	Adj	ISSUE	DESCRIPTION	AVISTA	- AS FILED	(See Multiparty Se	rtial Settlement ettlement Stipulation ay 1, 2015)	COMMIS	SSION STAFF	PUBLIC C	OUNSEL (A)	ICI	NU	NW	VIGU	THE ENERG	Y PROJECT
	#			Rev. Req.	Rate Base	Rev. Req.	Rate Base	Rev. Req.	Rate Base	Rev. Req.			Rate Base				Rate Base
			ATTRITION STUDY	\$'s in T	housands	\$'s in 1	Thousands	\$'s in T	housands	\$'s in T	housands	\$'s in Th	ousands	\$'s in Th	housands	\$'s in Th	ousands
1		I	ATTRITION STODY		1				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		1				1								
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 Denosits)	(\$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						

	Adj	ISSUE	DESCRIPTION	AVISTA	- AS FILED	(See Multiparty Se	tial Settlement ttlement Stipulation by 1, 2015)	COMMIS	SSION STAFF	PUBLIC C	COUNSEL (A)	IC	CNU	NW	/IGU	THE ENERG	GY 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	2.1) 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	2.1	L 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	2.1	2 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	2.1	B 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	2.1	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	2.1	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	2.1	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	2.1	7 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	3.0	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	3.0	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	3.0	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	3.0	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	3.0	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	3.0	5 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	3.0	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)					

	Adj	ISSUE	DESCRIPTION	AVISTA -	AS FILED	(See Multiparty Set	tial Settlement ttlement Stipulation y 1, 2015)	COMMIS	SION STAFF	PUBLIC C	COUNSEL (A)	IC	:NU	NV	VIGU	THE ENERG	GY 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
32	3.07	Pro Forma Information Tech/Serv Exp	Includes the incremental costs associated with software development, application licenses, maintenance fees, and technical support for a range of information services programs.	\$1,760	\$0	\$1,760	\$0	\$352	\$0	\$0	\$0						
33	3.08	Pro Forma Lake Spokane Deferral	Reflects a three-year amortization of the deferred costs related to improving dissolved oxygen levels in Lake Spokane as approved in Docket No. UE-140188.	\$305	\$0	\$305	\$0	\$305	\$0	\$305	\$0						
34	3.09	Pro Forma Revenue Normalization	Revenue repricing of the 2015 authorized rates approved in Docket No. UE-140188.	(\$16,361)	\$0	(\$16,361)	\$0	(\$16,361)	\$0	(\$16,361)							
35	3.10	Pro Forma Major Maint-Hydro Thermal, Other (1)	Adjusts for the incremental increase in major maintenance expense planned for in 2016 above that included in the test period on the Company's hydro, thermal and other generating plants	\$2,532	\$0	\$5,332	\$0	\$0	\$0	\$0	\$0						
36	3.11	Planned Capital Add Dec 2014 EOP	Reflects the additional October through December 2014 capital additions together with the associated accumulated depreciation (A/D) and accumulated deferred federal income taxes (ADFIT) at a December 2014 EOP basis.	\$8,724	\$35,098	\$8,633	\$35,098	\$2,319	(\$4,371)	\$0	\$0						
37	3.13	WA CS2 & Colstrip O&M	Reflects the incremental expenses associated with Coyote Springs 2 & Colstrip. Previously included under 3.10. See: JLB-1T.					(\$291)	\$0								
38	PC-E3.13	Updated Repairs Tax Deduction	Reflects Company update/revision to the Repairs Tax Deduction book after the test year.					\$0	\$0	(\$1,892)	(\$18,470)						
39	4.01	Planned Capital Add 2015 EOP	Reflects the additional 2015 capital additions together with the associated A/D and ADFIT at a December 31, 2015 EOP basis.	\$26,171	\$149,733	\$25,786	\$149,733	\$11,075	\$58,095	\$0	\$0	Reject: \$4,528					
40	PC-E4.01	Major Capital Additions	Reflects major capital additions placed into service after the September 30, 2014 Test Year End							\$9,441	\$52,060						
41	4.02	Planned Capital Add 2016 AMA	Reflects 2016 capital additions together with the associated A/D and ADFIT at a 2016 AMA basis.	\$2,461	(\$3,071)	\$2,469	(\$3,071)	\$0	\$0	\$0	\$0						
42	4.03	Meter Retirement	Includes for regulatory purposes, the regulatory asset and amortization expense related to the transfer of the net book value of the existing Washington electric meters from electric distribution plant to a regulatory asset. The Company is proposing to amortize this regulatory asset balance over a ten-year period, starting in January of 2016.	\$4,255	\$20,276	\$4,202	\$20,276	\$0	\$0	\$0	\$0	Reject: \$(4,202)					
43	4.04	O&M Offsets	2014 (October through December), 2015 and 2016 capital additions were reviewed for any O&M offsets that were expected in the 2016 rate period.	(\$205)	\$0	(\$205)	\$0	(\$499)	\$0	\$0	\$0						
44	4.05	Reconcile Pro Forma To Attrition	Represents the difference between the Pro Forma Cross Check Study and the Attrition Study.	\$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)			†		<u> </u>
47			<u> </u>		, , , , , ,	.,,,,	, , ,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,		. ,	. , .,,	,	1			+		
48		* Partial Settlement Revenue Requirement reflect Forma Power Supply (3.00).	ts agreed-upon Cost of Capital, Power Supply adjustments, and remov	val of Pro Forma Major	r Maintenance Colstrip	and CS2 incremental e	xpenses from Pro										

		Adj	ISSUE	DESCRIPTION	AVISTA -	AS FILED	(See Multiparty Se	tial Settlement ttlement Stipulation y 1, 2015)	соммія	SSION STAFF	PUBLIC (COUNSEL (A)	Į.	CNU	NW	vigu	THE ENERG	SY PROJECT
49		#			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
50			OTHER ISSUES															
51			Colstrip and CS2 O&M Expense		Per Settlement Agreei iv. O&M costs related and Colstrip were rem Supply costs. The effe reduced power supply approximately \$3.6 m revenue requirement will be addressed duri the case. (Expense am in major maintenance	to Coyote Springs 2 loved from base Power et of this adjustment or expense by illion (WA basis). The related to these costs ng the remainder of lount included above			Coyote Sprin Colstrip O&N adjustment	A Costs from 3.10 and m as a separate			Reject:	\$(2,486)				
52			LIRAP Funding Proposal						funding plai the total LI \$475,000 p years, or percentage resident requirement greater. I allocated 65	es a five-year n that increases RAP budget by er year for five by twice the increase of the cial revenue t, whichever is the revenue is .07% to electric % natural gas.	Energy P funding pla funding ea amount ti twice the pe final residen customers the rate cas of the previ- budget,	osal with The roject; 5-year in that increases ich year by an nat is equal to ercentage of the tial bill impact tresulting from e, or 10 percent bus year's LIRAF whichever is eater.	e o				Counsel; 5- plan that funding eac amount the twice the p the final re impact to resulting fr case, or 10 p previous y budget, w	al with Public year funding increases h year by an it is equal to ercentage of sidential bill customers om the rate ercent of the ear's LIRAP hichever is ater.
53			Advanced Metering Infrastructure Proposal								Energy Pro approve AM time becaus not been fi costs are r measurable not used benefits h proven, and not been	osal with The ect. Decline to proposal at this expenses have ally developed, ot known and e, the project is and useful, awe not been the project has shown to be cost effective.	is e				Counsel. approve AN this time expenses he fully develop not kno measurable, not used a benefits ha	
54	ļ		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	1	•			See	PARTIAL SETT Multiparty Settlemen	LEMENT OF ISSUES t Stipulation filed May	, 1, 2015										
56					AVI	ISTA	Effects of Par	tial Settlement	COMMIS	SION STAFF	PUBLIC	COUNSEL	l l	CNU	NW	VIGU	THE ENERG	Y PROJECT
57	<u> </u>		COST OF CARITAL								-		-		-			
58 59			COST OF CAPITAL Cost of Capital - Return on Equity		0.0	90%	0.1	50%				.50%	+		-			
60			Cost of Capital - Return on Equity Cost of Capital - Cost of Debt			20%		20%				.20%	+		1			
61			Cost of Capital - Cost of Debt			Equity		Equity				% Equity						
62			Rate of Return			16%		29%		•		.29%			1			

	Adj	ISSUE	DESCRIPTION	AVISTA -	AS FILED	(See Multiparty Set	ial Settlement tlement Stipulation y 1, 2015)	COMMIS	SION STAFF	PUBLIC C	OUNSEL (A)	IC	NU	NWIGU		GY 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
63																
64		COST OF SERVICE/RATE SPREAD/RATE DESIGN														
65		Rate Spread		Variable based on Cost results.	t of Service Study	Equal Percentage of R	evenue			Equal Percen Revenue	tage of					
66		Rate Design - Schedule 1		Increase Basic Charge Uniform ¢ increase to		No Change in Basic C Uniform ¢ increase t				• No Change (\$8.50/montl • Uniform ¢ i Blocks						
67		Rate Design - Schedule 11		 Increase Customer C \$20.00 Increase Demand fro Uniform % Blocks 	_	 Increase Customer C \$20.00 Increase Demand from Williams Uniform Williams 	_									
68		Rate Design - Schedule 21		Minimum Demand re \$500/month Increase Demand fro Uniform % Blocks		Minimum Demand ri \$500/month Increase Demand fro Uniform % Blocks										
69		Rate Design - Schedule 25		Minimum Demand re \$21000/month Increase Demand fro Uniform % Blocks	emains at m \$6.00 to \$6.50/kVA	Uniform percentage be energy block rates; ho the third energy block that the largest custor Schedule 25 receives tincrease as the overall this case. The demand 3,000 kVa will remain variable demand charger kVa.	wever, the increase to will be adjusted, so ner served on he same percentage revenue increase in d charge for the first \$21,000/month, and									
70		Rate Design - Schedule 31		• Increase Customer C \$20.00 • Uniform % Blocks		• Increase Customer C \$20.00 • Uniform % Blocks	harge from \$18.00 to									
71		Rate Design - Schedule Lighting		Uniform Percentage Street Light Methodo 16	ology PDE-1T pp. 14-	Uniform Percentage Street Light Methods dadopted										
72		Energy Recovery Mechanism (ERM)		Annual Rate Adjustmen 2016		ERM rate adjustment \$30 million, as approv 120436.										
73		Retail Revenue Credit /Load Change Adjustment Rate		Renamed LCAR. Proposed to be the Average Wholesale M		Renamed Retail Rever Methodology will stay in Docket UE-140188.	ue Adjustment. the same as approved									

(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.

	Adj.	ISSUE	DESCRIPTION	AVISTA -	- AS FILED	(See Multipar	ial Settlement ty Settlement ed May 1, 2015)	COMMISS	SION STAFF	PUBLIC CO	DUNSEL (A)	ICNU	NV	WIGU	THE ENERGY	PROJECT
	#			Rev. Req.	Rate Base	Rev. Req.	Rate Base		Rate Base		Rate Base	Rev. Req. Rate Base		Rate Base	Rev. Req.	
1				\$'s in Th	nousands	\$'s in Th	ousands	\$'s in Th	nousands	\$'s in Th	ousands	\$'s in Thousands	\$'s in T	housands	\$'s in Thoເ	ısands
_			ATTRITION STUDY		1	1	1	1						-		
2		2045 Attable or Charles		642.024	¢205 005	Ć11 20C	¢200 000	60.040	\$295,596	62.227	6252.265		ćo	ćo		
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					I			l					
5			THO FORMA CROSS CHECKSTOD!					I						1		
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 Mitems 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					

	Adj.	ISSUE	DESCRIPTION	AVISTA	- AS FILED	(See Multipar	tial Settlement ty Settlement ed May 1, 2015)	COMMISS	SION STAFF	PUBLIC CO	DUNSEL (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
20	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			
21	2.12	Misc Restating Adjustments	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.	\$5	\$0	\$5	\$0	\$5	\$0	\$5	\$0			
22	2.13	Restating Incentive Adjustment	Restates actual incentives included in the Company's test period ending September 30, 2014, to reflect a six-year average of payout percentages.	(\$349)	\$0	(\$349)	\$0	(\$349)	\$0	(\$349)	\$0			
23		Restate Debt Interest	Restates debt interest using the Company's pro forma weighted average cost of debt.	\$219	\$0	\$260	\$0	\$0	\$0	\$260	\$0			
24	PC- G2.15/Staff 2.15	Long Term Incentive Plan Expense	This adjustment removes the LTIP expenses that remain in the test year.					(\$74)	\$0	(\$74)	\$0			
25	3.00	Pro Forma Labor Non-Exec	Reflects changes to test period union and non-union wages and salaries to reflect increases through 2016.	\$1,209	\$0	\$1,209	\$0	\$905	\$0	\$516	\$0			
26	3.01	Pro Forma Labor Exec	Reflects changes to reflect an annualized 2014 level of allocated executive officer salaries.	\$52	\$0	\$52	\$0	\$23	\$0	\$52	\$0			
27	3.02	Pro Forma Employee Benefits	Adjusts for changes in both the Company's pension and medical insurance expense.	\$751	\$0	\$751	\$0	\$1,113	\$0	\$1,027	\$0			
28	3.03	Pro Forma Insurance	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.	\$81	\$0	\$81	\$0	\$0	\$0	(\$16)	\$0			
29	3.04	Pro Forma Property Tax	Restates the 2014 level of property tax expense to the 2016 level of expense.	\$531	\$0	\$531	\$0	\$531	\$0	\$211	\$0			
30	3.05	Pro Forma Information Tech/Serv Exp	Includes the incremental costs associated with software development, application licenses, maintenance fees, and technical support for a range of information services programs.	\$432	\$0	\$432	\$0	\$15	\$0	\$0	\$0			
31	3.06	Pro Forma Revenue Normalization	Revenue repricing of the 2015 authorized rates approved in Docket No. UE-140188.	(\$8,935)	\$0	(\$8,935)	\$0	(\$8,935)	\$0	(\$8,935)	\$0			
32	3.07	Planned Capital Add Dec 2014 EOP	Reflects the additional October through December 2014 capital additions together with the associated accumulated depreciation (A/D) and accumulated deferred federal income taxes (ADFIT) at a December 2014 EOP basis.	\$1,486	\$2,960	\$1,478	\$2,960	\$579	\$3,388	\$0	\$0			
33	PC-G3.07	Actual September 2014 EOP	Reflects Plant in Service at actual September 2014 EOP balances							\$689	(\$1,524)			
34	PC-G3.08	Updated Repairs Tax Deduction	Reflects Company update/revision to the Repairs Tax Deduction book after the test year.							(\$309)	(\$3,013)			
35	4.01	Planned Capital Add 2015 EOP	Reflects the additional 2015 capital additions together with the associated A/D and ADFIT at a December 31, 2015 EOP basis.	\$5,652	\$28,691	\$5,578	\$28,691	\$3,091	\$16,065					
36	PC-G4.01	Major Capital Additions	Reflects major capital additions placed into service after the September 30, 2014 Test Year End			_				\$2,910	\$16,088			
37	4.02	Planned Capital Add 2016 AMA	Reflects 2016 capital additions together with the associated A/D and ADFIT at a 2016 AMA basis.	\$1,551	\$5,706	\$1,536	\$5,706	\$0	\$0	\$0	\$0			

200 Project Compass Defend, Regulatory Project Company Performance Project Company Perfo		PUBLI	SSION STAFF	COMMIS	ial Settlement ty Settlement ed May 1, 2015)		AS FILED	AVISTA	DESCRIPTION	ISSUE		
No. September Regulatory Project Companys Enferral, Regulatory Project Companys Enferral, Regulatory Project Companys Enferral Regulatory Project	ev. Req. Rate Base Rev. Req. Rate Base Rev. Req. Rate Base Rev. Req. Rate Base	e Rev. R	Rate Base	Rev. Req.			Rate Base	Rev. Req.				
30	\$1,198 \$0	\$1,19	\$0	\$990	\$0	\$1,198	\$0	\$1,198	two-year amortization of the deferred natural gas revenue requirement amount associated with the Company's Project Compass Customer Information System (CIS) for calendar year		114	8
40	\$0 \$0	\$0	\$0	(\$29)	\$0	(\$82)	\$0	(\$82)	additions were reviewed for any O&M offsets that were expected	O&M Offsets	04 0	9
4. 1.0 Perconcile reformant 10 Attrition Study and the Attrition Study. 1.1 Partial Settlement Revenue Requirement? 1.1 Partial Settlement Revenue Requirement reflects agreed upon Cost of Capital. 1.2 Revenue Requirement reflects agreed upon Cost of Capital. 1.3 OTHER ISSUES 1.5 S286.086 S11,728 S286.086 S11,728 S286.086 S10,728 S282,365 S11,728 S11,7	\$741 \$0	\$741	\$0	\$741	\$0	\$741	\$0	\$741	Adjusts the test period expense for atmospheric corrosion	Pro Forma Atmospheric Testing	05 P	0
## Partial Settlement Revenue Requirement reflects agreed-upon Cost of Capital. ## Partial Settlement Revenue Requirement reflects agreed-upon Cost of Capital. ## Capital Settlement Revenue Requirement reflects agreed-upon Cost of Capital. ## Capital Settlement Revenue Requirement reflects agreed-upon Cost of Capital. ## Capital Settlement Revenue Requirement reflects agreed-upon Cost of Capital. ## Capital Settlement Revenue Requirement reflects agreed-upon Cost of Capital. ## Capital Settlement Revenue Requirement reflects agreed-upon Cost of Capital. ## Capital Settlement Revenue Requirement reflects agreed-upon Cost of Capital. ## Capital Settlement Revenue Requirement reflects agreed-upon Cost of Capital. ## Capital Settlement Revenue Requirement reflects agreed-upon Cost of Capital. ## Capital Settlement Revenue Requirement reflects agreed-upon Cost of Capital. ## Capital Settlement Revenue Requirement reflects agreed-upon Cost of Capital. ## Capital Settlement Revenue Requirement reflects agreed-upon Cost of Capital. ## Capital Settlement Revenue Requirement reflects agreed-upon Cost of Capital. ## Capital Settlement Revenue Requirement reflects agreed-upon Cost of Capital. ## Capital Settlement Revenue Requirement reflects agreed-upon With The Energy Project. Sevar Cook of Tapital Settlement Revenue requirement. ## Capital Settlement Revenue Requirement reflects agreed-upon With The Energy Project. Decime to approve and the project in the Capital Settlement Revenue Requirement reflects agreed to the Energy Project. Decime to approve and the project in the Capital Settlement Revenue Requirement Revenue Research Rev			·						Study and the Attrition Study.	Reconcile Pro Forma To Attrition	06 R	
46 OTHER ISSUES Establishes a five-year funding plan that increases the total URAP budget by S475,000 the years, or by those the personal search of the years of the years, or by those the personal search of the years of the y	33,336 \$252,365	/ \$3,33	\$260,267	\$3,607	\$286,086	\$11,286	\$286,086	\$12,021	Revenue Requirement*			_
45 OTHER ISSUES Bestablishes a five-year funding plan that increases the total LIRAP budget by \$475,000 per year for five years for the years or by the section and a state of the final time the section of the final									ects agreed-upon Cost of Capital.	* Partial Settlement Revenue Requirement refle	*	3
Establishes a five year funding plan that increases the total LIRAP 46 LIRAP Funding Proposal 47 Advanced Metering Infrastructure Proposal Establishes a five year funding plan that increases the total LIRAP funding plan that increases funding plan tha												4
### Advanced Metering Infrastructure Proposal #### Advanced Metering Infrastructure Proposal ###################################										OTHER ISSUES	o	5
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 proven, and the project has not been shown to be has not been shown to be	Counsel; 5-year funding plan that ncreases funding each plan that is equal to twice the percentage of the final sidential bill impact to sistemers resulting from the rate case, or 10 ercent of the previous year's LIRAP budget, Energy Project; 5-year funding plan that increases funding each year by an amount that is equal to 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 ercent of the previous year's LIRAP budget,	Energy AP increas year by seque tial residen residen the re percen year's	g plan that the total LIRAP \$475,000 per ve years, or by e percentage the residentia requirement, is greater. The is allocated be electric and	funding increases the budget by syear for five twice the increase of the revenue rewhichever is revenue in 65.07% to						LIRAP Funding Proposal	LI	6
48	ergy Project. Decline to approve AMI proposal at this time because expenses have not been lly developed, costs are not known and easurable, the project is not used and useful, lenefits have not been roven, and the project s not been shown to be	Energy P approve this expensi fully dev not measura not us benefit proven has not l								Advanced Metering Infrastructure Proposal	А	

		Т		Effects of Partial S		I Cattlemant	1				1				
	Adj.	ISSUE	DESCRIPTION	AVISTA -	AS EII ED	(See Multipart		COMMISS	SION STAFF	PUBLIC CO	IINSEL (A)	ICNU	NWIGU	THE ENERGY PE	ROIECT
	Auj.	15502	DESCRIPTION	AVISIA	13111111	Stipulation Filed		COMMISS	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	1 Oblic co	ONSEE (A)	ICNO	Milio	THE ENERGY TO	NO3EC1
	#			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. Ra	ate Base
40					PARTIAL SET	TLEMENT OF ISSUI	S								
49				See Mul	tiparty Settleme	nt Stipulation filed	l May 1, 2015								
50				AVIS	та	Effects of Partia	l Settlement	COMMISS	SION STAFF	PUBLIC (OUNSEL	ICNU	NWIGU	THE ENERGY PE	ROJECT
51															
52		COST OF CAPITAL													
53		Cost of Capital - Return on Equity		9.90)%	9.50	%			9.5	0%		9.50%		
54		Cost of Capital - Cost of Debt		5.20)%	5.20	%			5.2	0%		5.20%		
55		Cost of Capital - Capital Structure		48.0% I	quity	48.5% E	quity			48.5%	Equity		48.5% Equity		
56		Rate of Return		7.46	5%	7.29	%			7.2	9%		7.29%		
57															
58				1		<u>'</u>			I			-	•	•	
59		COST OF SERVICE/RATE SPREAD/RATE DESIGN													
60		Rate Spread		40% Movement to	owards Unity	Equal Percentage	of Margin			Equal Percent Margin	tage of		Equal Percentage of Margin		
						Basic Charge ren	nains at			Basic Charg	e remains at		- 0		
		Bata Basina Cabadula 404		Basic Charge to: Uniform percent		\$9.00/month	iams ac			\$9.00/month					
61		Rate Design - Schedule 101		and 2	tage to Blocks 1	 Uniform percent 	age to Blocks 1			 Uniform pe 					
						and 2				Blocks 1 and	2				
				 Increase Minimulation based on Schedule 	•	 Increase Minimulation based on Schedule 	•								
62		Rate Design - Schedule 111		Volumetric Chang		Volumetric Change									
		, and the second		Remaining uniform		 Remaining unifo 									
				to Blocks 2 and 3		to Blocks 2 and 3									
				Increase Minimu	Ü	Increase Minimu	•								
63		Rate Design - Schedule 121		based on Schedule Volumetric Chang		based on Schedule Volumetric Change									
03		Nate Design - Schedule 121				Remaining equal									
				Blocks 2, 3 and 4		Blocks 2, 3 and 4									
64		Rate Design - Schedule 131		Uniform percent	tage to the	Uniform percent	age to the								
Ţ.		20		blocks		blocks									
													Increase Minimum		
				 Increase Minimulation from \$500 to \$525 		 Increase Minimu from \$500 to \$525 							Demand from \$500 to		
65		Rate Design - Schedule 146				 Remaining to blo 							\$525		
				percentage basis	Jeks on unitoffff	percentage basis	icks on unitediti						Remaining to blocks on		
						, , , , , , , , , , , , , , , , , , , ,							uniform percentage basis		
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⁽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.