

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

DOCKET NO. UE-19 _____

DOCKET NO. UG-19 _____

EXH. EMA-2

ELIZABETH M. ANDREWS

REPRESENTING AVISTA CORPORATION

AVISTA UTILITIES
WASHINGTON ELECTRIC RESULTS
TWELVE MONTHS ENDED DECEMBER 31, 2018
(000'S OF DOLLARS)

		April 1, 2020				
		WITH PRESENT RATES			WITH 04.2020 PROPOSED RATES	
Line No.	DESCRIPTION	Actual Per Results Report	Total Adjustments	04.2020 Adjusted Total (1)	Proposed Revenues & Related Exp	04.2020 Proposed Total
	<i>a</i>	<i>b</i>	<i>c</i>	<i>d</i>	<i>e</i>	<i>f</i>
REVENUES						
1	Total General Business	\$540,037	(\$39,119)	\$500,918	\$45,775	\$546,693
2	Interdepartmental Sales	1,101	-	1,101		1,101
3	Sales for Resale	60,012	(24,436)	35,576		35,576
4	Total Sales of Electricity	601,150	(63,555)	537,595	45,775	583,370
5	Other Revenue	60,951	(47,952)	12,999		12,999
6	Total Electric Revenue	662,101	(111,507)	550,594	45,775	596,369
EXPENSES						
Production and Transmission						
7	Operating Expenses	175,404	(41,099)	134,305		134,305
8	Purchased Power	89,111	(15,869)	73,242		73,242
9	Depreciation/Amortization	28,724	4,951	33,675		33,675
10	Regulatory Deferrals/Amortization	1,647	990	2,637		2,637
11	Taxes	16,973	1,985	18,958		18,958
12	Total Production & Transmission	311,859	(49,042)	262,817	-	262,817
Distribution						
13	Operating Expenses	23,755	987	24,742		24,742
14	Depreciation/Amortization	32,128	(3,212)	28,916		28,916
15	Taxes	48,243	(18,276)	29,967	1,766	31,733
16	Total Distribution	104,126	(20,501)	83,625	1,766	85,391
17	Customer Accounting	11,331	1,154	12,485	173	12,658
18	Customer Service & Information	27,244	(25,653)	1,591		1,591
19	Sales Expenses	59	-	59		59
Administrative & General						
20	Operating Expenses	52,643	2,369	55,012	92	55,104
21	Depreciation/Amortization	29,471	4,292	33,763		33,763
22	Regulatory Deferrals/Amortization	(5,927)	5,230	(697)		(697)
23	Taxes	-	-	-		-
24	Total Admin. & General	76,187	11,891	88,078	92	88,170
25	Total Electric Expenses	530,806	(82,151)	448,655	2,031	450,686
26	OPERATING INCOME BEFORE FIT	131,295	(29,356)	101,939	43,744	145,683
FEDERAL INCOME TAX						
27	Current Accrual	15,092	(7,150)	7,942	9,186	17,128
28	Debt Interest	-	(606)	(606)		(606)
29	Deferred Income Taxes	(1,075)	2,089	1,014		1,014
30	Amortized Investment Tax Credit	(317)	-	(317)		(317)
31	NET OPERATING INCOME	\$117,595	(\$23,689)	\$93,906	34,558	\$128,464
RATE BASE						
PLANT IN SERVICE						
32	Intangible	\$189,271	\$14,525	\$203,796		\$203,796
33	Production	905,266	15,798	921,064		921,064
34	Transmission	477,024	36,047	513,071		513,071
35	Distribution	1,109,132	48,974	1,158,106		1,158,106
36	General	260,548	29,341	289,889		289,889
37	Total Plant in Service	2,941,241	144,685	3,085,926	-	3,085,926
ACCUMULATED DEPRECIATION						
38	Intangible	(43,469)	(4,661)	(48,130)		(48,130)
39	Production	(365,167)	(7,183)	(372,350)		(372,350)
40	Transmission	(140,271)	(2,696)	(142,967)		(142,967)
41	Distribution	(336,685)	(11,520)	(348,205)		(348,205)
42	General	(93,140)	(4,575)	(97,715)		(97,715)
43	Total Accumulated Depreciation	(978,732)	(30,635)	(1,009,367)	-	(1,009,367)
44	NET PLANT BEFORE DFIT	1,962,509	114,050	2,076,559	-	2,076,559
45	DEFERRED TAXES	(410,938)	(1,215)	(412,153)		(412,153)
46	NET PLANT AFTER DFIT	1,551,571	112,835	1,664,406	-	1,664,406
47	DEFERRED DEBITS AND CREDITS	(2,132)	(590)	(2,722)		(2,722)
48	WORKING CAPITAL	46,614	-	46,614		46,614
50	TOTAL RATE BASE	\$1,596,053	\$112,245	\$1,708,298	\$0	\$1,708,298
51	RATE OF RETURN	7.37%		5.50%		7.52%

**AVISTA UTILITIES
CALCULATION OF REQUESTED GENERAL REVENUE REQUIREMENT
WASHINGTON ELECTRIC
TWELVE MONTHS ENDED DECEMBER 31, 2018**

Line No.	Description	Requested Base Rate Change 4/1/2020 (000's of Dollars)			
1	Pro Forma Rate Base	\$ 1,708,298			
2	Proposed Rate of Return	7.52%			
3	Net Operating Income Requirement	\$128,464			
4	Pro Forma Net Operating Income	93,906			
5	Net Operating Income Deficiency	\$34,558			
6	Conversion Factor	0.754948			
7	Revenue Requirement	\$45,775			
8	Total General Business Revenues	\$502,019			
9	Percentage Revenue Increase	9.12%			
10	Total <u>Billed</u> General Business Revenues	\$519,238			
11	Percentage Revenue Increase	8.82%			
	Revenue Growth Rate and Revenue Adjustment for Rate Year 2 (4/1/2021)				
12	Revenue Growth Rate %	4.14%	per Exh. EMA-4, pg. 1		
13	Delivery & Power Plant Revenues 4/1/2020	\$ 457,170			
	<i>(\$411,394 + \$45,775 = \$457,170) *</i>				
		Incremental Revenue	Incremental % (Base)	Incremental (Billed)	%
14	Rate Year 2: 4/1/2021 -3/31/2022	\$ 18,927	3.46%	3.35%	
	* Current Delivery & Power Plant Revenues per Exh. EMA-x, pg x	\$411,394			
	4/1/2020 Proposed Revenue Increase from line 7	\$45,775			

AVISTA UTILITIES PROPOSED COST OF CAPITAL WASHINGTON ELECTRIC			
Proposed Capital Structure			
Component	Capital Structure	Cost	Weighted Cost
Debt	50.0%	5.15%	2.57%
Common	50.0%	9.90%	4.95%
Total	<u>100.00%</u>		<u>7.52%</u>

**AVISTA UTILITIES
REVENUE CONVERSION FACTOR
WASHINGTON ELECTRIC
TWELVE MONTHS ENDED DECEMBER 31, 2018**

Line No.	Description	Factor
1	Revenues	<i>1.000000</i>
	Expense:	
2	Uncollectibles	<i>0.003782</i>
3	Commission Fees	<i>0.002000</i>
4	Washington Excise Tax	<i>0.038587</i>
6	Total Expense	<u><u><i>0.044369</i></u></u>
7	Net Operating Income Before FIT	<i>0.955631</i>
8	Federal Income Tax @ 21%	<u><u><i>0.200683</i></u></u>
9	REVENUE CONVERSION FACTOR	<u><u><u><i>0.754948</i></u></u></u>

AVISTA UTILITIES
 WASHINGTON ELECTRIC RESULTS
 TWELVE MONTHS ENDED DECEMBER 31, 2018
 (000'S OF DOLLARS)

		Actual Results	RESTATEMENT ADJUSTMENTS							
		DONE								
Line No.	DESCRIPTION	Results of Operations	Deferred FIT Rate Base	Deferred Debits and Credits	Working Capital	Remove AMI Rate Base	Eliminate B & O Taxes	Restate Property Tax	Uncollect. Expense	Regulatory Expense
		1.00	1.01	1.02	1.03	1.04	2.01	2.02	2.03	2.04
		E-ROO	E-DFIT	E-DDC	E-WC	E-AMI	E-EBO	E-RPT	E-UE	E-RE
Adjustment Number										
Workpaper Reference										
REVENUES										
1	Total General Business	\$540,037	\$0	\$0	\$0	\$0	(\$18,620)	\$0	\$0	\$0
2	Interdepartmental Sales	1,101	-	-	-	-	-	-	-	-
3	Sales for Resale	60,012	-	-	-	-	-	-	-	-
4	Total Sales of Electricity	601,150	-	-	-	-	(18,620)	-	-	-
5	Other Revenue	60,951	-	-	-	-	(13)	-	-	-
6	Total Electric Revenue	662,101	-	-	-	-	(18,633)	-	-	-
EXPENSES										
Production and Transmission										
7	Operating Expenses	175,404	-	-	-	-	-	-	-	-
8	Purchased Power	89,111	-	-	-	-	-	-	-	-
9	Depreciation/Amortization	28,724	-	-	-	-	-	-	-	0
10	Regulatory Amortization	1,647	-	-	-	-	-	-	-	-
11	Taxes	16,973	-	-	-	-	-	(178)	-	-
12	Total Production & Transmission	311,859	-	-	-	-	-	(178)	-	-
Distribution										
13	Operating Expenses	23,755	-	-	-	-	-	-	-	-
14	Depreciation/Amortization	32,128	-	-	-	-	-	-	-	-
15	Taxes	48,243	-	-	-	-	(18,544)	(362)	-	-
16	Total Distribution	104,126	-	-	-	-	(18,544)	(362)	-	-
17	Customer Accounting	11,331	-	35	-	-	-	-	705	-
18	Customer Service & Information	27,244	-	-	-	-	-	-	-	-
19	Sales Expenses	59	-	-	-	-	-	-	-	-
Administrative & General										
20	Operating Expenses	52,643	-	-	-	-	-	-	-	(18)
21	Depreciation/Amortization	29,471	-	-	-	-	-	-	-	-
22	Regulatory Deferrals/Amortization	(5,927)	-	-	-	-	-	-	-	-
23	Taxes	0	-	-	-	-	-	-	-	-
24	Total Admin. & General	76,187	-	-	-	-	-	-	-	(18)
25	Total Electric Expenses	530,806	-	35	-	-	(18,544)	(540)	705	(18)
26	OPERATING INCOME BEFORE FIT	131,295	-	(35)	-	-	(89)	540	(705)	18
FEDERAL INCOME TAX										
27	Current Accrual	15,092	-	(7)	-	-	(19)	113	(148)	4
28	Debt Interest	0	11	0	-	103	-	-	-	-
29	Deferred Income Taxes	(1,075)	-	-	-	-	-	-	-	-
30	Amortized ITC - Noxon	(317)	-	-	-	-	-	-	-	-
31	NET OPERATING INCOME	\$117,595	(\$11)	(\$28)	\$0	(\$103)	(\$70)	\$427	(\$557)	\$14
RATE BASE										
PLANT IN SERVICE										
32	Intangible	\$189,271	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
33	Production	905,266	-	-	-	-	-	-	-	-
34	Transmission	477,024	-	-	-	-	-	-	-	-
35	Distribution	1,109,132	-	-	-	(22,464)	-	-	-	-
36	General	260,548	-	-	-	-	-	-	-	-
37	Total Plant in Service	2,941,241	-	-	-	(22,464)	-	-	-	-
ACCUMULATED DEPRECIATION/AMORT										
38	Intangible	(43,469)	-	-	-	-	-	-	-	-
39	Production	(365,167)	-	-	-	-	-	-	-	-
40	Transmission	(140,271)	-	-	-	-	-	-	-	-
41	Distribution	(336,685)	-	-	-	1,415	-	-	-	-
42	General	(93,140)	-	-	-	-	-	-	-	-
43	Total Accumulated Depreciation	(978,732)	-	-	-	1,415	-	-	-	-
44	NET PLANT	1,962,509	-	-	-	(21,049)	-	-	-	-
45	DEFERRED TAXES	(410,938)	(1,946)	-	-	1,883	-	-	-	-
46	Net Plant After DFIT	1,551,571	(1,946)	-	-	(19,166)	-	-	-	-
47	DEFERRED DEBITS AND CREDITS & OTHER	(2,132)	-	(7)	-	-	-	-	-	-
48	WORKING CAPITAL	46,614	-	-	-	-	-	-	-	-
49	TOTAL RATE BASE	1,596,053	(\$1,946)	(\$7)	\$0	(\$19,166)	\$0	\$0	\$0	\$0
50	RATE OF RETURN	7.37%								
51	REVENUE REQUIREMENT	3,216	(180)	36	-	(1,772)	93	(565)	738	(19)

AVISTA UTILITIES
 WASHINGTON ELECTRIC RESULTS
 TWELVE MONTHS ENDED DECEMBER 31, 2018
 (000'S OF DOLLARS)

Line No.	DESCRIPTION	Injuries and Damages 2.05 E-ID	FIT/DFIT/ ITC Expense 2.06 E-FIT	Office Space Charges to Non-Utility 2.07 E-OSC	Restate Excise Taxes 2.08 E-RET	Net Gains & Losses 2.09 E-NGL	Weather Normalization 2.10 E-WN	Eliminate Adder Schedules 2.11 E-EAS	Misc. Restating Non-Util / Non-Recurring Expenses 2.12 E-MR
	Adjustment Number								
	Workpaper Reference								
	REVENUES								
1	Total General Business	\$0	\$0	\$0	\$0	\$0	\$2,745	(\$29,832)	\$0
2	Interdepartmental Sales	-	-	-	-	-	-	-	-
3	Sales for Resale	-	-	-	-	-	-	-	-
4	Total Sales of Electricity	-	-	-	-	-	2,745	(29,832)	-
5	Other Revenue	-	-	-	-	-	(2,110)	9,800	374
6	Total Electric Revenue	-	-	-	-	-	635	(20,032)	374
	EXPENSES								
	Production and Transmission								
7	Operating Expenses	-	-	-	-	-	-	-	(3)
8	Purchased Power	-	-	-	-	-	-	-	-
9	Depreciation/Amortization	-	-	-	-	-	-	-	-
10	Regulatory Amortization	-	-	-	-	-	-	1,661	-
11	Taxes	-	-	-	-	-	-	-	-
12	Total Production & Transmission	-	-	-	-	-	-	1,661	(3)
	Distribution								
13	Operating Expenses	-	-	-	-	-	-	-	(2)
14	Depreciation/Amortization	-	-	-	-	(62)	-	-	-
15	Taxes	-	-	-	26	-	106	(1,151)	-
16	Total Distribution	-	-	-	26	(62)	106	(1,151)	(2)
17	Customer Accounting	-	-	-	-	-	10	(113)	-
18	Customer Service & Information	-	-	-	-	-	-	(25,693)	(1)
19	Sales Expenses	-	-	-	-	-	-	-	-
	Administrative & General								
20	Operating Expenses	25	-	(57)	-	-	5	(60)	(1,186)
21	Depreciation/Amortization	-	-	-	-	-	-	-	-
22	Regulatory Deferrals/Amortization	-	-	-	-	-	-	3,928	-
23	Taxes	-	-	-	-	-	-	-	-
24	Total Admin. & General	25	-	(57)	-	-	5	3,868	(1,186)
25	Total Electric Expenses	25	-	(57)	26	(62)	121	(21,428)	(1,192)
26	OPERATING INCOME BEFORE FIT	(25)	-	57	(26)	62	514	1,396	1,566
	FEDERAL INCOME TAX								
27	Current Accrual	(5)	-	12	(5)	13	108	293	329
28	Debt Interest	-	-	-	-	-	-	-	-
29	Deferred Income Taxes	-	(36)	-	-	-	-	-	-
30	Amortized ITC - Noxon	-	-	-	-	-	-	-	-
31	NET OPERATING INCOME	(\$20)	\$36	\$45	(\$21)	\$49	\$406	\$1,103	\$1,237
	RATE BASE								
	PLANT IN SERVICE								
32	Intangible	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
33	Production	-	-	-	-	-	-	-	-
34	Transmission	-	-	-	-	-	-	-	-
35	Distribution	-	-	-	-	-	-	-	-
36	General	-	-	-	-	-	-	-	-
37	Total Plant in Service	-	-	-	-	-	-	-	-
	ACCUMULATED DEPRECIATION/AMORT								
38	Intangible	-	-	-	-	-	-	-	-
39	Production	-	-	-	-	-	-	-	-
40	Transmission	-	-	-	-	-	-	-	-
41	Distribution	-	-	-	-	-	-	-	-
42	General	-	-	-	-	-	-	-	-
43	Total Accumulated Depreciation	-	-	-	-	-	-	-	-
44	NET PLANT	-	-	-	-	-	-	-	-
45	DEFERRED TAXES	-	-	-	-	-	-	-	-
46	Net Plant After DFIT	-	-	-	-	-	-	-	-
47	DEFERRED DEBITS AND CREDITS & OTHER	-	-	-	-	-	-	-	-
48	WORKING CAPITAL	-	-	-	-	-	-	-	-
49	TOTAL RATE BASE	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
50	RATE OF RETURN								
51	REVENUE REQUIREMENT	26	(48)	(60)	27	(65)	(538)	(1,461)	(1,639)

AVISTA UTILITIES

WASHINGTON ELECTRIC RESULTS
TWELVE MONTHS ENDED DECEMBER 31, 2018
(000'S OF DOLLARS)

Line No.	DESCRIPTION	Restating Incentives	Restate Debt Interest	Eliminate WA Power Cost Defer	Nez Perce Settlement Adjustment	Normalize CS2/Colstrip Major Maint	Authorized Power Supply	Restate 2018 AMA Rate Base to EOP	Restated TOTAL
	Adjustment Number	2.13	2.14	2.15	2.16	2.17	2.18	2.19	R-Ttl
	Workpaper Reference	E-RI	E-RDI	E-EWPC	E-NPS	E-PMM	E-APS	E-EOP18	
	REVENUES								
1	Total General Business	\$0	\$0	\$2,639	\$0	\$0	\$0	\$0	\$496,969
2	Interdepartmental Sales	-	-	-	-	-	-	-	1,101
3	Sales for Resale	-	-	-	-	-	(24,436)	-	35,576
4	Total Sales of Electricity	-	-	2,639	-	-	(24,436)	-	533,646
5	Other Revenue	-	-	-	-	-	(50,972)	-	18,030
6	Total Electric Revenue	-	-	2,639	-	-	(75,408)	-	551,676
	EXPENSES								
	Production and Transmission								
7	Operating Expenses	-	-	(10,119)	(7)	1,287	(33,808)	-	132,754
8	Purchased Power	-	-	-	-	-	(15,869)	-	73,242
9	Depreciation/Amortization	-	-	-	-	-	-	588	29,312
10	Regulatory Amortization	-	-	-	-	-	-	-	3,308
11	Taxes	-	-	-	-	-	-	-	16,795
12	Total Production & Transmission	-	-	(10,119)	(7)	1,287	(49,677)	588	255,411
	Distribution								
13	Operating Expenses	-	-	-	-	-	-	-	23,753
14	Depreciation/Amortization	-	-	-	-	-	-	1,374	33,440
15	Taxes	-	-	102	-	-	-	-	28,420
16	Total Distribution	-	-	102	-	-	-	1,374	85,613
17	Customer Accounting	-	-	16	-	-	-	-	11,984
18	Customer Service & Information	-	-	-	-	-	-	-	1,550
19	Sales Expenses	-	-	-	-	-	-	-	59
	Administrative & General								
20	Operating Expenses	(248)	-	5	-	-	-	-	51,109
21	Depreciation/Amortization	-	-	-	-	-	-	1,708	31,179
22	Regulatory Deferrals/Amortization	-	-	-	-	-	-	-	(1,999)
23	Taxes	-	-	-	-	-	-	-	-
24	Total Admin. & General	(248)	-	5	-	-	-	1,708	80,289
25	Total Electric Expenses	(248)	-	(9,996)	(7)	1,287	(49,677)	3,670	434,906
26	OPERATING INCOME BEFORE FIT	248	-	12,635	7	(1,287)	(25,731)	(3,670)	116,770
	FEDERAL INCOME TAX								
27	Current Accrual	52	1,140	528	1	(270)	(5,404)	(771)	11,056
28	Debt Interest	-	-	-	-	-	-	(334)	(220)
29	Deferred Income Taxes	-	-	2,125	-	-	-	-	1,014
30	Amortized ITC - Noxon	-	-	-	-	-	-	-	(317)
31	NET OPERATING INCOME	196	(1,140)	\$9,982	\$6	(1,017)	(\$20,327)	(\$2,565)	105,237
	RATE BASE								
	PLANT IN SERVICE								
32	Intangible	\$0	\$0	\$0	\$0	\$0	\$0	\$3,989	\$193,260
33	Production	-	-	-	-	-	-	15,801	921,067
34	Transmission	-	-	-	-	-	-	18,112	495,136
35	Distribution	-	-	-	-	-	-	42,815	1,129,483
36	General	-	-	-	-	-	-	10,748	271,296
37	Total Plant in Service	-	-	-	-	-	-	91,465	3,010,242
	ACCUMULATED DEPRECIATION/AMORT								
38	Intangible	-	-	-	-	-	-	(3,881)	(47,350)
39	Production	-	-	-	-	-	-	(7,117)	(372,284)
40	Transmission	-	-	-	-	-	-	(2,604)	(142,875)
41	Distribution	-	-	-	-	-	-	(12,671)	(347,941)
42	General	-	-	-	-	-	-	(4,201)	(97,341)
43	Total Accumulated Depreciation	-	-	-	-	-	-	(30,474)	(1,007,791)
44	NET PLANT	-	-	-	-	-	-	60,991	2,002,451
45	DEFERRED TAXES	-	-	-	-	-	-	901	(410,100)
46	Net Plant After DFIT	-	-	-	-	-	-	61,892	1,592,351
47	DEFERRED DEBITS AND CREDITS & OTHER	-	-	-	-	-	-	-	(2,139)
48	WORKING CAPITAL	-	-	-	-	-	-	-	46,614
49	TOTAL RATE BASE	\$0	\$0	\$0	\$0	\$0	\$0	61,892	\$1,636,826
50	RATE OF RETURN								(1)
51	REVENUE REQUIREMENT	(260)	1,510	(13,222)	(7)	1,347	26,926	9,563	23,648

(1) The Restated TOTAL column does not represent 12/31/2018 Test Period Commission Basis results of operation on a normalized basis (CBR basis). Differences exist due to: 1) inclusion of proposed (Pro Forma) cost of debt (pro forma versus CBR actual cost of debt) impacting Adj. 2.14; 2) restating power supply expenses to annualized authorized Power Supply amounts in Adj 2.18 (revenue associated with the approved annual authorized level is included in Adj. 3.01 Pro Forma Normalization); and 3) the inclusion of Restate 2018 AMA Rate base to EOP adjustment 2.19.

AVISTA UTILITIES

PRO FORMA ADJUSTMENTS

WASHINGTON ELECTRIC RESULTS
 TWELVE MONTHS ENDED DECEMBER 31, 2018
 (000'S OF DOLLARS)

Line No.	DESCRIPTION	Pro Forma Revenue Normalization 3.01	Pro Forma Def. Debits, Credits & Regulatory Amorts 3.02	Pro Forma Labor Non-Exec 3.03	Pro Forma Labor Exec 3.04	Pro Forma Employee Benefits 3.05	Pro Forma Insurance Expense 3.06	Pro Forma IS/IT Expense 3.07
	Adjustment Number	3.01	3.02	3.03	3.04	3.05	3.06	3.07
	Workpaper Reference	E-PREV	E-PRA	E-PLN	E-PLE	E-PEB	E-PINS	E-PIT
	REVENUES							
1	Total General Business	\$3,949	\$0	\$0	\$0	\$0	\$0	\$0
2	Interdepartmental Sales	-	-	-	-	-	-	-
3	Sales for Resale	-	-	-	-	-	-	-
4	Total Sales of Electricity	3,949	-	-	-	-	-	-
5	Other Revenue	(5,031)	-	-	-	-	-	-
6	Total Electric Revenue	(1,082)	-	-	-	-	-	-
	EXPENSES							
	Production and Transmission							
7	Operating Expenses	-	180	903	-	950	-	-
8	Purchased Power	-	-	-	-	-	-	-
9	Depreciation/Amortization	-	-	-	-	-	-	-
10	Regulatory Amortization	-	(2,394)	-	-	-	-	-
11	Taxes	-	-	-	-	-	-	-
12	Total Production & Transmission	-	(2,214)	903	-	950	-	-
	Distribution							
13	Operating Expenses	-	-	567	-	527	-	-
14	Depreciation/Amortization	-	-	-	-	-	-	-
15	Taxes	152	-	-	-	-	-	-
16	Total Distribution	152	-	567	-	527	-	-
17	Customer Accounting	15	-	173	-	264	-	-
18	Customer Service & Information	-	-	15	-	26	-	-
19	Sales Expenses	-	-	-	-	-	-	-
	Administrative & General							
20	Operating Expenses	8	-	778	330	870	34	1,896
21	Depreciation/Amortization	-	-	-	-	-	-	-
22	Regulatory Deferrals/Amortization	-	-	-	-	-	-	-
23	Taxes	-	-	-	-	-	-	-
24	Total Admin. & General	8	-	778	330	870	34	1,896
25	Total Electric Expenses	175	(2,214)	2,436	330	2,637	34	1,896
26	OPERATING INCOME BEFORE FIT	(1,257)	2,214	(2,436)	(330)	(2,637)	(34)	(1,896)
	FEDERAL INCOME TAX							
27	Current Accrual	(264)	465	(512)	(69)	(554)	(7)	(398)
28	Debt Interest	-	3	-	-	-	-	-
29	Deferred Income Taxes	-	-	-	-	-	-	-
30	Amortized ITC - Noxon	-	-	-	-	-	-	-
31	NET OPERATING INCOME	(993)	\$1,746	(\$1,924)	(\$261)	(\$2,083)	(27)	(\$1,498)
	RATE BASE							
	PLANT IN SERVICE							
32	Intangible	\$0	\$0	\$0	\$0	\$0	\$0	\$0
33	Production	-	-	-	-	-	-	-
34	Transmission	-	-	-	-	-	-	-
35	Distribution	-	-	-	-	-	-	-
36	General	-	-	-	-	-	-	-
37	Total Plant in Service	-	-	-	-	-	-	-
	ACCUMULATED DEPRECIATION/AMORT							
38	Intangible	-	-	-	-	-	-	-
39	Production	-	-	-	-	-	-	-
40	Transmission	-	-	-	-	-	-	-
41	Distribution	-	-	-	-	-	-	-
42	General	-	-	-	-	-	-	-
43	Total Accumulated Depreciation	-	-	-	-	-	-	-
44	NET PLANT	-	-	-	-	-	-	-
45	DEFERRED TAXES	-	-	-	-	-	-	-
46	Net Plant After DFIT	-	-	-	-	-	-	-
47	DEFERRED DEBITS AND CREDITS & OTHER	-	(583)	-	-	-	-	-
48	WORKING CAPITAL	-	-	-	-	-	-	-
49	TOTAL RATE BASE	\$0	(583)	\$0	\$0	\$0	\$0	\$0
50	RATE OF RETURN							
51	REVENUE REQUIREMENT	1,315	(2,371)	2,549	345	2,759	36	1,984

AVISTA UTILITIES

WASHINGTON ELECTRIC RESULTS
 TWELVE MONTHS ENDED DECEMBER 31, 2018
 (000'S OF DOLLARS)

Line No.	DESCRIPTION	Pro Forma Property Tax	Pro Forma Depreciation Expense	Pro Forma 2019 Major Capital Adds	Pro Forma O&M Offsets	Pro Forma Fee Free Amortization	Pro Forma Colstrip Amortization	PF Normalize CS2/Colstrip Major Maint	Pro Forma Total
		3.08	3.09	3.10	3.11	3.12	3.13	3.14	PF-SubTtl
		E-PPT	E-PDEP	E-PCAP	E-POFF	E-PFEE	E-PCOL	E-PMM	
	Adjustment Number								
	Workpaper Reference								
	REVENUES								
1	Total General Business	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$500,918
2	Interdepartmental Sales	-	-	-	-	-	-	-	1,101
3	Sales for Resale	-	-	-	-	-	-	-	35,576
4	Total Sales of Electricity	-	-	-	-	-	-	-	537,595
5	Other Revenue	-	-	-	-	-	-	-	12,999
6	Total Electric Revenue	-	-	-	-	-	-	-	550,594
	EXPENSES								
	Production and Transmission								
7	Operating Expenses	-	-	-	(33)	-	-	(449)	134,305
8	Purchased Power	-	-	-	-	-	-	-	73,242
9	Depreciation/Amortization	-	3,940	572	-	-	(149)	-	33,675
10	Regulatory Amortization	-	-	-	-	-	1,723	-	2,637
11	Taxes	2,163	-	-	-	-	-	-	18,958
12	Total Production & Transmission	2,163	3,940	572	(33)	-	1,574	(449)	262,817
	Distribution								
13	Operating Expenses	-	-	-	(105)	-	-	-	24,742
14	Depreciation/Amortization	-	(5,231)	707	-	-	-	-	28,916
15	Taxes	1,395	-	-	-	-	-	-	29,967
16	Total Distribution	1,395	(5,231)	707	(105)	-	-	-	83,625
17	Customer Accounting	-	-	-	-	49	-	-	12,485
18	Customer Service & Information	-	-	-	-	-	-	-	1,591
19	Sales Expenses	-	-	-	-	-	-	-	59
	Administrative & General								
20	Operating Expenses	-	-	-	(13)	-	-	-	55,012
21	Depreciation/Amortization	-	(849)	3,433	-	-	-	-	33,763
22	Regulatory Deferrals/Amortization	-	-	-	-	1,302	-	-	(697)
23	Taxes	-	-	-	-	-	-	-	-
24	Total Admin. & General	-	(849)	3,433	(13)	1,302	-	-	88,078
25	Total Electric Expenses	3,558	(2,140)	4,712	(151)	1,351	1,574	(449)	448,655
26	OPERATING INCOME BEFORE FIT	(3,558)	2,140	(4,712)	151	(1,351)	(1,574)	449	101,939
	FEDERAL INCOME TAX								
27	Current Accrual	(747)	449	(990)	32	(284)	(331)	94	7,942
28	Debt Interest	-	-	(438)	-	-	50	-	(606)
29	Deferred Income Taxes	-	-	-	-	-	-	-	1,014
30	Amortized ITC - Noxon	-	-	-	-	-	-	-	(317)
31	NET OPERATING INCOME	(\$2,811)	\$1,691	(\$3,284)	119	(1,067)	(1,293)	355	93,906
	RATE BASE								
	PLANT IN SERVICE								
32	Intangible	\$0	\$0	\$10,536	\$0	\$0	\$0	\$0	\$203,796
33	Production	-	-	9,185	-	-	(9,188)	-	921,064
34	Transmission	-	-	17,935	-	-	-	-	513,071
35	Distribution	-	-	28,623	-	-	-	-	1,158,106
36	General	-	-	18,593	-	-	-	-	289,889
37	Total Plant in Service	-	-	84,872	-	-	(9,188)	-	3,085,926
	ACCUMULATED DEPRECIATION/AMORT								
38	Intangible	-	-	(780)	-	-	-	-	(48,130)
39	Production	-	-	(66)	-	-	-	-	(372,350)
40	Transmission	-	-	(92)	-	-	-	-	(142,967)
41	Distribution	-	-	(264)	-	-	-	-	(348,205)
42	General	-	-	(374)	-	-	-	-	(97,715)
43	Total Accumulated Depreciation	-	-	(1,576)	-	-	-	-	(1,009,367)
44	NET PLANT	-	-	83,296	-	-	(9,188)	-	2,076,559
45	DEFERRED TAXES	-	-	(2,053)	-	-	-	-	(412,153)
46	Net Plant After DFIT	-	-	81,243	-	-	(9,188)	-	1,664,406
47	DEFERRED DEBITS AND CREDITS & OTHER	-	-	-	-	-	-	-	(2,722)
48	WORKING CAPITAL	-	-	-	-	-	-	-	46,614
49	TOTAL RATE BASE	\$0	\$0	\$81,243	\$0	\$0	(\$9,188)	\$0	1,708,298
50	RATE OF RETURN								
51	REVENUE REQUIREMENT	3,723	(2,239)	12,443	(158)	1,414	798	(470)	45,775

AVISTA UTILITIES
Restatement Summary
Washington Electric
TWELVE MONTHS ENDED DECEMBER 31, 2018

Column	WP Ref	Description of Adjustment	Washington Electric		
			NOI	Rate Base	ROR
Restating Adjustments					
1.00	E-ROO	Results of Operations	117,595	1,596,053	7.37%
1.01	E-DFIT	Deferred FIT Rate Base	(11)	(1,946)	
1.02	E-DDC	Deferred Debits and Credits	(28)	(7)	
1.03	E-WC	Working Capital	-	-	
1.04	E-AMI	Remove AMI Rate Base	(103)	(19,166)	
2.01	E-EBO	Eliminate B & O Taxes	(70)	-	
2.02	E-RPT	Restate Property Tax	427	-	
2.03	E-UE	Uncollect. Expense	(557)	-	
2.04	E-RE	Regulatory Expense	14	-	
2.05	E-ID	Injuries and Damages	(20)	-	
2.06	E-FIT	FIT/DFIT/ ITC Expense	36	-	
2.07	E-OSC	Office Space Charges to Non-Utility	45	-	
2.08	E-RET	Restate Excise Taxes	(21)	-	
2.09	E-NGL	Net Gains & Losses	49	-	
2.10	E-WN	Weather Normalization	406	-	
2.11	E-EAS	Eliminate Adder Schedules	1,103	-	
2.12	E-MR	Misc. Restating Non-Util / Non- Recurring Expenses	1,237	-	
2.13	E-RI	Restating Incentives	196	-	
2.14	E-RDI	Restate Debt Interest	(1,140)	-	
2.15	E-EWPC	Eliminate WA Power Cost Defer	9,982	-	
2.16	E-NPS	Nez Perce Settlement Adjustment	6	-	
2.17	E-PMM	Normalize CS2/Colstrip Major Maint	(\$1,017)	-	
2.18	E-APS	Authorized Power Supply	(20,327)	-	
2.19	E-EOP18	Restate 2018 AMA Rate Base to EOP	(2,565)	61,892	
		Restated Total	105,237	1,636,826	6.43%
Pro Forma Adjustments					
3.01	E-PREV	Pro Forma Revenue Normalization	(993)	-	
3.02	E-PRA	Pro Forma Def. Debits, Credits & Regulatory Amorts	1,746	(583)	
3.03	E-PLN	Pro Forma Labor Non-Exec	(1,924)	-	
3.04	E-PLE	Pro Forma Labor Exec	(261)	-	
3.05	E-PEB	Pro Forma Employee Benefits	(2,083)	-	
3.06	E-PINS	Pro Forma Insurance Expense	(27)	-	
3.07	E-PIT	Pro Forma IS/IT Expense	(1,498)	-	
3.08	E-PPT	Pro Forma Property Tax	(2,811)	-	
3.09	E-PDEP	Pro Forma Depreciation Expense	1,691	-	
3.10	E-PCAP	Pro Forma 2019 Major Capital Adds	(3,284)	81,243	
3.11	E-POFF	Pro Forma O&M Offsets	119	-	
3.12	E-PFEE	Pro Forma Fee Free Amortization	(1,067)	-	
3.13	E-PCOL	Pro Forma Colstrip Amortization	(1,293)	(9,188)	
3.14	E-PMM	PF Normalize CS2/Colstrip Major Maint	355	-	
		Pro Forma Study	93,906	1,708,298	5.50%
Other		CF WA Elec Conversion Factor			