

Avista Corp.  
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IDAHO PUBLIC  
UTILITIES COMMISSION

March 1, 2007

State of Idaho  
Idaho Public Utilities Commission  
Statehouse  
Boise ID 83720

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

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

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 December 31, 2006 (With Short-Term Debt)	Amount	Percent of Total Capital	Cost	Component
Total Debt	\$974,171,924	48.10%	7.83%	3.77%
Trust Preferred Securities	100,000,000	4.94%	7.20%	0.36%
Preferred Stock	26,250,000	1.30%	7.39%	0.10%
Common Equity	924,783,191	45.66%	<b>10.40%</b>	4.75%
<b>TOTAL</b>	<b>\$2,025,205,115 *</b>	<b>100.00%</b>		<b>8.97%</b>

\* Unconsolidated

Cost of Capital as of December 31, 2006 (Without Short-Term Debt)	Amount	Percent of Total Capital	Cost	Component
Total Debt	\$970,171,924	48.00%	7.74%	3.72%
Trust Preferred Securities	100,000,000	4.95%	7.20%	0.36%
Preferred Stock	26,250,000	1.30%	7.39%	0.10%
Common Equity	924,783,191	45.75%	<b>10.40%</b>	4.76%
<b>TOTAL</b>	<b>\$2,021,205,115 *</b>	<b>100.00%</b>		<b>8.93%</b>

\* Unconsolidated

Consolidated Net Income	4th Qtr 2006 18,029,000	2005 45,168,000	2004 35,154,000	
Consolidated EPS	4th Qtr 2006 0.36	2005 0.92	2004 0.72	
Dividend Payout Ratio	12 Months Ended 39%	2005 59%	2004 71%	
<u>Financial Ratios</u>	4th Qtr 2006	2005	2004	S&P BBB Rating
* Interest Coverage	3.4(x)	2.5(x)	2.3(x)	3.0 - 4.0(x)
* Interest Coverage as % of Debt	19.1%	10.5%	10.0%	18-28%
Common Shares Outstanding	4th Qtr 2006 52,514,326	2005 48,593,139	2004 48,471,511	

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