Life Insurance (426.2)		1,426,086	1,336,171		
47	Penalties (426.3)		10,038	-29,978		
48	Exp. for Certain Civic, Political & Related Activities (426.4)		859,247	816,842		
49	Other Deductions (426.5)		3,224,942	1,270,939		
50	TOTAL Other Income Deductions (Total of lines 43 thru 49)		7,357,362	5,466,336		
51	Taxes Applic. to Other Income and Deductions					
52	Taxes Other Than Income Taxes (408.2)	262-263	41,313	-97,503		
53	Income Taxes-Federal (409.2)	262-263	797,319	-129,828		
54	Income Taxes-Other (409.2)	262-263	-373,290	-481,773		
55	Provision for Deferred Inc. Taxes (410.2)	234, 272-277	3,040,980	2,968,974		
56	(Less) Provision for Deferred Income Taxes-Cr. (411.2)	234, 272-277	4,133,706	-66,775		
57	Investment Tax Credit Adj.-Net (411.5)					
58	(Less) Investment Tax Credits (420)					
59	TOTAL Taxes on Other Income and Deductions (Total of lines 52-58)		-627,384	2,326,645		
60	Net Other Income and Deductions (Total of lines 41, 50, 59)		8,294,644	12,762,173		
61	Interest Charges					
62	Interest on Long-Term Debt (427)		73,356,536	81,021,259		
63	Amort. of Debt Disc. and Expense (428)		3,689,417	3,907,423		
64	Amortization of Loss on Reaquired Debt (428.1)		4,611,956	4,064,380		
65	(Less) Amort. of Premium on Debt-Credit (429)					
66	(Less) Amortization of Gain on Reaquired Debt-Credit (429.1)					
67	Interest on Debt to Assoc. Companies (430)	340	5,782,104	1,480,337		
68	Other Interest Expense (431)	340	389,246	320,268		
69	(Less) Allowance for Borrowed Funds Used During Construction-Cr. (432)		1,567,308	1,238,014		
70	Net Interest Charges (Total of lines 62 thru 69)		86,261,951	89,555,653		
71	Income Before Extraordinary Items (Total of lines 27, 60 and 70)		35,153,860	44,504,252		
72	Extraordinary Items					
73	Extraordinary Income (434)					
74	(Less) Extraordinary Deductions (435)					
75	Net Extraordinary Items (Total of line 73 less line 74)					
76	Income Taxes-Federal and Other (409.3)	262-263				
77	Extraordinary Items After Taxes (line 75 less line 76)					
78	Net Income (Total of line 71 and 77)		35,153,860	44,504,252		

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Name of Respondent Avista Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/25/2005	Year/Period of Report End of 2004/Q4
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**STATEMENT OF RETAINED EARNINGS**

1. Do not report Lines 49-53 on the quarterly version.
2. Report all changes in appropriated retained earnings, unappropriated retained earnings, year to date, and unappropriated undistributed subsidiary earnings for the year.
3. Each credit and debit during the year should be identified as to the retained earnings account in which recorded (Accounts 433, 436 - 439 inclusive). Show the contra primary account affected in column (b)
4. State the purpose and amount of each reservation or appropriation of retained earnings.
5. List first account 439, Adjustments to Retained Earnings, reflecting adjustments to the opening balance of retained earnings. Follow by credit, then debit items in that order.
6. Show dividends for each class and series of capital stock.
7. Show separately the State and Federal income tax effect of items shown in account 439, Adjustments to Retained Earnings.
8. Explain in a footnote the basis for determining the amount reserved or appropriated. If such reservation or appropriation is to be recurrent, state the number and annual amounts to be reserved or appropriated as well as the totals eventually to be accumulated.
9. If any notes appearing in the report to stockholders are applicable to this statement, include them on pages 122-123.

Line No.	Item (a)	Contra Primary Account Affected (b)	Current Quarter/Year Year to Date Balance (c)	Previous Quarter/Year Year to Date Balance (d)
	<b>UNAPPROPRIATED RETAINED EARNINGS (Account 216)</b>			
1	Balance-Beginning of Period		80,306,798	58,838,025
2	Changes			
3	Adjustments to Retained Earnings (Account 439)			
4				
5	Stock Options Exercised		-408,940	( 144,553)
6	ESOP and other adjustment		155,137	170,109
7	Dividends received from Subsidiaries		2,499,315	9,990,037
8				
9	<b>TOTAL Credits to Retained Earnings (Acct. 439)</b>		2,245,512	10,015,593
10				
11				
12				
13				
14				
15	<b>TOTAL Debits to Retained Earnings (Acct. 439)</b>			
16	Balance Transferred from Income (Account 433 less Account 418.1)		31,772,432	35,347,468
17	Appropriations of Retained Earnings (Acct. 436)			
18				
19				
20				
21				
22	<b>TOTAL Appropriations of Retained Earnings (Acct. 436)</b>			
23	Dividends Declared-Preferred Stock (Account 437)			
24				( 1,155,438)
25				
26				
27				
28				
29	<b>TOTAL Dividends Declared-Preferred Stock (Acct. 437)</b>			( 1,155,438)
30	Dividends Declared-Common Stock (Account 438)			
31			-24,923,827	( 23,633,569)
32				
33				
34				
35				
36	<b>TOTAL Dividends Declared-Common Stock (Acct. 438)</b>		-24,923,827	( 23,633,569)
37	Transfers from Acct 216.1, Unapprop. Undistrib. Subsidiary Earnings		693,255	894,719
38	<b>Balance - End of Period (Total 1,9,15,16,22,29,36,37)</b>		90,094,170	80,306,798
	<b>APPROPRIATED RETAINED EARNINGS (Account 215)</b>			

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**STATEMENT OF RETAINED EARNINGS**

1. Do not report Lines 49-53 on the quarterly version.
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4. State the purpose and amount of each reservation or appropriation of retained earnings.
5. List first account 439, Adjustments to Retained Earnings, reflecting adjustments to the opening balance of retained earnings. Follow by credit, then debit items in that order.
6. Show dividends for each class and series of capital stock.
7. Show separately the State and Federal income tax effect of items shown in account 439, Adjustments to Retained Earnings.
8. Explain in a footnote the basis for determining the amount reserved or appropriated. If such reservation or appropriation is to be recurrent, state the number and annual amounts to be reserved or appropriated as well as the totals eventually to be accumulated.
9. If any notes appearing in the report to stockholders are applicable to this statement, include them on pages 122-123.

Line No.	Item (a)	Contra Primary Account Affected (b)	Current Quarter/Year Year to Date Balance (c)	Previous Quarter/Year Year to Date Balance (d)
39			1,548,121	1,548,121
40				
41				
42				
43				
44				
45	TOTAL Appropriated Retained Earnings (Account 215)		1,548,121	1,548,121
	APPROP. RETAINED EARNINGS - AMORT. Reserve, Federal (Account 215.1)			
46	TOTAL Approp. Retained Earnings-Amort. Reserve, Federal (Acct. 215.1)			
47	TOTAL Approp. Retained Earnings (Acct. 215, 215.1) (Total 45,46)		1,548,121	1,548,121
48	TOTAL Retained Earnings (Acct. 215, 215.1, 216) (Total 38, 47) (216.1)		91,642,291	81,854,919
	UNAPPROPRIATED UNDISTRIBUTED SUBSIDIARY EARNINGS (Account			
	Report only on an Annual Basis, no Quarterly			
49	Balance-Beginning of Year (Debit or Credit)		64,022,832	65,750,804
50	Equity in Earnings for Year (Credit) (Account 418.1)		3,381,428	9,156,784
51	(Less) Dividends Received (Debit)		2,499,315	9,990,037
52	Subsidiary expense in Account 417.12		-693,255	( 894,719)
53	Balance-End of Year (Total lines 49 thru 52)		64,211,690	64,022,832

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**STATEMENT OF CASH FLOWS**

(1) Codes to be used:(a) Net Proceeds or Payments;(b)Bonds, debentures and other long-term debt; (c) Include commercial paper; and (d) Identify separately such items as investments, fixed assets, intangibles, etc.  
(2) Information about noncash investing and financing activities must be provided in the Notes to the Financial statements. Also provide a reconciliation between "Cash and Cash Equivalents at End of Period" with related amounts on the Balance Sheet.  
(3) Operating Activities - Other: Include gains and losses pertaining to operating activities only. Gains and losses pertaining to investing and financing activities should be reported in those activities. Show in the Notes to the Financials the amounts of interest paid (net of amount capitalized) and income taxes paid.  
(4) Investing Activities: Include at Other (line 31) net cash outflow to acquire other companies. Provide a reconciliation of assets acquired with liabilities assumed in the Notes to the Financial Statements. Do not include on this statement the dollar amount of leases capitalized per the USofA General Instruction 20; instead provide a reconciliation of the dollar amount of leases capitalized with the plant cost.

Line No.	Description (See Instruction No. 1 for Explanation of Codes) (a)	Current Year to Date Quarter/Year (b)	Previous Year to Date Quarter/Year (c)
1	Net Cash Flow from Operating Activities:		
2	Net Income (Line 78(c) on page 117)	35,153,860	44,504,252
3	Noncash Charges (Credits) to Income:		
4	Depreciation and Depletion	72,871,141	73,998,819
5	Power and natural gas deferrals	8,037,057	-5,535,312
6	Amortization of debt expense	8,301,374	7,971,803
7	Amortization of investment in exchange power	2,450,004	2,450,004
8	Deferred Income Taxes (Net)	12,917,518	38,791,463
9	Investment Tax Credit Adjustment (Net)	-49,308	-49,308
10	Net (Increase) Decrease in Receivables	-10,751,148	-18,650,796
11	Net (Increase) Decrease in Inventory	-3,609,238	94,433
12	Net (Increase) Decrease in Allowances Inventory		
13	Net Increase (Decrease) in Payables and Accrued Expenses	-2,204,745	8,167,229
14	Net (Increase) Decrease in Other Regulatory Assets	1,008,005	-630,827
15	Net Increase (Decrease) in Other Regulatory Liabilities	-2,401,353	334,617
16	(Less) Allowance for Other Funds Used During Construction	3,452,804	2,192,697
17	(Less) Undistributed Earnings from Subsidiary Companies	3,381,428	9,156,784
18	Other (provide details in footnote):	11,615,102	1,803,240
19	ESOP dividends	143,775	167,506
20	Allowance for uncollectible receivables	528,534	-407,128
21	Other non-current assets and liabilities	-2,640,532	2,849,925
22	Net Cash Provided by (Used in) Operating Activities (Total 2 thru 21)	124,535,814	144,510,439
23			
24	Cash Flows from Investment Activities:		
25	Construction and Acquisition of Plant (including land):		
26	Gross Additions to Utility Plant (less nuclear fuel)	-116,391,951	-105,617,593
27	Gross Additions to Nuclear Fuel		
28	Gross Additions to Common Utility Plant		
29	Gross Additions to Nonutility Plant		-581,511
30	(Less) Allowance for Other Funds Used During Construction		
31	Other (provide details in footnote):		
32	Deposits for utility plant acquisition	-5,000,000	
33			
34	Cash Outflows for Plant (Total of lines 26 thru 33)	-121,391,951	-106,199,104
35			
36	Acquisition of Other Noncurrent Assets (d)		
37	Proceeds from Disposal of Noncurrent Assets (d)	1,477,634	482,872
38			
39	Investments in and Advances to Assoc. and Subsidiary Companies	-2,615,571	-7,344,568
40	Contributions and Advances from Assoc. and Subsidiary Companies	2,499,315	9,990,036
41	Disposition of Investments in (and Advances to)		
42	Associated and Subsidiary Companies		
43			
44	Purchase of Investment Securities (a)		
45	Proceeds from Sales of Investment Securities (a)		

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**STATEMENT OF CASH FLOWS**

- (1) Codes to be used:(a) Net Proceeds or Payments;(b)Bonds, debentures and other long-term debt; (c) Include commercial paper; and (d) Identify separately such items as investments, fixed assets, intangibles, etc.  
(2) Information about noncash investing and financing activities must be provided in the Notes to the Financial statements. Also provide a reconciliation between "Cash and Cash Equivalents at End of Period" with related amounts on the Balance Sheet.  
(3) Operating Activities - Other. Include gains and losses pertaining to operating activities only. Gains and losses pertaining to investing and financing activities should be reported in those activities. Show in the Notes to the Financials the amounts of interest paid (net of amount capitalized) and income taxes paid.  
(4) Investing Activities: Include at Other (line 31) net cash outflow to acquire other companies. Provide a reconciliation of assets acquired with liabilities assumed in the Notes to the Financial Statements. Do not include on this statement the dollar amount of leases capitalized per the USofA General Instruction 20; instead provide a reconciliation of the dollar amount of leases capitalized with the plant cost.

Line No.	Description (See Instruction No. 1 for Explanation of Codes) (a)	Current Year to Date Quarter/Year (b)	Previous Year to Date Quarter/Year (c)
46	Loans Made or Purchased		-73,000
47	Collections on Loans	616,550	6,775
48			
49	Net (Increase) Decrease in Receivables		
50	Net (Increase ) Decrease in Inventory		
51	Net (Increase) Decrease in Allowances Held for Speculation		
52	Net Increase (Decrease) in Payables and Accrued Expenses		
53	Other (provide details in footnote):		
54	Changes in other property and investments	1,435,673	-2,848,976
55	Gain on disposition of property	-424,383	
56	Net Cash Provided by (Used in) Investing Activities		
57	Total of lines 34 thru 55)	-118,402,733	-105,985,965
58			
59	Cash Flows from Financing Activities:		
60	Proceeds from Issuance of:		
61	Long-Term Debt (b)	89,760,600	44,795,250
62	Preferred Stock		
63	Common Stock	4,061,241	3,775,591
64	Other (provide details in footnote):		
65	Long-term debt to affiliated trusts	61,856,000	
66	Net Increase in Short-Term Debt (c)		50,000,000
67	Other (provide details in footnote):		
68	Cash received in interest rate swap agreement	125,000	
69			
70	Cash Provided by Outside Sources (Total 61 thru 69)	155,802,841	98,570,841
71			
72	Payments for Retirement of:		
73	Long-term Debt (b)	-66,186,722	-124,033,279
74	Preferred Stock	-1,750,000	-1,574,266
75	Common Stock		
76	Long-term debt to affiliated trusts	-61,856,000	
77	Premiums paid for the repurchase of long-term debt	-6,710,409	-1,709,769
78	Net Decrease in Short-Term Debt (c)	-12,000,000	
79	Long-term debt and short-term borrowing issuance costs	-6,148,807	-2,429,756
80	Dividends on Preferred Stock		-1,155,438
81	Dividends on Common Stock	-24,912,464	-23,633,569
82	Net Cash Provided by (Used in) Financing Activities		
83	(Total of lines 70 thru 81)	-23,761,561	-55,965,236
84			
85	Net Increase (Decrease) in Cash and Cash Equivalents		
86	(Total of lines 22,57 and 83)	-17,628,480	-17,440,762
87			
88	Cash and Cash Equivalents at Beginning of Period	19,584,011	37,024,773
89			
90	Cash and Cash Equivalents at End of period	1,955,531	19,584,011

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**NOTES TO FINANCIAL STATEMENTS**

1. Use the space below for important notes regarding the Balance Sheet, Statement of Income for the year, Statement of Retained Earnings for the year, and Statement of Cash Flows, or any account thereof. Classify the notes according to each basic statement, providing a subheading for each statement except where a note is applicable to more than one statement.
2. Furnish particulars (details) as to any significant contingent assets or liabilities existing at end of year, including a brief explanation of any action initiated by the Internal Revenue Service involving possible assessment of additional income taxes of material amount, or of a claim for refund of income taxes of a material amount initiated by the utility. Give also a brief explanation of any dividends in arrears on cumulative preferred stock.
3. For Account 116, Utility Plant Adjustments, explain the origin of such amount, debits and credits during the year, and plan of disposition contemplated, giving references to Commission orders or other authorizations respecting classification of amounts as plant adjustments and requirements as to disposition thereof.
4. Where Accounts 189, Unamortized Loss on Reacquired Debt, and 257, Unamortized Gain on Reacquired Debt, are not used, give an explanation, providing the rate treatment given these items. See General Instruction 17 of the Uniform System of Accounts.
5. Give a concise explanation of any retained earnings restrictions and state the amount of retained earnings affected by such restrictions.
6. If the notes to financial statements relating to the respondent company appearing in the annual report to the stockholders are applicable and furnish the data required by instructions above and on pages 114-121, such notes may be included herein.
7. For the 3Q disclosures, respondent must provide in the notes sufficient disclosures so as to make the interim information not misleading. Disclosures which would substantially duplicate the disclosures contained in the most recent FERC Annual Report may be omitted.
8. For the 3Q disclosures, the disclosures shall be provided where events subsequent to the end of the most recent year have occurred which have a material effect on the respondent. Respondent must include in the notes significant changes since the most recently completed year in such items as: accounting principles and practices; estimates inherent in the preparation of the financial statements; status of long-term contracts; capitalization including significant new borrowings or modifications of existing financing agreements; and changes resulting from business combinations or dispositions. However were material contingencies exist, the disclosure of such matters shall be provided even though a significant change since year end may not have occurred.
9. Finally, if the notes to the financial statements relating to the respondent appearing in the annual report to the stockholders are applicable and furnish the data required by the above instructions, such notes may be included herein.

PAGE 122 INTENTIONALLY LEFT BLANK  
SEE PAGE 123 FOR REQUIRED INFORMATION.

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NOTES TO FINANCIAL STATEMENTS (Continued)			

## NOTES TO FINANCIAL STATEMENTS

### NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### *Nature of Business*

Avista Corporation (Avista Corp. or the Company) is an energy company engaged in the generation, transmission and distribution of energy. Avista Corp. generates, transmits and distributes electricity in parts of eastern Washington and northern Idaho. In addition, Avista Corp. has electric generating facilities in western Montana and northern Oregon. Avista Corp. also provides natural gas distribution service in parts of eastern Washington, northern Idaho, northeast and southwest Oregon and in the South Lake Tahoe region of California. In July 2004, the Company entered into an agreement to sell its South Lake Tahoe natural gas distribution properties (see Note 23 for further information), which is subject to regulatory approval. Avista Capital, a wholly owned subsidiary of Avista Corp., is the parent company of the subsidiary companies in the non-utility business segments.

The Company's operations are exposed to risks including, but not limited to, the price and supply of purchased power, fuel and natural gas, regulatory recovery of power and natural gas costs and capital investments, streamflow and weather conditions, the effects of changes in legislative and governmental regulations, changes in regulatory requirements, availability of generation facilities, competition, technology and availability of funding. Also, like other utilities, the Company's facilities and operations may be exposed to terrorism risks or other malicious acts. In addition, the energy business exposes the Company to the financial, liquidity, credit and commodity price risks associated with wholesale purchases and sales.

#### *Basis of Reporting*

The financial statements include the assets, liabilities, revenues and expenses of the Company. As required by the Federal Energy Regulatory Commission (FERC), the Company accounts for its investment in majority-owned subsidiaries on the equity method rather than consolidating the assets, liabilities, revenues, and expenses of these subsidiaries, as required by accounting principles generally accepted in the United States of America. The accompanying financial statements include the Company's proportionate share of utility plant and related operations resulting from its interests in jointly owned plants (See Note 6). In addition, under the requirements of the FERC, there are differences from accounting principles generally accepted in the United States of America in the presentation of (1) current portions of long-term debt, short-term borrowings, and preferred stock, (2) assets and liabilities for cost of removal of assets, (3) assets held for sale, and (4) regulatory assets and liabilities.

#### *Use of Estimates*

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect amounts reported in the financial statements. Significant estimates include determining unbilled revenues, the market value of derivative assets and liabilities, pension and other postretirement benefit plan obligations, contingent liabilities and recoverability of regulatory assets. Changes in these estimates and assumptions are considered reasonably possible and may have a material effect on the financial statements and thus actual results could differ from the amounts reported and disclosed herein.

#### *System of Accounts*

The accounting records of the Company's utility operations are maintained in accordance with the uniform system of accounts prescribed by the FERC and adopted by the appropriate state regulatory commissions.

#### *Regulation*

The Company is subject to state regulation in Washington, Idaho, Montana, Oregon and California. The Company is also subject to federal regulation by the FERC.

#### *Operating Revenues*

Operating revenues for Avista Corp. related to the sale of energy are generally recorded when service is rendered or energy is delivered to customers. The determination of the energy sales to individual customers is based on the reading of their meters, which occurs on a systematic basis throughout the month. At the end of each calendar month, the amount of energy delivered to customers since the date of the last meter reading is estimated and the corresponding unbilled revenue is estimated and recorded. Accounts receivable includes unbilled energy revenues of \$13.0 million (net of \$48.9 million of unbilled receivables sold) and \$9.0 million (net

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NOTES TO FINANCIAL STATEMENTS (Continued)			

of \$47.0 million of unbilled receivables sold) as of December 31, 2004 and 2003, respectively. See Note 3 for information with respect to the sale of accounts receivable.

#### *Advertising Expenses*

The Company expenses advertising costs as incurred. Advertising expenses totaled \$1.7 million, \$1.3 million and \$1.2 million in 2004, 2003 and 2002, respectively.

#### *Taxes other than income taxes*

Taxes other than income taxes include state excise taxes, city occupational and franchise taxes, real and personal property taxes and certain other taxes not based on net income. These taxes are generally based on revenues or the value of property. Utility related taxes collected from customers are recorded as both operating revenue and expense and totaled \$35.0 million, \$31.7 million and \$33.1 million in 2004, 2003 and 2002, respectively.

#### *Income Taxes*

The Company and its eligible subsidiaries file consolidated federal income tax returns. Subsidiaries are charged or credited with the tax effects of their operations on a stand-alone basis. The Company's federal income tax returns were examined with all issues resolved, and all payments made, through the 2000 return. The Internal Revenue Service is currently examining the Company's 2001, 2002 and 2003 federal income tax returns.

The Company accounts for income taxes under Statement of Financial Accounting Standards (SFAS) No. 109, "Accounting for Income Taxes." Under SFAS No. 109, a deferred tax asset or liability is determined based on the enacted tax rates that will be in effect when the differences between the financial statement carrying amounts and tax basis of existing assets and liabilities are expected to be reported in the Company's consolidated income tax returns. The deferred tax expense for the period is equal to the net change in the deferred tax asset and liability accounts from the beginning to the end of the period. The effect on deferred taxes of a change in tax rates is recognized in income in the period that includes the enactment date. Deferred tax liabilities and regulatory assets have been established for tax benefits flowed through to customers as prescribed by the respective regulatory commissions.

#### *Stock-Based Compensation*

The Company follows the disclosure only provisions of SFAS No. 123, "Accounting for Stock-Based Compensation." Accordingly, employee stock options are accounted for under Accounting Principle Board Opinion (APB) No. 25, "Accounting for Stock Issued to Employees." Stock options are granted at exercise prices not less than the fair value of common stock on the date of grant. Under APB No. 25, no compensation expense is recognized pursuant to the Company's stock option plans. See Note 2 with respect to the revision of SFAS No. 123, which will result in the recognition of compensation expense beginning in the third quarter of 2005.

If compensation expense for the Company's stock option plans were determined consistent with SFAS No. 123, net income and earnings per common share would have been the following pro forma amounts for the years ended December 31:

	2004	2003	2002
Net income (dollars in thousands):			
As reported	\$35,154	\$44,504	\$31,307
Deduct: Total stock-based employee compensation expense determined under the fair value method for all awards, net of tax	<u>2,033</u>	<u>2,186</u>	<u>3,051</u>
Pro forma	<u>\$33,121</u>	<u>\$42,318</u>	<u>\$28,256</u>
Basic earnings per common share:			
As reported	\$0.73	\$0.90	\$0.60
Pro forma	\$0.68	\$0.85	\$0.54
Diluted earnings per common share:			
As reported	\$0.72	\$0.89	\$0.60
Pro forma	\$0.68	\$0.85	\$0.54

#### *Earnings Per Common Share*

Basic earnings per common share is computed by dividing income available for common stock by the weighted average number of common shares outstanding for the period. Diluted earnings per common share is calculated by dividing income available for common

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NOTES TO FINANCIAL STATEMENTS (Continued)			

stock by diluted weighted average common shares outstanding during the period, including common stock equivalent shares outstanding using the treasury stock method, unless such shares are anti-dilutive. Common stock equivalent shares include shares issuable upon exercise of stock options, contingently issuable shares and restricted stock. See Note 19 for earnings per common share calculations.

#### ***Cash and Cash Equivalents***

For the purposes of the Statements of Cash Flows, the Company considers all temporary investments with a maturity when purchased of three months or less to be cash equivalents. Cash and cash equivalents include cash deposits from counterparties.

#### ***Special Deposits***

Special deposits represent \$0.6 million of restricted cash related to Avista Corp.'s interest rate swap agreements. See Note 13 for further information with respect to Avista Corp.'s interest rate swap agreements.

#### ***Accumulated Provision for Uncollectible Accounts***

The Company maintains an accumulated provision for uncollectible accounts to provide for estimated and potential losses on accounts receivable. The Company determines the allowance for customer accounts receivable based on historical write-offs as compared to accounts receivable and operating revenues. Additionally, the Company establishes specific allowances for certain individual accounts. The following table documents the activity in the accumulated provision for uncollectible accounts during the years ended December 31 (dollars in thousands):

	2004	2003	2002
Accumulated provision as of the beginning of the year	\$2,281	\$2,689	\$2,950
Additions expensed during the year	3,195	1,762	3,392
Net deductions	<u>(2,666)</u>	<u>(2,170)</u>	<u>(3,653)</u>
Accumulated provision as of the end of the year	<u>\$2,810</u>	<u>\$2,281</u>	<u>\$2,689</u>

#### ***Materials and supplies, fuel stock and natural gas stored***

Inventories of materials and supplies, fuel stock and natural gas stored are recorded at the lower of cost or market, primarily using the average cost method.

#### ***Utility Plant***

The cost of additions to utility plant, including an allowance for funds used during construction and replacements of units of property and improvements, is capitalized. Costs of depreciable units of property retired plus costs of removal less salvage are charged to accumulated depreciation.

#### ***Allowance for Funds Used During Construction***

The Allowance for Funds Used During Construction (AFUDC) represents the cost of both the debt and equity funds used to finance utility plant additions during the construction period. In accordance with the uniform system of accounts prescribed by regulatory authorities, AFUDC is capitalized as a part of the cost of utility plant and the debt related portion is credited currently as a non-cash item in the Statements of Income. The Company generally is permitted, under established regulatory rate practices, to recover the capitalized AFUDC, and a fair return thereon, through its inclusion in rate base and the provision for depreciation after the related utility plant is placed in service. Cash inflow related to AFUDC generally does not occur until the related utility plant is placed in service and included in rate base.

The effective AFUDC rate was 9.72 percent for 2004, 2003 and the second half of 2002 and 9.03 percent for the first half of 2002. The Company's AFUDC rates do not exceed the maximum allowable rates as determined in accordance with the requirements of regulatory authorities.

#### ***Depreciation***

For utility operations, depreciation expense is estimated by a method of depreciation accounting utilizing unit rates for generation plants and composite rates for other utility plant. Such rates are designed to provide for retirements of properties at the expiration of their service lives. The rates for hydroelectric plants include annuity and interest components, in which the interest component is 9 percent. For utility operations, the ratio of depreciation provisions to average depreciable property was 2.92 percent in 2004, 2.98

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percent in 2003 and 2.92 percent in 2002.

The average service lives for the following broad categories of utility property are: electric thermal production - 30 years; hydroelectric production - 77 years; electric transmission - 43 years; electric distribution - 47 years; and natural gas distribution property - 35 years.

The Company recovers certain asset retirement costs through rates charged to customers as a portion of its depreciation expense. These costs do not represent legal or contractual obligations.

***Regulatory Deferred Charges and Credits***

The Company prepares its financial statements in accordance with the provisions of SFAS No. 71, "Accounting for the Effects of Certain Types of Regulation." The Company prepares its financial statements in accordance with SFAS No. 71 because (i) the Company's rates for regulated services are established by or subject to approval by an independent third-party regulator; (ii) the regulated rates are designed to recover the Company's cost of providing the regulated services; and (iii) in view of demand for the regulated services and the level of competition, it is reasonable to assume that rates can be charged to and collected from customers at levels that will recover the Company's costs. SFAS No. 71 requires the Company to reflect the impact of regulatory decisions in its financial statements. SFAS No. 71 requires that certain costs and/or obligations (such as incurred power and natural gas costs not currently recovered through rates, but expected to be recovered in the future) are reflected as deferred charges on the Balance Sheets. These costs and/or obligations are not reflected in the statement of income until the period during which matching revenues are recognized. If at some point in the future the Company determines that it no longer meets the criteria for continued application of SFAS No. 71 with respect to all or a portion of the Company's regulated operations, the Company could be required to write-off its regulatory assets. The Company could also be precluded from the future deferral of costs not recovered through rates at the time such costs are incurred, even if the Company expected to recover such costs in the future.

The Company's primary regulatory assets include power and natural gas deferrals (see "Power Cost Deferrals and Recovery Mechanisms" and "Natural Gas Cost Deferrals and Recovery Mechanisms" below for further information), investment in exchange power, regulatory asset for deferred income taxes, unamortized debt expense, demand side management programs, conservation programs and the provision for postretirement benefits. Regulatory assets that are not currently included in rate base, being recovered in current rates or earning a return (accruing interest), totaled \$3.2 million as of December 31, 2004.

Regulatory liabilities include utility plant retirement costs. Deferred credits include, among other items, regulatory liabilities created when the Centralia Power Plant was sold, regulatory liabilities offsetting net energy commodity derivative assets (see Note 4 for further information) and the gain on the general office building sale/leaseback, which is being amortized over the life of the lease.

***Investment in Exchange Power-Net***

The investment in exchange power represents the Company's previous investment in Washington Public Power Supply System Project 3 (WNP-3), a nuclear project that was terminated prior to completion. Under a settlement agreement with the Bonneville Power Administration in 1985, Avista Corp. began receiving power in 1987, for a 32.5-year period, related to its investment in WNP-3. Through a settlement agreement with the Washington Utilities and Transportation Commission (WUTC) in the Washington jurisdiction, Avista Corp. is amortizing the recoverable portion of its investment in WNP-3 (recorded as investment in exchange power) over a 32.5 year period beginning in 1987. For the Idaho jurisdiction, Avista Corp. has fully amortized the recoverable portion of its investment in exchange power. Investment in Exchange Power-Net is included in Other Investments on the Balance Sheets.

***Unamortized Debt Expense and Unamortized Loss on Reacquired Debt***

Unamortized debt expense and Unamortized loss on reacquired debt includes debt issuance costs that are amortized over the life of the related debt, as well as premiums paid to repurchase debt, which are amortized over the average remaining maturity of outstanding debt in accordance with regulatory accounting practices under SFAS No. 71. These costs are recovered through retail rates as a component of interest expense.

***Natural Gas Benchmark Mechanism***

The Idaho Public Utilities Commission (IPUC), WUTC and Oregon Public Utility Commission (OPUC) approved Avista Corp.'s Natural Gas Benchmark Mechanism in 1999. The mechanism eliminated the majority of natural gas procurement operations within Avista Corp. and placed responsibility for natural gas procurement operations with Avista Energy, Inc. (Avista Energy), the

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Company's non-regulated subsidiary. The ownership of the natural gas assets remains with Avista Corp.; however, the assets have been managed by Avista Energy through an Agency Agreement. Avista Corp. has continued to manage natural gas procurement for its California operations, which the Company has entered into an agreement to sell (see Note 23).

In the first quarter of 2002, the IPUC and the OPUC approved the continuation of the Natural Gas Benchmark Mechanism and related Agency Agreement through March 31, 2005. In February 2004, the WUTC ordered that the Natural Gas Benchmark Mechanism and related Agency Agreement be terminated for Washington customers and ordered Avista Corp. to file a transition plan to move management of these functions back into Avista Corp. In April 2004, the WUTC approved Avista Corp.'s transition plan, which provides for the movement of these functions back into Avista Corp. to be completed by March 31, 2005. Effective April 1, 2005, the Company will also be moving these functions from Avista Energy to Avista Corp. for Idaho and Oregon natural gas customers with the expiration of the current agreements.

#### ***Power Cost Deferrals and Recovery Mechanisms***

Avista Corp. defers the recognition in the income statement of certain power supply costs as approved by the WUTC. Deferred power supply costs are recorded as a deferred charge on the Balance Sheets for future review and the opportunity for recovery through retail rates. The power supply costs deferred include certain differences between actual power supply costs incurred by Avista Corp. and the costs included in base retail rates. This difference in power supply costs primarily results from changes in short-term wholesale market prices, changes in the level of hydroelectric generation and changes in the level of thermal generation (including changes in fuel prices). Avista Corp. accrues interest on deferred power costs in the Washington jurisdiction at a rate, which is adjusted semi-annually, of 8.4 percent as of December 31, 2004. Total deferred power costs for Washington customers were \$113.2 million and \$125.7 million as of December 31, 2004 and 2003, respectively.

In Washington, the Energy Recovery Mechanism (ERM) allows Avista Corp. to increase or decrease electric rates periodically with WUTC approval to reflect changes in power supply costs. The ERM provides for Avista Corp. to incur the cost of, or receive the benefit from, the first \$9.0 million in annual power supply costs above or below the amount included in base retail rates. Under the ERM, 90 percent of annual power supply costs exceeding or below the initial \$9.0 million are deferred for future surcharge or rebate to Avista Corp.'s customers. The remaining 10 percent of power supply costs are an expense of, or benefit to, the Company.

Under the ERM, Avista Corp. makes an annual filing to provide the opportunity for the WUTC and other interested parties to review the prudence of and audit the ERM deferred power cost transactions for the prior calendar year. The ERM provides for a 90-day review period for the filing; however, the period may be extended by agreement of the parties or by WUTC order. In August 2004, the WUTC issued an order, which approved the recovery of \$22.8 million of deferred power costs incurred in 2003.

Avista Corp. has a power cost adjustment (PCA) mechanism in Idaho that allows it to modify electric rates periodically with IPUC approval. Under the PCA mechanism, Avista Corp. defers 90 percent of the difference between certain actual net power supply expenses and the authorized level of net power supply expense approved in the last Idaho general rate case. Avista Corp. accrues interest on deferred power costs in the Idaho jurisdiction at a rate, which is adjusted annually, of 1.0 percent on current year deferrals and 3.0 percent on carryover balances as of December 31, 2004. In October 2004, the IPUC issued its final order with respect to general electric and natural gas rate cases filed by Avista Corp. in Idaho. The final order required Avista Corp. to write off a total of \$12.0 million (recorded as operation expenses in the Statements of Income) of certain deferred power costs, including associated accrued interest, related to natural gas contracts entered into by Avista Corp. to provide fuel for its generating facilities. The IPUC authorized the recovery of the remaining deferred power costs over a two-year period through a PCA rate surcharge to customers. Total deferred power costs for Idaho customers were \$9.5 million and \$30.3 million as of December 31, 2004 and 2003, respectively.

#### ***Natural Gas Cost Deferrals and Recovery Mechanisms***

Under established regulatory practices in each respective state, Avista Corp. is allowed to adjust its natural gas rates periodically (with regulatory approval) to reflect increases or decreases in the cost of natural gas purchased. Differences between actual natural gas costs and the natural gas costs already included in retail rates are deferred and charged or credited to expense when regulators approve inclusion of the cost changes in rates. Total deferred natural gas costs were \$28.6 million and \$15.4 million as of December 31, 2004 and 2003, respectively.

#### ***Reclassifications***

Certain prior period amounts were reclassified to conform to current statement format. These reclassifications were made for

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comparative purposes and to conform to changes in accounting standards and have not affected previously reported total net income or stockholders' equity.

## NOTE 2. NEW ACCOUNTING STANDARDS

In May 2003, the Financial Accounting Standards Board (FASB) issued SFAS No. 150, "Accounting for Certain Financial Instruments with Characteristics of Both Liabilities and Equity." This statement requires the Company to classify certain financial instruments as liabilities that have historically been classified as equity. This statement requires the Company to classify as a liability financial instruments that are subject to mandatory redemption at a specified or determinable date or upon an event that is certain to occur. This statement was effective for financial instruments entered into or modified after May 31, 2003, and otherwise was effective at the beginning of the first interim period beginning after June 15, 2003. The restatement of financial statements for prior periods was not permitted. The adoption of this statement required the Company to classify preferred stock subject to mandatory redemption as a liability (included in long-term debt) on the Balance Sheets. The adoption of this statement also required the Company to classify preferred stock dividends subsequent to July 1, 2003 as interest expense in the Statements of Income.

In January 2003, the FASB issued Interpretation No. 46, "Consolidation of Variable Interest Entities," which was revised in December 2003 (collectively referred to as FIN 46). In general, a variable interest entity does not have equity investors with voting rights or it has equity investors that do not provide sufficient financial resources for the entity to support its activities. Variable interest entities are commonly referred to as special purpose entities or off-balance sheet structures; however, FIN 46 applies to a broader group of entities. FIN 46 requires a variable interest entity to be consolidated by the primary beneficiary of that entity. The primary beneficiary is subject to a majority of the risk of loss from the variable interest entity's activities or it is entitled to receive a majority of the entity's residual returns. FIN 46 also requires disclosure of variable interest entities that a company is not required to consolidate but in which it has a significant variable interest. The consolidation requirements of FIN 46 applied immediately to variable interest entities created after January 31, 2003 and applied to certain existing variable interest entities for the first fiscal year or interim period ending after December 15, 2003. Application for all other types of entities was required for periods ending after March 15, 2004.

FIN 46 resulted in the Company no longer including the capital trusts formed for the purpose of issuing preferred trust securities in its financial statements for the period ended December 31, 2003 and thereafter. The capital trusts are considered variable interest entities under the provisions of FIN 46. As Avista Corp. is not the primary beneficiary, these entities are no longer included in Avista Corp.'s financial statements. The sole assets of the capital trusts are \$113.4 million of junior subordinated deferrable interest debentures of Avista Corp. and the deconsolidation of these entities resulted in these debentures being reflected on the Balance Sheets as advances from associated companies. Interest on debt to associated companies in the Statements of Income represents interest expense on these debentures.

See Note 7 for a discussion of a FASB Staff Position with respect to postretirement medical benefit obligations.

In December 2004, the FASB issued SFAS No. 123R, "Accounting for Stock-Based Compensation," which supersedes APB No. 25 and its related implementation guidance. This statement establishes standards for the accounting for transactions in which the Company exchanges its equity instruments for goods or services with a primary focus on transactions in which the Company obtains employee services in share-based payment transactions. The statement requires that the compensation cost relating to share-based payment transactions be recognized in financial statements based on the fair value of the equity or liability instruments issued. The Company will be required to implement the provisions of this statement beginning in the third quarter of 2005. The Company expects to record compensation expense (net of tax) of approximately \$0.5 million in 2005 and \$0.3 million in 2006 related to the periodic vesting of stock options granted to employees in prior years. As the Company is not currently granting stock options to employees, the prospective provisions of this statement are not expected to have a material effect on the Company's future financial condition, results of operations or cash flows.

## NOTE 3. ACCOUNTS RECEIVABLE SALE

Avista Receivables Corp. (ARC) is a wholly owned, bankruptcy-remote subsidiary of the Company formed for the purpose of acquiring or purchasing interests in certain accounts receivable, both billed and unbilled, of the Company. On May 29, 2002, ARC, the Company and a third-party financial institution entered into a three-year agreement whereby ARC can sell without recourse, on a revolving basis, up to \$100.0 million of those receivables. In April 2004, the revolving amount available for sale was reduced to

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\$85.0 million. ARC is obligated to pay fees that approximate the purchaser's cost of issuing commercial paper equal in value to the interests in receivables sold. The amount of such fees is included in operating expenses of the Company. As of December 31, 2004 and 2003, \$72.0 million in accounts receivables were sold under this revolving agreement.

#### NOTE 4. UTILITY ENERGY COMMODITY DERIVATIVE ASSETS AND LIABILITIES

SFAS No. 133, "Accounting for Derivative Instruments and Hedging Activities," as amended by SFAS No. 138 and SFAS No. 149, establishes accounting and reporting standards for derivative instruments, including certain derivative instruments embedded in other contracts, and for hedging activities. It requires the recording of all derivatives as either assets or liabilities on the balance sheet measured at estimated fair value and the recognition of the unrealized gains and losses. In certain defined conditions, a derivative may be specifically designated as a hedge for a particular exposure. The accounting for derivatives depends on the intended use of the derivatives and the resulting designation.

Avista Corp. enters into forward contracts to purchase or sell energy. Under these forward contracts, Avista Corp. commits to purchase or sell a specified amount of energy at a specified time, or during a specified period, in the future. Certain of these forward contracts are considered derivative instruments. Avista Corp. also records derivative commodity assets and liabilities for over-the-counter and exchange-traded derivative instruments as well as certain long-term contracts. These contracts are entered into as part of Avista Corp.'s management of its loads and resources as discussed in Note 5. In conjunction with the issuance of SFAS No. 133, the WUTC and the IPUC issued accounting orders authorizing Avista Corp. to offset any derivative assets or liabilities with a regulatory asset or liability. This accounting treatment is intended to defer the recognition of mark-to-market gains and losses on energy commodity transactions until the period of settlement. The order provides for Avista Corp. to not recognize the unrealized gain or loss on utility derivative commodity instruments in the Statements of Income. Realized gains or losses are recognized in the period of settlement, subject to approval for recovery through retail rates. Realized gains and losses, subject to regulatory approval, result in adjustments to retail rates through purchased gas cost adjustments, the ERM and the PCA mechanism.

Prior to the adoption of SFAS No. 149 on July 1, 2003, Avista Corp. elected the normal purchases and sales exception for substantially all of its contracts for both capacity and energy under SFAS No. 133. As such, Avista Corp. was not required to record these contracts as derivative commodity assets and liabilities. Under SFAS No. 149, substantially all new forward contracts to purchase or sell power and natural gas used for generation, which were entered into on or after July 1, 2003, are recorded as assets or liabilities at market value with an offsetting regulatory asset or liability. Contracts that are not considered derivatives under SFAS No. 133 are generally accounted for at cost until they are settled or realized, unless there is a decline in the fair value of the contract that is determined to be other than temporary. Utility energy commodity derivatives consisted of the following as of December 31 (dollars in thousands):

	2004	2003
Current utility energy commodity derivative asset	\$10,199	\$4,983
Current utility energy commodity derivative liability	5,713	2,997
Non-current utility energy commodity derivative asset	55,825	34,517
Non-current utility energy commodity derivative liability	33,490	33,060
Net regulatory liability	26,821	3,443

The offsetting net regulatory liability is included in other regulatory liabilities on the Balance Sheets.

#### NOTE 5. ENERGY COMMODITY TRADING

The Company's is exposed to risks relating to, but not limited to, changes in certain commodity prices, interest rates and counterparty performance. In order to manage the various risks relating to these exposures, Avista Corp. utilizes derivative instruments, such as forwards, futures, swaps and options. Avista Corp. uses a variety of techniques to manage risks for their energy resources and wholesale energy market activities. The Company has risk management policies and procedures to manage these risks, both qualitative and quantitative. The Company's Risk Management Committee establishes the Company's risk management policies and procedures and monitors compliance. The Risk Management Committee is comprised of certain Company officers and other individuals and is overseen by the Audit Committee of the Company's Board of Directors.

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Avista Corp. engages in an ongoing process of resource optimization, which involves the pursuit of economic resources to serve load obligations and using existing resources to capture available economic value. Avista Corp. sells and purchases wholesale electric capacity and energy to and from utilities and other entities as part of the process of acquiring resources to serve its retail and wholesale load obligations. These transactions range from a term as short as one hour up to long-term contracts that extend beyond one year. Avista Corp. makes continuing projections of (1) future retail and wholesale loads based on, among other things, forward estimates of factors such as customer usage and weather as well as historical data and contract terms and (2) resource availability based on, among other things, estimates of streamflows, generating unit availability, historic and forward market information and experience. On the basis of these continuing projections, Avista Corp. makes purchases and sales of energy on an annual, quarterly, monthly, daily and hourly basis to match expected resources to expected energy requirements. Resource optimization also includes transactions such as purchasing fuel to run thermal generation and, when economic, selling fuel and substituting electric wholesale market purchases for the operation of Avista Corp.'s own resources, as well as other wholesale transactions to capture the value of available generation and transmission resources. This optimization process includes entering into financial and physical hedging transactions as a means of managing risks.

Avista Corp. manages the impact of fluctuations in electric energy prices by measuring and controlling the volume of energy imbalance between projected loads and resources and through the use of derivative commodity instruments for hedging purposes. Load/resource imbalances within a rolling 18-month planning horizon are compared against established volumetric guidelines and management determines the timing and specific actions to manage the imbalances. Management also assesses available resource decisions and actions that are appropriate for longer-term planning periods. Avista Energy is responsible for the daily management of natural gas supplies to meet the requirements of Avista Corp.'s customers in the states of Washington, Idaho and Oregon. In February 2004, the WUTC ordered that these functions be moved back to Avista Corp. for Washington customers, and in April 2004, the WUTC approved Avista Corp.'s transition plan to move these functions back into Avista Corp. by March 31, 2005. Effective April 1, 2005, the Company will also be moving these functions back to Avista Corp. for Idaho and Oregon customers with the expiration of current agreements. As part of the transition plan, Avista Corp. has begun procuring natural gas for load service. This procurement process includes entering into financial and physical hedging transactions as a means of managing risks. See description of Natural Gas Benchmark Mechanism in Note 1 for further information. Avista Corp. has continued to manage natural gas procurement for its California operations, which the Company has entered into an agreement to sell (see Note 23 for further information).

#### **Market Risk**

Market risk is, in general, the risk of fluctuation in the market price of the commodity being traded and is influenced primarily by supply and demand. Market risk includes the fluctuation in the market price of associated derivative commodity instruments. Market risk is influenced to the extent that the performance or nonperformance by market participants of their contractual obligations and commitments affect the supply of, or demand for, the commodity. The Company manages the market risks inherent in its activities according to risk policies established by the Company's Risk Management Committee.

#### **Credit Risk**

Credit risk relates to the risk of loss that Avista Corp. would incur as a result of non-performance by counterparties of their contractual obligations to deliver energy or make financial settlements. Avista Corp. often extends credit to counterparties and customers. Credit risk includes the risk that a counterparty may default due to circumstances relating directly to it and the risk that a counterparty may default due to circumstances that relate to other market participants that have a direct or indirect relationship with such counterparty. Should a counterparty, customer or supplier fail to perform, Avista Corp. may be required to replace existing contracts with contracts at then-current market prices or to honor the underlying commitment. Avista Corp. seeks to mitigate credit risk by applying specific eligibility criteria to existing and prospective counterparties and by actively monitoring current credit exposures. These policies include an evaluation of the financial condition and credit ratings of counterparties, collateral requirements or other credit enhancements, such as letters of credit or parent company guarantees, and the use of standardized agreements that allow for the netting or offsetting of positive and negative exposures associated with a single counterparty.

Credit risk also involves the exposure that counterparties perceive related to the ability of Avista Corp. to perform deliveries and settlement under physical and financial energy contracts. These counterparties may seek assurances of performance in the form of letters of credit, prepayment or cash deposits. In periods of price volatility, the level of exposure can change significantly, with the result that sudden and significant demands may be made against the Company's capital resource reserves (credit facilities and cash). Avista Corp. actively monitors the exposure to possible collateral calls and take steps to minimize capital requirements.

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### ***Other Operating Risks***

In addition to commodity price risk, Avista Corp.'s commodity positions are subject to operational and event risks including, among others, increases in load demand, transmission or transport disruptions, fuel quality specifications, changes in regulatory requirements, forced outages at generating plants and disruptions to information systems and other administrative tools required for normal operations. Avista Corp. also has exposure to weather conditions and natural disasters that can cause physical damage to property, requiring repairs to restore utility service. The emergence of terrorism threats, both domestic and foreign, is a risk to the entire utility industry, including Avista Corp. Potential disruptions to operations or destruction of facilities from terrorism or other malicious acts are not readily determinable. The Company has taken various steps to mitigate terrorism risks and to prepare contingency plans in the event that its facilities are targeted.

### **NOTE 6. JOINTLY OWNED ELECTRIC FACILITIES**

As of December 31, 2004, the Company had a 50 percent ownership interest in a combined cycle natural gas-fired turbine power plant, the Coyote Springs 2 Generation Plant (Coyote Springs 2) located in north-central Oregon, which was placed into operation in 2003. The Company's share of related fuel costs as well as operating and maintenance expenses for plant in service are included in the corresponding accounts in the Statements of Income. The Company's share of utility plant for Coyote Springs 2 was \$108.8 million and accumulated depreciation was \$6.7 million as of December 31, 2004. In January 2005, the Company acquired the remaining 50 percent ownership interest in Coyote Springs 2 at a price of \$62.5 million. See Note 24 for further information.

The Company has a 15 percent ownership interest in a twin-unit coal-fired generating facility, the Colstrip Generating Project (Colstrip) located in southeastern Montana, and provides financing for its ownership interest in the project. The Company's share of related fuel costs as well as operating and maintenance expenses for plant in service are included in the corresponding accounts in the Statements of Income. The Company's share of utility plant for Colstrip was \$320.2 million and accumulated depreciation was \$172.4 million as of December 31, 2004.

### **NOTE 7. PENSION PLANS AND OTHER POSTRETIREMENT BENEFIT PLANS**

The Company has a defined benefit pension plan covering substantially all of its regular full-time employees at Avista Corp. and Avista Energy. Individual benefits under this plan are based upon the employee's years of service and average compensation as specified in the plan. The Company's funding policy is to contribute at least the minimum amounts that are required to be funded under the Employee Retirement Income Security Act, but not more than the maximum amounts that are currently deductible for income tax purposes. The Company made \$15 million in cash contributions to the pension plan in 2004 and \$12 million in each of 2003 and 2002. The Company expects to contribute approximately \$15 million to the pension plan in 2005.

The Finance Committee of the Company's Board of Directors establishes investment policies, objectives and strategies to seek optimum return for the pension plan, while also keeping with the assumption of prudent risk and the Finance Committee's composite return objectives. The Finance Committee reviews and approves changes to the investment policy. The Company has contracted with an investment manager who is responsible for managing the individual investment managers. The investment manager's performance and related individual fund performance is periodically reviewed by the Finance Committee to ensure compliance with investment policy objectives and strategies. Pension plan assets are invested primarily in marketable debt and equity securities. Pension plan assets may also be invested in real estate and other investments, including hedge funds and venture capital funds. In seeking to obtain the desired return to fund the pension plan, the Finance Committee has established investment allocation percentages by asset classes as indicated in the table below.

The assumed long-term rate of return on plan assets is based on past performance and economic forecasts for the types of investments held by the plan. The fair value of pension plan assets invested in debt and equity securities was based primarily on market prices. The fair value of pension plan assets invested in real estate was determined based on three basic approaches: (1) current cost of reproducing a property less deterioration and functional economic obsolescence (2) capitalization of the property's net earnings power; and (3) value indicated by recent sales of comparable properties in the market. The fair value of plan assets was determined as of December 31, 2004 and 2003.

As of December 31, 2004 and 2003, the pension plan had assets with a fair value that was less than the present value of the accumulated benefit obligation under the plan. In 2004, the pension plan funding deficit increased as compared to the end of 2003 and

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as such the Company increased the additional minimum liability for the unfunded accumulated benefit obligation by \$9.2 million and reduced the intangible asset by \$0.7 million (representing the amount of unrecognized prior service cost) related to the pension plan. This resulted in a charge to other comprehensive income of \$6.4 million, net of taxes of \$3.5 million for 2004. In 2003, the pension plan funding deficit decreased as compared to the end of 2002 and as such the Company reduced the additional minimum liability for the unfunded accumulated benefit obligation by \$15.5 million and the intangible asset by \$0.6 million (representing the amount of unrecognized prior service cost) related to the pension plan. This resulted in an increase to other comprehensive income of \$9.7 million, net of taxes of \$5.2 million for 2003. In 2002, the Company recorded an additional minimum liability for the unfunded accumulated benefit obligation of \$33.4 million and an intangible asset of \$6.4 million (representing the amount of unrecognized prior service cost) related to the pension plan. This resulted in a charge to other comprehensive income of \$17.6 million, net of taxes of \$9.4 million for 2002.

The Company also has a Supplemental Executive Retirement Plan (SERP) that provides additional pension benefits to executive officers of the Company. The SERP is intended to provide benefits to executive officers whose benefits under the pension plan are reduced due to the application of Section 415 of the Internal Revenue Code of 1986 and the deferral of salary under deferred compensation plans. The Company recorded an additional minimum liability for the unfunded accumulated benefit obligation of \$1.8 million, \$0.3 million and \$0.7 million related to the SERP for 2004, 2003 and 2002, respectively. This resulted in a charge to other comprehensive income of \$1.2 million, \$0.2 million and \$0.5 million, net of tax, for 2004, 2003 and 2002, respectively.

The Company expects that benefit payments under the pension plan and the SERP will total \$14.1 million, \$14.0 million, \$15.2 million, \$15.5 million and \$16.2 million in 2005, 2006, 2007, 2008 and 2009, respectively. For the ensuing five years (2010 through 2014), the Company expects that benefit payments under the pension plan and the SERP will total \$102.4 million.

The Company provides certain health care and life insurance benefits for substantially all of its retired employees. The Company accrues the estimated cost of postretirement benefit obligations during the years that employees provide services. The Company elected to amortize the transition obligation of \$34.5 million over a period of twenty years, beginning in 1993. In 2004, the Company recognized the effect of an amendment to the cost-sharing policy, which limits the employer portion of the premium for all retirees. This amendment reduced the accumulated benefit obligation by \$4.3 million. The Company expects that benefit payments under the postretirement benefit plan will be \$3.1 million, \$3.1 million, \$3.1 million, \$3.0 million and \$3.0 million in 2005, 2006, 2007, 2008 and 2009, respectively. For the ensuing five years (2010 through 2014), the Company expects that benefit payments under the postretirement benefit plan will total \$14.5 million.

The Company uses a December 31 measurement date for its pension and postretirement plans. The following table sets forth the pension and postretirement plan disclosures as of December 31, 2004 and 2003 and the components of net periodic benefit costs for the years ended December 31, 2004, 2003 and 2002 (dollars in thousands):

	Pension Benefits		Other Benefits	
	2004	2003	2004	2003
<b>Change in benefit obligation:</b>				
Benefit obligation as of beginning of year	\$265,790	\$238,385	\$39,185	\$29,062
Service cost	8,914	7,806	480	482
Interest cost	16,406	15,705	2,019	2,477
Plan amendment	-	-	(4,263)	-
Actuarial loss (gain)	8,737	18,046	(2,464)	10,973
Benefits paid	(13,309)	(13,226)	(3,042)	(3,741)
Expenses paid	(800)	(926)	(47)	(68)
Benefit obligation as of end of year	<u>\$285,738</u>	<u>\$265,790</u>	<u>\$31,868</u>	<u>\$39,185</u>
<b>Change in plan assets:</b>				
Fair value of plan assets as of beginning of year	\$167,962	\$136,125	\$14,587	\$11,301
Actual return on plan assets	16,816	33,129	1,882	3,282
Employer contributions	15,000	12,000	1,964	1,785
Benefits paid	(12,399)	(12,366)	(1,524)	(1,713)
Expenses paid	(800)	(926)	(47)	(68)
Fair value of plan assets as of end of year	<u>\$186,579</u>	<u>\$167,962</u>	<u>\$16,862</u>	<u>\$14,587</u>

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	Pension Benefits		Other Benefits	
	2004	2003	2004	2003
Funded status	\$(99,159)	\$(97,828)	\$(15,006)	\$(24,598)
Unrecognized net actuarial loss	73,604	71,695	6,009	9,455
Unrecognized prior service cost	5,058	5,712	-	-
Unrecognized net transition obligation/(asset)	(499)	(1,585)	4,041	8,809
Accrued benefit cost	(20,996)	(22,006)	(4,956)	(6,334)
Additional minimum liability	(31,112)	(20,081)	-	-
Accrued benefit liability	<u>\$(52,108)</u>	<u>\$(42,087)</u>	<u>\$(4,956)</u>	<u>\$(6,334)</u>
Accumulated pension benefit obligation	<u>\$238,687</u>	<u>\$210,049</u>	-	-
Accumulated postretirement benefit obligation:				
For retirees			\$18,914	\$26,073
For fully eligible employees			\$5,672	\$5,427
For other participants			\$7,282	\$7,685
<b>Weighted-average asset allocations as of December 31</b>				
Equity securities	63%	64%	64%	59%
Debt securities	26%	25%	36%	41%
Real estate	5%	5%	-	-
Other	6%	6%	-	-
<b>Target asset allocations as of December 31</b>				
Equity securities	54-68%	54-68%	52-72%	-
Debt securities	22-28%	22-28%	28-48%	-
Real estate	3-7%	3-7%	-	-
Other	5-13%	5-13%	-	-
<b>Weighted Average Assumptions as of December 31</b>				
Discount rate for benefit obligation	5.75%	6.25%	5.75%	6.25%
Discount rate for annual expense	6.25%	6.75%	6.25%	6.75%
Expected long-term return on plan assets	8.00%	8.00%	8.00%	8.00%
Rate of compensation increase (1)	4.84%	5.00%	-	-
Medical cost trend pre-age 65 – initial			9.00%	8.00%
Medical cost trend pre-age 65 – ultimate			5.00%	5.00%
Ultimate medical cost trend year pre-age 65			2009	2007
Medical cost trend post-age 65 – initial			9.00%	9.00%
Medical cost trend post-age 65 – ultimate			6.00%	6.00%
Ultimate medical cost trend year post-age 65			2008	2007

(1) In 2004, changed to an age-based scale ranging from 2.50 percent to 8.00 percent.

	2004	2003	2002	2004	2003	2002
<b>Components of net periodic benefit cost:</b>						
Service cost	\$ 8,914	\$ 7,806	\$ 6,734	\$ 480	\$ 482	\$ 304
Interest cost	16,406	15,705	15,119	2,019	2,477	2,184
Expected return on plan assets	(13,436)	(10,862)	(12,311)	(1,106)	(842)	(1,064)
Transition (asset)/obligation recognition	(1,086)	(1,086)	(1,086)	505	979	1,256
Amortization of prior service cost	654	653	831	-	-	-
Net loss recognition	<u>3,447</u>	<u>3,896</u>	<u>1,021</u>	<u>245</u>	<u>405</u>	<u>-</u>
Net periodic benefit cost	<u>\$14,899</u>	<u>\$16,112</u>	<u>\$10,308</u>	<u>\$2,143</u>	<u>\$3,501</u>	<u>\$2,680</u>

Assumed health care cost trend rates have a significant effect on the amounts reported for the health care plans. A one-percentage-point increase in the assumed health care cost trend rate for each year would increase the accumulated postretirement benefit obligation as of December 31, 2004 by \$2.3 million and the service and interest cost by \$0.2 million. A one-percentage-point decrease in the assumed health care cost trend rate for each year would decrease the accumulated postretirement benefit obligation as

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of December 31, 2004 by \$2.0 million and the service and interest cost by \$0.2 million.

In December 2003, the Medicare Prescription Drug, Improvement and Modernization Act of 2003 (2003 Medicare Act) was signed into law. The 2003 Medicare Act expanded Medicare to include, for the first time, coverage for prescription drugs. In May 2004, the FASB issued Staff Position No. 106-2, "Accounting and Disclosure Requirements Related to the Medicare Prescription Drug, Improvement and Modernization Act of 2003." The Company implemented the 2003 Medicare Act and the related FASB Staff Position in 2004, which reduced the accumulated benefit obligation by \$2.7 million as of December 31, 2004 and the 2004 postretirement benefit expense by less than \$0.1 million.

The Company has a salary deferral 401(k) plan (Employee Investment Plan) that is a defined contribution plan and covers substantially all employees. Employees can make contributions to their respective accounts in the Employee Investment Plan on a pre-tax basis up to the maximum amount permitted by law. The Company matches a portion of the salary deferred by each participant according to the schedule in the Employee Investment Plan. Employer matching contributions of \$3.9 million, \$3.6 million and \$3.4 million were expensed in 2004, 2003 and 2002, respectively.

The Company has an Executive Deferral Plan. This plan allows executive officers and other key employees the opportunity to defer until the earlier of their retirement, termination, disability or death, up to 75 percent of their base salary and/or up to 100 percent of their incentive cash payments. Deferred compensation funds are held by the Company in a Rabbi Trust. As of December 31, 2004 and 2003, there were deferred compensation assets of \$11.5 million included in other special funds and corresponding deferred compensation liabilities of \$11.5 million included in other deferred credits on the Balance Sheets.

**NOTE 8. ACCOUNTING FOR INCOME TAXES**

As of December 31, 2004 and 2003, the Company had net regulatory assets of \$123.2 million and \$131.8 million, respectively, related to the probable recovery of certain deferred tax liabilities from customers through future rates.

Deferred income taxes reflect the net tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes and tax credit carryforwards.

The realization of deferred tax assets is dependent upon the ability to generate taxable income in future periods. The Company evaluated available evidence supporting the realization of its deferred tax assets and determined it is more likely than not that deferred tax assets will be realized.

**NOTE 9. ENERGY PURCHASE CONTRACTS**

Avista Corp. has contracts related to the purchase of fuel for thermal generation, natural gas and hydroelectric power. The termination dates of the contracts range from one month to the year 2044. Avista Corp. also has various agreements for the purchase, sale or exchange of electric energy with other utilities, cogenerators, small power producers and government agencies. Total expenses for power purchased, natural gas purchased, fuel for generation and other fuel costs, which are included in operation expenses in the Statements of Income, were \$482.2 million, \$464.1 million and \$382.4 million in 2004, 2003 and 2002, respectively.

The following table details Avista Corp.'s future contractual commitments for power resources (including transmission contracts) and natural gas resources (including transportation contracts) (dollars in thousands):

	2005	2006	2007	2008	2009	Thereafter	Total
Power resources	\$142,656	\$92,507	\$95,523	\$95,981	\$96,542	\$353,128	\$876,337
Natural gas resources	<u>127,108</u>	<u>50,073</u>	<u>55,457</u>	<u>45,173</u>	<u>39,808</u>	<u>396,403</u>	<u>714,022</u>
Total	<u>\$269,764</u>	<u>\$142,580</u>	<u>\$150,980</u>	<u>\$141,154</u>	<u>\$136,350</u>	<u>\$749,531</u>	<u>\$1,590,359</u>

All of the energy purchase contracts were entered into as part of Avista Corp.'s obligation to serve its retail natural gas and electric customers' energy requirements. As a result, these costs are generally recovered either through base retail rates or adjustments to retail rates as part of the power and natural gas cost deferral and recovery mechanisms.

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In addition, Avista Corp. has operational agreements, settlements and other contractual obligations with respect to its generation, transmission and distribution facilities. The expenses associated with these agreements are reflected as operation expenses and maintenance expenses in the Statements of Income. The following table details future contractual commitments with respect to these agreements (dollars in thousands):

	2005	2006	2007	2008	2009	Thereafter	Total
Contractual obligations	\$14,516	\$14,516	\$14,516	\$14,516	\$14,516	\$176,789	\$249,369

Avista Corp. has fixed contracts with certain Public Utility Districts (PUD) to purchase portions of the output of certain generating facilities. Although Avista Corp. has no investment in the PUD generating facilities, the fixed contracts obligate Avista Corp. to pay certain minimum amounts (based in part on the debt service requirements of the PUD) whether or not the facility is operating. The cost of power obtained under the contracts, including payments made when a facility is not operating, is included in operation expenses in the Statements of Income. Expenses under these PUD contracts were \$7.3 million, \$8.5 million and \$7.8 million in 2004, 2003 and 2002, respectively. Information as of December 31, 2004, pertaining to these PUD contracts is summarized in the following table (dollars in thousands):

	Company's Current Share of					
	Output	Kilowatt Capability	Annual Costs (1)	Debt Service Costs (1)	Bonds Outstanding	Expira- tion Date
Chelan County PUD:						
Rocky Reach Project	2.9%	37,000	\$1,848	\$990	\$ 2,952	2011
Douglas County PUD:						
Wells Project	3.5	30,000	1,079	528	5,015	2018
Grant County PUD:						
Priest Rapids Project	6.1	55,000	1,868	795	10,961	2040
Wanapum Project	8.2	<u>75,000</u>	<u>2,522</u>	<u>1,056</u>	<u>14,888</u>	2040
Totals		<u>197,000</u>	<u>\$7,317</u>	<u>\$3,369</u>	<u>\$33,816</u>	

(1) The annual costs will change in proportion to the percentage of output allocated to Avista Corp. in a particular year. Amounts represent the operating costs for the year 2004. Debt service costs are included in annual costs.

The estimated aggregate amounts of required minimum payments (Avista Corp.'s share of existing debt service costs) under these PUD contracts are as follows (dollars in thousands):

	2005	2006	2007	2008	2009	Thereafter	Total
Minimum payments	\$3,636	\$2,957	\$3,255	\$3,115	\$3,230	\$20,472	\$36,665

In addition, Avista Corp. will be required to pay its proportionate share of the variable operating expenses of these projects.

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#### NOTE 10. BONDS AND OTHER LONG-TERM DEBT

The following details the interest rate and maturity dates of bonds and other long-term debt outstanding as of December 31 (dollars in thousands):

Maturity Year	Description	Interest Rate	2004	2003
2005	Secured Medium-Term Notes	6.39%-6.68%	\$ 29,500	\$ 29,500
2006	Secured Medium-Term Notes	7.89%-7.90%	30,000	30,000
2007	First Mortgage Bonds	7.75%	150,000	150,000
2007	Secured Medium-Term Notes (1)	5.99%	13,850	-
2008	Secured Medium-Term Notes (1)	6.06%-6.95%	45,000	20,000
2010	Secured Medium-Term Notes (1)	6.67%-8.02%	35,000	10,000
2012	Secured Medium-Term Notes	7.37%	7,000	7,000
2013	First Mortgage Bonds	6.13%	45,000	45,000
2018	Secured Medium-Term Notes	7.26%-7.45%	27,500	27,500
2019	First Mortgage Bonds (2)	5.45%	90,000	-
2023	Secured Medium-Term Notes	7.18%-7.54%	24,500	24,500
2028	Secured Medium-Term Notes (1)	6.37%	25,000	-
2032	Pollution Control Bonds (1)	5.00%	66,700	-
2034	Pollution Control Bonds (1)	5.13%	17,000	-
	Total secured debt		<u>606,050</u>	<u>343,500</u>
2004	Unsecured Medium-Term Notes	7.42%	-	28,500
2006	Unsecured Medium-Term Notes	8.14%	8,000	8,000
2007	Unsecured Medium-Term Notes (1)	5.99%-7.94%	12,000	25,850
2008	Unsecured Senior Notes	9.75%	280,827	317,683
2008	Unsecured Medium-Term Notes (1)	6.06%	-	25,000
2010	Unsecured Medium-Term Notes (1)	8.02%	-	25,000
2022	Unsecured Medium-Term Notes	8.15%	5,000	5,000
2023	Unsecured Medium-Term Notes	7.99%	5,000	5,000
2023	Pollution Control Bonds	6.00%	4,100	4,100
2028	Unsecured Medium-Term Notes (1)	6.37%	-	25,000
2032	Pollution Control Bonds (1)	5.00%	-	66,700
2034	Pollution Control Bonds (1)	5.13%	-	17,000
	Total unsecured debt		<u>314,927</u>	<u>552,833</u>
	Committed line of credit		<u>68,000</u>	<u>80,000</u>
	Preferred stock		<u>29,750</u>	<u>31,500</u>
	Total bonds and other long-term debt		<u>\$1,018,727</u>	<u>\$1,007,833</u>

- (1) In December 2004, the Company issued \$172.6 million of non-transferable First Mortgage Bonds (Collateral Bonds) under its Mortgage and Deed of Trust, dated as of June 1, 1939, as amended and supplemented (Mortgage), in order to provide the benefit of the lien of the Mortgage to secure its obligations with respect to previously issued and outstanding unsecured debt securities, including \$88.9 million of its Medium Term Notes, Series C and the municipal bond insurance policies insuring \$83.7 million of Pollution Control Revenue Bonds issued for the benefit of the Company by the City of Forsyth, Montana. The Collateral Bonds were issued in order to suspend certain negative covenants, which had limited the Company's ability to issue additional secured debt.
- (2) In November 2004, the Company issued \$90.0 million of 5.45 percent First Mortgage Bonds due in 2019. The Company used the proceeds to repay a portion of the borrowings outstanding under its committed line of credit.

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The following table details future long-term debt maturities, not including the committed line of credit or preferred stock (dollars in thousands):

Year	2005	2006	2007	2008	2009	Thereafter	Total
Debt maturities	\$29,500	\$38,000	\$175,850	\$325,827	\$ -	\$351,800	\$920,977

In September 1999, \$83.7 million of Pollution Control Revenue Refunding Bonds (Avista Corporation Colstrip Project), Series 1999A due 2032 and Series 1999B due 2034 were issued by the City of Forsyth, Montana. The proceeds of the bonds were utilized to refund the \$66.7 million of 7.13 percent First Mortgage Bonds due 2013 and the \$17.0 million of 7.40 percent First Mortgage Bonds due 2016. The Series 1999A and Series 1999B Bonds are backed by an insurance policy issued by AMBAC Assurance Corporation. In January 2002, the interest rate on the bonds was fixed for a period of seven years at a rate of 5.00 percent for Series 1999A and 5.13 percent for Series 1999B. As described above, in December 2004, the Company secured these obligations through the issuance of First Mortgage Bonds.

During 2004, the Company repurchased \$36.6 million of 9.75 percent Senior Notes scheduled to mature in 2008. In accordance with regulatory accounting practices, the total net premium on the repurchase of debt of \$6.7 million will be amortized over the average remaining maturity of outstanding debt.

In January and February 2005, the Company repurchased the following debt securities: \$5.0 million of Secured Medium-Term Notes scheduled to mature in 2018; \$11.0 million of Secured Medium-Term Notes scheduled to mature in 2023; \$5.0 million Unsecured Medium-Term Notes scheduled to mature in 2022; and \$5.0 million of Unsecured Medium-Term Notes scheduled to mature in 2023.

In April 2004, the Company filed an amended registration statement on Form S-3 with the Securities and Exchange Commission, which would allow for the issuance of up to \$349.6 million of securities (either debt or common stock). This filing amended and combined three previous registration statements filed by the Company. As of December 31, 2004, the Company had remaining availability of \$259.6 million under this registration statement.

Substantially all utility properties owned by the Company are subject to the lien of the Company's various mortgage indentures. The Mortgage and Deed of Trust securing the Company's First Mortgage Bonds (including Secured Medium-Term Notes) contains limitations on the amount of First Mortgage Bonds, which may be issued based on, among other things, a 70 percent debt-to-collateral ratio, and/or retired First Mortgage Bonds, and a 2 to 1 net earnings to First Mortgage Bond interest ratio. As of December 31, 2004, the Company could issue \$400.0 million of additional First Mortgage Bonds under the Mortgage and Deed of Trust. See Note 12 for information regarding First Mortgage Bonds issued to secure the Company's obligations under a \$350.0 million committed line of credit.

#### NOTE 11. ADVANCES FROM ASSOCIATED COMPANIES

In April 2004, the Company issued Junior Subordinated Debt Securities, with a principal amount of \$61.9 million to AVA Capital Trust III, an affiliated business trust formed by the Company. Concurrently, AVA Capital Trust III issued \$60.0 million of Preferred Trust Securities to third parties and \$1.9 million of Common Trust Securities to the Company. All of these securities have a fixed interest rate of 6.50 percent for five years (through March 31, 2009). Subsequent to the initial five-year fixed rate period, the securities will either have a new fixed rate or an adjustable rate. These debt securities may be redeemed by the Company on or after March 31, 2009 and will mature on April 1, 2034.

The Company used the proceeds from the Junior Subordinated Debt Securities to redeem \$61.9 million of 7.875 percent Junior Subordinated Deferrable Interest Debentures, Series A, originally issued in 1997 to Avista Capital I, an affiliated business trust formed by the Company. Avista Capital I used these proceeds to redeem \$60.0 million of Preferred Trust Securities issued to third parties and \$1.9 million of Common Trust Securities issued to the Company.

In 1997, the Company issued Floating Rate Junior Subordinated Deferrable Interest Debentures, Series B, with a principal amount of \$51.5 million to Avista Capital II, an affiliated business trust formed by the Company. Avista Capital II issued \$50.0 million of Preferred Trust Securities with a floating distribution rate of LIBOR plus 0.875 percent, calculated and reset quarterly. The annual distribution rate paid during 2004 ranged from 1.995 percent to 3.275 percent. As of December 31, 2004, the annual distribution rate

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was 3.275 percent. Concurrent with the issuance of the Preferred Trust Securities, Avista Capital II issued \$1.5 million of Common Trust Securities to the Company. These debt securities may be redeemed at the option of Avista Capital II on or after June 1, 2007 and mature on June 1, 2037; however, this is limited by an agreement under the Company's 9.75 percent Senior Notes that mature in 2008. In December 2000, the Company purchased \$10.0 million of these Preferred Trust Securities.

The Company has guaranteed the payment of distributions on, and redemption price and liquidation amount with respect to, the Preferred Trust Securities to the extent that AVA Capital Trust III and Avista Capital II have funds available for such payments from the respective debt securities. Upon maturity or prior redemption of such debt securities, the Preferred Trust Securities will be mandatorily redeemed. As discussed in Note 2, FIN 46 results in the Company no longer including these capital trusts in its financial statements as of December 31, 2003 and thereafter.

#### NOTE 12. COMMITTED LINE OF CREDIT

On December 17, 2004, the Company entered into a five-year committed line of credit with various banks in the amount of \$350.0 million with an expiration date of December 16, 2009. This committed line of credit replaced a \$350.0 million committed line of credit with a 364-day term that had an expiration date of May 5, 2005. The Company can request the issuance of up to \$150.0 million in letters of credit under the committed line of credit. As of December 31, 2004 and 2003, there were \$32.8 million and \$10.7 million in letters of credit outstanding, respectively. The committed line of credit is secured by \$350.0 million of non-transferable First Mortgage Bonds of the Company issued to the agent bank. Such First Mortgage Bonds would only become due and payable in the event, and then only to the extent, that the Company defaults on its obligations under the committed line of credit.

The committed line of credit agreement contains customary covenants and default provisions, including covenants not to permit the ratio of "consolidated total debt" to "consolidated total capitalization" of Avista Corp. to be greater than 70 percent at the end of any fiscal quarter. As of December 31, 2004, the Company was in compliance with this covenant with a ratio of 59.9 percent. The committed line of credit also has a covenant requiring the ratio of "earnings before interest, taxes, depreciation and amortization" to "interest expense" of Avista Corp. for the twelve-month period ending December 31, 2004 to be greater than 1.6 to 1. As of December 31, 2004, the Company was in compliance with this covenant with a ratio of 2.27 to 1.

Balances and interest rates of bank borrowings under the Company's revolving committed lines of credit were as follows as of and for the years ended December 31 (dollars in thousands):

	2004	2003	2002
Balance outstanding at end of period	\$68,000	\$80,000	\$30,000
Maximum balance outstanding during the period	170,000	85,000	90,000
Average balance outstanding during the period	54,858	26,034	47,027
Average interest rate during the period	3.14%	2.99%	3.59%
Average interest rate at end of period	3.52	3.70	3.39

#### NOTE 13. INTEREST RATE SWAP AGREEMENTS

In July, August and December 2004, Avista Corp. entered into three forward-starting interest rate swap agreements, totaling \$200.0 million, to manage the risk that changes in interest rates may affect the amount of future interest payments. These interest rate swap agreements relate to the anticipated issuances of debt to fund debt that matures in 2007 and 2008. Under the terms of these agreements, the value of the interest rate swaps are determined based upon Avista Corp. paying a fixed rate and receiving a variable rate based on LIBOR for a term of seven years beginning in 2007 and a term of ten years beginning in 2008. The interest rate swap agreements provide for mandatory cash settlement of these contracts in 2008 and 2009. These interest rate swap agreements are considered hedges against fluctuations in future cash flows associated with changes in interest rates in accordance with SFAS No. 133. As of December 31, 2004, Avista Corp. had a derivative liability of \$6.5 million. An unrealized loss of \$4.2 million (net of taxes of \$2.3 million) was recorded in other comprehensive loss for 2004, which is reflected as component of accumulated other comprehensive loss on the Balance Sheets. The Company may request regulatory accounting orders to defer the impact of unrealized gains and losses. If such accounting orders were obtained, the Company would record a regulatory asset or liability, which would eliminate the effect of any unrealized gains and losses on these interest rate swap agreements in other comprehensive income (loss). If regulatory accounting orders are not obtained prior to the mandatory cash settlements in 2008 and 2009, the amount included in

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accumulated other comprehensive income or loss at the cash settlement date will be reclassified to unamortized debt expense in accordance with regulatory accounting practices under SFAS No. 71. This gain or loss will be amortized over the remaining life of the forecasted debt issued.

#### NOTE 14. LEASES

The Company has multiple lease arrangements involving various assets, with minimum terms ranging from one to forty-five years. The Company's most significant leased asset is the corporate office building. Certain lease arrangements require the Company, upon the occurrence of specified events, to purchase the leased assets. The Company's management believes the likelihood of the occurrence of the specified events under which the Company could be required to purchase the leased assets is remote. Rental expense under operating leases for 2004, 2003 and 2002 was \$12.0 million, \$13.4 million and \$18.4 million, respectively.

Future minimum lease payments required under operating leases having initial or remaining noncancelable lease terms in excess of one year as of December 31, 2004 were as follows (dollars in thousands):

Year ending December 31:	2005	2006	2007	2008	2009	Thereafter	Total
Minimum payments required	\$8,575	\$8,234	\$7,830	\$7,867	\$7,906	\$53,124	\$93,536

The payments under capital leases are \$1.1 million in each of 2005 and 2006, \$1.0 million in each of 2007 and 2008, and \$0.1 million in 2009.

Equipment under capital leases totaled \$5.3 million and \$3.9 million as of December 31, 2004 and 2003, respectively. The associated accumulated depreciation totaled \$0.5 million and \$0.2 million as of December 31, 2004 and 2003, respectively.

#### NOTE 15. GUARANTEES

The Company has guaranteed the payment of distributions on, and redemption price and liquidation amount with respect to, the Preferred Trust Securities issued by its affiliates, AVA Capital Trust III and Avista Capital II, to the extent that these entities have funds available for such payments from the respective debt securities.

Avista Power, LLC (Avista Power), a subsidiary of Avista Capital, through its equity investment in Rathdrum Power LLC, is a 49 percent owner of the Lancaster Project, which commenced commercial operation in September 2001. Commencing with commercial operations, all of the output from the Lancaster Project is contracted to Avista Energy, a subsidiary of Avista Capital, through 2026 under a power purchase agreement. Avista Corp. has guaranteed the power purchase agreement with respect to the performance of Avista Energy.

#### NOTE 16. PREFERRED STOCK-CUMULATIVE (SUBJECT TO MANDATORY REDEMPTION)

In September 2004, the Company made a mandatory redemption of 17,500 shares of preferred stock for \$1.75 million. In March 2003, the Company repurchased 17,500 shares of preferred stock for \$1.6 million, satisfying its redemption requirement for 2003. In September 2002, the Company made a mandatory redemption of 17,500 shares of preferred stock for \$1.75 million. On September 15, 2005 and 2006, the Company must redeem 17,500 shares at \$100 per share plus accumulated dividends through a mandatory sinking fund. As such, redemption requirements are \$1.75 million in each of the years 2005 and 2006. The remaining shares must be redeemed on September 15, 2007. The Company has the right to redeem an additional 17,500 shares on each September 15 redemption date; however, this right is limited by an agreement under the Company's 9.75 percent Senior Notes that mature in 2008. Upon involuntary liquidation, all preferred stock will be entitled to \$100 per share plus accrued dividends.

As discussed in Note 2, the Company adopted SFAS No. 150 effective July 1, 2003. The adoption of this statement requires the Company to classify preferred stock subject to mandatory redemption as liabilities and preferred stock dividends as interest expense. The restatement of prior periods was not permitted.

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#### NOTE 17. FAIR VALUE OF FINANCIAL INSTRUMENTS

The carrying values of cash, special deposits, working funds, temporary cash investments, accounts and notes receivable, accounts payable, capital leases and the committed line of credit are reasonable estimates of their fair values. Derivative assets and liabilities are reported at estimated fair value on the Balance Sheets.

The fair value of the Company's secured and unsecured debt as of December 31, 2004 and 2003 was estimated to be \$998.7 million, or 108 percent of the carrying value of \$921.0 million, and \$1,012.7 million, or 112 percent of the carrying value of \$896.3 million, respectively. The fair value of the Company's mandatorily redeemable preferred stock as of December 31, 2004 and 2003 was estimated to be \$32.0 million, or 107 percent of the carrying value of \$29.8 million, and \$29.9 million, or 95 percent of the carrying value of \$31.5 million, respectively. The fair value of the Company's long-term debt to affiliated trusts (included in advances to associated companies) as of December 31, 2004 and 2003 was estimated to be \$108.3 million, or 98 percent of the carrying value of \$110.0 million, and \$99.5 million, or 90 percent of the carrying value of \$110.0 million, respectively. The carrying value as of December 31, 2004 and 2003 does not include \$3.4 million of debt that is considered common equity by the affiliated trusts. These estimates were primarily based on available market information.

#### NOTE 18. COMMON STOCK

In April 1990, the Company sold 1,000,000 shares of its common stock to the Trustee of the Investment and Employee Stock Ownership Plan for Employees of the Company (Plan) for the benefit of the participants and beneficiaries of the Plan. In payment for the shares of common stock, the Trustee issued a promissory note payable to the Company in the amount of \$14.1 million. Dividends paid on the stock held by the Trustee, plus Company contributions to the Plan, if any, are used by the Trustee to make interest and principal payments on the promissory note. The balance of the promissory note receivable from the Trustee was \$0.5 million as of December 31, 2004. The shares of common stock are allocated to the accounts of participants in the Plan as the note is repaid. During 2004, 2003 and 2002, the cost recorded for the Plan was \$6.2 million, \$6.9 million and \$6.0 million, respectively. Interest on the note payable to the Company, cash and stock contributions to the Plan and dividends on the shares held by the Trustee was \$0.2 million, \$1.7 million and less than \$0.1 million, respectively during 2004. Interest on the note payable to the Company, cash and stock contributions to the Plan and dividends on the shares held by the Trustee was \$0.3 million, \$1.7 million and \$0.1 million, respectively during 2003. Interest on the note payable to the Company, cash and stock contributions to the Plan and dividends on the shares held by the Trustee was \$0.5 million, \$1.6 million and \$0.1 million, respectively during 2002.

In November 1999, the Company adopted a shareholder rights plan pursuant to which holders of common stock outstanding on February 15, 1999, or issued thereafter, were granted one preferred share purchase right (Right) on each outstanding share of common stock. Each Right, initially evidenced by and traded with the shares of common stock, entitles the registered holder to purchase one one-hundredth of a share of preferred stock of the Company, without par value, at a purchase price of \$70, subject to certain adjustments, regulatory approval and other specified conditions. The Rights will be exercisable only if a person or group acquires 10 percent or more of the outstanding shares of common stock or commences a tender or exchange offer, the consummation of which would result in the beneficial ownership by a person or group of 10 percent or more of the outstanding shares of common stock. Upon any such acquisition, each Right will entitle its holder to purchase, at the purchase price, that number of shares of common stock or preferred stock of the Company (or, in the case of a merger of the Company into another person or group, common stock of the acquiring person or group) that has a market value at that time equal to twice the purchase price. In no event will the Rights be exercisable by a person that has acquired 10 percent or more of the Company's common stock. The Rights may be redeemed, at a redemption price of \$0.01 per Right, by the Board of Directors of the Company at any time until any person or group has acquired 10 percent or more of the common stock. The Rights expire on March 31, 2009. This plan replaced a similar shareholder rights plan that expired in February 2000.

The Company has a Dividend Reinvestment and Stock Purchase Plan under which the Company's shareholders may automatically reinvest their dividends and make optional cash payments for the purchase of the Company's common stock at current market value.

From March 2000 through May 2003, the Company issued shares of its common stock to the Employee Investment Plan rather than having the Plan purchase shares of common stock on the open market. In the fourth quarter of 2000, the Company also began issuing new shares of common stock for the Dividend Reinvestment and Stock Purchase Plan.

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The payment of dividends on common stock is restricted by provisions of certain covenants applicable to preferred stock and long-term debt contained in the Company's Articles of Incorporation and various mortgage indentures. Covenants under the Company's 9.75 percent Senior Notes that mature in 2008 limit the Company's ability to increase its common stock cash dividend to no more than 5 percent over the previous quarter.

#### NOTE 19. EARNINGS PER COMMON SHARE

The following table presents the computation of basic and diluted earnings per common share for the years ended December 31 (in thousands, except per share amounts):

	2004	2003	2002
<b>Numerator:</b>			
Income from continuing operations	\$35,614	\$50,643	\$42,174
Loss from discontinued operations	-	(4,949)	(6,719)
Net income before cumulative effect of accounting change	35,614	45,694	35,455
Cumulative effect of accounting change	(460)	(1,190)	(4,148)
Net income	35,154	44,504	31,307
Deduct: Preferred stock dividend requirements	-	1,125	2,402
Income available for common stock	<u>\$35,154</u>	<u>\$43,379</u>	<u>\$28,905</u>
<b>Denominator:</b>			
Weighted-average number of common shares outstanding-basic	48,400	48,232	47,823
Effect of dilutive securities:			
Restricted stock	-	-	2
Contingent stock	209	244	-
Stock options	277	154	49
Weighted-average number of common shares outstanding-diluted	<u>48,886</u>	<u>48,630</u>	<u>47,874</u>
<b>Earnings per common share, basic:</b>			
Earnings per common share from continuing operations	\$0.74	\$1.03	\$0.83
Loss per common share from discontinued operations	-	(0.10)	(0.14)
Earnings per common share before cumulative effect of accounting change	0.74	0.93	0.69
Loss per common share from cumulative effect of accounting change	(0.01)	(0.03)	(0.09)
Total earnings per common share, basic	<u>\$0.73</u>	<u>\$0.90</u>	<u>\$0.60</u>
<b>Earnings per common share, diluted:</b>			
Earnings per common share from continuing operations	\$0.73	\$1.02	\$0.83
Loss per common share from discontinued operations	-	(0.10)	(0.14)
Earnings per common share before cumulative effect of accounting change	0.73	0.92	0.69
Loss per common share from cumulative effect of accounting change	(0.01)	(0.03)	(0.09)
Total earnings per common share, diluted	<u>\$0.72</u>	<u>\$0.89</u>	<u>\$0.60</u>

Total stock options outstanding that were not included in the calculation of diluted earnings per common share were 730,100, 1,306,200 and 1,445,890 for 2004, 2003 and 2002, respectively. These stock options were excluded from the calculation because they were antidilutive based on the fact that the exercise price of the stock options was higher than the average market price of Avista Corp. common stock during the respective period.

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## NOTE 20. STOCK COMPENSATION PLANS

In 1998, the Company adopted and shareholders approved an incentive compensation plan, the Long-Term Incentive Plan (1998 Plan). Under the 1998 Plan, certain key employees, directors and officers of the Company and its subsidiaries may be granted stock options, stock appreciation rights, stock awards (including restricted stock) and other stock-based awards and dividend equivalent rights. The Company has available a maximum of 2.5 million shares of its common stock for grant under the 1998 Plan. Beginning in 2000, non-employee directors began receiving options under this plan. The Company is requesting shareholder approval of an additional 1.0 million shares under the 1998 Plan at the May 2005 Annual Meeting of Shareholders.

In 2000, the Company adopted a Non-Officer Employee Long-Term Incentive Plan (2000 Plan), which was not required to be approved by shareholders. The provisions of the 2000 Plan are essentially the same as those under the 1998 Plan, except for the exclusion of directors and executive officers of the Company. The Company has available a maximum of 2.5 million shares of its common stock for grant under the 2000 Plan.

The Board of Directors has determined that it is no longer in the Company's best interest to issue stock options under the 1998 Plan and the 2000 Plan. Other forms of compensation are in place including the issuance of performance shares to certain officers and other key employees.

The Company has accounted for stock based compensation using APB No. 25, which requires the recognition of compensation expense on the excess, if any, of the market price of the stock at the date of grant over the exercise price of the option. As the exercise price for options granted under the 1998 Plan and the 2000 Plan was equal to the market price at the date of grant, there was no compensation expense recorded by the Company. Currently, SFAS No. 123 requires the disclosure of pro forma net income and earnings per common share had the Company adopted the fair value method of accounting for stock options. Under this statement, the fair value of stock-based awards is calculated with option pricing models. These models require the use of subjective assumptions, including stock price volatility, dividend yield, risk-free interest rate and expected time to exercise. The fair value of options is estimated on the date of grant using the Black-Scholes option-pricing model. See Note 1 for disclosure of pro forma net income and earnings per common share. In December 2004, the FASB issued SFAS No. 123R, which supersedes APB No. 25 and its related implementation guidance. The statement requires that the compensation cost relating to share-based payment transactions be recognized in financial statements based on the fair value of the equity or liability instruments issued effective beginning in the third quarter of 2005. See Note 2 for further information.

In 2004, the Company granted 152,700 performance shares, all of which are still outstanding as of December 31, 2004, to certain officers and other key employees under the 1998 Plan and the 2000 Plan. In 2003, the Company granted 162,600 performance shares (153,914 outstanding as of December 31, 2004) to certain officers and other key employees under the 1998 Plan and the 2000 Plan. The performance shares will be payable at the Company's option in either cash or common stock three years from the date of grant. The amount of cash paid or common stock issued will range from 0 to 150 percent of the performance shares granted depending on the change in the value of the Company's common stock relative to an external benchmark.

Shares of common stock issued from the exercise of stock options under the 1998 Plan and the 2000 Plan are acquired on the open market. As of December 31, 2004, there were 1.9 million shares available for future stock grants under the 1998 Plan and the 2000 Plan.

The following summarizes stock options activity under the 1998 Plan and the 2000 Plan for the years ended December 31:

	2004	2003	2002
Number of shares under stock options:			
Options outstanding at beginning of year	2,481,886	2,684,350	2,440,475
Options granted	-	24,000	569,800
Options exercised	(99,138)	(37,439)	-
Options canceled	(50,550)	(189,025)	(325,925)
Options outstanding at end of year	<u>2,332,198</u>	<u>2,481,886</u>	<u>2,684,350</u>
Options exercisable at end of year	<u>1,896,648</u>	<u>1,614,455</u>	<u>1,192,775</u>

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	2004	2003	2002
Weighted average exercise price:			
Options granted	\$ -	\$12.41	\$10.51
Options exercised	\$13.79	\$11.43	\$ -
Options canceled	\$18.46	\$17.78	\$19.88
Options outstanding at end of year	\$15.58	\$15.57	\$15.69
Options exercisable at end of year	\$16.62	\$17.18	\$18.28
Weighted average fair value of options granted during the year	\$ -	\$ 4.30	\$ 3.43
Principal assumptions used in applying the Black-Scholes model:			
Risk-free interest rate	-	3.17%	3.25%-4.96%
Expected life, in years	-	7	7
Expected volatility	-	37.10%	47.13%
Expected dividend yield	-	3.87%	4.61%

Information with respect to options outstanding and options exercisable as of December 31, 2004 was as follows:

Range of Exercise Prices	Options Outstanding			Options Exercisable	
	Number of Shares	Weighted Average Exercise Price	Weighted Average Remaining Life (in years)	Number of Shares	Weighted Average Exercise Price
\$10.17-\$11.68	494,623	\$10.26	7.2	238,073	\$10.26
\$11.69-\$14.61	616,875	11.82	6.2	450,625	11.82
\$14.62-\$17.53	490,600	17.15	4.2	478,100	17.15
\$17.54-\$20.45	271,100	18.73	3.2	270,850	18.73
\$20.46-\$23.38	432,800	22.56	5.0	432,800	22.56
\$26.30-\$28.47	26,200	27.39	5.1	26,200	27.39
Total	<u>2,332,198</u>	\$15.58	5.2	<u>1,896,648</u>	\$16.62

#### **Non-Employee Director Stock Plan**

In 1996, the Company adopted and shareholders approved the Non-Employee Director Stock Plan (1996 Director Plan). Under the 1996 Director Plan, directors who are not employees of the Company receive two-thirds of their annual retainer in Avista Corp. common stock. The common stock is acquired on the open market. The Company has available a maximum of 150,000 shares of its common stock under the 1996 Director Plan and there were 65,553 shares available for future compensation to non-employee directors as of December 31, 2004. In February 2005, the Board of Directors elected to terminate the 1996 Director Plan. With the termination of the 1996 Director Plan, directors may elect each year to receive their annual retainer in cash, in common stock, or in a combination of both cash and common stock.

#### **NOTE 21. COMMITMENTS AND CONTINGENCIES**

In the course of its business the Company becomes involved in various claims, controversies, disputes and other contingent matters, including the items described in this Note. Some of these claims, controversies, disputes and other contingent matters involve litigation or other contested proceedings. With respect to these proceedings, the Company intends to vigorously protect and defend its interests and pursue its rights. However, no assurance can be given as to the ultimate outcome of any particular matter. In addition to issues specifically identified in this Note and with respect to matters that affect the regulated utility operations, the Company intends to seek, to the extent appropriate, regulatory approval of recovery of incurred costs through the ratemaking process.

#### **Federal Energy Regulatory Commission Inquiry**

On April 19, 2004, the FERC issued an order approving the contested Agreement in Resolution of Section 206 Proceeding (Agreement in Resolution) reached by Avista Corp., Avista Energy and the FERC's Trial Staff with respect to an investigation into the activities of

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Avista Corp. and Avista Energy in western energy markets during 2000 and 2001. In the Agreement in Resolution, the FERC Trial Staff stated that its investigation found: (1) no evidence that any executives or employees of Avista Corp. or Avista Energy knowingly engaged in or facilitated any improper trading strategy; (2) no evidence that Avista Corp. or Avista Energy engaged in any efforts to manipulate the western energy markets during 2000 and 2001; and (3) that Avista Corp. and Avista Energy did not withhold relevant information from the FERC's inquiry into the western energy markets for 2000 and 2001. As part of the Agreement in Resolution, Avista Corp. agreed to improve its system of taping energy trading conversations and its account settlement process. Avista Corp. and Avista Energy agreed to maintain an annual training program on the applicable FERC Code of Conduct for all employees engaged in the trading of electric energy and capacity. The Agreement in Resolution provides no remedial measures against Avista Corp. or Avista Energy and imposes no monetary remedies or penalties, and does not relinquish or modify Avista Energy's or Avista Corp.'s market-based rate authority. On May 19, 2004, the City of Tacoma and California Parties (the Office of the Attorney General, the California Public Utilities Commission (CPUC), and the California Electricity Oversight Board, filing jointly) filed requests for rehearing with respect to the FERC's April 19, 2004 order. On September 28, 2004, the State of Montana filed a motion to intervene in these proceedings citing evidence of alleged market manipulation by Avista Corp. and Avista Energy. The FERC's rulings on the rehearing requests and the State of Montana's motion to intervene are still pending. Based on the FERC's order approving the Agreement in Resolution, the Company does not expect that this proceeding will have any material effect on its financial condition, results of operations or cash flows.

#### ***Class Action Securities Litigation***

On September 27, 2002, Ronald R. Wambolt filed a class action lawsuit in the United States District Court for the Eastern District of Washington against Avista Corp., Thomas M. Matthews, the former Chairman of the Board, President and Chief Executive Officer of the Company, Gary G. Ely, the current Chairman of the Board, President and Chief Executive Officer of the Company, and Jon E. Eliassen, the former Senior Vice President and Chief Financial Officer of the Company. In October and November 2002, Gail West, Michael Atlas and Peter Arnone filed similar class action lawsuits in the same court against the same parties. On February 3, 2003, the court issued an order consolidating the complaints under the name "In re Avista Corp. Securities Litigation," and on February 7, 2003 appointed the lead plaintiff and co-lead counsel. On August 19, 2003, the plaintiffs filed their consolidated amended class action complaint in the same court against the same parties. In their complaint, the plaintiffs continue to assert violations of the federal securities laws in connection with alleged misstatements and omissions of material fact pursuant to Sections 10(b) and 20(a) of the Securities Exchange Act of 1934. The plaintiffs allege that the Company did not have adequate risk management processes, procedures and controls. The plaintiffs further allege that the Company engaged in unlawful energy trading practices and allegedly manipulated western power markets. The plaintiffs assert that alleged misstatements and omissions regarding these matters were made in the Company's filings with the Securities and Exchange Commission and other information made publicly available by the Company, including press releases. The class action complaint asserts claims on behalf of all persons who purchased, converted, exchanged or otherwise acquired the Company's common stock during the period between November 23, 1999 and August 13, 2002. The Company filed a motion to dismiss this complaint in October 2003 and the plaintiffs filed an answer to this motion in January 2004. Arguments before the Court on the motion were held on March 19, 2004. On April 15, 2004, the Court called for additional briefing on what effect, if any, the FERC proceedings (see "Federal Energy Regulatory Commission Inquiry" above) have on this case. On July 30, 2004, the Court denied the Company's motion to dismiss this complaint, holding, among other things, that the FERC proceedings may ultimately have some evidentiary value relevant to the disclosure issues raised in this case, but they do not preclude the resolution of those issues by the Court. In November 2004, the Company filed its answer to the complaint denying the plaintiffs' allegations. Because the resolution of this lawsuit remains uncertain, legal counsel cannot express an opinion on the extent, if any, of the Company's liability. However, based on information currently known to the Company's management, the Company does not expect that this lawsuit will have a material adverse effect on its financial condition, results of operations or cash flows. It is possible that a change could occur in the Company's estimates of the probability or amount of a liability being incurred. Such a change, should it occur, could be significant.

#### ***California Refund Proceeding***

In July 2001, the FERC initiated a proceeding to determine if refunds should be owed and, if so, the amounts of such refunds for sales during the period from October 2, 2000 to June 20, 2001 in the California power market. The order provides that any refunds owed could be offset against unpaid energy debts due to the same party. Interested parties have contested pricing determinants and other matters since the proceeding started. The CalISO and the CalPX prepared revised values for the affected power transactions and they are preparing additional iterations of revised prices and terms as directed by the FERC. The results of these calculations are likely to be appealed to the FERC and federal courts. In March 2003, the FERC issued an order that addressed issues related to the California refund proceedings, setting forth proposed retroactive pricing standards. The CalISO has estimated that it will finalize the initial

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calculation of the respective receivable/payable balances by the end of the first quarter of 2005, unless a further extension is granted. Many of the numerous orders that FERC has issued in the California refund proceedings are now on appeal before the United States Court of Appeals for the Ninth Circuit. In March 2004, the Ninth Circuit consolidated most of these appeals. The now consolidated appeals remain in abeyance pursuant to an August 2002 Ninth Circuit order directing the FERC to allow parties to file additional evidence on market manipulation. Because the resolution of the California refund proceeding remains uncertain, legal counsel cannot express an opinion on the extent, if any, of the Company's liability. However, based on information currently known to the Company's management, the Company does not expect that the California refund proceeding will have a material adverse effect on its financial condition, results of operations or cash flows. It is possible that a change could occur in the Company's estimates of the probability or amount of a liability being incurred. Such a change, should it occur, could be significant.

***Pacific Northwest Refund Proceeding***

In July 2001, the FERC initiated a preliminary evidentiary hearing to develop a factual record as to whether prices for spot market sales in the Pacific Northwest between December 25, 2000 to June 20, 2001 were just and reasonable. During the hearing, Avista Corp. and Avista Energy vigorously opposed claims that Pacific Northwest markets were dysfunctional, that rates for spot market sales were unjust and unreasonable and that the imposition of refunds would be appropriate. In September 2001, the FERC's Administrative Law Judge presiding over the evidentiary hearing issued a decision favorable to the Company's position and recommended that the FERC not order refunds and instead dismiss the entire proceeding. In June 2003, the FERC terminated the Pacific Northwest refund proceedings, after finding that the equities do not justify the imposition of refunds. In November 2003, the FERC affirmed its order. Seven petitions for review, including one filed by Puget Sound Energy, Inc. (Puget), are now pending before the United States Court of Appeals for the Ninth Circuit. Opening briefs were filed on January 14, 2005. Puget's brief is directed to the procedural flaws in the underlying docket. Puget argues that because its complaint was withdrawn as a matter of law in July 2001, the FERC erred in relying on it to serve as the basis to initiate the preliminary investigation into whether refunds for individually negotiated bilateral transactions in the Pacific Northwest were appropriate. On February 14, 2005, intervening parties, including Avista Energy and Avista Utilities, filed in support of Puget. Briefing is expected to be completed in the first half of 2005. Because the resolution of the Pacific Northwest refund proceeding remains uncertain, legal counsel cannot express an opinion on the extent, if any, of the Company's liability. However, based on information currently known to the Company's management, the Company does not expect that the Pacific Northwest refund proceeding will have a material adverse effect on its financial condition, results of operations or cash flows. It is possible that a change could occur in the Company's estimates of the probability or amount of a liability being incurred. Such a change, should it occur, could be significant.

***California Attorney General Complaint***

In March 2002, the Attorney General of the State of California (California AG) filed a complaint with the FERC against certain specific companies (not including Avista Corp. or its subsidiaries) and "all other public utility sellers" in California. The complaint alleges that sellers with market-based rates have violated their tariffs by not filing with the FERC transaction-specific information about all of their sales and purchases at market-based rates. As a result, the California AG contends that all past sales should be subject to refund if found to be above just and reasonable levels. In May 2002, the FERC issued an order denying the claim to issue refunds. In July 2002, the California AG requested a rehearing on the FERC order, which request was denied in September 2002. Subsequently, the California AG filed a Petition for Review of the FERC's decision with the United States Court of Appeals for the Ninth Circuit. In September 2004, the United States Court of Appeals for the Ninth Circuit upheld the FERC's market-based rate authority, but remanded the case back to the FERC in order to determine whether transactional reporting under this authority was adequate, and what remedies would be appropriate for those not in compliance. In October 2004, Avista Energy joined with others in seeking rehearing of the Court's decision to remand the case back to the FERC for further proceedings. The Ninth Circuit has yet to rule on the request for rehearing. Based on information currently known to the Company's management, the Company does not expect that this matter will have a material adverse effect on its financial condition, results of operations or cash flows. It is possible that a change could occur in the Company's estimates of the probability or amount of a liability being incurred. Such a change, should it occur, could be significant.

***Port of Seattle Complaint***

In May 2003, a complaint was originally filed by the Port of Seattle in the United States District Court for the Western District of Washington against numerous companies, including Avista Corp., Avista Energy and Avista Power (collectively the Avista defendants), seeking compensatory and treble damages for alleged violations of the Sherman Act and the Racketeer Influenced and Corrupt Organization Act by transmitting, via wire communications, false information intended to increase the price of power, knowing that others would rely upon such information. The complaint alleged that the defendants and others knowingly devised and

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attempted to devise a scheme to defraud and to obtain money and property from electricity customers throughout the Western Electricity Coordinating Council (WECC), by means of false and fraudulent pretenses, representations and promises. The alleged purpose of the scheme was to artificially increase the price that the defendants received for their electricity and ancillary services, to receive payments for services they did not provide and to manipulate the price of electricity throughout the WECC. In August 2003, the Avista defendants filed a motion to dismiss this complaint. A transfer order was granted, which moved this case to the United States District Court for the Southern District of California to consolidate it with other pending actions. Arguments with respect to the motions to dismiss filed by the Avista defendants and other defendants were heard on March 26, 2004. On May 12, 2004, the United States District Court for the Southern District of California granted motions to dismiss filed by the Avista defendants, as well as other defendants, with respect to this complaint. The Court dismissed the complaint because it determined that it was without jurisdiction to hear the plaintiff's claims, based on, among other things, the exclusive jurisdiction of the FERC and the filed-rate doctrine. On May 27, 2004, the Port of Seattle filed an appeal with the United States Court of Appeals for the Ninth Circuit. Because the resolution of this lawsuit remains uncertain, legal counsel cannot express an opinion on the extent, if any, of the Company's liability. However, based on information currently known to the Company's management, the Company does not expect that this lawsuit will have a material adverse effect on its financial condition, results of operations or cash flows. It is possible that a change could occur in the Company's estimates of the probability or amount of a liability being incurred. Such a change, should it occur, could be significant.

***Wah Chang Complaint***

On May 5, 2004, Wah Chang, a division of TDY Industries, Inc. (a subsidiary of Allegheny Technologies, Inc.), filed a complaint in the United States District Court for the District of Oregon against numerous companies, including Avista Corp., Avista Energy and Avista Power. The complaint seeks compensatory and treble damages for alleged violations of the Sherman Act, the Racketeer Influenced and Corrupt Organization Act, as well as violations of Oregon state law. According to the complaint, from September 1997 to September 2002, the plaintiff purchased electricity from PacifiCorp pursuant to a contract that was indexed to the spot wholesale market price of electricity. The plaintiff alleges that the defendants, acting in concert among themselves and/or with Enron Corporation and certain affiliates thereof (collectively, Enron) and others, engaged in a scheme to defraud electricity customers by transmitting false market information in interstate commerce in order to artificially increase the price of electricity provided by them, to receive payment for services not provided by them and to otherwise manipulate the market price of electricity, and by executing wash trades and other forms of market manipulation techniques and sham transactions. The plaintiff also alleges that the defendants, acting in concert among themselves and/or with Enron and others, engaged in numerous practices involving the generation, purchase, sale, exchange, scheduling and/or transmission of electricity with the purpose and effect of causing a shortage (or the appearance of a shortage) in the generation of electricity and congestion (or the appearance of congestion) in the transmission of electricity, with the ultimate purpose and effect of artificially and illegally fixing and raising the price of electricity in California and throughout the Pacific Northwest. As a result of the defendants' alleged conduct, the plaintiff allegedly suffered damages of not less than \$30 million through the payment of higher electricity prices. In September 2004, this case was transferred to the United States District Court for the Southern District of California for consolidation with other pending actions. In October 2004, the Avista defendants joined with other defendants in filing a joint motion to dismiss the complaint. In February 2005, the Court dismissed the complaint because it determined that it was without jurisdiction to hear the plaintiff's complaint, based on, among other things, the exclusive jurisdiction of the FERC and the filed-rate doctrine. The Court's decision is subject to appeal. Because the resolution of this lawsuit remains uncertain, legal counsel cannot express an opinion on the extent, if any, of the Company's liability. However, based on information currently known to the Company's management, the Company does not expect that this lawsuit will have a material adverse effect on its financial condition, results of operations or cash flows. It is possible that a change could occur in the Company's estimates of the probability or amount of a liability being incurred. Such a change, should it occur, could be significant.

***City of Tacoma Complaint***

On June 7, 2004, the City of Tacoma, Department of Public Utilities, Light Division, a Washington municipal corporation (Tacoma Power), filed a complaint in the United States District Court for the Western District of Washington against over fifty companies, including Avista Corp., Avista Energy and Avista Power. According to the complaint, Tacoma Power distributes electricity to customers in Tacoma, and Pierce County, Washington, generates electricity at several facilities in western Washington and purchases power under supply contracts and in the Northwest spot market. Tacoma Power's complaint seeks compensatory and treble damages from alleged violations of the Sherman Act. Tacoma Power alleges that the defendants, acting in concert, engaged in a pattern of activities that had the purpose and effect of creating the impressions that the demand for power was higher, the supply of power was lower, or both, than was in fact the case. This allegedly resulted in an artificial increase of the prices paid for power sold in California and elsewhere in the western United States during the period from May 2000 through the end of 2001. Due to the alleged unlawful conduct of the defendants, Tacoma Power allegedly paid an amount estimated to be \$175.0 million in excess of what it would have

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paid in the absence of such alleged conduct. In September 2004, this case was transferred to the United States District Court for the Southern District of California for consolidation with other pending actions. In February 2005, the Court granted the defendants' motion to dismiss this complaint for similar reasons to those expressed by the Court in the Wah Chang complaint described above. The Court's decision is subject to appeal. Because the resolution of this lawsuit remains uncertain, legal counsel cannot express an opinion on the extent, if any, of the Company's liability. However, based on information currently known to the Company's management, the Company does not expect that this lawsuit will have a material adverse effect on its financial condition, results of operations or cash flows. It is possible that a change could occur in the Company's estimates of the probability or amount of a liability being incurred. Such a change, should it occur, could be significant.

***Public Utility District No. 1 of Snohomish County***

On November 5, 2004, Public Utility District No. 1 of Snohomish County filed a Petition For a Writ of Certiorari with the United States Supreme Court, requesting the Court to consider whether the filed rate doctrine applies for market-based rates so as to preempt state law antitrust and consumer fraud actions based upon alleged fraud and manipulation of electricity markets operated under market-based rate tariffs. This petition seeks review of the decision of the United States Court of Appeals for the Ninth Circuit on September 10, 2004, which held that the filed rate doctrine and field and conflict preemptions bar such actions. Seventeen states have urged the United States Supreme Court to grant the petition. On February 22, 2005, the Court invited the Solicitor General to provide the Court with the views of the United States. Although, this case does not directly involve Avista Corp. and its subsidiaries, the outcome could have a bearing on pending litigation and regulatory proceedings affecting Avista Corp. and its subsidiaries discussed above.

***State of Montana Proceedings***

On June 30, 2003, the Attorney General of the State of Montana (Montana AG) filed a complaint in the Montana District Court on behalf of the people of Montana and the Flathead Electric Cooperative, Inc. against numerous companies, including Avista Corp. The complaint alleges that the companies illegally manipulated western electric and natural gas markets in 2000 and 2001. This case was subsequently moved to the United States District Court for the District of Montana; however, it has since been remanded back to the Montana District Court. No further action has been made with respect to this complaint.

The Montana AG also petitioned the Montana Public Service Commission (MPSC) to fine public utilities \$1,000 a day for each day it finds they engaged in alleged "deceptive, fraudulent, anticompetitive or abusive practices" and order refunds when consumers were forced to pay more than just and reasonable rates. On February 12, 2004, the MPSC issued an order initiating investigation of the Montana retail electricity market for the purpose of determining whether there is evidence of unlawful manipulation of that market. The Montana AG has requested specific information from Avista Energy and Avista Corp. regarding their transactions within the State of Montana during the period from January 1, 2000 through December 31, 2001.

Because the resolution of these proceedings remains uncertain, legal counsel cannot express an opinion on the extent, if any, of the Company's liability. However, based on information currently known to the Company's management, the Company does not expect that these proceedings will have a material adverse effect on its financial condition, results of operations or cash flows. It is possible that a change could occur in the Company's estimates of the probability or amount of a liability being incurred. Such a change, should it occur, could be significant.

***Montana Public School Trust Fund Lawsuit***

In October 2003, a lawsuit was filed by Richard Dolan and Denise Hayman in the United States District Court for the District of Montana against all private owners of hydroelectric dams in Montana, including Avista Corp. The lawsuit alleges that the hydroelectric facilities are located on state-owned riverbeds and the owners have never paid compensation to the state's public school trust fund. The lawsuit requests lease payments dating back to the construction of the respective dams and also requests damages for trespassing and unjust enrichment. An Amended Complaint adding Great Falls Elementary School District No. 1 and Great Falls High School District 1A was filed on January 16, 2004. On February 2, 2004, the Company filed its motion to dismiss this lawsuit; PacifiCorp and PPL Montana, as the other named defendants also filed a motion to dismiss, or joined therein. On May 10, 2004, the Montana AG filed a complaint on behalf of the state to join in this lawsuit to allegedly protect and preserve state lands/school trust lands from use without compensation. On July 19, 2004, the defendants (including Avista Corp.) filed a motion to dismiss the Montana AG's complaint. On September 29, 2004, the Court granted the motion to dismiss filed with respect to plaintiffs Richard Dolan, Denise Hayman and the school districts. However, the motion to dismiss the Montana AG's complaint was denied, citing, among other things, that the FERC does not have exclusive jurisdiction over this matter. On November 12, 2004, the defendants

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(including Avista Corp.) filed a petition for declaratory relief in Montana State Court requesting the resolution of the controversy that the plaintiffs raised in federal court. On November 24, 2004, the Montana AG filed an answer, counterclaim and motion for summary judgment. The defendants have filed responses to the Montana AG's motion for summary judgment. The Montana State Court has not scheduled a hearing on the motions. Subsequently, in response to the motions of the defendants, the federal magistrate judge on January 19, 2005, filed recommendations that the federal court order on the merits be vacated based on lack of jurisdiction of the Court. Because the resolution of this lawsuit remains uncertain, legal counsel cannot express an opinion on the extent, if any, of the Company's liability. However, based on information currently known to the Company's management, the Company does not expect that this lawsuit will have a material adverse effect on its financial condition, results of operations or cash flows. It is possible that a change could occur in the Company's estimates of the probability or amount of a liability being incurred. Such a change, should it occur, could be significant.

***Colstrip Generating Project Complaint***

In May 2003, various parties (all of which are residents or businesses of Colstrip, Montana) filed a consolidated complaint against the owners of the Colstrip Generating Project (Colstrip) in Montana District Court. Avista Corp. owns a 15 percent interest in Units 3 & 4 of Colstrip. The plaintiffs allege damages to buildings as a result of rising ground water, as well as damages from contaminated waters leaking from the lakes and ponds of Colstrip. The plaintiffs are seeking punitive damages, an order by the court to remove the lakes and ponds and the forfeiture of all profits earned from the generation of Colstrip. The Company intends to work with the other owners of Colstrip in defense of this complaint. Because the resolution of this lawsuit remains uncertain, legal counsel cannot express an opinion on the extent, if any, of the Company's liability. However, based on information currently known to the Company's management, the Company does not expect that this lawsuit will have a material adverse effect on its financial condition, results of operations or cash flows. It is possible that a change could occur in the Company's estimates of the probability or amount of a liability being incurred. Such a change, should it occur, could be significant.

***Environmental Protection Agency Administrative Compliance Order***

In December 2003, PPL Montana, LLC, as operator of Colstrip, received an Administrative Compliance Order (ACO) from the Environmental Protection Agency (EPA) pursuant to the Clean Air Act (CAA). The ACO alleges that Colstrip Units 3 & 4 have been in violation of the CAA permit at Colstrip since 1980. The permit required Colstrip to submit for review and approval by the EPA an analysis and proposal for reducing emissions of nitrogen oxides to address visibility concerns if, and when, EPA promulgates Best Available Retrofit Technology requirements for nitrogen oxide emissions. The EPA is asserting that regulations it promulgated in 1980 triggered this requirement. Avista Corp. and PPL Montana, LLC believe that the ACO is unfounded and PPL Montana, LLC is discussing the matter with the EPA. The ACO does not expressly seek penalties, and it is unclear at this time what, if any, additional control technology the EPA may consider to be required. Accordingly, the costs to install any additional controls for nitrogen oxides, if required, cannot be estimated at this time. In addition, the Montana Department of Environmental Quality (Montana DEQ) is questioning whether the permit limits for sulfur dioxide emissions from Colstrip Units 3 & 4 are too high under provisions of the CAA that limit allowable emissions from sources built after 1978. The owners of Colstrip are engaged in settlement negotiations on these matters with the EPA, the Montana DEQ and the Northern Cheyenne Tribe. Because the resolution of this issue remains uncertain, legal counsel cannot express an opinion on the extent, if any, of the Company's liability. However, based on information currently known to the Company's management, the Company does not expect that this issue will have a material adverse effect on its financial condition, results of operations or cash flows. It is possible that a change could occur in the Company's estimates of the probability or amount of a liability being incurred. Such a change, should it occur, could be significant.

***Colstrip Royalty Claim***

The Western Energy Company (WECO) supplies coal to the owners of Colstrip Units 3 & 4 under a Coal Supply Agreement and a Transportation Agreement. The Minerals Management Service (MMS) of the United States Department of the Interior issued an order to WECO to pay additional royalties concerning coal delivered to Colstrip Units 3 & 4 via the conveyor belt (approximately 4.46 miles long) that is subject to reimbursement for certain costs under the Transportation Agreement. The owners of Colstrip Units 3 & 4 take delivery of the coal at the western end (beginning) of the conveyor belt. The order asserts that additional royalties are owed MMS as a result of WECO not paying royalties in connection with revenue received by WECO from the owners of Colstrip Units 3 & 4 under the Transportation Agreement during the period October 1, 1991 through December 31, 2001. WECO has appealed the order and the appeal process could take up to five years to resolve. The owners of Colstrip Units 3 & 4 are monitoring the appeal process between WECO and MMS.

WECO has indicated to the owners of Colstrip Units 3 & 4 that if WECO is unsuccessful in the appeal process, WECO will seek

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reimbursement of any royalty payments by passing these costs through the Coal Supply Agreement. The owners of Colstrip Units 3 & 4 advised WECO that their position would be that these claims are not allowable costs per the Coal Supply Agreement nor the Transportation Agreement in the event the owners of Colstrip Units 3 & 4 were invoiced for these claims. Because the resolution of this issue remains uncertain, legal counsel cannot express an opinion on the extent, if any, of the Company's liability. However, based on information currently known to the Company's management, the Company does not expect that this issue will have a material adverse effect on its financial condition, results of operations or cash flows. It is possible that a change could occur in the Company's estimates of the probability or amount of a liability being incurred. Such a change, should it occur, could be significant.

***Hamilton Street Bridge Site***

A portion of the Hamilton Street Bridge Site in Spokane, Washington (including a former coal gasification plant site that operated for approximately 60 years until 1948) was acquired by the Company through a merger in 1958. The Company no longer owns the property. In January 1999, the Company received notice from the State of Washington's Department of Ecology (DOE) that it had been designated as a potentially liable party (PLP) with respect to any hazardous substances located on this site, stemming from the Company's past ownership of the former gas plant site. In its notice, the DOE stated that it intended to complete an on-going remedial investigation of this site, complete a feasibility study to determine the most effective means of halting or controlling future releases of substances from the site, and to implement appropriate remedial measures. The Company responded to the DOE acknowledging its listing as a PLP, but requested that additional parties also be listed as PLPs. In the spring of 1999, the DOE named two other parties as additional PLPs.

The DOE, the Company and another PLP, Burlington Northern & Santa Fe Railway Co. (BNSF) signed an Agreed Order in March 2000 that provided for the completion of a remedial investigation and a feasibility study. The work to be performed under the Agreed Order includes three major technical parts: completion of the remedial investigation; performance of a focused feasibility study; and implementation of an interim groundwater monitoring plan. During the second quarter of 2000, the Company received comments from the DOE on its initial remedial investigation, and then submitted another draft of the remedial investigation, which was accepted as final by the DOE. After responding to comments from the DOE, the feasibility study was accepted by the DOE during the fourth quarter of 2000. After receiving input from the Company and the other PLPs, the final Cleanup Action Plan (CAP) was issued by the DOE in August 2001. In September 2001, the DOE issued an initial draft Consent Decree for the PLPs to review. During the first quarter of 2002, the Company and BNSF signed a cost sharing agreement. In September 2002, the Company, BNSF and the DOE finalized the Consent Decree to implement the CAP. The third PLP has indicated it will not sign the Consent Decree. It is currently estimated that the Company's share of the costs will be less than \$1.0 million. The Engineering and Design Report for the CAP was submitted to the DOE in January 2003 and approved by the DOE in May 2003. Work under the CAP commenced during the second quarter of 2003. In September 2004, a Site Preparation Agreement was reached with the third PLP with respect to the logistics of the CAP. Under this agreement, the third PLP will have the site preparation completed by mid-2005 and work under the CAP will be completed by late 2005.

***Lake Coeur d'Alene***

In July 1998, the United States District Court for the District of Idaho issued its finding that the Coeur d'Alene Tribe of Idaho (Tribe) owns, among other things, portions of the bed and banks of Lake Coeur d'Alene (Lake) lying within the current boundaries of the Coeur d'Alene Reservation. This action had been brought by the United States on behalf of the Tribe against the state of Idaho. The Company was not a party to this action. The United States District Court decision was affirmed by the United States Court of Appeals for the Ninth Circuit. The United States Supreme Court affirmed this decision in June 2001. This will result in, among other things, the Company being liable to the Tribe for compensation for the use of reservation lands under Section 10(e) of the Federal Power Act.

The Company's Post Falls Hydroelectric Generating Station (Post Falls), a facility constructed in 1906 with a present capability of 18 MW, utilizes a dam on the Spokane River downstream of the Lake which controls the water level in the Lake for portions of the year (including portions of the lakebed owned by the Tribe). The Company has other hydroelectric facilities on the Spokane River downstream of Post Falls, but these facilities do not affect the water level in the Lake. The Company and the Tribe are engaged in discussions with respect to past and future compensation (which may include interest) for use of the portions of the bed and banks of the Lake, which are owned by the Tribe. If the parties cannot agree on the amount of compensation, the matter could result in litigation. The Company cannot predict the amount of compensation that it will ultimately pay or the terms of such payment. However, the Company intends to seek recovery of any amounts paid through the rate making process.

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### ***Spokane River Relicensing***

The Company operates six hydroelectric plants on the Spokane River, and five of these (Long Lake, Nine Mile, Upper Falls, Monroe Street and Post Falls) are under one FERC license and referred to herein as the Spokane River Project. The sixth, Little Falls, is operated under separate Congressional authority and is not licensed by the FERC. The license for the Spokane River Project expires in August 2007; the Company filed a Notice of Intent to Relicense in July 2002. The formal consultation process involving planning and information gathering with stakeholder groups has been underway since that time. The Company's goal is to develop with the stakeholders a comprehensive and cost-effective settlement agreement to be filed as part of the Company's license application to the FERC in July 2005. The Company provided a Draft License Application for public comment in February 2005. The Company intends to seek recovery of relicensing costs through the rate making process.

### ***Clark Fork Settlement Agreement***

Dissolved atmospheric gas levels exceed state of Idaho and federal water quality standards downstream of the Cabinet Gorge Hydroelectric Generating Project (Cabinet Gorge) during periods when excess river flows must be diverted over the spillway. Under the terms of the Clark Fork Settlement Agreement, the Company developed an abatement and mitigation strategy with the other signatories to the agreement and submitted the Gas Supersaturation Control Program (GSCP) in December 2002 for review and approval to the Idaho Department of Environmental Quality (DEQ) and the U.S. Fish and Wildlife Service. In February 2004, the Idaho DEQ and the U.S. Fish and Wildlife Service approved the GSCP. In January 2005, the FERC issued an order approving the GSCP. The GSCP provides for the opening and modification of one and, potentially, both of the two existing diversion tunnels built when Cabinet Gorge was originally constructed. Streamflows would be diverted to the tunnels when these flows are in excess of turbine capacity. The cost of modifying the first tunnel is currently preliminarily estimated to be \$38 million (including AFUDC and inflation) and would be incurred between 2004 and 2010, with the majority of these costs being incurred in 2007 through 2009. The second tunnel would be modified only after evaluation of the performance of the first tunnel and such modifications would commence no later than 10 years following the completion of the first tunnel. It is currently preliminarily estimated that the costs to modify the second tunnel would be \$26 million (including AFUDC and inflation). As part of the GSCP, the Company provides \$0.5 million annually as mitigation for aquatic resources that might be adversely affected by high dissolved gas levels. Mitigation funds will continue until the modification of the second tunnel commences or if the second tunnel is not modified to an agreed upon point in time commensurate with the biological effects of high dissolved gas levels. The Company intends to seek recovery of the costs for the modification of Cabinet Gorge and the mitigation payments through the rate making process.

The operating license for the Clark Fork Project describes the approach to restore bull trout populations in the project areas. Using the concept of adaptive management and working closely with the U.S. Fish and Wildlife Service, the Company is evaluating the feasibility of fish passage. The results of these studies will help the Company and other parties determine the best use of funds toward continuing fish passage efforts or other fish population enhancement measures.

### ***Other Contingencies***

In the normal course of business, the Company has various other legal claims and contingent matters outstanding. The Company believes that any ultimate liability arising from these actions will not have a material adverse impact on the Company's financial condition, results of operations or cash flows. It is possible that a change could occur in the Company's estimates of the probability or amount of a liability being incurred. Such a change, should it occur, could be significant.

The Company routinely assesses, based on in-depth studies, expert analyses and legal reviews, its contingencies, obligations and commitments for remediation of contaminated sites, including assessments of ranges and probabilities of recoveries from other responsible parties who have and have not agreed to a settlement and recoveries from insurance carriers. The Company's policy is to accrue and charge to current expense identified exposures related to environmental remediation sites based on estimates of investigation, cleanup and monitoring costs to be incurred.

The Company has potential liabilities under the Federal Endangered Species Act for species of fish that have either already been added to the endangered species list, been listed as "threatened" or been petitioned for listing. Thus far, measures adopted and implemented have had minimal impact on the Company.

Under the federal licenses for its hydroelectric projects, the Company is obligated to protect its property rights, including water rights. The State of Montana is examining the status of all water right claims within state boundaries. Claims within the Clark Fork River

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basin could potentially adversely affect the energy production of the Company's Cabinet Gorge and Noxon Rapids hydroelectric facilities. The Company is participating in this extensive adjudication process, which is unlikely to be concluded in the foreseeable future.

The Company must be in compliance with requirements under the Clean Air Act Amendments at the Colstrip thermal generating plant, in which the Company maintains an ownership interest. The anticipated share of costs at Colstrip is not expected to have a major economic impact on the Company.

As of December 31, 2004, the Company's collective bargaining agreement with the International Brotherhood of Electrical Workers represented approximately 50 percent of all Avista Corp. employees. The current agreement with the local union representing the majority (approximately 90 percent) of the bargaining unit employees expires on March 25, 2005. A local agreement in the South Lake Tahoe area, which represents 5 employees, also expires on March 25, 2005. Two local agreements in Oregon, which cover approximately 50 employees, will expire on March 31, 2005. Another local agreement in Oregon is not up for negotiations until 2007. Negotiations are currently ongoing with respect to the labor agreements that expire in March 2005.

#### NOTE 22. INFORMATION SERVICES CONTRACTS

The Company has information services contracts that expire between 2006 and 2012. Total payments under these contracts were \$12.8 million, \$12.0 million and \$9.7 million in 2004, 2003 and 2002, respectively. The majority of these costs are included in administrative and general expenses in the Statements of Income. Minimum contractual obligations under the Company's information services contracts are approximately \$12.4 million in 2005, \$12.1 million in 2006 and \$10.8 million per year from 2007 through 2012. The most significant of these contracts provides for increases due to changes in the cost of living index and further provides flexibility in the annual obligation from year-to-year subject to a three-year true-up cycle.

#### NOTE 23. DISPOSITION OF SOUTH LAKE TAHOE PROPERTIES

In July 2004, Avista Corp. reached an agreement to sell its South Lake Tahoe natural gas distribution properties to Southwest Gas Corporation as part of Avista Corp.'s strategy to focus on its business in the northwestern United States. The agreed upon cash purchase price for the properties is approximately \$15 million, subject to closing adjustments. In February 2005, a CPUC Administrative Law Judge issued a draft order, subject to comment, that authorizes the proposed purchase and sale agreement under the terms of a settlement agreement among the parties to the CPUC proceedings. The agreement is subject to customary closing conditions, as well as regulatory review and approval by the CPUC. Final approval of the transaction has been placed on the CPUC's meeting agenda for possible action on March 17, 2005. The Company expects the sale to be completed in the first half of 2005.

As of December 31, 2004, Avista Corp. serviced approximately 18,750 customers (or 6 percent of total natural gas customers) in the South Lake Tahoe region. Total revenues for 2004 from the South Lake Tahoe region were approximately \$20.3 million (or 6 percent of total natural gas revenues) and approximately 22.1 million therms were delivered (or 4 percent of total therms delivered) to South Lake Tahoe customers.

#### NOTE 24. ACQUISITION OF REMAINING INTEREST IN COYOTE SPRINGS 2

In January 2005, Avista Corp. completed the acquisition of Mirant Oregon LLC's 50 percent ownership interest in Coyote Springs 2 at a price of \$62.5 million. Mirant Oregon LLC acquired an indirect 50 percent ownership interest in Coyote Springs 2 from the Company during construction in 2001.

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**NOTE 25. SUPPLEMENTAL CASH FLOW INFORMATION**

	2004	2003
Cash paid for interest	\$79,380,054	\$84,644,701
Cash paid for income taxes	11,320,684	11,475,767
Non-cash financing and investing activities:		
Transfer of Coyote Springs 2 from subsidiary	-	106,766,034
Equipment acquired under capital leases	1,365,083	3,106,109
Unfunded accumulated benefit obligation	(11,022,184)	15,198,410
Intangible asset related to pension plan	(653,660)	(653,659)
Unrealized loss on interest rate swap	(6,482,354)	-
Other Cash Flows from Operating Activities:		
Loss from IPUC order deferred power costs	11,959,115	-
Loss from IPUC order utility plant	2,457,249	-
Increase in special deposits	(572,613)	-
Change in other current assets	(2,228,649)	1,803,240

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**SUMMARY OF UTILITY PLANT AND ACCUMULATED PROVISIONS  
FOR DEPRECIATION, AMORTIZATION AND DEPLETION**

Report in Column (c) the amount for electric function, in column (d) the amount for gas function, in column (e), (f), and (g) report other (specify) and in column (f) common function.

Line No.	Classification (a)	Total Company for the Current Year/Quarter Ended (b)	Electric (c)
1	Utility Plant		
2	In Service		
3	Plant in Service (Classified)	2,599,493,023	2,032,356,785
4	Property Under Capital Leases	5,270,937	
5	Plant Purchased or Sold		
6	Completed Construction not Classified		
7	Experimental Plant Unclassified		
8	Total (3 thru 7)	2,604,763,960	2,032,356,785
9	Leased to Others		
10	Held for Future Use		
11	Construction Work in Progress	49,895,113	38,456,293
12	Acquisition Adjustments	26,580,073	
13	Total Utility Plant (8 thru 12)	2,681,239,146	2,070,813,078
14	Accum Prov for Depr, Amort, & Depl	928,445,545	692,153,884
15	Net Utility Plant (13 less 14)	1,752,793,601	1,378,659,194
16	Detail of Accum Prov for Depr, Amort & Depl		
17	In Service:		
18	Depreciation	899,493,717	681,488,277
19	Amort & Depl of Producing Nat Gas Land/Land Right		
20	Amort of Underground Storage Land/Land Rights		
21	Amort of Other Utility Plant	11,304,781	10,665,607
22	Total In Service (18 thru 21)	910,798,498	692,153,884
23	Leased to Others		
24	Depreciation		
25	Amortization and Depletion		
26	Total Leased to Others (24 & 25)		
27	Held for Future Use		
28	Depreciation		
29	Amortization		
30	Total Held for Future Use (28 & 29)		
31	Abandonment of Leases (Natural Gas)		
32	Amort of Plant Acquisition Adj	17,647,047	
33	Total Accum Prov (equals 14) (22,26,30,31,32)	928,445,545	692,153,884

SUMMARY OF UTILITY PLANT AND ACCUMULATED PROVISIONS  
FOR DEPRECIATION, AMORTIZATION AND DEPLETION

Gas (d)	Other (Specify) (e)	Other (Specify) (f)	Other (Specify) (g)	Common (h)	Line No.
					1
					2
503,773,459				63,362,779	3
1,365,491				3,905,446	4
					5
					6
					7
505,138,950				67,268,225	8
					9
					10
5,620,016				5,818,804	11
26,580,073					12
537,339,039				73,087,029	13
212,782,212				23,509,449	14
324,556,827				49,577,580	15
					16
					17
194,495,991				23,509,449	18
					19
					20
639,174					21
195,135,165				23,509,449	22
					23
					24
					25
					26
					27
					28
					29
					30
					31
17,647,047					32
212,782,212				23,509,449	33

Name of Respondent Avista Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/25/2005	Year/Period of Report End of 2004/Q4
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**ELECTRIC PLANT IN SERVICE (Account 101, 102, 103 and 106)**

- Report below the original cost of electric plant in service according to the prescribed accounts.
- In addition to Account 101, Electric Plant in Service (Classified), this page and the next include Account 102, Electric Plant Purchased or Sold; Account 103, Experimental Electric Plant Unclassified; and Account 106, Completed Construction Not Classified-Electric.
- Include in column (c) or (d), as appropriate, corrections of additions and retirements for the current or preceding year.
- For revisions to the amount of initial asset retirement costs capitalized, included by primary plant account, increases in column (c) additions and reductions in column (e) adjustments.
- Enclose in parentheses credit adjustments of plant accounts to indicate the negative effect of such accounts.
- Classify Account 106 according to prescribed accounts, on an estimated basis if necessary, and include the entries in column (c). Also to be included in column (c) are entries for reversals of tentative distributions of prior year reported in column (b). Likewise, if the respondent has a significant amount of plant retirements which have not been classified to primary accounts at the end of the year, include in column (d) a tentative distribution of such retirements, on an estimated basis, with appropriate contra entry to the account for accumulated depreciation provision. Include also in column (d)

Line No.	Account (a)	Balance Beginning of Year (b)	Additions (c)
1	1. INTANGIBLE PLANT		
2	(301) Organization	14,698	-14,698
3	(302) Franchises and Consents	15,084,274	174,858
4	(303) Miscellaneous Intangible Plant	11,385,848	413,169
5	TOTAL Intangible Plant (Enter Total of lines 2, 3, and 4)	26,484,820	573,329
6	2. PRODUCTION PLANT		
7	A. Steam Production Plant		
8	(310) Land and Land Rights	2,245,216	
9	(311) Structures and Improvements	124,264,999	345,992
10	(312) Boiler Plant Equipment	158,965,284	2,311,043
11	(313) Engines and Engine-Driven Generators		
12	(314) Turbogenerator Units	45,892,386	1,343,524
13	(315) Accessory Electric Equipment	23,742,519	314,732
14	(316) Misc. Power Plant Equipment	15,209,672	44,460
15	(317) Asset Retirement Costs for Steam Production	1,114,206	
16	TOTAL Steam Production Plant (Enter Total of lines 8 thru 15)	371,434,282	4,359,751
17	B. Nuclear Production Plant		
18	(320) Land and Land Rights		
19	(321) Structures and Improvements		
20	(322) Reactor Plant Equipment		
21	(323) Turbogenerator Units		
22	(324) Accessory Electric Equipment		
23	(325) Misc. Power Plant Equipment		
24	(326) Asset Retirement Costs for Nuclear Production		
25	TOTAL Nuclear Production Plant (Enter Total of lines 18 thru 24)		
26	C. Hydraulic Production Plant		
27	(330) Land and Land Rights	53,317,245	446,675
28	(331) Structures and Improvements	36,277,984	844,118
29	(332) Reservoirs, Dams, and Waterways	98,454,035	3,940,264
30	(333) Water Wheels, Turbines, and Generators	94,954,788	6,080,974
31	(334) Accessory Electric Equipment	26,626,811	415,870
32	(335) Misc. Power PLant Equipment	6,133,150	52,187
33	(336) Roads, Railroads, and Bridges	1,991,393	8,169
34	(337) Asset Retirement Costs for Hydraulic Production		
35	TOTAL Hydraulic Production Plant (Enter Total of lines 27 thru 34)	317,755,406	11,788,257
36	D. Other Production Plant		
37	(340) Land and Land Rights	762,631	
38	(341) Structures and Improvements	8,144,465	139,448
39	(342) Fuel Holders, Products, and Accessories	13,956,940	-39,839
40	(343) Prime Movers	21,828,291	28,341
41	(344) Generators	108,793,767	108,596
42	(345) Accessory Electric Equipment	9,050,755	-14,216
43	(346) Misc. Power Plant Equipment	901,011	2,322

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**ELECTRIC PLANT IN SERVICE (Account 101, 102, 103 and 106) (Continued)**

distributions of these tentative classifications in columns (c) and (d), including the reversals of the prior years tentative account distributions of these amounts. Careful observance of the above instructions and the texts of Accounts 101 and 106 will avoid serious omissions of the reported amount of respondent's plant actually in service at end of year.

7. Show in column (f) reclassifications or transfers within utility plant accounts. Include also in column (f) the additions or reductions of primary account classifications arising from distribution of amounts initially recorded in Account 102, include in column (e) the amounts with respect to accumulated provision for depreciation, acquisition adjustments, etc., and show in column (f) only the offset to the debits or credits distributed in column (f) to primary account classifications.

8. For Account 399, state the nature and use of plant included in this account and if substantial in amount submit a supplementary statement showing subaccount classification of such plant conforming to the requirement of these pages.

9. For each amount comprising the reported balance and changes in Account 102, state the property purchased or sold, name of vendor or purchase, and date of transaction. If proposed journal entries have been filed with the Commission as required by the Uniform System of Accounts, give also date

Retirements (d)	Adjustments (e)	Transfers (f)	Balance at End of Year (g)	Line No.
				1
				2
			15,259,132	3
20,488			11,778,529	4
20,488			27,037,661	5
				6
				7
		-4,367	2,240,849	8
34,014		-15,571	124,561,406	9
2,235,169			159,041,158	10
				11
2,042,382			45,193,528	12
20,844			24,036,407	13
1,245			15,252,887	14
			1,114,206	15
4,333,654		-19,938	371,440,441	16
				17
				18
				19
				20
				21
				22
				23
				24
				25
				26
		-34,045	53,729,875	27
50,947			37,071,155	28
2,790			102,391,509	29
924,314			100,111,448	30
90,734			26,951,947	31
			6,185,337	32
			1,999,562	33
				34
1,068,785		-34,045	328,440,833	35
				36
		-3,820	758,811	37
			8,283,913	38
			13,917,101	39
			21,856,632	40
			108,902,363	41
			9,036,539	42
			903,333	43

Name of Respondent Avista Corporation		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/25/2005	Year/Period of Report End of 2004/Q4
ELECTRIC PLANT IN SERVICE (Account 101, 102, 103 and 106) (Continued)				
Line No.	Account (a)	Balance Beginning of Year (b)	Additions (c)	
44	(347) Asset Retirement Costs for Other Production			
45	TOTAL Other Prod. Plant (Enter Total of lines 37 thru 44)	163,437,860	224,652	
46	TOTAL Prod. Plant (Enter Total of lines 16, 25, 35, and 45)	852,627,548	16,372,660	
47	3. TRANSMISSION PLANT			
48	(350) Land and Land Rights	12,567,198	3,261	
49	(352) Structures and Improvements	9,037,089	1,891,081	
50	(353) Station Equipment	121,611,288	14,498,327	
51	(354) Towers and Fixtures	17,067,563	1,676	
52	(355) Poles and Fixtures	75,846,585	14,064,350	
53	(356) Overhead Conductors and Devices	64,992,153	3,677,827	
54	(357) Underground Conduit	561,148		
55	(358) Underground Conductors and Devices	1,317,533	377	
56	(359) Roads and Trails	1,826,844		
57	(359.1) Asset Retirement Costs for Transmission Plant			
58	TOTAL Transmission Plant (Enter Total of lines 48 thru 57)	304,827,401	34,136,899	
59	4. DISTRIBUTION PLANT			
60	(360) Land and Land Rights	3,841,090	50,195	
61	(361) Structures and Improvements	10,125,884	117,185	
62	(362) Station Equipment	68,474,553	3,525,744	
63	(363) Storage Battery Equipment			
64	(364) Poles, Towers, and Fixtures	155,174,194	6,890,135	
65	(365) Overhead Conductors and Devices	105,326,965	3,635,485	
66	(366) Underground Conduit	48,946,733	5,672,901	
67	(367) Underground Conductors and Devices	80,647,470	6,436,938	
68	(368) Line Transformers	120,817,037	5,413,008	
69	(369) Services	85,949,921	4,391,356	
70	(370) Meters	24,229,309	989,566	
71	(371) Installations on Customer Premises			
72	(372) Leased Property on Customer Premises			
73	(373) Street Lighting and Signal Systems	20,521,010	1,396,797	
74	(374) Asset Retirement Costs for Distribution Plant			
75	TOTAL Distribution Plant (Enter Total of lines 60 thru 74)	724,054,166	38,519,310	
76	5. GENERAL PLANT			
77	(389) Land and Land Rights	124,681		
78	(390) Structures and Improvements	1,969,585	3,678	
79	(391) Office Furniture and Equipment	146,403	-2,039	
80	(392) Transportation Equipment	6,936,007	251,361	
81	(393) Stores Equipment	99,196	1,000	
82	(394) Tools, Shop and Garage Equipment	2,751,526	45,494	
83	(395) Laboratory Equipment	2,912,406	43,804	
84	(396) Power Operated Equipment	17,890,032	428,212	
85	(397) Communication Equipment	19,351,926	1,981,015	
86	(398) Miscellaneous Equipment	1,738		
87	SUBTOTAL (Enter Total of lines 77 thru 86)	52,183,500	2,752,525	
88	(399) Other Tangible Property			
89	(399.1) Asset Retirement Costs for General Plant			
90	TOTAL General Plant (Enter Total of lines 87, 88 and 89)	52,183,500	2,752,525	
91	TOTAL (Accounts 101 and 106)	1,960,177,435	92,354,723	
92	(102) Electric Plant Purchased (See Instr. 8)			
93	(Less) (102) Electric Plant Sold (See Instr. 8)			
94	(103) Experimental Plant Unclassified			
95	TOTAL Electric Plant in Service (Enter Total of lines 91 thru 94)	1,960,177,435	92,354,723	

ELECTRIC PLANT IN SERVICE (Account 101, 102, 103 and 106) (Continued)

Retirements (d)	Adjustments (e)	Transfers (f)	Balance at End of Year (g)	Line No.
				44
		-3,820	163,658,692	45
5,402,439		-57,803	863,539,966	46
				47
			12,570,459	48
4,916			10,923,254	49
672,150		345,452	135,782,917	50
			17,069,239	51
485,314			89,425,621	52
493,775		-2,224	68,173,981	53
			561,148	54
			1,317,910	55
			1,826,844	56
				57
1,656,155		343,228	337,651,373	58
				59
		1,034	3,892,319	60
			10,243,069	61
171,161		10,025	71,839,161	62
				63
146,301		-7,407	161,910,621	64
127,427		-5,848	108,829,175	65
43,999			54,575,635	66
375,862		-11,607	86,696,939	67
752,143		-31,561	125,446,341	68
78,561			90,262,716	69
368,406			24,850,469	70
				71
				72
64,238			21,853,569	73
				74
2,128,098		-45,364	760,400,014	75
				76
			124,681	77
			1,973,263	78
			144,364	79
80,799			7,106,569	80
			100,196	81
28,191			2,768,829	82
9,915			2,946,295	83
961,246			17,356,998	84
105,596		15,735	21,243,080	85
8			1,730	86
1,185,755		15,735	53,766,005	87
				88
				89
1,185,755		15,735	53,766,005	90
10,392,935		255,796	2,042,395,019	91
				92
				93
				94
10,392,935		255,796	2,042,395,019	95

Name of Respondent Avista Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/25/2005	Year/Period of Report End of <u>2004/Q4</u>
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**CONSTRUCTION WORK IN PROGRESS -- ELECTRIC (Account 107)**

1. Report below descriptions and balances at end of year of projects in process of construction (107)
2. Show items relating to "research, development, and demonstration" projects last, under a caption Research, Development, and Demonstrating (see Account 107 of the Uniform System of Accounts)
3. Minor projects (5% of the Balance End of the Year for Account 107 or \$100,000, whichever is less) may be grouped.

Line No.	Description of Project (a)	Construction work in progress - Electric (Account 107) (b)
1	STATE OF WASHINGTON	
2	Post Street 115 Substation	2,457,619
3	Beacon-Rathdrum 230KV Line	332,249
4	Beacon Storage Yard-Build Containment Area	292,706
5	Hydro Relicensing Costs-Spokane River Project	9,744,036
6	Kettle Falls Capital Project	119,968
7	Huntwood Industries Line Extension	163,753
8	Test and Treat Replacement	198,580
9	Spokane Downtown Network	145,162
10	Upper Falls Control Work	2,180,833
11	West of Hatwai Telecommunication	382,775
12	Dry Creek-Lolo 230 Kv line	463,018
13	Reconductor East Valley Area	112,421
14	Benewah-Shawnee 230kv line	1,212,822
15	Boulder Construction	4,486,394
16	Scada II Add supv	139,234
17	Hallet & White Substation	193,176
18	Reconductor Metro-Post st Feeder tie	152,129
19	Deaconess Medical Center Project	264,414
20	Minor Projects (54) under \$100,000	745,360
21		
22	STATE OF IDAHO	
23	Adelphia Make Ready Moscow	115,044
24	Dry Creek Switching Station	872,065
25	Ramsey 115kv Switching Station	111,964
26	Beacon-Rathdrum	3,050,752
27	Cabinet Gorge Unit #4 Turbine	127,399
28	Pleasantview 243 reconductor project	122,810
29	Clark Fork Settlement Agreement	1,837,561
30	Benewah-Shawnee 230kv	556,301
31	RAS installation for Cabinet Gorge	107,770
32	West of Hatwai telecommunication	579,168
33	Holbrook Upgrade Feeder	241,064
34	Minor Projects (56) under \$100,000	946,240
35		
36	STATE OF MONTANA	
37	Noxon Rapids Capital Projects Upgrades	2,623,727
38	Clark Fork Settlement Agreement	1,202,278
39	Minor Projects (6) under \$100,000	29,179
40		
41	STATE OF OREGON	
42	CS2 Spare Transformer	2,010,747
43	TOTAL	38,456,293

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**CONSTRUCTION WORK IN PROGRESS - - ELECTRIC (Account 107)**

1. Report below descriptions and balances at end of year of projects in process of construction (107)
2. Show items relating to "research, development, and demonstration" projects last, under a caption Research, Development, and Demonstrating (see Account 107 of the Uniform System of Accounts)
3. Minor projects (5% of the Balance End of the Year for Account 107 or \$100,000, whichever is less) may be grouped.

Line No.	Description of Project (a)	Construction work in progress - Electric (Account 107) (b)
1		
2	COMMON WA&ID	
3	Minor Projects (10) under \$100,000	135,575
4		
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42		
43	TOTAL	38,456,293

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**ACCUMULATED PROVISION FOR DEPRECIATION OF ELECTRIC UTILITY PLANT (Account 108)**

1. Explain in a footnote any important adjustments during year.
2. Explain in a footnote any difference between the amount for book cost of plant retired, Line 11, column (c), and that reported for electric plant in service, pages 204-207, column 9d), excluding retirements of non-depreciable property.
3. The provisions of Account 108 in the Uniform System of accounts require that retirements of depreciable plant be recorded when such plant is removed from service. If the respondent has a significant amount of plant retired at year end which has not been recorded and/or classified to the various reserve functional classifications, make preliminary closing entries to tentatively functionalize the book cost of the plant retired. In addition, include all costs included in retirement work in progress at year end in the appropriate functional classifications.
4. Show separately interest credits under a sinking fund or similar method of depreciation accounting.

**Section A. Balances and Changes During Year**

Line No.	Item (a)	Total (c+d+e) (b)	Electric Plant in Service (c)	Electric Plant Held for Future Use (d)	Electric Plant Leased to Others (e)
1	Balance Beginning of Year	644,621,400	644,621,400		
2	Depreciation Provisions for Year, Charged to				
3	(403) Depreciation Expense	50,164,879	50,164,879		
4	(403.1) Depreciation Expense for Asset Retirement Costs				
5	(413) Exp. of Elec. Plt. Leas. to Others				
6	Transportation Expenses-Clearing	899,534	899,534		
7	Other Clearing Accounts				
8	Other Accounts (Specify, details in footnote):	-4,336,462	-4,336,462		
9					
10	TOTAL Deprec. Prov for Year (Enter Total of lines 3 thru 9)	46,727,951	46,727,951		
11	Net Charges for Plant Retired:				
12	Book Cost of Plant Retired	10,372,447	10,372,447		
13	Cost of Removal	1,421,944	1,421,944		
14	Salvage (Credit)	2,913,715	2,913,715		
15	TOTAL Net Chrgs. for Plant Ret. (Enter Total of lines 12 thru 14)	8,880,676	8,880,676		
16	Other Debit or Cr. Items (Describe, details in footnote):	-980,398	-980,398		
17					
18	Book Cost or Asset Retirement Costs Retired				
19	Balance End of Year (Enter Totals of lines 1, 10, 15, 16, and 18)	681,488,277	681,488,277		

**Section B. Balances at End of Year According to Functional Classification**

20	Steam Production	202,093,155	202,093,155		
21	Nuclear Production				
22	Hydraulic Production-Conventional	69,726,715	69,726,715		
23	Hydraulic Production-Pumped Storage				
24	Other Production	21,901,274	21,901,274		
25	Transmission	120,927,355	120,927,355		
26	Distribution	234,722,215	234,722,215		
27	General	32,117,563	32,117,563		
28	TOTAL (Enter Total of lines 20 thru 27)	681,488,277	681,488,277		

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**INVESTMENTS IN SUBSIDIARY COMPANIES (Account 123.1)**

- Report below investments in Accounts 123.1, investments in Subsidiary Companies.
- Provide a subheading for each company and List there under the information called for below. Sub - TOTAL by company and give a TOTAL in columns (e),(f),(g) and (h)
  - Investment in Securities - List and describe each security owned. For bonds give also principal amount, date of issue, maturity and interest rate.
  - Investment Advances - Report separately the amounts of loans or investment advances which are subject to repayment, but which are not subject to current settlement. With respect to each advance show whether the advance is a note or open account. List each note giving date of issuance, maturity date, and specifying whether note is a renewal.
- Report separately the equity in undistributed subsidiary earnings since acquisition. The TOTAL in column (e) should equal the amount entered for Account 418.1.

Line No.	Description of Investment (a)	Date Acquired (b)	Date Of Maturity (c)	Amount of Investment at Beginning of Year (d)
1				
2	Avista Capital - Common Stock	1997		184,251,609
3	Avista Capital - Equity in Earnings			71,652,879
4	Dividends from Subsidiary (Avista Capital)			
5				
6				
7				
8				
9				
10				
11				
12				
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42	Total Cost of Account 123.1 \$	0	TOTAL	255,904,488

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**INVESTMENTS IN SUBSIDIARY COMPANIES (Account 123.1) (Continued)**

4. For any securities, notes, or accounts that were pledged designate such securities, notes, or accounts in a footnote, and state the name of pledgee and purpose of the pledge.
5. If Commission approval was required for any advance made or security acquired, designate such fact in a footnote and give name of Commission, date of authorization, and case or docket number.
6. Report column (f) interest and dividend revenues from investments, including such revenues from securities disposed of during the year.
7. In column (h) report for each investment disposed of during the year, the gain or loss represented by the difference between cost of the investment (or the other amount at which carried in the books of account if difference from cost) and the selling price thereof, not including interest adjustment includible in column (f).
8. Report on Line 42, column (a) the TOTAL cost of Account 123.1

Equity in Subsidiary Earnings of Year (e)	Revenues for Year (f)	Amount of Investment at End of Year (g)	Gain or Loss from Investment Disposed of (h)	Line No.
				1
		184,251,609		2
3,381,428		75,034,306		3
	-2,499,315	-2,499,315		4
				5
				6
				7
				8
				9
				10
				11
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3,381,428	-2,499,315	256,786,600		42

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Name of Respondent Avista Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/25/2005	Year/Period of Report End of <u>2004/Q4</u>
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**MATERIALS AND SUPPLIES**

1. For Account 154, report the amount of plant materials and operating supplies under the primary functional classifications as indicated in column (a); estimates of amounts by function are acceptable. In column (d), designate the department or departments which use the class of material.
2. Give an explanation of important inventory adjustments during the year (in a footnote) showing general classes of material and supplies and the various accounts (operating expenses, clearing accounts, plant, etc.) affected debited or credited. Show separately debit or credits to stores expense clearing, if applicable.

Line No.	Account (a)	Balance Beginning of Year (b)	Balance End of Year (c)	Department or Departments which Use Material (d)
1	Fuel Stock (Account 151)	2,395,349	4,049,604	(1)
2	Fuel Stock Expenses Undistributed (Account 152)			
3	Residuals and Extracted Products (Account 153)			
4	Plant Materials and Operating Supplies (Account 154)			
5	Assigned to - Construction (Estimated)	5,309,870	5,549,896	(1)
6	Assigned to - Operations and Maintenance			
7	Production Plant (Estimated)	2,201,762	2,306,934	(1)
8	Transmission Plant (Estimated)	3,171	4,256	(1)
9	Distribution Plant (Estimated)	163,574	190,993	(1)
10	Assigned to - Other (provide details in footnote)	1,843,705	1,815,688	(1),(2)
11	TOTAL Account 154 (Enter Total of lines 5 thru 10)	9,522,082	9,867,767	
12	Merchandise (Account 155)			
13	Other Materials and Supplies (Account 156)			
14	Nuclear Materials Held for Sale (Account 157) (Not applic to Gas Util)			
15	Stores Expense Undistributed (Account 163)	-496,415	-62,610	
16				
17				
18				
19				
20	TOTAL Materials and Supplies (Per Balance Sheet)	11,421,016	13,854,761	

Name of Respondent Avista Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/25/2005	Year/Period of Report End of <u>2004/Q4</u>
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**OTHER REGULATORY ASSETS (Account 182.3)**

1. Report below the particulars (details) called for concerning other regulatory assets, including rate order docket number, if applicable.
2. Minor items (5% of the Balance in Account 182.3 at end of period, or amounts less than \$50,000 which ever is less), may be grouped by classes.
3. For Regulatory Assets being amortized, show period of amortization.

Line No.	Description and Purpose of Other Regulatory Assets  (a)	Balance at Beginning of Current Quarter/Year (b)	Debits (c)	CREDITS		Balance at end of Current Quarter/Year (f)
				Written off During the Quarter/Year Account Charged (d)	Written off During the Period Amount (e)	
1	FAS 106 - Accounting for Post Retirement	4,254,768		926.65	472,752	3,782,016
2	Benefits, other than Pensions (182.30)					
3	182.30 Amort period 1996-2012					
4	FAS 109 - Acctng for Income Taxes Util Prop	132,097,287		283.17,18	8,630,630	123,466,657
5	(182.31 & 182.32)					
6	WA ERM Deferral Balance (182.35) Power Supp	99,774,940	2,655,027	186.28		102,429,967
7	WA Amortization (182.36)	974,754		557.16	307,296	667,458
8	182.36 Amort period 2004-2006			0		
9	Hamilton Street Bridge -- WA (182.39, 028)	125,676		407.39	125,676	
10	Hamilton Street Bridge -- ID (182.39 038)	105,300		407.39	105,300	
11	BPA RES Exchange (182.45, 028)	195,192		254.45	195,192	
12	BPA RES Exchange A/R (182.45, 098)	1,679,445		254.45	1,679,445	
13	BPA RES Exchange - Int Rec (182.46, 028)	30,267		419.00	30,267	
14	BPA RES Exchange - Int Rec (182.46, 038)	6,278		419.00	4,078	2,200
15	FAS 143-ARO Reg Asset (182.76)	( 436,329)	549,979	230.10		113,650
16	Oregon DSM Long-Term Reg Asset (182.80)	( 632,736)		various	208,065	-840,801
17	Workers Comp (182.83)	1,688,889	671,996	242.83		2,360,885
18						
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43						
44	<b>TOTAL</b>	239,863,731	3,877,002		11,758,701	231,982,032

MISCELLANEOUS DEFFERED DEBITS (Account 186)

1. Report below the particulars (details) called for concerning miscellaneous deferred debits.
2. For any deferred debit being amortized, show period of amortization in column (a)
3. Minor item (1% of the Balance at End of Year for Account 186 or amounts less than \$50,000, whichever is less) may be grouped by classes.

Line No.	Description of Miscellaneous Deferred Debits (a)	Balance at Beginning of Year (b)	Debits (c)	CREDITS		Balance at End of Year (f)
				Account Charged (d)	Amount (e)	
1	Regulatory Deferrals - WA					
2	Colstrip Common Fac.	571,320	539,679	406		1,110,999
3	WA Accrued Power Def	3,139,007			3,139,007	
4	WA Deferred Power Costs	22,791,372			12,013,674	10,777,698
5	WA ERM YTD Company Band	9,000,000				9,000,000
6	WA ERM YTD Contra Account	-9,000,000				-9,000,000
7						
8	Regulatory Deferrals - ID					
9	ID Deferred New Generation	736,944			184,236	552,708
10	Colstrip Common Fac.	1,211,544	1,144,098	406		2,355,642
11	Idaho Accrued PCA Def	1,596,258			1,596,258	
12	ID Deferred Power	82,338,083	3,850,010	var.		86,188,093
13	ID Accumulated Surcharge Am	-53,649,481		557	23,040,185	-76,689,666
14	CS2 Levelized Return		161,747			161,747
15	Payroll Accrual	1,909,178		var.	919,898	989,280
16	Payroll Loading Clearing		677,798			677,798
17	PPP Surcharge	454,349			454,349	
18						
19	Misc Error Suspense	353,016		var.	328,028	24,988
20						
21	WPI-ID Terminated Elec Pur.	391,997		555	391,997	
22						
23	Unamortized A/R Sale	241,146			144,336	96,810
24						
25	Intangible Pension Asset	5,712,151		228.32	653,660	5,058,491
26						
27	Nez Perce Settlement	207,659		557	5,214	202,445
28						
29	Centralia Mine Env Balance	572,324	6,021			578,345
30						
31	DES Contract Amortization	25,372		556	25,372	
32						
33	Metro-Sunset 115KV TE	114,581	159,108			273,689
34	CS2 Purchase		101,095			101,095
35	UPRR Permit Conv	331,370	258			331,628
36						
37	Ortho Business Activity	136,054			137,719	-1,665
38	Canadian GST Tax	13,117	1,039,727	var.		1,052,844
39						
40	Nez Perce Forest					
41	Nez Perce Permit Conversion	38,983	14,503			53,486
42	Electric Network					
43						
44	Misc Work Orders <\$50,000	278,541	101,353			379,894
45	Subsidiary Billings	1,894,860	441,254	var.		2,336,114
46						
47	Misc. Work in Progress					
48	Deferred Regulatory Comm. Expenses (See pages 350 - 351)					
49	<b>TOTAL</b>	<b>86,083,253</b>				<b>51,242,169</b>

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MISCELLANEOUS DEFERRED DEBITS (Account 186)

- Report below the particulars (details) called for concerning miscellaneous deferred debits.
- For any deferred debit being amortized, show period of amortization in column (a)
- Minor item (1% of the Balance at End of Year for Account 186 or amounts less than \$50,000, whichever is less) may be grouped by classes.

Line No.	Description of Miscellaneous Deferred Debits (a)	Balance at Beginning of Year (b)	Debits (c)	CREDITS		Balance at End of Year (f)
				Account Charged (d)	Amount (e)	
1	Conservation					
2	Enhanced Low Income Wzn	2,600			2,600	
3	Oregon Gas Comm Consvt	177,675			184,707	-7,032
4	Oregon Shower Head	107,134	67,777	908		174,911
5	Oregon Common Gas Eff	163,978	24,590			188,568
6	WPNG HE Wtr Htrs-Oregon	286,496			9,837	276,659
7	WPNG HE Furnaces	2,028,309	298,337			2,326,646
8	WPNG CA RES L/I-P	-56,066	80,724	var.		24,658
9	WPNG OR Res Low 1	171,746	173,105	908		344,851
10	Regulatory-Sched 67	197,350		908	33,066	164,284
11	Reg-Water Heat Conv	1,033,287		908	152,358	880,929
12	Reg-Space/Water Con	4,061,613		908	704,560	3,357,053
13	Reg-Elec Comm/Ind	663,417		908	116,375	547,042
14	Reg-Gas Wzn Res	1,032,724		908	153,145	879,579
15	Reg-L/I Elec/Gas	348,471		908	49,738	298,733
16	Reg-Elec Manuf Home	284,794		908	48,984	235,810
17	Reg-Comm/Ind Gas	116,220		908	19,599	96,621
18	Reg-Gas Res Appl Ef	1,402,436		908	208,179	1,194,257
19	Reg-Gas Res Showerhead	82,564		908	55,047	27,517
20	Reg Elect Res Wzn	50,234		908	8,643	41,591
21	Reg L/I Elec Wzn	81,841		908	14,099	67,742
22	Reg Elec Res Shwr	20,802		908	20,802	
23	Reg C/I Elec Fuel	195,213		908	34,221	160,992
24	Reg Gas A.E. Wtr	111,154		908	74,130	37,024
25	Reg Low Income Gas Wzn	337,567		908	56,634	280,933
26	Care - California	55,207			61,940	-6,733
27	Consv. & Renewable Disco	199,787	336,332			536,119
28	Sandpoint DSR - PPL	740,353		908	113,387	626,966
29	Gas Plant					
30	Hamilton Street Bridge Site	53,693		var.	53,693	
31						
32	Electric Plant					
33	Post Falls No Channel Study					
34	Port Of Seattle	46,507	46,243			92,750
35	Easy Pay Billing CS	-137,889	87,357			-50,532
36	Lake CDA Issues	603,105	262,408			865,513
37	Shareholder Lawsuit 2002	211,186	755,069			966,255
38						
39						
40						
41						
42						
43						
44						
45						
46						
47	Misc. Work in Progress					
48	Deferred Regulatory Comm. Expenses (See pages 350 - 351)					
49	TOTAL	86,083,253				51,242,169

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**ACCUMULATED DEFERRED INCOME TAXES (Account 190)**

1. Report the information called for below concerning the respondent's accounting for deferred income taxes.
2. At Other (Specify), include deferrals relating to other income and deductions.

Line No.	Description and Location (a)	Balance of Beginning of Year (b)	Balance at End of Year (c)
1	Electric		
2		11,330,752	11,818,604
3			
4			
5			
6			
7	Other		
8	TOTAL Electric (Enter Total of lines 2 thru 7)	11,330,752	11,818,604
9	Gas		
10		-1,832,996	-3,580,092
11			
12			
13			
14			
15	Other		
16	TOTAL Gas (Enter Total of lines 10 thru 15)	-1,832,996	-3,580,092
17	Other	24,724,630	42,654,161
18	TOTAL (Acct 190) (Total of lines 8, 16 and 17)	34,222,386	50,892,673

Notes

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**CAPITAL STOCKS (Account 201 and 204)**

1. Report below the particulars (details) called for concerning common and preferred stock at end of year, distinguishing separate series of any general class. Show separate totals for common and preferred stock. If information to meet the stock exchange reporting requirement outlined in column (a) is available from the SEC 10-K Report Form filing, a specific reference to report form (i.e., year and company title) may be reported in column (a) provided the fiscal years for both the 10-K report and this report are compatible.

2. Entries in column (b) should represent the number of shares authorized by the articles of incorporation as amended to end of year.

Line No.	Class and Series of Stock and Name of Stock Series  (a)	Number of shares Authorized by Charter  (b)	Par or Stated Value per share  (c)	Call Price at End of Year  (d)
1	Account 201 - Common Stock Issued			
2	No Par Value	200,000,000		
3				
4	TOTAL_COM	200,000,000		
5				
6				
7	Account 204 - Preferred Stock Issued	10,000,000		
8				
9				
10	Cumulative			
11				
12				
13	TOTAL_PRE	10,000,000		
14				
15				
16				
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CAPITAL STOCKS (Account 201 and 204) (Continued)

3. Give particulars (details) concerning shares of any class and series of stock authorized to be issued by a regulatory commission which have not yet been issued.

4. The identification of each class of preferred stock should show the dividend rate and whether the dividends are cumulative or non-cumulative.

5. State in a footnote if any capital stock which has been nominally issued is nominally outstanding at end of year.

Give particulars (details) in column (a) of any nominally issued capital stock, reacquired stock, or stock in sinking and other funds which is pledged, stating name of pledgee and purposes of pledge.

OUTSTANDING PER BALANCE SHEET (Total amount outstanding without reduction for amounts held by respondent)		HELD BY RESPONDENT				Line No.
		AS REACQUIRED STOCK (Account 217)		IN SINKING AND OTHER FUNDS		
Shares (e)	Amount (f)	Shares (g)	Cost (h)	Shares (i)	Amount (j)	
						1
48,471,511	629,055,981					2
						3
48,471,511	629,055,981					4
						5
						6
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**CAPITAL STOCK EXPENSE (Account 214)**

1. Report the balance at end of the year of discount on capital stock for each class and series of capital stock.
2. If any change occurred during the year in the balance in respect to any class or series of stock, attach a statement giving particulars (details) of the change. State the reason for any charge-off of capital stock expense and specify the account charged.

Line No.	Class and Series of Stock (a)	Balance at End of Year (b)
1	Common Stock - Public Issue	7,822,732
2	Shares issued under provisions of Respondant's Dividend Reinvestment and Stock Purchase Plan	442,145
3	Shares issued under provisions of Respondant's Employee Stock Purchase Plan	74,839
4	Common Stock - 401k	215,137
5	Common Stock - Periodic Offering Program (POP)	599,768
6	\$6.95 Preferred Stock, Series K	1,334,005
7	Common Stock Split	187,872
8		
9		
10		
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12		
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21		
22	<b>TOTAL</b>	<b>10,676,498</b>

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**LONG-TERM DEBT (Account 221, 222, 223 and 224)**

1. Report by balance sheet account the particulars (details) concerning long-term debt included in Accounts 221, Bonds, 222, Reacquired Bonds, 223, Advances from Associated Companies, and 224, Other long-Term Debt.
2. In column (a), for new issues, give Commission authorization numbers and dates.
3. For bonds assumed by the respondent, include in column (a) the name of the issuing company as well as a description of the bonds.
4. For advances from Associated Companies, report separately advances on notes and advances on open accounts. Designate demand notes as such. Include in column (a) names of associated companies from which advances were received.
5. For receivers, certificates, show in column (a) the name of the court -and date of court order under which such certificates were issued.
6. In column (b) show the principal amount of bonds or other long-term debt originally issued.
7. In column (c) show the expense, premium or discount with respect to the amount of bonds or other long-term debt originally issued.
8. For column (c) the total expenses should be listed first for each issuance, then the amount of premium (in parentheses) or discount. Indicate the premium or discount with a notation, such as (P) or (D). The expenses, premium or discount should not be netted.
9. Furnish in a footnote particulars (details) regarding the treatment of unamortized debt expense, premium or discount associated with issues redeemed during the year. Also, give in a footnote the date of the Commission's authorization of treatment other than as specified by the Uniform System of Accounts.

Line No.	Class and Series of Obligation, Coupon Rate (For new issue, give commission Authorization numbers and dates) (a)	Principal Amount Of Debt issued (b)	Total expense, Premium or Discount (c)
1	Acct. 221 - Bonds:		
2	Secured Medium Term Notes \$1,062,550,000	873,850,000	8,937,218
3	(Premium)		-50,220
4			
5	Pollution Control Revenue Bonds:		
6	6% Series due 2023	4,100,000	345,385
7	Colstrip 1999A due 2032	66,700,000	2,182,462
8	(Premium)		-1,334,000
9	Colstrip 1999B due 2034	17,000,000	565,288
10	(Premium)		-340,000
11			
12	SUBTOTAL	961,650,000	10,306,133
13			
14	Acct. 222 - Reacquired Bonds		
15			
16	Acct. 223 - Advances from Associated Companies-A. Advantage \$800k; A. Energy \$600k	1,400,000	
17	Long Term Debt to Affiliated Trusts-AVA Capital Trust III	61,856,000	6,518,278
18	Long Term Debt to Affiliated Trusts-Avista Capital I	51,547,000	3,633,783
19			
20	Acct. 224 - Other Long-term Debt		
21	Series K Preferred Stock	35,000,000	2,089,391
22	Notes Payable - Banks (local) \$350,000,000		2,578,000
23			
24	Commercial Paper		
25			
26	Unsecured Senior Notes	400,000,000	9,128,000
27	(Discount)		2,716,000
28			
29	Medium Term Notes \$1,000,000,000	683,000,000	4,071,295
30	(Premium)		-70,000
31	Long Term Current		
32	Notes Payable to Various Parties		
33	TOTAL	2,194,453,000	40,970,880

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LONG-TERM DEBT (Account 221, 222, 223 and 224) (Continued)

10. Identify separate undisposed amounts applicable to issues which were redeemed in prior years.
11. Explain any debits and credits other than debited to Account 428, Amortization and Expense, or credited to Account 429, Premium on Debt - Credit.
12. In a footnote, give explanatory (details) for Accounts 223 and 224 of net changes during the year. With respect to long-term advances, show for each company: (a) principal advanced during year, (b) interest added to principal amount, and (c) principle repaid during year. Give Commission authorization numbers and dates.
13. If the respondent has pledged any of its long-term debt securities give particulars (details) in a footnote including name of pledgee and purpose of the pledge.
14. If the respondent has any long-term debt securities which have been nominally issued and are nominally outstanding at end of year, describe such securities in a footnote.
15. If interest expense was incurred during the year on any obligations retired or reacquired before end of year, include such interest expense in column (i). Explain in a footnote any difference between the total of column (i) and the total of Account 427, interest on Long-Term Debt and Account 430, Interest on Debt to Associated Companies.
16. Give particulars (details) concerning any long-term debt authorized by a regulatory commission but not yet issued.

Nominal Date of Issue (d)	Date of Maturity (e)	AMORTIZATION PERIOD		Outstanding (Total amount outstanding without reduction for amounts held by respondent) (h)	Interest for Year Amount (i)	Line No.
		Date From (f)	Date To (g)			
						1
				522,350,000	25,034,806	2
						3
						4
						5
12/18/1984	12/01/2014	12/18/1984	12/01/2023	4,100,000	246,000	6
9/01/1999	10/01/2032	9/01/1999	10/01/2032	66,700,000	3,335,000	7
						8
9/01/1999	3/01/2034	9/01/1999	3/01/2034	17,000,000	871,250	9
						10
						11
				610,150,000	29,487,056	12
						13
						14
						15
				1,400,000		16
4/5/2004	4/1/2034	4/30/2004	3/31/2034	61,856,000	3,565,447	17
06/03/1997	06/01/2037	06/30/1997	5/31/2037	51,547,000	1,156,745	18
						19
						20
9/15/1992	9/15/2007	9/15/1992	9/15/2007	29,750,000	2,158,844	21
12/17/2004	12/16/2009	12/13/2004	12/16/2009	68,000,000	3,100,138	22
						23
						24
						25
4/03/2001	6/01/2008	4/03/2001	6/01/2008	280,827,068	29,218,173	26
						27
						28
				30,000,000	10,511,208	29
						30
						31
						32
				1,133,530,068	79,197,611	33

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**RECONCILIATION OF REPORTED NET INCOME WITH TAXABLE INCOME FOR FEDERAL INCOME TAXES**

1. Report the reconciliation of reported net income for the year with taxable income used in computing Federal income tax accruals and show computation of such tax accruals. Include in the reconciliation, as far as practicable, the same detail as furnished on Schedule M-1 of the tax return for the year. Submit a reconciliation even though there is no taxable income for the year. Indicate clearly the nature of each reconciling amount.
2. If the utility is a member of a group which files a consolidated Federal tax return, reconcile reported net income with taxable net income as if a separate return were to be filed, indicating, however, intercompany amounts to be eliminated in such a consolidated return. State names of group member, tax assigned to each group member, and basis of allocation, assignment, or sharing of the consolidated tax among the group members.
3. A substitute page, designed to meet a particular need of a company, may be used as long as the data is consistent and meets the requirements of the above instructions. For electronic reporting purposes complete Line 27 and provide the substitute Page in the context of a footnote.

Line No.	Particulars (Details) (a)	Amount (b)
1	Net Income for the Year (Page 117)	35,153,860
2		
3		
4	Taxable Income Not Reported on Books	
5		6,775,591
6		
7		
8		
9	Deductions Recorded on Books Not Deducted for Return	
10		73,032,236
11	Federal Income Tax	5,443,955
12	Deferred Income Tax	11,686,245
13	Investment Tax Credit	-49,308
14	Income Recorded on Books Not Included in Return	
15		26,298,516
16	Equity in Sub Earnings (income) / Loss	-3,381,428
17		
18		
19	Deductions on Return Not Charged Against Book Income	
20		-91,161,094
21		
22		
23		
24		
25		
26		
27	Federal Tax Net Income	63,798,573
28	Show Computation of Tax:	
29	63,798,573 x .35 = 22,329,501	22,329,501
30	Settlement of prior year tax returns and adjustment of tax reserves	
31	affecting deferred taxes	-13,522,764
32	Settlement of prior year tax returns and adjustment of tax reserves	
33	affecting current taxes	-3,362,782
34		
35	Tax	5,443,955
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**TAXES ACCRUED, PREPAID AND CHARGED DURING YEAR**

1. Give particulars (details) of the combined prepaid and accrued tax accounts and show the total taxes charged to operations and other accounts during the year. Do not include gasoline and other sales taxes which have been charged to the accounts to which the taxed material was charged. If the actual, or estimated amounts of such taxes are known, show the amounts in a footnote and designate whether estimated or actual amounts.
2. Include on this page, taxes paid during the year and charged direct to final accounts, (not charged to prepaid or accrued taxes.) Enter the amounts in both columns (d) and (e). The balancing of this page is not affected by the inclusion of these taxes.
3. Include in column (d) taxes charged during the year, taxes charged to operations and other accounts through (a) accruals credited to taxes accrued, (b) amounts credited to proportions of prepaid taxes chargeable to current year, and (c) taxes paid and charged direct to operations or accounts other than accrued and prepaid tax accounts.
4. List the aggregate of each kind of tax in such manner that the total tax for each State and subdivision can readily be ascertained.

Line No.	Kind of Tax (See instruction 5) (a)	BALANCE AT BEGINNING OF YEAR		Taxes Charged During Year (d)	Taxes Paid During Year (e)	Adjustments (f)
		Taxes Accrued (Account 236) (b)	Prepaid Taxes (Include in Account 165) (c)			
1	FEDERAL:					
2	Income Tax (1989-1996)	-587,439				587,439
3	Income Tax (1998)	-37,912				37,912
4	Income Tax (1999)	-19,890			-1,973,468	-1,953,578
5	Income Tax (2000)	4,120,811				-4,120,811
6	Income Tax (2001)	-53,215,684		-290,816		53,506,500
7	Income Tax (2002)	49,041,157		-1,253,144		-47,788,014
8	Income Tax (2003)	-5,664,448		-10,051,662	6,000,000	21,716,110
9	Income Tax (2004)			20,701,721	2,079,974	-27,082,044
10	Unemployment Ins 2003					
11	FICA (2003)	601		-601		
12	FICA (2004)			7,813,066	7,813,066	
13	Retained Earnings-ESOP	-147,005				147,005
14	Retained Earnings-ESOP	-419,065				419,065
15	Retained Earnings-ESOP	-141,026				141,026
16	Retained	-139,205				139,205
17	Retained	-221,742				221,742
18	Retained			-395,319		-1,068,043
19	Total Federal	-7,430,847		16,523,245	13,919,572	-5,096,486
20						
21	STATE OF WASHINGTON:					
22	Property Tax (2000 & Prior)	466,176		96,474		-562,650
23	Property Tax (2001)	-57,614		-305,259		362,872
24	Property Tax (2002)	143		1,282		-1,425
25	Property Tax (2003)	9,948,000		-935,655	9,008,694	
26	Property Tax (2004)			10,319,313	313	
27	Excise Tax (2001)	329,416		-329,416		
28	Excise Tax (2002)	1,645,877		400,680		-2,097,172
29	Excise Tax (2003)	171,529		424,485	2,693,186	2,097,172
30	Excise Tax (2004)			17,141,427	14,968,502	
31	Gas Surcharge	-6,697		49,114	29,043	
32	Motor Vehicle (2004)			3,807	3,807	
33	Total Washington	12,496,830		26,866,252	26,703,545	-201,203
34						
35	STATE OF IDAHO:					
36	Income Tax (1997-2000)	981,138				
37	Income Tax (2001)	-3,085,967				
38	Income Tax (2002)	749,501			-593,571	
39	Income Tax (2003)	277,503			-269,842	
40	Income Tax (2004)			752,406	318,000	-515,383
41	TOTAL	9,241,055		84,514,505	76,881,762	-5,560,368

Name of Respondent Avista Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/25/2005	Year/Period of Report End of <u>2004/Q4</u>
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**TAXES ACCRUED, PREPAID AND CHARGED DURING YEAR (Continued)**

5. If any tax (exclude Federal and State income taxes)- covers more than one year, show the required information separately for each tax year, identifying the year in column (a).
6. Enter all adjustments of the accrued and prepaid tax accounts in column (f) and explain each adjustment in a foot- note. Designate debit adjustments by parentheses.
7. Do not include on this page entries with respect to deferred income taxes or taxes collected through payroll deductions or otherwise pending transmittal of such taxes to the taxing authority.
8. Report in columns (i) through (l) how the taxes were distributed. Report in column (l) only the amounts charged to Accounts 408.1 and 409.1 pertaining to electric operations. Report in column (l) the amounts charged to Accounts 408.1 and 109.1 pertaining to other utility departments and amounts charged to Accounts 408.2 and 409.2. Also shown in column (l) the taxes charged to utility plant or other balance sheet accounts.
9. For any tax apportioned to more than one utility department or account, state in a footnote the basis (necessity) of apportioning such tax.

BALANCE AT END OF YEAR		DISTRIBUTION OF TAXES CHARGED				Line No.
(Taxes accrued Account 236) (g)	Prepaid Taxes (Incl. in Account 165) (h)	Electric (Account 408.1, 409.1) (i)	Extraordinary Items (Account 409.3) (j)	Adjustments to Ret. Earnings (Account 439) (k)	Other (l)	
						1
						2
						3
						4
						5
					-290,816	6
					-1,253,144	7
		-2,223,675			-7,827,987	8
-8,460,297		10,113,885			10,587,836	9
						10
					-601	11
					7,813,066	12
						13
						14
						15
						16
						17
-1,463,362					-395,319	18
-9,923,659		7,890,210			8,633,035	19
						20
						21
		97,723			-1,250	22
		-364,409			59,151	23
		3,127			-1,845	24
3,651		-672,210			-263,445	25
10,319,000		8,047,310			2,272,002	26
		-349,255			19,839	27
-50,614		400,680				28
		-69,869			494,355	29
2,172,926		11,747,417			5,394,010	30
13,373					49,114	31
					3,807	32
12,458,336		18,840,514			8,025,738	33
						34
						35
981,138						36
-3,085,967						37
1,343,072						38
547,345						39
-80,977		292,643			459,763	40
11,313,430		55,029,969			29,528,594	41

Name of Respondent Avista Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/25/2005	Year/Period of Report End of 2004/Q4
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**TAXES ACCRUED, PREPAID AND CHARGED DURING YEAR**

1. Give particulars (details) of the combined prepaid and accrued tax accounts and show the total taxes charged to operations and other accounts during the year. Do not include gasoline and other sales taxes which have been charged to the accounts to which the taxed material was charged. If the actual, or estimated amounts of such taxes are known, show the amounts in a footnote and designate whether estimated or actual amounts.
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4. List the aggregate of each kind of tax in such manner that the total tax for each State and subdivision can readily be ascertained.

Line No.	Kind of Tax (See instruction 5) (a)	BALANCE AT BEGINNING OF YEAR		Taxes Charged During Year (d)	Taxes Paid During Year (e)	Adjustments (f)
		Taxes Accrued (Account 236) (b)	Prepaid Taxes (Include in Account 165) (c)			
1						
2	Property Tax (2000 & Prior)	-251,556		129,180		122,377
3	Property Tax (2001)	47		-106,786		106,739
4	Property Tax (2002)	-8,067		8,848		-781
5	Property Tax (2003)	2,703,492			2,701,088	
6	Property Tax (2004)			5,397,952	2,707,555	
7	Excise Tax (2000)	-8,056		8,057		-1
8	Excise Tax (2001)	-54,473		36,092	-18,381	
9	Excise Tax (2002)	-7,751		7,751		
10	Excise Tax (2003)	9,863		-875	140,428	131,441
11	Excise Tax (2004)			7,655	27,401	11,009
12	Motor Vehicle Ins. (2004)			7,744	7,744	
13	Irrigation Credits (2002)	-5,730			6,311	
14	Irrigation Credits (2003)				1,160	
15	KWH Tax (2003)	66,004			21,104	-44,900
16	KWH Tax (2004)			280,457	302,477	44,900
17	Franchise Tax (2002)	-82,585				82,585
18	Franchise Tax (2003)	730,394			1,691,460	692,408
19	Franchise Tax (2004)			3,072,235	1,125,248	-549,245
20	Total Idaho	2,013,757		9,600,716	8,168,182	81,149
21						
22	STATE OF MONTANA:					
23	Income Tax (1996-2000)	615,757				
24	Income Tax (2001)	-1,186,912				
25	Income Tax (2002)	69,988				
26	Income Tax (2003)	6,316				
27	Income Tax (2004)			410,403	239,000	
28	Property Tax (1999)	-7,086				7,086
29	Property Tax (2000)	-46,114				-35,270
30	Property Tax (2001)	1,454				165,534
31	Property Tax (2002)	5,514				-41,356
32	Property Tax (2003)	3,064,468		1,528	3,064,424	
33	Property Tax (2004)			6,858,000	3,432,987	
34	Unemployment Ins (2004)					
35	KWH Tax (2003)	235,173			235,204	30
36	KWH Tax (2004)			1,011,003	829,590	-30
37	Motor Vehicle (2004)			4,869	4,869	
38	Consumer Council Tax	-1,452		8,400	5,954	
39	Public Commission Tax	-6		40	27	
40	Total Montana	2,757,100		8,294,243	7,812,055	95,994
41	TOTAL	9,241,055		84,514,505	76,881,762	-5,560,368

Name of Respondent Avista Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/25/2005	Year/Period of Report End of <u>2004/Q4</u>
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**TAXES ACCRUED, PREPAID AND CHARGED DURING YEAR (Continued)**

5. If any tax (exclude Federal and State income taxes)- covers more than one year, show the required information separately for each tax year, identifying the year in column (a).
6. Enter all adjustments of the accrued and prepaid tax accounts in column (f) and explain each adjustment in a foot- note. Designate debit adjustments by parentheses.
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8. Report in columns (i) through (l) how the taxes were distributed. Report in column (l) only the amounts charged to Accounts 408.1 and 409.1 pertaining to electric operations. Report in column (l) the amounts charged to Accounts 408.1 and 109.1 pertaining to other utility departments and amounts charged to Accounts 408.2 and 409.2. Also shown in column (l) the taxes charged to utility plant or other balance sheet accounts.
9. For any tax apportioned to more than one utility department or account, state in a footnote the basis (necessity) of apportioning such tax.

BALANCE AT END OF YEAR		DISTRIBUTION OF TAXES CHARGED				Line No.
(Taxes accrued Account 236) (g)	Prepaid Taxes (Incl. in Account 165) (h)	Electric (Account 408.1, 409.1) (i)	Extraordinary Items (Account 409.3) (j)	Adjustments to Ret. Earnings (Account 439) (k)	Other (l)	
						1
		18,062			111,118	2
		-435			-106,350	3
		143			8,706	4
2,404						5
2,690,396		4,591,451			806,501	6
					8,057	7
		33,676			2,416	8
					7,751	9
		334			-1,210	10
-8,737		4,815			2,840	11
					7,744	12
-12,041						13
-1,160						14
						15
22,881		280,457				16
						17
-268,657						18
1,397,741		1,972,155			1,100,080	19
3,527,438		7,193,301			2,407,416	20
						21
						22
615,757						23
-1,186,912						24
69,988						25
6,316						26
171,403		390,603			19,800	27
						28
-81,384						29
166,988						30
-35,843						31
1,572		1,528				32
3,425,014		6,864,817			-6,817	33
						34
						35
181,383		1,011,003				36
					4,869	37
994		8,400				38
7		40				39
3,335,283		8,276,391			17,852	40
11,313,430		55,029,969			29,528,594	41

Name of Respondent Avista Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/25/2005	Year/Period of Report End of <u>2004/Q4</u>
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**TAXES ACCRUED, PREPAID AND CHARGED DURING YEAR**

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Line No.	Kind of Tax (See instruction 5) (a)	BALANCE AT BEGINNING OF YEAR		Taxes Charged During Year (d)	Taxes Paid During Year (e)	Adjustments (f)
		Taxes Accrued (Account 236) (b)	Prepaid Taxes (Include in Account 165) (c)			
1						
2	STATE OF OREGON:					
3	Income Tax (1999 & Older)	214,635			-578	
4	Income Tax (2000)	-158,916				
5	Income Tax (2001)	-854,485		740		
6	Income Tax (2002)	216,117			-131,680	
7	Income Tax (2003)	20,153			-137,989	-72,851
8	Income Tax (2004)			171,001	85,000	-59,006
9	Property Tax (1999-2000)	55,143		1		-55,144
10	Property Tax (2001)	20,499				-20,499
11	Property Tax (2002)	-60,055				60,055
12	Property Tax (2003)	-1,254,350		1,428,762		15,588
13	Property Tax (2004)			697,517	1,277,044	
14	Motor Vehicle (2004)					
15	Busn Energy Tax Credit	-414,235				-16,786
16	Busn Energy Tax Credit	-34,244				
17	Busn Energy Tax Credit	-55,790				
18	Busn Energy Tax Credit	-63,885				72,851
19	Busn Energy Tax Credit			-44,059		
20	Franchise Tax (2002)	-115,964				115,964
21	Franchise Tax (2003)	214,906			597,121	382,216
22	Franchise Tax (2004)			3,329,162	2,028,445	-507,402
23	Total Oregon	-2,270,471		5,583,124	3,717,363	-85,014
24						
25	STATE OF CALIFORNIA:					
26	Income Tax (1996-2000)	158,423				
27	Income Tax (2001)	-142,429				
28	Income Tax 2002	26,863				
29	Income Tax 2003	-17,058				
30	Income Tax 2004			34,200	59,983	-15,158
31	Property Tax (1999)	128,479				-128,479
32	Property Tax (2000-2001)	-1,452		-3,906		5,358
33	Property Tax (2002)	6,350		-6,354		4
34	Property Tax (2003)	-57,265		57,270		-5
35	Property Tax (2004)			60,766	112,064	1
36	Excise Tax (1999-2000)	-2,163				
37	Excise Tax (2001)	-34				
38	Excise Tax (2004)			343		
39	Franchise Tax (2002)	557,747				-557,747
40	Franchise Tax (2003)	-60,847			336,922	557,747
41	TOTAL	9,241,055		84,514,505	76,881,762	-5,560,368

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**TAXES ACCRUED, PREPAID AND CHARGED DURING YEAR (Continued)**

5. If any tax (exclude Federal and State income taxes)- covers more then one year, show the required information separately for each tax year, identifying the year in column (a).
6. Enter all adjustments of the accrued and prepaid tax accounts in column (f) and explain each adjustment in a foot- note. Designate debit adjustments by parentheses.
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9. For any tax apportioned to more than one utility department or account, state in a footnote the basis (necessity) of apportioning such tax.

BALANCE AT END OF YEAR		DISTRIBUTION OF TAXES CHARGED				Line No.
(Taxes accrued Account 236) (g)	Prepaid Taxes (Incl. in Account 165) (h)	Electric (Account 408.1, 409.1) (i)	Extraordinary Items (Account 409.3) (j)	Adjustments to Ret. Earnings (Account 439) (k)	Other (l)	
						1
						2
215,213						3
-158,916						4
-853,745					740	5
347,797						6
85,291						7
26,995		21,740			149,261	8
					1	9
						10
						11
190,000		835,496			593,266	12
-579,527		60,321			637,195	13
						14
-431,020						15
-34,244						16
-55,790						17
8,966						18
-44,059						19
						20
						21
793,315					3,329,162	22
-489,724		917,557			4,709,625	23
						24
						25
158,423						26
-142,429						27
26,863						28
-17,058						29
-40,941					34,200	30
						31
					-3,906	32
					-6,354	33
					57,270	34
-51,297					60,766	35
-2,163						36
-34						37
343					343	38
						39
159,977						40
11,313,430		55,029,969			29,528,594	41

Name of Respondent Avista Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/25/2005	Year/Period of Report End of <u>2004/Q4</u>
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**TAXES ACCRUED, PREPAID AND CHARGED DURING YEAR**

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Line No.	Kind of Tax (See instruction 5) (a)	BALANCE AT BEGINNING OF YEAR		Taxes Charged During Year (d)	Taxes Paid During Year (e)	Adjustments (f)
		Taxes Accrued (Account 236) (b)	Prepaid Taxes (Include in Account 165) (c)			
1	Franchise Tax (2004)			406,036	720	
2	California PUC Tax	137				
3	California Use Tax			1,309	241	
4	Total California	596,751		549,664	509,930	-138,279
5						
6	STATE OF ARIZONA:					
7	Income Tax (2001)	-9,127		-700	-650	-2
8	Total Arizona	-9,127		-700	-650	-2
9						
10	COUNTY & MUNICIPAL					
11	Occupation	1,192,123		17,091,937	16,051,010	-216,527
12	Forrest Fire Protection					
13	Greenacres Irrigation			-7	7	
14	City of Spokane PBI A	-858			612	
15	WA Dept of Natural					
16	Spokane Utility Tax	205		6,767		
17	Columbia Irrigation				136	
18	Misc.	-104,408		-736		
19	Total County	1,087,062		17,097,961	16,051,765	-216,527
20						
21						
22						
23						
24						
25						
26						
27						
28						
29						
30						
31						
32						
33						
34						
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**TAXES ACCRUED, PREPAID AND CHARGED DURING YEAR (Continued)**

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BALANCE AT END OF YEAR		DISTRIBUTION OF TAXES CHARGED				Line No.
(Taxes accrued Account 236) (g)	Prepaid Taxes (Incl. in Account 165) (h)	Electric (Account 408.1, 409.1) (i)	Extraordinary Items (Account 409.3) (j)	Adjustments to Ret. Earnings (Account 439) (k)	Other (l)	
405,316					406,036	1
137						2
1,068		1,309				3
498,205		1,309			548,355	4
						5
						6
-9,179					-700	7
-9,179					-700	8
						9
						10
2,016,522		11,891,757			5,200,179	11
						12
-14					-7	13
-1,470						14
						15
6,972					6,767	16
-136						17
-105,144		18,930			-19,666	18
1,916,730		11,910,687			5,187,273	19
						20
						21
						22
						23
						24
						25
						26
						27
						28
						29
						30
						31
						32
						33
						34
						35
						36
						37
						38
						39
						40
11,313,430		55,029,969			29,528,594	41

**ACCUMULATED DEFERRED INVESTMENT TAX CREDITS (Account 255)**

Report below information applicable to Account 255. Where appropriate, segregate the balances and transactions by utility and nonutility operations. Explain by footnote any correction adjustments to the account balance shown in column (g). Include in column (i) the average period over which the tax credits are amortized.

Line No.	Account Subdivisions (a)	Balance at Beginning of Year (b)	Deferred for Year		Allocations to Current Year's Income		Adjustments (g)
			Account No. (c)	Amount (d)	Account No. (e)	Amount (f)	
1	Electric Utility						
2	3%						
3	4%						
4	7%						
5	10%						
6							
7							
8	TOTAL						
9	Other (List separately and show 3%, 4%, 7%, 10% and TOTAL)						
10	Gas Property (10%)	620,268			1411.4	49,308	
11							
12	TOTAL PROPERTY	620,268				49,308	
13							
14							
15							
16							
17							
18							
19							
20							
21							
22							
23							
24							
25							
26							
27							
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30							
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34							
35							
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46							
47							
48							

Name of Respondent

Avista Corporation

This Report Is:

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(2)  A Resubmission

Date of Report

(Mo, Da, Yr)

04/25/2005

Year/Period of Report

End of 2004/Q4

ACCUMULATED DEFERRED INVESTMENT TAX CREDITS (Account 255) (continued)

Balance at End of Year (h)	Average Period of Allocation to Income (i)	ADJUSTMENT EXPLANATION	Line No.
			1
			2
			3
			4
			5
			6
			7
			8
			9
570,960			10
			11
570,960			12
			13
			14
			15
			16
			17
			18
			19
			20
			21
			22
			23
			24
			25
			26
			27
			28
			29
			30
			31
			32
			33
			34
			35
			36
			37
			38
			39
			40
			41
			42
			43
			44
			45
			46
			47
			48

**OTHER DEFERRED CREDITS (Account 253)**

1. Report below the particulars (details) called for concerning other deferred credits.
2. For any deferred credit being amortized, show the period of amortization.
3. Minor items (5% of the Balance End of Year for Account 253 or amounts less than \$10,000, whichever is greater) may be grouped by classes.

Line No.	Description and Other Deferred Credits (a)	Balance at Beginning of Year (b)	DEBITS		Credits (e)	Balance at End of Year (f)
			Contra Account (c)	Amount (d)		
1	Unearned Interest - Customer					
2	wiring & conversions 253.00	2,352	419	2,352	2,664	2,664
3						
4	Deferred Revenue Prepayment -	51,546	456	9,372		42,174
5	Pacific Walla Walla/Enterprise					
6	Amort = 19 yrs 253.08					
7						
8	CIT Oper Lease 253.09, 9/2006	108,011	931	39,277		68,734
9						
10	BPA C&RD Receipts 253.10	65,880	various	32,850	427,950	460,980
11						
12	Trust Fund - Centralia 253.11	893,089		2,287	5,621	896,423
13						
14	Rathdrum Refund 253.12	543,976		33,822		510,154
15	Amort =25 years, through 1/2020					
16						
17	Supplemental Executive	13,201,395		903,761	3,145,634	15,443,268
18	Retirement Plan 253.29					
19						
20	Gain on Sale and leaseback	2,091,648		261,456		1,830,192
21	of Building (Amortization period					
22	is 25 years) 253.85 & 253.86					
23						
24	ID Clark Fork Relicensing 253.89	-417,543		516,424	513,261	-420,706
25						
26	Deferred Comp. 253.90,91,92	12,206,789		1,366,951	1,286,412	12,126,250
27						
28	FAS5 Mark to Market 253.95	5,261,406		21,688,590	16,427,184	
29						
30	Amort Unbilled Revenue Add-ons			14,918,048	17,079,331	2,161,283
31	253.99					
32						
33						
34						
35						
36						
37						
38						
39						
40						
41						
42						
43						
44						
45						
46						
47	<b>TOTAL</b>	<b>34,008,549</b>		<b>39,775,190</b>	<b>38,888,057</b>	<b>33,121,416</b>

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Name of Respondent Avista Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/25/2005	Year/Period of Report End of 2004/Q4
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**ACCUMULATED DEFERRED INCOME TAXES - OTHER PROPERTY (Account 282)**

1. Report the information called for below concerning the respondent's accounting for deferred income taxes relating to property not subject to accelerated amortization
2. For other (Specify), include deferrals relating to other income and deductions.

Line No.	Account  (a)	Balance at Beginning of Year  (b)	CHANGES DURING YEAR	
			Amounts Debited to Account 410.1  (c)	Amounts Credited to Account 411.1  (d)
1	Account 282			
2	Electric	198,857,057	18,624,230	
3	Gas	47,903,080	7,103,878	
4	General Common	15,865,985	874,409	
5	TOTAL (Enter Total of lines 2 thru 4)	262,626,122	26,602,517	
6	Non-operating	2,395,174		
7				
8				
9	TOTAL Account 282 (Enter Total of lines 5 thru 8)	265,021,296	26,602,517	
10	Classification of TOTAL			
11	Federal Income Tax	257,655,753	25,720,325	
12	State Income Tax	7,365,543	882,192	
13	Local Income Tax			

NOTES

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ACCUMULATED DEFERRED INCOME TAXES - OTHER PROPERTY (Account 282) (Continued)

3. Use footnotes as required.

CHANGES DURING YEAR		ADJUSTMENTS				Balance at End of Year (k)	Line No.
Amounts Debited to Account 410.2 (e)	Amounts Credited to Account 411.2 (f)	Debits		Credits			
		Account Credited (g)	Amount (h)	Account Debited (i)	Amount (j)		
							1
						217,481,287	2
						55,006,958	3
						16,740,394	4
						289,228,639	5
1,552	81,704					2,315,022	6
				190	2,876,266	2,876,266	7
		190	884,002			-884,002	8
1,552	81,704		884,002		2,876,266	293,535,925	9
							10
1,552	81,704		884,002		2,876,266	285,288,190	11
						8,247,735	12
							13

NOTES (Continued)

Name of Respondent Avista Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/25/2005	Year/Period of Report End of 2004/Q4
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**ACCUMULATED DEFERRED INCOME TAXES - OTHER (Account 283)**

1. Report the information called for below concerning the respondent's accounting for deferred income taxes relating to amounts recorded in Account 283.
2. For other (Specify), include deferrals relating to other income and deductions.

Line No.	Account (a)	Balance at Beginning of Year (b)	CHANGES DURING YEAR	
			Amounts Debited to Account 410.1 (c)	Amounts Credited to Account 411.1 (d)
1	Account 283			
2	Electric			
3	Electric	117,437,849	-55,256,109	
4				
5				
6				
7				
8				
9	TOTAL Electric (Total of lines 3 thru 8)	117,437,849	-55,256,109	
10	Gas			
11	Gas	3,490,222	2,484,383	
12				
13				
14				
15				
16				
17	TOTAL Gas (Total of lines 11 thru 16)	3,490,222	2,484,383	
18	Other	127,365,050	49,003,485	
19	TOTAL (Acct 283) (Enter Total of lines 9, 17 and 18)	248,293,121	-3,768,241	
20	Classification of TOTAL			
21	Federal Income Tax			
22	State Income Tax			
23	Local Income Tax			

**NOTES**

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Avista Corporation

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ACCUMULATED DEFERRED INCOME TAXES - OTHER (Account 283) (Continued)

3. Provide in the space below explanations for Page 276 and 277. Include amounts relating to insignificant items listed under Other.  
4. Use footnotes as required.

CHANGES DURING YEAR		ADJUSTMENTS				Balance at End of Year (k)	Line No.
Amounts Debited to Account 410.2 (e)	Amounts Credited to Account 411.2 (f)	Debits		Credits			
		Account Credited (g)	Amount (h)	Account Debited (i)	Amount (j)		
							1
							2
2,425,292		182.32	899,835			63,707,197	3
							4
							5
							6
							7
							8
2,425,292			899,835			63,707,197	9
							10
41,499						6,016,104	11
							12
							13
							14
							15
							16
41,499						6,016,104	17
-2,466,791		182.31,	9,244,746			164,656,998	18
			10,144,581			234,380,299	19
							20
							21
							22
							23

NOTES (Continued)

**OTHER REGULATORY LIABILITIES (Account 254)**

1. Report below the particulars (details) called for concerning other regulatory liabilities, including rate order docket number, if applicable.
2. Minor items (5% of the Balance in Account 254 at end of period, or amounts less than \$50,000 which ever is less), may be grouped by classes.
3. For Regulatory Liabilities being amortized, show period of amortization.

Line No.	Description and Purpose of Other Regulatory Liabilities  (a)	Balance at Beginning of Current Quarter/Year  (b)	DEBITS		Credits  (e)	Balance at End of Current Quarter/Year  (f)
			Account Credited  (c)	Amount  (d)		
1	Centralia Sale 254.11, 028 & 038	6,674,973	407.41	2,163,222	237,252	4,749,003
2						
3	FAS109-Acctg for Income Taxes 254.18	334,020	190.18	26,556		307,464
4						
5	Nez Perce - Regulatory Liability 254.22	880,436	186.80, 557.2	22,008		858,428
6						
7	BPA Residential Exchange 254.45, 028		407.45	7,566,823	8,808,024	1,241,201
8	BPA Residential Exchange 254.45, 038	16,333	407.45	3,274,436	3,977,788	719,685
9	BPA Residential Exchange 254.45, 098	1,679,445	182.45	1,679,445		
10	BPA Residential Exchange 254.46, 028		431.10		3,554	3,554
11						
12	Mark to Mkt FAS133 - Reg Liab 254.74	3,442,499	176.74, 245.7	325,341,924	348,720,526	26,821,101
13						
14						
15						
16						
17						
18						
19						
20						
21						
22						
23						
24						
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26						
27						
28						
29						
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32						
33						
34						
35						
36						
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38						
39						
40						
41	<b>TOTAL</b>	13,027,706		340,074,414	361,747,144	34,700,436

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**ELECTRIC OPERATING REVENUES (Account 400)**

- The following instructions generally apply to the annual version of these pages. Do not report quarterly data in columns (c), (e), (f), and (g). Unbilled revenues and MWH related to unbilled revenues need not be reported separately as required in the annual version of these pages.
- Report below operating revenues for each prescribed account, and manufactured gas revenues in total.
- Report number of customers, columns (f) and (g), on the basis of meters, in addition to the number of flat rate accounts; except that where separate meter readings are added for billing purposes, one customer should be counted for each group of meters added. The -average number of customers means the average of twelve figures at the close of each month.
- If increases or decreases from previous period (columns (c),(e), and (g)), are not derived from previously reported figures, explain any inconsistencies in a footnote.

Line No.	Title of Account (a)	Operating Revenues Year to Date Quarterly/Annual (b)	Operating Revenues Previous year (no Quarterly) (c)
1	Sales of Electricity		
2	(440) Residential Sales	209,518,294	204,783,348
3	(442) Commercial and Industrial Sales		
4	Small (or Comm.) (See Instr. 4)	201,774,791	201,339,021
5	Large (or Ind.) (See Instr. 4)	90,287,659	78,276,186
6	(444) Public Street and Highway Lighting	4,846,748	4,769,419
7	(445) Other Sales to Public Authorities		
8	(446) Sales to Railroads and Railways		
9	(448) Interdepartmental Sales	864,472	864,929
10	TOTAL Sales to Ultimate Consumers	507,291,964	490,032,903
11	(447) Sales for Resale	89,993,250	74,652,692
12	TOTAL Sales of Electricity	597,285,214	564,685,595
13	(Less) (449.1) Provision for Rate Refunds		
14	TOTAL Revenues Net of Prov. for Refunds	597,285,214	564,685,595
15	Other Operating Revenues		
16	(450) Forfeited Discounts		
17	(451) Miscellaneous Service Revenues	483,332	523,157
18	(453) Sales of Water and Water Power	360,216	453,494
19	(454) Rent from Electric Property	2,344,525	2,259,685
20	(455) Interdepartmental Rents		
21	(456) Other Electric Revenues	79,201,226	84,189,519
22			
23			
24			
25			
26	TOTAL Other Operating Revenues	82,389,299	87,425,855
27	TOTAL Electric Operating Revenues	679,674,513	652,111,450

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**ELECTRIC OPERATING REVENUES (Account 400)**

5. Commercial and industrial Sales, Account 442, may be classified according to the basis of classification (Small or Commercial, and Large or Industrial) regularly used by the respondent if such basis of classification is not generally greater than 1000 Kw of demand. (See Account 442 of the Uniform System of Accounts. Explain basis of classification in a footnote.)
6. See pages 108-109, Important Changes During Period, for important new territory added and important rate increase or decreases.
7. For Lines 2,4,5,and 6, see Page 304 for amounts relating to unbilled revenue by accounts.
8. Include unmetered sales. Provide details of such Sales in a footnote.

MEGAWATT HOURS SOLD		AVG.NO. CUSTOMERS PER MONTH		Line No.
Year to Date Quarterly/Annual (d)	Amount Previous year (no Quarterly) (e)	Current Year (no Quarterly) (f)	Previous Year (no Quarterly) (g)	
				1
3,343,073	3,297,859	288,422	283,497	2
				3
2,918,600	2,919,430	36,728	36,279	4
2,076,133	1,785,093	1,416	1,414	5
25,307	25,281	418	422	6
				7
				8
13,503	13,503	65	66	9
8,376,616	8,041,166	327,049	321,678	10
2,232,653	2,075,245	43	47	11
10,609,269	10,116,411	327,092	321,725	12
				13
10,609,269	10,116,411	327,092	321,725	14

Line 12, column (b) includes \$ 1,651,237 of unbilled revenues.  
Line 12, column (d) includes -27,043 MWH relating to unbilled revenues

**SALES OF ELECTRICITY BY RATE SCHEDULES**

1. Report below for each rate schedule in effect during the year the MWh of electricity sold, revenue, average number of customer, average Kwh per customer, and average revenue per Kwh, excluding date for Sales for Resale which is reported on Pages 310-311.
2. Provide a subheading and total for each prescribed operating revenue account in the sequence followed in "Electric Operating Revenues," Page 300-301. If the sales under any rate schedule are classified in more than one revenue account, List the rate schedule and sales data under each applicable revenue account subheading.
3. Where the same customers are served under more than one rate schedule in the same revenue account classification (such as a general residential schedule and an off peak water heating schedule), the entries in column (d) for the special schedule should denote the duplication in number of reported customers.
4. The average number of customers should be the number of bills rendered during the year divided by the number of billing periods during the year (12 if all billings are made monthly).
5. For any rate schedule having a fuel adjustment clause state in a footnote the estimated additional revenue billed pursuant thereto.
6. Report amount of unbilled revenue as of end of year for each applicable revenue account subheading.

Line No.	Number and Title of Rate schedule (a)	MWh Sold (b)	Revenue (c)	Average Number of Customers (d)	KWh of Sales Per Customer (e)	Revenue Per KWh Sold (f)
1	RESIDENTIAL SALES (440)	3,239,197	194,276,010	276,859	11,700	0.0600
2	1 Residential Service					
3	2 Residential Service					
4	3 Residential Service					
5	12 Res. & Farm Gen. Service	53,440	4,913,801	10,046	5,320	0.0919
6	15 MOPS II Residential					
7	22 Res. & Farm Lg. Gen. Service	59,473	3,345,666	70	849,614	0.0563
8	30 Pumping-Special					
9	32 Res. & Farm Pumping Service	10,093	678,793	1,447	6,975	0.0673
10	48 Res. & Farm Area Lighting	5,198	893,591			0.1719
11	49 Area Lighting-High-Press.	279	60,626			0.2173
12	56 Centralia Refund		13			
13	95 Wind Power		124,672			
14	72 Residential Service					
15	73 Residential Service					
16	74 Residential Service					
17	76 Residential Service					
18	77 Residential Service					
19	58A Tax Adjustment		-32,369			
20	58 Tax Adjustment		5,351,833			
21	SubTotal	3,367,680	209,612,636	288,422	11,676	0.0622
22	Residential-Unbilled	-24,607	-94,342			0.0038
23	Total Residential Sales	3,343,073	209,518,294	288,422	11,591	0.0627
24						
25	COMMERCIAL SALES (442)					
26	2 General Service					
27	3 General Service					
28	11 General Service	560,255	48,036,705	31,049	18,044	0.0857
29	13 MOPS II Commercial					
30	16 MOPS II Commercial					
31	19 Contract-General Service					
32	21 Large General Service	1,951,057	126,238,239	4,798	406,640	0.0647
33	25 Extra Lg. Gen. Service	331,314	14,063,269	11	30,119,455	0.0424
34	28 Contract-Extra Large Serv	594	23,683	1	594,000	0.0399
35	31 Pumping Service	72,010	4,189,470	869	82,865	0.0582
36	47 Area Lighting-Sod. Vap	7,185	1,090,400			0.1518
37	49 Area Lighting-High-Press.	2,147	362,837			0.1690
38	56 Centralia Refune					
39	95 Wind Power		17,831			
40	74 Large General Service					
41	TOTAL Billed	10,636,312	595,633,977	327,092	32,518	0.0560
42	Total Unbilled Rev.(See Instr. 6)	-27,043	1,651,237	0	0	-0.0611
43	TOTAL	10,609,269	597,285,214	327,092	32,435	0.0563

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**SALES OF ELECTRICITY BY RATE SCHEDULES**

- Report below for each rate schedule in effect during the year the MWh of electricity sold, revenue, average number of customer, average Kwh per customer, and average revenue per Kwh, excluding date for Sales for Resale which is reported on Pages 310-311.
- Provide a subheading and total for each prescribed operating revenue account in the sequence followed in "Electric Operating Revenues," Page 300-301. If the sales under any rate schedule are classified in more than one revenue account, List the rate schedule and sales data under each applicable revenue account subheading.
- Where the same customers are served under more than one rate schedule in the same revenue account classification (such as a general residential schedule and an off peak water heating schedule), the entries in column (d) for the special schedule should denote the duplication in number of reported customers.
- The average number of customers should be the number of bills rendered during the year divided by the number of billing periods during the year (12 if all billings are made monthly).
- For any rate schedule having a fuel adjustment clause state in a footnote the estimated additional revenue billed pursuant thereto.
- Report amount of unbilled revenue as of end of year for each applicable revenue account subheading.

Line No.	Number and Title of Rate schedule (a)	MWh Sold (b)	Revenue (c)	Average Number of Customers (d)	KWh of Sales Per Customer (e)	Revenue Per KWh Sold (f)
1	75 Large General Service					
2	76 Large General Service					
3	77 General Service					
4	58A Tax Adjustment		-27,533			
5	58 Tax Adjustment		6,706,235			
6	SubTotal	2,924,562	200,701,136	36,728	79,628	0.0686
7	Commercial-Unbilled	-5,962	1,073,655			-0.1801
8	Total Commercial	2,918,600	201,774,791	36,728	79,465	0.0691
9						
10	INDUSTRIAL SALES (442)					
11	2 General Service					
12	3 General Service					
13	8 Lg Gen Time of Use					
14	11 General Service	5,734	511,184	250	22,936	0.0891
15	16 MOPS II Industrial					
16	21 Large General Service	206,367	12,938,634	213	968,859	0.0627
17	25 Extra Lg. Gen. Service	1,763,732	70,877,327	23	76,684,000	0.0402
18	28 Contract - Extra Large Service	87	195,131	1	87,000	2.2429
19	29 Contract Lg. Gen. Service	16,147		1	16,147,000	
20	30 Pumping Service - Special	22,042	1,099,705	40	551,050	0.0499
21	31 Pumping Service	54,790	3,312,919	730	75,055	0.0605
22	32 Pumping Svc Res & Firm	3,398	204,614	158	21,506	0.0602
23	47 Area Lighting-Sod. Vap.	255	33,123			0.1299
24	49 Area Lighting - High-Press	51	7,991			0.1567
25	56 Centralia Refund.					
26	72 General Service					
27	73 General Service					
28	74 Large General Service					
29	75 Large General Service					
30	76 Pumping Service					
31	77 General Service					
32	58A Tax Adjustment		-757			
33	58 Tax Adjustment		444,869			
34	SubTotal	2,072,603	89,624,740	1,416	1,463,703	0.0432
35	Industrial-Unbilled	3,530	662,919			0.1878
36	Total Industrial	2,076,133	90,287,659	1,416	1,466,196	0.0435
37						
38	STREET AND HWY LIGHTING (444)					
39	6 Mercury Vapor St. Ltg.					
40	7 HP Sodium Vap. St. Ltg.					
41	TOTAL Billed	10,636,312	595,633,977	327,092	32,518	0.0560
42	Total Unbilled Rev.(See Instr. 6)	-27,043	1,651,237	0	0	-0.0611
43	TOTAL	10,609,269	597,285,214	327,092	32,435	0.0563

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**SALES OF ELECTRICITY BY RATE SCHEDULES**

- Report below for each rate schedule in effect during the year the MWh of electricity sold, revenue, average number of customer, average Kwh per customer, and average revenue per Kwh, excluding date for Sales for Resale which is reported on Pages 310-311.
- Provide a subheading and total for each prescribed operating revenue account in the sequence followed in "Electric Operating Revenues," Page 300-301. If the sales under any rate schedule are classified in more than one revenue account, List the rate schedule and sales data under each applicable revenue account subheading.
- Where the same customers are served under more than one rate schedule in the same revenue account classification (such as a general residential schedule and an off peak water heating schedule), the entries in column (d) for the special schedule should denote the duplication in number of reported customers.
- The average number of customers should be the number of bills rendered during the year divided by the number of billing periods during the year (12 if all billings are made monthly).
- For any rate schedule having a fuel adjustment clause state in a footnote the estimated additional revenue billed pursuant thereto.
- Report amount of unbilled revenue as of end of year for each applicable revenue account subheading.

Line No.	Number and Title of Rate schedule (a)	MWh Sold (b)	Revenue (c)	Average Number of Customers (d)	KWh of Sales Per Customer (e)	Revenue Per KWh Sold (f)
1	11 General Service	166	15,077	25	6,640	0.0908
2	41 Co-Owned St. Lt. Service	316	47,948	17	18,588	0.1517
3	42 Co-Owned St. Lt. Service					
4	High-Press. Sod. Vap.	18,454	4,193,957	302	61,106	0.2273
5	43 Cust-Owned St. Lt. Energy					
6	and Maint. Service	68	5,520	2	34,000	0.0812
7	44 Cust-Owned St. Lt. Energy					
8	and Maint. Svce - High-Pres	797	86,789	30	26,567	0.1089
9	Sodium Vapor					
10	45 Cust. Owned St. Lt. Energy Svc	2,595	116,818	13	199,615	0.0450
11	46 Cust. Owned St. Lt. Energy Svc	2,915	203,113	29	100,517	0.0697
12	56 Centralia Refund					
13	58 Tax Adjustment		168,521			
14	SubTotal	25,311	4,837,743	418	60,553	0.1911
15	Street & Hwy Lighting-Unbilled	-4	9,005			-2.2513
16	Total Street & Hwy Lighting	25,307	4,846,748	418	60,543	0.1915
17						
18	OTHER SALES TO PUBLIC					
19	(445)					
20	None					
21						
22	INTERDEPARTMENTAL SALES	13,503	864,472	65	207,738	0.0640
23	58 Tax Adjustment					
24	Total Interdepartmental	13,503	864,472	65	207,738	0.0640
25						
26	SALES FOR RESALE (447)					
27	61 Sales to Other Utilities (NDA)	2,232,653	89,993,250	43	51,922,163	0.0403
28						
29						
30	Total Sales for Resale	2,232,653	89,993,250	43	51,922,163	0.0403
31						
32						
33						
34						
35						
36						
37						
38						
39						
40						
41	TOTAL Billed	10,636,312	595,633,977	327,092	32,518	0.0560
42	Total Unbilled Rev.(See Instr. 6)	-27,043	1,651,237	0	0	-0.0611
43	TOTAL	10,609,269	597,285,214	327,092	32,435	0.0563

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Name of Respondent Avista Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/25/2005	Year/Period of Report End of 2004/Q4
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**SALES FOR RESALE (Account 447)**

- Report all sales for resale (i.e., sales to purchasers other than ultimate consumers) transacted on a settlement basis other than power exchanges during the year. Do not report exchanges of electricity (i.e., transactions involving a balancing of debits and credits for energy, capacity, etc.) and any settlements for imbalanced exchanges on this schedule. Power exchanges must be reported on the Purchased Power schedule (Page 326-327).
- Enter the name of the purchaser in column (a). Do not abbreviate or truncate the name or use acronyms. Explain in a footnote any ownership interest or affiliation the respondent has with the purchaser.
- In column (b), enter a Statistical Classification Code based on the original contractual terms and conditions of the service as follows:  
 RQ - for requirements service. Requirements service is service which the supplier plans to provide on an ongoing basis (i.e., the supplier includes projected load for this service in its system resource planning). In addition, the reliability of requirements service must be the same as, or second only to, the supplier's service to its own ultimate consumers.  
 LF - for long-term service. "Long-term" means five years or Longer and "firm" means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions (e.g., the supplier must attempt to buy emergency energy from third parties to maintain deliveries of LF service). This category should not be used for Long-term firm service which meets the definition of RQ service. For all transactions identified as LF, provide in a footnote the termination date of the contract defined as the earliest date that either buyer or seller can unilaterally get out of the contract.  
 IF - for intermediate-term firm service. The same as LF service except that "intermediate-term" means longer than one year but Less than five years.  
 SF - for short-term firm service. Use this category for all firm services where the duration of each period of commitment for service is one year or less.  
 LU - for Long-term service from a designated generating unit. "Long-term" means five years or Longer. The availability and reliability of service, aside from transmission constraints, must match the availability and reliability of designated unit.  
 IU - for intermediate-term service from a designated generating unit. The same as LU service except that "intermediate-term" means Longer than one year but Less than five years.

Line No.	Name of Company or Public Authority (Footnote Affiliations) (a)	Statistical Classification (b)	FERC Rate Schedule or Tariff Number (c)	Average Monthly Billing Demand (MW) (d)	Actual Demand (MW)	
					Average Monthly NCP Demand (e)	Average Monthly CP Demand (f)
1	American Electric Power	SF	WSPP			
2	BP Energy Company	SF	WSPP			
3	Arizona Public Service	SF	WSPP			
4	Benton County Public Utility District	SF	WSPP			
5	Black Hills Power, Inc.	SF	WSPP			
6	Bonneville Power Administration	SF	WSPP			
7	Burbank, City of	SF	WSPP			
8	Calpine Corporation	SF	WSPP			
9	Cargill Power Markets, LLC	SF	WSPP			
10	Chelan County PUD No. 1	SF	WSPP			
11	Chelan County PUD No. 1	SF	Tariff 10			
12	Clatskanie Peoples PUD	SF	WSPP			
13	Cogentrix Energy Power Marketing, Inc.	IF	Tariff 9			
14	Cogentrix Energy Power Marketing, Inc.	IF	Tariff 10			
	Subtotal RQ			0	0	0
	Subtotal non-RQ			0	0	0
	<b>Total</b>			<b>0</b>	<b>0</b>	<b>0</b>

Name of Respondent Avista Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/25/2005	Year/Period of Report End of 2004/Q4
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**SALES FOR RESALE (Account 447) (Continued)**

OS - for other service. use this category only for those services which cannot be placed in the above-defined categories, such as all non-firm service regardless of the Length of the contract and service from designated units of Less than one year. Describe the nature of the service in a footnote.

AD - for Out-of-period adjustment. Use this code for any accounting adjustments or "true-ups" for service provided in prior reporting years. Provide an explanation in a footnote for each adjustment.

4. Group requirements RQ sales together and report them starting at line number one. After listing all RQ sales, enter "Subtotal - RQ" in column (a). The remaining sales may then be listed in any order. Enter "Subtotal-Non-RQ" in column (a) after this Listing. Enter "Total" in column (a) as the Last Line of the schedule. Report subtotals and total for columns (9) through (k)

5. In Column (c), identify the FERC Rate Schedule or Tariff Number. On separate Lines, List all FERC rate schedules or tariffs under which service, as identified in column (b), is provided.

6. For requirements RQ sales and any type of-service involving demand charges imposed on a monthly (or Longer) basis, enter the average monthly billing demand in column (d), the average monthly non-coincident peak (NCP) demand in column (e), and the average monthly coincident peak (CP)

demand in column (f). For all other types of service, enter NA in columns (d), (e) and (f). Monthly NCP demand is the maximum metered hourly (60-minute integration) demand in a month. Monthly CP demand is the metered demand during the hour (60-minute integration) in which the supplier's system reaches its monthly peak. Demand reported in columns (e) and (f) must be in megawatts. Footnote any demand not stated on a megawatt basis and explain.

7. Report in column (g) the megawatt hours shown on bills rendered to the purchaser.

8. Report demand charges in column (h), energy charges in column (i), and the total of any other types of charges, including out-of-period adjustments, in column (j). Explain in a footnote all components of the amount shown in column (j). Report in column (k) the total charge shown on bills rendered to the purchaser.

9. The data in column (g) through (k) must be subtotaled based on the RQ/Non-RQ grouping (see instruction 4), and then totaled on the Last -line of the schedule. The "Subtotal - RQ" amount in column (g) must be reported as Requirements Sales For Resale on Page 401, line 23. The "Subtotal - Non-RQ" amount in column (g) must be reported as Non-Requirements Sales For Resale on Page 401, line 24.

10. Footnote entries as required and provide explanations following all required data.

MegaWatt Hours Sold (g)	REVENUE			Total (\$) (h+i+j) (k)	Line No.
	Demand Charges (\$) (h)	Energy Charges (\$) (i)	Other Charges (\$) (j)		
57,905		2,694,950		2,694,950	1
26,376		1,226,196		1,226,196	2
1,225		63,575		63,575	3
5,160		209,905		209,905	4
360		19,320		19,320	5
13,559		560,911		560,911	6
752		45,544		45,544	7
60,743		2,385,088		2,385,088	8
9,536		410,172		410,172	9
1,400		49,750		49,750	10
					11
1,238		43,375		43,375	12
8,843		349,845		349,845	13
	56,834			56,834	14
0	0	0	0	0	
2,232,653	3,229,375	82,308,422	4,455,453	89,993,250	
2,232,653	3,229,375	82,308,422	4,455,453	89,993,250	

Name of Respondent Avista Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/25/2005	Year/Period of Report End of 2004/Q4
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**SALES FOR RESALE (Account 447)**

- Report all sales for resale (i.e., sales to purchasers other than ultimate consumers) transacted on a settlement basis other than power exchanges during the year. Do not report exchanges of electricity (i.e., transactions involving a balancing of debits and credits for energy, capacity, etc.) and any settlements for imbalanced exchanges on this schedule. Power exchanges must be reported on the Purchased Power schedule (Page 326-327).
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- In column (b), enter a Statistical Classification Code based on the original contractual terms and conditions of the service as follows:  
 RQ - for requirements service. Requirements service is service which the supplier plans to provide on an ongoing basis (i.e., the supplier includes projected load for this service in its system resource planning). In addition, the reliability of requirements service must be the same as, or second only to, the supplier's service to its own ultimate consumers.  
 LF - for long-term service. "Long-term" means five years or Longer and "firm" means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions (e.g., the supplier must attempt to buy emergency energy from third parties to maintain deliveries of LF service). This category should not be used for Long-term firm service which meets the definition of RQ service. For all transactions identified as LF, provide in a footnote the termination date of the contract defined as the earliest date that either buyer or setter can unilaterally get out of the contract.  
 IF - for intermediate-term firm service. The same as LF service except that "intermediate-term" means longer than one year but Less than five years.  
 SF - for short-term firm service. Use this category for all firm services where the duration of each period of commitment for service is one year or less.  
 LU - for Long-term service from a designated generating unit. "Long-term" means five years or Longer. The availability and reliability of service, aside from transmission constraints, must match the availability and reliability of designated unit.  
 IU - for intermediate-term service from a designated generating unit. The same as LU service except that "intermediate-term" means Longer than one year but Less than five years.

Line No.	Name of Company or Public Authority (Footnote Affiliations) (a)	Statistical Classification (b)	FERC Rate Schedule or Tariff Number (c)	Average Monthly Billing Demand (MW) (d)	Actual Demand (MW)	
					Average Monthly NCP Demand (e)	Average Monthly CP Demand (f)
1	Conoco Phillips	SF	WSPP			
2	Conoco Phillips	SF	Tariff 10			
3	Constellation Energy Commodities Group	SF	WSPP			
4	Coral Power, LLC	SF	WSPP			
5	Douglas County PUD No. 1	SF	WSPP			
6	El Paso Merchant Energy LP	SF	WSPP			
7	Enmax Energy Marketing, Inc.	SF	WSPP			
8	EPCOR Merchant & Capital US	SF	WSPP			
9	Eugene Water & Electric Board	SF	WSPP			
10	Franklin County PUD No. 1	SF	WSPP			
11	Grant County PUD No. 2	SF	WSPP			
12	Grant County PUD No. 2	SF	Tariff 10			
13	Grays Harbor County PUD No. 1	SF	WSPP			
14	Hinson Power Company	SF	WSPP			
	Subtotal RQ			0	0	0
	Subtotal non-RQ			0	0	0
	<b>Total</b>			<b>0</b>	<b>0</b>	<b>0</b>

Name of Respondent Avista Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/25/2005	Year/Period of Report End of 2004/Q4
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**SALES FOR RESALE (Account 447) (Continued)**

OS - for other service. use this category only for those services which cannot be placed in the above-defined categories, such as all non-firm service regardless of the Length of the contract and service from designated units of Less than one year. Describe the nature of the service in a footnote.

AD - for Out-of-period adjustment. Use this code for any accounting adjustments or "true-ups" for service provided in prior reporting years. Provide an explanation in a footnote for each adjustment.

4. Group requirements RQ sales together and report them starting at line number one. After listing all RQ sales, enter "Subtotal - RQ" in column (a). The remaining sales may then be listed in any order. Enter "Subtotal-Non-RQ" in column (a) after this Listing. Enter "Total" in column (a) as the Last Line of the schedule. Report subtotals and total for columns (9) through (k)

5. In Column (c), identify the FERC Rate Schedule or Tariff Number. On separate Lines, List all FERC rate schedules or tariffs under which service, as identified in column (b), is provided.

6. For requirements RQ sales and any type of-service involving demand charges imposed on a monthly (or Longer) basis, enter the average monthly billing demand in column (d), the average monthly non-coincident peak (NCP) demand in column (e), and the average monthly coincident peak (CP)

demand in column (f). For all other types of service, enter NA in columns (d), (e) and (f). Monthly NCP demand is the maximum metered hourly (60-minute integration) demand in a month. Monthly CP demand is the metered demand during the hour (60-minute integration) in which the supplier's system reaches its monthly peak. Demand reported in columns (e) and (f) must be in megawatts. Footnote any demand not stated on a megawatt basis and explain.

7. Report in column (g) the megawatt hours shown on bills rendered to the purchaser.

8. Report demand charges in column (h), energy charges in column (i), and the total of any other types of charges, including out-of-period adjustments, in column (j). Explain in a footnote all components of the amount shown in column (j). Report in column (k) the total charge shown on bills rendered to the purchaser.

9. The data in column (g) through (k) must be subtotaled based on the RQ/Non-RQ grouping (see instruction 4), and then totaled on the Last -line of the schedule. The "Subtotal - RQ" amount in column (g) must be reported as Requirements Sales For Resale on Page 401, line 23. The "Subtotal - Non-RQ" amount in column (g) must be reported as Non-Requirements Sales For Resale on Page 401, line 24.

10. Footnote entries as required and provide explanations following all required data.

MegaWatt Hours Sold (g)	REVENUE			Total (\$) (h+i+j) (k)	Line No.
	Demand Charges (\$) (h)	Energy Charges (\$) (i)	Other Charges (\$) (j)		
524		30,144		30,144	1
	46,309			46,309	2
44,024		2,218,878		2,218,878	3
12,025		554,744		554,744	4
960		41,800		41,800	5
					6
861		36,137		36,137	7
2,986		111,797		111,797	8
9,690		380,495		380,495	9
2,300		89,595		89,595	10
3,964		147,888		147,888	11
					12
3,715		139,600		139,600	13
					14
0	0	0	0	0	
2,232,653	3,229,375	82,308,422	4,455,453	89,993,250	
2,232,653	3,229,375	82,308,422	4,455,453	89,993,250	

Name of Respondent Avista Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/25/2005	Year/Period of Report End of 2004/Q4
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**SALES FOR RESALE (Account 447)**

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Line No.	Name of Company or Public Authority (Footnote Affiliations) (a)	Statistical Classification (b)	FERC Rate Schedule or Tariff Number (c)	Average Monthly Billing Demand (MW) (d)	Actual Demand (MW)	
					Average Monthly NCP Demand (e)	Average Monthly CP Demand (f)
1	Idaho Power Company	SF	WSPP			
2	Idaho Power Company	SF	Tariff 10			
3	J. Aron and Company	SF	WSPP			
4	Klamath Falls, City of	SF	WSPP			
5	MIECO	SF	WSPP			
6	Mirant Americas Energy Marketing LP	SF	WSPP			
7	Mirant Americas Energy Marketing LP	IF	Tariff 9			
8	Mirant Americas Energy Marketing LP	IF	Tariff 10			
9	Modesto Irrigation District	SF	WSPP			
10	Morgan Stanley	SF	WSPP			
11	NorthWestern Energy LLC	SF	WSPP			
12	NorthWestern Energy LLC	SF	Tariff 10			
13	NorthWestern Energy LLC	LF	Tariff 9			
14	Okanogan County PUD	SF	Tariff 9			
	Subtotal RQ			0	0	0
	Subtotal non-RQ			0	0	0
	<b>Total</b>			<b>0</b>	<b>0</b>	<b>0</b>

Name of Respondent Avista Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/25/2005	Year/Period of Report End of 2004/Q4
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**SALES FOR RESALE (Account 447) (Continued)**

OS - for other service. use this category only for those services which cannot be placed in the above-defined categories, such as all non-firm service regardless of the Length of the contract and service from designated units of Less than one year. Describe the nature of the service in a footnote.

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4. Group requirements RQ sales together and report them starting at line number one. After listing all RQ sales, enter "Subtotal - RQ" in column (a). The remaining sales may then be listed in any order. Enter "Subtotal-Non-RQ" in column (a) after this Listing. Enter "Total" in column (a) as the Last Line of the schedule. Report subtotals and total for columns (9) through (k)

5. In Column (c), identify the FERC Rate Schedule or Tariff Number. On separate Lines, List all FERC rate schedules or tariffs under which service, as identified in column (b), is provided.

6. For requirements RQ sales and any type of-service involving demand charges imposed on a monthly (or Longer) basis, enter the average monthly billing demand in column (d), the average monthly non-coincident peak (NCP) demand in column (e), and the average monthly coincident peak (CP)

demand in column (f). For all other types of service, enter NA in columns (d), (e) and (f). Monthly NCP demand is the maximum metered hourly (60-minute integration) demand in a month. Monthly CP demand is the metered demand during the hour (60-minute integration) in which the supplier's system reaches its monthly peak. Demand reported in columns (e) and (f) must be in megawatts. Footnote any demand not stated on a megawatt basis and explain.

7. Report in column (g) the megawatt hours shown on bills rendered to the purchaser.

8. Report demand charges in column (h), energy charges in column (i), and the total of any other types of charges, including out-of-period adjustments, in column (j). Explain in a footnote all components of the amount shown in column (j). Report in column (k) the total charge shown on bills rendered to the purchaser.

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10. Footnote entries as required and provide explanations following all required data.

MegaWatt Hours Sold (g)	REVENUE			Total (\$) (h+i+j) (k)	Line No.
	Demand Charges (\$) (h)	Energy Charges (\$) (i)	Other Charges (\$) (j)		
51,403		2,295,084		2,295,084	1
	3,000			3,000	2
20,869		734,611		734,611	3
215		9,470		9,470	4
400		18,600		18,600	5
2,791		139,103		139,103	6
338		14,820		14,820	7
	199,367			199,367	8
20,192		990,532		990,532	9
166,160		5,775,686		5,775,686	10
11,607		642,345		642,345	11
	637,861			637,861	12
8,100		344,243		344,243	13
10,980		472,430		472,430	14
0	0	0	0	0	
2,232,653	3,229,375	82,308,422	4,455,453	89,993,250	
2,232,653	3,229,375	82,308,422	4,455,453	89,993,250	

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**SALES FOR RESALE (Account 447)**

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Line No.	Name of Company or Public Authority (Footnote Affiliations) (a)	Statistical Classification (b)	FERC Rate Schedule or Tariff Number (c)	Average Monthly Billing Demand (MW) (d)	Actual Demand (MW)	
					Average Monthly NCP Demand (e)	Average Monthly CP Demand (f)
1	PNGC Power	SF	WSPP			
2	PacifiCorp	SF	WSPP			
3	PacifiCorp	SF	Tariff 10			
4	PacifiCorp	LF	Tariff 9			
5	Peaker LLC	LF	Tariff 9			
6	Pend Oreille Public Utility District	IF	Tariff 10			
7	Pend Oreille Public Utility District	IF	Tariff 9			
8	Portland General Electric Company	SF	WSPP			
9	Portland General Electric Company	SF	Tariff 10			
10	Powerex	SF	WSPP			
11	P P L Montana	SF	WSPP			
12	P P L Montana	SF	Tariff 10			
13	P P L Montana	LF	Tariff 9			
14	PPM Energy, Inc.	SF	WSPP			
	Subtotal RQ			0	0	0
	Subtotal non-RQ			0	0	0
	Total			0	0	0

Name of Respondent Avista Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/25/2005	Year/Period of Report End of 2004/Q4
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SALES FOR RESALE (Account 447) (Continued)

OS - for other service. use this category only for those services which cannot be placed in the above-defined categories, such as all non-firm service regardless of the Length of the contract and service from designated units of Less than one year. Describe the nature of the service in a footnote.

AD - for Out-of-period adjustment. Use this code for any accounting adjustments or "true-ups" for service provided in prior reporting years. Provide an explanation in a footnote for each adjustment.

4. Group requirements RQ sales together and report them starting at line number one. After listing all RQ sales, enter "Subtotal - RQ" in column (a). The remaining sales may then be listed in any order. Enter "Subtotal-Non-RQ" in column (a) after this Listing. Enter "Total" in column (a) as the Last Line of the schedule. Report subtotals and total for columns (9) through (k)

5. In Column (c), identify the FERC Rate Schedule or Tariff Number. On separate Lines, List all FERC rate schedules or tariffs under which service, as identified in column (b), is provided.

6. For requirements RQ sales and any type of-service involving demand charges imposed on a monthly (or Longer) basis, enter the average monthly billing demand in column (d), the average monthly non-coincident peak (NCP) demand in column (e), and the average monthly coincident peak (CP)

demand in column (f). For all other types of service, enter NA in columns (d), (e) and (f). Monthly NCP demand is the maximum metered hourly (60-minute integration) demand in a month. Monthly CP demand is the metered demand during the hour (60-minute integration) in which the supplier's system reaches its monthly peak. Demand reported in columns (e) and (f) must be in megawatts. Footnote any demand not stated on a megawatt basis and explain.

7. Report in column (g) the megawatt hours shown on bills rendered to the purchaser.

8. Report demand charges in column (h), energy charges in column (i), and the total of any other types of charges, including out-of-period adjustments, in column (j). Explain in a footnote all components of the amount shown in column (j). Report in column (k) the total charge shown on bills rendered to the purchaser.

9. The data in column (g) through (k) must be subtotaled based on the RQ/Non-RQ grouping (see instruction 4), and then totaled on the Last -line of the schedule. The "Subtotal - RQ" amount in column (g) must be reported as Requirements Sales For Resale on Page 401, line 23. The "Subtotal - Non-RQ" amount in column (g) must be reported as Non-Requirements Sales For Resale on Page 401, line 24.

10. Footnote entries as required and provide explanations following all required data.

MegaWatt Hours Sold (g)	REVENUE			Total (\$) (h+i+j) (k)	Line No.
	Demand Charges (\$) (h)	Energy Charges (\$) (i)	Other Charges (\$) (j)		
5,752		201,013		201,013	1
120,044		5,014,319		5,014,319	2
	22,900			22,900	3
5,154		219,064		219,064	4
	1,738,962			1,738,962	5
	334,468			334,468	6
6,860		269,900		269,900	7
323,391		9,431,970		9,431,970	8
	375			375	9
414,914		14,997,578		14,997,578	10
12,608		433,864		433,864	11
	183,975			183,975	12
18,408		782,372		782,372	13
108,636		4,758,883		4,758,883	14
0	0	0	0	0	
2,232,653	3,229,375	82,308,422	4,455,453	89,993,250	
2,232,653	3,229,375	82,308,422	4,455,453	89,993,250	



Name of Respondent Avista Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/25/2005	Year/Period of Report End of <u>2004/Q4</u>
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**SALES FOR RESALE (Account 447) (Continued)**

OS - for other service. use this category only for those services which cannot be placed in the above-defined categories, such as all non-firm service regardless of the Length of the contract and service from designated units of Less than one year. Describe the nature of the service in a footnote.

AD - for Out-of-period adjustment. Use this code for any accounting adjustments or "true-ups" for service provided in prior reporting years. Provide an explanation in a footnote for each adjustment.

4. Group requirements RQ sales together and report them starting at line number one. After listing all RQ sales, enter "Subtotal - RQ" in column (a). The remaining sales may then be listed in any order. Enter "Subtotal-Non-RQ" in column (a) after this Listing. Enter "Total" in column (a) as the Last Line of the schedule. Report subtotals and total for columns (9) through (k)

5. In Column (c), identify the FERC Rate Schedule or Tariff Number. On separate Lines, List all FERC rate schedules or tariffs under which service, as identified in column (b), is provided.

6. For requirements RQ sales and any type of-service involving demand charges imposed on a monthly (or Longer) basis, enter the average monthly billing demand in column (d), the average monthly non-coincident peak (NCP) demand in column (e), and the average monthly coincident peak (CP)

demand in column (f). For all other types of service, enter NA in columns (d), (e) and (f). Monthly NCP demand is the maximum metered hourly (60-minute integration) demand in a month. Monthly CP demand is the metered demand during the hour (60-minute integration) in which the supplier's system reaches its monthly peak. Demand reported in columns (e) and (f) must be in megawatts. Footnote any demand not stated on a megawatt basis and explain.

7. Report in column (g) the megawatt hours shown on bills rendered to the purchaser.

8. Report demand charges in column (h), energy charges in column (i), and the total of any other types of charges, including out-of-period adjustments, in column (j). Explain in a footnote all components of the amount shown in column (j). Report in column (k) the total charge shown on bills rendered to the purchaser.

9. The data in column (g) through (k) must be subtotaled based on the RQ/Non-RQ grouping (see instruction 4), and then totaled on the Last -line of the schedule. The "Subtotal - RQ" amount in column (g) must be reported as Requirements Sales For Resale on Page 401, line 23. The "Subtotal - Non-RQ" amount in column (g) must be reported as Non-Requirements Sales For Resale on Page 401, line 24.

10. Footnote entries as required and provide explanations following all required data.

MegaWatt Hours Sold (g)	REVENUE			Total (\$) (h+i+j) (k)	Line No.
	Demand Charges (\$) (h)	Energy Charges (\$) (i)	Other Charges (\$) (j)		
21,570		780,854		780,854	1
57,769		2,360,294		2,360,294	2
	4,475			4,475	3
23,563		1,001,436		1,001,436	4
27,532		1,223,616		1,223,616	5
55,141		1,962,948		1,962,948	6
164,689		7,134,692		7,134,692	7
2,022		93,468		93,468	8
7,897		323,486		323,486	9
					10
36,750		1,705,652		1,705,652	11
9,079		398,248		398,248	12
400		13,300		13,300	13
3,826		133,052		133,052	14
0	0	0	0	0	
2,232,653	3,229,375	82,308,422	4,455,453	89,993,250	
2,232,653	3,229,375	82,308,422	4,455,453	89,993,250	

Name of Respondent Avista Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/25/2005	Year/Period of Report End of 2004/Q4
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**SALES FOR RESALE (Account 447)**

- Report all sales for resale (i.e., sales to purchasers other than ultimate consumers) transacted on a settlement basis other than power exchanges during the year. Do not report exchanges of electricity (i.e., transactions involving a balancing of debits and credits for energy, capacity, etc.) and any settlements for imbalanced exchanges on this schedule. Power exchanges must be reported on the Purchased Power schedule (Page 326-327).
- Enter the name of the purchaser in column (a). Do not abbreviate or truncate the name or use acronyms. Explain in a footnote any ownership interest or affiliation the respondent has with the purchaser.
- In column (b), enter a Statistical Classification Code based on the original contractual terms and conditions of the service as follows:  
 RQ - for requirements service. Requirements service is service which the supplier plans to provide on an ongoing basis (i.e., the supplier includes projected load for this service in its system resource planning). In addition, the reliability of requirements service must be the same as, or second only to, the supplier's service to its own ultimate consumers.  
 LF - for long-term service. "Long-term" means five years or Longer and "firm" means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions (e.g., the supplier must attempt to buy emergency energy from third parties to maintain deliveries of LF service). This category should not be used for Long-term firm service which meets the definition of RQ service. For all transactions identified as LF, provide in a footnote the termination date of the contract defined as the earliest date that either buyer or setter can unilaterally get out of the contract.  
 IF - for intermediate-term firm service. The same as LF service except that "intermediate-term" means longer than one year but Less than five years.  
 SF - for short-term firm service. Use this category for all firm services where the duration of each period of commitment for service is one year or less.  
 LU - for Long-term service from a designated generating unit. "Long-term" means five years or Longer. The availability and reliability of service, aside from transmission constraints, must match the availability and reliability of designated unit.  
 IU - for intermediate-term service from a designated generating unit. The same as LU service except that "intermediate-term" means Longer than one year but Less than five years.

Line No.	Name of Company or Public Authority (Footnote Affiliations) (a)	Statistical Classification (b)	FERC Rate Schedule or Tariff Number (c)	Average Monthly Billing Demand (MW) (d)	Actual Demand (MW)	
					Average Monthly NCP Demand (e)	Average Monthly CP Demand (f)
1	Sovereign Power	IF	Tariff 9			
2	Sovereign Power	IF	Tariff 10			
3	Tacoma Power	SF	WSPP			
4	Tacoma Power	SF	Tariff 10			
5	Tractabel Energy	SF	WSPP			
6	TransAlta Energy Marketing	SF	WSPP			
7	TransCanada Energy Ltd.	SF	WSPP			
8	Turlock Irrigation District	SF	WSPP			
9	UBS AG (London Branch)	SF	WSPP			
10	IntraCompany Wheeling	LF				
11	IntraCompany Generation	LF				
12	Revenue Adjustment	AD				
13						
14						
	Subtotal RQ			0	0	0
	Subtotal non-RQ			0	0	0
	<b>Total</b>			<b>0</b>	<b>0</b>	<b>0</b>

Name of Respondent Avista Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/25/2005	Year/Period of Report End of 2004/Q4
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SALES FOR RESALE (Account 447) (Continued)

OS - for other service. use this category only for those services which cannot be placed in the above-defined categories, such as all non-firm service regardless of the Length of the contract and service from designated units of Less than one year. Describe the nature of the service in a footnote.

AD - for Out-of-period adjustment. Use this code for any accounting adjustments or "true-ups" for service provided in prior reporting years. Provide an explanation in a footnote for each adjustment.

4. Group requirements RQ sales together and report them starting at line number one. After listing all RQ sales, enter "Subtotal - RQ" in column (a). The remaining sales may then be listed in any order. Enter "Subtotal-Non-RQ" in column (a) after this Listing. Enter "Total" in column (a) as the Last Line of the schedule. Report subtotals and total for columns (9) through (k)

5. In Column (c), identify the FERC Rate Schedule or Tariff Number. On separate Lines, List all FERC rate schedules or tariffs under which service, as identified in column (b), is provided.

6. For requirements RQ sales and any type of-service involving demand charges imposed on a monthly (or Longer) basis, enter the average monthly billing demand in column (d), the average monthly non-coincident peak (NCP) demand in column (e), and the average monthly coincident peak (CP)

demand in column (f). For all other types of service, enter NA in columns (d), (e) and (f). Monthly NCP demand is the maximum metered hourly (60-minute integration) demand in a month. Monthly CP demand is the metered demand during the hour (60-minute integration) in which the supplier's system reaches its monthly peak. Demand reported in columns (e) and (f) must be in megawatts. Footnote any demand not stated on a megawatt basis and explain.

7. Report in column (g) the megawatt hours shown on bills rendered to the purchaser.

8. Report demand charges in column (h), energy charges in column (i), and the total of any other types of charges, including out-of-period adjustments, in column (j). Explain in a footnote all components of the amount shown in column (j). Report in column (k) the total charge shown on bills rendered to the purchaser.

9. The data in column (g) through (k) must be subtotaled based on the RQ/Non-RQ grouping (see instruction 4), and then totaled on the Last -line of the schedule. The "Subtotal - RQ" amount in column (g) must be reported as Requirements Sales For Resale on Page 401, line 23. The "Subtotal - Non-RQ" amount in column (g) must be reported as Non-Requirements Sales For Resale on Page 401, line 24.

10. Footnote entries as required and provide explanations following all required data.

MegaWatt Hours Sold (g)	REVENUE			Total (\$) (h+i+j) (k)	Line No.
	Demand Charges (\$) (h)	Energy Charges (\$) (i)	Other Charges (\$) (j)		
94		3,492		3,492	1
	449			449	2
2,295		54,860		54,860	3
	400			400	4
17,250		732,165		732,165	5
177,393		7,099,763		7,099,763	6
400		22,400		22,400	7
35,649		1,791,835		1,791,835	8
12,400		547,500		547,500	9
		-4,430,235	4,430,235		10
			33,212	33,212	11
-34			-7,994	-7,994	12
					13
					14
0	0	0	0	0	
2,232,653	3,229,375	82,308,422	4,455,453	89,993,250	
2,232,653	3,229,375	82,308,422	4,455,453	89,993,250	

Name of Respondent Avista Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/25/2005	Year/Period of Report End of 2004/Q4
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**ELECTRIC OPERATION AND MAINTENANCE EXPENSES**

If the amount for previous year is not derived from previously reported figures, explain in footnote.

Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)
1	<b>1. POWER PRODUCTION EXPENSES</b>		
2	<b>A. Steam Power Generation</b>		
3	Operation		
4	(500) Operation Supervision and Engineering	261,185	315,045
5	(501) Fuel	19,452,596	18,022,235
6	(502) Steam Expenses	1,663,914	1,530,452
7	(503) Steam from Other Sources		4,329
8	(Less) (504) Steam Transferred-Cr.		
9	(505) Electric Expenses	755,670	692,696
10	(506) Miscellaneous Steam Power Expenses	2,052,829	1,518,455
11	(507) Rents	18,573	15,952
12	(509) Allowances		
13	TOTAL Operation (Enter Total of Lines 4 thru 12)	24,204,767	22,099,164
14	Maintenance		
15	(510) Maintenance Supervision and Engineering	413,094	324,679
16	(511) Maintenance of Structures	475,061	457,588
17	(512) Maintenance of Boiler Plant	4,299,893	3,622,932
18	(513) Maintenance of Electric Plant	540,369	918,003
19	(514) Maintenance of Miscellaneous Steam Plant	731,802	645,474
20	TOTAL Maintenance (Enter Total of Lines 15 thru 19)	6,460,219	5,968,676
21	TOTAL Power Production Expenses-Steam Power (Entr Tot lines 13 & 20)	30,664,986	28,067,840
22	<b>B. Nuclear Power Generation</b>		
23	Operation		
24	(517) Operation Supervision and Engineering		
25	(518) Fuel		
26	(519) Coolants and Water		
27	(520) Steam Expenses		
28	(521) Steam from Other Sources		
29	(Less) (522) Steam Transferred-Cr.		
30	(523) Electric Expenses		
31	(524) Miscellaneous Nuclear Power Expenses		
32	(525) Rents		
33	TOTAL Operation (Enter Total of lines 24 thru 32)		
34	Maintenance		
35	(528) Maintenance Supervision and Engineering		
36	(529) Maintenance of Structures		
37	(530) Maintenance of Reactor Plant Equipment		
38	(531) Maintenance of Electric Plant		
39	(532) Maintenance of Miscellaneous Nuclear Plant		
40	TOTAL Maintenance (Enter Total of lines 35 thru 39)		
41	TOTAL Power Production Expenses-Nuc. Power (Entr tot lines 33 & 40)		
42	<b>C. Hydraulic Power Generation</b>		
43	Operation		
44	(535) Operation Supervision and Engineering	1,418,458	1,186,028
45	(536) Water for Power	837,720	875,283
46	(537) Hydraulic Expenses	2,251,219	2,116,854
47	(538) Electric Expenses	4,089,537	3,538,901
48	(539) Miscellaneous Hydraulic Power Generation Expenses	545,988	543,939
49	(540) Rents	554,294	645,415
50	TOTAL Operation (Enter Total of Lines 44 thru 49)	9,697,216	8,906,420

**ELECTRIC OPERATION AND MAINTENANCE EXPENSES (Continued)**

If the amount for previous year is not derived from previously reported figures, explain in footnote.

Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)
51	<b>C. Hydraulic Power Generation (Continued)</b>		
52	Maintenance		
53	(541) Maintenance Supervision and Engineering	318,133	337,450
54	(542) Maintenance of Structures	315,229	343,717
55	(543) Maintenance of Reservoirs, Dams, and Waterways	1,164,438	1,118,240
56	(544) Maintenance of Electric Plant	2,358,419	2,165,789
57	(545) Maintenance of Miscellaneous Hydraulic Plant	177,230	125,567
58	TOTAL Maintenance (Enter Total of lines 53 thru 57)	4,333,449	4,090,763
59	TOTAL Power Production Expenses-Hydraulic Power (tot of lines 50 & 58)	14,030,665	12,997,183
60	<b>D. Other Power Generation</b>		
61	Operation		
62	(546) Operation Supervision and Engineering	902,645	285,602
63	(547) Fuel	20,226,327	18,763,019
64	(548) Generation Expenses	362,585	522,242
65	(549) Miscellaneous Other Power Generation Expenses	241,309	264,491
66	(550) Rents	4,694,210	4,710,748
67	TOTAL Operation (Enter Total of lines 62 thru 66)	26,427,076	24,546,102
68	Maintenance		
69	(551) Maintenance Supervision and Engineering	194,528	222,940
70	(552) Maintenance of Structures	57,619	57,927
71	(553) Maintenance of Generating and Electric Plant	2,127,821	1,660,608
72	(554) Maintenance of Miscellaneous Other Power Generation Plant	127,958	137,168
73	TOTAL Maintenance (Enter Total of lines 69 thru 72)	2,507,926	2,078,643
74	TOTAL Power Production Expenses-Other Power (Enter Tot of 67 & 73)	28,935,002	26,624,745
75	<b>E. Other Power Supply Expenses</b>		
76	(555) Purchased Power	172,891,720	148,932,685
77	(556) System Control and Load Dispatching	1,174,128	995,177
78	(557) Other Expenses	116,339,551	112,065,294
79	TOTAL Other Power Supply Exp (Enter Total of lines 76 thru 78)	290,405,399	261,993,156
80	TOTAL Power Production Expenses (Total of lines 21, 41, 59, 74 & 79)	364,036,052	329,682,924
81	<b>2. TRANSMISSION EXPENSES</b>		
82	Operation		
83	(560) Operation Supervision and Engineering	1,760,093	1,785,068
84	(561) Load Dispatching	1,312,895	1,167,554
85	(562) Station Expenses	164,364	156,830
86	(563) Overhead Lines Expenses	175,275	108,887
87	(564) Underground Lines Expenses		
88	(565) Transmission of Electricity by Others	9,455,394	9,079,188
89	(566) Miscellaneous Transmission Expenses	409,169	426,368
90	(567) Rents	154,809	115,042
91	TOTAL Operation (Enter Total of lines 83 thru 90)	13,431,999	12,838,937
92	Maintenance		
93	(568) Maintenance Supervision and Engineering	418,183	254,349
94	(569) Maintenance of Structures	6,067	1,744
95	(570) Maintenance of Station Equipment	1,327,652	1,197,871
96	(571) Maintenance of Overhead Lines	921,940	695,328
97	(572) Maintenance of Underground Lines	9,487	1,235
98	(573) Maintenance of Miscellaneous Transmission Plant		
99	TOTAL Maintenance (Enter Total of lines 93 thru 98)	2,683,329	2,150,527
100	TOTAL Transmission Expenses (Enter Total of lines 91 and 99)	16,115,328	14,989,464
101	<b>3. DISTRIBUTION EXPENSES</b>		
102	Operation		
103	(580) Operation Supervision and Engineering	702,835	640,714

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<b>ELECTRIC OPERATION AND MAINTENANCE EXPENSES (Continued)</b>				
If the amount for previous year is not derived from previously reported figures, explain in footnote.				
Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)	
104	<b>3. DISTRIBUTION Expenses (Continued)</b>			
105	(581) Load Dispatching			
106	(582) Station Expenses	296,918	311,926	
107	(583) Overhead Line Expenses	1,994,189	1,567,783	
108	(584) Underground Line Expenses	1,417,051	1,300,982	
109	(585) Street Lighting and Signal System Expenses	244,195	176,492	
110	(586) Meter Expenses	1,091,315	1,164,956	
111	(587) Customer Installations Expenses	325,586	320,525	
112	(588) Miscellaneous Expenses	3,710,810	3,050,024	
113	(589) Rents	331,507	256,605	
114	<b>TOTAL Operation (Enter Total of lines 103 thru 113)</b>	<b>10,114,406</b>	<b>8,790,007</b>	
115	<b>Maintenance</b>			
116	(590) Maintenance Supervision and Engineering	777,831	578,690	
117	(591) Maintenance of Structures	6,799	6,627	
118	(592) Maintenance of Station Equipment	770,390	622,015	
119	(593) Maintenance of Overhead Lines	5,557,253	4,770,736	
120	(594) Maintenance of Underground Lines	696,888	850,600	
121	(595) Maintenance of Line Transformers	642,918	557,428	
122	(596) Maintenance of Street Lighting and Signal Systems	295,801	242,798	
123	(597) Maintenance of Meters	33,333	38,467	
124	(598) Maintenance of Miscellaneous Distribution Plant	212,414	81,748	
125	<b>TOTAL Maintenance (Enter Total of lines 116 thru 124)</b>	<b>8,993,627</b>	<b>7,749,109</b>	
126	<b>TOTAL Distribution Exp (Enter Total of lines 114 and 125)</b>	<b>19,108,033</b>	<b>16,539,116</b>	
127	<b>4. CUSTOMER ACCOUNTS EXPENSES</b>			
128	<b>Operation</b>			
129	(901) Supervision	88,890	76,029	
130	(902) Meter Reading Expenses	2,604,323	2,493,943	
131	(903) Customer Records and Collection Expenses	7,858,766	7,390,852	
132	(904) Uncollectible Accounts	1,754,889	1,008,501	
133	(905) Miscellaneous Customer Accounts Expenses	568,849	595,009	
134	<b>TOTAL Customer Accounts Expenses (Total of lines 129 thru 133)</b>	<b>12,875,717</b>	<b>11,564,334</b>	
135	<b>5. CUSTOMER SERVICE AND INFORMATIONAL EXPENSES</b>			
136	<b>Operation</b>			
137	(907) Supervision			
138	(908) Customer Assistance Expenses	11,271,463	10,581,231	
139	(909) Informational and Instructional Expenses	238,029	152,553	
140	(910) Miscellaneous Customer Service and Informational Expenses	93,048	80,270	
141	<b>TOTAL Cust. Service and Information. Exp. (Total lines 137 thru 140)</b>	<b>11,602,540</b>	<b>10,814,054</b>	
142	<b>6. SALES EXPENSES</b>			
143	<b>Operation</b>			
144	(911) Supervision		40,633	
145	(912) Demonstrating and Selling Expenses	1,004,902	899,670	
146	(913) Advertising Expenses	135,227	171,242	
147	(916) Miscellaneous Sales Expenses	10,941	65,817	
148	<b>TOTAL Sales Expenses (Enter Total of lines 144 thru 147)</b>	<b>1,151,070</b>	<b>1,177,362</b>	
149	<b>7. ADMINISTRATIVE AND GENERAL EXPENSES</b>			
150	<b>Operation</b>			
151	(920) Administrative and General Salaries	16,049,712	15,309,467	
152	(921) Office Supplies and Expenses	5,827,150	5,503,451	
153	(Less) (922) Administrative Expenses Transferred-Credit	22,032	22,220	

Name of Respondent Avista Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/25/2005	Year/Period of Report End of <u>2004/Q4</u>
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**ELECTRIC OPERATION AND MAINTENANCE EXPENSES (Continued)**

If the amount for previous year is not derived from previously reported figures, explain in footnote.

Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)
154	<b>7. ADMINISTRATIVE AND GENERAL EXPENSES (Continued)</b>		
155	(923) Outside Services Employed	8,226,786	7,501,442
156	(924) Property Insurance	1,167,710	1,175,457
157	(925) Injuries and Damages	3,711,299	2,217,511
158	(926) Employee Pensions and Benefits	1,005,484	754,944
159	(927) Franchise Requirements	5,900	4,975
160	(928) Regulatory Commission Expenses	4,041,923	3,700,522
161	(929) (Less) Duplicate Charges-Cr.		
162	(930.1) General Advertising Expenses	65,289	
163	(930.2) Miscellaneous General Expenses	3,085,801	2,595,763
164	(931) Rents	4,503,122	5,417,298
165	TOTAL Operation (Enter Total of lines 151 thru 164)	47,668,144	44,158,610
166	Maintenance		
167	(935) Maintenance of General Plant	3,497,401	3,220,646
168	TOTAL Admin & General Expenses (Total of lines 165 thru 167)	51,165,545	47,379,256
169	TOTAL Elec Op and Maint Expn (Tot 80, 100, 126, 134, 141, 148, 168)	476,054,285	432,146,510

Name of Respondent Avista Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/25/2005	Year/Period of Report End of <u>2004/Q4</u>
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**PURCHASED POWER (Account 555)**  
(Including power exchanges)

1. Report all power purchases made during the year. Also report exchanges of electricity (i.e., transactions involving a balancing of debits and credits for energy, capacity, etc.) and any settlements for imbalanced exchanges.
2. Enter the name of the seller or other party in an exchange transaction in column (a). Do not abbreviate or truncate the name or use acronyms. Explain in a footnote any ownership interest or affiliation the respondent has with the seller.
3. In column (b), enter a Statistical Classification Code based on the original contractual terms and conditions of the service as follows:

RQ - for requirements service. Requirements service is service which the supplier plans to provide on an ongoing basis (i.e., the supplier includes projects load for this service in its system resource planning). In addition, the reliability of requirement service must be the same as, or second only to, the supplier's service to its own ultimate consumers.

LF - for long-term firm service. "Long-term" means five years or longer and "firm" means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions (e.g., the supplier must attempt to buy emergency energy from third parties to maintain deliveries of LF service). This category should not be used for long-term firm service firm service which meets the definition of RQ service. For all transaction identified as LF, provide in a footnote the termination date of the contract defined as the earliest date that either buyer or seller can unilaterally get out of the contract.

IF - for intermediate-term firm service. The same as LF service expect that "intermediate-term" means longer than one year but less than five years.

SF - for short-term service. Use this category for all firm services, where the duration of each period of commitment for service is one year or less.

LU - for long-term service from a designated generating unit. "Long-term" means five years or longer. The availability and reliability of service, aside from transmission constraints, must match the availability and reliability of the designated unit.

IU - for intermediate-term service from a designated generating unit. The same as LU service expect that "intermediate-term" means longer than one year but less than five years.

EX - For exchanges of electricity. Use this category for transactions involving a balancing of debits and credits for energy, capacity, etc. and any settlements for imbalanced exchanges.

OS - for other service. Use this category only for those services which cannot be placed in the above-defined categories, such as all non-firm service regardless of the Length of the contract and service from designated units of Less than one year. Describe the nature of the service in a footnote for each adjustment.

Line No.	Name of Company or Public Authority (Footnote Affiliations) (a)	Statistical Classification (b)	FERC Rate Schedule or Tariff Number (c)	Average Monthly Billing Demand (MW) (d)	Actual Demand (MW)	
					Average Monthly NCP Demand (e)	Average Monthly CP Demand (f)
1	American Electric Power	SF	WSPP			
2	Arizona Public Service	SF	WSPP			
3	Benton County PUD No. 1	SF	WSPP			
4	BP Energy Company	SF	WSPP			
5	Black Creek Hydro	LU	FERC #1			
6	Black Hills Power	SF	WSPP			
7	Bonneville Power Administration	LF	WNP#3 Agr.			
8	Bonneville Power Administration	SF	WSPP			
9	Bonneville Power Administration	EX	NWPP			
10	Bonneville Power Administration	OS	BPA OAT			
11	Calpine Corporation	SF	WSPP			
12	Cargill Power Markets, LLC	SF	WSPP			
13	Chelan County PUD No. 1	LU	Rocky Reach			
14	Chelan County PUD No. 1	SF	WSPP			
	<b>Total</b>					

Name of Respondent Avista Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/25/2005	Year/Period of Report End of 2004/Q4
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PURCHASED POWER(Account 555), (Continued)  
(including power exchanges)

AD - for out-of-period adjustment. Use this code for any accounting adjustments or "true-ups" for service provided in prior reporting years. Provide an explanation in a footnote for each adjustment.

4. In column (c), identify the FERC Rate Schedule Number or Tariff, or, for non-FERC jurisdictional sellers, include an appropriate designation for the contract. On separate lines, list all FERC rate schedules, tariffs or contract designations under which service, as identified in column (b), is provided.
5. For requirements RQ purchases and any type of service involving demand charges imposed on a monthly (or longer) basis, enter the monthly average billing demand in column (d), the average monthly non-coincident peak (NCP) demand in column (e), and the average monthly coincident peak (CP) demand in column (f). For all other types of service, enter NA in columns (d), (e) and (f). Monthly NCP demand is the maximum metered hourly (60-minute integration) demand in a month. Monthly CP demand is the metered demand during the hour (60-minute integration) in which the supplier's system reaches its monthly peak. Demand reported in columns (e) and (f) must be in megawatts. Footnote any demand not stated on a megawatt basis and explain.
6. Report in column (g) the megawatthours shown on bills rendered to the respondent. Report in columns (h) and (i) the megawatthours of power exchanges received and delivered, used as the basis for settlement. Do not report net exchange.
7. Report demand charges in column (j), energy charges in column (k), and the total of any other types of charges, including out-of-period adjustments, in column (l). Explain in a footnote all components of the amount shown in column (l). Report in column (m) the total charge shown on bills received as settlement by the respondent. For power exchanges, report in column (m) the settlement amount for the net receipt of energy. If more energy was delivered than received, enter a negative amount. If the settlement amount (l) include credits or charges other than incremental generation expenses, or (2) excludes certain credits or charges covered by the agreement, provide an explanatory footnote.
8. The data in column (g) through (m) must be totalled on the last line of the schedule. The total amount in column (g) must be reported as Purchases on Page 401, line 10. The total amount in column (h) must be reported as Exchange Received on Page 401, line 12. The total amount in column (i) must be reported as Exchange Delivered on Page 401, line 13.
9. Footnote entries as required and provide explanations following all required data.

MegaWatt Hours Purchased (g)	POWER EXCHANGES		COST/SETTLEMENT OF POWER				Line No.
	MegaWatt Hours Received (h)	MegaWatt Hours Delivered (i)	Demand Charges (\$) (j)	Energy Charges (\$) (k)	Other Charges (\$) (l)	Total (j+k+l) of Settlement (\$) (m)	
45,200				2,115,380		2,115,380	1
16,000				673,850		673,850	2
6,956				307,480		307,480	3
62,000				2,780,120		2,780,120	4
5,197				217,419		217,419	5
75				3,000		3,000	6
383,829				10,789,002		10,789,002	7
42,829				1,730,655		1,730,655	8
	63,524	65,025			210,883	210,883	9
					15,218	15,218	10
72,200				3,375,855		3,375,855	11
23,922				960,191		960,191	12
152,348				1,847,599		1,847,599	13
10,610				457,313		457,313	14
4,976,808	774,435	723,359	1,647,000	170,073,644	1,171,076	172,891,720	

Name of Respondent Avista Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/25/2005	Year/Period of Report End of <u>2004/Q4</u>
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**PURCHASED POWER (Account 555)  
(Including power exchanges)**

1. Report all power purchases made during the year. Also report exchanges of electricity (i.e., transactions involving a balancing of debits and credits for energy, capacity, etc.) and any settlements for imbalanced exchanges.
2. Enter the name of the seller or other party in an exchange transaction in column (a). Do not abbreviate or truncate the name or use acronyms. Explain in a footnote any ownership interest or affiliation the respondent has with the seller.
3. In column (b), enter a Statistical Classification Code based on the original contractual terms and conditions of the service as follows:

RQ - for requirements service. Requirements service is service which the supplier plans to provide on an ongoing basis (i.e., the supplier includes projects load for this service in its system resource planning). In addition, the reliability of requirement service must be the same as, or second only to, the supplier's service to its own ultimate consumers.

LF - for long-term firm service. "Long-term" means five years or longer and "firm" means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions (e.g., the supplier must attempt to buy emergency energy from third parties to maintain deliveries of LF service). This category should not be used for long-term firm service firm service which meets the definition of RQ service. For all transaction identified as LF, provide in a footnote the termination date of the contract defined as the earliest date that either buyer or seller can unilaterally get out of the contract.

IF - for intermediate-term firm service. The same as LF service expect that "intermediate-term" means longer than one year but less than five years.

SF - for short-term service. Use this category for all firm services, where the duration of each period of commitment for service is one year or less.

LU - for long-term service from a designated generating unit. "Long-term" means five years or longer. The availability and reliability of service, aside from transmission constraints, must match the availability and reliability of the designated unit.

IU - for intermediate-term service from a designated generating unit. The same as LU service expect that "intermediate-term" means longer than one year but less than five years.

EX - For exchanges of electricity. Use this category for transactions involving a balancing of debits and credits for energy, capacity, etc. and any settlements for imbalanced exchanges.

OS - for other service. Use this category only for those services which cannot be placed in the above-defined categories, such as all non-firm service regardless of the Length of the contract and service from designated units of Less than one year. Describe the nature of the service in a footnote for each adjustment.

Line No.	Name of Company or Public Authority (Footnote Affiliations) (a)	Statistical Classification (b)	FERC Rate Schedule or Tariff Number (c)	Average Monthly Billing Demand (MW) (d)	Actual Demand (MW)	
					Average Monthly NCP Demand (e)	Average Monthly CP Demand (f)
1	Clatskanie Peoples PUD	SF	WSPP			
2	Cononco Phillips	SF	WSPP			
3	Cogentrix Energy Power Marketing	IF	WSPP			
4	Constellation Power Source	SF	WSPP			
5	Douglas County PUD No. 1	LU	Wells			
6	Douglas County PUD No. 1	LU	Wells Settlement			
7	Douglas County PUD No. 1	SF	WSPP			
8	Douglas County PUD No. 1	EX	305			
9	Duke Energy	IF	WSPP			
10	El Paso Merchant Energy LP	IF	WSPP			
11	EPCOR Merchant & Capital US	SF	WSPP			
12	Eugene Water & Electric Board	SF	WSPP			
13	Ford Hydro Limited Partnership	LU	PURPA Agmt			
14	Franklin County PUD No. 1	SF	WSPP			
	<b>Total</b>					

Name of Respondent Avista Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/25/2005	Year/Period of Report End of 2004/Q4
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PURCHASED POWER(Account 555) (Continued)  
(including power exchanges)

AD - for out-of-period adjustment. Use this code for any accounting adjustments or "true-ups" for service provided in prior reporting years. Provide an explanation in a footnote for each adjustment.

4. In column (c), identify the FERC Rate Schedule Number or Tariff, or, for non-FERC jurisdictional sellers, include an appropriate designation for the contract. On separate lines, list all FERC rate schedules, tariffs or contract designations under which service, as identified in column (b), is provided.
5. For requirements RQ purchases and any type of service involving demand charges imposed on a monthly (or longer) basis, enter the monthly average billing demand in column (d), the average monthly non-coincident peak (NCP) demand in column (e), and the average monthly coincident peak (CP) demand in column (f). For all other types of service, enter NA in columns (d), (e) and (f). Monthly NCP demand is the maximum metered hourly (60-minute integration) demand in a month. Monthly CP demand is the metered demand during the hour (60-minute integration) in which the supplier's system reaches its monthly peak. Demand reported in columns (e) and (f) must be in megawatts. Footnote any demand not stated on a megawatt basis and explain.
6. Report in column (g) the megawatt-hours shown on bills rendered to the respondent. Report in columns (h) and (i) the megawatt-hours of power exchanges received and delivered, used as the basis for settlement. Do not report net exchange.
7. Report demand charges in column (j), energy charges in column (k), and the total of any other types of charges, including out-of-period adjustments, in column (l). Explain in a footnote all components of the amount shown in column (l). Report in column (m) the total charge shown on bills received as settlement by the respondent. For power exchanges, report in column (m) the settlement amount for the net receipt of energy. If more energy was delivered than received, enter a negative amount. If the settlement amount (l) include credits or charges other than incremental generation expenses, or (2) excludes certain credits or charges covered by the agreement, provide an explanatory footnote.
8. The data in column (g) through (m) must be totalled on the last line of the schedule. The total amount in column (g) must be reported as Purchases on Page 401, line 10. The total amount in column (h) must be reported as Exchange Received on Page 401, line 12. The total amount in column (i) must be reported as Exchange Delivered on Page 401, line 13.
9. Footnote entries as required and provide explanations following all required data.

MegaWatt Hours Purchased (g)	POWER EXCHANGES		COST/SETTLEMENT OF POWER				Line No.
	MegaWatt Hours Received (h)	MegaWatt Hours Delivered (i)	Demand Charges (\$) (j)	Energy Charges (\$) (k)	Other Charges (\$) (l)	Total (j+k+l) of Settlement (\$) (m)	
100				5,000		5,000	1
480				27,280		27,280	2
1,470				54,226		54,226	3
146,336				7,160,380		7,160,380	4
115,059				1,078,993		1,078,993	5
29,645				484,808		484,808	6
43,836				2,282,644		2,282,644	7
	187,070	187,114	1,647,000			1,647,000	8
475,200				13,854,600		13,854,600	9
219,600				6,972,300		6,972,300	10
4,000				174,100		174,100	11
5,760				237,630		237,630	12
3,744				236,086		236,086	13
1,830				83,665		83,665	14
4,976,808	774,435	723,359	1,647,000	170,073,644	1,171,076	172,891,720	

Name of Respondent Avista Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/25/2005	Year/Period of Report End of 2004/Q4
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**PURCHASED POWER (Account 555)  
(Including power exchanges)**

1. Report all power purchases made during the year. Also report exchanges of electricity (i.e., transactions involving a balancing of debits and credits for energy, capacity, etc.) and any settlements for imbalanced exchanges.
2. Enter the name of the seller or other party in an exchange transaction in column (a). Do not abbreviate or truncate the name or use acronyms. Explain in a footnote any ownership interest or affiliation the respondent has with the seller.
3. In column (b), enter a Statistical Classification Code based on the original contractual terms and conditions of the service as follows:

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LF - for long-term firm service. "Long-term" means five years or longer and "firm" means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions (e.g., the supplier must attempt to buy emergency energy from third parties to maintain deliveries of LF service). This category should not be used for long-term firm service firm service which meets the definition of RQ service. For all transaction identified as LF, provide in a footnote the termination date of the contract defined as the earliest date that either buyer or seller can unilaterally get out of the contract.

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SF - for short-term service. Use this category for all firm services, where the duration of each period of commitment for service is one year or less.

LU - for long-term service from a designated generating unit. "Long-term" means five years or longer. The availability and reliability of service, aside from transmission constraints, must match the availability and reliability of the designated unit.

IU - for intermediate-term service from a designated generating unit. The same as LU service expect that "intermediate-term" means longer than one year but less than five years.

EX - For exchanges of electricity. Use this category for transactions involving a balancing of debits and credits for energy, capacity, etc. and any settlements for imbalanced exchanges.

OS - for other service. Use this category only for those services which cannot be placed in the above-defined categories, such as all non-firm service regardless of the Length of the contract and service from designated units of Less than one year. Describe the nature of the service in a footnote for each adjustment.

Line No.	Name of Company or Public Authority (Footnote Affiliations) (a)	Statistical Classification (b)	FERC Rate Schedule or Tariff Number (c)	Average Monthly Billing Demand (MW) (d)	Actual Demand (MW)	
					Average Monthly NCP Demand (e)	Average Monthly CP Demand (f)
1	Grant County PUD No. 2	LU	Wanapum			
2	Grant County PUD No. 2	LU	Priest Rapids			
3	Grant County PUD No. 2	SF	WSPP			
4	Grays Harbor County PUD No. 1	SF	WSPP			
5	Haleywest LLC	IU	PURPA Agmt			
6	Hydro Technology Systems	LU	PURPA Agmt			
7	Idaho Power Company	SF	WSPP			
8	Inland Power & Light Company	RQ	Mkt Tariff			
9	J Aron and Company	SF	WSPP			
10	Jim White	LU	PURPA Agmt			
11	John Day Hydro	LU	PURPA Agmt			
12	Klamath Falls, City of	SF	WSPP			
13	Minnesota Methane	LU	PURPA Agmt			
14	Mirant Americas Energy Marketing LP	SF	WSPP			
	<b>Total</b>					

Name of Respondent Avista Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/25/2005	Year/Period of Report End of 2004/Q4
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**PURCHASED POWER(Account 555) (Continued)**  
(including power exchanges)

AD - for out-of-period adjustment. Use this code for any accounting adjustments or "true-ups" for service provided in prior reporting years. Provide an explanation in a footnote for each adjustment.

4. In column (c), identify the FERC Rate Schedule Number or Tariff, or, for non-FERC jurisdictional sellers, include an appropriate designation for the contract. On separate lines, list all FERC rate schedules, tariffs or contract designations under which service, as identified in column (b), is provided.
5. For requirements RQ purchases and any type of service involving demand charges imposed on a monthly (or longer) basis, enter the monthly average billing demand in column (d), the average monthly non-coincident peak (NCP) demand in column (e), and the average monthly coincident peak (CP) demand in column (f). For all other types of service, enter NA in columns (d), (e) and (f). Monthly NCP demand is the maximum metered hourly (60-minute integration) demand in a month. Monthly CP demand is the metered demand during the hour (60-minute integration) in which the supplier's system reaches its monthly peak. Demand reported in columns (e) and (f) must be in megawatts. Footnote any demand not stated on a megawatt basis and explain.
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7. Report demand charges in column (j), energy charges in column (k), and the total of any other types of charges, including out-of-period adjustments, in column (l). Explain in a footnote all components of the amount shown in column (l). Report in column (m) the total charge shown on bills received as settlement by the respondent. For power exchanges, report in column (m) the settlement amount for the net receipt of energy. If more energy was delivered than received, enter a negative amount. If the settlement amount (l) include credits or charges other than incremental generation expenses, or (2) excludes certain credits or charges covered by the agreement, provide an explanatory footnote.
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9. Footnote entries as required and provide explanations following all required data.

MegaWatt Hours Purchased (g)	POWER EXCHANGES		COST/SETTLEMENT OF POWER				Line No.
	MegaWatt Hours Received (h)	MegaWatt Hours Delivered (i)	Demand Charges (\$) (j)	Energy Charges (\$) (k)	Other Charges (\$) (l)	Total (j+k+l) of Settlement (\$) (m)	
286,356				2,522,237		2,522,237	1
240,261				1,868,160		1,868,160	2
11,206				483,983		483,983	3
1,862				88,650		88,650	4
37,797				1,525,477		1,525,477	5
7,741				225,587		225,587	6
4,500				194,800		194,800	7
				4,111		4,111	8
116,400				5,559,310		5,559,310	9
1,143				100,603		100,603	10
1,981				80,634		80,634	11
200				9,000		9,000	12
1,208				20,635		20,635	13
25				888		888	14
4,976,808	774,435	723,359	1,647,000	170,073,644	1,171,076	172,891,720	

Name of Respondent Avista Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/25/2005	Year/Period of Report End of <u>2004/Q4</u>
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**PURCHASED POWER (Account 555)  
(Including power exchanges)**

1. Report all power purchases made during the year. Also report exchanges of electricity (i.e., transactions involving a balancing of debits and credits for energy, capacity, etc.) and any settlements for imbalanced exchanges.
2. Enter the name of the seller or other party in an exchange transaction in column (a). Do not abbreviate or truncate the name or use acronyms. Explain in a footnote any ownership interest or affiliation the respondent has with the seller.
3. In column (b), enter a Statistical Classification Code based on the original contractual terms and conditions of the service as follows:

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**LF** - for long-term firm service. "Long-term" means five years or longer and "firm" means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions (e.g., the supplier must attempt to buy emergency energy from third parties to maintain deliveries of LF service). This category should not be used for long-term firm service firm service which meets the definition of RQ service. For all transaction identified as LF, provide in a footnote the termination date of the contract defined as the earliest date that either buyer or seller can unilaterally get out of the contract.

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**IU** - for intermediate-term service from a designated generating unit. The same as LU service expect that "intermediate-term" means longer than one year but less than five years.

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**OS** - for other service. Use this category only for those services which cannot be placed in the above-defined categories, such as all non-firm service regardless of the Length of the contract and service from designated units of Less than one year. Describe the nature of the service in a footnote for each adjustment.

Line No.	Name of Company or Public Authority (Footnote Affiliations) (a)	Statistical Classification (b)	FERC Rate Schedule or Tariff Number (c)	Average Monthly Billing Demand (MW) (d)	Actual Demand (MW)	
					Average Monthly NCP Demand (e)	Average Monthly CP Demand (f)
1	Mirant Americas Energy Marketing LP	IF	294			
2	Mirant Americas Energy Marketing LP	EX	294			
3	Modesto Irrigation District	SF	WSPP			
4	Morgan Stanley Capital Group	IF	WSPP			
5	Morgan Stanley Capital Group	SF	WSPP			
6	Northpoint Energy	SF	WSPP			
7	NorthWestern Energy LLC	SF	WSPP			
8	NorthWestern Energy LLC	SF	WSPP			
9	Okanogan County PUD No. 1	SF	Okanogan PUD			
10	Pacific Northwest Generating Co-op	SF	WSPP			
11	PacifiCorp	SF	WSPP			
12	PacifiCorp	SF	WSPP			
13	PacifiCorp	EX	160			
14	PPM Energy	LF	PPM Energy			
	<b>Total</b>					

PURCHASED POWER(Account 555) (Continued)  
(including power exchanges)

AD - for out-of-period adjustment. Use this code for any accounting adjustments or "true-ups" for service provided in prior reporting years. Provide an explanation in a footnote for each adjustment.

4. In column (c), identify the FERC Rate Schedule Number or Tariff, or, for non-FERC jurisdictional sellers, include an appropriate designation for the contract. On separate lines, list all FERC rate schedules, tariffs or contract designations under which service, as identified in column (b), is provided.
5. For requirements RQ purchases and any type of service involving demand charges imposed on a monthly (or longer) basis, enter the monthly average billing demand in column (d), the average monthly non-coincident peak (NCP) demand in column (e), and the average monthly coincident peak (CP) demand in column (f). For all other types of service, enter NA in columns (d), (e) and (f). Monthly NCP demand is the maximum metered hourly (60-minute integration) demand in a month. Monthly CP demand is the metered demand during the hour (60-minute integration) in which the supplier's system reaches its monthly peak. Demand reported in columns (e) and (f) must be in megawatts. Footnote any demand not stated on a megawatt basis and explain.
6. Report in column (g) the megawatthours shown on bills rendered to the respondent. Report in columns (h) and (i) the megawatthours of power exchanges received and delivered, used as the basis for settlement. Do not report net exchange.
7. Report demand charges in column (j), energy charges in column (k), and the total of any other types of charges, including out-of-period adjustments, in column (l). Explain in a footnote all components of the amount shown in column (l). Report in column (m) the total charge shown on bills received as settlement by the respondent. For power exchanges, report in column (m) the settlement amount for the net receipt of energy. If more energy was delivered than received, enter a negative amount. If the settlement amount (l) include credits or charges other than incremental generation expenses, or (2) excludes certain credits or charges covered by the agreement, provide an explanatory footnote.
8. The data in column (g) through (m) must be totalled on the last line of the schedule. The total amount in column (g) must be reported as Purchases on Page 401, line 10. The total amount in column (h) must be reported as Exchange Received on Page 401, line 12. The total amount in column (i) must be reported as Exchange Delivered on Page 401, line 13.
9. Footnote entries as required and provide explanations following all required data.

MegaWatt Hours Purchased (g)	POWER EXCHANGES		COST/SETTLEMENT OF POWER				Line No.
	MegaWatt Hours Received (h)	MegaWatt Hours Delivered (i)	Demand Charges (\$ (j))	Energy Charges (\$ (k))	Other Charges (\$ (l))	Total (j+k+l) of Settlement (\$) (m)	
5,523				235,208		235,208	1
	642	312					2
1,130				57,900		57,900	3
183,600				5,140,800		5,140,800	4
218,880				9,701,230		9,701,230	5
25				975		975	6
11,528				617,941		617,941	7
					240	240	8
53,434				2,242,028		2,242,028	9
5,774				262,960		262,960	10
39,169				1,817,711		1,817,711	11
					800	800	12
	19,000				618,996	618,996	13
54,562				1,927,588		1,927,588	14
4,976,808	774,435	723,359	1,647,000	170,073,644	1,171,076	172,891,720	

Name of Respondent Avista Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/25/2005	Year/Period of Report End of 2004/Q4
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**PURCHASED POWER (Account 555)**  
(Including power exchanges)

1. Report all power purchases made during the year. Also report exchanges of electricity (i.e., transactions involving a balancing of debits and credits for energy, capacity, etc.) and any settlements for imbalanced exchanges.
2. Enter the name of the seller or other party in an exchange transaction in column (a). Do not abbreviate or truncate the name or use acronyms. Explain in a footnote any ownership interest or affiliation the respondent has with the seller.
3. In column (b), enter a Statistical Classification Code based on the original contractual terms and conditions of the service as follows:

**RQ** - for requirements service. Requirements service is service which the supplier plans to provide on an ongoing basis (i.e., the supplier includes projects load for this service in its system resource planning). In addition, the reliability of requirement service must be the same as, or second only to, the supplier's service to its own ultimate consumers.

**LF** - for long-term firm service. "Long-term" means five years or longer and "firm" means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions (e.g., the supplier must attempt to buy emergency energy from third parties to maintain deliveries of LF service). This category should not be used for long-term firm service firm service which meets the definition of RQ service. For all transaction identified as LF, provide in a footnote the termination date of the contract defined as the earliest date that either buyer or seller can unilaterally get out of the contract.

**IF** - for intermediate-term firm service. The same as LF service expect that "intermediate-term" means longer than one year but less than five years.

**SF** - for short-term service. Use this category for all firm services, where the duration of each period of commitment for service is one year or less.

**LU** - for long-term service from a designated generating unit. "Long-term" means five years or longer. The availability and reliability of service, aside from transmission constraints, must match the availability and reliability of the designated unit.

**IU** - for intermediate-term service from a designated generating unit. The same as LU service expect that "intermediate-term" means longer than one year but less than five years.

**EX** - For exchanges of electricity. Use this category for transactions involving a balancing of debits and credits for energy, capacity, etc. and any settlements for imbalanced exchanges.

**OS** - for other service. Use this category only for those services which cannot be placed in the above-defined categories, such as all non-firm service regardless of the Length of the contract and service from designated units of Less than one year. Describe the nature of the service in a footnote for each adjustment.

Line No.	Name of Company or Public Authority (Footnote Affiliations) (a)	Statistical Classification (b)	FERC Rate Schedule or Tariff Number (c)	Average Monthly Billing Demand (MW) (d)	Actual Demand (MW)	
					Average Monthly NCP Demand (e)	Average Monthly CP Demand (f)
1	PPM Energy	SF	WSPP			
2	Pend Oreille County PUD No. 1	SF	Pend Oreille PUD			
3	Pend Oreille County PUD No. 1	EX	Generation Imbal			
4	Pend Oreille County PUD No. 1	EX	NWPP			
5	Phillips Ranch	LU	PURPA Agmt			
6	Portland General Electric Company	EX	304			
7	Portland General Electric Company	EX	178			
8	Portland General Electric Company	SF	WSPP			
9	Potlatch Corporation	LU	PURPA Agmt			
10	Powerex	SF	WSPP			
11	PPL Montana	SF	WSPP			
12	Public Service of Colorado	SF	WSPP			
13	Puget Sound Energy	SF	WSPP			
14	Puget Sound Energy	SF	WSPP			
	<b>Total</b>					

Name of Respondent Avista Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/25/2005	Year/Period of Report End of 2004/Q4
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PURCHASED POWER(Account 555), (Continued)  
(Including power exchanges)

AD - for out-of-period adjustment. Use this code for any accounting adjustments or "true-ups" for service provided in prior reporting years. Provide an explanation in a footnote for each adjustment.

4. In column (c), identify the FERC Rate Schedule Number or Tariff, or, for non-FERC jurisdictional sellers, include an appropriate designation for the contract. On separate lines, list all FERC rate schedules, tariffs or contract designations under which service, as identified in column (b), is provided.
5. For requirements RQ purchases and any type of service involving demand charges imposed on a monthly (or longer) basis, enter the monthly average billing demand in column (d), the average monthly non-coincident peak (NCP) demand in column (e), and the average monthly coincident peak (CP) demand in column (f). For all other types of service, enter NA in columns (d), (e) and (f). Monthly NCP demand is the maximum metered hourly (60-minute integration) demand in a month. Monthly CP demand is the metered demand during the hour (60-minute integration) in which the supplier's system reaches its monthly peak. Demand reported in columns (e) and (f) must be in megawatts. Footnote any demand not stated on a megawatt basis and explain.
6. Report in column (g) the megawatthours shown on bills rendered to the respondent. Report in columns (h) and (i) the megawatthours of power exchanges received and delivered, used as the basis for settlement. Do not report net exchange.
7. Report demand charges in column (j), energy charges in column (k), and the total of any other types of charges, including out-of-period adjustments, in column (l). Explain in a footnote all components of the amount shown in column (l). Report in column (m) the total charge shown on bills received as settlement by the respondent. For power exchanges, report in column (m) the settlement amount for the net receipt of energy. If more energy was delivered than received, enter a negative amount. If the settlement amount (l) include credits or charges other than incremental generation expenses, or (2) excludes certain credits or charges covered by the agreement, provide an explanatory footnote.
8. The data in column (g) through (m) must be totalled on the last line of the schedule. The total amount in column (g) must be reported as Purchases on Page 401, line 10. The total amount in column (h) must be reported as Exchange Received on Page 401, line 12. The total amount in column (i) must be reported as Exchange Delivered on Page 401, line 13.
9. Footnote entries as required and provide explanations following all required data.

MegaWatt Hours Purchased (g)	POWER EXCHANGES		COST/SETTLEMENT OF POWER				Line No.
	MegaWatt Hours Received (h)	MegaWatt Hours Delivered (i)	Demand Charges (\$) (j)	Energy Charges (\$) (k)	Other Charges (\$) (l)	Total (j+k+l) of Settlement (\$) (m)	
40,544				1,782,032		1,782,032	1
92,695				3,676,667		3,676,667	2
560				159,296	-84,130	75,166	3
	8,415	7,930			-16,440	-16,440	4
18				637		637	5
	11,038	10,308					6
	451,230	452,595					7
200,738				8,875,450		8,875,450	8
531,177				22,810,886		22,810,886	9
76,100				3,511,354		3,511,354	10
427,562				16,943,028		16,943,028	11
11,412				513,374		513,374	12
36,170				1,655,288		1,655,288	13
					125	125	14
4,976,808	774,435	723,359	1,647,000	170,073,644	1,171,076	172,891,720	

Name of Respondent Avista Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/25/2005	Year/Period of Report End of <u>2004/Q4</u>
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**PURCHASED POWER (Account 555)**  
(Including power exchanges)

1. Report all power purchases made during the year. Also report exchanges of electricity (i.e., transactions involving a balancing of debits and credits for energy, capacity, etc.) and any settlements for imbalanced exchanges.
2. Enter the name of the seller or other party in an exchange transaction in column (a). Do not abbreviate or truncate the name or use acronyms. Explain in a footnote any ownership interest or affiliation the respondent has with the seller.
3. In column (b), enter a Statistical Classification Code based on the original contractual terms and conditions of the service as follows:

RQ - for requirements service. Requirements service is service which the supplier plans to provide on an ongoing basis (i.e., the supplier includes projects load for this service in its system resource planning). In addition, the reliability of requirement service must be the same as, or second only to, the supplier's service to its own ultimate consumers.

LF - for long-term firm service. "Long-term" means five years or longer and "firm" means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions (e.g., the supplier must attempt to buy emergency energy from third parties to maintain deliveries of LF service). This category should not be used for long-term firm service firm service which meets the definition of RQ service. For all transaction identified as LF, provide in a footnote the termination date of the contract defined as the earliest date that either buyer or seller can unilaterally get out of the contract.

IF - for intermediate-term firm service. The same as LF service expect that "intermediate-term" means longer than one year but less than five years.

SF - for short-term service. Use this category for all firm services, where the duration of each period of commitment for service is one year or less.

LU - for long-term service from a designated generating unit. "Long-term" means five years or longer. The availability and reliability of service, aside from transmission constraints, must match the availability and reliability of the designated unit.

IU - for intermediate-term service from a designated generating unit. The same as LU service expect that "intermediate-term" means longer than one year but less than five years.

EX - For exchanges of electricity. Use this category for transactions involving a balancing of debits and credits for energy, capacity, etc. and any settlements for imbalanced exchanges.

OS - for other service. Use this category only for those services which cannot be placed in the above-defined categories, such as all non-firm service regardless of the Length of the contract and service from designated units of Less than one year. Describe the nature of the service in a footnote for each adjustment.

Line No.	Name of Company or Public Authority (Footnote Affiliations) (a)	Statistical Classification (b)	FERC Rate Schedule or Tariff Number (c)	Average Monthly Billing Demand (MW) (d)	Actual Demand (MW)	
					Average Monthly NCP Demand (e)	Average Monthly CP Demand (f)
1	Puget Sound Energy	EX	WSPP			
2	Rainbow Energy Marketing	SF	WSPP			
3	Sacramento Municipal	SF	WSPP			
4	Seattle City Light	SF	WSPP			
5	Sempra Energy Trading	SF	WSPP			
6	Sheep Creek Hydro	LU	PURPA Agmt			
7	Sierra Pacific Power Company	SF	WSPP			
8	Snohomish County PUD No. 1	SF	WSPP			
9	Sovereign Power	IF	Sovereign			
10	Spokane, City of - Upriver Project	LU	PURPA Agmt			
11	Tacoma Power	SF	WSPP			
12	Tacoma Power	SF	WSPP			
13	Tractebel					
14	TransAlta Energy Marketing	SF	WSPP			
	<b>Total</b>					

Name of Respondent Avista Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/25/2005	Year/Period of Report End of 2004/Q4
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PURCHASED POWER(Account 555) (Continued)  
(including power exchanges)

AD - for out-of-period adjustment. Use this code for any accounting adjustments or "true-ups" for service provided in prior reporting years. Provide an explanation in a footnote for each adjustment.

4. In column (c), identify the FERC Rate Schedule Number or Tariff, or, for non-FERC jurisdictional sellers, include an appropriate designation for the contract. On separate lines, list all FERC rate schedules, tariffs or contract designations under which service, as identified in column (b), is provided.
5. For requirements RQ purchases and any type of service involving demand charges imposed on a monthly (or longer) basis, enter the monthly average billing demand in column (d), the average monthly non-coincident peak (NCP) demand in column (e), and the average monthly coincident peak (CP) demand in column (f). For all other types of service, enter NA in columns (d), (e) and (f). Monthly NCP demand is the maximum metered hourly (60-minute integration) demand in a month. Monthly CP demand is the metered demand during the hour (60-minute integration) in which the supplier's system reaches its monthly peak. Demand reported in columns (e) and (f) must be in megawatts. Footnote any demand not stated on a megawatt basis and explain.
6. Report in column (g) the megawatthours shown on bills rendered to the respondent. Report in columns (h) and (i) the megawatthours of power exchanges received and delivered, used as the basis for settlement. Do not report net exchange.
7. Report demand charges in column (j), energy charges in column (k), and the total of any other types of charges, including out-of-period adjustments, in column (l). Explain in a footnote all components of the amount shown in column (l). Report in column (m) the total charge shown on bills received as settlement by the respondent. For power exchanges, report in column (m) the settlement amount for the net receipt of energy. If more energy was delivered than received, enter a negative amount. If the settlement amount (l) include credits or charges other than incremental generation expenses, or (2) excludes certain credits or charges covered by the agreement, provide an explanatory footnote.
8. The data in column (g) through (m) must be totalled on the last line of the schedule. The total amount in column (g) must be reported as Purchases on Page 401, line 10. The total amount in column (h) must be reported as Exchange Received on Page 401, line 12. The total amount in column (i) must be reported as Exchange Delivered on Page 401, line 13.
9. Footnote entries as required and provide explanations following all required data.

MegaWatt Hours Purchased (g)	POWER EXCHANGES		COST/SETTLEMENT OF POWER				Line No.
	MegaWatt Hours Received (h)	MegaWatt Hours Delivered (i)	Demand Charges (\$) (j)	Energy Charges (\$) (k)	Other Charges (\$) (l)	Total (j+k+l) of Settlement (\$) (m)	
	24	21					1
99,013				3,995,734		3,995,734	2
800				33,200		33,200	3
5,191				235,044		235,044	4
3,200				146,170		146,170	5
5,345				472,346		472,346	6
4,200				183,550		183,550	7
8,555				370,036		370,036	8
338				14,057		14,057	9
66,254				2,719,696		2,719,696	10
17,062				759,875		759,875	11
					175	175	12
1,525				81,025		81,025	13
175,008				7,570,157		7,570,157	14
4,976,808	774,435	723,359	1,647,000	170,073,644	1,171,076	172,891,720	

Name of Respondent Avista Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/25/2005	Year/Period of Report End of <u>2004/Q4</u>
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**PURCHASED POWER (Account 555)**  
(including power exchanges)

- Report all power purchases made during the year. Also report exchanges of electricity (i.e., transactions involving a balancing of debits and credits for energy, capacity, etc.) and any settlements for imbalanced exchanges.
- Enter the name of the seller or other party in an exchange transaction in column (a). Do not abbreviate or truncate the name or use acronyms. Explain in a footnote any ownership interest or affiliation the respondent has with the seller.
- In column (b), enter a Statistical Classification Code based on the original contractual terms and conditions of the service as follows:

**RQ** - for requirements service. Requirements service is service which the supplier plans to provide on an ongoing basis (i.e., the supplier includes projects load for this service in its system resource planning). In addition, the reliability of requirement service must be the same as, or second only to, the supplier's service to its own ultimate consumers.

**LF** - for long-term firm service. "Long-term" means five years or longer and "firm" means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions (e.g., the supplier must attempt to buy emergency energy from third parties to maintain deliveries of LF service). This category should not be used for long-term firm service firm service which meets the definition of RQ service. For all transaction identified as LF, provide in a footnote the termination date of the contract defined as the earliest date that either buyer or seller can unilaterally get out of the contract.

**IF** - for intermediate-term firm service. The same as LF service expect that "intermediate-term" means longer than one year but less than five years.

**SF** - for short-term service. Use this category for all firm services, where the duration of each period of commitment for service is one year or less.

**LU** - for long-term service from a designated generating unit. "Long-term" means five years or longer. The availability and reliability of service, aside from transmission constraints, must match the availability and reliability of the designated unit.

**IU** - for intermediate-term service from a designated generating unit. The same as LU service expect that "intermediate-term" means longer than one year but less than five years.

**EX** - For exchanges of electricity. Use this category for transactions involving a balancing of debits and credits for energy, capacity, etc. and any settlements for imbalanced exchanges.

**OS** - for other service. Use this category only for those services which cannot be placed in the above-defined categories, such as all non-firm service regardless of the Length of the contract and service from designated units of Less than one year. Describe the nature of the service in a footnote for each adjustment.

Line No.	Name of Company or Public Authority (Footnote Affiliations) (a)	Statistical Classification (b)	FERC Rate Schedule or Tariff Number (c)	Average Monthly Billing Demand (MW) (d)	Actual Demand (MW)	
					Average Monthly NCP Demand (e)	Average Monthly CP Demand (f)
1	Turlock Irrigation District	SF	WSPP			
2	UBS AG					
3	Wood Power Incorporated	LU	PURPA Agmt			
4	IntraCompany Generation	LF				
5	IntraCompany Losses	SF				
6	Other - Inadvertent Interchange	EX				
7						
8						
9						
10						
11						
12						
13						
14						
	<b>Total</b>					

Name of Respondent Avista Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/25/2005	Year/Period of Report End of 2004/Q4
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PURCHASED POWER(Account 555) (Continued)  
(Including power exchanges)

AD - for out-of-period adjustment. Use this code for any accounting adjustments or "true-ups" for service provided in prior reporting years. Provide an explanation in a footnote for each adjustment.

4. In column (c), identify the FERC Rate Schedule Number or Tariff, or, for non-FERC jurisdictional sellers, include an appropriate designation for the contract. On separate lines, list all FERC rate schedules, tariffs or contract designations under which service, as identified in column (b), is provided.
5. For requirements RQ purchases and any type of service involving demand charges imposed on a monthly (or longer) basis, enter the monthly average billing demand in column (d), the average monthly non-coincident peak (NCP) demand in column (e), and the average monthly coincident peak (CP) demand in column (f). For all other types of service, enter NA in columns (d), (e) and (f). Monthly NCP demand is the maximum metered hourly (60-minute integration) demand in a month. Monthly CP demand is the metered demand during the hour (60-minute integration) in which the supplier's system reaches its monthly peak. Demand reported in columns (e) and (f) must be in megawatts. Footnote any demand not stated on a megawatt basis and explain.
6. Report in column (g) the megawatthours shown on bills rendered to the respondent. Report in columns (h) and (i) the megawatthours of power exchanges received and delivered, used as the basis for settlement. Do not report net exchange.
7. Report demand charges in column (j), energy charges in column (k), and the total of any other types of charges, including out-of-period adjustments, in column (l). Explain in a footnote all components of the amount shown in column (l). Report in column (m) the total charge shown on bills received as settlement by the respondent. For power exchanges, report in column (m) the settlement amount for the net receipt of energy. If more energy was delivered than received, enter a negative amount. If the settlement amount (l) include credits or charges other than incremental generation expenses, or (2) excludes certain credits or charges covered by the agreement, provide an explanatory footnote.
8. The data in column (g) through (m) must be totalled on the last line of the schedule. The total amount in column (g) must be reported as Purchases on Page 401, line 10. The total amount in column (h) must be reported as Exchange Received on Page 401, line 12. The total amount in column (i) must be reported as Exchange Delivered on Page 401, line 13.
9. Footnote entries as required and provide explanations following all required data.

MegaWatt Hours Purchased (g)	POWER EXCHANGES		COST/SETTLEMENT OF POWER				Line No.
	MegaWatt Hours Received (h)	MegaWatt Hours Delivered (i)	Demand Charges (\$) (j)	Energy Charges (\$) (k)	Other Charges (\$) (l)	Total (j+k+l) of Settlement (\$) (m)	
410				30,150		30,150	1
20,400				936,600		936,600	2
					391,997	391,997	3
					33,212	33,212	4
	33,492						5
		54					6
							7
							8
							9
							10
							11
							12
							13
							14
4,976,808	774,435	723,359	1,647,000	170,073,644	1,171,076	172,891,720	

Name of Respondent Avista Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/25/2005	Year/Period of Report End of 2004/Q4
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**TRANSMISSION OF ELECTRICITY FOR OTHERS (Account 456)**  
(Including transactions referred to as 'wheeling')

1. Report all transmission of electricity, i.e., wheeling, provided for other electric utilities, cooperatives, other public authorities, qualifying facilities, non-traditional utility suppliers and ultimate customers for the quarter.
2. Use a separate line of data for each distinct type of transmission service involving the entities listed in column (a), (b) and (c).
3. Report in column (a) the company or public authority that paid for the transmission service. Report in column (b) the company or public authority that the energy was received from and in column (c) the company or public authority that the energy was delivered to. Provide the full name of each company or public authority. Do not abbreviate or truncate name or use acronyms. Explain in a footnote any ownership interest in or affiliation the respondent has with the entities listed in columns (a), (b) or (c)
4. In column (d) enter a Statistical Classification code based on the original contractual terms and conditions of the service as follows: FNO - Firm Network Service for Others, FNS - Firm Network Transmission Service for Self, LFP - "Long-Term Firm Point to Point Transmission Service, OLF - Other Long-Term Firm Transmission Service, SFP - Short-Term Firm Point to Point Transmission Reservation, NF - non-firm transmission service, OS - Other Transmission Service and AD - Out-of-Period Adjustments. Use this code for any accounting adjustments or "true-ups" for service provided in prior reporting periods. Provide an explanation in a footnote for each adjustment. See General Instruction for definitions of codes.

Line No.	Payment By (Company of Public Authority) (Footnote Affiliation) (a)	Energy Received From (Company of Public Authority) (Footnote Affiliation) (b)	Energy Delivered To (Company of Public Authority) (Footnote Affiliation) (c)	Statistical Classification (d)
1	Avista Energy	Northwestern Energy	Grant County PUD	NF
2	Avista Energy	Bonneville Power Administration	Chelan PUD	NF
3	Avista Energy	Northwestern Energy	Chelan PUD	NF
4	Avista Energy	Bonneville Power Administration	Bonneville Power Administration	NF
5	Avista Energy	Bonneville Power Administration	Grant County PUD	NF
6	Avista Energy	Northwestern Energy	Bonneville Power Administration	NF
7	Avista Energy	Northwestern Energy	Puget Sound Energy	NF
8	Avista Energy	Northwestern Energy	Portland General Electric	NF
9	Avista Energy	Bonneville Power Administration	Pacificorp	NF
10	Bonneville Power Administration	Bonneville Power Administration	Bonneville Power Administration	LFP
11	Bonneville Power Administration	Bonneville Power Administration	Idaho Power Company	NF
12	Bonneville Power Administration	Bonneville Power Administration	Bonneville Power Administration	NF
13	Bonneville Power Administration	Northwestern Energy	Bonneville Power Administration	NF
14	Bonneville Power Administration	Bonneville Power Administration	Bonneville Power Administration	SFP
15	Cargill Power Mkt	Douglas Public Util Dist	Idaho Power Company	NF
16	Cargill Power Mkt	Northwestern Energy	Bonneville Power Administration	NF
17	Cargill Power Mkt	Northwestern Energy	Pacificorp	NF
	<b>TOTAL</b>			

Name of Respondent Avista Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/25/2005	Year/Period of Report End of <u>2004/Q4</u>
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TRANSMISSION OF ELECTRICITY FOR OTHERS (Account 456)(Continued)  
(Including transactions referred to as 'wheeling')

5. In column (e), identify the FERC Rate Schedule or Tariff Number, On separate lines, list all FERC rate schedules or contract designations under which service, as identified in column (d), is provided.
6. Report receipt and delivery locations for all single contract path, "point to point" transmission service. In column (f), report the designation for the substation, or other appropriate identification for where energy was received as specified in the contract. In column (g) report the designation for the substation, or other appropriate identification for where energy was delivered as specified in the contract.
7. Report in column (h) the number of megawatts of billing demand that is specified in the firm transmission service contract. Demand reported in column (h) must be in megawatts. Footnote any demand not stated on a megawatts basis and explain.
8. Report in column (i) and (j) the total megawatthours received and delivered.

FERC Rate Schedule of Tariff Number (e)	Point of Receipt (Substation or Other Designation) (f)	Point of Delivery (Substation or Other Designation) (g)	Billing Demand (MW) (h)	TRANSFER OF ENERGY		Line No.
				MegaWatt Hours Received (i)	MegaWatt Hours Delivered (j)	
FERC Elc Trf,				45	45	1
FERC Elc Trf,				20,520	20,520	2
FERC Elc Trf,				21,885	21,885	3
FERC Elc Trf,				59	59	4
FERC Elc Trf,				34	34	5
FERC Elc Trf,				726	726	6
FERC Elc Trf,				184	184	7
FERC Elc Trf,				582	582	8
FERC Elc Trf,				20	20	9
FERC No.				1,679,434	1,679,434	10
FERC Elc Trf,				2,531	2,531	11
FERC Elc Trf,				29,174	29,174	12
FERC Elc Trf,				2,755	2,755	13
FERC Elc Trf,				21,120	21,120	14
FERC Elc Trf,				800	800	15
FERC Elc Trf,				5,758	5,758	16
FERC Elc Trf,				1,050	1,050	17
			197	4,428,355	4,428,355	

Name of Respondent Avista Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/25/2005	Year/Period of Report End of <u>2004/Q4</u>
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**TRANSMISSION OF ELECTRICITY FOR OTHERS (Account 456) (Continued)**  
(Including transactions referred to as 'wheeling')

9. In column (k) through (n), report the revenue amounts as shown on bills or vouchers. In column (k), provide revenues from demand charges related to the billing demand reported in column (h). In column (l), provide revenues from energy charges related to the amount of energy transferred. In column (m), provide the total revenues from all other charges on bills or vouchers rendered, including out of period adjustments. Explain in a footnote all components of the amount shown in column (m). Report in column (n) the total charge shown on bills rendered to the entity Listed in column (a). If no monetary settlement was made, enter zero (11011) in column (n). Provide a footnote explaining the nature of the non-monetary settlement, including the amount and type of energy or service rendered.

10. The total amounts in columns (i) and (j) must be reported as Transmission Received and Transmission Delivered for annual report purposes only on Page 401, Lines 16 and 17, respectively.

11. Footnote entries and provide explanations following all required data.

**REVENUE FROM TRANSMISSION OF ELECTRICITY FOR OTHERS**

Demand Charges (\$) (k)	Energy Charges (\$) (l)	(Other Charges) (\$) (m)	Total Revenues (\$) (k+l+m) (n)	Line No.
	367		367	1
	99,635		99,635	2
	72,973		72,973	3
	178		178	4
	277		277	5
	1,827		1,827	6
	1,062		1,062	7
	3,502		3,502	8
	60		60	9
7,496,114			7,496,114	10
	8,028		8,028	11
	65,972		65,972	12
	6,967		6,967	13
85,272			85,272	14
	2,509		2,509	15
	22,839		22,839	16
	3,614		3,614	17
<b>10,445,878</b>	<b>3,330,620</b>	<b>112,569</b>	<b>13,889,067</b>	

Name of Respondent Avista Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/25/2005	Year/Period of Report End of 2004/Q4
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**TRANSMISSION OF ELECTRICITY FOR OTHERS (Account 456)**  
(Including transactions referred to as 'wheeling')

1. Report all transmission of electricity, i.e., wheeling, provided for other electric utilities, cooperatives, other public authorities, qualifying facilities, non-traditional utility suppliers and ultimate customers for the quarter.
2. Use a separate line of data for each distinct type of transmission service involving the entities listed in column (a), (b) and (c).
3. Report in column (a) the company or public authority that paid for the transmission service. Report in column (b) the company or public authority that the energy was received from and in column (c) the company or public authority that the energy was delivered to. Provide the full name of each company or public authority. Do not abbreviate or truncate name or use acronyms. Explain in a footnote any ownership interest in or affiliation the respondent has with the entities listed in columns (a), (b) or (c)
4. In column (d) enter a Statistical Classification code based on the original contractual terms and conditions of the service as follows: FNO - Firm Network Service for Others, FNS - Firm Network Transmission Service for Self, LFP - "Long-Term Firm Point to Point Transmission Service, OLF - Other Long-Term Firm Transmission Service, SFP - Short-Term Firm Point to Point Transmission Reservation, NF - non-firm transmission service, OS - Other Transmission Service and AD - Out-of-Period Adjustments. Use this code for any accounting adjustments or "true-ups" for service provided in prior reporting periods. Provide an explanation in a footnote for each adjustment. See General Instruction for definitions of codes.

Line No.	Payment By (Company of Public Authority) (Footnote Affiliation) (a)	Energy Received From (Company of Public Authority) (Footnote Affiliation) (b)	Energy Delivered To (Company of Public Authority) (Footnote Affiliation) (c)	Statistical Classification (d)
1	Cargill Power Mkt	Grant County Public Util Dist	Idaho Power Company	NF
2	Cargill Power Mkt	Northwestern Energy	Puget Sound Energy	NF
3	Cargill Power Mkt	Idaho Power Company	Bonneville Power Administration	NF
4	Cargill Power Mkt	Bonneville Power Administration	Northwestern Energy	NF
5	Cargill Power Mkt	Bonneville Power Administration	Chelan Public Utility Dist	NF
6	Cargill Power Mkt	Northwestern Energy	Grant County Public Util Dist	NF
7	Cargill Power Mkt	Bonneville Power Administration	Idaho Power Company	NF
8	Cargill Power Mkt	Northwestern Energy	Chelan Public Utility Dist	NF
9	Consolidated Irrigation	Bonneville Power Administration	Consolidated Irrigation	LFP
10	Grant County Public Utility District	Grant County Public Utility Dist	Grant County Public Utility Dist	LFP
11	Idaho Power Company	Portland General Electric	Idaho Power Company	NF
12	Idaho Power Company	Puget Sound Energy	Idaho Power Company	NF
13	Idaho Power Company	Grant County PUD	Idaho Power Company	NF
14	Idaho Power Company	Pacificorp	Idaho Power Company	NF
15	Idaho Power Company	Idaho Power Company	Bonneville Power Administration	NF
16	Idaho Power Company	Bonneville Power Administration	Idaho Power Company	NF
17	Idaho Power Company	Douglas PUD	Idaho Power Company	NF
	<b>TOTAL</b>			

Name of Respondent Avista Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/25/2005	Year/Period of Report End of 2004/Q4
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TRANSMISSION OF ELECTRICITY FOR OTHERS (Account 456)(Continued)  
(Including transactions referred to as 'wheeling')

5. In column (e), identify the FERC Rate Schedule or Tariff Number, On separate lines, list all FERC rate schedules or contract designations under which service, as identified in column (d), is provided.
6. Report receipt and delivery locations for all single contract path, "point to point" transmission service. In column (f), report the designation for the substation, or other appropriate identification for where energy was received as specified in the contract. In column (g) report the designation for the substation, or other appropriate identification for where energy was delivered as specified in the contract.
7. Report in column (h) the number of megawatts of billing demand that is specified in the firm transmission service contract. Demand reported in column (h) must be in megawatts. Footnote any demand not stated on a megawatts basis and explain.
8. Report in column (i) and (j) the total megawatt-hours received and delivered.

FERC Rate Schedule of Tariff Number (e)	Point of Receipt (Substation or Other Designation) (f)	Point of Delivery (Substation or Other Designation) (g)	Billing Demand (MW) (h)	TRANSFER OF ENERGY		Line No.
				MegaWatt Hours Received (i)	MegaWatt Hours Delivered (j)	
FERC Elc Trf,				789	789	1
FERC Elc Trf,				578	578	2
FERC Elc Trf,				40	40	3
FERC Elc Trf,				516	516	4
FRC Elc Trf,				304	304	5
FERC Elc Trf,				921	921	6
FERC Elc Trf,				2,267	2,267	7
FERC Elc Trf,				334	334	8
FERC Elc Trf,	Bell Substation	Consolidated	4	6,044	6,044	9
FERC No.	Larson Substation	Round Lk Coulee City	25	97,951	97,951	10
FERC Elc Trf,				5,773	5,773	11
FERC Elc Trf,				6,551	6,551	12
FERC Elc Trf,				7,540	7,540	13
FERC Elc Trf,				6,926	6,926	14
FERC Elc Trf,				400	400	15
FERC Elc Trf,				96,922	96,922	16
FERC Elc Trf,				5,779	5,779	17
			197	4,428,355	4,428,355	

Name of Respondent Avista Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/25/2005	Year/Period of Report End of <u>2004/Q4</u>
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**TRANSMISSION OF ELECTRICITY FOR OTHERS (Account 456) (Continued)**  
(Including transactions referred to as 'wheeling')

9. In column (k) through (n), report the revenue amounts as shown on bills or vouchers. In column (k), provide revenues from demand charges related to the billing demand reported in column (h). In column (l), provide revenues from energy charges related to the amount of energy transferred. In column (m), provide the total revenues from all other charges on bills or vouchers rendered, including out of period adjustments. Explain in a footnote all components of the amount shown in column (m). Report in column (n) the total charge shown on bills rendered to the entity Listed in column (a). If no monetary settlement was made, enter zero (11011) in column (n). Provide a footnote explaining the nature of the non-monetary settlement, including the amount and type of energy or service rendered.
10. The total amounts in columns (i) and (j) must be reported as Transmission Received and Transmission Delivered for annual report purposes only on Page 401, Lines 16 and 17, respectively.
11. Footnote entries and provide explanations following all required data.

**REVENUE FROM TRANSMISSION OF ELECTRICITY FOR OTHERS**

Demand Charges (\$) (k)	Energy Charges (\$) (l)	(Other Charges) (\$) (m)	Total Revenues (\$) (k+l+m) (n)	Line No.
	2,475		2,475	1
	2,523		2,523	2
	129		129	3
	3,216		3,216	4
	1,170		1,170	5
	5,264		5,264	6
	8,410		8,410	7
	2,082		2,082	8
32,582		57,376	89,958	9
33,560			33,560	10
	14,636		14,636	11
	14,531		14,531	12
	20,158		20,158	13
	17,909		17,909	14
	960		960	15
	248,703		248,703	16
	13,623		13,623	17
<b>10,445,878</b>	<b>3,330,620</b>	<b>112,569</b>	<b>13,889,067</b>	

Name of Respondent Avista Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/25/2005	Year/Period of Report End of 2004/Q4
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**TRANSMISSION OF ELECTRICITY FOR OTHERS (Account 456)**  
(Including transactions referred to as 'wheeling')

1. Report all transmission of electricity, i.e., wheeling, provided for other electric utilities, cooperatives, other public authorities, qualifying facilities, non-traditional utility suppliers and ultimate customers for the quarter.
2. Use a separate line of data for each distinct type of transmission service involving the entities listed in column (a), (b) and (c).
3. Report in column (a) the company or public authority that paid for the transmission service. Report in column (b) the company or public authority that the energy was received from and in column (c) the company or public authority that the energy was delivered to. Provide the full name of each company or public authority. Do not abbreviate or truncate name or use acronyms. Explain in a footnote any ownership interest in or affiliation the respondent has with the entities listed in columns (a), (b) or (c)
4. In column (d) enter a Statistical Classification code based on the original contractual terms and conditions of the service as follows: FNO - Firm Network Service for Others, FNS - Firm Network Transmission Service for Self, LFP - "Long-Term Firm Point to Point Transmission Service, OLF - Other Long-Term Firm Transmission Service, SFP - Short-Term Firm Point to Point Transmission Reservation, NF - non-firm transmission service, OS - Other Transmission Service and AD - Out-of-Period Adjustments. Use this code for any accounting adjustments or "true-ups" for service provided in prior reporting periods. Provide an explanation in a footnote for each adjustment. See General Instruction for definitions of codes.

Line No.	Payment By (Company of Public Authority) (Footnote Affiliation) (a)	Energy Received From (Company of Public Authority) (Footnote Affiliation) (b)	Energy Delivered To (Company of Public Authority) (Footnote Affiliation) (c)	Statistical Classification (d)
1	Idaho Power Company	Chelan PUD	Idaho Power Company	NF
2	Idaho Power Company	Seattle City Light	Idaho Power Company	NF
3	Idaho Power Company	Grant County Public Utility Dist	Idaho Power Company	SFP
4	Idaho Power Company	Pacificorp	Idaho Power Company	SFP
5	Idaho Power Company	Portland General Electric	Idaho Power Company	SFP
6	Idaho Power Company	Puget Sound Energy	Idaho Power Company	SFP
7	Idaho Power Company	Douglas PUD	Idaho Power Company	SFP
8	Idaho Power Company	Chelan Public Utility Dist	Idaho Power Company	SFP
9	Idaho Power Company	Northwestern Energy	Idaho Power Company	SFP
10	Idaho Power Company	Seattle City Light	Idaho Power Company	SFP
11	Idaho Power Company	Bonneville Power Administration	Idaho Power Company	SFP
12	Idaho Power Company	Idaho Power Company	Chelan Public Utility Dist	NF
13	J Aron	Bonneville Power Administration	Idaho Power Company	NF
14	J Aron	Chelan Public Utility Dist	Idaho Power Company	NF
15	J Aron	Puget Sound Energy	Idaho Power Company	NF
16	Morgan Stanley Capital Group	Northwestern Energy	Portland General Electric	NF
17	Morgan Stanley Capital Group	Bonneville Power Administration	Idaho Power Company	NF
	<b>TOTAL</b>			

Name of Respondent Avista Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/25/2005	Year/Period of Report End of 2004/Q4
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TRANSMISSION OF ELECTRICITY FOR OTHERS (Account 456)(Continued)  
(Including transactions referred to as 'wheeling')

5. In column (e), identify the FERC Rate Schedule or Tariff Number, On separate lines, list all FERC rate schedules or contract designations under which service, as identified in column (d), is provided.
6. Report receipt and delivery locations for all single contract path, "point to point" transmission service. In column (f), report the designation for the substation, or other appropriate identification for where energy was received as specified in the contract. In column (g) report the designation for the substation, or other appropriate identification for where energy was delivered as specified in the contract.
7. Report in column (h) the number of megawatts of billing demand that is specified in the firm transmission service contract. Demand reported in column (h) must be in megawatts. Footnote any demand not stated on a megawatts basis and explain.
8. Report in column (i) and (j) the total megawatthours received and delivered.

FERC Rate Schedule of Tariff Number (e)	Point of Receipt (Substation or Other Designation) (f)	Point of Delivery (Substation or Other Designation) (g)	Billing Demand (MW) (h)	TRANSFER OF ENERGY		Line No.
				MegaWatt Hours Received (i)	MegaWatt Hours Delivered (j)	
FERC Elc Trf,				22,190	22,190	1
FERC Elc Trf,				2,000	2,000	2
FERC Elc Trf,				13,074	13,074	3
FERC Elc Trf,				18,697	18,697	4
FERC Elc Trf,				17,684	17,684	5
FERC Elc Trf,				17,196	17,196	6
FERC Elc Trf,				1,904	1,904	7
FERC Elc Trf,				54,887	54,887	8
FERC Elc Trf,				8,468	8,468	9
FERC Elc Trf,				22,616	22,616	10
FERC Elc Trf,				415,563	415,563	11
FERC Elc Trf,				1,120	1,120	12
FERC Elc Trf,				240	240	13
FERC Elc Trf,				50	50	14
FERC Elc Trf,				18	18	15
FERC Elc Trf,				30	30	16
FERC Elc Trf,				4,021	4,021	17
			197	4,428,355	4,428,355	

Name of Respondent Avista Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/25/2005	Year/Period of Report End of <u>2004/Q4</u>
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**TRANSMISSION OF ELECTRICITY FOR OTHERS (Account 456) (Continued)**  
(Including transactions referred to as 'wheeling')

9. In column (k) through (n), report the revenue amounts as shown on bills or vouchers. In column (k), provide revenues from demand charges related to the billing demand reported in column (h). In column (l), provide revenues from energy charges related to the amount of energy transferred. In column (m), provide the total revenues from all other charges on bills or vouchers rendered, including out of period adjustments. Explain in a footnote all components of the amount shown in column (m). Report in column (n) the total charge shown on bills rendered to the entity Listed in column (a). If no monetary settlement was made, enter zero (11011) in column (n). Provide a footnote explaining the nature of the non-monetary settlement, including the amount and type of energy or service rendered.

10. The total amounts in columns (i) and (j) must be reported as Transmission Received and Transmission Delivered for annual report purposes only on Page 401, Lines 16 and 17, respectively.

11. Footnote entries and provide explanations following all required data.

**REVENUE FROM TRANSMISSION OF ELECTRICITY FOR OTHERS**

Demand Charges (\$) (k)	Energy Charges (\$) (l)	(Other Charges) (\$) (m)	Total Revenues (\$) (k+l+m) (n)	Line No.
	49,203		49,203	1
	5,289		5,289	2
33,818			33,818	3
54,095			54,095	4
55,760			55,760	5
45,553			45,553	6
5,645			5,645	7
168,740			168,740	8
24,752			24,752	9
68,388			68,388	10
1,223,249			1,223,249	11
	2,688		2,688	12
	810		810	13
	146		146	14
	53		53	15
	76		76	16
	13,331		13,331	17
<b>10,445,878</b>	<b>3,330,620</b>	<b>112,569</b>	<b>13,889,067</b>	

Name of Respondent Avista Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/25/2005	Year/Period of Report End of <u>2004/Q4</u>
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**TRANSMISSION OF ELECTRICITY FOR OTHERS (Account 456)**  
(Including transactions referred to as 'wheeling')

- Report all transmission of electricity, i.e., wheeling, provided for other electric utilities, cooperatives, other public authorities, qualifying facilities, non-traditional utility suppliers and ultimate customers for the quarter.
- Use a separate line of data for each distinct type of transmission service involving the entities listed in column (a), (b) and (c).
- Report in column (a) the company or public authority that paid for the transmission service. Report in column (b) the company or public authority that the energy was received from and in column (c) the company or public authority that the energy was delivered to. Provide the full name of each company or public authority. Do not abbreviate or truncate name or use acronyms. Explain in a footnote any ownership interest in or affiliation the respondent has with the entities listed in columns (a), (b) or (c)
- In column (d) enter a Statistical Classification code based on the original contractual terms and conditions of the service as follows: FNO - Firm Network Service for Others, FNS - Firm Network Transmission Service for Self, LFP - "Long-Term Firm Point to Point Transmission Service, OLF - Other Long-Term Firm Transmission Service, SFP - Short-Term Firm Point to Point Transmission Reservation, NF - non-firm transmission service, OS - Other Transmission Service and AD - Out-of-Period Adjustments. Use this code for any accounting adjustments or "true-ups" for service provided in prior reporting periods. Provide an explanation in a footnote for each adjustment. See General Instruction for definitions of codes.

Line No.	Payment By (Company of Public Authority) (Footnote Affiliation) (a)	Energy Received From (Company of Public Authority) (Footnote Affiliation) (b)	Energy Delivered To (Company of Public Authority) (Footnote Affiliation) (c)	Statistical Classification (d)
1	Morgan Stanley Capital Group	Northwestern Energy	Grant County Public Utility Dist	NF
2	Morgan Stanely Capital Group	Idaho Power Company	Bonneville Power Administration	NF
3	Morgan Stanley Capital Group	Northwestern Energy	Bonneville Power Administration	NF
4	Morgan Stanley Capital Group	Chelan PUD	Idaho Power Company	NF
5	Northwestern Energy	Northwestern Energy	Bonneville Power Administration	NF
6	Northwestern Energy	Northwestern Energy	Portland General Electric	NF
7	Northwestern Energy	Northwestern Energy	Chelan Public Utility District	NF
8	Northwestern Energy	Northwestern Energy	Bonneville Power Administration	SFP
9	Northwestern Energy	Northwestern Energy	Chelan Public Utility District	SFP
10	Northwestern Energy	Northwestern Energy	Portland General Electric	SFP
11	Northwestern Energy	Northwestern Energy	Idaho Power Company	SFP
12	Northwestern Energy	Northwestern Energy	Grant County PUD	NF
13	Northwestern Energy	Northwestern Energy	Idaho Power Company	SFP
14	Pacificorp	Idaho Power Company	Pacificorp	NF
15	Pacificorp	Pacificorp	Idaho Power Company	NF
16	PacifiCorp	PacifiCorp	PacifiCorp	LFP
17	PacifiCorp	Northwestern Energy	PacifiCorp	NF
	<b>TOTAL</b>			

Name of Respondent Avista Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/25/2005	Year/Period of Report End of 2004/Q4
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TRANSMISSION OF ELECTRICITY FOR OTHERS (Account 456)(Continued)  
(Including transactions referred to as 'wheeling')

5. In column (e), identify the FERC Rate Schedule or Tariff Number, On separate lines, list all FERC rate schedules or contract designations under which service, as identified in column (d), is provided.
6. Report receipt and delivery locations for all single contract path, "point to point" transmission service. In column (f), report the designation for the substation, or other appropriate identification for where energy was received as specified in the contract. In column (g) report the designation for the substation, or other appropriate identification for where energy was delivered as specified in the contract.
7. Report in column (h) the number of megawatts of billing demand that is specified in the firm transmission service contract. Demand reported in column (h) must be in megawatts. Footnote any demand not stated on a megawatts basis and explain.
8. Report in column (i) and (j) the total megawatthours received and delivered.

FERC Rate Schedule of Tariff Number (e)	Point of Receipt (Substation or Other Designation) (f)	Point of Delivery (Substation or Other Designation) (g)	Billing Demand (MW) (h)	TRANSFER OF ENERGY		Line No.
				MegaWatt Hours Received (i)	MegaWatt Hours Delivered (j)	
FERC Elc Trf,				25	25	1
FERC Elc Trf,				304	304	2
FERC Elc Trf,				192	192	3
FERC Elc Trf,				20	20	4
FERC Elc Trf,				1,288	1,288	5
FERC Elc Trf,				155	155	6
FERC Elc Trf,				679	679	7
FERC Elc Trf,				414	414	8
FERC Elc Trf,				50	50	9
FERC Elc Trf,				50	50	10
FERC Elc Trf,						11
FERC Elc Trf,				135	135	12
FERC Elc Trf,				1,409	1,409	13
FERC Elc Trf,				196	196	14
FERC Elc Trf,				256	256	15
FERC No. 182	Lolo-Walla Walla	Dry Gulch 115/60 KV	20	68,257	68,257	16
FERC Elc Trf,				109,859	109,859	17
			197	4,428,355	4,428,355	

Name of Respondent Avista Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/25/2005	Year/Period of Report End of <u>2004/Q4</u>
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**TRANSMISSION OF ELECTRICITY FOR OTHERS (Account 456) (Continued)**  
(Including transactions referred to as 'wheeling')

9. In column (k) through (n), report the revenue amounts as shown on bills or vouchers. In column (k), provide revenues from demand charges related to the billing demand reported in column (h). In column (l), provide revenues from energy charges related to the amount of energy transferred. In column (m), provide the total revenues from all other charges on bills or vouchers rendered, including out of period adjustments. Explain in a footnote all components of the amount shown in column (m). Report in column (n) the total charge shown on bills rendered to the entity Listed in column (a). If no monetary settlement was made, enter zero (11011) in column (n). Provide a footnote explaining the nature of the non-monetary settlement, including the amount and type of energy or service rendered.

10. The total amounts in columns (i) and (j) must be reported as Transmission Received and Transmission Delivered for annual report purposes only on Page 401, Lines 16 and 17, respectively.

11. Footnote entries and provide explanations following all required data.

**REVENUE FROM TRANSMISSION OF ELECTRICITY FOR OTHERS**

Demand Charges (\$) (k)	Energy Charges (\$) (l)	(Other Charges) (\$) (m)	Total Revenues (\$) (k+l+m) (n)	Line No.
	64		64	1
	912		912	2
	488		488	3
	60		60	4
	3,587		3,587	5
	365		365	6
	3,225		3,225	7
9,800			9,800	8
4,900			4,900	9
4,900			4,900	10
9,800			9,800	11
	507		507	12
19,380			19,380	13
	464		464	14
	522		522	15
305,102			305,102	16
	339,785		339,785	17
10,445,878	3,330,620	112,569	13,889,067	

Name of Respondent Avista Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/25/2005	Year/Period of Report End of 2004/Q4
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**TRANSMISSION OF ELECTRICITY FOR OTHERS (Account 456)**  
(Including transactions referred to as 'wheeling')

1. Report all transmission of electricity, i.e., wheeling, provided for other electric utilities, cooperatives, other public authorities, qualifying facilities, non-traditional utility suppliers and ultimate customers for the quarter.
2. Use a separate line of data for each distinct type of transmission service involving the entities listed in column (a), (b) and (c).
3. Report in column (a) the company or public authority that paid for the transmission service. Report in column (b) the company or public authority that the energy was received from and in column (c) the company or public authority that the energy was delivered to. Provide the full name of each company or public authority. Do not abbreviate or truncate name or use acronyms. Explain in a footnote any ownership interest in or affiliation the respondent has with the entities listed in columns (a), (b) or (c)
4. In column (d) enter a Statistical Classification code based on the original contractual terms and conditions of the service as follows: FNO - Firm Network Service for Others, FNS - Firm Network Transmission Service for Self, LFP - "Long-Term Firm Point to Point Transmission Service, OLF - Other Long-Term Firm Transmission Service, SFP - Short-Term Firm Point to Point Transmission Reservation, NF - non-firm transmission service, OS - Other Transmission Service and AD - Out-of-Period Adjustments. Use this code for any accounting adjustments or "true-ups" for service provided in prior reporting periods. Provide an explanation in a footnote for each adjustment. See General Instruction for definitions of codes.

Line No.	Payment By (Company of Public Authority) (Footnote Affiliation) (a)	Energy Received From (Company of Public Authority) (Footnote Affiliation) (b)	Energy Delivered To (Company of Public Authority) (Footnote Affiliation) (c)	Statistical Classification (d)
1	PacifiCorp	PacifiCorp	Northwestern Energy	NF
2	PacifiCorp Power Marketing	Northwestern Energy	Bonneville Power Administration	NF
3	PacifiCorp Power Marketing	Northwestern Energy	Portland General Electric	NF
4	PacifiCorp Power Marketing	Bonneville Power Administration	Idaho Power Company	NF
5	PacifiCorp Power Marketing	Grant County Public Utility Dist	Idaho Power Company	NF
6	PPL Montana	Grant County PUD	Idaho Power Company	NF
7	PPL Montana	Northwestern Energy	PacifiCorp	NF
8	PPL Montana	Northwestern Energy	Douglas PUD	NF
9	PPL Montana	Northwestern Energy	Chelan PUD	NF
10	PPL Montana	Northwestern Energy	Grant County PUD	NF
11	PPL Montana	PacifiCorp	Northwestern Energy	NF
12	PPL Montana	Northwestern Energy	Idaho Power Company	NF
13	PPL Montana	Northwestern Energy	Puget Sound Energy	NF
14	PPL Montana	Northwestern Energy	Bonneville Power Administration	NF
15	PPL Montana	Grant County PUD	Northwestern Energy	NF
16	PPL Montana	Northwestern Energy	Chelan PUD	SFP
17	PPL Montana	Idaho Power Company	Grant County PUD	NF
	<b>TOTAL</b>			

Name of Respondent Avista Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/25/2005	Year/Period of Report End of 2004/Q4
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TRANSMISSION OF ELECTRICITY FOR OTHERS (Account 456)(Continued)  
(Including transactions referred to as 'wheeling')

5. In column (e), identify the FERC Rate Schedule or Tariff Number, On separate lines, list all FERC rate schedules or contract designations under which service, as identified in column (d), is provided.
6. Report receipt and delivery locations for all single contract path, "point to point" transmission service. In column (f), report the designation for the substation, or other appropriate identification for where energy was received as specified in the contract. In column (g) report the designation for the substation, or other appropriate identification for where energy was delivered as specified in the contract.
7. Report in column (h) the number of megawatts of billing demand that is specified in the firm transmission service contract. Demand reported in column (h) must be in megawatts. Footnote any demand not stated on a megawatts basis and explain.
8. Report in column (i) and (j) the total megawatthours received and delivered.

FERC Rate Schedule of Tariff Number (e)	Point of Receipt (Substation or Other Designation) (f)	Point of Delivery (Substation or Other Designation) (g)	Billing Demand (MW) (h)	TRANSFER OF ENERGY		Line No.
				MegaWatt Hours Received (i)	MegaWatt Hours Delivered (j)	
FERC Elc Trf,				5,480	5,480	1
FERC Elc Trf,				3,000	3,000	2
FERC Elc Trf,				400	400	3
FERc Elc Trf,				800	800	4
FERC Elc Trf,				1,200	1,200	5
FERC Elc Trf,				120	120	6
FERC Elc Trf,				48,931	48,931	7
FERC Elc Trf,				400	400	8
FERC Elc Trf,				11,653	11,653	9
FERC Elc Trf,				42,690	42,690	10
FERC Elc Trf,				65	65	11
FERC Elc Trf,				46,059	46,059	12
FERC Elc Trf,				70,544	70,544	13
FERC Elc Trf,				173,204	173,204	14
FERC Elc Trf,				760	760	15
FERC Elc Trf,				26,378	26,378	16
FERC Elc Trf,				352	352	17
			197	4,428,355	4,428,355	

Name of Respondent Avista Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/25/2005	Year/Period of Report End of 2004/Q4
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**TRANSMISSION OF ELECTRICITY FOR OTHERS (Account 456) (Continued)**  
(Including transactions referred to as 'wheeling')

9. In column (k) through (n), report the revenue amounts as shown on bills or vouchers. In column (k), provide revenues from demand charges related to the billing demand reported in column (h). In column (l), provide revenues from energy charges related to the amount of energy transferred. In column (m), provide the total revenues from all other charges on bills or vouchers rendered, including out of period adjustments. Explain in a footnote all components of the amount shown in column (m). Report in column (n) the total charge shown on bills rendered to the entity Listed in column (a). If no monetary settlement was made, enter zero (11011) in column (n). Provide a footnote explaining the nature of the non-monetary settlement, including the amount and type of energy or service rendered.

10. The total amounts in columns (i) and (j) must be reported as Transmission Received and Transmission Delivered for annual report purposes only on Page 401, Lines 16 and 17, respectively.

11. Footnote entries and provide explanations following all required data.

**REVENUE FROM TRANSMISSION OF ELECTRICITY FOR OTHERS**

Demand Charges (\$) (k)	Energy Charges (\$) (l)	(Other Charges) (\$) (m)	Total Revenues (\$) (k+l+m) (n)	Line No.
	16,095		16,095	1
	10,157		10,157	2
	1,393		1,393	3
	2,409		2,409	4
	3,166		3,166	5
	251		251	6
	122,190		122,190	7
	844		844	8
	28,974		28,974	9
	107,816		107,816	10
	132		132	11
	127,232		127,232	12
	170,852		170,852	13
	415,547		415,547	14
	1,730		1,730	15
57,990			57,990	16
	944		944	17
<b>10,445,878</b>	<b>3,330,620</b>	<b>112,569</b>	<b>13,889,067</b>	

Name of Respondent Avista Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/25/2005	Year/Period of Report End of <u>2004/Q4</u>
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**TRANSMISSION OF ELECTRICITY FOR OTHERS (Account 456)**  
(including transactions referred to as 'wheeling')

1. Report all transmission of electricity, i.e., wheeling, provided for other electric utilities, cooperatives, other public authorities, qualifying facilities, non-traditional utility suppliers and ultimate customers for the quarter.
2. Use a separate line of data for each distinct type of transmission service involving the entities listed in column (a), (b) and (c).
3. Report in column (a) the company or public authority that paid for the transmission service. Report in column (b) the company or public authority that the energy was received from and in column (c) the company or public authority that the energy was delivered to. Provide the full name of each company or public authority. Do not abbreviate or truncate name or use acronyms. Explain in a footnote any ownership interest in or affiliation the respondent has with the entities listed in columns (a), (b) or (c)
4. In column (d) enter a Statistical Classification code based on the original contractual terms and conditions of the service as follows: FNO - Firm Network Service for Others, FNS - Firm Network Transmission Service for Self, LFP - "Long-Term Firm Point to Point Transmission Service, OLF - Other Long-Term Firm Transmission Service, SFP - Short-Term Firm Point to Point Transmission Reservation, NF - non-firm transmission service, OS - Other Transmission Service and AD - Out-of-Period Adjustments. Use this code for any accounting adjustments or "true-ups" for service provided in prior reporting periods. Provide an explanation in a footnote for each adjustment. See General Instruction for definitions of codes.

Line No.	Payment By (Company of Public Authority) (Footnote Affiliation) (a)	Energy Received From (Company of Public Authority) (Footnote Affiliation) (b)	Energy Delivered To (Company of Public Authority) (Footnote Affiliation) (c)	Statistical Classification (d)
1	PPL Montana	Idaho Power Company	Chelan PUD	NF
2	PPL Montana	Northwestern Energy	Portland General Electric	NF
3	PPL Montana	Idaho Power Company	Bonneville Power Administration	NF
4	Portland General Electric	Northwestern Energy	Portland General Electric	OS
5	Powerex	Northwestern Energy	Bonneville Power Administration	NF
6	Powerex	Idaho Power Company	Bonneville Power Administration	NF
7	Powerex	Bonneville Power Administration	Bonneville Power Administration	NF
8	Powerex	Northwestern Energy	Portland General Electric	NF
9	Powerex	Northwestern Energy	Pacificorp	NF
10	Powerex	Bonneville Power Administration	Idaho Power Company	NF
11	Rainbow Energy Marketing Corp.	Northwestern Energy	Puget Sound Energy	NF
12	Puget Sound Energy	Bonneville Power Administration	PSP	NF
13	Puget Sound Energy	Northwestern Energy	Puget Sound Energy	NF
14	Puget Sound Energy	Northwestern Energy	Puget Sound Energy	SFP
15	Sempra	Bonneville Power Administration	Idaho Power Company	NF
16	Sempra	Grant County Public Util Dist	Idaho Power Company	NF
17	Sempra	Puget Sound Energy	Idaho Power Company	NF
	<b>TOTAL</b>			

Name of Respondent Avista Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/25/2005	Year/Period of Report End of 2004/Q4
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TRANSMISSION OF ELECTRICITY FOR OTHERS (Account 456)(Continued)  
(Including transactions referred to as 'wheeling')

5. In column (e), identify the FERC Rate Schedule or Tariff Number, On separate lines, list all FERC rate schedules or contract designations under which service, as identified in column (d), is provided.
6. Report receipt and delivery locations for all single contract path, "point to point" transmission service. In column (f), report the designation for the substation, or other appropriate identification for where energy was received as specified in the contract. In column (g) report the designation for the substation, or other appropriate identification for where energy was delivered as specified in the contract.
7. Report in column (h) the number of megawatts of billing demand that is specified in the firm transmission service contract. Demand reported in column (h) must be in megawatts. Footnote any demand not stated on a megawatts basis and explain.
8. Report in column (i) and (j) the total megawatthours received and delivered.

FERC Rate Schedule of Tariff Number (e)	Point of Receipt (Substation or Other Designation) (f)	Point of Delivery (Substation or Other Designation) (g)	Billing Demand (MW) (h)	TRANSFER OF ENERGY		Line No.
				MegaWatt Hours Received (i)	MegaWatt Hours Delivered (j)	
FERC Elc Trf,				50	50	1
FERC Elc Trf,				72,630	72,630	2
FERC Elc Trf,				150	150	3
FERC Elc Trf,				18,130	18,130	4
FERC Elc Trf,				37,992	37,992	5
FERC Elc Trf,				306	306	6
FERC Elc Trf,				52	52	7
FERC Elc Trf,				88	88	8
FERC Elc Trf,				384	384	9
FERC Elc Trf,				5,708	5,708	10
FERC Elc Trf,				2,281	2,281	11
FERC Elc Trf,				447	447	12
FERC Elc Trf,				22,010	22,010	13
FERC Elc Trf,				15,981	15,981	14
FERC Elc Trf,				17,720	17,720	15
FERC Elc Trf,				400	400	16
FERC Elc Trf,				400	400	17
			197	4,428,355	4,428,355	

Name of Respondent Avista Corporation	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/25/2005	Year/Period of Report End of <u>2004/Q4</u>
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**TRANSMISSION OF ELECTRICITY FOR OTHERS (Account 456) (Continued)**  
(Including transactions referred to as 'wheeling')

9. In column (k) through (n), report the revenue amounts as shown on bills or vouchers. In column (k), provide revenues from demand charges related to the billing demand reported in column (h). In column (l), provide revenues from energy charges related to the amount of energy transferred. In column (m), provide the total revenues from all other charges on bills or vouchers rendered, including out of period adjustments. Explain in a footnote all components of the amount shown in column (m). Report in column (n) the total charge shown on bills rendered to the entity Listed in column (a). If no monetary settlement was made, enter zero (11011) in column (n). Provide a footnote explaining the nature of the non-monetary settlement, including the amount and type of energy or service rendered.

10. The total amounts in columns (i) and (j) must be reported as Transmission Received and Transmission Delivered for annual report purposes only on Page 401, Lines 16 and 17, respectively.

11. Footnote entries and provide explanations following all required data.

**REVENUE FROM TRANSMISSION OF ELECTRICITY FOR OTHERS**

Demand Charges (\$) (k)	Energy Charges (\$) (l)	(Other Charges) (\$) (m)	Total Revenues (\$) (k+l+m) (n)	Line No.
	134		134	1
	175,298		175,298	2
	402		402	3
	47,245		47,245	4
	123,226		123,226	5
	1,531		1,531	6
	186		186	7
	183		183	8
	1,149		1,149	9
	22,548		22,548	10
	6,383		6,383	11
	4,516		4,516	12
	93,335		93,335	13
59,690			59,690	14
	66,414		66,414	15
	1,587		1,587	16
	1,200		1,200	17
<b>10,445,878</b>	<b>3,330,620</b>	<b>112,569</b>	<b>13,889,067</b>	

Name of Respondent Avista Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/25/2005	Year/Period of Report End of 2004/Q4
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**TRANSMISSION OF ELECTRICITY FOR OTHERS (Account 456)**  
(Including transactions referred to as 'wheeling')

- Report all transmission of electricity, i.e., wheeling, provided for other electric utilities, cooperatives, other public authorities, qualifying facilities, non-traditional utility suppliers and ultimate customers for the quarter.
- Use a separate line of data for each distinct type of transmission service involving the entities listed in column (a), (b) and (c).
- Report in column (a) the company or public authority that paid for the transmission service. Report in column (b) the company or public authority that the energy was received from and in column (c) the company or public authority that the energy was delivered to. Provide the full name of each company or public authority. Do not abbreviate or truncate name or use acronyms. Explain in a footnote any ownership interest in or affiliation the respondent has with the entities listed in columns (a), (b) or (c)
- In column (d) enter a Statistical Classification code based on the original contractual terms and conditions of the service as follows: FNO - Firm Network Service for Others, FNS - Firm Network Transmission Service for Self, LFP - "Long-Term Firm Point to Point Transmission Service, OLF - Other Long-Term Firm Transmission Service, SFP - Short-Term Firm Point to Point Transmission Reservation, NF - non-firm transmission service, OS - Other Transmission Service and AD - Out-of-Period Adjustments. Use this code for any accounting adjustments or "true-ups" for service provided in prior reporting periods. Provide an explanation in a footnote for each adjustment. See General Instruction for definitions of codes.

Line No.	Payment By (Company of Public Authority) (Footnote Affiliation) (a)	Energy Received From (Company of Public Authority) (Footnote Affiliation) (b)	Energy Delivered To (Company of Public Authority) (Footnote Affiliation) (c)	Statistical Classification (d)
1	Sempra	Bonneville Power Administration	Idaho Power Company	SFP
2	Sempra	Grant County PUD	Idaho Power Company	SFP
3	Sempra	Puget Sound Energy	Idaho Power Company	SFP
4	Sempra	Chelan Public Utility District	Idaho Power Company	SFP
5	Sempra	Seattle City Light	Idaho Power Company	SFP
6	Sempra	Pacificorp	Idaho Power Company	SFP
7	Sierra Pacific Power	Bonneville Power Administration	Idaho Power Company	SFP
8	Sierra Pacific Power	Grant County Public Util Dist	Idaho Power Company	SFP
9	Sierra Pacific Power	Northwestern Energy	Idaho Power Company	SFP
10	Sierra Pacific Power	PacifiCorp	Idaho Power Company	SFP
11	Sierra Pacific Power	Puget Sound Energy	Idaho Power Company	SFP
12	Sierra Pacific Power	Chelan Public Utility District	Idaho Power Company	NF
13	Sierra Pacific Power	Northwestern Energy	Bonneville Power Administration	NF
14	Seattle City Light	Seattle City Light	Seattle City Light	LFP
15	Sierra Pacific Power	Douglas PUD	Idaho Power Company	NF
16	Sierra Pacific Power	Chelan PUD	Idaho Power Company	SFP
17	Sierra Pacific Power	Grant PUD	Idaho Power Company	NF
	<b>TOTAL</b>			

Name of Respondent Avista Corporation	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/25/2005	Year/Period of Report End of 2004/Q4
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TRANSMISSION OF ELECTRICITY FOR OTHERS (Account 456)(Continued)  
(Including transactions referred to as 'wheeling')

5. In column (e), identify the FERC Rate Schedule or Tariff Number, On separate lines, list all FERC rate schedules or contract designations under which service, as identified in column (d), is provided.
6. Report receipt and delivery locations for all single contract path, "point to point" transmission service. In column (f), report the designation for the substation, or other appropriate identification for where energy was received as specified in the contract. In column (g) report the designation for the substation, or other appropriate identification for where energy was delivered as specified in the contract.
7. Report in column (h) the number of megawatts of billing demand that is specified in the firm transmission service contract. Demand reported in column (h) must be in megawatts. Footnote any demand not stated on a megawatts basis and explain.
8. Report in column (i) and (j) the total megawatthours received and delivered.

FERC Rate Schedule of Tariff Number (e)	Point of Receipt (Substation or Other Designation) (f)	Point of Delivery (Substation or Other Designation) (g)	Billing Demand (MW) (h)	TRANSFER OF ENERGY		Line No.
				MegaWatt Hours Received (i)	MegaWatt Hours Delivered (j)	
FERC Elc Trf,				7,777	7,777	1
FERC Elc Trf,				397	397	2
FERC Elc Trf,				16	16	3
FERC Elc Trf,				1,696	1,696	4
FERC Elc Trf,				1,200	1,200	5
FERC Elc Trf,				75	75	6
FERC Elc Trf,				57,798	57,798	7
FERC Elc Trf,				280	280	8
FERC Elc Trf,				800	800	9
FERC Elc Trf,				1,400	1,400	10
FERC Elc Trf,				1,600	1,600	11
FERC Elc Trf,				600	600	12
FERC Elc Trf,				150	150	13
FERC No.	Main Canal/SmmrFalls	Bell Substation	58	237,631	237,631	14
FERC Elc Trf,				2,735	2,735	15
FERC Elc Trf,				22,937	22,937	16
FERC Elc Trf,				3,755	3,755	17
			197	4,428,355	4,428,355	

Name of Respondent Avista Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/25/2005	Year/Period of Report End of 2004/Q4
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**TRANSMISSION OF ELECTRICITY FOR OTHERS (Account 456) (Continued)**  
(Including transactions referred to as 'wheeling')

9. In column (k) through (n), report the revenue amounts as shown on bills or vouchers. In column (k), provide revenues from demand charges related to the billing demand reported in column (h). In column (l), provide revenues from energy charges related to the amount of energy transferred. In column (m), provide the total revenues from all other charges on bills or vouchers rendered, including out of period adjustments. Explain in a footnote all components of the amount shown in column (m). Report in column (n) the total charge shown on bills rendered to the entity Listed in column (a). If no monetary settlement was made, enter zero (11011) in column (n). Provide a footnote explaining the nature of the non-monetary settlement, including the amount and type of energy or service rendered.

10. The total amounts in columns (i) and (j) must be reported as Transmission Received and Transmission Delivered for annual report purposes only on Page 401, Lines 16 and 17, respectively.

11. Footnote entries and provide explanations following all required data.

**REVENUE FROM TRANSMISSION OF ELECTRICITY FOR OTHERS**

Demand Charges (\$) (k)	Energy Charges (\$) (l)	(Other Charges) (\$) (m)	Total Revenues (\$) (k+l+m) (n)	Line No.
54,615			54,615	1
2,766			2,766	2
128			128	3
11,126			11,126	4
7,872			7,872	5
492			492	6
129,513			129,513	7
628			628	8
1,793			1,793	9
3,137			3,137	10
3,585			3,585	11
1,344			1,344	12
	447		447	13
102,780			102,780	14
	5,549		5,549	15
	64,289		64,289	16
	8,912		8,912	17
<b>10,445,878</b>	<b>3,330,620</b>	<b>112,569</b>	<b>13,889,067</b>	

Name of Respondent Avista Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/25/2005	Year/Period of Report End of <u>2004/Q4</u>
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**TRANSMISSION OF ELECTRICITY FOR OTHERS (Account 456)**  
(Including transactions referred to as 'wheeling')

1. Report all transmission of electricity, i.e., wheeling, provided for other electric utilities, cooperatives, other public authorities, qualifying facilities, non-traditional utility suppliers and ultimate customers for the quarter.
2. Use a separate line of data for each distinct type of transmission service involving the entities listed in column (a), (b) and (c).
3. Report in column (a) the company or public authority that paid for the transmission service. Report in column (b) the company or public authority that the energy was received from and in column (c) the company or public authority that the energy was delivered to. Provide the full name of each company or public authority. Do not abbreviate or truncate name or use acronyms. Explain in a footnote any ownership interest in or affiliation the respondent has with the entities listed in columns (a), (b) or (c)
4. In column (d) enter a Statistical Classification code based on the original contractual terms and conditions of the service as follows: FNO - Firm Network Service for Others, FNS - Firm Network Transmission Service for Self, LFP - "Long-Term Firm Point to Point Transmission Service, OLF - Other Long-Term Firm Transmission Service, SFP - Short-Term Firm Point to Point Transmission Reservation, NF - non-firm transmission service, OS - Other Transmission Service and AD - Out-of-Period Adjustments. Use this code for any accounting adjustments or "true-ups" for service provided in prior reporting periods. Provide an explanation in a footnote for each adjustment. See General Instruction for definitions of codes.

Line No.	Payment By (Company of Public Authority) (Footnote Affiliation) (a)	Energy Received From (Company of Public Authority) (Footnote Affiliation) (b)	Energy Delivered To (Company of Public Authority) (Footnote Affiliation) (c)	Statistical Classification (d)
1	Sierra Pacific Power	Portland General Electric	Idaho Power Company	NF
2	Sierra Pacific Power	Seattle City Light	Idaho Power Company	NF
3	Sierra Pacific Power	Northwestern Energy	Idaho Power Company	NF
4	Sierra Pacific Power	Pacificorp	Idaho Power Company	NF
5	Sierra Pacific Power	Puget Sound Energy	Idaho Power Company	NF
6	Sierra Pacific Power	Bonneville Power Administration	Idaho Power Company	NF
7	City of Spokane	City of Spokane	Puget Sound Energy	LFP
8	Spokane Tribe of Indians	Bonneville Power Administration	Spokane Indian Tribes	LFP
9	Tacoma City Light	Tacoma City Light	Tacoma City Light	LFP
10	US Bureau of Reclamation	Bonneville Power Administration	East Greenacres	LFP
11	Xcel Energy	Northwestern Energy	Bonneville Power Administration	NF
12	Xcel Energy	Northwestern Energy	Grant County PUD	NF
13	Xcel Energy	Northwestern Energy	Puget Sound Energy	NF
14	Xcel Energy	Northwestern Energy	Portland General Electric	NF
15	Xcel Energy	Northwestern Energy	Idaho Power Company	NF
16	Xcel Energy	Northwestern Energy	Pacificorp	NF
17	Xcel Energy	Grant County PUD	Northwestern Energy	NF
	<b>TOTAL</b>			

Name of Respondent Avista Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/25/2005	Year/Period of Report End of 2004/Q4
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TRANSMISSION OF ELECTRICITY FOR OTHERS (Account 456)(Continued)  
(Including transactions referred to as 'wheeling')

5. In column (e), identify the FERC Rate Schedule or Tariff Number, On separate lines, list all FERC rate schedules or contract designations under which service, as identified in column (d), is provided.
6. Report receipt and delivery locations for all single contract path, "point to point" transmission service. In column (f), report the designation for the substation, or other appropriate identification for where energy was received as specified in the contract. In column (g) report the designation for the substation, or other appropriate identification for where energy was delivered as specified in the contract.
7. Report in column (h) the number of megawatts of billing demand that is specified in the firm transmission service contract. Demand reported in column (h) must be in megawatts. Footnote any demand not stated on a megawatts basis and explain.
8. Report in column (i) and (j) the total megawatthours received and delivered.

FERC Rate Schedule of Tariff Number (e)	Point of Receipt (Substation or Other Designation) (f)	Point of Delivery (Substation or Other Designation) (g)	Billing Demand (MW) (h)	TRANSFER OF ENERGY		Line No.
				MegaWatt Hours Received (i)	MegaWatt Hours Delivered (j)	
FERC Elc Trf,				256	256	1
FERC Elc Trf,				2,375	2,375	2
FERC Elc Trf,				825	825	3
FERC Elc Trf,				6,336	6,336	4
FERC Elc Trf,				17,976	17,976	5
FERC Elc Trf,				183,382	183,382	6
FERC No.	Sunset Trans. Line	Westside Substation	23	148,603	148,603	7
FERC No.	Westside Substation	Little Falls Substa.	2	3,019	3,019	8
FERC No.	Main Canal/SmmrFalls	Bell Substation	58	237,631	237,631	9
FERC No. 90.2	Bell Substation	E Greenacres Irr	3	3,165	3,165	10
FERC Elc Trf,				9,355	9,355	11
FERC Elc Trf,				800	800	12
FERC Elc Trf,				3,385	3,385	13
FERC Elc Trf,				2,015	2,015	14
FERC Elc Trf,				1,131	1,131	15
FERC Elc Trf,				850	850	16
FERC Elc Trf,				350	350	17
			197	4,428,355	4,428,355	

Name of Respondent Avista Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/25/2005	Year/Period of Report End of <u>2004/Q4</u>
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**TRANSMISSION OF ELECTRICITY FOR OTHERS (Account 456) (Continued)**  
(Including transactions referred to as 'wheeling')

9. In column (k) through (n), report the revenue amounts as shown on bills or vouchers. In column (k), provide revenues from demand charges related to the billing demand reported in column (h). In column (l), provide revenues from energy charges related to the amount of energy transferred. In column (m), provide the total revenues from all other charges on bills or vouchers rendered, including out of period adjustments. Explain in a footnote all components of the amount shown in column (m). Report in column (n) the total charge shown on bills rendered to the entity Listed in column (a). If no monetary settlement was made, enter zero (11011) in column (n). Provide a footnote explaining the nature of the non-monetary settlement, including the amount and type of energy or service rendered.
10. The total amounts in columns (i) and (j) must be reported as Transmission Received and Transmission Delivered for annual report purposes only on Page 401, Lines 16 and 17, respectively.
11. Footnote entries and provide explanations following all required data.

**REVENUE FROM TRANSMISSION OF ELECTRICITY FOR OTHERS**

Demand Charges (\$) (k)	Energy Charges (\$) (l)	(Other Charges) (\$) (m)	Total Revenues (\$) (k+l+m) (n)	Line No.
	771		771	1
	7,725		7,725	2
	2,484		2,484	3
	13,432		13,432	4
	40,815		40,815	5
	464,685		464,685	6
127,506		32,088	159,594	7
				8
102,780			102,780	9
29,235			29,235	10
	30,816		30,816	11
	2,607		2,607	12
	9,868		9,868	13
	6,069		6,069	14
	3,685		3,685	15
	3,163		3,163	16
	1,141		1,141	17
<b>10,445,878</b>	<b>3,330,620</b>	<b>112,569</b>	<b>13,889,067</b>	

Name of Respondent Avista Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/25/2005	Year/Period of Report End of 2004/Q4
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**TRANSMISSION OF ELECTRICITY FOR OTHERS (Account 456)**  
(Including transactions referred to as 'wheeling')

1. Report all transmission of electricity, i.e., wheeling, provided for other electric utilities, cooperatives, other public authorities, qualifying facilities, non-traditional utility suppliers and ultimate customers for the quarter.

2. Use a separate line of data for each distinct type of transmission service involving the entities listed in column (a), (b) and (c).

3. Report in column (a) the company or public authority that paid for the transmission service. Report in column (b) the company or public authority that the energy was received from and in column (c) the company or public authority that the energy was delivered to. Provide the full name of each company or public authority. Do not abbreviate or truncate name or use acronyms. Explain in a footnote any ownership interest in or affiliation the respondent has with the entities listed in columns (a), (b) or (c)

4. In column (d) enter a Statistical Classification code based on the original contractual terms and conditions of the service as follows: FNO - Firm Network Service for Others, FNS - Firm Network Transmission Service for Self, LFP - "Long-Term Firm Point to Point Transmission Service, OLF - Other Long-Term Firm Transmission Service, SFP - Short-Term Firm Point to Point Transmission Reservation, NF - non-firm transmission service, OS - Other Transmission Service and AD - Out-of-Period Adjustments. Use this code for any accounting adjustments or "true-ups" for service provided in prior reporting periods. Provide an explanation in a footnote for each adjustment. See General Instruction for definitions of codes.

Line No.	Payment By (Company of Public Authority) (Footnote Affiliation) (a)	Energy Received From (Company of Public Authority) (Footnote Affiliation) (b)	Energy Delivered To (Company of Public Authority) (Footnote Affiliation) (c)	Statistical Classification (d)
1	Xcel Energy	Bonneville Power Administration	Northwestern Energy	NF
2	Vaagen Brothers Lumber Company	Vaagen Brothers Lumber Company	Idaho Power Company	LFP
3				
4				
5				
6				
7				
8				
9				
10				
11				
12				
13				
14				
15				
16				
17				
	<b>TOTAL</b>			

Name of Respondent Avista Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/25/2005	Year/Period of Report End of 2004/Q4
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**TRANSMISSION OF ELECTRICITY FOR OTHERS (Account 456)(Continued)**  
(Including transactions referred to as 'wheeling')

5. In column (e), identify the FERC Rate Schedule or Tariff Number, On separate lines, list all FERC rate schedules or contract designations under which service, as identified in column (d), is provided.
6. Report receipt and delivery locations for all single contract path, "point to point" transmission service. In column (f), report the designation for the substation, or other appropriate identification for where energy was received as specified in the contract. In column (g) report the designation for the substation, or other appropriate identification for where energy was delivered as specified in the contract.
7. Report in column (h) the number of megawatts of billing demand that is specified in the firm transmission service contract. Demand reported in column (h) must be in megawatts. Footnote any demand not stated on a megawatts basis and explain.
8. Report in column (i) and (j) the total megawatthours received and delivered.

FERC Rate Schedule of Tariff Number (e)	Point of Receipt (Substation or Other Designation) (f)	Point of Delivery (Substation or Other Designation) (g)	Billing Demand (MW) (h)	TRANSFER OF ENERGY		Line No.
				MegaWatt Hours Received (i)	MegaWatt Hours Delivered (j)	
FERC Elc Trf,				5,308	5,308	1
FERC No.	Colville Substation	LoLo-Oxbow 230kv	4	24,622	24,622	2
						3
						4
						5
						6
						7
						8
						9
						10
						11
						12
						13
						14
						15
						16
						17
			197	4,428,355	4,428,355	

Name of Respondent Avista Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/25/2005	Year/Period of Report End of 2004/Q4
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**TRANSMISSION OF ELECTRICITY FOR OTHERS (Account 456) (Continued)**  
(Including transactions referred to as 'wheeling')

9. In column (k) through (n), report the revenue amounts as shown on bills or vouchers. In column (k), provide revenues from demand charges related to the billing demand reported in column (h). In column (l), provide revenues from energy charges related to the amount of energy transferred. In column (m), provide the total revenues from all other charges on bills or vouchers rendered, including out of period adjustments. Explain in a footnote all components of the amount shown in column (m). Report in column (n) the total charge shown on bills rendered to the entity Listed in column (a). If no monetary settlement was made, enter zero (11011) in column (n). Provide a footnote explaining the nature of the non-monetary settlement, including the amount and type of energy or service rendered.
10. The total amounts in columns (i) and (j) must be reported as Transmission Received and Transmission Delivered for annual report purposes only on Page 401, Lines 16 and 17, respectively.
11. Footnote entries and provide explanations following all required data.

**REVENUE FROM TRANSMISSION OF ELECTRICITY FOR OTHERS**

Demand Charges (\$) (k)	Energy Charges (\$) (l)	(Other Charges) (\$) (m)	Total Revenues (\$) (k+l+m) (n)	Line No.
	17,297		17,297	1
67,488	24,622	23,105	115,215	2
				3
				4
				5
				6
				7
				8
				9
				10
				11
				12
				13
				14
				15
				16
				17
10,445,878	3,330,620	112,569	13,889,067	

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Name of Respondent Avista Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/25/2005	Year/Period of Report End of 2004/Q4
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**TRANSMISSION OF ELECTRICITY BY OTHERS (Account 565)**  
(Including transactions referred to as "wheeling")

1. Report all transmission, i.e. wheeling or electricity provided by other electric utilities, cooperatives, municipalities, other public authorities, qualifying facilities, and others for the quarter.
2. In column (a) report each company or public authority that provided transmission service. Provide the full name of the company, abbreviate if necessary, but do not truncate name or use acronyms. Explain in a footnote any ownership interest in or affiliation with the transmission service provider. Use additional columns as necessary to report all companies or public authorities that provided transmission service for the quarter reported.
3. In column (b) enter a Statistical Classification code based on the original contractual terms and conditions of the service as follows: FNS - Firm Network Transmission Service for Self, LFP - Long-Term Firm Point-to-Point Transmission Reservations. OLF - Other Long-Term Firm Transmission Service, SFP - Short-Term Firm Point-to-Point Transmission Reservations, NF - Non-Firm Transmission Service, and OS - Other Transmission Service. See General Instructions for definitions of statistical classifications.
4. Report in column (c) and (d) the total megawatt hours received and delivered by the provider of the transmission service.
5. Report in column (e), (f) and (g) expenses as shown on bills or vouchers rendered to the respondent. In column (e) report the demand charges and in column (f) energy charges related to the amount of energy transferred. On column (g) report the total of all other charges on bills or vouchers rendered to the respondent, including any out of period adjustments. Explain in a footnote all components of the amount shown in column (g). Report in column (h) the total charge shown on bills rendered to the respondent. If no monetary settlement was made, enter zero in column (h). Provide a footnote explaining the nature of the non-monetary settlement, including the amount and type of energy or service rendered.
6. Enter "TOTAL" in column (a) as the last line.
7. Footnote entries and provide explanations following all required data.

Line No.	Name of Company or Public Authority (Footnote Affiliations) (a)	Statistical Classification (b)	TRANSFER OF ENERGY		EXPENSES FOR TRANSMISSION OF ELECTRICITY BY OTHERS			
			Magawatt-hours Received (c)	Magawatt-hours Delivered (d)	Demand Charges (\$) (e)	Energy Charges (\$) (f)	Other Charges (\$) (g)	Total Cost of Transmission (\$) (h)
1	Bonneville Power Admin	LFP			1,172,808			1,172,808
2	Bonneville Power Admin	LFP			5,190,276			5,190,276
3	Bonneville Power Admin	LFP			687,444		192	687,636
4	Bonneville Power Admin	LFP			1,292,074			1,292,074
5	Bonneville Power Admin	NF					6,242	6,242
6	Bonneville Power Admin	NF	35	35		142		142
7	Bonneville Power Admin	NF	1,471	1,471		5,341	1,865	7,206
8	Grant County PUD	OS					7,596	7,596
9	Kootenai Electric Coop	LFP			32,112			32,112
10	NorthWestern Energy	NF	32,295	32,295		150,495		150,495
11	Northwestern Energy	SFP			4,679			4,679
12	Portland General Elec	LFP			642,588			642,588
13	Portland General Elec	NF	6,782	6,782		12,818	633	13,451
14	Puget Sound Energy	NF	5,197	5,197		31,182		31,182
15	Seattle City Light	NF	1,320	1,320		3,250		3,250
16	Snohomish PUD	NF	96,070	96,070		185,695	7,152	192,847
	<b>TOTAL</b>		<b>153,850</b>	<b>153,850</b>	<b>9,021,981</b>	<b>409,733</b>	<b>23,680</b>	<b>9,455,394</b>

Name of Respondent Avista Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/25/2005	Year/Period of Report End of 2004/Q4
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**TRANSMISSION OF ELECTRICITY BY OTHERS (Account 565)**  
(Including transactions referred to as "wheeling")

1. Report all transmission, i.e. wheeling or electricity provided by other electric utilities, cooperatives, municipalities, other public authorities, qualifying facilities, and others for the quarter.
2. In column (a) report each company or public authority that provided transmission service. Provide the full name of the company, abbreviate if necessary, but do not truncate name or use acronyms. Explain in a footnote any ownership interest in or affiliation with the transmission service provider. Use additional columns as necessary to report all companies or public authorities that provided transmission service for the quarter reported.
3. In column (b) enter a Statistical Classification code based on the original contractual terms and conditions of the service as follows: FNS - Firm Network Transmission Service for Self, LFP - Long-Term Firm Point-to-Point Transmission Reservations. OLF - Other Long-Term Firm Transmission Service, SFP - Short-Term Firm Point-to-Point Transmission Reservations, NF - Non-Firm Transmission Service, and OS - Other Transmission Service. See General Instructions for definitions of statistical classifications.
4. Report in column (c) and (d) the total megawatt hours received and delivered by the provider of the transmission service.
5. Report in column (e), (f) and (g) expenses as shown on bills or vouchers rendered to the respondent. In column (e) report the demand charges and in column (f) energy charges related to the amount of energy transferred. On column (g) report the total of all other charges on bills or vouchers rendered to the respondent, including any out of period adjustments. Explain in a footnote all components of the amount shown in column (g). Report in column (h) the total charge shown on bills rendered to the respondent. If no monetary settlement was made, enter zero in column (h). Provide a footnote explaining the nature of the non-monetary settlement, including the amount and type of energy or service rendered.
6. Enter "TOTAL" in column (a) as the last line.
7. Footnote entries and provide explanations following all required data.

Line No.	Name of Company or Public Authority (Footnote Affiliations) (a)	Statistical Classification (b)	TRANSFER OF ENERGY		EXPENSES FOR TRANSMISSION OF ELECTRICITY BY OTHERS			
			Megawatt-hours Received (c)	Megawatt-hours Delivered (d)	Demand Charges (\$) (e)	Energy Charges (\$) (f)	Other Charges (\$) (g)	Total Cost of Transmission (\$) (h)
1	Tacoma Power	NF	10,680	10,680		20,810		20,810
2	TOTAL		153,850	153,850	9,021,981	409,733	23,680	9,455,394
3								
4								
5								
6								
7								
8								
9								
10								
11								
12								
13								
14								
15								
16								
	TOTAL		153,850	153,850	9,021,981	409,733	23,680	9,455,394

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MISCELLANEOUS GENERAL EXPENSES (Account 930.2) (ELECTRIC)

Line No.	Description (a)	Amount (b)
1	Industry Association Dues	309,091
2	Nuclear Power Research Expenses	
3	Other Experimental and General Research Expenses	
4	Pub & Dist Info to Stkhldrs...expn servicing outstanding Securities	113,436
5	Oth Expn >=5,000 show purpose, recipient, amount. Group if < \$5,000	913,357
6	Directors Fees and Expenses	300,742
7	Miscellaneous General Expenses	672,295
8	Community Relations	561,396
9	Educational - Informational	124,455
10	Other Miscellaneous General Expenses	4,227
11	Other Miscellaneous Labor	86,802
12		
13		
14		
15		
16		
17		
18		
19		
20		
21		
22		
23		
24		
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45		
46	TOTAL	3,085,801

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**DEPRECIATION AND AMORTIZATION OF ELECTRIC PLANT (Account 403, 404, 405)**  
(Except amortization of acquisition adjustments)

- Report in section A for the year the amounts for : (b) Depreciation Expense (Account 403); (c) Depreciation Expense for Asset Retirement Costs (Account 403.1); (d) Amortization of Limited-Term Electric Plant (Account 404); and (e) Amortization of Other Electric Plant (Account 405).
- Report in Section 8 the rates used to compute amortization charges for electric plant (Accounts 404 and 405). State the basis used to compute charges and whether any changes have been made in the basis or rates used from the preceding report year.
- Report all available information called for in Section C every fifth year beginning with report year 1971, reporting annually only changes to columns (c) through (g) from the complete report of the preceding year.  
Unless composite depreciation accounting for total depreciable plant is followed, list numerically in column (a) each plant subaccount, account or functional classification, as appropriate, to which a rate is applied. Identify at the bottom of Section C the type of plant included in any sub-account used.  
In column (b) report all depreciable plant balances to which rates are applied showing subtotals by functional Classifications and showing composite total. Indicate at the bottom of section C the manner in which column balances are obtained. If average balances, state the method of averaging used.  
For columns (c), (d), and (e) report available information for each plant subaccount, account or functional classification Listed in column (a). If plant mortality studies are prepared to assist in estimating average service Lives, show in column (f) the type mortality curve selected as most appropriate for the account and in column (g), if available, the weighted average remaining life of surviving plant. If composite depreciation accounting is used, report available information called for in columns (b) through (g) on this basis.
- If provisions for depreciation were made during the year in addition to depreciation provided by application of reported rates, state at the bottom of section C the amounts and nature of the provisions and the plant items to which related.

**A. Summary of Depreciation and Amortization Charges**

Line No.	Functional Classification (a)	Depreciation Expense (Account 403) (b)	Depreciation Expense for Asset Retirement Costs (Account 403.1) (c)	Amortization of Limited Term Electric Plant (Account 404) (d)	Amortization of Other Electric Plant (Acc 405) (e)	Total (f)
1	Intangible Plant			2,601,454		2,601,454
2	Steam Production Plant	11,437,770				11,437,770
3	Nuclear Production Plant					
4	Hydraulic Production Plant-Conventional	5,516,388				5,516,388
5	Hydraulic Production Plant-Pumped Storage					
6	Other Production Plant	6,466,711			2,450,004	8,916,715
7	Transmission Plant	7,962,419				7,962,419
8	Distribution Plant	16,171,827				16,171,827
9	General Plant	2,609,764				2,609,764
10	Common Plant-Electric	555,527		1,656,778		2,212,305
11	<b>TOTAL</b>	<b>50,720,406</b>		<b>4,258,232</b>	<b>2,450,004</b>	<b>57,428,642</b>

**B. Basis for Amortization Charges**

- Amortization of Limited - Term Electric Plant - Account 404 includes:
  - \$4,190 amortization of limited term electric plant is based upon the operation portion of the Noxon Rapids Licensed Project #2075 which ends 12/31/2004.
  - \$325,423 amortization of Noxon and Cabinet Relicense over 45 years.
  - \$12,189 amortization of contribution for construction of Sandcreek Substation.
  - \$9,624 amortization of Misc. Intangible Electric Plant pursuant to FERC order dated 6/16/1986, Docket #EC86-17-000 relating to Company's contribution to the construction of the Sand Dunes - Taunton 115kv Transmission line in Grant County, WA in 1986.
  - \$2,948,520 amortization of software.
  - \$815,229 allocated portion of amortization Leasehold Improvements from common plant.
  - \$12,316 amortization of Nez Perce Forest Use Permits over 30 years.
  - \$114,511 amortization of Transportation Leasehold Improvements.
  - \$16,232 to fully amortize intangible organization item for the Citizens Utility Acquisition in March 1993.
- Account 405 - Reflects amortization of the investment in settlement exchange power for WNP #3.
- Plant balances listed in Section C, Column B are derived at by taking the beginning plant balance plus the ending plant balance divided by two.
- "Applied Depreciation Rates (%)" listed in column e of Section C are an average of our Idaho and Washington rates.
- A 9% Sinking Fund is in affect for our Hydro Plant Accounts that are broken out in Section C.
- Cost of Removal is included in calculating the "Remaining Life" in Section C, column g.

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DEPRECIATION AND AMORTIZATION OF ELECTRIC PLANT (Continued)

C. Factors Used in Estimating Depreciation Charges

Line No.	Account No. (a)	Depreciable Plant Base (In Thousands) (b)	Estimated Avg. Service Life (c)	Net Salvage (Percent) (d)	Applied Depr. rates (Percent) (e)	Mortality Curve Type (f)	Average Remaining Life (g)
12	STEAM PLANT						
13	Colstrip No. 3						
14	311	50,384	35.62	-6.30	2.99		13.61
15	312	73,581	35.96	-6.80	3.07		14.35
16	314	17,464	34.03	-6.40	3.15		16.94
17	315	8,144	35.37	-6.40	2.91		14.39
18	316	8,677	34.15	-5.50	2.94		14.10
19	Subtotal	158,250					
20							
21	Colstrip No. 4						
22	311	49,479	33.73	-6.30	3.09		14.81
23	312	45,664	34.03	-6.90	3.14		16.07
24	314	14,777	31.79	-6.40	3.25		18.16
25	315	5,483	34.54	-7.00	2.80		16.29
26	316	4,061	32.63	-5.50	3.07		16.04
27	Subtotal	119,464					
28							
29	Kettle Falls						
30	310	148	35.00		3.03		
31	311	24,551	33.01	-3.80	3.23		13.70
32	312	39,758	33.50	-4.10	3.34		16.19
33	314	13,301	33.81	-3.70	3.31		14.63
34	315	10,262	34.31	-4.20	3.09		14.68
35	316	2,494	33.08	-3.10	3.24		15.41
36	Subtotal	90,514					
37							
38	HYDRO PLANT						
39	Cabinet Gorge						
40	330	7,241	100.00			SQ	93.72
41	331	9,690	75.00	1.10	0.08	S2	47.03
42	332	19,798	100.00	-5.80	0.05	R3	76.61
43	333	29,399	60.00	0.50	0.10	S3	53.12
44	334	5,128	45.00	56.60	0.37	R3	22.50
45	335	2,406	45.00	-1.20	0.39	R2	
46	336	1,099	75.00		0.20	R3	35.34
47	Subtotal	74,761					
48							
49	Noxon Rapids						
50	330	29,974	100.00			SQ	95.77

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**DEPRECIATION AND AMORTIZATION OF ELECTRIC PLANT (Continued)**

**C. Factors Used in Estimating Depreciation Charges**

Line No.	Account No. (a)	Depreciable Plant Base (In Thousands) (b)	Estimated Avg. Service Life (c)	Net Salvage (Percent) (d)	Applied Depr. rates (Percent) (e)	Mortality Curve Type (f)	Average Remaining Life (g)
12	331	11,290	75.00	5.70	0.08	S2	59.39
13	332	31,674	100.00	64.10	0.05	R3	82.37
14	333	31,375	60.00	-1.30	0.10	S3	54.28
15	334	11,434	45.00	-16.20	0.37	R3	42.88
16	335	2,620	45.00	-5.50	0.39	R2	19.53
17	336	221	65.00		0.10	R3	49.16
18	Subtotal	118,588					
19							
20	Post Falls						
21	330	2,732	100.00			SQ	83.84
22	331	612	65.00	-8.90	0.08	S2	
23	332	5,032	90.00	0.70	0.05	R3	86.95
24	333	2,218	60.00		0.10	S3	
25	334	849	40.00	-11.60	0.37	R3	1.79
26	335	214	55.00	5.50	0.39	R2	49.15
27	Subtotal	11,657					
28							
29	Long Lake						
30	330	418	100.00			SQ	73.00
31	331	1,572	75.00	-110.50	0.08	S2	
32	332	16,572	95.00	6.20	0.05	R3	40.43
33	333	8,792	60.00	-28.80	0.10	S3	25.04
34	334	2,670	45.00	122.10	0.37	R3	12.57
35	335	372	45.00	27.80	0.39	R2	25.43
36	Subtotal	30,396					
37							
38	Little Falls						
39	330	4,217	100.00			SQ	78.90
40	331	902	75.00	13.20	0.08	S2	
41	332	4,990	95.00	-0.50	0.05	R3	60.74
42	333	3,959	60.00	-4.20	0.10	S3	9.02
43	334	1,630	40.00	18.00	0.37	R3	12.24
44	335	137	55.00	-1.70	0.39	R2	24.67
45	Subtotal	15,835					
46							
47	Upper Falls						
48	330	63	100.00		0.01	SQ	63.48
49	331	492	75.00	-1.70	0.08	S2	
50	332	2,470	95.00	14.70	0.05	R3	47.19

DEPRECIATION AND AMORTIZATION OF ELECTRIC PLANT (Continued)

C. Factors Used in Estimating Depreciation Charges

Line No.	Account No. (a)	Depreciable Plant Base (In Thousands) (b)	Estimated Avg. Service Life (c)	Net Salvage (Percent) (d)	Applied Depr. rates (Percent) (e)	Mortality Curve Type (f)	Average Remaining Life (g)
12	333	1,090	60.00	-201.60	0.10	S3	17.67
13	334	776	45.00	-1.00	0.37	R3	29.52
14	335	107	35.00		0.39	R2	30.34
15	Subtotal	4,998					
16							
17	Nine Mile						
18	330	11	100.00			SQ	59.63
19	331	3,922	75.00	-12.00	0.08	S2	60.81
20	332	11,841	95.00	-12.90	0.05	R3	76.55
21	333	9,465	60.00	-18.00	0.10	S3	58.74
22	334	2,637	45.00	24.60	0.37	R3	35.19
23	335	281	55.00	-0.70	0.39	R2	43.76
24	336	625	65.00		0.10	R3	63.45
25	Subtotal	28,782					
26							
27	*Centralia-Skookumchuc						
28	331	26	35.00		2.86	SQ	
29	332	1	35.00		2.86	SQ	
30	333	217	35.00		2.86	SQ	
31	334	45	35.00		2.86	SQ	
32	Subtotal	289					
33	*Our share sold 10/04						
34	Monroe Street						
35	331	8,168	65.00	-31.20	0.08	R3	65.79
36	332	8,045	75.00	-34.90	0.05	S2	75.82
37	333	11,018	60.00	-32.70	0.10	S3	61.79
38	334	1,620	45.00	-31.30	0.37	R3	46.24
39	335	24	45.00	-35.70	0.39	R2	46.28
40	336	51	65.00	-13.20	0.10	R3	65.97
41	Subtotal	28,926					
42							
43	OTHER PRODUCTION						
44	Northeast Turbine						
45	341	257	29.33		2.36		1.14
46	342	1,146	29.98		2.08		1.56
47	343	9,090	29.78		2.21		9.27
48	344	2,595	29.93		2.18		0.84
49	345	334	16.60		7.34		5.60
50	346	241	29.35		2.61		1.47

Name of Respondent Avista Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/25/2005	Year/Period of Report End of 2004/Q4
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**DEPRECIATION AND AMORTIZATION OF ELECTRIC PLANT (Continued)**

**C. Factors Used in Estimating Depreciation Charges**

Line No.	Account No. (a)	Depreciable Plant Base (In Thousands) (b)	Estimated Avg. Service Life (c)	Net Salvage (Percent) (d)	Applied Depr. rates (Percent) (e)	Mortality Curve Type (f)	Average Remaining Life (g)
12	Subtotal	13,663					
13							
14	Rathdrum						
15	341	20			4.18		
16	343	3,658			4.18		
17	344	603			4.14		
18	345	204			4.20		
19	Subtotal	4,485					
20							
21	Kettle Falls CT						
22	342	89			4.17		
23	343	9,071			3.52		
24	344	4			2.18		
25	345	5			4.20		
26	Subtotal	9,169					
27							
28	Boulder Park						
29	341	724			5.00		
30	342	116			5.00		
31	343	23			4.73		
32	344	29,900			4.14		
33	345	262			5.00		
34	346	4			5.00		
35	Subtotal	31,029					
36							
37	Coyote Springs 2						
38	341	7,213			4.17		
39	342	12,586			4.17		
40	344	75,747			4.14		
41	345	8,239			4.20		
42	346	657			4.20		
43	Subtotal	104,442					
44							
45	TRANSMISSION PLANT						
46	350	9,929			1.32		
47	352	9,980	50.00	-5.00	2.19	R4	36.45
48	353	128,697	50.00	-25.00	2.73	R4	32.72
49	354	17,068	75.00	-5.00	1.50	R4	51.53
50	355	82,636	45.00	-33.00	3.05	R3	25.98

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**DEPRECIATION AND AMORTIZATION OF ELECTRIC PLANT (Continued)**

**C. Factors Used in Estimating Depreciation Charges**

Line No.	Account No. (a)	Depreciable Plant Base (In Thousands) (b)	Estimated Avg. Service Life (c)	Net Salvage (Percent) (d)	Applied Depr. rates (Percent) (e)	Mortality Curve Type (f)	Average Remaining Life (g)
12	356	66,583	55.00		1.87	R2	36.23
13	357	561	60.00	-2.00	1.68	R4	33.12
14	358	1,318	60.00		1.58	R4	33.71
15	359	1,827	75.00		1.34	R5	55.67
16	Subtotal	318,599					
17							
18	DISTRIBUTION PLANT						
19	361	10,185	50.00	-10.00	2.13	R3	31.59
20	362	70,157	40.00		2.53	R1.5	27.31
21	364	158,542	45.00	5.00	1.89	R1	31.49
22	365	107,078	50.00	20.00	1.32	R2	35.11
23	366	51,761	60.00	-10.00	1.91	R4	49.81
24	367	83,672	40.00	-17.00	2.47	L1	35.27
25	368	123,132	40.00	-10.00	2.65	R2	23.62
26	369	88,106	48.00	-10.00	2.22	R3	30.24
27	370	24,540	35.00	-10.00	3.19	R3	21.61
28	373	11,174	25.00	-10.00	2.40	R2	3.88
29	373.4 Hi Press Sodium	10,014	20.00	-10.00	5.89	R2	12.95
30	Subtotal	738,361					
31							
32	GENERAL PLANT						
33	390.10 Struc & Improve	1,971	50.00	-5.00	2.01	L0.5	19.60
34	391.1 Comp Hardware	145	6.00		25.54	S1.0	7.94
35	393	100	40.00	2.00	2.45	R3	15.96
36	394	2,760	20.00	10.00	4.64	L3	9.31
37	395	2,929	28.00		3.54	L1	10.46
38	397	20,298	12.00		10.28	L2	3.75
39	398	2	25.00		3.83	R2	
40	Subtotal	28,205					
41							
42	MISC POWER						
43	392	980			4.93		
44	396	1,591			7.43		
45	Subtotal	2,571					
46							
47	TOTAL COMPANY	1,932,984					
48							
49							
50							

Name of Respondent Avista Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/25/2005	Year/Period of Report End of 2004/Q4
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**REGULATORY COMMISSION EXPENSES**

- Report particulars (details) of regulatory commission expenses incurred during the current year (or incurred in previous years, if being amortized) relating to format cases before a regulatory body, or cases in which such a body was a party.
- Report in columns (b) and (c), only the current year's expenses that are not deferred and the current year's amortization of amounts deferred in previous years.

Line No.	Description (Furnish name of regulatory commission or body the docket or case number and a description of the case) (a)	Assessed by Regulatory Commission (b)	Expenses of Utility (c)	Total Expense for Current Year (b) + (c) (d)	Deferred in Account 182.3 at Beginning of Year (e)
1	FEDERAL ENERGY REGULATORY COMMISSION				
2	Charges include annual fee and license fees				
3	the Spokane River Project, and the Cabinet				
4	Gorge Project and Noxon Rapids Project.	2,267,927	27,958	2,295,885	
5					
6	WASHINGTON UTILITIES & TRANSPORTATION				
7	Includes annual fee and Electric Dockets #s:				
8	42179,42095,42084,42072,42074,41876,41795,				
9	41792,41785,41770,41712,41675,41355,41264,				
10	41222,41203,41083,41067,41020,40995,40868,				
11	40845,40843,40786,40785,40663,40611,40594,				
12	40587,40583,40472,40416,40379,40338,40329,				
13	40252,40035,31905,30751,30598,31303	615,831	345,596	961,427	
14	Gas - Docket #s:42252,42198,42180,42103,42070,				
15	41877,41865,41791,41786,41784,41771,41676,				
16	41599,41515,41514,41488,41375,41356,41265,				
17	41,223,41202,41021,41019,40869,40844,40803,				
18	40787,40595,40588,40482,40482,40473,40417,				
19	40380,40156,40036,32148,31361,30829,30599	258,236	273,489	531,725	
20					
21	IDAHO PUBLIC UTILITIES COMMISSION				
22	Includes annual fee & Electric Dockets#s:AVU-E				
23	04-01,04-02,04-03,04-04,04-05,04-06,03-09				
24	Advice #s:ADV 04-01-E through 04-06-E				
25	General Electric Docket # GNR-E-04-01	406,600	378,011	784,611	
26	Gas - Docket #s: AVU-G 04-01, 04-02 & 03-02				
27	Advice #s:ADV 04-01-G through 04-05-G				
28	RUL-G-04-01, AVU-U-04-01,04-02,04-03	125,850	177,746	303,596	
29					
30	OREGON PUBLIC UTILITIES COMMISSION				
31	Docket #s: LC 35, UF 4185				
32	Misc Advice #s: 04-03-G, UG-159, UM1162,UM1165				
33	UF4202,UF4207,UF4209,UM1115	202,045	127,977	330,022	
34					
35	CALIFORNIA PUBLIC UTILITIES COMMISSION				
36	Rulemaking:98-7-026,1-5-047,2-10-001,04-01-006				
37	Resolutions:M-4813, E-3254				
38	Decisions: 01-05-033,01-07-026,01-08-065				
39	02-10-040,02-12-011,04-08-010				
40	Advice #s: UG907G1: C-59-G,C-60-G,C-61-G				
41	C-62-G,C-63-G,C-64-G,C-65-G,C-66-G	15,343	114,249	129,592	
42					
43					
44					
45					
46	TOTAL	3,891,832	1,445,026	5,336,858	

REGULATORY COMMISSION EXPENSES (Continued)

3. Show in column (k) any expenses incurred in prior years which are being amortized. List in column (a) the period of amortization.
4. List in column (f), (g), and (h) expenses incurred during year which were charged currently to income, plant, or other accounts.
5. Minor items (less than \$25,000) may be grouped.

EXPENSES INCURRED DURING YEAR			AMORTIZED DURING YEAR				
CURRENTLY CHARGED TO			Deferred to Account 182.3 (i)	Contra Account (j)	Amount (k)	Deferred in Account 182.3 End of Year (l)	Line No.
Department (f)	Account No. (g)	Amount (h)					
							1
							2
							3
Electric	0928	2,295,885					4
							5
							6
							7
							8
							9
							10
							11
							12
Electric	0928	961,427					13
							14
							15
							16
							17
							18
Gas	1928	531,725					19
							20
							21
							22
							23
							24
Electric	0928	784,611					25
							26
							27
Gas	1928	303,596					28
							29
							30
							31
							32
Gas	2928	330,022					33
							34
							35
							36
							37
							38
							39
							40
Gas	2928	129,592					41
							42
							43
							44
							45
		5,336,858					46



Name of Respondent Avista Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/25/2005	Year/Period of Report End of <u>2004/Q4</u>
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DISTRIBUTION OF SALARIES AND WAGES (Continued)

Line No.	Classification (a)	Direct Payroll Distribution (b)	Allocation of Payroll charged for Clearing Accounts (c)	Total (d)
48	Total Operation and Maintenance			
49	Production-Manufactured Gas (Enter Total of lines 28 and 40)			
50	Production-Natural Gas (Including Expl. and Dev.) (Total lines 29,			
51	Other Gas Supply (Enter Total of lines 30 and 42)	416,719		
52	Storage, LNG Terminating and Processing (Total of lines 31 thru			
53	Transmission (Lines 32 and 44)			
54	Distribution (Lines 33 and 45)	7,949,408		
55	Customer Accounts (Line 34)	4,434,307		
56	Customer Service and Informational (Line 35)	166,729		
57	Sales (Line 36)	443,391		
58	Administrative and General (Lines 37 and 46)	4,779,677		
59	TOTAL Operation and Maint. (Total of lines 49 thru 58)	18,190,231	521,014	18,711,245
60	Other Utility Departments			
61	Operation and Maintenance			
62	TOTAL All Utility Dept. (Total of lines 25, 59, and 61)	61,203,533	2,044,103	63,247,636
63	Utility Plant			
64	Construction (By Utility Departments)			
65	Electric Plant	22,424,862	1,678,531	24,103,393
66	Gas Plant	6,488,942	447,503	6,936,445
67	Other (provide details in footnote):			
68	TOTAL Construction (Total of lines 65 thru 67)	28,913,804	2,126,034	31,039,838
69	Plant Removal (By Utility Departments)			
70	Electric Plant	724,505	-17,054	707,451
71	Gas Plant	66,122	1,554	67,676
72	Other (provide details in footnote):			
73	TOTAL Plant Removal (Total of lines 70 thru 72)	790,627	-15,500	775,127
74	Other Accounts (Specify, provide details in footnote):			
75	Stores Expense (163)		1	1
76	Uamortized debt expense (181)		4,243	4,243
77	Preliminary Survey and Investigation (183)	27,597		27,597
78	Small Tools Expense (184)	11,757	41,134	52,891
79	Non-operating expenses (417)	725,454	12,589	738,043
80	Expenditures of Certain Civic, Political and Related Activiti	208,513	1,281	209,794
81	Purchase and Stores Expense (980)	1,614,699	-1,581,195	33,504
82	Transportation Expense (981)	1,530,429	-1,506,588	23,841
83	Spokane Central Operating Facility Expense (985)	764,901	-759,770	5,131
84	Clark Fork Relicensing (987)	385,697	-385,696	1
85	Miscellaneous Deferred Debits (186)	24,886,682	19,364	24,906,046
86				
87				
88				
89				
90				
91				
92				
93				
94				
95	TOTAL Other Accounts	30,155,729	-4,154,637	26,001,092
96	TOTAL SALARIES AND WAGES	121,063,693		121,063,693

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**COMMON UTILITY PLANT AND EXPENSES**

- Describe the property carried in the utility's accounts as common utility plant and show the book cost of such plant at end of year classified by accounts as provided by Plant Instruction 13, Common Utility Plant, of the Uniform System of Accounts. Also show the allocation of such plant costs to the respective departments using the common utility plant and explain the basis of allocation used, giving the allocation factors.
- Furnish the accumulated provisions for depreciation and amortization at end of year, showing the amounts and classifications of such accumulated provisions, and amounts allocated to utility departments using the Common utility plant to which such accumulated provisions relate, including explanation of basis of allocation and factors used.
- Give for the year the expenses of operation, maintenance, rents, depreciation, and amortization for common utility plant classified by accounts as provided by the Uniform System of Accounts. Show the allocation of such expenses to the departments using the common utility plant to which such expenses are related. Explain the basis of allocation used and give the factors of allocation.
- Give date of approval by the Commission for use of the common utility plant classification and reference to order of the Commission or other authorization.

1 & 2 Common Plant in Service and accumulated provision for depreciation:

Acct No.	DESCRIPTION	
303	Intangible	\$ 6,160,632
389	Land and Land Rights	1,562,682
390	Structures and Improvements	24,080,390
391	Office Furniture and Equipment	17,732,027
392	Transportation Equipment	1,609,292
393	Stores Equipment	887,130
394	Tools, Shop and Garage Equipment	642,940
395	Laboratory Equipment	769,524
396	Power Operated Equipment	1,384,046
397	Communications Equipment	11,819,356
398	Miscellaneous Equipment	620,207
		-----
	Total Common Plant	\$ 67,268,226
	Const. Work in Progress	\$ 5,818,804
		-----
	Total Utility Plant	\$ 73,087,030
	Acc.Prov.for Dep. & Amort.	\$ 23,509,449
		-----
	Net Utility Plant	\$ 49,577,581

3. Common Expenses allocated to Electric and Gas Departments:

Acct No.		Total	Electric	Gas	
901	Cust Acct/Collect Supervisison	\$ 170,333	\$ 88,890	\$ 81,443	# of cust @ yr end
902	Meter Reading Expenses	4,022,477	2,526,397	1,496,080	# of cust @ yr end
903	Cust rec & collectn expenses	12,170,847	6,575,824	5,595,023	# of cust @ yr end
903.90-99	A/R misc fees	1,397,457	1,135,769	261,688	net direct plant
904	Uncollectible accounts	2,800,019	1,754,889	1,045,130	# of cust @ yr end
905	Misc cust acct expenses	983,097	568,849	414,248	# of cust @ yr end

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**COMMON UTILITY PLANT AND EXPENSES**

1. Describe the property carried in the utility's accounts as common utility plant and show the book cost of such plant at end of year classified by accounts as provided by Plant Instruction 13, Common Utility Plant, of the Uniform System of Accounts. Also show the allocation of such plant costs to the respective departments using the common utility plant and explain the basis of allocation used, giving the allocation factors.
2. Furnish the accumulated provisions for depreciation and amortization at end of year, showing the amounts and classifications of such accumulated provisions, and amounts allocated to utility departments using the Common utility plant to which such accumulated provisions relate, including explanation of basis of allocation and factors used.
3. Give for the year the expenses of operation, maintenance, rents, depreciation, and amortization for common utility plant classified by accounts as provided by the Uniform System of Accounts. Show the allocation of such expenses to the departments using the common utility plant to which such expenses are related. Explain the basis of allocation used and give the factors of allocation.
4. Give date of approval by the Commission for use of the common utility plant classification and reference to order of the Commission or other authorization.

907	Cust svce & info exp supervision	0	0	0	# of cust @ yr end
908	Cust assistance expenses	148,165	93,058	55,107	# of cust @ yr end
909	Info & instruct advert expenses	316,590	198,841	117,749	# of cust @ yr end
910	Misc cust serv & info expenses	148,149	93,048	55,101	# of cust @ yr end
911	Sales expense-supervision	0	0	0	# of cust @ yr end
912	Demo and selling expenses	1,599,984	1,004,902	595,082	# of cust @ yr end
913	Advertising expenses	215,306	135,227	80,079	# of cust @ yr end
916	Misc sales expenses	20,458	10,941	9,517	# of cust @ yr end
920	Admin & gen salaries	21,236,414	15,322,915	5,913,499	four factor
921	Office supplies & expenses	7,999,904	5,766,340	2,233,564	four factor
922	Admin expenses tranf-credit	(27,629)	(22,032)	(5,597)	four factor
923	Outside services employed	11,303,904	8,139,951	3,163,953	four factor
924	Property Insurance	986,432	710,004	276,428	four factor
925	Injuries and damages	5,847,317	4,283,290	1,564,027	four factor
926	Employee pensions&benefits	33,311,217	24,052,278	9,258,939	four factor
927	Franchise requirement	0	0	0	four factor
928	Regulatory commission expenses	0	0	0	four factor
929	Duplicate charges-credit	0	0	0	four factor
930.1	General advertising expenses	89,538	65,297	24,241	four factor
930.2	Misc General expenses	3,951,212	2,906,115	1,045,097	four factor
931	Rents	6,244,802	4,502,352	1,742,450	four factor
935	Maint of general plant	3,930,347	2,948,077	982,270	four factor
403	Depreciation	4,089,066	3,996,573	92,493	four factor
404	Amort of LTD term plant	2,301,812	1,656,779	645,033	four factor

Note 1: The 4 factor allocator is made up of 25% each-customer counts, direct labor, direct O&M, and Net direct plant.

4. Letters of approval received from staffs of State Regulatory Commissions in 1993

Name of Respondent Avista Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/25/2005	Year/Period of Report End of 2004/Q4
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**PURCHASES AND SALES OF ANCILLARY SERVICES**

Report the amounts for each type of ancillary service shown in column (a) for the year as specified in Order No. 888 and defined in the respondents Open Access Transmission Tariff.

In columns for usage, report usage-related billing determinant and the unit of measure.

- (1) On line 1 columns (b), (c), (d), (e), (f) and (g) report the amount of ancillary services purchased and sold during the year.
- (2) On line 2 columns (b) (c), (d), (e), (f), and (g) report the amount of reactive supply and voltage control services purchased and sold during the year.
- (3) On line 3 columns (b) (c), (d), (e), (f), and (g) report the amount of regulation and frequency response services purchased and sold during the year.
- (4) On line 4 columns (b), (c), (d), (e), (f), and (g) report the amount of energy imbalance services purchased and sold during the year.
- (5) On lines 5 and 6, columns (b), (c), (d), (e), (f), and (g) report the amount of operating reserve spinning and supplement services purchased and sold during the period.
- (6) On line 7 columns (b), (c), (d), (e), (f), and (g) report the total amount of all other types ancillary services purchased or sold during the year. Include in a footnote and specify the amount for each type of other ancillary service provided.

Line No.	Type of Ancillary Service (a)	Amount Purchased for the Year			Amount Sold for the Year		
		Usage - Related Billing Determinant			Usage - Related Billing Determinant		
		Number of Units (b)	Unit of Measure (c)	Dollars (d)	Number of Units (e)	Unit of Measure (f)	Dollars (g)
1	Scheduling, System Control and Dispatch						
2	Reactive Supply and Voltage						
3	Regulation and Frequency Response	322,000	\$8.94/kW	2,887,262	322,000	\$8.94/kW	2,887,262
4	Energy Imbalance						
5	Operating Reserve - Spinning	483,000	\$8.94/kW	4,318,020	483,000	\$8.94/kW	4,318,020
6	Operating Reserve - Supplement	483,000	\$8.94/kW	4,318,020	483,000	\$8.94/kW	4,318,020
7	Other	787	31.28/MWH	24,629	787	31.28/MWH	24,629
8	Total (Lines 1 thru 7)	1,288,787		11,547,931	1,288,787		11,547,931

Name of Respondent Avista Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/25/2005	Year/Period of Report End of <u>2004/Q4</u>
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**MONTHLY TRANSMISSION SYSTEM PEAK LOAD**

- (1) Report the monthly peak load on the respondent's transmission system. If the respondent has two or more power systems which are not physically integrated, furnish the required information for each non-integrated system.
- (2) Report on Column (b) by month the transmission system's peak load.
- (3) Report on Columns (c) and (d) the specified information for each monthly transmission - system peak load reported on Column (b).
- (4) Report on Columns (e) through (j) by month the system' monthly maximum megawatt load by statistical classifications. See General Instruction for the definition of each statistical classification.

**NAME OF SYSTEM:**

Line No.	Month (a)	Monthly Peak MW - Total (b)	Day of Monthly Peak (c)	Hour of Monthly Peak (d)	Firm Network Service for Self (e)	Firm Network Service for Others (f)	Long-Term Firm Point-to-point Reservations (g)	Other Long-Term Firm Service (f)	Short-Term Firm Point-to-point Reservation (f)	Other Service (f)
1	January	2,050	5	1000	1,766	284	110	316		283
2	February	1,701	12	800	1,434	267	110	316		311
3	March	1,616	3	1900	1,366	250	110	316		8
4	Total for Quarter	5,367			4,566	801	330	948		602
5	April	1,403	1	800	1,177	226	110	316	75	6
6	May	1,341	12	800	1,120	221	110	316	350	81
7	June	1,649	23	2300	1,391	258	110	316	429	119
8	Total for Quarter	4,393			3,688	705	330	948	854	206
9	July	1,746	15	1700	1,477	269	110	316	429	54
10	August	1,739	2	1600	1,485	254	120	316	429	553
11	September	1,395	1	1200	1,176	219	120	316	175	284
12	Total for Quarter	4,880			4,138	742	350	948	1,033	891
13	October	1,495	26	800	1,279	216	120	316	75	446
14	November	1,712	30	1800	1,433	279	104	316	91	542
15	December	1,781	22	1800	1,454	264	104	316	95	333
16	Total for Quarter	4,988			4,166	759	328	948	261	1,321
17	Total for Year to	19,628			16,558	3,007	1,338	3,792	2,148	3,020

Name of Respondent Avista Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/25/2005	Year/Period of Report End of <u>2004/Q4</u>
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**ELECTRIC ENERGY ACCOUNT**

Report below the information called for concerning the disposition of electric energy generated, purchased, exchanged and wheeled during the year.

Line No.	Item (a)	MegaWatt Hours (b)	Line No.	Item (a)	MegaWatt Hours (b)
1	SOURCES OF ENERGY		21	DISPOSITION OF ENERGY	
2	Generation (Excluding Station Use):		22	Sales to Ultimate Consumers (Including Interdepartmental Sales)	8,376,616
3	Steam	1,970,527	23	Requirements Sales for Resale (See instruction 4, page 311.)	
4	Nuclear		24	Non-Requirements Sales for Resale (See instruction 4, page 311.)	2,232,653
5	Hydro-Conventional	3,789,045	25	Energy Furnished Without Charge	
6	Hydro-Pumped Storage		26	Energy Used by the Company (Electric Dept Only, Excluding Station Use)	13,510
7	Other	437,716	27	Total Energy Losses	602,393
8	Less Energy for Pumping		28	TOTAL (Enter Total of Lines 22 Through 27) (MUST EQUAL LINE 20)	11,225,172
9	Net Generation (Enter Total of lines 3 through 8)	6,197,288			
10	Purchases	4,976,808			
11	Power Exchanges:				
12	Received	774,435			
13	Delivered	723,359			
14	Net Exchanges (Line 12 minus line 13)	51,076			
15	Transmission For Other (Wheeling)				
16	Received	4,428,355			
17	Delivered	4,428,355			
18	Net Transmission for Other (Line 16 minus line 17)				
19	Transmission By Others Losses				
20	TOTAL (Enter Total of lines 9, 10, 14, 18 and 19)	11,225,172			

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**MONTHLY PEAKS AND OUTPUT**

- (1) Report the monthly peak load and energy output. If the respondent has two or more power which are not physically integrated, furnish the required information for each non-integrated system.
- (2) Report on line 2 by month the system's output in Megawatt hours for each month.
- (3) Report on line 3 by month the non-requirements sales for resale. Include in the monthly amounts any energy losses associated with the sales.
- (4) Report on line 4 by month the system's monthly maximum megawatt load (60 minute integration) associated with the system.
- (5) Report on lines 5 and 6 the specified information for each monthly peak load reported on line 4.

NAME OF SYSTEM: Avista Utilities

Line No.	Month (a)	Total Monthly Energy (b)	Monthly Non-Requirements Sales for Resale & Associated Losses (c)	MONTHLY PEAK		
				Megawatts (See Instr. 4) (d)	Day of Month (e)	Hour (f)
29	January	1,019,903	131,451	1,766	5	100
30	February	836,560	64,586	1,434	12	800
31	March	830,833	96,242	1,366	3	1900
32	April	821,810	154,507	1,177	1	800
33	May	1,020,993	349,617	1,121	12	800
34	June	1,054,948	352,785	1,418	23	1600
35	July	967,866	194,877	1,477	15	1700
36	August	891,066	128,292	1,485	2	1600
37	September	844,737	176,959	1,176	1	1200
38	October	914,656	196,158	1,279	26	800
39	November	945,152	172,332	1,433	30	1800
40	December	1,076,648	214,847	1,454	22	1800
41	TOTAL	11,225,172	2,232,653			

Name of Respondent Avista Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/25/2005	Year/Period of Report End of <u>2004/Q4</u>
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**STEAM-ELECTRIC GENERATING PLANT STATISTICS (Large Plants)**

1. Report data for plant in Service only. 2. Large plants are steam plants with installed capacity (name plate rating) of 25,000 Kw or more. Report in this page gas-turbine and internal combustion plants of 10,000 Kw or more, and nuclear plants. 3. Indicate by a footnote any plant leased or operated as a joint facility. 4. If net peak demand for 60 minutes is not available, give data which is available, specifying period. 5. If any employees attend more than one plant, report on line 11 the approximate average number of employees assignable to each plant. 6. If gas is used and purchased on a therm basis report the Btu content or the gas and the quantity of fuel burned converted to Mct. 7. Quantities of fuel burned (Line 38) and average cost per unit of fuel burned (Line 41) must be consistent with charges to expense accounts 501 and 547 (Line 42) as show on Line 20. 8. If more than one fuel is burned in a plant furnish only the composite heat rate for all fuels burned.

Line No.	Item (a)	Plant Name: (b)	Plant Name: (c)
		Coyote Springs 2	Spokane N.E.
1	Kind of Plant (Internal Comb, Gas Turb, Nuclear	Gas Turbine	Gas Turbine
2	Type of Constr (Conventional, Outdoor, Boiler, etc)	Not Applicable	Not Applicable
3	Year Originally Constructed	2003	1978
4	Year Last Unit was Installed	2003	1978
5	Total Installed Cap (Max Gen Name Plate Ratings-MW)	143.50	61.80
6	Net Peak Demand on Plant - MW (60 minutes)	138	0
7	Plant Hours Connected to Load	2635	3
8	Net Continuous Plant Capability (Megawatts)	137	67
9	When Not Limited by Condenser Water	0	0
10	When Limited by Condenser Water	0	0
11	Average Number of Employees	0	1
12	Net Generation, Exclusive of Plant Use - KWh	407113000	91000
13	Cost of Plant: Land and Land Rights	0	129664
14	Structures and Improvements	7269300	256673
15	Equipment Costs	97085515	13406292
16	Asset Retirement Costs	0	0
17	Total Cost	104354815	13792629
18	Cost per KW of Installed Capacity (line 17/5) Including	727.2113	223.1817
19	Production Expenses: Oper, Supv, & Engr	846687	640
20	Fuel	17786064	7165
21	Coolants and Water (Nuclear Plants Only)	0	0
22	Steam Expenses	0	0
23	Steam From Other Sources	0	0
24	Steam Transferred (Cr)	0	0
25	Electric Expenses	145346	60206
26	Misc Steam (or Nuclear) Power Expenses	0	0
27	Rents	0	0
28	Allowances	0	0
29	Maintenance Supervision and Engineering	16794	32351
30	Maintenance of Structures	0	4182
31	Maintenance of Boiler (or reactor) Plant	0	0
32	Maintenance of Electric Plant	1305702	41761
33	Maintenance of Misc Steam (or Nuclear) Plant	0	0
34	Total Production Expenses	20100593	146305
35	Expenses per Net KWh	0.0494	1.6077
36	Fuel: Kind (Coal, Gas, Oil, or Nuclear)	Gas	Gas
37	Unit (Coal-tons/Oil-barrel/Gas-mcf/Nuclear-indicate)	Mcf	Mcf
38	Quantity (Units) of Fuel Burned	2624019	1448
39	Avg Heat Cont - Fuel Burned (btu/indicate if nuclear)	1019000	1019000
40	Avg Cost of Fuel/unit, as Delvd f.o.b. during year	6.778	4.948
41	Average Cost of Fuel per Unit Burned	6.778	4.948
42	Average Cost of Fuel Burned per Million BTU	6.650	4.860
43	Average Cost of Fuel Burned per KWh Net Gen	0.044	0.079
44	Average BTU per KWh Net Generation	6568.000	16216.000

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**STEAM-ELECTRIC GENERATING PLANT STATISTICS (Large Plants)(Continued)**

9. Items under Cost of Plant are based on U. S. of A. Accounts. Production expenses do not include Purchased Power, System Control and Load Dispatching, and Other Expenses Classified as Other Power Supply Expenses. 10. For IC and GT plants, report Operating Expenses, Account Nos. 547 and 549 on Line 25 "Electric Expenses," and Maintenance Account Nos. 553 and 554 on Line 32, "Maintenance of Electric Plant." Indicate plants designed for peak load service. Designate automatically operated plants. 11. For a plant equipped with combinations of fossil fuel steam, nuclear steam, hydro, internal combustion or gas-turbine equipment, report each as a separate plant. However, if a gas-turbine unit functions in a combined cycle operation with a conventional steam unit, include the gas-turbine with the steam plant. 12. If a nuclear power generating plant, briefly explain by footnote (a) accounting method for cost of power generated including any excess costs attributed to research and development; (b) types of cost units used for the various components of fuel cost; and (c) any other informative data concerning plant type fuel used, fuel enrichment type and quantity for the report period and other physical and operating characteristics of plant.

Plant Name: <i>Kettle Falls</i> (d)			Plant Name: <i>Colstrip</i> (e)			Plant Name: <i>Rathdrum</i> (f)			Line No.
Steam			Steam			Gas Turbine			1
Conventional			Conventional			Not Applicable			2
1983			1984			1995			3
1983			1985			1995			4
50.70			233.40			166.50			5
43			216			90			6
8300			8725			66			7
50			222			176			8
50			0			0			9
48			0			0			10
35			0			2			11
365753000			1604774000			5977000			12
941300			1299549			484415			13
24562886			99998520			33279			14
65678801			177845180			4465084			15
1114206			0			0			16
92297193			279143249			4982778			17
1820.4575			1195.9865			29.9266			18
139994			36449			7090			19
8385594			11022574			894206			20
0			0			0			21
545560			1118354			0			22
0			0			0			23
0			0			0			24
696759			58911			278213			25
385102			1639953			0			26
0			18573			4694210			27
0			0			0			28
97088			314697			43696			29
108537			366524			7755			30
957903			3341814			0			31
144351			396056			304858			32
211914			519888			0			33
11672802			18833793			6230028			34
0.0319			0.0117			1.0423			35
Wood	Gas		Coal	Oil		Gas			36
Tons	Mcf		Tons	Bbl		Mcf			37
524369	2922	0	102641	2779	0	78583	0	0	38
8500000	1019000	0	17108333	140000	0	1019000	0	0	39
15.967	4.472	0.000	10.615	67.742	0.000	11.379	0.000	0.000	40
15.967	4.472	0.000	10.615	67.742	0.000	11.379	0.000	0.000	41
1.880	4.390	0.000	0.620	11.440	0.000	11.170	0.000	0.000	42
0.023	0.049	0.000	0.007	0.000	0.000	0.150	0.000	0.000	43
12194.000	12194.000	0.000	10895.000	10895.000	0.000	13397.000	0.000	0.000	44

Name of Respondent Avista Corporation	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/25/2005	Year/Period of Report End of <u>2004/Q4</u>
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**STEAM-ELECTRIC GENERATING PLANT STATISTICS (Large Plants) (Continued)**

1. Report data for plant in Service only. 2. Large plants are steam plants with installed capacity (name plate rating) of 25,000 Kw or more. Report in this page gas-turbine and internal combustion plants of 10,000 Kw or more, and nuclear plants. 3. Indicate by a footnote any plant leased or operated as a joint facility. 4. If net peak demand for 60 minutes is not available, give data which is available, specifying period. 5. If any employees attend more than one plant, report on line 11 the approximate average number of employees assignable to each plant. 6. If gas is used and purchased on a therm basis report the Btu content or the gas and the quantity of fuel burned converted to Mct. 7. Quantities of fuel burned (Line 38) and average cost per unit of fuel burned (Line 41) must be consistent with charges to expense accounts 501 and 547 (Line 42) as show on Line 20. 8. If more than one fuel is burned in a plant furnish only the composite heat rate for all fuels burned.

Line No.	Item (a)	Plant Name: <i>Boulder Park</i> (b)	Plant Name: (c)
1	Kind of Plant (Internal Comb, Gas Turb, Nuclear	Internal Comb	
2	Type of Constr (Conventional, Outdoor, Boiler, etc)	Conventional	
3	Year Originally Constructed	2002	
4	Year Last Unit was Installed	2002	
5	Total Installed Cap (Max Gen Name Plate Ratings-MW)	24.60	0.00
6	Net Peak Demand on Plant - MW (60 minutes)	24	0
7	Plant Hours Connected to Load	1188	0
8	Net Continuous Plant Capability (Megawatts)	25	0
9	When Not Limited by Condenser Water	0	0
10	When Limited by Condenser Water	0	0
11	Average Number of Employees	2	0
12	Net Generation, Exclusive of Plant Use - KWh	15838000	0
13	Cost of Plant: Land and Land Rights	144733	0
14	Structures and Improvements	724602	0
15	Equipment Costs	30489798	0
16	Asset Retirement Costs	0	0
17	Total Cost	31359133	0
18	Cost per KW of Installed Capacity (line 17/5) Including	1274.7615	0.0000
19	Production Expenses: Oper, Supv, & Engr	9201	0
20	Fuel	1001900	0
21	Coolants and Water (Nuclear Plants Only)	0	0
22	Steam Expenses	0	0
23	Steam From Other Sources	0	0
24	Steam Transferred (Cr)	0	0
25	Electric Expenses	70989	0
26	Misc Steam (or Nuclear) Power Expenses	0	0
27	Rents	0	0
28	Allowances	0	0
29	Maintenance Supervision and Engineering	49762	0
30	Maintenance of Structures	40844	0
31	Maintenance of Boiler (or reactor) Plant	0	0
32	Maintenance of Electric Plant	207921	0
33	Maintenance of Misc Steam (or Nuclear) Plant	0	0
34	Total Production Expenses	1380617	0
35	Expenses per Net KWh	0.0872	0.0000
36	Fuel: Kind (Coal, Gas, Oil, or Nuclear)	Gas	
37	Unit (Coal-tons/Oil-barrel/Gas-mcf/Nuclear-indicate)	Mcf	
38	Quantity (Units) of Fuel Burned	154873	0
39	Avg Heat Cont - Fuel Burned (btu/indicate if nuclear)	1019000	0
40	Avg Cost of Fuel/unit, as Delvd f.o.b. during year	6.469	0.000
41	Average Cost of Fuel per Unit Burned	6.469	0.000
42	Average Cost of Fuel Burned per Million BTU	6.350	0.000
43	Average Cost of Fuel Burned per KWh Net Gen	0.063	0.000
44	Average BTU per KWh Net Generation	9964.000	0.000

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**STEAM-ELECTRIC GENERATING PLANT STATISTICS (Large Plants)(Continued)**

9. Items under Cost of Plant are based on U. S. of A. Accounts. Production expenses do not include Purchased Power, System Control and Load Dispatching, and Other Expenses Classified as Other Power Supply Expenses. 10. For IC and GT plants, report Operating Expenses, Account Nos. 547 and 549 on Line 25 "Electric Expenses," and Maintenance Account Nos. 553 and 554 on Line 32, "Maintenance of Electric Plant." Indicate plants designed for peak load service. Designate automatically operated plants. 11. For a plant equipped with combinations of fossil fuel steam, nuclear steam, hydro, internal combustion or gas-turbine equipment, report each as a separate plant. However, if a gas-turbine unit functions in a combined cycle operation with a conventional steam unit, include the gas-turbine with the steam plant. 12. If a nuclear power generating plant, briefly explain by footnote (a) accounting method for cost of power generated including any excess costs attributed to research and development; (b) types of cost units used for the various components of fuel cost; and (c) any other informative data concerning plant type fuel used, fuel enrichment type and quantity for the report period and other physical and operating characteristics of plant.

Plant Name: (d)	Plant Name: (e)	Plant Name: (f)	Line No.
			1
			2
			3
			4
0.00	0.00	0.00	5
0	0	0	6
0	0	0	7
0	0	0	8
0	0	0	9
0	0	0	10
0	0	0	11
0	0	0	12
0	0	0	13
0	0	0	14
0	0	0	15
0	0	0	16
0	0	0	17
0.0000	0.0000	0.0000	18
0	0	0	19
0	0	0	20
0	0	0	21
0	0	0	22
0	0	0	23
0	0	0	24
0	0	0	25
0	0	0	26
0	0	0	27
0	0	0	28
0	0	0	29
0	0	0	30
0	0	0	31
0	0	0	32
0	0	0	33
0	0	0	34
0.0000	0.0000	0.0000	35
			36
			37
0	0	0	38
0	0	0	39
0.000	0.000	0.000	40
0.000	0.000	0.000	41
0.000	0.000	0.000	42
0.000	0.000	0.000	43
0.000	0.000	0.000	44

Name of Respondent Avista Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/25/2005	Year/Period of Report End of 2004/Q4
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**HYDROELECTRIC GENERATING PLANT STATISTICS (Large Plants)**

1. Large plants are hydro plants of 10,000 Kw or more of installed capacity (name plate ratings)
2. If any plant is leased, operated under a license from the Federal Energy Regulatory Commission, or operated as a joint facility, indicate such facts in a footnote. If licensed project, give project number.
3. If net peak demand for 60 minutes is not available, give that which is available specifying period.
4. If a group of employees attends more than one generating plant, report on line 11 the approximate average number of employees assignable to each plant.

Line No.	Item (a)	FERC Licensed Project No. 2545 Plant Name: Monroe Street (b)	FERC Licensed Project No. 2545 Plant Name: Upper Falls (c)
1	Kind of Plant (Run-of-River or Storage)	Run-of-River	Run-of-River
2	Plant Construction type (Conventional or Outdoor)	Conventional	Conventional
3	Year Originally Constructed	1890	1922
4	Year Last Unit was Installed	1992	1922
5	Total installed cap (Gen name plate Rating in MW)	14.80	10.00
6	Net Peak Demand on Plant-Megawatts (60 minutes)	16	11
7	Plant Hours Connect to Load	8,538	8,622
8	Net Plant Capability (in megawatts)		
9	(a) Under Most Favorable Oper Conditions	15	10
10	(b) Under the Most Adverse Oper Conditions	13	10
11	Average Number of Employees	5	6
12	Net Generation, Exclusive of Plant Use - Kwh	107,103,000	70,769,000
13	Cost of Plant		
14	Land and Land Rights	0	63,564
15	Structures and Improvements	8,190,184	491,800
16	Reservoirs, Dams, and Waterways	8,045,079	2,469,789
17	Equipment Costs	12,661,922	1,972,999
18	Roads, Railroads, and Bridges	50,448	0
19	Asset Retirement Costs	0	0
20	TOTAL cost (Total of 14 thru 19)	28,947,633	4,998,152
21	Cost per KW of Installed Capacity (line 20 / 5)	1,955.9211	499.8152
22	Production Expenses		
23	Operation Supervision and Engineering	49,688	46,643
24	Water for Power	0	0
25	Hydraulic Expenses	11,272	10,432
26	Electric Expenses	306,020	305,297
27	Misc Hydraulic Power Generation Expenses	44,717	54,002
28	Rents	0	0
29	Maintenance Supervision and Engineering	12,302	8,537
30	Maintenance of Structures	9,777	8,191
31	Maintenance of Reservoirs, Dams, and Waterways	71,671	15,507
32	Maintenance of Electric Plant	1,271	48,833
33	Maintenance of Misc Hydraulic Plant	0	418
34	Total Production Expenses (total 23 thru 33)	506,718	497,860
35	Expenses per net KWh	0.0047	0.0070



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**HYDROELECTRIC GENERATING PLANT STATISTICS (Large Plants)**

1. Large plants are hydro plants of 10,000 Kw or more of installed capacity (name plate ratings)
2. If any plant is leased, operated under a license from the Federal Energy Regulatory Commission, or operated as a joint facility, indicate such facts in a footnote. If licensed project, give project number.
3. If net peak demand for 60 minutes is not available, give that which is available specifying period.
4. If a group of employees attends more than one generating plant, report on line 11 the approximate average number of employees assignable to each plant.

Line No.	Item (a)	FERC Licensed Project No. 2545 Plant Name: Nine Mile Falls (b)	FERC Licensed Project No. 2545 Plant Name: Post Falls (c)
1	Kind of Plant (Run-of-River or Storage)	Run-of-River	Storage
2	Plant Construction type (Conventional or Outdoor)	Conventional	Conventional
3	Year Originally Constructed	1908	1906
4	Year Last Unit was Installed	1994	1980
5	Total installed cap (Gen name plate Rating in MW)	26.40	14.80
6	Net Peak Demand on Plant-Megawatts (60 minutes)	25	18
7	Plant Hours Connect to Load	8,784	8,782
8	Net Plant Capability (in megawatts)		
9	(a) Under Most Favorable Oper Conditions	25	18
10	(b) Under the Most Adverse Oper Conditions	11	5
11	Average Number of Employees	1	1
12	Net Generation, Exclusive of Plant Use - Kwh	134,860,000	96,356,000
13	Cost of Plant		
14	Land and Land Rights	33,429	2,502,359
15	Structures and Improvements	3,922,073	612,907
16	Reservoirs, Dams, and Waterways	11,840,543	6,009,430
17	Equipment Costs	12,403,473	3,287,163
18	Roads, Railroads, and Bridges	625,181	0
19	Asset Retirement Costs	0	0
20	TOTAL cost (Total of 14 thru 19)	28,824,699	12,411,859
21	Cost per KW of Installed Capacity (line 20 / 5)	1,091.8447	838.6391
22	Production Expenses		
23	Operation Supervision and Engineering	54,995	56,185
24	Water for Power	0	17,302
25	Hydraulic Expenses	10,432	10,236
26	Electric Expenses	401,216	372,784
27	Misc Hydraulic Power Generation Expenses	51,572	45,660
28	Rents	0	0
29	Maintenance Supervision and Engineering	13,184	4,797
30	Maintenance of Structures	5,104	10,386
31	Maintenance of Reservoirs, Dams, and Waterways	93,700	240,855
32	Maintenance of Electric Plant	310,300	-10,601
33	Maintenance of Misc Hydraulic Plant	382	8,389
34	Total Production Expenses (total 23 thru 33)	940,885	755,993
35	Expenses per net KWh	0.0070	0.0078



Name of Respondent Avista Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/25/2005	Year/Period of Report End of <u>2004/Q4</u>
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**HYDROELECTRIC GENERATING PLANT STATISTICS (Large Plants)**

1. Large plants are hydro plants of 10,000 Kw or more of installed capacity (name plate ratings)
2. If any plant is leased, operated under a license from the Federal Energy Regulatory Commission, or operated as a joint facility, indicate such facts in a footnote. If licensed project, give project number.
3. If net peak demand for 60 minutes is not available, give that which is available specifying period.
4. If a group of employees attends more than one generating plant, report on line 11 the approximate average number of employees assignable to each plant.

Line No.	Item (a)	FERC Licensed Project No. 0 Plant Name: (b)	FERC Licensed Project No. 0 Plant Name: (c)
1	Kind of Plant (Run-of-River or Storage)		
2	Plant Construction type (Conventional or Outdoor)		
3	Year Originally Constructed		
4	Year Last Unit was Installed		
5	Total installed cap (Gen name plate Rating in MW)	0.00	0.00
6	Net Peak Demand on Plant-Megawatts (60 minutes)	0	0
7	Plant Hours Connect to Load	0	0
8	Net Plant Capability (in megawatts)		
9	(a) Under Most Favorable Oper Conditions	0	0
10	(b) Under the Most Adverse Oper Conditions	0	0
11	Average Number of Employees	0	0
12	Net Generation, Exclusive of Plant Use - Kwh	0	0
13	Cost of Plant		
14	Land and Land Rights	0	0
15	Structures and Improvements	0	0
16	Reservoirs, Dams, and Waterways	0	0
17	Equipment Costs	0	0
18	Roads, Railroads, and Bridges	0	0
19	Asset Retirement Costs	0	0
20	TOTAL cost (Total of 14 thru 19)	0	0
21	Cost per KW of Installed Capacity (line 20 / 5)	0.0000	0.0000
22	Production Expenses		
23	Operation Supervision and Engineering	0	0
24	Water for Power	0	0
25	Hydraulic Expenses	0	0
26	Electric Expenses	0	0
27	Misc Hydraulic Power Generation Expenses	0	0
28	Rents	0	0
29	Maintenance Supervision and Engineering	0	0
30	Maintenance of Structures	0	0
31	Maintenance of Reservoirs, Dams, and Waterways	0	0
32	Maintenance of Electric Plant	0	0
33	Maintenance of Misc Hydraulic Plant	0	0
34	Total Production Expenses (total 23 thru 33)	0	0
35	Expenses per net KWh	0.0000	0.0000

HYDROELECTRIC GENERATING PLANT STATISTICS (Large Plants) (Continued)

5. The items under Cost of Plant represent accounts or combinations of accounts prescribed by the Uniform System of Accounts. Production Expenses do not include Purchased Power, System control and Load Dispatching, and Other Expenses classified as "Other Power Supply Expenses."  
 6. Report as a separate plant any plant equipped with combinations of steam, hydro, internal combustion engine, or gas turbine equipment.

FERC Licensed Project No. 0 Plant Name: (d)	FERC Licensed Project No. 0 Plant Name: (e)	FERC Licensed Project No. 0 Plant Name: (f)	Line No.
			1
			2
			3
			4
0.00	0.00	0.00	5
0	0	0	6
0	0	0	7
			8
0	0	0	9
0	0	0	10
0	0	0	11
0	0	0	12
			13
0	0	0	14
0	0	0	15
0	0	0	16
0	0	0	17
0	0	0	18
0	0	0	19
0	0	0	20
0.0000	0.0000	0.0000	21
			22
0	0	0	23
0	0	0	24
0	0	0	25
0	0	0	26
0	0	0	27
0	0	0	28
0	0	0	29
0	0	0	30
0	0	0	31
0	0	0	32
0	0	0	33
0	0	0	34
0.0000	0.0000	0.0000	35

Name of Respondent Avista Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/25/2005	Year/Period of Report End of <u>2004/Q4</u>
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**GENERATING PLANT STATISTICS (Small Plants)**

1. Small generating plants are steam plants of, less than 25,000 Kw; internal combustion and gas turbine-plants, conventional hydro plants and pumped storage plants of less than 10,000 Kw installed capacity (name plate rating). 2. Designate any plant leased from others, operated under a license from the Federal Energy Regulatory Commission, or operated as a joint facility, and give a concise statement of the facts in a footnote. If licensed project, give project number in footnote.

Line No.	Name of Plant (a)	Year Orig. Const. (b)	Installed Capacity/ Name Plate Rating (In MW) (c)	Net Peak Demand MW (60 min.) (d)	Net Generation Excluding Plant Use (e)	Cost of Plant (f)
1	Kettle Falls CT	2002	7.20	10.0	8,697,000	9,169,338
2						
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GENERATING PLANT STATISTICS (Small Plants) (Continued)

3. List plants appropriately under subheadings for steam, hydro, nuclear, internal combustion and gas turbine plants. For nuclear, see instruction 11, Page 403. 4. If net peak demand for 60 minutes is not available, give the which is available, specifying period. 5. If any plant is equipped with combinations of steam, hydro internal combustion or gas turbine equipment, report each as a separate plant. However, if the exhaust heat from the gas turbine is utilized in a steam turbine regenerative feed water cycle, or for preheated combustion air in a boiler, report as one plant.

Plant Cost (Incl Asset Retire. Costs) Per MW (g)	Operation Exc'l. Fuel (h)	Production Expenses		Kind of Fuel (k)	Fuel Costs (in cents per Million Btu) (l)	Line No.
		Fuel (i)	Maintenance (j)			
1,273,519	48,184	536,991	358,207	Nat Gas	516	1
						2
						3
						4
						5
						6
						7
						8
						9
						10
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						45
						46

Name of Respondent Avista Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/25/2005	Year/Period of Report End of 2004/Q4
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**TRANSMISSION LINE STATISTICS**

1. Report information concerning transmission lines, cost of lines, and expenses for year. List each transmission line having nominal voltage of 132 kilovolts or greater. Report transmission lines below these voltages in group totals only for each voltage.
2. Transmission lines include all lines covered by the definition of transmission system plant as given in the Uniform System of Accounts. Do not report substation costs and expenses on this page.
3. Report data by individual lines for all voltages if so required by a State commission.
4. Exclude from this page any transmission lines for which plant costs are included in Account 121, Nonutility Property.
5. Indicate whether the type of supporting structure reported in column (e) is: (1) single pole wood or steel; (2) H-frame wood, or steel poles; (3) tower; or (4) underground construction. If a transmission line has more than one type of supporting structure, indicate the mileage of each type of construction by the use of brackets and extra lines. Minor portions of a transmission line of a different type of construction need not be distinguished from the remainder of the line.
6. Report in columns (f) and (g) the total pole miles of each transmission line. Show in column (f) the pole miles of line on structures the cost of which is reported for the line designated; conversely, show in column (g) the pole miles of line on structures the cost of which is reported for another line. Report pole miles of line on leased or partly owned structures in column (g). In a footnote, explain the basis of such occupancy and state whether expenses with respect to such structures are included in the expenses reported for the line designated.

Line No.	DESIGNATION		VOLTAGE (KV) (Indicate where other than 60 cycle, 3 phase)		Type of Supporting Structure (e)	LENGTH (Pole miles) (In the case of underground lines report circuit miles)		Number Of Circuits (h)
	From (a)	To (b)	Operating (c)	Designed (d)		On Structure of Line Designated (f)	On Structures of Another Line (g)	
1	Group Sum		60.00	60.00		1.00		
2								
3	Group Sum		115.00	115.00		1,528.00		
4								
5	Beacon Sub #4	BPA Bell Sub	230.00	230.00	Steel Tower	1.00		1
6	Beacon Sub	BPA Bell Sub	230.00	230.00	H Type	5.00		1
7	Beacon Sub #5	BPA Bell Sub	230.00	230.00	H Type	6.00		1
8	Beacon	Cabinet Gorge Plant	230.00	230.00	Steel Tower		1.00	1
9	Beacon	Cabinet Gorge Plant	230.00	230.00	Steel Pole	25.00		2
10	Beacon	Cabinet Gorge Plant	230.00	230.00	H Type	52.00		1
11	Beacon Sub	Lolo Sub	230.00	230.00	Steel Tower	1.00		1
12	Beacon Sub	Lolo Sub	230.00	230.00	H Type	108.00		1
13	Noxon Plant	Pine Creek Sub	230.00	230.00	H Type	43.00		1
14	Cabinet Gorge Plant	Noxon	230.00	230.00	H Type	19.00		1
15	Benewah Sw. Station	Pine Creek Sub	230.00	230.00	Steel Tower			1
16	Benewah Sw. Station	Pine Creek Sub	230.00	230.00	H Type	43.00		1
17	Divide Creek	Lolo Sub	230.00	230.00	Steel Tower			1
18	Divide Creek	Lolo Sub	230.00	230.00	H Type	63.00		1
19	N. Lewiston	Walla Walla	230.00	230.00	Steel Tower	4.00		1
20	N. Lewiston	Walla Walla	230.00	230.00	H Type	32.00		1
21	N. Lewiston	Shawnee	230.00	230.00	Steel Tower	7.00		1
22	N. Lewiston	Shawnee	230.00	230.00	H Type	27.00		1
23	Walla Walla	Wanapum	230.00	230.00	Alum.			1
24	Walla Walla	Wanapum	230.00	230.00	H Type	78.00		1
25	BPA (Libby)	Noxon Plant	230.00	230.00	Steel Tower	1.00		1
26	BPA/Hot Springs #1	Noxon Plant	230.00	230.00	Steel Tower	1.00		1
27	BPA/Hot Springs #2	Noxon Plant (dead)	230.00	230.00	Steel Tower		2.00	1
28	BPA/Hot Springs #2	Noxon Plant	230.00	230.00	H Type	68.00		1
29	BPA Line	West Side Sub	230.00	230.00	Steel Pole	4.00		2
30	Hatwai	N. Lewiston Sub	230.00	230.00	H Type	7.00		1
31	Divide Creek	Imnaha	230.00	230.00	H Type	20.00		1
32	Colstrip Plant	Broadview	500.00	500.00				
33								
34								
35								
36					TOTAL	2,144.00	3.00	29

TRANSMISSION LINE STATISTICS (Continued)

7. Do not report the same transmission line structure twice. Report Lower voltage Lines and higher voltage lines as one line. Designate in a footnote if you do not include Lower voltage lines with higher voltage lines. If two or more transmission line structures support lines of the same voltage, report the pole miles of the primary structure in column (f) and the pole miles of the other line(s) in column (g)
8. Designate any transmission line or portion thereof for which the respondent is not the sole owner. If such property is leased from another company, give name of lessor, date and terms of Lease, and amount of rent for year. For any transmission line other than a leased line, or portion thereof, for which the respondent is not the sole owner but which the respondent operates or shares in the operation of, furnish a succinct statement explaining the arrangement and giving particulars (details) of such matters as percent ownership by respondent in the line, name of co-owner, basis of sharing expenses of the Line, and how the expenses borne by the respondent are accounted for, and accounts affected. Specify whether lessor, co-owner, or other party is an associated company.
9. Designate any transmission line leased to another company and give name of Lessee, date and terms of lease, annual rent for year, and how determined. Specify whether lessee is an associated company.
10. Base the plant cost figures called for in columns (j) to (l) on the book cost at end of year.

Size of Conductor and Material (i)	COST OF LINE (Include in Column (j) Land, Land rights, and clearing right-of-way)			EXPENSES, EXCEPT DEPRECIATION AND TAXES				Line No.
	Land (j)	Construction and Other Costs (k)	Total Cost (l)	Operation Expenses (m)	Maintenance Expenses (n)	Rents (o)	Total Expenses (p)	
	136,038	70,092	206,130					1
								2
	6,090,629	73,434,271	79,524,900	210,812	576,096	5,653	792,561	3
								4
795 McMACSR	17,912	311,744	329,656					5
1272 McMACSR								6
1272 McMAL	30,323	392,837	423,160					7
795 McMACSR								8
1590 ACSS								9
795 McMACSR	260,607	29,170,867	29,431,474	1,197	42,186	4,750	48,133	10
795 McMACSR								11
1272 McMAL	456,162	4,369,303	4,825,465	740	8,908		9,648	12
954 McMAL	105,647	14,787,501	14,893,148	1,616	215,770	6,815	224,201	13
954 McMAL	49,049	1,066,610	1,115,659	679	4,858	953	6,490	14
954 McMAL								15
954 McMAL	157,193	2,595,949	2,753,142	288	7,818	64	8,170	16
1272 McMAL								17
1272 McMAL	86,228	3,577,252	3,663,480	4,572	11,500	1,524	17,596	18
1272 McMAL								19
1272 McMAL	620,175	3,936,710	4,556,885	568	1,636		2,204	20
1272 McMAL								21
1272 McMAL	872,150	7,552,201	8,424,351	1,799			1,799	22
1272 McMAL								23
1272 McMAL	70,781	2,201,711	2,272,492	2,097	3,962		6,059	24
1272 McMAL								25
1272 McMAL		19,521	19,521		1,314		1,314	26
1272 McMAL								27
1272 McMAL	144,638	3,283,337	3,427,975	427	23,353	1,169	24,949	28
1272 McMAL	36,461	587,224	623,685		1,677		1,677	29
1272 McMACSR	106,581	1,583,141	1,689,722	585			585	30
1272 McMAL	60,302	1,284,858	1,345,160					31
	595,789	28,260,542	28,856,331					32
								33
								34
								35
	9,896,665	178,485,671	188,382,336	225,380	899,078	20,928	1,145,386	36

Name of Respondent Avista Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/25/2005	Year/Period of Report End of <u>2004/Q4</u>
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**TRANSMISSION LINES ADDED DURING YEAR**

- Report below the information called for concerning Transmission lines added or altered during the year. It is not necessary to report minor revisions of lines.
- Provide separate subheadings for overhead and under-ground construction and show each transmission line separately. If actual costs of completed construction are not readily available for reporting columns (l) to (o), it is permissible to report in these columns the

Line No.	LINE DESIGNATION		Line Length in Miles (c)	SUPPORTING STRUCTURE		CIRCUITS PER STRUCTURE	
	From (a)	To (b)		Type (d)	Average Number per Miles (e)	Present (f)	Ultimate (g)
1	Beacon	Cabinet Gorge	25.00	Steel Pole	8.00	2	2
2							
3							
4							
5							
6							
7							
8							
9							
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36							
37							
38							
39							
40							
41							
42							
43							
44	TOTAL		25.00		8.00	2	2

TRANSMISSION LINES ADDED DURING YEAR (Continued)

costs. Designate, however, if estimated amounts are reported. Include costs of Clearing Land and Rights-of-Way, and Roads and Trails, in column (l) with appropriate footnote, and costs of Underground Conduit in column (m).  
 3. If design voltage differs from operating voltage, indicate such fact by footnote; also where line is other than 60 cycle, 3 phase, indicate such other characteristic.

CONDUCTORS			Voltage KV (Operating) (k)	LINE COST				Line No.	
Size (h)	Specification (i)	Configuration and Spacing (j)		Land and Land Rights (l)	Poles, Towers and Fixtures (m)	Conductors and Devices (n)	Asset Retire. Costs (o)		Total (p)
1590	ACSS	SDC-20.79	230		12,848,271	3,026,075	-956,563	14,917,783	1
									2
									3
									4
									5
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									43
					12,848,271	3,026,075	-956,563	14,917,783	44

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**SUBSTATIONS**

1. Report below the information called for concerning substations of the respondent as of the end of the year.
2. Substations which serve only one industrial or street railway customer should not be listed below.
3. Substations with capacities of Less than 10 MVA except those serving customers with energy for resale, may be grouped according to functional character, but the number of such substations must be shown.
4. Indicate in column (b) the functional character of each substation, designating whether transmission or distribution and whether attended or unattended. At the end of the page, summarize according to function the capacities reported for the individual stations in column (f).

Line No.	Name and Location of Substation (a)	Character of Substation (b)	VOLTAGE (In MVA)		
			Primary (c)	Secondary (d)	Tertiary (e)
1	STATE OF WASHINGTON				
2					
3	Airway Heights	Distr. Unattended	115.00	13.80	
4	Barker Road	Distr. Unattended	110.00	13.80	
5	Beacon	Trnsm & Dist Unattd	230.00	115.00	13.80
6	Chester	Distr. Unattended	115.00	13.80	
7	Chewelah 115Kv	Distr. Unattended	115.00	13.80	
8	Colbert	Distr. Unattended	115.00	13.80	
9	College & Walnut	Distr. Unattended	115.00	13.80	
10	Colville 115Kv	Distr. Unattended	115.00	13.80	
11	Dry Gulch	Distr. Unattended	115.00	13.80	
12	East Colfax	Distr. Unattended	115.00	13.80	
13	East Farms	Distr. Unattended	115.00	13.80	
14	Fort Wright	Distr. Unattended	115.00	13.80	
15	Francis and Cedar	Distr. Unattended	115.00	13.80	
16	Gifford	Distr. Unattended	115.00	34.00	
17	Glenrose	Distr. Unattended	115.00	13.80	
18	Greenwood	Distr. Unattended	115.00	13.80	
19	Hallett & White 115-13kv	Distr. Unattended	115.00	13.80	
20	Industrial Park	Distr. Unattended	115.00	13.80	
21	Kettle Falls	Distr. Unattended	115.00	13.80	
22	Lee & Reynolds	Distr. Unattended	115.00	13.80	
23	Liberty Lake	Distr. Unattended	115.00	13.80	
24	Little Falls 115/34Kv	Distr. Unattended	115.00	34.00	
25	Lyons & Standard	Distr. Unattended	115.00	13.80	
26	Mead	Distr. Unattended	115.00	13.80	
27	Metro	Distr. Unattended	115.00	13.80	
28	Milan	Distr. Unattended	115.00	13.80	
29	Millwood	Trnsm & Dist Unattd	115.00	60.00	13.80
30	Ninth & Central	Distr. Unattended	115.00	13.80	
31	Northeast	Distr. Unattended	115.00	13.80	
32	Northwest	Distr. Unattended	115.00	13.80	
33	Opportunity	Dist & Whrs Unattd	115.00	13.80	
34	Othello	Distr. Unattended	115.00	13.80	
35	Post Street	Distr. Unattended	115.00	13.80	
36	Pound Lane	Distr. Unattended	115.00	13.80	
37	Pullman	Dist Unattended	115.00	13.80	
38	Ross Park	Distr. Unattended	115.00	13.80	
39	Roxboro	Distr. Unattended	115.00	24.00	
40	Shawnee	Trans. Unattended	230.00	115.00	

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SUBSTATIONS (Continued)

5. Show in columns (l), (j), and (k) special equipment such as rotary converters, rectifiers, condensers, etc. and auxiliary equipment for increasing capacity.

6. Designate substations or major items of equipment leased from others, jointly owned with others, or operated otherwise than by reason of sole ownership by the respondent. For any substation or equipment operated under lease, give name of lessor, date and period of lease, and annual rent. For any substation or equipment operated other than by reason of sole ownership or lease, give name of co-owner or other party, explain basis of sharing expenses or other accounting between the parties, and state amounts and accounts affected in respondent's books of account. Specify in each case whether lessor, co-owner, or other party is an associated company.

Capacity of Substation (In Service) (In MVA) (f)	Number of Transformers In Service (g)	Number of Spare Transformers (h)	CONVERSION APPARATUS AND SPECIAL EQUIPMENT			Line No.
			Type of Equipment (i)	Number of Units (j)	Total Capacity (In MVA) (k)	
						1
						2
24	2		Frcd Oil & Air Fan	2	40	3
12	1		Two Stage Fan	1	20	4
536	4		Frcd Oil & Air Fan	4	560	5
24	2		Frcd Oil & Air Fan	2	40	6
15	3		Frcd Air	3	15	7
12	1		Frcd Oil & Air Fan	1	20	8
36	2		Two Stage Fan	2	60	9
31	3		Frcd Oil & Air Fan	3	45	10
24	2		Frcd Oil & Air Fan	2	40	11
12	1		FrOil/Air Fan	1	20	12
12	1		Two Stage Fan	1	20	13
24	2		Fr Oil/Air/2StgFan	2	40	14
60	2		Frcd Air Fan	2	36	15
12	1					16
12	1		Frcd Oil & Air Fan	1	20	17
13	4	1	FrOil/Air/Two Stage	4	22	18
12	1		Two Stg Fan	1	20	19
28	3		Two Stg/Pt/Frcd Oil	40	40	20
12	1		Frcd Oil & Air Fan	1	20	21
12	1		Two Stage Fan	1	20	22
24	2		Two Stage Fan	2	40	23
12	1					24
36	2		Two Stage Fan	2	60	25
18	1		Two Stage Fan	1	30	26
24	2		Two Stage Fan	2	40	27
12	1		Frcd Oil & Air Fan	1	20	28
44	3	1	FrcAir/FrcOil/AirFan	3	61	29
24	2	1	Frcd & Two Stage Fan	2	40	30
24	2		Two Stage Fan	2	40	31
24	2		Two Stage Fan	2	40	32
24	2		Two Stage Fan	2	40	33
24	2		FrOil/AirFan	2	40	34
92	5	3	Frcd Oil & Wt Fan	5	93	35
24	2		Two Stage Fan	2	40	36
24	2		Frcd Oil & Air Fan	2	40	37
30	2		Two Stage Fan	2	60	38
24	2		Two Stage Fan	2	40	39
250	1					40

Name of Respondent Avista Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/25/2005	Year/Period of Report End of <u>2004/Q4</u>
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**SUBSTATIONS**

1. Report below the information called for concerning substations of the respondent as of the end of the year.
2. Substations which serve only one industrial or street railway customer should not be listed below.
3. Substations with capacities of Less than 10 MVA except those serving customers with energy for resale, may be grouped according to functional character, but the number of such substations must be shown.
4. Indicate in column (b) the functional character of each substation, designating whether transmission or distribution and whether attended or unattended. At the end of the page, summarize according to function the capacities reported for the individual stations in column (f).

Line No.	Name and Location of Substation (a)	Character of Substation (b)	VOLTAGE (In MVA)		
			Primary (c)	Secondary (d)	Tertiary (e)
1	Silver Lake	Distr. Unattended	115.00	13.80	
2	Southeast	Distr. Unattended	115.00	13.80	
3	South Othello	Distr. Unattended	115.00	13.80	
4	South Pullman	Distr. Unattended	115.00	13.80	
5	Sunset	Distr. Unattended	115.00	13.80	
6	Third & Hatch	Distr. Unattended	115.00	13.80	
7	Waikiki	Distr. Unattended	115.00	13.80	
8	West Side	Trans. Unattended	230.00	115.00	13.80
9	Other: 72substa less than 10MVA	Distr. Unattended			
10					
11	STATE OF IDAHO				
12	Appleway	Dist & Trfr Unattnd	115.00	13.80	
13	Benewah	Trans. Unattended	230.00	115.00	13.80
14	Big Creek	Distr. Unattended	115.00	13.80	
15	Blue Creek	Distr. Unattended	115.00	13.80	
16	Bunker Hill	Distr. Unattended	115.00	13.80	
17	Clark Fork	Distr. Unattended	115.00	21.80	
18	Coeur d'Alene 15th Ave	Distr. Unattended	115.00	13.80	
19	Cottonwood	Distr. Unattended	115.00	24.90	
20	Dalton	Distr. Unattended	115.00	13.80	
21	Grangeville	Dist & Trfr Unattnd	115.00	13.80	
22	Holbrook	Distr. Unattended	115.00	13.80	
23	Huetter	Distr. Unattended	115.00	13.80	
24	Juliaetta	Distr. Unattended	115.00	13.80	
25	Kamiah	Dist & Trfr Unattnd	115.00	13.80	
26	Kooskia	Distr. Unattended	115.00	13.80	
27	Lolo	Tran & Dist Unattnd	230.00	115.00	13.80
28	Moscow	Distr. Unattended	115.00	13.80	
29	Moscow 230Kv	Tran & Dist Unattnd	230.00	115.00	13.80
30	North Moscow	Distr. Unattended	115.00	13.80	
31	North Lewiston	Trans Unattended	230.00	115.00	13.80
32	North Lewiston	Distr. Unattended	115.00	13.80	
33	Oden	Distr. Unattended	115.00	21.80	
34	Oldtown	Distr. Unattended	115.00	21.80	
35	Orofino	Distr. Unattended	115.00	13.80	
36	Osburn	Distr. Unattended	115.00	13.80	
37	Pine Creek	Tran & Dist Unattnd	230.00	110.00	13.80
38	Pleasant View	Distr. Unattended	115.00	13.80	
39	Post Falls	Distr. Unattended	115.00	13.80	
40	Potlatch	Dist & Trfr Unattnd	115.00	13.80	

Name of Respondent Avista Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/25/2005	Year/Period of Report End of 2004/Q4
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SUBSTATIONS (Continued)

5. Show in columns (l), (j), and (k) special equipment such as rotary converters, rectifiers, condensers, etc. and auxiliary equipment for increasing capacity.

6. Designate substations or major items of equipment leased from others, jointly owned with others, or operated otherwise than by reason of sole ownership by the respondent. For any substation or equipment operated under lease, give name of lessor, date and period of lease, and annual rent. For any substation or equipment operated other than by reason of sole ownership or lease, give name of co-owner or other party, explain basis of sharing expenses or other accounting between the parties, and state amounts and accounts affected in respondent's books of account. Specify in each case whether lessor, co-owner, or other party is an associated company.

Capacity of Substation (In Service) (In MVA) (f)	Number of Transformers In Service (g)	Number of Spare Transformers (h)	CONVERSION APPARATUS AND SPECIAL EQUIPMENT			Line No.
			Type of Equipment (i)	Number of Units (j)	Total Capacity (In MVA) (k)	
12	1		Frcd Oil & Air Fan	1	20	1
30	2		Two Stage Fan	2	50	2
12	1		Two Stage Fan	1	20	3
30	2		Two Stage Fan	240	50	4
35	4	1	Pt. & Two Stage Fan	4	50	5
54	3		Two Stg Fan & Cap	103	90	6
24	2		Two Stage Fan	2	40	7
250	2					8
186	137	1				9
						10
						11
30	2		Two Stage Fan	2	50	12
125	1					13
17	2		Portable Fan	2	22	14
20	3	1				15
12	1		Frcd Air Fan	1	26	16
10	1		Frcd Air Fan	1	13	17
36	2		Two Stage Fan	2	60	18
12	1		Two Stage Fan	1	20	19
24	2		FrcOil/Air2StgFan	2	40	20
25	4		FrcdOil/Air/Pt Fan	2	34	21
12	1		Two Stage Fan	1	20	22
12	1		Two Stage Fan	1	20	23
12	1		Frcd Oil & Air Fan	1	20	24
12	1		Two Stage Fan	1	20	25
15	3		Frcd Air Fan	2	20	26
270	3		Frcd Oil/Air/Two Stg	1	262	27
24	2		FrOil/Air/2Stg Fan	2	40	28
137	2	1	Capacitors	80	182	29
12	1		Two Stage Fan	1	20	30
250	1	1	Frcd Oil/Air&Cptrs	81	295	31
10	3					32
10	1		Frcd Air Fan		13	33
10	1		Frcd Air Fan	1	13	34
20	2		Frcd Oil & Air Fan	1	28	35
12	1		Portable Fan	1	15	36
262	3		Capacitors	80	307	37
12	1		Two Stage Fan	1	20	38
18	1		Two Stage Fan	1	30	39
15	2		Portable Fan	2	19	40

Name of Respondent Avista Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/25/2005	Year/Period of Report End of 2004/Q4
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**SUBSTATIONS**

1. Report below the information called for concerning substations of the respondent as of the end of the year.
2. Substations which serve only one industrial or street railway customer should not be listed below.
3. Substations with capacities of Less than 10 MVA except those serving customers with energy for resale, may be grouped according to functional character, but the number of such substations must be shown.
4. Indicate in column (b) the functional character of each substation, designating whether transmission or distribution and whether attended or unattended. At the end of the page, summarize according to function the capacities reported for the individual stations in column (f).

Line No.	Name and Location of Substation (a)	Character of Substation (b)	VOLTAGE (In MVA)		
			Primary (c)	Secondary (d)	Tertiary (e)
1	Prarie	Distr. Unattended	115.00	13.80	
2	Priest River	Distr. Unattended	115.00	20.80	
3	Sandpoint	Distr. Unattended	115.00	20.80	
4	South Lewiston	Distr. Unattended	115.00	13.80	
5	Sweetwater	Distr. Unattended	115.00	24.00	
6	St. Maries	Distr. Unattended	115.00	24.00	
7	Tenth & Stewart	Distr. Unattended	115.00	13.80	
8	Wallace	Dist & Whse Unattnd	115.00	13.80	
9	Rathdrum	Tran & Dist Unattnd	230.00	115.00	13.80
10	Other: 29 substa less than 10 MVA	Distr. Unattended			
11					
12	STATE OF MONTANA				
13	1 substation less than 10 MVA	Distr. Unattended			
14					
15	SUBSTA. @ GENERATING PLANTS				
16	STATE OF WASHINGTON				
17	Boulder Park	Trans Step-Up	115.00	13.80	
18	Kettle Falls	Trans Step-Up	115.00	13.80	
19	Long Lake	Trans.	115.00	4.00	4.00
20	Nine Mile	Trns Step-Up & Dist	115.00	60.00	2.30
21	Little Falls	Trans.	115.00	4.00	
22	Northeast	Trans. Step-Up	115.00	13.80	
23					
24	STATE OF IDAHO				
25	Cabinet Gorge (Switchyard)		230.00	115.00	13.80
26	Cabinet Gorge (HED)	Trans. Step-Up	230.00	13.80	
27	Post Falls	Trans. Step-Up	115.00	2.30	
28	Rathdrum	Trans. Step-Up	115.00	13.80	
29					
30	STATE OF MONTANA				
31	Noxon	Trans. Step-Up	230.00	13.80	
32					
33	STATE OF OREGON				
34	Coyote Springs II	Trans. Step -Up	500.00	13.80	18.00
35					
36	SUMMARY:				
37	Washington:				
38	8 subs	Trans. Unattended			
39	113 subs	Distr. Unattended			
40	3 subs	Tran & Dist Unattnd			

Name of Respondent Avista Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/25/2005	Year/Period of Report End of 2004/Q4
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SUBSTATIONS (Continued)

5. Show in columns (l), (j), and (k) special equipment such as rotary converters, rectifiers, condensers, etc. and auxiliary equipment for increasing capacity.

6. Designate substations or major items of equipment leased from others, jointly owned with others, or operated otherwise than by reason of sole ownership by the respondent. For any substation or equipment operated under lease, give name of lessor, date and period of lease, and annual rent. For any substation or equipment operated other than by reason of sole ownership or lease, give name of co-owner or other party, explain basis of sharing expenses or other accounting between the parties, and state amounts and accounts affected in respondent's books of account. Specify in each case whether lessor, co-owner, or other party is an associated company.

Capacity of Substation (In Service) (In MVA) (f)	Number of Transformers In Service (g)	Number of Spare Transformers (h)	CONVERSION APPARATUS AND SPECIAL EQUIPMENT			Line No.
			Type of Equipment (i)	Number of Units (j)	Total Capacity (In MVA) (k)	
12	1		Frcd Oil & Air Fan	1	20	1
10	1	1	Frcd Air Fan	1	13	2
30	3		Frcd Air Fan	3	38	3
27	4		Port Fan/FrcdOil/Air	4	39	4
12	1		Frcd Oil & Air Fan	1	20	5
24	2		Two Stage Fan	2	40	6
30	2		Frcd Oil/Air/Two Stg	2	50	7
10	3					8
462	3		FrcdOil/AirFan/Cptrs	243	470	9
78	47					10
						11
						12
5	1					13
						14
						15
						16
36	1		Two Stage Fan	1	60	17
30	1		Two Stage Fan	1	62	18
80	4	1				19
18	2		Frcd Oil & Air Fan	1	40	20
24	2		Frcd Oil & Air Fan	2	40	21
36	1		Two Stage Fan	1	60	22
						23
						24
125	1		2 stage fan	1	13	25
30	6	1	Frcd Oil and Air Fan	2	30	26
16	2		Frcd Air/Oil/Air Fan	2	21	27
114	2	3	Two Stage Fan	2	190	28
						29
						30
532	9	1	Frcd Oil Air	6	555	31
						32
						33
213	1	1	Two Stage fan	2	355	34
						35
						36
						37
724						38
1186						39
604						40

**SUBSTATIONS**

1. Report below the information called for concerning substations of the respondent as of the end of the year.
2. Substations which serve only one industrial or street railway customer should not be listed below.
3. Substations with capacities of Less than 10 MVA except those serving customers with energy for resale, may be grouped according to functional character, but the number of such substations must be shown.
4. Indicate in column (b) the functional character of each substation, designating whether transmission or distribution and whether attended or unattended. At the end of the page, summarize according to function the capacities reported for the individual stations in column (f).

Line No.	Name and Location of Substation (a)	Character of Substation (b)	VOLTAGE (In MVA)		
			Primary (c)	Secondary (d)	Tertiary (e)
1	Idaho:				
2	6 subs	Trans. Unattended			
3	56 subs	Distr. Unattended			
4	9 subs	Tran & Dist Unatnd			
5	Montana: 1 sub	Trans. Unattended			
6	1 sub	Distr. Unattended			
7	Oregon: 1 sub	Trans. Unattended			
8	System: 198 subs				
9					
10					
11					
12					
13					
14					
15					
16					
17					
18					
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21					
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39					
40					

Name of Respondent Avista Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/25/2005	Year/Period of Report End of <u>2004/Q4</u>
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SUBSTATIONS (Continued)

5. Show in columns (l), (j), and (k) special equipment such as rotary converters, rectifiers, condensers, etc. and auxiliary equipment for increasing capacity.

6. Designate substations or major items of equipment leased from others, jointly owned with others, or operated otherwise than by reason of sole ownership by the respondent. For any substation or equipment operated under lease, give name of lessor, date and period of lease, and annual rent. For any substation or equipment operated other than by reason of sole ownership or lease, give name of co-owner or other party, explain basis of sharing expenses or other accounting between the parties, and state amounts and accounts affected in respondent's books of account. Specify in each case whether lessor, co-owner, or other party is an associated company.

Capacity of Substation (In Service) (In MVA) (f)	Number of Transformers In Service (g)	Number of Spare Transformers (h)	CONVERSION APPARATUS AND SPECIAL EQUIPMENT			Line No.
			Type of Equipment (i)	Number of Units (j)	Total Capacity (In MVA) (k)	
						1
660						2
533						3
1222						4
533						5
5						6
213						7
5680						8
						9
						10
						11
						12
						13
						14
						15
						16
						17
						18
						19
						20
						21
						22
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						24
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						39
						40

Name of Respondent Avista Corporation	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/25/2005	Year/Period of Report 2004/Q4
FOOTNOTE DATA			

**Schedule Page: 103 Line No.: 25 Column: d**

Subsidiary of Avista Capital. In 2003, assets previously held by Avista Laboratories, Inc. were acquired by ReliOn, Inc. (formerly AVLB, Inc.) Avista Labs investment in ReliOn, Inc. is accounted for under the cost method.

**Schedule Page: 103.2 Line No.: 16 Column: d**

51% owned by Cogentrix Energy, Inc., which is owned by the Goldman Sach Group, Inc. Avista Corp.'s interest is owned by Avista Rathdrum, LLC.

**Schedule Page: 103.2 Line No.: 19 Column: d**

50% owned by Mirant Americas Development, Inc. Avista Corp. purchased Mirant's 50% ownership interest in January 2005.

Name of Respondent Avista Corporation	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/25/2005	Year/Period of Report 2004/Q4
FOOTNOTE DATA			

**Schedule Page: 219 Line No.: 3 Column: c**

Interest credits under sinking fund method (on Hydro plant only) is \$5,136,041.08

**Schedule Page: 219 Line No.: 8 Column: c**

Includes Acc Prov For Amort of Non Recoverable Plant of (4,408,683), FAS 143 Accumulated Depreciation of 18,572, and disposals of depreciable property.

**Schedule Page: 219 Line No.: 12 Column: c**

The difference between FERC Form 1 page 219 for "Book Cost of Plant Retired" and pages 204-207 is \$20,488. Page 219 only shows retirements for account 108, Accumulated Provision for Depreciation of Electric Utility Plant, whereas pages 204-207 include account 111, Accumulated Provision for Amortization of Electric Utility Plant.

**Schedule Page: 219 Line No.: 16 Column: c**

In October of 2004, Avista sold its share of the Skookumchuck plant. \$980,397.90 is the recorded gain from the sale.

Name of Respondent Avista Corporation	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/25/2005	Year/Period of Report 2004/Q4
FOOTNOTE DATA			

**Schedule Page: 227 Line No.: 1 Column: d**  
Electric

**Schedule Page: 227 Line No.: 5 Column: d**

**Schedule Page: 227 Line No.: 7 Column: d**

**Schedule Page: 227 Line No.: 8 Column: d**

**Schedule Page: 227 Line No.: 9 Column: d**

**Schedule Page: 227 Line No.: 10 Column: d**  
Electric, gas & miscellaneous.

Name of Respondent Avista Corporation	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/25/2005	Year/Period of Report 2004/Q4
FOOTNOTE DATA			

Schedule Page: 261 Line No.: 1 Column: b

**Schedule M - Worksheet for Input / Allocations / Calculations** YTD Form 1 Code

ADFIT = 190.XX	14,945,253	
BPA C&RD Receipts	395,100	4
Contributions in aid of Construction (DJ710) Utility Code 0	4,300,000	4
Contributions in aid of Construction (DJ710) Utility Code 1	500,000	4
Contributions in Aid of Construction -- OR (DJ710)	21,000	4
Contributions in Aid of Construction -- CA (DJ710)	3,000	4
Customer Uncollectibles -- Sales for Resale (144.61)	0	4
Customer Uncollectibles (all 144 accts not included in WPNG or Electric direct)	619,900	4
Customer Uncollectibles (144.08,13,26,27,66,67,76,77,80,98)	(91,364)	4
BETC Interest 419.68 <u>Perm Diff</u>	7,715	4
Transportation Tax Depreciation capitalized (45%)	997,200	4
Transportation Tax Depreciation Capitalized	23,040	4
<b>Taxable income (capital) not on books</b>	<b>6,775,591</b>	
Hamilton Street Bridge	55,351	9
Severance / Stock Options - Accelerated Vesting	117,860	9
SERP-Supplemental Exec Retire Plan - 9253.29	396,250	9
Non-monetary Purchased Power - 9242.50, 9174.50	427,905	9
Amortization of Centralia Gain	(1,925,970)	9
Book Depr-Electric (Utility Code 0, 7 & 9)	55,077,708	9
Book Depr-Gas (Utility Code 1 & 8)	8,634,238	9
Book Deprec (Utility Code 2)	6,714,929	9
Rathdrum Turbine Sales Tax Refund -- Check by 9/2005 if principal s/b addition	(33,828)	9
Wood Power Inc. Buyout (186.85 FIN) DJKJ1 thru 2004	391,997	9
Investment Exchange Power - WNP 3	2,450,004	9
FASB 106-Def Amort-Postretirement Benefits - WA EL See Worksheet	250,572	9
FASB 106-Def Amort-Postretirement Benefits - ID EL See Worksheet	88,788	9
FASB 106-Def Amort-Postretirement Benefits - WA Gas See Worksheet	55,560	9
Redemption Expense Amortization - PCB's (Paul Kimball)	194,424	9
DSM -- Electric Program Amortization RJ300	1,187,711	9
DSM -- Gas Program Amortization RJ300	566,736	9
DSM -- Electric Program Amortization Sandpoint RJ300	113,388	9
Political Contributions	1,440,000	9
Paid Time Off Equalization	1,360,638	9
Sale/Lease General Office Bldg (9005 9985.00)	(238,028)	9
Airplane Lease Payments	269,825	9
CSS Hardware Lease - Principal Only	178,617	9
CSS Software Lease - Principal Only	1,646,010	9
EGMA Hardware & Software Lease - Principal Only	112,100	9
WMS Software Lease - Principal Only	365,569	9
CIT Operating Lease	(39,276)	9
FAS106 Current Retiree Med accrual (3038 7926.20 B02) * (67% O&M) non-op DJ285	(1,491,756)	9
Redemption Expense Amortization - 189.86 & 257.00 except PCB's are directly assigned	(8,507,472)	9
Meal Disallowances	288,000	9
Trans Book Depreciation (57.61% --O & M ) GCT,SCH M 12	618,085	9
Transportation Book Depreciation (90.63%)	97,320	9
Preferred Dividend Requirement A88	2,168,984	9

Name of Respondent	This Report is:	Date of Report	Year/Period of Report
Avista Corporation	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) 04/25/2005	2004/Q4
FOOTNOTE DATA			

<b>Expenses recorded on books not allowed for tax return</b>	<b>73,032,239</b>	
Injury & Damages - 9228.20, 21 (2841092521) - Elec DJ262	(822)	14
Injury & Damages - 9228.20, 22 (2841192521) - Gas DJ262	13,744	14
Injury & Damages (228.20/228.28/2841292521)	(123,945)	14
Kettle Falls Nonoperating 426.52, 53 RJKFR 11/18	(227,265)	14
Gain on General Office Bldg - Elec 09800051 931900 ED AN RJBLD	(196,092)	14
12/2011		
Gain on General Office Bldg - Elec 09800051 931900 GD AN RJBLD	(65,364)	14
12/2011		
Clark Fork PME's DJPME	(3,163)	14
Nez Perce Settlement 925422 -- WA RJ213	(22,008)	14
Nez Perce settlement 918680 -- ID RJ213	5,212	14
FASB 87 - 9228.32 (9291 7926.20 B02) * (67% O&M) DJ285 (Includes Retirement Pay)	1,319,397	14
Deferred Compensation Accrual - 9253.9x	330,644	14
WA & ID Unbilled Revenue Add-ons -- Electric	1,970,392	14
WA & ID Unbilled Revenue Add-ons -- Gas	190,892	14
Boulder Disallowance	2,338,249	14
PCA Writedown (IPUC Order Oct 2004)	11,906,056	14
WA Deferred Power Costs - change in 182.35, 186.28, 186.29, GLM018 & DJ702	15,675,699	14
WA Deferred Power Costs - Interest DJ702	(6,358,534)	14
Idaho PCA - change in 182.37, 186.38, 186.39, GLM 019 & DJ050	7,758,089	14
Idaho PCA - Interest DJ050	(520,155)	14
Deferred Gas - WA DJ266	(4,356,154)	14
WA Deferred Gas Costs - Interest DJ266	(83,429)	14
Deferred Gas - ID DJ266	(3,496,169)	14
ID Deferred Gas Costs - Interest DJ266	(85,740)	14
Deferred Gas - OR Resource Accounting 9191	(4,050,629)	14
OR Deferred Gas - Interest	(770,815)	14
Deferred Gas - CA Resource Accounting 9191	2,825	14
CA Deferred Gas - Interest	(49,834)	14
WPNG DSM - OR	(223,413)	14
OR DSM - Interest	50,612	14
PGE Monetization (Contract + Contract Amort from Spokane Energy, LLC Income Stmt)	6,537,852	14
AFUDC Elec @1-(8%/9.72%)	(517,563)	14
AFUDC Gas @1-(8%/9.72%)	(10,886)	14
AFUDC -- GCT, SCH M,02 [1-(8%/9.72%)]	(8,653)	14
Officers' Life Insurance (27899426.2X) Perm Diff	(630,513)	14
<b>Income recorded on books not required for tax return</b>	<b>26,298,517</b>	
BPA Residential Exchange -- WA & ID	2,174,090	19
WA & ID DSM Tariff Rider -- Electric	3,248,376	19
WA & ID DSM Tariff Rider -- Gas	1,152,543	19
Removal/Salvage - Electric	204,388	19
Removal/Salvage - WA/ID Gas	(79,154)	19
Removal/Salvage - OR/CA Gas	(162,632)	19
Basic American Foods-Non-Utility 9122.19	7,788	19
***Tax Depreciation - Basic American Foods -- Non-Utility	(12,786)	19
Engineering Overheads - Electric	(8,906,904)	19
***Tax Depreciation - Electric	(64,397,456)	19
***Tax Depreciation - Rathdrum Turbine	(3,486,895)	19
Engineering Overheads - Gas	(1,095,240)	19
***Tax Depreciation - Gas	(12,639,934)	19

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/25/2005	Year/Period of Report 2004/Q4
Avista Corporation			
FOOTNOTE DATA			

***Tax Depreciation - Sandpoint Acquisition Adjustment	(458,114)	19
Engineering Overheads - OR	(794,280)	19
*** Tax Depreciation - Common	(621,792)	19
*** Tax Depreciation - OR	(5,069,022)	19
*** Tax Depreciation - CA	(643,510)	19
***Tax Amortization: WPNG Acquisition - OR	(768,683)	19
***Tax Amortization: WPNG Acquisition - CA	(135,297)	19
WPNG Acquisition OR - Book (425.68)	1,117,260	19
WPNG Acquisition CA - Book (425.78)	206,160	19
	(91,161,094)	

Name of Respondent Avista Corporation	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/25/2005	Year/Period of Report 2004/Q4
FOOTNOTE DATA			

**Schedule Page: 276 Line No.: 9 Column: c**

PGE Monetization has been reclassified from Electric 410 to Non-operating 410 in the amount of \$41,724,683.

Name of Respondent Avista Corporation	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/25/2005	Year/Period of Report 2004/Q4
FOOTNOTE DATA			

**Schedule Page: 310.2 Line No.: 13 Column: b**

NorthWestern Energy contract terminates October 31, 2008.

**Schedule Page: 310.3 Line No.: 4 Column: b**

PacifiCorp sale terminates October 31, 2008.

**Schedule Page: 310.3 Line No.: 5 Column: b**

Peaker, LLC capacity contract terminates December 31, 2016.

**Schedule Page: 310.3 Line No.: 13 Column: b**

PPL Montana contract terminates October 31, 2008.

**Schedule Page: 310.4 Line No.: 4 Column: b**

Puget Sound Energy terminates October 31, 2008.

**Schedule Page: 310.5 Line No.: 10 Column: a**

Intracompany Wheeling

**Schedule Page: 310.5 Line No.: 10 Column: b**

IntraCompany Wheeling terminates 09/30/2023.

**Schedule Page: 310.5 Line No.: 11 Column: a**

Intracompany generation - sale of ancillary services

**Schedule Page: 310.5 Line No.: 11 Column: b**

IntraCompany Generation - Sale of Ancillary Services terminates 12/31/2009.

**Schedule Page: 310.5 Line No.: 12 Column: b**

Estimated revenues - true up in later periods.

Name of Respondent Avista Corporation	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/25/2005	Year/Period of Report 2004/Q4
FOOTNOTE DATA			

**Schedule Page: 326 Line No.: 7 Column: b**  
Contract terminates June 30, 2017

**Schedule Page: 326 Line No.: 9 Column: I**  
Storage charges and Non monetary accrual

**Schedule Page: 326 Line No.: 10 Column: b**  
Spinning Reserves

**Schedule Page: 326 Line No.: 10 Column: I**  
Reserves

**Schedule Page: 326.2 Line No.: 8 Column: b**  
Service to Deer Lake customers delivered from Inland Power & Light.

**Schedule Page: 326.3 Line No.: 8 Column: I**  
Reserves

**Schedule Page: 326.3 Line No.: 12 Column: I**  
Reserves

**Schedule Page: 326.3 Line No.: 13 Column: I**  
Non Monetary accrual

**Schedule Page: 326.4 Line No.: 3 Column: I**  
Non monetary accrual

**Schedule Page: 326.4 Line No.: 4 Column: I**  
Non monetary accrual

**Schedule Page: 326.4 Line No.: 14 Column: I**  
Reserves

**Schedule Page: 326.5 Line No.: 12 Column: I**  
Reserves

**Schedule Page: 326.6 Line No.: 3 Column: I**  
Amortization of PURPA contract buyout

**Schedule Page: 326.6 Line No.: 4 Column: I**  
IntraCompany Ancillary Services

**Schedule Page: 326.6 Line No.: 5 Column: a**  
Transmission losses reported as Sales for Resale

Name of Respondent Avista Corporation	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/25/2005	Year/Period of Report 2004/Q4
FOOTNOTE DATA			

**Schedule Page: 332 Line No.: 3 Column: g**

Prior period

**Schedule Page: 332 Line No.: 5 Column: g**

Prior period

**Schedule Page: 332 Line No.: 7 Column: g**

Prior period

**Schedule Page: 332 Line No.: 8 Column: g**

O&M charges for capacity rights

**Schedule Page: 332 Line No.: 13 Column: g**

Prior period

**Schedule Page: 332 Line No.: 16 Column: g**

Prior period

Name of Respondent Avista Corporation	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/25/2005	Year/Period of Report 2004/Q4
FOOTNOTE DATA			

Schedule Page: 335 Line No.: 4 Column: b

Directors: 2004 Fees & Expenses

• R John Taylor	\$32,173.96
• David A Clack	\$36,617.61
• Kristianne Blake	\$44,901.11
• John F Kelley	\$28,827.83
• Jessie J Knight Jr.	\$22,346.81
• Erik J Anderson	\$28,767.51
• Roy Lewis Eiguren	\$28,805.96
• Lura J Powell	\$29,269.24
• Jack W Gustavel	\$12,093.27
• Michael L Noel	\$36,938.93

Schedule Page: 335 Line No.: 5 Column: b

VENDOR	PURPOSE	AMOUNT
• Citicorp Vendor Finance, Inc	Services & Fees	\$5,721.88
• Georgeson Shareholder	Proxy Solicitation	\$6,087.07
• Wilmington Trust Company	Trust Fees	\$7,269.68
• Secretary of State	Annual Filing	\$8,000.25
• Davenport 2000 LLC	Board of Directors Meetings & Travel	\$17,741.91
• The Coeur d'Alene	Board of Directors Meetings & Travel	\$18,255.47
• Citibank NA	Services & Fees	\$18,605.87
• Fitch Inc	Services & Fees	\$25,191.95
• Lawton Printing	Annual Reports	\$60,759.14
• ADP Investor Communication	Proxy Mailings	\$31,710.97
• Merrill Communications LLC	2003 Annual Report	\$33,534.61
• JP Morgan Chase Bank	Services & Fees	\$35,319.31
• New York Stock Exchange Inc	Services & Fees	\$35,938.12
• J Craig Sweat Photography	Annual Reports	\$38,329.15
• Moody's Investors Services	Annual Fee	\$39,587.35
• Dewey Ballantine LLP	General Legal Expenses	\$56,313.16
• Anderson-Mraz Design	Annual Reports	\$65,317.67
• Sharman Communications	Stock Transfer Fees & Services	\$141,150.92
• Bankers Trust	Stock Purchase	\$259,903.48

Name of Respondent Avista Corporation	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/25/2005	Year/Period of Report 2004/Q4
FOOTNOTE DATA			

**Schedule Page: 398 Line No.: 1 Column: g**

Per Schedule 1 of Avista's OATT (Tariff #8), there is no charge for Scheduling, System Control and Dispatch Service.

**Schedule Page: 398 Line No.: 2 Column: g**

Per Schedule 2 of Avista's OATT (Tariff #8), there is no charge for Reactive Supply and Voltage Control from Generation Sources Service.

**Schedule Page: 398 Line No.: 3 Column: b**

Per prior application, in service agreements filed with the Commission, of Schedule 3 of Avista's OATT (Tariff #8), a charge of \$8.94/kW is applied to 2% of a customer's Network Load for Regulation and Frequency Response Service.

For bundled retail service to native load under state jurisdiction, an imputed charge may be designated based upon the annual sum of monthly loads at the system peak of 16088MW.

**Schedule Page: 398 Line No.: 4 Column: b**

No services were provided under Schedule 4 of Avista's OATT (Tariff #8) for Energy Imbalance Services.

**Schedule Page: 398 Line No.: 5 Column: b**

Per Schedule 5 of Avista's OATT (Tariff #8), a charge of \$8.94/kW is applied to 3% of a customers Network Load for Operating Reserve - Spinning Reserve Service.

For bundled retail service to native load under state jurisdiction, an imputed charge may be designated based upon the annual sum of monthly loads at the system peak of 16088MW.

**Schedule Page: 398 Line No.: 6 Column: b**

Per Schedule 6 of Avista's OATT (tariff #8), a charge of \$8.94/kW is applied to 3% of a customers Network Load for Operating Reserve - Supplemental Reserve Service.

For bundled retail service to native load under state jurisdiction, an imputed charge may be designated based upon the annual sum of monthly loads at the system peak of 16088MW.

**Schedule Page: 398 Line No.: 7 Column: b**

Pre 888 transmission contract that monetizes customer's Transmssion losses of 3% for customers load priced at \$31.28/MWh.

Name of Respondent Avista Corporation	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/25/2005	Year/Period of Report 2004/Q4
FOOTNOTE DATA			

**Schedule Page: 402 Line No.: -1 Column: b**  
 Joint facility with Mirant Oregon, LLC. Operated by Portland General Electric.

**Schedule Page: 402 Line No.: -1 Column: e**  
 Joint project operated by PPL Montana LLC.

**Schedule Page: 402 Line No.: -1 Column: f**  
 Leased plant.

Name of Respondent Avista Corporation	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/25/2005	Year/Period of Report 2004/Q4
FOOTNOTE DATA			

**Schedule Page: 406 Line No.: -2 Column: b**  
License period from August 1, 1972 to July 31, 2007.

**Schedule Page: 406 Line No.: -2 Column: c**  
License period from August 1, 1972 to July 31, 2007.

**Schedule Page: 406 Line No.: -2 Column: d**  
License period from March 1, 2001 to February 28, 2046

**Schedule Page: 406 Line No.: -2 Column: e**  
License period from March 1, 2001 to February 28, 2046.

**Schedule Page: 406 Line No.: -2 Column: f**  
License period from August 1, 1972 to July 31, 2007.

**Schedule Page: 406.1 Line No.: -2 Column: b**  
License period from August 1, 1972 to July 31, 2007.

**Schedule Page: 406.1 Line No.: -2 Column: c**  
Licensed period from August 1, 1972 to July 31, 2007.

**Schedule Page: 406.1 Line No.: -2 Column: d**  
Not a licensed project.

Name of Respondent Avista Corporation	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/25/2005	Year/Period of Report 2004/Q4
FOOTNOTE DATA			

**Schedule Page: 422 Line No.: 31 Column: a**  
PPL Montana contract terminates October 31, 2008.

**2004 Form 1**  
**State Supplements**

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Name of Respondent  Avista Corp	This Report Is:	Date of Report (Mo, Da, Yr)	Year of Report
	(1) <input checked="" type="checkbox"/> An Original  (2) <input type="checkbox"/> A Resubmission	April 25, 2005	Dec. 31, 2004

**STATEMENT OF INCOME FOR THE YEAR**

1. Report amounts for accounts 412 and 413, Revenue and Expenses from Utility Plant Leased to Others, in another utility column (i,k,m,o) in a similar manner to a utility department. Spread the amount(s) over lines 01 thru 20 as appropriate. Include these amounts in columns (c) and (d) totals.

2. Report amounts in account 414, Other Utility Operating Income, in the same manner as accounts 412 and 413 above.

3. Report data for lines 7, 9, and 10 for Natural Gas companies using accounts 404.1, 404.2, 404.3, 407.1, and 407.2.

4. Use page 122 for important notes regarding the statement of income or any account thereof.

5. Give concise explanations concerning unsettled rate proceedings where a contingency exists such that refunds of a material amount may need to be made to the utility's customers or which may result in a material refund to the utility with respect to power or gas purchases. State for each year affected the gross revenues or costs to which the contingency relates and the tax effects together with an explanation of the major factors which affect the rights of the utility to retain such revenues or recover amounts paid with respect to power and gas purchases.

6. Give concise explanations concerning significant amounts of any refunds made or received during the year

Line No.	Account (a)	(Ref.) Page No. (b)	TOTAL	
			Current Year (c)	Previous Year (d)
1	UTILITY OPERATING INCOME			
2	Operating Revenues (400)	300-301	\$568,604,722	\$537,422,242
3	Operating Expenses			
4	Operation Expenses (401)	320-325		
5	Maintenance Expenses (402)	320-325		
6	Depreciation Expense (403)	336-338		
7	Amort. & Depl. of Utility Plant (404-405)	336-338		
8	Amort. of Utility Plant Acq. Adj. (406)	336-338		
9	Amort. of Property Losses, Unrecovered Plant and Regulatory Study Costs (407)			
10	Amort. of Conversion Expenses (407)			
11	Regulatory Debits (407.3)			
12	(Less Regulatory Credits (407.4)			
13	Taxes Other Than Income Taxes (408.1)	262-263		
14	Income Taxes - Federal (409.1)	262-263		
15	- Other (409.1)	262-263		
16	Provision for Deferred Income Taxes (410.1)	234,272-277		
17	(Less) Provision for Deferred Income Taxes -Cr. (411.1)	234,272-277		
18	Investment Tax Credit Adj. - Net (411.4)	266		
19	(Less) Gains from Disp. of Utility Plant (411.6)			
20	Losses from Disp. of Utility Plant (411.7)			
21	(Less) Gains from Disposition of Allowances (411.8)			
22	Losses from Disposition of Allowances (411.9)			
23	TOTAL Utility Operating Expenses (Enter Total of lines 4 thru 22)			
24	Net Utility Operating Income (Enter Total of line 2 less 23) (Carry forward to page 117, line 25)		\$568,604,722	\$537,422,242

Name of Respondent  Avista Corp	This Report Is:		Date of Report (Mo, Da, Yr)	Year of Report
	(1) <input checked="" type="checkbox"/> An Original	(2) <input type="checkbox"/> A Resubmission	April 25, 2005	Dec. 31, 2004

**STATEMENT OF INCOME FOR THE YEAR**

resulting from settlement of any rate proceeding affecting revenues received or costs incurred for power or gas purchases, and a summary of the adjustments made to balance sheet, income, and expense accounts.

7. If any notes appearing in the report to stockholders are applicable to this Statement of Income, such notes may be attached at page 122.

8. Enter on page 122 a concise explanation of only those changes in accounting methods made during the year which

had an effect on net income, including the basis of allocations and apportionments from those used in the preceding year. Also give the approximate dollar effect of such changes.

9. Explain in a footnote if the previous year's figures are different from that reported in prior reports.

10. If the columns are insufficient for reporting additional utility departments, supply the appropriate account titles, lines 1 to 19, and report the information in the blank space on page 122 or in a supplemental statement.

ELECTRIC UTILITY		GAS UTILITY		OTHER UTILITY		Line No.
Current Year (e)	Previous Year (f)	Current Year (g)	Previous Year (h)	Current Year (i)	Previous Year (j)	
						1
\$416,053,278	\$398,534,451	\$152,551,444	\$138,887,791			2
						3
						4
						5
						6
						7
						8
						9
						10
						11
						12
						13
						14
						15
						16
						17
						18
						19
\$416,053,278	\$398,534,451	\$152,551,444	\$138,887,791		\$0	20

Name of Respondent 1  Avista Corp.	This Report Is:	Date of Report (Mo, Da, Yr)	Year of Report
	(1) <input checked="" type="checkbox"/> An Original  (2) <input type="checkbox"/> A Resubmission	April 25, 2005	December 31, 2004

**ELECTRIC PLANT IN SERVICE (Accounts 101, 102, 103, 106)**

1. Report below the original cost of electric plant in service according to the prescribed accounts.

2. In addition to Account 101, Electric Plant in Service (Classified), this page and the next include Accounts 102, Electric Plant Purchased or Sold; Account 103, Experimental Electric Plant Unclassified; and Account 106, Completed Construction Not Classified - Electric.

3. Include in column (c) or (d), as appropriate, corrections of additions and retirements for the current or preceding year.

4. Enclose in parentheses credit adjustments of plant accounts to indicate the negative effect of such accounts.

5. Classify Account 106 according to prescribed accounts, on an estimated basis if necessary, and include the entries in column (c). Also to be included in column (c) are entries for reversals of tentative distributions of prior year reported in column (b). Likewise, if the respondent has a significant amount of plant retirements which have not been classified to primary accounts at the end of the year, include in column (d) a tentative distribution of such retirements on an estimated basis, with appropriate contra entry to the account for accumulated depreciation provision. Include also in column (d) reversals of tentative distributions of prior year of unclassified retirements. Attach supplemental statement showing the account distributions of these tentative classifications in columns (c) and (d), including the

Line No.	Account (a)	Balance at Beginning of Year (b)	Additions (c)
1	<b>1. INTANGIBLE PLANT</b>		
2	(301) Organization	0.00	
3	(302) Franchises and Consents	0.00	
4	(303) Miscellaneous Intangible Plant	0.00	153,179.00
5	<b>TOTAL Intangible Plant (Enter Total of lines 2, 3, and 4)</b>	0.00	153,179.00
6	<b>2. PRODUCTION PLANT</b>		
7	<b>A. Steam Production Plant</b>		
8	(310) Land and Land Rights	941,300.37	
9	(311) Structures and Improvements	24,538,807.79	24,078.00
10	(312) Boiler Plant Equipment	39,775,960.05	(35,548.19)
11	(313) Engines and Engine Driven Generators	0.00	
12	(314) Turbogenerator Units	13,419,372.47	86,169.38
13	(315) Accessory Electric Equipment	10,261,816.74	
14	(316) Misc. Power Plant Equipment	2,493,524.44	
15	(317) Asset Retirement Costs for Steam Production	1,114,206.00	
16	<b>TOTAL Steam Production Plant (Enter Total of lines 8 thru 15)</b>	92,544,987.86	74,699.19
17	<b>B. Nuclear Production Plant</b>		
18	(320) Land and Land Rights	0.00	
19	(321) Structures and Improvements	0.00	
20	(322) Reactor Plant Equipment	0.00	
21	(323) Turbogenerator Units	0.00	
22	(324) Accessory Electric Equipment	0.00	
23	(325) Misc. Power Plant Equipment	0.00	
24	(326) Asset Retirement Costs for Nuclear Production	0.00	
25	<b>TOTAL Nuclear Production Plant (Enter Total of lines 18 thru 24)</b>	0.00	0.00
26	<b>C. Hydraulic Production Plant</b>		
27	(330) Land and Land Rights	7,038,794.10	
28	(331) Structures and Improvements	15,072,520.33	70,626.82
29	(332) Reservoirs, Dams, and Waterways	43,854,095.71	131,933.46
30	(333) Water Wheels, Turbines, and Generators	34,758,457.54	
31	(334) Accessory Electric Equipment	9,349,673.28	148,714.06
32	(335) Misc. Power Plant Equipment	904,530.65	32,773.10
33	(336) Roads, Railroads, and Bridges	675,629.75	
34	(337) Asset Retirement Costs for Hydraulic Production	0.00	
35	<b>TOTAL Hydraulic Production Plant (Enter Total of lines 27 thru 34)</b>	111,653,701.36	384,047.44
36	<b>D. Other Production Plant</b>		
37	(340) Land and Land Rights	278,216.84	
38	(341) Structures and Improvements	981,334.83	
39	(342) Fuel Holders, Products and Accessories	1,351,483.43	
40	(343) Prime Movers	18,169,962.60	28,341.82
41	(344) Generators	32,327,712.61	342,193.26
42	(345) Accessory Electric Equipment	600,330.68	

Name of Respondent  Avista Corp.	This Report Is: (1) <input checked="" type="checkbox"/> An Original	Date of Report (Mo, Da, Yr)  April 25, 2005	Year of Report  December 31, 2004
	(2) <input type="checkbox"/> A Resubmission		

**ELECTRIC PLANT IN SERVICE (Accounts 101, 102, 103, and 106) (Continued)**

reversals of the prior years tentative account distributions of these amounts. Careful observance of the above instructions and the texts of Accounts 101 and 106 will avoid serious omissions of the reported amount of respondent's plant actually in service at end of year.

6. Show in column (f) reclassifications or transfers within utility plant accounts. Include also in column (f) the additions or reductions of primary account classifications arising from distribution of amounts initially recorded in Account 102. In showing the clearance of Account 102, include in column (e) the amounts with respect to accumulated provision for depreciation, acquisition adjustments, etc., and show in col-

umn (f) only the offset to the debits or credits distributed in column (f) to primary account classifications.

7. For Account 399, state the nature and use of plant included in the account and if substantial in amount submit a supplementary statement showing subaccount classification of such plant conforming to the requirements of these pages.

8. For each amount comprising the reported balance and changes in Account 102, state the property purchased or sold, name of vendor or purchaser, and date of transaction. If proposed journal entries have been filed with the Commission as required by the Uniform System of Accounts, give also date of such filing.

Retirements (d)	Adjustments (e)	Transfers (f)	Balance at End of Year (g)		Line No.
					1
			0.00	(301)	2
			0.00	(302)	3
			153,179.00	(303)	4
0.00	0.00	0.00	153,179.00		5
					6
					7
			941,300.37	(310)	8
			24,562,885.79	(311)	9
			39,740,411.86	(312)	10
			0.00	(313)	11
322,494.39			13,183,047.46	(314)	12
			10,261,816.74	(315)	13
0.00			2,493,524.44	(316)	14
			1,114,206.00	(317)	15
322,494.39	0.00	0.00	92,297,192.66		16
					17
			0	(320)	18
			0	(321)	19
			0	(322)	20
			0	(323)	21
			0	(324)	22
			0	(325)	23
			0	(326)	24
0.00	0.00	0.00	0.00		25
					26
			7,038,794.10	(330)	27
50,947.22			15,092,199.93	(331)	28
2,789.72			43,983,239.45	(332)	29
434,444.35			34,324,013.19	(333)	30
90,734.23			9,407,653.11	(334)	31
			937,303.75	(335)	32
			675,629.75	(336)	33
			0.00	(337)	34
578,915.52	0.00	0.00	111,458,833.28		35
					36
		(3,819.77)	274,397.07	(340)	37
			981,334.83	(341)	38
			1,351,483.43	(342)	39
0.00			18,198,304.42	(343)	40
			32,669,905.87	(344)	41
0.00		0.00	600,330.68	(345)	42

Name of Respondent		This Report Is:	Date of Report (Mo, Da, Yr)	Year of Report
Avista Corp.		(1) <input checked="" type="checkbox"/> An Original  (2) <input type="checkbox"/> A Resubmission	April 25, 2005	December 31, 2004
<b>ELECTRIC PLANT IN SERVICE (Accounts 101, 102, 103, 106)</b>				
Line No.	Account (a)	Balance at Beginning of Year (g)	Additions (c)	
43	(346) Misc. Power Plant Equipment	245,343.27		
44	(347) Asset Retirement Costs for Other Production	0.00		
45	TOTAL Other Production Plant (Enter Total of lines 37 thru 44)	53,954,384.26	370,535.08	
46	TOTAL Production Plant (Enter Total of lines 16, 25, 35, and 45)	258,153,073.48	829,281.71	
47	<b>3. TRANSMISSION PLANT</b>			
48	(350) Land and Land Rights	7,663,847.44	3,261.49	
49	(352) Structures and Improvements	4,854,269.77	1,349,066.37	
50	(353) Station Equipment	52,914,949.22	6,586,619.99	
51	(354) Towers and Fixtures	498,876.30	177.83	
52	(355) Poles and Fixtures	32,288,783.05	7,938,357.51	
53	(356) Overhead Conductors and Devices	26,017,347.31	1,680,429.72	
54	(357) Underground Conduit	561,147.87		
55	(358) Underground Conductors and Devices	1,317,533.40	376.94	
56	(359) Roads and Trails	85,366.27	0.00	
57	(359.1) Asset Retirement Costs for Transmission Plant	0.00		
58	TOTAL Transmission Plant (Enter Total of lines 48 thru 57)	126,202,120.63	17,558,289.85	
59	<b>4. DISTRIBUTION PLANT</b>			
60	(360) Land and Land Rights	2,951,665.83		
61	(361) Structures and Improvements	7,404,033.44	97,097.91	
62	(362) Station Equipment	43,821,376.80	1,700,831.49	
63	(363) Storage Battery Equipment	0.00		
64	(364) Poles, Towers, and Fixtures	94,530,006.46	4,301,040.54	
65	(365) Overhead Conductors and Devices	63,382,090.36	2,074,309.61	
66	(366) Underground Conduit	28,921,169.51	4,116,623.47	
67	(367) Underground Conductors and Devices	51,121,721.62	4,715,018.46	
68	(368) Line Transformers	76,492,651.67	3,949,755.16	
69	(369) Services	53,742,337.95	2,266,916.29	
70	(370) Meters	16,788,837.21	723,285.61	
71	(371) Installations on Customer Premises	0.00		
72	(372) Leased Property on Customer Premises	0.00		
73	(373) Street Lighting and Signal Systems	11,734,216.54	708,243.71	
74	(374) Asset Retirement Costs for Distribution Plant			
75	TOTAL Distribution Plant (Enter Total of lines 60 thru 74)	450,890,107.39	24,653,122.25	
76	<b>5. GENERAL PLANT</b>			
77	(389) Land and Land Rights	0.00		
78	(390) Structures and Improvements	399,420.25		
79	(391) Office Furniture and Equipment	0.00		
80	(392) Transportation Equipment	2,251,582.55	131,068.21	
81	(393) Stores Equipment	21,952.91		
82	(394) Tools, Shop and Garage Equipment	1,070,960.23	(5,143.62)	
83	(395) Laboratory Equipment	251,603.79		
84	(396) Power Operated Equipment	8,402,950.81	182,587.09	
85	(397) Communication Equipment	2,907,416.66	350,796.17	
86	(398) Miscellaneous Equipment	0.00		
87	SUBTOTAL (Enter Total of lines 77 thru 86)	15,305,887.20	659,307.85	
88	(399) Other Tangible Property	0.00		
89	(399.1) Asset Retirement Costs for General Plant	0.00		
90	TOTAL General Plant (Enter Total of lines 87 thru 89)	15,305,887.20	659,307.85	
91	TOTAL (Accounts 101 and 106)	850,551,188.70	43,853,180.66	
92	(102) Electric Plant Purchased	0.00	0.00	
93	(Less) (102) Electric Plant Sold	0.00		
94	(103) Experimental Plant Unclassified	0.00	0.00	
95	TOTAL Electric Plant in Service	850,551,188.70	43,853,180.66	

Name of Respondent	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report		Line No.
Avista Corp.		April 25, 2005	December 31, 2004		
ELECTRIC PLANT IN SERVICE (Accounts 101, 102, 103, and 106) (Continued)					
Retirements (d)	Adjustments (e)	Transfers (f)	Balance at End of Year (g)		Line No.
			245,343.27	(346)	43
				(347)	44
0.00	0.00	(3,819.77)	54,321,099.57		45
901,409.91	0.00	(3,819.77)	258,077,125.51		46
					47
			7,667,108.93	(350)	48
			6,203,336.14	(352)	49
111,275.72		1,692,869.66	61,083,163.15	(353)	50
			499,054.13	(354)	51
278,833.73			39,948,306.83	(355)	52
250,764.66		(2,224.33)	27,444,788.04	(356)	53
			561,147.87	(357)	54
			1,317,910.34	(358)	55
			85,366.27	(359)	56
				(359.1)	57
640,874.11	0.00	1,690,645.33	144,810,181.70		58
					59
		1,034.18	2,952,700.01	(360)	60
			7,501,131.35	(361)	61
79,920.15		(424,906.72)	45,017,381.42	(362)	62
			0.00	(363)	63
89,501.67		(2,952.03)	98,738,593.30	(364)	64
68,736.80		(3,094.00)	65,384,569.17	(365)	65
19,281.78			33,018,511.20	(366)	66
242,916.78		(6,137.83)	55,587,685.47	(367)	67
742,325.02		95,863.50	79,795,945.31	(368)	68
46,482.24			55,962,772.00	(369)	69
368,406.16			17,143,716.66	(370)	70
			0.00	(371)	71
			0.00	(372)	72
45,201.50		0.00	12,397,258.75	(373)	73
				(374)	74
1,702,772.10	0.00	(340,192.90)	473,500,264.64		75
					76
			0.00	(389)	77
			399,420.25	(390)	78
			0.00	(391)	79
68,387.00			2,314,263.76	(392)	80
			21,952.91	(393)	81
10,972.40			1,054,844.21	(394)	82
856.57			250,747.22	(395)	83
509,278.00			8,076,259.90	(396)	84
1,791.83		(4,979.10)	3,251,441.90	(397)	85
			0.00	(398)	86
591,285.80		(4,979.10)	15,368,930.15		87
			0.00	(399)	88
			0.00	(399.1)	89
591,285.80	0.00	(4,979.10)	15,368,930.15		90
3,836,341.92	0.00	1,341,653.56	891,909,681.00		91
			0.00	(102)	92
			0.00		93
			0.00	(103)	94
3,836,341.92	0.00	1,341,653.56	891,909,681.00		95

Name of Respondent  Avista Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original  (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr)  April 25, 2005	Year of Report  Dec. 31, 2004
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## ELECTRIC OPERATING REVENUES (Account 400)

1. Report below operating revenues for each prescribed account, and manufactured gas revenues in total.

2. Report number of customers, columns (f) and (g), on the basis of meters, in addition to the number of flat rate accounts; except that where separate meter readings are added for billing purposes, one customer should be counted

for each group of meters added. The average number of customers means the average of twelve figures at the close of each month.

3. If previous year (columns (c), (e), and (g), are not derived from previously reported figures, explain any inconsistencies in a footnote.

Line No.	Title of Account  (a)	OPERATING REVENUES	
		Amount for Year (b)	Amount for Previous Year (c)
1	Sales of Electricity		
2	(440) Residential Sales	142,026,431	140,383,063
3	(442) Commercial and Industrial Sales (3)		
4	Small (or Commercial)	140,020,703	140,245,055
5	Large (or Industrial)	38,320,438	37,026,002
6	(444) Public Street and Highway Lighting	3,314,095	3,291,926
7	(445) Other Sales to Public Authorities		
8	(446) Sales to Railroads and Railways		
9	(448) Interdepartmental Sales	751,710	752,091
10	TOTAL Sales to Ultimate Consumers	324,433,377 (1)	321,698,137
11	(447) Sales for Resale		68,625,588
12	TOTAL Sales of Electricity	324,433,377	390,323,725
13	(Less) (449.1) Provision for Rate Refunds		
14	TOTAL Revenues Net of Provision for Refunds	324,433,377	390,323,725
15	Other Operating Revenues		
16	(450) Forfeited Discounts		
17	(451) Miscellaneous Service Revenues	313,711	340,754
18	(453) Sales of Water and Water Power	157,230	453,494
19	(454) Rent from Electric Property	1,487,760	1,652,800
20	(455) Interdepartmental Rents		
21	(456) Other Electric Revenues	6,089,944	5,763,678
22			
23			
24			
25			
26	TOTAL Other Operating Revenues	8,048,645	8,210,726
27	TOTAL Electric Operating Revenues	\$332,482,022	\$398,534,451

Name of Respondent	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) April 25, 2005	Year of Report Dec. 31, 2004
Avista Corporation			

## ELECTRIC OPERATING REVENUES (Account 400) (Continued)

4. Commercial and Industrial Sales, Account 442, may be classified according to the basis of classification (Small or Commercial, and Large or Industrial) regularly used by the respondent if such basis of classification is not generally greater than 1000 Kw of demand. (See Account 442 of the Uniform System of Accounts. Explain basis of classification in a footnote.)

5. See page 108, Important Changes During Year, for important new territory added and important rate increases or decreases.

6. For lines 2, 4, 5, and 6, see page 304 for amounts relating to unbilled revenue by accounts.

7. Include unmetered sales. Provide details of such sales in a footnote.

MEGAWATT HOURS SOLD		AVG. NO. OF CUSTOMERS PER MONTH		Line No.
Amount for Year (d)	Amount for Previous Year (e)	Number for Year (f)	Number for Previous Year (g)	
				1
2,288,471	2,263,661	193,934	190,989	2
				3
2,003,933	2,012,263	21,584	21,329	4
815,186	811,568	900	890	5
17,449	17,566	282	287	6
				7
				8
11,826	11,846	37	40	9
5,136,865 (2)	5,116,904	216,737	213,535	10
	1,908,420		38	11
5,136,865	7,025,324	216,737	213,573	12
				13
5,136,865	7,025,324	216,737	213,573	14

(1) Includes \$475,871 of unbilled revenues.

(2) Includes (13,293) MWH relating to unbilled revenues.

(3) Segregation of Commercial and Industrial made on basis of utilization of energy and not on size of account.

Name of Respondent  Avista Corp.		This Report Is: (1) <input checked="" type="checkbox"/> An Original  (2) <input type="checkbox"/> A Resubmission	Date of Report  April 25, 2005	Year of Report  December 31, 2004
<b>ELECTRIC OPERATION AND MAINTENANCE EXPENSES</b>				
If the amount for previous year is not derived from previously reported figures, explain in footnotes.				
Line No.	Account (a)	Amount for Current Year (b)	Amount for Prior Year (c)	
1	(1) POWER PRODUCTION EXPENSES			
2	A. Steam Power Generation			
3	Operation			
4	(500) Operation Supervision and Engineering	191,440	208,515	
5	(501) Fuel	8,414,543	7,046,274	
6	(502) Steam Expenses	545,560	479,564	
7	(503) Steam from Other Sources	-	-	
8	(Less) (504) Steam Transferred-Cr.	-	-	
9	(505) Electric Expenses	696,759	640,801	
10	(506) Miscellaneous Steam Power Expenses	410,250	379,795	
11	(507) Rents	-	-	
12	(509) Allowances	-	-	
12	TOTAL Operation (Enter Total of Lines 4 thru 11)	10,258,552	8,754,948	
13	Maintenance			
14	(510) Maintenance Supervision and Engineering	97,088	95,821	
15	(511) Maintenance of Structures	108,537	91,772	
16	(512) Maintenance of Boiler Plant	958,079	928,224	
17	(513) Maintenance of Electric Plant	144,313	173,211	
18	(514) Maintenance of Miscellaneous Steam Plant	211,914	219,018	
19	TOTAL Maintenance (Enter Total of Lines 14 thru 18)	1,519,931	1,508,046	
20	TOTAL Power Production Expenses-Steam Plant (Enter Total of lines 12 and 19)	11,778,483	10,262,994	
21	B. Nuclear Power Generation			
22	Operation			
23	(517) Operation Supervision and Engineering	-	-	
24	(518) Fuel	-	-	
25	(519) Coolants and Water	-	-	
26	(520) Steam Expenses	-	-	
27	(521) Steam from Other Sources	-	-	
28	(Less) (522) Steam Transferred-Cr.	-	-	
29	(523) Electric Expenses	-	-	
30	(524) Miscellaneous Nuclear Power Expenses	-	-	
31	(525) Rents	-	-	
32	TOTAL Operation (Enter Total of lines 23 thru 31)	-	-	
33	Maintenance			
34	(528) Maintenance Supervision and Engineering	-	-	
35	(529) Maintenance of Structures	-	-	
36	(530) Maintenance of Reactor Plant Equipment	-	-	
37	(531) Maintenance of Electric Plant	-	-	
38	(532) Maintenance of Miscellaneous Nuclear Plant	-	-	
39	TOTAL Maintenance (Enter Total of lines 34 thru 38)	-	-	
40	TOTAL Power Production Expenses-Nuclear Power(Enter total of lines 32 and 39)	-	-	
41	C. Hydraulic Power Generation			
42	Operation			
43	(535) Operation Supervision and Engineering	912,747	670,387	
44	(536) Water for Power	2,382	3,012	
45	(537) Hydraulic Expenses	513,526	427,063	
46	(538) Electric Expenses	2,011,324	1,730,591	
47	(539) Miscellaneous Hydraulic Power Generation Expenses	325,057	383,699	
48	(540) Rents	553,705	623,950	
49	TOTAL Operation (Enter Total of lines 43 thru 48)	4,318,740	3,838,702	

Name of Respondent		This Report Is:	Date of Report	Year of Report
Avista Corp.		(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	April 25, 2005	December 31, 2004
<b>ELECTRIC OPERATION AND MAINTENANCE EXPENSES</b>				
Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)	
50	C. Hydraulic Power Generation (Continued)			
51	Maintenance			
52	(541) Maintenance Supervision and Engineering	168,959	119,656	
53	(542) Maintenance of Structures	98,561	52,185	
54	(543) Maintenance of Reservoirs, Dams, and Waterways	296,452	241,913	
55	(544) Maintenance of Electric Plant	1,139,720	644,199	
56	(545) Maintenance of Miscellaneous Hydraulic Plant	16,953	38,144	
57	TOTAL Maintenance (Enter Total of lines 52 thru 56)	1,720,644	1,096,096	
58	TOTAL Power Production Expenses-Hydraulic Power (Enter total of lines 49 and 57)	6,039,385	4,934,798	
59	D. Other Power Generation			
60	Operation			
61	(546) Operation Supervision and Engineering	39,534	19,157	
62	(547) Fuel	1,546,057	1,425,924	
63	(548) Generation Expenses	143,056	210,111	
64	(549) Miscellaneous Other Power Generation Expenses	29,099	88,142	
65	(550) Rents	-	-	
66	TOTAL Operation (Enter Total of lines 61 thru 65)	1,757,746	1,743,334	
67	Maintenance			
68	(551) Maintenance Supervision and Engineering	129,735	204,208	
69	(552) Maintenance of Structures	49,864	57,925	
70	(553) Maintenance of Generating and Electric Plant	610,861	511,858	
71	(554) Maintenance of Miscellaneous Other Power Generation Plant	30,221	72,450	
72	TOTAL Maintenance (Enter Total of lines 68 thru 71)	820,681	846,441	
73	TOTAL Power Production Expenses-Other Power (Enter Total of lines 66 and 72)	2,578,427	2,589,775	
74	E. Other Power Supply Expenses			
75	(555) Purchased Power	97,697,899	115,915,237	
76	(556) System Control and Load Dispatching	765,062	651,642	
77	(557) Other Expenses	68,702,142	73,193,586	
78	TOTAL Other Power Supply Expenses (Enter Total of lines 75 thru 77)	167,165,103	189,760,465	
79	TOTAL Power Production Expenses (Enter Total of lines 20, 40, 58, 73 and 78)	187,561,399	207,548,032	
80	<b>2. TRANSMISSION EXPENSES</b>			
81	Operation			
82	(560) Operation Supervision and Engineering	1,148,326	1,174,925	
83	(561) Load Dispatching	842,523	743,634	
84	(562) Station Expenses	106,498	116,601	
85	(563) Overhead Line Expenses	96,056	42,250	
86	(564) Underground Line Expenses	-	-	
87	(565) Transmission of Electricity by Others	6,161,135	8,696,265	
88	(566) Miscellaneous Transmission Expenses	283,469	296,322	
89	(567) Rents	41,212	3,809	
90	TOTAL Operation (Enter Total of lines 82 thru 89)	8,679,220	11,073,807	
91	Maintenance			
92	(568) Maintenance Supervision and Engineering	279,719	188,130	
93	(569) Maintenance of Structures	5,511	982	
94	(570) Maintenance of Station Equipment	790,671	707,234	
95	(571) Maintenance of Overhead Lines	113,849	99,407	
96	(572) Maintenance of Underground Lines	9,487	1,235	
97	(573) Maintenance of Miscellaneous Transmission Plant	-	-	
98	TOTAL Maintenance (Enter Total of lines 92 thru 97)	1,199,237	996,988	
99	TOTAL Transmission Expenses (Enter Total of lines 90 and 98)	9,878,457	12,070,795	
100	<b>3. DISTRIBUTION EXPENSES</b>			
101	Operation			
102	(580) Operation Supervision and Engineering	475,275	419,066	

Name of Respondent		This Report is:	Date of Report	Year of Report
Avista Corp.		(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	April 25, 2005	December 31, 2004
<b>ELECTRIC OPERATION AND MAINTENANCE EXPENSES</b>				
Line No.	Account (a)	Amount for Current Year (b)	Amount for Prior Year (c)	
103	<b>3. DISTRIBUTION EXPENSES (Continued)</b>			
104	(581) Load Dispatching	-	-	
105	(582) Station Expenses	158,027	159,164	
106	(583) Overhead Line Expenses	1,300,474	1,081,500	
107	(584) Underground Line Expenses	865,733	856,972	
108	(585) Street Lighting and Signal System Expenses	123,557	75,904	
109	(586) Meter Expenses	621,833	624,089	
110	(587) Customer Installations Expenses	139,360	133,917	
111	(588) Miscellaneous Distribution Expenses	2,380,390	1,873,917	
112	(589) Rents	209,390	149,926	
113	TOTAL Operation (Enter Total of lines 102 thru 112)	6,274,039	5,374,455	
114	<b>Maintenance</b>			
115	(590) Maintenance Supervision and Engineering	570,809	349,562	
116	(591) Maintenance of Structures	2,380	962	
117	(592) Maintenance of Station Equipment	566,765	452,049	
118	(593) Maintenance of Overhead Lines	3,652,402	2,718,592	
119	(594) Maintenance of Underground Lines	417,267	579,741	
120	(595) Maintenance of Line Transformers	480,827	410,658	
121	(596) Maintenance of Street Lighting and Signal Systems	211,554	181,372	
122	(597) Maintenance of Meters	25,596	28,901	
123	(598) Maintenance of Miscellaneous Distribution Plant	80,316	1,228	
124	TOTAL Maintenance (Enter Total of lines 115 thru 123)	6,007,916	4,723,065	
125	TOTAL Distribution Expenses (Enter Total of lines 113 and 124)	12,281,955	10,097,519	
126	<b>4. CUSTOMER ACCOUNTS EXPENSES</b>			
127	<b>Operation</b>			
128	(901) Supervision	58,829	50,463	
129	(902) Meter Reading Expenses	1,698,365	1,677,804	
130	(903) Customer Records and Collection Expenses	5,165,646	4,905,477	
131	(904) Uncollectible Accounts	1,161,421	669,372	
132	(905) Miscellaneous Customer Accounts Expenses	378,524	400,877	
133	TOTAL Customer Accounts Expenses (Enter Total of lines 128 thru 132)	8,462,785	7,703,993	
134	<b>5. CUSTOMER SERVICE AND INFORMATIONAL EXPENSES</b>			
135	<b>Operation</b>			
136	(907) Supervision	-	-	
137	(908) Customer Assistance Expenses	6,999,991	6,467,654	
138	(909) Informational and Instructional Expenses	158,099	99,373	
139	(910) Miscellaneous Customer Service and Informational Expenses	61,581	53,278	
140	TOTAL Cust. Service and Informational Expenses (Enter Total of lines 136 thru 139)	7,219,670	6,620,305	
141	<b>6. SALES EXPENSES</b>			
142	<b>Operation</b>			
143	(911) Supervision	-	26,969	
144	(912) Demonstrating and Selling Expenses	605,414	544,172	
145	(913) Advertising Expenses	89,853	114,475	
146	(916) Miscellaneous Sales Expenses	7,241	43,685	
147	TOTAL Sales Expenses (Enter Total of lines 143 thru 146)	702,508	729,302	
148	<b>7. ADMINISTRATIVE AND GENERAL EXPENSES</b>			
149	<b>Operation</b>			
150	(920) Administrative and General Salaries	10,334,355	9,758,044	
151	(921) Office Supplies and Expenses	3,740,930	3,498,041	
152	(Less) (922) Administrative expenses Transferred-Credit	(14,137)	(14,097)	

Name of Respondent  Avista Corp.	This Report Is: (1) <input checked="" type="checkbox"/> An Original  (2) <input type="checkbox"/> A Resubmission	Date of Report  April 25, 2005	Year of Report  December 31, 2004
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**ELECTRIC OPERATION AND MAINTENANCE EXPENSES**

Line No.	Account (a)	Amount for Current Year (b)	Amount for Prior Year (c)
153	<b>7. ADMINISTRATIVE AND GENERAL EXPENSES (Continued)</b>		
154	(923) Outside Services Employed	5,274,663	4,759,409
155	(924) Property Insurance	592,448	561,295
156	(925) Injuries and Damages	2,558,418	1,662,259
157	(926) Employee Pensions and Benefits	726,724	513,695
158	(927) Franchise Requirements	-	-
159	(928) Regulatory Commission Expenses	1,484,314	1,375,001
160	(Less) (929) Duplicate Charges-Cr.	-	-
161	(930.1) General Advertising Expenses	41,893	-
162	(930.2) Miscellaneous General Expenses	1,976,681	1,594,858
163	(931) Rents	2,889,414	3,436,600
164	TOTAL Operation (Enter Total of lines 150 thru 163)	29,605,704	27,145,105
165	Maintenance		
166	(935) Maintenance of General Plant	2,245,930	2,061,461
167	TOTAL Administrative and General Expenses (Enter Total of lines 164 and 166)	31,851,634	29,206,566
168	TOTAL Electric Operation and Maintenance Expenses (Enter Total of lines 164, 165, 166, 167, and 168)	257,958,407	273,976,513

**NUMBER OF ELECTRIC DEPARTMENT EMPLOYEES**

1. The data on number of employees should be reported construction employees in a footnote for the payroll period ending nearest to October 31, or any other payroll period ending 60 days before or after October 31. The number of employees assignable to the electric department from joint functions of combination utilities may be determined by estimate, on the basis of employee equivalents. Show the estimated number of equivalent employees employees on line 3, and show the number of such special employees attributed to the electric department from joint functions.

1 Payroll Period Ended (Date)	December 31, 2004
2 Total Regular Full-Time Employees	392
3 Total Part-Time and Temporary Employees	34
4 Allocation of General Employees	356
5 Total Employees (See Note 1)	782

Name of Respondent Avista Corp.	This report is: (1) <input checked="" type="checkbox"/> An Original  (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr)  04/25/2005	Year of Report  Dec. 31, 2004
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**TRANSMISSION LINE STATISTICS**

1. Report information concerning transmission lines, cost of lines, and expenses for year. List each transmission line having nominal voltage of 132 kilovolts or
2. Transmission lines include all lines covered by the definition of transmission system plant as given in the Uni-form System of Accounts. Do not report substation costs and expenses on this page.
3. Report data by individual lines for all voltages if so required by a State commission.
4. Exclude from this page any transmission lines for which plant costs are included in Account 121, Nonutility Property.
5. Indicate whether the type of supporting structure reported in column (e) is: (1) single pole, wood or steel; (2) H-frame, wood, or steel poles; (3) tower; or (4) underground construction. If a transmission line has more than one type of supporting structure, indicate the mileage of each type of construction by the use of brackets and extra lines. Minor portions of a transmission line of a different type of construction need not be distinguished from the remainder of the line.
6. Report in columns (f) and (g) the total pole miles of each transmission line. Show in column (f) the pole miles of line on structures the cost of which is reported for the line designated; conversely, show in column (g) the pole miles of line on structures the cost of which is reported for another line. Report pole miles of line on leased or partly owned structures in column (g). In a footnote, explain the basis of such occupancy and state whether expenses with respect to such structures are

Line No.	DESIGNATION		VOLTAGE (KV) (Indicating where other than 60 cycle, 3 phase)		Type of Supporting Structure  (e)	LENGTH (pole miles) (In the case of underground lines, report circuit miles.)		Number of Circuits  (h)
	From  (a)	To  (b)	Operating  (c)	Designed  (d)		On structure of Line Designated  (f)	On structure of Another Line  (g)	
1	Group Sum		60	60		1.00		
2								
3	Group Sum		115	115		924.00		
4								
5	Beacon Sub #4	BPA Bell Sub	230	230	Steel Tower	1.00		1
6	Beacon Sub	BPA Bell Sub	230	230	H Type	5.00		1
7	Beacon Sub #5	BPA Bell Sub	230	230	H Type	6.00		1
8	Beacon	Cabinet Gorge Plant	230	230	Steel Tower		1.00	1
9	Beacon	Cabinet Gorge Plant	230	230	Steel Pole			2
10	Beacon	Cabinet Gorge Plant	230	230	H Type	15.50		1
11	Beacon Sub	Lolo Sub	230	230	Steel Tower	1.00		1
12	Beacon Sub	Lolo Sub	230	230	H Type	26.00		1
13	North Lewiston	Walla Walla	230	230	Steel Tower	4.00		1
14	North Lewiston	Walla Walla	230	230	H Type	31.00		1
15	North Lewiston	Shawnee	230	230	Steel Tower	7.00		1
16	North Lewiston	Shawnee	230	230	H Type	26.00		1
17	Walla Walla	Wanapum	230	230	Alum.			1
18	Walla Walla	Wanapum	230	230	H Type	78.00		1
19								
20								
21	BPA Line	West Side Sub	230	230	Steel Pole	4.00		2
22								
23								
24								
25								
26								
27								
28								
29								
30								
31								
32								
33								
34								
35								
36								
37					TOTAL	1,129.50	1.00	17

Name of Respondent  Avista Corp.	This Report Is:	Date of Report (Mo, Da, Yr)	Year of Report
	(1) <input checked="" type="checkbox"/> An Original  (2) <input type="checkbox"/> A Resubmission	04/25/2005	Dec. 31, 2004

**TRANSMISSION STATISTICS (Continued)**

7. Do not report the same transmission line structure twice. Report lower voltage lines and higher voltage lines as one line. Designate in a footnote if you do not include lower voltage lines with higher voltage lines. If two or more transmission line structures support lines of the same voltage, report the 8. Designate any transmission line or portion thereof for which the respondent is not the sole owner. If such property is leased from another company, give name of lessor, date and terms and terms of lease, and amount of rent for year. For any transmission line other than a leased line, or portion thereof, for which the respondent is not the sole owner but which the respondent operates or shares in the operation of, furnish a succinct statement explaining the arrangement and giving particulars (details) of such matters as percent ownership by respondent in the line, name of co-owner, basis of sharing expenses of the line, and how the expenses borne by the respondent are accounted for, and accounts affected. Specify whether lessor, co-9. Designate any transmission line leased to another company and give name of lessee, date and terms of lease, annual rent for year, and how determined. Specify whether lessee is an associated company.  
10. Base the plant cost figures called for in columns (j) to (l) on the book cost at end of year.

Size of Conductor and Material  (i)	COST OF LINE (Include in column (j) land, Land Rights, and clearing right-of-way)			Expenses, except Depreciation and Taxes				Line No.
	Land (j)	Construction and Other Costs (k)	Total Cost (l)	Operation Expenses (m)	Maintenance Expenses (n)	Rents (o)	Total Expenses (p)	
	136,038	70,092	206,130	0	0	0	0	1
	4,131,122	45,657,137	49,788,259	161,030	142,272	51	303,353	2
795 McMASR	17,912	311,744	0	0	0	0	0	3
795 McMASR								4
1272 McMAL	30,323	392,837	423,160	0	0	0	0	5
795 McMASR								6
1590 ACSS								7
795 McMASR	49,689	8,906,781	8,956,470	79	1,742	0	1,821	8
795 McMASR								9
1272 McMAL	92,558	1,169,421	1,261,979	163	6,518	0	6,681	10
1272 McMAL								11
1272 McMAL	594,357	3,438,651	4,033,008	1,155	0	0	1,155	12
1272 McMAL								13
1272 McMAL	862,135	7,373,329	8,235,464	1,269				14
1272 McMAL								15
1272 McMAL	70,781	2,201,711	2,272,492	2,097	3,962	0	6,059	16
1272 McMAL								17
1272 McMAL	36,461	587,224	623,685	0	1,677	0	1,677	18
								19
								20
								21
								22
								23
								24
								25
								26
								27
								28
								29
								30
								31
								32
								33
								34
								35
	6,021,376	70,108,927	75,800,647	165,793	156,171	51	320,746	36
								37

Data Request for Statistics Report - 2004

Line No		Total Company Operations		Washington Operations	
		Current Year	Prior Year	Current Year	Prior Year
1	Electric Service Revenues				
2					
3	Residential Sales	209518294	204783348	142026431	140383063
4	Commercial & Industrial Sales	292062450	279615207	178341141	177271057
5	Public Street & Highway Lighting	4846748	4769419	3314095	3291926
6	Interdepartmental Sales	864472	864929	751710	752091
7	Sales for Resale	89993250	74652692	0	68625588
8	Other Operating Revenues	82389300	87425855	8048646	8210726
9					
10					
11	Total Electric Service Revenues	679674514	652111450	332482023	398534451
12					
13	Disposition of Energy-Megawatt Hrs.				
14					
15	Residential Sales	3343073	3297859	2288471	2263661
16	Commercial & Industrial Sales	4994733	4704523	2819119	2823831
17	Public Street & Highway Lighting	25307	25281	17449	17566
18	Interdepartmental Sales	13503	13503	11826	11846
19	Sales for Resale	2232653	2075245	0	1908420
20	Energy Losses				
21					
22	Total Disposition of Energy	10609269	10116411	5136865	7025324
23					
24	Average Number of Electric Customers Per Month				
25					
26	Residential Sales	288422	283497	193934	190989
27	Commercial & Industrial Sales	38144	37693	22484	22219
28	Public Street & Highway Lighting	418	422	282	287
29	Interdepartmental Sales	65	66	37	40
30	Sales for Resale	43	47	0	38
31					
32					
33					
34	Miles of Transmission Pole Lines (Rounded)	2155	2154	2154	1899
35	Number of Line Transformers	101474	100148	74085	73813
36	Capacity of All Line Transforers (KVA - Rounded)	4002	3935	3187	3154
37	Number of Meters	324299	319638	217264	214501

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Name of Respondent  Avista Corp	This Report Is: (1) <input checked="" type="checkbox"/> An Original  (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr)  April 25, 2005	Year of Report  Dec. 31, 2004
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## STATEMENT OF INCOME FOR THE YEAR

1. Report amounts for accounts 412 and 413, Revenue and Expenses from Utility Plant Leased to Others, in another utility column (i,k,m,o) in a similar manner to a utility department. Spread the amount(s) over lines 01 thru 20 as appropriate. Include these amounts in columns (c) and (d) totals.

2. Report amounts in account 414, Other Utility Operating Income, in the same manner as accounts 412 and 413 above.

3. Report data for lines 7, 9, and 10 for Natural Gas companies using accounts 404.1, 404.2, 404.3, 407.1, and 407.2.

4. Use page 122 for important notes regarding the statement of income or any account thereof.

5. Give concise explanations concerning unsettled rate proceedings where a contingency exists such that refunds of a material amount may need to be made to the utility's customers or which may result in a material refund to the utility with respect to power or gas purchases. State for each year affected the gross revenues or costs to which the contingency relates and the tax effects together with an explanation of the major factors which affect the rights of the utility to retain such revenues or recover amounts paid with respect to power and gas purchases.

6. Give concise explanations concerning significant amounts of any refunds made or received during the year

Line No.	Account (a)	(Ref.) Page No. (b)	TOTAL	
			Current Year (c)	Previous Year (d)
1	UTILITY OPERATING INCOME			
2	Operating Revenues (400)	300-301	\$251,031,104	\$229,561,337
3	Operating Expenses			
4	Operation Expenses (401)	320-325		
5	Maintenance Expenses (402)	320-325		
6	Depreciation Expense (403)	336-338		
7	Amort. & Depl. of Utility Plant (404-405)	336-338		
8	Amort. of Utility Plant Acq. Adj. (406)	336-338		
9	Amort. of Property Losses, Unrecovered Plant and Regulatory Study Costs (407)			
10	Amort. of Conversion Expenses (407)			
11	Regulatory Debits (407.3)			
12	(Less Regulatory Credits (407.4)			
13	Taxes Other Than Income Taxes (408.1)	262-263		
14	Income Taxes - Federal (409.1)	262-263		
15	- Other (409.1)	262-263		
16	Provision for Deferred Income Taxes (410.1)	234,272-277		
17	(Less) Provision for Deferred Income Taxes -Cr. (411.1)	234,272-277		
18	Investment Tax Credit Adj. - Net (411.4)	266		
19	(Less) Gains from Disp. of Utility Plant (411.6)			
20	Losses from Disp. of Utility Plant (411.7)			
21	(Less) Gains from Disposition of Allowances (411.8)			
22	Losses from Disposition of Allowances (411.9)			
23	TOTAL Utility Operating Expenses (Enter Total of lines 4 thru 22)			
24	Net Utility Operating Income (Enter Total of line 2 less 23) (Carry forward to page 117, line 25)		\$251,031,104	\$229,561,337

Name of Respondent  Avista Corp	This Report Is:	Date of Report (Mo, Da, Yr)	Year of Report
	(1) <input checked="" type="checkbox"/> An Original  (2) <input type="checkbox"/> A Resubmission	April 25, 2005	Dec. 31, 2004

**STATEMENT OF INCOME FOR THE YEAR**

resulting from settlement of any rate proceeding affecting revenues received or costs incurred for power or gas purchases, and a summary of the adjustments made to balance sheet, income, and expense accounts.

7. If any notes appearing in the report to stockholders are applicable to this Statement of Income, such notes may be attached at page 122.

8. Enter on page 122 a concise explanation of only those changes in accounting methods made during the year which

had an effect on net income, including the basis of allocations and apportionments from those used in the preceding year. Also give the approximate dollar effect of such changes.

9. Explain in a footnote if the previous year's figures are different from that reported in prior reports.

10. If the columns are insufficient for reporting additional utility departments, supply the appropriate account titles, lines 1 to 19, and report the information in the blank space on page 122 or in a supplemental statement.

ELECTRIC UTILITY		GAS UTILITY		OTHER UTILITY		Line No.
Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	
(e)	(f)	(g)	(h)	(i)	(j)	
						1
\$191,336,472	\$177,232,917	\$59,694,632	\$52,328,420			2
						3
						4
						5
						6
						7
						8
						9
						10
						11
						12
						13
						14
						15
						16
						17
						18
						19
\$191,336,472	\$177,232,917	\$59,694,632	\$52,328,420		\$0	20

Name of Respondent		This Report Is:	Date of Report (Mo, Da, Yr)	Year of Report
Avista Corporation		(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	April 25, 2005	Dec. 31, 2004
<b>SUMMARY OF UTILITY PLANT AND ACCUMULATED PROVISIONS FOR DEPRECIATION, AMORTIZATION AND DEPLETION</b>				
Line No.	Item <i>(a)</i>	Total <i>(b)</i>	Electric <i>(c)</i>	
1	<b>UTILITY PLANT</b>			
2	In Service			
3	Plant in Service (Classified)	627,558,748	524,688,555	
4	Property Under Capital Leases	1,665,704		
5	Plant Purchased or Sold			
6	Completed Construction not Classified			
7	Investment in Kettle Falls			
8	TOTAL (Enter Total of lines 3 thru 7)	629,224,452	524,688,555	
9	Leased to Others			
10	Held for Future Use			
11	Construction Work in Progress	8,961,688	8,668,138	
12	Acquisition Adjustments	0	0	
13	TOTAL Utility Plant (Enter Total of lines 8 thru 12)	638,186,140	533,356,693	
14	Accum. Prov. for Depr., Amort., & Depl.	0	0	
15	Net Utility Plant (Enter total of line 13 less 14)	638,186,140	533,356,693	
16	<b>DETAIL OF ACCUMULATED PROVISIONS FOR DEPRECIATION, AMORTIZATION AND DEPLETION</b>			
17	In Service:			
18	Depreciation			
19	Amort. and Depl. of Producing Nat. Gas Land and Land Rights			
20	Accumulated Depreciation - Kettle Falls			
21	Amort. of Other Utility Plant			
22	TOTAL in Service (Enter Total of lines 18 thru 21)			
23	Leased to Others			
24	Depreciation			
25	Amortization and Depletion			
26	TOTAL Leased to Others (Enter Total of lines 24 and 25)			
27	Held for Future Use			
28	Depreciation			
29	Amortization			
30	TOTAL Held for Future Use (Ent. Tot. of lines 28 and 29)			
31	Abandonment of Leases (Natural Gas)			
32	Amort. of Plant Acquisition Adjustment	0	0	
33	TOTAL Accumulated Provisions (Should agree with line 14 above) (Enter Total of lines 22, 26, 30, 31, and 32)	0	0	

Name of Respondent  Avista Corporation	This Report Is:	Date of Report	Year of Report
	(1) <input checked="" type="checkbox"/> An Original  (2) <input type="checkbox"/> A Resubmission	April 25, 2005	Dec. 31, 2004

**SUMMARY OF UTILITY PLANT AND ACCUMULATED PROVISIONS  
FOR DEPRECIATION, AMORTIZATION AND DEPLETION (Continued)**

Gas <i>(d)</i>	Other (Specify) <i>(e)</i>	Other (Specify) <i>(f)</i>	Other (Specify) <i>(g)</i>	Common <i>(h)</i>	Line No.
					1
					2
97,920,249				4,949,944	3
403,189				1,262,515	4
					5
					6
					7
98,323,438				6,212,459	8
					9
					10
293,550				0	11
					12
98,616,988				6,212,459	13
0					14
98,616,988				6,212,459	15
					16
					17
					18
					19
					20
					21
					22
					23
					24
					25
					26
					27
					28
					29
					30
					31
					32
0				0	33

Name of Respondent 2  Avista Corp.	This Report Is: (1) <input checked="" type="checkbox"/> An Original  (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr)  April 25, 2005	Year of Report  December 31, 2004
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## ELECTRIC PLANT IN SERVICE (Accounts 101, 102, 103, 106)

1. Report below the original cost of electric plant in service according to the prescribed accounts.

2. In addition to Account 101, Electric Plant in Service (Classified), this page and the next include Accounts 102, Electric Plant Purchased or Sold; Account 103, Experimental Electric Plant Unclassified; and Account 106, Completed Construction Not Classified - Electric.

3. Include in column (c) or (d), as appropriate, corrections of additions and retirements for the current or preceding year.

4. Enclose in parentheses credit adjustments of plant accounts to indicate the negative effect of such accounts.

5. Classify Account 106 according to prescribed accounts, on an

estimated basis if necessary, and include the entries in column (c). Also to be included in column (c) are entries for reversals of tentative distributions of prior year reported in column (b). Likewise, if the respondent has a significant amount of plant retirements which have not been classified to primary accounts at the end of the year, include in column (d) a tentative distribution of such retirements on an estimated basis, with appropriate contra entry to the account for accumulated depreciation provision. Include also in column (d) reversals of tentative distributions of prior year of unclassified retirements. Attach supplemental statement showing the account distributions of these tentative classifications in columns (c) and (d), including the

Line No.	Account (a)	Balance at Beginning of Year (b)	Additions (c)
1	1. INTANGIBLE PLANT		
2	(301) Organization	14,698.00	(14,698.00)
3	(302) Franchises and Consents	8,668,747.89	367,935.75
4	(303) Miscellaneous Intangible Plant	0.00	
5	TOTAL Intangible Plant (Enter Total of lines 2, 3, and 4)	8,683,445.89	353,237.75
6	2. PRODUCTION PLANT		
7	A. Steam Production Plant		
8	(310) Land and Land Rights	0.00	
9	(311) Structures and Improvements	0.00	
10	(312) Boiler Plant Equipment	0.00	
11	(313) Engines and Engine Driven Generators	0.00	
12	(314) Turbogenerator Units	0.00	
13	(315) Accessory Electric Equipment	0.00	
14	(316) Misc. Power Plant Equipment	0.00	
15	(317) Asset Retirement Costs for Steam Production	0.00	
16	TOTAL Steam Production Plant (Enter Total of lines 8 thru 15)		0.00
17	B. Nuclear Production Plant		
18	(320) Land and Land Rights	0.00	
19	(321) Structures and Improvements	0.00	
20	(322) Reactor Plant Equipment	0.00	
21	(323) Turbogenerator Units	0.00	
22	(324) Accessory Electric Equipment	0.00	
23	(325) Misc. Power Plant Equipment	0.00	
24	(326) Asset Retirement Costs for Nuclear Production	0.00	
25	TOTAL Nuclear Production Plant (Enter Total of lines 18 thru 24)	0.00	0.00
26	C. Hydraulic Production Plant		
27	(330) Land and Land Rights	5,406,484.17	48,217.50
28	(331) Structures and Improvements	9,772,437.34	339,539.27
29	(332) Reservoirs, Dams, and Waterways	21,605,672.34	3,808,330.21
30	(333) Water Wheels, Turbines, and Generators	29,006,093.57	5,712,139.46
31	(334) Accessory Electric Equipment	5,969,602.91	15,193.41
32	(335) Misc. Power Plant Equipment	2,598,104.59	2,195.91
33	(336) Roads, Railroads, and Bridges	1,098,564.01	
34	(337) Asset Retirement Costs for Hydraulic Production	0.00	
35	TOTAL Hydraulic Production Plant (Enter Total of lines 27 thru 34)	75,456,958.93	9,925,615.76
36	D. Other Production Plant		
37	(340) Land and Land Rights	484,414.62	
38	(341) Structures and Improvements	5,643.46	27,635.10
39	(342) Fuel Holders, Products and Accessories	0.00	
40	(343) Prime Movers	3,658,328.03	
41	(344) Generators	602,709.50	
42	(345) Accessory Electric Equipment	204,046.01	0.00

Name of Respondent  Avista Corp.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) April 25, 2005	Year of Report December 31, 2004
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**ELECTRIC PLANT IN SERVICE (Accounts 101, 102, 103, and 106) (Continued)**

reversals of the prior years tentative account distributions of these amounts. Careful observance of the above instructions and the texts of Accounts 101 and 106 will avoid serious omissions of the reported amount of respondent's plant actually in service at end of year.

6. Show in column (f) reclassifications or transfers within utility plant accounts. Include also in column (f) the additions or reductions of primary account classifications arising from distribution of amounts initially recorded in Account 102. In showing the clearance of Account 102, include in column (e) the amounts with respect to accumulated provision for depreciation, acquisition adjustments, etc., and show in col-

umn (f) only the offset to the debits or credits distributed in column (f) to primary account classifications.

7. For Account 399, state the nature and use of plant included in the account and if substantial in amount submit a supplementary statement showing subaccount classification of such plant conforming to the requirements of these pages.

8. For each amount comprising the reported balance and changes in Account 102, state the property purchased or sold, name of vendor or purchaser, and date of transaction. If proposed journal entries have been filed with the Commission as required by the Uniform System of Accounts, give also date of such filing.

Retirements (d)	Adjustments (e)	Transfers (f)	Balance at End of Year (g)	Line No.
				1
			0.00 (301)	2
			9,036,683.64 (302)	3
			0.00 (303)	4
0.00	0.00	0.00	9,036,683.64	5
				6
				7
			0.00 (310)	8
			0.00 (311)	9
			0.00 (312)	10
			0.00 (313)	11
			0.00 (314)	12
			0.00 (315)	13
			0.00 (316)	14
			0.00 (317)	15
0.00	0.00	0.00	0.00	16
				17
			0.00 (320)	18
			0.00 (321)	19
			0.00 (322)	20
			0.00 (323)	21
			0.00 (324)	22
			0.00 (325)	23
			0.00 (326)	24
0.00	0.00	0.00	0.00	25
				26
	0.00		5,454,701.67 (330)	27
			10,111,976.61 (331)	28
			25,414,002.55 (332)	29
489,869.75			34,228,363.28 (333)	30
			5,984,796.32 (334)	31
			2,600,300.50 (335)	32
			1,098,564.01 (336)	33
			0.00 (337)	34
489,869.75	0.00	0.00	84,892,704.94	35
				36
			484,414.62 (340)	37
			33,278.56 (341)	38
			0.00 (342)	39
			3,658,328.03 (343)	40
			602,709.50 (344)	41
			204,046.01 (345)	42

Name of Respondent  Avista Corp.	This Report Is: (1) <input checked="" type="checkbox"/> An Original  (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr)  April 25, 2005	Year of Report  December 31, 2004
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## ELECTRIC PLANT IN SERVICE (Accounts 101, 102, 103, 106)

Line No.	Account (a)	Balance at Beginning of Year (b)	Additions (c)
43	(346) Misc. Power Plant Equipment	0.00	
44	(347) Asset Retirement Costs for Other Production		
45	TOTAL Other Production Plant (Enter Total of lines 37 thru 45)	4,955,141.62	27,635.10
46	TOTAL Production Plant (Enter Total of lines 16, 25, 35, and 45)	80,412,100.55	9,953,250.86
47	3. TRANSMISSION PLANT		
48	(350) Land and Land Rights	3,959,663.93	
49	(352) Structures and Improvements	3,723,071.72	540,180.61
50	(353) Station Equipment	48,231,907.74	7,694,469.33
51	(354) Towers and Fixtures	556,535.46	119.99
52	(355) Poles and Fixtures	35,393,175.68	6,125,992.16
53	(356) Overhead Conductors and Devices	22,938,894.20	1,997,396.86
54	(357) Underground Conduit	0.00	
55	(358) Underground Conductors and Devices	0.00	
56	(359) Roads and Trails	1,374,001.87	
57	(359.1) Asset Retirement Costs for Transmission Plant	0.00	
58	TOTAL Transmission Plant (Enter Total of lines 48 thru 57)	116,177,250.60	16,358,158.95
59	4. DISTRIBUTION PLANT		
60	(360) Land and Land Rights	889,424.59	50,195.16
61	(361) Structures and Improvements	2,705,970.15	20,086.91
62	(362) Station Equipment	24,501,535.00	1,824,285.38
	(363) Storage Battery Equipment	0.00	
64	(364) Poles, Towers, and Fixtures	60,634,108.22	2,589,094.38
65	(365) Overhead Conductors and Devices	41,938,198.33	1,561,175.36
66	(366) Underground Conduit	20,025,516.73	1,556,277.36
67	(367) Underground Conductors and Devices	29,525,110.28	1,721,919.84
68	(368) Line Transformers	44,323,488.77	1,463,253.18
69	(369) Services	32,207,456.29	2,124,439.30
70	(370) Meters	7,440,443.44	266,280.49
71	(371) Installations on Customer Premises	0.00	
72	(372) Leased Property on Customer Premises	0.00	
73	(373) Street Lighting and Signal Systems	8,786,792.87	688,553.77
74	(374) Asset Retirement Costs for Distribution Plant	0.00	
75	TOTAL Distribution Plant (Enter Total of lines 60 thru 74)	272,978,044.67	13,865,561.13
76	5. GENERAL PLANT		
77	(389) Land and Land Rights	101,906.78	
78	(390) Structures and Improvements	971,713.06	3,678.04
79	(391) Office Furniture and Equipment	0.00	
80	(392) Transportation Equipment	996,667.39	68,569.41
81	(393) Stores Equipment	30,139.80	
82	(394) Tools, Shop and Garage Equipment	409,806.12	29,318.61
83	(395) Laboratory Equipment	315,626.74	2,037.31
84	(396) Power Operated Equipment	4,906,785.10	7,305.71
85	(397) Communication Equipment	1,014,304.93	355,322.56
86	(398) Miscellaneous Equipment	486.00	
87	SUBTOTAL (Enter Total of lines 77 thru 86)	8,747,435.92	466,231.64
88	(399) Other Tangible Property	0.00	
89	(399.1) Asset Retirement Costs for General Plant	0.00	
	TOTAL General Plant (Enter Total of lines 87 and 90)	8,747,435.92	466,231.64
	TOTAL (Accounts 101 and 106)	486,998,277.63	40,996,440.33
92	(102) Electric Plant Purchased	0.00	
93	(Less) (102) Electric Plant Sold	0.00	
94	(103) Experimental Plant Unclassified	0.00	
95	TOTAL Electric Plant in Service	486,998,277.63	40,996,440.33

Name of Respondent	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report		
Avista Corp.		April 25, 2005	December 31, 2004		
ELECTRIC PLANT IN SERVICE (Accounts 101, 102, 103, and 106) (Continued)					
Retirements (d)	Adjustments (e)	Transfers (f)	Balance at End of Year (g)		Line No.
			0.00	(346)	43
			0.00	(347)	44
0.00	0.00	0.00	4,982,776.72		45
489,869.75	0.00	0.00	89,875,481.66		46
					47
			3,959,663.93	(350)	48
4,916.65			4,258,335.68	(352)	49
560,874.50		(1,345,616.79)	54,019,885.78	(353)	50
			556,655.45	(354)	51
206,479.99			41,312,687.85	(355)	52
243,010.19			24,693,280.87	(356)	53
			0.00	(357)	54
			0.00	(358)	55
			1,374,001.87	(359)	56
			0.00	(359.1)	57
1,015,281.33	0.00	(1,345,616.79)	130,174,511.43		58
					59
			939,619.75	(360)	60
			2,726,057.06	(361)	61
91,241.01		434,932.01	26,669,511.38	(362)	62
			0.00	(363)	63
56,799.45		(4,454.71)	63,161,948.44	(364)	64
58,690.09		(2,753.52)	43,437,930.08	(365)	65
24,716.99			21,557,077.10	(366)	66
132,944.78		(5,469.71)	31,108,615.63	(367)	67
9,817.72		(127,424.76)	45,649,499.47	(368)	68
32,079.07			34,299,816.52	(369)	69
			7,706,723.93	(370)	70
			0.00	(371)	71
			0.00	(372)	72
19,036.32		0.00	9,456,310.32	(373)	73
			0.00	(374)	74
425,325.43	0.00	294,829.31	286,713,109.68		75
					76
			101,906.78	(389)	77
0.00			975,391.10	(390)	78
			0.00	(391)	79
10,763.19			1,054,473.61	(392)	80
			30,139.80	(393)	81
4,198.64			434,926.09	(394)	82
1,074.54			316,589.51	(395)	83
303,761.00			4,610,329.81	(396)	84
0.00		(5,101.64)	1,364,525.85	(397)	85
			486.00	(398)	86
319,797.37	0.00	(5,101.64)	8,888,768.55		87
			0.00	(399)	88
			0.00	(399.1)	89
319,797.37	0.00	(5,101.64)	8,888,768.55		90
2,250,273.88	0.00	(1,055,889.12)	524,688,554.96		91
			0.00	(102)	92
			0.00		93
			0.00	(103)	94
2,250,273.88	0.00	(1,055,889.12)	524,688,554.96		95

Name of Respondent  Avista Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original  (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr)  April 25, 2005	Year of Report  Dec. 31, 2004
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## ELECTRIC OPERATING REVENUES (Account 400)

1. Report below operating revenues for each prescribed account, and manufactured gas revenues in total.

2. Report number of customers, columns (f) and (g), on the basis of meters, in addition to the number of flat rate accounts; except that where separate meter readings are added for billing purposes, one customer should be counted

for each group of meters added. The average number of customers means the average of twelve figures at the close of each month.

3. If previous year (columns (c), (e), and (g), are not derived from previously reported figures, explain any inconsistencies in a footnote.

Line No.	Title of Account  (a)	OPERATING REVENUES	
		Amount for Year (b)	Amount for Previous Year (c)
1	Sales of Electricity		
2	(440) Residential Sales	67,484,772	64,395,402
3	(442) Commercial and Industrial Sales (3)		
4	Small (or Commercial)	61,752,004	61,092,134
5	Large (or Industrial)	51,967,221	41,250,184
6	(444) Public Street and Highway Lighting	1,532,653	1,477,493
7	(445) Other Sales to Public Authorities		
8	(446) Sales to Railroads and Railways		
9	(448) Interdepartmental Sales	106,244	107,150
10	TOTAL Sales to Ultimate Consumers	182,842,894 (1)	168,322,363
11	(447) Sales for Resale		2,656,601
12	TOTAL Sales of Electricity	182,842,894	170,978,964
13	(Less) (449.1) Provision for Rate Refunds		
14	TOTAL Revenues Net of Provision for Refunds	182,842,894	170,978,964
15	Other Operating Revenues		
16	(450) Forfeited Discounts		
17	(451) Miscellaneous Service Revenues	169,621	182,403
18	(453) Sales of Water and Water Power		
19	(454) Rent from Electric Property	808,423	559,608
20	(455) Interdepartmental Rents		
21	(456) Other Electric Revenues	6,466,023	5,511,942
22			
23			
24			
25			
26	TOTAL Other Operating Revenues	7,444,067	6,253,953
27	TOTAL Electric Operating Revenues	\$190,286,961	\$177,232,917

Name of Responder  Avista Corporation	This Report Is:	Date of Report (Mo, Da, Yr)	Year of Report
	(1) <input checked="" type="checkbox"/> An Original  (2) <input type="checkbox"/> A Resubmission	April 25, 2005	Dec. 31, 2004

**ELECTRIC OPERATING REVENUES (Account 400) (Continued)**

4. Commercial and Industrial Sales, Account 442, may be classified according to the basis of classification (Small or Commercial, and Large or Industrial) regularly used by the respondent if such basis of classification is not generally greater than 1000 Kw of demand. (See Account 442 of the Uniform System of Accounts. Explain basis of classification in a footnote.)

5. See page 108, Important Changes During Year, for important new territory added and important rate increases or decreases.

6. For lines 2, 4, 5, and 6, see page 304 for amounts relating to unbilled revenue by accounts.

7. Include unmetered sales. Provide details of such sales in a footnote.

MEGAWATT HOURS SOLD		AVG. NO. OF CUSTOMERS PER MONTH		Line No.
Amount for Year (d)	Amount for Previous Year (e)	Number for Year (f)	Number for Previous Year (g)	
				1
1,054,446	1,034,089	94,476	92,499	2
				3
914,635	907,139	15,143	14,949	4
1,260,947	973,525	516	524	5
7,858	7,715	136	135	6
				7
				8
1,578	1,573	22	19	9
3,239,464 (2)	2,924,041	110,293	108,126	10
	87,763		3	11
3,239,464	3,011,804	110,293	108,129	12
				13
3,239,464	3,011,804	110,293	108,129	14

(1) Includes \$1,175,367 of unbilled revenues.

(2) Includes (13,751) MWH relating to unbilled revenues.

(3) Segregation of Commercial and Industrial made on basis of utilization of energy and not on size of account.

Name of Respondent Avista Corporation	This Report Is: <input checked="" type="checkbox"/> An Original <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) April 25, 2005	Year of Report Dec. 31, 2004 State of Idaho
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**SALES OF ELECTRICITY BY RATE SCHEDULES**

1. Report below for each rate schedule in effect during the year the mWh of electricity sold, revenue, average number of customers, average kWh per customer, and average revenue per kWh, excluding data for Sales for Resale which is reported on pages 310-311.

2. Provide a subheading and total for each prescribed operating revenue account in the sequence followed in "Electric Operating Revenues," page 301. If the sales under any rate schedule are classified in more than one revenue account, list the rate schedule and sales data under each applicable revenue account subheading.

3. Where the same customers are served under more than one rate schedule in the same revenue account classification (such as a general residential schedule and an off peak water heating schedule), the entries in column (d) for the special schedule should denote the duplication in number of reported customers.

4. The average number of customers should be the number of bills rendered during the year divided by the number of billing periods during the year (12 if all billings are made monthly).

5. For any rate schedule having a fuel adjustment clause state in a footnote the estimated additional revenue billed pursuant thereto.

6. Report amount of unbilled revenue as of end of year for each applicable revenue account subheading.

Line No.	Number and Title of Rate Schedule (a)	MWH Sold (b)	Revenue (c)	Average Number of Customers (d)	KWH of Sales per Customer (e)	Revenue (cents) per KWH Sold (f)
1	<b>RESIDENTIAL SALES (440)</b>					
2	1 Residential Service	1,036,426	64,085,640	90,526	11,449	6.18
3	2 Residential Service	0	0			
4	3 Residential Service	0	0			
5	12 Res. & Farm Gen. Service	14,372	1,326,426	3,448	4,168	9.23
6	22 Res. & Farm Lg. Gen. Service	6,795	386,501	13	522,692	5.69
7	30 Pumping-Special					
8	32 Res. & Farm Pumping Service	2,464	181,059	489	5,039	7.35
9	48 Res. & Farm Area Lighting	1,369	219,617			16.04
10	49 Area Lighting-High-Press.	279	60,626			21.73
11	56 Centralia Credit					
12	95 Wind Power		33,713			
13	73 Residential					
14	74 Residential Service					
15	76 Residential Service					
16	77 Residential Service					
17	79 Residential Service					
18	58 Tax Adjustment		730,847			
19	Total	1,061,705	67,024,429	94,476	11,238	6.40
20	Residential-Unbilled	(7,259)	460,343	0		
21	<b>COMMERCIAL SALES (442)</b>					
22	2 General Service					
23	3 General Service					
24	11 General Service	227,437	18,820,072	13,084	17,383	8.27
25	19 Contract-General Service					
26	21 Large General Service	593,736	36,652,393	1,677	354,047	6.17
27	25 Extra Lg. Gen. Service	74,507	3,013,875	3	24,835,667	4.05
28	28 Contract-Extra Large Service					
29	31 Pumping Service	20,878	1,283,814	379	55,087	6.15
30	47 Area Lighting-Sod. Vap.	1,224	141,798			11.58
31	49 Area Lighting-High-Press.	2,147	362,837			16.90
32	56 Centralia Credit					
33	95 Wind Power		7,813			
34	73 General Service					
35	74 Large General Service					
36	75 Large General Service					
37	76 Large General Service					
38	77 General Service					
39	79 Area Light-High Press.					
40	58 Tax Adjustment		1,000,677			
41	Total	919,929	61,283,279	15,143	60,749	6.75
42	Commercial-Unbilled	(5,294)	468,725	0		
43	Total Billed	1,981,634	128,307,708	109,619		6.47
44	Total Unbilled Rev. (See Instr. 6)	-12,553	929,068	0		(7.40)
45	<b>TOTAL</b>	1,969,081	129,236,776	109,619		6.56

Name of Respondent  Avista Corporation	This Report Is: <input checked="" type="checkbox"/> An Original  <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr)  April 25, 2005	Year of Report  Dec. 31, 2004 State of Idaho
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**SALES OF ELECTRICITY BY RATE SCHEDULES**

1. Report below for each rate schedule in effect during the year the mWh of electricity sold, revenue, average number of customers, average kWh per customer, and average revenue per kWh, excluding data for Sales for Resale which is reported on pages 310-311.
2. Provide a subheading and total for each prescribed operating revenue account in the sequence followed in "Electric Operating Revenues," page 301. If the sales under any rate schedule are classified in more than one revenue account, list the rate schedule and sales data under each applicable revenue account subheading.
3. Where the same customers are served under more than one rate schedule in the same revenue account classification (such as a general residential schedule and an off peak water heating schedule), the entries in column (d) for the special schedule should denote the duplication in number of reported customers.
4. The average number of customers should be the number of bills rendered during the year divided by the number of billing periods during the year (12 if all billings are made monthly).
5. For any rate schedule having a fuel adjustment clause state in a footnote the estimated additional revenue billed pursuant thereto.
6. Report amount of unbilled revenue as of end of year for each applicable revenue account subheading.

Line No.	Number and Title of Rate Schedule <i>(a)</i>	MWH Sold <i>(b)</i>	Revenue <i>(c)</i>	Average Number of Customers <i>(d)</i>	KWH of Sales per Customer <i>(e)</i>	Revenue (cents) per KWH Sold <i>(f)</i>
1	<b>INDUSTRIAL SALES (442)</b>					
2	2 General Service					
3	3 General Service					
4	8 Lg Gen Time of Use					
5	11 General Service	2,778	243,632	133	20,887	8.77
6	21 Large General Service	91,868	5,486,675	96	956,958	5.97
7	25 Extra Lg. Gen. Service	1,139,170	44,195,525	12	94,930,833	3.88
8	28 Contract-Extra Large Service					
9	29 Contract Lg. Gen. Service					
10	30 Pumping Service -Special					
11	31 Pumping Service	25,968	1,574,577	226	114,903	6.06
12	32 Pumping Svc Res & Frm	2,245	132,927	49	45,816	5.92
13	47 Area Lighting-Sod. Vap.	79	8,351			10.57
14	49 Area Lighting-High-Press.	51	7,991			15.67
15	56 Centralia Credit					
16	72 General Service					
17	73 General Service					
18	74 Large General Service					
19	75 Large General Service					
20	76 Pumping Service					
21	77 General Service					
22	78 Lg Gen Tim of Use					
23	58 Tax Adjustment		80,205			
24	Total	1,262,159	51,729,883	516	2,446,045	4.12
25	Industrial-Unbilled	(1,212)	237,338	0		
26						
27	<b>STREET AND HWY LIGHTING (444)</b>					
28	11 General Service	80	6,965	10	8,000	8.71
29	41 Co.-Owned St. Lt. Service	124	15,223	5	24,800	12.28
30	42 Co.-Owned St. Lt. Service					
31	High-Press. Sod. Vap.	5,896	1,339,914	89	66,247	22.73
32	43 Cust.-Owned St. Lt. Energy					
33	and Maint. Service	67	5,520	2	33,500	8.24
34	44 Cust.-Owned St. Lt. Energy					
35	and Maint. Svce.-High-	541	64,386	17	31,824	11.90
36	Press. Sod. Vap.					
37	45 Cust.Owned St. Lt. Energy Service	283	14,219	3	94,333	5.02
38	46 Cust.Owned St. Lt. Energy Service					
39	High-Press. Sod. Vap.	853	56,946	10	85,300	6.68
40	56 Centralia Credit					
41	58 Tax Adjustment		20,519			
42	Total	7,844	1,523,692	136	57,676	5.62
43	Street and Hwy Lighting-Unbilled	14	8,961			
44	Total Billed	3,251,637	181,561,283	110,271		5.58
45	Total Unbilled Rev. (See Instr. 6)	-13,751	1,175,367	0		(8.55)
46	TOTAL	3,237,886	182,736,650	110,271		5.64

Name of Respondent  Avista Corporation	This Report Is: <input checked="" type="checkbox"/> An Original  <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) April 25, 2005	Year of Report Dec. 31, 2004 State of Idaho
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**SALES OF ELECTRICITY BY RATE SCHEDULES**

1. Report below for each rate schedule in effect during the year the mWh of electricity sold, revenue, average number of customers, average kWh per customer, and average revenue per kWh, excluding data for Sales for Resale which is reported on pages 310-311.

2. Provide a subheading and total for each prescribed operating revenue account in the sequence followed in "Electric Operating Revenues," page 301. If the sales under any rate schedule are classified in more than one revenue account, list the rate schedule and sales data under each applicable revenue account subheading.

3. Where the same customers are served under more than one rate schedule in the same revenue account classification (such as a general residential schedule and an off peak water heating schedule), the entries in column (d) for the special schedule should denote the duplication in number of reported customers.

4. The average number of customers should be the number of bills rendered during the year divided by the number of billing periods during the year (12 if all billings are made monthly).

5. For any rate schedule having a fuel adjustment clause state in a footnote the estimated additional revenue billed pursuant thereto.

6. Report amount of unbilled revenue as of end of year for each applicable revenue account subheading.

Line No.	Number and Title of Rate Schedule <i>(a)</i>	MWH Sold <i>(b)</i>	Revenue <i>(c)</i>	Average Number of Customers <i>(d)</i>	KWH of Sales per Customer <i>(e)</i>	Revenue (cents) per KWH Sold <i>(f)</i>
1	<b>OTHER SALES TO PUBLIC</b>					
2	<b>AUTHORITIES (445)</b>					
3	None					
4						
5	<b>INTERDEPARTMENTAL</b>					
6	<b>SALES (448)</b>	1,578	106,244	22	71,727	6.73
7	58 Tax Adjustment					
8	Total	1,578	106,244	22	71,727	6.73
9						
10	<b>SALES FOR RESALE (447) (1)</b>					
11	61 Sales to Other Utilities - WA					
12	61 Sales to Other Utilities - ID					
13	61 Sales to Other Utilities - MT					
14	61 Sales to Other Utilities - NDA					
14	Total	0	0	0		
15						
16						
17	Note: Sch. 61 is a state assigned rate schedule for Sales/Resale					
18						
19						
20						
21						
22						
23						
24						
25						
26						
27						
28						
29						
30						
31						
32						
33						
34						
35						
36						
37						
38						
39	<b>Total Billed</b>	3,253,215	181,667,527	110,293	29,496	5.58
40	<b>Total Unbilled Rev.</b>	(13,751)	1,175,367	0		(8.55)
41	<b>TOTAL</b>	3,239,464	182,842,894	110,293	29,371	5.64

Name of Respondent  Avista Corp.		This Report Is: (1) <input checked="" type="checkbox"/> An Original  (2) <input type="checkbox"/> A Resubmission	Date of Report  April 25, 2005	Year of Report  December 31, 2004
<b>ELECTRIC OPERATION AND MAINTENANCE EXPENSES</b>				
If the amount for previous year is not derived from previously reported figures, explain in footnotes.				
Line No.	Account (a)	Amount for Current Year (b)	Amount for Prior Year (c)	
1	<b>(1) POWER PRODUCTION EXPENSES</b>			
2	<b>A. Steam Power Generation</b>			
3	Operation			
4	(500) Operation Supervision and Engineering	33,296	47,896	
5	(501) Fuel	15,479	15,904	
6	(502) Steam Expenses	-	-	
7	(503) Steam from Other Sources	-	-	
8	(Less) (504) Steam Transferred-Cr.	-	-	
9	(505) Electric Expenses	-	-	
10	(506) Miscellaneous Steam Power Expenses	2,626	984	
11	(507) Rents	-	-	
	(509) Allowances	-	-	
12	TOTAL Operation (Enter Total of Lines 4 thru 11)	51,401	64,784	
13	Maintenance			
14	(510) Maintenance Supervision and Engineering	-	1,033	
15	(511) Maintenance of Structures	-	-	
16	(512) Maintenance of Boiler Plant	-	-	
17	(513) Maintenance of Electric Plant	-	-	
18	(514) Maintenance of Miscellaneous Steam Plant	-	-	
19	TOTAL Maintenance (Enter Total of Lines 14 thru 18)	-	1,033	
20	TOTAL Power Production Expenses-Steam Plant (Enter Total of lines 12 and 19)	51,401	65,818	
21	<b>B. Nuclear Power Generation</b>			
22	Operation	-	-	
23	(517) Operation Supervision and Engineering	-	-	
24	(518) Fuel	-	-	
25	(519) Coolants and Water	-	-	
26	(520) Steam Expenses	-	-	
27	(521) Steam from Other Sources	-	-	
28	(Less) (522) Steam Transferred-Cr.	-	-	
29	(523) Electric Expenses	-	-	
30	(524) Miscellaneous Nuclear Power Expenses	-	-	
31	(525) Rents	-	-	
32	TOTAL Operation (Enter Total of lines 23 thru 31)	-	-	
33	Maintenance	-	-	
34	(528) Maintenance Supervision and Engineering	-	-	
35	(529) Maintenance of Structures	-	-	
36	(530) Maintenance of Reactor Plant Equipment	-	-	
37	(531) Maintenance of Electric Plant	-	-	
38	(532) Maintenance of Miscellaneous Nuclear Plant	-	-	
39	TOTAL Maintenance (Enter Total of lines 34 thru 38)	-	-	
40	TOTAL Power Production Expenses-Nuclear Power(Enter total of lines 32 and 39)	-	-	
41	<b>C. Hydraulic Power Generation</b>			
42	Operation			
43	(535) Operation Supervision and Engineering	400,948	353,432	
44	(536) Water for Power	18,575	14,873	
45	(537) Hydraulic Expenses	988,659	950,441	
46	(538) Electric Expenses	1,202,127	1,054,525	
47	(539) Miscellaneous Hydraulic Power Generation Expenses	140,565	114,854	
48	(540) Rents	589	21,465	
49	TOTAL Operation (Enter Total of lines 43 thru 48)	2,751,464	2,509,590	

Name of Respondent		This Report Is:	Date of Report	Year of Report
Avista Corp.		(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	April 25, 2005	December 31, 2004
<b>ELECTRIC OPERATION AND MAINTENANCE EXPENSES</b>				
Line No.	Account (a)	Amount for Current Year (b)	Amount for Prior Year (c)	
50	C. Hydraulic Power Generation (Continued)			
51	Maintenance			
52	(541) Maintenance Supervision and Engineering	77,934	179,599	
53	(542) Maintenance of Structures	141,595	133,730	
54	(543) Maintenance of Reservoirs, Dams, and Waterways	489,932	422,581	
55	(544) Maintenance of Electric Plant	548,499	748,671	
56	(545) Maintenance of Miscellaneous Hydraulic Plant	17,050	24,257	
57	TOTAL Maintenance (Enter Total of lines 52 thru 56)	1,275,011	1,508,838	
58	TOTAL Power Production Expenses-Hydraulic Power (Enter total of lines 49 and 57)	4,026,474	4,018,428	
59	D. Other Power Generation			
60	Operation			
61	(546) Operation Supervision and Engineering	17,767	5,926	
62	(547) Fuel	894,206	1,842,060	
63	(548) Generation Expenses	80,964	115,980	
64	(549) Miscellaneous Other Power Generation Expenses	205,429	168,142	
65	(550) Rents	4,694,210	4,681,993	
66	TOTAL Operation (Enter Total of lines 61 thru 65)	5,892,576	6,814,101	
67	Maintenance			
68	(551) Maintenance Supervision and Engineering	46,778	16,489	
69	(552) Maintenance of Structures	7,755	2	
70	(553) Maintenance of Generating and Electric Plant	289,335	173,048	
71	(554) Maintenance of Miscellaneous Other Power Generation Plant	19,660	26,602	
72	TOTAL Maintenance (Enter Total of lines 68 thru 71)	363,528	216,141	
73	TOTAL Power Production Expenses-Other Power (Enter Total of lines 66 and 72)	6,256,104	7,030,243	
74	E. Other Power Supply Expenses			
75	(555) Purchased Power	75,193,821	17,936,341	
76	(556) System Control and Load Dispatching	409,066	343,535	
77	(557) Other Expenses	47,637,409	38,777,038	
78	TOTAL Other Power Supply Expenses (Enter Total of lines 75 thru 77)	123,240,296	57,056,914	
79	TOTAL Power Production Expenses (Enter Total of lines 20, 40, 58, 73 and 78)	133,574,274	68,171,402	
80	2. TRANSMISSION EXPENSES			
81	Operation			
82	(560) Operation Supervision and Engineering	602,936	602,288	
83	(561) Load Dispatching	450,484	392,032	
84	(562) Station Expenses	31,644	32,150	
85	(563) Overhead Line Expenses	54,003	46,894	
86	(564) Underground Line Expenses	-	-	
87	(565) Transmission of Electricity by Others	3,294,259	156,948	
88	(566) Miscellaneous Transmission Expenses	125,700	130,046	
89	(567) Rents	37,855	31,441	
90	TOTAL Operation (Enter Total of lines 82 thru 89)	4,596,880	1,391,798	
91	Maintenance			
92	(568) Maintenance Supervision and Engineering	131,954	60,323	
93	(569) Maintenance of Structures	-	518	
94	(570) Maintenance of Station Equipment	449,661	412,380	
95	(571) Maintenance of Overhead Lines	493,792	518,067	
96	(572) Maintenance of Underground Lines	-	-	
97	(573) Maintenance of Miscellaneous Transmission Plant	-	-	
98	TOTAL Maintenance (Enter Total of lines 92 thru 97)	1,075,407	991,289	
99	TOTAL Transmission Expenses (Enter Total of lines 90 and 98)	5,672,287	2,383,087	
100	3. DISTRIBUTION EXPENSES			
101	Operation			
102	(580) Operation Supervision and Engineering	227,560	221,647	

Name of Respondent		This Report Is:	Date of Report	Year of Report
Avista Corp.		(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	April 25, 2005	December 31, 2004
<b>ELECTRIC OPERATION AND MAINTENANCE EXPENSES</b>				
Line No.	Account (a)	Amount for Current Year (b)	Amount for Prior Year (c)	
103	<b>3. DISTRIBUTION EXPENSES (Continued)</b>			
104	(581) Load Dispatching	-	-	
105	(582) Station Expenses	138,351	152,065	
106	(583) Overhead Line Expenses	693,715	486,284	
107	(584) Underground Line Expenses	551,318	444,010	
108	(585) Street Lighting and Signal System Expenses	120,638	100,589	
109	(586) Meter Expenses	469,482	540,866	
110	(587) Customer Installations Expenses	186,226	186,607	
111	(588) Miscellaneous Distribution Expenses	1,330,420	1,175,994	
112	(589) Rents	122,017	106,579	
113	TOTAL Operation (Enter Total of lines 102 thru 112)	3,839,727	3,414,641	
114	Maintenance			
115	(590) Maintenance Supervision and Engineering	206,442	228,691	
116	(591) Maintenance of Structures	4,419	5,665	
117	(592) Maintenance of Station Equipment	203,597	168,647	
118	(593) Maintenance of Overhead Lines	1,897,296	2,051,732	
119	(594) Maintenance of Underground Lines	279,621	270,860	
120	(595) Maintenance of Line Transformers	162,091	146,770	
121	(596) Maintenance of Street Lighting and Signal Systems	83,896	61,426	
122	(597) Maintenance of Meters	7,737	9,565	
123	(598) Maintenance of Miscellaneous Distribution Plant	132,098	80,519	
124	TOTAL Maintenance (Enter Total of lines 115 thru 123)	2,977,197	3,023,875	
125	TOTAL Distribution Expenses (Enter Total of lines 113 and 124)	6,816,924	6,438,517	
126	<b>4. CUSTOMER ACCOUNTS EXPENSES</b>			
127	Operation			
128	(901) Supervision	30,061	25,566	
129	(902) Meter Reading Expenses	905,958	816,292	
130	(903) Customer Records and Collection Expenses	2,693,120	2,485,375	
131	(904) Uncollectible Accounts	593,468	339,129	
132	(905) Miscellaneous Customer Accounts Expenses	190,325	194,132	
133	TOTAL Customer Accounts Expenses (Enter Total of lines 128 thru 132)	4,412,932	3,860,494	
134	<b>5. CUSTOMER SERVICE AND INFORMATIONAL EXPENSES</b>			
135	Operation			
136	(907) Supervision	-	-	
137	(908) Customer Assistance Expenses	4,271,472	4,113,578	
138	(909) Informational and Instructional Expenses	78,331	46,061	
139	(910) Miscellaneous Customer Service and Informational Expenses	31,467	26,992	
140	TOTAL Cust. Service and Informational Expenses (Enter Total of lines 136 thru 139)	4,381,271	4,186,632	
141	<b>6. SALES EXPENSES</b>			
142	Operation			
143	(911) Supervision	-	13,664	
144	(912) Demonstrating and Selling Expenses	399,488	355,498	
145	(913) Advertising Expenses	45,374	56,767	
146	(916) Miscellaneous Sales Expenses	3,700	22,132	
147	TOTAL Sales Expenses (Enter Total of lines 143 thru 146)	448,562	448,060	
148	<b>7. ADMINISTRATIVE AND GENERAL EXPENSES</b>			
149	Operation			
150	(920) Administrative and General Salaries	5,715,357	5,551,269	
151	(921) Office Supplies and Expenses	2,085,340	2,005,335	
152	(Less) (922) Administrative expenses Transferred-Credit	(7,895)	(8,125)	

Name of Respondent  Avista Corp.		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report  April 25, 2005	Year of Report  December 31, 2004
<b>ELECTRIC OPERATION AND MAINTENANCE EXPENSES</b>					
Line No.	Account (a)	Amount for Current Year (b)	Amount for Prior Year (c)		
153	<b>7. ADMINISTRATIVE AND GENERAL EXPENSES (Continued)</b>				
154	(923) Outside Services Employed	2,951,685	2,742,032		
155	(924) Property Insurance	330,872	323,498		
156	(925) Injuries and Damages	1,140,490	548,566		
157	(926) Employee Pensions and Benefits	278,527	240,868		
158	(927) Franchise Requirements	5,900	4,975		
159	(928) Regulatory Commission Expenses	1,724,155	1,549,933		
160	(Less) (929) Duplicate Charges-Cr.	-	-		
161	(930.1) General Advertising Expenses	23,396	-		
162	(930.2) Miscellaneous General Expenses	1,109,120	999,375		
163	(931) Rents	1,613,653	1,980,699		
164	<b>TOTAL Operation (Enter Total of lines 150 thru 163)</b>	<b>16,970,599</b>	<b>15,938,425</b>		
165	Maintenance				
166	(935) Maintenance of General Plant	1,235,919	1,148,188		
167	<b>TOTAL Administrative and General Expenses (Enter Total of lines 164 and 166)</b>	<b>18,206,518</b>	<b>17,086,614</b>		
168	<b>TOTAL Electric Operation and Maintenance Expenses (Enter Total of lines 164, 166, 167, and 168)</b>	<b>173,512,769</b>	<b>102,574,807</b>		

#### NUMBER OF ELECTRIC DEPARTMENT EMPLOYEES

1. The data on number of employees should be reported construction employees in a footnote. department from joint functions of combination utilities may  
for the payroll period ending nearest to October 31, or any 3. The number of employees assignable to the electric  
payroll period ending 60 days before or after October 31. department from joint functions of combination utilities may  
2. If the respondent's payroll for the reporting period in- be determined by estimate, on the basis of employee equiva-  
cludes any special construction personnel, include suclents. Show the estimated number of equivalent employees  
employees on line 3, and show the number of such specia attributed to the electric department from joint functions.

1	Payroll Period Ended (Date) December 31, 2004	
2	Total Regular Full-Time Employees	82
3	Total Part-Time and Temporary Employees	10
4	Allocation of General Employees	197
5	Total Employees (See Note 1)	289

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Name of Respondent  Avista Corp	This Report Is:	Date of Report (Mo, Da, Yr)	Year of Report
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## STATEMENT OF INCOME FOR THE YEAR

1. Report amounts for accounts 412 and 413, Revenue and Expenses from Utility Plant Leased to Others, in another utility column (i,k,m,o) in a similar manner to a utility department. Spread the amount(s) over lines 01 thru 20 as appropriate. Include these amounts in columns (c) and (d) totals.

2. Report amounts in account 414, Other Utility Operating Income, in the same manner as accounts 412 and 413 above.

3. Report data for lines 7, 9, and 10 for Natural Gas companies using accounts 404.1, 404.2, 404.3, 407.1, and 407.2.

4. Use page 122 for important notes regarding the statement of income or any account thereof.

5. Give concise explanations concerning unsettled rate proceedings where a contingency exists such that refunds of a material amount may need to be made to the utility's customers or which may result in a material refund to the utility with respect to power or gas purchases. State for each year affected the gross revenues or costs to which the contingency relates and the tax effects together with an explanation of the major factors which affect the rights of the utility to retain such revenues or recover amounts paid with respect to power and gas purchases.

6. Give concise explanations concerning significant amounts of any refunds made or received during the year

Line No.	Account (a)	(Ref.) Page No. (b)	TOTAL	
			Current Year (c)	Previous Year (d)
1	UTILITY OPERATING INCOME			
2	Operating Revenues (400)	300-301	\$7,691,177	\$4,548,133
3	Operating Expenses			
4	Operation Expenses (401)	320-325		
5	Maintenance Expenses (402)	320-325		
6	Depreciation Expense (403)	336-338		
7	Amort. & Depl. of Utility Plant (404-405)	336-338		
8	Amort. of Utility Plant Acq. Adj. (406)	336-338		
9	Amort. of Property Losses, Unrecovered Plant and Regulatory Study Costs (407)			
10	Amort. of Conversion Expenses (407)			
11	Regulatory Debits (407.3)			
12	(Less Regulatory Credits (407.4)			
13	Taxes Other Than Income Taxes (408.1)	262-263		
14	Income Taxes - Federal (409.1)	262-263		
15	- Other (409.1)	262-263		
16	Provision for Deferred Income Taxes (410.1)	234,272-277		
17	(Less) Provision for Deferred Income Taxes -Cr. (411.1)	234,272-277		
18	Investment Tax Credit Adj. - Net (411.4)	266		
19	(Less) Gains from Disp. of Utility Plant (411.6)			
20	Losses from Disp. of Utility Plant (411.7)			
21	(Less) Gains from Disposition of Allowances (411.8)			
22	Losses from Disposition of Allowances (411.9)			
23	TOTAL Utility Operating Expenses (Enter Total of lines 4 thru 22)			
24	Net Utility Operating Income (Enter Total of line 2 less 23) (Carry forward to page 117, line 25)		\$7,691,177	\$4,548,133

Name of Respondent  Avista Corp	This Report Is:	Date of Report <i>(Mo, Da, Yr)</i>	Year of Report
	(1) <input checked="" type="checkbox"/> An Original  (2) <input type="checkbox"/> A Resubmission	April 25, 2005	Dec. 31, 2004

**STATEMENT OF INCOME FOR THE YEAR**

resulting from settlement of any rate proceeding affecting revenues received or costs incurred for power or gas purchases, and a summary of the adjustments made to balance sheet, income, and expense accounts.

7. If any notes appearing in the report to stockholders are applicable to this Statement of Income, such notes may be attached at page 122.

8. Enter on page 122 a concise explanation of only those changes in accounting methods made during the year which

had an effect on net income, including the basis of allocations and apportionments from those used in the preceding year. Also give the approximate dollar effect of such changes.

9. Explain in a footnote if the previous year's figures are different from that reported in prior reports.

10. If the columns are insufficient for reporting additional utility departments, supply the appropriate account titles, lines 1 to 19, and report the information in the blank space on page 122 or in a supplemental statement.

ELECTRIC UTILITY		GAS UTILITY		OTHER UTILITY		Line No.
Current Year  (e)	Previous Year  (f)	Current Year  (g)	Previous Year  (h)	Current Year  (i)	Previous Year  (j)	
						1
\$7,691,177	\$4,548,133					2
						3
						4
						5
						6
						7
						8
						9
						10
						11
						12
						13
						14
						15
						16
						17
						18
						19
\$7,691,177	\$4,548,133	\$0	\$0		\$0	20

Name of Respondent 3  Avista Corp.	This Report Is: (1) <input checked="" type="checkbox"/> An Original  (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr)  April 25, 2005	Year of Report  December 31, 2004
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## ELECTRIC PLANT IN SERVICE (Accounts 101, 102, 103, 106)

1. Report below the original cost of electric plant in service according to the prescribed accounts.

2. In addition to Account 101, Electric Plant in Service (Classified), this page and the next include Accounts 102, Electric Plant Purchased or Sold; Account 103, Experimental Electric Plant Unclassified; and Account 106, Completed Construction Not Classified - Electric.

3. Include in column (c) or (d), as appropriate, corrections of additions and retirements for the current or preceding year.

4. Enclose in parentheses credit adjustments of plant accounts to indicate the negative effect of such accounts.

5. Classify Account 106 according to prescribed accounts, on an

estimated basis if necessary, and include the entries in column (c). Also to be included in column (c) are entries for reversals of tentative distributions of prior year reported in column (b). Likewise, if the respondent has a significant amount of plant retirements which have not been classified to primary accounts at the end of the year, include in column (d) a tentative distribution of such retirements on an estimated basis, with appropriate contra entry to the account for accumulated depreciation provision. Include also in column (d) reversals of tentative distributions of prior year of unclassified retirements. Attach supplemental statement showing the account distributions of these tentative classifications in columns (c) and (d), including the

Line No.	Account (a)	Balance at Beginning of Year (b)	Additions (c)
1	1. INTANGIBLE PLANT		
2	(301) Organization	0.00	
3	(302) Franchises and Consents	6,415,526.31	(193,078.43)
4	(303) Miscellaneous Intangible Plant	194,000.68	
5	TOTAL Intangible Plant (Enter Total of lines 2, 3, and 4)	6,609,526.99	(193,078.43)
6	2. PRODUCTION PLANT		
7	A. Steam Production Plant		
8	(310) Land and Land Rights	1,303,915.18	
9	(311) Structures and Improvements	99,726,191.53	321,913.66
10	(312) Boiler Plant Equipment	119,189,324.14	2,346,591.64
11	(313) Engines and Engine Driven Generators	0.00	
12	(314) Turbogenerator Units	32,473,013.65	1,257,354.56
13	(315) Accessory Electric Equipment	13,480,702.64	314,731.83
14	(316) Misc. Power Plant Equipment	12,716,147.26	44,460.07
15	(317) Asset Retirement Costs for Steam Production	0.00	
16	TOTAL Steam Production Plant (Enter Total of lines 8 thru 15)	278,889,294.40	4,285,051.76
17	B. Nuclear Production Plant		
18	(320) Land and Land Rights	0.00	0.00
19	(321) Structures and Improvements	0.00	0.00
20	(322) Reactor Plant Equipment	0.00	0.00
21	(323) Turbogenerator Units	0.00	0.00
22	(324) Accessory Electric Equipment	0.00	0.00
23	(325) Misc. Power Plant Equipment	0.00	0.00
24	(326) Asset Retirement Costs for Nuclear Production	0.00	
25	TOTAL Nuclear Production Plant (Enter Total of lines 18 thru 24)	0.00	0.00
26	C. Hydraulic Production Plant		
27	(330) Land and Land Rights	40,871,967.00	398,457.93
28	(331) Structures and Improvements	11,433,026.66	433,951.68
29	(332) Reservoirs, Dams, and Waterways	32,994,266.79	
30	(333) Water Wheels, Turbines, and Generators	31,190,237.15	368,835.16
31	(334) Accessory Electric Equipment	11,307,534.78	251,962.20
32	(335) Misc. Power Plant Equipment	2,630,515.13	17,217.67
33	(336) Roads, Railroads, and Bridges	217,199.19	8,169.55
34	(337) Asset Retirement Costs for Hydraulic Production	0.00	
35	TOTAL Hydraulic Production Plant (Enter Total of lines 27 thru 35)	130,644,746.70	1,478,594.19
36	D. Other Production Plant		
37	(340) Land and Land Rights	0.00	0.00
38	(341) Structures and Improvements	0.00	0.00
39	(342) Fuel Holders, Products and Accessories	0.00	0.00
40	(343) Prime Movers	0.00	0.00
41	(344) Generators	0.00	0.00
42	(345) Accessory Electric Equipment	0.00	0.00

Name of Respondent  Avista Corp.	This Report Is: (1) <input checked="" type="checkbox"/> An Original	Date of Report (Mo, Da, Yr) April 25, 2005	Year of Report December 31, 2004
	(2) <input type="checkbox"/> A Resubmission		

**ELECTRIC PLANT IN SERVICE (Accounts 101, 102, 103, and 106) (Continued)**

reversals of the prior years tentative account distributions of these amounts. Careful observance of the above instructions and the texts of Accounts 101 and 106 will avoid serious omissions of the reported amount of respondent's plant actually in service at end of year.

6. Show in column (f) reclassifications or transfers within utility plant accounts. Include also in column (f) the additions or reductions of primary account classifications arising from distribution of amounts initially recorded in Account 102. In showing the clearance of Account 102, include in column (e) the amounts with respect to accumulated provision for depreciation, acquisition adjustments, etc., and show in col-

umn (f) only the offset to the debits or credits distributed in column (f) to primary account classifications.

7. For Account 399, state the nature and use of plant included in the account and if substantial in amount submit a supplementary statement showing subaccount classification of such plant conforming to the requirements of these pages.

8. For each amount comprising the reported balance and changes in Account 102, state the property purchased or sold, name of vendor or purchaser, and date of transaction. If proposed journal entries have been filed with the Commission as required by the Uniform System of Accounts, give also date of such filing.

Retirements (d)	Adjustments (e)	Transfers (f)	Balance at End of Year (g)		Line No.
					1
			0.00	(301)	2
			6,222,447.88	(302)	3
8,836.04			185,164.64	(303)	4
8,836.04	0.00	0.00	6,407,612.52		5
					6
					7
		(4,366.64)	1,299,548.54	(310)	8
34,014.00		(15,570.94)	99,998,520.25	(311)	9
2,235,169.00			119,300,746.78	(312)	10
			0.00	(313)	11
1,719,888.00			32,010,480.21	(314)	12
20,844.00			13,774,590.47	(315)	13
1,245.00			12,759,362.33	(316)	14
			0.00	(317)	15
4,011,160.00	0.00	(19,937.58)	279,143,248.58		16
					17
			0.00	(320)	18
			0.00	(321)	19
			0.00	(322)	20
			0.00	(323)	21
			0.00	(324)	22
			0.00	(325)	23
			0.00	(326)	24
0.00	0.00	0.00	0.00		25
					26
		(34,045.34)	41,236,379.59	(330)	27
			11,866,978.34	(331)	28
			32,994,266.79	(332)	29
			31,559,072.31	(333)	30
			11,559,496.98	(334)	31
			2,647,732.80	(335)	32
			225,368.74	(336)	33
				(337)	34
0.00	0.00	(34,045.34)	132,089,295.55		35
					36
			0.00	(340)	37
			0.00	(341)	38
			0.00	(342)	39
			0.00	(343)	40
			0.00	(344)	41
			0.00	(345)	42

Name of Respondent  Avista Corp.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) April 25, 2005	Year of Report December 31, 2004
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## ELECTRIC PLANT IN SERVICE (Accounts 101, 102, 103, 106)

Line No.	Account (a)	Balance at Beginning of Year (b)	Additions (c)
43	(346) Misc. Power Plant Equipment	0.00	0.00
44	(347) Asset Retirement Costs for Other Production	0.00	
45	TOTAL Other Production Plant (Enter Total of lines 37 thru 44)	0.00	0.00
46	TOTAL Production Plant (Enter Total of lines 16, 25, 35, and 45)	409,534,041.10	5,763,645.95
47	<b>3. TRANSMISSION PLANT</b>		
48	(350) Land and Land Rights	883,384.46	
49	(352) Structures and Improvements	459,747.03	1,834.14
50	(353) Station Equipment	16,022,712.27	231,269.99
51	(354) Towers and Fixtures	16,012,151.38	1,378.17
52	(355) Poles and Fixtures	7,171,154.23	
53	(356) Overhead Conductors and Devices	15,744,524.85	
54	(357) Underground Conduit	0.00	
55	(358) Underground Conductors and Devices	0.00	0.00
56	(359) Roads and Trails	367,476.22	0.00
57	(359.1) Asset Retirement Costs for Transmission Plant	0.00	
58	TOTAL Transmission Plant (Enter Total of lines 48 thru 57)	56,661,150.44	234,482.30
59	<b>4. DISTRIBUTION PLANT</b>		
60	(360) Land and Land Rights	0.00	0.00
61	(361) Structures and Improvements	15,880.70	0.00
62	(362) Station Equipment	151,641.07	626.90
63	(363) Storage Battery Equipment	0.00	0.00
64	(364) Poles, Towers, and Fixtures	10,079.51	0.00
65	(365) Overhead Conductors and Devices	6,675.89	0.00
66	(366) Underground Conduit	46.37	0.00
67	(367) Underground Conductors and Devices	637.37	0.00
68	(368) Line Transformers	896.72	0.00
69	(369) Services	127.36	0.00
70	(370) Meters	28.71	0.00
71	(371) Installations on Customer Premises	0.00	0.00
72	(372) Leased Property on Customer Premises	0.00	0.00
73	(373) Street Lighting and Signal Systems	0.00	0.00
74	(374) Asset Retirement Costs for Distribution Plant	0.00	
75	TOTAL Distribution Plant (Enter Total of lines 60 thru 74)	186,013.70	626.90
76	<b>5. GENERAL PLANT</b>		
77	(389) Land and Land Rights	0.00	0.00
78	(390) Structures and Improvements	0.00	0.00
79	(391) Office Furniture and Equipment	0.00	0.00
80	(392) Transportation Equipment	0.00	0.00
81	(393) Stores Equipment	0.00	0.00
82	(394) Tools, Shop and Garage Equipment	0.00	0.00
83	(395) Laboratory Equipment	0.00	0.00
84	(396) Power Operated Equipment	0.00	0.00
85	(397) Communication Equipment	7,498.13	8,412.33
86	(398) Miscellaneous Equipment	0.00	0.00
87	SUBTOTAL (Enter Total of lines 77 thru 86)	7,498.13	8,412.33
88	(399) Other Tangible Property	0.00	
89	(399.1) Asset Retirement Costs for General Plant	0.00	
90	TOTAL General Plant (Enter Total of lines 87 thru 89)	7,498.13	8,412.33
91	TOTAL (Accounts 101 and 106)	472,998,230.36	5,814,089.05
92	(102) Electric Plant Purchased	0.00	
93	(Less) (102) Electric Plant Sold	0.00	
94	(103) Experimental Plant Unclassified	0.00	
95	TOTAL Electric Plant in Service	472,998,230.36	5,814,089.05

Name of Respondent  Avista Corp.	This Report Is: (1) <input checked="" type="checkbox"/> An Original	Date of Report (Mo, Da, Yr) April 25, 2005	Year of Report December 31, 2004
	(2) <input type="checkbox"/> A Resubmission		

ELECTRIC PLANT IN SERVICE (Accounts 101, 102, 103, and 106) (Continued)

Retirements (d)	Adjustments (e)	Transfers (f)	Balance at End of Year (g)		Line No.
			0.00	(346)	43
			0.00	(347)	44
0.00	0.00	0.00	0.00		45
4,011,160.00	0.00	(53,982.92)	411,232,544.13		46
					47
			883,384.46	(350)	48
			461,581.17	(352)	49
			16,253,982.26	(353)	50
			16,013,529.55	(354)	51
			7,171,154.23	(355)	52
			15,744,524.85	(356)	53
			0.00	(357)	54
			0.00	(358)	55
			367,476.22	(359)	56
			0.00	(359.1)	57
0.00	0.00	0.00	56,895,632.74		58
					59
			0.00	(360)	60
			15,880.70	(361)	61
			152,267.97	(362)	62
			0.00	(363)	63
			10,079.51	(364)	64
			6,675.89	(365)	65
			46.37	(366)	66
			637.37	(367)	67
			896.72	(368)	68
			127.36	(369)	69
			28.71	(370)	70
			0.00	(371)	71
			0.00	(372)	72
			0.00	(373)	73
			0.00	(374)	74
0.00	0.00	0.00	186,640.60		75
					76
			0.00	(389)	77
			0.00	(390)	78
			0.00	(391)	79
			0.00	(392)	80
			0.00	(393)	81
			0.00	(394)	82
			0.00	(395)	83
			0.00	(396)	84
			15,910.46	(397)	85
			0.00	(398)	86
0.00	0.00	0.00	15,910.46		87
			0.00	(399)	88
			0.00	(399.1)	89
0.00	0.00	0.00	15,910.46		90
4,019,996.04	0.00	(53,982.92)	474,738,340.45		91
			0.00	(102)	92
			0.00		93
			0.00	(103)	94
4,019,996.04	0.00	(53,982.92)	474,738,340.45		95

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year of Report
Avista Corporation	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	April 25, 2005	Dec. 31, 2004

## ELECTRIC OPERATING REVENUES (Account 400)

1. Report below operating revenues for each prescribed account, and manufactured gas revenues in total.

2. Report number of customers, columns (f) and (g), on the basis of meters, in addition to the number of flat rate accounts; except that where separate meter readings are added for billing purposes, one customer should be counted

for each group of meters added. The average number of customers means the average of twelve figures at the close of each month.

3. If previous year (columns (c), (e), and (g), are not derived from previously reported figures, explain any inconsistencies in a footnote.

Line No.	Title of Account (a)	OPERATING REVENUES	
		Amount for Year (b)	Amount for Previous Year (c)
1	Sales of Electricity		
2	(440) Residential Sales	7,091	4,883
3	(442) Commercial and Industrial Sales (3)		
4	Small (or Commercial)	2,084	1,832
5	Large (or Industrial)		
6	(444) Public Street and Highway Lighting		
7	(445) Other Sales to Public Authorities		
8	(446) Sales to Railroads and Railways		
9	(448) Interdepartmental Sales	6,518	5,688
10	TOTAL Sales to Ultimate Consumers	15,693 (1)	12,403
11	(447) Sales for Resale		3,370,503
12	TOTAL Sales of Electricity	15,693	3,382,906
13	(Less) (449.1) Provision for Rate Refunds		
14	TOTAL Revenues Net of Provision for Refunds	15,693	3,382,906
15	Other Operating Revenues		
16	(450) Forfeited Discounts		
17	(451) Miscellaneous Service Revenues		
18	(453) Sales of Water and Water Power		
19	(454) Rent from Electric Property	48,342	47,277
20	(455) Interdepartmental Rents		
21	(456) Other Electric Revenues	2,254,658	1,117,950
22			
23			
24			
25			
26	TOTAL Other Operating Revenues	2,303,000	1,165,227
27	TOTAL Electric Operating Revenues	\$2,318,693	\$4,548,133

Name of Respondent  Avista Corporation	This Report Is:	Date of Report (Mo, Da, Yr)	Year of Report
	(1) <input checked="" type="checkbox"/> An Original  (2) <input type="checkbox"/> A Resubmission	April 25, 2005	Dec. 31, 2004

**ELECTRIC OPERATING REVENUES (Account 400) (Continued)**

4. Commercial and Industrial Sales, Account 442, may be classified according to the basis of classification (Small or Commercial, and Large or Industrial) regularly used by the respondent if such basis of classification is not generally greater than 1000 Kw of demand. (See Account 442 of the Uniform System of Accounts. Explain basis of classification in a footnote.)

5. See page 108, Important Changes During Year, for important new territory added and important rate increases or decreases.

6. For lines 2, 4, 5, and 6, see page 304 for amounts relating to unbilled revenue by accounts.

7. Include unmetered sales. Provide details of such sales in a footnote.

MEGAWATT HOURS SOLD		AVG. NO. OF CUSTOMERS PER MONTH		Line No.
Amount for Year (d)	Amount for Previous Year (e)	Number for Year (f)	Number for Previous Year (g)	
				1
156	109	12	9	2
				3
32	28	1	1	4
				5
				6
				7
				8
99	84	6	7	9
287 (2)	221	19	17	10
	79,062		6	11
287	79,283	19	23	12
				13
287	79,283	19	23	14

(1) Includes \$(0) of unbilled revenues.

(2) Includes 0 MWH relating to unbilled revenues.

(3) Segregation of Commercial and Industrial made on basis of utilization of energy and not on size of account.

Name of Respondent  Avista Corp.		This Report Is: (1) <input checked="" type="checkbox"/> An Original  (2) <input type="checkbox"/> A Resubmission	Date of Report  April 25, 2005	Year of Report  December 31, 2004
<b>ELECTRIC OPERATION AND MAINTENANCE EXPENSES</b>				
If the amount for previous year is not derived from previously reported figures, explain in footnotes.				
Line No.	Account (a)	Amount for Current Year (b)	Amount for Prior Year (c)	
1	<b>(1) POWER PRODUCTION EXPENSES</b>			
2	<b>A. Steam Power Generation</b>			
3	<b>Operation</b>			
4	(500) Operation Supervision and Engineering	36,449	58,596	
5	(501) Fuel	11,022,574	10,959,960	
6	(502) Steam Expenses	1,118,354	1,050,888	
7	(503) Steam from Other Sources	-	4,329	
8	(Less) (504) Steam Transferred-Cr.	-	-	
9	(505) Electric Expenses	58,911	51,895	
10	(506) Miscellaneous Steam Power Expenses	1,639,953	1,137,676	
11	(507) Rents	18,573	15,952	
12	<b>TOTAL Operation (Enter Total of Lines 4 thru 11)</b>	<b>13,894,814</b>	<b>13,279,294</b>	
13	<b>Maintenance</b>			
14	(510) Maintenance Supervision and Engineering	314,697	227,825	
15	(511) Maintenance of Structures	366,524	365,816	
16	(512) Maintenance of Boiler Plant	3,341,814	2,694,708	
17	(513) Maintenance of Electric Plant	396,056	744,792	
18	(514) Maintenance of Miscellaneous Steam Plant	519,888	426,457	
19	<b>TOTAL Maintenance (Enter Total of Lines 14 thru 18)</b>	<b>4,938,979</b>	<b>4,459,598</b>	
20	<b>TOTAL Power Production Expenses-Steam Plant (Enter Total of lines 12 and 19)</b>	<b>18,833,793</b>	<b>17,738,893</b>	
21	<b>B. Nuclear Power Generation</b>			
22	<b>Operation</b>			
23	(517) Operation Supervision and Engineering	-	-	
24	(518) Fuel	-	-	
25	(519) Coolants and Water	-	-	
26	(520) Steam Expenses	-	-	
27	(521) Steam from Other Sources	-	-	
28	(Less) (522) Steam Transferred-Cr.	-	-	
29	(523) Electric Expenses	-	-	
30	(524) Miscellaneous Nuclear Power Expenses	-	-	
31	(525) Rents	-	-	
32	<b>TOTAL Operation (Enter Total of lines 23 thru 31)</b>	<b>-</b>	<b>-</b>	
33	<b>Maintenance</b>			
34	(528) Maintenance Supervision and Engineering	-	-	
35	(529) Maintenance of Structures	-	-	
36	(530) Maintenance of Reactor Plant Equipment	-	-	
37	(531) Maintenance of Electric Plant	-	-	
38	(532) Maintenance of Miscellaneous Nuclear Plant	-	-	
39	<b>TOTAL Maintenance (Enter Total of lines 34 thru 38)</b>	<b>-</b>	<b>-</b>	
40	<b>TOTAL Power Production Expenses-Nuclear Power(Enter total of lines 32 and 39)</b>	<b>-</b>	<b>-</b>	
41	<b>C. Hydraulic Power Generation</b>			
42	<b>Operation</b>			
43	(535) Operation Supervision and Engineering	104,729	162,209	
44	(536) Water for Power	816,763	857,399	
45	(537) Hydraulic Expenses	748,960	739,349	
46	(538) Electric Expenses	876,086	753,785	
47	(539) Miscellaneous Hydraulic Power Generation Expenses	80,366	45,387	
48	(540) Rents	-	-	
49	<b>TOTAL Operation (Enter Total of lines 43 thru 48)</b>	<b>2,626,904</b>	<b>2,558,129</b>	

Name of Respondent		This Report Is:	Date of Report	Year of Report
Avista Corp.		(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	April 25, 2005	December 31, 2004
<b>ELECTRIC OPERATION AND MAINTENANCE EXPENSES</b>				
Line No.	Account (a)	Amount for Current Year (b)	Amount for Prior Year (c)	
50	C. Hydraulic Power Generation (Continued)			
51	Maintenance			
52	(541) Maintenance Supervision and Engineering	71,240	38,195	
53	(542) Maintenance of Structures	75,073	157,802	
54	(543) Maintenance of Reservoirs, Dams, and Waterways	378,054	453,746	
55	(544) Maintenance of Electric Plant	670,200	772,919	
56	(545) Maintenance of Miscellaneous Hydraulic Plant	143,227	63,166	
57	TOTAL Maintenance (Enter Total of lines 52 thru 56)	1,337,794	1,485,828	
58	TOTAL Power Production Expenses-Hydraulic Power (Enter total of lines 49 and 57)	3,964,698	4,043,957	
59	D. Other Power Generation			
60	Operation			
61	(546) Operation Supervision and Engineering	-	-	
62	(547) Fuel	-	-	
63	(548) Generation Expenses	-	-	
64	(549) Miscellaneous Other Power Generation Expenses	-	-	
65	(550) Rents	-	-	
66	TOTAL Operation (Enter Total of lines 61 thru 65)	-	-	
67	Maintenance			
68	(551) Maintenance Supervision and Engineering	1,221	-	
69	(552) Maintenance of Structures	-	-	
70	(553) Maintenance of Generating and Electric Plant	-	-	
71	(554) Maintenance of Miscellaneous Other Power Generation Plant	-	(53)	
72	TOTAL Maintenance (Enter Total of lines 68 thru 71)	1,221	(53)	
73	TOTAL Power Production Expenses-Other Power (Enter Total of lines 66 and 72)	1,221	(53)	
74	E. Other Power Supply Expenses			
75	(555) Purchased Power	-	15,081,107	
76	(556) System Control and Load Dispatching	-	-	
77	(557) Other Expenses	-	-	
78	TOTAL Other Power Supply Expenses (Enter Total of lines 75 thru 77)	-	15,081,107	
79	TOTAL Power Production Expenses (Enter Total of lines 20, 40, 58, 73 and 78)	22,799,712	36,863,904	
80	<b>2. TRANSMISSION EXPENSES</b>			
81	Operation			
82	(560) Operation Supervision and Engineering	8,831	7,855	
83	(561) Load Dispatching	19,888	31,887	
84	(562) Station Expenses	7,202	7,009	
85	(563) Overhead Line Expenses	23,947	19,744	
86	(564) Underground Line Expenses	-	-	
87	(565) Transmission of Electricity by Others	-	225,975	
88	(566) Miscellaneous Transmission Expenses	-	-	
89	(567) Rents	75,742	79,792	
90	TOTAL Operation (Enter Total of lines 82 thru 89)	135,610	372,262	
91	Maintenance			
92	(568) Maintenance Supervision and Engineering	6,510	5,896	
93	(569) Maintenance of Structures	556	244	
94	(570) Maintenance of Station Equipment	87,320	78,256	
95	(571) Maintenance of Overhead Lines	314,299	77,853	
96	(572) Maintenance of Underground Lines	-	-	
97	(573) Maintenance of Miscellaneous Transmission Plant	-	-	
98	TOTAL Maintenance (Enter Total of lines 92 thru 97)	408,685	162,250	
99	TOTAL Transmission Expenses (Enter Total of lines 90 and 98)	544,295	534,512	
100	<b>3. DISTRIBUTION EXPENSES</b>			
101	Operation			
102	(580) Operation Supervision and Engineering	-	-	

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<b>ELECTRIC OPERATION AND MAINTENANCE EXPENSES</b>				
Line No.	Account (a)	Amount for Current Year (b)	Amount for Prior Year (c)	
103	<b>3. DISTRIBUTION EXPENSES (Continued)</b>			
104	(581) Load Dispatching	-	-	
105	(582) Station Expenses	540	697	
106	(583) Overhead Line Expenses	-	-	
107	(584) Underground Line Expenses	-	-	
108	(585) Street Lighting and Signal System Expenses	-	-	
109	(586) Meter Expenses	-	-	
110	(587) Customer Installations Expenses	-	-	
111	(588) Miscellaneous Distribution Expenses	-	113	
112	(589) Rents	100	100	
113	TOTAL Operation (Enter Total of lines 102 thru 112)	640	910	
114	Maintenance			
115	(590) Maintenance Supervision and Engineering	580	438	
116	(591) Maintenance of Structures	-	-	
117	(592) Maintenance of Station Equipment	28	1,319	
118	(593) Maintenance of Overhead Lines	7,555	412	
119	(594) Maintenance of Underground Lines	-	-	
120	(595) Maintenance of Line Transformers	-	-	
121	(596) Maintenance of Street Lighting and Signal Systems	351	-	
122	(597) Maintenance of Meters	-	-	
123	(598) Maintenance of Miscellaneous Distribution Plant	-	-	
124	TOTAL Maintenance (Enter Total of lines 115 thru 123)	8,514	2,168	
125	TOTAL Distribution Expenses (Enter Total of lines 113 and 124)	9,154	3,078	
126	<b>4. CUSTOMER ACCOUNTS EXPENSES</b>			
127	Operation			
128	(901) Supervision	-	-	
129	(902) Meter Reading Expenses	-	-	
130	(903) Customer Records and Collection Expenses	-	-	
131	(904) Uncollectible Accounts	-	-	
132	(905) Miscellaneous Customer Accounts Expenses	-	-	
133	TOTAL Customer Accounts Expenses (Enter Total of lines 128 thru 132)	-	-	
134	<b>5. CUSTOMER SERVICE AND INFORMATIONAL EXPENSES</b>			
135	Operation			
136	(907) Supervision	-	-	
137	(908) Customer Assistance Expenses	-	-	
138	(909) Informational and Instructional Expenses	1,599	7,118	
139	(910) Miscellaneous Customer Service and Informational Expenses	-	-	
140	TOTAL Cust. Service and Informational Expenses (Enter Total of lines 136 thru 139)	1,599	7,118	
141	<b>6. SALES EXPENSES</b>			
142	Operation			
143	(911) Supervision	-	-	
144	(912) Demonstrating and Selling Expenses	-	-	
145	(913) Advertising Expenses	-	-	
146	(916) Miscellaneous Sales Expenses	-	-	
147	TOTAL Sales Expenses (Enter Total of lines 143 thru 146)	-	-	
148	<b>7. ADMINISTRATIVE AND GENERAL EXPENSES</b>			
149	Operation			
150	(920) Administrative and General Salaries	-	-	
151	(921) Office Supplies and Expenses	880	75	
152	(Less) (922) Administrative expenses Transferred-Credit	-	-	

Name of Respondent  Avista Corp.		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report  April 25, 2005	Year of Report  December 31, 2004
<b>ELECTRIC OPERATION AND MAINTENANCE EXPENSES</b>				
Line No.	Account (a)	Amount for Current Year (b)	Amount for Prior Year (c)	
153	<b>7. ADMINISTRATIVE AND GENERAL EXPENSES (Continued)</b>			
154	(923) Outside Services Employed	438	-	
155	(924) Property Insurance	244,390	290,664	
156	(925) Injuries and Damages	12,391	6,687	
157	(926) Employee Pensions and Benefits	233	381	
158	(927) Franchise Requirements	-	-	
159	(928) Regulatory Commission Expenses	833,454	775,588	
160	(Less) (929) Duplicate Charges-Cr.	-	-	
161	(930.1) General Advertising Expenses	-	-	
162	(930.2) Miscellaneous General Expenses	-	1,531	
163	(931) Rents	55	-	
164	TOTAL Operation (Enter Total of lines 150 thru 163)	1,091,841	1,074,925	
165	Maintenance			
166	(935) Maintenance of General Plant	15,552	10,997	
167	TOTAL Administrative and General Expenses (Enter Total of lines 164 and 166)	1,107,393	1,085,922	
168	TOTAL Electric Operation and Maintenance Expenses (Enter Total of lines 79,99,125,133,140,147,and 167)	24,462,153	38,494,534	

#### NUMBER OF ELECTRIC DEPARTMENT EMPLOYEES

1. The data on number of employees should be reported construction employees in a footnote. for the payroll period ending nearest to October 31, or any 3. The number of employees assignable to the electric payroll period ending 60 days before or after October 31. department from joint functions of combination utilities may

2. If the respondent's payroll for the reporting period in- be determined by estimate, on the basis of employee equivalent employees on line 3, and show the number of such specie attributed to the electric department from joint functions.

1	Payroll Period Ended (Date) December 31, 2004	
2	Total Regular Full-Time Employees	30
3	Total Part-Time and Temporary Employees	0
4	Allocation of General Employees	0
5	Total Employees (See Note 1)	30

Name of Respondent  Avista Corp	This Report Is: (1) <input checked="" type="checkbox"/> An Original  (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr)  April 25, 2005	Year of Report  Dec. 31, 2004
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## STATEMENT OF INCOME FOR THE YEAR

1. Report amounts for accounts 412 and 413, Revenue and Expenses from Utility Plant Leased to Others, in another utility column (i,k,m,o) in a similar manner to a utility department. Spread the amount(s) over lines 01 thru 20 as appropriate. Include these amounts in columns (c) and (d) totals.

2. Report amounts in account 414, Other Utility Operating Income, in the same manner as accounts 412 and 413 above.

3. Report data for lines 7, 9, and 10 for Natural Gas companies using accounts 404.1, 404.2, 404.3, 407.1, and 407.2.

4. Use page 122 for important notes regarding the statement of income or any account thereof.

5. Give concise explanations concerning unsettled rate proceedings where a contingency exists such that refunds of a material amount may need to be made to the utility's customers or which may result in a material refund to the utility with respect to power or gas purchases. State for each year affected the gross revenues or costs to which the contingency relates and the tax effects together with an explanation of the major factors which affect the rights of the utility to retain such revenues or recover amounts paid with respect to power and gas purchases.

6. Give concise explanations concerning significant amounts of any refunds made or received during the year

Line No.	Account (a)	(Ref.) Page No. (b)	TOTAL	
			Current Year (c)	Previous Year (d)
1	UTILITY OPERATING INCOME			
2	Operating Revenues (400)	300-301	\$64,745,777	\$72,075,587
3	Operating Expenses			
4	Operation Expenses (500-935)	320-325		
5	Maintenance Expenses (500-935)	320-325		
6	Depreciation Expense (403)	336-338		
7	Amort. & Depl. of Utility Plant (404-405)	336-338		
8	Amort. of Utility Plant Acq. Adj. (406)	336-338		
9	Amort. of Property Losses, Unrecovered Plant and Regulatory Study Costs (407)			
10	Amort. of Conversion Expenses (407)			
11	Regulatory Debits (407.3)			
12	(Less Regulatory Credits (407.4)			
13	Taxes Other Than Income Taxes (408.1)	262-263		
14	Income Taxes - Federal (409.1)	262-263		
15	- Other (409.1)	262-263		
16	Provision for Deferred Income Taxes (410.1)	234,272-277		
17	(Less) Provision for Deferred Income Taxes -Cr. (411.1)	234,272-277		
18	Investment Tax Credit Adj. - Net (411.4)	266		
19	(Less) Gains from Disp. of Utility Plant (411.6)			
20	Losses from Disp. of Utility Plant (411.7)			
21	(Less) Gains from Disposition of Allowances (411.8)			
22	Losses from Disposition of Allowances (411.9)			
23	TOTAL Utility Operating Expenses (Enter Total of lines 4 thru 22)			
24	Net Utility Operating Income (Enter Total of line 2 less 23) (Carry forward to page 117, line 25)		\$64,745,777	\$72,075,587

Name of Respondent  Avista Corp	This Report Is:	Date of Report (Mo, Da, Yr)	Year of Report
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**STATEMENT OF INCOME FOR THE YEAR**

resulting from settlement of any rate proceeding affecting revenues received or costs incurred for power or gas purchases, and a summary of the adjustments made to balance sheet, income, and expense accounts.

7. If any notes appearing in the report to stockholders are applicable to this Statement of Income, such notes may be attached at page 122.

8. Enter on page 122 a concise explanation of only those changes in accounting methods made during the year which

had an effect on net income, including the basis of allocations and apportionments from those used in the preceding year. Also give the approximate dollar effect of such changes.

9. Explain in a footnote if the previous year's figures are different from that reported in prior reports.

10. If the columns are insufficient for reporting additional utility departments, supply the appropriate account titles, lines 1 to 19, and report the information in the blank space on page 122 or in a supplemental statement.

ELECTRIC UTILITY		GAS UTILITY		OTHER UTILITY		Line No.
Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	
(e)	(f)	(g)	(h)	(i)	(j)	
						1
\$64,593,587	\$71,795,949	\$152,190	\$279,638			2
						3
						4
						5
						6
						7
						8
						9
						10
						11
						12
						13
						14
						15
						16
						17
						18
						19
\$64,593,587	\$71,795,949	\$152,190	\$279,638		\$0	20

Name of Respondent 4  Avista Corp.	This Report Is: (1) <input checked="" type="checkbox"/> An Original  (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr)  April 25, 2005	Year of Report  December 31, 2004
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**ELECTRIC PLANT IN SERVICE (Accounts 101, 102, 103, 106)**

1. Report below the original cost of electric plant in service according to the prescribed accounts.

2. In addition to Account 101, Electric Plant in Service (Classified), this page and the next include Accounts 102, Electric Plant Purchased or Sold; Account 103, Experimental Electric Plant Unclassified; and Account 106, Completed Construction Not Classified - Electric.

3. Include in column (c) or (d), as appropriate, corrections of additions and retirements for the current or preceding year.

4. Enclose in parentheses credit adjustments of plant accounts to indicate the negative effect of such accounts.

5. Classify Account 106 according to prescribed accounts, on an estimated basis if necessary, and include the entries in column (c). Also to be included in column (c) are entries for reversals of tentative distributions of prior year reported in column (b). Likewise, if the respondent has a significant amount of plant retirements which have not been classified to primary accounts at the end of the year, include in column (d) a tentative distribution of such retirements on an estimated basis, with appropriate contra entry to the account for accumulated depreciation provision. Include also in column (d) reversals of tentative distributions of prior year of unclassified retirements. Attach supplemental statement showing the account distributions of these tentative classifications in columns (c) and (d), including the

Line No.	Account (a)	Balance at Beginning of Year (b)	Additions (c)
1	<b>1. INTANGIBLE PLANT</b>		
2	(301) Organization	0.00	0.00
3	(302) Franchises and Consents	0.00	0.00
4	(303) Miscellaneous Intangible Plant	11,190,642.22	259,990.30
5	TOTAL Intangible Plant (Enter Total of lines 2, 3, and 4)	11,190,642.22	259,990.30
6	<b>2. PRODUCTION PLANT</b>		
7	<b>A. Steam Production Plant</b>		
8	(310) Land and Land Rights	0.00	0.00
9	(311) Structures and Improvements	0.00	0.00
10	(312) Boiler Plant Equipment	0.00	0.00
11	(313) Engines and Engine Driven Generators	0.00	0.00
12	(314) Turbogenerator Units	0.00	0.00
13	(315) Accessory Electric Equipment	0.00	0.00
14	(316) Misc. Power Plant Equipment	0.00	0.00
15	(317) Asset Retirement Costs for Steam Production	0.00	
16	TOTAL Steam Production Plant (Enter Total of lines 8 thru 15)	0.00	0.00
17	<b>B. Nuclear Production Plant</b>		
18	(320) Land and Land Rights	0.00	0.00
19	(321) Structures and Improvements	0.00	0.00
20	(322) Reactor Plant Equipment	0.00	0.00
21	(323) Turbogenerator Units	0.00	0.00
22	(324) Accessory Electric Equipment	0.00	0.00
23	(325) Misc. Power Plant Equipment	0.00	0.00
24	(326) Asset Retirement Costs for Nuclear Production	0.00	
25	TOTAL Nuclear Production Plant (Enter Total of lines 18 thru 24)	0.00	0.00
26	<b>C. Hydraulic Production Plant</b>		
27	(330) Land and Land Rights	0.00	0.00
28	(331) Structures and Improvements	0.00	0.00
29	(332) Reservoirs, Dams, and Waterways	0.00	0.00
30	(333) Water Wheels, Turbines, and Generators	0.00	0.00
31	(334) Accessory Electric Equipment	0.00	0.00
32	(335) Misc. Power Plant Equipment	0.00	0.00
33	(336) Roads, Railroads, and Bridges	0.00	0.00
34	(337) Asset Retirement Costs for Hydraulic Production	0.00	
35	TOTAL Hydraulic Production Plant (Enter Total of lines 27 thru 34)	0.00	0.00
36	<b>D. Other Production Plant</b>		
37	(340) Land and Land Rights	0.00	0.00
38	(341) Structures and Improvements	0.00	0.00
39	(342) Fuel Holders, Products and Accessories	0.00	0.00
40	(343) Prime Movers	0.00	0.00
41	(344) Generators	0.00	0.00
42	(345) Accessory Electric Equipment	0.00	0.00

Name of Respondent  Avista Corp.	This Report Is:	Date of Report (Mo, Da, Yr)	Year of Report
	(1) <input checked="" type="checkbox"/> An Original  (2) <input type="checkbox"/> A Resubmission	April 25, 2005	December 31, 2004

**ELECTRIC PLANT IN SERVICE (Accounts 101, 102, 103, and 106) (Continued)**

reversals of the prior years tentative account distributions of these amounts. Careful observance of the above instructions and the texts of Accounts 101 and 106 will avoid serious omissions of the reported amount of respondent's plant actually in service at end of year.

6. Show in column (f) reclassifications or transfers within utility plant accounts. Include also in column (f) the additions or reductions of primary account classifications arising from distribution of amounts initially recorded in Account 102. In showing the clearance of Account 102, include in column (e) the amounts with respect to accumulated provision for depreciation, acquisition adjustments, etc., and show in col-

umn (f) only the offset to the debits or credits distributed in column (f) to primary account classifications.

7. For Account 399, state the nature and use of plant included in the account and if substantial in amount submit a supplementary statement showing subaccount classification of such plant conforming to the requirements of these pages.

8. For each amount comprising the reported balance and changes in Account 102, state the property purchased or sold, name of vendor or purchaser, and date of transaction. If proposed journal entries have been filed with the Commission as required by the Uniform System of Accounts, give also date of such filing.

Retirements (d)	Adjustments (e)	Transfers (f)	Balance at End of Year (g)		Line No.
					1
			0.00	(301)	2
			0.00	(302)	3
11,652.22			11,438,980.30	(303)	4
11,652.22	0.00	0.00	11,438,980.30		5
					6
					7
			0.00	(310)	8
			0.00	(311)	9
			0.00	(312)	10
			0.00	(313)	11
			0.00	(314)	12
			0.00	(315)	13
			0.00	(316)	14
			0.00	(317)	15
0.00	0.00	0.00	0.00		16
					17
			0.00	(320)	18
			0.00	(321)	19
			0.00	(322)	20
			0.00	(323)	21
			0.00	(324)	22
			0.00	(325)	23
			0.00	(326)	24
0.00	0.00	0.00	0.00		25
					26
			0.00	(330)	27
			0.00	(331)	28
			0.00	(332)	29
			0.00	(333)	30
			0.00	(334)	31
			0.00	(335)	32
			0.00	(336)	33
			0.00	(337)	34
0.00	0.00	0.00	0.00		35
					36
			0.00	(340)	37
			0.00	(341)	38
			0.00	(342)	39
			0.00	(343)	40
			0.00	(344)	41
			0.00	(345)	42

Name of Respondent  Avista Corp.	This Report Is: (1) <input checked="" type="checkbox"/> An Original  (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr)  April 25, 2005	Year of Report  December 31, 2004
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## ELECTRIC PLANT IN SERVICE (Accounts 101, 102, 103, 106)

Line No.	Account (a)	Balance at Beginning of Year (b)	Additions (c)
43	(346) Misc. Power Plant Equipment	0.00	
44	(347) Asset Retirement Costs for Other Production	0.00	
45	TOTAL Other Production Plant (Enter Total of lines 37 thru 44)	0.00	0.00
46	TOTAL Production Plant (Enter Total of lines 16, 25, 35, and 45)	0.00	0.00
47	<b>3. TRANSMISSION PLANT</b>		
48	(350) Land and Land Rights	0.00	0.00
49	(352) Structures and Improvements	0.00	0.00
50	(353) Station Equipment	1,800.00	
51	(354) Towers and Fixtures	0.00	0.00
52	(355) Poles and Fixtures	0.00	0.00
53	(356) Overhead Conductors and Devices	0.00	0.00
54	(357) Underground Conduit	0.00	0.00
55	(358) Underground Conductors and Devices	0.00	0.00
56	(359) Roads and Trails	0.00	0.00
57	(359.1) Asset Retirement Costs for Transmission Plant	0.00	
58	TOTAL Transmission Plant (Enter Total of lines 48 thru 57)	1,800.00	0.00
59	<b>4. DISTRIBUTION PLANT</b>		
60	(360) Land and Land Rights	0.00	0.00
61	(361) Structures and Improvements	0.00	0.00
62	(362) Station Equipment	0.00	0.00
63	(363) Storage Battery Equipment	0.00	0.00
64	(364) Poles, Towers, and Fixtures	0.00	0.00
65	(365) Overhead Conductors and Devices	0.00	0.00
66	(366) Underground Conduit	0.00	0.00
67	(367) Underground Conductors and Devices	0.00	0.00
68	(368) Line Transformers	0.00	0.00
69	(369) Services	0.00	0.00
70	(370) Meters	0.00	0.00
71	(371) Installations on Customer Premises	0.00	0.00
72	(372) Leased Property on Customer Premises	0.00	0.00
73	(373) Street Lighting and Signal Systems	0.00	0.00
74	(374) Asset Retirement Costs for Distribution Plant	0.00	
75	TOTAL Distribution Plant (Enter Total of lines 60 thru 74)	0.00	0.00
76	<b>5. GENERAL PLANT</b>		
77	(389) Land and Land Rights	22,774.22	0.00
78	(390) Structures and Improvements	598,452.10	0.00
79	(391) Office Furniture and Equipment	146,402.42	(2,038.80)
80	(392) Transportation Equipment	3,687,756.53	51,723.07
81	(393) Stores Equipment	47,103.71	1,000.00
82	(394) Tools, Shop and Garage Equipment	1,270,760.52	21,319.45
83	(395) Laboratory Equipment	2,345,175.37	41,766.82
84	(396) Power Operated Equipment	4,580,295.59	238,318.94
85	(397) Communication Equipment	15,422,581.49	1,223,807.35
86	(398) Miscellaneous Equipment	1,252.56	
87	SUBTOTAL (Enter Total of lines 77 thru 86)	28,122,554.51	1,575,896.83
88	(399) Other Tangible Property	0.00	
89	(399.1) Asset Retirement Costs for General Plant	0.00	
90	TOTAL General Plant (Enter Total of lines 87 thru 89)	28,122,554.51	1,575,896.83
91	TOTAL (Accounts 101 and 106)	39,314,996.73	1,835,887.13
92	(102) Electric Plant Purchased	0.00	
93	(Less) (102) Electric Plant Sold	0.00	
94	(103) Experimental Plant Unclassified	0.00	
95	TOTAL Electric Plant in Service	39,314,996.73	1,835,887.13

Name of Respondent Avista Corp.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) April 25, 2005	Year of Report December 31, 2004
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ELECTRIC PLANT IN SERVICE (Accounts 101, 102, 103, and 106) (Continued)

Retirements (d)	Adjustments (e)	Transfers (f)	Balance at End of Year (g)		Line No.
			0.00	(346)	43
			0.00	(347)	44
0.00	0.00	0.00	0.00		45
0.00	0.00	0.00	0.00		46
					47
			0.00	(350)	48
			0.00	(352)	49
		(1,800.00)	0.00	(353)	50
			0.00	(354)	51
			0.00	(355)	52
			0.00	(356)	53
			0.00	(357)	54
			0.00	(358)	55
			0.00	(359)	56
			0.00	(359.1)	57
0.00	0.00	(1,800.00)	0.00		58
					59
			0.00	(360)	60
			0.00	(361)	61
			0.00	(362)	62
			0.00	(363)	63
			0.00	(364)	64
			0.00	(365)	65
			0.00	(366)	66
			0.00	(367)	67
			0.00	(368)	68
			0.00	(369)	69
			0.00	(370)	70
			0.00	(371)	71
			0.00	(372)	72
			0.00	(373)	73
			0.00	(374)	74
0.00	0.00	0.00	0.00		75
					76
			22,774.22	(389)	77
			598,452.10	(390)	78
			144,363.62	(391)	79
1,649.28			3,737,830.32	(392)	80
			48,103.71	(393)	81
13,019.46			1,279,060.51	(394)	82
7,984.04			2,378,958.15	(395)	83
148,207.00			4,670,407.53	(396)	84
103,804.53		30,172.02	16,572,756.33	(397)	85
7.72			1,244.84	(398)	86
274,672.03	0.00	30,172.02	29,453,951.33		87
			0.00	(399)	88
			0.00	(399.1)	89
274,672.03	0.00	30,172.02	29,453,951.33		90
286,324.25	0.00	28,372.02	40,892,931.63		91
			0.00	(102)	92
			0.00		93
			0.00	(103)	94
286,324.25	0.00	28,372.02	40,892,931.63		95

Name of Respondent  Avista Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original	Date of Report (Mo, Da, Yr) April 25, 2005	Year of Report Dec. 31, 2004
	(2) <input type="checkbox"/> A Resubmission		

**ELECTRIC OPERATING REVENUES (Account 400)**

1. Report below operating revenues for each prescribed account, and manufactured gas revenues in total. for each group of meters added. The average number of customers means the average of twelve figures at the close of each month.

2. Report number of customers, columns (f) and (g), on the basis of meters, in addition to the number of flat rate accounts; except that where separate meter readings are added for billing purposes, one customer should be counted

3. If previous year (columns (c), (e), and (g), are not derived from previously reported figures, explain any inconsistencies in a footnote.

Line No.	Title of Account  (a)	OPERATING REVENUES	
		Amount for Year (b)	Amount for Previous Year (c)
1	Sales of Electricity		
2	(440) Residential Sales		
3	(442) Commercial and Industrial Sales (3)		
4	Small (or Commercial)		
5	Large (or Industrial)		
6	(444) Public Street and Highway Lighting		
7	(445) Other Sales to Public Authorities		
8	(446) Sales to Railroads and Railways		
9	(448) Interdepartmental Sales		
10	TOTAL Sales to Ultimate Consumers		
11	(447) Sales for Resale	89,993,250	
12	TOTAL Sales of Electricity		
13	(Less) (449.1) Provision for Rate Refunds		
14	TOTAL Revenues Net of Provision for Refunds		
15	Other Operating Revenues		
16	(450) Forfeited Discounts		
17	(451) Miscellaneous Service Revenues		
18	(453) Sales of Water and Water Power	202,986	
19	(454) Rent from Electric Property		
20	(455) Interdepartmental Rents		
21	(456) Other Electric Revenues	64,390,601	71,795,949
22			
23			
24			
25			
26	TOTAL Other Operating Revenues	64,593,587	71,795,949
27	TOTAL Electric Operating Revenues	\$64,593,587	\$71,795,949

Name of Respondent  Avista Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original	Date of Report (Mo, Da, Yr)  April 25, 2005	Year of Report  Dec. 31, 2004
	(2) <input type="checkbox"/> A Resubmission		

ELECTRIC OPERATING REVENUES (Account 400) (Continued)

4. Commercial and Industrial Sales, Account 442, may be classified according to the basis of classification (Small or Commercial, and Large or Industrial) regularly used by the respondent if such basis of classification is not generally greater than 1000 Kw of demand. (See Account 442 of the Uniform System of Accounts. Explain basis of classification in a footnote.)

5. See page 108, Important Changes During Year, for important new territory added and important rate increases or decreases.

6. For lines 2, 4, 5, and 6, see page 304 for amounts relating to unbilled revenue by accounts.

7. Include unmetered sales. Provide details of such sales in a footnote.

MEGAWATT HOURS SOLD		AVG. NO. OF CUSTOMERS PER MONTH		Line No.
Amount for Year (d)	Amount for Previous Year (e)	Number for Year (f)	Number for Previous Year (g)	
				1
				2
				3
				4
				5
				6
				7
				8
				9
				10
2,232,653		43		11
				12
				13
				14

Name of Respondent  Avista Corp	This Report Is: (1) <input checked="" type="checkbox"/> An Original  (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr)  April 25, 2005	Year of Report  December 31, 2004
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## STATEMENT OF INCOME FOR THE YEAR

1. Report amounts for accounts 412 and 413, Revenue and Expenses from Utility Plant Leased to Others, in another utility column (i,k,m,o) in a similar manner to a utility department. Spread the amount(s) over lines 01 thru 20 as appropriate. Include these amounts in columns (c) and (d) totals.

2. Report amounts in account 414, Other Utility Operating Income, in the same manner as accounts 412 and 413 above.

3. Report data for lines 7, 9, and 10 for Natural Gas companies using accounts 404.1, 404.2, 404.3, 407.1, and 407.2.

4. Use page 122 for important notes regarding the statement of income or any account thereof.

5. Give concise explanations concerning unsettled rate proceedings where a contingency exists such that refunds of a material amount may need to be made to the utility's customers or which may result in a material refund to the utility with respect to power or gas purchases. State for each year affected the gross revenues or costs to which the contingency relates and the tax effects together with an explanation of the major factors which affect the rights of the utility to retain such revenues or recover amounts paid with respect to power and gas purchases.

6. Give concise explanations concerning significant amounts of any refunds made or received during the year

Line No.	Account  (a)	(Ref.) Page No. (b)	TOTAL	
			Current Year (c)	Previous Year (d)
1	UTILITY OPERATING INCOME			
2	Operating Revenues (400) Note (1)	300-301	\$87,412,761	\$68,218,847
3	Operating Expenses			
4	Operation Expenses (401)	320-325		
5	Maintenance Expenses (402)	320-325		
6	Depreciation Expense (403)	336-338		
7	Amort. & Depl. of Utility Plant (404-405)	336-338		
8	Amort. of Utility Plant Acq. Adj. (406)	336-338		
9	Amort. of Property Losses, Unrecovered Plant and Regulatory Study Costs (407)			
10	Amort. of Conversion Expenses (407)			
11	Taxes Other Than Income Taxes (408.1)	262-263		
12	Income Taxes - Federal (409.1)	262-263		
13	- Other (409.1)	262-263		
14	Provision for Deferred Income Taxes (410.1)	234,272-277		
15	(Less) Provision for Deferred Income Taxes - Cr. (411)	234,272-277		
16	Investment Tax Credit Adj. - Net (411.4)	266		
17	(Less) Gains from Disp. of Utility Plant (411.7)			
18	Losses from Disp. of Utility Plant (411.7)			
19	TOTAL Utility Operating Expenses (Enter Total of lines 4 thru 18)			
20	Net Utility Operating Income (Enter Total of line 2 less 19) (Carry forward to page 117, line 21)		\$87,412,761	\$68,218,847

Note: (1) Information other than operating revenue not available by state.

Name of Respondent  Avista Corp	This Report Is:	Date of Report (Mo, Da, Yr)	Year of Report
	(1) <input checked="" type="checkbox"/> An Original  (2) <input type="checkbox"/> A Resubmission	April 25, 2005	December 31, 2004

**STATEMENT OF INCOME FOR THE YEAR**

resulting from settlement of any rate proceeding affecting revenues received or costs incurred for power or gas purchases, and a summary of the adjustments made to balance sheet, income, and expense accounts.

7. If any notes appearing in the report to stockholders are applicable to this Statement of Income, such notes may be attached at page 122.

8. Enter on page 122 a concise explanation of only those changes in accounting methods made during the year which

had an effect on net income, including the basis of allocations and apportionments from those used in the preceding year. Also give the approximate dollar effect of such changes.

9. Explain in a footnote if the previous year's figures are different from that reported in prior reports.

10. If the columns are insufficient for reporting additional utility departments, supply the appropriate account titles, lines 1 to 19, and report the information in the blank space on page 122 or in a supplemental statement.

ELECTRIC UTILITY		GAS UTILITY		OTHER UTILITY		Line No.
Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	
(e)	(f)	(g)	(h)	(i)	(j)	
						1
		\$87,412,761	\$68,218,847			2
						3
						4
						5
						6
						7
						8
						9
						10
						11
						12
						13
						14
						15
						16
						17
						18
						19
		\$87,412,761	\$68,218,847			20

Name of Respondent 4  Avista Corp.	This Report Is: (1) <input checked="" type="checkbox"/> An Original  (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr)  April 25, 2005	Year of Report  December 31, 2004
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## ELECTRIC PLANT IN SERVICE (Accounts 101, 102, 103, 106)

1. Report below the original cost of electric plant in service according to the prescribed accounts.
2. In addition to Account 101, Electric Plant in Service (Classified), this page and the next include Accounts 102, Electric Plant Purchased or Sold; Account 103, Experimental Electric Plant Unclassified; and Account 106, Completed Construction Not Classified - Electric.
3. Include in column (c) or (d), as appropriate, corrections of additions and retirements for the current or preceding year.
4. Enclose in parentheses credit adjustments of plant accounts to indicate the negative effect of such accounts.
5. Classify Account 106 according to prescribed accounts, on an

estimated basis if necessary, and include the entries in column (c). Also to be included in column (c) are entries for reversals of tentative distributions of prior year reported in column (b). Likewise, if the respondent has a significant amount of plant retirements which have not been classified to primary accounts at the end of the year, include in column (d) a tentative distribution of such retirements on an estimated basis, with appropriate contra entry to the account for accumulated depreciation provision. Include also in column (d) reversals of tentative distributions of prior year of unclassified retirements. Attach supplemental statement showing the account distributions of these tentative classifications in columns (c) and (d), including the

Line No.	Account (a)	Balance at Beginning of Year (b)	Additions (c)
1	1. INTANGIBLE PLANT		
2	(301) Organization	0.00	
3	(302) Franchises and Consents	0.00	
4	(303) Miscellaneous Intangible Plant	1,205.20	
5	TOTAL Intangible Plant (Enter Total of lines 2, 3, and 4)	1,205.20	0.00
6	2. PRODUCTION PLANT		
7	A. Steam Production Plant		
8	(310) Land and Land Rights	0.00	
9	(311) Structures and Improvements	0.00	
10	(312) Boiler Plant Equipment	0.00	
11	(313) Engines and Engine Driven Generators	0.00	
12	(314) Turbogenerator Units	0.00	
13	(315) Accessory Electric Equipment	0.00	
14	(316) Misc. Power Plant Equipment	0.00	
15	(317) Asset Retirement Costs for Steam Production	0.00	
16	TOTAL Steam Production Plant (Enter Total of lines 8 thru 15)	0.00	0.00
17	B. Nuclear Production Plant		
18	(320) Land and Land Rights	0.00	
19	(321) Structures and Improvements	0.00	
20	(322) Reactor Plant Equipment	0.00	
21	(323) Turbogenerator Units	0.00	
22	(324) Accessory Electric Equipment	0.00	
23	(325) Misc. Power Plant Equipment	0.00	
24	(326) Asset Retirement Costs for Nuclear Production	0.00	
25	TOTAL Nuclear Production Plant (Enter Total of lines 18 thru 24)	0.00	0.00
26	C. Hydraulic Production Plant		
27	(330) Land and Land Rights	0.00	
28	(331) Structures and Improvements	0.00	
29	(332) Reservoirs, Dams, and Waterways	0.00	
30	(333) Water Wheels, Turbines, and Generators	0.00	
31	(334) Accessory Electric Equipment	0.00	
32	(335) Misc. Power Plant Equipment	0.00	
33	(336) Roads, Railroads, and Bridges	0.00	
34	(337) Asset Retirement Costs for Hydraulic Production	0.00	
35	TOTAL Hydraulic Production Plant (Enter Total of lines 27 thru 34)	0.00	0.00
36	D. Other Production Plant		
37	(340) Land and Land Rights	0.00	
38	(341) Structures and Improvements	7,157,486.77	111,813.33
39	(342) Fuel Holders, Products and Accessories	12,605,456.32	(39,839.49)
40	(343) Prime Movers	0.00	
41	(344) Generators	75,863,344.31	(233,597.45)
42	(345) Accessory Electric Equipment	8,246,378.48	(14,216.46)

Name of Respondent  Avista Corp.	This Report Is: (1) <input checked="" type="checkbox"/> An Original	Date of Report (Mo, Da, Yr) April 25, 2005	Year of Report December 31, 2004
	(2) <input type="checkbox"/> A Resubmission		

**ELECTRIC PLANT IN SERVICE (Accounts 101, 102, 103, and 106) (Continued)**

reversals of the prior years tentative account distributions of these amounts. Careful observance of the above instructions and the texts of Accounts 101 and 106 will avoid serious omissions of the reported amount of respondent's plant actually in service at end of year.

6. Show in column (f) reclassifications or transfers within utility plant accounts. Include also in column (f) the additions or reductions of primary account classifications arising from distribution of amounts initially recorded in Account 102. In showing the clearance of Account 102, include in column (e) the amounts with respect to accumulated provision for depreciation, acquisition adjustments, etc., and show in col-

umn (f) only the offset to the debits or credits distributed in column (f) to primary account classifications.

7. For Account 399, state the nature and use of plant included in the account and if substantial in amount submit a supplementary statement showing subaccount classification of such plant conforming to the requirements of these pages.

8. For each amount comprising the reported balance and changes in Account 102, state the property purchased or sold, name of vendor or purchaser, and date of transaction. If proposed journal entries have been filed with the Commission as required by the Uniform System of Accounts, give also date of such filing.

Retirements (d)	Adjustments (e)	Transfers (f)	Balance at End of Year (g)		Line No.
					1
			0.00	(301)	2
			0.00	(302)	3
			1,205.20	(303)	4
0.00	0.00	0.00	1,205.20		5
					6
					7
			0.00	(310)	8
			0.00	(311)	9
			0.00	(312)	10
			0.00	(313)	11
			0.00	(314)	12
			0.00	(315)	13
			0.00	(316)	14
			0.00	(317)	15
0.00	0.00	0.00	0.00		16
					17
			0.00	(320)	18
			0.00	(321)	19
			0.00	(322)	20
			0.00	(323)	21
			0.00	(324)	22
			0.00	(325)	23
			0.00	(326)	24
0.00	0.00	0.00	0.00		25
					26
			0.00	(330)	27
			0.00	(331)	28
			0.00	(332)	29
			0.00	(333)	30
			0.00	(334)	31
			0.00	(335)	32
			0.00	(336)	33
			0.00	(337)	34
0.00	0.00	0.00	0.00		35
					36
			0.00	(340)	37
			7,269,300.10	(341)	38
			12,565,616.83	(342)	39
			0.00	(343)	40
			75,629,746.86	(344)	41
			8,232,162.02	(345)	42

Name of Respondent  Avista Corp.	This Report Is: (1) <input checked="" type="checkbox"/> An Original  (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr)  April 25, 2005	Year of Report  December 31, 2004
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## ELECTRIC PLANT IN SERVICE (Accounts 101, 102, 103, 106)

Line No.	Account (a)	Balance at Beginning of Year (b)	Additions (c)
43	(346) Misc. Power Plant Equipment	655,667.74	2,321.82
44	(347) Asset Retirement Costs for Other Production	0.00	
45	TOTAL Other Production Plant (Enter Total of lines 37 thru 44)	104,528,333.62	(173,518.25)
46	TOTAL Production Plant (Enter Total of lines 16, 25, 35, and 45)	104,528,333.62	(173,518.25)
47	3. TRANSMISSION PLANT		
48	(350) Land and Land Rights	60,301.98	
49	(352) Structures and Improvements	0.00	
50	(353) Station Equipment	4,439,918.62	(14,032.24)
51	(354) Towers and Fixtures	0.00	
52	(355) Poles and Fixtures	993,471.79	
53	(356) Overhead Conductors and Devices	291,386.39	
54	(357) Underground Conduit	0.00	
55	(358) Underground Conductors and Devices	0.00	
56	(359) Roads and Trails	0.00	
57	(359.1) Asset Retirement Costs for Transmission Plant	0.00	
58	TOTAL Transmission Plant (Enter Total of lines 48 thru 57)	5,785,078.78	(14,032.24)
59	4. DISTRIBUTION PLANT		
60	(360) Land and Land Rights	0.00	
61	(361) Structures and Improvements	0.00	
62	(362) Station Equipment	0.00	
63	(363) Storage Battery Equipment	0.00	
64	(364) Poles, Towers, and Fixtures	0.00	
65	(365) Overhead Conductors and Devices	0.00	
66	(366) Underground Conduit	0.00	
67	(367) Underground Conductors and Devices	0.00	
68	(368) Line Transformers	0.00	
69	(369) Services	0.00	
70	(370) Meters	0.00	
71	(371) Installations on Customer Premises	0.00	
72	(372) Leased Property on Customer Premises	0.00	
73	(373) Street Lighting and Signal Systems	0.00	
74	(374) Asset Retirement Costs for Distribution Plant	0.00	
75	TOTAL Distribution Plant (Enter Total of lines 60 thru 74)	0.00	0.00
76	5. GENERAL PLANT		
77	(389) Land and Land Rights	0.00	
78	(390) Structures and Improvements	0.00	
79	(391) Office Furniture and Equipment	0.00	
80	(392) Transportation Equipment	0.00	
81	(393) Stores Equipment	0.00	
82	(394) Tools, Shop and Garage Equipment	0.00	
83	(395) Laboratory Equipment	0.00	
84	(396) Power Operated Equipment	0.00	
85	(397) Communication Equipment	124.19	42,676.20
86	(398) Miscellaneous Equipment	0.00	
87	SUBTOTAL (Enter Total of lines 77 thru 86)	124.19	42,676.20
88	(399) Other Tangible Property	0.00	
89	(399.1) Asset Retirement Costs for General Plant	0.00	
90	TOTAL General Plant (Enter Total of lines 88 and 89)	124.19	42,676.20
91	TOTAL (Accounts 101 and 106)	110,314,741.79	(144,874.29)
92	(102) Electric Plant Purchased	0.00	
93	(Less) (102) Electric Plant Sold	0.00	
94	(103) Experimental Plant Unclassified	0.00	
95	TOTAL Electric Plant in Service	110,314,741.79	(144,874.29)

Name of Respondent  Avista Corp.	This Report Is: (1) <input checked="" type="checkbox"/> An Original	Date of Report (Mo, Da, Yr) April 25, 2005	Year of Report December 31, 2004
	(2) <input type="checkbox"/> A Resubmission		

ELECTRIC PLANT IN SERVICE (Accounts 101, 102, 103, and 106) (Continued)

Retirements (d)	Adjustments (e)	Transfers (f)	Balance at End of Year (g)		Line No.
			657,989.56	(346)	43
			0.00	(347)	44
0.00	0.00	0.00	104,354,815.37		45
0.00	0.00	0.00	104,354,815.37		46
					47
			60,301.98	(350)	48
			0.00	(352)	49
			4,425,886.38	(353)	50
			0.00	(354)	51
			993,471.79	(355)	52
			291,386.39	(356)	53
			0.00	(357)	54
			0.00	(358)	55
			0.00	(359)	56
			0.00	(359.1)	57
0.00	0.00	0.00	5,771,046.54		58
					59
			0.00	(360)	60
			0.00	(361)	61
			0.00	(362)	62
			0.00	(363)	63
			0.00	(364)	64
			0.00	(365)	65
			0.00	(366)	66
			0.00	(367)	67
			0.00	(368)	68
			0.00	(369)	69
			0.00	(370)	70
			0.00	(371)	71
			0.00	(372)	72
			0.00	(373)	73
			0.00	(374)	74
0.00	0.00	0.00	0.00		75
					76
			0.00	(389)	77
			0.00	(390)	78
			0.00	(391)	79
			0.00	(392)	80
			0.00	(393)	81
			0.00	(394)	82
			0.00	(395)	83
			0.00	(396)	84
		(4,356.57)	38,443.82	(397)	85
			0.00	(398)	86
0.00	0.00	(4,356.57)	38,443.82		87
			0.00	(399)	88
			0.00	(399.1)	89
0.00	0.00	(4,356.57)	38,443.82		90
0.00	0.00	(4,356.57)	110,165,510.93		91
			0.00	(102)	92
			0.00		93
			0.00	(103)	94
0.00	0.00	(4,356.57)	110,165,510.93		95

Name of Respondent  Avista Corp.		This Report Is: (1) <input checked="" type="checkbox"/> An Original  (2) <input type="checkbox"/> A Resubmission	Date of Report  April 25, 2005	Year of Report  December 31, 2004
<b>ELECTRIC OPERATION AND MAINTENANCE EXPENSES</b>				
If the amount for previous year is not derived from previously reported figures, explain in footnotes.				
Line No.	Account (a)	Amount for Current Year (b)	Amount for Prior Year (c)	
1	(1) POWER PRODUCTION EXPENSES			
2	A. Steam Power Generation			
3	Operation			
4	(500) Operation Supervision and Engineering	-	39	
5	(501) Fuel	-	97	
6	(502) Steam Expenses	-		
7	(503) Steam from Other Sources	-		
8	(Less) (504) Steam Transferred-Cr.	-		
9	(505) Electric Expenses	-		
10	(506) Miscellaneous Steam Power Expenses	-		
11	(507) Rents	-		
12	TOTAL Operation (Enter Total of Lines 4 thru 11)	-	136	
13	Maintenance			
14	(510) Maintenance Supervision and Engineering	1,309		
15	(511) Maintenance of Structures	-		
16	(512) Maintenance of Boiler Plant	-		
17	(513) Maintenance of Electric Plant	-		
18	(514) Maintenance of Miscellaneous Steam Plant	-		
19	TOTAL Maintenance (Enter Total of Lines 14 thru 18)	1,309		
20	TOTAL Power Production Expenses-Steam Plant (Enter Total of lines 12 and 19)	1,309	136	
21	B. Nuclear Power Generation			
22	Operation			
23	(517) Operation Supervision and Engineering	-		
24	(518) Fuel	-		
25	(519) Coolants and Water	-		
26	(520) Steam Expenses	-		
27	(521) Steam from Other Sources	-		
28	(Less) (522) Steam Transferred-Cr.	-		
29	(523) Electric Expenses	-		
30	(524) Miscellaneous Nuclear Power Expenses	-		
31	(525) Rents	-		
32	TOTAL Operation (Enter Total of lines 23 thru 31)	-		
33	Maintenance			
34	(528) Maintenance Supervision and Engineering	-		
35	(529) Maintenance of Structures	-		
36	(530) Maintenance of Reactor Plant Equipment	-		
37	(531) Maintenance of Electric Plant	-		
38	(532) Maintenance of Miscellaneous Nuclear Plant	-		
39	TOTAL Maintenance (Enter Total of lines 34 thru 38)	-		
40	TOTAL Power Production Expenses-Nuclear Power(Enter total of lines 32 and 39)	-		
41	C. Hydraulic Power Generation			
42	Operation			
43	(535) Operation Supervision and Engineering	34		
44	(536) Water for Power	-		
45	(537) Hydraulic Expenses	74		
46	(538) Electric Expenses	-		
47	(539) Miscellaneous Hydraulic Power Generation Expenses	-		
48	(540) Rents	-		
49	TOTAL Operation (Enter Total of lines 43 thru 48)	108		

Name of Respondent		This Report Is:	Date of Report	Year of Report
Avista Corp.		(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	April 25, 2005	December 31, 2004
<b>ELECTRIC OPERATION AND MAINTENANCE EXPENSES</b>				
Line No.	Account (a)	Amount for Current Year (b)	Amount for Prior Year (c)	
50	C. Hydraulic Power Generation (Continued)			
51	Maintenance			
52	(541) Maintenance Supervision and Engineering	-		-
53	(542) Maintenance of Structures	-		-
54	(543) Maintenance of Reservoirs, Dams, and Waterways	-		-
55	(544) Maintenance of Electric Plant	-		-
56	(545) Maintenance of Miscellaneous Hydraulic Plant	-		-
57	TOTAL Maintenance (Enter Total of lines 52 thru 56)	-		-
58	TOTAL Power Production Expenses-Hydraulic Power (Enter total of lines 49 and 57)	108		-
59	D. Other Power Generation			
60	Operation			
61	(546) Operation Supervision and Engineering	845,344		260,519
62	(547) Fuel	17,786,064		15,495,035
63	(548) Generation Expenses	138,565		196,151
64	(549) Miscellaneous Other Power Generation Expenses	6,781		8,207
65	(550) Rents	-		28,755
66	TOTAL Operation (Enter Total of lines 61 thru 65)	18,776,754		15,988,667
67	Maintenance			
68	(551) Maintenance Supervision and Engineering	16,794		2,244
69	(552) Maintenance of Structures	-		-
70	(553) Maintenance of Generating and Electric Plant	1,227,625		975,702
71	(554) Maintenance of Miscellaneous Other Power Generation Plant	78,077		38,168
72	TOTAL Maintenance (Enter Total of lines 68 thru 71)	1,322,496		1,016,114
73	TOTAL Power Production Expenses-Other Power (Enter Total of lines 66 and 72)	20,099,250		17,004,781
74	E. Other Power Supply Expenses			
75	(555) Purchased Power	-		-
76	(556) System Control and Load Dispatching	-		-
77	(557) Other Expenses	-		94,669
78	TOTAL Other Power Supply Expenses (Enter Total of lines 75 thru 77)	-		94,669
79	TOTAL Power Production Expenses (Enter Total of lines 20, 40, 58, 73 and 78)	20,100,667		17,099,586
80	<b>2. TRANSMISSION EXPENSES</b>			
81	Operation			
82	(560) Operation Supervision and Engineering	-		-
83	(561) Load Dispatching	-		-
84	(562) Station Expenses	19,020		1,070
85	(563) Overhead Line Expenses	1,269		-
86	(564) Underground Line Expenses	-		-
87	(565) Transmission of Electricity by Others	-		-
88	(566) Miscellaneous Transmission Expenses	-		-
89	(567) Rents	-		-
90	TOTAL Operation (Enter Total of lines 82 thru 89)	20,289		1,070
91	Maintenance			
92	(568) Maintenance Supervision and Engineering	-		-
93	(569) Maintenance of Structures	-		-
94	(570) Maintenance of Station Equipment	-		-
95	(571) Maintenance of Overhead Lines	-		-
96	(572) Maintenance of Underground Lines	-		-
97	(573) Maintenance of Miscellaneous Transmission Plant	-		-
98	TOTAL Maintenance (Enter Total of lines 92 thru 97)	-		-
99	TOTAL Transmission Expenses (Enter Total of lines 90 and 98)	20,289		1,070
100	<b>3. DISTRIBUTION EXPENSES</b>			
101	Operation			
102	(580) Operation Supervision and Engineering	-		-

Name of Respondent  Avista Corp.		This Report Is: (1) <input checked="" type="checkbox"/> An Original  (2) <input type="checkbox"/> A Resubmission	Date of Report  April 25, 2005	  January 0, 1900
<b>ELECTRIC OPERATION AND MAINTENANCE EXPENSES</b>				
Line No.	Account (a)	Amount for Current Year (b)		
103	<b>3. DISTRIBUTION EXPENSES (Continued)</b>			-
104	(581) Load Dispatching			-
105	(582) Station Expenses			-
106	(583) Overhead Line Expenses			-
107	(584) Underground Line Expenses			-
108	(585) Street Lighting and Signal System Expenses			-
109	(586) Meter Expenses			-
110	(587) Customer Installations Expenses			-
111	(588) Miscellaneous Distribution Expenses			-
112	(589) Rents			-
113	TOTAL Operation (Enter Total of lines 102 thru 112)			-
114	Maintenance			
115	(590) Maintenance Supervision and Engineering			-
116	(591) Maintenance of Structures			-
117	(592) Maintenance of Station Equipment			-
118	(593) Maintenance of Overhead Lines			-
119	(594) Maintenance of Underground Lines			-
120	(595) Maintenance of Line Transformers			-
121	(596) Maintenance of Street Lighting and Signal Systems			-
122	(597) Maintenance of Meters			-
123	(598) Maintenance of Miscellaneous Distribution Plant			-
124	TOTAL Maintenance (Enter Total of lines 115 thru 123)			-
125	TOTAL Distribution Expenses (Enter Total of lines 113 and 124)			-
126	<b>4. CUSTOMER ACCOUNTS EXPENSES</b>			
127	Operation			
128	(901) Supervision			-
129	(902) Meter Reading Expenses			-
130	(903) Customer Records and Collection Expenses			-
131	(904) Uncollectible Accounts			-
132	(905) Miscellaneous Customer Accounts Expenses			-
133	TOTAL Customer Accounts Expenses (Enter Total of lines 128 thru 132)			-
134	<b>5. CUSTOMER SERVICE AND INFORMATIONAL EXPENSES</b>			
135	Operation			
136	(907) Supervision			-
137	(908) Customer Assistance Expenses			-
138	(909) Informational and Instructional Expenses			-
139	(910) Miscellaneous Customer Service and Informational Expenses			-
140	TOTAL Cust. Service and Informational Expenses (Enter Total of lines 136 thru 139)			-
141	<b>6. SALES EXPENSES</b>			
142	Operation			
143	(911) Supervision			-
144	(912) Demonstrating and Selling Expenses			-
145	(913) Advertising Expenses			-
146	(916) Miscellaneous Sales Expenses			-
147	TOTAL Sales Expenses (Enter Total of lines 143 thru 146)			-
148	<b>7. ADMINISTRATIVE AND GENERAL EXPENSES</b>			
149	Operation			
150	(920) Administrative and General Salaries			-
151	(921) Office Supplies and Expenses			-
152	(Less) (922) Administrative expenses Transferred-Credit			-

Name of Respondent  Avista Corp.		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report April 25, 2005	Year of Report December 31, 2004
<b>ELECTRIC OPERATION AND MAINTENANCE EXPENSES</b>				
Line No.	Account (a)	Amount for Current Year (b)	Amount for Prior Year (c)	
153	<b>7. ADMINISTRATIVE AND GENERAL EXPENSES (Continued)</b>			
154	(923) Outside Services Employed	-	-	
155	(924) Property Insurance	-	-	
156	(925) Injuries and Damages	-	-	
157	(926) Employee Pensions and Benefits	-	-	
158	(927) Franchise Requirements	-	-	
159	(928) Regulatory Commission Expenses	-	-	
160	(Less) (929) Duplicate Charges-Cr.	-	-	
161	(930.1) General Advertising Expenses	-	-	
162	(930.2) Miscellaneous General Expenses	-	-	
163	(931) Rents	-	-	
164	TOTAL Operation (Enter Total of lines 150 thru 163)	-	-	
165	Maintenance			
166	(935) Maintenance of General Plant	-	-	
167	TOTAL Administrative and General Expenses (Enter Total of lines 164 and 166)	-	-	
168	TOTAL Electric Operation and Maintenance Expenses (Enter Total of lines 164, 165, 166, and 167)	20,120,956	17,100,656	

#### NUMBER OF ELECTRIC DEPARTMENT EMPLOYEES

1. The data on number of employees should be reported construction employees in a footnote for the payroll period ending nearest to October 31, or any payroll period ending 60 days before or after October 31. The number of employees assignable to the electric department from joint functions of combination utilities may be determined by estimate, on the basis of employee equivalents. If the respondent's payroll for the reporting period includes any special construction personnel, include such employees. Show the estimated number of equivalent employees on line 3, and show the number of such employees attributed to the electric department from joint functions.

1 Payroll Period Ended (Date) December 31, 2004	
2 Total Regular Full-Time Employees	0
3 Total Part-Time and Temporary Employees	0
4 Allocation of General Employees	0
5 Total Employees (See Note 1)	0

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year of Report
Avista Corp	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	April 25, 2005	Dec. 31, 2004

## STATEMENT OF INCOME FOR THE YEAR

1. Report amounts for accounts 412 and 413, Revenue and Expenses from Utility Plant Leased to Others, in another utility column (i,k,m,o) in a similar manner to a utility department. Spread the amount(s) over lines 01 thru 20 as appropriate. Include these amounts in columns (c) and (d) totals.

2. Report amounts in account 414, Other Utility Operating Income, in the same manner as accounts 412 and 413 above.

3. Report data for lines 7, 9, and 10 for Natural Gas companies using accounts 404.1, 404.2, 404.3, 407.1, and 407.2.

4. Use page 122 for important notes regarding the statement of income or any account thereof.

5. Give concise explanations concerning unsettled rate proceedings where a contingency exists such that refunds of a material amount may need to be made to the utility's customers or which may result in a material refund to the utility with respect to power or gas purchases. State for each year affected the gross revenues or costs to which the contingency relates and the tax effects together with an explanation of the major factors which affect the rights of the utility to retain such revenues or recover amounts paid with respect to power and gas purchases.

6. Give concise explanations concerning significant amounts of any refunds made or received during the year

Line No.	Account (a)	(Ref.) Page No. (b)	TOTAL	
			Current Year (c)	Previous Year (d)
1	UTILITY OPERATING INCOME			
2	Operating Revenues (400) Note (1)	300-301	\$20,682,299	\$17,571,796
3	Operating Expenses			
4	Operation Expenses (401)	320-325		
5	Maintenance Expenses (402)	320-325		
6	Depreciation Expense (403)	336-338		
7	Amort. & Depl. of Utility Plant (404-405)	336-338		
8	Amort. of Utility Plant Acq. Adj. (406)	336-338		
9	Amort. of Property Losses, Unrecovered Plant and Regulatory Study Costs (407)			
10	Amort. of Conversion Expenses (407)			
11	Taxes Other Than Income Taxes (408.1)	262-263		
12	Income Taxes - Federal (409.1)	262-263		
13	- Other (409.1)	262-263		
14	Provision for Deferred Income Taxes (410.1)	234,272-277		
15	(Less) Provision for Deferred Income Taxes - Cr. (411)	234,272-277		
16	Investment Tax Credit Adj. - Net (411.4)	266		
17	(Less) Gains from Disp. of Utility Plant (411.7)			
18	Losses from Disp. of Utility Plant (411.7)			
19	TOTAL Utility Operating Expenses (Enter Total of lines 4 thru 18)			
20	Net Utility Operating Income (Enter Total of line 2 less 19) (Carry forward to page 117, line 21)		\$20,682,299	\$17,571,796

Note: (1) Information other than operating revenue not available by state.

Name of Respondent  Avista Corp	This Report Is:	Date of Report (Mo, Da, Yr)	Year of Report
	(1) <input checked="" type="checkbox"/> An Original  (2) <input type="checkbox"/> A Resubmission	April 25, 2005	Dec. 31, 2004

**STATEMENT OF INCOME FOR THE YEAR**

resulting from settlement of any rate proceeding affecting revenues received or costs incurred for power or gas purchases, and a summary of the adjustments made to balance sheet, income, and expense accounts.

7. If any notes appearing in the report to stockholders are applicable to this Statement of Income, such notes may be attached at page 122.

8. Enter on page 122 a concise explanation of only those changes in accounting methods made during the year which

had an effect on net income, including the basis of allocations and apportionments from those used in the preceding year. Also give the approximate dollar effect of such changes.

9. Explain in a footnote if the previous year's figures are different from that reported in prior reports.

10. If the columns are insufficient for reporting additional utility departments, supply the appropriate account titles, lines 1 to 19, and report the information in the blank space on page 122 or in a supplemental statement.

ELECTRIC UTILITY		GAS UTILITY		OTHER UTILITY		Line No.
Current Year (e)	Previous Year (f)	Current Year (g)	Previous Year (h)	Current Year (i)	Previous Year (j)	
						1
		\$20,682,299	\$17,571,796			2
						3
						4
						5
						6
						7
						8
						9
						10
						11
						12
						13
						14
						15
						16
						17
						18
						19
		\$20,682,299	\$17,571,796			20

