

Avista Corporation Decoupling Mechanism  
Washington Jurisdiction  
Quarterly Report for 4th Quarter 2016

**Avista Utilities**  
**Decoupling Mechanism - UE-150204 Base effective 1/11/2016**  
**Development of WA Electric Deferrals (Calendar Year 2016)**

Line No.	Source	Oct-16	Nov-16	Dec-16	1st Quarter 2016	2nd Quarter 2016	3rd Quarter 2016	4th Quarter 2016	2016 YTD	
					Total	Total	Total	Total	Total	
(a)	(b)	(l)	(m)	(n)						
<b>Residential Group</b>										
1	Actual Customers	Revenue System	210,674	211,346	211,562	628,385	627,374	629,030	633,582	2,518,371
2	Monthly Decoupled Revenue per Customer	Attachment 4, Page 3	\$54.00	\$65.98	\$86.05	\$76.10	\$50.38	\$49.77	\$68.70	\$61.25
3	Decoupled Revenue	(1) x (2)	\$ 11,376,751	\$ 13,944,820	\$ 18,205,690	\$ 47,822,570	\$ 31,607,357	\$ 31,303,858	\$ 43,527,260	\$ 154,261,045
4	Actual Base Rate Revenue	Revenue System	\$ 13,859,174	\$ 17,109,790	\$ 25,244,722					
5	Actual Basic Charge Revenue	Revenue System	\$ 1,835,029	\$ 1,834,655	\$ 1,836,304					
6	Actual Usage (kWhs)	Revenue System	157,178,161	193,299,820	284,514,826					
		Attachment 4, Page 1								
7	Retail Revenue Credit (\$/kWh)	1	\$ 0.01641	\$ 0.01641	\$ 0.01641					
8	Variable Power Supply Payments	(6) x (7)	\$ 2,579,294	\$ 3,172,050	\$ 4,668,888					
9	Customer Decoupled Payments	(4) - (5) - (8)	\$ 9,444,852	\$ 12,103,086	\$ 18,739,530	\$ 44,130,066	\$ 27,454,412	\$ 31,818,000	\$ 40,287,468	\$ 143,689,946
	Residential Revenue Per Customer Received		\$44.83	\$57.27	\$88.58	\$70.23	\$43.76	\$50.58	\$63.59	\$57.06
10	Deferral - Surcharge (Rebate)	(3) - (9)	\$ 1,931,899	\$ 1,841,734	\$ (533,841)	\$ 3,692,504	\$ 4,152,945	\$ (514,142)	\$ 3,239,792	\$ 10,571,099
11	Deferral - Revenue Related Expenses	Rev Conv Factor	\$ (88,636)	\$ (84,499)	\$ 24,493	\$ (169,569)	\$ (190,537)	\$ 23,589	\$ (148,642)	\$ (485,159)
		FERC Rate	3.50%	3.50%	3.50%					
12	Interest on Deferral	Avg Balance Calc	\$ 23,438	\$ 28,757	\$ 30,661	\$ 6,592	\$ 51,929	\$ 60,887	\$ 82,855	\$ 202,264
	<b>Monthly Residential Deferral Totals</b>		<b>\$ 1,866,701</b>	<b>\$ 1,785,992</b>	<b>\$ (478,687)</b>	<b>\$ 3,529,528</b>	<b>\$ 4,014,337</b>	<b>\$ (429,666)</b>	<b>\$ 3,174,006</b>	<b>\$ 10,288,205</b>
13	Cumulative Residential Deferral Surcharge/(Rebate) Balance	Σ((10) ~ (12))	\$ 8,980,900	\$ 10,766,892	<b>\$ 10,288,205</b>					
<b>Non-Residential Group</b>										
14	Actual Customers	Revenue System	35,828	35,762	35,782	106,474	106,671	106,882	107,372	427,399
15	Monthly Decoupled Revenue per Customer	Attachment 4, Page 3	\$380.49	\$350.02	\$369.70	\$358.14	\$366.25	\$393.01	\$366.75	\$371.05
16	Decoupled Revenue	(14) x (15)	\$ 13,632,177	\$ 12,517,284	\$ 13,228,762	\$ 38,132,380	\$ 39,068,353	\$ 42,005,773	\$ 39,378,223	\$ 158,584,729
17	Actual Base Rate Revenue	Revenue System	\$ 17,841,080	\$ 16,178,487	\$ 18,917,894					
18	Actual Basic Charge Revenue	Revenue System	\$ 1,567,535	\$ 1,580,197	\$ 1,573,244					
19	Actual Usage (kWhs)	Revenue System	182,657,424	160,599,007	196,411,492					
		Attachment 4, Page 1								
20	Retail Revenue Credit (\$/kWh)	1	\$ 0.01641	\$ 0.01641	\$ 0.01641					
21	Variable Power Supply Payments	(19) x (20)	\$ 2,997,408	\$ 2,635,430	\$ 3,223,113					
22	Customer Decoupled Payments	(17) - (18) - (21)	\$ 13,276,136	\$ 11,962,861	\$ 14,121,538	\$ 37,547,838	\$ 38,417,919	\$ 41,243,452	\$ 39,360,534	\$ 156,569,743
	Non-Residential Revenue Per Customer Received		\$370.55	\$334.51	\$394.65	\$352.65	\$360.15	\$385.88	\$366.58	\$366.33
23	Deferral - Surcharge (Rebate)	(16) - (22)	\$ 356,041	\$ 554,423	\$ (892,776)	\$ 584,542	\$ 650,434	\$ 762,321	\$ 17,689	\$ 2,014,986
24	Deferral - Revenue Related Expenses	Rev Conv Factor	\$ (16,335)	\$ (25,437)	\$ 40,961	\$ (26,775)	\$ (29,842)	\$ (34,975)	\$ (812)	\$ (92,403)
		FERC Rate	3.50%	3.50%	3.50%					
25	Interest on Deferral	Avg Balance Calc	\$ 6,126	\$ 7,410	\$ 6,961	\$ 2,509	\$ 8,475	\$ 13,712	\$ 20,497	\$ 45,194
	<b>Monthly Non-Residential Deferral Totals</b>		<b>\$ 345,832</b>	<b>\$ 536,397</b>	<b>\$ (844,854)</b>	<b>\$ 560,277</b>	<b>\$ 629,067</b>	<b>\$ 741,058</b>	<b>\$ 37,375</b>	<b>\$ 1,967,777</b>
26	Cumulative Non-Residential Deferral Surcharge/(Rebate) Balance	Σ((23) ~ (25))	\$ 2,276,234	\$ 2,812,631	<b>\$ 1,967,777</b>					
27	<b>Total Cumulative Electric Deferral</b>	<b>(13) + (26)</b>	<b>\$ 11,257,134</b>	<b>\$ 13,579,523</b>	<b>\$ 12,255,982</b>					

Avista Corporation Decoupling Mechanism  
Washington Jurisdiction  
Quarterly Report for 4th Quarter 2016

**Avista Utilities**  
**Decoupling Mechanism - UG-150205 Base effective 1/11/2016**  
**Development of WA Natural Gas Deferrals (Calendar Year 2016)**

Line No.	Source					1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	2016 YTD
		Oct-16	Nov-16	Dec-16	Total	Total	Total	Total	Total	
(a)	(b)	(l)	(m)	(n)	(o)				(o)	
<b>Residential Group</b>										
1	Actual Customers	Revenue System	154,684	155,353	155,792	460,305	459,973	461,355	465,829	1,847,462
2	Monthly Decoupled Revenue per Customer	Attachment 5, Page 3	\$25.20	\$43.40	\$63.19	\$49.68	\$15.27	\$6.66	\$43.97	\$28.93
3	Decoupled Revenue	(1) x (2)	\$ 3,897,428	\$ 6,742,516	\$ 9,844,200	\$ 22,869,686	\$ 7,025,713	\$ 3,072,351	\$ 20,484,145	\$ 53,451,894
	Actual Usage (informational only)	Revenue System	7,275,160	11,371,978	24,244,299					
	Actual Base Rate Revenue (Excludes Gas Costs)	Revenue System	\$ 4,372,688	\$ 6,355,325	\$ 11,925,970					
4	Actual Fixed Charge Revenue	Revenue System	\$ 1,414,453	\$ 1,417,988	\$ 1,420,221					
5	Customer Decoupled Payments	(4) - (5)	\$ 2,958,235	\$ 4,937,338	\$ 10,505,750	\$ 20,187,656	\$ 4,345,332	\$ 3,175,219	\$ 18,401,323	\$ 46,109,530
6	Residential Revenue Per Customer Received		\$19.12	\$31.78	\$67.43	\$43.86	\$9.45	\$6.88	\$39.50	\$24.96
7	Deferral - Surcharge (Rebate)	(3) - (6)	\$ 939,193	\$ 1,805,178	\$ (661,549)	\$ 2,682,030	\$ 2,680,380	\$ (102,868)	\$ 2,082,822	\$ 7,342,364
8	Deferral - Revenue Related Expenses	Rev Conv Factor	\$ (42,891)	\$ (82,439)	\$ 30,212	\$ (122,924)	\$ (122,408)	\$ 4,698	\$ (95,118)	\$ (335,752)
		FERC Rate	3.50%	3.50%	3.50%					
9	Interest on Deferral	Avg Balance Calc	\$ 16,203	\$ 20,070	\$ 21,720	\$ 6,810	\$ 36,673	\$ 44,889	\$ 57,994	\$ 146,365
	<b>Monthly Residential Deferral Totals</b>		<b>\$ 912,505</b>	<b>\$ 1,742,809</b>	<b>\$ (609,617)</b>	<b>\$ 2,565,916</b>	<b>\$ 2,594,645</b>	<b>\$ (53,281)</b>	<b>\$ 2,045,697</b>	<b>\$ 7,152,977</b>
10	Cumulative Residential Deferral Surcharge/(Rebate) Balance	Σ((7) ~ (9))	\$ 6,019,785	\$ 7,762,595	<b>\$ 7,152,977</b>					
<b>Non-Residential Group</b>										
11	Actual Customers	Revenue System	2,798	2,812	2,833	8,077	8,359	8,363	8,443	33,242
12	Monthly Decoupled Revenue per Customer	Attachment 5, Page 3	\$414.48	\$584.57	\$759.99	\$636.87	\$296.64	\$178.75	\$587.07	\$423.41
13	Decoupled Revenue	(11) x (12)	\$ 1,159,725	\$ 1,643,817	\$ 2,153,056	\$ 5,144,014	\$ 2,479,584	\$ 1,494,886	\$ 4,956,598	\$ 14,075,082
	Actual Usage (informational only)		4,076,896	4,431,065	8,810,762					
	Actual Base Rate Revenue (Excludes Gas Costs)	Revenue System	\$ 1,285,548	\$ 1,504,422	\$ 2,468,211					
14	Actual Fixed Charge Revenue	Revenue System	\$ 287,908	\$ 324,817	\$ 258,141					
15	Customer Decoupled Payments	(14) - (15)	\$ 997,640	\$ 1,179,605	\$ 2,210,070	\$ 4,502,544	\$ 1,770,889	\$ 1,356,465	\$ 4,387,315	\$ 12,017,213
16	Non-Residential Revenue Per Customer Received		\$356.55	\$419.49	\$780.12	\$557.45	\$211.85	\$162.20	\$519.64	\$361.51
17	Deferral - Surcharge (Rebate)	(13) - (16)	\$ 162,085	\$ 464,212	\$ (57,014)	\$ 641,470	\$ 708,695	\$ 138,421	\$ 569,283	\$ 2,057,869
18	Deferral - Revenue Related Expenses	Rev Conv Factor	\$ (7,402)	\$ (21,200)	\$ 2,604	\$ (29,305)	\$ (32,365)	\$ (6,321)	\$ (25,998)	\$ (93,989)
		FERC Rate	3.50%	3.50%	3.50%					
19	Interest on Deferral	Avg Balance Calc	\$ 4,436	\$ 5,321	\$ 5,903	\$ 2,415	\$ 8,622	\$ 12,076	\$ 15,661	\$ 38,775
	<b>Monthly Non-Residential Deferral Totals</b>		<b>\$ 159,119</b>	<b>\$ 448,333</b>	<b>\$ (48,507)</b>	<b>\$ 614,580</b>	<b>\$ 684,952</b>	<b>\$ 144,176</b>	<b>\$ 558,946</b>	<b>\$ 2,002,654</b>
20	Cumulative Non-Residential Deferral Surcharge/(Rebate) Balance	Σ((17) ~ (19))	\$ 1,602,828	\$ 2,051,162	<b>\$ 2,002,654</b>					
21	<b>Total Cumulative Natural Gas Deferral</b>	<b>(10) + (20)</b>	<b>\$ 7,622,614</b>	<b>\$ 9,813,756</b>	<b>\$ 9,155,632</b>					

Avista Corporation Decoupling Mechanism  
Washington Jurisdiction  
Quarterly Report for 4th Quarter 2016

**Balance Sheet Accounts**

GL Account Balance Accounting Period : '201610, 201611, 201612'

Jurisdiction:WA

**Deferred Revenue**

Ferc Acct	Ferc Acct Desc	Service	Accounting Period	Beginning Balance	Monthly Activity	Ending Balance
186328	REG ASSET-DECOUPLING DEFERRED	ED	201610	7,114,199.30	1,866,700.97	8,980,900.27
	REG ASSET-DECOUPLING DEFERRED		201611	8,980,900.27	1,785,992.18	10,766,892.45
	REG ASSET-DECOUPLING DEFERRED		201612	10,766,892.45	-478,687.37	10,288,205.08
	<b>Sum: 3,174,005.78</b>					
	REG ASSET-DECOUPLING DEFERRED	GD	201610	5,107,280.26	912,505.29	6,019,785.55
	REG ASSET-DECOUPLING DEFERRED		201611	6,019,785.55	1,742,809.34	7,762,594.89
REG ASSET-DECOUPLING DEFERRED	201612		7,762,594.89	-609,617.31	7,152,977.58	
<b>Sum: 2,045,697.32</b>						
<b>Sum: 5,219,703.10</b>						
186338	REG ASSET NON-RES DECOUPLING D	ED	201610	1,930,402.59	345,831.85	2,276,234.44
	REG ASSET NON-RES DECOUPLING D		201611	2,276,234.44	536,396.85	2,812,631.29
	REG ASSET NON-RES DECOUPLING D		201612	2,812,631.29	-844,854.10	1,967,777.19
	<b>Sum: 37,374.60</b>					
	REG ASSET NON-RES DECOUPLING D	GD	201610	1,443,709.12	159,119.33	1,602,828.45
	REG ASSET NON-RES DECOUPLING D		201611	1,602,828.45	448,333.23	2,051,161.68
REG ASSET NON-RES DECOUPLING D	201612		2,051,161.68	-48,507.04	2,002,654.64	
<b>Sum: 558,945.52</b>						
<b>Sum: 596,320.12</b>						

GL Account Balance Accounting Period : '201610, 201611, 201612'

Jurisdiction:WA

**2015 Deferred Revenue Pending Recovery**

Acct	Ferc Acct Desc	Service	Period	Balance	Activity	Ending Balance
182329	REG ASSET- DECOUPLING PRIOR YE	ED	201610	6,895,609.08	-6,895,609.08	0.00
	REG ASSET- DECOUPLING PRIOR YE		201611	0.00	0.00	0.00
	REG ASSET- DECOUPLING PRIOR YE		201612	0.00	0.00	0.00
	<b>Sum: -6,895,609.08</b>					
	REG ASSET- DECOUPLING PRIOR YE	GD	201610	5,448,683.53	-5,448,683.53	0.00
	REG ASSET- DECOUPLING PRIOR YE		201611	0.00	0.00	0.00
REG ASSET- DECOUPLING PRIOR YE	201612		0.00	0.00	0.00	
<b>Sum: -5,448,683.53</b>						
<b>Sum: -12,344,292.61</b>						
182339	REG ASSET - NON RES DECOUPLING	ED	201610	-2,899,668.99	2,899,668.99	0.00
	REG ASSET - NON RES DECOUPLING		201611	0.00	0.00	0.00
	REG ASSET - NON RES DECOUPLING		201612	0.00	0.00	0.00
	<b>Sum: 2,899,668.99</b>					
	REG ASSET - NON RES DECOUPLING	GD	201610	1,781,572.83	-1,781,572.83	0.00
	REG ASSET - NON RES DECOUPLING		201611	0.00	0.00	0.00
REG ASSET - NON RES DECOUPLING	201612		0.00	0.00	0.00	
<b>Sum: -1,781,572.83</b>						
<b>Sum: 1,118,096.16</b>						

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GL Account Balance Accounting Period : '201610, 201611, 201612'

Jurisdiction:WA

**Deferred Revenue Approved for Recovery**

**Surcharge**

Ferc Acct	Ferc Acct Desc	Service	Accounting Period	Beginning Balance	Monthly Activity	Ending Balance	
182328	REG ASSET- DECOUPLING SURCHARG	ED	201610	0.00	6,937,368.43	6,937,368.43	
	REG ASSET- DECOUPLING SURCHARG		201611	6,937,368.43	-451,498.80	6,485,869.63	
	REG ASSET- DECOUPLING SURCHARG		201612	6,485,869.63	-692,063.77	5,793,805.86	
	<b>Sum: 5,793,805.86</b>						
	REG ASSET- DECOUPLING SURCHARG	GD	201610	5,785.61	5,464,592.39	5,470,378.00	
	REG ASSET- DECOUPLING SURCHARG		201611	5,470,378.00	-291,801.72	5,178,576.28	
	REG ASSET- DECOUPLING SURCHARG		201612	5,178,576.28	-661,127.05	4,517,449.23	
	<b>Sum: 4,511,663.62</b>						
	<b>Sum: 10,305,469.48</b>						
182338	REG ASSET - NON RES DECOUPLING	GD	201610	0.00	1,786,769.08	1,786,769.08	
	REG ASSET - NON RES DECOUPLING		201611	1,786,769.08	-93,958.61	1,692,810.47	
	REG ASSET - NON RES DECOUPLING		201612	1,692,810.47	-169,565.95	1,523,244.52	
	<b>Sum: 1,523,244.52</b>						
<b>Sum: 1,523,244.52</b>							

Jurisdiction:WA

**Rebate**

Ferc Acct	Ferc Acct Desc	Service	Accounting Period	Beginning Balance	Monthly Activity	Ending Balance
254338	REG LIABILITY NON RES DECOUPLI	ED	201610	0.00	-2,886,111.92	-2,886,111.92
	REG LIABILITY NON RES DECOUPLI		201611	-2,886,111.92	228,147.72	-2,657,964.20
	REG LIABILITY NON RES DECOUPLI		201612	-2,657,964.20	253,048.60	-2,404,915.60
	<b>Sum: -2,404,915.60</b>					

GL Account Balance Accounting Period : '201610, 201611, 201612'

Jurisdiction:WA

**Accumulated Deferred Taxes**

Ferc Acct	Ferc Acct Desc	Service	Accounting Period	Beginning Balance	Monthly Activity	Ending Balance	
283328	ADFIT DECOUPLING DEFERRED REV	ED	201610	-4,564,189.63	-1,803,886.40	-6,368,076.03	
	ADFIT DECOUPLING DEFERRED REV		201611	-6,368,076.03	275,475.90	-6,092,600.13	
	ADFIT DECOUPLING DEFERRED REV		201612	-6,092,600.13	616,894.83	-5,475,705.30	
	<b>Sum: -911,515.67</b>						
	ADFIT DECOUPLING DEFERRED REV	GD	201610	-4,756,931.14	518,626.62	-4,238,304.52	
	ADFIT DECOUPLING DEFERRED REV		201611	-4,238,304.52	-742,752.62	-4,981,057.14	
	ADFIT DECOUPLING DEFERRED REV		201612	-4,981,057.14	-186,002.23	-5,167,059.37	
	<b>Sum: -410,128.23</b>						
	<b>Sum: -1,321,643.90</b>						

Avista Corporation Decoupling Mechanism  
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**Income Statement Accounts**

GL Account Balance Accounting Period : '201610, 201611, 201612'

Jurisdiction:WA

**Deferred Revenue**

Ferc Acct	Ferc Acct Desc	Service	Accounting Period	Beginning Balance	Monthly Activity	Ending Balance
456328	RESIDENTIAL DECOUPLING DEFERRE	ED	201610	-6,994,790.43	-1,843,263.13	-8,838,053.56
	RESIDENTIAL DECOUPLING DEFERRE		201611	-8,838,053.56	-1,757,235.25	-10,595,288.81
	RESIDENTIAL DECOUPLING DEFERRE		201612	-10,595,288.81	509,348.01	-10,085,940.80
<b>Sum: -3,091,150.37</b>						
456338	NON-RES DECOUPLING DEFERRED RE	ED	201610	-1,905,705.86	-339,706.10	-2,245,411.96
	NON-RES DECOUPLING DEFERRED RE		201611	-2,245,411.96	-528,986.39	-2,774,398.35
	NON-RES DECOUPLING DEFERRED RE		201612	-2,774,398.35	851,815.38	-1,922,582.97
<b>Sum: -16,877.11</b>						
495328	RESIDENTIAL DECOUPLING DEFERRE	GD	201610	-5,018,908.37	-896,301.95	-5,915,210.32
	RESIDENTIAL DECOUPLING DEFERRE		201611	-5,915,210.32	-1,722,739.30	-7,637,949.62
	RESIDENTIAL DECOUPLING DEFERRE		201612	-7,637,949.62	631,337.51	-7,006,612.11
<b>Sum: -1,987,703.74</b>						
495338	NON-RES DECOUPLING DEFERRED RE	GD	201610	-1,420,595.31	-154,682.93	-1,575,278.24
	NON-RES DECOUPLING DEFERRED RE		201611	-1,575,278.24	-443,012.25	-2,018,290.49
	NON-RES DECOUPLING DEFERRED RE		201612	-2,018,290.49	54,410.25	-1,963,880.24
<b>Sum: -543,284.93</b>						

GL Account Balance Accounting Period : '201610, 201611, 201612'

Jurisdiction:WA

**Amortization of Prior Period Deferred Revenue**

Ferc Acct	Ferc Acct Desc	Service	Accounting Period	Beginning Balance	Monthly Activity	Ending Balance
456329	AMORTIZATION RES DECOUPLING DE	ED	201611	0.00	471,732.79	471,732.79
	AMORTIZATION RES DECOUPLING DE		201612	471,732.79	709,256.61	1,180,989.40
<b>Sum: 1,180,989.40</b>						
456339	AMORTIZATION NON-RES DECOUPLIN	ED	201611	0.00	-236,565.55	-236,565.55
	AMORTIZATION NON-RES DECOUPLIN		201612	-236,565.55	-260,075.72	-496,641.27
<b>Sum: -496,641.27</b>						
495329	AMORTIZATION RES DECOUPLING DE	GD	201611	0.00	307,756.99	307,756.99
	AMORTIZATION RES DECOUPLING DE		201612	307,756.99	674,797.01	982,554.00
<b>Sum: 982,554.00</b>						
495339	AMORTIZATION NON-RES DECOUPLIN	GD	201611	0.00	99,170.02	99,170.02
	AMORTIZATION NON-RES DECOUPLIN		201612	99,170.02	174,104.37	273,274.39
<b>Sum: 273,274.39</b>						

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GL Account Balance Accounting Period : '201610, 201611, 201612'

Jurisdiction:WA

**Interest Income or Expense**

Ferc Acct	Ferc Acct Desc	Service	Accounting Period	Beginning Balance	Monthly Activity	Ending Balance	
419605	INT INC ON OTH DEFERRALS-IV FU	ED	201610	-318,491.25	-50,281.94	-368,773.19	
	INT INC ON OTH DEFERRALS-IV FU		201611	-368,773.19	-56,401.38	-425,174.57	
	INT INC ON OTH DEFERRALS-IV FU		201612	-425,174.57	-54,814.76	-479,989.33	
	<b>Sum: -161,498.08</b>						
	INT INC ON OTH DEFERRALS-IV FU	GD	201610	-293,834.57	-41,744.85	-335,579.42	
	INT INC ON OTH DEFERRALS-IV FU		201611	-335,579.42	-46,557.70	-382,137.12	
	INT INC ON OTH DEFERRALS-IV FU		201612	-382,137.12	-45,831.79	-427,968.91	
	<b>Sum: -134,134.34</b>						
	<b>Sum: -295,632.42</b>						
431605	INT EXP ON OTH DEFERRALS-IV FU	ED	201610	73,820.88	7,840.93	81,661.81	
	INT EXP ON OTH DEFERRALS-IV FU		201611	81,661.81	8,417.83	90,079.64	
	INT EXP ON OTH DEFERRALS-IV FU		201612	90,079.64	7,027.12	97,106.76	
	<b>Sum: 23,285.88</b>						
	INT EXP ON OTH DEFERRALS-IV FU	GD	201610	241.31	0.00	241.31	
	INT EXP ON OTH DEFERRALS-IV FU		201611	241.31	0.00	241.31	
	INT EXP ON OTH DEFERRALS-IV FU		201612	241.31	0.00	241.31	
	<b>Sum: 0.00</b>						
	<b>Sum: 23,285.88</b>						
<b>Sum: -272,346.54</b>							

**Financial Reporting Contra Asset Accounts**

GL Account Balance Accounting Period : '201610, 201611, 201612'

Jurisdiction:WA

Ferc Acct	Ferc Acct Desc	Service	Accounting Period	Beginning Balance	Monthly Activity	Ending Balance	
253311	CONTRA DECOUPLING DEFERRED REV	ED	201610	0.00	0.00	0.00	
	CONTRA DECOUPLING DEFERRED REV		201611	0.00	0.00	0.00	
	CONTRA DECOUPLING DEFERRED REV		201612	0.00	0.00	0.00	
	<b>Sum: 0.00</b>						
	CONTRA DECOUPLING DEFERRED REV	GD	201610	-196,026.00	-787,751.00	-983,777.00	
	CONTRA DECOUPLING DEFERRED REV		201611	-983,777.00	-1,470,001.00	-2,453,778.00	
	CONTRA DECOUPLING DEFERRED REV		201612	-2,453,778.00	2,020,478.00	-433,300.00	
	<b>Sum: -237,274.00</b>						
	<b>Sum: -237,274.00</b>						
495311	CONTRA DECOUPLING DEFERRAL	GD	201610	-702,763.42	776,477.00	73,713.58	
	CONTRA DECOUPLING DEFERRAL		201611	73,713.58	1,470,001.00	1,543,714.58	
	CONTRA DECOUPLING DEFERRAL		201612	1,543,714.58	-2,020,478.00	-476,763.42	
	<b>Sum: 226,000.00</b>						
<b>FERC Accts 495311 and 456311</b>							
<b>Sum: -11,274.00</b>							

Avista Corporation Decoupling Mechanism  
Washington Jurisdiction  
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Washington Jurisdiction Decoupling Mechanism Interest Summary

Electric					
		Total Interest	419605	431605	Net Inc/Exp
Oct-16		\$42,441	\$50,282	(\$7,841)	\$42,441 (\$0)
Nov-16		\$47,641	\$56,401	(\$8,418)	\$47,984 (\$343)
Dec-16		\$48,131	\$54,815	(\$7,027)	\$47,788 \$343
Q4 Total		\$138,212	\$161,498	(\$23,286)	\$138,212 (\$0)
186328 ED	Deferral	Interest		Ending	Interest
	Entry	Income/(exp)	Amortization	Balance	Rate
Sep-16		\$101,802		\$7,114,199	3.50%
Oct-16		\$1,843,263		\$8,980,900	3.50%
Nov-16		\$1,757,235		\$10,766,892	3.50%
Dec-16		(\$509,348)		\$10,288,205	3.50%
186338 ED	Deferral	Interest		Ending	Interest
	Entry	Income/(exp)	Amortization	Balance	Rate
Sep-16		\$393,228		\$1,930,403	3.50%
Oct-16		\$339,706		\$2,276,234	3.50%
Nov-16		\$528,986		\$2,812,631	3.50%
Dec-16		(\$851,815)		\$1,967,777	3.50%
182329 ED	Deferral	Interest		Ending	Interest
	Entry	Income/(exp)	Amortization	Balance	Rate
Sep-16				\$6,895,609	3.50%
Oct-16	**	(\$6,895,609)		(\$0)	3.50%
Nov-16				(\$0)	3.50%
Dec-16				(\$0)	3.50%
** TRANSFER 2015 BALANCES APPROVED FOR RECOVERY TO SURCHARGE/REBATE ACCOUNTS.					
182339 ED	Deferral	Interest		Ending	Interest
	Entry	Income/(exp)	Amortization	Balance	Rate
Sep-16				(\$2,899,669)	3.50%
Oct-16	**	\$2,899,669		\$0	3.50%
Nov-16				\$0	3.50%
Dec-16				\$0	3.50%
** TRANSFER 2015 BALANCES APPROVED FOR RECOVERY TO SURCHARGE/REBATE ACCOUNTS.					
182328 ED	Deferral	Interest		Ending	Interest
	Entry	Income/(exp)	Amortization	Balance	Rate
Sep-16				\$0	3.50%
Oct-16		\$6,916,650		\$6,937,368	3.50%
Nov-16		\$19,546	(\$471,733)	\$6,485,182	3.50%
Dec-16		\$17,881	(\$709,257)	\$5,793,806	3.50%
182338 ED	Deferral	Interest		Ending	Interest
	Entry	Income/(exp)	Amortization	Balance	Rate
Sep-16		\$0		\$0	3.50%
Oct-16		\$0		\$0	3.50%
Nov-16		\$0		\$0	3.50%
Dec-16		\$0		\$0	3.50%
254338 ED	Deferral	Interest		Ending	Interest
	Entry	Income/(exp)	Amortization	Balance	Rate
Sep-16		\$0		\$0	3.50%
Oct-16		(\$2,878,271)		(\$2,886,112)	3.50%
Nov-16		(\$8,073)	\$236,566	(\$2,657,619)	3.50%
Dec-16		(\$7,372)	\$260,076	(\$2,404,916)	3.50%

Avista Corporation Decoupling Mechanism  
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Washington Jurisdiction Decoupling Mechanism Interest Summary

Natural Gas					
	Total Interest	Acct 419605	Acct 431605	Net Inc/Exp	
Oct-16	\$41,745	\$41,745	\$0	\$41,745	\$0
Nov-16	\$45,964	\$46,558	\$0	\$46,558	(\$593)
Dec-16	\$46,425	\$45,832	\$0	\$45,832	\$593
Q4 Total	\$134,134	\$134,134	\$0	\$134,134	\$0

  

186328 GD	Deferral Entry	Interest Income/(exp)	Amortization	Ending Balance	Interest Rate
Sep-16	(\$364)	\$14,853		\$5,107,280	3.50%
Oct-16	\$896,302	\$16,203		\$6,019,785	3.50%
Nov-16	\$1,722,739	\$20,070		\$7,762,595	3.50%
Dec-16	(\$631,338)	\$21,720		\$7,152,977	3.50%

  

186338 GD	Deferral Entry	Interest Income/(exp)	Amortization	Ending Balance	Interest Rate
Sep-16	\$32,710	\$4,151		\$1,443,712	3.50%
Oct-16	\$154,683	\$4,436		\$1,602,831	3.50%
Nov-16	\$443,012	\$5,321		\$2,051,164	3.50%
Dec-16	(\$54,410)	\$5,903		\$2,002,657	3.50%

  

182329 GD	Deferral Entry	Interest Income/(exp)	Amortization	Ending Balance	Interest Rate
Sep-16		\$15,846		\$5,448,684	3.50%
Oct-16	(\$5,448,684)	\$0		(\$0)	3.50%
Nov-16		(\$0)		(\$0)	3.50%
Dec-16		(\$0)		(\$0)	3.50%

  

182339 GD	Deferral Entry	Interest Income/(exp)	Amortization	Ending Balance	Interest Rate
Sep-16		\$5,181		\$1,781,573	3.50%
Oct-16	(\$1,781,573)	\$0		\$0	3.50%
Nov-16		\$0		\$0	3.50%
Dec-16		\$0		\$0	3.50%

  

182328 GD	Deferral Entry	Interest Income/(exp)	Amortization	Ending Balance	Interest Rate
Sep-16		\$17		\$5,786	3.50%
Oct-16	\$5,448,684	\$15,909		\$5,470,378	3.50%
Nov-16		\$15,506	(\$307,757)	\$5,178,127	3.50%
Dec-16		\$14,119	(\$674,797)	\$4,517,449	3.50%

  

182338 GD	Deferral Entry	Interest Income/(exp)	Amortization	Ending Balance	Interest Rate
Sep-16		\$0		\$0	3.50%
Oct-16	\$1,781,573	\$5,196		\$1,786,769	3.50%
Nov-16		\$5,067	(\$99,170)	\$1,692,666	3.50%
Dec-16		\$4,683	(\$174,104)	\$1,523,245	3.50%

  

254338 GD	Deferral Entry	Interest Income/(exp)	Amortization	Ending Balance	Interest Rate
Sep-16		\$0		\$0	3.50%
Oct-16		\$0		\$0	3.50%
Nov-16		\$0		\$0	3.50%
Dec-16		\$0		\$0	3.50%

Avista Corporation Decoupling Mechanism  
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NOTES

The following table shows how the decoupled revenue per customer has tracked with use per customer for the 1st, 2nd, 3rd and 4th quarters of 2016. The similarity of the percentage change indicates that the mechanism is working as intended. January authorized amounts in the deferral calculations and this analysis have been pro-rated to reflect 10 days at the prior authorized usage and revenue per customer.

Summarized Quarterly and Year to Date Use per Customer and Decoupled Revenue Per Customer  
Change versus Authorized

	Q1	Q2	Q3	Q4	YTD Average	%
<b>Electric Residential</b>						
Change in Use per Customer	(346)	(196)	108	(231)	(166)	-5.8%
Change in Decoupled Revenue per Customer	-\$17.63	-\$19.86	\$2.45	-\$15.34	(13)	-6.9%
Deferral per Average Customer	\$17.63	\$19.86	-\$2.45	\$15.34	13	
<b>Electric Non-Residential</b>						
Change in Use per Customer	(461)	(255)	(174)	(134)	(256)	-1.7%
Change in Decoupled Revenue per Customer	-\$16.47	-\$18.29	-\$21.40	-\$0.49	(14)	-1.3%
Deferral per Average Customer	\$16.47	\$18.29	\$21.40	\$0.49	14	
<b>Natural Gas Residential</b>						
Change in Use per Customer	(47)	(31)	4	(28)	(26)	-12.6%
Change in Decoupled Revenue per Customer	-\$17.48	-\$17.48	\$0.67	-\$13.41	(12)	-13.8%
Deferral per Average Customer	\$17.48	\$17.48	-\$0.67	\$13.41	12	
<b>Natural Gas Non-Residential</b>						
Change in Use per Customer	(1,121)	(899)	(18)	(832)	(718)	-14.1%
Change in Decoupled Revenue per Customer	-\$238.26	-\$254.35	-\$49.65	-\$202.28	(186)	-14.6%
Deferral per Average Customer	\$238.26	\$254.35	\$49.65	\$202.28	186	

The contra decoupling accounting shown on page 6 is for financial reporting purposes only. Generally Accepted Accounting Principles allow revenue recognition from alternative revenue programs up to the amount expected to be collected within 24 months following the end of the annual period in which they are recognized. Due to the 3% annual rate increase limitation a portion of the 2016 natural gas surcharge may not be fully recovered by 12/31/2018 and therefore is not recognizable as income for financial reporting purposes in 2016. The 2016 entries reflect both expected recovery of 2015 amounts during 2018 and the exclusion of 2016 amounts expected to be recovered in 2019. The income statement impact of the contra decoupling deferral will be eliminated for Commission Basis reporting.