

AVISTA CORPORATION
CONDENSED CONSOLIDATED BALANCE SHEETS (UNAUDITED)
(Dollars in Thousands)

	December 31, 2006	December 31, 2005
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Assets		
Cash and cash equivalents	\$28,242	\$25,917
Restricted cash	29,903	25,634
Accounts and notes receivable	286,150	502,947
Current energy commodity derivative assets	343,726	918,609
Other current assets	344,253	297,261
Total net utility property	2,215,037	2,126,417
Non-utility properties and investments-net	60,301	77,731
Non-current energy commodity derivative assets	313,300	511,280
Other property and investments-net	60,030	61,944
Regulatory assets for deferred income taxes	105,935	114,109
Regulatory assets for pensions and other postretirement benefits	54,192	-
Other regulatory assets	31,752	26,660
Non-current utility energy commodity derivative assets	25,575	46,731
Power and natural gas deferrals	97,792	147,622
Unamortized debt expense	46,554	48,522
Other deferred charges	13,766	17,110
Total Assets	<u><u>\$4,056,508</u></u>	<u><u>\$4,948,494</u></u>
Liabilities and Stockholders' Equity		
Accounts payable	\$286,099	\$511,427
Current energy commodity derivative liabilities	313,499	906,794
Current portion of long-term debt	26,605	39,524
Current portion of preferred stock (subject to mandatory redemption)	26,250	1,750
Short-term borrowings	4,000	63,494
Other current liabilities	288,756	206,899
Long-term debt	949,854	989,990
Long-term debt to affiliated trusts	113,403	113,403
Preferred stock (subject to mandatory redemption)	-	26,250
Non-current energy commodity derivative liabilities	309,990	488,644
Regulatory liability for utility plant retirement costs	197,712	186,635
Pensions and other postretirement benefits	100,033	64,092
Deferred income taxes	461,006	488,934
Other non-current liabilities and deferred credits	62,455	89,530
Total Liabilities	<u><u>3,139,662</u></u>	<u><u>4,177,366</u></u>
Common stock - net (52,514,326 and 48,593,139 outstanding shares)	715,620	620,598
Retained earnings and accumulated other comprehensive loss	201,226	150,530
Total Stockholders' Equity	<u><u>916,846</u></u>	<u><u>771,128</u></u>
Total Liabilities and Stockholders' Equity	<u><u>\$4,056,508</u></u>	<u><u>\$4,948,494</u></u>

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