Exhibit No.__(DBD-5)
Attachment No.__ET-1

AVISTA UTILITIES
2013-2016 CAPITAL PROJECTS

Functional Group: Enterprise Technology

Business Case Name: AvistaUtilities.com Redesign

ER No: **ER Name:**
5143 AU.com & AVANet Redevelopment

Approved Business Case Spend Amount 2013-2016 ($000s - System): $1,539[1]

Transfer to Plant Amounts ($000s - System):

Year	Total	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2013	1,000												1,000
2014	1,538												1,538
2015	240									240			
2016													

Business Case Description:
Refresh of the AvistaUtilities.com website to improve navigation, updating the look and feel of the overall site, creating a new homepage layout, and improving self-service and search functionality for customers. Since 2008, web usage on the AvistaUtilities.com site has increased by more than 55% and usability standards have since then changed to incorporate the emergence of mobile app technologies. The refresh includes improved functionality to allow for more customer self-serve use on our website.

Offsets:
$100,000 of additional O&M costs are included with this business case which negate the $100,000 of O&M savings (see signed business case under "Other Costs.") These savings are related to reduction in labor due to efficiencies gained by customers being able to navigate the website effectively. No offset has been included in the O&M Offset adjustment for this business case.

[1] The business case amount reflects approved capital expenditures for the years indicated and not transfers to plant.

AVISTA

Capital Program Business Case

Investment Name:	AvistaUtilities.com Redesign
Requested Amount	$1,500,000
Duration/Timeframe	3 Year Project
Dept., Area:	Customer Solutions
Owner:	Dana Anderson, Jim Corder
Sponsor:	Dana Anderson, Jim Kensok
Category:	Project
Mandate/Reg. Reference:	n/a

Assessments:

Financial:	7.00%
Strategic:	Customer Experience
Business Risk:	Business Risk Reduction >5 and <= 10
Project Risk:	Moderate certainty around cost, schedule and resources
Assessment Score:	77

Recommend Project Description:	Performance	Capital Cost	O&M Cost	Other Costs	Business Risk Score
See Attached Project Charters.	Improved usability for customers and improved capability for information sharing and delivery to increase overall employee engagement	$ 1,000,000	$ 500,000	$ -	0

Annual Cost Summary - Increase/(Decrease)

Alternatives:		Performance	Capital Cost	O&M Cost	Other Costs	Business Risk Score
Unfunded Project:	Not consistent with industry and web best practices. 14% of customers are currently unable to complete transactions on the web and of those that can consistent feedback indicates that transactional tasks are time consuming and sometimes unusable.	n/a	$ -	$ -	$ -	0
Alternative 1: Brief name of alternative (if applicable)	Redesign of AvistaUtilities.com	Improved usability, capability and new technology	$ 1,000,000	$ 500,000	$ -	0
Alternative 2: Brief name of alternative (if applicable)			$ -	$ -	$ -	0
Alternative 3 Name: Brief name of alternative (if applicable)			$ -	$ -	$ -	0

Program Cash Flows

	Capital Cost	O&M Cost	Other Costs	Approved
Previous	$ 10,452	$ -	$ -	$ 10,452
2013	$ 1,000,000	$ 100,000	$ (50,000)	$ 419,000
2014	$ 500,000	$ 100,000	$ (100,000)	$ 940,000
2015	$ -	$ 100,000	$ (100,000)	$ 180,000
2016	$ -	$ 100,000	$ (100,000)	$ -
2017	$ -	$ 100,000	$ (100,000)	$ -
Total	$ 1,500,000	$ 500,000	$ (450,000)	$ 1,549,452

Associated Ers (list all applicable):			
New			

ER	2013	2014	2015	2016	2017	Total
New	$ -	$ -	$ -	$ -	$ -	$ -
0	$ -	$ -	$ -	$ -	$ -	$ -
0	$ -	$ -	$ -	$ -	$ -	$ -
0	$ -	$ -	$ -	$ -	$ -	$ -
0	$ -	$ -	$ -	$ -	$ -	$ -
0	$ -	$ -	$ -	$ -	$ -	$ -
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0	$ -	$ -	$ -	$ -	$ -	$ -
0	$ -	$ -	$ -	$ -	$ -	$ -
0	$ -	$ -	$ -	$ -	$ -	$ -
0	$ -	$ -	$ -	$ -	$ -	$ -
0	$ -	$ -	$ -	$ -	$ -	$ -
0	$ -	$ -	$ -	$ -	$ -	$ -
0	$ -	$ -	$ -	$ -	$ -	$ -
Total	$ -	$ -	$ -	$ -	$ -	$ -

Mandate Excerpt (if applicable):

provide brief citation of the law or regulation and a reference number if possible

Additional Justifications:

1. The benefits are defined in the attached charter. In general they relate to a redesigned site for improved usability for customers as well as improved tools for employee information.
2. This project supports the Customer Engagement strategy by improving the website to better serve customers.
3. This Project supports the Employee strategy by improving capability for delivering information to employees.

Milestones (high level targets)

September-12	Project Start	January-00	open	January-00	open
January-13	Phase 0 Complete	January-00	open	January-00	open
April-13	Phase 1 Complete	January-00	open	January-00	open
August-13	Phase 2 Complete	January-00	open	January-00	open
February-14	Phase 3 Complete	January-00	open	January-00	open
January-00	open	January-00	open	January-00	open

Milestones should be general. Use your judgement on project progress so that progress can

Capital Program Business Case

AVISTA

Resources Requirements: *(request forms and approvals attached)*

Internal Labor Availability: ☐ Low Probability ☐ Medium Probability ☑ High Probability
Contract Labor: ☑ YES ☐ NO

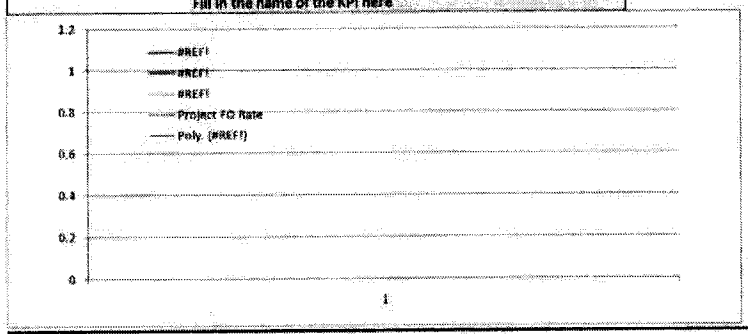
Enterprise Tech: ☑ YES - attach form ☐ NO or Not Required
Facilities: ☐ YES - attach form ☑ NO or Not Required

Capital Tools: ☐ YES - attach form ☑ NO or Not Required
Fleet: ☐ YES - attach form ☑ NO or Not Required

Key Performance Indicator(s)

Expected Performance Improvements

KPI Measure:	Fill in the name of the KPI here
	Fill in the name of the KPI here



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Reviewed signature Director/Manager

Other Party Review (if necessary) signature Director/Manager

Attachment 1: Project Charter
Attachment 2: Charter Addendum for AU.com
Attachment 2: Charter Addendum for AVAnet

To be completed by Capital Planning Group

Rationale for decision	Review Cycles 2012-2016	
	Date	Template

Exhibit No.__(DBD-5)
Attachment No.__ET-2

AVISTA UTILITIES
2013-2016 CAPITAL PROJECTS

Functional Group: Enterprise Technology

Business Case Name: Enterprise Business Continuity Plan

ER No: **ER Name:**
5010 Enterprise Business Continuity

Approved Business Case Spend Amount 2013-2016 ($000s - System): **$1,864[1]**

Transfer to Plant Amounts ($000s - System):

Year	Total	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2013	339										218		121
2014	482			120			120			120			120
2015	450			112			112			112			112
2016	450			112			112			112			112

Business Case Description:
Avista has developed an Enterprise Business Continuity Plan ("EBCP") to facilitate emergency response and business continuity activities in fulfillment of our mission to provide safe and reliable service to our customers. The program supports the Enterprise Business Continuity objectives by providing an all-hazards framework for emergency response, technology recovery, alternate facilities and business continuity activities. The program provides communications, escalation and operational procedures necessary for efficient response to events.

Offsets:
There are no anticipated offsets with this business case.

[1] The business case amount reflects approved capital expenditures for the years indicated and not transfers to plant.

AVISTA

Capital Program Business Case

Investment Name:	Enterprise Business Continuity Plan
Requested Amount	$385,000
Duration/Timeframe	5 Year Program
Dept., Area:	Enterprise Technology
Owner:	Clay Storey/Jim Corder
Sponsor:	Jim Kensok
Category:	Program
Mandate/Reg. Reference:	n/a

Assessments:	
Financial:	High - Exceeds 12% CIRR
Strategic:	Other
Operational:	Operations improved beyond current levels
Business Risk:	ERM Reduction >10 and <= 15
Program Risk:	High certainty around cost, schedule and resources
Assessment Score:	106

Recommend Program Description:	Performance	Annual Cost Summary - Increase/(Decrease) Capital Cost	O&M Cost	Other Costs	Business Risk Score
Avista has developed an Enterprise Business Continuity Plan (EBCP) to facilitate emergency response and business continuity activities in fulfillment of our mission. The program supports the Enterprise Business Continuity objectives by providing an all-hazards framework for emergency response, technology recovery, alternate facilities and business continuity activities. The program provides communications, escalation and operational procedures necessary for efficient response to events. See "Additional Justifications:" for more information.	This is a risk mitigation program	$ 482,000	$ 498,755		4

Alternatives:		Performance	Annual Cost Summary - Increase/(Decrease) Capital Cost	O&M Cost	Other Costs	Business Risk Score
Unfunded Program:	Without this program the company's ability to prepare for and respond to emergency event will be diminished. This will have the effect of creating longer delays in the restoration of business services for our customer and shareholders, potentially even action by the utility commission against Avista.	n/a	$ -	$ -	$ -	25
Alternative 1: Brief name of alternative (if applicable)	Avista has developed an Enterprise Business Continuity Plan (EBCP) to facilitate emergency response and business continuity activities in fulfillment of our mission. The program supports the Enterprise Business Continuity objectives by	This is a risk mitigation program	$ 482,000	$ 498,755	$ -	4
Alternative 2: Brief name of alternative (if applicable)	Describe other options that were considered	describe any incremental changes in operations	$ -	$ -	$ -	0
Alternative 3 Name: Brief name of alternative (if applicable)	Describe other options that were considered	describe any incremental changes in operations	$ -	$ -	$ -	0

Program Cash Flows
5 years of costs

	Capital Cost	O&M Cost	Other Costs	Approved
2012	$ 482,000	$ 488,838	$ -	$ 482,000
2013	$ 600,000	$ 549,558	$ -	$ 482,000
2014	$ 600,000	$ 610,278	$ -	$ 482,000
2015	$ 450,000	$ 655,818	$ -	$ 450,000
2016	$ 450,000	$ 701,358	$ -	$ 450,000
2017	$ 450,000	$ 746,898		$ 450,000
2018	$ 450,000	$ 792,438		$ 450,000
Total	$ 3,482,000	$ 4,545,186	$ -	$ 3,246,000

Associated Ers (list all applicable):
5010

Mandate Excerpt (if applicable):
n/a

Additional Justifications:
Support of the Enterprise Business Continuity Plan mitigates risk and minimizes the impact on the shareholders, customers, employees, and the community during and following an incident requiring activation of the EBCP. Through the development and maintenance of standardized mission critical plans and comprehensive alternate facilities planning, exercises and testing, the response, recovery and restoration efforts are synchronized, which in turn, lowers the risk of direct, indirect, tangible or intangible losses. Through on-going development, maintenance, review, and testing of the critical alternate operating procedures in support of critical business processes, process and procedure gaps are identified. This process will ensure the readiness of systems, procedures, processes, and people during emergency operations and provide an environment of constant improvement.

Resources Requirements: *(request forms and approvals attached)*

Internal Labor Availability:	☐ Low Probability	☐ Medium Probability	☑ High Probability	Enterprise Tech:	☑ YES - attach form	☐ NO or Not Required
Contract Labor:	☑ YES	☐ NO		Facilities:	☑ YES - attach form	☐ NO or Not Required
				Capital Tools:	☐ YES - attach form	☑ NO or Not Required
				Fleet:	☐ YES - attach form	☑ NO or Not Required

Check the appropriate box. The internal and contract labor boxes should be checked to indicate if the resource owners have been contacted and to provide a general sense of how likely staff will be provided (this does not require a firm committment).

Capital Program Business Case

AVISTA

Key Performance Indicator(s)	
Expected Performance Improvements	
KPI Measure:	Fill in the name of the KPI here
	Fill in the name of the KPI here

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Other Party Review signature — Director/Manager
(if necessary)

The Program is planned to include the following Projects in the next 5 years:

1. Enterprise Business Continuity management software
2. Alternate facilities infrastructure
3. Includes AFM/OMT in Disaster Recovery
4. Includes Mobile Dispatch in Disaster Recovery
5. Includes AMR systems(Fixed network, AutoSOI, MV90, others) in Disaster Recovery
6. Filesystem expansion in Disaster Recovery

To be completed by Capital Planning Group

Rationale for decision	Review Cycles 2012-2016	
	Date	Template

Exhibit No.__(DBD-5)
Attachment No.__ET-3

AVISTA UTILITIES
2013-2016 CAPITAL PROJECTS

Functional Group: Enterprise Technology

Business Case Name: Mobility in the Field

ER No: **ER Name:**
5144 Mobility in the Field

Approved Business Case Spend Amount 2013-2016 ($000s - System): $1,410[1]

Transfer to Plant Amounts ($000s - System):

Year	Total	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2013	113												113
2014	690			172			172			172			172
2015	420			105			105			105			105
2016	320			80			80			80			80

Business Case Description:
This program is to increase the Company's mobility in the field using mobile devices. A Mobile Road Map Team has documented 30 opportunities where mobile technology could be used in the field. The top opportunities, with the highest benefit and savings, are included over the five-year program. The first phase is the project called "Visibility in the Field", which will assist in Leak Survey and Gas Service Dispatch by providing spatial maps in the field using a mobile device.

Offsets:
There are no anticipated offsets with this business case.

[1] The business case amount reflects approved capital expenditures for the years indicated and not transfers to plant.

Capital Program Business Case

AVISTA

Investment Name:	Mobility in the Field
Requested Amount	$200,000
Duration/Timeframe	5 Year Program
Dept., Area:	Energy Delivery
Owner:	Heather Rosentrater & Mike Broemeling
Sponsor:	Don Kopczynski & Jim Kensok
Category:	Program
Mandate/Reg. Reference:	n/a

Assessments:	
Financial:	MH - >= 9% & <12% CIRR
Strategic:	Agile Technology Platforms
Operational:	Operations improved beyond current levels
Business Risk:	ERM Reduction >0 and <= 5
Program Risk:	High certainty around cost, schedule and resources
Assessment Score:	83

Recommend Program Description	Performance	Annual Cost Summary - Increase/(Decrease) Capital Cost	O&M Cost	Other Costs	ERM Risk Score
This program is to increase our mobility in the field using mobile devices. A Mobile Road Map Team has documented 30 opportunities where mobile technology could be used in the field. The top opportunities, with the highest benefit and savings, are included over the five year program. Additional mobile opportunities will continue to emerge, therefore a Mobility Program is requested. The Customer IRR (CIRR) at 9% per Dave DeFelice. Opportunites will be done in phases over the 5 years. The first phase will be for the project called Visibility in the Field which enables the following: 1. Leak Survey 2. Gas Service Dispatch This would provide spatial maps in the field, using a mobile device resulting in efficiency gained for our field employees. Our customer will benefit with these new capabilities and effeciencies. The benefits would include operations improvements to reduce compliance risk, reduce duplicate effort, more timely entry of data along with improved tools and information in the field. The top opportunities are 1. View GIS Layers and Multiple Maps in the Field (in 2013) 2. Gas Exposed Pipe Report (in 2014) 3. Capture Facility Data (in 2015) 4. Provide Gas Blue Leak Survey Form (in 2013) 5. Damage Assessment (OMT) (in 2016).	ArcGIS Online will allow us to share information with web maps. This will increase collaboration with internal employees and external contractors and partners. This supports our strategic goals for agile technology.	$ 200,000			2

Alternatives:		Performance	Annual Cost Summary - Increase/(Decrease) Capital Cost	O&M Cost	Other Costs	ERM Risk Score
Unfunded Program:	Maps are printed and taken out to the field; Paper process to gather information in the field and then enter the data into electronic format once in the office; if a Serviceman does have a Go-Book then both the electronic entry is done along with the paper process as a backup; Information is relayed by	n/a	$ -	$ -	$ -	3
Alternative 1: Add ArcGIS Server with tablet mobile devices	Either establish an ELA with Esri or purchasing licenses individually, installation of servers and ArcGIS Server application, establish governance, hire one FTE for AFM Team, deploy approximately 180 mobile devices, user testing, process changes and training. Mobile devices deployed would	$2,000 per device estimate	$ 150,000			2
Alternative 2: Add ArcGIS Server with Mesa devices	Mobile devices deployed as a Mesa.	$4,000 per device estimate				0
Alternative 3 Name: Add ArcGIS Server with Go-Book devices	Mobile devices deployed as a Go-Book.	$10,000 per device estimate				0

Program Cash Flows
5 years of costs

	Capital Cost	O&M Cost	Other Costs	Approved
2012				$ -
2013	$ 200,000			$ 100,000
2014	$ 320,000	$ 126,000	$ (200,000)	$ 70,000
2015	$ 420,000	$ 300,000	$ (392,000)	$ 420,000
2016	$ 320,000	$ 350,000	$ (425,000)	$ 320,000
2017	$ 400,000	$ 400,000	$ (472,000)	$ -
2018	$ -	$ -	$ -	$ -
Total	$ 1,660,000	$ 1,176,000	$ (1,489,000)	$ 1,410,000

Associated Ers (list all applicable):

Current ER				

Mandate Excerpt (if applicable):
provide brief citation of the law or regulation and a reference number if possible

Additional Justifications:
The hardware and software technology is advancing in such a manner that it will now benefit our field personnel to have a Mobility in the Field Program. We now have less expensive mobile devices to deploy along with a disconnected application for our field workers to be able to work offline and synch information back and forth when connection is successful to wi-fi or cellular. Advances in technology are making mobile capabilities more of a standard in doing business. Our field workers need to have the tools that make them more efficient in their work processes, able to post data quickly and have more information to ultimately benefit our customers.

Resources Requirements: *(request forms and approvals attached)*

Internal Labor Availability: ☐ Low Probability ☑ Medium Probability ☐ High Probability ☑ YES

Enterprise Tech: ☑ YES - attach form ☐ NO or Not Required

Check the appropriate box. The internal and contract labor boxes should be checked to indicate if the

Capital Program Business Case

AVISTA

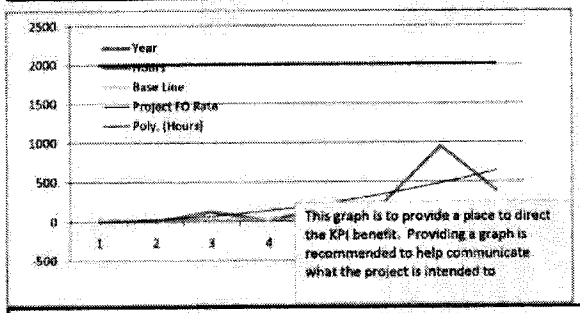
Contract Labor:	☐ Low Probability	☑ Medium Probability	☐ High Probability	Facilities:	☑ YES - attach form	☐ NO or Not Required
	☑ YES	☐ NO		Capital Tools:	☐ YES - attach form	☐ NO or Not Required
				Fleet:	☐ YES - attach form	☐ NO or Not Required

resource owners have been contacted and to provide a general sense of how likely staff will be provided (this does not require a firm committment).

Key Performance Indicator(s)

Expected Performance Improvements

KPI Measure:	To be determined by each project
	Fill in the name of the KPI here



This graph is to provide a place to direct the KPI benefit. Providing a graph is recommended to help communicate what the project is intended to

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Reviewed signature Director/Manager

Other Party Review (if necessary) signature Director/Manager

This space is to be used for photographs, charts, or other data that may be useful in evaulating the Program

To be completed by Capital Planning Group

Rationale for decision	Review Cycles 2012-2016	
	Date	Template

Exhibit No.__(DBD-5)
Attachment No.__ET-4

AVISTA UTILITIES
2013-2016 CAPITAL PROJECTS

Functional Group: Enterprise Technology

Business Case Name: Technology Refresh to Sustain Business Process

ER No: **ER Name:**
5005 Information Technology Refresh Program

Approved Business Case Spend Amount 2013-2016 ($000s - System): $63,698[1]

Transfer to Plant Amounts ($000s - System):

Year	Total	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2013	10,919							2,860	2,226	1,285	1,404	1,245	1,899
2014	13,862	122	122	2,721	122	122	3,721	122	122	2,721	122	122	3,721
2015	19,362	565	565	2,985	565	565	3,985	565	565	2,985	565	565	4,889
2016	19,362	1,032	876	2,361	893	915	3,342	873	860	2,304	861	822	4,222

Business Case Description:
This program is in place to provide for technology refresh in alignment with the roadmaps for application and technology lifecycles. The continuation of technology refresh programs provides benefit to Avista by providing a stable and reliable application and computing platform to allow for the safe and reliable operation of our electric and gas infrastructure.

Offsets:
There are no anticipated offsets with this business case.

[1] The business case amount reflects approved capital expenditures for the years indicated and not transfers to plant.

Capital Program Business Case

AVISTA

Investment Name:	Technology Refresh to Sustain Business Proce		
Requested Amount	$10,019,774	**Assessments:**	
Duration/Timeframe	10 Year Program	Financial:	Medium - >= 5% & <9% CIRR
Dept., Area:	IS/IT	Strategic:	Life Cycle Programs
Owner:	Jacob Reidt/Jim Corder	Operational:	Operations require execution to perform at current levels
Sponsor:	Jim Kensok	Business Risk:	ERM Reduction >5 and <= 10
Category:	Program	Program Risk:	High certainty around cost, schedule and resources
Mandate/Reg. Reference:	n/a	Assessment Score:	89

Recommend Program Description:	Performance	Capital Cost	O&M Cost	Other Costs	Business Risk Score
		Annual Cost Summary - Increase/(Decrease)			
This program is in place to provide for technology refresh in alignment with the roadmaps for application and technology lifecycles. The continuation of technology refresh programs provides benefit to Avista by providing a stable and reliable application and computing platform to allow for the safe and reliable operation of our electric and gas infrastructures.	This program provides for current technologies for the normal operation of the business	$ 10,019,774		$ -	15

Alternatives:		Performance	Capital Cost	O&M Cost	Other Costs	Business Risk Score
			Annual Cost Summary - Increase/(Decrease)			
Unfunded Program:	Not doing this program will result in four major impacts: 1) Reduction of 62 staff members with key institutional knowledge 2) Decrease in business process efficiency 3) increase in O&M labor to support the technology 4) increase technology outages impacting the operations of the business.	The performance of the computing technology at	$ -		$ 1,895,751	20
Technology Refresh Programs	This program is in place to provide for technology refresh in alignment with the roadmaps for application and technology lifecycles. The continuation of technology refresh programs provides benefit to Avista by providing a stable and reliable application and computing platform to allow for the safe and reliable operation of our electric and gas infrastructures.	This program provides for current technologies for the normal	$ 10,019,774	$ -	$ -	15
Alternative 2: Brief name of alternative (if applicable)	Describe other options that were considered	describe any incremental changes in operations	$ -	$ -	$ -	0
Alternative 3 Name: Brief name of alternative (if applicable)	Describe other options that were considered	describe any incremental changes in operations	$ -	$ -	$ -	0

Program Cash Flows
5 years of costs

	Capital Cost	O&M Cost	Other Costs	Approved
	$ 9,973,758	$ -		$ 9,973,758
2013	$ 10,019,774	$ -	$ -	$ 11,110,491
2014	$ 12,129,043	$ -	$ -	$ 13,862,243
2015	$ 13,949,536	$ -	$ -	$ 19,362,243
2016	$ 17,183,753	$ -	$ -	$ 19,362,243
2017	$ 19,031,035	$ -	$ -	$ 19,362,243
2018	$ -	$ -	$ -	$ 19,362,243
Total	$ 72,313,141	$ -	$ -	$ 112,395,464

Associated Ers (list all applicable):

5005	5007			
5024	5008			
5128	5009			
5131				

Mandate Excerpt (if applicable):

provide brief citation of the law or regulation and a reference number if possible

Additional Justifications:

Technology refresh program costs increase year over year to two main reasons. The first is because of the continuous technological evolution which causes oblolecence. Manufactures continue to upgrade and improve their systems to provide improved performance and function. This in turn requires companies to replace system on a periodic basis to maintain reliability and functionality. The second main reason is due to the addition of new hardware and software to support new business requirements and growth. New equipment purchased under Technology Expansion Program will have to be refreshed in 3-5 years adding to the refresh budget. For example, infrastructure refresh costs the increase from year to year due to prior years spend in Technology Expansion, roughly $800k in Distributed Systems and $500k in Network Systems per year. Business Application Expansion is up between 2011 & 2012 because of the inclusion of some small to medium projects into the expansion program.

Resources Requirements: *(request forms and approvals attached)*

Internal Labor Availability: ☐ Low Probability ☐ Medium Probability ☑ High Probability
Contract Labor: ☑ YES ☐ NO

Enterprise Tech: ☑ YES - attach form ☐ NO or Not Required
Facilities: ☑ YES - attach form ☐ NO or Not Required
Capital Tools: ☐ YES - attach form ☑ NO or Not Required
Fleet: ☐ YES - attach form ☑ NO or Not Required

Check the appropriate box. The internal and contract labor boxes should be checked to indicate if the resource owners have been contacted and to provide a general sense of how likely staff will be provided (this does not require a firm committment).

Capital Program Business Case

AVISTA

Key Performance Indicator(s)	
Expected Performance Improvement(s)	
KPI Measure:	Fill in the name of the KPI here
	Fill in the name of the KPI here

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Reviewed signature
Director/Manager

Other Party Review (if necessary) signature
Director/Manager

This space is to be used for photographs, charts, or other data that may be useful in evaulating the Program

To be completed by Capital Planning Group

Rationale for decision	Review Cycles 2013-2016	
	Date	Template

Exhibit No.__(DBD-5)
Attachment No.__ET-5

AVISTA UTILITIES
2013-2016 CAPITAL PROJECTS

Functional Group: Enterprise Technology

Business Case Name: Customer Service System Replacement (Project Compass)

ER No: **ER Name:**
5138 Customer Information System (CIS) Replacement

Approved Business Case Spend Amount 2013-2016 ($000s - System): $78,963[1]

Transfer to Plant Amounts ($000s - System):

Year	Total	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2013	9,184										8,074	1,110	
2014	67,341									67,341			
2015													
2016													

Business Case Description:
The Customer Information System (CIS) will be implemented in two waves. The first wave includes the Maximo application in the Company's areas of Generation, Production, and Substation Support. This wave has an estimated go-live date or transfer to plant date of September 2013. The second wave, includes Maximo application in the Company's areas of Transmission, Distribution, and Gas Operations, as well as the Customer Care and Billing application. This large technology project is described in detail in the testimony of Mr. Kensok.

Offsets:
There are no anticipated offsets with this business case.

[1] The business case amount reflects approved capital expenditures for the years indicated and not transfers to plant.

Exhibit No.__(DBD-5)
Attachment No.__ET-6

AVISTA UTILITIES
2013-2016 CAPITAL PROJECTS

Functional Group: Enterprise Technology

Business Case Name: Enterprise Security

ER No:	ER Name:
5002	Security Initiative
5014	Security Systems

Approved Business Case Spend Amount 2013-2016 ($000s - System): $8,165[1]

Transfer to Plant Amounts ($000s - System):

Year	Total	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2013	1,530							176	27	944	37		346
2014	2,183			455			518			545			665
2015	2,185			546			546			546			546
2016	2,186			455			517			545			670

Business Case Description:
This program is to maintain and improve all security aspects to protect people, assets, information & operations through projects, activities and polices. It will also manage the number of security incidents at level that aligns with our corporate risk expectations. Additionally it will increase the culture of security through education and training.

Offsets:
There are no anticipated offsets with this business case.

[1] The business case amount reflects approved capital expenditures for the years indicated and not transfers to plant.

AVISTA

Capital Program Business Case

Investment Name:	Enterprise Security
Requested Amount	$1,836,932
Duration/Timeframe	10 Year Program
Dept.., Area:	Enterprise Technology
Owner:	Clay Storey/Jim Corder
Sponsor:	Jim Kensok
Category:	Program
Mandate/Reg. Reference:	n/a

Assessments:	
Financial:	12%
Strategic:	Agile Technology Platforms
Business Risk:	Business Risk Reduction >5 and <= 10
Program Risk:	High certainty around cost, schedule and resources
Assessment Score:	92

Recommend Program Description:	Performance	Annual Cost Summary - Increase/(Decrease) Capital Cost	O&M Cost	Other Costs	Business Risk Score
This program is to maintain and improve all security aspects to protect people, assets, information & operations through projects, activities and polices. It will also manage the number of security incidents at level that aligns with our corporate risk expectations. Additionally it will increase the culture of security through education and training.		$ 1,836,932	$ -	$ -	9

Alternatives:		Performance	Annual Cost Summary - Increase/(Decrease) Capital Cost	O&M Cost	Other Costs	Business Risk Score
Unfunded Program:	Address issues related to violations of the security and compliance as they arise and pay fines as there are assessed.	The risk of security incidents increases		$ -	$ 5,000,000	15
Alternative 1: Brief name of alternative (if applicable)	This program is to maintain and improve all security aspects to protect people, assets, information & operations through projects, activities and polices. It will also manage the number of security incidents at level that aligns with our corporate risk expectations. Additionally it will increase the culture of security through education and training.	Decreases the likelihood or severity of security incidents	$ 1,836,932	$ -	$ -	9
Alternative 2: Brief name of alternative (if applicable)			$ -	$ -	$ -	0
Alternative 3 Name: Brief name of alternative (if applicable)			$ -	$ -	$ -	0

Program Cash Flows

	Capital Cost	O&M Cost	Other Costs	Approved
Previous	$ 1,885,000	$ -	$ -	$ 1,885,000
2013	$ 1,885,000	$ -	$ -	$ 1,610,000
2014	$ 1,885,000	$ -	$ -	$ 2,185,000
2015	$ 1,885,000	$ -	$ -	$ 2,185,000
2016	$ 1,885,000	$ -	$ -	$ 2,185,000
2017	$ 1,885,000	$ -	$ -	$ 2,185,000
2018	$ -			$ 2,185,000
Total	$ 9,425,000	$ -	$ -	$ 10,350,000

Associated Ers (list all applicable):

From 5014

ER	2013	2014	2015	2016	2017	Total
						$ -
						$ -
						$ -
5014	$ 1,885,000	$ 1,885,000	$ 1,885,000	$ 1,885,000	$ 1,885,000	$ 9,425,000
0	$ -	$ -	$ -	$ -	$ -	$ -
0	$ -	$ -	$ -	$ -	$ -	$ -
0	$ -	$ -	$ -	$ -	$ -	$ -
0	$ -	$ -	$ -	$ -	$ -	$ -
0	$ -	$ -	$ -	$ -	$ -	$ -
0	$ -	$ -	$ -	$ -	$ -	$ -
0	$ -	$ -	$ -	$ -	$ -	$ -
0	$ -	$ -	$ -	$ -	$ -	$ -
0	$ -	$ -	$ -	$ -	$ -	$ -
0	$ -	$ -	$ -	$ -	$ -	$ -
0	$ -	$ -	$ -	$ -	$ -	$ -
0	$ -	$ -	$ -	$ -	$ -	$ -
Total	$ 1,885,000	$ 1,885,000	$ 1,885,000	$ 1,885,000	$ 1,885,000	$ 9,425,000

Mandate Excerpt (if applicable):

The program is not mandatory however project under the scope of this business case may be mandatory base on their specific requirements.

Additional Justifications:

2012 Budget Note: This program is being fund by a reduction in the Technology Refresh and Technology Expansion business cases, for $565k and $820k respectively. And $500,000 from Security Initiative Business Case (ER5002).

Resources Requirements: ***(request forms and approvals attached)***

Internal Labor Availability: ☐ Low Probability ☐ Medium Probability ☑ High Probability
Contract Labor: ☑ YES ☐ NO

Enterprise Tech: ☑ YES - attach form ☐ NO or Not Required
Facilities: ☑ YES - attach form ☐ NO or Not Required
Capital Tools: ☐ YES - attach form ☑ NO or Not Required
Fleet: ☐ YES - attach form ☑ NO or Not Required

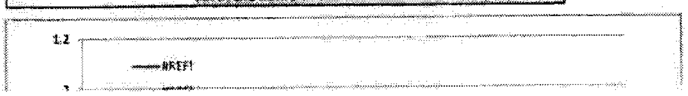
Check the appropriate box. The internal and contract labor boxes should be checked to indicate if the resource owners have been contacted and to provide a general sense of how likely staff will be provided (this does not require a firm committment).

Key Performance Indicator(s)

Expected Performance Improvements

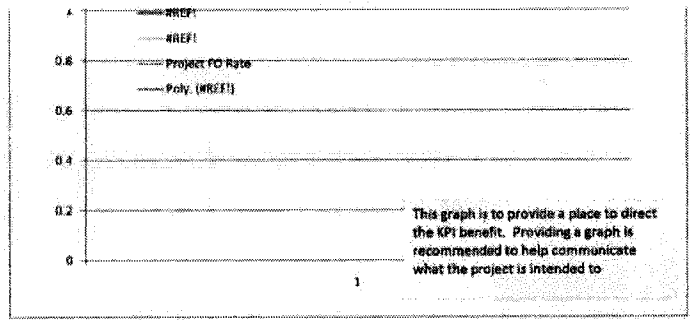
KPI Measure:	Fill in the name of the KPI here
	Fill in the name of the KPI here

Prepared signature



Capital Program Business Case

AVISTA



This graph is to provide a place to direct the KPI benefit. Providing a graph is recommended to help communicate what the project is intended to

Reviewed signature _____ Director/Manager

Other Party Review signature _____ Director/Manager
(if necessary)

2013 Projects
- Certificate Management
- CVA expansion to SCADA and GCN
- Data loss prevention software and Data classification standards
- Email Encryption
- File Integrity Monitoring
- Network Access Control Phase 1
- Network Device Config Analysis Automation
- Network IPS Expansion
- Security monitoring expansion to GCC and SCADA (QRadar)
- Two factor authentication

2014 Projects
- SIEM & Office Refresh
- Controlled Access based on need to know
- SSP/VIP Internet Access
- Web Security Appliances (WSA's) Refresh
- Asset management - Authorized & Unauthorized SW
- Identity Management Solution
- Controlled Use of Admin Privileges
- Password Vault

2015 Projects
- PKI Refresh
- CVA Hardware Refresh
- Web Services Security (O&M)
- Disk Encryption Refresh
- Network Device Config Analysis Refresh
- McAfee NSM & NIPS Refresh
- Malware Detection Appliance Refresh (FireEye)
- Limitation and Control of Network Ports, Protocols, and Services
- Configuration management tool
- Boundary Defense
- Application SW Secure config
- Account Monitoring and Control
- HR Systems Integration w/Active Directory

2016 Projects
- Asset mgt/Auth & Unauth Devices Refresh
- Password Vault Refresh
- Network Access Control Refresh
- Identity Management Refresh
- Enterprise Reduced Sign-On
- Controlled Access based on need to know Refresh

To be completed by Capital Planning Group

Rationale for decision	Review Cycles 2012-2016	
	Date	Template

Exhibit No.__(DBD-5)
Attachment No.__ET-7

AVISTA UTILITIES
2013-2016 CAPITAL PROJECTS

Functional Group: Enterprise Technology

Business Case Name: Technology Expansion to Enable Business Process

ER No: **ER Name:**
5006 Information Technology Expansion Program

Approved Business Case Spend Amount 2013-2016 ($000s - System): $21,543[1]

Transfer to Plant Amounts ($000s - System):

Year	Total	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2013	3,311							629	446	425	343	296	1,171
2014	3,836	175	175	608	175	175	608	175	175	608	175	175	608
2015	5,799	271	271	909	271	271	909	271	271	909	271	271	909
2016	6,060	155	195	1,032	363	271	1,027	286	334	998	224	140	1,034

Business Case Description:
This program facilities the technology growth throughout the Company. This includes technology expansion for the entire workforce, business process automation and increases in technology to support efficient business processes.

Offsets:
There are no anticipated offsets with this business case.

[1] The business case amount reflects approved capital expenditures for the years indicated and not transfers to plant.

AVISTA

Capital Program Business Case

Investment Name:	**Technology Expansion to Enable Business Pro**		
Requested Amount	**$7,675,945**	**Assessments:**	
Duration/Timeframe	10 Year Program	Financial:	7.00%
Dept., Area:	Enterprise Techonogy	Strategic:	Agile Technology Platforms
Owner:	Jacob Reidt/Jim Corder	Business Risk:	Business Risk Reduction >5 and <= 10
Sponsor:	Jim Kensok	Program Risk:	High certainty around cost, schedule and resources
Category:	Program		
Mandate/Reg. Reference:	n/a	Assessment Score:	81

Recommend Program Description:	Performance	Capital Cost	O&M Cost	Other Costs	Business Risk Score
		Annual Cost Summary - Increase/(Decrease)			
This program facilities the technology growth throughout the company. This includes technology expansion for the entire workforce, business process automation and increases in technology to support efficient business processes.		$ 7,675,945	$ -	$ -	5

Alternatives:		Performance	Capital Cost	O&M Cost	Other Costs	Business Risk Score
			Annual Cost Summary - Increase/(Decrease)			
Unfunded Program:	Without funding this program will not be able to deliver technology assets and application enhancement to provide for growth of the technology base or improvements to in-house developed applications. A consequence of not funding this program will be the loss of 20+ application FTE's who posess business knowledge that is not quickly or easily replaced.	n/a	$ -	$ -	$ -	15
Alternative 1: Brief name of alternative (if applicable)	This program facilities the technology growth throughout the company. This includes technology expansion for the entire workforce, business process automation and increases in technology to support efficient business processes.		$ 7,675,945	$ -	$ -	5
Alternative 2: Brief name of alternative (if applicable)			$ -	$ -	$ -	0
Alternative 3 Name: Brief name of alternative (if applicable)			$ -	$ -	$ -	0

Program Cash Flows

	Capital Cost	O&M Cost	Other Costs	Approved
Previous	$ 7,792,700	$ -	$ -	$ 7,792,700
2013	$ 7,675,945	$ -	$ -	$ 5,848,113
2014	$ 7,835,572	$ -	$ -	$ 3,835,572
2015	$ 8,083,991	$ -	$ -	$ 5,799,088
2016	$ 7,559,940	$ -	$ -	$ 6,059,940
2017	$ 8,330,445	$ -	$ -	$ 6,830,445
2018	$ -	$ -	$ -	$ 8,496,234
Total	$ 39,485,893	$ -	$ -	$ 36,869,392

Associated Ers (list all applicable):			
5006			

amounts same as 2012 less 820k moved to new Enterprise Security business case

ER	2013	2014	2015	2016	2017	Total
5006	$ 7,675,945	$ 7,835,572	$ 8,083,991	$ 7,559,940	$ 8,330,445	$ 39,485,893
0	$ -	$ -	$ -	$ -	$ -	$ -
0	$ -	$ -	$ -	$ -	$ -	$ -
0	$ -	$ -	$ -	$ -	$ -	$ -
0	$ -	$ -	$ -	$ -	$ -	$ -
0	$ -	$ -	$ -	$ -	$ -	$ -
0	$ -	$ -	$ -	$ -	$ -	$ -
0	$ -	$ -	$ -	$ -	$ -	$ -
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0	$ -	$ -	$ -	$ -	$ -	$ -
0	$ -	$ -	$ -	$ -	$ -	$ -
0	$ -	$ -	$ -	$ -	$ -	$ -
0	$ -	$ -	$ -	$ -	$ -	$ -
0	$ -	$ -	$ -	$ -	$ -	$ -
0	$ -	$ -	$ -	$ -	$ -	$ -
0	$ -	$ -	$ -	$ -	$ -	$ -
Total	$ 7,675,945	$ 7,835,572	$ 8,083,991	$ 7,559,940	$ 8,330,445	$ 39,485,893

Mandate Excerpt (if applicable):

na

Additional Justifications:

Technology Expansion is being reduced in 2012 because the security specific items are being moved to an Enterprise Security business case. The CIRR for this business case is an approximation because the items in this business case are so interconnected with other department's initiatives it is very difficult to calculate.

Resources Requirements: *(request forms and approvals attached)*

Internal Labor Availability: ☑ Low Probability ☐ Medium Probability ☑ High Probability
Contract Labor: ☐ YES ☐ NO

Enterprise Tech: ☑ YES - attach form ☐ NO or Not Required
Facilities: ☐ YES - attach form ☑ NO or Not Required
Capital Tools: ☐ YES - attach form ☑ NO or Not Required
Fleet: ☐ YES - attach form ☑ NO or Not Required

Check the appropriate box. The internal and contract labor boxes should be checked to indicate if the resource owners have been contacted and to provide a general sense of how likely staff will be provided (this does not require a firm committment).

Key Performance Indicator(s)

Expected Performance Improvements

KPI Measure:	Fill in the name of the KPI here
	Fill in the name of the KPI here

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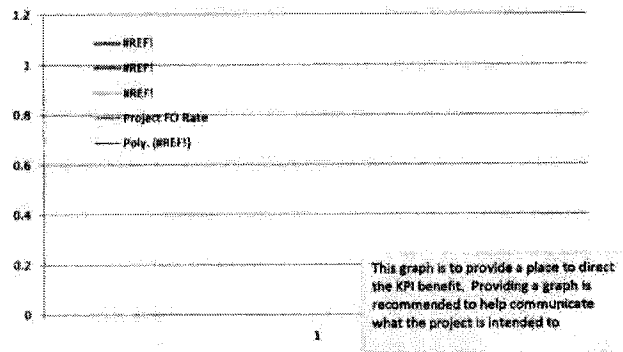
Capital Program Business Case

AVISTA



This graph is to provide a place to direct the KPI benefit. Providing a graph is recommended to help communicate what the project is intended to

Reviewed signature _____ Director/Manager

Other Party Review (if necessary) signature _____ Director/Manager

Please see attachment for descriptions of the work completed under this program.

To be completed by Capital Planning Group

Rationale for decision	Review Cycles 2012-2016	
	Date	Template

Exhibit No.__(DBD-5)
Attachment No.__ET-8

AVISTA UTILITIES
2013-2016 CAPITAL PROJECTS

Functional Group: Enterprise Technology

Business Case Name: RTCCS Refresh

ER No: **ER Name:**

5119 Moducom Repl(RTCCS)

Approved Business Case Spend Amount 2013-2016 ($000s - System): **$22[1]**

Transfer to Plant Amounts ($000s - System):

Year	Total	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2013	-3							-6	3				
2014													
2015													
2016													

Business Case Description:
Replace the current Moducom Radio Telecom Command and Control System (RTCCS) with a newer system which is also compatible with the radio equipment that will be used in conjunction with the Next Generation Radio Project. These are currently in use Distribution Dispatch; SO; Generation Control Center; Noxon and Cabinet Gorge Clarkfork HED; Credit Dispatch; Wholesale Marketing.

Offsets:
There are no anticipated offsets with this business case.

[1] The business case amount reflects approved capital expenditures for the years indicated and not transfers to plant.

Capital Investment Business Case

Investment Name:	Project Name	Assessments:	
'equested Amount	Estimated Total Capital Expenditure	Financial:	MH - >= 9% & <12% CIRR
uration/Timeframe	no. years Year Project	Strategic:	Agile Technology Platforms
Dept.., Area:	Department	Operational:	Operations improved beyond current levels
Owner:	Typically Director	Business Risk:	ERM Reduction >0 and <= 5
Sponsor:	Typically Executive Officer	Project/Program Risk:	High certainty around cost, schedule and resources
Category:	Project	Assessment Score:	100
Mandate/Reg. Reference:	n/a		

Recommend Project Description:	Performance	Cost Summary - Increase/(Decrease) Capital Cost	O&M Cost	Other Costs	Business Risk Score
Replace the current Moducom Radio Telecom Command and Control System (RTCCS) with a newer system which is also compatible with the radio equipment that will be used in conjunction with the Next Generation Radio Project. These are currently in use Distribution Dispatch; SO; Generation Control Center; Noxon and Cabinet Gorge Clarkfork HED; Credit Dispatch; Wholesale Marketing.	describe any incremental changes that this project would benefit present operations	$ -	$ -	$ -	6

Alternatives:		Performance	Cost Summary - Increase/(Decrease) Capital Cost	O&M Cost	Other Costs	Business Risk Score
Status Quo:	Describe the current condition of the asset(s) and problems that need to be corrected	n/a	$ -	$ -	$ -	10
Alternative 1: Brief name of alternative (if applicable)	Describe other options that were considered	describe any incremental changes in operations	$ -	$ -	$ -	6
Alternative 2: Brief name of alternative (if applicable)	Describe other options that were considered	describe any incremental changes in operations	$ -	$ -	$ -	0
Alternative 3 Name: Brief name of alternative (if applicable)	Describe other options that were considered	describe any incremental changes in operations	$ -	$ -	$ -	0

Timeline

Construction Cash Flows (CWIP)

	Capital Cost	O&M Cost	Other Costs	Approved
Previous	$ 1,165,244	$ -	$ -	$ 1,165,244
2012	$ 2,618,156	$ -	$ -	$ 2,618,156
2013	$ 21,600	$ -	$ -	$ 21,600
2014	$ -	$ -	$ -	$ -
2015	$ -	$ -	$ -	$ -
2016	$ -	$ -	$ -	$ -
2017	$ -	$ -	$ -	$ -
2018	$ -	$ -	$ -	$ -
Future	$ -	$ -	$ -	$ -
Total	$ 3,805,000	$ -	$ -	$ 3,805,000

Rebaselined after completion of Design & Planning

Milestones (high level targets)

January-11	Project Started	January-13	Project Complete
December-11	Year End		
March-12	Design & Planning Complete		
December-12	Execution Complete		
January-13	Warrenty & Closeout Complete		
January-13	Project Complete		

Associated Ers (list all applicable):	5119							
Mandate Excerpt (if applicable):	na							

Additional Justifications:

Capital Investment Business Case

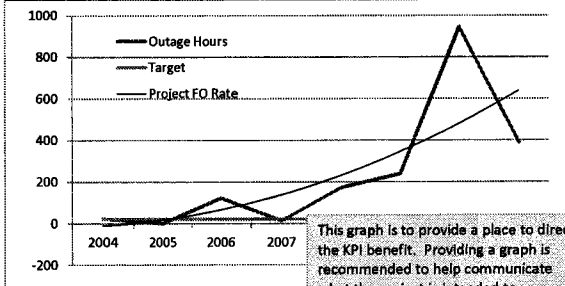
Resources Requirements: *(request forms and approvals attached)*

.ternal Labor Availability:	☐ Low Probability	☐ Medium Probability	☐ High Probability	Enterprise Tech:	☐ YES - attach form	☐ NO or Not Required
Contract Labor:	☐ YES	☐ NO		Facilities:	☐ YES - attach form	☐ NO or Not Required
				Capital Tools:	☐ YES - attach form	☐ NO or Not Required
				Fleet:	☐ YES - attach form	☐ NO or Not Required

Key Performance Indicator(s)

Expected Performance Improvements

KPI Measure:	Fill in the name of the KPI here
	Fill in the name of the KPI here



This graph is to provide a place to direct the KPI benefit. Providing a graph is recommended to help communicate what the project is intended to

Prepared signature

Reviewed signature
Director/Manager

Other Party Review (if necessary) signature
Director/Manager

This space is to be used for photographs, charts, or other data that may be useful in evaulating the project

To be completed by Capital Planning Group

Rationale for decision

Review Cycles
2012-2016

Date	Template

Exhibit No.__(DBD-5)
Attachment No.__ET-9

AVISTA UTILITIES
2013-2016 CAPITAL PROJECTS

Functional Group: Enterprise Technology

Business Case Name: High Voltage Protection for Substations

ER No: **ER Name:**
5142 High Voltage Protection Upgrade

Approved Business Case Spend Amount 2013-2016 ($000s - System): $2,131[1]

Transfer to Plant Amounts ($000s - System):

Year	Total	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2013	1,457									904	28	525	
2014	2,014			144	136	178	154	138	161	304	166	154	478
2015	320			80			80			80			80
2016	320												320

Business Case Description:

High Voltage Protection to personnel and telecommunication equipment by fiber integration, demark relocation, & equipment remediation at suburban and rural substations.

Offsets:
The O&M Offsets adjustment includes offsets 2013 and 2014 of $9,650 ($6,273 Washington) and $15,900 ($10,336 Washington) respectively. After further discussion it was determined that these savings will be distributed to other expenses and the initial savings will be negated. These additional savings should not have been included in revenue requirements.

[1] The business case amount reflects approved capital expenditures for the years indicated and not transfers to plant.

AVISTA

Capital Investment Business Case

Investment Name:	High Voltage Protection for Substations_Revise
Requested Amount	$4,371,844
Duration/Timeframe	6 Year Project
Dept., Area:	Enterprise Technology
Owner:	Jacob Reidt/Jim Corder
Sponsor:	Jim Kensok
Category:	Mandatory
Mandate/Reg. Reference:	Yes

Assessments:	
Financial:	Medium - >= 5% & <9% CIRR
Strategic:	Reliability & Capacity
Operational:	Operations require execution to perform at current levels
Business Risk:	ERM Reduction >5 and <= 10
Project/Program Risk:	High certainty around cost, schedule and resources
Assessment Score:	128

Recommend Project Description:	Performance	Cost Summary - Increase/(Decrease) Capital Cost	O&M Cost	Other Costs	ERM Risk Score
High Voltage Protection to personnel and Telco equipment by fiber integration, demark relocation, & equipment remediation at suburban and rural substations.	describe any incremental changes that this project would benefit present operations	$ 3,820,309	$ (374,500)	$ -	3

Alternatives:		Performance	Cost Summary - Increase/(Decrease) Capital Cost	O&M Cost	Other Costs	ERM Risk Score
Status Quo :	Not repairing this situation has potential to increase the risk to Avista and/or telephone company personnel working near substations and the risk of damage to communications equipment caused by electrical faults.	n/a	$ -	$ -	$ 1,000,000	15
Alternative 1: Brief name of alternative (if applicable)	High Voltage Protection to personnel and equipment by fiber integration, demark relocation, & equipment remediation at suburban and rural substations.	16 substations integrated onto fiber network, reducing	$ 3,820,309	$ (48,600)	$ -	3
Alternative 2: Brief name of alternative (if applicable)	Describe other options that were considered	describe any incremental changes in operations	$ -	$ -	$ -	0
Alternative 3 Name : Brief name of alternative (if applicable)	Describe other options that were considered	describe any incremental changes in operations	$ -	$ -	$ -	0

Timeline

Construction Cash Flows (CWIP)

	Capital Cost	O&M Cost	Other Costs	Approved
Previous	$ 1,243,989	$ -	$ -	$ 1,243,989
2012	$ 1,041,320	$ (18,000)	$ -	$ 997,355
2013	$ 525,000	$ (37,300)	$ 12,000	$ 690,500
2014	$ 530,000	$ (53,200)	$ 12,000	$ 800,000
2015	$ 320,000	$ (53,200)	$ 12,000	$ 320,000
2016	$ 160,000	$ (53,200)	$ 12,000	$ 320,000
2017	$ -	$ (53,200)	$ 12,000	$ -
2018	$ -	$ (53,200)	$ 12,000	$ -
Future	$ -	$ (53,200)	$ 12,000	$ -
Total	$ 3,820,309	$ (374,500)	$ 84,000	$ 4,371,844

Rebaselined after completion of Design & Planning

Milestones (high level targets)

October-11	Major Procurement	January-13	First fiber project close	December-14	RLH Construction
December-11	Previous Spend 2011	February-13	First remediation project close	December-15	RLH Construction
October-12	Major Procurement	March-13	Second remediation project close	December-16	RLH Construction
December-12	Previous Spend 2012	April-13	Future GridNet Sites engineering		
		July-13	HVP Shop labor finishes		
		December-13	Finalize GridNet Installation		

Associated Ers (list all applicable): 5119

Mandate Excerpt (if applicable): Under CenturyLink (FKA Qwest) tariff Number 1 section 13.7 requires that the customer provide high voltage protection for communication circuits in high voltage areas. Please notes below for additional information

Additional Justifications:

In order to balance the need for communications from devices at substation locations with safety of personnel and equipment, high voltage protection & isolation standards have arisen. Telco companies have the ability or desire to turn off communication circuits to substations until Avista works with them to electrically isolate the copper coming into the substation. This effects Phone, Modem, SCADA, and / or Metering & Monitoring systems at the substations. This set of projects was created to mitigate this tariff risk as well as the lower likelihood (but more expensive) risks to personnel and equipment.

Resources Requirements: *(request forms and approvals attached)*

AVISTA

Capital Investment Business Case

Internal Labor Availability:	☐ Low Probability	☑ Medium Probability	☑ High Probability	Enterprise Tech:	☑ YES - attach form	☐ NO or Not Required
Contract Labor:	☑ YES	☐ NO		Facilities:	☐ YES - attach form	☑ NO or Not Required
				Capital Tools:	☐ YES - attach form	☑ NO or Not Required
				Fleet:	☐ YES - attach form	☑ NO or Not Required

Key Performance Indicator(s)	
Expected Performance Improvements	
KPI Measure:	Fill in the name of the KPI here
	Fill in the name of the KPI here

Prepared signature _____

Reviewed signature _____ Director/Manager

Other Party Review signature _____
(if necessary) Director/Manager

This space is to be used for photographs, charts, or other data that may be useful in evaulating the project

Please see the follow link for CenturyLink (FKA Qwest) Tariff No. 1 that outlines the requirements for High Voltage Protection Circuits.
http%3A%2F%2Ftariffs.qwest.com%3A8000%2Fidc%2Fgroups%2Fpublic%2Fdocuments%2Ftariff%2Ffcc1_s013p021.pdf

This project was started in 2011 under ER5005 and is being moved out of ER5005 into its own Business Case.

To be completed by Capital Planning Group

Rationale for decision	Review Cycles 2013-2016	
	Date	Template

Exhibit No.__(DBD-5)
Attachment No.__ET-10

AVISTA UTILITIES
2013-2016 CAPITAL PROJECTS

Functional Group: Enterprise Technology

Business Case Name: Next Generation Radio Refresh

ER No: **ER Name:**
5106 Next Generation Radio System

Approved Business Case Spend Amount 2013-2016 ($000s - System): **$6,887[1]**

Transfer to Plant Amounts ($000s - System):

Year	Total	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2013	1,999												1,999
2014	7,235								4,458				2,777
2015	27	15	10	2									
2016													

Business Case Description:

This project is refreshing Avista's 20 year old Land Mobile Radio ("LMR") system that is used for critical crew communications during outage restoration and daily operations of maintaining the electric and gas distribution and transmission systems. Avista continues to maintain a private LMR system because the offerings available from public providers cannot provide communication throughout our rural service territory and as a portion of our nation's critical infrastructure it is imperative that Avista have a communication system that will operate in the event of a disaster to help safeguard the general public.

Offsets:
There are no anticipated offsets with this business case.

[1] The business case amount reflects approved capital expenditures for the years indicated and not transfers to plant.

AVISTA

Capital Investment Business Case

Investment Name:	Next Generation Radio Refresh
Requested Amount	$ 22,476,931
Duration/Timeframe	5 Year Project
Dept., Area:	Enterprise Technology
Owner:	Jacob Reidt/Jim Corder
Sponsor:	Jim Kensok
Category:	Mandatory
Mandate/Reg. Reference	FCC Narrow Banding Mandate (See below)

Assessments:	
Financial:	Medium - >= 5% & <9% CIRR
Strategic:	Agile Technology Platforms
Operational:	Operations require execution to perform at current levels
Business Risk:	ERM Reduction >5 and <= 10
Project/Program Risk:	High certainty around cost, schedule and resources
Assessment Score:	128

Recommend Project Description:	Performance	Cost Summary - Increase/(Decrease) Capital Cost	O&M Cost	Other Costs	ERM Risk Score
This project is refreshing Avista's 20 year old Land Mobile Radio (LMR) system that is used for critical crew communications during outage restoration and daily operations of maintaining the electric and gas distribution and transmission systems. Avista continues to maintain a private Land Mobile Radio system because the offerings available from public providers cannot provide communication throughout our rural service territory and as a portion of our nation's critical infrastructure it is imperative that Avista have a communication system that will operate in the event of a disaster to help safeguard the general public.	The current radio system will not meet the required mandate and due for refresh.	$ -	$ -	$ -	0

Alternatives:		Performance	Cost Summary - Increase/(Decrease) Capital Cost	O&M Cost	Other Costs	ERM Risk Score
Status Quo:	Describe the current condition of the asset(s) and problems that need to be corrected	n/a	$ -	$ -	$ -	0
Alternative 1: Brief name of alternative (if applicable)	Describe other options that were considered	describe any incremental changes in operations	$ -	$ -	$ -	0
Alternative 2: Brief name of alternative (if applicable)	Describe other options that were considered	describe any incremental changes in operations	$ -	$ -	$ -	0
Alternative 3 Name: Brief name of alternative (if applicable)	Describe other options that were considered	describe any incremental changes in operations	$ -	$ -	$ -	0

Timeline

Construction Cash Flows (CWIP)

	Capital Cost	O&M Cost	Other Costs	Approved
Previous	$ 11,327,464	$ -	$ -	$ 11,327,464
2012	$ 8,003,573	$ -	$ -	$ 4,262,000
2013	$ 2,997,260	$ -	$ -	$ 2,715,260
2014	$ 3,946,378	$ -	$ -	$ 4,145,207
2015	$ 27,000	$ -	$ -	$ 27,000
2016	$ -	$ -	$ -	$ -
2017	$ -	$ -	$ -	$ -
2018	$ -	$ -	$ -	$ -
Future	$ -	$ -	$ -	$ -
Total	$ 26,301,675	$ -	$ -	$ 22,476,931

Actual
Forecast

Rebaselined after completion of Design & Planning

Milestones (high level targets)

February-08	Project Started	December-15	year end actual
December-11	year end actual		
December-12	year end actual		
December-13	year end actual		
December-14	year end actual		

Associated Ers (list all applicable):	5108							
Mandate Excerpt (if applicable):	na							

Additional Justifications:

Exhibit No.__(DBD-5)
Attachment No.__ET-10.2

AVISTA

Capital Investment Business Case

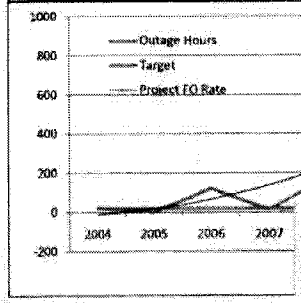
Resources Requirements: *(request forms and approvals attached)*

Internal Labor Availability:	☐ Low Probability	☐ Medium Probability	☐ High Probability	Enterprise Tech:	☐ YES - attach form	☐ NO or Not Required
Contract Labor:	☐ YES	☐ NO		Facilities:	☐ YES - attach form	☐ NO or Not Required
				Capital Tools:	☐ YES - attach form	☐ NO or Not Required
				Fleet:	☐ YES - attach form	☐ NO or Not Required

Key Performance Indicator(s)

Expected Performance Improvements

KPI Measure:	Fill in the name of the KPI here
	Fill in the name of the KPI here



This graph is to provide a place to direct the KPI benefit. Providing a graph is recommended to help communicate what the project is intended to

Prepared signature _____

Reviewed signature _____ Director/Manager

Other Party Review signature _____
(if necessary) Director/Manager

This space is to be used for photographs, charts, or other data that may be useful in evaulating the project

To be completed by Capital Planning Group

Rationale for decision

Review Cycles
2012-2016

Date	Template

Exhibit No.__(DBD-5)
Attachment No.__ET-11

AVISTA UTILITIES
2013-2016 CAPITAL PROJECTS

Functional Group: Enterprise Technology

Business Case Name: GridGlo GFX Integration

ER No:	**ER Name:**
7129	GridGlo GFX Integration

Approved Business Case Spend Amount 2013-2016 ($000s - System): $662[1]

Transfer to Plant Amounts ($000s - System):

Year	Total	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2013													
2014	240												240
2015													
2016													

Business Case Description:

Trove (formerly gridglow) will develop, deliver and integrate the Trove Fusion Exchange Platform (GFX Platform) with Avista's Blue Cube framework. The GFX Platform embeds advanced analytical algorithms enabling utilities to derive business insights from the fusion of organic grid data with organic and external customer data within an open, multi-layered architecture. The GFX Platform provides Application-Program Interfaces ("API") APIs to an embedded analytics layer, and Forecasting Application is in scope for this business cases.

Offsets:
There are no anticipated offsets with this business case.

[1] The business case amount reflects approved capital expenditures for the years indicated and not transfers to plant.

Exhibit No.__(DBD-5)
Attachment No.__ET-11.1

AVISTA

Capital Project Business Case

Investment Name:	**Trove GFX Integration**
Requested Amount	**$662,000**
Duration/Timeframe	1 Year Project
Dept.., Area:	Enterprise Technology
Owner:	Mark Gustafson
Sponsor:	Jim Kensok
Category:	Project
Mandate/Reg. Reference:	n/a

Assessments:

Financial:	22.00%
Strategic:	Agile Technology Platforms
Business Risk:	Business Risk Reduction - None
Project Risk:	Moderate certainty around cost, schedule and resources
Assessment Score:	78

Recommend Project Description:	Performance	Capital Cost	O&M Cost	Other Costs	Business Risk Score
		Annual Cost Summary - Increase/(Decrease)			
GridGlo changed their company name to Trove in 2013. Trove will develop, deliver and integrate the Trove Fusion Exchange Platform (GFX Platform) with Avista's Blue Cube framework. The GFX Platform embeds advanced analytical algorithms enabling utilities to derive business insights from the fusion of organic grid data with organic and external customer data within an open, multi-layered architecture. The GFX Platform provides Application-Program Interfaces ("API") APIs to an embedded analytics layer, an analytical workflow layer, and access to the Trove fusion layer of customer attributes. Note: The Load Forecasting Application is in scope for this business case and added as of 10/13. IRR score is at High case= 65.80%; Medium case =22.63%; Low case = 15.27% (negative)	describe any incremental changes that this Project would benefit present operations	$ 662,000	$ 67,100	$ -	0

Alternatives:		Performance	Capital Cost	O&M Cost	Other Costs	Business Risk Score
			Annual Cost Summary - Increase/(Decrease)			
Unfunded Project:	Describe the current condition of the asset(s) and problems that need to be corrected	n/a	$ -	$ -	$ -	0
Alternative 1: Brief name of alternative (if applicable)	Trove GFX Integration	describe any incremental changes in operations	$ 662,000	$ 67,100	$ -	0
Alternative 2: Brief name of alternative (if applicable)	Describe other options that were considered	describe any incremental changes in operations	$ -	$ -	$ -	0
Alternative 3 Name: Brief name of alternative (if applicable)	Describe other options that were considered	describe any incremental changes in operations	$ -	$ -	$ -	0

Program Cash Flows

	Capital Cost	O&M Cost	Other Costs	Approved
Previous	$ -	$ -	$ -	$ -
2013	$ 284,500	$ -	$ -	$ 284,500
2014	$ 377,500	$ 67,100	$ -	$ 377,500
2015	$ -	$ 114,600	$ -	$ -
2016	$ -	$ 138,200	$ -	$ -
2017+	$ -	$ 114,600	$ -	$ -
Total	$ 662,000	$ 434,500	$ -	$ 662,000

Associated Ers (list all applicable):			

ER	2013	2014	2015	2016	2017+	Total
0	$ -	$ -	$ -	$ -	$ -	$ -
0	$ -	$ -	$ -	$ -	$ -	$ -
0	$ -	$ -	$ -	$ -	$ -	$ -
0	$ -	$ -	$ -	$ -	$ -	$ -
0	$ -	$ -	$ -	$ -	$ -	$ -
0	$ -	$ -	$ -	$ -	$ -	$ -
0	$ -	$ -	$ -	$ -	$ -	$ -
0	$ -	$ -	$ -	$ -	$ -	$ -
0	$ -	$ -	$ -	$ -	$ -	$ -
0	$ -	$ -	$ -	$ -	$ -	$ -
0	$ -	$ -	$ -	$ -	$ -	$ -
0	$ -	$ -	$ -	$ -	$ -	$ -
0	$ -	$ -	$ -	$ -	$ -	$ -
0	$ -	$ -	$ -	$ -	$ -	$ -
0	$ -	$ -	$ -	$ -	$ -	$ -
0	$ -	$ -	$ -	$ -	$ -	$ -
Total	$ -	$ -	$ -	$ -	$ -	$ -

Mandate Excerpt (if applicable):

provide brief citation of the law or regulation and a reference number if possible

Additional Justifications:

Any supplementary information that may be useful in describing in more detail the nature of the Project, the urgency, etc.

Milestones (high level targets)

August-13	Business Requirements	January-00	open	January-00	open
December-13	BlueCube Integration	January-00	open	January-00	open
March-14	GFX Final Delivery	January-00	open	January-00	open
January-00	open	January-00	open	January-00	open
January-00	open	January-00	open	January-00	open
January-00	open	January-00	open	January-00	open

Milestones should be general. Use your judgement on project progress so that progress can

Resources Requirements: *(request forms and approvals attached)*

Internal Labor Availability:	☐ Low Probability	☑ Medium Probability	☐ High Probability	Enterprise Tech:	☑ YES - attach form	☐ NO or Not Required	Capital Tools:	☐ YES - attach form ☑ NO or Not Required
Contract Labor:	☑ YES	☐ NO		Facilities:	☐ YES - attach form	☑ NO or Not Required	Fleet:	☐ YES - attach form ☑ NO or Not Required

Capital Project Business Case

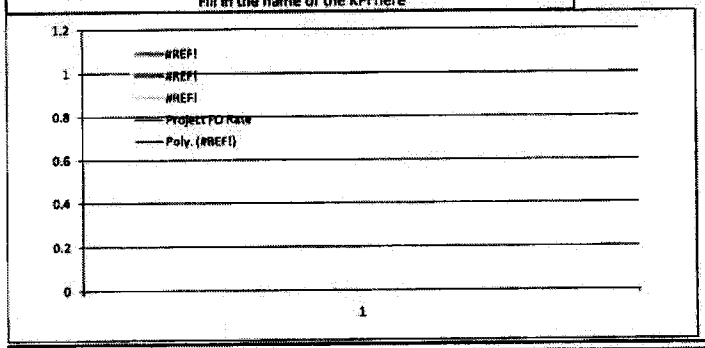
AVISTA

☑ YES ☐ YES - attach form ☑ NO or Not Required ☐ YES - attach form ☑ NO or Not Required

Key Performance Indicator(s)

Expected Performance Improvements

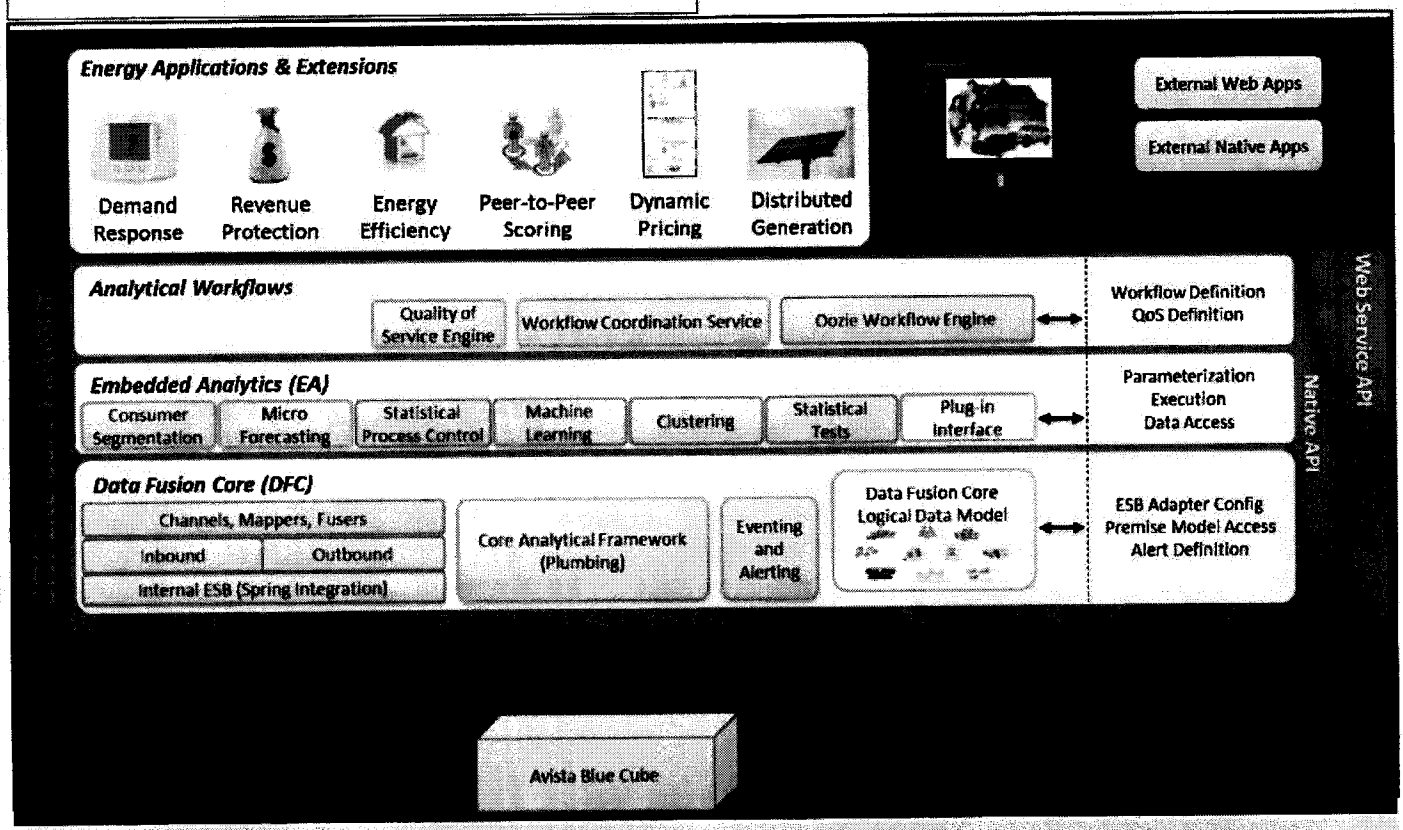
KPI Measure:	Fill in the name of the KPI here
	Fill in the name of the KPI here



Prepared signature Andrea Pike

Reviewed signature Michael Wolf Director/Manager

Other Party Review (if necessary) signature Director/Manager



To be completed by Capital Planning Group

Rationale for decision	Review Cycles 2012-2016	
	Date	Template

Exhibit No.__(DBD-5)
Attachment No.__ET-12

AVISTA UTILITIES
2013-2016 CAPITAL PROJECTS

Functional Group: Enterprise Technology

Business Case Name: Asset Facilities Management ("AFM") - Migration to a Commercial Off-The-Shelf ("COTS") Application

ER No: **ER Name:**
5147 AFM COTS Migration

Approved Business Case Spend Amount 2013-2016 ($000s - System): $18,350[1]

Transfer to Plant Amounts ($000s - System):

Year	Total	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2013													
2014													
2015	8,350			2,088			2,088			2,088			2,088
2016	10,000												10,000

Business Case Description:
The project is to migrate the existing AFM system to a COTS application, which aligns to our AFM Roadmap and strategic goals for the transition to more agile technology platforms. The project will include the replacement of the natural gas and electric Construction Design Tool, Edit, and the Company's Outage Management Tool and associated applications. The selection of the COTS solution will occur after business requirements are gathered and an RFI/RFP process is completed. The O&M estimates are related to the RFI/RFP process, licensing and maintenance fees, and for certain components of the system that will go live during the course of the project.

Offsets:
There are no anticipated offsets with this business case.

[1] The business case amount reflects approved capital expenditures for the years indicated and not transfers to plant.

AVISTA

Capital Project Business Case

Investment Name:	AFM COTS Migration
Requested Amount	$41,000,000
Duration/Timeframe	4 Year Project
Dept.., Area:	Enterprise Technology
Owner:	Josh DiLuciano and John Gibson
Sponsor:	Don Kopczynski
Category:	Project
Mandate/Reg. Reference:	n/a

Assessments:

Financial:	8.00%
Strategic:	Agile Technology Platforms
Business Risk:	Business Risk Reduction >5 and <= 10
Project Risk:	Moderate certainty around cost, schedule and resources
Assessment Score:	76

Recommend Project Description:	Performance	Annual Cost Summary - Increase/(Decrease) Capital Cost	O&M Cost	Other Costs	Business Risk Score
The project is to migrate AFM to a COTS application which aligns to our AFM Roadmap and strategic goals for Agile Technology Platforms. The project will include the replacement of Gas and Electric CDT, EDIT, and OMT/ADMS applications. The selection of the COTS solution will occur after business requirements are gathered and an RFI/RFP process is completed. The O&M estimates are related to the RFI/RFP process, licensing maintenance fees and when parts of the system go live during the course of the project.	describe any incremental changes that this Project would benefit present operations	$ 41,000,000	$ 3,500,000	$ -	12

Alternatives:		Performance	Annual Cost Summary - Increase/(Decrease) Capital Cost	O&M Cost	Other Costs	Business Risk Score
Unfunded Project:	Describe the current condition of the asset(s) and problems that need to be corrected	n/a	$ -	$ -	$ -	16
Alternative 1: AFM COTS Migration TBD	Describe other options that were considered	describe any incremental changes in operations			$ -	12
Alternative 2: Brief name of alternative (if applicable)	Describe other options that were considered	describe any incremental changes in operations	$ -	$ -	$ -	0
Alternative 3 Name: Brief name of alternative (if applicable)	Describe other options that were considered	describe any incremental changes in operations	$ -	$ -	$ -	0

Program Cash Flows

	Capital Cost	O&M Cost	Other Costs	Approved
Previous	$ -	$ -	$ -	$ -
2013	$ -		$ -	$ -
2014	$ 3,000,000	$ 500,000	$ -	$ 1,750,000
2015	$ 10,000,000	$ 1,000,000	$ -	$ 6,600,000
2016	$ 13,000,000	$ 1,000,000	$ -	$ 10,000,000
2017	$ 15,000,000	$ 1,000,000	$ -	$ 10,000,000
2018				$ -
Total	$ 41,000,000	$ 3,500,000	$ -	$ 28,350,000

Associated Ers (list all applicable):			

ER	2013	2014	2015	2016	2017	Total
0	$ -	$ -	$ -	$ -	$ -	$ -
0	$ -	$ -	$ -	$ -	$ -	$ -
0	$ -	$ -	$ -	$ -	$ -	$ -
0	$ -	$ -	$ -	$ -	$ -	$ -
0	$ -	$ -	$ -	$ -	$ -	$ -
0	$ -	$ -	$ -	$ -	$ -	$ -
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0	$ -	$ -	$ -	$ -	$ -	$ -
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0	$ -	$ -	$ -	$ -	$ -	$ -
0	$ -	$ -	$ -	$ -	$ -	$ -
0	$ -	$ -	$ -	$ -	$ -	$ -
0	$ -	$ -	$ -	$ -	$ -	$ -
Total	$ -	$ -	$ -	$ -	$ -	$ -

Mandate Excerpt (if applicable):

provide brief citation of the law or regulation and a reference number if possible

Additional Justifications:

Any supplementary information that may be useful in describing in more detail the nature of the Project, the urgency, etc.

Milestones (high level targets)

July-14 - June 15	Plan
July 15 - June 16	Design & Construct
July 16 - June 17	Deploy
June 17 - December 17	Train

Milestones should be general. Use your judgement on project progress so that progress can

Resources Requirements: *(request forms and approvals attached)*

Internal Labor Availability:	☐ Low Probability	☐ Medium Probability	☑ High Probability	Enterprise Tech:	☐ YES - attach form	☐ NO or Not Required	Capital Tools:	☐ YES - attach form ☐ NO or Not Required
Contract Labor:	☑ YES	☐ NO		Facilities:	☐ YES - attach form	☐ NO or Not Required	Fleet:	☐ YES - attach form ☐ NO or Not Required

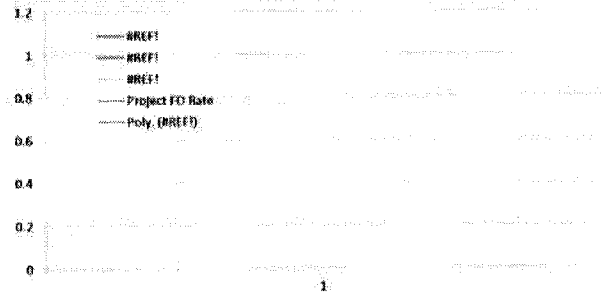
Capital Project Business Case

AVISTA

Key Performance Indicator(s)

Expected Performance Improvements

KPI Measure:	Fill in the name of the KPI here
	Fill in the name of the KPI here



Prepared signature

Reviewed signature
Director/Manager

Other Party Review signature
(if necessary) Director/Manager

This space is to be used for photographs, charts, or other data that may be useful in evaulating the Project

To be completed by Capital Planning Group

Rationale for decision	Review Cycles 2012-2016	
	Date	Template

Exhibit No.__(DBD-5)
Attachment No.__ET-13

AVISTA UTILITIES
2013-2016 CAPITAL PROJECTS

Functional Group: Enterprise Technology

Business Case Name: Financial Forecast Model

ER No: **ER Name:**
5149 Financial Forecast Model

Approved Business Case Spend Amount 2013-2016 ($000s - System): **$500[1]**

Transfer to Plant Amounts ($000s - System):

Year	Total	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2013													
2014													
2015	500							500					
2016													

Business Case Description:
The vendor no longer supports the Impact Financial Forecasting application. As a result, the software needs to be replaced. The output from this software is used for all financial decision making that occurs in the organization and is considered a critical system. With a new system, operational work as it relates to financial planning and analysis could be improved. Improved usability of a new system could allow users to gain efficiencies in their work by allowing streamlined data uploads, downloads, and reporting. The O&M costs refer to software maintenance in 2016 and beyond.

After the company finalized the ProForma Cross Check study in this case, more information became available regarding this business case. This business case will now be included in the Technology Refresh business case. However, the estimated costs have not changed for this ER.

Offsets:
There are no anticipated offsets with this business case.

[1] The business case amount reflects approved capital expenditures for the years indicated and not transfers to plant.

Exhibit No.__(DBD-5)
Attachment No.__ETD-1

AVISTA UTILITIES
2013-2016 CAPITAL PROJECTS

Functional Group: Electric Transmission / Distribution

Business Case Name: Colstrip Transmission Capital Additions

ER No: **ER Name:**
2214 Colstrip Transmission-PNACI Capital Additions

Approved Business Case Spend Amount 2013-2016 ($000s - System): $1,244[1]

Transfer to Plant Amounts ($000s - System):

Year	Total	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2013	40							16	3	4	9	5	3
2014	369	7	12	9	21	97	52	16	24	50	21	16	44
2015	208	4	7	5	12	54	29	9	14	28	12	9	25
2016	215	4	7	6	12	56	30	9	14	29	12	9	25

Business Case Description:
This program is for capital replacement and upgrades and for O&M expenses for the jointly owned 500 kV Colstrip Transmission System. Program funding is used as transmission assets reach the end of their useful lives, requiring replacement or increased capacity. The program can also be used to accommodate necessary upgrades due to new interconnection requests on these facilities. Under the Colstrip Project Transmission Agreement (among Avista, Northwestern Energy, PacifiCorp, Portland General Electric and Puget Sound Energy), Avista is obligated to fund capital and O&M expenses commensurate with Avista's ownership share in these facilities. Such facilities include hardware, software, and operating system upgrades, as well as deployment of capabilities to meet new operating standards and requirements. Some system upgrades may be initiated by other requirements, including NERC reliability standards, growth, and third-party projects (e.g. transmission or generation interconnections under FERC regulations). Examples of upgrades to be completed under this program in the next 2 years are: 500 kV breaker replacement at Colstrip Substation, 500 kV communication replacement (OPGW Project) between Broadview and Colstrip to meet required dual communication paths under NERC standards, 500 kV relay upgrades at Broadview and 500 kV tower erosion mitigation.

Offsets:
There are no anticipated offsets with this business case.

[1] The business case amount reflects approved capital expenditures for the years indicated and not transfers to plant.

Capital Program Business Case

AVISTA

Investment Name:	Colstrip Transmission
Requested Amount	$410,220
Duration/Timeframe	20 Year Program
Dept.., Area:	Transmission
Owner:	Jeff Schlect/Heather Rosentrater
Sponsor:	Don Kopczynski
Category:	Program
Mandate/Reg. Reference:	Program

Assessments:

Financial:	MH - >= 9% & <12% CIRR
Strategic:	Reliability & Capacity
Operational:	Operations require execution to perform at current levels
Business Risk:	ERM Reduction >10 and <= 15
Program Risk:	High certainty around cost, schedule and resources
Assessment Score:	102

Recommend Program Description:

For capital upgrades and replacement and for O&M expenses for the jointly owned 500 kV Colstrip Transmission System. Program funding is used as transmission assets reach end-of-life, requiring replacment or upgrade. Under the Colstrip Project Transmisison Agreement (among Avista, NorthWestern Energy, PacifiCorp, Portland General Electric and Puget Sound Energy), Avista is obligated to fund capital and O&M expenses commensurate with Avista's ownership share in these facilities. Such facilities include hardware, software, and operating system upgrades to meet new operating standards and requirements. Some upgrades may be initiated by NERC reliability standards, growth, and third-party projects (e.g. transmission or generation interconnections required by FERC policy). Examples of upgrades to be completed under this program in the next 2 years are: 500 kV breaker replacement at Colstrip Substation, 500 kV communication replacement (OPGW Project) between Broadview and Colstrip to meet required dual communication paths under NERC standards, 500 kV relay upgrades at Broadview and 500 kV tower erosion mitigation.

Annual Cost Summary - Increase/(Decrease)

Performance	Capital Cost	O&M Cost	Other Costs	ERM Risk Score
Improved performance, upgraded equipment, better status & control, new life cycle.	$ 410,220	$ 399,838	$ -	12

Alternatives:

Annual Cost Summary - Increase/(Decrease)

		Performance	Capital Cost	O&M Cost	Other Costs	ERM Risk Score
Unfunded Program:	Non-compliant operational capabilities and practices would result in negative audit findings, financial penalties, and litigation expenses due to breach of contract with other joint owners. Obsolete equipment would remain in service until failure.	Severe negative system reliability and compliance impacts	$ -	$ -	$ -	0
Alternative 1: Brief name of alternative (if applicable)	Describe other options that were considered	Performance remains at current levels; min. improve	$ -	$ -	$ -	0
Alternative 2: Brief name of alternative (if applicable)	Describe other options that were considered	describe any incremental changes in operations	$ -	$ -	$ -	0
Alternative 3 Name: Brief name of alternative (if applicable)	Describe other options that were considered	describe any incremental changes in operations	$ -	$ -	$ -	0

Program Cash Flows
5 years of costs

	Capital Cost	O&M Cost	Other Costs	Approved
2012	$ 410,220	$ 399,838	$ -	$ -
2013	$ 463,000	$ 387,000	$ -	$ 452,000
2014	$ 368,887	$ 392,853	$ -	$ 368,887
2015	$ 208,220	$ 339,985	$ -	$ 208,220
2016	$ 215,354	$ 316,572	$ -	$ 215,354
2017	$ 60,000	$ 324,888	$ -	$ 60,000
2018	$ 150,000	$ 330,000	$ -	$ 150,000
Total	$ 1,875,681	$ 2,491,136	$ -	$ 1,454,461

Associated ERs (list all applicable):

2214				

Mandate Excerpt (if applicable):

NERC reliability standards are being continually changed. New and changed standards are expected which will address emergency operations, transmission operations, critical infrastructure protection, communications, and balancing authority operations.
(See http://www.nerc.com/filez/standards/Reliability_Standards_Under_Development.html)

Additional Justifications:

This program is for capital replacement and upgrades and for operations and maintenance expenses for the jointly owned 500 kV Colstrip Transmission System. **Cuts to this program need to be closely evaluated to assure that reliable and compliant operations are not impacted and that Avista would not be in breach of contract with other joint transmission owners.**

Resources Requirements: *(request forms and approvals attached)*

Internal Labor Availability:	☐ Low Probability	☐ Medium Probability	☑ High Probability	Enterprise Tech:	☐ YES - attach form	☑ NO or Not Required
Contract Labor:	☑ YES	☐ NO		Facilities:	☐ YES - attach form	☑ NO or Not Required
				Capital Tools:	☐ YES - attach form	☑ NO or Not Required
				Fleet:	☐ YES - attach form	☑ NO or Not Required

Check the appropriate box. The internal and contract labor boxes should be checked to indicate if the resource owners have been contacted and to provide a general sense of how likely staff will be provided (this does not require a firm committment).

Printed 12/11/2013
http://sharepoint/departments/budget/Business Cases/Transmission and Distribution/Colstrip Transmission Program Business Case and Review.xlsm

Capital Program Business Case

AVISTA

Key Performance Indicator(s)

Expected Performance Improvements

KPI Measure:	Complete projects ahead of need and compliance targets.

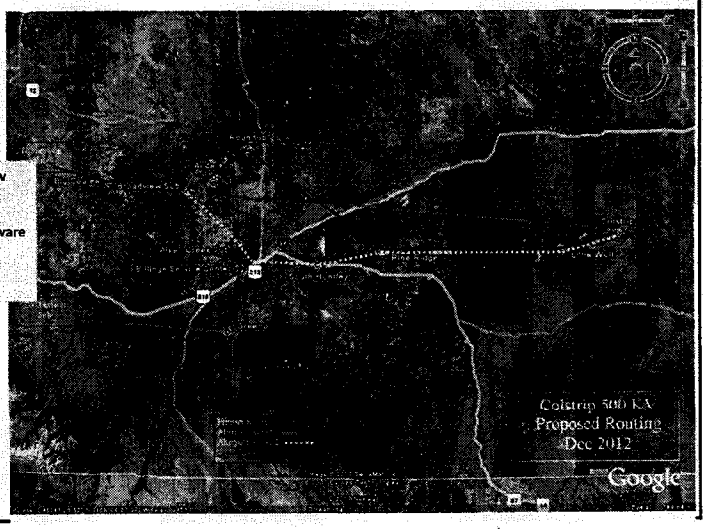
Prepared signature J A Schlect
JEFF SCHLECT – SR MANAGER, TRANSMISSION SVCS

Reviewed signature
HEATHER ROSENBERGER Director/Manager DIRECTOR - ENGG

Other Party Review signature
(if necessary) Director/Manager

Colstrip Transmission – NWE 500kV maintenance crew was patrolling the 500kV lines to assess right-of-way access road damage that occurred in 2011 because of record high runoff. When flying over the area where the lines cross the Big Horn River, two towers were observed to be in danger of becoming undermined by the river. The attached picture shows about 150' of land left between the edge of the water and the base of the nearest tower. During the 1st week of June, 2011 there was 260' of land there. The river appears to be continuing to erode the bank.

The lines pictured are the A & B lines between Broadview and Colstrip. This is an issue of very high importance to NWE as the operator of the500 kV Colstrip Trnsmission System. Maintenance work is schedule for 2012 to mitigate this erosion problem.



Broadview-Colstrip Communications - 500 kV communication replacement between Broadview Substation and Colstrip Substation now requires dual communication paths for reliablity.

NWE has adopted a non-test policy on the SLYP/SLCN relay systems due to the age of the hardware and concern that any cycling of cards or hardware has too great a risk of failure. NERC testing standards are expected to be updated, but the OPGW replacement project is planned for completion prior to implemtation of testing standards.

To be completed by Capital Planning Group

Rationale for decision	Review Cycles 2012-2016	
	Date	Template

Exhibit No.__(DBD-5)
Attachment No.__ETD-2

AVISTA UTILITIES
2013-2016 CAPITAL PROJECTS

Functional Group: Electric Transmission / Distribution

Business Case Name: Distribution Grid Modernization

ER No:	ER Name:
2470	Dist Grid Modernization
2554	Feeder Automation Upgrades
2570	Sandpoint Grid Modernization Project

Approved Business Case Spend Amount 2013-2016 ($000s - System): $53,641[1]

Transfer to Plant Amounts ($000s - System):

Year	Total	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2013	6,630							537	262	195	229		5,455
2014	9,450												9,450
2015	13,500												13,500
2016	21,000												21,000

Business Case Description:
The Distribution Grid Modernization Program provides value to customers and shareholders by improving grid reliability, energy savings and operational ability through a systematic and managed upgrade of our aging distribution system. This program seeks cost effective opportunities to increase service quality performance and system availability through the identification of locations that would benefit from the addition of switched capacitor banks, regulators and smart grid devices. The long-term plan represented by the IRR of 6.4% aims to upgrade 6 feeders per year to cover the whole distribution system in a 60 year cycle. This coordinates well with Wood Pole Management's 20 year cycle such that every third planned maintenance trip to a feeder would be an upgrade, expanding Wood Pole Management's scope. The average cost to rebuild each feeder is estimated to be $3.5M.

Offsets:
O&M offsets associated with this business case may occur in the future, however, they are not quantifiable at this time.

[1] The business case amount reflects approved capital expenditures for the years indicated and not transfers to plant.

AVISTA

Capital Program Business Case

Investment Name:	**Dist Grid Modernization**
Requested Amount	**See Plan Below**
Duration/Timeframe	Indefinite Year Program
Dept., Area:	Electrical Engineering
Owner:	Troy Dehnel
Sponsor:	Don Kopczynski
Category:	Program
Mandate/Reg. Reference:	n/a

Assessments:	
Financial:	MH - >= 9% & <12% CIRR
Strategic:	Life Cycle Programs
Operational:	Operations require execution to perform at current levels
Business Risk:	ERM Reduction >5 and <= 10
Program Risk:	Moderate certainty around cost, schedule and resources
Assessment Score:	93

Recommend Program Description:	**Performance**	**Annual Cost Summary - Increase/(Decrease) Capital Cost**	**O&M Cost**	**Other Costs**	**Business Risk Score**
The Distribution Grid Modernization Program provides value to customers and shareholders by improving Grid Reliability, Energy Savings and Operational Ability through a systematic and managed upgrade of our aging distribution system. This program seeks cost effective opportunities to increase service quality performance and system availability through the identification of locations that would benefit from the addition of switched capacitor banks, regulators and smart grid devices. The long-term plan represented by the IRR of 6.4% aims to upgrade 6 feeders per year to cover the whole distribution system in a 60 year cycle. This coordinates well with Wood Pole Management's 20 year cycle such that every third planned	When completed save an average of 1,970 MWh* annually & Reduce Outages	$ 9,000,000	$ -	$ 60,000	4

Alternatives:		**Performance**	**Annual Cost Summary - Increase/(Decrease) Capital Cost**	**O&M Cost**	**Other Costs**	**Business Risk Score**
Unfunded Program:	No systematic plan for wholistic address of conductors, reconfiguring services for better access, or adding devices that benefit the performance of the feeder.	n/a	$ 120,000	$ -	$ 600,000	25
Alternative 1: Brief name of alternative (if applicable)	The Dist Grid Modernization Program provides benefits to customers, employees, and shareholders by replacing problematic poles, cross-arms, cut-outs, transformers, conductor, etc. In addition, adding switched capacitor banks and smart grid devices is of benefit due to increased energy efficiency	When completed save an average of 1,970 MWh*	$ 9,000,000	$ -	$ 60,000	4
Alternative 2: Brief name of alternative (if applicable)						
Alternative 3 Name: Brief name of alternative (if applicable)						

Program Cash Flows
7 years of costs

	Capital Cost	O&M Cost	Other Costs	Approved
2012	$ 9,000,000	$ -	$ -	$ 8,000,000
2013	$ 6,941,084	$ -	$ -	$ 6,941,084
2014	$ 9,700,000	$ -	$ -	$ 9,700,000
2015	$ 16,000,000	$ -	$ -	$ 16,000,000
2016	$ 21,000,000	$ -	$ -	$ 21,000,000
2017	$ 21,000,000	$ -	$ -	$ 21,000,000
2018	$ 21,000,000	$ -	$ -	$ 21,000,000
Total	$ 104,641,084	$ -	$ -	$ 103,641,084

Associated Ers (list all applicable):

Feeder Upgrad	2470			
Feeder Autom	2570			

Mandate Excerpt (if applicable):
The *Avista Distribution System Efficiencies Program Study* (Gibson, 2009) identified the existing distribution system losses to be approximately 12%. Assuming, all of the distribution feeders studied were economically viable to upgrade the system would experience a reduction of losses by 7%. The total energy savings corresponding to the implementation of the upgrades would correspond to an energy savings of approximately 29.2 MW on peak and 13.5 MW on average.

Additional Justifications:
*1,970 MWh Annual Energy savings based on the charter document: *The Avista Distribution System Efficiencies Program Study (Gibson, 2009).*

Resources Requirements: *(request forms and approvals attached)*

Internal Labor Availability:	☐ Low Probability	☐ Medium Probability	☑ High Probability	Enterprise Tech:	☐ YES - attach form	☑ NO or Not Required
Contract Labor:	☑ YES	☐ NO		Facilities:	☐ YES - attach form	☑ NO or Not Required
				Capital Tools:	☐ YES - attach form	☑ NO or Not Required
				Fleet:	☐ YES - attach form	☑ NO or Not Required

Check the appropriate box. The internal and contract labor boxes should be checked to indicate if the resource owners have been contacted and to provide a general sense of how likely staff will be provided (this does not require a firm committment).

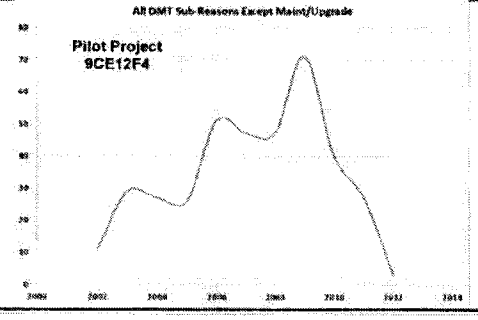
Capital Program Business Case

AVISTA

Key Performance Indicator(s)

Expected Performance Improvements

KPI Measure:	Feeder Energy Savings
	Feeder Events



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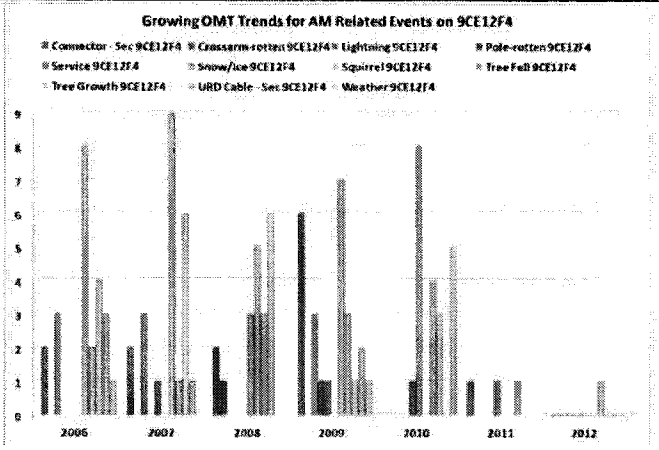

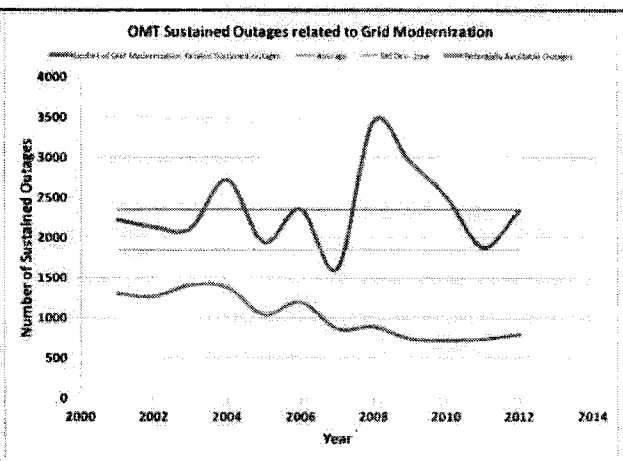

Year	Planned Miles for Modernization (Miles)*	Actual Miles Completed (Miles)	Anticipated Project Savings (kWh)*	Realized Power Savings (kW)	Anticipated Number of Sustained Outages	Reduced Number of Sustained Outages
2012	95	82	127	39.4	2340	2331

Feeder	Area	Year Complete	Annual Energy Savings (MWh)
9CE12F4	Spokane, WA (9e	2009	601
BEA12F1	Spokane, WA	2012	972
F&C12F2	Spokane, WA	2012	570
BEA12F5	Spokane, WA	2013	885
WIL12F2	Wilbur, WA	2013	1,403
CDA121	Coeur d'Alene, ID	2013	438
		Total	4,869

To be completed by Capital Planning Group

Rationale for decision	Review Cycles 2012-2016	
	Date	Template

Exhibit No.__(DBD-5)
Attachment No.__ETD-3

AVISTA UTILITIES
2013-2016 CAPITAL PROJECTS

Functional Group: Electric Transmission / Distribution

Business Case Name: Distribution Line Protection

ER No: **ER Name:**
2276 Distribution Line Protection

Approved Business Case Spend Amount 2013-2016 ($000s - System): **$750[1]**

Transfer to Plant Amounts ($000s - System):

Year	Total	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2013	253								2	2			250
2014	250	21	21	21	21	21	21	21	21	21	21	21	21
2015	125	10	10	10	10	10	10	10	10	10	10	10	10
2016	125	10	10	10	10	10	10	10	10	10	10	10	10

Business Case Description:
Avista's Electric Distribution system is configured into a trunk and lateral system. Lateral circuits are protected via fuse-links and operate under fault conditions to isolate the lateral in order to minimize the number of affected customers in an outage. Engineering recommends treatment of the removal and replacement of Chance Cutouts, the removal and replacement of Durabute cutouts and the installation of cut-outs on un-fused lateral circuits. This is a targeted program to ensure adequate protection of lateral circuits and to replace known defective equipment.

Offsets:
There are no anticipated offsets with this business case.

[1] The business case amount reflects approved capital expenditures for the years indicated and not transfers to plant.

AVISTA

Capital Program Business Case

Investment Name:	**Distribution Line Protection**
Requested Amount	**875,000 5-years**
Duration/Timeframe	On-going Year Program
Dept.., Area:	Engineering
Owner:	Al Fisher
Sponsor:	Don Kopczynski
Category:	Program
Mandate/Reg. Reference:	n/a

Assessments:	
Financial:	MH - >= 9% & <12% CIRR
Strategic:	Life Cycle Programs
Operational:	Operations require execution to perform at current levels
Business Risk:	ERM Reduction >5 and <= 10
Program Risk:	Moderate certainty around cost, schedule and resources
Assessment Score:	93

Recommend Program Description:	**Performance**	**Annual Cost Summary - Increase/(Decrease) Capital Cost**	**O&M Cost**	**Other Costs**	**ERM Risk Score**
Avista's Electric Distribution system is configured into a trunk and lateral system. Lateral circuits are protected via fuse-links and operate under fault conditions to isolate the lateral minimize the number of affected customers. Engineering recommends treatment of the following: 1. Removal and replacement of Chance Cutouts 2. Removal and replacement of Durabute cutouts 3. Installation of cut-outs on unfused lateral circuits. This is a targeted program to ensure adequate protection of lateral circuits and to replace known defective equipment.	Investments necessary to maintain current operations and to extend the life of current assets.	$ 250,000	$ 10,000		8

Alternatives:		**Performance**	**Annual Cost Summary - Increase/(Decrease) Capital Cost**	**O&M Cost**	**Other Costs**	**ERM Risk Score**
Unfunded Program:		n/a	$ -	$ -	$ -	15
Alternative 1: Brief name of alternative (if applicable)	Describe other options that were considered	describe any incremental changes in operations	$ -	$ -	$ -	8
Alternative 2: Brief name of alternative (if applicable)	Describe other options that were considered	describe any incremental changes in operations	$ -	$ -	$ -	0
Alternative 3 Name : Brief name of alternative (if applicable)	Describe other options that were considered	describe any incremental changes in operations	$ -	$ -	$ -	0

Program Cash Flows

5 years of costs

	Capital Cost	O&M Cost	Other Costs	Approved
2013	$ 250,000	$ 5,000	$ -	$ 250,000
2014	$ 250,000	$ 10,000	$ -	$ 250,000
2015	$ 125,000	$ 10,000	$ -	$ 125,000
2016	$ 125,000	$ 10,000	$ -	$ 125,000
2017	$ 125,000	$ 5,000	$ -	$ 125,000
2018				$ 125,000
Total	$ 875,000	$ 40,000	$ -	$ 1,000,000

Associated Ers (list all applicable):

Current ER				
2418	System Wide			

Mandate Excerpt (if applicable):

Additional Justifications:

This program was funded for a 2-year period in the 2009-2010 timeframe. This request allows for completion of the Chance cutout replacements but also includes the installation of devices on unfused laterals.

Resources Requirements: *(request forms and approvals attached)*

Internal Labor Availability:	☐ Low Probability	☐ Medium Probability	☑ High Probability	Enterprise Tech:	☐ YES - attach form	☑ NO or Not Required
Contract Labor:	☐ YES	☑ NO		Facilities:	☐ YES - attach form	☑ NO or Not Required
				Capital Tools:	☐ YES - attach form	☑ NO or Not Required
				Fleet:	☐ YES - attach form	☑ NO or Not Required

Check the appropriate box. The internal and contract labor boxes should be checked to indicate if the resource owners have been contacted and to provide a general sense of how likely staff will be provided (this does not require a firm commitment).

AVISTA

Capital Program Business Case

Key Performance Indicator(s)
Expected Performance Improvements

KPI Measure:	# Cutout Replacement
	# New Cutout Installation

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Reviewed signature ______________________
Director/Manager

Other Party Review signature ______________________
(if necessary) Director/Manager

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To be completed by Capital Planning Group

Rationale for decision	Review Cycles 2012-2016	
	Date	Template

Exhibit No.__(DBD-5)
Attachment No.__ETD-4

AVISTA UTILITIES
2013-2016 CAPITAL PROJECTS

Functional Group: Electric Transmission / Distribution

Business Case Name: Distribution Minor Rebuild

ER No: **ER Name:**
2055 Electric Distribution Minor Blanket

Approved Business Case Spend Amount 2013-2016 ($000s - System): **$34,800[1]**

Transfer to Plant Amounts ($000s - System):

Year	Total	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2013	4,792							611	988	1,319	570	683	611
2014	8,300	833	675	661	661	687	654	627	889	628	677	687	621
2015	8,300	833	674	661	661	687	654	627	890	628	677	687	621
2016	8,300	833	674	661	661	687	654	627	890	628	677	687	621

Business Case Description:
This program is for distribution minor rebuild as requested by the customer or initiated by Avista. Examples of construction work includes replacing meters, services, transformers, primary overhead or underground lines, or devices. This also includes addressing trouble related jobs (i.e. replacing burnt or damaged poles).

Offsets:
There are no anticipated offsets with this business case.

[1] The business case amount reflects approved capital expenditures for the years indicated and not transfers to plant.

AVISTA

Capital Program Business Case

Investment Name:	**Distribution Minor Rebuild**
Requested Amount	**$ 8,300,000**
Duration/Timeframe	On-Going Year Program
Dept., Area:	Operations
Owner:	Al Fisher
Sponsor:	Don Kopczynski
Category:	Program
Mandate/Reg. Reference:	n/a

Assessments:

Financial:	Medium - >= 5% & <9% CIRR
Strategic:	Reliability & Capacity
Operational:	Operations somewhat impacted by execution
Business Risk:	ERM Reduction >15
Program Risk:	Moderate certainty around cost, schedule and resources
Assessment Score:	90

Recommend Program Description:	**Performance**	**Annual Cost Summary - Increase/(Decrease) Capital Cost**	**O&M Cost**	**Other Costs**	**Business Risk Score**
This program is for distribution minor rebuild as requested by the customer or initiated by Avista. Examples of construction work includes replacing meters, services, transformers, primary overhead or underground lines, or devices. This also includes addressing trouble related jobs (i.e. replacing burnt or damaged poles)	CIRR = 8%	$ 8,300,000	$ -	$ -	4

Alternatives:		**Performance**	**Annual Cost Summary - Increase/(Decrease) Capital Cost**	**O&M Cost**	**Other Costs**	**Business Risk Score**
Status Quo:	If we do not respond, we would not be addressing the minor rebuild jobs to maintain our distribution system. This program also includes responding to trouble calls. There would be potential public safety issues if our crews do not repsond.	n/a		$ -	$ -	20
Alternative 1: Brief name of alternative (if applicable)	This program is for distribution minor rebuild as requested by the customer or initiated by Avista. We have spent over $9MM in the last two years, but hope to stay around $8.5MM annually.	CIRR = 8%	$ 8,300,000	$ -	$ -	4
			$ -	$ -	$ -	0
			$ -	$ -	$ -	0

Program Cash Flows

5 years of costs

	Capital Cost	O&M Cost	Other Costs	Approved
2012	$ 8,300,000	$ -	$ -	$ 8,300,000
2013	$ 8,500,000	$ -	$ -	$ 9,900,000
2014	$ 8,500,000	$ -	$ -	$ 8,300,000
2015	$ 8,500,000	$ -	$ -	$ 8,300,000
2016	$ 8,500,000	$ -	$ -	$ 8,300,000
2017				$ 8,300,000
2018				$ 8,300,000
Total	$ 42,300,000	$ -	$ -	$ 59,700,000

Associated ERs (list all applicable):

Current ER	2055			

Mandate Excerpt (if applicable):

Additional Justifications:

This business case somewhat conversely trends with the Growth business case. If new revenue / hook-up significantly decreases, the funding for this business case may need to go up.

Resources Requirements: *(request forms and approvals attached)*

Internal Labor Availability:	☐ Low Probability	☑ Medium Probability	☐ High Probability	Enterprise Tech:	☐ YES - attach form	☑ NO or Not Required
Contract Labor:	☑ YES	☐ NO		Facilities:	☐ YES - attach form	☑ NO or Not Required
				Capital Tools:	☐ YES - attach form	☑ NO or Not Required
				Fleet:	☐ YES - attach form	☑ NO or Not Required

Check the appropriate box. The internal and contract labor boxes should be checked to indicate if the resource owners have been contacted and to provide a general sense of how likely staff will be provided (this does not require a firm commitment).

AVISTA

Capital Program Business Case

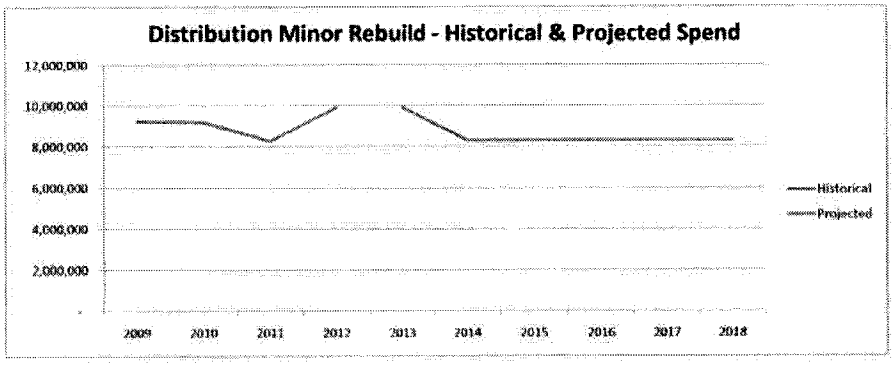
Key Performance Indicator(s)	
Expected Performance Improvements	
KPI Measure:	Fill in the name of the KPI here
	Fill in the name of the KPI here

Prepared signature Laura Wilson

Reviewed signature Alan S Fisher
Director/Manager

Other Party Review signature
(if necessary) Director/Manager

This space is to be used for photographs, charts, or other data that may be useful in evaulating the Program



Bring back to $8.3M in capital plan due to resources will be working on other T&D programs in 2014+

To be completed by Capital Planning Group

Rationale for decision	Review Cycles 2012-2016	
	Date	Template

Exhibit No.__(DBD-5)
Attachment No.__ETD-5

AVISTA UTILITIES
2013-2016 CAPITAL PROJECTS

Functional Group: Electric Transmission / Distribution

Business Case Name: Distribution Transformer Change-Out Program ("TCOP")

ER No: **ER Name:**
2535 TCOP Related Distribution Rebuilds

Approved Business Case Spend Amount 2013-2016 ($000s - System): $20,924[1]

Transfer to Plant Amounts ($000s - System):

Year	Total	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2013	813							90	121	106	109	193	193
2014	4,700	303	260	315	344	381	489	482	524	453	407	381	363
2015	6,900	386	345	445	498	557	756	749	765	697	606	556	539
2016	5,800	347	304	381	421	469	621	614	645	574	506	469	451

Business Case Description:
The Distribution Transformer Change-Out Program has three main drivers. First, the pre-1981 distribution transformers that are targeted for replacement average 42 years of age and are a minimum of 30 years old. Their replacement will increase the reliability and availability of the system. Secondly, the transformers to be replaced are inefficient compared to current standards. Thirdly, pre-1981 transformers have the potential to have PCB containing oil. The transformers to be removed early in the programs are those that are most likely to have PCB containing oil and their replacement will reduce the risk of PCB containing oil spills.

Offsets:
There are no anticipated offsets with this business case.

[1] The business case amount reflects approved capital expenditures for the years indicated and not transfers to plant.

Capital Program Business Case

AVISTA

Investment Name:	Distribution Transformer Change-Out Program
Requested Amount	$ 7,000,000
Duration/Timeframe	25 Year Program
Dept., Area:	Asset Management & Process Improvement
Owner:	Glenn Madden (Manager) & Al Fisher (Dir)
Sponsor:	Don Kopczynski
Category:	Program
Mandate/Reg. Reference:	n/a

Assessments:	
Financial:	Medium - >= 5% & <9% CIRR
Strategic:	Life Cycle Programs
Operational:	Operations require execution to perform at current levels
Business Risk:	ERM Reduction >5 and <= 10
Program Risk:	High certainty around cost, schedule and resources
Assessment Score:	89

Recommend Program Description:	Performance	Annual Cost Summary - Increase/(Decrease) Capital Cost	O&M Cost	Other Costs	Business Risk Score
The Distribution Transformer Change-Out Program has three main drivers. First, the pre-1981 distribution transformers that are targeted for replacement average 42 years of age and are a minimum of 30 years old. Their replacement will increase the reliability and availability of the system. Secondly, the transformers to be replaced are inefficient compared to current standards and their replacement will result in energy savings. Thirdly, pre-1981 transformers have the potential to have pcb containing oil. The transformers to be removed early in the program are those that are most likely to have pcb containing oil and their replacement will reduce the risk of pcb containing oil spills which are a safety, environmental, and a public relations concern.	When completed save an average of 5.6 MW per hour and eliminate PCB environmental risks	$ 5,800,000	$ 105,000	$ -	3

Alternatives:		Performance	Annual Cost Summary - Increase/(Decrease) Capital Cost	O&M Cost	Other Costs	Business Risk Score
Unfunded Program:	No planned replacement program for distribution transformers. Substancially higher risk of a pcb containing oil spill occuring.	n/a	$ 4,500,000	$ 200,000	$ 900,000	12
Alternative 1: Transformer Change-Out Program	The Distribution Transformer Change-Out Program has three main drivers. First, the pre-1981 distribution transformers that are targeted for replacement average 42 years of age and are a minimum of 30 years old. Their replacement will increase the reliability and availability of the system.	When completed save an average of 5.6 MW per	$ 5,800,000	$ 105,000	$ -	3
Alternative 2:	Distribution Engineering has proposed that any pole that the TCOP does work on needs to have the guy replaced with the new standard guy insulator (fiber cable).		$ 200,000	$ -	$ -	0
Alternative 3 Name:			$ -	$ -	$ -	0

Program Cash Flows
5 years of costs

	Capital Cost	O&M Cost	Other Costs	Approved
2012	$ 7,000,000	$ 100,000	$ -	$ 6,000,000
2013	$ 7,200,000	$ 102,000	$ -	$ 3,524,015
2014	$ 5,800,000	$ 105,000	$ -	$ 4,700,000
2015	$ 5,800,000	$ 107,000	$ -	$ 6,900,000
2016	$ 5,800,000	$ 110,000	$ -	$ 5,800,000
2017				$ -
2018				$ -
Total	$ 31,600,000	$ 524,000	$ -	$ 26,924,015

Associated Ers (list all applicable):

Current ER	1003			
	2060			
	2535			

Mandate Excerpt (if applicable):

Additional Justifications:

Resources Requirements: *(request forms and approvals attached)*

Internal Labor Availability:	☐ Low Probability	☐ Medium Probability	☑ High Probability	Enterprise Tech:	☐ YES - attach form	☑ NO or Not Required
Contract Labor:	☑ YES	☐ NO		Facilities:	☐ YES - attach form	☑ NO or Not Required
				Capital Tools:	☐ YES - attach form	☑ NO or Not Required
				Fleet:	☐ YES - attach form	☑ NO or Not Required

Check the appropriate box. The internal and contract labor boxes should be checked to indicate if the resource owners have been contacted and to provide a general sense of how likely staff will be provided (this does not require a firm committment).

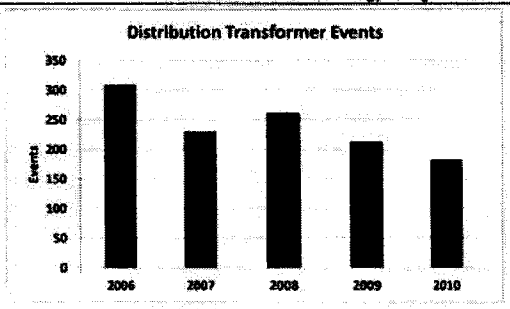
AVISTA

Capital Program Business Case

Key Performance Indicator(s)

Expected Performance Improvements

KPI Measure:	Distribution Transformer Events	Distribution Transformer Oil Spills
	Distribution Transformer Energy Savings	



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Reviewed signature
Director/Manager

Other Party Review (if necessary) signature
Director/Manager

2006	309
2007	230
2008	262
2009	213
2010	182

To be completed by Capital Planning Group

Rationale for decision	Review Cycles 2012-2016	
	Date	Template

Exhibit No.__(DBD-5)
Attachment No.__ETD-6

AVISTA UTILITIES
2013-2016 CAPITAL PROJECTS

Functional Group: Electric Transmission / Distribution

Business Case Name: Distribution Wood Pole Management ("WPM")

ER No: **ER Name:**
2060 Wood Pole Mgmt

Approved Business Case Spend Amount 2013-2016 ($000s - System): $38,310[1]

Transfer to Plant Amounts ($000s - System):

Year	Total	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2013	4,436							607	615	434	485	1,169	1,124
2014	14,680	1,183	1,038	1,104	1,143	1,206	1,332	1,307	1,507	1,269	1,236	1,206	1,146
2015	15,873	1,215	1,071	1,167	1,222	1,300	1,487	1,463	1,647	1,409	1,345	1,300	1,240
2016	16,093	1,235	1,091	1,187	1,241	1,319	1,506	1,481	1,666	1,428	1,364	1,316	1,259

Business Case Description:
Distribution Wood Pole Management Program inspects all Electric Distribution Feeders on a 20 year cycle and repairs or replaces wood poles, cross arms, missing lightning arresters, missing grounds, bad cutouts, bad insulating pins, bad insulators, leaking transformers, replaces guy wires not meeting current code requirements on poles replaced by WPM, and replaces pre-1981 transformers.

Offsets:
The attached copy of the business case does not identify any O&M offsets. However, the company estimates the cost of an event associated with a bad wood pole based on crew response and labor is approximately $600. The company has experienced a downward trend in wood pole related events. Based on this trend, the company projects a reduction of 144 events in 2015 (project 736 events) compared to 2013 (880 events). This is the same trend and prediction used for 2012 offset calculation. The company WA Offset is $86,400 x 65.01% = $56,169.

[1] The business case amount reflects approved capital expenditures for the years indicated and not transfers to plant.

AVISTA

Capital Program Business Case

Investment Name:	**Distribution Wood Pole Management**
Requested Amount	**$11,500,000**
Duration/Timeframe	Indefinite Year Program
Dept.., Area:	Asset Maintenance
Owner:	Glenn Madden (Manager) & Heather Rosentrater/A
Sponsor:	Don Kopczynski
Category:	Program
Mandate/Reg. Reference:	NESC - See WPM Compliance Plan for details

Assessments:	
Financial:	7.42%
Strategic:	Life-cycle asset management
Business Risk:	Business Risk Reduction >5 and <= 10
Program Risk:	High certainty around cost, schedule and resources
Assessment Score:	93

Recommend Program Description:	**Performance**	**Annual Cost Summary - Increase/(Decrease) Capital Cost**	**O&M Cost**	**Other Costs**	**Business Risk Score**
Distribution Wood Pole Management Program inspects all Electric Distribution Feeders on a 20 year cycle and repairs or replaces wood poles, crossarms, missing lightning arresters, missing grounds, bad cutouts, bad insulating pins, bad insulators, leaking transformers, replaces guy wires not meeting current code requirements on poles replaced by WPM, and replaces pre-1981 transformers	Customer IRR = 7.42% and avoids an average of 1,700 additional events per year	$ 11,172,022	$ 530,943	$ 5,996,350	15

Alternatives:		**Performance**	**Annual Cost Summary - Increase/(Decrease) Capital Cost**	**O&M Cost**	**Other Costs**	**Business Risk Score**
Status Quo : No Wood Pole Management	Run wood poles and associated equipment to failure	Increase OMT events by 1,700 events	$ 8,186,361		$ 6,834,467	25
Alternative 1: Distribution Wood Pole Management - 20 Year Inspection Cycle	Distribution Wood Pole Management Program inspects all Electric Distribution Feeders on a 20 year cycle and repairs or replaces wood poles, crossarms, missing lightning arresters, missing grounds, bad cutouts, bad insulating pins, bad insulators, leaking transformers, and replaces pre-1981	Customer IRR = 7.94% and avoids an average of 1,700 additional events per year	$ 10,712,022	$ 530,943	$ 5,996,350	15
Alternative 2: Distribution Wood Pole Management - 20 Year Inspection Cycle with Guy Wire	Distribution Wood Pole Management Program inspects all Electric Distribution Feeders on a 20 year cycle and repairs or replaces wood poles, crossarms, missing lightning arresters, missing grounds, bad cutouts, bad insulating pins, bad insulators, leaking transformers, replaces guy wires not	Customer IRR = 7.42% and avoids an average of 1,700 additional events per year	$ 11,172,022	$ 530,943	$ 5,996,350	15
Alternative 3 Name : Distribution Wood Pole Management - 10 Year Inspection Cycle with Guy	Distribution Wood Pole Management Program inspects all Electric Distribution Feeders on a 10 year cycle and repairs or replaces wood poles, crossarms, missing lightning arresters, missing grounds, bad cutouts, bad insulating pins, bad insulators, leaking transformers, replaces guy wires not	Customer IRR = 7.66% and avoids an average of 2,250 additional events per year	$ 17,296,437	$ 961,699	$ 4,920,632	10

Program Cash Flows

	Capital Cost	O&M Cost	Other Costs	Approved
Previous	$ 9,893,700	$ 507,337	$ -	$ 9,486,300
2013				$ 9,851,686
2014	$ 11,500,000	$ 519,006	$ -	$ 9,486,300
2015	$ 11,500,000	$ 530,943	$ 4,540,023	$ 9,486,300
2016	$ 11,500,000	$ 543,155	$ 4,564,898	$ 9,486,300
2017	$ 15,000,000	$ 555,648	$ 4,574,638	$ 10,486,300
2018	$ 15,000,000	$ 570,094	$ 4,588,630	$ -

Associated Ers (list all applicable):			
2080			

Printed: 10-28-2013
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Capital Program Business Case

AVISTA

	Total	$ 64,500,000	$ 2,718,846	$ 18,268,188	$ 38,945,200		
ER		2014	2015	2016	2017	2018	Total
2060		$ -	$ -	$ -	$ -	$ -	$ 8,062
0		$ -	$ -	$ -	$ -	$ -	$ -
0		$ -	$ -	$ -	$ -	$ -	$ -
0		$ -	$ -	$ -	$ -	$ -	$ -
0		$ -	$ -	$ -	$ -	$ -	$ -
0		$ -	$ -	$ -	$ -	$ -	$ -
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0		$ -	$ -	$ -	$ -	$ -	$ -
0		$ -	$ -	$ -	$ -	$ -	$ -
0		$ -	$ -	$ -	$ -	$ -	$ -
Total		$ -	$ -	$ -	$ -	$ -	$ -

Mandate Excerpt (if applicable):

The current WPM program complies with the following part of the National Electric Safety Code: 013, 121, 212 A, 212 B, and 261 A.2

Additional Justifications:

Any supplementary information that may be useful in describing in more detail the nature of the Project, the urgency, etc.

Resources Requirements: *(request forms and approvals attached)*

Internal Labor Availability: ☐ Low Probability ☐ Medium Probability ☑ High Probability
Contract Labor: ☑ YES ☐ NO

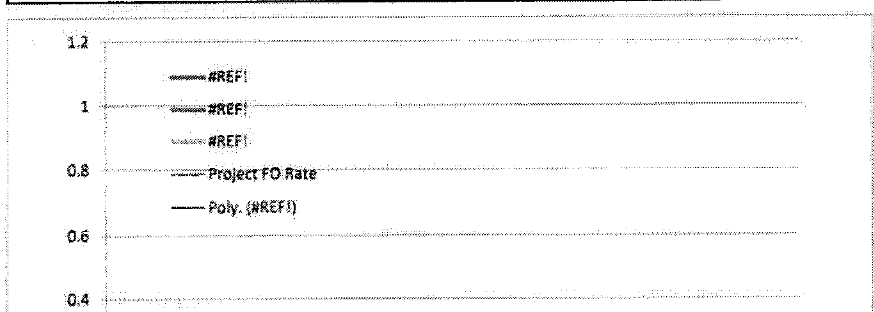
Enterprise Tech:	☐ YES - attach form	☑ NO or Not Required
Facilities:	☐ YES - attach form	☑ NO or Not Required
Capital Tools:	☐ YES - attach form	☑ NO or Not Required
Fleet:	☐ YES - attach form	☑ NO or Not Required

Check the appropriate box. The internal and contract labor boxes should be checked to indicate if the resource owners have been contacted and to provide a general sense of how likely staff will be provided (this does not require a firm committment).

Key Performance Indicator(s)

Expected Performance Improvements

KPI Measure: WPM Related OMT Events
Miles of Followup work completed compared to the annual goal



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Other Party Review (if necessary) signature
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Capital Program Business Case

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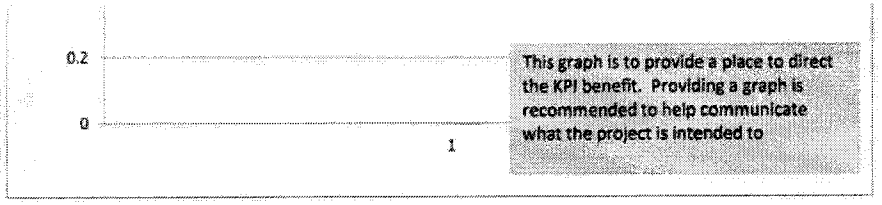

	WPM Estimate for each years wo	Guy Wire Replacem	=	Total	Proposed WPM Capital Budget
WPM 2014:	$10,712,022	+ $460,000	=	$11,172,022	$11,172,022
WPM 2015:	$10,673,453	+ $460,000	=	$11,133,453	$11,389,522
WPM 2016:	$10,571,162	+ $460,000	=	$11,031,162	$11,544,431
WPM 2017:	$10,608,892	+ $460,000	=	$11,068,892	$11,850,347
WPM 2018:	$10,585,416	+ $460,000		$11,045,416	$12,097,193

To be completed by Capital Planning Group

Rationale for decision

Review Cycles

2012-2016

AVISTA

Date	Template

Exhibit No.__(DBD-5)
Attachment No.__ETD-8

AVISTA UTILITIES
2013-2016 CAPITAL PROJECTS

Functional Group: Electric Transmission / Distribution

Business Case Name: Electric Replacement/Relocation

ER No:	ER Name:
2056	Distribution Line Relocations
2061	WSDOT Franchise Requirements Construction

Approved Business Case Spend Amount 2013-2016 ($000s - System): $9,900[1]

Transfer to Plant Amounts ($000s - System):

Year	Total	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2013	1,279							244	215	141	254	222	203
2014	2,300	219	188	186	186	191	184	179	230	179	189	191	178
2015	2,400	229	197	194	194	199	192	187	240	187	197	199	186
2016	2,500	237	205	202	202	207	201	195	249	195	205	207	194

Business Case Description:
This annual program will replace sections of existing infrastructure that require replacement due to relocation or improvement of streets or highways. Requirements may come from our franchise agreements, permits, or WA DOT. Avista installs many of its facilities in public right-of-way under established franchise agreements. Avista is required under the franchise agreements, in most cases, to relocate its facilities when they are in conflict with road or highway improvements.

Offsets:
There are no anticipated offsets with this business case.

[1] The business case amount reflects approved capital expenditures for the years indicated and not transfers to plant.

AVISTA

Capital Investment Business Case

Investment Name:	**Elec Replacement and Relocation**		
Requested Amount	**$ 2,700,000**	**Assessments:**	
Duration/Timeframe	On-Going 2012+	Financial:	Medium - >= 5% & <9% CIRR
Dept.., Area:	Gas and Electric Operations	Strategic:	Other
Owner:	Al Fisher	Operational:	Operations require execution to perform at current levels
Sponsor:	Don Kopczynski	Business Risk:	ERM Reduction >10 and <= 15
Category:	Mandatory	Program Risk:	Moderate certainty around cost, schedule and resources
Mandate/Reg. Reference:	Franchise Agreements and Permits	Assessment Score:	140

Recommend Program Description:	Performance	Annual Cost Summary - Increase/(Decrease) Capital Cost	O&M Cost	Other Costs	Business Risk Score
This annual program will replace sections of existing infrastructure that require replacement due to relocation or improvement of streets or highways. Requirements may come from our franchise agreements, permits, or WA DOT. Avista installs many of its facilities in public right-of-way under established franchise agreements. Avista is required under the franchise agreements, in most cases, to relocate its facilities when they are in conflict with road or highway improvements.		$ 2,700,000	$ -	$ -	2

Alternatives:		Performance	Annual Cost Summary - Increase/(Decrease) Capital Cost	O&M Cost	Other Costs	Business Risk Score
Status Quo :	Avista would be out of compliance with established franchise agreements and/or permits if work is not completed.	n/a	$ -	$ -	$ -	16
Alternative 1:	Relocate facilities in conflict with street and highway projects where established franchise agreements and/or permits exist.	n/a	$ 2,700,000	$ -	$ -	2
Alternative 2:			$ -	$ -	$ -	0
Alternative 3 Name : Brief name of alternative (if applicable)		describe any incremental changes in operations	$ -	$ -	$ -	0

Program Cash Flows
2012-2016

	Capital Cost	O&M Cost	Other Costs	Approved
Previous			$ -	$ -
2012	$ 2,400,000	$ -	$ -	$ 2,400,000
2013	$ 2,700,000	$ -	$ -	$ 2,700,000
2014	$ 2,300,000	$ -	$ -	$ 2,300,000
2015	$ 2,400,000	$ -	$ -	$ 2,400,000
2016	$ 2,500,000	$ -	$ -	$ 2,500,000
2017	$ 2,600,000	$ -	$ -	$ 2,600,000
2018	$ 2,700,000	$ -	$ -	$ 2,700,000
		$ -	$ -	$ -
Total	$ 17,600,000	$ -	$ -	$ 17,600,000

Associated ERs (list all applicable):

Current ER				
2058				
2061				

Mandate Excerpt (if applicable):
Franchise agreements, typical state highway and R/R permits and WA Department of Transportaion prescribe that the utility will relocate at their expense when in conflict with entity activities.

Additional Justifications:
Mandatory work to maintain compliance with existing franchise and operating permits with state highway districts and rail roads.

Resources Requirements: *(request forms and approvals attached)*

Internal Labor Availability:	☐ Low Probability	☑ Medium Probability	☐ High Probability	Enterprise Tech:	☐ YES - attach form	☑ NO or Not Required
Contract Labor:	☑ YES	☐ NO		Facilities:	☐ YES - attach form	☑ NO or Not Required
				Capital Tools:	☐ YES - attach form	☑ NO or Not Required
				Fleet:	☐ YES - attach form	☑ NO or Not Required

Check the appropriate box. The internal and contract labor boxes should be checked to indicate if the resource owners have been contacted and to provide a general sense of how likely staff will be provided (this does not require a firm committment).

Key Performance Indicator(s)
Expected Performance Improvements

KPI Measure:	N/A - Mandatory Work
	Fill in the name of the KPI here

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Capital Investment Business Case

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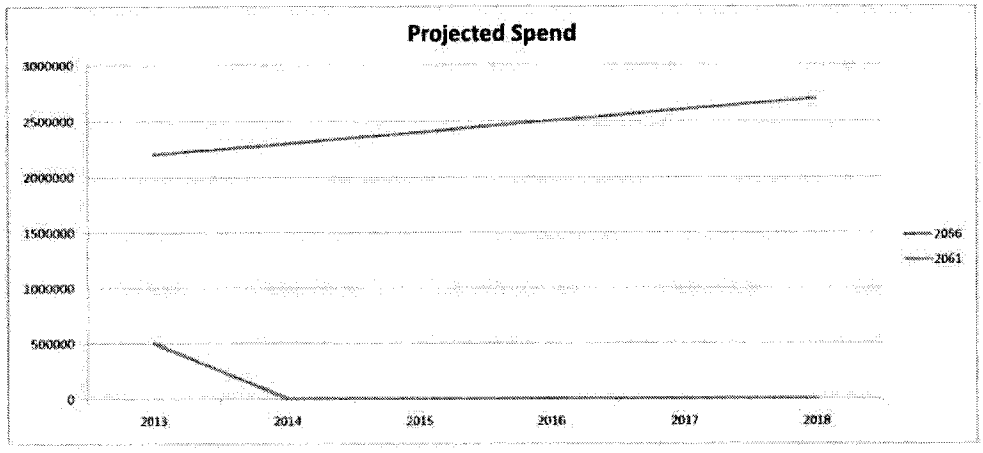
Director/Manager

W5DOT Franchise work will be incorporated into ER2056 in years 2014 - 2018

Other Party Review signature _____
(if necessary) Director/Manager

This space is to be used for photographs, charts, or other data that may be useful in evaulating the Program



To be completed by Capital Planning Group

Rationale for decision	Review Cycles 2012-2016	
	Date	Template

Exhibit No.__(DBD-5)
Attachment No.__ETD-9

AVISTA UTILITIES
2013-2016 CAPITAL PROJECTS

Functional Group: Electric Transmission / Distribution

Business Case Name: Environmental Compliance

ER No:	ER Name:
6000	PCB Identification & Disposal
6101	Forest Service Requirements

Approved Business Case Spend Amount 2013-2016 ($000s - System): $1,150[1]

Transfer to Plant Amounts ($000s - System):

Year	Total	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2013	213												213
2014	250	4	4	44	7	8	50	12	11	49	9	8	46
2015	250	4	4	44	7	8	50	12	11	49	9	8	46
2016	250	4	4	44	7	8	50	12	11	49	9	8	46

Business Case Description:
Implementation of Forest Service Special Use Permits, waste oil disposal, including PCBs, and environmental compliance requirements related to storm water management, water quality protection, property cleanup and related issues, etc.

Offsets:
There are no anticipated offsets with this business case.

[1] The business case amount reflects approved capital expenditures for the years indicated and not transfers to plant.

AVISTA

Capital Program Business Case

Investment Name:	**Environmental Compliance**
Requested Amount	**$250,000**
Duration/Timeframe	30 Year Program
Dept., Area:	Environmental
Owner:	Darrell Soyars (Mgr.); Bruce Howard (Dir)
Sponsor:	Marian Durkin
Category:	Mandatory
Mandate/Reg. Reference:	SUP; NEPA; PCB Disposal; EPA TSCA WA

Assessments:

Financial:	High - Exceeds 12% CIRR
Strategic:	Other
Operational:	Operations require execution to perform at current levels
Business Risk:	ERM Reduction >10 and <= 15
Program Risk:	High certainty around cost, schedule and resources
Assessment Score:	182

Recommend Program Description:	**Performance**	**Annual Cost Summary - Increase/(Decrease) Capital Cost**	**O&M Cost**	**Other Costs**	**Business Risk Score**
Implementation of Forest Service Special Use Permits (SUP) , Waste Oil Disposal, including PCBs , and Environmental Compliance requirements related to storm water managmeent, water quality protection, property cleanup and related issues, etc.	n/a	$ 250,000	$ -	$ -	6

Alternatives:		**Performance**	**Annual Cost Summary - Increase/(Decrease) Capital Cost**	**O&M Cost**	**Other Costs**	**Business Risk Score**
Alternative 1: Funded SUP implementation	Avista is required to perform various mitigation activities associated with our right-of-ways (ROW) across National Forest lands. These activities are performed under the framework of the Special Use Permits issue by United States Forest Service (USFS) for 30 years which requires mitigation project to protect.	n/a	$ 100,000	$ -	$ -	20
Alternative 2: Unfunded SUP implementation	If mitigation projects are not performed in accordance with the permit and annual workplans, this would represent a violation of the SUP, thus placing the activities associated with our ROW at risk. Potential for USFS enforcement/penalties, as well as NERC/WECC enforcement.		$ -	$ -	from moderate to extreme	6
Alternative 1: Funded PCB Disposal	Proper disposal of Waste Oil and PCB equipment is required under Washington State and Environmental Protection Agency (EPA), Toxic Substance Control Act (TSCA) regulations.		$ 150,000	$ -	$ -	0
Alternative 2 : Unfunded PCB Disposal	If the PCB disposal is not funded, we would be subject to penalties/fines for non-compliance with state/federal laws, as well as subject to proper disposal via enforcement action or to cleanup liabilities, including recovery of treble damages by agencies.		$ -	$ -	from moderate to extreme	0
Alternative 1: Funded Environmental Compliance	Funding of this program reduces risk of non-compliance and evironmental liability		$ -	$ -	$ -	15
Alternative 2 : Unfunded Environmental Compliance	If unfunded, Avista would run the risk of having facilities out of compliance an/or liability from contamination. Could experience fince or penalties		$ -	$ -	from moderate to extreme	2

Program Cash Flows
5 years of costs

	Capital Cost	O&M Cost	Other Costs	Approved
Previous	$ -	$ -	$ -	$ -
2012	$ -	$ -	$ -	$ 350,000
2013		$ -	$ -	$ 400,000
2014	$ 250,000	$ -	$ -	$ 250,000
2015	$ 250,000	$ -	$ -	$ 250,000
2016	$ 250,000	$ -	$ -	$ 250,000
2017	$ 250,000	$ -	$ -	$ 250,000
2018	$ 250,000	$ -	$ -	$ 250,000
Total	$ 750,000	$ -	$ -	$ 750,000

Associated Ers (list all applicable):

Current ER	6101	6000	6002	

Mandate Excerpt (if applicable):

Additional Justifications:
SUP: Vegetation management is a requirement of the North American Electric Reliability Corporation (NERC) and in place to prevent outages from vegetation located on the transmission ROW and to minimize outages from vegetation located outside the ROW. Unmanaged vegetation growing near power lines can cause damage to facilities, interrupt power supply and start wildfires. Other objectives are to provide a clear, safe work space and access to teh ROW for construction and maintenance work. Permit conditions allow us to conduct vegetation management. PCB: EPA Federal PCB Regulations (for disposal of PCB equipment): Toxic Substances Control Act and Washington Dangerous Waste Regulations (provides criteria for managing and disposal of PCB).

Resources Requirements: *(request forms and approvals attached)*

Internal Labor Availability: ☐ Low Probability ☐ Medium Probability ☑ High Probability ☑ YES

Enterprise Tech: ☐ YES - attach form ☑ NO or Not Required

Check the appropriate box. The internal and contract labor boxes should be checked to indicate if the

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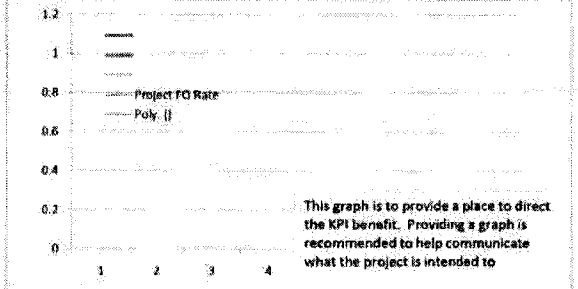
Capital Program Business Case

Key Performance Indicator(s)

Expected Performance Improvements

KPI Measure:	annual meetings with the National Forest Service (NFS)
	Environmental Protection Agency
	WDOE



This graph is to provide a place to direct the KPI benefit. Providing a graph is recommended to help communicate what the project is intended to

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Director/Manager

Other Party Review signature
(if necessary) Director/Manager

Capital Budget Projections

		2014	2015	2016	2017	2018	
ER 6099		150,000	150,000	150,000	150,000	150,000	PCB Waste Management
ER 6101		100,000	100,000	100,000	100,000	100,000	Permit Renewal/Implementation
ER 6002		200,000	200,000	200,000	200,000	200,000	Environmental Compliance Pullman Storm Water
E14		450,000	450,000	450,000	450,000	450,000	

Engineers Opinion Cost Estimat...

Avista SR 270 Site Storm Treat...

To be completed by Capital Planning Group

Rationale for decision	Review Cycles 2012-2016	
	Date	Template

Exhibit No.__(DBD-5)
Attachment No.__ETD-10

AVISTA UTILITIES
2013-2016 CAPITAL PROJECTS

Functional Group: Electric Transmission / Distribution

Business Case Name: Primary Underground Residential Distribution ("URD") Cable Replacement

ER No: **ER Name:**
2054 Electric Underground Replacement

Approved Business Case Spend Amount 2013-2016 ($000s - System): $2,850[1]

Transfer to Plant Amounts ($000s - System):

Year	Total	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2013	737							132	236	106	104	81	77
2014	1,000	39	30	29	91	134	186	185	138	81	30	30	27
2015	1,000	39	30	29	187	188	186	185	42	27	30	30	27
2016													

Business Case Description:
This effort involves replacing the first generation of Underground Residential District (URD) cable. This project has been ongoing for the past several years and focuses on replacing a vintage and type of cable that has reached its end of life and contributes significantly to URD cable failures.

Offsets:
The company estimates the cost of per underground cable outage based on crew response and labor is $3,850. The company has experienced a downward trend in underground outages. Based on this trend, the company projects a reduction of 45 outages in 2015 (project 45 outages) compared to 2012 (72 actual outages). Therefore outage savings are anticipated to be $103,950 total system or $68,000 in WA.

[1] The business case amount reflects approved capital expenditures for the years indicated and not transfers to plant.

AVISTA

Capital Investment Business Case

Investment Name:	**Primary URD Cable Replacement 2013**
Requested Amount	**$1,800,000**
Duration/Timeframe	2 Year Project
Dept., Area:	Asset Management & Process Improvement
Owner:	Kevin Christie
Sponsor:	Jason Thackson
Category:	Project
Mandate/Reg. Reference:	n/a

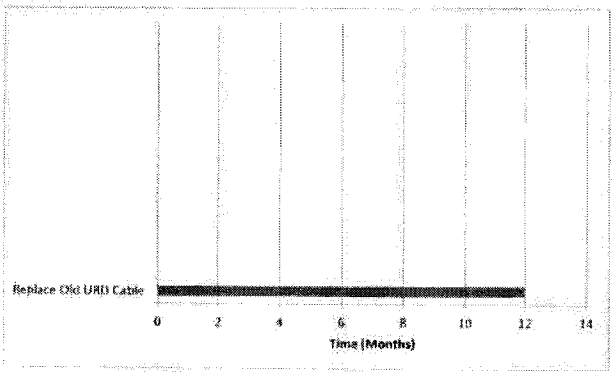
Assessments:

Financial:	MH - >= 9% & <12% CIRR
Strategic:	Life Cycle Programs
Operational:	Operations improved beyond current levels
Business Risk:	ERM Reduction >5 and <= 10
Project/Program Risk:	High certainty around cost, schedule and resources
Assessment Score:	110

Recommend Project Description:	Performance	Cost Summary - Increase/(Decrease) Capital Cost	O&M Cost	Other Costs	ERM Risk Score
Complete the replacement of the un-jacketed first generation of Primary URD cable	Customer IRR = 10% and avoids an average of 600 outages per year	$ 1,800,000	$ -	$ -	4

Alternatives:		Performance	Cost Summary - Increase/(Decrease) Capital Cost	O&M Cost	Other Costs	ERM Risk Score
Status Quo :	Number of Primary URD Cable faults would increase and the cost to repair the cable would also increase. Without this work and the past 4 years of work, the increased O&M costs would sum up to $8.8 million over the next 5 years.	Increase number of Outage towards 700	$ -	$ -	$ 1,300,000	10
Alternative 1: Primary URD Cable Replacement	Complete the replacement of the un-jacketed first generation of Primary URD cable	Customer IRR = 10% and avoids an average of 600 outages per year	$ 1,800,000	$ -	$ -	4
Alternative 2: Brief name of alternative (if applicable)	Describe other options that were considered	describe any incremental changes in operations	$ -	$ -	$ -	0
Alternative 3 Name : Brief name of alternative (if applicable)	Describe other options that were considered	describe any incremental changes in operations	$ -	$ -	$ -	0

Timeline



Construction Cash Flows (CWIP)

	Capital Cost	O&M Cost	Other Costs	Approved
Previous	$ 19,852,679	$ -	$ -	$ 19,852,679
2012	$ 1,800,000	$ -	$ -	$ 1,982,000
2013	$ 1,000,000	$ -	$ -	$ 850,000
2014	$ 1,000,000	$ -	$ -	$ 1,000,000
2015	$ 1,000,000	$ -	$ -	$ 1,000,000
2016	$ 1,000,000	$ -	$ -	$ -
2017	$ 1,000,000	$ -	$ -	$ -
2018	$ 1,000,000	$ -	$ -	$ -
Future	$ -	$ -	$ -	$ -
Total	$ 27,652,679	$ -	$ -	$ 24,684,679

Milestones (high level targets)

November-11	Project Started	December-12	Plant In Service	mm/dd/yy	open
March-12	Project Plan	December-12	Project Complete	mm/dd/yy	open
June-12	Project Design	mm/dd/yy	open	mm/dd/yy	open
March-12	Major Procurement	mm/dd/yy	open		
September-12	Construction Start	mm/dd/yy	open		

Milestones should be general. In some cases it may be as simple as project start, project complete. Use your judgement on project progress so that progress can be measured.

Associated Ers (list all applicable):

Current ER	2054						

Mandate Excerpt (if applicable):

Additional Justifications:

Resources Requirements: *(request forms and approvals attached)*

Capital Investment Business Case

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Internal Labor Availability:	☐ Low Probability	☐ Medium Probability	☑ High Probability	Enterprise Tech:	☐ YES - attach form	☑ NO or Not Required
Contract Labor:	☑ YES	☐ NO		Facilities:	☐ YES - attach form	☑ NO or Not Required
				Capital Tools:	☐ YES - attach form	☑ NO or Not Required
				Fleet:	☐ YES - attach form	☑ NO or Not Required

Check the appropriate box. The internal and contract labor boxes should be checked to indicate if the resource owners have been contacted and to provide a general sense of how likely staff will be provided (this does not require a firm commitment).

Key Performance Indicator(s)

Expected Performance Improvements

KPI Measure:	Primary URD Cable Events
	Avoided Outage Benefits

KPI Description	Projected URD Cable - Primary OMT Events	Actual URD Cable - Primary OMT Events
2009	143	136
2010	119	93
2011	94	
2012	70	
2013	45	
2014	45	
2015	45	

the KPI benefit. Providing a graph is recommended to help communicate what the project is intended to

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Director/Manager

Other Party Review signature _____
(if necessary) Director/Manager

Metric Description	Projected Avoided Costs due URD Cable - Pri Caused Outages	Actual Avoided Costs due to URD Cable -Pri Outages
2009	$1,038,613	$1,056,113
2010	$1,228,275	$1,295,225
2011	$1,368,561	
2012	$1,516,159	
2013	$1,744,539	
2014	$1,898,311	
2015	$1,997,052	

rts, or other data that may be useful in evaulating the project

The 10% customer IRR comes from the 2010 5 Year Plan and Budget Summary document
The ERM values come from the value of avoided outages associate with the early vintage of cable

The average URD-Primary OMT outage affects an average of 33 customers for 3.5 hours
Customer-Hours for base case = 700 * 33 * 3.5 = 80,850
Customer-Hours for base case = 50 * 33 * 3.5 = 5,775

To be completed by Capital Planning Group

Rationale for decision	Review Cycles 2012-2016	
	Date	Template

Exhibit No.__(DBD-5)
Attachment No.__ETD-11

AVISTA UTILITIES
2013-2016 CAPITAL PROJECTS

Functional Group: Electric Transmission / Distribution

Business Case Name: Transmission - Reconductors and Rebuilds

ER No:	ER Name:
2310	West Plains Transmission Reinforce
2423	System Transmission: Rebuild Condition
2457	Benton-Othello 115 Recond
2549	Moscow City to North Lewiston 115kV Rebuild Project
2550	Burke-Thompson A&B 115kV Transmission Rebuild Project
2556	CDA-Pine Creek 115kV Transmission Line: Rebuild
2557	9CE-Sunset 115kV Transmission Line: Rebuild
2564	Devils Gap-Lind 115kV Transmission Rebuild Project
2574	Chelan-Stratford 115kV - Rebuild Columbia River Xing
2575	Garden Springs-Silver Lake 115kV - Rebuild H&W-SLK
2576	Addy-Devils Gap 115kV - Rec/Rebuild 266 & 397 Cond
2577	Benewah-Moscow 230kV - Structure Replacement
2582	Beacon-Bell-Francis & Cdr-Waikiki 115kV - Reconfigure

Approved Business Case Spend Amount 2013-2016 ($000s - System): $57,396[1]

Transfer to Plant Amounts ($000s - System):

Year	Total	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2013	4,271								2		1,718		2,550
2014	11,797												11,797
2015	21,388												21,388
2016	24,637												24,637

Business Case Description:
This program reconductors and/or rebuilds existing transmission lines as they reach the end of their useful lives, require increased capacity, or present a risk management issue. Projects include: ER 2310 - West Plains Transmission Reinforcement, ER 2550 - Pine Creek-Burke-Thompson, ER 2557 9CE-Sunset Rebuild, ER 2423 - System Condition Rebuild, ER 2457 Benton-Othello Rebuild, ER2556 CDA-Pine Creek Rebuild, ER 2564 Devils Gap-Lind Major Rebuild, ER 2574 - Chelan-Stratford River Crossing Rebuild, ER 2576a Addy-Devils Gap Reconductor, ER 2575 Garden Springs-Silver Lake Rebuild, ER 2582 BEA-BEL-F&C-WAI Reconfiguration, ER 2577 BEN-M23 Rebuild, ER 25xa - Out-Year Transmission Rebuild.

Offsets:
After revenue requirements were finalized, it was determined that the savings included in the O&M adjustment should have included ERs for Burke-Pine Creek and Benton-Othello 115 based on reductions in line losses rather than Chelan-Strafford 115kV and Benton-Othello 115 based on estimated savings. The updated dollar amount of the O&M adjustment does not change due to this update. In addition, offsets were determined on the Bronx – Cabinet 115 kV rebuild/reconductor. The work involves several projects that have in service dates of November 2014 and November 2013. Therefore, we included two months worth of savings per project. For Burke-Thompson, the annual energy savings from reduced losses is 252 MWh in 2014 and 213MWh in 2015. Two months of which is 42MWh and 35.50MWh respectively. The MWh are multiplied by the avoided energy cost of $44/MWh to arrive at $1,848 ($1,201 WA) and $1,562 ($1,015.46 WA) for 2014 and 2015. For Benton-Othello 115, the annual energy savings from reduced line losses is 962 MWh in 2014 and 1,388 MWh in 2015. Assuming two months of savings, the total loss savings are 160 MWh for 2014 and 231MWh for 2015. Assuming an avoided energy cost of $44/MWH the 2014 savings is $7,040 ($4,577 WA) and $10,164 ($6,608 WA) for 2015. For Bronx – Cabinet, the annual energy savings from reduced line losses in 2014 is 572 annual or 95.34 MWh for two months. The associated offset is calculated by multiplying 95.34 by $44/MHh to arrive at $4,195 ($2,727 WA) in 2014. In 2015, the MWh were 1,144 annually or 190.67 for two months. The associated savings were $8,389 ($5,454 WA). These additional savings should have been included in revenue requirements.

[1] The business case amount reflects approved capital expenditures for the years indicated and not transfers to plant.

Capital Program Business Case

AVISTA

Investment Name:	**Trans - Recon & Rebids**		
Requested Amount	**$17,000,000**	**Assessments:**	
Duration/Timeframe	50 Year Program	Financial:	10.00%
Dept., Area:	T&D - TLD Engineering	Strategic:	Life-cycle asset management
Owner:	Heather Rosentrater	Business Risk:	Business Risk Reduction >5 and <= 10
Sponsor:	Don Kopczynski	Program Risk:	High certainty around cost, schedule and resources
Category:	Program		
Mandate/Reg. Reference:	n/a	Assessment Score:	#NAME?

Recommend Program Description:	**Performance**	**Annual Cost Summary - Increase/(Decrease)**			
		Capital Cost	**O&M Cost**	**Other Costs**	**Business Risk Score**
This program reconductors and/or rebuilds existing transmission lines as they reach the end of their useful lives, require increased capacity, or present a risk management issue. Projects include: ER 2310 - West Plains Transmission Reinforcement, ER 2550 - Pine Creek-Burke-Thompson, ER 2557 9CE-Sunset Rebuild, ER 2423 - System Condition Rebuild, ER 2457 Benton-Othello Rebuild, ER2556 CDA-Pine Creek Rebuild, ER 2564 Devils Gap-Lind Major Rebuild, ER 2574 - Chelan-Stratford River Crossing Rebuild, ER 2576a Addy-Devils Gap Reconductor, ER 2575 Garden Springs-Silver Lake Rebuild, ER 2582 BEA-BEL-F&C-WAI Reconfiguration, ER 2577 BEN-M23 Rebuild, ER 25xa - Out-Year Transmission Rebuild.	Improved performance (reduced losses), upgraded facilities, greater clearance, new life cycle, and greater load capabilities.	$ 17,000,000	$ -	$ -	1

Alternatives:		**Performance**	**Annual Cost Summary - Increase/(Decrease)**			
			Capital Cost	**O&M Cost**	**Other Costs**	**Business Risk Score**
Unfunded Program:	Transmission lines that would be rebuilt and/or reconductored under this program have 1) high loss conductor, or 2) deteriorated wood structures, or 3) corroded or deteriorated materials, or 4) insufficient clearance, or 5) inadequate capacity.	Med-High probability of a line overload, line failure, or injury/fine within the next 1-10 yrs.	$ -	$ -	$ -	6
Alternative 1: Brief name of alternative (if applicable)	Describe other options that were considered	describe any incremental changes in operations	$ -	$ -	$ -	0
Alternative 2: Brief name of alternative (if applicable)	Describe other options that were considered	describe any incremental changes in operations	$ -	$ -	$ -	0
Alternative 3 Name: Brief name of alternative (if applicable)	Describe other options that were considered	describe any incremental changes in operations	$ -	$ -	$ -	0

Program Cash Flows

	Capital Cost	O&M Cost	Other Costs	Approved
Previous	$ -	$ -	$ -	$ -
2014	$ 11,446,742	$ -	$ -	$ 11,446,742
2015	$ 21,412,946	$ -	$ -	$ 21,412,946
2016	$ 24,536,134	$ -	$ -	$ 24,536,134
2017	$ 18,102,393	$ -	$ -	$ 18,102,393
2018	$ 6,500,000	$ -	$ -	$ 6,500,000
Total	$ 81,998,215	$ -	$ -	$ 81,998,215

Associated Ers (list all applicable):			
2310	2549	2550	2557
2423	2457	2556	2564
2574	25xa	2576	2582
2577	2575		

ER	2014	2015	2016	2017	2018	Total
2310	$ -	$ 25,000	$ 1,000,000	$ -	$ -	$ 1,025,000
2549	$ -	$ -	$ -	$ -	$ -	$ -
2550	$ 3,700,000	$ 3,500,000	$ -	$ -	$ -	$ 7,200,000
2557	$ -	$ 25,000	$ 900,000	$ -	$ -	$ 925,000
2423	$ 2,500,000	$ 2,500,000	$ 2,500,000	$ 2,000,000	$ -	$ 9,500,000
2457	$ 2,500,000	$ 3,600,000	$ 3,500,000	$ -	$ -	$ 9,600,000
2556	$ 25,000	$ -	$ 4,500,000	$ 5,750,000	$ 2,500,000	$ 12,775,000
2564	$ 2,346,742	$ 3,947,144	$ 4,050,558	$ -	$ -	$ 10,344,444
2574	$ 350,000	$ -	$ -	$ -	$ -	$ 350,000
25xa	$ -	$ -	$ -	$ -	$ -	$ -
2576	$ -	$ -	$ -	$ 25,000	$ 2,000,000	$ 2,025,000
2582	$ -	$ -	$ 25,000	$ 2,000,000	$ -	$ 2,025,000
2577	$ 25,000	$ 7,815,802	$ 8,060,576	$ 8,302,393	$ -	$ 24,203,771
2575	$ -	$ -	$ -	$ 25,000	$ 2,000,000	$ 2,025,000
0	$ -	$ -	$ -	$ -	$ -	$ -
0	$ -	$ -	$ -	$ -	$ -	$ -
Total	$ 11,446,742	$ 21,412,946	$ 24,536,134	$ 18,102,393	$ 6,500,000	$ 81,998,215

Mandate Excerpt (if applicable):

provide brief citation of the law or regulation and a reference number if possible

Additional Justifications:

Obligation to serve: Specific transmission lines require rebuild or reconductor for increased capacity due to load growth. Risk Management: Specific transmission lines require rebuild to reduce potential public injury risks.

Resources Requirements: *(request forms and approvals attached)*

Internal Labor Availability:	☐ Low Probability	☑ Medium Probability	☐ High Probability	Enterprise Tech:	☐ YES - attach form	☑ NO or Not Required	Check the appropriate box. The internal and contract labor boxes should be checked to indicate if the resource owners have been contacted and to provide a general sense of how likely staff will be provided (this does not require a firm committment).
Contract Labor:	☑ YES	☐ NO		Facilities:	☐ YES - attach form	☑ NO or Not Required	
				Capital Tools:	☐ YES - attach form	☑ NO or Not Required	
				Fleet:	☐ YES - attach form	☑ NO or Not Required	

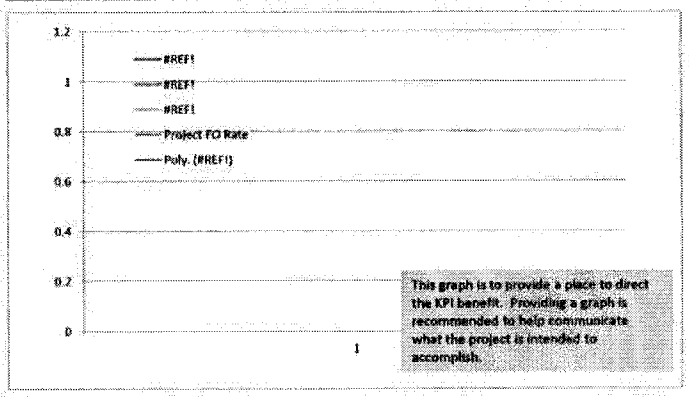
Key Performance Indicator(s)

Expected Performance Improvements

Capital Program Business Case

AVISTA

KPI Measure:	Fill in the name of the KPI here
	Fill in the name of the KPI here



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Reviewed signature
Director/Manager

Other Party Review signature
(if necessary) Director/Manager

This space is to be used for photographs, charts, or other data that may be useful in evaulating the Program

To be completed by Capital Planning Group

Rationale for decision	Review Cycles 2012-2016	
	Date	Template

Exhibit No.__(DBD-5)
Attachment No.__ETD-12

AVISTA UTILITIES
2013-2016 CAPITAL PROJECTS

Functional Group: Electric Transmission / Distribution

Business Case Name: Segment Reconductor and FDR Tie Program

ER No:	ER Name:
2514	Distribution - Spokane North & West
2515	Distribution - CdA East & North
2516	Distribution - Pullman & Lewis Clark

Approved Business Case Spend Amount 2013-2016 ($000s - System): $14,115[1]

Transfer to Plant Amounts ($000s - System):

Year	Total	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2013	1,473									3	270	450	750
2014	2,653	3	3	3	3	3	3	3	3	3	3	3	2,520
2015	3,074	50	50	669	50	50	669	50	50	669	50	50	669
2016	2,702	50	50	575	50	50	575	50	50	575	50	50	575

Business Case Description:
Distribution planning has identified a number of thermal constraints on the system where "segment reconductor" work is warranted to mitigate thermally overloaded conductor. In addition, a number of urban feeder tie additions are required to meet the Company's 500 Amp feeder plan also known as the "feeder and one-half" plan. This work is planned and coordinated with assistance from the five (5) Area Engineers in Spokane, Big Bend, Colville, Coeur'd Alene, and Pullman. Annual spend varies from year-to-year but the operational premise is constant: mitigate thermally overloaded conductor, mitigate known or emerging voltage issues, and establish FDR tie points in compliance with the Company's 500A Feeder Plan.

Offsets:
O&M offsets associated with this business case may occur in the future, however, they are not quantifiable at this time.

[1] The business case amount reflects approved capital expenditures for the years indicated and not transfers to plant.

AVISTA

Capital Program Business Case

Investment Name:	**Segment Reconductor and FDR Tie Pgm**
Requested Amount	**4,000,000 (variable, see below)**
Duration/Timeframe	On-going Year Program
Dept.., Area:	Engineering
Owner:	Rosentrater/James
Sponsor:	Dan Kopczynski
Category:	Program
Mandate/Reg. Reference:	n/a

Assessments:	
Financial:	MH - >= 9% & <12% CIRR
Strategic:	Reliability & Capacity
Operational:	Operations require execution to perform at current levels
Business Risk:	ERM Reduction >5 and <= 10
Program Risk:	Moderate certainty around cost, schedule and resources
Assessment Score:	84

Recommend Program Description:

Distribution planning has identified a number of thermal constraints on the system where "segment reconductor" work is warranted to mitigate thermally overloaded conductor. In addition, a number of urban feeder tie additions are required to meet the Company's 500 Amp feeder plan also known as the "feeder and one-half" plan. This work is planned and coordinated with assistance from the five (5) Area Engineers in Spokane, Big Bend, Colville, Coeur'd Alene, and Pullman. Annual spend varies from year to year but the operational premise is constant: mitigate thermally overloaded conductor, mitigate known or emerging voltage issues, and establish FDR tie points in compliance with the Company's 500A Feeder Plan.

	Performance	Annual Cost Summary - Increase/(Decrease) Capital Cost	O&M Cost	Other Costs	ERM Risk Score
	Investments necessary to maintain current operations and to extend the life of current assets.	$ 3,100,000			4

Alternatives:		Performance	Annual Cost Summary - Increase/(Decrease) Capital Cost	O&M Cost	Other Costs	ERM Risk Score
Unfunded Program:	Unfunding segment reconductor and FDR tie program will result in thermally overloaded conductor segments and significantly compromise the electric distribution system. Loss of load service capacity would result.	n/a	$ -	$ -	$ -	25
Alternative 1: Brief name of alternative (if applicable)	Describe other options that were considered	describe any incremental changes in operations	$ -	$ -	$ -	4
Alternative 2: Brief name of alternative (if applicable)	Describe other options that were considered	describe any incremental changes in operations	$ -	$ -	$ -	0
Alternative 3 Name: Brief name of alternative (if applicable)	Describe other options that were considered	describe any incremental changes in operations	$ -	$ -	$ -	0

Program Cash Flows

5 years of costs

	Capital Cost	O&M Cost	Other Costs	Approved
2012	$ 4,605,000		$ -	$ 3,605,000
2013	$ 4,300,000		$ -	$ 3,285,229
2014	$ 3,900,000		$ -	$ 3,455,000
2015	$ 4,220,000		$ -	$ 3,875,000
2016	$ 3,500,000		$ -	$ 3,500,000
2017	$ 3,475,000			$ 3,475,000
2018	$ 4,000,000			$ 4,000,000
Total	$ 28,000,000	$ -	$ -	$ 25,195,229

Associated Ers (list all applicable):

Current ER	2514	2515	2516	
	Spokane & West	CDA & East	South Region	

Mandate Excerpt (if applicable):

Additional Justifications:

This program is a foundational element of our overall effort to maintain the electric delivery system. While many of the assett management programs such as WPM, PCB transformers, Worst Feeders, URD Cable replacement, are targeted efforts to maintain or improve reliability, this program specifically identifies thermal, voltage, and FDR tie issues amongst 345 individual electric circuits. This program represents the collective effort of distribution planners and area engineers to manage our ability to serve customer load reliably, efficiently, and securely.

Resources Requirements: *(request forms and approvals attached)*

Internal Labor Availability:	☐ Low Probability	☐ Medium Probability	☑ High Probability	Enterprise Tech:	☐ YES - attach form	☑ NO or Not Required	Check the appropriate box. The internal and contract labor boxes should be checked to indicate if the resource owners have been contacted and to provide a general sense of how likely staff will be provided (this does not require a firm committment).
Contract Labor:	☐ YES	☑ NO		Facilities:	☐ YES - attach form	☑ NO or Not Required	
				Capital Tools:	☐ YES - attach form	☑ NO or Not Required	
				Fleet:	☐ YES - attach form	☑ NO or Not Required	

AVISTA

Capital Program Business Case

Key Performance Indicator(s)	
Expected Performance Improvements	
KPI Measure:	Dx System Capacity Increase
	Dx System 500A Plan Compliance

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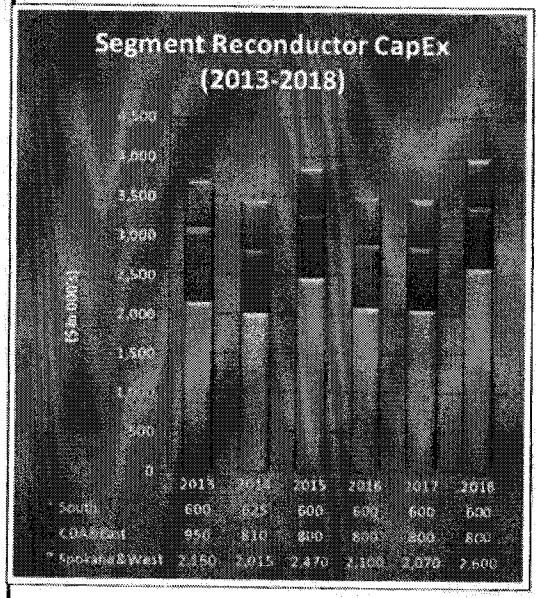
Reviewed signature _____ 11-11-13
Director/Manager

Other Party Review signature _____
(if necessary) Director/Manager



ROX 751 - Reconductor (see 2414) Mica Peak Cnv to URD Deer Lake Xing COB 12F2 Green Bluff Tie LOO 12F2 Deer Lk Narrows Xing COB 12F1 Recond Midway 1 Mi DEE 12F2 Bear Lk-Antler Tie DEE 12F2 Recond to LOO 12F1 SOT 522/523 - Recond- 6A WAS781 - Interset Poles LL - Cnv OH to UG (USFWS) LIB 12F2 - Henry Rd Tie CHE 12F1-12F4 Tie on Bowdish U District FDR Tie Trent Ave DEE 12F2 - Recond 2/0 ACSR LIB 12F1-EFM 12F2 Rocky Hill Tie BKR 12F2 - Tie to EFM 12F1 3HT 12F7 Tie U District Loop BKR 12F2 Recond 2/0 CU on Mission EFM 12F1 - State Ln Bridge - Conv OH/UG 9CE 12F4 Recond 336 9CE 12F2 - Tie to Chester 12F2 SLK 12F1 - Recond 2.1 mi C&W 12F4 - Tie to 3HT 12F7 9CE 12F3 Thierman/Mission Rcd 1 mi BKR 12F1 - Liberty Lk 12F2 on Mission CHW12F2- Angel Pk Recond 0.75mi GRN12F1 Tie to CLV12F2 4.5 mi GIF 34F1 - CHW 12F3 FDR Tie CLV 34F1- Kelly Hill Rbld CHW 12F2- Flowery Trail Recond GIF 34F1Midline GRN 12F2 Recond 4.1 Mi Old Kettle Rd CHW 12F4 Recond near Ctnwd Road CLV 12F4 Recond 1.6 mi KET 12F2 - Chg FDR Voltage to 13.2 kV DVP 12F2- Recond 6 miles Hwy 2 SPG 761 - Recond Small CU LIN 711 - Convert to 25 kV - tie Rox751 LIB 12F3 Rcd W Side Lib Lk NW 12F3 tie INT 12F1 Strong Rd URD COB 12F2 Bernhill Rd Rcd 7 ACSR 3HT 12F1-12F5 Tie at Iron Bridge BKR 12F3 Recond 1 mi-Central Premix COB 12F1 - Split FDR BKR 12F3 & SIP 12F3 Recond 1mi 3HT 12F3 Recond 2/0 Switch #980 MIL 12F2 ti to 12F3 Northwoods URD SIP General Upg WAK 12F1-12F4 Tie MIL12F4 tie OPT12F2 Mirabeau URD BEA 12F6-9CE 12F1 Hav. Rcd 1/0 ACSR FWT 12F4 - C&W 12F5 River Xing INT 12F2 Recond 2 mile-Rutter Pkwy COB 12F2 Recond Bernhill to Greenbluff INT 12F2 - DEE 12F1 Improve Tie LIB 12F2 Cnv to OH/UG at Mica Pk SUN 12F4 - Reconductor 2/0 @ SIA SUN 12F2 - Replace Sw 475 w/ Recloser DEE 12F1 Midline (protection req.) SUN 12F4 replace midline 249R SIP 12F3 to BKR (Central Premix) LIB 12F1 - EFM 12F2 Rocky Hill Tie BKR 12F3 Recond 2/0 ACSR 1 mi CLV Area Switched Banks CHW 12F3- ARD 12F2 FDR Tie (5 mi UG) LF34F1- Midline CLV 34F1 Midline OSB 521 - Recond/Viper for Coeur Mine OLD - Dx Tie Recond DAL 131 Recond 1.5 mi DAL 131 - Recond 1.4 mi DAL 131 - Recon 0.8 mi (lakeshore) DAL 133 - Add 1-ph 3.1 miles PF 213 - Recond 1.2 mi Riverbend Pk HUE 142 - Extend 3ph 0.5 mi DAL 134- Coldwater Ck Loop BLU 321 Recond 3 mi (Silver Beach) LKV 343 - Conv 6 mi to UG PVW 241 - Ext 1 mi BLU 321- Recond 1.2 mi PIN 442- Recond 1 mi WAL 544-Recond for Star Mine OGA 611 - Recond 1.5 mi PIN 441 - Reconductor FDR Tie SAG 741 - Recond Lignite 9200 ft SPT 4521 - River Xing & Reloc at Sundowner OLD 721 - create UG loop for Ind Pk RAT 233 - Recond Hwy 41 to 2/0 ACSR PVW 243 - Cap Bank Riverbend Comm PF 213 - Recond McGuire Road BLU 321 - Rbld & UG near Tony's Rest CDA 125- Recond #6 Copp Dalton & 17th CDA 124-Recond NIC Loop HOL 1206 - Recond 3700' SLW 1358 Extend ORO 1281 TEN 1253 - 1 mi recond & regs CFD 1210 - Recond #6 CU PAL 312 - Add Phase MOS 515 tie to 512 CFD 1211-ext 556 trunk 2miles DRY 1209-rebuild 5mi towards Silcott LOL 1358 - 2-3miles of lateral rbld PDL1201 tie to PDL 1208 PDL 1203 - 3ph loop, so portion TEN 1255 - recond .75 mi at 5th & Cedar TEN 1257 - 1 mi lateral rbld ORO 1281 - 1 mi recond at sub WSU Steam plant - cable & conduit CFD 1211- Regs at 1.5 miles GRV 1273- Regs at Orogrande and E City SWT 2403 - Cap bank at Lapwai WIK1279 - extend 2 ph Hwy 95 & Denver GRV 1272 tie to WIK 1278 so of hwy NLEW13 - addt river xing DRY 1208 tie to PDL 1202 - Fair & 13th SLW 1348 tie to SLW 1358 - 25th & 8th IFG Integration TEN 1256 - midline TEN 1257 tie to LOL 1266 ORO 1281-midline KOO 1299-midline IPE 1287-midline KAM-KOO tieline LEO 611-U/B with M115-N Lew Recond SPU Bishop Blvd URD Int Cap.

To be completed by Capital Planning Group

Rationale for decision	Review Cycles 2013-2016	
	Date	Template

Exhibit No.__(DBD-5)
Attachment No.__ETD-13

AVISTA UTILITIES
2013-2016 CAPITAL PROJECTS

Functional Group: Electric Transmission / Distribution

Business Case Name: Downtown Spokane Electric Network

ER No:	ER Name:
2058	Spokane Electric Network Increase Capacity
2237	Metro FDR Upgrade
2251	Post St-Improvement/Upgrades

Approved Business Case Spend Amount 2013-2016 ($000s - System): $9,200[1]

Transfer to Plant Amounts ($000s - System):

Year	Total	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2013	1,413							115	177	189	549	192	192
2014	2,300	191	191	191	191	191	191	191	191	191	191	191	191
2015	2,300	191	191	191	191	191	191	191	191	191	191	191	191
2016	2,299	192	192	192	192	192	192	192	192	192	192	192	192

Business Case Description:
Avista owns and maintains an underground electric network that serves the core business district of downtown Spokane. The network is unique to Avista's electric distribution and requires specialized material, equipment, tooling, and training to perform maintenance repair, planned replacement, and capacity growth projects. The scope of annual capital replacements and additions includes: 10,000 feet of secondary cable, 5,000 feet of primary cable, 15 manholes, and 5 vaults/vault roofs.

Offsets:
There are no anticipated offsets with this business case.

[1] The business case amount reflects approved capital expenditures for the years indicated and not transfers to plant.

Capital Program Business Case

AVISTA

Investment Name:	**Spokane Elec. Network**
Requested Amount	**$2,300,000 annually**
Duration/Timeframe	n/a Year Program
Dept., Area:	Engineering
Owner:	Rosentrater/James
Sponsor:	Don Kopczynski
Category:	Program
Mandate/Reg. Reference:	n/a

Assessments:	
Financial:	MH - >= 9% & <12% CIRR
Strategic:	Life Cycle Programs
Operational:	Operations require execution to perform at current levels
Business Risk:	ERM Reduction >5 and <= 10
Program Risk:	High certainty around cost, schedule and resources
Assessment Score:	97

Recommend Program Description:	**Performance**	**Annual Cost Summary - Increase/(Decrease)** Capital Cost	O&M Cost	Other Costs	Business Risk Score
Avista owns and maintains an underground electric network that serves the core business district of downtown Spokane. Topology in the Network is unique to Avista electric distribution and requires specialized material, equipment, tooling, and training to perform maintenance repair, planned replacement, and capacity growth projects. The scope of annual capital replacements and additions includes: 10,000 feet of secondary cable, 5,000 feet of primary cable, 15 manholes, and 5 vaults/vault roofs. Electric revenues associated with the Spokane Network are approximately $15-20M.	Investments necessary to maintain current operations and to extend the life of current assets.	$ 2,300,000	$ 315,000		6

Alternatives:		**Performance**	**Annual Cost Summary - Increase/(Decrease)** Capital Cost	O&M Cost	Other Costs	Business Risk Score
Unfunded Program:	Unfunding Network operations assumes zero PM activities and an eventual loss system functionality.	n/a	$ -	$ -	$ -	25
Alternative 1: Brief name of alternative (if applicable)	Describe other options that were considered	describe any incremental changes in operations	$ -	$ -	$ -	6
Alternative 2: Brief name of alternative (if applicable)	Describe other options that were considered	describe any incremental changes in operations	$ -	$ -	$ -	0
Alternative 3 Name: Brief name of alternative (if applicable)	Describe other options that were considered	describe any incremental changes in operations	$ -	$ -	$ -	0

Program Cash Flows
5 years of costs

	Capital Cost	O&M Cost	Other Costs	Approved
2012	$ 2,150,000	$ 315,000	$ -	$ 2,150,000
2013	$ 2,300,000	$ 315,000	$ -	$ 2,300,007
2014	$ 2,300,000	$ 315,000	$ -	$ 2,300,000
2015	$ 2,300,000	$ 315,000	$ -	$ 2,300,000
2016	$ 2,300,000	$ 315,000	$ -	$ 2,300,000
2017	$ 2,300,000	$ 315,000		$ 2,300,000
2018	$ 2,300,000	$ 315,000		$ 2,300,000
Total	$ 15,950,000	$ 2,205,000	$ -	$ 15,950,007

Associated Ers (list all applicable):

Current ER		2058	2237	2251
		CapX Repl	Metro PILC	Post St PILC

Mandate Excerpt (if applicable):
Various WUTC tariff schedules are associated with customer classifications in downtown Spokane. NESC/WAC govern public and worker safety.

Additional Justifications:
Service to the core business district in Spokane is afforded a much higher level of service reliability than other urban or rural areas. This reflects the importance of continuous service to hospitals, law enforcement, city government, banking, legal, commerce, and retail sectors of the local economy.

Resources Requirements: *(request forms and approvals attached)*

Internal Labor Availability:	☐ Low Probability	☐ Medium Probability	☑ High Probability	Enterprise Tech:	☐ YES - attach form	☑ NO or Not Required
Contract Labor:	☐ YES	☑ NO		Facilities:	☐ YES - attach form	☑ NO or Not Required
				Capital Tools:	☐ YES - attach form	☑ NO or Not Required
				Fleet:	☐ YES - attach form	☑ NO or Not Required

Check the appropriate box. The internal and contract labor boxes should be checked to indicate if the resource owners have been contacted and to provide a general sense of how likely staff will be provided (this does not require a firm commitment).

Capital Program Business Case

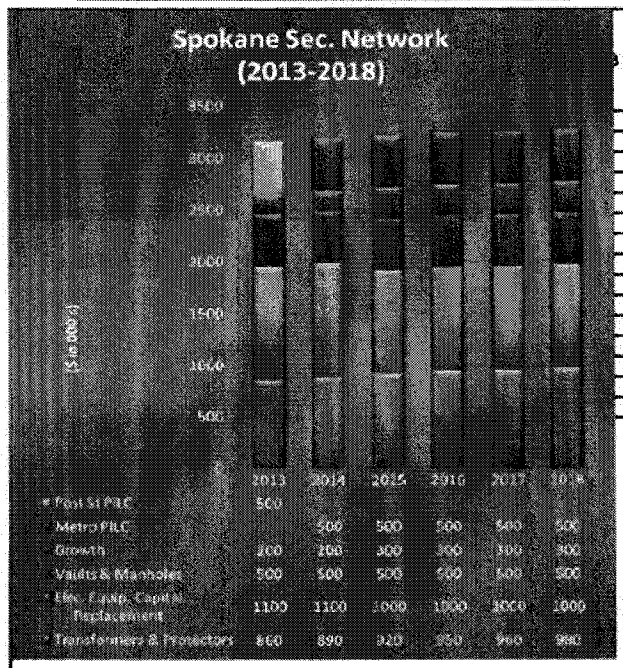
AVISTA

Key Performance Indicator(s)	
Expected Performance Improvements	
KPI Measure:	Plan to Actual

Prepared signature 11-11-13

Reviewed signature 11-11-13
Director/Manager

Other Party Review (if necessary) signature
Director/Manager



Work Plan Actual (conductor feet, equipment counts)

	Scdry/Svc Cable	Primary Cable	XFMR	Vaults HH/MH	Lights
JAN	0	0	1	0	0
FEB	1488	200	0	0	0
MAR	0	0	0	1	3
APR	0	1904	0	2	1
MAY	355	1315	4	5	0
JUN	80	1378	0	1	0
JUL	366	2626	1	0	2
AUG	0	2587	1	3	1
SEP	1614	138	2	0	0
OCT	0	0	0	3	0
NOV					
DEC					
TOTALS	3903	10148	9	15	7

To be completed by Capital Planning Group

Rationale for decision	Review Cycles 2012-2016	
	Date	Template

Exhibit No.__(DBD-5)
Attachment No.__ETD-14

AVISTA UTILITIES
2013-2016 CAPITAL PROJECTS

Functional Group: Electric Transmission / Distribution

Business Case Name: Storm Related Electric Transmission and Distribution Capital Project

ER No:	ER Name:
2051	Electric Transmission Plant-Storm
2059	Failed Electric Dist Plant-Storm

Approved Business Case Spend Amount 2013-2016 ($000s - System): $13,600[1]

Transfer to Plant Amounts ($000s - System):

Year	Total	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2013	2,984							216	330	776	1,019	315	329
2014	3,300	401	306	261	240	230	218	209	300	229	267	310	327
2015	3,400	412	314	269	249	238	226	216	311	236	275	319	335
2016	3,500	425	323	277	256	245	233	222	319	243	283	329	346

Business Case Description:
This program will replace cross arms, poles and structures as required due to storms, fires on distribution and transmission lines.

Offsets:
There are no anticipated offsets with this business case.

[1] The business case amount reflects approved capital expenditures for the years indicated and not transfers to plant.

Capital Program Business Case

AVISTA

Investment Name:	**Storms**		
Requested Amount	**$**	**3,300,000**	**Assessments:**
Duration/Timeframe	On-Going	Year Program	Financial: Medium - >= 5% & <9% CIRR
Dept., Area:	Operations		Strategic: Reliability & Capacity
Owner:	Al Fisher		Operational: Operations require execution to perform at current levels
Sponsor:	Don Kopczynski		Business Risk: ERM Reduction >15
Category:	Program		Program Risk: Moderate certainty around cost, schedule and resources
Mandate/Reg. Reference:	n/a		Assessment Score: 98

Recommend Program Description:	Performance	Annual Cost Summary - Increase/(Decrease) Capital Cost	O&M Cost	Other Costs	Business Risk Score
This program will replace crossarms, poles and structures as required due to storms, fires on distribution and transmission lines.		$ 3,300,000	$ -	$ -	4

Alternatives:		Performance	Annual Cost Summary - Increase/(Decrease) Capital Cost	O&M Cost	Other Costs	Business Risk Score
Status Quo :	If we do not replace our failed infastructure due to storms and fire, Avista will risk having an unreliable system, increased O&M costs to repair, and decreased customer satisfaction.	n/a		??	$ -	25
Alternative 1: Brief name of alternative (if applicable)	This program will replace crossarms, poles and structures as required due to storms, fires on distribution and transmission lines.		$ 3,300,000	$ -	$ -	4
Alternative 2: Brief name of alternative (if applicable)			$ -	$ -	$ -	0
Alternative 3 Name : Brief name of alternative (if applicable)			$ -	$ -	$ -	0

Program Cash Flows
5 years of costs

	Capital Cost	O&M Cost	Other Costs	Approved
2012	$ 3,300,000	$ -	$ -	$ 3,300,000
2013	$ 3,400,000	$ -	$ -	$ 3,400,000
2014	$ 3,300,000	$ -	$ -	$ 3,300,000
2015	$ 3,400,000	$ -	$ -	$ 3,400,000
2016	$ 3,500,000	$ -	$ -	$ 3,500,000
2017	$ 3,500,000			$ 3,500,000
2018	$ 3,500,000			$ 3,500,000
Total	$ 23,900,000	$ -	$ -	$ 23,900,000

Associated Ers (list all applicable):

Current ER	2051
	2059

Mandate Excerpt (if applicable):

Additional Justifications:

Resources Requirements: *(request forms and approvals attached)*

Internal Labor Availability:	☐ Low Probability	☑ Medium Probability	☐ High Probability	Enterprise Tech:	☐ YES - attach form	☑ NO or Not Required
Contract Labor:	☑ YES	☐ NO		Facilities:	☐ YES - attach form	☑ NO or Not Required
				Capital Tools:	☐ YES - attach form	☑ NO or Not Required
				Fleet:	☐ YES - attach form	☑ NO or Not Required

Check the appropriate box. The internal and contract labor boxes should be checked to indicate if the resource owners have been contacted and to provide a general sense of how likely staff will be provided (this does not require a firm committment).

Capital Program Business Case

AVISTA

Key Performance Indicator(s)	
Expected Performance Improvements	
KPI Measure:	Fill in the name of the KPI here
	Fill in the name of the KPI here

Prepared signature _____

Reviewed signature _____
Director/Manager

Other Party Review signature _____
(if necessary) Director/Manager

This space is to be used for photographs, charts, or other data that may be useful in evaulating the Program

To be completed by Capital Planning Group

Rationale for decision	Review Cycles 2012-2016	
	Date	Template

Exhibit No.__(DBD-5)
Attachment No.__ETD-15

AVISTA UTILITIES
2013-2016 CAPITAL PROJECTS

Functional Group: Electric Transmission / Distribution

Business Case Name: Substation - 115 kV Line Relay Upgrades

ER No: **ER Name:**
2217 Spokane-CDA 115 kV Line Relay Upgrades

Approved Business Case Spend Amount 2013-2016 ($000s - System): $3,150[1]

Transfer to Plant Amounts ($000s - System):

Year	Total	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2013	350											350	
2014	950				325			75		250		50	250
2015	900			125	125		100	125	100		125	125	75
2016	850		150	125			125	200	125			125	

Business Case Description:
The 115 kV Transmission line relaying in the greater Spokane-Couer d'Alene area needs to be upgraded. Per System Protection's revised memo dated 10/25/07, the relaying and communications must be upgraded to eliminate false trips and mis-coordination of relays as well as the requirement to trip lines quickly enough to avoid system transient instability, which could lead to cascading outages. The first two years of the project completed the installation of fiber optic communications to all the required substations. Year Two marked the beginning of relay upgrades in the Spokane area, and the remainder of the project will complete the relay upgrades as planned.

Offsets:
There are no anticipated offsets with this business case.

[1] The business case amount reflects approved capital expenditures for the years indicated and not transfers to plant.

Capital Investment Business Case

AVISTA

Investment Name:	**Substation - 115 kV Line Relay Upgrades**
Requested Amount	**$7,274,676**
Duration/Timeframe	7 Year Project
Dept.., Area:	T&D - Substation Engineering
Owner:	Heather Rosentrater
Sponsor:	Don Kopczynski
Category:	Project
Mandate/Reg. Reference:	n/a

Assessments:	
Financial:	Medium - >= 5% & <9% CIRR
Strategic:	Reliability & Capacity
Operational:	Operations require execution to perform at current levels
Business Risk:	ERM Reduction >0 and <= 5
Project/Program Risk:	High certainty around cost, schedule and resources
Assessment Score:	79

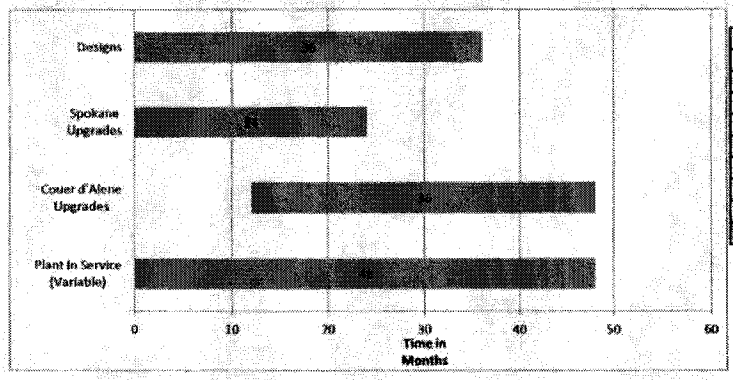
Recommend Project Description:

The 115 kV Transmission line relaying in the greater Spokane-Couer d'Alene area needs to be upgraded. Per System Protection's revised memo dated 10/25/07, the relaying and communications must be upgraded to eliminate false trips and mis-coordination of relays as well as the requirement to trip lines quickly enough to avoid system transient instability, which could lead to cascading outages. The first two years of the project completed the installation of fiberoptic communications to all the required substations. Year Two marked the beginning of relay upgrades in the Spokane area, and the remainder of the project will complete the relay upgrades as planned.

	Performance	Cost Summary - Increase/(Decrease) Capital Cost	O&M Cost	Other Costs	Business Risk Score
	Improved comm., relay operation, & avoidance of potential large system outage problems.	$ 7,274,676	$ -	$ -	1

Alternatives:		Performance	Capital Cost	O&M Cost	Other Costs	Business Risk Score
Status Quo:	Under certain operating conditions and fault scenarios, our 115 kV system in the greater Spokane-Couer d'Alene area is susceptible to potentially large transmission outages. Existing protection schemes and equipment cannot operate quickly enough to prevent these scenarios from occurring.	*n/a*	$ 100,000	$ 500,000	$ 500,000	6
Alternative 1: Brief name of alternative (if applicable)	Describe other options that were considered	describe any incremental changes in operations	$ -	$ -	$ -	0
Alternative 2: Brief name of alternative (if applicable)	Describe other options that were considered	describe any incremental changes in operations	$ -	$ -	$ -	0
Alternative 3 Name: Brief name of alternative (if applicable)	Describe other options that were considered	describe any incremental changes in operations	$ -	$ -	$ -	0

Timeline



Construction Cash Flows (CWIP)

	Capital Cost	O&M Cost	Other Costs	Approved
Previous	$ 2,624,675	$ -	$ -	$ 2,624,675
2012	$ 1,000,000	$ -	$ -	$ 1,000,000
2013	$ 1,250,000	$ -	$ -	$ 400,001
2014	$ 1,250,000	$ -	$ -	$ 1,000,000
2015	$ 1,000,000	$ -	$ -	$ 1,000,000
2016	$ -	$ -	$ -	$ 750,000
2017	$ -	$ -	$ -	$ 500,000
2018	$ -	$ -	$ -	$ -
Future	$ -	$ -	$ -	$ -
Total	$ 7,124,675	$ -	$ -	$ 7,274,676

Milestones (high level targets)

January-09	Start Communications Infrastructure - Spokane
January-10	Start Communications Infrastructure - Couer d'Alene
January-10	Start Relay Upgrades - Spokane
December-10	Complete Communications Infrastructure
January-11	Continue Spokane Area Relay Upgrades
January-13	Start Couer d'Alene Area Relay Upgrades
December-16	Complete Spokane Area Relay Upgrades
December-17	Complete Couer d'Alene Area Relay Upgrades

Associated ERs (list all applicable):	2217
Mandate Excerpt (if applicable):	Obligation to serve: Maintain a reliable system that meets customer demand and reliablity standards.

Additional Justifications:

This project is already in construction.
Additional documentation is available upon request including System Protection Documentation, Proposed Schedules and Priorities, Internal Substation Memos, meeting notes, etc.

Capital Investment Business Case

AVISTA

Resources Requirements: *(request forms and approvals attached)*

Internal Labor Availability:	☐ Low Probability	☐ Medium Probability	☑ High Probability	Enterprise Tech:	☐ YES - attach form	☑ NO or Not Required
Contract Labor:	☐ YES	☑ NO		Facilities:	☐ YES - attach form	☑ NO or Not Required
				Capital Tools:	☐ YES - attach form	☑ NO or Not Required
				Fleet:	☐ YES - attach form	☑ NO or Not Required

Check the appropriate box. The internal and contract labor boxes should be checked to indicate if the resource owners have been contacted and to provide a general sense of how likely staff will be provided (this does not require a firm commitment).

Key Performance Indicator(s)

Expected Performance Improvements

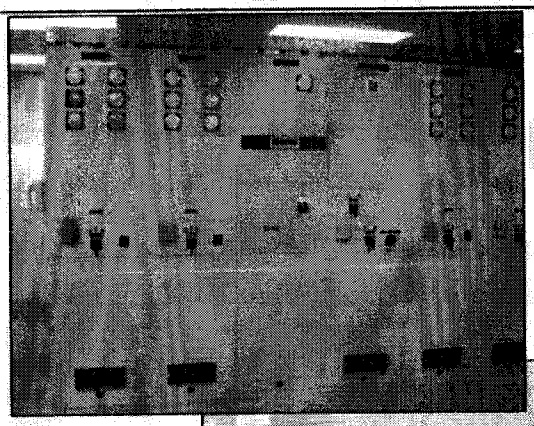
KPI Measure:	Complete 3 Line Relay Upgrades per year.

Prepared Mike Magruder, Manager - Substation Engineering

Reviewed Heather Rosentrater, Director - ENSO

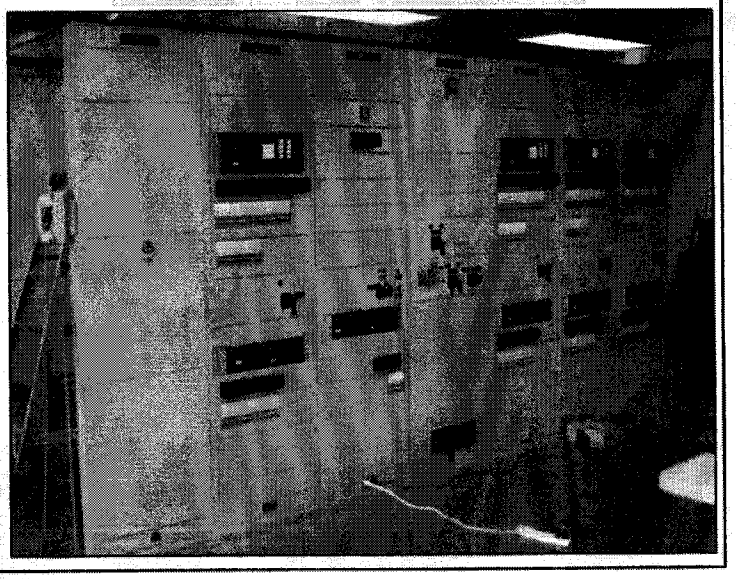
Reviewed Andy Vickers, Director - GPSS

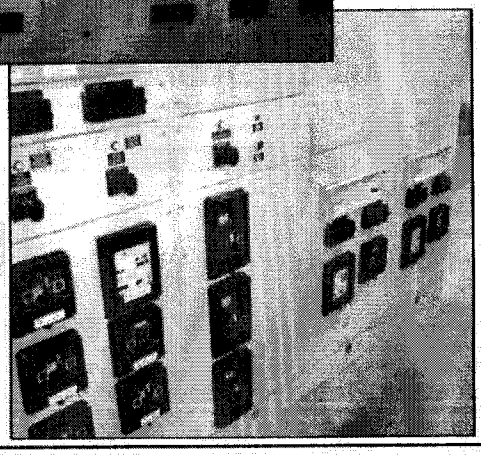
Otis Orchards 115 kV Switching Station



Old Control & Meter Panels

New Line Relay Panels (below) recently completed. New relays are microprocessor-based SEL relays using high-speed communications via the fiberoptic network previously installed.





Old Electromechanical Relays

To be completed by Capital Planning Group

Rationale for decision	Review Cycles 2012-2016	
	Date	Template

Exhibit No.__(DBD-5)
Attachment No.__ETD-16

AVISTA UTILITIES
2013-2016 CAPITAL PROJECTS

Functional Group: Electric Transmission / Distribution

Business Case Name: Substation - Asset Mgmt. Capital Maintenance

ER No:	ER Name:
2210	System-Working Space
2215	System - Replace High Voltage Breakers
2252	System - Replace/Install Relays
2253	System - Upgrade Meters
2260	System - Upgrade Surge Protection
2275	System - Rock/Fence Restore
2278	System-Replace Obsolete Reclosers
2280	System - Replace Obsolete Circuit Switchers
2293	SCADA - Install/Replace
2294	System - Batteries
2336	System - Replace Dist Power Xfmrs
2343	System - Replace/Install Substation Structures
2397	System - Install/Replace Borderline Metering
2425	System - High Voltage Fuse Upgrades
2449	System - Replace Substation Air Switches
2481	System-Replace/Install Capacitor Banks
2492	System-Install Autotransformer Diagnostic Monitor
2493	System-Replace/Upgrade Voltage Regulators
2505	System-Replace Current & Potential Devices
2273	Beacon ST YD-Oil Contain

Approved Business Case Spend Amount 2013-2016 ($000s - System): $16,400[1]

Transfer to Plant Amounts ($000s - System):

Year	Total	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2013	1,786							36	672	518	58	415	88
2014	4,100	220	345	162	363	1,537	220	100	392	262	406	87	
2015	4,100	220	345	162	363	1,537	220	100	392	262	406	87	
2016	4,100	220	345	162	363	1,537	220	100	392	262	406	87	

Business Case Description:
This program installs, replaces, or upgrades substation apparatus via Asset Management planning or emergency replacements. All obsolete, end-of-life, or failed apparatus are covered under this program. Apparatus includes panel houses and associated equipment, high voltage breakers, relays, metering, surge arresters, rock and fence, low voltage breakers/reclosers, circuit switchers, SCADA systems, batteries and chargers, power transformers, high voltage fuses, air switches, capacitor banks, autotransformer diagnostic equipment, step voltage regulators, and instrument transformers.

Offsets:
There are no anticipated offsets with this business case.

[1] The business case amount reflects approved capital expenditures for the years indicated and not transfers to plant.

Capital Program Business Case

AVISTA

Investment Name:	**Substation - Asset Mgmt. Capital Maintenance**
Requested Amount	**$4,100,000**
Duration/Timeframe	40 Year Program
Dept., Area:	T&D - Substation Engineering
Owner:	Heather Rosentreter
Sponsor:	Don Kopczynski
Category:	Program
Mandate/Reg. Reference:	n/a

Assessments:	
Financial:	Medium - >= 5% & <9% CIRR
Strategic:	Life Cycle Programs
Operational:	Operations require execution to perform at current levels
Business Risk:	ERM Reduction >5 and <= 10
Program Risk:	High certainty around cost, schedule and resources
Assessment Score:	89

Recommend Program Description:	**Performance**	**Annual Cost Summary - Increase/(Decrease) Capital Cost**	**O&M Cost**	**Other Costs**	**Business Risk Score**
This program installs, replaces, or upgrades substation apparatus via Asset Management planning or emergency replacements. All obsolete, end-of-life, or failed apparatus are covered under this program. Apparatus includes panelhouses and associated equipment, HV breakers, relays, metering, surge arresters, rock and fence, LV breakers/reclosers, circuit switchers, SCADA systems, batteries and chargers, power transformers, HV fuses, air switches, capacitor banks, autotransformer diagnostic equipment, step voltage regulators, and instrument transformers.	Renew asset life cycle; remove obsolete, end of life apparatus; upgrade; install new apparatus	$ 4,100,000	$ -	$ -	2

Alternatives:		**Performance**	**Annual Cost Summary - Increase/(Decrease) Capital Cost**	**O&M Cost**	**Other Costs**	**Business Risk Score**
Unfunded Program:	Maintain (to the best of our ability) all obsolete or end-of-life apparatus. Repair or replace equipment on emergency basis only. Some repairs would not be possible due to obsolescence. Considerably more, and longer, customer outages would result.	n/a	$ 500,000	$ 1,000,000	$ 500,000	12
Alternative 1: Brief name of alternative (if applicable)	Describe other options that were considered	describe any incremental changes in operations	$ -	$ -	$ -	0
Alternative 2: Brief name of alternative (if applicable)	Describe other options that were considered	describe any incremental changes in operations	$ -	$ -	$ -	0
Alternative 3 Name : Brief name of alternative (if applicable)	Describe other options that were considered	describe any incremental changes in operations	$ -	$ -	$ -	0

Program Cash Flows

5 years of costs

	Capital Cost	O&M Cost	Other Costs	Approved
2012	$ 4,100,000	$ -	$ -	$ 4,100,000
2013	$ 4,100,000	$ -	$ -	$ 4,100,020
2014	$ 4,100,000	$ -	$ -	$ 4,100,000
2015	$ 4,100,000	$ -	$ -	$ 4,100,000
2016	$ 4,100,000	$ -	$ -	$ 4,100,000
2017	$ 4,100,000			$ 4,100,000
2018	$ 4,100,000			$ 4,100,000
Total	$ 28,700,000	$ -	$ -	$ 28,700,020

Associated Ers (list all applicable):

2210	2215	2252	2253	2260
2275	2278	2280	2293	2294
2326	2336	2343	2397	2425
2449	2481	2492	2493	2505

Mandate Excerpt (if applicable):

Additional Justifications:

In general, this program is required for operations to perform at current levels as assessed above. However, it could easily be argued that the end results of Capital Maintenance actually improve operations beyond current levels as obsolete equipment is often replaced with apparatus of higher capacity and/or newer technology. If prudent, and if time, resources, and funding allow, we will take every opportunity to make improvements to substation operations when we perform Capital Maintenance.

Resources Requirements: *(request forms and approvals attached)*

Internal Labor Availability:	☐ Low Probability	☐ Medium Probability	☑ High Probability	Enterprise Tech:	☐ YES - attach form	☑ NO or Not Required
Contract Labor:	☐ YES	☑ NO		Facilities:	☐ YES - attach form	☑ NO or Not Required
				Capital Tools:	☐ YES - attach form	☑ NO or Not Required
				Fleet:	☐ YES - attach form	☑ NO or Not Required

Check the appropriate box. The internal and contract labor boxes should be checked to indicate if the resource owners have been contacted and to provide a general sense of how likely staff will be provided (this does not require a firm committment).

Capital Program Business Case

AVISTA

Key Performance Indicator(s)	
Expected Performance Improvements	
KPI Measure:	Meet AM Plan Requirements for all Apparatus
	Maintain or increase annual program spend to meet demand

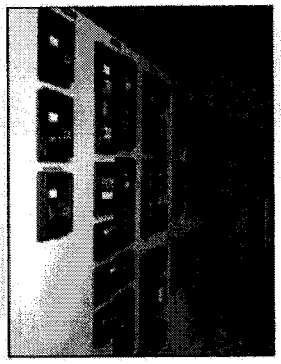
Prepared _____
Mike Magruder, Manager - Substation Engineering

Reviewed _____
Heather Rosentrater, Director - ENSO

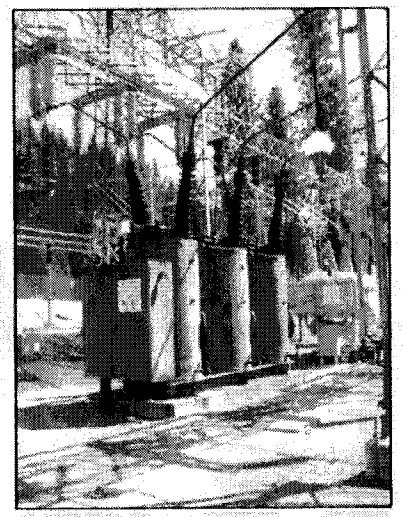
Reviewed _____
Andy Vickers, Director - GPSS

Capital Maintenance - Apparatus

Step Voltage Regulators
LV (13 kv) Breaker
Sunset Substation

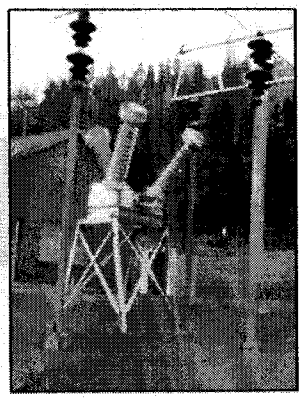


Electromechanical Relays
Westside Substation



Sunset Substation - 115 kV Oil Circuit Breaker A-198
HV Breaker - oldest breaker on Avista's system.

Hem Substation
115 kV Air Switch
115 kV Spill Gaps (to be replaced with Surge Arresters)
HV Fuses



Instrument Transformer
Old 3-phase bus PT
Sunset Substation

To be completed by Capital Planning Group		
Rationale for decision	Review Cycles 2012-2016	
	Date	Template

Exhibit No.__(DBD-5)
Attachment No.__ETD-17

AVISTA UTILITIES
2013-2016 CAPITAL PROJECTS

Functional Group: Electric Transmission / Distribution

Business Case Name: Substation - Capital Spares

ER No:	ER Name:
1006	Power Xfmr-Distribution
2000	Power Xfmr-Transmission
2001	Power Circuit Breaker

Approved Business Case Spend Amount 2013-2016 ($000s - System): $20,840[1]

Transfer to Plant Amounts ($000s - System):

Year	Total	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2013	495							13	88	289	4	100	
2014	3,050					1,103				300	1,497	150	
2015	8,545			250		1,150				240	400	6,505	
2016	2,565			250	100	950		300	300	250	165	250	

Business Case Description:
This program maintains our fleet of Power Transformers and High Voltage Circuit Breakers. This fleet of critical apparatus is capitalized upon receipt and placed in service for both planned and emergency installations as required. The annual program expenditures may vary significantly in years when an Autotransformer (230/115 kV) is purchased. In years without an Autotransformer purchase, only minor variations will occur based on planned projects as well as replenishing apparatus fleet levels required for adequate capital spares. These are long lead time items so apparatus levels need to be managed.

Offsets:
There are no anticipated offsets with this business case.

[1] The business case amount reflects approved capital expenditures for the years indicated and not transfers to plant.

Capital Program Business Case

AVISTA

Investment Name:	**Substation - Capital Spares**	**Assessments:**	
Requested Amount	**$4,720,000**	Financial:	Medium - >= 5% & <8% CIRR
Duration/Timeframe	50 Year Program	Strategic:	Life Cycle Programs
Dept.., Area:	T&D - Substation Engineering	Operational:	Operations require execution to perform at current levels
Owner:	Heather Rosentrater	Business Risk:	ERM Reduction >5 and <= 10
Sponsor:	Don Kopczynski	Program Risk:	High certainty around cost, schedule and resources
Category:	Program	Assessment Score:	89
Mandate/Reg. Reference:	n/a		

Recommend Program Description:	**Performance**	**Annual Cost Summary - Increase/(Decrease) Capital Cost**	**O&M Cost**	**Other Costs**	**Business Risk Score**
This program maintains our fleet of Power Transformers and High Voltage Circuit Breakers. This fleet of critical apparatus is capitalized upon receipt and placed in service for both planned and emergency installations as required. The annual program expenditures may vary significantly in years when an Autotransformer (230/115 kV) is purchased. In years without an Autotransformer purchase, only minor variations will occur based on planned projects as well as replenishing apparatus fleet levels required for adequate capital spares. These are long lead time items so apparatus levels need to be managed.	Renew asset life cycle; meet capacity requirements; adequate spare inventory	$ 4,720,000	$ -	$ -	1

Alternatives:		**Performance**	**Annual Cost Summary - Increase/(Decrease) Capital Cost**	**O&M Cost**	**Other Costs**	**Business Risk Score**
Unfunded Program:	We will not have vital system capital spares required to maintain our electric system in the event of failures (emergency), planned system improvements (reliability), or obligation to serve (growth). In addition, some of this apparatus may be required for compliance upgrades in reliability and capacity.	n/a	$ -	$ 500,000	$ 250,000	8
Alternative 1: Brief name of alternative (if applicable)	Describe other options that were considered	describe any incremental changes in operations	$ -	$ -	$ -	0
Alternative 2: Brief name of alternative (if applicable)	Describe other options that were considered	describe any incremental changes in operations	$ -	$ -	$ -	0
Alternative 3 Name: Brief name of alternative (if applicable)	Describe other options that were considered	describe any incremental changes in operations	$ -	$ -	$ -	0

Program Cash Flows

5 years of costs

	Capital Cost	O&M Cost	Other Costs	Approved
2012	$ 3,835,000	$ -	$ -	$ 2,535,000
2013	$ 4,865,000	$ -	$ -	$ 4,980,100
2014	$ 5,115,000	$ -	$ -	$ 3,550,000
2015	$ 9,045,000	$ -	$ -	$ 8,045,080
2016	$ 4,265,000	$ -	$ -	$ 4,265,000
2017	$ 5,800,000			$ 5,800,000
2018	$ 3,865,000			$ 3,865,000
Total	$ 36,790,000	$ -	$ -	$ 33,040,100
	7-year average annual projected spend:			$ 4,720,014

Associated Ers (list all applicable):

1006	2000	2001		

Mandate Excerpt (if applicable):

Obligation to serve: Long lead time capital spares are required to meet system needs and service expectations.

Additional Justifications:

Transformers and High Voltage Circuit Breakers (capital spares) are placed in service based on requirements and need. Replacement transformers and breakers are purchased to maintain required capital spares count. This is managed closely by Substation Engineering with annual reviews of capital spares and planned needs.
In general, this is a Life Cycle Program for these assets. This Program also includes a Reliability and Capacity (improved reliability and growth) component as well as a Mandatory (Compliance) component.
Commodity pricing and manufacturer lead times can be variable which can lead to increased costs and/or delayed receipt.

Resources Requirements: *(request forms and approvals attached)*

Internal Labor Availability:	☐ Low Probability	☐ Medium Probability	☑ High Probability	Enterprise Tech:	☐ YES - attach form	☑ NO or Not Required
Contract Labor:	☑ YES	☐ NO		Facilities:	☐ YES - attach form	☑ NO or Not Required
				Capital Tools:	☐ YES - attach form	☑ NO or Not Required
				Fleet:	☐ YES - attach form	☑ NO or Not Required

Check the appropriate box. The internal and contract labor boxes should be checked to indicate if the resource owners have been contacted and to provide a general sense of how likely staff will be provided (this does not require a firm commitment).

Capital Program Business Case

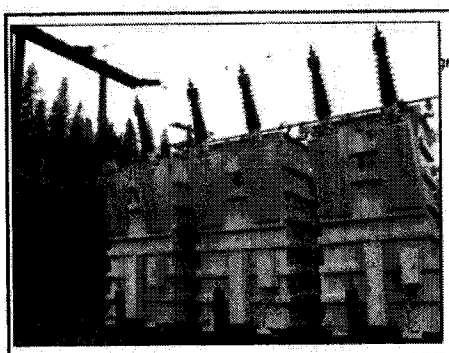
AVISTA

Key Performance Indicator(s)	
Expected Performance Improvements	
KPI Measure:	Annual capital spares review and summary report.
	Every capital spare will be justified.

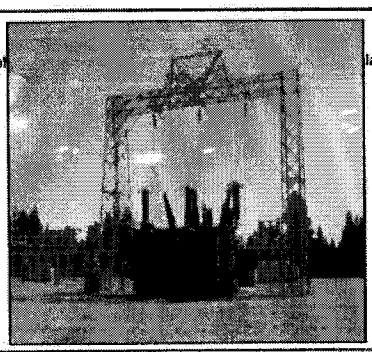
Prepared Michael G. Magruder
Mike Magruder, Manager - Substation Engineering

Reviewed Heather Rosentrater
Heather Rosentrater, Director - ENSO

Other Party Review signature
(if necessary) Director/Manager



graph



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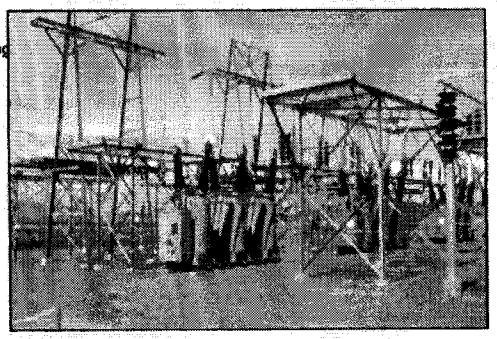
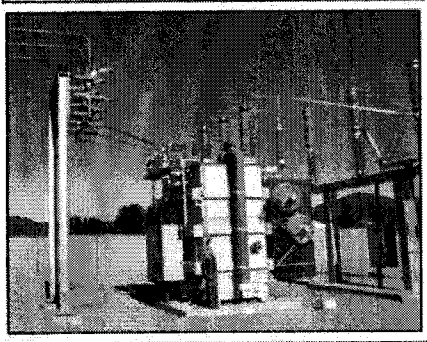
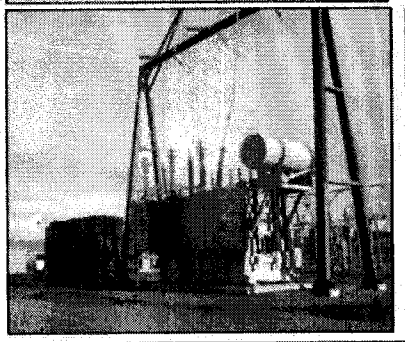


ER 1006: Distribution Power Transformers
Older single phase units shown above from Kooskia 115 kV Sub.
New 3-phase unit shown below from Idaho Road 115 kV Sub.

ER 2000: Transmission Power Transformers
Older unit shown above from Westside 230 kV Sub.
New unit (and old one next to it) shown below from Benewah 230 kV Sub.

ER 2001: Power Circuit Breakers
Older 115 kV Oil Circuit Breakers (above) from Lolo Sub.
New 115 kV Gas Circuit Breakers (below) from Benewah Sub.





To be completed by Capital Planning Group

Rationale for decision	Review Cycles 2012-2016	
	Date	Template

Exhibit No.__(DBD-5)
Attachment No.__ETD-18

AVISTA UTILITIES
2013-2016 CAPITAL PROJECTS

Functional Group: Electric Transmission / Distribution

Business Case Name: Substation - Distribution Substation Rebuilds

ER No:	ER Name:		
2204	System Wood Substation Rebuilds	2562	Grangeville 115 kV Sub - Rebuild
2283	Millwood Sub - Rebuild	2563	Stratford 115kV - Upgrade Bus
2285	Sunset Sub - Rebuild	2565	Ford 115 kV - Rebuild Substation
2317	Lyons & Standard 115 Sub-Increase Capacity	2566	Northwest 115 kV - Rebuild Substation
2341	Ninth & Central Sub - Increase Capacity & Rebuild	2567	Chester 115 kV - Rebuild Substation
2342	Pine Creek 230 Sub-Rebuild Dist/Replace Cap Bank	2568	Metro 115 kV - Rebuild Substation
2465	Bronx - 115-21kV	2569	Gifford 115 kV - Rebuild Substation
2502	N. Moscow - Increase Capacity	2306	Appleway Sub - Rebuild
2521	St Maries 634 Cx Fdr	2390	Otis Orchards 115-Replace PCBs & Relays
2522	10th & Stewart Dx Int	2538	College & Walnut Substation Yard Expansion
2533	Pullman Substation - Rebuild	2572	Noxon Construction Sub - Minor Rebuild
2546	Blue Creek 115 kV - Rebuild	2573	Little Fall 115 kV Sub - Rebuild
2547	Lucky Friday 115 kV - Rebuild		

Approved Business Case Spend Amount 2013-2016 ($000s - System): $25,215[1]

Transfer to Plant Amounts ($000s - System):

Year	Total	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2013	1,241							8	128	15	41		1,050
2014	3,230	6	6	6	6	6	6	1,606	6	581	506	6	486
2015	3,125	33	33	33	183	2,333	33	33	33	33	33	33	308
2016	6,870	17	17	17	17	17	17	2,717	17	1,417	17	2,017	587

Business Case Description:
This program replaces and/or rebuilds existing substations as they reach the end of their useful lives, require increased capacity, or cannot accommodate necessary equipment upgrades due to existing physical constraints. Included are Wood Substation rebuilds as well as upgrading stations to current design and construction standards. Some station rebuilds may be initiated by other requirements, including obligation to serve, growth, and external projects. Examples of substation rebuilds to be completed under this program in the next 5 years are Big Creek & Kamiah (Wood Substation), Millwood (Life Cycle), Turner (Smart Grid Investment Grant), Blue Creek (Productivity), Lucky Friday (Growth), and Pine Creek Distribution (Life Cycle).

Offsets:
There are no anticipated offsets with this business case.

[1] The business case amount reflects approved capital expenditures for the years indicated and not transfers to plant.

Capital Program Business Case

AVISTA

Investment Name:	**Substation - Distribution Station Rebuilds**
Requested Amount	**$8,168,573**
Duration/Timeframe	50 Year Program
Dept.., Area:	T&D - Substation Engineering
Owner:	Heather Rosentrater
Sponsor:	Don Kopczynski
Category:	Program
Mandate/Reg. Reference:	n/a

Assessments:	
Financial:	MH - >= 9% & <12% CIRR
Strategic:	Life Cycle Programs
Operational:	Operations improved beyond current levels
Business Risk:	ERM Reduction >5 and <= 10
Program Risk:	High certainty around cost, schedule and resources
Assessment Score:	105

Recommend Program Description:	**Performance**	**Annual Cost Summary - Increase/(Decrease)** Capital Cost	O&M Cost	Other Costs	Business Risk Score
This program replaces and/or rebuilds existing substations as they reach the end of their useful lives, require increased capacity, or cannot accommodate necessary equipment upgrades due to existing physical constraints. Included are Wood Sub rebuilds as well as upgrading stations to current design and construction standards. Some station rebuilds may be initiated by other requirements, including obligation to serve, growth, and external projects (e.g. Smart Grid). Examples of substation rebuilds to be completed under this program in the next 5 years are Big Creek & Kamiah (Wood Subs), Millwood (Life Cycle), Turner (SGIG), Blue Creek (Productivity), Lucky Friday (Growth), and Pine Creek Distribution (Life Cycle).	Improved performance, upgraded equipment, better status & control, new life cycle.	$ 8,168,573	$ -	$ -	1

Alternatives:		**Performance**	**Annual Cost Summary - Increase/(Decrease)** Capital Cost	O&M Cost	Other Costs	Business Risk Score
Unfunded Program:	Obsolete and/or high loss equipment, deteriorated wood structures, and non-standard construction or equipment would remain in service until failure. Some stations may need additional capacity for growth or may not be suitable for required expansions to meet other (e.g. Regulatory, SGIG) needs.	Relatively high probability of a station failure within 10 yrs.	$ 1,000,000	$ 500,000	$ 250,000	8
Alternative 1: Planned Equipment Replacements.	Continuation of non-standard construction practices and configurations leading to considerably slower and more dangerous working conditions for field crews. This would only allow for minimal improvements to the subs while requiring more O&M to maintain aging infrastructure and equipment.	Performance remains at current levels; min. improve	$ 1,500,000	$ 500,000	$ -	4
Alternative 2: Brief name of alternative (if applicable)	Describe other options that were considered	describe any incremental changes in operations	$ -	$ -	$ -	0
Alternative 3 Name: Brief name of alternative (if applicable)	Describe other options that were considered	describe any incremental changes in operations	$ -	$ -	$ -	0

Program Cash Flows
5 years of costs

	Capital Cost	O&M Cost	Other Costs	Approved
2012	$ 7,750,000	$ -	$ -	$ 7,750,000
2013	$ 8,350,000	$ -	$ -	$ 5,060,013
2014	$ 7,680,000	$ -	$ -	$ 5,505,000
2015	$ 7,635,000	$ -	$ -	$ 6,240,000
2016	$ 7,585,000	$ -	$ -	$ 8,410,000
2017				$ 12,140,000
2018				$ 12,075,000
Total	$ 39,000,000	$ -	$ -	$ 57,180,013
			7-year average projected spend:	$ 8,168,573

Associated Ers (list all applicable):

2204	2283	2285	2341	2465
2502	2521	2522	2546	2562
2563	2565	2566	2567	2568
2569	2572	2573		

Mandate Excerpt (If applicable):
Obligation to serve. Specific substations may require rebuild for increased capacity due to load growth.

Additional Justifications:
This program replaces substations that are at the end of their life cycle or require rebuild for other reasons including capacity, reliability, growth, and contractual or regulatory obligations. Some substations, like Lucky Friday, could be standalone projects under the Mandatory category since we have to meet customer load growth. Therefore, cuts to this program need to be closely evaluated.
Program Link: Substation transmission integration budget dollars ($415k - $435k) are included in this program.
Program Link: Substation distribution integration budget dollars ($300k - $1.15M) are included in this program.

Resources Requirements: *(request forms and approvals attached)*

Internal Labor Availability:	☐ Low Probability	☐ Medium Probability	☑ High Probability	Enterprise Tech:	☐ YES - attach form	☑ NO or Not Required
Contract Labor:	☐ YES	☑ NO		Facilities:	☐ YES - attach form	☑ NO or Not Required
				Capital Tools:	☐ YES - attach form	☑ NO or Not Required
				Fleet:	☐ YES - attach form	☑ NO or Not Required

Check the appropriate box. The internal and contract labor boxes should be checked to indicate if the resource owners have been contacted and to provide a general sense of how likely staff will be provided (this does not require a firm commitment).

Capital Program Business Case

AVISTA

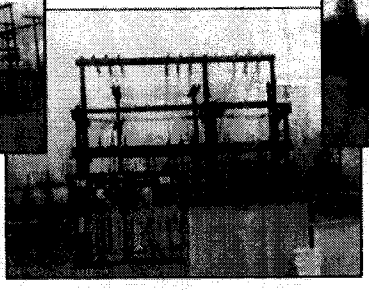
Key Performance Indicator(s)	
Expected Performance Improvements	
KPI Measure:	Complete 3 rebuilds per year.
	Complete Metro Sub EPC Rebuild by 2018.

Prepared Mike Magruder, Manager - Substation Engineering

Reviewed Heather Rosentrater, Director - ENSO

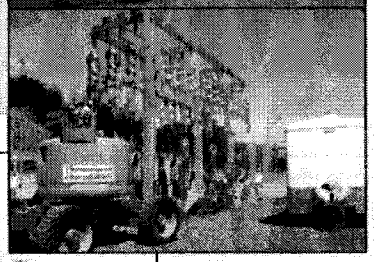
Reviewed Andy Vickers, Director - GPSS

Millwood Sub - 1950's vintage substation. Switchgear and partial wood sub. Also serves IEP.



Blue Creek Sub (Below) - Productivity is driving the replacement of the "lossy" transformers, which is driving the rebuild of the station to add oil containment, SCADA, better protection, a panelhouse, and a new feeder addition. Plus more...

Turner Sub (Right) - Under construction (Aug. 2011). To be completed in 2012. Photos show today's standard design and construction for reference. Rebuilds will be similar construction.



Lucky Friday Sub (Left) - Growth is driving this rebuild as the Lucky Friday Mine is adding between 2-8 MW over the next 10 years starting as early as Fall of 2012. Increasing capacity is requiring a rebuild for the required protection, SCADA, oil containment, and a second feeder. Included will be a space for a Mobile Sub installation.

To be completed by Capital Planning Group		
Rationale for decision	**Review Cycles** 2012-2016	
	Date	**Template**

Exhibit No.__(DBD-5)
Attachment No.__ETD-19

AVISTA UTILITIES
2013-2016 CAPITAL PROJECTS

Functional Group: Electric Transmission / Distribution

Business Case Name: Substation - New Distribution Substations

ER No:	ER Name:
2274	Tamarack 115Kv Sub-Construction
2322	Downtown West Sub - Property
2443	Greenacres 115-13kV Sub - New Construct
2479	Hillyard 115-13kV Substation
2583	Lewiston Mill Road- Dx Line Integration
2587	Irvin 115-13 kV Sub - Add Distribution Station
2398	Wheatland 115Sub-Const New Sub&2 Feeders

Approved Business Case Spend Amount 2013-2016 ($000s - System): $4,740[1]

Transfer to Plant Amounts ($000s - System):

Year	Total	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2013	373										273		100
2014	379												379
2015	2,045					2,045							
2016													

Business Case Description:
This program adds new distribution substations to the system in order to serve new and growing load as well as for increased system reliability and operational flexibility. New substations under this program will require planning and operational studies, justifications, and approved project diagrams prior to funding. Planned new substation projects include Tamarack (NE Moscow), Greenacres and Irvin (Spokane Valley), Hillyard and Downtown West (Spokane). Out years include construction for these and design and construction for one new substation per year on average depending on need and justifications.

Offsets:
There are no anticipated offsets with this business case.

[1] The business case amount reflects approved capital expenditures for the years indicated and not transfers to plant.

AVISTA

Capital Program Business Case

Investment Name:	**Substation - New Distribution Stations**		
Requested Amount	**$1,430,714**	**Assessments:**	
Duration/Timeframe	50 Year Program	Financial:	Medium - >= 5% & <9% CIRR
Dept.., Area:	T&D - Substation Engineering	Strategic:	Reliability & Capacity
Owner:	Heather Rosentrater	Operational:	Operations require execution to perform at current levels
Sponsor:	Don Kopczynski	Business Risk:	ERM Reduction >5 and <= 10
Category:	Program	Program Risk:	High certainty around cost, schedule and resources
Mandate/Reg. Reference:	n/a	Assessment Score:	80

Recommend Program Description:	**Performance**	**Annual Cost Summary - Increase/(Decrease)**			
		Capital Cost	**O&M Cost**	**Other Costs**	**Business Risk Score**
This program adds new distribution substations to the system in order to serve new and growing load as well as for increased system reliability and operational flexibility. New substations under this program will require planning and operational studies, justifications, and approved Project Diagrams prior to funding. This documentation will be included with this business case. Planned new substation projects include Tamarack (NE Moscow), Greenacres and Irvin (Spokane Valley), Hillyard and Downtown West (Spokane). Out years include construction for these and design and construction for 1 new substation per year on average depending on need and justifications.	Improved performance, reliability, operational flexibility; Obligation to Serve.	$ 1,430,714	$ -	$ -	1

Alternatives:		**Performance**	**Annual Cost Summary - Increase/(Decrease)**			
			Capital Cost	**O&M Cost**	**Other Costs**	**Business Risk Score**
Unfunded Program:	Without adding new substations as justified, we would not be able to adequately meet our obligation to serve.	Unable to add load to system; poor system operation.		$ 250,000	$ 250,000	9
Alternative 1: Extend Feeders; Increase Substation Capacities	Extension of distribution feeders from neighboring substations and increased capacity at those substations would be required at a minimum. The negative impact is most certainly reduced reliability and difficulty in long term maintenance and system operation. Increased liability would result.	Longer outages for more customers; system stress.	$ 1,000,000	$ 150,000	$ -	6
Alternative 2: Brief name of alternative (if applicable)	Describe other options that were considered	describe any incremental changes in operations	$ -	$ -	$ -	0
Alternative 3 Name: Brief name of alternative (if applicable)	Describe other options that were considered	describe any incremental changes in operations	$ -	$ -	$ -	0

Program Cash Flows

5 years of costs

	Capital Cost	O&M Cost	Other Costs	Approved
2012	$ 1,275,000	$ -	$ -	$ 250,000
2013	$ 8,220,000	$ -	$ -	$ 775,001
2014	$ 1,400,000	$ -	$ -	$ 1,590,000
2015	$ 2,750,000	$ -	$ -	$ 1,025,000
2016	$ 2,000,000	$ -	$ -	$ 1,350,000
2017				$ 1,725,000
2018				$ 3,300,000
Total	$ 15,645,000	$ -	$ -	$ 10,015,001
			7-year average projected spend:	$ 1,430,714

Associated Ers (list all applicable):

2274	2321	2322	2398	2443
2459	2479	2480	2587	

Mandate Excerpt (if applicable):

Obligation to serve: Substations will need to be added to the system as justified for increased capacity and operational reliability requirements due to load growth.

Additional Justifications:

New distribution substations added to the system for load growth and reliability are critical to the long term operation of the system. As load demands increase and customer expectations rise regarding reliability, incremental distribution substation capacity is required. This allows for improved operational flexibility, better system reliability, and easier routine maintenance scheduling as equipment is more easily taken out of service because load can be transferred.
Program Link: Substation transmission integration budget dollars ($20k - $3.45M) are included in this program. The Bovill Sub transmission line is budgeted for $3.45M in 2013.
Program Link: Substation distribution integration budget dollars ($25k - $500k) are included in this program. The Bovill Sub distribution integration is budgeted for $500k in 2013.

Resources Requirements: *(request forms and approvals attached)*

Internal Labor Availability:	☐ Low Probability	☑ Medium Probability	☐ High Probability	Enterprise Tech:	☐ YES - attach form	☑ NO or Not Required
Contract Labor:	☑ YES	☐ NO		Facilities:	☐ YES - attach form	☑ NO or Not Required
				Capital Tools:	☐ YES - attach form	☑ NO or Not Required
				Fleet:	☐ YES - attach form	☑ NO or Not Required

Check the appropriate box. The internal and contract labor boxes should be checked to indicate if the resource owners have been contacted and to provide a general sense of how likely staff will be provided (this does not require a firm commitment).

Capital Program Business Case

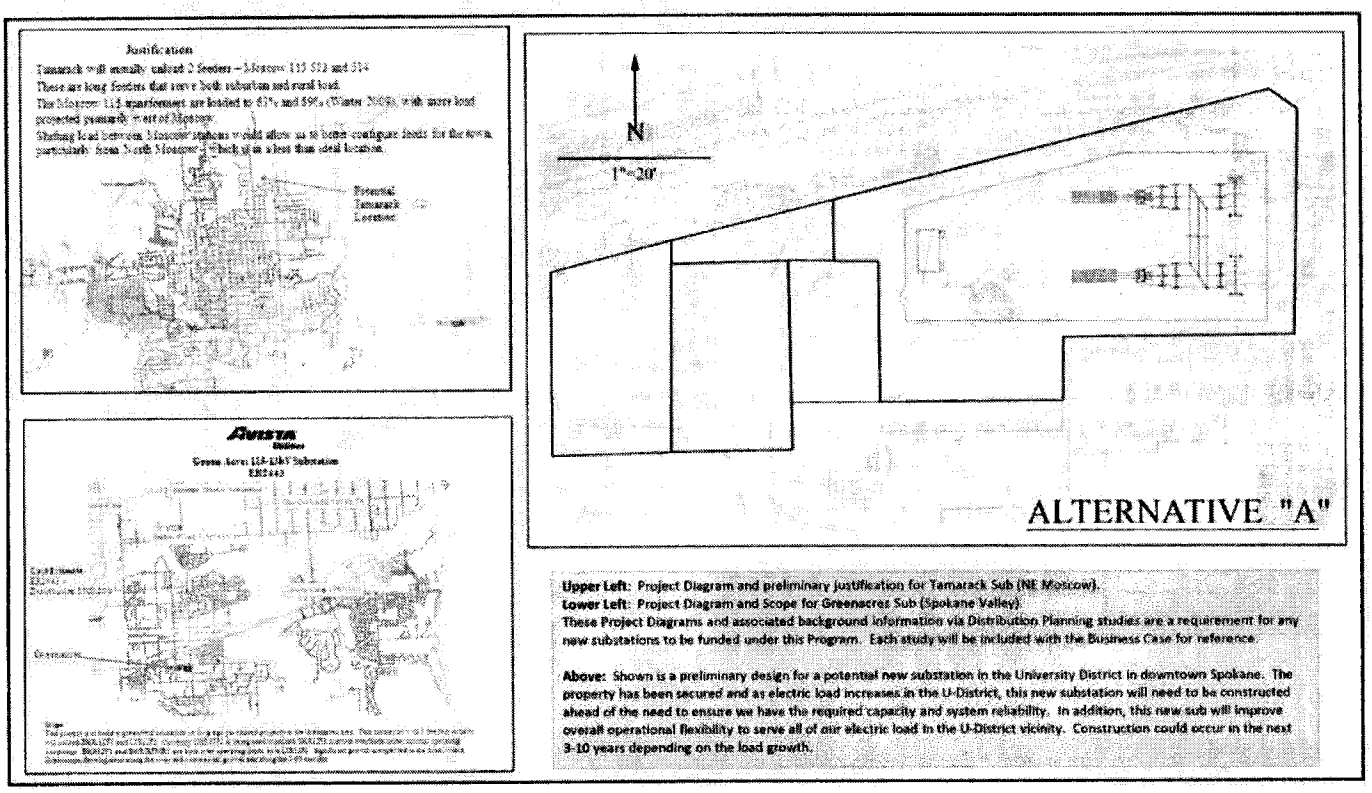
AVISTA

Key Performance Indicator(s)	
Expected Performance Improvements	
KPI Measure:	Energize new subs before need as justified.

Prepared Michael A. Magruder
Mike Magruder, Manager - Substation Engineering

Reviewed
Heather Rosentrater, Director - ENSO

Reviewed
Andy Vickers, Director - GPSS



Upper Left: Project Diagram and preliminary justification for Tamarack Sub (NE Moscow).
Lower Left: Project Diagram and Scope for Greenacres Sub (Spokane Valley).
These Project Diagrams and associated background information via Distribution Planning studies are a requirement for any new substations to be funded under this Program. Each study will be included with the Business Case for reference.

Above: Shown is a preliminary design for a potential new substation in the University District in downtown Spokane. The property has been secured and as electric load increases in the U-District, this new substation will need to be constructed ahead of the need to ensure we have the required capacity and system reliability. In addition, this new sub will improve overall operational flexibility to serve all of our electric load in the U-District vicinity. Construction could occur in the next 3-10 years depending on the load growth.

To be completed by Capital Planning Group

Rationale for decision	Review Cycles 2012-2016	
	Date	Template

Exhibit No.__(DBD-5)
Attachment No.__ETD-20

AVISTA UTILITIES
2013-2016 CAPITAL PROJECTS

Functional Group: Electric Transmission / Distribution

Business Case Name: Tribal Permits and Settlements

ER No: **ER Name:**
2301 Tribal Permits and Settlements

Approved Business Case Spend Amount 2013-2016 ($000s - System): **$2,570[1]**

Transfer to Plant Amounts ($000s - System):

Year	Total	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2013	103							6	6	5	6		81
2014	495	7	7	110	7	7	110	7	7	110	7	7	110
2015	1,430			358			358			358			357
2016	315			79			79			79			79

Business Case Description:
Avista has hydroelectric, transmission, distribution and substation facilities located on the Coeur d'Alene, Colville, Flathead (Salish/Kootenai), Nez Perce and Spokane Tribe Reservations. These facilities are essential components of our energy resource and delivery systems. Avista is required to obtain permits from the Bureau of Indian Affairs (BIA) for its facilities on land held in trust by the federal government for Tribes and/or individual tribal members. Through some of its tribal settlements, Avista obtained the necessary tribal consent and BIA permits for its facilities on tribal trust land. However, Avista needs to renew approximately 700 rights of way permits for other facilities on Trust Land. The original permits were obtained 50+ years ago and the renewal process can be time-consuming (multiple years) and costly. Some of the permits may be in a trespass situation. Avista is actively working with the BIA and the Tribes to file renewal applications and complete the renewal process.

Offsets:
There are no anticipated offsets with this business case.

[1] The business case amount reflects approved capital expenditures for the years indicated and not transfers to plant.

AVISTA

Capital Program Business Case

Investment Name:	**Tribal Permits anad Settlements**
Requested Amount	**$325,000**
Duration/Timeframe	5 years Year Program
Dept., Area:	Real Estate for Native American Relations
Owner:	Toni Pessemier
Sponsor:	Jason Thackston
Category:	Program
Mandate/Reg. Reference:	25 U.S.C. 323 & 357; 25 CFR 189

Assessments:	
Financial:	High - Exceeds 12% CIRR
Strategic:	Reliability & Capacity
Operational:	Operations require execution to perform at current levels
Business Risk:	ERM Reduction >5 and <= 10
Program Risk:	High certainty around cost, schedule and resources
Assessment Score:	94

Recommend Program Description:

Avista has hydro, transmission/distribution and substation facilities on the Coeur d'Alene, Colville, Flathead (Salish/Kootenai), Nez Perce and Spokane Tribe Reservations. These facilities are essential components of our energy resource and delivery systems. Avista is required to obtain permits from the Bureau of Indian Affairs (BIA) for its facilities on land held in trust by the federal government for Tribes and/or individual tribal members. through some of its tribal settlements, Avista obtained the necessary tribal consent and BIA permits for its facilities on tribal trust land. However, Avista needs to renew approximately 700 rights of way permits for other facilities on Trust Land. The original permits were obtained 50+ years ago and the renewal process can be time-consuming (multiple years) and costly. Some of th epermits may be in a trespass situation. Avista is actively working with the BIA and the Tribes to file renewal applications and complete the renewal process.

	Performance	Annual Cost Summary - Increase/(Decrease) Capital Cost	O&M Cost	Other Costs	Business Risk Score
	Maintaining facilities in existing locations versus costs of having to relocate	$ 325,000	$ -	$ -	8

Alternatives:		Performance	Capital Cost	O&M Cost	Other Costs	Business Risk Score
Unfunded Program:	If permits remain expired or allowed to continue to expire, our facilities will be in a trespass situation exposing the company to litigation and poor media exposure. Additional construction would be required to re-route lines.	Lines could be removed from service impacting	$ 10,000,000	$ -	$ 1,000,000	16
Alternative 1: Relocation of facilities	Relocation of distribution, 115kV Transmission and 230kV Transmission facilities off reservation and onto road rights of way or private property would involve unplanned man-hours, fleet and equipment, as well as appraisals, surveys, title reports, easements and compensation.	Restore service to today's system.	$ 10,000,000	$ -		0
Alternative 2: Brief name of alternative (if applicable)	Describe other options that were considered	describe any incremental changes in operations	$ -	$ -	$ -	0
Alternative 3 Name: Brief name of alternative (if applicable)	Describe other options that were considered	describe any incremental changes in operations	$ -	$ -	$ -	0

Program Cash Flows

5 years of costs

	Capital Cost	O&M Cost	Other Costs	Approved
2012	$ 325,000	$ -	$ -	$ 325,000
2013	$ 325,000	$ -	$ -	$ 325,000
2014	$ 500,000	$ -	$ -	$ 500,000
2015	$ 1,250,000	$ -	$ -	$ 1,430,000
2016	$ 250,000	$ -	$ -	$ 315,000
2017	$ 300,000			$ 300,000
2018	$ 250,000			$ 250,000
Total	$ 3,200,000	$ -	$ -	$ 3,445,000

Associated Ers (list all applicable):

Current ER	2301			

Mandate Excerpt (if applicable):

25 U.S.C. 323 (Tribal Trust Lands); 25 U.S.C. 357 (Allotted Lands) and 25 CFR 189 (process)

Additional Justifications:

If Avista is unable to obtain its needed rights of way (ROW) across Tribal Trust, Tribal Fee and Allotted lands, the financial risk to Avista is significant. For example, Avista could be exposed to trespass damages and the requirement that it move, at substantial epense, its lines and facilities.

Resources Requirements: *(request forms and approvals attached)*

Internal Labor Availability:	☐ Low Probability	☐ Medium Probability	☐ High Probability	Enterprise Tech:	☐ YES - attach form	☑ NO or Not Required
Contract Labor:	☑ YES	☐ NO		Facilities:	☐ YES - attach form	☑ NO or Not Required
				Capital Tools:	☐ YES - attach form	☑ NO or Not Required
				Fleet:	☐ YES - attach form	☑ NO or Not Required

Check the appropriate box. The internal and contract labor boxes should be checked to indicate if the resource owners have been contacted and to provide a general sense of how likely staff will be provided (this does not require a firm committment).

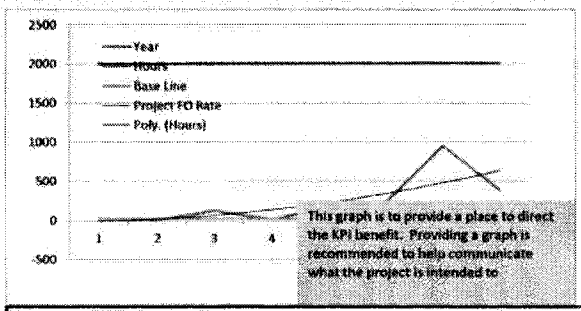
AVISTA

Capital Program Business Case

Key Performance Indicator(s)

Expected Performance Improvements

KPI Measure:	Fill in the name of the KPI here
	Fill in the name of the KPI here



Prepared signature 11-15-13

Reviewed signature
Director/Manager

Other Party Review signature
(if necessary)
Director/Manager

This space is to be used for photographs, charts, or other data that may be useful in evaulating the Program

To be completed by Capital Planning Group

Rationale for decision	Review Cycles 2012-2016	
	Date	Template

Exhibit No.__(DBD-5)
Attachment No.__ETD-21

AVISTA UTILITIES
2013-2016 CAPITAL PROJECTS

Functional Group: Electric Transmission / Distribution

Business Case Name: Worst Feeders

ER No: **ER Name:**
2414 Sys-Dist Reliability-Improve Worst Feeders

Approved Business Case Spend Amount 2013-2016 ($000s - System): $7,001[1]

Transfer to Plant Amounts ($000s - System):

Year	Total	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2013	500									-1	1	500	
2014	1,500											149	1,350
2015	2,000	167	167	167	167	167	167	167	167	167	167	167	167
2016	2,000	167	167	167	167	167	167	167	167	167	167	167	167

Business Case Description:
Initiating in 2009, ER 2414- "Worst Feeders" was proposed by Asset Management to improve the service reliability of the Company's worst performing electric distribution circuits. Many rural feeders significantly exceed the Company SAIFI target of 2.1. This program is coordinated through divisional Area Engineers to identify treatment of these feeders. Work plans may include, reconstruction, hardening, vegetation management, conversion from overhead to underground, enhanced protection, and relocation.

Offsets:
O&M offsets associated with this business case may occur in the future, however, they are not quantifiable at this time.

[1] The business case amount reflects approved capital expenditures for the years indicated and not transfers to plant.

AVISTA

Capital Program Business Case

Investment Name:	**Underperforming Elec Ckts (Worst FDRs)**
Requested Amount	**$2,000,000**
Duration/Timeframe	on-going Year Program
Dept., Area:	Engineering/Operations
Owner:	Rosentrater/James
Sponsor:	Don Kopczynski
Category:	Program
Mandate/Reg. Reference:	n/a

Assessments:	
Financial:	Medium - >= 5% & <9% CIRR
Strategic:	Life Cycle Programs
Operational:	Operations require execution to perform at current levels
Business Risk:	ERM Reduction >5 and <= 10
Program Risk:	Moderate certainty around cost, schedule and resources
Assessment Score:	84

Recommend Program Description:	**Performance**	**Annual Cost Summary - Increase/(Decrease) Capital Cost**	**O&M Cost**	**Other Costs**	**Business Risk Score**
Initiating in 2009, ER 2414- "Worst Feeders" was proposed by Asset Management to improve the service reliability of the Company's worst-performing electric distribution circuits. Many rural feeders significantly exceed the Company SAIFI target of 2.1. This program is coordinated through divisional Area Engineers to identify treatment of these feeders. Work plans may include, reconstruction, hardening, vegetation management, conversion from OH to UG, enhanced protection, and relocation.	Improve the overall system performance of the Company's "top ten" worst feeders.	$ 2,000,000	$ -	$ -	12

Alternatives:		**Performance**	**Annual Cost Summary - Increase/(Decrease) Capital Cost**	**O&M Cost**	**Other Costs**	**Business Risk Score**
Unfunded Program:	Rural area reliability indices expected to worsen as infrastructure ages and deteriotes. Expect customer contacts to local media and state government and regulatory bodies.	Ten to twenty rural FDRs whose SAIFI exceeds 10	$ -	$ -	$ -	20
50% funding	Funding at $1,000,000 would restrict current treatment to top five worst feeders.	annual spend restricted to top five worst feeders	$ 1,000,000	$ -	$ -	12
25% funding	Funding at 500,000 would restrict treatment to enhanced protection only (adding midline reclosers, additional fusing)	work plan restricted to enhanced protection	$ 500,000	$ -	$ -	0
		describe any incremental changes in operations	$ -	$ -	$ -	0

Program Cash Flows

5 years of costs

	Capital Cost	O&M Cost	Other Costs	Approved
2012	$ 2,000,000	$ -	$ -	$ 1,500,000
2013	$ 2,000,000	$ -	$ -	$ 1,500,750
2014	$ 2,000,000	$ -	$ -	$ 1,500,000
2015	$ 2,000,000	$ -	$ -	$ 2,000,000
2016	$ 2,000,000			$ 2,000,000
2017	$ 2,000,000			$ 2,000,000
2018	$ 2,000,000	$ -	$ -	$ 2,000,000
Total	$ 14,000,000	$ -	$ -	$ 12,500,750

Associated Ers (list all applicable):

Current ER	2414			

Mandate Excerpt (if applicable):

Additional Justifications:

Any supplementary information that may be useful in describing in more detail the nature of the Program, the urgency, etc

Resources Requirements: *(request forms and approvals attached)*

Internal Labor Availability:	☐ Low Probability	☑ Medium Probability	☐ High Probability	Enterprise Tech:	☐ YES - attach form	☑ NO or Not Required
Contract Labor:	☑ YES	☐ NO		Facilities:	☐ YES - attach form	☑ NO or Not Required
				Capital Tools:	☐ YES - attach form	☑ NO or Not Required
				Fleet:	☐ YES - attach form	☑ NO or Not Required

Check the appropriate box. The internal and contract labor boxes should be checked to indicate if the resource owners have been contacted and to provide a general sense of how likely staff will be provided (this does not require a firm commitment).

AVISTA

Capital Program Business Case

Key Performance Indicator(s)	
Expected Performance Improvements	
KPI Measure:	Monitor SAIFI

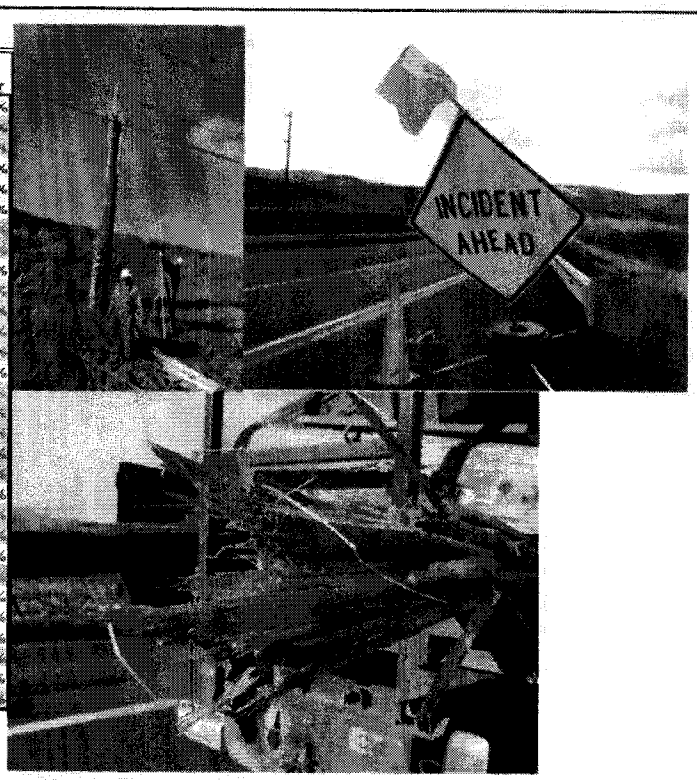
Prepared signature 11-11-13

Reviewed signature 11-11-13
Director/Manager

Other Party Review (if necessary) signature
Director/Manager

2006-2012 SAIFI

Feeder	7-yr Rank	7-yr Ave	3-yr Rank	3-yr Ave	%Dif 3yr v. 7yr	1-yr Rank	% Dif 1yr v 3yr
GRV1273	1	21.02	1	13.07	38%	3	23%
DER651	2	10.44	2	8.97	14%	12	41%
GIF34F2	3	7.40	7	6.32	15%	4	50%
SPI12F1	4	7.19	3	7.47	-4%	10	21%
STM633	5	7.18	8	6.08	15%	6	-24%
CHW12F3	6	5.58	14	4.73	15%	24	14%
JPE1287	7	5.37	4	6.82	-27%	30	4%
GIF34F1	8	5.19	17	4.11	21%	11	32%
VAL12F1	9	5.11	6	6.34	-24%	17	24%
CLV34F1	10	5.01	11	5.29	-6%	5	61%
ROX751	11	4.97	10	5.34	-7%	118	76%
ODN732	12	4.87	9	6.00	-23%	1	-142%
WEI1289	13	4.70	5	6.78	-44%	53	64%
WAL543	14	4.66	19	4.06	13%	26	0%
VAL12F2	15	3.85	20	3.90	-1%	8	63%
LF34F1	16	3.85	36	2.77	28%	183	77%
COT2402	17	3.84	25	3.14	18%	96	51%
DER652	18	3.75	38	2.71	28%	213	90%
CKF711	19	3.74	34	2.85	24%	93	45%
KET12F2	20	3.57	41	2.65	26%	38	-19%
RDN12F2	21	3.54	81	1.70	52%	176	29%
BLU321	22	3.50	154	1.03	71%	179	31%
WAL542	23	3.44	63	2.11	39%	59	-3%
SPT4521	24	3.43	40	2.66	22%	138	57%
MI5431	25	3.43	16	4.29	-25%	15	-18%
WAL545	26	3.37	77	1.77	48%	69	-15%
ORI12F3	27	3.36	31	2.92	13%	34	-12%
SPI12F2	28	3.35	80	1.74	48%	133	33%
OGA611	29	3.27	46	2.50	24%	45	-9%
JUL662	30	3.24	35	2.79	14%	208	80%



To be completed by Capital Planning Group

Rationale for decision	Review Cycles 2012-2016	
	Date	Template

Exhibit No.__(DBD-5)
Attachment No.__ETD-22

AVISTA UTILITIES
2013-2016 CAPITAL PROJECTS

Functional Group: Electric Transmission / Distribution

Business Case Name: Spokane Valley Transmission Reinforcement

ER No:	ER Name:
2446	Irvin Sub - New Construction
2474	Beacon-Boulder #2 115: Capacity Upgrade
2526	Opportunity 12F2 Cx Fdr
2552	Opportunity 115 kV Switching Station

Approved Business Case Spend Amount 2013-2016 ($000s - System): $9,996[1]

Transfer to Plant Amounts ($000s - System):

Year	Total	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2013	997							143	109	73	13		658
2014	1,900												1,900
2015	600												600
2016	6,440									4,600			1,840

Business Case Description:
The Spokane Valley Transmission Reinforcement Project includes rebuilding 4.4 miles of the Beacon - Boulder #2 115 kV Transmission Line, constructing the new Irvin Switching Station, rebuilding 1.75 miles of the Irvin - Opportunity 115 kV Tap, installing circuit breakers at Opportunity Substation, and constructing a new 2.2 mile 115 kV transmission line from Irvin to Millwood/Inland Empire Paper. The completion of these projects are required to mitigate existing and future performance and reliability issues of the Transmission System in the Spokane Valley.

Offsets:
There are no anticipated offsets with this business case.

[1] The business case amount reflects approved capital expenditures for the years indicated and not transfers to plant.

AVISTA

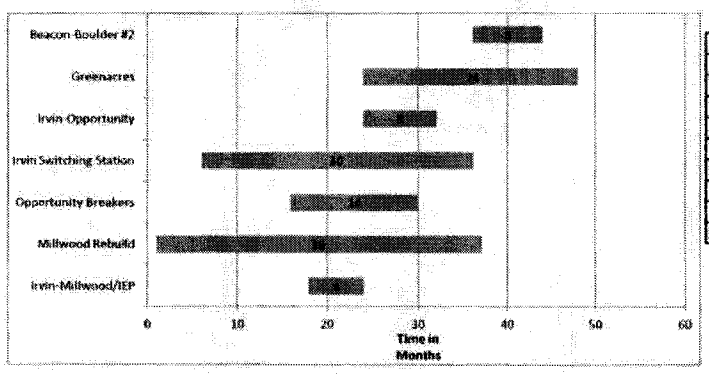
Capital Investment Business Case

Investment Name:	**Spokane Valley Transmission Reinforcement**	**Assessments:**	
Requested Amount	**$13,736,503**	Financial:	Medium - >= 5% & <9% CIRR
Duration/Timeframe	5 Year Project	Strategic:	Reliability & Capacity
Dept., Area:	T&D - Substation & Transmission Engineering	Operational:	Operations require execution to perform at current levels
Owner:	Heather Rosentrater	Business Risk:	ERM Reduction >0 and <= 5
Sponsor:	Don Kopczynski	Project/Program Risk:	High certainty around cost, schedule and resources
Category:	Project	Assessment Score:	78.5
Mandate/Reg. Reference:	n/a		

Recommend Project Description:	Performance	Cost Summary - Increase/(Decrease) Capital Cost	O&M Cost	Other Costs	Business Risk Score
The Spokane Valley Transmission Reinforcement Project includes rebuilding 4.4 miles of the Beacon - Boulder #2 115 kV Transmission Line, constructing the new Irvin Switching Station, rebuilding 1.75 miles of the Irvin - Opportunity 115 kV Tap, installing circuit breakers at Opportunity Substation, and constructing a new 2.2 mile 115 kV transmission line from Irvin to Millwood/IEP. The completion of these projects are required to mitigate existing and future performance and reliability issues of the Transmission System in the Spokane Valley.	Ability to serve load growth in area and provide operational flexibility to maintain equipment	$ 13,736,503	$ -	$ -	1

Alternatives:		Performance	Cost Summary - Increase/(Decrease) Capital Cost	O&M Cost	Other Costs	Business Risk Score
Status Quo :	Heavy thermal loading (>90%) is projected to occur on local transmission lines in the near term planning horizon. Presently the Beacon - Boulder #2 Transmission Line cannot be taken out of service to be maintained/rebuilt due to operational constraints serving IEP's new synchronous motor load.	n/a	$ -	$ -	$ -	6
Alternative 1: Partial Transmission System Upgrades	Upgrade existing Transmission System by installing capacitor banks and rebuilding 115 kV transmission lines with 795 ACSS conductor. Further capital expenditures will be required going forward.	Thermal load reduced in near term planning horizon	$ 9,600,000	$ -	$ -	4
Alternative 2: Irvin Plan Minus IRV-MIL 115 kV Line	Construct all items in proposed Project except the new 115 kV transmission line from Irvin to Millwood/IEP. Ability to serve IEP is still constrained.	Thermal load reduced in near term planning horizon	$ 9,500,000	$ -	$ -	4
Alternative 3 Name : Brief name of alternative (if applicable)	Describe other options that were considered	describe any incremental changes in operations	$ -	$ -	$ -	0

Timeline



Construction Cash Flows (CWIP)

	Capital Cost	O&M Cost	Other Costs	Approved
Previous	$ 40,559	$ -	$ -	$ 40,559
2012	$ 3,700,000	$ -	$ -	$ 3,700,000
2013	$ 4,150,000	$ -	$ -	$ 1,155,944
2014	$ 2,940,000	$ -	$ -	$ 3,400,000
2015	$ 1,500,000	$ -	$ -	$ 2,625,000
2016	$ -	$ -	$ -	$ 2,815,000
2017	$ -	$ -	$ -	$ -
2018	$ -	$ -	$ -	$ -
Future	$ -	$ -	$ -	$ -
Total	$ 12,330,559	$ -	$ -	$ 13,736,503

Milestones (high level targets)

January-12	Construct Irvin-Millwood/IEP 115 line	December-12	Complete construction (terminate Irvin end of line when Irvin is completed - 2014)
January-12	Rebuild Millwood Sub (not included in Project)	September-13	Complete rebuild
January-12	Build Irvin 115 kV Switching Station	December-16	Complete 115 kV Switching Station; Add Distribution later
January-12	Install breakers at Opportunity	December-14	Complete installation
January-13	Rebuild Irvin-Opportunity 115 kV line	December-13	Complete rebuild
January-13	Construct Greenacres Sub (not included in Project)	April-15	Complete construction
January-15	Rebuild Beacon-Boulder #2 115 kV line	December-15	Complete rebuild

Associated Ers (list all applicable):

1006	2001	2446	2474	2526	2552		

Mandate Excerpt (if applicable):

With continued load growth, violation of TPL-002, R1 (ability to supply projected customer demands under N-1 contingency conditions) will likely occur.

Additional Justifications:

In 2009, The Irvin Project report was reviewed and approved by stakeholders in the Engineering, Operations, and Planning Groups at Avista. A superior project, or collection of projects, was selected to mitigate existing and future performance and reliability issues of the Transmission System in the Spokane Valley. These projects, identified as Option 4a in The Irvin Project, and reiterated in the System Planning Interoffice Memorandum SP-2009-03 – Summary – Irvin (Spokane Valley Transmission Reinforcement) Project are illustrated in Project Diagram SP-0220 – Irvin Project. Further updates are provided in Interoffice Memorandum SP-2011-07 - Spokane Valley Transmission Reinforcement (Irvin Project). All documents are posted on Transmission System Planning SharePoint Site.

Capital Investment Business Case

AVISTA

Resources Requirements: *(request forms and approvals attached)*

Internal Labor Availability:	☐ Low Probability	☑ Medium Probability	☐ High Probability	Enterprise Tech:	☐ YES - attach form	☑ NO or Not Required	
Contract Labor:	☑ YES	☐ NO		Facilities:	☐ YES - attach form	☑ NO or Not Required	
				Capital Tools:	☐ YES - attach form	☑ NO or Not Required	
				Fleet:	☐ YES - attach form	☑ NO or Not Required	

Check the appropriate box. The internal and contract labor boxes should be checked to indicate if the resource owners have been contacted and to provide a general sense of how likely staff will be provided (this does not require a firm commitment).

Key Performance Indicator(s)

Expected Performance Improvements

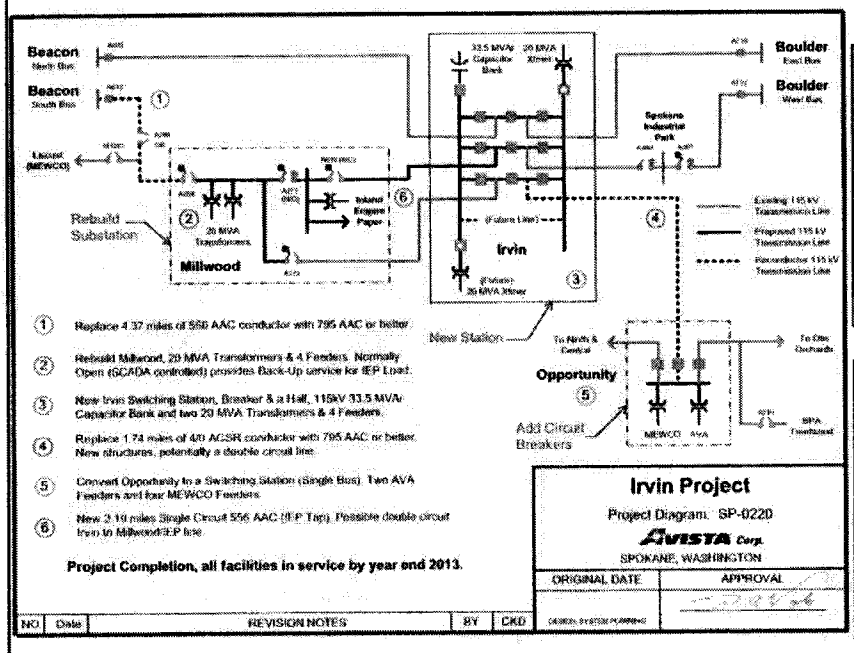
KPI Measure:	Fill in the name of the KPI here
	Fill in the name of the KPI here

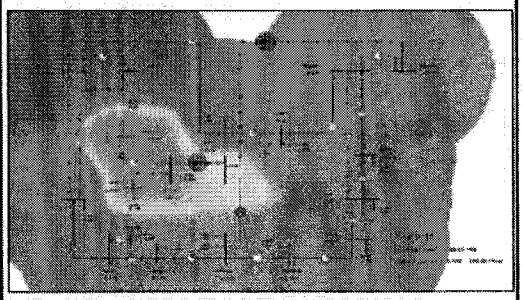
Prepared Mike Magruder/Ken Sweigart, T&D Substations/Transmission

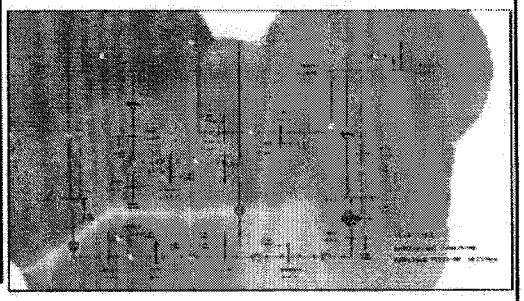
Reviewed Heather Rosentrater, Director - ENSO

Reviewed Andy Vickers, Director - GPSS

Below is the approved Project Diagram for the "Irvin Project" and power simulation plot indicating thermal overload on transmission lines during specific outage scenarios







To be completed by Capital Planning Group

Rationale for decision	Review Cycles 2012-2016	
	Date	Template

Exhibit No.__(DBD-5)
Attachment No.__ETD-23

AVISTA UTILITIES
2013-2016 CAPITAL PROJECTS

Functional Group: Electric Transmission / Distribution

Business Case Name: Clearwater Substation Upgrades

ER No: **ER Name:**
2571 Clearwater 115 kV Substation Upgrades

Approved Business Case Spend Amount 2013-2016 ($000s - System): $3,700[1]

Transfer to Plant Amounts ($000s - System):

Year	Total	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2013													
2014	2,700									2,200			500
2015	500										500		
2016	500										500		

Business Case Description:
Clearwater 115 kV Substation Upgrades. Several components in this station have reached their life cycle and need to be replaced. Some of the station components are non-standard and relatively unreliable. This project will upgrade the station by adding a 115 kV bus sectionalizing breaker and associated air switches on the section of bus between the two power transformers for better operational flexibility and restoration. This work includes construction of a 115 kV line terminal and relocation of 2 lines, upgrading metering, and adding SCADA. This is very difficult work in this particular station and this customer requires continued operation during construction. The protective relays and associated communication system will be upgraded to improve reliability of service.

Offsets:
There are no anticipated offsets with this business case.

[1] The business case amount reflects approved capital expenditures for the years indicated and not transfers to plant.

AVISTA

Capital Project Business Case

Investment Name:	**Clearwater Sub Upgrades**		
Requested Amount	**$3,700,000**	**Assessments:**	
Duration/Timeframe	4 Year Project	Financial:	7.00%
Dept., Area:	T&D - Substations/Transmission	Strategic:	Reliability & Capacity
Owner:	Heather Rosentrater	Business Risk:	Business Risk Reduction >15
Sponsor:	Don Kopczynski	Project Risk:	High certainty around cost, schedule and resources
Category:	Project		
Mandate/Reg. Reference:	n/a	Assessment Score:	98

Recommend Project Description:	Performance	Capital Cost	O&M Cost	Other Costs	Business Risk Score
Clearwater 115 kV Substation Upgrades. Several components in this station have reached their life cycle and need to be replaced. Some of the station components are non-standard and relatively unreliable. This project will upgrade the station by adding a 115 kV bus sectionalizing breaker and associated air switches on the section of bus between the two power transformers for better operational flexibility and restoration. This work includes construction of a 115 kV line terminal and relocation of 2 lines, upgrading metering, and adding SCADA. This is very difficult work in this particular station and this customer requires continued operation during construction. The protective relays and associated communication system will be upgraded to improve reliability of service.	better operational flexibility, improved system comms and metering	$ -	$ -	$ -	1

Annual Cost Summary - Increase/(Decrease)

Alternatives:		Performance	Capital Cost	O&M Cost	Other Costs	Business Risk Score
Unfunded Project:	The existing station is a single bus with "sliding link" air switches that are extremely dangerous to operate. A 115 kV fault in the station will shut down Clearwater Paper entirely until the problem can be fixed. Existing meters are obsolete and routinely cause problems.	n/a	$ 100,000	$ 50,000	$ 1,000,000	6
Alternative 1: Brief name of alternative (if applicable)	Several options were discussed with Clearwater Paper Co. The recommended project is what was agreed upon with Clearwater Paper to meet both parties' requirements. So, no other alternatives will be included with this Project Business Case.	describe any incremental changes in operations	$ -	$ -	$ -	1
Alternative 2: Brief name of alternative (if applicable)	Describe other options that were considered	describe any incremental changes in operations	$ -	$ -	$ -	0
Alternative 3 Name: Brief name of alternative (if applicable)	Describe other options that were considered	describe any incremental changes in operations	$ -	$ -	$ -	0

Program Cash Flows

	Capital Cost	O&M Cost	Other Costs	Approved
Previous	$ -	$ -	$ -	$ -
2013	$ 700,000	$ -	$ -	$ 700,000
2014	$ 2,000,000	$ -	$ -	$ 2,000,000
2015	$ 500,000	$ -	$ -	$ 500,000
2016	$ 500,000	$ -	$ -	$ 500,000
2017+	$ -	$ -	$ -	$ -
Total	$ 3,700,000	$ -	$ -	$ 3,700,000

Associated Ers (list all applicable):			
2571			

ER	2013	2014	2015	2016	2017+	Total
2571	$ 700,000	$ 2,000,000	$ 500,000	$ 500,000	$ -	$ 3,700,000
0	$ -	$ -	$ -	$ -	$ -	$ -
0	$ -	$ -	$ -	$ -	$ -	$ -
0	$ -	$ -	$ -	$ -	$ -	$ -
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0	$ -	$ -	$ -	$ -	$ -	$ -
Total	$ 700,000	$ 2,000,000	$ 500,000	$ 500,000	$ -	$ 3,700,000

Mandate Excerpt (if applicable):

provide brief citation of the law or regulation and a reference number if possible

Additional Justifications:

In order to meet the aggressive milestones, business case approval is needed immediately so project funding can be secured to begin design and procurement. Schedule commitments with Clearwater Paper are challenging.

Milestones (high level targets)

March-13	Sub Design Begins	Spring-14	T-line Shoofly Const.	Spring-16	Upgrade Transformer re
June-13	UT2 - 34 kV Bkr Design xmitted	Summer-14	115 kV Bus Sect. Bkr. Const.	January-00	open
July-13	T-Line Design Begins	Fall-14	Commission Tie Breaker	January-00	open
September-13	UT2 - 34 kV Bkr Replaced	Winter-14	Upgrade SCADA	January-00	open
Winter-13	115 kV Sub Design	Spring-15	Upgrade Lolo 2 Relays	January-00	open
Spring-14	115 kV Bay Const. A-448	Fall-15	Upgrade N Lewiston Relays	January-00	open

Milestones should be general. Use your judgement on project progress so that progress can be measured.

Resources Requirements: *(request forms and approvals attached)*

Internal Labor Availability:	☐ Low Probability	☐ Medium Probability	☑ High Probability	Enterprise Tech:	☐ YES - attach form	☑ NO or Not Required	Capital Tools:	☐ YES - attach form	☑ NO or Not Required
Contract Labor:	☐ YES	☑ NO		Facilities:	☐ YES - attach form	☑ NO or Not Required	Fleet:	☐ YES - attach form	☑ NO or Not Required

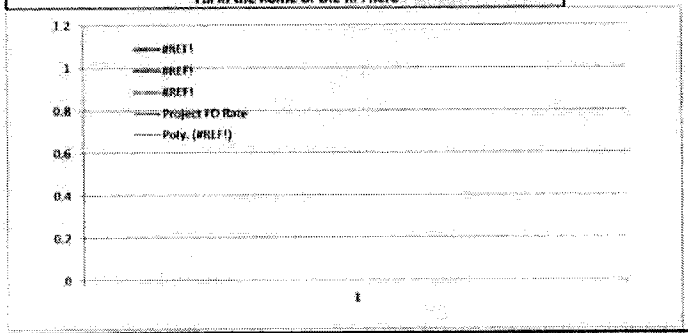
Capital Project Business Case

AVISTA

Key Performance Indicator(s)

Expected Performance Improvements

KPI Measure:	Fill in the name of the KPI here
	Fill in the name of the KPI here



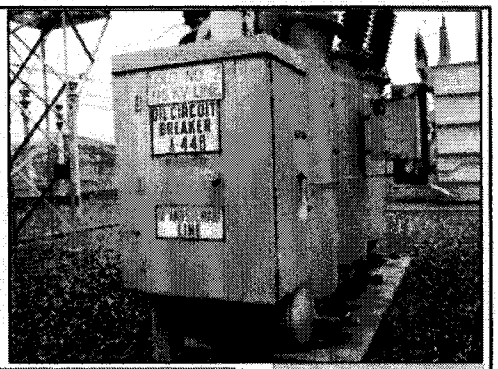
Prepared Mike Magruder/Ken Sweigart, T&D Substations/Transmission

Reviewed Heather Rosentrater, Director - ENSO

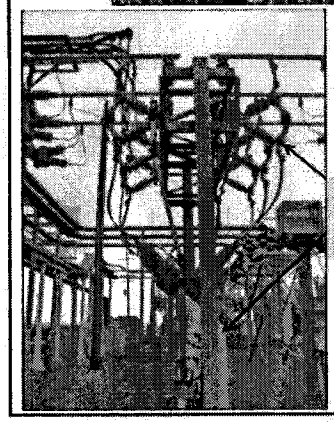
Reviewed Andy Vickers, Director - GPSS

Reviewed (if necessary) Director

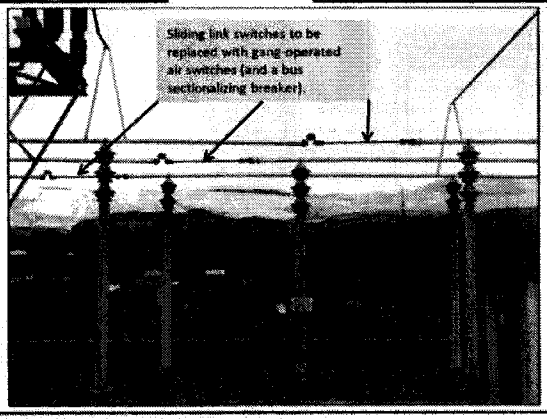
N. Lewiston transmission line river crossing deadend structure to be rebuilt to the west (right in photo) and old Lolo #2 115 kV line terminal to be rebuilt in substation.



Oil Circuit Breaker A-448 to be replaced/moved to new 115 kV line terminal location west of existing station.



34 kV UT2 breaker and air switches to be replaced. 34 kV UT1 breaker and air switches were replaced in 2012.



Sliding link switches to be replaced with gang operated air switches (and a bus sectionalizing breaker).

To be completed by Capital Planning Group

Rationale for decision	Review Cycles 2012-2016	
	Date	Template

Exhibit No.__(DBD-5)
Attachment No.__ETD-24

AVISTA UTILITIES
2013-2016 CAPITAL PROJECTS

Functional Group: Electric Transmission / Distribution

Business Case Name: Franchising for Washington State Department of Transportation ("WSDOT")

ER No: **ER Name:**
7108 WSDOT Highway Franchise Consolidation

Approved Business Case Spend Amount 2013-2016 ($000s - System): $710[1]

Transfer to Plant Amounts ($000s - System):

Year	Total	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2013	42											21	21
2014	265			66			66			66			66
2015	195	16	16	16	16	16	16	16	16	16	16	16	16
2016	125	10	10	10	10	10	10	10	10	10	10	10	10

Business Case Description:
Obtain franchise renewals for existing facilities on WSDOT rights of way. We have hundreds of miles of Transmission and Distribution facilities within WSDOT rights of ways. Maintaining our right to be there allows for the continued operation of those facilities without additional negative impact to our ratepayers or the Company.

Offsets:
There are no anticipated offsets with this business case.

[1] The business case amount reflects approved capital expenditures for the years indicated and not transfers to plant.

AVISTA

Capital Program Business Case

Investment Name:	Franchising for WSDOT
·ıested Amount	$265,000
ıtion/Timeframe	20 Year Program
,ı.., Area:	Environmental
Owner:	Rod Price (Mgr) Bruce Howard (Dir)
Sponsor:	Marian Durkin
Category:	Program
Mandate/Reg. Reference:	n/a

Assessments:

Financial:	Medium - >= 5% & <9% CIRR
Strategic:	Life Cycle Programs
Operational:	Operations somewhat impacted by execution
Business Risk:	ERM Reduction >5 and <= 10
Program Risk:	High certainty around cost, schedule and resources
Assessment Score:	81

Recommend Program Description:	Performance	Annual Cost Summary - Increase/(Decrease) Capital Cost	O&M Cost	Other Costs	Business Risk Score
Obtain franchise renewals for existing facilities on WSDOT rights of way. We have hundreds of miles of Transmission and Distribution facilities within WSDOT rights of ways. Maintaining our right to be there allows for the continued operation of those facilities without additional negative impact to our ratepayers or the Company.	Present operation performance will remain	$ 265,000		$ -	1

Alternatives:		Performance	Annual Cost Summary - Increase/(Decrease) Capital Cost	O&M Cost	Other Costs	Business Risk Score
Unfunded Program:	Without WSDOT Franchises, we may be evicted from WSDOT property, thus requiring that we relocate our facilities. In addition, we will not be able to add new facilities to WSDOT properties if needed to serve our load or operate our system as required.	n/a	$ -	$ -	moderate to extreme	9
move facilities to private property	This would involve obtaining easements on, or buying, private property and moving all of the existing facilities.	interrupt services to move facilities	$ -	$ -	moderate to extreme	1
			$ -	$ -	$ -	0
			$ -	$ -	$ -	0

Program Cash Flows
5 years of costs

	Capital Cost	O&M Cost	Other Costs	Approved
2012		$ -	$ -	$ 250,000
2013		$ -	$ -	$ 125,000
2014	$ 265,000	$ -	$ -	$ 265,000
2015	$ 195,000	$ -	$ -	$ 195,000
2016	$ 125,000	$ -	$ -	$ 125,000
2017	$ 125,000			$ 125,000
2018	$ 125,000			$ 125,000
Total	$ 585,000	$ -	$ -	$ 1,210,000

Associated ERs (list all applicable): 7108

Mandate Excerpt (if applicable):
provide brief citation of the law or regulation and a reference number if possible

Additional Justifications:
WSDOT will not allow new facilities to be built on franchises that have expired.

Resources Requirements: *(request forms and approvals attached)*

Internal Labor Availability:	☐ Low Probability	☐ Medium Probability	☐ High Probability	Enterprise Tech:	☐ YES - attach form	☑ NO or Not Required
Contract Labor:	☐ YES	☐ NO		Facilities:	☐ YES - attach form	☑ NO or Not Required
				Capital Tools:	☐ YES - attach form	☑ NO or Not Required
				Fleet:	☐ YES - attach form	☑ NO or Not Required

Check the appropriate box. The internal and contract labor boxes should be checked to indicate if the resource owners have been contacted and to provide a general sense of how likely staff will be provided (this does not require a firm commitment).

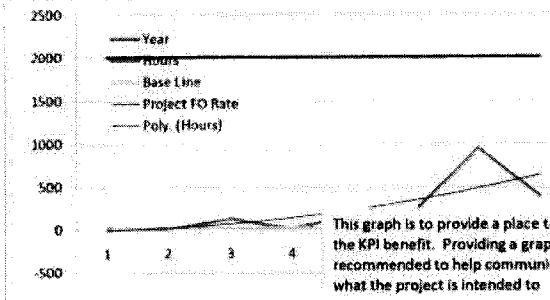
AVISTA

Capital Program Business Case

Key Performance Indicator(s)

ed Performance Improvements

leasure:	obtain franchises
	Fill in the name of the KPI here



This graph is to provide a place to direct the KPI benefit. Providing a graph is recommended to help communicate what the project is intended to

Prepared signature

Reviewed signature
Director/Manager

Other Party Review signature
(if necessary)
Director/Manager

This space is to be used for photographs, charts, or other data that may be useful in evaulating the Program

To be completed by Capital Planning Group

Rationale for decision	Review Cycles 2012-2016	
	Date	Template

Exhibit No.__(DBD-5)
Attachment No.__ETD-25

AVISTA UTILITIES
2013-2016 CAPITAL PROJECTS

Functional Group: Electric Transmission / Distribution

Business Case Name: Harrington Voltage Conversion from 4 kV to 13 kV

ER No: **ER Name:**
2289 Harrington Conversion to 13 kV

Approved Business Case Spend Amount 2013-2016 ($000s - System): $3,000[1]

Transfer to Plant Amounts ($000s - System):

Year	Total	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2013													
2014	1,000												1,000
2015	2,000	167	167	167	167	167	167	167	167	167	167	167	167
2016													

Business Case Description:
The Harrington, WA area is the last area Avista serves at the legacy 4 kV voltage. This voltage is obsolete for serving utility distribution systems and we have very limited spare equipment to continue service at this voltage. The substation is very old and the transformer will be difficult and time consuming to replace if it fails. We do not have 4 kV on our mobile substations, so all the customers served by Harrington feeders will be out of service until the transformer is replaced. This could easily be up to 48 hours. There is no reason to delay this needed upgrade to our standard distribution class voltage and equipment. Minor system efficiencies also result.

Offsets:
There are no anticipated offsets with this business case.

[1] The business case amount reflects approved capital expenditures for the years indicated and not transfers to plant.

AVISTA

Capital Project Business Case

Investment Name:	**Harrington Upgrades**
Requested Amount	**$3,000,000**
Duration/Timeframe	1 Year Project
Dept., Area:	T&D - Substations/Distribution
Owner:	Heather Rosentrater
Sponsor:	Don Kopczynski
Category:	Project
Mandate/Reg. Reference:	n/a

Assessments:

Financial:	7.00%
Strategic:	Reliability & Capacity
Business Risk:	Business Risk Reduction >5 and <= 10
Project Risk:	High certainty around cost, schedule and resources
Assessment Score:	87

Recommend Project Description:	Performance	Annual Cost Summary - Increase/(Decrease): Capital Cost	O&M Cost	Other Costs	Business Risk Score
Harrington Voltage Conversion. Harrington is the last area Avista serves at the legacy 4 kV voltage. This voltage is obsolete for serving utility distribution systems and we have very limited spare equipment to continue service at this voltage. The substation is very old and the transformer will be difficult and time consuming to replace if it fails. We do not have 4 kV on our mobile substations, so all the customers served by Harrington feeders will be out of service until the transformer is replaced. This could easily be up to 48 hours. There is no reason to delay this needed upgrade to our standard distribution class voltage and equipment. Minor system efficiencies also result.	Removes long term outage risk for sub failures; reduces losses; standardizes system	$ 3,000,000	$ -	$ -	1

Alternatives:		Performance	Annual Cost Summary - Increase/(Decrease): Capital Cost	O&M Cost	Other Costs	Business Risk Score
Unfunded Project:	Do nothing. This option poses increased risk for the Company and exposes Harrington customers to potentially long outages. The substation has reached end of life and its equipment is obsolete. Unplanned restoration costs will be more expensive as a result.	n/a	$ 300,000	$ 100,000	$ 1,000,000	6
Unfunded Project: Cont'd	The existing station also has high voltage fuses protecting the transformer that are over-dutied, meaning they may not function as needed for a fault. This is one of five remaining stations with this type of fusing.	describe any incremental changes in operations	$ -	$ -	$ -	1
Alternative 2: Brief name of alternative (if applicable)	Describe other options that were considered	describe any incremental changes in operations	$ -	$ -	$ -	0
Alternative 3 Name: Brief name of alternative (if applicable)	Describe other options that were considered	describe any incremental changes in operations	$ -	$ -	$ -	0

Program Cash Flows

	Capital Cost	O&M Cost	Other Costs	Approved
Previous	$ -	$ -	$ -	$ -
2013	$ -	$ -	$ -	$ -
2014	$ 3,000,000	$ -	$ -	$ 1,000,000
2015	$ -	$ -	$ -	$ 2,000,000
2016	$ -	$ -	$ -	$ -
2017+	$ -	$ -	$ -	$ -
Total	$ 3,000,000	$ -	$ -	$ 3,000,000

Associated Ers (list all applicable):			
2289			

ER	2013	2014	2015	2016	2017+	Total
2289	$ -	$ 3,000,000	$ -	$ -	$ -	$ 3,000,000
0	$ -	$ -	$ -	$ -	$ -	$ -
0	$ -	$ -	$ -	$ -	$ -	$ -
0	$ -	$ -	$ -	$ -	$ -	$ -
0	$ -	$ -	$ -	$ -	$ -	$ -
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0	$ -	$ -	$ -	$ -	$ -	$ -
0	$ -	$ -	$ -	$ -	$ -	$ -
0	$ -	$ -	$ -	$ -	$ -	$ -
Total	$ -	$ 3,000,000	$ -	$ -	$ -	$ 3,000,000

Mandate Excerpt (if applicable):

provide brief citation of the law or regulation and a reference number if possible

Additional Justifications:

If the substation transformer fails, our spare units are at Ritzville and they are very old. We have tested them and so far, they are good. We have another option to install a 115/13 kV transformer and then a 13/4 kV transformer to serve the load. Doing nothing is simply not in the best interest of our customers or shareholders. This is the only 4 kV distribution system we own and operate and it needs to be upgraded to a standard utility voltage class.

Milestones (high level targets)

January-14	Begin Design	July-14	Remove & Salvage Old Substation	January-00	open
March-14	Start Distribution Line Work	August-14	Start Substation Construction	January-00	open
May-14	Transmit Substation Rebuild	October-14	Complete Substation Construction	January-00	open
June-14	Install Mobile Substation	October-14	Transfer Load from Mobile to Sub	January-00	open
June-14	Start Distribution Cutover Process	November-14	Return Mobile to Spokane	January-00	open
July-14	Complete Cutover Process	January-00	open	January-00	open

Resources Requirements: *(request forms and approvals attached)*

Internal Labor Availability: ☐ Low Probability ☐ Medium Probability ☑ High Probability — Enterprise Tech: ☐ YES - attach form ☑ NO or Not Required — Capital Tools: ☐ YES - attach form ☑ NO or Not Required

Contract Labor: ☐ YES ☑ NO — Facilities: ☐ YES - attach form ☑ NO or Not Required — Fleet: ☐ YES - attach form ☑ NO or Not Required

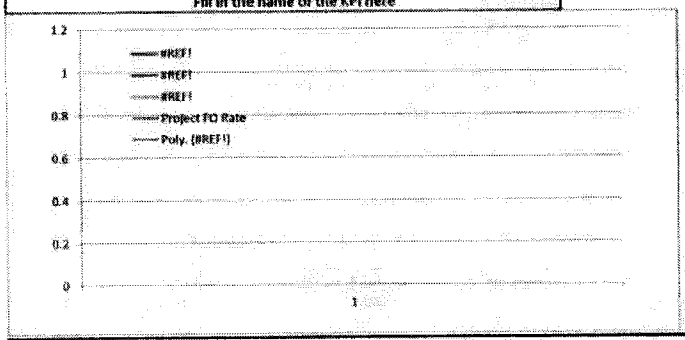
Capital Project Business Case

AVISTA

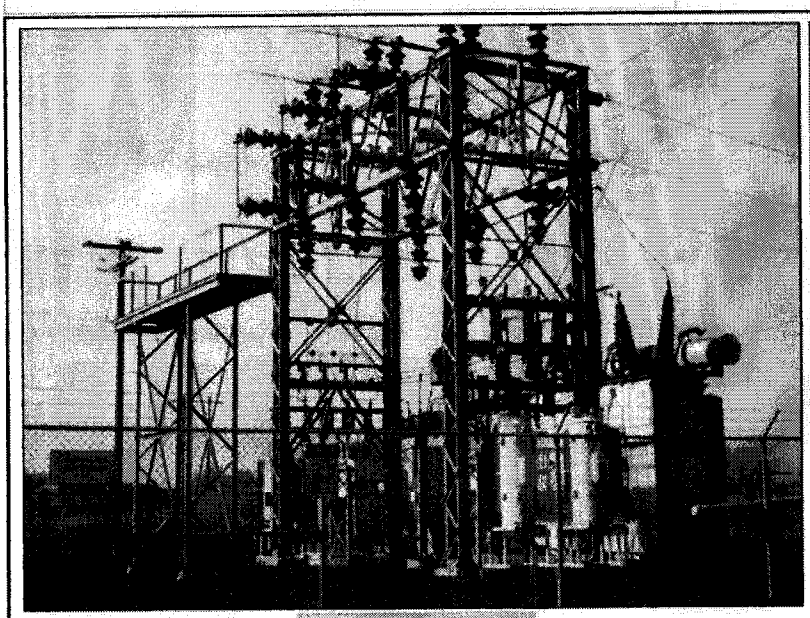
Key Performance Indicator(s)

Expected Performance Improvements

KPI Measure:	Fill in the name of the KPI here
	Fill in the name of the KPI here

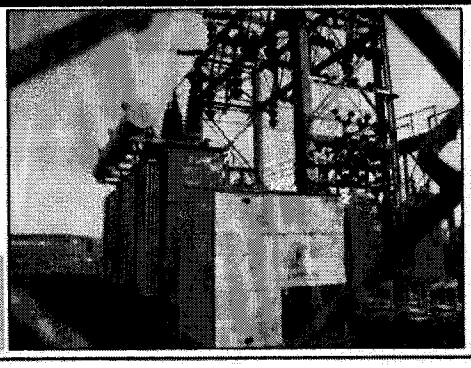


Prepared	Mike Magruder/Dave James, T&D Substations/Distribution
Reviewed	Heather Rosentrater, Director - ENSO
Reviewed	Andy Vickers, Director - GPSS
Reviewed	Bryan Cox, Director - West Operations



Harrington 115-4 kV Substation.

Harrington 115-4 kV Transformer.



Harrington Metering/Control Enclosure next to three 1-phase 115-4 kV Transformers and 4 kV Voltage Regulators for Feeder 4F1.

To be completed by Capital Planning Group:

Rationale for decision	Review Cycles 2012-2016	
	Date	Template

Exhibit No.__(DBD-5)
Attachment No.__ETD-26

AVISTA UTILITIES
2013-2016 CAPITAL PROJECTS

Functional Group: Electric Transmission / Distribution

Business Case Name: Moscow 230 Substation Rebuild

ER No: **ER Name:**
2484 Moscow 230 kV Sub-Rebuild 230 kV Yard

Approved Business Case Spend Amount 2013-2016 ($000s - System): **$6,400[1]**

Transfer to Plant Amounts ($000s - System):

Year	Total	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2013	6,686									6,317	369		
2014	5,853							5,700					153
2015													
2016													

Business Case Description:
This project, which is presently under construction, completely rebuilds the entire Moscow 230 kV Substation. The new station will include gas circuit breakers for both the 230 kV and 115 kV yards, a new 250 MVA Autotransformer, two 115 kV Capacitor Banks or an additional Autotransformer, a new panel house, and a station configuration that allows for future additions. The primary driver for this project is the capacity of the existing 125 MVA Autotransformer. System planning studies show an imminent thermal overload of the 56 year old unit in the event we have a failure of the Shawnee Autotransformer. Considering these two units serve the entire Pullman-Moscow area, this project is critically important to Avista's ability to serve our customers.

Offsets:
After revenue requirement was finalized, it was determined that offsets do exist for this business case. The new transformer results in loss savings of 720 MWH annually based on average loading. Assuming an avoided energy cost of $44/MWH, the total 2013 savings is [(720 MWH x $44/MWH) / (12 months)] * 6 months = $15,840 system and Washington's allocation is $10,298. For 2014 and 2015, the calculation includes savings based on twelve months resulting in an offset of $31,680 system and $20,575 Washington in each of those two years. These additional offset amounts should have been included in revenue requirements.

[1] The business case amount reflects approved capital expenditures for the years indicated and not transfers to plant.

Capital Investment Business Case

AVISTA

Investment Name:	Moscow 230 Substation Rebuild
Requested Amount	$14,612,411
Duration/Timeframe	5 Year Project
Dept., Area:	T&D - Substation & Transmission Engr
Owner:	Heather Rosentrater
Sponsor:	Don Kopczynski
Category:	Project
Mandate/Reg. Reference:	n/a

Assessments:	
Financial:	Medium - >= 5% & <9% CIRR
Strategic:	Life Cycle Programs
Operational:	Operations require execution to perform at current levels
Business Risk:	ERM Reduction >5 and <= 10
Project/Program Risk:	High certainty around cost, schedule and resources
Assessment Score:	89

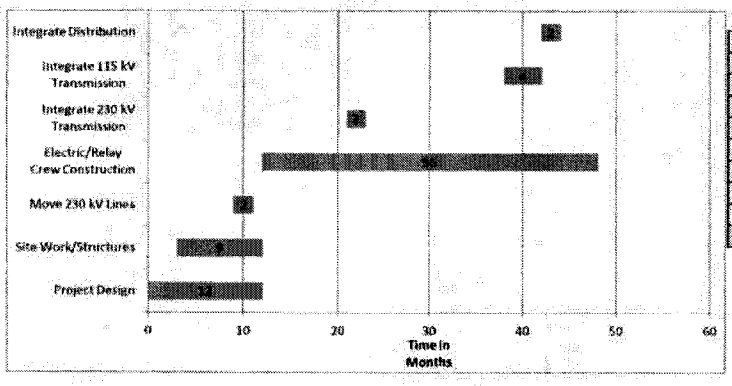
Recommend Project Description:

This project, which is presently under construction, completely rebuilds the entire Moscow 230 kV Substation. The new station will include gas circuit breakers for both the 230 kV and 115 kV yards, a new 250 MVA Autotransformer, two 115 kV Capacitor Banks or an additional Autotransformer, a new panelhouse, and a station configuration that allows for future additions. The primary driver for this project is the capacity of the existing 125 MVA Autotransformer. System planning studies show an imminent thermal overload of the 56 year old unit in the event we have a failure of the Shawnee Autotransformer. Considering these two units serve the entire Pullman-Moscow area, this project is critically important to Avista's ability to serve our customers.

Performance	Cost Summary - Increase/(Decrease) Capital Cost	O&M Cost	Other Costs	Business Risk Score
Capacity will be sufficient for demand; sys. reliability and station safety will be improved.	$ 14,612,411	$ -	$ -	1

Alternatives:		Performance	Cost Summary - Increase/(Decrease) Capital Cost	O&M Cost	Other Costs	Business Risk Score
Status Quo:	Our ability to serve our load under N-1 conditions is extremely limited during winter peak. System operations has few alternatives to source the load with the existing capacity at Moscow 230 if there is a failure of the Shawnee unit. Load growth exacerbates this problem	n/a	$ 250,000	$ 100,000	$ 100,000	8
Alternative 1: Rebuild with two-125 MVA units (vs. one-250 MVA unit)	An option was studied with two-125 MVA units instead of one-250 MVA unit. All other aspects of the rebuild were the same as the recommended option. There are definite benefits to this option but the cost increase, which still includes the capacitor bank installations, was the deciding factor.	Better operational flexibility,meets requirements	$ 16,000,000	$ -	$ -	1
Alternative 2: Brief name of alternative (if applicable)	Describe other options that were considered	describe any incremental changes in operations	$ -	$ -	$ -	0
Alternative 3 Name: Brief name of alternative (if applicable)	Describe other options that were considered	describe any incremental changes in operations	$ -	$ -	$ -	0

Timeline



Construction Cash Flows (CWIP)

	Capital Cost	O&M Cost	Other Costs	Approved
Previous	$ 5,312,410	$ -	$ -	$ 5,312,410
2012	$ 2,900,000	$ -	$ -	$ 2,900,000
2013	$ 3,750,001	$ -	$ -	$ 3,750,001
2014	$ 2,650,000	$ -	$ -	$ 2,650,000
2015	$ -	$ -	$ -	$ -
2016	$ -	$ -	$ -	$ -
2017	$ -	$ -	$ -	$ -
2018	$ -	$ -	$ -	$ -
Future	$ -	$ -	$ -	$ -
Total	$ 14,612,411	$ -	$ -	$ 14,612,411

Milestones (high level targets)

May-11	Design Started	July-14	All 115 kV Plant In Service
October-11	Structures Complete; Autotransformer delivered	July-14	Distribution Station in Service
January-12	Electric Crew on Project Full Time	December-14	115 kV Capacitor Banks in Service
May-12	Entire Design Complete	December-14	Old Station Removed & Salvaged
September-13	230 kV Plant in Service		

Associated Ers (list all applicable): 2484

Mandate Excerpt (if applicable): Obligation to serve: The present Moscow 230 kV Substation is not sufficient for future load service under contingency for the greater Pullman-Moscow area.

Additional Justifications:

This project is already in construction.
Additional documentation is available upon request including System Planning studies, Project Diagrams, Internal Substation Memos, meeting notes, etc.

Capital Investment Business Case

AVISTA

Resources Requirements: *(request forms and approvals attached)*

Internal Labor Availability:	☐ Low Probability	☐ Medium Probability	☑ High Probability	Enterprise Tech:	☐ YES - attach form	☑ NO or Not Required
Contract Labor:	☑ YES	☐ NO		Facilities:	☐ YES - attach form	☑ NO or Not Required
				Capital Tools:	☐ YES - attach form	☑ NO or Not Required
				Fleet:	☐ YES - attach form	☑ NO or Not Required

Check the appropriate box. The internal and contract labor boxes should be checked to indicate if the resource owners have been contacted and to provide a general sense of how likely staff will be provided (this does not require a firm committment).

Key Performance Indicator(s)

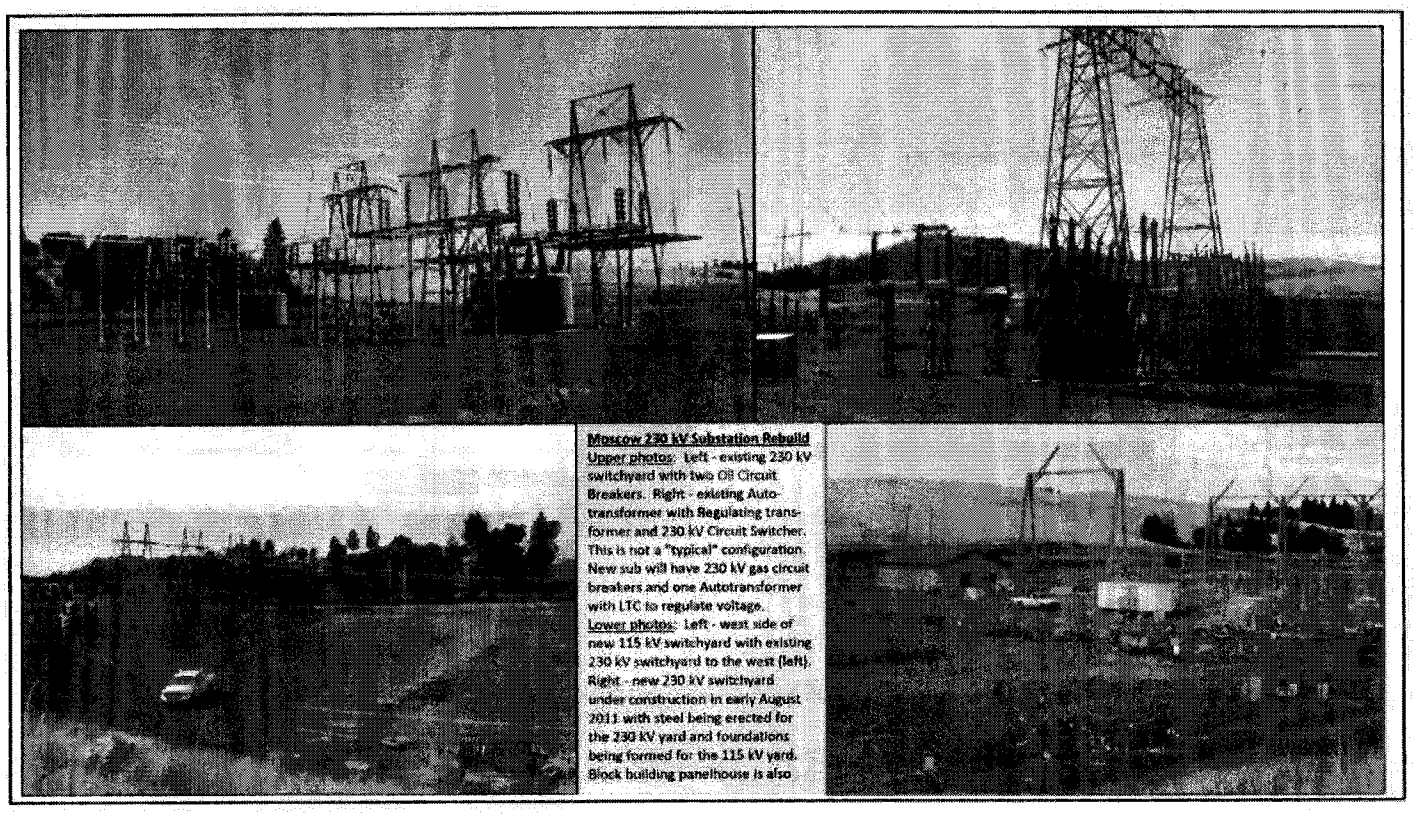
Expected Performance Improvements

KPI Measure:	See Milestones

Prepared Mike Magruder/Ken Sweigart, T&D Substations/Transmission

Reviewed Heather Rosentrater, Director - ENSO

Other Party Review (if necessary) Andy Vickers, Director - GPSS



Moscow 230 kV Substation Rebuild
Upper photos: Left - existing 230 kV switchyard with two OB Circuit Breakers. Right - existing Auto-transformer with Regulating transformer and 230 kV Circuit Switcher. This is not a "typical" configuration. New sub will have 230 kV gas circuit breakers and one Autotransformer with LTC to regulate voltage.
Lower photos: Left - west side of new 115 kV switchyard with existing 230 kV switchyard to the west (left). Right - new 230 kV switchyard under construction in early August 2011 with steel being erected for the 230 kV yard and foundations being formed for the 115 kV yard. Block building panelhouse is also

To be completed by Capital Planning Group

Rationale for decision	Review Cycles 2012-2016	
	Date	Template

Exhibit No.__(DBD-5)
Attachment No.__ETD-27

AVISTA UTILITIES
2013-2016 CAPITAL PROJECTS

Functional Group: Electric Transmission / Distribution

Business Case Name: Smart Grid Demonstration Project

ER No:	ER Name:
2530	SGDP-Pullman Smart Grid Demonstration Project
3291	Install Gas AMI for Pullman Smart Grid

Approved Business Case Spend Amount 2013-2016 ($000s - System): $1,476[1]

Transfer to Plant Amounts ($000s - System):

Year	Total	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2013	360							5	7	1	39		309
2014	525	19	19	94	19	19	94	19	19	94	19	19	94
2015													
2016													

Business Case Description:
This Smart grid proposal will bring smart grid technology to electric distribution facilities that serve nearly 14,000 customers in the City of Pullman. Avista expects to realize benefits from smart grid technologies in reduced system losses and lower operating costs. Customers should realize benefits from improved service reliability, improved energy data enabling efficient energy usage, and energy savings from conservation voltage reduction (CVR).

Offsets:
O&M offsets associated with this business case may occur in the future, however, they are not quantifiable at this time.

[1] The business case amount reflects approved capital expenditures for the years indicated and not transfers to plant.

AVISTA

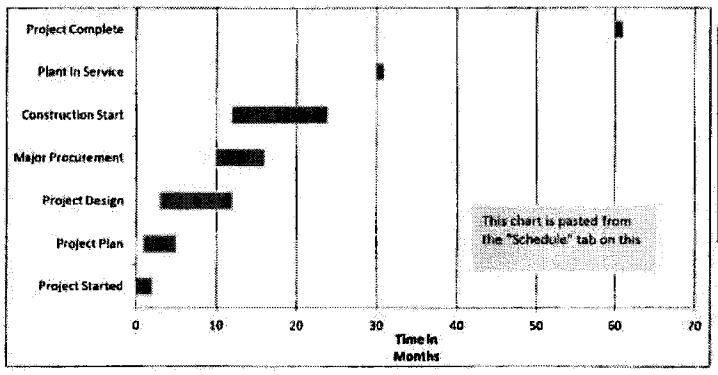
Capital Investment Business Case

Investment Name:	**Smart Grid Demonstration Project**	**Assessments:**	
Requested Amount	**$10,937,500**	Financial:	Medium - >= 5% & <9% CIRR
Duration/Timeframe	5 Year Project	Strategic:	Customer Experience
Dept., Area:	Business Process Improvement	Operational:	Operations improved beyond current levels
Owner:	Heather Rosentrater	Business Risk:	ERM Reduction >10 and <= 15
Sponsor:	Don Kopczynski	Project/Program Risk:	High certainty around cost, schedule and resources
Category:	Project	Assessment Score:	105
Mandate/Reg. Reference:	n/a		

Recommend Project Description:	Performance	Cost Summary - Increase/(Decrease) Capital Cost	O&M Cost	Other Costs	Business Risk Score
This Smart grid proposal will bring smart grid technology to electric and gas distribution facilities that serve nearly 14,000 customers in the City of Pullman. Avista expects to realize benefits from smart grid technologies in reduced system losses and lower operating costs. Customers should realize benefits from improved service reliability, improved energy data enabling efficient energy usage, and energy savings from conservation voltage reduction (CVR).	This program will bring automated metering and outage restoration to 13,000	$ 10,937,500	$ 5,254,378	$ -	4

Alternatives:		Performance	Cost Summary - Increase/(Decrease) Capital Cost	O&M Cost	Other Costs	Business Risk Score
Status Quo:	Continue to have no automation for operations and metering.	n/a	$ -	$ -	$ -	16
Alternative 1: Brief name of alternative (if applicable)	Install automation devices on 13 feeders fed from 3 substations and install AMR meters on 13,000 Electric customers and 5,000 gas customers.	reduced system losess & offset operational cost	$ 10,102,500	$ 5,254,378	$ -	4
Alternative 2: Brief name of alternative (if applicable)	Describe other options that were considered	describe any incremental changes in operations	$ -	$ -	$ -	0
Alternative 3 Name: Brief name of alternative (if applicable)	Describe other options that were considered	describe any incremental changes in operations	$ -	$ -	$ -	0

Timeline



Construction Cash Flows (CWIP)

	Capital Cost	O&M Cost	Other Costs	Approved
Previous	$ 2,177,250	$ 85,000	$ -	$ 2,177,250
2012	$ 7,957,750	$ 792,000	$ -	$ 3,286,567
2013	$ 800,000	$ 2,276,814	$ -	$ 951,831
2014	$ 2,500	$ 1,083,732	$ -	$ 525,000
2015	$ -	$ 1,016,832	$ -	$ -
2016	$ -	$ -	$ -	$ -
2017	$ -	$ -	$ -	$ -
2018	$ -	$ -	$ -	$ -
Future	$ -	$ -	$ -	$ -
Total	$ 10,937,500	$ 5,254,378	$ -	$ 6,940,648

Milestones (high level targets)

January-10	Project Started	October-12	Plant In Service	mm/dd/yy	open
March-10	Project Plan	December-14	Project Complete	mm/dd/yy	open
November-10	Project Design	mm/dd/yy	open	mm/dd/yy	open
January-11	Major Procurement	mm/dd/yy	open		
February-11	Construction Start	mm/dd/yy	open		

Milestones should be general. In some cases it may be as simple as project start, project complete. Use your judgement on project progress so that progress can be measured.

Associated ERs (list all applicable):

Current ER							
2530							

Mandate Excerpt (if applicable): provide brief citation of the law or regulation and a reference number if possible

Additional Justifications:

Avista entered into a 5 year contract commitment with the Department of Energy in September 2010, Avista committed to a Demonstration Project of $39,558,000 and its project partners. Penalities of voiding this contract would include partial cost reimbursement to Battelle, Itron, WSU, and other partners for abandoning the project prior to completion.

Capital Investment Business Case

AVISTA

Resources Requirements: *(request forms and approvals attached)*

Internal Labor Availability:	☐ Low Probability	☑ Medium Probability	☐ High Probability	Enterprise Tech:	☑ YES - attach form	☐ NO or Not Required
Contract Labor:	☑ YES	☐ NO		Facilities:	☐ YES - attach form	☑ NO or Not Required
				Capital Tools:	☐ YES - attach form	☑ NO or Not Required
				Fleet:	☐ YES - attach form	☑ NO or Not Required

Check the appropriate box. The internal and contract labor boxes should be checked to indicate if the resource owners have been contacted and to provide a general sense of how likely staff will be provided (this does not require a firm committment)

Key Performance Indicator(s)

Expected Performance Improvements

KPI Measure:

Prepared signature _____

Reviewed signature _____
Director/Manager

Other Party Review signature _____
(if necessary) Director/Manager

This space is to be used for photographs, charts, or other data that may be useful in evaulating the project

To be completed by Capital Planning Group

Rationale for decision	Review Cycles 2012-2016	
	Date	Template

Exhibit No.__(DBD-5)
Attachment No.__ETD-28

AVISTA UTILITIES
2013-2016 CAPITAL PROJECTS

Functional Group: Electric Transmission / Distribution

Business Case Name: Transmission - Asset Management

ER No:	**ER Name:**
2057	Transmission Minor Rebuild
2254	System 115kV Air Switch Upgrade

Approved Business Case Spend Amount 2013-2016 ($000s - System): $5,129[1]

Transfer to Plant Amounts ($000s - System):

Year	Total	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2013	546							35	22	42	86	150	210
2014	1,315	93	93	100	100	122	122	122	126	126	126	96	92
2015	1,370	114	114	114	114	114	114	114	114	114	114	114	114
2016	1,425	119	119	119	119	119	119	119	119	119	119	119	119

Business Case Description:
The Transmission Asset Management Business Case covers the follow-up work to the Wood Pole Inspection in ER 2057, and Air Switch Replacements in ER 2254.

Offsets:
There are no anticipated offsets with this business case.

[1] The business case amount reflects approved capital expenditures for the years indicated and not transfers to plant.

AVISTA

Capital Program Business Case

Investment Name:	Trans Asset Man	
Requested Amount	$1,400,000	
Duration/Timeframe	Indefinite	Year Program
Dept., Area:	T&D - TLD Engineering	
Owner:	Heather Rosentrater	
Sponsor:	Don Kopczynski	
Category:	Program	
Mandate/Reg. Reference:	WECC Standard FAC-501-WECC-1	

Assessments:

Financial:	10.00%
Strategic:	Life-cycle asset management
Business Risk:	Business Risk Reduction >0 and <= 5
Program Risk:	High certainty around cost, schedule and resources
Assessment Score:	#NAME?

Recommend Program Description:	Performance	Annual Cost Summary - Increase/(Decrease) Capital Cost	O&M Cost	Other Costs	Business Risk Score
The Transmission Asset Management Business Case covers the follow-up work to the Wood Pole Inspection in ER 2057, and Air Switch Replacements in ER 2254.	Customer IRR of 8.9%	$ 1,400,000	$ 331,000	$ -	12

Alternatives:		Performance	Annual Cost Summary - Increase/(Decrease) Capital Cost	O&M Cost	Other Costs	Business Risk Score
Unfunded Program:	Without replacing old and worn-out poles and cross-arms, our system will be increasing at risk for more failures and more risk of a major fire. As time moves forward, the number of failures and risk of a major fire will increase and increase the difference in costs between the two alternatives.	Higher risk of a transmission line causing a major fire due to pole or crossarm failures	$ 3,464,530	$ -	$ 1,576,000	15
Alternative 1: Brief name of alternative (if applicable)	Replace wood poles and cross-arms identified by inspection and when a significant portion of the transmission line has reached the end of life for the majority of the poles, replace the transmission structures under a larger project. This also covers replacing Transmission Air Switches located outside of the substations that have reached their end of life. For major rebuilds, new conductors would increase the capacity of the system and help reduce transmission losses	Customer IRR of 8.9% and avoids about 580 events per year	$ 4,205,000	$ 331,000	$ -	12
Alternative 2: Brief name of alternative (if applicable)	Describe other options that were considered	describe any incremental changes in operations	$ -	$ -	$ -	0
Alternative 3 Name: Brief name of alternative (if applicable)	Describe other options that were considered	describe any incremental changes in operations	$ -	$ -	$ -	0

Program Cash Flows

	Capital Cost	O&M Cost	Other Costs	Approved
Previous	$ -	$ -	$ -	$ -
2014	$ 1,315,000	$ 331,823	$ -	$ 1,646,823
2015	$ 1,370,000	$ 339,455	$ -	$ 1,709,455
2016	$ 1,425,000	$ 347,262	$ -	$ 1,772,262
2017	$ 1,425,000	$ 355,249	$ -	$ 1,780,249
2018	$ 1,480,000	$ 363,420	$ -	$ 1,843,420
Total	$ 7,015,000	$ 1,737,209	$ -	$ 8,752,209

Associated Ers (list all applicable):

2057	2254		

ER	2014	2015	2016	2017	2018	Total
2057	$ 1,431,823	$ 1,489,455	$ 1,547,262	$ 1,555,249	$ 1,613,420	$ 7,637,209
2254	$ 215,000	$ 220,000	$ 225,000	$ 225,000	$ 230,000	$ 1,115,000
0	$ -	$ -	$ -	$ -	$ -	$ -
0	$ -	$ -	$ -	$ -	$ -	$ -
0	$ -	$ -	$ -	$ -	$ -	$ -
0	$ -	$ -	$ -	$ -	$ -	$ -
0	$ -	$ -	$ -	$ -	$ -	$ -
0	$ -	$ -	$ -	$ -	$ -	$ -
0	$ -	$ -	$ -	$ -	$ -	$ -
0	$ -	$ -	$ -	$ -	$ -	$ -
0	$ -	$ -	$ -	$ -	$ -	$ -
0	$ -	$ -	$ -	$ -	$ -	$ -
0	$ -	$ -	$ -	$ -	$ -	$ -
0	$ -	$ -	$ -	$ -	$ -	$ -
0	$ -	$ -	$ -	$ -	$ -	$ -
0	$ -	$ -	$ -	$ -	$ -	$ -
Total	$ 1,646,823	$ 1,709,455	$ 1,772,262	$ 1,780,249	$ 1,843,420	$ 8,752,209

Mandate Excerpt (if applicable):

The majority of this Program is mandated under NERC Standards FAC-501-WECC-1. Failure to comply with standard could result in large financial penalties.

Additional Justifications:

Any supplementary information that may be useful in describing in more detail the nature of the Project, the urgency, etc.

Resources Requirements: *(request forms and approvals attached)*

Internal Labor Availability:	☐ Low Probability	☑ Medium Probability	☐ High Probability	Enterprise Tech:	☐ YES - attach form	☑ NO or Not Required
Contract Labor:	☑ YES	☐ NO		Facilities:	☐ YES - attach form	☑ NO or Not Required
				Capital Tools:	☐ YES - attach form	☑ NO or Not Required
				Fleet:	☐ YES - attach form	☑ NO or Not Required

Check the appropriate box. The internal and contract labor boxes should be checked to indicate if the resource owners have been contacted and to provide a general sense of how likely staff will be provided (this does not require a firm committment).

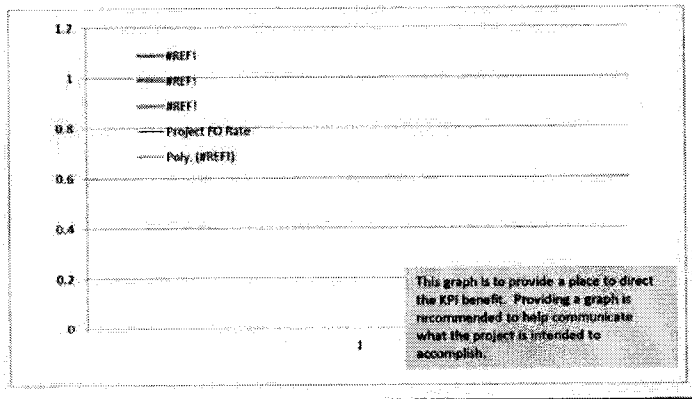
Key Performance Indicator(s)

Expected Performance Improvements

KPI Measure:	Fill in the name of the KPI here
	Fill in the name of the KPI here

Capital Program Business Case

AVISTA



Prepared signature _____ 11/22/2013

Reviewed signature _____
Director/Manager

Other Party Review signature _____
(if necessary) Director/Manager

This space is to be used for photographs, charts, or other data that may be useful in evaulating the Program

To be completed by Capital Planning Group

Rationale for decision	Review Cycles 2012-2016	
	Date	Template

Exhibit No.__(DBD-5)
Attachment No.__ETD-29

AVISTA UTILITIES
2013-2016 CAPITAL PROJECTS

Functional Group: Electric Transmission / Distribution

Business Case Name: Transmission - NERC High Priority Mitigation

ER No: 2560 **ER Name:** Line Ratings Mitigation Project

Approved Business Case Spend Amount 2013-2016 ($000s - System): $3,070[1]

Transfer to Plant Amounts ($000s - System):

Year	Total	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2013	1,350												1,350
2014	1,900												1,900
2015													
2016													

Business Case Description:
This program reconfigures insulator attachments, and/or rebuilds existing transmission line structures, or removes earth beneath transmission lines in order to mitigate ratings/sag discrepancies found between "design" and "field" conditions as determined by LiDAR survey data. This program was undertaken in response to the October 7, 2012 North American Electric Reliability Corporations (NERC) "NERC Alert" - Recommendation to Industry, "Consideration of Actual Field Conditions in Determination of Facility Ratings". This Capital Program (ER2560) covers mitigation work on Avista's "High Priority" 230kV transmission lines, including: Benewah-Pine Creek (BI CT203), Cabinet-Noxon (BI AT203), Cabinet-Rathdrum (BI CT202), Hatwai-North Lewiston (BI LT205), Lolo-Oxbow (BI LT202), and Noxon-Pine Creek (BI AT202). Mitigation brings lines in compliance with the National Electric Safety Code (NESC) minimum clearances values. These code minimums have been adopted into the State of Washington's Administrative Code (WAC).

Offsets:
There are no anticipated offsets with this business case.

[1] The business case amount reflects approved capital expenditures for the years indicated and not transfers to plant.

Capital Program Business Case

Avista

Investment Name:	**Transmission - NERC High Priority Mitigation**		
Requested Amount	**$2,835,000**	**Assessments:**	
Duration/Timeframe	3 Year Program	Financial:	Medium - >= 5% & <9% CIRR
Dept., Area:	TLD Engineering	Strategic:	Reliability & Capacity
Owner:	Heather Rosentrater	Operational:	Operations improved beyond current levels
Sponsor:	Don Kopczynski	Business Risk:	ERM Reduction >10 and <= 15
Category:	Program	Program Risk:	High certainty around cost, schedule and resources
Mandate/Reg. Reference:	October 7, 2010 "NERC Alert" w/r Facility Ratings	Assessment Score:	102

Recommend Program Description:	**Performance**	**Annual Cost Summary - Increase/(Decrease)**			
		Capital Cost	**O&M Cost**	**Other Costs**	**ERM Risk Score**
This program reconconfigures insulator attachments, and/or rebuilds existing transmission line structures, or removes earth beneath transmission lines in order to mitigate ratings/sag discrepancies found between "design" and "field" conditions as determined by LiDAR survey data. This program was undertaken in response to the October 7, 2012 North American Electric Reliability Corporations (NERC) "NERC Alert" - Recommendation to Industry, *"Consideration of Actual Field Conditions in Determination of Facility Ratings"*. This Capital Program (ER2560) covers mitigation work on Avista's "High Priority" 230kV transmission lines, including: Benewah-Pine Creek (BI CT203), Cabinet-Noxon (BI AT203), Cabinet-Rathdrum (BI CT202), Hatwai-North Lewiston (BI LT205), Lolo-Oxbow (BI LT202), and Noxon-Pine Creek (BI AT202). Mitgation brings lines in compliance with the National Electric Safety Code (NESC) minimum clearances values. These code minimums have been adopted into the State of Washington's Administrative Code (WAC).	Regulatory compliance, upgraded facilities, greater clearance, and (in some cases) greater load capabilities.	$ 1,337,500	$ -	$ -	1

Alternatives:		**Performance**	**Annual Cost Summary - Increase/(Decrease)**			
			Capital Cost	**O&M Cost**	**Other Costs**	**ERM Risk Score**
Unfunded Program:	The unfunded ("do nothing") approach would place Avista at odds with NERC recommendations, and increase the potential for large fines for any outage and/or incident connected with line clearance. Additionally, failure to mitigate would place Avista in violation of NESC code standards and the WAC.	Relatively high probability of fines and legal action against Avista.	$ -	$ -	$ -	16
Alternative 1: Brief name of alternative (if applicable)	Describe other options that were considered	describe any incremental changes in	$ -	$ -	$ -	0
Alternative 2: Brief name of alternative (if applicable)	Describe other options that were considered	describe any incremental changes in	$ -	$ -	$ -	0
Alternative 3 Name: Brief name of alternative (if applicable)	Describe other options that were considered	describe any incremental changes in	$ -	$ -	$ -	0

Program Cash Flows

5 years of costs

	Capital Cost	O&M Cost	Other Costs	Approved
Previous				
2012	$ 265,000	$ -	$ -	$ -
2013	$ 1,337,500	$ -	$ -	$ 1,170,000
2014	$ 1,900,000	$ -	$ -	$ 1,900,000
2015	$ -	$ -	$ -	$ -
2016	$ -	$ -	$ -	$ -
Total	$ 3,502,500	$ -	$ -	$ 3,070,000

Associated Ers (list all applicable):

2560

Mandate Excerpt (if applicable):

Regulatory: Specific transmission lines require rebuild for increased line clearance. Risk Management: Specific transmission lines require rebuild to reduce potential public injury risks.

Additional Justifications:

Resources Requirements: ***(request forms and approvals attached)***

Internal Labor Availability:	☐ Low Probability	☑ Medium Probability	☐ High Probability	Enterprise Tech:	☐ YES - attach form	☑ NO or Not Required
Contract Labor:	☑ YES	☐ NO		Facilities:	☐ YES - attach form	☑ NO or Not Required
				Capital Tools:	☐ YES - attach form	☑ NO or Not Required
				Fleet:	☐ YES - attach form	☑ NO or Not Required

Check the appropriate box. The internal and contract labor boxes should be checked to indicate if the resource owners have been contacted and to provide a general sense of how likely staff will be provided (this does not require a firm commitment).

Capital Program Business Case

AVISTA

Key Performance Indicator(s)
Expected Performance Improvements
KPI Measure:

Prepared signature _____ 11/22/2013

Reviewed signature _____
Director/Manager

Other Party Review signature _____
(if necessary) Director/Manager

To be completed by Capital Planning Group

Rationale for decision	Review Cycles 2012-2016	
	Date	Template

Exhibit No.__(DBD-5)
Attachment No.__ETD-30

AVISTA UTILITIES
2013-2016 CAPITAL PROJECTS

Functional Group: Electric Transmission / Distribution

Business Case Name: Transmission - NERC Low Priority Mitigation

ER No: **ER Name:**
2579 Low Priority Ratings Mitigation

Approved Business Case Spend Amount 2013-2016 ($000s - System): $3,250[1]

Transfer to Plant Amounts ($000s - System):

Year	Total	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2013													
2014	250												250
2015	500												500
2016	2,500												2,500

Business Case Description:
This program reconfigures insulator attachments, and/or rebuilds existing transmission line structures, or removes earth beneath transmission lines in order to mitigate ratings/sag discrepancies found between "design" and "field" conditions as determined by LiDAR survey data. This program was undertaken in response to the October 7, 2012 North American Electric Reliability Corporations (NERC) "NERC Alert" - Recommendation to Industry, "Consideration of Actual Field Conditions in Determination of Facility Ratings". This Capital Program (ER25xx) covers mitigation work on Avista's "Low Priority" 230kV and 115kV transmission lines. Mitigation brings lines in compliance with the National Electric Safety Code (NESC) minimum clearances values. These code minimums have been adopted into the State of Washington's Administrative Code (WAC).

Offsets:
There are no anticipated offsets with this business case.

[1] The business case amount reflects approved capital expenditures for the years indicated and not transfers to plant.

AVISTA

Capital Program Business Case

Investment Name:	NERC Low Priority Mit		
Requested Amount	$1,500,000	**Assessments:**	
Duration/Timeframe	4 Year Program	Financial:	0.00%
Dept., Area:	TLD Engineering	Strategic:	Reliability & Capacity
Owner:	Heather Rosentrater	Business Risk:	Business Risk Reduction >10 and <= 15
Sponsor:	Don Kopczynski	Program Risk:	High certainty around cost, schedule and resources
Category:	Program		
Mandate/Reg. Reference:	October 7, 2010 "NERC Alert" w/r Facility Ratings	Assessment Score:	#NAME?

Recommend Program Description:	Performance	Capital Cost	O&M Cost	Other Costs	Business Risk Score
		Annual Cost Summary - Increase/(Decrease)			
This program reconconfigures insulator attachments, and/or rebuilds existing transmission line structures, or removes earth beneath transmission lines in order to mitigate ratings/sag discrepancies found between "design" and "field" conditions as determined by LiDAR survey data. This program was undertaken in response to the October 7, 2012 North American Electric Reliability Corporations (NERC) "NERC Alert" - Recommendation to Industry, "Consideration of Actual Field Conditions in Determination of Facility Ratings". This Capital Program (ER25xx) covers mitigation work on Avista's "Low Priority" 230kV and 115kV transmission lines. Mitgation brings lines in compliance with the National Electric Safety Code (NESC) minimum clearances values. These code minimums have been adopted into the State of Washington's Administrative Code (WAC).	Regulatory compliance, upgraded facilities, greater clearance, and (in some cases) greater load capabilities.	$ 1,500,000	$ -	$ -	1

Alternatives:		Performance	Capital Cost	O&M Cost	Other Costs	Business Risk Score
			Annual Cost Summary - Increase/(Decrease)			
Unfunded Program:	The unfunded ("do nothing") approach would place Avista at odds with NERC recommendations, and increase the potential for large fines for any outage and/or incident connected with line clearance. Additionally, failure to mitigate would place Avista in violation of NESC code standards and the WAC.	Relatively high probability of fines and legal action against Avista.	$ -	$ -	$ -	16
Alternative 1: Brief name of alternative (if applicable)	Describe other options that were considered	describe any incremental changes in operations	$ -	$ -	$ -	1
Alternative 2: Brief name of alternative (if applicable)	Describe other options that were considered	describe any incremental changes in operations	$ -	$ -	$ -	0
Alternative 3 Name: Brief name of alternative (if applicable)	Describe other options that were considered	describe any incremental changes in operations	$ -	$ -	$ -	0

Program Cash Flows

	Capital Cost	O&M Cost	Other Costs	Approved
Previous	$ -	$ -	$ -	$ -
2013	$ -	$ -	$ -	$ -
2014	$ 250,000	$ -	$ -	$ 250,000
2015	$ 500,000	$ -	$ -	$ 500,000
2016	$ 2,500,000	$ -	$ -	$ 2,500,000
2017	$ 2,500,000	$ -	$ -	$ 2,500,000
Total	$ 5,750,000	$ -	$ -	$ 5,750,000

Associated Ers (list all applicable):			
2579			

ER	2013	2014	2015	2016	2017	Total
2579	$ -	$ 250,000	$ 500,000	$ 2,500,000	$ 2,500,000	$ 5,750,000
0	$ -	$ -	$ -	$ -	$ -	$ -
0	$ -	$ -	$ -	$ -	$ -	$ -
0	$ -	$ -	$ -	$ -	$ -	$ -
0	$ -	$ -	$ -	$ -	$ -	$ -
0	$ -	$ -	$ -	$ -	$ -	$ -
0	$ -	$ -	$ -	$ -	$ -	$ -
0	$ -	$ -	$ -	$ -	$ -	$ -
0	$ -	$ -	$ -	$ -	$ -	$ -
0	$ -	$ -	$ -	$ -	$ -	$ -
0	$ -	$ -	$ -	$ -	$ -	$ -
0	$ -	$ -	$ -	$ -	$ -	$ -
0	$ -	$ -	$ -	$ -	$ -	$ -
0	$ -	$ -	$ -	$ -	$ -	$ -
0	$ -	$ -	$ -	$ -	$ -	$ -
0	$ -	$ -	$ -	$ -	$ -	$ -
Total	$ -	$ 250,000	$ 500,000	$ 2,500,000	$ 2,500,000	$ 5,750,000

Mandate Excerpt (if applicable):

Regulatory: Specific transmission lines require modification/rebuild for increased line clearance.
Risk Management: Specific transmission lines require rebuild to reduce potential public injury risks.

Additional Justifications:

Any supplementary information that may be useful in describing in more detail the nature of the Project, the urgency, etc.

Resources Requirements: *(request forms and approvals attached)*

Internal Labor Availability:	☐ Low Probability	☑ Medium Probability	☐ High Probability	Enterprise Tech:	☐ YES - attach form	☑ NO or Not Required
Contract Labor:	☑ YES	☐ NO		Facilities:	☐ YES - attach form	☑ NO or Not Required
				Capital Tools:	☐ YES - attach form	☑ NO or Not Required
				Fleet:	☐ YES - attach form	☑ NO or Not Required

Check the appropriate box. The internal and contract labor boxes should be checked to indicate if the resource owners have been contacted and to provide a general sense of how likely staff will be provided (this does not require a firm commitment).

Key Performance Indicator(s)

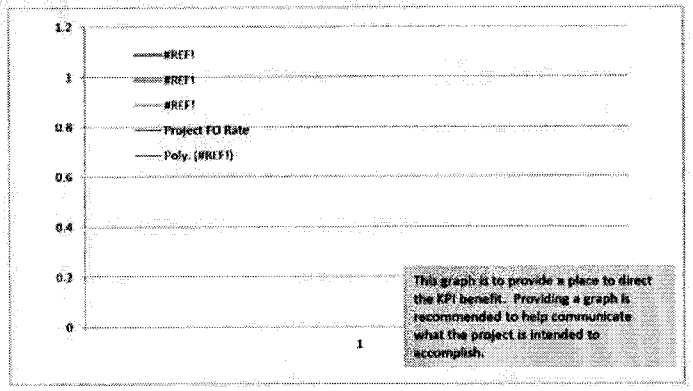
Expected Performance Improvements

Exhibit No.__(DBD-5)
Attachment No.__ETD-30.2

Capital Program Business Case

AVISTA

KPI Measure:	Fill in the name of the KPI here
	Fill in the name of the KPI here



Prepared signature 11/22/2013

Reviewed signature
Director/Manager

Other Party Review signature
(if necessary) Director/Manager

This space is to be used for photographs, charts, or other data that may be useful in evaulating the Program

To be completed by Capital Planning Group

Rationale for decision	Review Cycles 2012-2016	
	Date	Template

Exhibit No.__(DBD-5)
Attachment No.__ETD-31

AVISTA UTILITIES
2013-2016 CAPITAL PROJECTS

Functional Group: Electric Transmission / Distribution

Business Case Name: Transmission - NERC Medium Priority Mitigation

ER No: **ER Name:**
2581 Medium Priority Ratings Mitigation

Approved Business Case Spend Amount 2013-2016 ($000s - System): $4,987 [1]

Transfer to Plant Amounts ($000s - System):

Year	Total	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2013													
2014	1,693												1,693
2015	3,294												3,294
2016	2,251												2,251

Business Case Description:
This program reconfigures insulator attachments, and/or rebuilds existing transmission line structures, or removes earth beneath transmission lines in order to mitigate ratings/sag discrepancies found between "design" and "field" conditions as determined by LiDAR survey data. This program was undertaken in response to the October 7, 2012 North American Electric Reliability Corporations (NERC) "NERC Alert" - Recommendation to Industry, "Consideration of Actual Field Conditions in Determination of Facility Ratings". This Capital Program (ER2581) covers mitigation work on Avista's "Medium Priority" 230kV and 115kV transmission lines, including North Lewiston-Shawnee 230kV, Beacon-Bell #4 230kV, Beacon-Bell #5 230kV, Noxon-Hot Springs #2 230kV, Beacon-Boulder #2 115kV, Beacon-Francis & Cedar 115kV, 9th & Central-Otis 115kV, Northwest-Westside 115kV, Dry Creek-Talbot 230kV, Walla Walla-Wanapum 230kV, Benewah-Moscow 230kV, Devils Gap-Stratford 115kV. Mitigation brings lines in compliance with the National Electric Safety Code (NESC) minimum clearances values. These code minimums have been adopted into the State of Washington's Administrative Code (WAC).

Offsets:
There are no anticipated offsets with this business case.

[1] The business case amount reflects approved capital expenditures for the years indicated and not transfers to plant.

AVISTA

Capital Program Business Case

Investment Name:	**NERC Med Priority Mit**
Requested Amount	**$2,500,000**
Duration/Timeframe	2 Year Program
Dept., Area:	TLD Engineering
Owner:	Heather Rosentrater
Sponsor:	Don Kopczynski
Category:	Program
Mandate/Reg. Reference:	October 7, 2010 "NERC Alert" w/r Facility Ratings

Assessments:

Financial:	9.00%
Strategic:	Reliability & Capacity
Business Risk:	Business Risk Reduction >10 and <= 15
Program Risk:	High certainty around cost, schedule and resources
Assessment Score:	#NAME?

Recommend Program Description:	Performance	Capital Cost	O&M Cost	Other Costs	Business Risk Score
		Annual Cost Summary - Increase/(Decrease)			
This program reconconfigures insulator attachments, and/or rebuilds existing transmission line structures, or removes earth beneath transmission lines in order to mitigate ratings/sag discrepancies found between "design" and "field" conditions as determined by LiDAR survey data. This program was undertaken in response to the October 7, 2012 North American Electric Reliability Corporations (NERC) "NERC Alert" - Recommendation to Industry, "Consideration of Actual Field Conditions in Determination of Facility Ratings". This Capital Program (ER25xx) covers mitigation work on Avista's "Medium Priority" 230kV and 115kV transmission lines, including North Lewiston-Shawnee 230kV, Beacon-Bell #4 230kV, Beacon-Bell #5 230kV, Noxon-Hot Springs #2 230kV, Beacon-Boulder #2 115kV, Beacon-Francis & Cedar 115kV, 9th & Central-Otis 115kV, Northwest-Westside 115kV, Dry Creek-Talbot 230kV, Walla Walla-Wanapum 230kV, Benewah-Moscow 230kV, Devils Gap-Stratford 115kV. Mitgation brings lines in compliance with the National Electric Safety Code (NESC) minimum clearances values. These code minimums have been adopted into the State of Washington's Administrative Code (WAC).	Regulatory compliance, upgraded facilities, greater clearance, and (in some cases) greater load capabilities.	$ 2,500,000	$ -	$ -	1

Alternatives:		Performance	Capital Cost	O&M Cost	Other Costs	Business Risk Score
			Annual Cost Summary - Increase/(Decrease)			
Unfunded Program:	The unfunded ("do nothing") approach would place Avista at odds with NERC recommendations, and increase the potential for large fines for any outage and/or incident connected with line clearance. Additionally, failure to mitigate would place Avista in violation of NESC code standards and the WAC.	Relatively high probability of fines and legal action against Avista.	$ -	$ -	$ -	16
Alternative 1: Brief name of alternative (if applicable)	Describe other options that were considered	describe any incremental changes in operations	$ -	$ -	$ -	1
Alternative 2: Brief name of alternative (if applicable)	Describe other options that were considered	describe any incremental changes in operations	$ -	$ -	$ -	0
Alternative 3 Name: Brief name of alternative (if applicable)	Describe other options that were considered	describe any incremental changes in operations	$ -	$ -	$ -	0

Program Cash Flows

	Capital Cost	O&M Cost	Other Costs	Approved
Previous	$ -	$ -	$ -	$ -
2013	$ -	$ -	$ -	$ -
2014	$ 1,693,000	$ -	$ -	$ 1,693,000
2015	$ 3,294,000	$ -	$ -	$ 3,294,000
2016	$ -	$ -	$ -	$ -
2017	$ -	$ -	$ -	$ -
Total	$ 4,987,000	$ -	$ -	$ 4,987,000

Associated Ers (list all applicable):

2581			

ER	2013	2014	2015	2016	2017	Total
2581	$ -	$ 1,693,000	$ 3,294,000	$ -	$ -	$ 4,987,000
0	$ -	$ -	$ -	$ -	$ -	$ -
0	$ -	$ -	$ -	$ -	$ -	$ -
0	$ -	$ -	$ -	$ -	$ -	$ -
0	$ -	$ -	$ -	$ -	$ -	$ -
0	$ -	$ -	$ -	$ -	$ -	$ -
0	$ -	$ -	$ -	$ -	$ -	$ -
0	$ -	$ -	$ -	$ -	$ -	$ -
0	$ -	$ -	$ -	$ -	$ -	$ -
0	$ -	$ -	$ -	$ -	$ -	$ -
0	$ -	$ -	$ -	$ -	$ -	$ -
0	$ -	$ -	$ -	$ -	$ -	$ -
0	$ -	$ -	$ -	$ -	$ -	$ -
0	$ -	$ -	$ -	$ -	$ -	$ -
0	$ -	$ -	$ -	$ -	$ -	$ -
0	$ -	$ -	$ -	$ -	$ -	$ -
Total	$ -	$ 1,693,000	$ 3,294,000	$ -	$ -	$ 4,987,000

Mandate Excerpt (if applicable):

Regulatory: Specific transmission lines require modification/rebuild for increased line clearance.
Risk Management: Specific transmission lines require rebuild to reduce potential public injury risks.

Additional Justifications:

Any supplementary information that may be useful in describing in more detail the nature of the Project, the urgency, etc.

Resources Requirements: *(request forms and approvals attached)*

Internal Labor Availability:	☐ Low Probability	☑ Medium Probability	☐ High Probability	Enterprise Tech:	☐ YES - attach form	☑ NO or Not Required
Contract Labor:	☑ YES	☐ NO		Facilities:	☐ YES - attach form	☑ NO or Not Required
				Capital Tools:	☐ YES - attach form	☑ NO or Not Required
				Fleet:	☐ YES - attach form	☑ NO or Not Required

Check the appropriate box. The internal and contract labor boxes should be checked to indicate if the resource owners have been contacted and to provide a general sense of how likely staff will be provided (this does not require a firm commitment).

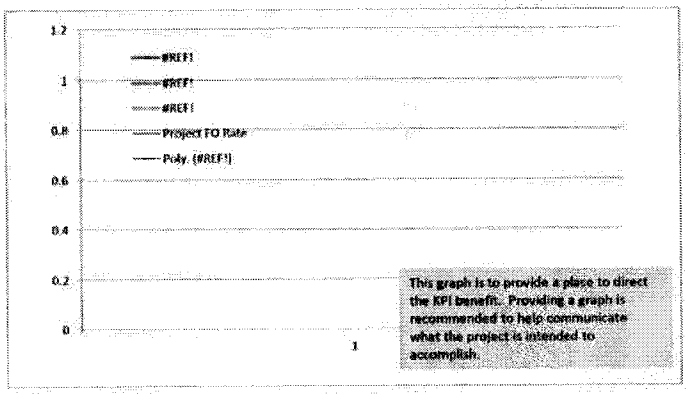
Key Performance Indicator(s)

Expected Performance Improvements

Capital Program Business Case

AVISTA

KPI Measure:	Fill in the name of the KPI here
	Fill in the name of the KPI here



Prepared signature _____ 11/22/2013

Reviewed signature _____
Director/Manager

Other Party Review signature _____
(if necessary) Director/Manager

This space is to be used for photographs, charts, or other data that may be useful in evaluating the Program

To be completed by Capital Planning Group

Rationale for decision	Review Cycles 2012 2016	
	Date	Template

Exhibit No.__(DBD-5)
Attachment No.__ETD-33

AVISTA UTILITIES
2013-2016 CAPITAL PROJECTS

Functional Group: Electric Transmission / Distribution

Business Case Name: SCADA - System Operations & Backup Control Center

ER No: **ER Name:**
2277 SCADA Upgrade

Approved Business Case Spend Amount 2013-2016 ($000s - System): $2,240[1]

Transfer to Plant Amounts ($000s - System):

Year	Total	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2013	133										100	17	17
2014	1,090												1,090
2015	515												515
2016	435												435

Business Case Description:
This program replaces and/or upgrades existing electric and gas control center telecommunications and computing systems as they reach the end of their useful lives, require increased capacity, or cannot accommodate necessary equipment upgrades due to existing constraints. Included are hardware, software, and operating system upgrades, as well as deployment of capabilities to meet new operational standards and requirements. Some system upgrades may be initiated by other requirements, including NERC reliability standards, growth, and external projects (e.g. Smart Grid). Examples of upgrades to be completed under this program are Critical Infrastructure Protection version 5 (NERC requirement), Gas Control Room Management (PHMSA requirement), WECC RC Advanced Applications, and Technology Refresh (network and storage).

Offsets:
There are no anticipated offsets with this business case.

[1] The business case amount reflects approved capital expenditures for the years indicated and not transfers to plant.

Capital Program Business Case

AVISTA

Investment Name:	**SCADA - SOO and BUCC**	**Assessments:**	
Requested Amount	**Average amt 2013-18 is $518,417**		
Duration/Timeframe	20 Year Program	Financial:	Low - >0% and < 5% CIRR
Dept.., Area:	T&D - SCADA - System Operations	Strategic:	Reliability & Capacity
Owner:	Brad Calbick/Heather Rosentrater	Operational:	Operations somewhat impacted by execution
Sponsor:	Don Kopczynski	Business Risk:	ERM Reduction >5 and <= 10
Category:	Program	Program Risk:	High certainty around cost, schedule and resources
Mandate/Reg. Reference:	WECC/NERC/FERC	Assessment Score:	84

Recommend Program Description:	**Performance**	**Annual Cost Summary - Increase/(Decrease) Capital Cost**	**O&M Cost**	**Other Costs**	**Business Risk Score**
This program replaces and/or upgrades existing electric and gas control center telecommunications and computing systems as they reach the end of their useful lives, require increased capacity, or cannot accommodate necessary equipment upgrades due to existing constraints. Included are hardware, software, and operating system upgrades, as well as deployment of capabilities to meet new operational standards and requirements. Some system upgrades may be initiated by other requirements, including NERC reliability standards, growth, and external projects (e.g. Smart Grid). Examples of upgrades to be completed under this program are Critical Infrastructure Protection version 5 (NERC requirement), Gas Control Room Management (PHMSA requirement), WECC RC Advanced Applications, and Technology Refresh (network and storage)	Improved performance, upgraded equipment, better status & control, new life cycle.	$ 200,000	$ -	$ -	1

Alternatives:		**Performance**	**Annual Cost Summary - Increase/(Decrease) Capital Cost**	**O&M Cost**	**Other Costs**	**Business Risk Score**
Unfunded Program:	Non-compliant operational capabilities and practices would result in negative audit findings, financial penalties, and litigation expenses. Obsolete equipment would remain in service until failure. Additional capacity for growth may or may not be suitable for required expansions to meet other (e.g. Regulatory, SGIG) needs.	Severe negative system reliability and compliance impacts	$ 500,000	$ 500,000	$ 500,000	8
Alternative 1: Brief name of alternative (if applicable)	Describe other options that were considered	Performance remains at current levels; min. improve	$ -	$ -	$ -	0
Alternative 2: Brief name of alternative (if applicable)	Describe other options that were considered	describe any incremental changes in operations	$ -	$ -	$ -	0
Alternative 3 Name: Brief name of alternative (if applicable)	Describe other options that were considered	describe any incremental changes in operations	$ -	$ -	$ -	0

Program Cash Flows
5 years of costs

	Capital Cost	O&M Cost	Other Costs	Approved
2013	$ 200,000	$ -	$ -	$ 200,001
2014	$ 1,090,500	$ -	$ -	$ 1,090,500
2015	$ 515,000	$ -	$ -	$ 515,000
2016	$ 435,000	$ -	$ -	$ 435,000
2017	$ 435,000	$ -	$ -	$ 435,000
2018	$ 435,000			$ 435,000
Total	$ 3,110,500	$ -	$ -	$ 3,110,501

Associated ERs (list all applicable):
2277

Mandate Excerpt (if applicable):
NERC reliability standards are being continually changed. New and changed standards are expected which will address emergency operations, transmission operations, critical infrastructure protection, communications, and balancing authority operations. Gas Control Room Management requirements which address alarm management, and display standards are being implemented and audited. (See http://www.nerc.com/filez/standards/Reliability_Standards_Under_Development.html and http://primis.phmsa.dot.gov/crm/)

Additional Justifications:
This program replaces and/or upgrades existing control center telecommunications and computing systems for a number of reasons including, end of useful life, increased capacity requirements, and new operational and regulatory requirements. Cuts to this program need to be closely evaluated to assure that reliable and compliant operations are not impacted.

Resources Requirements: *(request forms and approvals attached)*

Internal Labor Availability:	☐ Low Probability	☐ Medium Probability	☑ High Probability	Enterprise Tech:	☐ YES - attach form	☑ NO or Not Required
Contract Labor:	☐ YES	☑ NO		Facilities:	☐ YES - attach form	☑ NO or Not Required
				Capital Tools:	☐ YES - attach form	☑ NO or Not Required
				Fleet:	☐ YES - attach form	☑ NO or Not Required

Check the appropriate box. The internal and contract labor boxes should be checked to indicate if the resource owners have been contacted and to provide a general sense of how likely staff will be provided (this does not require a firm committment).

Capital Program Business Case

AVISTA

Key Performance Indicator(s)

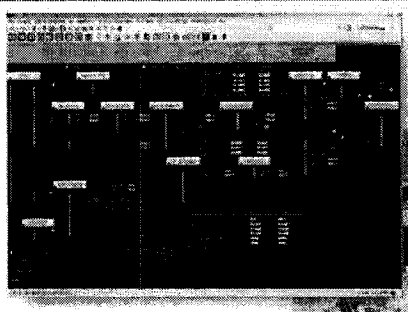
Expected Performance Improvements

KPI Measure:	Complete projects ahead of need and compliance targets.

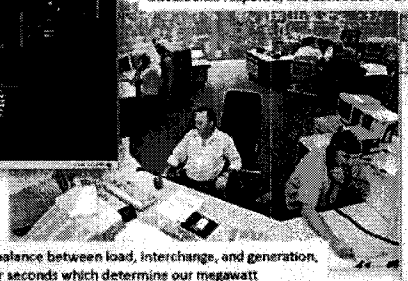
Prepared signature _____

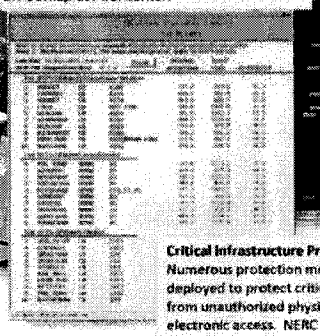
Reviewed signature _____ Director/Manager

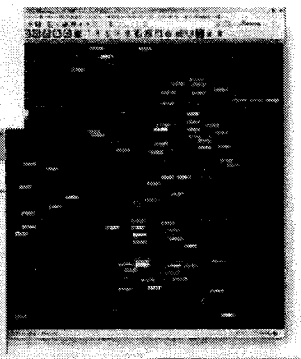
Other Party Review signature _____
(if necessary) Director/Manager



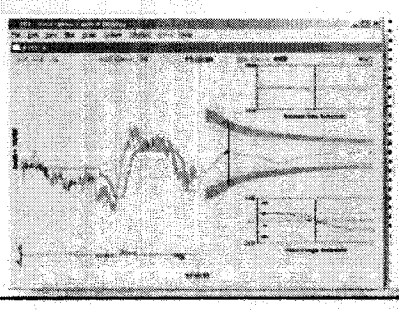
Transmission Operations – Certified System Operators monitor system conditions round-the-clock. They perform switching operations, maintain system voltage, and respond to abnormal conditions. Constant communication occurs with neighboring systems and regional authorities to assure system reliability. Operators are trained to respond to emergency situations such as black start restoration, load shedding, disturbance response, and activation of the Backup Control Center.

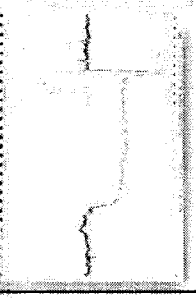




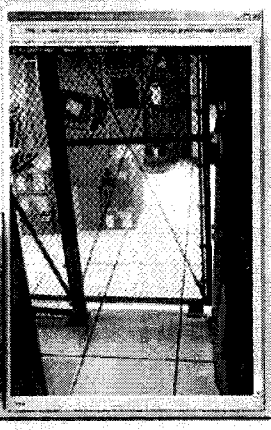


Balancing Authority – To maintain the balance between load, interchange, and generation, automated calculations occur every four seconds which determine our megawatt obligation based on our customer load, contracted purchase & sales, and the system frequency at that instant. Controls are automatically issued to generators to adjust generation to meet our obligation. Control algorithms are optimized to minimize





Critical Infrastructure Protection – Numerous protection measures are deployed to protect critical systems from unauthorized physical and electronic access. NERC standards have 43 requirements regarding protection of critical infrastructure. Onerous audits are performed every 3 years. Potentially significant financial penalties result from any instances of non-



To be completed by Capital Planning Group

Rationale for decision	Review Cycles 2012-2016	
	Date	Template

Exhibit No.__(DBD-5)
Attachment No.__ETD-34

AVISTA UTILITIES
2013-2016 CAPITAL PROJECTS

Functional Group: Electric Transmission / Distribution

Business Case Name: Smart Grid Workforce Training Grant - DOE

ER No: **ER Name:**
7205 Smart Grid Workforce Training

Approved Business Case Spend Amount 2013-2016 ($000s - System): $155[1]

Transfer to Plant Amounts ($000s - System):

Year	Total	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2013	360									-11	344	13	13
2014													
2015													
2016													

Business Case Description:
Avista is partnering with several utilities and colleges in the region to develop a smart grid workforce training program for a three year period. As a result of this partnership Avista will be upgrading the Jack Stewart Training Center with a substation and distribution training facility for smart grid technology, updating Avista training programs for apprentices, journeymen and pre-line school students to incorporate smart grid technology; and developing several online curriculum offerings to be shared by utilities and colleges in Washington, Oregon, Idaho, Montana and Utah.

Offsets:
There are no anticipated offsets with this business case.

[1] The business case amount reflects approved capital expenditures for the years indicated and not transfers to plant.

Exhibit No.__(DBD-5)
Attachment No.__ETD-35

AVISTA UTILITIES
2013-2016 CAPITAL PROJECTS

Functional Group: Electric Transmission / Distribution

Business Case Name: Spokane Smart Circuit – Distribution Management System

ER No: **ER Name:**
2529 Spokane Smart Circuit

Approved Business Case Spend Amount 2013-2016 ($000s - System): $814[1]

Transfer to Plant Amounts ($000s - System):

Year	Total	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2013	1,104							3	-1	944	158		
2014													
2015													
2016													

Business Case Description:
At this time, the utility's distribution system has little real time information and is unable to respond to dynamic loading and faulted conditions very quickly. This project will install a Distribution Management System that will allow real time system information to be used to control the distribution system. Intelligent end devices such as capacitor banks, air switches and reclosers will be installed and will provide sensing and control of the distribution circuits. Substations control and communication equipment will be upgraded to allow for the control and aggregation of field data. A wireless mesh network will be installed to provide backhaul from end devices to the substations. The project will automate distribution equipment on 58 feeders and in 14 substations.

Offsets:
There are no anticipated offsets with this business case.

[1] The business case amount reflects approved capital expenditures for the years indicated and not transfers to plant.

AVISTA

Capital Investment Business Case

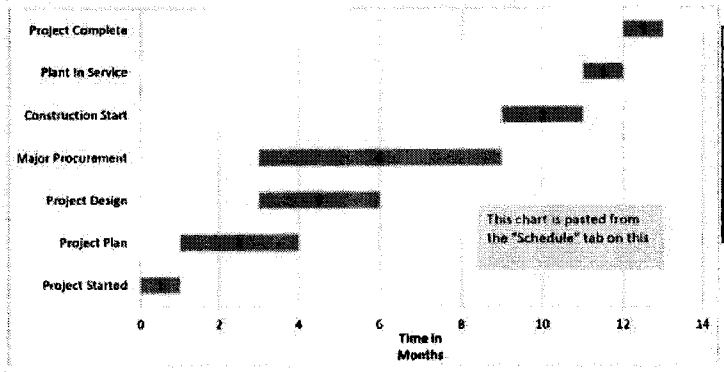
Investment Name:	**Spokane Smart Circuit**
Requested Amount	**$22M**
Duration/Timeframe	5 Year Project
Dept., Area:	Business Process Improvement
Owner:	Heather Rosentrater
Sponsor:	Don Kopczynski
Category:	Project
Mandate/Reg. Reference:	n/a

Assessments:	
Financial:	High - Exceeds 12% CIRR
Strategic:	Reliability & Capacity
Operational:	Operations improved beyond current levels
Business Risk:	ERM Reduction >10 and <= 15
Project/Program Risk:	High certainty around cost, schedule and resources
Assessment Score:	116.1666667

Recommend Project Description:	**Performance**	**Cost Summary - Increase/(Decrease) Capital Cost**	**O&M Cost**	**Other Costs**	**Business Risk Score**
At this time the utility's distribution system has little real time information and is unable to respond to dynamic loading and faulted conditions very quickly. This project will install a Distribution Management System that will allow real time system information to be used to control the distribution system. Intelligent end devices such as capacitor banks, air switches and reclosers will be installed and will provide sensing and control of the distribution circuits. Substations control and communication equipment will be upgraded to allow for the control and aggregation of field data. A wireless mesh network will be installed to provide backhaul from end devices to the substations. The project will automate distribution equipment on 58 feeders and in 14 substations.	Distribution Automation reducing system losses and outage impacts	$ 22,000,000	$ -	$ -	8

Alternatives:		**Performance**	**Cost Summary - Increase/(Decrease) Capital Cost**	**O&M Cost**	**Other Costs**	**Business Risk Score**
Status Quo:	System continues to operate as today.	n/a	$ -	$ -	$ -	20
Alternative 1: Brief name of alternative (if applicable)	A distribution automation system is implemented on 14 substations and 59 of the distribution circuits.	Distribution Automation reducing system losses	$ 22,000,000	$ -	$ -	8
Alternative 2: Brief name of alternative (if applicable)	Describe other options that were considered	describe any incremental changes in operations	$ -	$ -	$ -	0
Alternative 3 Name: Brief name of alternative (if applicable)	Describe other options that were considered	describe any incremental changes in operations	$ -	$ -	$ -	0

Timeline



Construction Cash Flows (CWIP)

	Capital Cost	O&M Cost	Other Costs	Approved
Previous	$ 18,781,582	$ -	$ -	$ 18,781,582
2012	$ 2,146,190	$ -	$ -	$ 2,146,190
2013	$ 1,072,228	$ -	$ -	$ 814,228
2014	$ -	$ -	$ -	$ -
2015	$ -	$ -	$ -	$ -
2016	$ -	$ -	$ -	$ -
2017	$ -	$ -	$ -	$ -
2018	$ -	$ -	$ -	$ -
Future	$ -	$ -	$ -	$ -
Total	$ 22,000,000	$ -	$ -	$ 21,742,000

Milestones (high level targets)

October-09	Project Started	June-12	Plant In Service	mm/dd/yy	open
October-09	Project Plan	March-13	Project Complete	mm/dd/yy	open
June-10	Project Design	mm/dd/yy	open	mm/dd/yy	open
October-09	Major Procurement	mm/dd/yy	open		
October-09	Construction Start	mm/dd/yy	open		

Milestones should be general. In some cases it may be as simple as project start, project complete. Use your judgement on project progress so that progress can be measured.

Associated Ers (list all applicable):	Current ER
	2529
Mandate Excerpt (if applicable):	I937 renewable portfolio standard

Additional Justifications:

This project is in conjunction with a federal smart grid grant. Avista is contractually obligated to complete the scope of work and could risk up to $20M in lost grant moneys.

Capital Investment Business Case

AVISTA

Resources Requirements: *(request forms and approvals attached)*

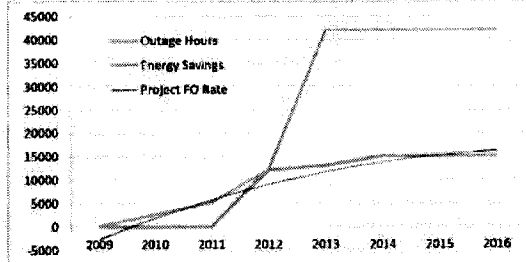
Internal Labor Availability:	☐ Low Probability	☐ Medium Probability	☑ High Probability	Enterprise Tech:	☐ YES - attach form	☑ NO or Not Required
Contract Labor:	☑ YES	☐ NO		Facilities:	☐ YES - attach form	☑ NO or Not Required
				Capital Tools:	☐ YES - attach form	☑ NO or Not Required
				Fleet:	☐ YES - attach form	☑ NO or Not Required

Check the appropriate box. The internal and contract labor boxes should be checked to indicate if the resource owners have been contacted and to provide a general sense of how likely staff will be provided (this does not require a firm committment).

Key Performance Indicator(s)

Expected Performance Improvements

KPI Measure:	Avoided Outage Hours
	Reduced system losses (MWh/Yr)



Prepared signature _____ John Gibson

Reviewed signature _____ Director/Manager

Other Party Review (if necessary) signature _____ Director/Manager

This space is to be used for photographs, charts, or other data that may be useful in evaulating the project

To be completed by Capital Planning Group

Rationale for decision	Review Cycles 2012-2016	
	Date	Template

Exhibit No.__(DBD-5)
Attachment No.__ETD-36

AVISTA UTILITIES
2013-2016 CAPITAL PROJECTS

Functional Group: Electric Transmission / Distribution

Business Case Name: Thornton 230 kV Switching Station

ER No: **ER Name:**
2545 Thorton 230kv Switching Station-Construction WIND

Approved Business Case Spend Amount 2013-2016 ($000s - System): $0[1]

Transfer to Plant Amounts ($000s - System):

Year	Total	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2013	14								14				
2014													
2015													
2016													

Business Case Description:
This project will design and construct the Thornton 230kV Switching Station in accordance with the LGIA with Palouse Wind, LLC. Per the Agreement, Avista will own, operate, and maintain this switching station and will be responsible for 2/3 of the overall cost while Palouse Wind will be responsible for 1/3 of the overall cost.

Offsets:
There are no anticipated offsets with this business case.

[1] The business case amount reflects approved capital expenditures for the years indicated and not transfers to plant.

AVISTA

Capital Investment Business Case

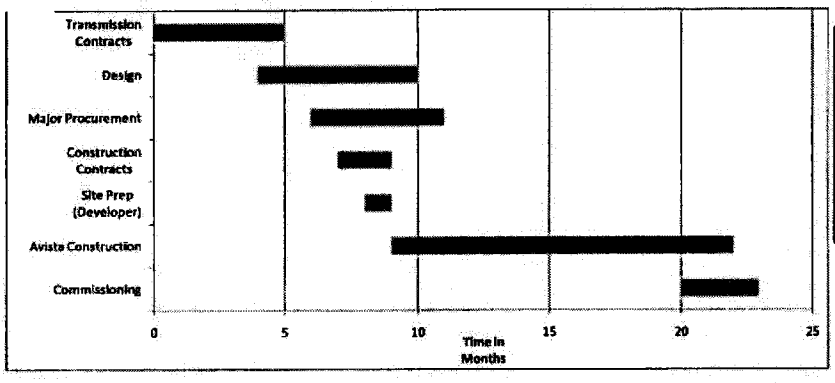
Investment Name:	Thornton 230 kV Switching Station
Requested Amount	$5,000,000
Duration/Timeframe	2 Year Project
[illegible]rea:	T&D - Substation Engineering
C	Rick Vermeers
Sponsor:	Jason Thackston
Category:	Project
Mandate/Reg. Reference:	n/a

Assessments:	
Financial:	Medium - >= 6% & <9% CIRR
Strategic:	Renewables
Operational:	Operations improved beyond current levels
Business Risk:	ERM Reduction >10 and <= 15
Project/Program Risk:	High certainty around cost, schedule and resources
Assessment Score:	100

Recommend Project Description:	Performance	Cost Summary - Increase/(Decrease) Capital Cost	O&M Cost	Other Costs	ERM Risk Score
This project will design and construct the Thornton 230 kV Switching Station in accordance with the LGIA with Palouse Wind, LLC. Per the Agreement, Avista will own, operate, and maintain this switching station and will be responsible for 2/3 of the overall cost while Palouse Wind will be responsible for 1/3 of the overall cost. Billing information can be found within the LGIA. Design, procurement, and construction activities are presently underway up to the $2.4M commited by First Wind under the July 1st, 2011 Limited Authorization to Proceed. There is a lot of liability around this project with the potential for lawsuit if we cannot meet our commitment.	required to adequately isolate the wind farm without impacting our system and customers	$ 5,000,000	$ -	$ -	1

Alternatives:		Performance	Cost Summary - Increase/(Decrease) Capital Cost	O&M Cost	Other Costs	ERM Risk Score
Status Quo:	Avista has required this switching station to interconnect the Palouse Wind farm on to our system. Interconnection is not an option without this station so there is no "status quo." We will see litigation if we do not meet our deadline as outlined in the LGIA with Palouse Wind, LLC.	n/a	$ -	$ -	$ 7,000,000	12
Alternative 1: Brief name of alternative (if applicable)	Describe other options that were considered	describe any incremental changes in operations	$ -	$ -	$ -	0
Alternative 2: Brief name of alternative (if applicable)	Describe other options that were considered	describe any incremental changes in operations	$ -	$ -	$ -	0
Alternative 3 Name: Brief name of alternative (if applicable)	Describe other options that were considered	describe any incremental changes in operations	$ -	$ -	$ -	0

Timeline



Construction Cash Flows (CWIP)

	Capital Cost	O&M Cost	Other Costs
Previous	$ 1,750,000	$ -	$ -
2012	$ 3,250,000	$ -	$ -
2013	$ -	$ -	$ -
2014	$ -	$ -	$ -
2015	$ -	$ -	$ -
2016	$ -	$ -	$ -
2017	$ -	$ -	$ -
2018	$ -	$ -	$ -
Future	$ -	$ -	$ -
Total	$ 5,000,000	$ -	$ -

Milestones (high level targets)

January-11	Project Started	September-11	Avista Crew On Site for Structural Work
March-11	Preliminary Design Begins	October-11	Avista Electrical Design Transmitted
June-11	Spend Approval	September-12	Construction Completed
July-11	Avista Physical Design Transmitted	November-12	Commissioning
August-11	Developer Begins Site Work	December-12	Energize all Facilities

Associated Ers (list all applicable):	2545							
Mandate Excerpt (if applicable):	This does help Avista meet the requirements of Washington state initiative I-937.							

Additional Justifications:

LGIA, PPA, Planning Studies (Feasibility, System Impact, Facilities), and all other documentation can be provided upon request.

Capital Investment Business Case

AVISTA

Resources Requirements: *(request forms and approvals attached)*

Internal Labor Availability:	☐ Low Probability	☐ Medium Probability	☑ High Probability	Enterprise Tech:	☐ YES - attach form	☑ NO or Not Required
Contract Labor:	☐ YES	☑ NO		Facilities:	☐ YES - attach form	☑ NO or Not Required
				Capital Tools:	☐ YES - attach form	☑ NO or Not Required
				Fleet:	☐ YES - attach form	☑ NO or Not Required

Check the appropriate box. The internal and contract labor boxes should be checked to indicate if the resource owners have been contacted and to provide a general sense of how likely staff will be provided (this does not require a firm committment).

Key Performance Indicator(s)
Expected Performance Improvements

KPI Measure:	Switching Station Energized by 12/17/12

Prepared signature Michael A. Magruder

Reviewed signature Bill Wilson
Director/Manager

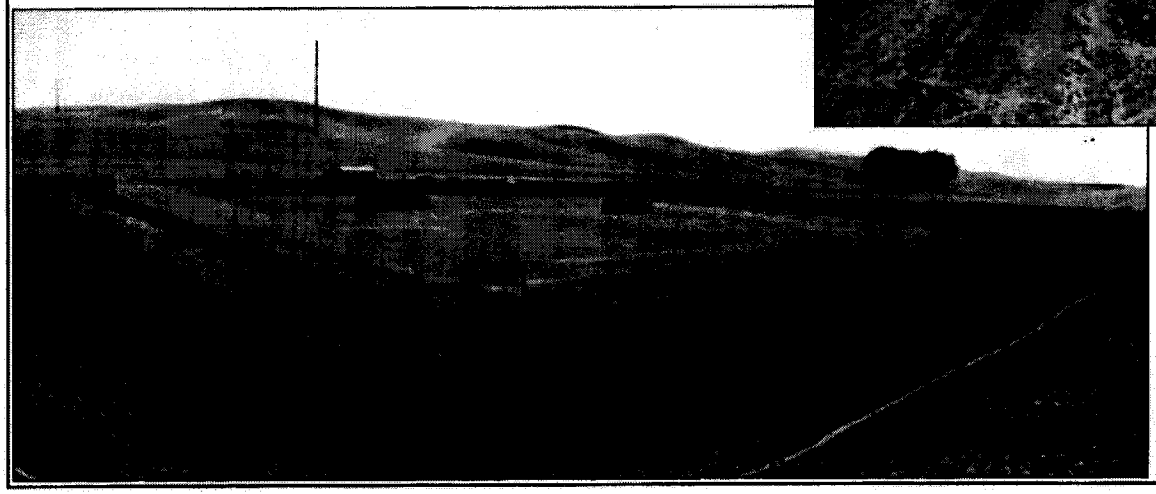
Other Party Review (if necessary) signature Jim Carkonen
Director/Manager

Thornton 230 kV Switching Station - Before (Right) & After (Below) Site Prep

The photo to the right was taken on July 26, 2011, just before the wind developer's contractor moved on site.

The photo below shows that same site exactly one month later, August 26, 2011. Avista crews moved on site on Monday, August 29 to begin forming foundations for the structures. Panelhouse is expected to arrive just before Thanksgiving and the Electric/Relay crews will complete the project in 2012.

This project is well into construction.



To be completed by Capital Planning Group

Rationale for decision	Review Cycles 2012-2016	
	Date	Template

Exhibit No.__(DBD-5)
Attachment No.__ETD-37

AVISTA UTILITIES
2013-2016 CAPITAL PROJECTS

Functional Group: Electric Transmission / Distribution

Business Case Name: Purchase Westside Property

ER No: **ER Name:**
2531 Purchase Westside Property

Approved Business Case Spend Amount 2013-2016 ($000s - System): $0[1]

Transfer to Plant Amounts ($000s - System):

Year	Total	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2013	70								70				
2014													
2015													
2016													

Business Case Description:

This business case is for the purchase of property at Westside. The purchase was made for the anticipated reconstruction of the existing 115 kV and 230/115 kV Autotransformer bus arrangement anticipated to being in 2017 or 2018.

Offsets:
There are no anticipated offsets with this business case.

[1] The business case amount reflects approved capital expenditures for the years indicated and not transfers to plant.

Capital Project Business Case

AVISTA

Investment Name:	**Westside Rebuild**
Requested Amount	**$4,200,000**
D--ration/Timeframe	3 Year Program
, Area:	T&D - Substations/Transmission
er:	Heather Rosentrater
Sponsor:	Don Kopczynski
Category:	Productivity
Mandate/Reg. Reference:	n/a

Assessments:	
Financial:	
Strategic:	None
Business Risk:	Business Risk Reduction - None
Project Risk:	High certainty around cost, schedule and resources
Assessment Score:	28

Recommend Project Description:	Performance	Capital Cost	O&M Cost	Other Costs	Business Risk Score
Reconstruct the existing 115 kV and 230/115 kV Autotransformer bus arrangement and increase the transformation at Westside 230 kV Substation to eliminate overloads for credible bus outages and tie breakers failure contingencies in the Spokane area. The proposed bus arrangement for the 115 kV bus is our present standard of breaker and a half. The autotransformer capacity would increase to the current standard of 250 MVA each. In addition the Westside 230 kV station physical condition has been identified at end of life cycle.	Improved performance, upgraded equipment, better status & control, new life cycle.	$ 4,200,000	$ -	$ -	0

Annual Cost Summary - Increase/(Decrease)

Alternatives:		Performance	Capital Cost	O&M Cost	Other Costs	Business Risk Score
Unfunded Project:	Outages causing loss of 230/115 kV transformer at Bell or Beacon Stations cause the Westside #1 & #2 230/115 kV Transformers to exceed their facility ratings. The overload mitigation may require the shedding of load to maintain an acceptable operating condition.	n/a	$ 120,000	$ 75,000	$ -	0
Alternative 1: Brief name of alternative (if applicable)	Describe other options that were considered	describe any incremental changes in operations	$ -	$ -	$ -	0
Alternative 2: Brief name of alternative (if applicable)	Describe other options that were considered	describe any incremental changes in operations	$ -	$ -	$ -	0
Alternative 3 Name: Brief name of alternative (if applicable)	Describe other options that were considered	describe any incremental changes in operations	$ -	$ -	$ -	0

Program Cash Flows

	Capital Cost	O&M Cost	Other Costs	Approved
Previous	$ -	$ -	$ -	$ -
2013	$ -	$ -	$ -	$ -
2014	$ 750,000	$ -	$ -	$ -
2015	$ 3,500,000	$ -	$ -	$ -
2016	$ 4,200,000	$ -	$ -	$ -
2017	$ -	$ -	$ -	$ -
2018	$ -			$ 750,000
2019	$ -			$ -
Total	$ 8,450,000	$ -	$ -	$ 750,000

Associated Ers (list all applicable):			
2531			

ER	2013	2014	2015	2016	2017	Total
2531	$ -	$ 750,000	$ 3,500,000	$ 4,200,000	$ -	$ 8,450,000
0	$ -	$ -	$ -	$ -	$ -	$ -
0	$ -	$ -	$ -	$ -	$ -	$ -
0	$ -	$ -	$ -	$ -	$ -	$ -
0	$ -	$ -	$ -	$ -	$ -	$ -
0	$ -	$ -	$ -	$ -	$ -	$ -
0	$ -	$ -	$ -	$ -	$ -	$ -
0	$ -	$ -	$ -	$ -	$ -	$ -
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0	$ -	$ -	$ -	$ -	$ -	$ -
0	$ -	$ -	$ -	$ -	$ -	$ -
0	$ -	$ -	$ -	$ -	$ -	$ -
0	$ -	$ -	$ -	$ -	$ -	$ -
Total	$ -	$ 750,000	$ 3,500,000	$ 4,200,000	$ -	$ 8,450,000

Mandate Excerpt (if applicable):

Obligation to serve: Substation requires increased capacity due to Spokane area load growth.

Additional Justifications:

Analysis of the Spokane Area Transmission System is documented in the Spokane Area Regional Assessment identifying several performance issues in the five and ten year planning horizon.The observed overloads occur in the 2014 base cases making the issues an operations concern. Westside #1 230/115 kV Transformer will overload by 2017 for an outage of Westside #2 230/115 kV Transformer.

Milestones (high level targets)

January-14	Sub Design Begins	July-16	Commission Auto #2	January-00	open
August-14	Grading and foundations	January-00	open	January-00	open
January-15	Install Steel,115 kV breakers, Bus	January-00	open	January-00	open
July-15	115 kV line cut over and Auto # 2	January-00	open	January-00	open
September-15	Commision 115 kV and Auto #1	January-00	open	January-00	open
January-16	Install 230 kV breaker and Auto #1	January-00	open	January-00	open

Milestones should be general. Use your judgement on project progress so that progress can

Resources Requirements: *(request forms and approvals attached)*

Internal Labor Availability: ☐ Low Probability ☐ Medium Probability ☑ High Probability ☐ YES

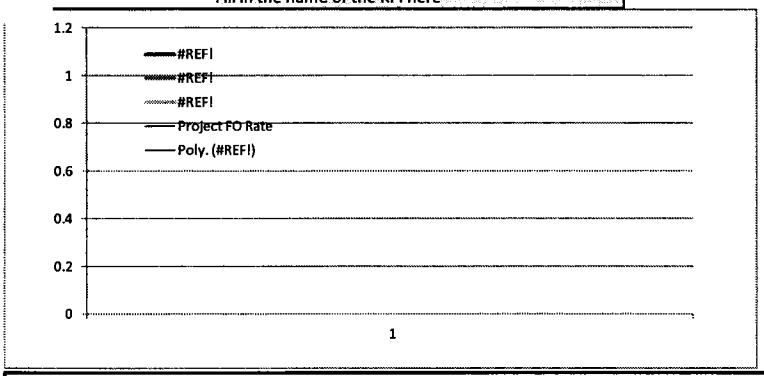
Enterprise Tech: ☐ YES - attach form ☑ NO or Not Required

Capital Tools: ☐ YES - attach form ☑ NO or Not Required ☐ YES - attach form ☑ NO or Not Required

Printed: 01-24-2014
http://sharepoint/departments/budget/Business Cases/Transmission and Distribution/Westside Rebuild.xlsm

Contract Labor:	☐ YES	☑ NO	Facilities:	☐ YES - attach form	☑ NO or Not Required	Fleet:	☐ YES - attach form	☑ NO or Not Required

Key Performance Indicator(s)	
Expected Performance Improvements	
KPI Measure:	Fill in the name of the KPI here
	Fill in the name of the KPI here



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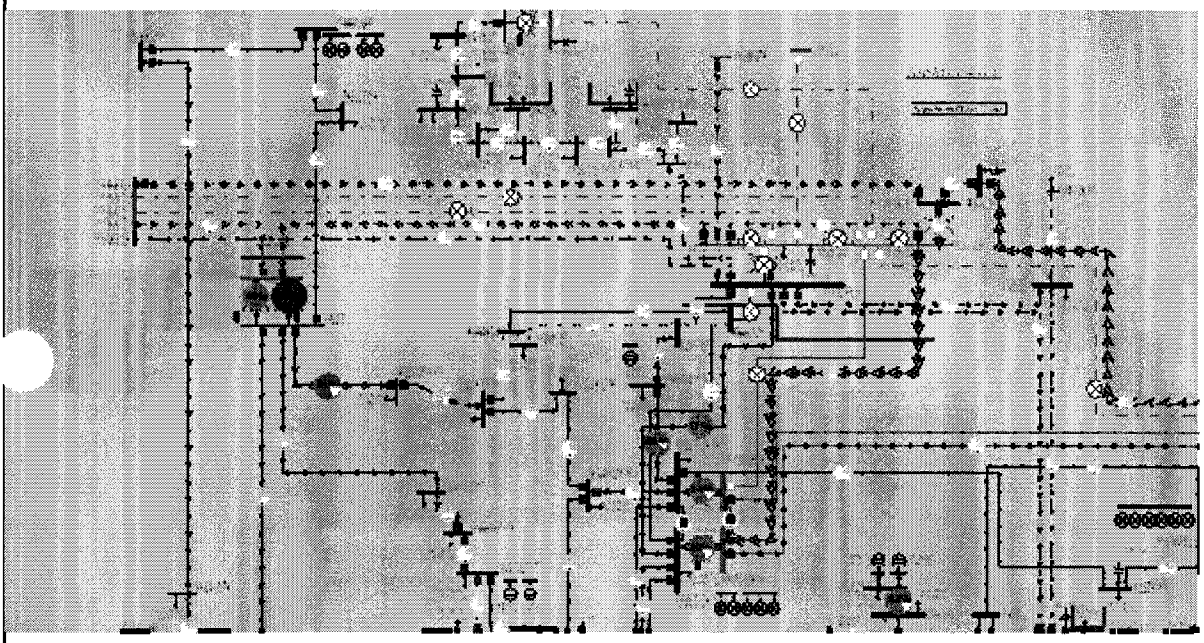
Reviewed signature _____
Director/Manager

Other Party Review signature _____
(if necessary) Director/Manager

Below is a visual of the Westside autotransformer overload for a Bell 230 kV bus tie failure.



To be completed by Capital Planning Group

Rationale for decision	Review Cycles 2012-2016	
	Date	Template

Exhibit No.__(DBD-5)
Attachment No.__ETD-38

AVISTA UTILITIES
2013-2016 CAPITAL PROJECTS

Functional Group: Electric Transmission / Distribution

Business Case Name: Customer Prepay

ER No: **ER Name:**
2585 Customer Prepay

Approved Business Case Spend Amount 2013-2016 ($000s - System): **$2,000[1]**

Transfer to Plant Amounts ($000s - System):

Year	Total	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2013													
2014													
2015	1,997												1,997
2016													

Business Case Description:
Customer Pre Pay- This project would update customer systems and the AMR interfaces to enable prepay programs. These systems need to be set up so that customer's balance can trigger a disconnect when the customer's balance hits zero. The system also need to alert customers to the low balance prior to disconnect. O&M reductions could occur based on the reduction of collection(s) activities.

Offsets:
There are no anticipated offsets with this business case.

[1] The business case amount reflects approved capital expenditures for the years indicated and not transfers to plant.

Capital Project Business Case

AVISTA

Investment Name:	Customer Pre Pay
Requested Amount	$2,000,000
Duration/Timeframe	no. years 1
Dept., Area:	Energy Delivery
Owner:	Heather Rosentrater
Sponsor:	Don Kopczynski
Category:	Productivity
Mandate/Reg. Reference:	n/a

Assessments:

Financial:	0.00%
Strategic:	Customer Experience
Business Risk:	Business Risk Reduction >0 and <= 5
Project Risk:	Low certainty around cost, schedule and resources
Assessment Score:	14

Recommend Project Description:	Performance	Annual Cost Summary - Increase/(Decrease) Capital Cost	O&M Cost	Other Costs	Business Risk Score
Customer Pre Pay- This project would update customer systems and the AMR interfaces to enable prepay programs. These systems need to be set up so that customer's balance can trigger a disconnect when the customer's balance hits zero. The system also need to alert customers to the low balance prior to disconnect. O&M reductions could occur based on the reduction of collection(s) activities.	describe any incremental changes that this Project would benefit present operations	$ 2,000,000	$ 300,000	$ -	4

Alternatives:		Performance	Annual Cost Summary - Increase/(Decrease) Capital Cost	O&M Cost	Other Costs	Business Risk Score
Unfunded Project:	Utility will still follow the existing model where customers are billed monthly for consumption.	n/a	$ -	$ -	$ -	12
Alternative 1: Brief name of alternative (if applicable)	The utility will provide a rate schedule for customers that have elegible advanced meters to opt into a pre pay program. Requires integration to CSS and MDM and will require a remote disconnect switch on residences.	Customers prepay for electric usage.	$ 2,000,000	$ 200,000	$ -	4
Alternative 2: Brief name of alternative (if applicable)	Describe other options that were considered	describe any incremental changes in operations	$ -	$ -	$ -	0
Alternative 3 Name: Brief name of alternative (if applicable)	Describe other options that were considered	describe any incremental changes in operations	$ -	$ -	$ -	0

Program Cash Flows

	Capital Cost	O&M Cost	Other Costs	Approved
Previous	$ -	$ -	$ -	$ -
2013	$ -	$ -	$ -	$ -
2014	$ -	$ -	$ -	$ -
2015	$ 2,000,000	$ 100,000	$ -	$ 2,000,000
2016	$ -	$ 100,000	$ -	$ -
2017+	$ -	$ 100,000	$ -	$ -
Total	$ 2,000,000	$ 300,000	$ -	$ 2,000,000

Associated Ers (list all applicable):

ER	2013	2014	2015	2016	2017+	Total
0	$ -	$ -	$ -	$ -	$ -	$ -
0	$ -	$ -	$ -	$ -	$ -	$ -
0	$ -	$ -	$ -	$ -	$ -	$ -
0	$ -	$ -	$ -	$ -	$ -	$ -
0	$ -	$ -	$ -	$ -	$ -	$ -
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0	$ -	$ -	$ -	$ -	$ -	$ -
0	$ -	$ -	$ -	$ -	$ -	$ -
0	$ -	$ -	$ -	$ -	$ -	$ -
0	$ -	$ -	$ -	$ -	$ -	$ -
Total	$ -	$ -	$ -	$ -	$ -	$ -

Mandate Excerpt (if applicable):

provide brief citation of the law or regulation and a reference number if possible

Additional Justifications:

Any supplementary information that may be useful in describing in more detail the nature of the Project, the urgency, etc.

Milestones (high level targets)

January-00	open	January-00	open	January-00	open
January-00	open	January-00	open	January-00	open
January-00	open	January-00	open	January-00	open
January-00	open	January-00	open	January-00	open
January-00	open	January-00	open	January-00	open
January-00	open	January-00	open	January-00	open

Milestones should be general. Use your judgement on project progress so that progress can

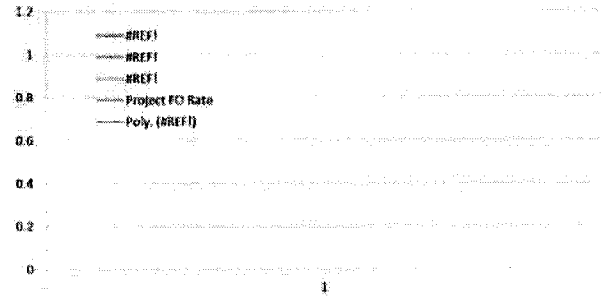
Resources Requirements: *(request forms and approvals attached)*

Internal Labor Availability: ☐ Low Probability ☐ Medium Probability ☐ High Probability
Enterprise Tech: ☐ YES - attach form ☐ NO or Not Required
Capital Tools: ☐ YES - attach form ☐ NO or Not Required
Contract Labor: ☐ YES ☐ NO
Facilities: ☐ YES - attach form ☐ NO or Not Required
Fleet: ☐ YES - attach form ☐ NO or Not Required

Capital Project Business Case

AVISTA

Key Performance Indicator(s)	
Expected Performance Improvements	
KPI Measure:	Fill in the name of the KPI here
	Fill in the name of the KPI here



Prepared signature _____

Reviewed signature _____
Director/Manager

Other Party Review signature _____
(if necessary) Director/Manager

This space is to be used for photographs, charts, or other data that may be useful in evaulating the Project

To be completed by Capital Planning Group

Rationale for decision	Review Cycles 2012-2016	
	Date	Template

Exhibit No.__(DBD-5)
Attachment No.__ETD-39

AVISTA UTILITIES
2013-2016 CAPITAL PROJECTS

Functional Group: Electric Transmission / Distribution

Business Case Name: Noxon Switchyard Rebuild

ER No: **ER Name:**
2532 Noxon 230 kV Substation - Rebuild

Approved Business Case Spend Amount 2013-2016 ($000s - System): $11,400[1]

Transfer to Plant Amounts ($000s - System):

Year	Total	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2013													
2014													
2015	8,425									7,900			525
2016	500												500

Business Case Description:
The existing Noxon Rapids 230 kV Switchyard requires reconstruction due to the present age and condition of the equipment in the station. The existing bus is constructed as strain bus (which has suffered a number of recent failures) and is configured as a single bus with a tiebreaker separating the East and West buses. The station is the interconnection point of the Noxon Rapids Hydroelectric development as well as a principal interconnection point between Avista and BPA, and as such is a significant asset in the reliable operation of the Western Montana Hydro Complex. Equipment outages within the Station (planned or unplanned) can cause significant curtailments of the local generation output. Due to the significance of the station, a complete rebuild will require coordination with Avista's Energy Resources Department and neighboring utilities, primarily BPA. The Noxon Switchyard Rebuild Project is proposed to be a Greenfield Double Bus Double Breaker 230 kV switching station to replace the existing Noxon Switchyard.

Offsets:
There are no anticipated offsets with this business case.

[1]The business case amount reflects approved capital expenditures for the years indicated and not transfers to plant.

Capital Investment Business Case

Exhibit No.__(DBD-5)
Attachment No.__ETD-39.1

AVISTA

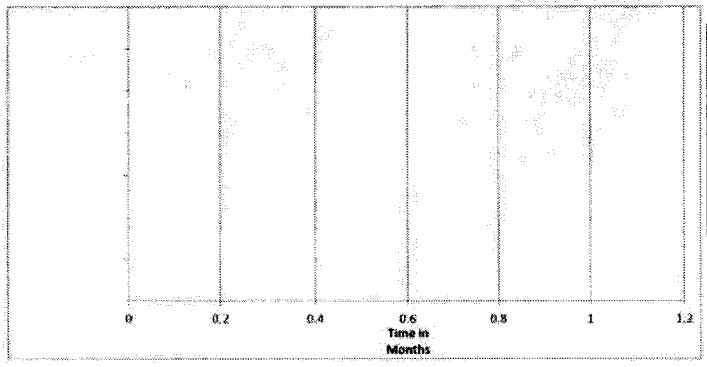
Investment Name:	**Noxon Switchyard Rebuild**
Requested Amount	**$24,950,000**
Duration/Timeframe	8 Year Project
Dept., Area:	T&D - Substation & Transmission Engineering
Owner:	Heather Rosentrater
Sponsor:	Don Kopczynski
Category:	Project
Mandate/Reg. Reference:	n/a

Assessments:	
Financial:	Medium - >= 5% & <9% CIRR
Strategic:	Reliability & Capacity
Operational:	Operations require execution to perform at current levels
Business Risk:	ERM Reduction >0 and <= 5
Project/Program Risk:	High certainty around cost, schedule and resources
Assessment Score:	79

Recommend Project Description:	**Performance**	**Cost Summary - Increase/(Decrease) Capital Cost**	**O&M Cost**	**Other Costs**	**Business Risk Score**
The existing Noxon Rapids 230 kV Switchyard requires reconstruction due to the present age and condition of the equipment in the station. The existing bus is constructed as strain bus (which has suffered a number of recent failures) and is configured as a single bus with a tie breaker separating the East and West buses. The station is the interconnection point of the Noxon Rapids Hydro Electric Dam as well as a principal interconnection point between Avista and BPA, and as such is a significant asset in the reliable operation of the Western Montana Hydro Complex. Equipment outages within the Station (planned or unplanned) can cause significant curtailments of the local generation output. Due to the significance of the station, a complete rebuild will require coordination with Avista's Energy Resources Department and neighboring utilities, primarily BPA. The Noxon Switchyard Rebuild Project is proposed to be a greenfield Double Bus Double Breaker 230 kV switching station to replace the existing Noxon Switchyard.	Improve station reliability by replacing end of life equipment. Improve equipment capacity ratings where possible.	$ 24,950,000	$ -	$ -	1

Alternatives:		**Performance**	**Cost Summary - Increase/(Decrease) Capital Cost**	**O&M Cost**	**Other Costs**	**Business Risk Score**
Status Quo:	The existing Noxon Switchyard will continue to present reliability concerns. Outages caused by equipment failure could cause curtailment of generation and reduced interconnection capacity with neighboring utilities.	n/a	$ -	$ -	$ -	6
Alternative 1:	Replace end of life equipment and strain bus in existing station. This still leaves the station as a single bus, which does not improve single contingency outage possibilities as well as other bus configurations would. Installation of voltage control (reactors) would still be required.		$ 8,500,000	$ -	$ -	0
			$ -	$ -	$ -	0
			$ -	$ -	$ -	0

Timeline



Construction Cash Flows (CWIP)

	Capital Cost	O&M Cost	Other Costs	Approved
Previous	$ -	$ -	$ -	$ -
2012	$ -	$ -	$ -	$ 150,000
2013	$ 400,000	$ -	$ -	$ 400,018
2014	$ 2,525,000	$ -	$ -	$ 2,525,000
2015	$ 5,475,000	$ -	$ -	$ 5,475,000
2016	$ 3,000,000	$ -	$ -	$ 3,000,000
2017	$ 4,200,000	$ -	$ -	$ 4,200,000
2018	$ 4,200,000	$ -	$ -	$ 4,200,000
Future	$ 5,000,000	$ -	$ -	$ -
Total	$ 24,800,000	$ -	$ -	$ 19,950,018

Milestones (high level targets)

Jan-Dec 2012	Plan/Scope Project; Initiate Permitting	April-16 - Oct-16	Construction of new station; Line Construction
Jan-Dec 2013	Finalize Scope Options; Process Permitting	April-17 - Oct-17	Construction of new station; Line Construction/Termination
April-14	Receive Permit	April-18 - Oct-18	Construction of new station; Line Construction/Termination/BPA Construction
April-14 - Dec-15	Construct Reactor Station & 230 kV Connection	April-19 - Oct-19	Construction of new station; Line Construction/Termination/BPA Construction
April-14 - Dec-15	Upgrade Strain bus and bus switches in old sub	April-20 - Oct-20	Construction of new station; Line Construction/Termination/BPA Construction
Jan-15 - Dec-15	Design rest of new station; replace old breakers	April-20 - Oct-20	Remove & Salvage old station
April-15 - Oct-15	Construction of new station		

Associated Ers (list all applicable):	2532							
Mandate Excerpt (if applicable):								

Additional Justifications:

The existing station has not had equipment upgrades since 2007 due to projected plans for a station rebuild. With the decision to pursue a full station upgrade in a new location, the time it will take to construct this new station will require the old station to remain in operation until at least 2020 by current estimates. It has been decided to replace some of the existing equipment to afford safe and reliable operation of the existing station while the new station is constructed.

Capital Investment Business Case

AVISTA

Resources Requirements: *(request forms and approvals attached)*

Internal Labor Availability:	☐ Low Probability	☑ Medium Probability	☐ High Probability	Enterprise Tech:	☐ YES - attach form	☑ NO or Not Required
Contract Labor:	☑ YES	☐ NO		Facilities:	☐ YES - attach form	☑ NO or Not Required
				Capital Tools:	☐ YES - attach form	☑ NO or Not Required
				Fleet:	☐ YES - attach form	☑ NO or Not Required

Check the appropriate box. The internal and contract labor boxes should be checked to indicate if the resource owners have been contacted and to provide a general sense of how likely staff will be provided (this does not require a firm commitment).

Key Performance Indicator(s)

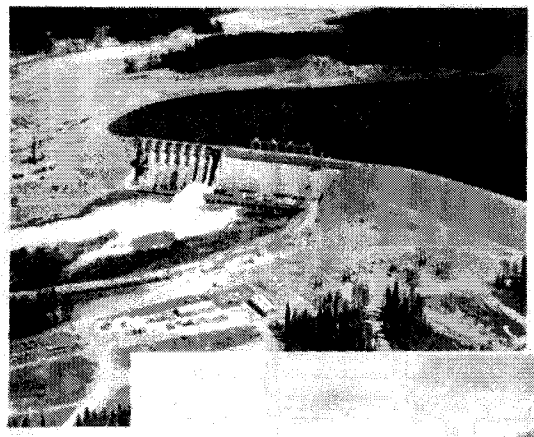
Expected Performance Improvements

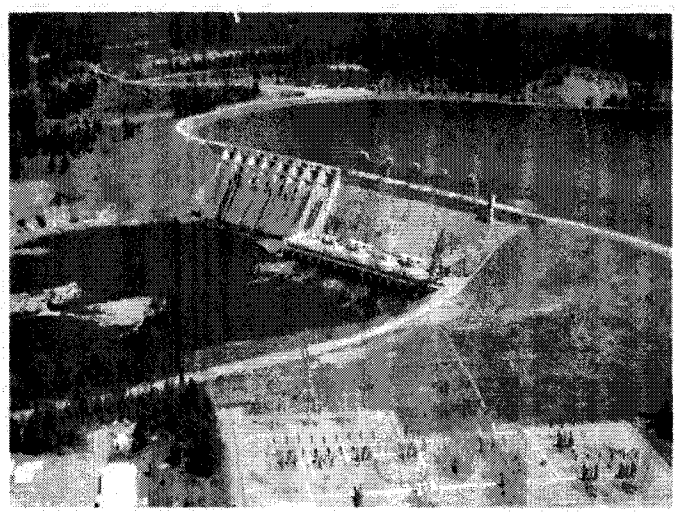
KPI Measure:	Complete Reactor Yard/minor station upgrades in 2015.
	Complete remainder of station as time/budget allows.

Prepared Mike Magruder/Ken Sweigart, T&D - Substations/Transmission

Reviewed Heather Rosentrater, Director - ENSO

Reviewed Andy Vickers, Director - GPSS





Above: recent picture of the Noxon HED and Switchyard
Left: Pictures of Noxon Hed and Switchyard shortly after orginal construction - 1956

Planning and Design Scoping Documents are available upon request

To be completed by Capital Planning Group

Rationale for decision	Review Cycles 2012-2016	
	Date	Template

Exhibit No.__(DBD-5)
Attachment No.__ETD-40

AVISTA UTILITIES
2013-2016 CAPITAL PROJECTS

Functional Group: Electric Transmission / Distribution

Business Case Name: Street Light Management

ER No: **ER Name:**
2584 Street Light Conversion to LED Fixtures

Approved Business Case Spend Amount 2013-2016 ($000s - System): **$4,640[1]**

Transfer to Plant Amounts ($000s - System):

Year	Total	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2013													
2014													
2015	2,320	193	193	193	193	193	193	193	193	193	193	193	193
2016	2,320	193	193	193	193	193	193	193	193	193	193	193	193

Business Case Description:

Street Light Maintenance Program. This program is a 5 year planned replacement of bulbs and 10 year planned replacement of photocells. This alternative has the starter boards running to failure.

Offsets:
The attached business case does not show O&M Offsets, however after further discussion, we anticipate there will be O&M savings in 2015 in the amount of $488,000 ($317,249 WA). The offsets occur due to converting 100 Watt street lights from High Pressure Sodium. The savings comes from eliminating the labor, equipment, material, and overhead costs associated with repairing older lights.

[1] The business case amount reflects approved capital expenditures for the years indicated and not transfers to plant.

Capital Program Business Case

AVISTA

Investment Name:	**Street Light Management**
Requested Amount	**$11,600,000**
Duration/Timeframe	5 Years 2015
Dept.., Area:	Operations
Owner:	Al Fisher
Sponsor:	Don Kopczynski
Category:	Program
Mandate/Reg. Reference:	n/a

Assessments:	
Financial:	8.46%
Strategic:	Life-cycle asset management
Business Risk:	Business Risk Reduction >10 and <= 15
Program Risk:	Moderate certainty around cost, schedule and resources
Assessment Score:	108

Recommend Program Description:	**Performance**	**Annual Cost Summary - Increase/(Decrease) Capital Cost**	**O&M Cost**	**Other Costs**	**Business Risk Score**
Street Light Maintenance Program. This program is a 5 year planned replacement of bulbs and 10 year planned replacement of photocells. This alternative has the starterboards running to failure.	8.46%				4

Alternatives:		**Performance**	**Annual Cost Summary - Increase/(Decrease) Capital Cost**	**O&M Cost**	**Other Costs**	**Business Risk Score**
Unfunded Program: Continue maintaining the street lights as failures occur	The lights are currently maintained based on customer feedback and/or due to being noticed by an Avista employee. Many street lights are out for long periods of time which can put us at risk. We also spend a large amount of time driving from issue to issue.	5.62%	$ -	$ 732,012	$ 729,141	16
Alternative 1:	Street Light Maintenance Program. This program is a 5 year planned replacement of 100 Watt Street Light with LED Fixtures. This will save an estimated 8,500 MWH per year of energy and reduce O&M spending by $540,000 per year.	8.46%	$ 2,320,000	$ 193,824	$ (729,141)	4
Alternative 2:	Street Light Maintenance Program. This program is a 5 year planned replacement of bulbs and starterboards and a 10 year planned replacement of photocells. This program retains the current HPS fixtures.	12.12%	$ -	$ 1,030,000	$ (713,793)	8
Alternative 3:						

Program Cash Flows

	Capital Cost	O&M Cost	Other Costs	Approved
Previous	$ -	$ -	$ -	$ -
2013	$ -	$ -	$ -	$ -
2014	$ -	$ -	$ -	$ -
2015	$ 2,320,000	$ 193,824	$ (729,141)	$ 2,320,000
2016	$ 2,320,000	$ 198,241	$ (829,395)	$ 2,320,000
2017	$ 2,320,000	$ 203,970	$ (926,982)	$ 2,320,000
Total	$ 6,960,000	$ 596,035	$ (2,485,517)	$ 6,960,000

Associated Ers (list all applicable):			
2584			

AVISTA

Capital Program Business Case

ER	2013	2014	2015	2016	2017	Total
2584	$ -	$ 2,320,000	$ 2,320,000	$ 2,320,000	$ 2,320,000	$ 9,280,000
0	$ -	$ -	$ -	$ -	$ -	$ -
0	$ -	$ -	$ -	$ -	$ -	$ -
0	$ -	$ -	$ -	$ -	$ -	$ -
0	$ -	$ -	$ -	$ -	$ -	$ -
0	$ -	$ -	$ -	$ -	$ -	$ -
0	$ -	$ -	$ -	$ -	$ -	$ -
0	$ -	$ -	$ -	$ -	$ -	$ -
0	$ -	$ -	$ -	$ -	$ -	$ -
0	$ -	$ -	$ -	$ -	$ -	$ -
0	$ -	$ -	$ -	$ -	$ -	$ -
0	$ -	$ -	$ -	$ -	$ -	$ -
0	$ -	$ -	$ -	$ -	$ -	$ -
0	$ -	$ -	$ -	$ -	$ -	$ -
0	$ -	$ -	$ -	$ -	$ -	$ -
0	$ -	$ -	$ -	$ -	$ -	$ -
Total	$ -	$ 2,320,000	$ 2,320,000	$ 2,320,000	$ 2,320,000	$ 9,280,000

Mandate Excerpt (if applicable):

Additional Justifications:

Resources Requirements: *(request forms and approvals attached)*

Internal Labor Availability: ☐ Low Probability ☑ Medium Probability ☐ High Probability
Contract Labor: ☑ YES ☐ NO

Enterprise Tech: ☐ YES - attach form ☑ NO or Not Required
Facilities: ☐ YES - attach form ☑ NO or Not Required
Capital Tools: ☐ YES - attach form ☑ NO or Not Required
Fleet: ☐ YES - attach form ☑ NO or Not Required

Check the appropriate box. The internal and contract labor boxes should be checked to indicate if the resource owners have been contacted and to provide a general sense of how likely staff will be provided (this does not require a firm committment).

Key Performance Indicator(s)

Expected Performance Improvements

KPI Measure:	Monitoring the OM spending on street lights
	Monitor the number of lights converted per year

Prepared ______________________

Reviewed ______________________
Director/Manager

Other Party Review
(if necessary) ______________________
Director/Manager

AVISTA

Capital Program Business Case

This space is to be used for photographs, charts, or other data that may be useful in evaulating the Program

To be completed by Capital Planning Group

Rationale for decision	Review Cycles
	2012-2016

Date	Template