

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

DOCKET NO. UG-04\_\_\_\_\_

DIRECT TESTIMONY OF

TARA L. KNOX

REPRESENTING AVISTA CORPORATION

**I. INTRODUCTION**

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**Q. Please state your name, business address and present position with Avista Corporation?**

A. My name is Tara L. Knox and my business address is 1411 East Mission Avenue, Spokane, Washington. I am employed as a Rate Analyst in the Rates and Regulation Department.

**Q. Would you briefly describe your duties?**

A. I am responsible for preparing data for and maintaining the regulatory cost of service models for the Company as well as providing support in the preparation of results of operations reports and miscellaneous other duties as required.

**Q. Would you describe your educational background and professional experience?**

A. I graduated from Washington State University with a Bachelor of Arts degree in General Humanities in 1982 and a Master of Accounting degree in 1990. As an employee in the Rate Department at Avista since 1991, I have attended several ratemaking classes including the EEI Electric Rates Advanced Course that specializes in cost allocation and cost of service issues. I have also been a member of the Cost of Service Working Group since 1999, which is a discussion group made up of technical professionals from utilities throughout the United States and Canada concerned with cost of service issues.

1           **Q.     What is the scope of your testimony in these proceedings?**

2           A.     My testimony and exhibits will cover the Company's natural gas cost of  
3 service study performed for this proceeding and the weather normalization adjustment  
4 to retail usage.

5           **Q.     Are you sponsoring any exhibits with your testimony?**

6           A.     Yes. I am sponsoring Exhibit No.\_\_(TLK-2), natural gas cost of service  
7 study process description; and Exhibit No. \_\_\_(TLK-3), natural gas cost of service study  
8 model output.

9           **Q.     Were these exhibits prepared by you?**

10          A.     Yes.

11                           **II. NATURAL GAS WEATHER NORMALIZATION**

12          **Q.     Would you please briefly summarize your natural gas weather**  
13 **normalization testimony?**

14          A.     Yes. No change has been made to the historical methodology used to  
15 calculate natural gas weather sensitivity. The weather adjustment is developed from a  
16 regression analysis of five and one-half years of billed usage per customer and billing  
17 period heating degree day data. The resulting weather sensitivity coefficient for each  
18 customer subgroup is multiplied by the average number of customers in the subgroup  
19 during the test period and the difference between normal heating degree days and test  
20 period heating degree days. This calculation produces the change in therm usage

1 required to adjust existing loads to the amount expected if weather had been normal.  
2 Mr. Hirschorn includes the adjustment to normalize usage as part of the Revenue/Gas  
3 Supply Adjustment for pro forma results of operations.

4 **Q. Is this different from the method employed in the Company's prior**  
5 **cases?**

6 A. No. This method was used in the Company's last Washington natural gas  
7 general rate filing as well as the annual commission basis reporting.

8 **III. NATURAL GAS COST OF SERVICE**

9 **Q. Please describe the natural gas cost of service study and its purpose.**

10 A. A natural gas cost of service study is an engineering-economic study  
11 which apportions the revenue, expenses, and rate base associated with providing  
12 natural gas service to designated groups of customers. The groups are made up of  
13 customers with similar usage characteristics and facility requirements. Costs are  
14 assigned in relation to each groups' characteristics, resulting in an evaluation of the cost  
15 of the service provided to each group. The rate of return by customer group indicates  
16 whether the revenue provided by the customers in each group recovers the cost to serve  
17 those customers. The study results are used as a guide in determining the appropriate  
18 rate spread among the groups of customers. Exhibit No.\_\_(TLK-2) explains the basic  
19 concepts involved in performing a natural gas cost of service study. It also details the

1 specific methodology and assumptions utilized in the Company's Base Case cost of  
2 service study.

3 **Q. What is the basis for the natural gas cost of service study provided in**  
4 **this case?**

5 A. The cost of service study provided by the Company as Exhibit No.\_\_(TLK-  
6 3) is based on the 2003 test year pro-forma results of operations presented by Mr.  
7 Falkner in Exhibit No.\_\_(DMF-2).

8 **Q. Would you please describe what is shown in Exhibit No.\_\_(TLK-3)?**

9 A. Exhibit No. \_\_(TLK-3) is the Natural Gas Cost of Service Study. The  
10 exhibit shows the Excel spreadsheet model calculation of the cost of service results. This  
11 detail has been divided into three distinct segments.

12 Part 1 is composed of a series of summaries of the study results. Page 1 shows  
13 the results of the study by FERC account category. The rate of return and the ratio of  
14 each schedule's return to the overall return are shown on lines 38 and 39. This  
15 summary is provided to Mr. Hirschorn for his work on rate spread and rate design.  
16 The results will be discussed in more detail later in my testimony. The additional  
17 summaries show the costs organized by functional category (page 2) and classification  
18 (page 3), including margin and unit cost analysis at current and proposed rates.

19 Part 2 is the cost of service calculation from the spreadsheet called "Assign"  
20 showing the functionalization, classification, and allocation of each line item in the

1 study. The supporting schedules required to run the model are shown on pages 28  
2 through 44.

3 Finally, Part 3 is the spreadsheet called "Proforma." This worksheet shows the  
4 segregation of Mr. Falkner's pro-forma results of operations into the detailed  
5 accounting data used in this study.

6 **Q. When was the last time the Company filed a natural gas cost of service**  
7 **study with the Washington Utilities and Transportation Commission?**

8 A. The last natural gas cost of service study was filed with Docket No. UG-  
9 991607 in 1999.

10 **Q. Does the Natural Gas Base Case cost of service study utilize the**  
11 **methodology from Avista's last Washington natural gas case?**

12 A. Yes, it does.

13 **Q. What are the key elements that define this methodology?**

14 A. Gas costs and Underground Storage costs are tied to the current  
15 purchased gas tracker methodology. Natural gas main investment has been segregated  
16 into large and small mains. Large usage customers that take service from large mains  
17 do not receive an allocation of small mains. Meter installation and services investment  
18 is allocated by number of customers weighted by the relative current cost of those  
19 items. System facilities that serve all customers are classified by the peak and average  
20 ratio that reflects the system load factor, then allocated by coincident peak demand and

1 throughput, respectively. Demand side management costs are treated in the same way  
2 as system facilities. General plant is allocated by the sum of all other plant.  
3 Administrative & general expenses are segregated into labor related, plant related,  
4 revenue related, and "other". The costs are then allocated by factors associated with  
5 labor, plant in service, or revenue, respectively. The "other" A&G amounts get a  
6 combined allocation that is one-half based on O&M expenses and one-half based on  
7 throughput. A detailed description of the methodology is included in Exhibit  
8 No.\_\_(TLK-2).

9 **Q. What are the results of the Company's natural gas cost of service study?**

10 A. I believe the Base Case cost of service study presented in this case is a fair  
11 representation of the costs to serve each customer group. The study indicates that  
12 General Service Schedule 111 (primarily commercial customers) is earning more than  
13 the overall return, and all other schedules are earning less than the overall return to  
14 varying degrees. Residential and Interruptible service schedules are relatively close to  
15 unity, whereas Large General Service and Transportation Service are considerably  
16 below unity.

17 The following table shows the rate of return and relative return ratio at present  
18 rates for each rate schedule:

1 **Table 1**

<u>Customer Class</u>	<u>Rate of Return</u>	<u>Return Ratio</u>
Residential Service Schedule 101	5.58%	0.96
Small Firm Service Schedule 111	7.41%	1.28
Large Firm Service Schedule 121	3.59%	0.62
Interruptible Service Schedule 131	5.20%	0.90
Transportation Service Schedule 146	<u>3.00%</u>	<u>0.52</u>
Total Washington Natural Gas System	<u>5.79%</u>	<u>1.00</u>

2           The summary results of this study were provided to Mr. Hirschhorn as an input  
3 into development of the proposed rates.

4           **Q.     Does this conclude your pre-filed direct testimony?**

5           A. Yes.





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DOCKET NO. UG-04 \_\_\_\_\_

EXHIBIT NO. \_\_\_\_ (TLK-2)

TARA L. KNOX

REPRESENTING AVISTA CORPORATION

## NATURAL GAS COST OF SERVICE STUDY

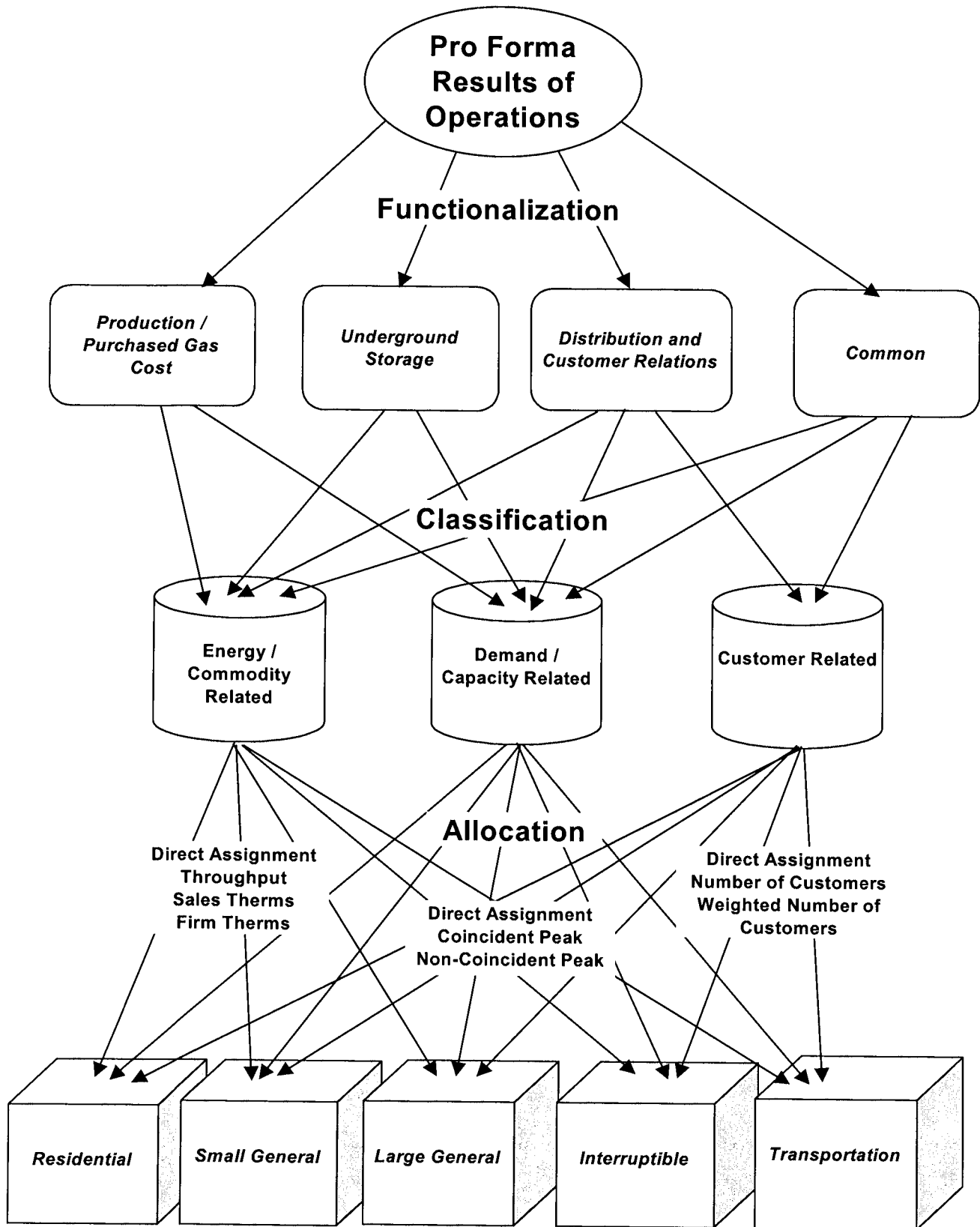
A cost of service study is an engineering-economic study, which apportions the revenue, expenses, and rate base associated with providing natural gas service to designated groups of customers. It indicates whether the revenue provided by the customer group recovers the cost to serve those customers. The study results are used as a guide in determining the appropriate rate spread among the groups of customers.

There are three basic steps involved in a cost of service study: functionalization, classification, and allocation. See flow chart.

First, the expenses and rate base associated with the natural gas system under study are assigned to functional categories. The uniform system of accounts provides the basic segregation into production, underground storage, and distribution. Traditionally customer accounting, customer information, and sales expenses are included in the distribution function and administrative and general expenses and general plant rate base are allocated to all functions. In this study I have created a separate functional category for common costs. Administrative and general costs that cannot be directly assigned to the other functions have been placed in this category.

Second, the expenses and rate base items are classified into three primary cost components: Demand, commodity or customer related. Demand (capacity) related costs are allocated to rate schedules on the basis of each schedule's contribution to system peak demand. Commodity (energy) related costs are allocated based on each rate schedule's share of commodity consumption. Customer related items are allocated to rate schedules based on the number of customers within each schedule. The number of customers may be weighted by appropriate factors such as relative cost of metering equipment. In addition to these three cost components, any revenue related expense is allocated based on the proportion of revenues by rate schedule.

# NATURAL GAS COST OF SERVICE STUDY FLOWCHART



***Pro Forma Results of Operations by Customer Group***

The final step is allocation of the costs to the various rate schedules utilizing the allocation factors selected for each specific cost item. These factors are derived from usage and customer information associated with the test period results of operations.

### **BASE CASE COST OF SERVICE STUDY**

#### **Production - Purchased Gas Costs**

The Company owns no natural gas production facilities serving the Washington jurisdiction. The natural gas costs included in the production function include the cost of gas purchased to serve sales customers, pipeline transportation to get it to our system, and expenses of the gas supply department. The demand and commodity components of account 804 have been determined directly from the weighted average cost of gas (WACOG) approved in the most recent purchased gas adjustment (PGA) filing effective September 11, 2003. The allocation of these costs agrees with the gas costs computation used to determine pro forma results of operations. The expenses of the gas supply department recorded in accounts 807 and 813 are classified as commodity related costs. The gas scheduling process includes transportation customers, so estimated scheduling labor expenses are allocated by throughput. The remaining gas supply department expenses are allocated by sales volumes.

#### **Underground Storage**

Underground storage rate base, operating and maintenance expenses are classified as 23% demand and 77% commodity related. The demand portion is allocated to customer groups by firm coincident peak demand, the commodity portion is allocated to customer groups by annual throughput. This classification/allocation methodology for underground storage costs matches the treatment of underground storage transportation costs in PGA filings. Underground storage capacity release revenue from long term contracts reduces underground storage costs to retail

customers. This revenue is classified as demand related and allocated to customer groups based on PGA demand cost.

### **Distribution Facilities Classification (Peak and Average)**

Distribution mains and regulator station equipment (both general use and city gate stations) are classified as demand and commodity related using the peak and average ratio for the distribution system. Peak demand is defined as the average of the five-day sustained peaks from the most recent three years. Average daily load is calculated by dividing annual throughput by 365 (days in the year). The average daily load is divided by peak load to arrive at the system load factor of 46%. This proportion is classified as commodity related. The remaining 54% is classified as demand related. Meters, services and industrial measuring & regulating equipment are classified as customer related distribution plant. Distribution operating and maintenance expenses are classified (and allocated) in relation to the plant accounts they are associated with.

### **Customer Relations Distribution Cost Classification**

Customer service, customer information and sales expenses are the core of the customer relations functional unit which is included with the distribution cost category. For the most part these costs are classified as customer related. Exceptions include uncollectible accounts expense, which is considered separately as a revenue conversion item, and Demand Side Management amortization expense recorded in Account 908. The demand side management investment costs and amortization expense are included with the distribution function and classified to demand and commodity by the peak and average ratio.

### **Distribution Cost Allocation**

Demand related distribution costs are allocated to customer groups (rate schedules) by each groups' contribution to the three year average five-day sustained peak. Commodity related distribution costs are allocated to customer groups by annual throughput. Distribution main

investment has been segregated into large and small mains. Small mains are defined as less than four inches, with large mains being four inches or greater. The small main costs use the same demand and commodity data, but large usage customers (Schedules 131 and 146) that connect to large system mains have been excluded from the allocations.

Most customer related costs are allocated by the annualized number of customers billed during the test period. Meter investment costs are allocated using the number of customers weighted by the relative current cost of meters in service at December 31, 2003. Services investment costs are allocated using the number of customers weighted by the relative current cost of typical service installations. Industrial measuring and regulating equipment investment costs are allocated by number of customers weighted by industrial meters at current cost.

#### **Administrative and General Costs**

General and intangible rate base items are allocated by the sum of Underground Storage and Distribution plant. Administrative and general expenses are segregated into plant related, labor related, revenue related and other. The plant related items are allocated based on total plant in service. Labor related items are allocated by operating and maintenance labor expense. Revenue related items are allocated by pro forma revenue. Other administrative and general expenses are allocated 50% by annual throughput (classified commodity related) and 50% by the sum of operating and maintenance expenses not including purchased gas cost or administrative & general expenses. Whenever costs are allocated by sums of other items within the study, classifications are imputed from the relationship embedded in the summed items.

#### **Special Contract Customer Revenue**

Several special contract customers receive transportation service from the Company. Rates for these customers were individually negotiated to cover any incremental costs and retain some contribution to margin. The rates for these customers are not being adjusted in this case. The

revenue from these special contract customers has been segregated from general rate revenue and allocated back to all the other rate classes by relative rate base. In treating these revenues like other operating revenues their system contribution reduces costs for all rate schedules.

### **Revenue Conversion Items**

In this study uncollectible accounts, state excise tax, franchise fees, and commission fees have been classified as revenue related and are allocated by pro forma revenue. These items vary with revenue and are included in the calculation of the revenue conversion factor. Income tax expense items are allocated to schedules by net income before income tax.

The following matrix outlines the methodology applied in the Company's Base Case natural gas cost of service study.



Account	Functional Category	Classification	Allocation
<b>Underground Storage Plant</b>			
350 - 357 Underground Storage	Underground Storage	Demand/Commodity to match PGA items:	D04/E01 Coincident Peak Firm/ Annual throughput
<b>Distribution Plant</b>			
374 Land	Distribution	Demand/Commodity/Customer from Other Dist Plant	S05 Sum of accounts 376-385
375 Structures	Distribution	Demand/Commodity/Customer from Other Dist Plant	S05 Sum of accounts 376-385
376(S) Small Mains	Distribution	Demand/Commodity by Peak & Average	D02/E06 Coincident peak, annual therms (both excl lg use cust)
376(L) Large Mains	Distribution	Demand/Commodity by Peak & Average	D01/E01 Coincident peak (all), annual throughput (all)
378 M&R General	Distribution	Demand/Commodity by Peak & Average	D01/E01 Coincident peak (all), annual throughput (all)
379 M&R City Gate	Distribution	Demand/Commodity by Peak & Average	D01/E01 Coincident peak (all), annual throughput (all)
380 Services	Distribution	Customer	C02, Customers weighted by current typical service cost
381 Meters	Distribution	Customer	C03, Customers weighted by average current meter cost
385 Industrial M&R	Distribution	Customer	C06, Customers weighted by industrial meter cost
387 Other	Distribution	Demand/Commodity/Customer from Other Dist Plant	S05 Sum of accounts 376-385
<b>General Plant</b>			
389-399 All General Plant	Common	Demand/Commodity/Customer from UG & D Plant	S03 Sum of Underground Storage and Distribution Plant in Service
<b>Intangible Plant</b>			
303 Misc Intangible Plant	Distribution	Demand/Commodity/Customer from Dist Plant	S15 Sum of Distribution Plant in Service
303 Computer Software	Common	Demand/Commodity/Customer from UG & D Plant	S03 Sum of Underground Storage and Distribution Plant in Service
<b>Reserve for Depreciation</b>			
Underground Storage	Underground Storage	Commodity same as related plant	Allocations linked to related plant accounts
Distribution	Distribution	Demand/Commodity/Customer same as related plant	Allocations linked to related plant accounts
General	Common	Demand/Commodity/Customer same as related plant	Allocations linked to related plant accounts
Intangible	Distribution/Common	Demand/Commodity/Customer same as related plant	Allocations linked to related plant accounts
<b>Other Rate Base</b>			
Accumulated Deferred FTT	All	Demand/Commodity/Customer from Plant in Service	S17 Sum of Total Plant in Service
Constuction Advances	Distribution	Customer	C10 Residential only
Gas Inventory	Underground Storage	Commodity from Underground Storage Plant	S14 Sum of Underground Storage Plant in Service
Gain on Sale of Office Bldg	Common	Demand/Commodity/Customer from UG & D Plant	S03 Sum of Underground Storage and Distribution Plant in Service
DSM Investment	Distribution	Demand/Commodity by Peak & Average	D01/E01 Coincident peak (all), annual throughput (all)
<b>Purchased Gas Expenses</b>			
804 Purchased Gas Cost	Production	Demand/Commodity from PGA Tracker WACOC	D05/E07 PGA Demand / PGA Commodity
807 Purchased Gas Expenses	Production	Commodity	E01/E04 Annual Throughput / Annual Sales Therms
813 Other Gas Expenses	Production	Commodity	E04 Annual Sales Therms
<b>Underground Storage O&amp;M</b>			
814 - 837 Underground Storage Exp	Underground Storage	Demand/Commodity to match PGA items:	D04/E01 Coincident Peak Firm/ Annual throughput

Account	Functional Category	Classification	Allocation
<b>Distribution O&amp;M</b>			
870 OP Super & Engineering	Distribution	Demand/Commodity/Customer from Dist Plant	S15 Sum of Distribution Plant in Service
871 Load Dispatching	Distribution	Commodity	E01 Annual throughput
874 Mains & Services	Distribution	Demand/Commodity/Customer from related plant	S06 Sum of Mains and Services Plant in Service
875 M&R Station - General	Distribution	Demand/Commodity from related plant	S08 Sum of Meas & Reg Station - General Plant in Service
876 M&R Station - Industrial	Distribution	Customer from related plant	S19 Sum of Meas & Reg Station - Industrial Plant in Service
877 M&R Station - City Gate	Distribution	Demand/Commodity from related plant	S09 Sum of Meas & Reg Station - City Gate Plant in Service
878 Meter & House Regulator	Distribution	Customer from related plant	S07 Sum of Meter and Installation Plant in Service
879 Customer Installations	Distribution	Customer	C05, Customers weighted by average current meter cost
880 Other OP Expenses	Distribution	Demand/Commodity/Customer from other dist expense	S04 Sum of Accounts 870 - 879 and 881 - 894
881 Rents	Distribution	Demand/Commodity/Customer from other dist expense	S04 Sum of Accounts 870 - 879 and 881 - 894
885 MT Super & Engineering	Distribution	Demand/Commodity/Customer from Dist Plant	S15 Sum of Distribution Plant in Service
886 MT of Structures	Distribution	Demand/Commodity/Customer from Other Dist Plant	S05 Sum of accounts 376-385
887 MT of Mains	Distribution	Demand/Commodity from related plant	S21 Sum of Distribution Mains Plant in Service
889 MT of M&R General	Distribution	Demand/Commodity from related plant	S08 Sum of Meas & Reg Station - General Plant in Service
890 MT of M&R Industrial	Distribution	Customer from related plant	S19 Sum of Meas & Reg Station - Industrial Plant in Service
891 MT of M&R City Gate	Distribution	Demand/Commodity from related plant	S09 Sum of Meas & Reg Station - City Gate Plant in Service
892 MT of Services	Distribution	Customer from related plant	S20 Sum of Services Plant in Services
893 MT of Meters & Hs Reg	Distribution	Customer from related plant	S07 Sum of Meter and Installation Plant in Service
894 MT of Other Equipment	Distribution	Demand/Commodity/Customer from Dist Plant	S15 Sum of Distribution Plant in Service
<b>Customer Accounting Expenses</b>			
901 Supervision	Customer Relations	Customer	C01 All customers (unweighted)
902 Meter Reading	Customer Relations	Customer	C01 All customers (unweighted)
903 Customer Records & Collections	Customer Relations	Customer	C01 All customers (unweighted)
904 Uncollectible Accounts	Revenue Conversion	Revenue	R03 Retail Sales Revenue
905 Misc Cust Accounts	Customer Relations	Customer	C01 All customers (unweighted)
<b>Customer Service &amp; Info Expenses</b>			
907 Supervision	Customer Relations	Customer	C01 All customers (unweighted)
908 Customer Assistance	Customer Relations	Customer	C01 All customers (unweighted)
908 DSM Amortization	Distribution	Demand/Commodity by Peak & Average	D01/E01 Coincident peak (all), annual throughput (all)
909 Advertising	Customer Relations	Customer	C01 All customers (unweighted)
910 Misc Cust Service & Info	Customer Relations	Customer	C01 All customers (unweighted)
<b>Sales Expenses</b>			
911 - 916 Sales Expenses	Customer Relations	Customer	C01 All customers (unweighted)

Account	Functional Category	Classification	Allocation
<b>Admin &amp; General Expenses</b>			
920 Salaries	Common	Demand/Commodity/Customer from Other O&M	S02/E01 50% O&M excl Gas Purchases and A&G / 50% throughpout
921 Office Supplies	Common	Demand/Commodity/Customer from Other O&M	S02/E01 50% O&M excl Gas Purchases and A&G / 50% throughpout
923 Outside Services	Common	Demand/Commodity/Customer from Other O&M	S02/E01 50% O&M excl Gas Purchases and A&G / 50% throughpout
924 Property Insurance	Common	Demand/Commodity/Customer from Plant in Service	S17 Sum of Total Plant in Service
925 Injuries & Damages	Common	Demand/Commodity/Customer from Other O&M	S02/E01 50% O&M excl Gas Purchases and A&G / 50% throughpout
926 Pensions & Benefits	Common	Demand/Commodity/Customer from Labpr O&M	S13 O&M Labor Expense
927 Franchise Requirements	Revenue Conversion	Revenue	R01 Retail Sales Revenue
928 Regulatory Commission	Common	Demand/Commodity/Customer from Other O&M	S02/E01 50% O&M excl Gas Purchases and A&G / 50% throughpout
928 Commission Fees	Revenue Conversion	Revenue	R01 Retail Sales Revenue
930 Miscellaneous General	Common	Demand/Commodity/Customer from Other O&M	S02/E01 50% O&M excl Gas Purchases and A&G / 50% throughpout
931 Rents	Common	Demand/Commodity/Customer from Other O&M	S02/E01 50% O&M excl Gas Purchases and A&G / 50% throughpout
931 CSS Rent	Customer Relations	Customer	C01 All customers (unweighted)
935 MT of General Plant	Common	Demand/Commodity/Customer from Plant in Service	S17 Sum of Total Plant in Service
<b>Depreciation Expense</b>			
Underground Storage	Underground Storage	Commodity same as related plant	Allocations linked to related plant accounts
Distribution	Distribution	Demand/Commodity/Customer same as related plant	Allocations linked to related plant accounts
General	Common	Demand/Commodity/Customer same as related plant	Allocations linked to related plant accounts
Intangible	Distribution/Common	Demand/Commodity/Customer same as related plant	Allocations linked to related plant accounts
<b>Taxes</b>			
Property Tax	All	Demand/Commodity/Customer from related plant	S14/S15/S16 Sum of UG Plant/Sum of Dist Plant/Sum of Gen Plant
Miscellaneous Dist Tax	Distribution	Demand/Commodity/Customer from Dist Plant	S15 Sum of Distribution Plant in Service
State Excise Tax	Revenue Conversion	Revenue	R02 Net Income before Taxes
Federal Income Tax	Revenue Conversion	Revenue	R02 Net Income before Taxes
Deferred FIT	Revenue Conversion	Revenue	R02 Net Income before Taxes
ITC	Revenue Conversion	Revenue	R02 Net Income before Taxes
<b>Operating Revenues</b>			
Revenue from Rates	Revenue	Revenue	Pro Forma Revenue per Revenue Study
Special Contract Revenue	All	Demand/Commodity/Customer from Rate Base	S01 Sum of Rate Base
Off System Sales	Production	Commodity	E04 Sales Therms
Miscellaneous Service Revenue	Customer Relations	Customer	C01 All customers (unweighted)
Rent From Gas Property	All	Demand/Commodity/Customer from Rate Base	S01 Sum of Rate Base
Other Gas Revenue	Underground Storage	Demand	D05 PGA Demand Cost

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EXHIBIT NO. \_\_\_(TLK-3)

TARA L. KNOX

REPRESENTING AVISTA CORPORATION

Sumcost  
Company Base Case  
WA Accepted Methodology

AVISTA UTILITIES  
Cost of Service General Summary  
For The Twelve Months Ended December 31, 2003

Natural Gas Utility  
Washington Jurisdiction 09-Jun-04

	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)
Description		System	Residential	Small Firm	Large Firm	Interrupt	Transport			
		Total	Sch 101	Sch 111	Sch 121	Sch 131	Sch 146			
<b>Plant In Service</b>										
1 Production Plant										
2 Underground Storage Plant		13,712,000	8,532,434	3,535,371	539,210	53,024	1,051,960			
3 Distribution Plant		191,970,000	150,578,464	32,553,403	3,889,888	343,651	4,604,594			
4 Intangible Plant		1,894,000	1,466,928	331,355	40,576	3,630	51,511			
5 General Plant		14,218,000	10,998,720	2,494,677	306,166	27,421	391,016			
6 Total Plant In Service		221,794,000	171,576,546	38,914,806	4,775,841	427,726	6,099,081			
<b>Accum Depreciation</b>										
7 Production Plant										
8 Underground Storage Plant		(6,495,000)	(4,041,581)	(1,674,609)	(255,409)	(25,116)	(498,285)			
9 Distribution Plant		(60,239,000)	(47,365,856)	(10,087,810)	(1,240,421)	(108,485)	(1,436,427)			
10 Intangible Plant		(1,818,000)	(1,406,461)	(318,932)	(39,137)	(3,505)	(49,966)			
11 General Plant		(5,339,000)	(4,130,128)	(936,776)	(114,969)	(10,297)	(146,830)			
12 Total Accumulated Depreciation		(73,891,000)	(56,944,026)	(13,018,127)	(1,649,936)	(147,403)	(2,131,508)			
13 Net Plant		147,903,000	114,632,520	25,896,679	3,125,905	280,323	3,967,573			
14 Accumulated Deferred FIT		(22,438,000)	(17,357,704)	(3,936,853)	(483,152)	(43,271)	(617,019)			
15 Miscellaneous Rate Base		6,451,000	3,930,573	1,672,566	249,363	27,202	571,296			
16 Total Rate Base		131,916,000	101,205,390	23,632,392	2,892,115	264,253	3,921,850			
17 Revenue From Retail Rates		137,511,000	95,790,000	34,745,000	5,274,000	621,000	1,081,000			
18 Other Operating Revenues		3,724,000	2,646,178	882,583	129,714	13,675	51,850			
19 Total Revenues		141,235,000	98,436,178	35,627,583	5,403,714	634,675	1,132,850			
<b>Operating Expenses</b>										
20 Purchased Gas Costs		98,058,000	65,296,941	27,660,146	4,510,640	536,523	53,751			
21 Underground Storage Expenses		343,000	213,435	88,436	13,488	1,326	26,314			
22 Distribution Expenses		5,904,000	4,500,754	1,122,215	114,574	10,853	155,604			
23 Customer Accounting Expenses		4,194,000	4,014,568	159,730	14,618	1,654	3,430			
24 Customer Information Expenses		724,000	550,567	112,370	14,936	1,963	44,164			
25 Sales Expenses		502,000	492,547	9,219	141	8	86			
26 Admin & General Expenses		8,726,000	6,433,562	1,596,941	226,428	25,616	443,453			
27 Total O&M Expenses		118,451,000	81,502,375	30,749,056	4,894,825	577,942	726,801			
28 Taxes Other Than Income Taxes		7,295,000	5,223,126	1,701,556	248,925	28,199	93,194			
29 Depreciation Expense										
30 Underground Storage Plant Depr		309,000	192,278	79,670	12,151	1,195	23,706			
31 Distribution Plant Depreciation		4,707,000	3,725,210	766,976	94,733	8,323	111,758			
32 General Plant Depreciation		716,000	553,881	125,629	15,418	1,381	19,691			
33 Amortization of Intangible Plant		615,000	475,782	107,890	13,239	1,186	16,903			
34 Total Depr & Amort Expense		6,347,000	4,947,152	1,080,164	135,542	12,084	172,058			
35 Income Tax		1,507,000	1,114,924	345,645	20,510	2,711	23,210			
36 Total Operating Expenses		133,600,000	92,787,577	33,876,421	5,299,802	620,937	1,015,262			
37 Net Income		7,635,000	5,648,601	1,751,161	103,912	13,737	117,588			
38 Rate of Return		5.79%	5.58%	7.41%	3.59%	5.20%	3.00%			
39 Return Ratio		1.00	0.96	1.28	0.62	0.90	0.52			
40 Interest Expense		5,752,000	4,412,910	1,030,455	126,106	11,522	171,006			

(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)
Description	System Total	Residential Service Sch 101	Small Firm Service Sch 111	Large Firm Service Sch 121	Interrupt Service Sch 131	Transport Service Sch 146			
<b>Functional Cost Components at Current Rates</b>									
1 Production	102,605,094	68,324,856	28,942,787	4,719,805	561,402	56,243			
2 Underground Storage	(843,869)	(647,854)	(210,610)	(55,283)	(5,835)	75,713			
3 Distribution	25,526,369	20,618,403	4,079,118	348,571	36,528	443,748			
4 Common	10,223,406	7,494,594	1,933,704	260,907	28,905	505,295			
5 <b>Total Current Rate Revenue</b>	<b>137,511,000</b>	<b>95,790,000</b>	<b>34,745,000</b>	<b>5,274,000</b>	<b>621,000</b>	<b>1,081,000</b>			
6 Exclude Cost of Gas w / Revenue Exp.	102,005,523	67,935,055	28,777,191	4,692,661	558,135	42,482			
7 <b>Total Margin Revenue at Current Rates</b>	<b>35,505,477</b>	<b>27,854,945</b>	<b>5,967,809</b>	<b>581,339</b>	<b>62,865</b>	<b>1,038,518</b>			
Margin per Therm at Current Rates									
8 Production	\$0.003016	\$0.003273	\$0.003273	\$0.003273	\$0.003273	\$0.000695			
9 Underground Storage	(\$0.004245)	(\$0.005440)	(\$0.004163)	(\$0.006666)	(\$0.005846)	\$0.003823			
10 Distribution	\$0.128418	\$0.173136	\$0.080629	\$0.042033	\$0.036592	\$0.022406			
11 Common	\$0.051432	\$0.062933	\$0.038222	\$0.031462	\$0.028955	\$0.025514			
12 <b>Total Current Margin Melded Rate per Therm</b>	<b>\$0.178621</b>	<b>\$0.233902</b>	<b>\$0.117961</b>	<b>\$0.070102</b>	<b>\$0.062975</b>	<b>\$0.052438</b>			
<b>Functional Cost Components at Uniform Current Return</b>									
13 Production	102,605,094	68,324,856	28,942,787	4,719,805	561,402	56,243			
14 Underground Storage	(842,201)	(631,118)	(265,098)	(44,039)	(5,539)	103,593			
15 Distribution	25,524,686	20,849,856	3,677,502	412,835	38,086	546,406			
16 Common	10,223,422	7,508,184	1,909,480	264,930	29,002	511,826			
17 <b>Total Uniform Current Cost</b>	<b>137,511,000</b>	<b>96,051,779</b>	<b>34,264,672</b>	<b>5,353,531</b>	<b>622,951</b>	<b>1,218,068</b>			
18 Exclude Cost of Gas w / Revenue Exp.	102,005,523	67,935,055	28,777,191	4,692,661	558,135	42,482			
19 <b>Total Uniform Current Margin</b>	<b>35,505,477</b>	<b>28,116,725</b>	<b>5,487,480</b>	<b>660,869</b>	<b>64,816</b>	<b>1,175,586</b>			
Margin per Therm at Uniform Current Return									
20 Production	\$0.003016	\$0.003273	\$0.003273	\$0.003273	\$0.003273	\$0.000695			
21 Underground Storage	(\$0.004237)	(\$0.005300)	(\$0.005240)	(\$0.005311)	(\$0.005548)	\$0.005231			
22 Distribution	\$0.128410	\$0.175079	\$0.072691	\$0.049783	\$0.038152	\$0.027590			
23 Common	\$0.051432	\$0.063047	\$0.037743	\$0.031947	\$0.029052	\$0.025844			
24 <b>Total Current Uniform Margin Melded Rate per Therm</b>	<b>\$0.178621</b>	<b>\$0.236100</b>	<b>\$0.108467</b>	<b>\$0.079693</b>	<b>\$0.064929</b>	<b>\$0.059359</b>			
25 <b>Margin to Cost Ratio at Current Rates</b>	<b>1.00</b>	<b>0.99</b>	<b>1.09</b>	<b>0.88</b>	<b>0.97</b>	<b>0.88</b>			
<b>Functional Cost Components at Proposed Rates</b>									
26 Production	102,596,362	68,318,013	28,941,242	4,719,506	561,377	56,223			
27 Underground Storage	(162,079)	(213,468)	(66,375)	(22,715)	(3,016)	143,496			
28 Distribution	33,044,112	26,622,930	5,141,916	534,669	51,316	693,282			
29 Common	10,667,604	7,846,526	1,997,717	272,540	29,822	520,999			
30 <b>Total Proposed Rate Revenue</b>	<b>146,146,000</b>	<b>102,574,000</b>	<b>36,014,500</b>	<b>5,504,000</b>	<b>639,500</b>	<b>1,414,000</b>			
31 Exclude Cost of Gas w / Revenue Exp.	101,996,846	67,928,250	28,775,655	4,692,364	558,110	42,466			
32 <b>Total Margin Revenue at Proposed Rates</b>	<b>44,149,154</b>	<b>34,645,750</b>	<b>7,238,845</b>	<b>811,636</b>	<b>81,390</b>	<b>1,371,534</b>			
Margin per Therm at Proposed Rates									
33 Production	\$0.003016	\$0.003273	\$0.003273	\$0.003273	\$0.003273	\$0.000695			
34 Underground Storage	(\$0.000815)	(\$0.001793)	(\$0.001312)	(\$0.002739)	(\$0.003021)	\$0.007246			
35 Distribution	\$0.166239	\$0.223557	\$0.101637	\$0.064475	\$0.051406	\$0.035006			
36 Common	\$0.053667	\$0.065888	\$0.039487	\$0.032865	\$0.029874	\$0.026307			
37 <b>Total Proposed Margin Melded Rate per Therm</b>	<b>\$0.222106</b>	<b>\$0.290926</b>	<b>\$0.143085</b>	<b>\$0.097873</b>	<b>\$0.081532</b>	<b>\$0.069253</b>			
<b>Functional Cost Components at Uniform Proposed Return</b>									
38 Production	102,595,785	68,318,658	28,940,162	4,719,377	561,351	56,238			
39 Underground Storage	(160,518)	(206,924)	(89,335)	(17,232)	(2,902)	155,875			
40 Distribution	33,043,003	26,713,721	4,972,474	565,992	51,910	738,905			
41 Common	10,667,730	7,851,916	1,987,434	274,495	29,858	524,028			
42 <b>Total Uniform Proposed Cost</b>	<b>146,146,000</b>	<b>102,677,371</b>	<b>35,810,735</b>	<b>5,542,631</b>	<b>640,217</b>	<b>1,475,046</b>			
43 Exclude Cost of Gas w / Revenue Exp.	101,996,269	67,928,891	28,774,580	4,692,235	558,084	42,478			
44 <b>Total Uniform Proposed Margin</b>	<b>44,149,731</b>	<b>34,748,480</b>	<b>7,036,154</b>	<b>850,396</b>	<b>82,133</b>	<b>1,432,588</b>			
Margin per Therm at Uniform Proposed Return									
45 Production	\$0.003016	\$0.003273	\$0.003273	\$0.003273	\$0.003273	\$0.000695			
46 Underground Storage	(\$0.000808)	(\$0.001738)	(\$0.001766)	(\$0.002078)	(\$0.002907)	\$0.007871			
47 Distribution	\$0.166233	\$0.224319	\$0.098287	\$0.068252	\$0.052001	\$0.037309			
48 Common	\$0.053667	\$0.065934	\$0.039284	\$0.033101	\$0.029910	\$0.026460			
49 <b>Total Proposed Uniform Margin Melded Rate per Therm</b>	<b>\$0.222109</b>	<b>\$0.291788</b>	<b>\$0.139079</b>	<b>\$0.102547</b>	<b>\$0.082276</b>	<b>\$0.072335</b>			
50 <b>Margin to Cost Ratio at Proposed Rates</b>	<b>1.00</b>	<b>1.00</b>	<b>1.03</b>	<b>0.95</b>	<b>0.99</b>	<b>0.96</b>			

(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)
Description				System Total	Residential Service Sch 101	Small Firm Service Sch 111	Large Firm Service Sch 121	Interrupt Service Sch 131	Transport Service Sch 146
<b>Cost by Classification at Current Return by Schedule</b>									
1 Commodity				98,069,897	64,672,060	27,695,173	4,464,048	530,167	708,449
2 Demand				20,187,907	13,396,521	5,640,653	757,545	85,317	307,872
3 Customer				19,253,196	17,721,419	1,409,174	52,407	5,517	64,679
4 Total Current Rate Revenue				137,511,000	95,790,000	34,745,000	5,274,000	621,000	1,081,000
Revenue per Therm at Current Rates									
5 Commodity				\$0.493371	\$0.543061	\$0.547431	\$0.538310	\$0.531091	\$0.035772
6 Demand				\$0.101562	\$0.112493	\$0.111495	\$0.091351	\$0.085466	\$0.015545
7 Customer				\$0.096859	\$0.148809	\$0.027854	\$0.006320	\$0.005526	\$0.003266
8 Total Revenue per Therm at Current Rates				\$0.691792	\$0.804363	\$0.686779	\$0.635980	\$0.622083	\$0.054583
Cost per Unit at Current Rates									
9 Commodity Cost per Therm				\$0.493371	\$0.543061	\$0.547431	\$0.538310	\$0.531091	\$0.035772
10 Demand Cost per Peak Day Therms				\$16.91	\$17.97	\$19.69	\$22.71	\$17.50	\$2.50
11 Customer Cost per Customer per Month				\$12.44	\$11.67	\$49.58	\$120.48	\$229.86	\$245.00
<b>Cost by Classification at Uniform Current Return</b>									
12 Commodity				98,050,557	64,730,807	27,499,067	4,507,539	531,132	782,011
13 Demand				20,146,195	13,458,118	5,454,637	786,842	86,134	360,464
14 Customer				19,314,249	17,862,854	1,310,968	59,150	5,685	75,593
15 Total Uniform Current Cost				137,511,000	96,051,779	34,264,672	5,353,531	622,951	1,218,068
Cost per Therm at Current Return									
16 Commodity				\$0.493274	\$0.543554	\$0.543554	\$0.543554	\$0.532059	\$0.039486
17 Demand				\$0.101352	\$0.113010	\$0.107818	\$0.094884	\$0.086284	\$0.018201
18 Customer				\$0.097166	\$0.149997	\$0.025913	\$0.007133	\$0.005695	\$0.003817
19 Total Cost per Therm at Current Return				\$0.691792	\$0.806561	\$0.677285	\$0.645571	\$0.624037	\$0.061504
Cost per Unit at Uniform Current Return									
20 Commodity Cost per Therm				\$0.493274	\$0.543554	\$0.543554	\$0.543554	\$0.532059	\$0.039486
21 Demand Cost per Peak Day Therms				\$16.88	\$18.05	\$19.04	\$23.59	\$17.66	\$2.92
22 Customer Cost per Customer per Month				\$12.48	\$11.76	\$46.12	\$135.98	\$236.86	\$286.34
23 Revenue to Cost Ratio at Current Rates				1.00	1.00	1.01	0.99	1.00	0.89
<b>Cost by Classification at Proposed Return by Schedule</b>									
24 Commodity				100,419,080	66,190,162	28,212,758	4,589,723	539,317	887,120
25 Demand				22,497,531	14,993,730	6,132,705	842,345	93,072	435,679
26 Customer				23,229,389	21,390,108	1,669,037	71,931	7,111	91,201
27 Total Proposed Rate Revenue				146,146,000	102,574,000	36,014,500	5,504,000	639,500	1,414,000
Revenue per Therm at Proposed Rates									
28 Commodity				\$0.505190	\$0.555809	\$0.557661	\$0.553465	\$0.540257	\$0.044793
29 Demand				\$0.113181	\$0.125905	\$0.121221	\$0.101577	\$0.093234	\$0.021999
30 Customer				\$0.116863	\$0.179616	\$0.032991	\$0.008674	\$0.007124	\$0.004605
31 Total Revenue per Therm at Proposed Rates				\$0.735233	\$0.861329	\$0.711873	\$0.663715	\$0.640615	\$0.071397
Cost per Unit at Proposed Rates									
32 Commodity Cost per Therm				\$0.505190	\$0.555809	\$0.557661	\$0.553465	\$0.540257	\$0.044793
33 Demand Cost per Peak Day Therms				\$18.85	\$20.11	\$21.40	\$25.26	\$19.09	\$3.53
34 Customer Cost per Customer per Month				\$15.01	\$14.08	\$58.72	\$165.36	\$296.30	\$345.46
<b>Cost by Classification at Uniform Proposed Return</b>									
35 Commodity				100,413,212	66,213,768	28,129,061	4,610,805	539,661	919,917
36 Demand				22,481,114	15,017,967	6,054,085	856,609	93,380	459,073
37 Customer				23,251,674	21,445,637	1,627,588	75,218	7,175	96,056
38 Total Uniform Proposed Cost				146,146,000	102,677,371	35,810,735	5,542,631	640,217	1,475,046
Cost per Therm at Proposed Return									
39 Commodity				\$0.505160	\$0.556007	\$0.556007	\$0.556007	\$0.540602	\$0.046449
40 Demand				\$0.113098	\$0.126108	\$0.119667	\$0.103297	\$0.093543	\$0.023180
41 Customer				\$0.116975	\$0.180082	\$0.032171	\$0.009070	\$0.007188	\$0.004850
42 Total Cost per Therm at Proposed Return				\$0.735233	\$0.862197	\$0.707845	\$0.668374	\$0.641333	\$0.074479
Cost per Unit at Uniform Proposed Return									
43 Commodity Cost per Therm				\$0.505160	\$0.556007	\$0.556007	\$0.556007	\$0.540602	\$0.046449
44 Demand Cost per Peak Day Therms				\$18.83	\$20.14	\$21.13	\$25.68	\$19.15	\$3.72
45 Customer Cost per Customer per Month				\$15.02	\$14.12	\$57.26	\$172.91	\$298.97	\$363.85
46 Revenue to Cost Ratio at Proposed Rates				1.00	1.00	1.01	0.99	1.00	0.96

AVISTA UTILITIES  
 Cost of Service Calculation  
 For the Year Ended December 31, 2003

		Natural Gas Utility				Washington Jurisdiction				Functionalization and Classification						
		(n)	(o)	(p)	(q)	(r)	(s)	(t)	(u)	(v)	(w)	(x)	(y)	(z)	(aa)	(ab)
		Notes	Functional Allocation	Class Allocator	Proforma Totals	Functional Totals	Residential Service Sch 101	Small Firm Service Sch 111	Large Firm Service Sch 121	Interrupt Service Sch 131	Transport Service Sch 146	Open	Open1	Open2	Open3	Open4
9	Operation & Maintenance Expenses															
10	Purchased Gas Expenses															
11	804-05 SGS Storage Demand		P02		0	0	0	0	0	0	0	0	0	0	0	0
12	P Throughput		100	E01												
13	P Coincident Peak Firm		0	D04												
14	P Sales Therms		0	E04												
15	P Throughput		0	E01												
16	Open		0	xxx												
17	804-06 Transportation Demand		P04		0	0	0	0	0	0	0	0	0	0	0	0
18	P Throughput		0	E01												
19	P Coincident Peak Firm		0	D04												
20	P Sales Therms		232	E04												
21	P Throughput		132	E01												
22	Open		0	xxx												
23	804-07 Capacity Released		P01		0	0	0	0	0	0	0	0	0	0	0	0
24	P Throughput		0	E01												
25	P Coincident Peak Firm		10	D04												
26	P Sales Therms		90	E04												
27	P Throughput		0	E01												
28	Open		0	xxx												
29	804-14 Voluntary GRI Funding		P03		0	0	0	0	0	0	0	0	0	0	0	0
30	P Throughput		0	E01												
31	P Coincident Peak Firm		0	D04												
32	P Sales Therms		100	E04												
33	P Throughput		0	E01												
34	Open		0	xxx												
35	804-25 Other One Time Charges		P03		0	0	0	0	0	0	0	0	0	0	0	0
36	P Throughput		0	E01												
37	P Coincident Peak Firm		0	D04												
38	P Sales Therms		100	E04												
39	P Throughput		0	E01												
40	Open		0	xxx												
41	804-30 LS-1 Purch Gas City Gate Demand		P02		0	0	0	0	0	0	0	0	0	0	0	0
42	P Throughput		100	E01												
43	P Coincident Peak Firm		0	D04												
44	P Sales Therms		0	E04												
45	P Throughput		0	E01												
46	Open		0	xxx												
47	804-31 LS-1 Purch Gas City Gate Commodity		P03		0	0	0	0	0	0	0	0	0	0	0	0
48	P Throughput		0	E01												
49	P Coincident Peak Firm		0	D04												
50	P Sales Therms		100	E04												
51	P Throughput		0	E01												
52	Open		0	xxx												
53	804-32 LS Vaporization Costs		P03		0	0	0	0	0	0	0	0	0	0	0	0
54	P Throughput		0	E01												
55	P Coincident Peak Firm		0	D04												



Natural Gas Utility

AVISTA UTILITIES  
Cost of Service Calculation  
For the Year Ended December 31, 2003

Washington Jurisdiction  
Functionalization and Classification

Functionalization and Classification

Account Description	(k)	(l)	(m)	(n)	(o)	(p)	(q)	(r)	(s)	(t)	(u)	(v)	(w)	(x)	(y)	(z)	(aa)	(ab)
Account Description				Notes	Functional Allocation	Class Allocator	Proforma Totals	Functional Totals	Residential Service Sch 101	Small Firm Service Sch 111	Large Firm Service Sch 121	Interrupt Service Sch 131	Transport Service Sch 146	Open	Open1	Open2	Open3	Open4
56 P Sales Therms					100	E04		0	0	0	0	0	0	0	0	0	0	0
57 P Throughput					0	E01		0	0	0	0	0	0	0	0	0	0	0
58 Open					0	xxx		0	0	0	0	0	0	0	0	0	0	0
59 804-45 Pipeline Imbalances					P03		0											
60 P Throughput					0	E01		0	0	0	0	0	0	0	0	0	0	0
61 P Coincident Peak Firm					0	D04		0	0	0	0	0	0	0	0	0	0	0
62 P Sales Therms					100	E04		0	0	0	0	0	0	0	0	0	0	0
63 P Throughput					0	E01		0	0	0	0	0	0	0	0	0	0	0
64 Open					0	xxx		0	0	0	0	0	0	0	0	0	0	0
65 804-47 Pipeline Imbalances					P03		0											
66 P Throughput					0	E01		0	0	0	0	0	0	0	0	0	0	0
67 P Coincident Peak Firm					0	D04		0	0	0	0	0	0	0	0	0	0	0
68 P Sales Therms					100	E04		0	0	0	0	0	0	0	0	0	0	0
69 P Throughput					0	E01		0	0	0	0	0	0	0	0	0	0	0
70 Open					0	xxx		0	0	0	0	0	0	0	0	0	0	0
71 804-51 Commodity Costs - ANG					P03		0											
72 P Throughput					0	E01		0	0	0	0	0	0	0	0	0	0	0
73 P Coincident Peak Firm					0	D04		0	0	0	0	0	0	0	0	0	0	0
74 P Sales Therms					100	E04		0	0	0	0	0	0	0	0	0	0	0
75 P Throughput					0	E01		0	0	0	0	0	0	0	0	0	0	0
76 Open					0	xxx		0	0	0	0	0	0	0	0	0	0	0
77 804-52 Commodity Costs - BC					P03		0											
78 P Throughput					0	E01		0	0	0	0	0	0	0	0	0	0	0
79 P Coincident Peak Firm					0	D04		0	0	0	0	0	0	0	0	0	0	0
80 P Sales Therms					100	E04		0	0	0	0	0	0	0	0	0	0	0
81 P Throughput					0	E01		0	0	0	0	0	0	0	0	0	0	0
82 Open					0	xxx		0	0	0	0	0	0	0	0	0	0	0
83 804-53 Commodity Costs - Rocky Mis					P03		0											
84 P Throughput					0	E01		0	0	0	0	0	0	0	0	0	0	0
85 P Coincident Peak Firm					0	D04		0	0	0	0	0	0	0	0	0	0	0
86 P Sales Therms					100	E04		0	0	0	0	0	0	0	0	0	0	0
87 P Throughput					0	E01		0	0	0	0	0	0	0	0	0	0	0
88 Open					0	xxx		0	0	0	0	0	0	0	0	0	0	0
89 804-54 Commodity Costs - Spot Purchases					P03		0											
90 P Throughput					0	E01		0	0	0	0	0	0	0	0	0	0	0
91 P Coincident Peak Firm					0	D04		0	0	0	0	0	0	0	0	0	0	0
92 P Sales Therms					100	E04		0	0	0	0	0	0	0	0	0	0	0
93 P Throughput					0	E01		0	0	0	0	0	0	0	0	0	0	0
94 Open					0	xxx		0	0	0	0	0	0	0	0	0	0	0
95 804-55 Commodity Costs - Misc					P03		0											
96 P Throughput					0	E01		0	0	0	0	0	0	0	0	0	0	0
97 P Coincident Peak Firm					0	D04		0	0	0	0	0	0	0	0	0	0	0
98 P Sales Therms					100	E04		0	0	0	0	0	0	0	0	0	0	0
99 P Throughput					0	E01		0	0	0	0	0	0	0	0	0	0	0
100 Open					0	xxx		0	0	0	0	0	0	0	0	0	0	0
101 804-60 Derivatives/Hedgings					P03		0											
102 P Throughput					0	E01		0	0	0	0	0	0	0	0	0	0	0

Natural Gas Utility  
Washington Jurisdiction

AVISTA UTILITIES  
Cost of Service Calculation  
For the Year Ended December 31, 2003

Functionalization and Classification

1 Assign	2 Company Base Case	3 WA Accepted Method	4	5 (k) (l) (m)	6 (n) (o) (p)	7 (q) (r) (s)	8 (t) (u) (v) (w)	(x)	(y)	(z)	(aa)	(ab)			
Account Description	Notes	Functional Allocation	Class	Proforma	Functional	Residential	Small Firm	Large Firm	Interrupt	Transport	Open1	Open2	Open3	Open4	
		Allocation	Allocator	Totals	Totals	Sch 101	Sch 111	Sch 121	Sch 131	Sch 146	Open	Open2	Open3	Open4	
103	P	Coincident Peak Firm	D04		0	0	0	0	0	0	0	0	0	0	0
104	P	Sales Therms	E04		0	0	0	0	0	0	0	0	0	0	0
105	P	Throughput	E01		0	0	0	0	0	0	0	0	0	0	0
106		Open	xxx		0	0	0	0	0	0	0	0	0	0	0
107	804-75	Purchased Gas - AVISTA ENERGY	P03		0										
108	P	Throughput	E01		0	0	0	0	0	0	0	0	0	0	0
109	P	Coincident Peak Firm	D04		0	0	0	0	0	0	0	0	0	0	0
110	P	Sales Therms	E04		100	0	0	0	0	0	0	0	0	0	0
111	P	Throughput	E01		0	0	0	0	0	0	0	0	0	0	0
112		Open	xxx		0	0	0	0	0	0	0	0	0	0	0
113	804-84	Other Producers - Transportation	P01		0										
114	P	Throughput	E01		0	0	0	0	0	0	0	0	0	0	0
115	P	Coincident Peak Firm	D04		10	0	0	0	0	0	0	0	0	0	0
116	P	Sales Therms	E04		90	0	0	0	0	0	0	0	0	0	0
117	P	Throughput	E01		0	0	0	0	0	0	0	0	0	0	0
118		Open	xxx		0	0	0	0	0	0	0	0	0	0	0
119	804-88	Transportation - Commodity	P03		0										
120	P	Throughput	E01		0	0	0	0	0	0	0	0	0	0	0
121	P	Coincident Peak Firm	D04		0	0	0	0	0	0	0	0	0	0	0
122	P	Sales Therms	E04		100	0	0	0	0	0	0	0	0	0	0
123	P	Throughput	E01		0	0	0	0	0	0	0	0	0	0	0
124		Open	xxx		0	0	0	0	0	0	0	0	0	0	0
125	805.xx	Gas Exp - Rate Deferrals & Amortizations	P03		0										
126	P	Throughput	E01		0	0	0	0	0	0	0	0	0	0	0
127	P	Coincident Peak Firm	D04		0	0	0	0	0	0	0	0	0	0	0
128	P	Sales Therms	E04		100	0	0	0	0	0	0	0	0	0	0
129	P	Throughput	E01		0	0	0	0	0	0	0	0	0	0	0
130		Open	xxx		0	0	0	0	0	0	0	0	0	0	0
131	Open				0										
132	P	Throughput	E01		0	0	0	0	0	0	0	0	0	0	0
133	P	Coincident Peak Firm	D04		0	0	0	0	0	0	0	0	0	0	0
134	P	Sales Therms	E04		100	0	0	0	0	0	0	0	0	0	0
135	P	Throughput	E01		0	0	0	0	0	0	0	0	0	0	0
136		Open	xxx		0	0	0	0	0	0	0	0	0	0	0
137	804.xx	Proforma Purchased Gas Expense	Input		97,485,000										
138	P	Purchased Gas - Demand	D05		14,625.4	9,789,036	4,079,170	645,339	71,226	40,599	0	0	0	0	0
139	P	Purchased Gas - Commodity	E07		82,859.6	55,135,378	23,422,718	3,839,360	462,174	0	0	0	0	0	0
140	807-00	Purchased Gas Expense	P04		364,000										
141	P	Throughput	E01		0	0	0	0	0	0	0	0	0	0	0
142	P	Coincident Peak Firm	D04		0	0	0	0	0	0	0	0	0	0	0
143	P	Sales Therms	E04		232	154,374	65,582	10,750	1,294	0	0	0	0	0	0
144	P	Throughput	E01		132	79,082	33,596	5,507	663	13,152	0	0	0	0	0
145		Open	xxx		0	0	0	0	0	0	0	0	0	0	0
146	813-00	Other Gas Expenses	P03		209,000										
147	P	Throughput	E01		0	0	0	0	0	0	0	0	0	0	0
148	P	Coincident Peak Firm	D04		0	0	0	0	0	0	0	0	0	0	0
149	P	Sales Therms	E04		100	139,070	59,080	9,684	1,166	0	0	0	0	0	0

1 Assign	2 Company Base Case	3 WA Accepted Method	AVISTA UTILITIES		Washington Jurisdiction													
			Cost of Service Calculation		Natural Gas Utility					Functionalization and Classification								
			For the Year Ended December 31, 2003		(n)	(o)	(p)	(q)	(r)	(s)	(t)	(u)	(v)	(w)	(x)	(y)	(z)	(aa)
5 (k)	(l)	(m)	Notes Functional Allocation	Class Allocator	Proforma Totals	Functional Totals	Residential Service Sch 101	Small Firm Service Sch 111	Large Firm Service Sch 121	Interrupt Service Sch 131	Transport Service Sch 146	Open	Open1	Open2	Open3	Open4		
150	P	Throughput	0	E01	0	0	0	0	0	0	0	0	0	0	0	0	0	0
151		Open	0	xxx	0	0	0	0	0	0	0	0	0	0	0	0	0	0
152		Total Purchased Gas Expenses			98,058,000	98,058,000	65,296,941	27,660,146	4,510,640	536,523	53,751							
153																		
154		Underground Storage Expenses																
155	814-OP	Supervision & Engineering	U01	D04	12,000	2,760	1,931	742	86	0	0	0	0	0	0	0	0	0
156	U	Coincident Peak Firm	23	E01		9,240	5,536	2,352	385	46	921							
157	U	Throughput	77	E04		0	0	0	0	0	0							
158	U	Sales Thems	0	E04	0	0	0	0	0	0	0							
159	815-OP	Maps & Records	U01	D04	0	0	0	0	0	0	0							
160	U	Coincident Peak Firm	23	E01		0	0	0	0	0	0							
161	U	Throughput	77	E04		0	0	0	0	0	0							
162	U	Sales Thems	0	E04	0	0	0	0	0	0	0							
163	816-OP	Wells Expenses	U01	D04	0	0	0	0	0	0	0							
164	U	Coincident Peak Firm	23	E01		0	0	0	0	0	0							
165	U	Throughput	77	E04		0	0	0	0	0	0							
166	U	Sales Thems	0	E04	0	0	0	0	0	0	0							
167	817-OP	Lines Expenses	U01	D04	0	0	0	0	0	0	0							
168	U	Coincident Peak Firm	23	E01		0	0	0	0	0	0							
169	U	Throughput	77	E04		0	0	0	0	0	0							
170	U	Sales Thems	0	E04	0	0	0	0	0	0	0							
171	818-OP	Compressor Station Expenses	U01	D04	0	0	0	0	0	0	0							
172	U	Coincident Peak Firm	23	E01		0	0	0	0	0	0							
173	U	Throughput	77	E04		0	0	0	0	0	0							
174	U	Sales Thems	0	E04	0	0	0	0	0	0	0							
175	819-OP	Compressor Station Fuel & Power	U01	D04	0	0	0	0	0	0	0							
176	U	Coincident Peak Firm	23	E01		0	0	0	0	0	0							
177	U	Throughput	77	E04		0	0	0	0	0	0							
178	U	Sales Thems	0	E04	0	0	0	0	0	0	0							
179	820-OP	Measuring & Regulator Station	U01	D04	0	0	0	0	0	0	0							
180	U	Coincident Peak Firm	23	E01		0	0	0	0	0	0							
181	U	Throughput	77	E04		0	0	0	0	0	0							
182	U	Sales Thems	0	E04	0	0	0	0	0	0	0							
183	821-OP	Purification Expenses	U01	D04	0	0	0	0	0	0	0							
184	U	Coincident Peak Firm	23	E01		0	0	0	0	0	0							
185	U	Throughput	77	E04		0	0	0	0	0	0							
186	U	Sales Thems	0	E04	0	0	0	0	0	0	0							
187	824-OP	Other Expenses	U01	D04	168,000	38,640	27,039	10,391	1,210	0	0							
188	U	Coincident Peak Firm	23	E01		129,360	77,501	32,924	5,397	650	12,889							
189	U	Throughput	77	E04		0	0	0	0	0	0							
190	U	Sales Thems	0	E04	0	0	0	0	0	0	0							
191	825-OP	Storage Well Royalties & Rents	U01	D04	0	0	0	0	0	0	0							
192	U	Coincident Peak Firm	23	E01		0	0	0	0	0	0							
193	U	Throughput	77	E04		0	0	0	0	0	0							
194	U	Sales Thems	0	E04	0	0	0	0	0	0	0							
195	826-OP	Rents	U01	D04	0	0	0	0	0	0	0							
196	U	Coincident Peak Firm	23	E04		0	0	0	0	0	0							

Natural Gas Utility Washington Jurisdiction

AVISTA UTILITIES  
Cost of Service Calculation  
For the Year Ended December 31, 2003

Functionalization and Classification

1 Assign	2 Company Base Case	3 WA Accepted Method	4	5 (k)	6 (l)	7 (m)	8 (n)	9 (o)	10 (p)	11 (q)	12 (r)	13 (s)	14 (t)	15 (u)	16 (v)	17 (w)	18 (x)	19 (y)	20 (z)	21 (aa)	22 (ab)
Account Description	Account Description	Account Description	Notes	Functional Allocation	Class Allocator	Proforma Totals	Functional Totals	Residential Service Sch 101	Small Firm Service Sch 111	Large Firm Service Sch 121	Interrupt Service Sch 131	Transport Service Sch 146	Open	Open1	Open2	Open3	Open4				
197	U Throughput			77	E01		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
198	U Sales Therms			0	E04		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
199	830-MT Supervision & Engineering					0															
200	U Coincident Peak Firm			23	D04		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
201	U Throughput			77	E01		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
202	U Sales Therms			0	E04		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
203	831-MT Maps & Records					0															
204	U Coincident Peak Firm			23	D04		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
205	U Throughput			77	E01		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
206	U Sales Therms			0	E04		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
207	832-MT Wells Expenses					0															
208	U Coincident Peak Firm			23	D04		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
209	U Throughput			77	E01		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
210	U Sales Therms			0	E04		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
211	833-MT Lines Expenses					0															
212	U Coincident Peak Firm			23	D04		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
213	U Throughput			77	E01		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
214	U Sales Therms			0	E04		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
215	834-MT Compressor Station Expenses					0															
216	U Coincident Peak Firm			23	D04		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
217	U Throughput			77	E01		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
218	U Sales Therms			0	E04		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
219	835-MT Compressor Station Fuel & Power					0															
220	U Coincident Peak Firm			23	D04		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
221	U Throughput			77	E01		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
222	U Sales Therms			0	E04		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
223	836-MT Measuring and Regulator Station Expenses					0															
224	U Coincident Peak Firm			23	D04		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
225	U Throughput			77	E01		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
226	U Sales Therms			0	E04		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
227	837-MT Other Equipment					163,000															
228	U Coincident Peak Firm			23	D04		37,490	26,234	10,082	1,174	0	0	0	0	0	0	0	0	0	0	0
229	U Throughput			77	E01		125,510	75,194	31,944	5,236	630	12,505	0	0	0	0	0	0	0	0	0
230	U Sales Therms			0	E04		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
231	Total Underground Storage Expenses					343,000	343,000	213,435	88,436	13,488	1,326	26,314	0	0	0	0	0	0	0	0	0
232																					
233	Distribution Expenses																				
234	Operation Expense					426,000															
235	870-OP Supervision & Engineering			Input	S15		426,000	334,148	72,239	8,632	763	10,218	0	0	0	0	0	0	0	0	0
236	D Distribution Plant			100																	
237	871-OP Distribution Load Dispatching			Input	E01	3,000	3,000	1,797	764	125	15	299	0	0	0	0	0	0	0	0	0
238	D Throughput			100																	
239	872-OP Compressor Station Labor & Expenses			Input	xxx	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
240	D Open			100																	
241	874-OP Mains & Services Expense			Input	S06	1,380,000	1,380,000	1,098,969	215,710	29,577	2,531	33,213	0	0	0	0	0	0	0	0	0
242	D Mains & Services Plant			100																	
243	875-OP Measuring & Regulating Stations-General			Input		38,000															

Natural Gas Utility Washington Jurisdiction

AVISTA UTILITIES

1 Assign  
2 Company Base Case  
3 Cost of Service Calculation  
4 For the Year Ended December 31, 2003

Account Description	(k)	(l)	(m)	(n)	(o)	(p)	(q)	(r)	(s)	(t)	Functionalization and Classification				(y)	(z)	(aa)	(ab)
											Functional Allocation	Proforma Totals	Functional Totals	Residential Service Sch 101				
244 D Meas & Reg Plant-General		100			S08			38,000	23,293	9,373	1,301	171	3,863	0	0	0	0	0
245 876-OP Measuring & Regulating Stations-Industrial		Input					0	0	0	0	0	0	0	0	0	0	0	0
246 D Meas & Reg Plant-Industrial		100			S19		57,000	57,000	34,939	14,059	1,951	257	5,794	0	0	0	0	0
247 877-OP Measuring & Regulating Stations-City Gate		Input			S09		810,000	810,000	620,217	174,127	6,218	706	8,733	0	0	0	0	0
248 D Meas & Reg Plant-City Gate		100			S07		559,000	559,000	548,473	10,266	157	9	95	0	0	0	0	0
249 878-OP Meters & House Regulators Expenses		Input			C05		918,000	918,000	699,812	174,491	17,815	1,687	24,194	0	0	0	0	0
250 D Meters, Hse Reg & Install Plan		100			S04		6,000	6,000	4,574	1,140	116	11	158	0	0	0	0	0
251 879-OP Customer Installations		Input					4,197,000	4,197,000	3,366,223	672,168	65,892	6,150	86,567	0	0	0	0	0
252 D Installations Cost		100			S04		0	0	0	0	0	0	0	0	0	0	0	0
253 880-OP Other Distribution Expense		Input					2,000	2,000	1,569	339	41	4	48	0	0	0	0	0
254 D Other Dist O&M Exp		100			S05		938,000	938,000	614,726	247,332	34,314	2,980	38,649	0	0	0	0	0
255 881-OP Rents		Input					0	0	0	0	0	0	0	0	0	0	0	0
256 D Other Dist O&M Exp		100			S21		173,000	173,000	106,043	42,670	5,922	781	17,585	0	0	0	0	0
257 Total Distribution Operation Expense		Input			xxx		113,000	113,000	0	99,467	5,404	610	7,520	0	0	0	0	0
258 Maintenance Expense		Input					22,000	22,000	13,485	5,426	753	99	2,236	0	0	0	0	0
259 885-MT Supervision & Engineering		100			S20		236,000	236,000	218,004	4,080	437	24	455	0	0	0	0	0
260 D Distribution Plant		Input			S07		0	0	180,705	50,733	1,812	206	2,544	0	0	0	0	0
261 886-MT Structures & Improvements		100			S15		1,707,000	1,707,000	1,134,532	450,047	48,681	4,703	69,037	0	0	0	0	0
262 D Other Dist Plant		Input					5,904,000	5,904,000	4,500,754	1,122,215	114,574	10,853	155,604	0	0	0	0	0
263 887-MT Mains		Input					30,000	30,000	29,435	551	8	0	5	0	0	0	0	0
264 D Distribution Mains Plant		100			C01		1,026,000	1,026,000	1,006,679	18,842	288	16	175	0	0	0	0	0
265 888-MT Compressor Station Equipment		Input					0	0	0	0	0	0	0	0	0	0	0	0
266 D Open		100			R03		0	0	0	0	0	0	0	0	0	0	0	0
267 889-MT Measuring & Regulating Stations-General		Input			xxx		2,540,000	2,540,000	0	0	0	0	0	0	0	0	0	0
268 D Meas & Reg Plant-General		100					30,000	30,000	29,435	551	8	0	5	0	0	0	0	0
269 890-MT Measuring & Regulating Stations-Industrial		Input					1,026,000	1,026,000	1,006,679	18,842	288	16	175	0	0	0	0	0
270 D Meas & Reg Plant-Industrial		100			C01		0	0	0	0	0	0	0	0	0	0	0	0
271 891-MT Measuring & Regulating Stations-City Gate		Input					0	0	0	0	0	0	0	0	0	0	0	0
272 D Meas & Reg Plant-City Gate		100			R03		0	0	0	0	0	0	0	0	0	0	0	0
273 892-MT Services		Input			xxx		223,000	223,000	13,485	5,426	753	99	2,236	0	0	0	0	0
274 D Services Plant		100					236,000	236,000	218,004	4,080	437	24	455	0	0	0	0	0
275 893-MT Meters & House Regulators		Input					0	0	180,705	50,733	1,812	206	2,544	0	0	0	0	0
276 D Meters, Hse Reg & Install Plan		100			S07		0	0	180,705	50,733	1,812	206	2,544	0	0	0	0	0
277 894-MT Other Equipment		Input					1,707,000	1,707,000	1,134,532	450,047	48,681	4,703	69,037	0	0	0	0	0
278 D Distribution Plant		100			S15		5,904,000	5,904,000	4,500,754	1,122,215	114,574	10,853	155,604	0	0	0	0	0
279 Total Distribution Maintenance Expense		Input					30,000	30,000	29,435	551	8	0	5	0	0	0	0	0
280 Total Distribution Expense		Input					1,026,000	1,026,000	1,006,679	18,842	288	16	175	0	0	0	0	0
281 Customer Accounting Expenses		Input					0	0	0	0	0	0	0	0	0	0	0	0
282 901-OP Supervision		100			C01		0	0	0	0	0	0	0	0	0	0	0	0
283 C All Customers		Input					1,026,000	1,026,000	1,006,679	18,842	288	16	175	0	0	0	0	0
284 902-OP Meter Reading		100					0	0	0	0	0	0	0	0	0	0	0	0
285 C All Customers		Input					0	0	0	0	0	0	0	0	0	0	0	0
286 R Uncollectibles Allocator		100					0	0	0	0	0	0	0	0	0	0	0	0
287 D Open		100					0	0	0	0	0	0	0	0	0	0	0	0
288 Open		100					0	0	0	0	0	0	0	0	0	0	0	0
289 903-OP Customer Records & Collection		Input			K01		2,540,000	2,540,000	0	0	0	0	0	0	0	0	0	0
290		100					0	0	0	0	0	0	0	0	0	0	0	0

AVISTA UTILITIES  
 Cost of Service Calculation  
 For the Year Ended December 31, 2003

Natural Gas Utility Washington Jurisdiction

Functionalization and Classification

	(k)	(l)	(m)	(n)	(o)	(p)	(q)	(r)	(s)	(t)	(u)	(v)	(w)	(x)	(y)	(z)	(aa)	(ab)
				Notes	Functional	Class	Proforma	Functional	Residential	Small Firm	Large Firm	Interrupt	Transport	Open	Open1	Open2	Open3	Open4
				Allocation	Totals	Allocator	Totals	Totals	Sch 101	Sch 111	Sch 121	Sch 131	Sch 146	Open	Open1	Open2	Open3	Open4
291	C	All Customers			100	C01		2,540,000	2,492,168	46,645	714	39	433	0	0	0	0	0
292	R	Uncollectibles Allocator			0	R03		0	0	0	0	0	0	0	0	0	0	0
293		Open			0	xxx		0	0	0	0	0	0	0	0	0	0	0
294		Open			0	xxx		0	0	0	0	0	0	0	0	0	0	0
295	904-OP	Uncollectible Accounts					353,000	0	0	0	0	0	0	0	0	0	0	0
296	C	All Customers			0	C01		0	0	0	0	0	0	0	0	0	0	0
297	R	Uncollectibles Allocator			100	R03		353,000	245,899	89,193	13,539	1,594	2,775	0	0	0	0	0
298		Open			0	xxx		0	0	0	0	0	0	0	0	0	0	0
299		Open			0	xxx		0	0	0	0	0	0	0	0	0	0	0
300	905-OP	Misc Customer Accounts Expenses					245,000	0	0	0	0	0	0	0	0	0	0	0
301	C	All Customers			100	C01		245,000	240,386	4,499	69	4	42	0	0	0	0	0
302	R	Uncollectibles Allocator			0	R03		0	0	0	0	0	0	0	0	0	0	0
303		Open			0	xxx		0	0	0	0	0	0	0	0	0	0	0
304		Open			0	xxx		0	0	0	0	0	0	0	0	0	0	0
305		Total Customer Accounting Expenses					4,194,000	4,194,000	4,014,568	159,730	14,618	1,654	3,430	0	0	0	0	0
306																		
307		Customer Information Expense					0	0	0	0	0	0	0	0	0	0	0	0
308	907-OP	Supervision					0	0	0	0	0	0	0	0	0	0	0	0
309	C	All Customers			100	C01		0	0	0	0	0	0	0	0	0	0	0
310	908-OP	Customer Assistance Expenses					643,000	0	0	0	0	0	0	0	0	0	0	0
311	C	All Customers			209	C01		209,000	205,064	3,838	59	3	36	0	0	0	0	0
312	DSM	Coincident Peak - All			236	D01		236,000	147,405	56,650	6,594	964	24,387	0	0	0	0	0
313	DSM	Throughput			198	E01		198,000	118,624	50,394	8,260	994	19,728	0	0	0	0	0
314	909-OP	Advertising					49,000	0	0	0	0	0	0	0	0	0	0	0
315	C	All Customers			100	C01		49,000	48,077	900	14	1	8	0	0	0	0	0
316	DSM	Coincident Peak - All			0	D01		0	0	0	0	0	0	0	0	0	0	0
317	DSM	Throughput			0	E01		0	0	0	0	0	0	0	0	0	0	0
318	910-OP	Misc Customer Service & Info Expense					32,000	0	0	0	0	0	0	0	0	0	0	0
319	C	All Customers			100	C01		32,000	31,397	588	9	0	5	0	0	0	0	0
320	DSM	Coincident Peak - All			0	D01		0	0	0	0	0	0	0	0	0	0	0
321	DSM	Throughput			0	E01		0	0	0	0	0	0	0	0	0	0	0
322		Total Customer Information Expense					724,000	724,000	550,567	112,370	14,936	1,963	44,164	0	0	0	0	0
323																		
324		Sales Expenses					17,000	17,000	16,680	312	5	0	3	0	0	0	0	0
325	911-OP	Supervision					17,000	17,000	16,680	312	5	0	3	0	0	0	0	0
326	C	All Customers			100	C01		17,000	16,680	312	5	0	3	0	0	0	0	0
327	912-OP	Demonstrating & Selling Expenses					338,000	338,000	331,635	6,207	95	5	58	0	0	0	0	0
328	C	All Customers			100	C01		338,000	331,635	6,207	95	5	58	0	0	0	0	0
329		Open			0	xxx		0	0	0	0	0	0	0	0	0	0	0
330		Open			0	xxx		0	0	0	0	0	0	0	0	0	0	0
331	913-OP	Advertising Expenses					120,000	0	0	0	0	0	0	0	0	0	0	0
332	C	All Customers			100	C01		120,000	117,740	2,204	34	2	20	0	0	0	0	0
333		Open			0	xxx		0	0	0	0	0	0	0	0	0	0	0
334		Open			0	xxx		0	0	0	0	0	0	0	0	0	0	0
335	916-OP	Misc Sales Expenses					27,000	0	0	0	0	0	0	0	0	0	0	0
336	C	All Customers			100	C01		27,000	26,492	496	8	0	5	0	0	0	0	0
337		Open			0	xxx		0	0	0	0	0	0	0	0	0	0	0

1 Assign		AVISTA UTILITIES		Natural Gas Utility		Washington Jurisdiction									
2 Company Base Case		Cost of Service Calculation		Functionalization and Classification		Small Firm		Large Firm		Interrupt		Transport			
3 WA Accepted Method		For the Year Ended December 31, 2003		Functionalization and Classification		Sch 111		Sch 121		Sch 131		Sch 146			
4															
5 (k) (l) (m)		(n) (o) (p)		(q) (r)		(s) (t)		(u) (v)		(w) (x)		(y) (z)		(aa) (ab)	
6 Account Description		Notes Functional		Proforma		Residential		Small Firm		Interrupt		Transport			
7		Allocation		Totals		Service		Service		Service		Service			
8		Alloc		Totals		Sch 101		Sch 111		Sch 121		Sch 131		Sch 146	
338		0		xxx		0		0		0		0		0	
339		0		xxx		492,547		9,219		141		8		86	
340															
341						109,725,000		109,725,000		4,668,398		552,326		283,348	
342						2,682,000									
343															
344		Administrative & General Expenses													
345		920-OP Admin. & Gen Exp Alloc		M01		1,116,673		176,104		19,196		1,955		27,072	
346		O Admin & Gen Exp Alloc		S02		803,406		341,305		55,945		6,735		133,609	
347		O Throughput		E01		0		0		0		0		0	
348		C Plant in Service		S17		0		0		0		0		0	
349		C All Customers		C01		0		0		0		0		0	
350		R Revenues From Retail Rates		R01		0		0		0		0		0	
351		O Labor Expense		S13		0		0		0		0		0	
352		921-OP Office Supplies & Expenses		M01		421,354		66,449		7,243		738		10,215	
353		O Admin & Gen Exp Alloc		S02		303,150		128,785		21,110		2,541		50,415	
354		O Throughput		E01		0		0		0		0		0	
355		C Plant in Service		S17		0		0		0		0		0	
356		C All Customers		C01		0		0		0		0		0	
357		R Revenues From Retail Rates		R01		0		0		0		0		0	
358		O Labor Expense		S13		0		0		0		0		0	
359		922-OP Admin. Expenses Transferred - Credit		M01		(1,665)		(263)		(29)		(3)		(40)	
360		O Admin & Gen Exp Alloc		S02		(1,198)		(509)		(83)		(10)		(199)	
361		O Throughput		E01		0		0		0		0		0	
362		C Plant in Service		S17		0		0		0		0		0	
363		C All Customers		C01		0		0		0		0		0	
364		R Revenues From Retail Rates		R01		0		0		0		0		0	
365		O Labor Expense		S13		0		0		0		0		0	
366		923-OP Outside Services Employed		M01		570,827		90,022		9,813		1,000		13,839	
367		O Admin & Gen Exp Alloc		S02		410,690		174,470		28,598		3,443		68,299	
368		O Throughput		E01		0		0		0		0		0	
369		C Plant in Service		S17		0		0		0		0		0	
370		C All Customers		C01		0		0		0		0		0	
371		R Revenues From Retail Rates		R01		0		0		0		0		0	
372		O Labor Expense		S13		0		0		0		0		0	
373		924-OP Property Insurance Premium		M02		0		0		0		0		0	
374		O Admin & Gen Exp Alloc		S02		0		0		0		0		0	
375		O Throughput		E01		0		0		0		0		0	
376		C Plant in Service		S17		287,774		65,269		8,010		717		10,230	
377		C All Customers		C01		0		0		0		0		0	
378		R Revenues From Retail Rates		R01		0		0		0		0		0	
379		O Labor Expense		S13		0		0		0		0		0	
380		925-OP Injuries & Damages		M01		183,198		28,891		3,149		321		4,441	
381		O Admin & Gen Exp Alloc		S02		131,804		55,993		9,178		1,105		21,919	
382		O Throughput		E01		0		0		0		0		0	
383		C Plant in Service		S17		0		0		0		0		0	
384		C All Customers		C01		0		0		0		0		0	
384		R Revenues From Retail Rates		R01		0		0		0		0		0	

1	Assign	(k)	(l)	(m)	(n)	(o)	(p)	(q)	(r)	(s)	(t)	(u)	(v)	(w)	(x)	(y)	(z)	(aa)	(ab)
2	Company Base Case				Notes	Functional	Class	Proforma	Functional	Residential	Small Firm	Large Firm	Interrupt	Transport	Open	Open1	Open2	Open3	Open4
3	WA Accepted Method				Allocation	Allocation	Allocator	Totals	Totals	Sch 101	Sch 111	Sch 121	Sch 131	Sch 146					
4																			
5	Account Description																		
6																			
7																			
8																			
385	O Labor Expense						S13		0	0	0	0	0	0	0	0	0	0	0
386	926-OP Employee Pension & Benefits				M04			260,000	0	0	0	0	0	0	0	0	0	0	0
387	O Admin & Gen Exp Alloc								0	0	0	0	0	0	0	0	0	0	0
388	O Throughput				E01				0	0	0	0	0	0	0	0	0	0	0
389	O Plant in Service				S17				0	0	0	0	0	0	0	0	0	0	0
390	C All Customers				C01				0	0	0	0	0	0	0	0	0	0	0
391	R Revenues From Retail Rates				R01				0	0	0	0	0	0	0	0	0	0	0
392	O Labor Expense				100		S13		260,000	211,435	37,192	4,212	437	6,724	0	0	0	0	0
393	927-OP Franchise Requirements				M03			8,000	0	0	0	0	0	0	0	0	0	0	0
394	O Admin & Gen Exp Alloc								0	0	0	0	0	0	0	0	0	0	0
395	O Throughput				E01				0	0	0	0	0	0	0	0	0	0	0
396	O Plant in Service				S17				0	0	0	0	0	0	0	0	0	0	0
397	C All Customers				C01				0	0	0	0	0	0	0	0	0	0	0
398	R Revenues From Retail Rates				R01				8,000	5,573	2,021	307	36	63	0	0	0	0	0
399	O Labor Expense								0	0	0	0	0	0	0	0	0	0	0
400	928-OP Regulatory Commission Expenses				M06			502,000	0	0	0	0	0	0	0	0	0	0	0
401	O Admin & Gen Exp Alloc				116		S02		116,000	96,595	15,233	1,661	169	2,342	0	0	0	0	0
402	O Throughput				E01				116,000	69,497	29,524	4,839	583	11,558	0	0	0	0	0
403	O Plant in Service				S17				0	0	0	0	0	0	0	0	0	0	0
404	C All Customers				C01				0	0	0	0	0	0	0	0	0	0	0
405	R Revenues From Retail Rates				R01				270,000	188,082	68,221	10,355	1,219	2,123	0	0	0	0	0
406	O Labor Expense								0	0	0	0	0	0	0	0	0	0	0
407	930-OP Miscellaneous & General Expense				M01			466,000	0	0	0	0	0	0	0	0	0	0	0
408	O Admin & Gen Exp Alloc				50		S02		233,000	194,023	30,598	3,335	340	4,704	0	0	0	0	0
409	O Throughput				E01				233,000	139,593	59,302	9,721	1,170	23,215	0	0	0	0	0
410	O Plant in Service				S17				0	0	0	0	0	0	0	0	0	0	0
411	C All Customers				C01				0	0	0	0	0	0	0	0	0	0	0
412	R Revenues From Retail Rates				R01				0	0	0	0	0	0	0	0	0	0	0
413	O Labor Expense								0	0	0	0	0	0	0	0	0	0	0
414	931-OP Reim				M05			1,037,000	0	0	0	0	0	0	0	0	0	0	0
415	O Admin & Gen Exp Alloc				308		S02		308,000	256,477	40,447	4,409	449	6,218	0	0	0	0	0
416	O Throughput				E01				308,000	184,526	78,391	12,849	1,547	30,687	0	0	0	0	0
417	O Plant in Service				S17				0	0	0	0	0	0	0	0	0	0	0
418	C All Customers				C01				421,000	413,072	7,731	118	7	72	0	0	0	0	0
419	R Revenues From Retail Rates				R01				0	0	0	0	0	0	0	0	0	0	0
420	O Labor Expense								0	0	0	0	0	0	0	0	0	0	0
421	935-MT Maintenance of General Plant				M02			580,000	0	0	0	0	0	0	0	0	0	0	0
422	O Admin & Gen Exp Alloc								0	0	0	0	0	0	0	0	0	0	0
423	O Throughput				E01				0	0	0	0	0	0	0	0	0	0	0
424	O Plant in Service				S17				580,000	448,679	101,764	12,489	1,119	15,949	0	0	0	0	0
425	C All Customers				C01				0	0	0	0	0	0	0	0	0	0	0
426	R Revenues From Retail Rates				R01				0	0	0	0	0	0	0	0	0	0	0
427	O Labor Expense								0	0	0	0	0	0	0	0	0	0	0
428	Total Administrative & General Expenses								8,726,000	6,433,562	1,596,941	226,428	25,616	443,453	0	0	0	0	0
429																			
430	Total Operating & Maintenance Expenses								118,451,000	81,502,375	30,749,056	4,894,825	577,942	726,801	0	0	0	0	0
431																			



AVISTA UTILITIES		Washington Jurisdiction														
Company Base Case		Natural Gas Utility														
Cost of Service Calculation		Functionalization and Classification														
For the Year Ended December 31, 2003																
1	Assign	(n)	(o)	(p)	(q)	(r)	(s)	(t)	(u)	(v)	(w)	(x)	(y)	(z)	(aa)	(ab)
2	Company Base Case	Notes	Functional Allocation	Class Allocator	Proforma Totals	Functional Totals	Residential Service Sch 101	Small Firm Service Sch 111	Large Firm Service Sch 121	Interrupt Service Sch 131	Transport Service Sch 146	Open	Open1	Open2	Open3	Open4
3	WA Accepted Method															
4																
5	(k)	(l)	(m)													
6	Account Description															
7																
8																
432	Taxes Other Than Income Taxes															
433	Property Related															
434	-Production		Input		0											
435	Open		100	xxx												
436	-Underground Storage		Input		118,000											
437	U Underground Storage Plant		100	S14		118,000	73,427	30,424	4,640	456	9,053					
438	-Distribution		Input		1,690,000											
439	D Distribution Plant		100	S15		1,690,000	1,325,611	286,583	34,244	3,025	40,536					
440	-Administrative & General		Input		24,000											
441	O General Plant		100	S16		24,000	18,568	4,210	516	46	659					
442	Total Property Related				1,832,000	1,832,000	1,417,607	321,216	39,401	3,528	50,248					
443																
444	State Excise															
445	-Distribution		Input		5,463,000											
446	R Revenues From Retail Rates		100	R01		5,463,000	3,805,519	1,380,340	209,524	24,671	42,946					
447	Total State Excise				5,463,000	5,463,000	3,805,519	1,380,340	209,524	24,671	42,946					
448																
449	Business & Occupation															
450	-Distribution		Input		0											
451	Open		100	xxx												
452	-Open				0											
453	-Open				0											
454	Total Business & Occupation				0											
455																
456	Miscellaneous															
457	-Distribution		Input		0											
458	D Open		100	xxx												
459	Total Miscellaneous				0											
460																
461	Total Taxes Other Than Income Taxes				7,295,000	7,295,000	5,223,126	1,701,556	248,925	28,199	93,194					
462																
463	Depreciation Expense															
464	Underground Storage Plant Depreciation Expense															
465	350 Land & Land Rights Depr. Exp.		U01		0											
466	U Coincident Peak Firm		23	D04		0	0	0	0	0	0	0	0	0	0	0
467	U Throughput		77	E01		0	0	0	0	0	0	0	0	0	0	0
468	U Sales Thermis		0	E04		0	0	0	0	0	0	0	0	0	0	0
469	351 Structures & Improvements Depr. Exp.		U01		14,000											
470	U Coincident Peak Firm		23	D04		3,220	2,253	866	101	0	0	0	0	0	0	0
471	U Throughput		77	E01		10,780	6,458	2,744	450	54	1,074	0	0	0	0	0
472	U Sales Thermis		0	E04		0	0	0	0	0	0	0	0	0	0	0
473	352 Wells Depr. Exp.		U01		206,000											
474	U Coincident Peak Firm		23	D04		47,380	33,155	12,742	1,483	0	0	0	0	0	0	0
475	U Throughput		77	E01		158,620	95,031	40,371	6,617	797	15,804	0	0	0	0	0
476	U Sales Thermis		0	E04		0	0	0	0	0	0	0	0	0	0	0
477	353 Lines Depr. Exp.		U01		12,000											
478	U Coincident Peak Firm		23	D04		2,760	1,951	742	86	0	0	0	0	0	0	0

Natural Gas Utility Washington Jurisdiction

AVISTA UTILITIES  
Cost of Service Calculation  
For the Year Ended December 31, 2003

Functionalization and Classification

Account Description	(k)	(l)	(m)	(n)	(o)	(p)	(q)	(r)	(s)	(t)	(u)	(v)	(w)	(x)	(y)	(z)	(aa)	(ab)	
	(k)	(l)	(m)	(n)	(o)	(p)	(q)	(r)	(s)	(t)	(u)	(v)	(w)	(x)	(y)	(z)	(aa)	(ab)	
				Notes	Functional	Class	Proforma	Functional	Residential	Small Firm	Large Firm	Interrupt	Transport	Open	Open1	Open2	Open3	Open4	
				Allocation	Allocation	Allocator	Totals	Totals	Sch 101	Sch 111	Sch 121	Sch 131	Sch 146	Open	Open1	Open2	Open3	Open4	
1 Assign																			
2 Company Base Case																			
3 WA Accepted Method																			
4																			
5																			
6																			
7 Account Description																			
8																			
479 U Throughput					77	E01		9,240	5,536	2,352	385	46	921	0	0	0	0	0	0
480 U Sales Therms					0	E04		0	0	0	0	0	0	0	0	0	0	0	0
481 354 Compressor Station Equip. Depr. Exp.					U01		32,000												
482 U Coincident Peak Firm					23	D04		7,360	5,150	1,979	230	0	0	0	0	0	0	0	0
483 U Throughput					77	E01		24,640	14,762	6,271	1,028	124	2,455	0	0	0	0	0	0
484 U Sales Therms					0	E04		0	0	0	0	0	0	0	0	0	0	0	0
485 355 Measuring & Regulating Equip. Depr. Exp.					U01		3,000												
486 U Coincident Peak Firm					23	D04		690	483	186	22	0	0	0	0	0	0	0	0
487 U Throughput					77	E01		2,310	1,384	588	96	12	230	0	0	0	0	0	0
488 U Sales Therms					0	E04		0	0	0	0	0	0	0	0	0	0	0	0
489 356 Purification Equipment Depr. Exp.					U01		9,000												
490 U Coincident Peak Firm					23	D04		2,070	1,449	557	65	0	0	0	0	0	0	0	0
491 U Throughput					77	E01		6,930	4,152	1,764	289	35	690	0	0	0	0	0	0
492 U Sales Therms					0	E04		0	0	0	0	0	0	0	0	0	0	0	0
493 357 Other Equipment Depr. Exp.					U01		33,000												
494 U Coincident Peak Firm					23	D04		7,590	5,311	2,041	238	0	0	0	0	0	0	0	0
495 U Throughput					77	E01		25,410	15,223	6,467	1,060	128	2,532	0	0	0	0	0	0
496 U Sales Therms					0	E04		0	0	0	0	0	0	0	0	0	0	0	0
497 Total Underground Storage Plant Depr. Exp.							309,000	309,000	192,278	79,670	12,151	1,195	23,706	0	0	0	0	0	0
498																			
499 Distribution Plant Depreciation Expense																			
500 374 Land & Land Rights Depr. Exp.					Input		0												
501 D Other Dist Plant					100	S05		0	0	0	0	0	0	0	0	0	0	0	0
502 375 Structures & Improvements Depr. Exp.					Input		7,000												
503 D Other Dist Plant					100	S05		7,000	5,491	1,187	142	13	168	0	0	0	0	0	0
504 376-SM Mains Depr. Exp.					T01		1,522,000												
505 D Coincident Peak - All					0	D01		0	0	0	0	0	0	0	0	0	0	0	0
506 D Coincident Peak - Small Mains					54.37	D02		827,511	572,901	220,175	25,630	1,600	7,205	0	0	0	0	0	0
507 D Throughput					0	E01		0	0	0	0	0	0	0	0	0	0	0	0
508 D Therms - Small Mains					45.63	E06		694,489	458,289	194,691	31,913	1,419	8,176	0	0	0	0	0	0
509 D Direct 131					0	D06		0	0	0	0	0	0	0	0	0	0	0	0
510 D Direct 146					0	D07		0	0	0	0	0	0	0	0	0	0	0	0
511 Open					0	xxx		0	0	0	0	0	0	0	0	0	0	0	0
512 Open					0	xxx		0	0	0	0	0	0	0	0	0	0	0	0
513 Open					0	xxx		0	0	0	0	0	0	0	0	0	0	0	0
514 Open					0	xxx		0	0	0	0	0	0	0	0	0	0	0	0
515 376-LG Mains Depr. Exp.					T02		780,000												
516 D Coincident Peak - All					17155.231	D01		423,050	264,236	101,550	11,821	1,728	43,715	0	0	0	0	0	0
517 D Coincident Peak - Small Mains					0	D02		0	0	0	0	0	0	0	0	0	0	0	0
518 D Throughput					14432.769	E01		355,914	213,232	90,585	14,848	1,787	35,461	0	0	0	0	0	0
519 D Therms - Small Mains					0	E06		777	0	0	0	777	0	0	0	0	0	0	0
520 D Direct 131					31.5	D06		259	0	0	0	0	259	0	0	0	0	0	0
521 D Direct 146					10.5	D07		0	0	0	0	0	0	0	0	0	0	0	0
522 Open					0	xxx		0	0	0	0	0	0	0	0	0	0	0	0
523 Open					0	xxx		0	0	0	0	0	0	0	0	0	0	0	0
524 Open					0	xxx		0	0	0	0	0	0	0	0	0	0	0	0
525 Open					0	xxx		0	0	0	0	0	0	0	0	0	0	0	0

1 Assign	2 Company Base Case	3 WA Accepted Method	AVISTA UTILITIES										Natural Gas Utility				Washington Jurisdiction			
			Cost of Service Calculation										Functionalization and Classification				Functionalization and Classification			
			For the Year Ended December 31, 2003																	
4	5	6	(k)	(l)	(m)	(n)	(o)	(p)	(q)	(r)	(s)	(t)	(u)	(v)	(w)	(x)	(y)	(z)	(aa)	(ab)
7 Account Description			Notes	Functional Allocation	Class Allocator	Proforma Totals	Functional Totals	Residential Service Sch 101	Small Firm Service Sch 111	Large Firm Service Sch 121	Interrupt Service Sch 131	Transport Service Sch 146	Open	Open1	Open2	Open3	Open4			
526	378	Meas & Reg Station Equip-Gen Depr. Exp.		T03		49,000	26,641	16,640	6,395	744	109	2,753	0	0	0	0	0	0	0	0
527	D	Coincident Peak - All		54.37	D01		0	0	0	0	0	0	0	0	0	0	0	0	0	0
528	D	Coincident Peak - Small Mains		0	D02		0	0	0	0	0	0	0	0	0	0	0	0	0	0
529	D	Throughput		45.63	E01		22,359	13,395	5,691	933	112	2,228	0	0	0	0	0	0	0	0
530	D	Therms - Small Mains		0	E06		0	0	0	0	0	0	0	0	0	0	0	0	0	0
531	D	Direct 131		0	D06		0	0	0	0	0	0	0	0	0	0	0	0	0	0
532	D	Direct 146		0	D07		0	0	0	0	0	0	0	0	0	0	0	0	0	0
533	Open			0	xxx		0	0	0	0	0	0	0	0	0	0	0	0	0	0
534	Open			0	xxx		0	0	0	0	0	0	0	0	0	0	0	0	0	0
535	Open			0	xxx		0	0	0	0	0	0	0	0	0	0	0	0	0	0
536	Open			0	xxx		0	0	0	0	0	0	0	0	0	0	0	0	0	0
537	379	Meas & Reg Station Equip-City Gate Depr. E.		T03		18,000	9,787	6,113	2,349	273	40	1,011	0	0	0	0	0	0	0	0
538	D	Coincident Peak - All		54.37	D01		0	0	0	0	0	0	0	0	0	0	0	0	0	0
539	D	Coincident Peak - Small Mains		0	D02		0	0	0	0	0	0	0	0	0	0	0	0	0	0
540	D	Throughput		45.63	E01		8,213	4,921	2,090	343	41	818	0	0	0	0	0	0	0	0
541	D	Therms - Small Mains		0	E06		0	0	0	0	0	0	0	0	0	0	0	0	0	0
542	D	Direct 131		0	D06		0	0	0	0	0	0	0	0	0	0	0	0	0	0
543	D	Direct 146		0	D07		0	0	0	0	0	0	0	0	0	0	0	0	0	0
544	Open			0	xxx		0	0	0	0	0	0	0	0	0	0	0	0	0	0
545	Open			0	xxx		0	0	0	0	0	0	0	0	0	0	0	0	0	0
546	Open			0	xxx		0	0	0	0	0	0	0	0	0	0	0	0	0	0
547	Open			0	xxx		0	0	0	0	0	0	0	0	0	0	0	0	0	0
548	380	Services Depr. Exp.		T11		1,924,000	1,924,000	1,880,893	35,204	3,771	208	3,924	0	0	0	0	0	0	0	0
549	D	All Customers		0	C01		0	0	0	0	0	0	0	0	0	0	0	0	0	0
550	D	Service Cost		100	C02		0	0	0	0	0	0	0	0	0	0	0	0	0	0
551	D	Meter Cost		0	C03		0	0	0	0	0	0	0	0	0	0	0	0	0	0
552	D	Regulator Cost		0	C04		0	0	0	0	0	0	0	0	0	0	0	0	0	0
553	D	Installations Cost		0	C05		0	0	0	0	0	0	0	0	0	0	0	0	0	0
554	D	Ind Meas & Reg Cost		0	C06		0	0	0	0	0	0	0	0	0	0	0	0	0	0
555	Direct Sch 131			0	C07		0	0	0	0	0	0	0	0	0	0	0	0	0	0
556	Direct Sch 146			0	C08		0	0	0	0	0	0	0	0	0	0	0	0	0	0
557	Open			0	xxx		0	0	0	0	0	0	0	0	0	0	0	0	0	0
558	Open			0	xxx		0	0	0	0	0	0	0	0	0	0	0	0	0	0
559	381	Meters Depr. Exp.		T12		375,000	375,000	287,137	80,614	2,879	327	4,043	0	0	0	0	0	0	0	0
560	D	All Customers		0	C01		0	0	0	0	0	0	0	0	0	0	0	0	0	0
561	D	Service Cost		0	C02		0	0	0	0	0	0	0	0	0	0	0	0	0	0
562	D	Meter Cost		100	C03		0	0	0	0	0	0	0	0	0	0	0	0	0	0
563	D	Regulator Cost		0	C04		0	0	0	0	0	0	0	0	0	0	0	0	0	0
564	D	Installations Cost		0	C05		0	0	0	0	0	0	0	0	0	0	0	0	0	0
565	D	Ind Meas & Reg Cost		0	C06		0	0	0	0	0	0	0	0	0	0	0	0	0	0
566	Direct Sch 131			0	C07		0	0	0	0	0	0	0	0	0	0	0	0	0	0
567	Direct Sch 146			0	C08		0	0	0	0	0	0	0	0	0	0	0	0	0	0
568	Open			0	xxx		0	0	0	0	0	0	0	0	0	0	0	0	0	0
569	Open			0	xxx		0	0	0	0	0	0	0	0	0	0	0	0	0	0
570	382	Meter Installations Depr. Exp.		T13		2,000	2,000	0	0	0	0	0	0	0	0	0	0	0	0	0
571	D	All Customers		0	C01		0	0	0	0	0	0	0	0	0	0	0	0	0	0
572	D	Service Cost		0	C02		0	0	0	0	0	0	0	0	0	0	0	0	0	0

1	2	3	4	5	6	7	8	AVISTA UTILITIES		Natural Gas Utility		Washington Jurisdiction									
								Cost of Service Calculation		Functionalization and Classification		Functionalization and Classification									
Assign	Company Base Case	WA Accepted Method	For the Year Ended December 31, 2003	(k)	(l)	(m)	(n)	(o)	(p)	(q)	(r)	(s)	(t)	(u)	(v)	(w)	(x)	(y)	(z)	(aa)	(ab)
Account Description	Notes	Functional Allocation	Class	Proforma	Functional	Proforma	Allocation	Class	Proforma	Totals	Functional	Residential	Small Firm	Large Firm	Interrupt	Transport	Open	Open1	Open2	Open3	Open4
				Totals	Totals	Totals					Totals	Sch 101	Sch 111	Sch 121	Sch 131	Sch 146					
573	D	Meter Cost						C03		0	0	0	0	0	0	0	0	0	0	0	0
574	D	Regulator Cost						C04		0	0	0	0	0	0	0	0	0	0	0	0
575	D	Installations Cost					100	C05		2,000	1,962	37	1	0	0	0	0	0	0	0	0
576	D	Ind Meas & Reg Cost						C06		0	0	0	0	0	0	0	0	0	0	0	0
577	D	Direct Sch 131						C07		0	0	0	0	0	0	0	0	0	0	0	0
578	D	Direct Sch 146						C08		0	0	0	0	0	0	0	0	0	0	0	0
579		Open						xxx		0	0	0	0	0	0	0	0	0	0	0	0
580		Open						xxx		0	0	0	0	0	0	0	0	0	0	0	0
581	383	House Regulators Depr. Exp.					0			0	0	0	0	0	0	0	0	0	0	0	0
582	D	All Customers						C01		0	0	0	0	0	0	0	0	0	0	0	0
583	D	Service Cost						C02		0	0	0	0	0	0	0	0	0	0	0	0
584	D	Meter Cost						C03		0	0	0	0	0	0	0	0	0	0	0	0
585	D	Regulator Cost					100	C04		0	0	0	0	0	0	0	0	0	0	0	0
586	D	Installations Cost						C05		0	0	0	0	0	0	0	0	0	0	0	0
587	D	Ind Meas & Reg Cost						C06		0	0	0	0	0	0	0	0	0	0	0	0
588	D	Direct Sch 131						C07		0	0	0	0	0	0	0	0	0	0	0	0
589	D	Direct Sch 146						C08		0	0	0	0	0	0	0	0	0	0	0	0
590		Open						xxx		0	0	0	0	0	0	0	0	0	0	0	0
591		Open						xxx		0	0	0	0	0	0	0	0	0	0	0	0
592	384	House Regulator Installations Depr. Exp.					0			0	0	0	0	0	0	0	0	0	0	0	0
593	D	All Customers						C01		0	0	0	0	0	0	0	0	0	0	0	0
594	D	Service Cost						C02		0	0	0	0	0	0	0	0	0	0	0	0
595	D	Meter Cost						C03		0	0	0	0	0	0	0	0	0	0	0	0
596	D	Regulator Cost						C04		0	0	0	0	0	0	0	0	0	0	0	0
597	D	Installations Cost					100	C05		0	0	0	0	0	0	0	0	0	0	0	0
598	D	Ind Meas & Reg Cost						C06		0	0	0	0	0	0	0	0	0	0	0	0
599	D	Direct Sch 131						C07		0	0	0	0	0	0	0	0	0	0	0	0
600	D	Direct Sch 146						C08		0	0	0	0	0	0	0	0	0	0	0	0
601		Open						xxx		0	0	0	0	0	0	0	0	0	0	0	0
602		Open						xxx		0	0	0	0	0	0	0	0	0	0	0	0
603	385	Industrial Meas & Reg Station Equip. Depr. E					30,000			30,000	0	0	0	0	0	0	0	0	0	0	0
604	D	All Customers						C01		0	0	0	0	0	0	0	0	0	0	0	0
605	D	Service Cost						C02		0	0	0	0	0	0	0	0	0	0	0	0
606	D	Meter Cost						C03		0	0	0	0	0	0	0	0	0	0	0	0
607	D	Regulator Cost						C04		0	0	0	0	0	0	0	0	0	0	0	0
608	D	Installations Cost						C05		0	0	0	0	0	0	0	0	0	0	0	0
609	D	Ind Meas & Reg Cost					100	C06		30,000	0	26,407	1,435	0	0	1,996	0	0	0	0	0
610	D	Direct Sch 131						C07		0	0	0	0	0	0	0	0	0	0	0	0
611	D	Direct Sch 146						C08		0	0	0	0	0	0	0	0	0	0	0	0
612		Open						xxx		0	0	0	0	0	0	0	0	0	0	0	0
613		Open						xxx		0	0	0	0	0	0	0	0	0	0	0	0
614	387	Other Equipment Depr. Exp.					0			0	0	0	0	0	0	0	0	0	0	0	0
615	D	Other Dist Plant					100			0	0	0	0	0	0	0	0	0	0	0	0
616		Total Distribution Plant Depreciation I								4,707,000	3,725,210	766,976	94,733	8,323	111,758	0	0	0	0	0	0
617										0	0	0	0	0	0	0	0	0	0	0	0
618		General Plant Depreciation Expense					Input			0	0	0	0	0	0	0	0	0	0	0	0
619	389	Land & Land Rights Depr. Exp.					Input			0	0	0	0	0	0	0	0	0	0	0	0

1 Assign		AVISTA UTILITIES		Natural Gas Utility		Washington Jurisdiction		09-Jun-04									
2 Company Base Case		Cost of Service Calculation		Functionalization and Classification													
3 WA Accepted Method		For the Year Ended December 31, 2003															
(k)	(l)	(m)	(n)	(o)	(p)	(q)	(r)	(s)	(t)	(u)	(v)	(w)	(x)	(y)	(z)	(aa)	(ab)
Account Description	Notes	Functional Allocation	Class	Proforma Totals	Functional Totals	Residential Service Sch 101	Small Firm Service Sch 111	Large Firm Service Sch 121	Interrupt Service Sch 131	Transport Service Sch 146	Open	Open1	Open2	Open3	Open4		
620	O General Plant Alloc	100	S03	0	0	0	0	0	0	0	0	0	0	0	0	0	0
621	390 Structures & Improvements Depr. Exp.	Input		378,000	378,000	292,412	66,324	8,140	729	10,396	0	0	0	0	0	0	0
622	O General Plant Alloc	100	S03	98,000	98,000	75,811	17,195	2,110	189	2,695	0	0	0	0	0	0	0
623	391 Office Furniture & Equipment Depr. Exp.	Input		29,000	29,000	22,434	5,088	624	56	798	0	0	0	0	0	0	0
624	O General Plant Alloc	100	S03	2,000	2,000	1,547	351	43	4	55	0	0	0	0	0	0	0
625	392 Transportation Equipment Depr. Exp.	Input		22,000	22,000	17,019	3,860	474	42	605	0	0	0	0	0	0	0
626	O General Plant Alloc	100	S03	9,000	9,000	6,962	1,579	194	17	248	0	0	0	0	0	0	0
627	393 Stores Equipment Depr. Exp.	Input		34,000	34,000	26,302	5,966	732	66	935	0	0	0	0	0	0	0
628	O General Plant Alloc	100	S03	143,000	143,000	110,622	25,091	3,079	276	3,933	0	0	0	0	0	0	0
629	394 Tools, Shop & Garage Equipment Depr. Exp.	Input		1,000	1,000	774	175	22	2	28	0	0	0	0	0	0	0
630	O General Plant Alloc	100	S03	716,000	716,000	553,881	125,629	15,418	1,381	19,691	0	0	0	0	0	0	0
631	395 Laboratory Equipment Depr. Exp.	Input		5,732,000	5,732,000	4,471,370	972,274	122,302	10,899	155,155	0	0	0	0	0	0	0
632	O General Plant Alloc	100	S03	102,000	102,000	78,905	17,897	2,196	197	2,805	0	0	0	0	0	0	0
633	396 Power Operated Equipment Depr. Exp.	Input		3,000	3,000	2,353	509	61	5	72	0	0	0	0	0	0	0
634	O General Plant Alloc	100	S15	351,000	351,000	271,526	61,586	7,558	677	9,653	0	0	0	0	0	0	0
635	397 Communication Equipment Depr. Exp.	Input		159,000	159,000	122,999	27,898	3,424	307	4,373	0	0	0	0	0	0	0
636	O General Plant Alloc	100	S03	615,000	615,000	475,782	107,890	13,239	1,186	16,903	0	0	0	0	0	0	0
637	398 Miscellaneous Equipment Depr. Exp.	Input		6,347,000	6,347,000	4,947,152	1,080,164	135,542	12,084	172,058	0	0	0	0	0	0	0
638	O General Plant Alloc	100	S03	132,093,000	132,093,000	91,672,653	33,530,776	5,279,292	618,226	992,053	0	0	0	0	0	0	0
639	Total Depreciation and Amortization Expense			0	0	0	0	0	0	0	0	0	0	0	0	0	0
640	Total Depreciation Expense			1,213,000	1,213,000	897,414	278,213	16,509	2,183	18,682	0	0	0	0	0	0	0
641	Amortization Expense			(31,000)	(31,000)	(22,935)	(7,110)	(422)	(56)	(477)	0	0	0	0	0	0	0
642	404.xx Leasehold Improvement Amortization Exp.	Input		325,000	325,000	240,445	74,542	4,423	585	5,005	0	0	0	0	0	0	0
643	O General Plant Alloc	100	R02	1,507,000	1,507,000	1,114,924	345,645	20,510	2,711	23,210	0	0	0	0	0	0	0
644	404.2 Intangible Distribution Plant Amortization Exp.	Input		0	0	0	0	0	0	0	0	0	0	0	0	0	0
645	D Distribution Plant	Input		1,213,000	1,213,000	897,414	278,213	16,509	2,183	18,682	0	0	0	0	0	0	0
646	404.30 Intangible Plant - Software Amortization Exp.	Input		(31,000)	(31,000)	(22,935)	(7,110)	(422)	(56)	(477)	0	0	0	0	0	0	0
647	O General Plant Alloc	100	R02	325,000	325,000	240,445	74,542	4,423	585	5,005	0	0	0	0	0	0	0
648	407.39 Hamilton Street Bridge Amortization Exp.	0		0	0	0	0	0	0	0	0	0	0	0	0	0	0
649	O General Plant Alloc	100	R02	1,507,000	1,507,000	1,114,924	345,645	20,510	2,711	23,210	0	0	0	0	0	0	0
650	Total Amortization Expense			0	0	0	0	0	0	0	0	0	0	0	0	0	0
651	Total Depreciation and Amortization Expense			6,347,000	6,347,000	4,947,152	1,080,164	135,542	12,084	172,058	0	0	0	0	0	0	0
652	Total Operating Expense Before Income Tax Items			132,093,000	132,093,000	91,672,653	33,530,776	5,279,292	618,226	992,053	0	0	0	0	0	0	0
653	Income Tax - State	Input		0	0	0	0	0	0	0	0	0	0	0	0	0	0
654	R Income Tax Allocator	100	R02	1,213,000	1,213,000	897,414	278,213	16,509	2,183	18,682	0	0	0	0	0	0	0
655	Income Tax - Federal	Input		(31,000)	(31,000)	(22,935)	(7,110)	(422)	(56)	(477)	0	0	0	0	0	0	0
656	R Income Tax Allocator	100	R02	325,000	325,000	240,445	74,542	4,423	585	5,005	0	0	0	0	0	0	0
657	Investment Tax Credit Adjustment (Net)	Input		0	0	0	0	0	0	0	0	0	0	0	0	0	0
658	R Income Tax Allocator	100	R02	1,507,000	1,507,000	1,114,924	345,645	20,510	2,711	23,210	0	0	0	0	0	0	0
659	Amortization of Deferred Income Taxes	Input		0	0	0	0	0	0	0	0	0	0	0	0	0	0
660	R Income Tax Allocator	100	R02	0	0	0	0	0	0	0	0	0	0	0	0	0	0
661	Total Income Tax Items			0	0	0	0	0	0	0	0	0	0	0	0	0	0
662	Income Tax - State	Input		0	0	0	0	0	0	0	0	0	0	0	0	0	0
663	R Income Tax Allocator	100	R02	1,213,000	1,213,000	897,414	278,213	16,509	2,183	18,682	0	0	0	0	0	0	0
664	Income Tax - Federal	Input		(31,000)	(31,000)	(22,935)	(7,110)	(422)	(56)	(477)	0	0	0	0	0	0	0
665	R Income Tax Allocator	100	R02	325,000	325,000	240,445	74,542	4,423	585	5,005	0	0	0	0	0	0	0
666	Total Income Tax Items			0	0	0	0	0	0	0	0	0	0	0	0	0	0

		Natural Gas Utility										Washington Jurisdiction					
		Functionalization and Classification															
(k)	(l)	(m)	(n)	(o)	(p)	(q)	(r)	(s)	(t)	(u)	(v)	(w)	(x)	(y)	(z)	(aa)	(ab)
Account	Description	Notes	Functional	Class	Proforma	Functional	Residential	Small Firm	Large Firm	Interrupt	Transport	Open	Open1	Open2	Open3	Open4	
		Allocation	Allocators	Allocators	Totals	Totals	Sch 101	Sch 111	Sch 121	Sch 131	Sch 146						
667	Total Operating Expense				133,600,000	133,600,000	92,787,577	33,876,421	5,299,802	620,937	1,015,262	0	0	0	0	0	0
668																	
669	Operating Revenues				(136,430,000)	(136,430,000)	(95,790,000)	(34,745,000)	(5,274,000)	(621,000)	0	0	0	0	0	0	0
670	48X From Retail Sale of Gas																
671	R Direct Input	Alloc Wks Line 80			(1,081,000)	(1,081,000)	0	0	0	0	(1,081,000)	0	0	0	0	0	0
672	489.9X From Transportation of Gas																
673	R Direct Input	Alloc Wks Line 81			0	0	0	0	0	0	0	0	0	0	0	0	0
674	Open				0	0	0	0	0	0	0	0	0	0	0	0	0
675	Open				0	0	0	0	0	0	0	0	0	0	0	0	0
676	Open				0	0	0	0	0	0	0	0	0	0	0	0	0
677	Open				0	0	0	0	0	0	0	0	0	0	0	0	0
678	Open				0	0	0	0	0	0	0	0	0	0	0	0	0
679	Total Revenue From Retail Rates				(137,511,000)	(137,511,000)	(95,790,000)	(34,745,000)	(5,274,000)	(621,000)	(1,081,000)	0	0	0	0	0	0
680																	
681	Other Operating Revenues																
682	483/484 Off System Sales																
683	P Sales Terms				0	0	0	0	0	0	0	0	0	0	0	0	0
684	488 Miscellaneous Service Revenues				(9,000)	(9,000)	(8,831)	(165)	(3)	(0)	(2)	0	0	0	0	0	0
685	D All Customers																
686	493 Rent From Gas Property				0	0	0	0	0	0	0	0	0	0	0	0	0
687	A Rate Base																
688	495.9 Other Gas Revenue				(2,174,000)	(2,174,000)	(1,455,099)	(606,352)	(95,927)	(10,587)	(6,035)	0	0	0	0	0	0
689	U Purchased Gas - Demand																
690	Special Contract Transport Revenue				(1,541,000)	(1,541,000)	(1,182,249)	(276,066)	(33,785)	(3,087)	(45,814)	0	0	0	0	0	0
691	A Rate Base				0	0	0	0	0	0	0	0	0	0	0	0	0
692	Open																
693	Total Other Operating Revenues				(3,724,000)	(3,724,000)	(2,646,178)	(882,583)	(129,714)	(13,675)	(51,850)	0	0	0	0	0	0
694																	
695	Total Revenues				(141,235,000)	(141,235,000)	(98,436,178)	(35,627,583)	(5,403,714)	(634,675)	(1,132,850)	0	0	0	0	0	0
696																	
697	Net Operating Expense (Income)				(7,635,000)	(7,635,000)	(5,648,601)	(1,751,161)	(103,912)	(13,737)	(117,588)	0	0	0	0	0	0
698																	
699	Rate Base																
700	Plant In Service																
701	Intangible Plant																
702	303.00 Intangible Gas Plant				164,000	164,000	128,639	27,810	3,323	294	3,934	0	0	0	0	0	0
703	D Distribution Plant																
704	303.1X Miscellaneous-Computer Software				1,730,000	1,730,000	1,338,288	303,544	37,253	3,336	47,578	0	0	0	0	0	0
705	O General Plant Alloc																
706	Total Intangible Plant				1,894,000	1,894,000	1,466,928	331,355	40,576	3,630	51,511	0	0	0	0	0	0
707																	
708	Underground Storage Plant																
709	350 Land & Land Rights				321,000	321,000											
710	U Coincident Peak Firm																
711	U Throughput																
712	U Sales Terms																
713	351 Structures & Improvements				782,000	782,000											

Natural Gas Utility Washington Jurisdiction

AVISTA UTILITIES

Cost of Service Calculation  
For the Year Ended December 31, 2003

Functionalization and Classification

1 Assign	2 Company Base Case	3 WA Accepted Method	4	5 (k)	6 (l)	7 Account Description	8 (m)	(n)	(o)	(p)	(q)	(r)	(s)	(t)	(u)	(v)	(w)	(x)	(y)	(z)	(aa)	(ab)
								Notes	Functional Allocation	Class Allocator	Proforma Totals	Functional Totals	Residential Service Sch 101	Small Firm Service Sch 111	Large Firm Service Sch 121	Interrupt Service Sch 131	Transport Service Sch 146	Open	Open1	Open2	Open3	Open4
714	U					Coincident Peak Firm			23	D04	9,001,000	179,860	125,860	48,370	5,631	0	0	0	0	0	0	0
715	U					Throughput			77	E01		602,140	360,748	153,254	25,121	3,024	59,994	0	0	0	0	0
716	U					Sales Therms			0	E04		0	0	0	0	0	0	0	0	0	0	0
717						352 Wells																
718	U					Coincident Peak Firm			23	D04	606,000	2,070,230	1,448,673	556,747	64,810	0	0	0	0	0	0	0
719	U					Throughput			77	E01		6,930,770	4,152,292	1,763,985	289,145	34,807	690,541	0	0	0	0	0
720	U					Sales Therms			0	E04		0	0	0	0	0	0	0	0	0	0	0
721						353 Lines																
722	U					Coincident Peak Firm			23	D04		139,380	97,533	37,483	4,363	0	0	0	0	0	0	0
723	U					Throughput			77	E01		466,620	279,557	118,762	19,467	2,343	46,491	0	0	0	0	0
724	U					Sales Therms			0	E04		0	0	0	0	0	0	0	0	0	0	0
725						354 Compressor Station Equipment																
726	U					Coincident Peak Firm			23	D04	1,388,000	319,240	223,393	85,853	9,994	0	0	0	0	0	0	0
727	U					Throughput			77	E01		1,068,760	640,305	272,015	44,588	5,367	106,485	0	0	0	0	0
728	U					Sales Therms			0	E04		0	0	0	0	0	0	0	0	0	0	0
729						355 Measuring & Regulating Equipment																
730	U					Coincident Peak Firm			23	D04	113,000	25,990	18,187	6,989	814	0	0	0	0	0	0	0
731	U					Throughput			77	E01		87,010	52,129	22,145	3,630	437	8,669	0	0	0	0	0
732	U					Sales Therms			0	E04		0	0	0	0	0	0	0	0	0	0	0
733						356 Purification Equipment																
734	U					Coincident Peak Firm			23	D04	297,000	68,310	47,801	18,371	2,138	0	0	0	0	0	0	0
735	U					Throughput			77	E01		228,690	137,010	58,205	9,541	1,148	22,785	0	0	0	0	0
736	U					Sales Therms			0	E04		0	0	0	0	0	0	0	0	0	0	0
737						357 Other Equipment																
738	U					Coincident Peak Firm			23	D04	1,204,000	276,920	193,779	74,472	8,669	0	0	0	0	0	0	0
739	U					Throughput			77	E01		927,080	555,423	235,956	38,677	4,656	92,369	0	0	0	0	0
740	U					Sales Therms			0	E04		0	0	0	0	0	0	0	0	0	0	0
741						Total Underground Storage Plant																
742											13,712,000	13,712,000	8,532,434	3,535,371	539,210	53,024	1,051,960	0	0	0	0	0
743						Distribution Plant																
744						374 Land & Land Rights																
745	D					Other Dist Plant				S05	61,000	61,000	47,848	10,344	1,236	109	1,463	0	0	0	0	0
746						375 Structures & Improvements																
747	D					Other Dist Plant				S05	337,000	337,000	264,338	57,147	6,829	603	8,083	0	0	0	0	0
748						376-SM Mains																
749	D					Coincident Peak - All				D01	61,674,000	0	0	0	0	0	0	0	0	0	0	0
750	D					Coincident Peak - Small Mains				D02		33,532,154	23,214,932	8,921,850	1,038,573	64,833	291,966	0	0	0	0	0
751	D					Throughput				E01		0	0	0	0	0	0	0	0	0	0	0
752	D					Therms - Small Mains				E06		28,141,846	18,570,659	7,889,223	1,293,170	57,500	331,294	0	0	0	0	0
753	D					Direct 131				D06		0	0	0	0	0	0	0	0	0	0	0
754	D					Direct 146				D07		0	0	0	0	0	0	0	0	0	0	0
755						Open				xxx		0	0	0	0	0	0	0	0	0	0	0
756						Open				xxx		0	0	0	0	0	0	0	0	0	0	0
757						Open				xxx		0	0	0	0	0	0	0	0	0	0	0
758						Open				xxx		0	0	0	0	0	0	0	0	0	0	0
759						376-LG Mains																
760	D					Coincident Peak - All				D01	31,630,000	17,155,231	10,715,101	4,117,975	479,364	70,082	1,772,708	0	0	0	0	0

Account Description	(k)	(l)	(m)	(n)	(o)	(p)	(q)	(r)	(s)	(t)	Functionalization and Classification				(x)	(y)	(z)	(aa)	(ab)
											Notes	Functional Allocation	Class Allocator	Proforma Totals					
D Coincident Peak - Small Mains					0	D02		0	0	0	0	0	0	0	0	0	0	0	0
D Throughput					14432,769	E01		14,432,769	8,646,814	3,673,356	602,122	0	0	0	0	0	0	0	0
D Therms - Small Mains					0	E06		0	0	0	0	0	0	0	0	0	0	0	0
D Direct 131					31,500	D06		31,500	0	0	0	0	0	0	0	0	0	0	0
D Direct 146					10,500	D07		10,500	0	0	0	0	0	0	0	0	0	0	0
Open					0	xxx		0	0	0	0	0	0	0	0	0	0	0	0
Open					0	xxx		0	0	0	0	0	0	0	0	0	0	0	0
Open					0	xxx		0	0	0	0	0	0	0	0	0	0	0	0
Open					0	xxx		0	0	0	0	0	0	0	0	0	0	0	0
378 Meas & Reg Station Equip-General					T03		2,103,000												
D Coincident Peak - All					54,37	D01		1,143,401	714,165	274,464	31,950	4,671	118,152	0	0	0	0	0	0
D Coincident Peak - Small Mains					0	D02		0	0	0	0	0	0	0	0	0	0	0	0
D Throughput					45,63	E01		959,599	574,905	244,232	40,034	4,819	95,609	0	0	0	0	0	0
D Therms - Small Mains					0	E06		0	0	0	0	0	0	0	0	0	0	0	0
D Direct 131					0	D06		0	0	0	0	0	0	0	0	0	0	0	0
D Direct 146					0	D07		0	0	0	0	0	0	0	0	0	0	0	0
Open					0	xxx		0	0	0	0	0	0	0	0	0	0	0	0
Open					0	xxx		0	0	0	0	0	0	0	0	0	0	0	0
Open					0	xxx		0	0	0	0	0	0	0	0	0	0	0	0
Open					0	xxx		0	0	0	0	0	0	0	0	0	0	0	0
379 Meas & Reg Station Equip-City Gate					T03		606,000												
D Coincident Peak - All					54,37	D01		329,482	205,793	79,090	9,207	1,346	34,047	0	0	0	0	0	0
D Coincident Peak - Small Mains					0	D02		0	0	0	0	0	0	0	0	0	0	0	0
D Throughput					45,63	E01		276,518	165,665	70,378	11,536	1,389	27,551	0	0	0	0	0	0
D Therms - Small Mains					0	E06		0	0	0	0	0	0	0	0	0	0	0	0
D Direct 131					0	D06		0	0	0	0	0	0	0	0	0	0	0	0
D Direct 146					0	D07		0	0	0	0	0	0	0	0	0	0	0	0
Open					0	xxx		0	0	0	0	0	0	0	0	0	0	0	0
Open					0	xxx		0	0	0	0	0	0	0	0	0	0	0	0
Open					0	xxx		0	0	0	0	0	0	0	0	0	0	0	0
Open					0	xxx		0	0	0	0	0	0	0	0	0	0	0	0
380 Services					T11		72,586,000												
D All Customers					0	C01		0	0	0	0	0	0	0	0	0	0	0	0
D Service Cost					100	C02		72,586,000	70,959,715	1,328,137	142,275	7,850	148,022	0	0	0	0	0	0
D Meter Cost					0	C03		0	0	0	0	0	0	0	0	0	0	0	0
D Regulator Cost					0	C04		0	0	0	0	0	0	0	0	0	0	0	0
D Installations Cost					0	C05		0	0	0	0	0	0	0	0	0	0	0	0
D Ind Meas & Reg Cost					0	C06		0	0	0	0	0	0	0	0	0	0	0	0
D Direct Sch 131					0	C07		0	0	0	0	0	0	0	0	0	0	0	0
D Direct Sch 146					0	C08		0	0	0	0	0	0	0	0	0	0	0	0
Open					0	xxx		0	0	0	0	0	0	0	0	0	0	0	0
Open					0	xxx		0	0	0	0	0	0	0	0	0	0	0	0
381 Meters					T12		21,547,000												
D All Customers					0	C01		0	0	0	0	0	0	0	0	0	0	0	0
D Service Cost					0	C02		21,547,000	16,498,531	4,631,990	165,399	18,772	232,308	0	0	0	0	0	0
D Meter Cost					100	C03		0	0	0	0	0	0	0	0	0	0	0	0
D Regulator Cost					0	C04		0	0	0	0	0	0	0	0	0	0	0	0



Natural Gas Utility  
Washington Jurisdiction

AVISTA UTILITIES  
Cost of Service Calculation  
For the Year Ended December 31, 2003

Functionalization and Classification

1	2	3	4	5	6	7	8	(k)	(l)	(m)	(n)	(o)	(p)	(q)	(r)	(s)	(t)	(u)	(v)	(w)	(x)	(y)	(z)	(aa)	(ab)
Assign	Company Base Case	WA Accepted Method	Account Description	Notes	Functional Allocation	Class Allocator	Proforma Totals	Functional Totals	Residential Service Sch 101	Small Firm Service Sch 111	Large Firm Service Sch 121	Interrupt Service Sch 131	Transport Service Sch 146	Open	Open1	Open2	Open3	Open4							
808	D		Installations Cost		0	C05	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
809	D		Ind Meas & Reg Cost		0	C06	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
810	D		Direct Sch 131		0	C07	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
811	D		Direct Sch 146		0	C08	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
812	D		Open		0	xxx	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
813	D		Open		0	xxx	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
814	D		382 Meter Installations		T13		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
815	D		All Customers		0	C01	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
816	D		Service Cost		0	C02	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
817	D		Meter Cost		0	C03	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
818	D		Regulator Cost		0	C04	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
819	D		Installations Cost		100	C05	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
820	D		Ind Meas & Reg Cost		0	C06	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
821	D		Direct Sch 131		0	C07	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
822	D		Direct Sch 146		0	C08	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
823	D		Open		0	xxx	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
824	D		Open		0	xxx	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
825	D		383 House Regulators		T14		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
826	D		All Customers		0	C01	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
827	D		Service Cost		0	C02	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
828	D		Meter Cost		0	C03	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
829	D		Regulator Cost		100	C04	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
830	D		Installations Cost		0	C05	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
831	D		Ind Meas & Reg Cost		0	C06	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
832	D		Direct Sch 131		0	C07	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
833	D		Direct Sch 146		0	C08	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
834	D		Open		0	xxx	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
835	D		Open		0	xxx	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
836	D		384 House Regulator Installations		T13		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
837	D		All Customers		0	C01	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
838	D		Service Cost		0	C02	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
839	D		Meter Cost		0	C03	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
840	D		Regulator Cost		0	C04	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
841	D		Installations Cost		100	C05	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
842	D		Ind Meas & Reg Cost		0	C06	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
843	D		Direct Sch 131		0	C07	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
844	D		Direct Sch 146		0	C08	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
845	D		Open		0	xxx	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
846	D		Open		0	xxx	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
847	D		385 Industrial Meas & Reg Station Equip		T15		1,426,000	1,426,000	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
848	D		All Customers		0	C01	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
849	D		Service Cost		0	C02	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
850	D		Meter Cost		0	C03	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
851	D		Regulator Cost		0	C04	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
852	D		Installations Cost		0	C05	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
853	D		Ind Meas & Reg Cost		100	C06	0	1,426,000	0	1,255,218	68,192	7,694	94,896	0	0	0	0	0	0	0	0	0	0	0	0
854	D		Direct Sch 131		0	C07	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

1 Assign	2 Company Base Case	3 WA Accepted Method	AVISTA UTILITIES										Washington Jurisdiction					
			Cost of Service Calculation										Natural Gas Utility					
			For the Year Ended December 31, 2003										Functionalization and Classification					
4	5 (k)	6 (l)	7 (m)	8 (n)	9 (o)	10 (p)	11 (q)	12 (r)	13 (s)	14 (t)	15 (u)	16 (v)	17 (w)	18 (x)	19 (y)	20 (z)	21 (aa)	22 (ab)
Account Description	Notes	Functional Allocation	Class Allocator	Proforma Totals	Functional Totals	Residential Service Sch 101	Small Firm Service Sch 111	Large Firm Service Sch 121	Interrupt Service Sch 131	Transport Service Sch 146	Open	Open1	Open2	Open3	Open4			
855	D	Direct Sch 146		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
856	O	Open	C08	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
857	O	Open	xxx	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
858	O	387 Other Equipment	xxx	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
859	D	Other Dist Plant		Input	0	0	0	0	0	0	0	0	0	0	0	0	0	0
860		Total Distribution Plant	S05	100	191,970,000	150,578,464	32,553,403	3,889,888	343,651	4,604,594	0	0	0	0	0	0	0	0
861					191,970,000	150,578,464	32,553,403	3,889,888	343,651	4,604,594	0	0	0	0	0	0	0	0
862		<b>General Plant</b>																
863	O	Land & Land Rights		Input	186,000	143,885	32,635	4,005	359	5,115	0	0	0	0	0	0	0	0
864	O	General Plant Alloc	S03	100	186,000	143,885	32,635	4,005	359	5,115	0	0	0	0	0	0	0	0
865	O	Structures & Improvements		Input	3,154,000	2,439,862	553,398	67,917	6,083	86,740	0	0	0	0	0	0	0	0
866	O	General Plant Alloc	S03	100	3,154,000	2,439,862	553,398	67,917	6,083	86,740	0	0	0	0	0	0	0	0
867	O	Office Furniture & Equipment		Input	3,094,000	2,393,448	542,870	66,625	5,967	85,090	0	0	0	0	0	0	0	0
868	O	General Plant Alloc	S03	100	3,094,000	2,393,448	542,870	66,625	5,967	85,090	0	0	0	0	0	0	0	0
869	O	Transportation Equipment		Input	1,534,000	1,186,667	269,154	33,033	2,958	42,187	0	0	0	0	0	0	0	0
870	O	General Plant Alloc	S03	100	1,534,000	1,186,667	269,154	33,033	2,958	42,187	0	0	0	0	0	0	0	0
871	O	Stores Equipment		Input	117,000	90,509	20,529	2,519	226	3,218	0	0	0	0	0	0	0	0
872	O	General Plant Alloc	S03	100	117,000	90,509	20,529	2,519	226	3,218	0	0	0	0	0	0	0	0
873	O	Tools, Shop & Garage Equipment		Input	924,000	714,785	162,124	19,897	1,782	25,411	0	0	0	0	0	0	0	0
874	O	General Plant Alloc	S03	100	924,000	714,785	162,124	19,897	1,782	25,411	0	0	0	0	0	0	0	0
875	O	Laboratory Equipment		Input	493,000	381,374	86,501	10,616	951	13,558	0	0	0	0	0	0	0	0
876	O	General Plant Alloc	S03	100	493,000	381,374	86,501	10,616	951	13,558	0	0	0	0	0	0	0	0
877	O	Power Operated Equipment		Input	2,105,000	1,628,380	369,341	45,328	4,060	57,891	0	0	0	0	0	0	0	0
878	O	General Plant Alloc	S03	100	2,105,000	1,628,380	369,341	45,328	4,060	57,891	0	0	0	0	0	0	0	0
879	O	Communication Equipment		Input	2,551,000	1,973,395	447,596	54,933	4,920	70,156	0	0	0	0	0	0	0	0
880	O	General Plant Alloc	S03	100	2,551,000	1,973,395	447,596	54,933	4,920	70,156	0	0	0	0	0	0	0	0
881	O	Miscellaneous Equipment		Input	60,000	46,415	10,528	1,292	116	1,650	0	0	0	0	0	0	0	0
882	O	General Plant Alloc	S03	100	60,000	46,415	10,528	1,292	116	1,650	0	0	0	0	0	0	0	0
883		Total General Plant			14,218,000	10,998,720	2,494,677	306,166	27,421	391,016	0	0	0	0	0	0	0	0
884		Total Plant In Service			221,794,000	171,576,546	38,914,806	4,775,841	427,726	6,099,081	0	0	0	0	0	0	0	0
885					221,794,000	171,576,546	38,914,806	4,775,841	427,726	6,099,081	0	0	0	0	0	0	0	0
886		<b>Accumulated Reserve for Depreciation</b>																
887		<i>Underground Storage Plant Accum. Depr.</i>																
888	O	Land & Land Rights Accum. Depr.		U01	(10,000)	(1,609)	(619)	(72)	0	0	0	0	0	0	0	0	0	0
889	U	Coincident Peak Firm	D04	23	(10,000)	(1,609)	(619)	(72)	0	0	0	0	0	0	0	0	0	0
890	U	Throughput	E01	77	(7,700)	(4,613)	(1,960)	(321)	(39)	(767)	0	0	0	0	0	0	0	0
891	U	Sales Thermis	E04	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
892	U	Structures & Improvements Accum. Depr.		U01	(402,000)	(64,700)	(24,865)	(2,895)	0	0	0	0	0	0	0	0	0	0
893	U	Coincident Peak Firm	D04	23	(402,000)	(64,700)	(24,865)	(2,895)	0	0	0	0	0	0	0	0	0	0
894	U	Throughput	E01	77	(309,540)	(185,448)	(78,783)	(12,914)	(1,555)	(30,841)	0	0	0	0	0	0	0	0
895	U	Sales Thermis	E04	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
896	U	Wells Accum. Depr.		U01	(4,704,000)	(757,089)	(290,961)	(33,870)	0	0	0	0	0	0	0	0	0	0
897	U	Coincident Peak Firm	D04	23	(4,704,000)	(757,089)	(290,961)	(33,870)	0	0	0	0	0	0	0	0	0	0
898	U	Throughput	E01	77	(3,622,080)	(2,170,024)	(921,874)	(151,110)	(18,190)	(360,882)	0	0	0	0	0	0	0	0
899	U	Sales Thermis	E04	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
900	U	Lines Accum. Depr.		U01	(227,000)	(36,535)	(14,041)	(1,634)	0	0	0	0	0	0	0	0	0	0
901	U	Coincident Peak Firm	D04	23	(227,000)	(36,535)	(14,041)	(1,634)	0	0	0	0	0	0	0	0	0	0

1 Assign		AVISTA UTILITIES		Natural Gas Utility		Washington Jurisdiction																		
2 Company Base Case		Cost of Service Calculation		Functionalization and Classification		Small Firm		Large Firm		Interrupt		Transport		Open1		Open2		Open3		Open4				
3 WA Accepted Method		For the Year Ended December 31, 2003		Notes Functional		Residential		Small Firm		Large Firm		Interrupt		Transport		Open1		Open2		Open3		Open4		
4				Allocation		Service		Service		Service		Service		Service		Open		Open		Open		Open		
5 (k) (l) (m) (n) (o) (p) (q) (r) (s) (t) (u) (v) (w) (x) (y) (z) (aa) (ab)				Class		Sch 101		Sch 111		Sch 121		Sch 131		Sch 146		Open		Open		Open		Open		
6 Account Description		Functional		Alloc		Totals		Totals		Totals		Totals		Totals		Open		Open		Open		Open		
7		Allocation		Totals		Totals		Totals		Totals		Totals		Totals		Open		Open		Open		Open		
8		Totals		Totals		Totals		Totals		Totals		Totals		Totals		Open		Open		Open		Open		
902	U	Throughput	77	E01																				
903	U	Sales Therms	0	E04																				
904	354	Compressor Station Equip. Accum. Depr.	U01																					
905	U	Coincident Peak Firm	23	D04																				
906	U	Throughput	77	E01																				
907	U	Sales Therms	0	E04																				
908	355	Measuring & Regulating Equip. Accum. Depr.	U01																					
909	U	Coincident Peak Firm	23	D04																				
910	U	Throughput	77	E01																				
911	U	Sales Therms	0	E04																				
912	356	Purification Equipment Accum. Depr.	U01																					
913	U	Coincident Peak Firm	23	D04																				
914	U	Throughput	77	E01																				
915	U	Sales Therms	0	E04																				
916	357	Other Equipment Accum. Depr.	U01																					
917	U	Coincident Peak Firm	23	D04																				
918	U	Throughput	77	E01																				
919	U	Sales Therms	0	E04																				
920		Total Underground Storage Plant Accum. Def																						
921																								
922		<i>Distribution Plant Accumulated Depreciation</i>																						
923	374	Land & Land Rights Accum. Depr.	Input																					
924	D	Other Dist Plant	100	S05																				
925	375	Structures & Improvements Accum. Depr.	Input																					
926	D	Other Dist Plant	100	S05																				
927	376-SM	Mains Accum. Depr.	T01																					
928	D	Coincident Peak - All	0	D01																				
929	D	Coincident Peak - Small Mains	54.37	D02																				
930	D	Throughput	0	E01																				
931	D	Therms - Small Mains	45.63	E06																				
932	D	Direct 131	0	D06																				
933	D	Direct 146	0	D07																				
934		Open	0	xxx																				
935		Open	0	xxx																				
936		Open	0	xxx																				
937		Open	0	xxx																				
938	376-LG	Mains Accum. Depr.	T02																					
939	D	Coincident Peak - All	17155.231	D01																				
940	D	Coincident Peak - Small Mains	0	D02																				
941	D	Throughput	14432.769	E01																				
942	D	Therms - Small Mains	0	E06																				
943	D	Direct 131	31.5	D06																				
944	D	Direct 146	10.5	D07																				
945		Open	0	xxx																				
946		Open	0	xxx																				
947		Open	0	xxx																				
948		Open	0	xxx																				

AVISTA UTILITIES Cost of Service Calculation For the Year Ended December 31, 2003				Washington Jurisdiction													
				Natural Gas Utility					Functionalization and Classification								
(k)	(l)	(m)	(n)	(o)	(p)	(q)	(r)	(s)	(t)	(u)	(v)	(w)	(x)	(y)	(z)	(aa)	(ab)
Account	Description	Notes	Functional	Class	Proforma	Functional	Residential	Small Firm	Large Firm	Interrupt	Transport	Open	Open1	Open2	Open3	Open4	
		Equip-Gen. Accum. Depr.	Allocation	Alloc	Totals	Totals	Sch 101	Sch 111	Sch 121	Sch 131	Sch 146	Open	Open	Open	Open	Open	
949	378 Meas & Reg Station Equip-Gen. Accum. Depr.		T03		(244,000)												
950	D Coincident Peak - All		54.37	D01		(132,663)	(82,861)	(31,845)	(3,707)	(542)	(13,708)	0	0	0	0	0	0
951	D Coincident Peak - Small Mains		0	D02		0	0	0	0	0	0	0	0	0	0	0	0
952	D Throughput		45.63	E01		(111,337)	(66,703)	(28,337)	(4,645)	(559)	(11,093)	0	0	0	0	0	0
953	D Therms - Small Mains		0	E06		0	0	0	0	0	0	0	0	0	0	0	0
954	D Direct 131		0	D06		0	0	0	0	0	0	0	0	0	0	0	0
955	D Direct 146		0	D07		0	0	0	0	0	0	0	0	0	0	0	0
956	Open		0	xxx		0	0	0	0	0	0	0	0	0	0	0	0
957	Open		0	xxx		0	0	0	0	0	0	0	0	0	0	0	0
958	Open		0	xxx		0	0	0	0	0	0	0	0	0	0	0	0
959	Open		0	xxx		0	0	0	0	0	0	0	0	0	0	0	0
960	379 Meas & Reg Station Equip-City Gate Accum.		T03		(181,000)												
961	D Coincident Peak - All		54.37	D01		(98,410)	(61,466)	(23,622)	(2,750)	(402)	(10,169)	0	0	0	0	0	0
962	D Coincident Peak - Small Mains		0	D02		0	0	0	0	0	0	0	0	0	0	0	0
963	D Throughput		45.63	E01		(82,590)	(49,481)	(21,020)	(3,446)	(415)	(8,229)	0	0	0	0	0	0
964	D Therms - Small Mains		0	E06		0	0	0	0	0	0	0	0	0	0	0	0
965	D Direct 131		0	D06		0	0	0	0	0	0	0	0	0	0	0	0
966	D Direct 146		0	D07		0	0	0	0	0	0	0	0	0	0	0	0
967	Open		0	xxx		0	0	0	0	0	0	0	0	0	0	0	0
968	Open		0	xxx		0	0	0	0	0	0	0	0	0	0	0	0
969	Open		0	xxx		0	0	0	0	0	0	0	0	0	0	0	0
970	Open		0	xxx		0	0	0	0	0	0	0	0	0	0	0	0
971	380 Services Accum. Depr.		T11		(23,600,000)												
972	D All Customers		0	C01		0	0	0	0	0	0	0	0	0	0	0	0
973	D Service Cost		100	C02		(23,600,000)	(23,071,244)	(431,819)	(46,258)	(2,552)	(48,127)	0	0	0	0	0	0
974	D Meter Cost		0	C03		0	0	0	0	0	0	0	0	0	0	0	0
975	D Regulator Cost		0	C04		0	0	0	0	0	0	0	0	0	0	0	0
976	D Installations Cost		0	C05		0	0	0	0	0	0	0	0	0	0	0	0
977	D Ind Meas & Reg Cost		0	C06		0	0	0	0	0	0	0	0	0	0	0	0
978	D Direct Sch 131		0	C07		0	0	0	0	0	0	0	0	0	0	0	0
979	D Direct Sch 146		0	C08		0	0	0	0	0	0	0	0	0	0	0	0
980	Open		0	xxx		0	0	0	0	0	0	0	0	0	0	0	0
981	Open		0	xxx		0	0	0	0	0	0	0	0	0	0	0	0
982	381 Meters Accum. Depr.		T12		(5,136,000)												
983	D All Customers		0	C01		0	0	0	0	0	0	0	0	0	0	0	0
984	D Service Cost		0	C02		0	0	0	0	0	0	0	0	0	0	0	0
985	D Meter Cost		100	C03		(5,136,000)	(3,932,633)	(1,104,093)	(39,425)	(4,475)	(55,374)	0	0	0	0	0	0
986	D Regulator Cost		0	C04		0	0	0	0	0	0	0	0	0	0	0	0
987	D Installations Cost		0	C05		0	0	0	0	0	0	0	0	0	0	0	0
988	D Ind Meas & Reg Cost		0	C06		0	0	0	0	0	0	0	0	0	0	0	0
989	D Direct Sch 131		0	C07		0	0	0	0	0	0	0	0	0	0	0	0
990	D Direct Sch 146		0	C08		0	0	0	0	0	0	0	0	0	0	0	0
991	Open		0	xxx		0	0	0	0	0	0	0	0	0	0	0	0
992	Open		0	xxx		0	0	0	0	0	0	0	0	0	0	0	0
993	382 Meter Installations Accum. Depr.		T13		0												
994	D All Customers		0	C01		0	0	0	0	0	0	0	0	0	0	0	0
995	D Service Cost		0	C02		0	0	0	0	0	0	0	0	0	0	0	0

Account Description	(k)	(l)	(m)	(n)	(o)	(p)	(q)	(r)	(s)	(t)	(u)	(v)	(w)	(x)	(y)	(z)	(aa)	(ab)
Account Description	(k)	(l)	(m)	(n)	(o)	(p)	(q)	(r)	(s)	(t)	(u)	(v)	(w)	(x)	(y)	(z)	(aa)	(ab)
Account Description	(k)	(l)	(m)	(n)	(o)	(p)	(q)	(r)	(s)	(t)	(u)	(v)	(w)	(x)	(y)	(z)	(aa)	(ab)
Account Description	(k)	(l)	(m)	(n)	(o)	(p)	(q)	(r)	(s)	(t)	(u)	(v)	(w)	(x)	(y)	(z)	(aa)	(ab)
Account Description	(k)	(l)	(m)	(n)	(o)	(p)	(q)	(r)	(s)	(t)	(u)	(v)	(w)	(x)	(y)	(z)	(aa)	(ab)
D Meter Cost					0	C03		0	0	0	0	0	0	Open	0	0	0	0
D Regulator Cost					0	C04		0	0	0	0	0	0	0	0	0	0	0
D Installations Cost					100	C05		0	0	0	0	0	0	0	0	0	0	0
D Ind Meas & Reg Cost					0	C06		0	0	0	0	0	0	0	0	0	0	0
D Direct Sch 131					0	C07		0	0	0	0	0	0	0	0	0	0	0
D Direct Sch 146					0	C08		0	0	0	0	0	0	0	0	0	0	0
Open					0	xxx		0	0	0	0	0	0	0	0	0	0	0
Open					0	xxx		0	0	0	0	0	0	0	0	0	0	0
383 House Regulators Accum. Depr.					0			0	0	0	0	0	0	0	0	0	0	0
D All Customers					0	C01		0	0	0	0	0	0	0	0	0	0	0
D Service Cost					0	C02		0	0	0	0	0	0	0	0	0	0	0
D Meter Cost					0	C03		0	0	0	0	0	0	0	0	0	0	0
D Regulator Cost					100	C04		0	0	0	0	0	0	0	0	0	0	0
D Installations Cost					0	C05		0	0	0	0	0	0	0	0	0	0	0
D Ind Meas & Reg Cost					0	C06		0	0	0	0	0	0	0	0	0	0	0
D Direct Sch 131					0	C07		0	0	0	0	0	0	0	0	0	0	0
D Direct Sch 146					0	C08		0	0	0	0	0	0	0	0	0	0	0
Open					0	xxx		0	0	0	0	0	0	0	0	0	0	0
Open					0	xxx		0	0	0	0	0	0	0	0	0	0	0
384 House Regulator Installations Accum. Depr.					0			0	0	0	0	0	0	0	0	0	0	0
D All Customers					0	C01		0	0	0	0	0	0	0	0	0	0	0
D Service Cost					0	C02		0	0	0	0	0	0	0	0	0	0	0
D Meter Cost					0	C03		0	0	0	0	0	0	0	0	0	0	0
D Regulator Cost					100	C04		0	0	0	0	0	0	0	0	0	0	0
D Installations Cost					0	C05		0	0	0	0	0	0	0	0	0	0	0
D Ind Meas & Reg Cost					0	C06		0	0	0	0	0	0	0	0	0	0	0
D Direct Sch 131					0	C07		0	0	0	0	0	0	0	0	0	0	0
D Direct Sch 146					0	C08		0	0	0	0	0	0	0	0	0	0	0
Open					0	xxx		0	0	0	0	0	0	0	0	0	0	0
Open					0	xxx		0	0	0	0	0	0	0	0	0	0	0
385 Industrial Meas & Reg Station Equip Accum.					0			(423,000)	0	0	0	0	0	0	0	0	0	0
D All Customers					0	C01		0	0	0	0	0	0	0	0	0	0	0
D Service Cost					0	C02		0	0	0	0	0	0	0	0	0	0	0
D Meter Cost					0	C03		0	0	0	0	0	0	0	0	0	0	0
D Regulator Cost					0	C04		0	0	0	0	0	0	0	0	0	0	0
D Installations Cost					100	C05		0	0	0	0	0	0	0	0	0	0	0
D Ind Meas & Reg Cost					0	C06		0	0	0	0	0	0	0	0	0	0	0
D Direct Sch 131					0	C07		0	0	0	0	0	0	0	0	0	0	0
D Direct Sch 146					0	C08		0	0	0	0	0	0	0	0	0	0	0
Open					0	xxx		0	0	0	0	0	0	0	0	0	0	0
Open					0	xxx		0	0	0	0	0	0	0	0	0	0	0
387 Other Equipment Accum. Depr.					0			0	0	0	0	0	0	0	0	0	0	0
D Other Dist Plant					100	S05		0	0	0	0	0	0	0	0	0	0	0
Total Distribution Plant Accumulated					0			(60,239,000)	(47,365,856)	(10,087,810)	(1,240,421)	(108,485)	(1,436,427)	0	0	0	0	0
General Plant Accumulated Depreciation					0			(423,000)	0	(372,340)	(20,228)	(2,282)	(28,149)	0	0	0	0	0
389 Land & Land Rights Accum. Depr.					0			(5,000)	0	0	0	0	0	0	0	0	0	0

Account Description	(k)	(l)	(m)	(n)	(o)	(p)	(q)	(r)	(s)	(t)	(u)	(v)	(w)	(x)	(y)	(z)	(aa)	(ab)
7 Account Description	(k)	(l)	(m)	(n)	(o)	(p)	(q)	(r)	(s)	(t)	(u)	(v)	(w)	(x)	(y)	(z)	(aa)	(ab)
8																		
1043	O	General Plant Alloc	100	S03	Input			(5,000)	(3,868)	(877)	(108)	(10)	(138)	0	0	0	0	0
1044	390	Structures & Improvements Accum. Depr.	Input				(996,000)											
1045	O	General Plant Alloc	100	S03	Input			(996,000)	(770,483)	(174,757)	(21,448)	(1,921)	(27,391)	0	0	0	0	0
1046	391	Office Furniture & Equipment Accum. Depr.	Input				(1,767,000)											
1047	O	General Plant Alloc	100	S03	Input			(1,767,000)	(1,366,911)	(310,036)	(38,050)	(3,408)	(48,595)	0	0	0	0	0
1048	392	Transportation Equipment Accum. Depr.	Input				(231,000)											
1049	O	General Plant Alloc	100	S03	Input			(231,000)	(178,696)	(40,531)	(4,974)	(446)	(6,353)	0	0	0	0	0
1050	393	Stores Equipment Accum. Depr.	Input				(34,000)											
1051	O	General Plant Alloc	100	S03	Input			(34,000)	(26,302)	(5,966)	(732)	(66)	(935)	0	0	0	0	0
1052	394	Tools, Shop & Garage Equip. Accum. Depr.	Input				(282,000)											
1053	O	General Plant Alloc	100	S03	Input			(282,000)	(218,149)	(49,479)	(6,073)	(544)	(7,755)	0	0	0	0	0
1054	395	Laboratory Equipment Accum. Depr.	Input				(163,000)											
1055	O	General Plant Alloc	100	S03	Input			(163,000)	(126,093)	(28,600)	(3,510)	(314)	(4,483)	0	0	0	0	0
1056	396	Power Operated Equipment Accum. Depr.	Input				(923,000)											
1057	O	General Plant Alloc	100	S03	Input			(923,000)	(714,012)	(161,949)	(19,876)	(1,780)	(25,384)	0	0	0	0	0
1058	397	Communication Equipment Accum. Depr.	Input				(911,000)											
1059	O	General Plant Alloc	100	S03	Input			(911,000)	(704,729)	(159,843)	(19,617)	(1,757)	(25,054)	0	0	0	0	0
1060	398	Miscellaneous Equipment Accum. Depr.	Input				(27,000)											
1061	O	General Plant Alloc	100	S03	Input			(27,000)	(20,887)	(4,737)	(581)	(52)	(743)	0	0	0	0	0
1062	Total	General Plant Accumulated Depr					(5,339,000)	(5,339,000)	(4,130,128)	(936,776)	(114,969)	(10,297)	(146,830)	0	0	0	0	0
1063	Total	Accumulated Depreciation					(72,073,000)	(72,073,000)	(55,537,565)	(12,699,195)	(1,610,799)	(143,898)	(2,081,542)	0	0	0	0	0
1064																		
1065																		
1066	Accumulated Amortization																	
1067	303.1X	Miscellaneous-Computer Software	Input				(938,000)											
1068	O	General Plant Alloc	100	S03	Input			(938,000)	(725,615)	(164,581)	(20,199)	(1,809)	(25,796)	0	0	0	0	0
1069	Leasehold	Improvements	Input				(871,000)											
1070	O	General Plant Alloc	100	S03	Input			(871,000)	(673,786)	(152,825)	(18,756)	(1,680)	(23,954)	0	0	0	0	0
1071	Intangible	Distribution Plant	Input				(9,000)											
1072	D	Distribution Plant	100	S15	Input			(9,000)	(7,059)	(1,526)	(182)	(16)	(216)	0	0	0	0	0
1073	Total	Accumulated Amortization					(1,818,000)	(1,818,000)	(1,406,461)	(318,932)	(39,137)	(3,505)	(49,966)	0	0	0	0	0
1074																		
1075	Net Plant						147,903,000	147,903,000	114,632,520	25,896,679	3,125,905	280,323	3,967,573	0	0	0	0	0
1076	Accumulated Deferred Income Taxes						(22,438,000)	(22,438,000)	(17,357,704)	(3,936,853)	(483,152)	(43,271)	(617,019)	0	0	0	0	0
1077	A	Plant in Service	100	S17	Input			(22,438,000)	(17,357,704)	(3,936,853)	(483,152)	(43,271)	(617,019)	0	0	0	0	0
1078	Total	Accum Deferred Income Tax					(22,438,000)	(22,438,000)	(17,357,704)	(3,936,853)	(483,152)	(43,271)	(617,019)	0	0	0	0	0
1079																		
1080																		
1081	Miscellaneous Rate Base Items																	
1082	Customer	Advances	Input				(14,000)											
1083	D	Direct Sch 101	100	C10	Input			(14,000)	(14,000)	0	0	0	0	0	0	0	0	0
1084	Gas	Inventory	Input				4,568,000											
1085	U	Underground Storage Plant	100	S14	Input			4,568,000	2,842,485	1,177,770	179,632	17,664	350,449	0	0	0	0	0
1086	Gain on	Sale of Office Building	Input				(378,000)											
1087	O	General Plant Alloc	100	S03	Input			(378,000)	(292,412)	(66,324)	(8,140)	(729)	(10,396)	0	0	0	0	0
1088	Demand	Side Management Investment	Input				2,275,000											
1089	DSM	Coincident Peak - All	54.37	D01	Input			1,236,918	772,575	296,912	34,563	5,053	127,815	0	0	0	0	0

1 Assign	2 Company Base Case	3 WA Accepted Method	4	AVISTA UTILITIES												09-Jun-04	
				Cost of Service Calculation						Natural Gas Utility			Washington Jurisdiction				
				For the Year Ended December 31, 2003						Functionalization and Classification							
5 (k)	6 (l)	7 (m)	8 (n)	(o)	(p)	(q)	(r)	(s)	(t)	(u)	(v)	(w)	(x)	(y)	(z)	(aa)	(ab)
Account Description	Notes	Functional	Class	Proforma	Functional	Residential	Small Firm	Large Firm	Interrupt	Transport	Open	Open1	Open2	Open3	Open4		
	Allocation	Allocation	Allocator	Totals	Totals	Sch 101	Sch 111	Sch 121	Sch 131	Sch 146	Open	Open1	Open2	Open3	Open4		
1090	DSM	Throughput				621,925	264,208	43,308	5,213	103,428							
1091	Open																
1092	Open																
1093	Total	Miscellaneous	Rate Base	Items		3,930,573	1,672,566	249,363	27,202	571,296							
1094																	
1095	Total	Rate Base				101,205,390	23,632,392	2,892,115	264,253	3,921,850							
1096																	
1097																	
1098																	
1099																	
1100	Non-Additive	Input Items				5.79%	5.79%	7.41%	5.20%	3.00%							
1101	-Interest	Expense															
1102	Rate Base					4,412,910	1,030,455	126,106	11,522	171,006							
						5,752,000	5,752,000										
	Input																
	100																

1 2 3 4	5 6 7 8	9 10 11 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	3 4	Natural Gas Utility				Washington Jurisdiction				Source / Description		
					(bb) Class Allocator	(bc) (bd)	(be) Class Allocator	(bf) Residential Service Sch 101	(bg) Small Firm Service Sch 111	(bh) Large Firm Service Sch 121	(bi) Interrupt Service Sch 131	(bj) Transport Service Sch 146		(bk) Open	(bl) Open1
E01	Commodity Allocators	198,774,965	119,088,035	50,591,209	8,292,712	998,259	19,804,750	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	Input from Proforma Revenue Study
E02	Throughput	100.000%	59.911%	25.451%	4.172%	0.502%	9.963%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	All Schedules Except Special Contract
E03	Throughput Excl Spec Cont	198,774,965	119,088,035	50,591,209	8,292,712	998,259	19,804,750	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	Firm Schedules 101-121
E04	Firm Therms	177,971,956	119,088,035	50,591,209	8,292,712	0	0	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	Sales Schedules 101-131
E05	Sales Therms	100.000%	66.914%	28.427%	4.660%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	Schedules 121-146
E06	Industrial Therms	178,970,215	119,088,035	50,591,209	8,292,712	998,259	19,804,750	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	Schedules 101-121, subset 131, 146
E07	Therms - Small Mains	29,095,721	66.541%	28.268%	4.634%	0.558%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	Input from Proforma Gas Supply
E08	Therms - Small Mains	180,465,176	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	Open
E09	Purchased Gas - Commodity	100.000%	55.135%	23.422%	3.839%	0.204%	1.177%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	Open
E10	Open	0	66.541%	28.268%	4.634%	0.558%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	Open
E11	Open	0	0	0	0	0	0	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	Open
D01	Demand Allocators	1,193,583	745,508	286,510	33,352	4,876	123,337	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	Input from Peak Study
D02	Coincident Peak - All	100.000%	62.460%	24.004%	2.794%	0.409%	10.333%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	Schedules 101-121, subset 131, 146
D03	Coincident Peak - Small Mains	1,076,828	745,508	286,510	33,352	2,082	9,376	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	Schedules 121-146
D04	Coincident Peak - Ind	100.000%	69.232%	26.607%	3.097%	0.193%	0.871%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	Firm Schedules 101-121
D05	Coincident Peak Firm	161,565	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	Input from Proforma Gas Supply
D06	Coincident Peak Demand	1,065,370	745,508	286,510	33,352	4,876	123,337	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	Direct Assignment Schedule 131
D07	Purchased Gas - Demand	100.000%	69.976%	26.893%	3.131%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	Direct Assignment Schedule 146
D08	Direct 131	14,625,370	9,789,036	4,079,170	645,339	71,226	40,599	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	Open
C01	Customer Allocators	100.000%	66.932%	27.891%	4.412%	0.487%	0.278%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	Unweighted Customers
C02	All Customers	1,547,839	1,518,691	28,425	435	24	264	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	Wtd Avg Service Cost
C03	Service Cost	100.000%	98.117%	1.836%	0.028%	0.002%	0.017%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	Weighted Average Meter Cost
C04	Meter Cost	1,553,497	1,518,691	28,425	3,045	168	3,168	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	Open
C05	Meter Cost	100.000%	97.760%	1.830%	0.196%	0.011%	0.204%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	Open
C06	Meter Cost	1,983,403	1,518,691	426,375	15,225	1,728	21,384	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	Schedules 121-146
C07	Regulator Cost	100.000%	76.570%	21.497%	0.768%	0.087%	1.078%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	
C08	Regulator Cost	1,547,839	1,518,691	28,425	435	24	264	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	
C09	Installations Cost	100.000%	98.117%	1.836%	0.028%	0.002%	0.017%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	
C10	Installations Cost	1,547,839	1,518,691	28,425	435	24	264	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	
C11	Ind Meas & Reg Cost	100.000%	98.117%	1.836%	0.028%	0.002%	0.017%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	
C12	Ind Meas & Reg Cost	32,292	0	28,425	1,544	174	2,149	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	
C13	Ind Meas & Reg Cost	100.000%	0.000%	88.024%	4.782%	0.540%	6.655%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	



Washington Jurisdiction

Natural Gas Utility

1 Assign	2 Company Base Case	3 WA Accepted Method	(bc)	(bd)	(be)	(bf)	(bg)	(bh)	(bi)	(bj)	(bk)	(bl)	(bm)	(bn)	(bo)	(bp)
6 Class	7 Allocator	8 Name	Description	Class Allocator Total	Residential Service Sch 101	Small Firm Service Sch 111	Large Firm Service Sch 121	Interrupt Service Sch 131	Transport Service Sch 146	Open	Open1	Open2	Open3	Open4	Source / Description	
56	C07	Direct Sch 131		24	0	0	0	24	0	0	0	0	0	0	0	Direct Assignment Schedule 131
57	C08	Direct Sch 146		264	0	0	0	0	264	0	0	0	0	0	0	Direct Assignment Schedule 146
58	C09	Open		0	0	0	0	0	0	0	0	0	0	0	0	Open
59	C10	Direct Sch 101		1,518,691	1,518,691	0	0	0	0	0	0	0	0	0	0	Direct Assignment Schedule 101
60		Number of Customers (Average)		128,987	126,558	2,369	36	2	22							Input from Proforma Revenue Study
62		Number of Customers (Annualized)		1,547,839	1,518,691	28,425	435	24	264							
67		Customer Weightings														
68		All Customers		1	1	1	1	1	1							
69		Service Cost		1	1	7	12	7	12							
70		Meter Cost		1	15	35	81	72	81							
71		Regulator Cost		1	1	1	1	1	1							
72		Installations Cost		1	1	1	1	1	1							
73		Ind Meas & Reg Cost		0	1.00	3.55	8.14	7.26	8.14							
74		Direct Sch 131		0	0	0	0	1	0							
75		Direct Sch 146		0	0	0	0	0	1							
76		Open		0	0	0	0	0	0							
77		Direct Sch 101		1	0	0	0	0	0							
79		Revenue Allocator Calculation														
80		From Sale of Gas		136,430,000	95,790,000	34,745,000	5,274,000	621,000	1,081,000							Input
81		From Transport of Gas		1,081,000	0	0	0	0	0							Input
82		Open		0	0	0	0	0	0							Input
83		Open		0	0	0	0	0	0							Input
84	R01	Revenues From Retail Rates		137,511,000	95,790,000	34,745,000	5,274,000	621,000	1,081,000	0	0	0	0	0	0	Rate Revenues
85				100.0000%	69.6600%	25.267%	3.835%	0.452%	0.786%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	Input
86	R03	Uncollectibles Allocator		137,511,000	95,790,000	34,745,000	5,274,000	621,000	1,081,000	0	0	0	0	0	0	Rate Revenues
87				100.0000%	69.6600%	25.267%	3.835%	0.452%	0.786%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	Input
88				0	0	0	0	0	0	0	0	0	0	0	0	Rate Revenues
89				0	0	0	0	0	0	0	0	0	0	0	0	Rate Revenues
90		Income Tax Allocator Calculation														
91		Revenues		(141,235,000)	(98,436,178)	(35,627,583)	(5,403,714)	(634,675)	(1,132,850)	0	0	0	0	0	0	Line 695
92		Expenses w/o Income Tax		132,093,000	91,672,653	33,530,776	5,279,292	618,226	992,053	0	0	0	0	0	0	Line 655
93		Interest Expense		0	0	0	0	0	0	0	0	0	0	0	0	Line 1102
94		Income Tax Allocator		9,142,000	6,763,525	2,096,806	124,422	16,449	140,797	0	0	0	0	0	0	= Rev - Exp - Int
95				100.0000%	73.983%	22.936%	1.361%	0.180%	1.540%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	
96		Summed Allocators														
97	S01	Rate Base		131,916,000	101,205,390	23,632,392	2,892,115	264,253	3,921,850	0	0	0	0	0	0	Line 1095
98				100.0000%	76.720%	17.915%	2.192%	0.200%	2.973%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	
99	S02	Admin & Gen Exp Alloc		11,887,000	9,898,499	1,561,034	170,160	17,332	239,974	0	0	0	0	0	0	Line 341 - Sum Lines 11-139 - Line 297
100				100.0000%	83.272%	13.132%	1.431%	0.146%	2.019%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	
101	S03	General Plant Alloc		205,682,000	159,110,898	36,088,774	4,429,098	396,675	5,656,554	0	0	0	0	0	0	Line 741 + Line 860
102				100.0000%	77.358%	17.546%	2.153%	0.193%	2.750%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	

Washington Jurisdiction

Natural Gas Utility

AVISTA UTILITIES  
Class Allocator Worksheet  
For the Year Ended December 31, 2003

1 Assign  
2 Company Base Case  
3 WA Accepted Method  
4

Class Allocator	Name	Description	(bc)	(bd)	(be) Class Allocator Total	(bf) Residential Service Sch 101	(bg) Small Firm Service Sch 111	(bh) Large Firm Service Sch 121	(bi) Interrupt Service Sch 131	(bj) Transport Service Sch 146	(bk) Open	Washington Jurisdiction			(bp) Source / Description
												(bl) Open1	(bm) Open2	(bn) Open3	
103	S04	Other Dist O&M Exp			4,980,000	3,796,368	946,584	96,643	9,154	131,251	0	0	0	0	Sum Lines 235 ~ 252, 259 ~ 278
104					100,000%	76,232%	19,008%	1,941%	0,184%	2,636%	0,000%	0,000%	0,000%	0,000%	
105	S05	Other Dist Plant			191,572,000	150,266,279	32,485,912	3,881,823	342,938	4,595,048	0	0	0	0	Sum Lines 748 ~ 857
106					100,000%	78,439%	16,958%	2,026%	0,179%	2,399%	0,000%	0,000%	0,000%	0,000%	
107	S06	Mains & Services Plant			165,890,000	132,107,220	25,930,541	3,555,505	304,247	3,992,486	0	0	0	0	Sum Lines 748 ~ 769 & 792 ~ 802
108					100,000%	79,635%	15,631%	2,143%	0,183%	2,407%	0,000%	0,000%	0,000%	0,000%	
109	S07	Meters, Hse Reg & Install Plan			21,547,000	16,498,531	4,631,990	165,399	18,772	232,308	0	0	0	0	Sum Lines 803 ~ 846
110					100,000%	76,570%	21,497%	0,768%	0,087%	1,078%	0,000%	0,000%	0,000%	0,000%	
111	S08	Meas & Reg Plant-General			2,103,000	1,289,070	518,697	71,983	9,490	213,760	0	0	0	0	Sum Lines 770 ~ 780
112					100,000%	61,297%	24,665%	3,423%	0,451%	10,165%	0,000%	0,000%	0,000%	0,000%	
113	S09	Meas & Reg Plant-City Gate			606,000	371,458	149,467	20,743	2,735	61,597	0	0	0	0	Sum Lines 781 ~ 791
114					100,000%	61,297%	24,665%	3,423%	0,451%	10,165%	0,000%	0,000%	0,000%	0,000%	
115	S10	Other Customer Acctg Exp			4,164,000	3,985,133	159,179	14,610	1,653	3,425	0	0	0	0	Sum Lines 285 ~ 304
116					100,000%	95,704%	3,823%	0,351%	0,049%	0,082%	0,000%	0,000%	0,000%	0,000%	
117	S11	Other Customer Info Exp			724,000	550,567	112,370	14,936	1,963	44,164	0	0	0	0	Sum Lines 310 ~ 321
118					100,000%	76,045%	15,521%	2,063%	0,271%	6,100%	0,000%	0,000%	0,000%	0,000%	
119	S12	Other Sales Exp			485,000	475,867	8,907	136	8	83	0	0	0	0	Sum Lines 327 ~ 338
120					100,000%	98,117%	1,836%	0,028%	0,002%	0,017%	0,000%	0,000%	0,000%	0,000%	
121	S13	Labor Expense			8,116,323	6,600,285	1,161,003	131,497	13,640	209,898	0	0	0	0	Input from Labor Study
122					100,000%	81,321%	14,305%	1,620%	0,168%	2,586%	0,000%	0,000%	0,000%	0,000%	
123	S14	Underground Storage Plant			13,712,000	8,532,434	3,535,371	539,210	53,024	1,051,960	0	0	0	0	Line 741
124					100,000%	62,226%	25,783%	3,932%	0,387%	7,672%	0,000%	0,000%	0,000%	0,000%	
125	S15	Distribution Plant			191,970,000	150,578,464	32,553,403	3,889,888	343,651	4,604,594	0	0	0	0	Line 860
126					100,000%	78,439%	16,958%	2,026%	0,179%	2,399%	0,000%	0,000%	0,000%	0,000%	
127	S16	General Plant			16,112,000	12,465,648	2,826,032	346,743	31,051	442,527	0	0	0	0	Line 883 + Line 706
128					100,000%	77,369%	17,540%	2,152%	0,193%	2,747%	0,000%	0,000%	0,000%	0,000%	
129	S17	Plant in Service			221,794,000	171,576,546	38,914,806	4,775,841	427,726	6,099,081	0	0	0	0	Line 884
130					100,000%	77,359%	17,545%	2,153%	0,193%	2,750%	0,000%	0,000%	0,000%	0,000%	
131	S18	Net Plant			147,903,000	114,632,520	25,896,679	3,125,905	280,323	3,967,573	0	0	0	0	Line 1075
132					100,000%	77,505%	17,509%	2,113%	0,190%	2,683%	0,000%	0,000%	0,000%	0,000%	
133	S19	Meas & Reg Plant-Industrial			1,426,000	0	1,255,218	68,192	7,694	94,896	0	0	0	0	Sum Lines 847 ~ 857
134					100,000%	0,000%	88,024%	4,782%	0,540%	6,655%	0,000%	0,000%	0,000%	0,000%	
135	S20	Services Plant			72,586,000	70,959,715	1,328,137	142,275	7,850	148,022	0	0	0	0	Sum Lines 792 ~ 802
136					100,000%	97,760%	1,830%	0,196%	0,011%	0,204%	0,000%	0,000%	0,000%	0,000%	
137	S21	Distribution Mains Plant			93,304,000	61,147,505	24,602,404	3,413,230	296,397	3,844,464	0	0	0	0	Sum Lines 748 ~ 769
138					100,000%	65,536%	26,368%	3,658%	0,318%	4,120%	0,000%	0,000%	0,000%	0,000%	
139	S22	Open			0	0	0	0	0	0	0	0	0	0	Open
140					0	0	0	0	0	0	0	0	0	0	
141					0	0	0	0	0	0	0	0	0	0	
142					0	0	0	0	0	0	0	0	0	0	
143					0	0	0	0	0	0	0	0	0	0	
144					0	0	0	0	0	0	0	0	0	0	
145					0	0	0	0	0	0	0	0	0	0	
146					0	0	0	0	0	0	0	0	0	0	

AVISTA UTILITIES  
Functional Allocation Tables  
For the Year Ended December 31, 2003

1 Assign  
2 Company Base Case  
3 WA Accepted Method

4  
5 (ah) (ai) (aj) (ak) (al) (am) (an) (ao) (ap) (aq) (ar) (as) (at) (au) (av) (aw) (ax)

9 Production Function Factor Table (pfactor)

10 Class	Factor Name	P01	P02	P03	P04	P05
11	Total Factor	100	100	100	364	0
12 E01	Throughput	0	100	0	0	0
13 D04	Coincident Peak Firm	10	0	0	0	0
14 E04	Sales Therms	90	0	100	232	0
15 E01	Throughput	0	0	0	132	0
16 xxx	Open	0	0	0	0	0
17	Demand	Storage	Commodity	Acct 807	Open	

19 Underground Storage Function Factor Table (ufactor)

20 Class	Factor Name	U01	U02	U03	U04
21	Total Factor	100	100	0	0
22 D04	Coincident Peak Firm	23	0	0	0
23 E01	Throughput	77	20	0	0
24 E04	Sales Therms	0	80	0	0

26 Distribution Function Factor Table (dfactor1)

27 Class	Factor Name	T01	T02	T03	T04	T05	T06	T07	T08	T09	T10
28	Total Factor	100	31630	100	0	0	0	0	0	0	0
29 D01	Coincident Peak - All	0	17,155.23	54.37	0	0	0	0	0	0	0
30 D02	Coincident Peak - Small Mains	54.37	0.00	0	0	0	0	0	0	0	0
31 E01	Throughput	0	14,432.77	45.63	0	0	0	0	0	0	0
32 E06	Therms - Small Mains	45.63	0.00	0	0	0	0	0	0	0	0
33 D06	Direct 131	0	31.50	0	0	0	0	0	0	0	0
34 D07	Direct 146	0	10.50	0	0	0	0	0	0	0	0
35 xxx	Open	0	0.00	0	0	0	0	0	0	0	0
36 xxx	Open	0	0.00	0	0	0	0	0	0	0	0
37 xxx	Open	0	0.00	0	0	0	0	0	0	0	0
38 xxx	Open	0	0.00	0	0	0	0	0	0	0	0
39	376SM	376LG	Peak&Avg	Ind P&A							

40 Distribution Function Factor Table (dfactor2)

41 Class	Factor Name	T11	T12	T13	T14	T15	T16	T17	T18	T19	T20
42	Total Factor	100	100	100	100	100	0	0	0	0	0
43 C01	All Customers	0	0	0	0	0	0	0	0	0	0
44 C02	Service Cost	100	0	0	0	0	0	0	0	0	0
45 C03	Meter Cost	0	100	0	0	0	0	0	0	0	0
46 C04	Regulator Cost	0	0	0	100	0	0	0	0	0	0
47 C05	Installations Cost	0	0	100	0	0	0	0	0	0	0
48 C06	Ind Meas & Reg Cost	0	0	0	0	100	0	0	0	0	0
49 C07	Direct Sch 131	0	0	0	0	0	0	0	0	0	0
50 C08	Direct Sch 146	0	0	0	0	0	0	0	0	0	0
51 xxx	Open	0	0	0	0	0	0	0	0	0	0
52 xxx	Open	0	0	0	0	0	0	0	0	0	0
53	Services	Meters	Installations	Regulators	Ind M&R						

AVISTA UTILITIES  
 Functional Allocation Tables  
 For the Year Ended December 31, 2003

56 Customer Accounting Function Factor Table (afactor)

57 Class	Factor Name	K01	K02	K03	K04
58	Total Factor	100	100	0	0
59 C01	All Customers	100	0	0	0
60 R03	Uncollectibles Allocator	0	100	0	0
61 xxx	Open	0	0	0	0
62 xxx	Open	0	0	0	0
63	Uncollec				

64 Customer Information Function Factor Table (ifactor)

65 Class	Factor Name	I01	I02	I03	I04
66	Total Factor	100	643	0	0
67 C01	All Customers	100	209	0	0
68 D01	Coincident Peak - All	0	236	0	0
69 E01	Throughput	0	198	0	0
70	DSM				

72 Sales Function Factor Table (sfactor)

73 Class	Factor Name	V01	V02	V03	V04
74	Total Factor	100	0	0	0
75 C01	All Customers	100	0	0	0
76 xxx	Open	0	0	0	0
77 xxx	Open	0	0	0	0

79 Miscellaneous Function Factor Table (mfactor)

80 Class	Factor Name	M01	M02	M03	M04	M05	M06
81	Total Factor	100	100	100	100	1037	502
82 S02	Admin & Gen Exp Alloc	50	0	0	0	308	116
83 E01	Throughput	50	0	0	0	308	116
84 S17	Plant in Service	0	100	0	0	0	0
85 C01	All Customers	0	0	0	0	421	0
86 R01	Revenues From Retail Rates	0	0	100	0	0	270
87 S13	Labor Expense	0	0	0	100	0	0
	Plant Rel		Plant Rel	Rev Rel	Labor Rel	CSS Rent	Com Fees

AVISTA UTILITIES  
 Cost of Service Calculation  
 For the Year Ended December 31, 2003

Natural Gas Utility  
 Washington Jurisdiction  
 09-Jun-04

Functionalization and Classification

(k)	(l)	(m)	(n)	(o)	(p)	(q)	(r)	(s)	(t)	(u)	(v)	(w)	(x)	(y)	(z)	(aa)	(ab)
Account Description	Notes	Functional Allocation	Class Allocator	Proforma Totals	Functional Totals	Residential Service Sch 101	Small Firm Service Sch 111	Large Firm Service Sch 121	Interrupt Service Sch 131	Transport Service Sch 146	Open	Open1	Open2	Open3	Open4		
<b>Operation &amp; Maintenance Expenses</b>																	
804.xx	P	Proforma Purchased Gas Expense	Input	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	P	Purchased Gas - Demand	D05														
	P	Purchased Gas - Commodity	E07														
807-00	P	Purchased Gas Expense	P04	129,971	0	0	0	0	0	0	0	0	0	0	0	0	0
	P	Throughput	E01														
	P	Coincident Peak Firm	D04														
	P	Sales Therms	E04		82,839	55,121	23,417	3,838	462	0	0	0	0	0	0	0	0
	P	Throughput	E01		47,132	28,237	11,996	1,966	237	4,696	0	0	0	0	0	0	0
	P	Open	xxx		0	0	0	0	0	0	0	0	0	0	0	0	0
813-00	P	Other Gas Expenses	P03	47,554	0	0	0	0	0	0	0	0	0	0	0	0	0
	P	Throughput	E01														
	P	Coincident Peak Firm	D04														
	P	Sales Therms	E04		47,554	31,643	13,443	2,203	265	0	0	0	0	0	0	0	0
	P	Throughput	E01		0	0	0	0	0	0	0	0	0	0	0	0	0
	P	Open	xxx		0	0	0	0	0	0	0	0	0	0	0	0	0
		Total Purchased Gas Expenses		177,525	177,525	115,002	48,855	8,008	964	4,696	0	0	0	0	0	0	0
<b>Underground Storage Expenses</b>																	
814-OP	U	Supervision & Engineering	U01	7,973	1,834	1,283	493	57	0	0	0	0	0	0	0	0	0
	U	Coincident Peak Firm	D04														
	U	Throughput	E01		6,139	3,678	1,563	256	31	612	0	0	0	0	0	0	0
	U	Sales Therms	E04		0	0	0	0	0	0	0	0	0	0	0	0	0
815-OP	U	Maps & Records	U01	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	U	Coincident Peak Firm	D04														
	U	Throughput	E01														
	U	Sales Therms	E04														
816-OP	U	Wells Expenses	U01	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	U	Coincident Peak Firm	D04														
	U	Throughput	E01														
	U	Sales Therms	E04														
817-OP	U	Lines Expenses	U01	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	U	Coincident Peak Firm	D04														
	U	Throughput	E01														
	U	Sales Therms	E04														
818-OP	U	Compressor Station Expenses	U01	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	U	Coincident Peak Firm	D04														
	U	Throughput	E01														
	U	Sales Therms	E04														
819-OP	U	Compressor Station Fuel & Power	U01	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	U	Coincident Peak Firm	D04														
	U	Throughput	E01														
	U	Sales Therms	E04														
820-OP	U	Measuring & Regulator Station	U01	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	U	Coincident Peak Firm	D04														

Account Description	(k)	(l)	(m)	(n)	(o)	(p)	(q)	(r)	(s)	(t)	Functionalization and Classification				(ab)				
											(u)	(v)	(w)	(x)		(y)	(z)	(aa)	
				Notes	Functional Allocation	Class Allocator	Proforma Totals	Functional Totals	Residential Service Sch 101	Small Firm Service Sch 111	Large Firm Service Sch 121	Interrupt Service Sch 131	Transport Service Sch 146	Open	Open1	Open2	Open3	Open4	
54 U Throughput					77	E01		0	0	0	0	0	0	0	0	0	0	0	0
55 U Sales Thems					0	E04		0	0	0	0	0	0	0	0	0	0	0	0
56 821-OP Purification Expenses					U01		0	0	0	0	0	0	0	0	0	0	0	0	0
57 U Coincident Peak Firm					23	D04		0	0	0	0	0	0	0	0	0	0	0	0
58 U Throughput					77	E01		0	0	0	0	0	0	0	0	0	0	0	0
59 U Sales Thems					0	E04		0	0	0	0	0	0	0	0	0	0	0	0
60 824-OP Other Expenses					U01		0	0	0	0	0	0	0	0	0	0	0	0	0
61 U Coincident Peak Firm					23	D04		0	0	0	0	0	0	0	0	0	0	0	0
62 U Throughput					77	E01		0	0	0	0	0	0	0	0	0	0	0	0
63 U Sales Thems					0	E04		0	0	0	0	0	0	0	0	0	0	0	0
64 825-OP Storage Well Royalties & Rents					U01		0	0	0	0	0	0	0	0	0	0	0	0	0
65 U Coincident Peak Firm					23	D04		0	0	0	0	0	0	0	0	0	0	0	0
66 U Throughput					77	E01		0	0	0	0	0	0	0	0	0	0	0	0
67 U Sales Thems					0	E04		0	0	0	0	0	0	0	0	0	0	0	0
68 826-OP Rents					U01		0	0	0	0	0	0	0	0	0	0	0	0	0
69 U Coincident Peak Firm					23	D04		0	0	0	0	0	0	0	0	0	0	0	0
70 U Throughput					77	E01		0	0	0	0	0	0	0	0	0	0	0	0
71 U Sales Thems					0	E04		0	0	0	0	0	0	0	0	0	0	0	0
72 830-MT Supervision & Engineering					U01		0	0	0	0	0	0	0	0	0	0	0	0	0
73 U Coincident Peak Firm					23	D04		0	0	0	0	0	0	0	0	0	0	0	0
74 U Throughput					77	E01		0	0	0	0	0	0	0	0	0	0	0	0
75 U Sales Thems					0	E04		0	0	0	0	0	0	0	0	0	0	0	0
76 831-MT Maps & Records					U01		0	0	0	0	0	0	0	0	0	0	0	0	0
77 U Coincident Peak Firm					23	D04		0	0	0	0	0	0	0	0	0	0	0	0
78 U Throughput					77	E01		0	0	0	0	0	0	0	0	0	0	0	0
79 U Sales Thems					0	E04		0	0	0	0	0	0	0	0	0	0	0	0
80 832-MT Wells Expenses					U01		0	0	0	0	0	0	0	0	0	0	0	0	0
81 U Coincident Peak Firm					23	D04		0	0	0	0	0	0	0	0	0	0	0	0
82 U Throughput					77	E01		0	0	0	0	0	0	0	0	0	0	0	0
83 U Sales Thems					0	E04		0	0	0	0	0	0	0	0	0	0	0	0
84 833-MT Lines Expenses					U01		0	0	0	0	0	0	0	0	0	0	0	0	0
85 U Coincident Peak Firm					23	D04		0	0	0	0	0	0	0	0	0	0	0	0
86 U Throughput					77	E01		0	0	0	0	0	0	0	0	0	0	0	0
87 U Sales Thems					0	E04		0	0	0	0	0	0	0	0	0	0	0	0
88 834-MT Compressor Station Expenses					U01		0	0	0	0	0	0	0	0	0	0	0	0	0
89 U Coincident Peak Firm					23	D04		0	0	0	0	0	0	0	0	0	0	0	0
90 U Throughput					77	E01		0	0	0	0	0	0	0	0	0	0	0	0
91 U Sales Thems					0	E04		0	0	0	0	0	0	0	0	0	0	0	0
92 835-MT Compressor Station Fuel & Power					U01		0	0	0	0	0	0	0	0	0	0	0	0	0
93 U Coincident Peak Firm					23	D04		0	0	0	0	0	0	0	0	0	0	0	0
94 U Throughput					77	E01		0	0	0	0	0	0	0	0	0	0	0	0
95 U Sales Thems					0	E04		0	0	0	0	0	0	0	0	0	0	0	0
96 836-MT Measuring and Regulator Station Expenses					U01		0	0	0	0	0	0	0	0	0	0	0	0	0
97 U Coincident Peak Firm					23	D04		0	0	0	0	0	0	0	0	0	0	0	0
98 U Throughput					77	E01		0	0	0	0	0	0	0	0	0	0	0	0

Account Description	(k) (l) (m)	(n) (o) (p) (q) (r) (s) (t) (u) (v) (w) (x) (y) (z) (aa) (ab)	Natural Gas Utility										Washington Jurisdiction				
			Functionalization and Classification										Functionalization and Classification				
			(n) Notes	(o) Functional Allocation	(p) Class Allocator	(q) Proforma Totals	(r) Functional Totals	(s) Residential Service Sch 101	(t) Small Firm Service Sch 111	(u) Large Firm Service Sch 121	(v) Interrupt Service Sch 131	(w) Transport Service Sch 146	(x) Open	(y) Open1	(z) Open2	(aa) Open3	(ab) Open4
99 U Sales Therms				0	E04			0	0	0	0	0	0	0	0	0	0
100 837-MT Other Equipment				U01		0											
101 U Coincident Peak Firm				23	D04			0	0	0	0	0	0	0	0	0	0
102 U Throughput				77	E01			0	0	0	0	0	0	0	0	0	0
103 U Sales Therms				0	E04			0	0	0	0	0	0	0	0	0	0
104 Total Underground Storage Expenses						7,973	7,973	4,961	2,056	314	31	612	0	0	0	0	0
105																	
<b>Distribution Expenses</b>																	
106 <i>Operation Expense</i>																	
107 Supervision & Engineering																	
108 870-OP Distribution Plant				Input	S15	266,417	266,417	208,974	45,178	5,398	477	6,390	0	0	0	0	0
109 D Distribution Plant				100													
110 871-OP Distribution Load Dispatching				Input	E01	2,445	2,445	1,465	622	102	12	244	0	0	0	0	0
111 D Throughput				100													
112 872-OP Compressor Station Labor & Expenses				Input	xxx	0	0	0	0	0	0	0	0	0	0	0	0
113 D Open				100													
114 874-OP Mains & Services Expense				Input	S06	855,754	855,754	681,483	133,764	18,341	1,569	20,595	0	0	0	0	0
115 D Mains & Services Plant				100													
116 875-OP Measuring & Regulating Stations-General				Input	S08	16,015	16,015	9,817	3,950	548	72	1,628	0	0	0	0	0
117 D Meas & Reg Plant-General				100													
118 876-OP Measuring & Regulating Stations-Industrial				Input	S19	0	0	0	0	0	0	0	0	0	0	0	0
119 D Meas & Reg Plant-Industrial				100													
120 877-OP Measuring & Regulating Stations-City Gate				Input	S09	35,050	35,050	21,484	8,645	1,200	158	3,563	0	0	0	0	0
121 D Meas & Reg Plant-City Gate				100													
122 878-OP Meters & House Regulators Expenses				Input	S07	514,648	514,648	394,066	110,635	3,951	448	5,549	0	0	0	0	0
123 D Meters, Hse Reg & Install Plant				100													
124 879-OP Customer Installations				Input	C05	353,960	353,960	347,294	6,500	99	5	60	0	0	0	0	0
125 D Installations Cost				100													
126 880-OP Other Distribution Expense				Input	S04	567,863	567,863	435,430	106,636	10,616	1,002	14,179	0	0	0	0	0
127 D Other Dist O&M Exp				100													
128 881-OP Rents				Input	S04	0	0	0	0	0	0	0	0	0	0	0	0
129 D Other Dist O&M Exp				100													
130 Total Distribution Operation Expense						2,612,152	2,612,152	2,100,013	415,930	40,256	3,745	52,208	0	0	0	0	0
131 <i>Maintenance Expense</i>																	
132 885-MT Supervision & Engineering				Input	S15	0	0	0	0	0	0	0	0	0	0	0	0
133 D Distribution Plant				100													
134 886-MT Structures & Improvements				Input	S05	552	552	433	94	11	1	13	0	0	0	0	0
135 D Other Dist Plant				100													
136 887-MT Mains				Input	S21	519,707	519,707	340,594	137,036	19,012	1,651	21,414	0	0	0	0	0
137 D Distribution Mains Plant				100													
138 888-MT Compressor Station Equipment				Input	xxx	0	0	0	0	0	0	0	0	0	0	0	0
139 D Open				100													
140 889-MT Measuring & Regulating Stations-General				Input	S08	84,703	84,703	51,920	20,892	2,899	382	8,610	0	0	0	0	0
141 D Meas & Reg Plant-General				100													
142 890-MT Measuring & Regulating Stations-Industrial				Input	S19	71,551	71,551	0	62,982	3,422	386	4,761	0	0	0	0	0
143 D Meas & Reg Plant-Industrial				100													

Natural Gas Utility

Washington Jurisdiction

Functionalization and Classification

09-Jun-04

Account Description	Notes	Functional Allocation	Class Allocator	Proforma Totals	Functional Totals	Residential Service Sch 101	Small Firm Service Sch 111	Large Firm Service Sch 121	Interrupt Service Sch 131	Transport Service Sch 146	Open	Open1	Open2	Open3	Open4
144 891-MT Measuring & Regulating Stations-City Gate		Input		10,801	10,801	6,621	2,664	370	49	1,098	0	0	0	0	0
145 D Meas & Reg Plant-City Gate		100	S09												
146 892-MT Services		Input		145,099	145,099	141,848	2,655	284	16	296	0	0	0	0	0
147 D Services Plant		100	S20												
148 893-MT Meters & House Regulators		Input		168,626	168,626	129,117	36,250	1,294	147	1,818	0	0	0	0	0
149 D Meters, Hse Reg & Install Plant		100	S07												
150 894-MT Other Equipment		Input		0	0	0	0	0	0	0	0	0	0	0	0
151 D Distribution Plant		100	S15												
152 Total Distribution Maintenance Expense				1,001,039	1,001,039	670,533	262,572	27,292	2,632	38,010	0	0	0	0	0
153 Total Distribution Expense				3,613,191	3,613,191	2,770,546	678,502	67,548	6,377	90,218	0	0	0	0	0
154															
155 Customer Accounting Expenses															
156 901-OP Supervision		Input		20,827	20,827	20,435	382	6	0	4	0	0	0	0	0
157 C All Customers		100	C01												
158 902-OP Meter Reading		K01		668,823	668,823	656,228	12,282	188	10	114	0	0	0	0	0
159 C All Customers		100	C01												
160 R Uncollectibles Allocator		0	R03												
161 C Open		0	xxx												
162 C Open		0	xxx												
163 903-OP Customer Records & Collection		K01		1,208,605	1,208,605	1,185,845	22,195	340	19	206	0	0	0	0	0
164 C All Customers		100	C01												
165 R Uncollectibles Allocator		0	R03												
166 C Open		0	xxx												
167 C Open		0	xxx												
168 904-OP Uncollectible Accounts		K02		0	0	0	0	0	0	0	0	0	0	0	0
169 C All Customers		0	C01												
170 R Uncollectibles Allocator		100	R03												
171 C Open		0	xxx												
172 C Open		0	xxx												
173 905-OP Misc Customer Account Expenses		K01		71,050	71,050	69,712	1,305	20	1	12	0	0	0	0	0
174 C All Customers		100	C01												
175 R Uncollectibles Allocator		0	R03												
176 C Open		0	xxx												
177 C Open		0	xxx												
178 Total Customer Accounting Expenses				1,969,305	1,969,305	1,932,220	36,165	553	31	336	0	0	0	0	0
179															
180 Customer Information Expense		Input		0	0	0	0	0	0	0	0	0	0	0	0
181 907-OP Supervision		100	C01												
182 C All Customers		100	C01												
183 908-OP Customer Assistance Expenses		I01		9,722	9,722	9,539	179	3	0	2	0	0	0	0	0
184 C All Customers		100	C01												
185 DSM Coincident Peak - All		0	D01												
186 DSM Throughput		0	E01												
187 909-OP Advertising		I01		12,885	12,885	12,642	237	4	0	2	0	0	0	0	0
188 C All Customers		100	C01												



Account Description	(k) (l) (m)	(n) Notes	(o) Functional Allocation	(p) Class Allocator	(q) Proforma Totals	(r) Functional Totals	(s) Residential Service Sch 101	(t) Small Firm Service Sch 111	(u) Large Firm Service Sch 121	(v) Interrupt Service Sch 131	(w) Transport Service Sch 146	(x) Open	(y) Open1	(z) Open2	(aa) Open3	(ab) Open4
189 DSM Coincident Peak - All			0	D01		0	0	0	0	0	0	0	0	0	0	0
190 DSM Throughput			0	E01		0	0	0	0	0	0	0	0	0	0	0
191 910-OP Misc Customer Service & Info Expense			100		(440)											
192 C All Customers			100	C01		(440)	(432)	(8)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)
193 DSM Coincident Peak - All			0	D01		0	0	0	0	0	0	0	0	0	0	0
194 DSM Throughput			0	E01		0	0	0	0	0	0	0	0	0	0	0
195 Total Customer Information Expense					22,167	22,167	21,750	407	6	4	0	0	0	0	0	0
196																
197 Sales Expenses																
198 911-OP Supervision			Sum		11,771	11,771	11,549	216	3	0	2	0	0	0	0	0
199 C All Customers			V01	C01												
200 912-OP Demonstrating & Selling Expenses			100	C01		226,810	222,539	4,165	64	4	39	0	0	0	0	0
201 C All Customers			0	xxx		0	0	0	0	0	0	0	0	0	0	0
202 C Open			0	xxx		0	0	0	0	0	0	0	0	0	0	0
203 C Open			0	xxx		0	0	0	0	0	0	0	0	0	0	0
204 913-OP Advertising Expenses			V01		18,911	18,911	18,555	347	5	0	3	0	0	0	0	0
205 C All Customers			100	C01												
206 C Open			0	xxx		0	0	0	0	0	0	0	0	0	0	0
207 C Open			0	xxx		0	0	0	0	0	0	0	0	0	0	0
208 916-OP Misc Sales Expenses			V01		12,422	12,422	12,188	228	3	0	2	0	0	0	0	0
209 C All Customers			100	C01												
210 C Open			0	xxx		0	0	0	0	0	0	0	0	0	0	0
211 C Open			0	xxx		0	0	0	0	0	0	0	0	0	0	0
212 Total Sales Expenses					269,914	269,914	264,831	4,957	76	4	46	0	0	0	0	0
213																
214 Subtotal Expenses					6,060,075	6,060,075	5,109,309	770,942	76,505	7,407	95,911	0	0	0	0	0
215																
216 Administrative & General Expenses																
217 920-OP Admin. & General Salaries			M01		1,578,351	1,578,351										
218 O Admin & Gen Exp Alloc			50	S02												
219 O Throughput			50	E01		789,176	665,362	100,396	9,963	965	12,490	0	0	0	0	0
220 O Plant in Service			0	S17		789,176	472,803	200,857	32,924	3,963	78,629	0	0	0	0	0
221 C All Customers			0	C01		0	0	0	0	0	0	0	0	0	0	0
222 R Revenues From Retail Rates			0	R01		0	0	0	0	0	0	0	0	0	0	0
223 O Open			0	xxx		0	0	0	0	0	0	0	0	0	0	0
224 921-OP Office Supplies & Expenses			M01		0	0	0	0	0	0	0	0	0	0	0	0
225 O Admin & Gen Exp Alloc			50	S02		0	0	0	0	0	0	0	0	0	0	0
226 O Throughput			50	E01		0	0	0	0	0	0	0	0	0	0	0
227 O Plant in Service			0	S17		0	0	0	0	0	0	0	0	0	0	0
228 C All Customers			0	C01		0	0	0	0	0	0	0	0	0	0	0
229 R Revenues From Retail Rates			0	R01		0	0	0	0	0	0	0	0	0	0	0
230 O Open			0	xxx		0	0	0	0	0	0	0	0	0	0	0
231 922-OP Admin. Expenses Transferred - Credit			M01		0	0	0	0	0	0	0	0	0	0	0	0
232 O Admin & Gen Exp Alloc			50	S02		0	0	0	0	0	0	0	0	0	0	0
233 O Throughput			50	E01		0	0	0	0	0	0	0	0	0	0	0

Account Description	(k) (l) (m)	(n) (o) (p)	(q) (r)	(s)	(t)	(u)	(v)	(w)	(x)	(y)	(z)	(aa)	(ab)
234 O Plant in Service		0	S17	0	0	0	0	0	0	0	0	0	0
235 C All Customers		0	C01	0	0	0	0	0	0	0	0	0	0
236 R Revenues From Retail Rates		0	R01	0	0	0	0	0	0	0	0	0	0
237 O Open		0	xxx	0	0	0	0	0	0	0	0	0	0
238 923-OP Outside Services Employed		M01	528	0	0	0	0	0	0	0	0	0	0
239 O Admin & Gen Exp Alloc		50	S02	223	34	3	0	4	0	0	0	0	0
240 O Throughput		50	E01	158	67	11	1	26	0	0	0	0	0
241 O Plant in Service		0	S17	0	0	0	0	0	0	0	0	0	0
242 C All Customers		0	C01	0	0	0	0	0	0	0	0	0	0
243 R Revenues From Retail Rates		0	R01	0	0	0	0	0	0	0	0	0	0
244 O Open		0	xxx	0	0	0	0	0	0	0	0	0	0
245 924-OP Property Insurance Premium		M02	0	0	0	0	0	0	0	0	0	0	0
246 O Admin & Gen Exp Alloc		0	S02	0	0	0	0	0	0	0	0	0	0
247 O Throughput		0	E01	0	0	0	0	0	0	0	0	0	0
248 O Plant in Service		100	S17	0	0	0	0	0	0	0	0	0	0
249 C All Customers		0	C01	0	0	0	0	0	0	0	0	0	0
250 R Revenues From Retail Rates		0	R01	0	0	0	0	0	0	0	0	0	0
251 O Open		0	xxx	0	0	0	0	0	0	0	0	0	0
252 925-OP Injuries & Damages		M01	25,235	0	0	0	0	0	0	0	0	0	0
253 O Admin & Gen Exp Alloc		50	S02	10,638	1,605	159	15	200	0	0	0	0	0
254 O Throughput		50	E01	7,559	3,211	526	63	1,257	0	0	0	0	0
255 O Plant in Service		0	S17	0	0	0	0	0	0	0	0	0	0
256 C All Customers		0	C01	0	0	0	0	0	0	0	0	0	0
257 R Revenues From Retail Rates		0	R01	0	0	0	0	0	0	0	0	0	0
258 O Open		0	xxx	0	0	0	0	0	0	0	0	0	0
259 926-OP Employee Pension & Benefits		M04	0	0	0	0	0	0	0	0	0	0	0
260 O Admin & Gen Exp Alloc		0	S02	0	0	0	0	0	0	0	0	0	0
261 O Throughput		0	E01	0	0	0	0	0	0	0	0	0	0
262 O Plant in Service		0	S17	0	0	0	0	0	0	0	0	0	0
263 C All Customers		0	C01	0	0	0	0	0	0	0	0	0	0
264 R Revenues From Retail Rates		0	R01	0	0	0	0	0	0	0	0	0	0
265 O Open		100	xxx	0	0	0	0	0	0	0	0	0	0
266 927-OP Franchise Requirements		M03	0	0	0	0	0	0	0	0	0	0	0
267 O Admin & Gen Exp Alloc		0	S02	0	0	0	0	0	0	0	0	0	0
268 O Throughput		0	E01	0	0	0	0	0	0	0	0	0	0
269 O Plant in Service		0	S17	0	0	0	0	0	0	0	0	0	0
270 C All Customers		0	C01	0	0	0	0	0	0	0	0	0	0
271 R Revenues From Retail Rates		100	R01	0	0	0	0	0	0	0	0	0	0
272 O Open		0	xxx	0	0	0	0	0	0	0	0	0	0
273 928-OP Regulatory Commission Expenses		M01	145,390	0	0	0	0	0	0	0	0	0	0
274 O Admin & Gen Exp Alloc		50	S02	61,290	9,248	918	89	1,151	0	0	0	0	0
275 O Throughput		50	E01	43,552	18,502	3,033	365	7,243	0	0	0	0	0
276 O Plant in Service		0	S17	0	0	0	0	0	0	0	0	0	0
277 C All Customers		0	C01	0	0	0	0	0	0	0	0	0	0
278 R Revenues From Retail Rates		0	R01	0	0	0	0	0	0	0	0	0	0

Account Description	(k)	(l)	(m)	(n)	(o)	(p)	(q)	(r)	(s)	(t)	Natural Gas Utility				Washington Jurisdiction			
											Functionalization and Classification				Functionalization and Classification			
				Notes	Functional Allocation	Class Allocator	Proforma Totals	Functional Totals	Residential Service Sch 101	Small Firm Service Sch 111	Large Firm Service Sch 121	Interrupt Service Sch 131	Transport Service Sch 146	Open	Open1	Open2	Open3	Open4
279 O Open					0	xxx		0	0	0	0	0	0	0	0	0	0	0
280 930-OP Miscellaneous & General Expense					M01		150,578	75,289	63,477	9,578	950	92	1,192	0	0	0	0	0
281 O Admin & Gen Exp Alloc					50	S02		75,289	45,106	19,162	3,141	378	7,501	0	0	0	0	0
282 O Throughput					0	E01		0	0	0	0	0	0	0	0	0	0	0
283 O Plant in Service					0	S17		0	0	0	0	0	0	0	0	0	0	0
284 C All Customers					0	C01		0	0	0	0	0	0	0	0	0	0	0
285 R Revenues From Retail Rates					0	R01		0	0	0	0	0	0	0	0	0	0	0
286 O Open					0	xxx		0	0	0	0	0	0	0	0	0	0	0
287 931-OP Rents					M05		0	0	0	0	0	0	0	0	0	0	0	0
288 O Admin & Gen Exp Alloc					308	S02		0	0	0	0	0	0	0	0	0	0	0
289 O Throughput					308	E01		0	0	0	0	0	0	0	0	0	0	0
290 O Plant in Service					0	S17		0	0	0	0	0	0	0	0	0	0	0
291 C All Customers					421	C01		0	0	0	0	0	0	0	0	0	0	0
292 R Revenues From Retail Rates					0	R01		0	0	0	0	0	0	0	0	0	0	0
293 O Open					0	xxx		0	0	0	0	0	0	0	0	0	0	0
294 935-MT Maintenance of General Plant					M02		156,166	0	0	0	0	0	0	0	0	0	0	0
295 O Admin & Gen Exp Alloc					0	S02		0	0	0	0	0	0	0	0	0	0	0
296 O Throughput					0	E01		0	0	0	0	0	0	0	0	0	0	0
297 O Plant in Service					100	S17		156,166	120,808	27,400	3,363	301	4,294	0	0	0	0	0
298 C All Customers					0	C01		0	0	0	0	0	0	0	0	0	0	0
299 R Revenues From Retail Rates					0	R01		0	0	0	0	0	0	0	0	0	0	0
300 O Open					0	xxx		0	0	0	0	0	0	0	0	0	0	0
301 Total Administrative & General Expenses							2,056,248	2,056,248	1,490,976	390,061	54,991	6,233	113,987	0	0	0	0	0
302																		
303 Total Operating & Maintenance Expenses							8,116,323	8,116,323	6,600,285	1,161,003	131,497	13,640	209,898	0	0	0	0	0

Washington Jurisdiction

Natural Gas Utility

AVISTA UTILITIES

Class Allocator Worksheet

For the Year Ended December 31, 2003

1 Assign Labor  
2 Company Base Case  
3 WA Accepted Method

Class Allocator	(bc)	(bd)	(be)	(bf)	(bg)	(bh)	(bi)	(bj)	(bk)	(bl)	(bm)	(bn)	(bo)	(bp)
Name Description	Class Allocator Total	Sch 101	Residential Service	Small Firm Service	Large Firm Service	Interrupt Service	Sch 131	Sch 146	Open	Open1	Open2	Open3	Open4	Source / Description
Commodity Allocators														
E01 Throughput	198,774,965	119,088,035	59,911,919	50,591,209	8,292,712	998,259	19,804,750	19,804,750	0	0	0	0	0	Input from Proforma Revenue Study
E02 Throughput Excl Spec Cont	100,000%	59.9119%	25.4511%	4.1722%	0.502%	9.9633%	9,9633%	9,9633%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	All Schedules Except Special Contract
E03 Firm Therms	198,774,965	119,088,035	59,911,919	50,591,209	8,292,712	998,259	19,804,750	19,804,750	0	0	0	0	0	Firm Schedules 101~121
E04 Sales Therms	100,000%	66.9149%	28.427%	4.6609%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	Sales Schedules 101~131
E05 Industrial Therms	178,970,215	119,088,035	50,591,209	8,292,712	998,259	0	0	0	0	0	0	0	0	Schedules 121~146
E06 Therms - Small Mains	29,095,721	0	0.0000%	0.0000%	28.501%	3.431%	19,804,750	19,804,750	0	0	0	0	0	Schedules 101~121, subset 131, 146
E07 Purchased Gas - Commodity	180,465,176	119,088,035	50,591,209	8,292,712	3,687,300	0.204%	1,177%	1,177%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	Input from Proforma Gas Supply
E08 Open	82,859,630	55,135,378	23,422,718	3,339,360	462,174	0	0	0	0	0	0	0	0	Open
E09 Open	100,000%	66.5411%	28.268%	4.634%	0.0000%	0.5588%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	Open
Demand Allocators														
D01 Coincident Peak - All	1,193,583	745,508	62,460%	24,004%	33,352	4,876	123,337	123,337	0	0	0	0	0	Input from Peak Study
D02 Coincident Peak - Small Mains	1,076,828	745,508	286,510	33,352	2,794%	0.409%	10,333%	10,333%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	Schedules 101~121, subset 131, 146
D03 Coincident Peak - Ind	161,565	0	69.232%	26.607%	3,097%	0.193%	0.871%	0.871%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	Schedules 121~146
D04 Coincident Peak Firm	1,065,370	745,508	0.0000%	0.0000%	20.643%	3.018%	76.339%	76.339%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	Firm Schedules 101~121
D05 Purchased Gas - Demand	14,625,370	9,789,036	4,079,170	645,339	71,226	0.0000%	40,599	40,599	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	Input from Proforma Gas Supply
D06 Direct 131	100,000%	66.932%	27.891%	4.412%	0.487%	0.278%	0.278%	0.278%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	Direct Assignment Schedule 131
D07 Direct 146	100,000%	0	0	0	0	100	0	0	0	0	0	0	0	Direct Assignment Schedule 146
D08 Open	0	0	0	0	0	0	0	0	0	0	0	0	0	Open
Customer Allocators														
C01 All Customers	1,547,839	1,518,691	28,425	435	24	264	264	264	0	0	0	0	0	Unweighted Customers
C02 Service Cost	100,000%	98.117%	1.836%	0.028%	0.002%	0.017%	0.017%	0.017%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	Wtd Avg Service Cost
C03 Meter Cost	1,533,497	1,518,691	28,425	3,045	168	3,168	3,168	3,168	0	0	0	0	0	Weighted Average Meter Cost
C04 Regulator Cost	100,000%	97.760%	1.830%	0.196%	0.011%	0.204%	0.204%	0.204%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	Open
C05 Installations Cost	1,983,403	1,518,691	426,375	15,225	1,728	21,384	21,384	21,384	0	0	0	0	0	Open

		Natural Gas Utility				Washington Jurisdiction								
1	Assign Labor	(bd)	(be)	(bf)	(bg)	(bh)	(bi)	(bj)	(bk)	(bl)	(bm)	(bn)	(bo)	(bp)
2	Company Base Case	Class Allocator	Residential Service	Sch 101	Small Firm Service	Large Firm Service	Interrupt Service	Transport Service	Open	Open1	Open2	Open3	Open4	Source / Description
3	WA Accepted Method	Total	0.0000%	0	88.0249%	4.782%	0.540%	Sch 146	Open	0.000%	0.000%	0.000%	0.000%	Schedules 121-146
4								Sch 131	0.000%	0.000%	0.000%	0.000%	0.000%	Direct Assignment Schedule 131
5	(bb) (bc)	Ind Meas & Reg Cost	0	28,425	1,544	174	2,149	6,655%	0	0	0	0	0	Direct Assignment Schedule 146
6	Class	24	0	0	0	0	0	0	0	0	0	0	0	Open
7	Allocator	264	0	0	0	0	0	0	0	0	0	0	0	Direct Assignment Schedule 101
8	Name Description	0	1,518,691	0	0	0	0	0	0	0	0	0	0	
54	C06	32,292	128,987	2,369	36	2	22	22	0	0	0	0	0	Input from Proforma Revenue Study
55		100,000%	1,518,691	28,425	435	24	264	264	0	0	0	0	0	
56	C07	24	0	0	0	0	0	0	0	0	0	0	0	
57	C08	264	0	0	0	0	0	0	0	0	0	0	0	
58	C09	0	0	0	0	0	0	0	0	0	0	0	0	
59	C10	0	1,518,691	0	0	0	0	0	0	0	0	0	0	
60														
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79	Revenue Allocator Calculation	Rate Revenues
80	From Sale of Gas	Input
81	From Transport of Gas	Input
82	Open	Input
83	Open	Input
84	R01 Revenues From Retail Rates	Rate Revenues
85		Input
86	R03 Uncollectibles Allocator	Input
87		
88		

89	Income Tax Allocator Calculation	Line 695
90	Revenues	Line 655
91	Expenses w/o Income Tax	Line 1102
92	Interest Expense	= Rev - Exp - Int
93	R02 Income Tax Allocator	
94		
95		
96	Summed Allocators	
97	S01 Rate Base	Line 1095
98		

Washington Jurisdiction

Natural Gas Utility

AVISTA UTILITIES  
Class Allocator Worksheet  
For the Year Ended December 31, 2003

1 Assign Labor  
2 Company Base Case  
3 WA Accepted Method  
4

5	(bb)	(bc)	(bd)	(be)	(bf)	(bg)	(bh)	(bi)	(bj)	(bk)	(bl)	(bm)	(bn)	(bo)	(bp)
6	Class	Alloc	Description	Class	Residential	Small Firm	Large Firm	Interrupt	Transport	Open	Open1	Open2	Open3	Open4	Source / Description
7	Alloc			Alloc	Service	Service	Service	Service	Service	Open	Open1	Open2	Open3	Open4	
8	Name	Description	Total	Sch 101	Sch 111	Sch 121	Sch 131	Sch 146	Sch 146	Open	Open1	Open2	Open3	Open4	
99	S02	Admin & Gen Exp Alloc	6,060,075	5,109,309	770,942	76,505	7,407	95,911	95,911	0	0	0	0	0	Labor Line 214 - Sum Lines 10 ~ 12
100			100.000%	84.311%	12.722%	1.262%	0.122%	1.583%	1.583%	0.000%	0.000%	0.000%	0.000%	0.000%	
101	S03	General Plant Alloc	205,682,000	159,110,898	36,088,774	4,429,098	396,675	5,656,554	5,656,554	0	0	0	0	0	Line 741 + Line 860
102			100.000%	77.358%	17.546%	2.153%	0.193%	2.750%	2.750%	0.000%	0.000%	0.000%	0.000%	0.000%	
103	S04	Other Dist O&M Exp	3,045,328	2,335,116	571,866	56,932	5,375	76,039	76,039	0	0	0	0	0	Labor Sum Lines 108 ~ 125, 132 ~ 151
104			100.000%	76.679%	18.778%	1.869%	0.176%	2.497%	2.497%	0.000%	0.000%	0.000%	0.000%	0.000%	Sum Lines 748 ~ 857
105	S05	Other Dist Plant	191,572,000	150,266,279	32,485,912	3,881,823	342,938	4,595,048	4,595,048	0	0	0	0	0	
106			100.000%	78.439%	16.958%	2.026%	0.179%	2.399%	2.399%	0.000%	0.000%	0.000%	0.000%	0.000%	
107	S06	Mains & Services Plant	165,890,000	132,107,220	25,930,541	3,555,505	304,247	3,992,486	3,992,486	0	0	0	0	0	Sum Lines 748 ~ 769 & 792 ~ 802
108			100.000%	79.635%	15.631%	2.143%	0.183%	2.407%	2.407%	0.000%	0.000%	0.000%	0.000%	0.000%	
109	S07	Meters, Hse Reg & Install Plant	21,547,000	16,498,531	4,631,990	165,399	18,772	232,308	232,308	0	0	0	0	0	Sum Lines 803 ~ 846
110			100.000%	76.570%	21.497%	0.768%	0.087%	1.078%	1.078%	0.000%	0.000%	0.000%	0.000%	0.000%	
111	S08	Meas & Reg Plant-General	2,103,000	1,289,070	518,697	71,983	9,490	213,760	213,760	0	0	0	0	0	Sum Lines 770 ~ 780
112			100.000%	61.297%	24.665%	3.423%	0.451%	10.165%	10.165%	0.000%	0.000%	0.000%	0.000%	0.000%	
113	S09	Meas & Reg Plant-City Gate	606,000	371,458	149,467	20,743	2,735	61,597	61,597	0	0	0	0	0	Sum Lines 781 ~ 791
114			100.000%	61.297%	24.665%	3.423%	0.451%	10.165%	10.165%	0.000%	0.000%	0.000%	0.000%	0.000%	
115	S10	Other Customer Accg Exp	1,948,478	1,911,785	35,782	548	30	332	332	0	0	0	0	0	Labor Sum Lines 158 ~ 177
116			100.000%	98.117%	1.836%	0.028%	0.002%	0.017%	0.017%	0.000%	0.000%	0.000%	0.000%	0.000%	
117	S11	Other Customer Info Exp	22,167	21,750	407	6	0	4	4	0	0	0	0	0	Labor Sum Lines 183 ~ 194
118			100.000%	98.117%	1.836%	0.028%	0.002%	0.017%	0.017%	0.000%	0.000%	0.000%	0.000%	0.000%	
119	S12	Other Sales Exp	258,143	253,282	4,741	73	4	44	44	0	0	0	0	0	Labor Sum Lines 200 ~ 211
120			100.000%	98.117%	1.836%	0.028%	0.002%	0.017%	0.017%	0.000%	0.000%	0.000%	0.000%	0.000%	
121	S13	O & M Expense	8,116,323	6,600,285	1,161,003	131,497	13,640	209,898	209,898	0	0	0	0	0	Labor Line 303
122			100.000%	81.321%	14.305%	1.620%	0.168%	2.586%	2.586%	0.000%	0.000%	0.000%	0.000%	0.000%	Line 741
123	S14	Underground Storage Plant	13,712,000	8,532,434	3,535,371	539,210	53,024	1,051,960	1,051,960	0	0	0	0	0	Line 860
124			100.000%	62.226%	25.783%	3.932%	0.387%	7.672%	7.672%	0.000%	0.000%	0.000%	0.000%	0.000%	
125	S15	Distribution Plant	191,970,000	150,578,464	32,553,403	3,889,888	343,651	4,604,594	4,604,594	0	0	0	0	0	Line 883 + Line 706
126			100.000%	78.439%	16.958%	2.026%	0.179%	2.399%	2.399%	0.000%	0.000%	0.000%	0.000%	0.000%	
127	S16	General Plant	16,112,000	12,465,648	2,826,032	346,743	31,051	442,527	442,527	0	0	0	0	0	Line 884
128			100.000%	77.369%	17.540%	2.152%	0.193%	2.747%	2.747%	0.000%	0.000%	0.000%	0.000%	0.000%	
129	S17	Plant in Service	221,794,000	171,576,546	38,914,806	4,775,841	427,726	6,099,081	6,099,081	0	0	0	0	0	Line 884
130			100.000%	77.359%	17.545%	2.153%	0.193%	2.750%	2.750%	0.000%	0.000%	0.000%	0.000%	0.000%	Line 1075
131	S18	Net Plant	147,903,000	114,632,520	25,896,679	3,125,905	280,323	3,967,573	3,967,573	0	0	0	0	0	
132			100.000%	77.505%	17.509%	2.113%	0.190%	2.683%	2.683%	0.000%	0.000%	0.000%	0.000%	0.000%	
133	S19	Meas & Reg Plant-Industrial	1,426,000	0	1,255,218	68,192	7,694	94,896	94,896	0	0	0	0	0	Sum Lines 847 ~ 857
134			100.000%	0.000%	88.024%	4.782%	0.540%	6.655%	6.655%	0.000%	0.000%	0.000%	0.000%	0.000%	
135	S20	Services Plant	72,586,000	70,959,715	1,328,137	142,275	7,850	148,022	148,022	0	0	0	0	0	Sum Lines 792 ~ 802
136			100.000%	97.760%	1.830%	0.196%	0.011%	0.204%	0.204%	0.000%	0.000%	0.000%	0.000%	0.000%	
137	S21	Distribution Mains Plant	93,304,000	61,147,505	24,602,404	3,413,230	296,397	3,844,464	3,844,464	0	0	0	0	0	Sum Lines 748 ~ 769
138			100.000%	65.536%	26.368%	3.658%	0.318%	4.120%	4.120%	0.000%	0.000%	0.000%	0.000%	0.000%	
139	S22	Open	0	0	0	0	0	0	0	0	0	0	0	0	Open
140			0	0	0	0	0	0	0	0	0	0	0	0	

AVISTA UTILITIES  
 Functional Allocation Tables  
 For the Year Ended December 31, 2003

		Natural Gas Utility										Washington Jurisdiction									
		(aj)	(ak)	(al)	(am)	(an)	(ao)	(ap)	(aq)	(ar)	(as)	(at)	(au)	(av)	(aw)	(ax)					
9	Production Function Factor Table (pfactor)																				
10	Class	P01	P02	P03	P04	P05															
11	Factor Name	100	100	100	364	0															
12	Total Factor	0	100	0	0	0															
13	Throughput	10	0	0	0	0															
14	D04 Coincident Peak Firm	90	0	100	232	0															
15	E04 Sales Therms	0	0	0	132	0															
16	E01 Throughput	0	0	0	0	0															
17	xxx Open																				
18	Demand	Storage	Commodity	Acct 807	Open																
19	Underground Storage Function Factor Table (ufactor)																				
20	Class	U01	U02	U03	U04																
21	Factor Name	100	100	0	0																
22	Total Factor	23	0																		
23	D04 Coincident Peak Firm	77	20																		
24	E01 Throughput	0	80																		
25	E04 Sales Therms																				
26	Distribution Function Factor Table (dfactor)																				
27	Class	T01	T02	T03	T04	T05	T06	T07	T08	T09	T10	T11	T12	T13	T14	T15					
28	Factor Name	100	31630	100	0	0	0	0	0	0	0	0	0	0	0	0					
29	Total Factor	0	17155.231	54.37	0	0	0	0	0	0	0	0	0	0	0	0					
30	D01 Coincident Peak - All	54.37	0	0	0	0	0	0	0	0	0	0	0	0	0	0					
31	D02 Coincident Peak - Small Mains	0	14432.769	45.63	0	0	0	0	0	0	0	0	0	0	0	0					
32	E01 Throughput	45.63	0	0	0	0	0	0	0	0	0	0	0	0	0	0					
33	E06 Therms - Small Mains	0	31.5	0	0	0	0	0	0	0	0	0	0	0	0	0					
34	D06 Direct 131	0	10.5	0	0	0	0	0	0	0	0	0	0	0	0	0					
35	D07 Direct 146	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0					
36	xxx Open	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0					
37	xxx Open	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0					
38	xxx Open	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0					
39		376SM	376LG	Peak&Avg																	
40	Customer Accounting Function Factor Table (afactor)																				
41	Class	K01	K02	K03	K04																
42	Factor Name	100	100	0	0																
43	Total Factor	100	0																		
44	C01 All Customers	0	100																		
45	R03 Uncollectibles Allocator	0	0																		
46	xxx Open	0	0																		
47	xxx Open	0	0																		
48		Uncollec																			

AVISTA UTILITIES Functional Allocation Tables For the Year Ended December 31, 2003																				
Class	Factor Name	I01	I02	I03	I04	(aj)	(ak)	(al)	(am)	(an)	(ao)	(ap)	(aq)	(ar)	(as)	(at)	(au)	(av)	(aw)	(ax)
49 Customer Information Function Factor Table (ifactor)																				
50	Class																			
51	Factor Name	I01	I02	I03	I04															
52	Total Factor	100	643	0	0															
53	All Customers	100	209																	
54	D01 Coincident Peak - All	0	236																	
55	E01 Throughput	0	198																	
56		DSM																		
57 Sales Function Factor Table (sfactor)																				
58	Class																			
59	Factor Name	V01	V02	V03	V04															
60	Total Factor	100	0	0	0															
61	All Customers	100	0																	
62	Open	0	0																	
63	Open	0	0																	
64 Miscellaneous Function Factor Table (mfactor)																				
65	Class																			
66	Factor Name	M01	M02	M03	M04	M05														
67	Total Factor	100	100	100	100	1037														
68	S02 Admin & Gen Exp Alloc	50	0	0	0	308														
69	E01 Throughput	50	0	0	0	308														
70	S17 Plant in Service	0	100	0	0	0														
71	C01 All Customers	0	0	0	0	421														
72	R01 Revenues From Retail Rates	0	0	100	0	0														
73	xxx Open	0	0	0	100	0														
74			Plant Rel	Rev Rel	Labor Rel	CSS Rent														



AVISTA UTILITIES  
Operation and Maintenance Expenses  
For the Year Ended December 31, 2003

Natural Gas Utility  
Washington Jurisdiction

1 Proforma  
2 Pro Forma Results of Operations  
3 Company Case  
4

Account	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)	(n)	(o)	(p)	(q)
	Description	Notes	Salaries & Wages	Per Results Report	Deferred FIT Rate Base	Deferred Gain on Office Bldg	Gas Inventory	Weatherization & DSM Invest.	Customer Advances	Revenue Gas Supply	Eliminate B & O Taxes	Property Tax	Uncollectible Expense	Regulatory Expense		
			Adj Column B	Adj Column C	Adj Column D	Adj Column E	Adj Column F	Adj Column G	Adj Column H	Adj Column I	Adj Column J	Adj Column K	Adj Column L			
5	Operation & Maintenance Expenses															
10	<b>Purchased Gas Expenses</b>															
11	804-05 SGS Storage Demand			818,000						(618,000)						
12	804-06 Transportation Demand			18,659,000						(18,659,000)						
13	804-07 Capacity Released			(5,321,000)						5,321,000						
14	804-14 Voluntary GRI Funding			74,000						(74,000)						
15	804-25 Other One Time Charges			0						0						
16	804-30 LS-1 Purch Gas City Gate Demand			0						0						
17	804-31 LS-1 Purch Gas City Gate Commodity			0						0						
18	804-32 LS Vaporization Costs			0						0						
19	804-45 Pipeline Imbalances			274,000						(274,000)						
20	804-47 Pipeline Imbalances			780,000						(780,000)						
21	804-51 Commodity Costs - ANG			0						0						
22	804-52 Commodity Costs - BC			0						0						
23	804-53 Commodity Costs - Rocky Mts			0						0						
24	804-54 Commodity Costs - Spot Purchases			0						0						
25	804-55 Commodity Costs - Misc			(167,000)						167,000						
26	804-60 Derivatives/Hedgings			73,284,000						(73,284,000)						
27	804-75 Purchased Gas - AVISTA ENERGY			0						0						
28	804-84 Other Producers - Transportation			497,000						(497,000)						
29	804-88 Transportation - Commodity			2,220,000						(2,220,000)						
30	805-xx Gas Exp - Rate Deferrals & Amortizations			0						0						
31	Open			0						0						
32	804-xx Proforma Purchased Gas Expense			91,098,000						6,387,000						
33	Total Purchased Gas Cost			129,971						142,000						
34	807-00 Purchased Gas Expense			47,554						141,000						
35	813-00 Other Gas Expenses			177,525						91,391,000						
36	Total Purchased Gas Expenses			7,973						6,387,000						
37																
38	<b>Underground Storage Expenses</b>															
39	814-OP Supervision & Engineering			11,000						0						
40	815-OP Maps & Records			0						0						
41	816-OP Wells Expenses			0						0						
42	817-OP Lines Expenses			0						0						
43	818-OP Compressor Station Expenses			0						0						
44	819-OP Compressor Station Fuel & Power			0						0						
45	820-OP Measuring & Regulator Station			0						0						
46	821-OP Purification Expenses			0						0						
47	824-OP Other Expenses			168,000						0						
48	825-OP Storage Well Royalties & Rents			0						0						
49	826-OP Rents			0						0						
50																
51	830-MT Supervision & Engineering			0						0						
52	831-MT Maps & Records			0						0						
53	832-MT Wells Expenses			0						0						
54	833-MT Lines Expenses			0						0						
55	834-MT Compressor Station Expenses			0						0						
56	835-MT Compressor Station Fuel & Power			0						0						
57	836-MT Measuring and Regulator Station Expenses			0						0						
58	837-MT Other Equipment			163,000						0						
59	Total Underground Storage Expenses			7,973						342,000						
60																



Washington Jurisdiction

Natural Gas Utility

AVISTA UTILITIES  
Operation and Maintenance Expenses  
For the Year Ended December 31, 2003

1 Proforma  
2 Pro Forma Results of Operations  
3 Company Case  
4

(b)	(c)	(d)	(ae) Pro Forma Utility Gas Supply Adj] Column PF5	(af) Pro Forma Deprec Correction Adj] Column PF6	(ag) Pro Forma Incentives Adj] Column PF7	(ah) Open	(ai) Open	(aj) Open	(ak) Open	(al) Open	(am) Open	(an) Open	(ao) Open	(ap) Net Total of All Adjustments	(aq) Total
5															
6															
7															
8															
9															
10															
11	804-05	SGS Storage Demand												(616,000)	0
12	804-06	Transportation Demand												(18,659,000)	0
13	804-07	Capacity Released												5,321,000	0
14	804-14	Voluntary GRI Funding												(74,000)	0
15	804-25	Other One Time Charges												0	0
16	804-30	LS-1 Purch Gas City Gate Demand												0	0
17	804-31	LS-1 Purch Gas City Gate Commodity												0	0
18	804-32	LS Vaporization Costs												0	0
19	804-45	Pipeline Imbalances												0	0
20	804-47	Pipeline Imbalances												0	0
21	804-51	Commodity Costs - ANG												(274,000)	0
22	804-52	Commodity Costs - BC												(760,000)	0
23	804-53	Commodity Costs - Rocky Mts												0	0
24	804-54	Commodity Costs - Spot Purchases												0	0
25	804-55	Commodity Costs - Misc												167,000	0
26	804-60	Derivatives/Hedgings												0	0
27	804-75	Purchased Gas - AVISTA ENERGY												(73,284,000)	0
28	804-84	Other Producers - Transportation												0	0
29	804-88	Transportation - Commodity												(497,000)	0
30	805-xx	Gas Exp - Rate Deferrals & Amortizations												(2,220,000)	0
31	Open													0	0
32	804-xx	Proforma Purchased Gas Expense												97,485,000	97,485,000
33		Total Purchased Gas Cost												6,387,000	97,485,000
34	807-00	Purchased Gas Expense	188,000											222,000	364,000
35	813-00	Other Gas Expenses	86,000											66,000	209,000
36		Total Purchased Gas Expenses	274,000	0	0	0	0	0	0	0	0	0	0	6,677,000	98,058,000
37															
38		<b>Underground Storage Expenses</b>													
39	814-OP	Supervision & Engineering												1,000	12,000
40	815-OP	Maps & Records												0	0
41	816-OP	Wells Expenses												0	0
42	817-OP	Lines Expenses												0	0
43	818-OP	Compressor Station Expenses												0	0
44	819-OP	Compressor Station Fuel & Power												0	0
45	820-OP	Measuring & Regulator Station												0	0
46	821-OP	Purification Expenses												0	0
47	824-OP	Other Expenses												0	0
48	825-OP	Storage Well Royalties & Rents												0	168,000
49	826-OP	Rents												0	0
50														0	0
51	830-MT	Supervision & Engineering												0	0
52	831-MT	Maps & Records												0	0
53	832-MT	Wells Expenses												0	0
54	833-MT	Lines Expenses												0	0
55	834-MT	Compressor Station Expenses												0	0
56	835-MT	Compressor Station Fuel & Power												0	0
57	836-MT	Measuring and Regulator Station Expenses												0	0
58	837-MT	Other Equipment												0	0
59		Total Underground Storage Expenses	0	0	0	0	0	0	0	0	0	0	0	1,000	168,000
60															343,000

AVISTA UTILITIES  
Operation and Maintenance Expenses  
For the Year Ended December 31, 2003

61 Proforma  
62 Pro Forma Results of Operations  
63 Company Case  
64

(b) Account	(c) Description	(d)	(e) Notes	(f) Salaries & Wages	(g) Per Results Report	(h) Deferred FIT Rate Base	(i) Deferred Gain on Office Bldg	(j) Gas Inventory	(k) Weatherization & DSM Invest.	(l) Customer Advances	Washington Jurisdiction			(q) Regulatory Expense
											(m) Revenue Gas Supply	(n) Eliminate B & O Taxes	(o) Property Tax	
				Adj Column B	Adj Column C	Adj Column D	Adj Column E	Adj Column F	Adj Column G	Adj Column H	Adj Column I	Adj Column J	Adj Column K	Adj Column L
65														
66														
67														
68														
69														
70														
71	870-OP	Operation Expense		266,417	413,000									
72	871-OP	Supervision & Engineering		2,445	3,000									
73	872-OP	Distribution Load Dispatching		0	0									
74	874-OP	Compressor Station Labor & Expenses		855,754	1,337,000									
75	875-OP	Mains & Services Expense		16,015	36,000									
76	876-OP	Measuring & Regulating Stations-General		35,050	56,000									
77	877-OP	Measuring & Regulating Stations-Industrial		514,648	784,000									
78	878-OP	Measuring & Regulating Stations-City Gate		353,960	541,000									
79	879-OP	Meters & House Regulators Expenses		567,863	889,000									
80	880-OP	Customer Installations		0	6,000									
81	881-OP	Other Distribution Expense		2,612,152	4,065,000									
82		Total Distribution Operation Expense												
83		Maintenance Expense												
84	885-MT	Supervision & Engineering		0	2,000									
85	886-MT	Structures & Improvements		552	911,000									
86	887-MT	Mains		0	0									
87	888-MT	Compressor Station Equipment		84,703	169,000									
88	889-MT	Measuring & Regulating Stations-General		71,551	109,000									
89	890-MT	Measuring & Regulating Stations-Industrial		10,801	22,000									
90	891-MT	Measuring & Regulating Stations-City Gate		145,069	215,000									
91	892-MT	Services		168,626	227,000									
92	893-MT	Meters & House Regulators		0	0									
93	894-MT	Other Equipment		1,001,039	1,655,000									
94		Total Distribution Maintenance Expense												
95		Total Distribution Expense		3,613,191	5,720,000									
96														
97														
98		<b>Customer Accounting Expenses</b>												
99	901-OP	Supervision		20,827	30,000									
100	902-OP	Meter Reading		668,823	991,000									
101	903-OP	Customer Records & Collection		1,208,605	2,604,000									
102	904-OP	Uncollectible Accounts		0	402,000					17,000			(66,000)	
103	905-OP	Misc Customer Accounts Expenses		71,050	241,000									
104		Total Customer Accounting Expenses		1,968,305	4,268,000					17,000			(66,000)	
105														
106		<b>Customer Information Expense</b>												
107	907-OP	Supervision		0	0									
108	908-OP	Customer Assistance Expenses		9,722	2,666,000									
109	909-OP	Advertising		12,865	49,000									
110	910-OP	Misc Customer Service & Info Expense		(440)	32,000									
111		Total Customer Information Expense		22,167	2,747,000									
112														
113		<b>Sales Expenses</b>												
114	911-OP	Supervision		11,771	16,000									
115	912-OP	Demonstrating & Selling Expenses		226,810	327,000									
116	913-OP	Advertising Expenses		18,911	120,000									
117	916-OP	Misc Sales Expenses		12,422	26,000									
118		Total Sales Expenses		269,914	489,000									
119														
120		Subtotal Expenses		6,060,075	104,947,000					4,381,000			(66,000)	

AVISTA UTILITIES  
Operation and Maintenance Expenses  
For the Year Ended December 31, 2003

61 Proforma  
62 Pro Forma Results of Operations  
63 Company Case  
64

(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	Natural Gas Utility				Washington Jurisdiction				(ad)
									(k)	(l)	(m)	(n)	(o)	(p)	(q)	(r)	
Account	Description			Injuries & Damages	Federal Income Tax	Restate Debt Interest	Payroll Clearing	Blank	Eliminate Accounts Rec	Office Space Charges to Subs	Pro Forma Excise/Franchise	Building Lease Expense	Pro Forma Pension Exp	PF Directors & Officers Insurance	Pro Forma Labor (Non-Exec)	Pro Forma Labor - Executive	
				Adj Column M	Adj Column N	Adj Column O	Adj Column P	Adj Column Q	Adj Column R	Adj Column S	Adj Column T	Adj Column U	Adj Column V	Adj Column W	Adj Column X	Adj Column Y	
65																	
66																	
67																	
68																	
69																	
70																	
71	870-OP	Operation Expense															
72	871-OP	Supervision & Engineering	3,000														
73	872-OP	Distribution Load Dispatching	0														
74	874-OP	Compressor Station Labor & Expenses	0														
75	875-OP	Mains & Services Expense	10,000														
76	876-OP	Measuring & Regulating Stations-General	0														
77	877-OP	Measuring & Regulating Stations-Industrial	0														
78	878-OP	Measuring & Regulating Stations-City Gate	0														
79	879-OP	Meters & House Regulators Expenses	6,000														
80	880-OP	Customer Installations	4,000														
81	881-OP	Other Distribution Expense	7,000														
82		Rents															
83		Total Distribution Operation Expense	30,000														
84	885-MT	Maintenance Expense															
85	886-MT	Supervision & Engineering	0														
86	887-MT	Structures & Improvements	0														
87	888-MT	Mains	6,000														
88	889-MT	Compressor Station Equipment	0														
89	890-MT	Measuring & Regulating Stations-General	1,000														
90	891-MT	Measuring & Regulating Stations-Industrial	1,000														
91	892-MT	Measuring & Regulating Stations-City Gate	0														
92	893-MT	Services	2,000														
93	894-MT	Meters & House Regulators	2,000														
94		Other Equipment															
95		Total Distribution Maintenance Expense	12,000														
96		Total Distribution Expense	42,000														
97		Total Distribution Expense	0														
98		Total Distribution Expense	0														
99		Total Distribution Expense	0														
100		Total Distribution Expense	0														
101		Total Distribution Expense	0														
102		Total Distribution Expense	0														
103		Total Distribution Expense	0														
104		Total Distribution Expense	0														
105		Total Distribution Expense	0														
106		Total Distribution Expense	0														
107		Total Distribution Expense	0														
108		Total Distribution Expense	0														
109		Total Distribution Expense	0														
110		Total Distribution Expense	0														
111		Total Distribution Expense	0														
112		Total Distribution Expense	0														
113		Total Distribution Expense	0														
114		Total Distribution Expense	0														
115		Total Distribution Expense	0														
116		Total Distribution Expense	0														
117		Total Distribution Expense	0														
118		Total Distribution Expense	0														
119		Total Distribution Expense	0														
120		Total Distribution Expense	0														

AMISTA UTILITIES  
Operation and Maintenance Expenses  
For the Year Ended December 31, 2003

61 Proforma	62 Pro Forma Results of Operations	63 Company Case	64	65 (b)	66 (c)	67 (d)	Natural Gas Utility					Washington Jurisdiction			68 (aq) Total	
							69 (ae) Pro Forma Utility Gas Supply Adj Column PF5	70 (af) Pro Forma Deprec Correction Adj Column PF6	71 (ag) Pro Forma Incentives Adj Column PF7	72 (ah) Open	73 (ai) Open	74 (aj) Open	75 (ak) Open	76 (al) Open		77 (am) Open
68							0	0	0	0	0	0	0	0	0	6,000
69																
70																
71	870-OP	Distribution Expenses														
72	871-OP	Operation Expense														426,000
73	872-OP	Supervision & Engineering														13,000
74	874-OP	Distribution Load Dispatching														0
75	875-OP	Compressor Station Labor & Expenses														0
76	876-OP	Mains & Services Expense														0
77	877-OP	Measuring & Regulating Stations-General														43,000
78	878-OP	Measuring & Regulating Stations-Industrial														2,000
79	879-OP	Measuring & Regulating Stations-City Gate														0
80	880-OP	Meters & House Regulators Expenses														1,000
81	881-OP	Customer Installations														26,000
82	881-OP	Other Distribution Expense														18,000
83	881-OP	Rents														29,000
84	885-MT	Total Distribution Operation Expense					0	0	0	0	0	0	0	0	0	6,000
85	886-MT	Maintenance Expense														0
86	887-MT	Supervision & Engineering														0
87	888-MT	Structures & Improvements														2,000
88	889-MT	Mains														0
89	890-MT	Compressor Station Equipment														0
90	891-MT	Measuring & Regulating Stations-General														4,000
91	892-MT	Measuring & Regulating Stations-Industrial														4,000
92	893-MT	Measuring & Regulating Stations-City Gate														0
93	894-MT	Services														8,000
94	894-MT	Meters & House Regulators														9,000
95	894-MT	Other Equipment														0
96	894-MT	Total Distribution Maintenance Expense					0	0	0	0	0	0	0	0	0	52,000
97																0
98																184,000
99	901-OP	Customer Accounting Expenses														0
100	902-OP	Supervision														30,000
101	903-OP	Meter Reading														35,000
102	904-OP	Customer Records & Collection														1,026,000
103	905-OP	Uncollectible Accounts														(64,000)
104		Misc Customer Accounts Expenses														(49,000)
105		Total Customer Accounting Expenses					0	0	0	0	0	0	0	0	0	4,000
106		Customer Information Expense														0
107	907-OP	Supervision														0
108	908-OP	Customer Assistance Expenses														643,000
109	909-OP	Advertising														0
110	910-OP	Misc Customer Service & Info Expense														0
111		Total Customer Information Expense					0	0	0	0	0	0	0	0	0	32,000
112																0
113		Sales Expenses														0
114	911-OP	Supervision														1,000
115	912-OP	Demonstrating & Selling Expenses														11,000
116	913-OP	Advertising Expenses														0
117	916-OP	Misc Sales Expenses														1,000
118		Total Sales Expenses					0	0	0	0	0	0	0	0	0	13,000
119																0
120		Subtotal Expenses					274,000	0	0	0	0	0	0	0	0	4,778,000

(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)	(n)	(o)	(p)	(q)
	Account	Description	Notes	System Current Accrual	Per Results Report	Deferred FIT Rate Base	Deferred Gain on Office Bldg	Gas Inventory	Weatherization & DSM Invest.	Customer Advances	Revenue Gas Supply	Eliminate B & O Taxes	Property Tax	Uncollectible Expense	Regulatory Expense	
				Adj Column B	Adj Column C	Adj Column D	Adj Column E	Adj Column F	Adj Column G	Adj Column H	Adj Column I	Adj Column J	Adj Column K	Adj Column L		
129	920-OP	Administrative & General Expenses		1,578,351	2,727,000											
130	921-OP	Admin. & General Salaries		0	1,018,000											
131	922-OP	Office Supplies & Expenses		0	(4,000)											
132	923-OP	Admin. Expenses Transferred - Credit		528	1,371,000											
133	924-OP	Outside Services Employed		0	172,000											
134	925-OP	Property Insurance Premium		25,235	454,000											
135	926-OP	Injuries & Damages		0	250,000											
136	927-OP	Employee Pension & Benefits		0	0											
137	927-OP	Franchise Requirements		145,390	511,000											
138	928-OP	Regulatory Commission Expenses		150,578	458,000											
139	930-OP	Miscellaneous & General Expense		0	1,006,000											
140	931-OP	Rentals		156,166	571,000											
141	935-MT	Maintenance of General Plant		2,056,248	8,544,000											
142		Total Administrative & General Expenses		8,116,323	113,491,000											
143		Total Operating & Maintenance Expenses														
144																
145																
146		Taxes Other Than Income Taxes														
147		Property Related														
148		-Production			0											
149		-Underground Storage			127,000											
150		-Distribution			1,818,000											
151		-Administrative & General			22,000											
152		Total Property Related			1,967,000											
153																
154		Slate Excise			5,067,000											
155		-Distribution														
156		Business & Occupation			4,552,000											
157		-Distribution														
158		-Open														
159		-Open														
160		Total Business & Occupation			4,552,000											
161																
162		Miscellaneous			0											
163		-Distribution														
164		Total Taxes Other Than Income Taxes			11,586,000											
165																
166																
167																
168		Depreciation Expense														
169		Underground Storage Plant Depreciation Expense														
170	350	Land & Land Rights Depr. Exp.		489	0											
171	351	Structures & Improvements Depr. Exp.		18,594	14,000											
172	352	Wells Depr. Exp.		279,733	206,000											
173	353	Lines Depr. Exp.		16,966	12,000											
174	354	Compressor Station Equip. Depr. Exp.		44,265	32,000											
175	355	Measuring & Regulating Equip. Depr. Exp.		4,096	3,000											
176	356	Purification Equipment Depr. Exp.		11,990	9,000											
177	357	Other Equipment Depr. Exp.		45,379	33,000											
178		Total Underground Storage Plant Depr. Exp.		421,512	309,000											
179																
180																

AVISTA UTILITIES  
Admin. & General, Other Taxes & Depreciation Expense  
For the Year Ended December 31, 2003

Natural Gas Utility  
Washington Jurisdiction

121 Proforma  
122 Pro Forma Results of Operations  
123 Company Case  
124

(b)	(c)	(d)	(r)	(s)	(t)	(u)	(v)	(w)	(x)	(y)	(z)	(aa)	(ab)	(ac)	(ad)		
Account	Description		Injuries & Damages	Federal Income Tax	Restate Debt Interest	Payroll Clearing	Blank	Eliminate Accounts Rec	Office Space Charges to Subs	Pro Forma Excise/Franchise	Building Lease Expense	Pro Forma Pension Exp	PF Directors & Officers Insurance	Pro Forma Labor (Non-Exec)	Pro Forma Labor - Executive		
			Adj Column M	Adj Column N	Adj Column O	Adj Column P	Adj Column Q	Adj Column R	Adj Column S	Adj Column T	Adj Column U	Adj Column V	Adj Column W	Adj Column X	Adj Column Y	Adj Column Z	
125	Administrative & General Expenses																
130	Admin. & General Salaries					18,000						(47,000)		89,000		(12,000)	
131	Office Supplies & Expenses					0			(6,000)			0		0		0	
132	Admin. Expenses Transferred - Credit					0						0		0		0	
133	Outside Services Employed					0						0		0		0	
134	Property Insurance Premium					0						0	200,000	0		0	
135	Injuries & Damages		(15,000)			0						(1,000)		0		0	
136	Employee Pension & Benefits					0						0		2,000		0	
137	Franchise Requirements					0				(1,183,000)		0		0		0	
138	Regulatory Commission Expenses					2,000						0		0		0	
139	Miscellaneous & General Expense					2,000						(4,000)		10,000		10,000	
140	Rent					0					31,000	(4,000)		10,000		10,000	
141	Maintenance of General Plant					2,000						(4,000)		11,000		0	
142	Total Administrative & General Expenses		(15,000)	0	0	24,000	0	0	(6,000)	(1,183,000)	31,000	(60,000)	200,000	122,000		(12,000)	
143																	
144	Total Operating & Maintenance Expenses		(15,000)	0	0	94,000	0	(124,000)	(6,000)	(1,185,000)	31,000	(236,000)	200,000	532,000		(9,000)	
145																	
146	Taxes Other Than Income Taxes																
147	Property Related																
148	-Production																
149	-Underground Storage																
150	-Distribution																
151	-Administrative & General																
152	Total Property Related		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
153																	
154	State Excise																
155	-Distribution									142,000							
156	Business & Occupation																
157	-Distribution																
158	-Open																
159	-Open																
160	Total Business & Occupation		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
161																	
162	Miscellaneous																
163	-Distribution																
164	Total Taxes Other Than Income Taxes		0	0	0	0	0	0	0	142,000	0	0	0	0	0	0	0
165																	
166																	
167	Depreciation Expense																
168	Underground Storage Plant Depreciation Exp																
169	Land & Land Rights Depr. Exp.																
170	Structures & Improvements Depr. Exp.																
171	Wells Depr. Exp.																
172	Lines Depr. Exp.																
173	Compressor Station Equip. Depr. Exp.																
174	Measuring & Regulating Equip. Depr. Exp.																
175	Purification Equipment Depr. Exp.																
176	Other Equipment Depr. Exp.																
177	Total Underground Storage Plant Depr. Exp.		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
178																	
179																	
180																	



AVISTA UTILITIES  
Admin. & General, Other Taxes & Depreciation Expense  
For the Year Ended December 31, 2003

Natural Gas Utility

Washington Jurisdiction

Pro Forma Results of Operations  
Company Case

121	Proforma	(b)	(c)	(d)	(ae)	(af)	(ag)	(ah)	(ai)	(aj)	(ak)	(al)	(am)	(an)	(ao)	(ap)	(aq)
122	Pro Forma Results of Operations				Pro Forma	Pro Forma	Pro Forma	Open	Open	Open	Open	Open	Open	Open	Open	Net Total	Total
123	Company Case				Utility Gas Supply	Deprec Correction	Incentives									of All	
124					Adj. Column PF5	Adj. Column PF6	Adj. Column PF7									Adjustments	
127	Account	Description															
128		<b>Administrative &amp; General Expenses</b>			46,000		(139,000)										
129	130	Admin. & General Salaries														(45,000)	2,662,000
131	921-OP	Office Supplies & Expenses														(6,000)	1,012,000
132	922-OP	Admin. Expenses Transferred - Credit														0	(4,000)
133	923-OP	Outside Services Employed														0	1,371,000
134	924-OP	Property Insurance Premium														0	372,000
135	925-OP	Injuries & Damages														0	446,000
136	926-OP	Employee Pension & Benefits														0	260,000
137	927-OP	Franchise Requirements														0	8,000
138	928-OP	Regulatory Commission Expenses														0	502,000
139	930-OP	Miscellaneous & General Expense														0	466,000
140	931-OP	Rents														0	8,000
141	935-MT	Maintenance of General Plant														0	8,000
142		Total Administrative & General Expenses			46,000	0	(139,000)	0	0	0	0	0	0	0	0	9,000	1,037,000
143																182,000	560,000
144		Total Operating & Maintenance Expenses			320,000	0	(139,000)	0	0	0	0	0	0	0	0	4,960,000	8,725,000
145																	118,451,000
146		<b>Taxes Other Than Income Taxes</b>															
147		Property Related															
148		-Production														0	0
149		-Underground Storage														0	0
150		-Distribution														(9,000)	118,000
151		-Administrative & General														(128,000)	1,690,000
152		Total Property Related			0	0	0	0	0	0	0	0	0	0	0	2,000	24,000
153																(135,000)	1,832,000
154		Slate Excise															
155		-Distribution														396,000	5,463,000
156																	
157		Business & Occupation															
158		-Distribution														(4,552,000)	0
159		-Open														0	0
160		-Open														0	0
161		Total Business & Occupation			0	0	0	0	0	0	0	0	0	0	0	(4,552,000)	0
162																	
163		Miscellaneous															
164		-Distribution														0	0
165																	
166		Total Taxes Other Than Income Taxes			0	0	0	0	0	0	0	0	0	0	0	(4,291,000)	7,295,000
167																	
168		<b>Depreciation Expense</b>															
169		Underground Storage Plant Depreciation Exp															
170	350	Land & Land Rights Depr. Exp.														0	0
171	351	Structures & Improvements Depr. Exp.														0	14,000
172	352	Wells Depr. Exp.														0	296,000
173	353	Lines Depr. Exp.														0	12,000
174	354	Compressor Station Equip. Depr. Exp.														0	32,000
175	355	Measuring & Regulating Equip. Depr. Exp.														0	3,000
176	356	Purification Equipment Depr. Exp.														0	9,000
177	357	Other Equipment Depr. Exp.														0	33,000
178		Total Underground Storage Plant Depr. Exp.			0	0	0	0	0	0	0	0	0	0	0	0	309,000
179																	
180																	

Washington Jurisdiction

Natural Gas Utility

AVISTA UTILITIES  
Depreciation Expense & Income Tax  
For the Year Ended December 31, 2003

Depreciation Expense & Income Tax  
For the Year Ended December 31, 2003

Proforma  
182 Pro Forma Results of Operations  
183 Company Case

181 Protoma

(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)	(n)	(o)	(p)	(q)
Account	Description	Notes	System Current Accrual	Expense Report	Deferred FIT Rate Base	Deferred Gain on Office Bldg	Gas Inventory	Weatherization & DSM Invest.	Customer Advances	Revenue Gas Supply	Eliminate B & O Taxes	Property Tax	Uncollectible Expense	Regulatory Expense	
			Adj Column B	Adj Column C	Adj Column D	Adj Column E	Adj Column F	Adj Column G	Adj Column H	Adj Column I	Adj Column J	Adj Column K	Adj Column L		
185			0	0	0	0	0	0	0	0	0	0	0	0	0
186			9,811	7,000	0	0	0	0	0	0	0	0	0	0	0
187			2,235,233	1,522,000	0	0	0	0	0	0	0	0	0	0	0
188			1,146,360	780,000	0	0	0	0	0	0	0	0	0	0	0
189			72,484	49,000	0	0	0	0	0	0	0	0	0	0	0
190			26,494	18,000	0	0	0	0	0	0	0	0	0	0	0
191			2,826,821	1,924,000	0	0	0	0	0	0	0	0	0	0	0
192			550,854	375,000	0	0	0	0	0	0	0	0	0	0	0
193			2,247	2,000	0	0	0	0	0	0	0	0	0	0	0
194			164	0	0	0	0	0	0	0	0	0	0	0	0
195			44,540	30,000	0	0	0	0	0	0	0	0	0	0	0
196			0	0	0	0	0	0	0	0	0	0	0	0	0
197			6,915,018	4,707,000	0	0	0	0	0	0	0	0	0	0	0
198			0	0	0	0	0	0	0	0	0	0	0	0	0
199			357	378,000	0	0	0	0	0	0	0	0	0	0	0
200			985,057	289,000	0	0	0	0	0	0	0	0	0	0	0
201			751,774	29,000	0	0	0	0	0	0	0	0	0	0	0
202			74,444	2,000	0	0	0	0	0	0	0	0	0	0	0
203			4,804	22,000	0	0	0	0	0	0	0	0	0	0	0
204			58,436	9,000	0	0	0	0	0	0	0	0	0	0	0
205			23,239	86,471	0	0	0	0	0	0	0	0	0	0	0
206			370,898	143,000	0	0	0	0	0	0	0	0	0	0	0
207			2,528	907,000	0	0	0	0	0	0	0	0	0	0	0
208			2,355,009	5,923,000	0	0	0	0	0	0	0	0	0	0	0
209			9,694,539	102,000	0	0	0	0	0	0	0	0	0	0	0
210			3,000	351,000	0	0	0	0	0	0	0	0	0	0	0
211			159,000	615,000	0	0	0	0	0	0	0	0	0	0	0
212			6,538,000	131,615,000	0	0	0	0	0	0	0	0	0	0	0
213			0	(857,000)	0	0	0	0	0	0	0	0	0	0	0
214			(31,000)	333,000	0	0	0	0	0	0	0	0	0	0	0
215			131,060,000	0	0	0	0	0	0	0	0	0	0	0	0
216			0	(66,000)	0	0	0	0	0	0	0	0	0	0	0
217			47,000	23,000	0	0	0	0	0	0	0	0	0	0	0
218			(86,000)	0	0	0	0	0	0	0	0	0	0	0	0
219			43,000	(43,000)	0	0	0	0	0	0	0	0	0	0	0
220			(19,000)	0	0	0	0	0	0	0	0	0	0	0	0
221			0	0	0	0	0	0	0	0	0	0	0	0	0
222			0	0	0	0	0	0	0	0	0	0	0	0	0
223			0	0	0	0	0	0	0	0	0	0	0	0	0
224			0	0	0	0	0	0	0	0	0	0	0	0	0
225			0	0	0	0	0	0	0	0	0	0	0	0	0
226			0	0	0	0	0	0	0	0	0	0	0	0	0
227			0	0	0	0	0	0	0	0	0	0	0	0	0
228			0	0	0	0	0	0	0	0	0	0	0	0	0
229			0	0	0	0	0	0	0	0	0	0	0	0	0
230			0	0	0	0	0	0	0	0	0	0	0	0	0
231			0	0	0	0	0	0	0	0	0	0	0	0	0
232			0	0	0	0	0	0	0	0	0	0	0	0	0
233			0	0	0	0	0	0	0	0	0	0	0	0	0
234			0	0	0	0	0	0	0	0	0	0	0	0	0
235			0	0	0	0	0	0	0	0	0	0	0	0	0
236			0	0	0	0	0	0	0	0	0	0	0	0	0
237			0	0	0	0	0	0	0	0	0	0	0	0	0
238			0	0	0	0	0	0	0	0	0	0	0	0	0
239			0	0	0	0	0	0	0	0	0	0	0	0	0
240			0	0	0	0	0	0	0	0	0	0	0	0	0

Washington Jurisdiction

Natural Gas Utility

AVISTA UTILITIES  
Depreciation Expense & Income Tax  
For the Year Ended December 31, 2003

181	Proforma		(r)	(s)	(t)	(u)	(v)	(w)	(x)	(y)	(z)	(aa)	(ab)	(ac)	(ad)
182	Pro Forma Results of Operations		Injuries & Damages	Federal Income Tax	Restate Debt Interest	Payroll Clearing	Blank	Eliminate Accounts Rec	Office Space Charges to Subs	Pro Forma Excise/Franchise	Building Lease Expense	Pro Forma Pension Exp	PF Directors & Officers Insurance	Pro Forma Labor (Non-Exec)	Pro Forma Labor - Executive
183	Company Case	Description	Adj Column M	Adj Column N	Adj Column O	Adj Column P	Adj Column Q	Adj Column R	Adj Column S	Adj Column T	Adj Column U	Adj Column V	Adj Column W	Adj Column X	Adj Column Y
184															
185		(e)													
186															
187															
188															
189		Distribution Plant Depreciation Expense													
190	374	Land & Land Rights Depr. Exp.													
191	375	Structures & Improvements Depr. Exp.													
192	376-SM	Mains Depr. Exp.													
193	376-LG	Mains Depr. Exp.													
194	378	Meas & Reg Station Equip-Gen Depr. Exp.													
195	379	Meas & Reg Station Equip-City Gate Depr. Ex													
196	380	Services Depr. Exp.													
197	381	Meters Depr. Exp.													
198	382	Meter Installations Depr. Exp.													
199	383	House Regulators Depr. Exp.													
200	384	House Regulator Installations Depr. Exp.													
201	385	Industrial Meas & Reg Station Equip. Depr. Ex													
202	387	Other Equipment Depr. Exp.													
203		Total Distribution Plant Depreciation Expense	0	0	0	0	0	0	0	0	0	0	0	0	0
204															
205		General Plant Depreciation Expense													
206	389	Land & Land Rights Depr. Exp.													
207	390	Structures & Improvements Depr. Exp.													
208	391	Office Furniture & Equipment Depr. Exp.													
209	392	Transportation Equipment Depr. Exp.													
210	393	Stores Equipment Depr. Exp.													
211	394	Tools, Shop & Garage Equipment Depr. Exp.													
212	395	Laboratory Equipment Depr. Exp.													
213	396	Power Operated Equipment Depr. Exp.													
214	397	Communication Equipment Depr. Exp.													
215	398	Miscellaneous Equipment Depr. Exp.													
216		Total General Plant Depreciation Expense	0	0	0	0	0	0	0	0	0	0	0	0	0
217															
218		Total Depreciation Expense	0	0	0	0	0	0	0	0	0	0	0	0	0
219															
220		Amortization Expense													
221	404-xx	Leasehold Improvement Amortization Exp.													
222	404-20	Intangible Distribution Plant Amortization Exp.													
223	404-30	Intangible Plant - Software Amortization Exp.													
224	407-39	Hamilton Street Bridge Amortization Exp.													
225		Total Amortization Expense	0	0	0	0	0	0	0	0	0	0	0	0	0
226															
227		Total Depreciation and Amortization Expense	0	0	0	0	0	0	0	0	0	0	0	0	0
228															
229		Total Operating Expense Before Income Tax	(15,000)	0	0	94,000	0	(124,000)	(6,000)	(1,041,000)	31,000	(236,000)	200,000	532,000	(3,000)
230															
231		Income Tax - State													
232		Income Tax - Federal	5,000	179,000	966,000	(93,000)		43,000	2,000	364,000	(11,000)	83,000	(70,000)	(166,000)	1,000
233															
234		Investment Tax Credit Adjustment (Net)													
235		Amortization of Deferred Income Taxes		(8,000)											
236															
237		Total Operating Expense	(10,000)	171,000	966,000	61,000	0	(81,000)	(4,000)	(677,000)	20,000	(153,000)	130,000	346,000	(2,000)
238															
239															
240															

AVISTA UTILITIES  
Depreciation Expense & Income Tax  
For the Year Ended December 31, 2003

Natural Gas Utility

Washington Jurisdiction

Proforma Results of Operations  
Company Case

181	Proforma	(b)	(c)	(d)	(ee)	(af)	(ag)	(ah)	(ai)	(aj)	(ak)	(al)	(am)	(an)	(ao)	(ap)	(aq)	
182	Proforma Results of Operations	Account	Description		Proforma	Proforma	Proforma	Open	Open	Open	Open	Open	Open	Open	Open	Net Total	Total	
183	Company Case				Utility Gas Supply	Deprec Correction	Incentives									of All		
184					Adj. Column PF5	Adj. Column PF6	Adj. Column PF7									Adjustments		
185			<i>Distribution Plant Depreciation Expense</i>															
186			Land & Land Rights Depr. Exp.															0
187			Structures & Improvements Depr. Exp.															7,000
188			Mains Depr. Exp.															1,522,000
189			Mains Depr. Exp.															786,000
190			Mains Depr. Exp.															49,000
191			Mess & Reg Station Equip-Gen Depr. Exp.															18,000
192			Mess & Reg Station Equip-City Gate Depr. Exp.															1,924,000
193			Services Depr. Exp.															375,000
194			Meters Depr. Exp.															2,000
195			Meter Installations Depr. Exp.															0
196			House Regulators Depr. Exp.															0
197			House Regulator Installations Depr. Exp.															0
198			Industrial Meas & Reg Station Equip. Depr. Exp.															0
199			Other Equipment Depr. Exp.															30,000
200			Total Distribution Plant Depreciation Expense		0	0	0	0	0	0	0	0	0	0	0	0	0	4,707,000
201			<i>General Plant Depreciation Expense</i>															0
202			Land & Land Rights Depr. Exp.															0
203			Structures & Improvements Depr. Exp.															378,000
204			Office Furniture & Equipment Depr. Exp.			(191,000)										(191,000)		98,000
205			Transportation Equipment Depr. Exp.															29,000
206			Stores Equipment Depr. Exp.															2,000
207			Tools, Shop & Garage Equipment Depr. Exp.															22,000
208			Laboratory Equipment Depr. Exp.															9,000
209			Power Operated Equipment Depr. Exp.															34,000
210			Communication Equipment Depr. Exp.															143,000
211			Miscellaneous Equipment Depr. Exp.															1,000
212			Total General Plant Depreciation Expense		0	(191,000)	0	0	0	0	0	0	0	0	0	(191,000)	0	716,000
213			Total Depreciation Expense		0	(191,000)	0	0	0	0	0	0	0	0	0	(191,000)	0	5,732,000
214			<b>Amortization Expense</b>															0
215			Leasehold Improvement Amortization Exp.															102,000
216			Intangible Distribution Plant Amortization Exp.															3,000
217			Intangible Plant - Software Amortization Exp.															351,000
218			Hamilton Street Bridge Amortization Exp.															159,000
219			Total Amortization Expense		0	0	0	0	0	0	0	0	0	0	0	0	0	615,000
220			Total Depreciation and Amortization Expense		0	(191,000)	0	0	0	0	0	0	0	0	0	(191,000)	0	6,347,000
221			Total Operating Expense Before Income Tax		320,000	(191,000)	(139,000)	0	0	0	0	0	0	0	0	478,000	0	132,093,000
222			Income Tax - State															0
223			Income Tax - Federal		(112,000)	67,000	49,000									2,070,000		1,213,000
224			Investment Tax Credit Adjustment (Net)															(81,000)
225			Amortization of Deferred Income Taxes															325,000
226			Total Operating Expense		208,000	(124,000)	(90,000)	0	0	0	0	0	0	0	0	2,540,000	0	133,600,000
227																		
228																		
229																		
230																		
231																		
232																		
233																		
234																		
235																		
236																		
237																		
238																		
239																		
240																		

Washington Jurisdiction

Natural Gas Utility

AMISTA UTILITIES  
Plant in Service  
For the Year Ended December 31, 2003

241 Proforma  
242 Pro Forma Results of Operations  
243 Company Case  
244

(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)	(n)	(o)	(p)	(q)
Account	Description	Notes	Balance Per Books	Deferred FIT Rate Base Adj Column C	Deferred Gain on Office Bldg Adj Column D	Gas Inventory Adj Column E	Weatherization & DSM Invest. Adj Column F	Customer Advances Adj Column G	Revenue Gas Supply Adj Column H	Eliminate B & O Taxes Adj Column I	Property Tax Adj Column J	Uncollectible Expense Adj Column K	Regulatory Expense Adj Column L		
245															
246															
247															
248															
249															
250	<b>Rate Base</b>														
251	<b>Plant In Service</b>														
252	<b>Intangible Plant</b>														
253	303.00	Intangible Gas Plant	164,000												
254	303.1X	Miscellaneous-Computer Software	1,730,000												
255		Total Intangible Plant	1,894,000	0	0	0	0	0	0	0	0	0	0	0	0
256															
257		<b>Underground Storage Plant</b>													
258	350	Land & Land Rights	321,000												
259	351	Structures & Improvements	782,000												
260	352	Wells	9,001,000												
261	353	Lines	606,000												
262	354	Compressor Station Equipment	1,388,000												
263	355	Measuring & Regulating Equipment	113,000												
264	356	Purification Equipment	287,000												
265	357	Other Equipment	1,204,000												
266		Total Underground Storage Plant	13,712,000	0	0	0	0	0	0	0	0	0	0	0	0
267															
268		<b>Distribution Plant</b>													
269	374	Land & Land Rights	61,000												
270	375	Structures & Improvements	337,000												
271	376-SM	Mains	61,674,000	66.10%											
272	376-LG	Mains	31,630,000	33.90%											
273	378	Meas & Reg Station Equip-General	2,103,000												
274	379	Meas & Reg Station Equip-City Gate	606,000												
275	380	Services	72,586,000												
276	381	Meters	21,547,000												
277	382	Meter Installations	0												
278	383	House Regulators	0												
279	384	House Regulator Installations	0												
280	385	Industrial Meas & Reg Station Equip	1,426,000												
281	387	Other Equipment	0												
282		Total Distribution Plant	181,970,000	0	0	0	0	0	0	0	0	0	0	0	0
283															
284		<b>General Plant</b>													
285	389	Land & Land Rights	186,000												
286	390	Structures & Improvements	3,154,000												
287	391	Office Furniture & Equipment	3,094,000												
288	392	Transportation Equipment	1,594,000												
289	393	Stores Equipment	117,000												
290	394	Tools, Shop & Garage Equipment	924,000												
291	395	Laboratory Equipment	483,000												
292	396	Power Operated Equipment	2,105,000												
293	397	Communication Equipment	2,551,000												
294	398	Miscellaneous Equipment	60,000												
295		Total General Plant	14,216,000	0	0	0	0	0	0	0	0	0	0	0	0
296															
297		Total Plant In Service	221,794,000	0	0	0	0	0	0	0	0	0	0	0	0
298															
299															
300															

AVISTA UTILITIES  
Plant in Service  
For the Year Ended December 31, 2003

Natural Gas Utility  
Washington Jurisdiction

241 Proforma  
242 Pro Forma Results of Operations  
243 Company Case  
244  
245  
246  
247 Account  
248  
249  
250 Rate Base  
251 Plant in Service  
252  
253 Intangible Plant  
254 Intangible Gas Plant  
255 Miscellaneous-Computer Software  
256 Total Intangible Plant  
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(b)	(c)	(d)	(r)	(s)	(t)	(u)	(v)	(w)	(x)	(y)	(z)	(aa)	(ab)	(ac)	(ad)
Account	Description		Injuries & Damages Adj Column M	Federal Income Tax Adj Column N	Real Estate Debt Interest Adj Column O	Payroll Clearing Adj Column P	Blank Adj Column Q	Eliminate Accounts Rec Adj Column R	Office Space Charges to Subs Adj Column S	Pro Forma Exercise/Franchise Adj Column T	Building Lease Expense Adj Column U	Pro Forma Pension Exp Adj Column V	PF Directors & Officers Insurance Adj Column W	Pro Forma Labor (Non-Exec) Adj Column X	Pro Forma Labor - Executive Adj Column Y
251	<b>Plant in Service</b>		0	0	0	0	0	0	0	0	0	0	0	0	0
252	<b>Intangible Plant</b>		0	0	0	0	0	0	0	0	0	0	0	0	0
253	Intangible Gas Plant		0	0	0	0	0	0	0	0	0	0	0	0	0
254	303.1X Miscellaneous-Computer Software		0	0	0	0	0	0	0	0	0	0	0	0	0
255	Total Intangible Plant		0	0	0	0	0	0	0	0	0	0	0	0	0
256	<b>Underground Storage Plant</b>		0	0	0	0	0	0	0	0	0	0	0	0	0
258	350 Land & Land Rights		0	0	0	0	0	0	0	0	0	0	0	0	0
259	351 Structures & Improvements		0	0	0	0	0	0	0	0	0	0	0	0	0
260	352 Wells		0	0	0	0	0	0	0	0	0	0	0	0	0
261	353 Lines		0	0	0	0	0	0	0	0	0	0	0	0	0
262	354 Compressor Station Equipment		0	0	0	0	0	0	0	0	0	0	0	0	0
263	355 Measuring & Regulating Equipment		0	0	0	0	0	0	0	0	0	0	0	0	0
264	356 Purification Equipment		0	0	0	0	0	0	0	0	0	0	0	0	0
265	357 Other Equipment		0	0	0	0	0	0	0	0	0	0	0	0	0
266	Total Underground Storage Plant		0	0	0	0	0	0	0	0	0	0	0	0	0
267			0	0	0	0	0	0	0	0	0	0	0	0	0
268	<b>Distribution Plant</b>		0	0	0	0	0	0	0	0	0	0	0	0	0
269	374 Land & Land Rights		0	0	0	0	0	0	0	0	0	0	0	0	0
270	375 Structures & Improvements		0	0	0	0	0	0	0	0	0	0	0	0	0
271	376-SM Mains		0	0	0	0	0	0	0	0	0	0	0	0	0
272	376-LG Mains		0	0	0	0	0	0	0	0	0	0	0	0	0
273	378 Meas & Reg Station Equip-General		0	0	0	0	0	0	0	0	0	0	0	0	0
274	379 Meas & Reg Station Equip-City Gate		0	0	0	0	0	0	0	0	0	0	0	0	0
275	380 Services		0	0	0	0	0	0	0	0	0	0	0	0	0
276	381 Meters		0	0	0	0	0	0	0	0	0	0	0	0	0
277	382 Meter Installations		0	0	0	0	0	0	0	0	0	0	0	0	0
278	383 House Regulators		0	0	0	0	0	0	0	0	0	0	0	0	0
279	384 House Regulator Installations		0	0	0	0	0	0	0	0	0	0	0	0	0
280	385 Industrial Meas & Reg Station Equip		0	0	0	0	0	0	0	0	0	0	0	0	0
281	387 Other Equipment		0	0	0	0	0	0	0	0	0	0	0	0	0
282	Total Distribution Plant		0	0	0	0	0	0	0	0	0	0	0	0	0
283			0	0	0	0	0	0	0	0	0	0	0	0	0
284	<b>General Plant</b>		0	0	0	0	0	0	0	0	0	0	0	0	0
285	389 Land & Land Rights		0	0	0	0	0	0	0	0	0	0	0	0	0
286	390 Structures & Improvements		0	0	0	0	0	0	0	0	0	0	0	0	0
287	391 Office Furniture & Equipment		0	0	0	0	0	0	0	0	0	0	0	0	0
288	392 Transportation Equipment		0	0	0	0	0	0	0	0	0	0	0	0	0
289	393 Stores Equipment		0	0	0	0	0	0	0	0	0	0	0	0	0
290	394 Tools, Shop & Garage Equipment		0	0	0	0	0	0	0	0	0	0	0	0	0
291	395 Laboratory Equipment		0	0	0	0	0	0	0	0	0	0	0	0	0
292	396 Power Operated Equipment		0	0	0	0	0	0	0	0	0	0	0	0	0
293	397 Communication Equipment		0	0	0	0	0	0	0	0	0	0	0	0	0
294	398 Miscellaneous Equipment		0	0	0	0	0	0	0	0	0	0	0	0	0
295	Total General Plant		0	0	0	0	0	0	0	0	0	0	0	0	0
296			0	0	0	0	0	0	0	0	0	0	0	0	0
297	Total Plant in Service		0	0	0	0	0	0	0	0	0	0	0	0	0
298			0	0	0	0	0	0	0	0	0	0	0	0	0
299			0	0	0	0	0	0	0	0	0	0	0	0	0
300			0	0	0	0	0	0	0	0	0	0	0	0	0

AMISTA UTILITIES  
Plant in Service  
For the Year Ended December 31, 2003

241 Proforma  
242 Pro Forma Results of Operations  
243 Company Case  
244

	(b)	(c)	(d)	(ae) Pro Forma Utility Gas Supply Adj Column PF5	(af) Pro Forma Deprec Correction Adj Column PF6	(ag) Pro Forma Incentives Adj Column PF7	(ah) Open	(ai) Open	(aj) Open	(ak) Open	(al) Open	(am) Open	(an) Open	(ap) Net Total of All Adjustments	(aq) Total
245	Account														
246															
247															
248															
249															
250	<b>Rate Base</b>														
251	<b>Plant in Service</b>														
252	Intangible Plant														
253	Intangible Gas Plant														164,000
254	Miscellaneous-Computer Software														1,730,000
255	Total Intangible Plant														1,894,000
256															
257	Underground Storage Plant														
258	Land & Land Rights														321,000
259	Structures & Improvements														782,000
260	Wells														9,001,000
261	Lines														606,000
262	Compressor Station Equipment														1,388,000
263	Measuring & Regulating Equipment														113,000
264	Purification Equipment														297,000
265	Other Equipment														1,204,000
266	Total Underground Storage Plant														13,712,000
267															
268	Distribution Plant														
269	Land & Land Rights														61,000
270	Structures & Improvements														337,000
271	Mains														61,674,000
272	Mains														31,630,000
273	Meas & Reg Station Equip-General														2,103,000
274	Meas & Reg Station Equip-City Gate														606,000
275	Services														72,586,000
276	Meters														21,547,000
277	Meter Installations														0
278	House Regulators														0
279	House Regulator Installations														0
280	Industrial Meas & Reg Station Equip														1,426,000
281	Other Equipment														0
282	Total Distribution Plant														191,970,000
283															
284	General Plant														
285	Land & Land Rights														186,000
286	Structures & Improvements														3,154,000
287	Office Furniture & Equipment														3,094,000
288	Transportation Equipment														1,534,000
289	Stores Equipment														117,000
290	Tools, Shop & Garage Equipment														924,000
291	Laboratory Equipment														483,000
292	Power Operated Equipment														2,105,000
293	Communication Equipment														2,551,000
294	Miscellaneous Equipment														60,000
295	Total General Plant														14,218,000
296															
297	Total Plant in Service														221,794,000
298															
299															
300															

Washington Jurisdiction

Natural Gas Utility

AVISTA UTILITIES  
Accumulated Reserve For Depreciation  
For the Year Ended December 31, 2003

Proforma  
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	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)	(n)	(o)	(p)	(q)
301	Account	Description	Notes	System Accumulated Reserve	Balance Per Books	Deferred FIT Rate Base Adj Column C	Deferred Gain on Office Bldg Adj Column D	Gas Inventory Adj Column E	Weatherization & DSM Invest. Adj Column F	Customer Advances Adj Column G	Revenue Gas Supply Adj Column H	Eliminate B & O Taxes Adj Column I	Property Tax Adj Column J	Uncollectible Expense Adj Column K	Regulatory Expense Adj Column L	
310	<b>Accumulated Reserve for Depreciation</b>															
311	<i>Underground Storage Plant Accum. Depr.</i>															
312	350	Land & Land Rights Accum. Depr.		13,337	10,000											
313	351	Structures & Improvements Accum. Depr.		559,553	402,000											
314	352	Wells Accum. Depr.		6,552,607	4,704,000											
315	353	Lines Accum. Depr.		316,820	227,000											
316	354	Compressor Station Equip. Accum. Depr.		1,124,927	808,000											
317	355	Measuring & Regulating Equip. Accum. Depr.		(472,574)	(339,000)											
318	356	Purification Equipment Accum. Depr.		268,898	193,000											
319	357	Other Equipment Accum. Depr.		682,584	490,000											
320		Total Underground Storage Plant Accum. Depr.		9,046,152	6,495,000											
321																
322	<i>Distribution Plant Accumulated Depreciation</i>															
323	374	Land & Land Rights Accum. Depr.		0	0											
324	375	Structures & Improvements Accum. Depr.		135,875	89,000											
325	376-SM	Mains Accum. Depr.	66.10%	30,845,496	20,204,000											
326	376-LG	Mains Accum. Depr.	33.90%	15,819,399	10,362,000											
327	378	Meas & Reg Station Equip-Gen. Accum. Depr.		371,761	244,000											
328	379	Meas & Reg Station Equip-City Gate Accum. Depr.		275,988	181,000											
329	380	Services Accum. Depr.		36,031,268	23,600,000											
330	381	Meters Accum. Depr.		7,940,564	5,136,000											
331	382	Meter Installations Accum. Depr.		0	0											
332	383	House Regulators Accum. Depr.		0	0											
333	384	House Regulator Installations Accum. Depr.		0	0											
334	385	Industrial Meas & Reg Station Equip Accum. Depr.		645,959	423,000											
335	387	Other Equipment Accum. Depr.		0	0											
336		Total Distribution Plant Accumulated Depreciation		91,566,320	60,239,000											
337																
338	<i>General Plant Accumulated Depreciation</i>															
339	389	Land & Land Rights Accum. Depr.		9,072	5,000											
340	390	Structures & Improvements Accum. Depr.		1,787,906	996,000											
341	391	Office Furniture & Equipment Accum. Depr.		3,688,370	2,056,000											
342	392	Transportation Equipment Accum. Depr.		414,374	231,000											
343	393	Stores Equipment Accum. Depr.		61,150	34,000											
344	394	Tools, Shop & Garage Equip. Accum. Depr.		506,037	282,000											
345	395	Laboratory Equipment Accum. Depr.		291,790	163,000											
346	396	Power Operated Equipment Accum. Depr.		1,656,487	923,000											
347	397	Communication Equipment Accum. Depr.		1,633,839	911,000											
348	398	Miscellaneous Equipment Accum. Depr.		49,304	27,000											
349		Total General Plant Accumulated Depreciation		10,988,330	5,628,000											
350																
351		Total Accumulated Depreciation		111,110,802	72,962,000											
352																
353	<b>Accumulated Amortization</b>															
354	303.1X	Miscellaneous-Computer Software			938,000											
355		Leasehold Improvements			871,000											
356		Intangible Distribution Plant			9,000											
357		Total Accumulated Amortization			1,818,000											
358		Net Plant			147,614,000											
359																
360																



		Natural Gas Utility						Washington Jurisdiction						Rate Base Page 2A 09-Jun-04								
		AVISTA UTILITIES Accumulated Reserve For Depreciation For the Year Ended December 31, 2003																				
(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)	(n)	(o)	(p)	(q)	(r)						
Account	Description	Injuries & Damages	Federal Income Tax	Resstate Debt Interest	Payroll Clearing	Blank	Eliminate Accounts Rec	Office Space Charges to Subs	Pro Forma Excise/Franchise	Building Lease Expense	Pro Forma Pension Exp	PF Directors & Officers Insurance	(ac)	(ad)								
		Adj Column M	Adj Column N	Adj Column O	Adj Column P	Adj Column Q	Adj Column R	Adj Column S	Adj Column T	Adj Column U	Adj Column V	Adj Column W	Adj Column X	Adj Column Y	Adj Column Z	Adj Column AA	Adj Column AB	Adj Column AC	Adj Column AD	Adj Column AE	Adj Column AF	
310	<b>Accumulated Reserve for Depreciation</b>																					
311	<i>Underground Storage Plant Accum. Depr.</i>																					
312	Land & Land Rights Accum. Depr.																					
313	Structures & Improvements Accum. Depr.																					
314	Wells Accum. Depr.																					
315	Lines Accum. Depr.																					
316	Compressor Station Equip. Accum. Depr.																					
317	Measuring & Regulating Equip. Accum. Depr.																					
318	Purification Equipment Accum. Depr.																					
319	Other Equipment Accum. Depr.																					
320	Total Underground Storage Plant Accum. Dep	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
321																						
322	<i>Distribution Plant Accumulated Depreciation</i>																					
323	Land & Land Rights Accum. Depr.																					
324	Structures & Improvements Accum. Depr.																					
325	Mains Accum. Depr.																					
326	Mains Accum. Depr.																					
327	Meas & Reg Station Equip-Gen. Accum. Depr.																					
328	Meas & Reg Station Equip-City Gale Accum. I																					
329	Services Accum. Depr.																					
330	Meters Accum. Depr.																					
331	Meter Installations Accum. Depr.																					
332	House Regulators Accum. Depr.																					
333	House Regulator Installations Accum. Depr.																					
334	Industrial Meas & Reg Station Equip Accum. C																					
335	Other Equipment Accum. Depr.																					
336	Total Distribution Plant Accumulated Deprecia	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
337																						
338	<i>General Plant Accumulated Depreciation</i>																					
339	Land & Land Rights Accum. Depr.																					
340	Structures & Improvements Accum. Depr.																					
341	Office Furniture & Equipment Accum. Depr.																					
342	Transportation Equipment Accum. Depr.																					
343	Stores Equipment Accum. Depr.																					
344	Tools, Shop & Garage Equip. Accum. Depr.																					
345	Laboratory Equipment Accum. Depr.																					
346	Power Operated Equipment Accum. Depr.																					
347	Communication Equipment Accum. Depr.																					
348	Miscellaneous Equipment Accum. Depr.																					
349	Total General Plant Accumulated Depreciation	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
350																						
351	Total Accumulated Depreciation	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
352																						
353	<b>Accumulated Amortization</b>																					
354	303.1X Miscellaneous-Computer Software																					
355	Leasehold Improvements																					
356	Intangible Distribution Plant																					
357	Total Accumulated Amortization	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
358																						
359	Net Plant	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
360																						

AVISTA UTILITIES  
Accumulated Reserve For Depreciation  
For the Year Ended December 31, 2003

Natural Gas Utility  
Washington Jurisdiction

301 Proforma  
302 Pro Forma Results of Operations  
303 Company Case  
304

(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)	(n)	(o)	(p)	(q)
Account	Description		Pro Forma Utility Gas Supply Adj Column PF5	Pro Forma Deprec Correction Adj Column PF6	Pro Forma Incentives Adj Column PF7	Open	Open	Open	Open	Open	Open	Open	Open	Net Total of All Adjustments	Total
305			0	0	0	0	0	0	0	0	0	0	0	0	10,000
306			0	0	0	0	0	0	0	0	0	0	0	0	402,000
307			0	0	0	0	0	0	0	0	0	0	0	0	4,704,000
308			0	0	0	0	0	0	0	0	0	0	0	0	227,000
309			0	0	0	0	0	0	0	0	0	0	0	0	808,000
310			0	0	0	0	0	0	0	0	0	0	0	0	(389,000)
311			0	0	0	0	0	0	0	0	0	0	0	0	193,000
312			0	0	0	0	0	0	0	0	0	0	0	0	490,000
313			0	0	0	0	0	0	0	0	0	0	0	0	6,485,000
314			0	0	0	0	0	0	0	0	0	0	0	0	0
315			0	0	0	0	0	0	0	0	0	0	0	0	89,000
316			0	0	0	0	0	0	0	0	0	0	0	0	20,204,000
317			0	0	0	0	0	0	0	0	0	0	0	0	10,362,000
318			0	0	0	0	0	0	0	0	0	0	0	0	244,000
319			0	0	0	0	0	0	0	0	0	0	0	0	181,000
320			0	0	0	0	0	0	0	0	0	0	0	0	23,600,000
321			0	0	0	0	0	0	0	0	0	0	0	0	5,136,000
322			0	0	0	0	0	0	0	0	0	0	0	0	0
323			0	0	0	0	0	0	0	0	0	0	0	0	0
324			0	0	0	0	0	0	0	0	0	0	0	0	0
325			0	0	0	0	0	0	0	0	0	0	0	0	0
326			0	0	0	0	0	0	0	0	0	0	0	0	0
327			0	0	0	0	0	0	0	0	0	0	0	0	0
328			0	0	0	0	0	0	0	0	0	0	0	0	0
329			0	0	0	0	0	0	0	0	0	0	0	0	0
330			0	0	0	0	0	0	0	0	0	0	0	0	0
331			0	0	0	0	0	0	0	0	0	0	0	0	0
332			0	0	0	0	0	0	0	0	0	0	0	0	0
333			0	0	0	0	0	0	0	0	0	0	0	0	0
334			0	0	0	0	0	0	0	0	0	0	0	0	0
335			0	0	0	0	0	0	0	0	0	0	0	0	423,000
336			0	0	0	0	0	0	0	0	0	0	0	0	0
337			0	0	0	0	0	0	0	0	0	0	0	0	60,239,000
338			0	0	0	0	0	0	0	0	0	0	0	0	0
339			0	0	0	0	0	0	0	0	0	0	0	0	5,000
340			0	0	0	0	0	0	0	0	0	0	0	0	986,000
341			0	0	0	0	0	0	0	0	0	0	0	(289,000)	1,767,000
342			0	0	0	0	0	0	0	0	0	0	0	0	231,000
343			0	0	0	0	0	0	0	0	0	0	0	0	34,000
344			0	0	0	0	0	0	0	0	0	0	0	0	282,000
345			0	0	0	0	0	0	0	0	0	0	0	0	163,000
346			0	0	0	0	0	0	0	0	0	0	0	0	923,000
347			0	0	0	0	0	0	0	0	0	0	0	0	911,000
348			0	0	0	0	0	0	0	0	0	0	0	0	27,000
349			0	0	0	0	0	0	0	0	0	0	0	(289,000)	5,339,000
350			0	0	0	0	0	0	0	0	0	0	0	0	0
351			0	0	0	0	0	0	0	0	0	0	0	0	0
352			0	0	0	0	0	0	0	0	0	0	0	(289,000)	72,073,000
353			0	0	0	0	0	0	0	0	0	0	0	0	0
354			0	0	0	0	0	0	0	0	0	0	0	0	936,000
355			0	0	0	0	0	0	0	0	0	0	0	0	871,000
356			0	0	0	0	0	0	0	0	0	0	0	0	9,000
357			0	0	0	0	0	0	0	0	0	0	0	0	1,818,000
358			0	0	0	0	0	0	0	0	0	0	0	0	0
359			0	0	0	0	0	0	0	0	0	0	0	289,000	147,903,000
360			0	0	0	0	0	0	0	0	0	0	0	0	0

AVISTA UTILITIES  
Miscellaneous Rate Base Items and Revenues  
For the Year Ended December 31, 2003

Natural Gas Utility  
Washington Jurisdiction

Proforma  
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363 Company Case  
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(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)	(n)	(o)	(p)	(q)	
Account	Description	Notes	Deferred FIT Rate Base Adj Column C	Deferred Gain on Office Bldg Adj Column D	Gas Inventory Adj Column E	Weatherization & DSM Invest. Adj Column F	Customer Advances Adj Column G	Revenue Gas Supply Adj Column H	Eliminate B & O Taxes Adj Column I	Property Tax Adj Column J	Uncollectible Expense Adj Column K	Regulatory Expense Adj Column L				
365	Accumulated Deferred Income Taxes		(22,570,000)	132,000												
371	<b>Miscellaneous Rate Base Items</b>															
372	Customer Advances				4,568,000		(14,000)									
373	Gas Inventory			(378,000)												
374	Gain on Sale of Office Building															
375	Demand Side Management Investment				2,275,000											
376	Open															
377	Open															
378	Total Miscellaneous Rate Base Items				4,568,000		(14,000)									
379	Total Rate Base		(22,570,000)	(378,000)	4,568,000		(14,000)									
380																
381																
382																
383	<b>Operating Revenues</b>															
384	From Retail Sale of Gas															
385	From Transportation of Gas															
386	Open															
387	Open															
388	Open															
389	Open															
390	Open															
391	Total Revenue From Retail Rates		0	0	0	0	0	0	0	0	0	0	0	0	0	0
392																
393																
394	<b>Other Operating Revenues</b>															
395	Off System Sales															
396	Miscellaneous Service Revenues															
397	Rent From Gas Property															
398	Other Gas Revenue															
399	Special Contract Transport Revenue															
400	Open															
401	Total Other Operating Revenues		0	0	0	0	0	0	0	0	0	0	0	0	0	0
402																
403	Total Revenues		0	0	0	0	0	0	0	0	0	0	0	0	0	0
404																
405	Net Income		0	0	0	0	0	0	0	0	0	0	0	0	0	0
406																
407																
408																
409																
410																
411	Non-Additive Input Items															
412	-Interest Expense															
413																
414																
415																
416																
417																
418																
419																
420																

Crossbot Error Test  
FALSE  
no errors found

	(b)	(c)	(d)	(r)	(s)	(t)	(u)	(v)	(w)	(x)	(y)	(z)	(aa)	(ab)	(ac)	(ad)
Account	Description			Injuries & Damages Adj Column M	Federal Income Tax Adj Column N	Restate Debt Interest Adj Column O	Payroll Clearing Adj Column P	Blank Adj Column Q	Eliminate Accounts Rec Adj Column R	Office Space Charges to Subs Adj Column S	Pro Forma Excise/Franchise Adj Column T	Building Lease Expense Adj Column U	Pro Forma Pension Exp Adj Column V	PF Directors & Officers Insurance Adj Column W	Pro Forma Labor (Non-Exec) Adj Column X	Pro Forma Labor - Executive Adj Column Y
361	Accumulated Deferred Income Taxes			0	0	0	0	0	0	0	0	0	0	0	0	0
371				0	0	0	0	0	0	0	0	0	0	0	0	0
372	<b>Miscellaneous Rate Base Items</b>			0	0	0	0	0	0	0	0	0	0	0	0	0
373	Customer Advances															
374	Gas Inventory															
375	Gain on Sale of Office Building															
376	Demand Side Management Investment															
377	Open															
378	Open															
379	Total Miscellaneous Rate Base Items			0	0	0	0	0	0	0	0	0	0	0	0	0
380	Total Rate Base			0	0	0	0	0	0	0	0	0	0	0	0	0
382																
383	<b>Operating Revenues</b>															
384	48X From Retail Sale of Gas															
385	489.5X From Transportation of Gas															
386	Open															
387	Open															
388	Open															
389	Open															
390	Open															
391																
392	Total Revenue From Retail Rates			0	0	0	0	0	0	0	0	0	0	0	0	0
393																
394	Other Operating Revenues															
395	483/484 Off System Sales															
396	488 Miscellaneous Service Revenues															
397	493 Rent From Gas Property															
398	495.90 Other Gas Revenue															
399	Special Contract Transport Revenue															
400	Open															
401	Total Other Operating Revenues			0	0	0	0	0	0	0	0	0	0	0	0	0
402																
403	Total Revenues			0	0	0	0	0	0	0	0	0	0	0	0	0
404																
405	Net Income			10,000	(171,000)	(966,000)	(61,000)	0	81,000	4,000	677,000	(20,000)	153,000	(130,000)	(346,000)	2,000
406																
407																
408																
409																
410																
411	Non-Additive Input Items															
412	-Interest Expense															
413																
414																
415																
416																
417																
418																
419																
420																

AVISTA UTILITIES  
Miscellaneous Rate Base Items and Revenues  
For the Year Ended December 31, 2003

361 Proforma  
362 Pro Forma Results of Operations  
363 Company Case

(b)	(c)	(d)	(ee) Pro Forma Utility Gas Supply Adj Column PF5	(ef) Pro Forma Deprec Correction Adj Column PF6	(eg) Pro Forma Incentives Adj Column PF7	(ah) Open	(ai) Open	(aj) Open	(ak) Open	(al) Open	(am) Open	(an) Open	(ao) Open	(ap) Net Total of All Adjustments	(aq) Total
364															
365															
366															
367															
368															
369															
370															
371															
372															
373															
374															
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414															
415															
416															
417															
418															
419															
420															