

SECOND REVISED APPENDIX 3

Updated November 2014

Avista Corp
Pro forma January 2015 - December 2015
ERM Authorized Expense and Retail Sales
Adjusted to Reflect 2015 System Loads (1)

Reflects November Power Supply update.

ERM Authorized Power Supply Expense - System Numbers (2)

	Total	January	February	March	April	May	June	July	August	September	October	November	December
Account 555 - Purchased Power	\$129,676,714	\$14,241,308	\$12,816,216	\$12,684,102	\$10,157,992	\$8,801,839	\$8,966,511	\$9,032,312	\$10,449,135	\$8,227,612	\$8,950,494	\$12,731,418	\$12,617,776
Account 501 - Thermal Fuel	\$28,629,127	\$2,663,532	\$2,484,671	\$2,578,707	\$2,068,252	\$1,665,745	\$1,511,381	\$2,254,578	\$2,621,357	\$2,672,936	\$2,757,933	\$2,649,850	\$2,700,185
Account 547 - Natural Gas Fuel	\$89,764,664	\$10,133,311	\$9,419,650	\$9,305,476	\$5,867,735	\$3,112,735	\$2,595,918	\$5,623,100	\$7,743,935	\$8,219,145	\$8,834,779	\$9,035,104	\$9,873,776
Account 447 - Sale for Resale	\$75,430,452	\$5,385,864	\$7,026,454	\$8,167,295	\$8,655,099	\$9,111,902	\$8,389,009	\$5,130,621	\$3,284,320	\$4,661,364	\$4,875,558	\$6,000,154	\$4,742,812
Power Supply Expense (3)	\$172,640,053	\$21,652,287	\$17,694,083	\$16,400,990	\$9,438,880	\$4,468,417	\$4,684,802	\$11,779,369	\$17,530,106	\$14,458,328	\$15,667,649	\$18,416,218	\$20,448,924
Transmission Expense	\$16,817,737	\$1,447,542	\$1,429,504	\$1,405,324	\$1,394,208	\$1,365,074	\$1,353,383	\$1,377,511	\$1,429,273	\$1,414,185	\$1,374,889	\$1,403,813	\$1,423,031
Transmission Revenue	\$16,015,349	\$1,304,329	\$1,105,921	\$1,123,977	\$1,154,782	\$1,377,232	\$1,552,357	\$1,659,835	\$1,502,892	\$1,306,364	\$1,460,291	\$1,241,936	\$1,225,427
Broker Fees	\$1,076,000	\$89,667	\$89,667	\$89,667	\$89,667	\$89,667	\$89,667	\$89,667	\$89,667	\$89,667	\$89,667	\$89,667	\$89,667
Total (5)	\$174,518,441	\$21,885,166	\$18,107,332	\$16,772,004	\$9,767,972	\$4,545,924	\$4,575,493	\$11,586,711	\$17,546,153	\$14,655,815	\$15,671,913	\$18,667,761	\$20,736,195

ERM Authorized Power Supply Expense - 100% Washington Allocation

Washington EIA REC Purchase	\$725,000	\$181,250
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ERM Authorized Washington Retail Sales

	Total	January	February	March	April	May	June	July	August	September	October	November	December
2015 Total Retail Sales, MWh (4)	5,689,806	545,205	498,034	487,551	422,246	421,982	420,901	464,392	489,763	426,967	452,424	490,319	570,023
Retail Revenue Credit Rate	\$20.12 /MWh												

- (1) The November 2014 power supply update is based on 2015 system loads.
- (2) Multiply system numbers by 65.19% to determine Washington share.
- (3) Power Supply Expense has been adjusted to reflect 2015 system loads.
- (4) Reflects 2015 billing determinants used to set rates.
- (5) The November 2014 update of net power supply costs will be compared to the Total of \$167,877,570 to determine the increase or decrease to the \$7.0 million base revenue increase effective January 1, 2015. The November 2014 updated net power supply costs have been reduced by \$500,000 (System) Staff adjustment, and increased by the \$725,000 (Washington share) REC expenses excluded from the REC rebate calculation.

	System	WA Share
Power Cost Total in Stipulation	\$167,877,570	\$109,439,388
Updated System Power Cost	\$174,518,441	\$113,768,572
Direct WA EIA REC Purchase		\$725,000
Total Updated WA Power Cost		\$114,493,572
Change in WA Power Cost		\$5,054,184
FIT		\$1,768,964
NOI Requirement		\$3,285,220
Conversion Factor		0.62049
Power Supply Update Revenue Requirement		\$5,294,557