

Avista Corp.
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IDAHO PUBLIC
UTILITIES COMMISSION

November 9, 2006

State of Idaho
Idaho Public Utilities Commission
Statehouse
Boise ID 83720

AVU-U-05-02/
AVU-U-06-01

Attention: Jean D. Jewell, Secretary

RE: Filing requirements under Order No. 29947 and Order No. 30036

Enclosed is the quarterly status report for September 30, 2006 as required under Order No. 29947 and Order No. 30036.

See Exhibit A

If any questions arise or additional information is needed, please do not hesitate to contact Paul Kimball at 509-495-4584.

Sincerely,

A handwritten signature in cursive script that reads "Diane Thoren".

Diane Thoren
Assistant Treasurer

Enclosures

AVISTA CORP.

Exhibit A

Quarterly Status Report, Case No. AVU-U-05-02, Order No. 29947
Case No. AVU-U-06-1, Order No. 30036

| Cost of Capital as of September 30, 2006 (With Short-Term Debt) | Percent of | | Cost | Component |
|---|--------------------------|----------------|---------------|--------------|
| | Amount | Total Capital | | |
| Total Debt | \$1,041,375,876 | 52.63% | 8.13% | 4.28% |
| Trust Preferred Securities | 100,000,000 | 5.05% | 7.21% | 0.36% |
| Preferred Stock | 26,250,000 | 1.33% | 7.39% | 0.10% |
| Common Equity | 811,210,257 | 40.99% | 10.40% | 4.26% |
| TOTAL | \$1,978,836,133 * | 100.00% | | 9.00% |

* Unconsolidated

| Cost of Capital as of September 30, 2006 (Without Short-Term Debt) | Percent of | | Cost | Component |
|--|--------------------------|----------------|---------------|--------------|
| | Amount | Total Capital | | |
| Total Debt | \$979,375,876 | 51.09% | 8.17% | 4.17% |
| Trust Preferred Securities | 100,000,000 | 5.22% | 7.21% | 0.38% |
| Preferred Stock | 26,250,000 | 1.37% | 7.39% | 0.10% |
| Common Equity | 811,210,257 | 42.32% | 10.40% | 4.40% |
| TOTAL | \$1,916,836,133 * | 100.00% | | 9.05% |

* Unconsolidated

| | 3rd Qtr 2006 | 2005 | 2004 |
|-------------------------|--------------|------------|------------|
| Consolidated Net Income | 10,073,000 | 45,168,000 | 35,154,000 |

| | 3rd Qtr 2006 | 2005 | 2004 |
|------------------|--------------|------|------|
| Consolidated EPS | 0.20 | 0.92 | 0.72 |

| | 12 Months Ended | 2005 | 2004 |
|-----------------------|-----------------|------|------|
| Dividend Payout Ratio | 35% | 59% | 71% |

| <u>Financial Ratios</u> | 3rd Qtr 2006 | 2005 | 2004 | BBB Rating |
|--------------------------------|--------------|--------|--------|--------------|
| Interest Coverage | 3.0(x) | 2.3(x) | 2.3(x) | 3.0 - 4.0(x) |
| Interest Coverage as % of Debt | 15.4% | 9.8% | 10.0% | 18-28% |

| | 3rd Qtr 2006 | 2005 | 2004 |
|---------------------------|--------------|------------|------------|
| Common Shares Outstanding | 49,043,990 | 48,593,139 | 48,471,511 |