

DOCKETS UE-150204 & UG-150205
 JOINT ISSUES LIST - ELECTRIC
 August 20, 2015

#	Adj	ISSUE	DESCRIPTION	AVISTA - AS FILED		Effects of Partial Settlement (See Multiparty Settlement Stipulation Filed May 1, 2015)		COMMISSION STAFF		PUBLIC COUNSEL (A)		ICNU		NWIGU		THE ENERGY PROJECT	
				Rev. Req.	Rate Base	Rev. Req.	Rate Base	Rev. Req.	Rate Base	Rev. Req.	Rate Base	Rev. Req.	Rate Base	Rev. Req.	Rate Base	Rev. Req.	Rate Base
				\$'s in Thousands		\$'s in Thousands		\$'s in Thousands		\$'s in Thousands		\$'s in Thousands		\$'s in Thousands		\$'s in Thousands	
ATTRITION STUDY																	
1																	
2		2015 Attrition Study		\$33,229	\$1,464,296	\$16,851	\$1,464,296	(\$6,209)	\$1,362,276	(\$29,680)	\$1,301,385	Reject: (\$28,326) from proposed increase					
3																	
PRO FORMA CROSS CHECK STUDY																	
4	1.00	Results of Operations	Results of Operations - actual operating results and total net rate base experienced by the Company for the twelve-month period ending September 30, 2014 on an average-of-monthly-average (AMA) basis.	(\$14,435)	\$1,260,500	(\$17,891)	\$1,260,500	(\$17,891)	\$1,260,500	(\$17,891)	\$1,260,500	Reject: (\$15,475)					
5	1.01	Deferred FIT Rate Base	Reduces DFIT rate base balance to reflect the impact of expected tax deductions to be included in the Company's 2014 federal income tax return to be filed in 2015.	(\$631)	(\$6,009)	(\$616)	(\$6,009)	(\$616)	(\$6,009)	(\$616)	(\$6,009)						
6	1.02	Deferred Debits and Credits	Consolidation of previous Commission Basis or other restating rate base adjustments (Colstrip 3 AFUDC Elimination, Colstrip Common AFUDC, Kettle Falls Disallowance, Settlement Exchange Power, Restating CDA Settlement Deferral, Restating CDA/SSR, Spokane River Def, Spokane River PM&E, Montana Riverbed Lease, Lancaster Amortization, Customer Advances and Customer Deposits).	(\$1,880)	(\$7,399)	(\$1,861)	(\$7,399)	(\$1,861)	(\$7,399)	(\$1,861)	(\$7,399)						
7	1.03	Working Capital	Includes Working Capital using the Investor Supplied Working Capital (ISWC) methodology, including pension and other post-retirement benefit, and associated deferred federal income tax (DFIT) balances as current assets and current liabilities.	\$2,174	\$20,703	\$2,121	\$20,703	\$2,121	\$20,703	\$2,121	\$20,703						
8	2.01	Eliminate B & O Taxes	Eliminates the revenues and expenses associated with local business and occupation (B & O) taxes.	\$92	\$0	\$92	\$0	\$92	\$0	\$92	\$0						
9	2.02	Restate Property Tax	Restates the accrued property tax during the test period to actual property tax paid during 2014.	\$393	\$0	\$393	\$0	\$393	\$0	\$393	\$0						
10	2.03	Uncollect. Expense	Restates the accrued expense to the actual level of net write-offs for the test period.	\$1,171	\$0	\$1,171	\$0	\$1,171	\$0	\$1,171	\$0						
11	2.04	Regulatory Expense	Restates recorded regulatory expense for the twelve-months-ended September 30, 2014 to reflect the UTC assessment rates applied to revenues for the test period and the actual levels of FERC fees paid during the test period.	(\$78)	\$0	(\$78)	\$0	(\$78)	\$0	(\$78)	\$0						
12	2.05	Injuries and Damages	Replaces accrued injuries and damages expense with a six-year rolling average of actual injuries and damages payments not covered by insurance.	\$253	\$0	\$253	\$0	\$253	\$0	\$253	\$0						
13	2.06	FIT/DFIT/ ITC/PTC Expense	Adjusts the FIT and DFIT calculated at 35% within Results of Operations by removing the effect of certain Schedule M items, revising the Section 199 Manufacturing Permanent M Deduction accrued during the test period to the actual Schedule M deduction taken per the 2013 tax return filed in September 2014, and adjusts the appropriate level of production tax credits and investment tax credits on qualified generation.	\$344	\$0	\$344	\$0	\$344	\$0	\$344	\$0						
14	2.07	Office Space Charges to Subsidiaries	Removes the remaining portion of office space costs associated with subsidiary/non-utility activities not previously removed during the test period.	(\$17)	\$0	(\$17)	\$0	(\$17)	\$0	(\$17)	\$0						
15	2.08	Restate Excise Taxes	Removes the effect of a one-month lag between collection and payment of taxes.	(\$66)	\$0	(\$66)	\$0	(\$204)	\$0	(\$66)	\$0						
16	2.09	Net Gains / Losses	Ten-year amortization of net gains realized from the sale of real property disposed of between 2005 and September 30, 2014.	(\$85)	\$0	(\$85)	\$0	(\$51)	\$0	(\$85)	\$0						

DOCKETS UE-150204 & UG-150205
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#	Adj	ISSUE	DESCRIPTION	AVISTA - AS FILED		Effects of Partial Settlement (See Multiparty Settlement Stipulation Filed May 1, 2015)		COMMISSION STAFF		PUBLIC COUNSEL (A)		ICNU		NWIGU		THE ENERGY PROJECT	
				Rev. Req.	Rate Base	Rev. Req.	Rate Base	Rev. Req.	Rate Base	Rev. Req.	Rate Base	Rev. Req.	Rate Base	Rev. Req.	Rate Base	Rev. Req.	Rate Base
17	2.10	Weather Normalization	Adjustment normalizes weather sensitive kWh sales by eliminating the effect of temperature deviations above or below historical norms.	\$7,056	\$0	\$7,056	\$0	\$7,056	\$0	\$7,056	\$0						
18	2.11	Eliminate Adder Schedules	Removes the impact of the adder schedule revenues and related expenses, such as Schedule 91 Tariff Rider (DSM), Schedule 92 Low Income Rate Assistance Program Rate, Schedule 93 ERM rebate, Schedule 94 BPA rebate, and Schedule 59 Residential Exchange credit, since these items are recovered/rebated by separate tariffs and, therefore, are not part of base rates.	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0						
19	2.12	Misc. Restating Expenses	Removes a number of non-operating or non-utility expenses associated with dues and donations, etc., included in error in the test period actual results, and removes or restates other expenses incorrectly charged between service and or jurisdiction.	\$2	\$0	\$2	\$0	\$2	\$0	\$2	\$0						
20	2.13	Eliminate WA Power Cost Defer	Removes the effects of the financial accounting for the Energy Recovery Mechanism (ERM.)	(\$2,747)	\$0	(\$2,747)	\$0	(\$2,747)	\$0	(\$2,747)	\$0						
21	2.14	Nez Perce Settlement Adjustment	This adjustment directly assigns the Nez Perce Settlement expenses to the Washington and Idaho jurisdictions based on differing regulatory treatment in Idaho Case No. WWP-E-98-11 and Washington Docket No. UE-991606.	\$15	\$0	\$15	\$0	\$15	\$0	\$15	\$0						
22	2.15	Restate Debt Interest	Restates debt interest using the Company's pro forma weighted average cost of debt.	\$1,189	\$0	\$1,402	\$0	\$1,402	\$0	\$1,402	\$0						
23	2.16	Restate Incentive Expenses	Restates actual incentives included in the Company's test period ending September 30, 2014, to reflect a six-year average of payout percentages.	(\$1,175)	\$0	(\$1,175)	\$0	(\$1,175)	\$0	(\$1,175)	\$0						
24	2.17	Regulatory Amortization Restating Adj.	Removes various amortization expenses included in the Company's test period that expire prior to the 2016 rate year. The expiring regulatory amortizations include: 1) 2011 deferred Colstrip and Coyote Springs 2 thermal maintenance expense; 2) BPA Settlement Deferral; 3) Canada to Northern California (CNC) Transmission Project; 4) LiDAR O&M and Deferred O&M; and 5) Wartsila Generator (Small Gen) expenses	(\$2,587)	\$0	(\$2,587)	\$0	(\$2,587)	\$0	(\$2,587)	\$0						
28	PC-E2.18	Long Term Incentive Plan Expense	This adjustment removes the LTIP expenses that remain in the test year.					(\$250)		(\$250)	\$0						
25	3.00	Pro Forma Power Supply (1)	This adjustment includes pro forma power supply related revenue and expenses to reflect the twelve-month period January 1, 2016 through December 31, 2016, using historical loads.	\$3,952	\$0	(\$10,769)	\$0	(\$13,244)	\$0	(\$13,244)	\$0						
26	3.01	Pro Forma Transmission Rev/Exp	This adjustment includes pro forma transmission-related revenues and expenses to reflect the twelve-month period January 1, 2016 through December 31, 2016.	\$114	\$0	\$114	\$0	(\$95)	\$0	\$114	\$0						
27	3.02	Pro Forma Labor Non-Exec	Reflects changes to test period union and non-union wages and salaries to reflect increases through 2016.	\$4,037	\$0	\$4,037	\$0	\$3,020	\$0	\$1,711	\$0	Reject: (\$4,037)					
28	3.03	Pro Forma Labor Exec	Reflects changes to reflect an annualized 2014 level of allocated executive officer salaries.	\$231	\$0	\$231	\$0	\$127	\$0	\$231	\$0	Reject: (\$500)					
29	3.04	Pro Forma Employee Benefits	Adjusts for changes in both the Company's pension and medical insurance expense.	\$2,500	\$0	\$2,500	\$0	\$3,696	\$0	\$3,415	\$0	Reject: (\$3,415)					
30	3.05	Pro Forma Insurance Expense	Adjusts actual test period insurance expense related to the utility for general liability, directors and officers ("D&O") liability, and property to reflect the expected 2016 level of insurance.	\$272	\$0	\$272	\$0	\$0	\$0	(\$56)	\$0						
31	3.06	Pro Forma Property Tax	Restates the 2014 level of property tax expense to the 2016 level of expense.	\$3,335	\$0	\$3,335	\$0	\$3,335	\$0	\$1,182	\$0	Reject: (\$1,995)					

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			Rev. Req.	Rate Base	Rev. Req.	Rate Base	Rev. Req.	Rate Base	Rev. Req.	Rate Base	Rev. Req.	Rate Base	Rev. Req.	Rate Base	Rev. Req.	Rate Base	
32	3.07	Pro Forma Information Tech/Serv Exp	\$1,760	\$0	\$1,760	\$0	\$352	\$0	\$0	\$0							
33	3.08	Pro Forma Lake Spokane Deferral	\$305	\$0	\$305	\$0	\$305	\$0	\$305	\$0							
34	3.09	Pro Forma Revenue Normalization	(\$16,361)	\$0	(\$16,361)	\$0	(\$16,361)	\$0	(\$16,361)								
35	3.10	Pro Forma Major Maint-Hydro Thermal, Other (1)	\$2,532	\$0	\$5,332	\$0	\$0	\$0	\$0	\$0							
36	3.11	Planned Capital Add Dec 2014 EOP	\$8,724	\$35,098	\$8,633	\$35,098	\$2,319	(\$4,371)	\$0	\$0							
37	3.13	WA CS2 & Colstrip O&M					(\$291)	\$0									
38	PC-E3.13	Updated Repairs Tax Deduction					\$0	\$0	(\$1,892)	(\$18,470)							
39	4.01	Planned Capital Add 2015 EOP	\$26,171	\$149,733	\$25,786	\$149,733	\$11,075	\$58,095	\$0	\$0	Reject: \$4,528						
40	PC-E4.01	Major Capital Additions							\$9,441	\$52,060							
41	4.02	Planned Capital Add 2016 AMA	\$2,461	(\$3,071)	\$2,469	(\$3,071)	\$0	\$0	\$0	\$0							
42	4.03	Meter Retirement	\$4,255	\$20,276	\$4,202	\$20,276	\$0	\$0	\$0	\$0	Reject: \$(4,202)						
43	4.04	O&M Offsets	(\$205)	\$0	(\$205)	\$0	(\$499)	\$0	\$0	\$0							
44	4.05	Reconcile Pro Forma To Attrition	\$160	(\$5,535)	(\$516)	(\$5,535)	\$0	\$0	\$0	\$0							
45																	
46		Revenue Requirement*	\$ 33,229	\$ 1,464,296	\$ 16,851	\$ 1,464,296	\$ (20,889)	\$ 1,321,519	\$ (29,678)	\$ 1,301,385	\$ (17,404)						
47																	
48		* Partial Settlement Revenue Requirement reflects agreed-upon Cost of Capital, Power Supply adjustments, and removal of Pro Forma Major Maintenance Colstrip and CS2 incremental expenses from Pro Forma Power Supply (3.00).															

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			Rev. Req.	Rate Base	Rev. Req.	Rate Base	Rev. Req.	Rate Base	Rev. Req.	Rate Base	Rev. Req.	Rate Base	Rev. Req.	Rate Base	Rev. Req.	Rate Base
49	#															
50		OTHER ISSUES														
51		Colstrip and CS2 O&M Expense			Per Settlement Agreement Section III. 5. b. iv. O&M costs related to Coyote Springs 2 and Colstrip were removed from base Power Supply costs. The effect of this adjustment reduced power supply expense by approximately \$3.6 million (WA basis). The revenue requirement related to these costs will be addressed during the remainder of the case. (Expense amount included above in major maintenance adjustment 3.10.)			Staff's adjustment separates Coyote Springs 2 and Colstrip O&M Costs from adjustment 3.10 and includes them as a separate adjustment 3.13					Reject: \$(2,486)			
52		LIRAP Funding Proposal						Establishes a five-year funding plan that increases the total LIRAP budget by \$475,000 per year for five years, or by twice the percentage increase of the residential revenue requirement, whichever is greater. The revenue is allocated 65.07% to electric and 34.93% natural gas.	Joint proposal with The Energy Project; 5-year funding plan that increases funding each year by an amount that is equal to twice the percentage of the final residential bill impact to customers resulting from the rate case, or 10 percent of the previous year's LIRAP budget, whichever is greater.							Joint proposal with Public Counsel; 5-year funding plan that increases funding each year by an amount that is equal to twice the percentage of the final residential bill impact to customers resulting from the rate case, or 10 percent of the previous year's LIRAP budget, whichever is greater.
53		Advanced Metering Infrastructure Proposal							Joint proposal with The Energy Project. Decline to approve AMI proposal at this time because expenses have not been fully developed, costs are not known and measurable, the project is not used and useful, benefits have not been proven, and the project has not been shown to be prudent or cost effective.							Joint proposal with Public Counsel. Decline to approve AMI proposal at this time because expenses have not been fully developed, costs are not known and measurable, the project is not used and useful, benefits have not been proven, and the project has not been shown to be prudent or cost effective.
54		Corporate Jet			Based on the \$1.8 million corporate jet cost included in the Company's overall results, this adjustment represents the difference between the Company's costs and what ICNU finds to be prudent							\$ (744)				
55	PARTIAL SETTLEMENT OF ISSUES See Multiparty Settlement Stipulation filed May 1, 2015															
56					AVISTA	Effects of Partial Settlement	COMMISSION STAFF	PUBLIC COUNSEL	ICNU	NWIGU	THE ENERGY PROJECT					
57																
58		COST OF CAPITAL														
59		Cost of Capital - Return on Equity			9.90%	9.50%		9.50%								
60		Cost of Capital - Cost of Debt			5.20%	5.20%		5.20%								
61		Cost of Capital - Capital Structure			48.0% Equity	48.5% Equity		48.5% Equity								
62		Rate of Return			7.46%	7.29%		7.29%								

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				Rev. Req.	Rate Base	Rev. Req.	Rate Base	Rev. Req.	Rate Base	Rev. Req.	Rate Base	Rev. Req.	Rate Base	Rev. Req.	Rate Base	Rev. Req.	Rate Base
63																	
64		COST OF SERVICE/RATE SPREAD/RATE DESIGN															
65		Rate Spread		Variable based on Cost of Service Study results.		Equal Percentage of Revenue				Equal Percentage of Revenue							
66		Rate Design - Schedule 1		<ul style="list-style-type: none"> Increase Basic Charge to \$14/month Uniform C increase to Blocks 		<ul style="list-style-type: none"> No Change in Basic Charge (\$8.50/month) Uniform C increase to Blocks 				<ul style="list-style-type: none"> No Change in Basic Charge (\$8.50/month) Uniform C increase to Blocks 							
67		Rate Design - Schedule 11		<ul style="list-style-type: none"> Increase Customer Charge from \$18.00 to \$20.00 Increase Demand from \$6.00 to \$6.50/kW Uniform % Blocks 		<ul style="list-style-type: none"> Increase Customer Charge from \$18.00 to \$20.00 Increase Demand from \$6.00 to \$6.50 Uniform % Blocks 											
68		Rate Design - Schedule 21		<ul style="list-style-type: none"> Minimum Demand remains at \$500/month Increase Demand from \$6.00 to \$6.50/kW Uniform % Blocks 		<ul style="list-style-type: none"> Minimum Demand remains at \$500/month Increase Demand from \$6.00 to \$6.50 Uniform % Blocks 											
69		Rate Design - Schedule 25		<ul style="list-style-type: none"> Minimum Demand remains at \$21000/month Increase Demand from \$6.00 to \$6.50/kVA Uniform % Blocks 		Uniform percentage basis to the three energy block rates; however, the increase to the third energy block will be adjusted, so that the largest customer served on Schedule 25 receives the same percentage increase as the overall revenue increase in this case. The demand charge for the first 3,000 kVa will remain \$21,000/month, and variable demand charge will remain at \$6.00 per kVa.											
70		Rate Design - Schedule 31		<ul style="list-style-type: none"> Increase Customer Charge from \$18.00 to \$20.00 Uniform % Blocks 		<ul style="list-style-type: none"> Increase Customer Charge from \$18.00 to \$20.00 Uniform % Blocks 											
71		Rate Design - Schedule Lighting		<ul style="list-style-type: none"> Uniform Percentage Increase Street Light Methodology PDE-1T pp. 14-16 		<ul style="list-style-type: none"> Uniform Percentage Increase Street Light Methodology PDE-1T pp. 14-16 adopted 											
72		Energy Recovery Mechanism (ERM)		Annual Rate Adjustment starting July 1, 2016		ERM rate adjustment trigger will remain at \$30 million, as approved in Docket UE-120436.											
73		Retail Revenue Credit /Load Change Adjustment Rate		<ul style="list-style-type: none"> Renamed LCAR. Proposed to be the Average Wholesale Market Price of Energy. 		Renamed Retail Revenue Adjustment. Methodology will stay the same as approved in Docket UE-140188.											

(A) Public Counsel Column includes positions for which Public Counsel is Neutral in its Direct Testimony. For items that parties are neutral in direct, parties may adopt, support, or oppose other parties' positions and develop a recommendation in later stages of this proceeding, including on brief. This issues list does not include positions that may be taken in rebuttal or cross-answering testimony.

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AUGUST 20, 2015

1	Adj.	ISSUE	DESCRIPTION	AVISTA - AS FILED		Effects of Partial Settlement (See Multiparty Settlement Stipulation Filed May 1, 2015)		COMMISSION STAFF		PUBLIC COUNSEL (A)		ICNU		NWIGU		THE ENERGY PROJECT	
				Rev. Req.	Rate Base	Rev. Req.	Rate Base	Rev. Req.	Rate Base	Rev. Req.	Rate Base	Rev. Req.	Rate Base	Rev. Req.	Rate Base	Rev. Req.	Rate Base
				\$'s in Thousands		\$'s in Thousands		\$'s in Thousands		\$'s in Thousands		\$'s in Thousands		\$'s in Thousands		\$'s in Thousands	
ATTRITION STUDY																	
2																	
3		2015 Attrition Study		\$12,021	\$286,086	\$11,286	\$286,086	\$9,040	\$295,596	\$3,337	\$252,365			\$0	\$0		
4																	
PRO FORMA CROSS CHECK STUDY																	
5																	
6	1.00	Per Results Report	Results of Operations - actual operating results and total net rate base experienced by the Company for the twelve-month period ending September 30, 2014 on an average-of-monthly-average (AMA) basis.	\$3,895	\$233,475	\$3,255	\$233,475	\$3,255	\$233,475	\$3,255	\$233,475			\$3,255	\$233,475		
7	1.01	Deferred FIT Rate Base	Reduces rate base to reflect the impact of expected tax deductions to be included in the Company's 2014 federal tax return to be filed in 2015.	(\$318)	(\$3,032)	(\$311)	(\$3,032)	(\$311)	(\$3,032)	(\$311)	(\$3,032)						
8	1.02	Deferred Debits and Credits	Consolidation of previous Commission Basis or other restating rate base adjustments (Customer Advances and Customer Deposits).	\$1	\$0	\$1	\$0	\$1	\$0	\$1	\$0						
9	1.03	Working Capital	Includes Working Capital using the Investor Supplied Working Capital (ISWC) methodology, including pension and other post-retirement benefit, and associated deferred federal income tax (DFIT) balances as current assets and current liabilities.	\$1,089	\$10,371	\$1,062	\$10,371	\$1,062	\$10,371	\$1,062	\$10,371						
10	2.01	Eliminate B & O Taxes	Eliminates the revenues and expenses associated with local business and occupation (B & O) taxes.	\$12	\$0	\$12	\$0	\$12	\$0	\$12	\$0						
11	2.02	Restate Property Tax	Restates the accrued property tax during the test period to actual property tax paid during 2014.	\$84	\$0	\$84	\$0	\$84	\$0	\$84	\$0						
12	2.03	Uncollectible Expense	Restates the accrued expense to the actual level of net write-offs for the test period.	(\$157)	\$0	(\$157)	\$0	(\$157)	\$0	(\$157)	\$0						
13	2.04	Regulatory Expense	Restates recorded regulatory expense for the twelve-months-ended September 30, 2014 to reflect the UTC assessment rates applied to revenues for the test period and the actual levels of FERC fees paid during the test period.	\$34	\$0	\$34	\$0	\$34	\$0	\$34	\$0						
14	2.05	Injuries and Damages	Replaces accrued injuries and damages expense with a six-year rolling average of actual injuries and damages payments not covered by insurance.	\$293	\$0	\$293	\$0	\$293	\$0	\$293	\$0						
15	2.06	FIT/DFIT Expense	Adjusts the FIT and DFIT calculated at 35% within Results of Operations by removing the effect of certain Schedule M items and reflecting the proper level of deferred tax expense for the test period.	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0						
16	2.07	Office Space Charges to Subs	Removes the remaining portion of office space costs associated with subsidiary/non-utility activities not previously removed during the test period.	(\$2)	\$0	(\$2)	\$0	(\$2)	\$0	(\$2)	\$0						
17	2.08	Restate Excise Taxes	Removes the effect of a one-month lag between collection and payment of taxes.	\$344	\$0	\$344	\$0	(\$66)	\$0	\$344	\$0						
18	2.09	Net Gains/Losses	Ten-year amortization of net gains realized from the sale of real property disposed of between 2005 and September 30, 2014.	(\$5)	\$0	(\$5)	\$0	(\$5)	\$0	(\$5)	\$0						
19	2.10	Weather Normalization / Gas Cost Adjust	Adjustment normalizes weather sensitive gas therm sales by eliminating the effect of temperature deviations above or below historical norms. This adjustment also restates therms sold to reflect the weather normalized therms and then reprices the adjusted therms sold based upon the authorized weighted average cost of gas.	\$801	\$0	\$801	\$0	\$801	\$0	\$801	\$0						

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			Rev. Req.	Rate Base	Rev. Req.	Rate Base	Rev. Req.	Rate Base	Rev. Req.	Rate Base	Rev. Req.	Rate Base	Rev. Req.	Rate Base	Rev. Req.	Rate Base
20	2.11	Eliminate Adder Schedules	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0						
21	2.12	Misc Restating Adjustments	\$5	\$0	\$5	\$0	\$5	\$0	\$5	\$0						
22	2.13	Restating Incentive Adjustment	(\$349)	\$0	(\$349)	\$0	(\$349)	\$0	(\$349)	\$0						
23	2.14	Restate Debt Interest	\$219	\$0	\$260	\$0	\$0	\$0	\$260	\$0						
24	PC-G2.15/Staff 2.15	Long Term Incentive Plan Expense					(\$74)	\$0	(\$74)	\$0						
25	3.00	Pro Forma Labor Non-Exec	\$1,209	\$0	\$1,209	\$0	\$905	\$0	\$516	\$0						
26	3.01	Pro Forma Labor Exec	\$52	\$0	\$52	\$0	\$23	\$0	\$52	\$0						
27	3.02	Pro Forma Employee Benefits	\$751	\$0	\$751	\$0	\$1,113	\$0	\$1,027	\$0						
28	3.03	Pro Forma Insurance	\$81	\$0	\$81	\$0	\$0	\$0	(\$16)	\$0						
29	3.04	Pro Forma Property Tax	\$531	\$0	\$531	\$0	\$531	\$0	\$211	\$0						
30	3.05	Pro Forma Information Tech/Serv Exp	\$432	\$0	\$432	\$0	\$15	\$0	\$0	\$0						
31	3.06	Pro Forma Revenue Normalization	(\$8,935)	\$0	(\$8,935)	\$0	(\$8,935)	\$0	(\$8,935)	\$0						
32	3.07	Planned Capital Add Dec 2014 EOP	\$1,486	\$2,960	\$1,478	\$2,960	\$579	\$3,388	\$0	\$0						
33	PC-G3.07	Actual September 2014 EOP							\$689	(\$1,524)						
34	PC-G3.08	Updated Repairs Tax Deduction							(\$309)	(\$3,013)						
35	4.01	Planned Capital Add 2015 EOP	\$5,652	\$28,691	\$5,578	\$28,691	\$3,091	\$16,065								
36	PC-G4.01	Major Capital Additions							\$2,910	\$16,088						
37	4.02	Planned Capital Add 2016 AMA	\$1,551	\$5,706	\$1,536	\$5,706	\$0	\$0	\$0	\$0						

DOCKETS UE-150204 & UG-150205
 JOINT ISSUES LIST - NATURAL GAS
 AUGUST 20, 2015

Adj.	ISSUE	DESCRIPTION	AVISTA - AS FILED		Effects of Partial Settlement (See Multiparty Settlement Stipulation Filed May 1, 2015)		COMMISSION STAFF		PUBLIC COUNSEL (A)		ICNU		NWIUGU		THE ENERGY PROJECT	
			Rev. Req.	Rate Base	Rev. Req.	Rate Base	Rev. Req.	Rate Base	Rev. Req.	Rate Base	Rev. Req.	Rate Base	Rev. Req.	Rate Base	Rev. Req.	Rate Base
38	4.03	Project Compass Deferral, Regulatory Amortization	\$1,198	\$0	\$1,198	\$0	\$990	\$0	\$1,198	\$0						
39	4.04	O&M Offsets	(\$82)	\$0	(\$82)	\$0	(\$29)	\$0	\$0	\$0						
40	4.05	Pro Forma Atmospheric Testing	\$741	\$0	\$741	\$0	\$741	\$0	\$741	\$0						
41	4.06	Reconcile Pro Forma To Attrition	\$1,410	\$7,915	\$1,390	\$7,915	\$0	\$0	\$0	\$0						
42		Revenue Requirement*	\$12,021	\$286,086	\$11,286	\$286,086	\$3,607	\$260,267	\$3,336	\$252,365						
43		* Partial Settlement Revenue Requirement reflects agreed-upon Cost of Capital.														
44																
45		OTHER ISSUES														
46		LIRAP Funding Proposal						Establishes a five-year funding plan that increases the total LIRAP budget by \$475,000 per year for five years, or by twice the percentage increase of the residential revenue requirement, whichever is greater. The revenue is allocated 65.07% to electric and 34.93% natural gas.		Joint proposal with The Energy Project; 5-year funding plan that increases funding each year by an amount that is equal to twice the percentage of the final residential bill impact to customers resulting from the rate case, or 10 percent of the previous year's LIRAP budget, whichever is greater.						Joint proposal with Public Counsel; 5-year funding plan that increases funding each year by an amount that is equal to twice the percentage of the final residential bill impact to customers resulting from the rate case, or 10 percent of the previous year's LIRAP budget, whichever is greater.
47		Advanced Metering Infrastructure Proposal								Joint proposal with The Energy Project. Decline to approve AMI proposal at this time because expenses have not been fully developed, costs are not known and measurable, the project is not used and useful, benefits have not been proven, and the project has not been shown to be prudent or cost effective.						Joint proposal with Public Counsel. Decline to approve AMI proposal at this time because expenses have not been fully developed, costs are not known and measurable, the project is not used and useful, benefits have not been proven, and the project has not been shown to be prudent or cost effective.
48																

DOCKETS UE-150204 & UG-150205
JOINT ISSUES LIST - NATURAL GAS
AUGUST 20, 2015

Adj.	ISSUE	DESCRIPTION	AVISTA - AS FILED		Effects of Partial Settlement (See Multiparty Settlement Stipulation Filed May 1, 2015)		COMMISSION STAFF		PUBLIC COUNSEL (A)		ICNU		NWIGU		THE ENERGY PROJECT	
			Rev. Req.	Rate Base	Rev. Req.	Rate Base	Rev. Req.	Rate Base	Rev. Req.	Rate Base	Rev. Req.	Rate Base	Rev. Req.	Rate Base	Rev. Req.	Rate Base
49	PARTIAL SETTLEMENT OF ISSUES See Multiparty Settlement Stipulation filed May 1, 2015															
50			AVISTA		Effects of Partial Settlement		COMMISSION STAFF		PUBLIC COUNSEL		ICNU		NWIGU		THE ENERGY PROJECT	
51																
52		COST OF CAPITAL														
53		Cost of Capital - Return on Equity		9.90%		9.50%				9.50%				9.50%		
54		Cost of Capital - Cost of Debt		5.20%		5.20%				5.20%				5.20%		
55		Cost of Capital - Capital Structure		48.0% Equity		48.5% Equity				48.5% Equity				48.5% Equity		
56		Rate of Return		7.46%		7.29%				7.29%				7.29%		
57																
58																
59		COST OF SERVICE/RATE SPREAD/RATE DESIGN														
60		Rate Spread		40% Movement towards Unity		Equal Percentage of Margin				Equal Percentage of Margin				Equal Percentage of Margin		
61		Rate Design - Schedule 101		<ul style="list-style-type: none"> Basic Charge to \$12.00/month Uniform percentage to Blocks 1 and 2 		<ul style="list-style-type: none"> Basic Charge remains at \$9.00/month Uniform percentage to Blocks 1 and 2 				<ul style="list-style-type: none"> Basic Charge remains at \$9.00/month Uniform percentage to Blocks 1 and 2 						
62		Rate Design - Schedule 111		<ul style="list-style-type: none"> Increase Minimum Charge based on Schedule 101 Basic & Volumetric Changes Remaining uniform percentage to Blocks 2 and 3 		<ul style="list-style-type: none"> Increase Minimum Charge based on Schedule 101 Basic & Volumetric Changes Remaining uniform percentage to Blocks 2 and 3 										
63		Rate Design - Schedule 121		<ul style="list-style-type: none"> Increase Minimum Charge based on Schedule 101 Basic & Volumetric Changes Remaining equal percentage to Blocks 2, 3 and 4 		<ul style="list-style-type: none"> Increase Minimum Charge based on Schedule 101 Basic & Volumetric Changes Remaining equal percentage to Blocks 2, 3 and 4 										
64		Rate Design - Schedule 131		<ul style="list-style-type: none"> Uniform percentage to the blocks 		<ul style="list-style-type: none"> Uniform percentage to the blocks 										
65		Rate Design - Schedule 146		<ul style="list-style-type: none"> Increase Minimum Demand from \$500 to \$525 Remaining to blocks on uniform percentage basis 		<ul style="list-style-type: none"> Increase Minimum Demand from \$500 to \$525 Remaining to blocks on uniform percentage basis 								<ul style="list-style-type: none"> Increase Minimum Demand from \$500 to \$525 Remaining to blocks on uniform percentage basis 		

(A) Public Counsel Column includes positions for which Public Counsel is Neutral in its Direct Testimony. For items that parties are neutral in direct, parties may adopt, support, or oppose other parties' positions and develop a recommendation in later stages of this proceeding, including on brief. This issues list does not include positions that may be taken in rebuttal or cross-answering testimony.