

Avista Corp.

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Corp.

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IDAHO PUBLIC
UTILITIES COMMISSION

November 8, 2007

AVU-0-05-02
AVU-0-06-01

State of Idaho
Idaho Public Utilities Commission
Statehouse
Boise ID 83720

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, 2007 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

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IDAHO PUBLIC UTILITIES COMMISSION

| Cost of Capital as of September 30, 2007 (With Short-Term Debt) | Amount | Percent of Total Capital | Cost Component | |
|---|--------------------------|-----------------------------|----------------|--------------|
| | | | Cost | Component |
| Total Debt | \$957,951,741 | 48.00% | 7.83% | 3.78% |
| Trust Preferred Securities | 100,000,000 | 5.01% | 7.29% | 0.37% |
| Common Equity | 937,936,711 | 46.99% | 10.40% | 4.89% |
| TOTAL | \$1,995,888,452 * | 100.00% | | 9.01% |

* Unconsolidated

| Cost of Capital as of September 30, 2007 (Without Short-Term Debt) | | | | |
|--|--------------------------|----------------|---------------|--------------|
| Total Debt | \$957,951,741 | 48.00% | 7.73% | 3.71% |
| Trust Preferred Securities | 100,000,000 | 5.01% | 7.29% | 0.37% |
| Common Equity | 937,936,711 | 46.99% | 10.40% | 4.89% |
| TOTAL | \$1,995,888,452 * | 100.00% | | 8.96% |

* Unconsolidated

| | | | | |
|----------------------------------|-----------------------------|--------------------|--------------------|-----------------------|
| Consolidated Net Income | 3rd Qtr 2007 (3,875,000) | 2006 73,133,000 | 2005 45,168,000 | 2004 35,154,000 |
| Consolidated EPS | 3rd Qtr 2007 (0.07) | 2006 1.47 | 2005 0.92 | 2004 0.72 |
| Dividend Payout Ratio | 12 Months Ended 73% | 2006 39% | 2005 59% | 2004 71% |
| <u>Financial Ratios</u> | 3rd Qtr 2007 | 2006 | 2005 | S&P BBB Rating (5) |
| * Interest Coverage | 2.9(x) | 3.4 (x) | 2.5(x) | 3.8 - 2.8(x) |
| * Interest Coverage as % of Debt | 14.7% | 19.2% | 10.5% | 15-22% |
| Common Shares Outstanding | 3rd Qtr 2007 52,858,878 | 2006 52,514,326 | 2005 48,593,139 | 2004 48,471,511 |

* S&P makes multiple adjustments to the ratios - Avista ratios are unadjusted