

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

DOCKET NO. UE-18____

EXHIBIT NO. ____ (AMB-2)

ANNETTE M. BRANDON

REPRESENTING AVISTA CORPORATION

AVISTA CORPORATION
STATE OF WASHINGTON
DOCKET NO. UE-011595
POWER COST DEFERRAL REPORT
MONTH OF DECEMBER 2017

Avista Utilities
Deferral Balances and Interest Activity

Year/Month	Ratepayer's Band Share (deferral)	Interest	Total Deferral Balance
Previous Year's Deferral Balance AVU-170204 plus YTD interest	(\$21,290,653)	(\$694,262)	(\$21,984,915)
201701	\$0	\$0	\$0
201702	\$0	\$0	\$0
201703	(\$168,780)	(\$248)	(\$169,028)
201704	(\$1,116,064)	(\$2,134)	(\$1,287,226)
201705	(\$493,872)	(\$4,497)	(\$1,785,595)
201706	(\$79,780)	(\$5,339)	(\$1,870,714)
201707	\$1,056,087	(\$3,960)	(\$818,587)
201708	\$802,409	(\$1,219)	(\$17,397)
201709	\$0	(\$36)	(\$17,433)
201710	\$0	(\$36)	(\$17,469)
201711	\$0	(\$36)	(\$17,505)
201712	(\$1,664,805)	(\$2,491)	(\$1,684,801)
YTD Totals	(\$1,664,805)	(\$19,996)	(\$1,684,801)
Total Deferral	(\$22,955,458)	(\$714,258)	(\$23,669,716)

Arista Utilities
ERM Balances and Activity
(excluding interest)

Year/Month	Actual Power Cost	Auth. Power Costs	Actual - Auth. Power Costs c = a - b	Resource Optimization	Adj. Net Expense e = c + d	WA Allocation	Retail Rev. Adj.	Net Power Cost (+) Surcharge (-) Credit h = f + g	Company's Band Share	Ratepayer's Band Share (deferral)
Previous Year's Deferral Balance AVU-170204						64.71%				(\$21,290,653)
201701	\$18,324,988	\$16,183,101	\$2,141,887	(\$421,402)	\$1,720,485	\$1,113,326	(\$899,103)	\$214,223	\$214,223	\$0
201702	\$12,324,779	\$15,682,567	(\$3,357,788)	(\$135,869)	(\$3,493,657)	(\$2,260,745)	(\$134,989)	(\$2,395,734)	(\$2,395,734)	\$0
201703	\$10,817,944	\$13,358,676	(\$2,540,732)	(\$720,656)	(\$3,261,388)	(\$2,110,444)	\$66,915	(\$2,043,529)	(\$1,874,749)	(\$168,780)
201704	\$6,352,662	\$8,069,870	(\$1,717,208)	(\$674,229)	(\$2,391,437)	(\$1,547,499)	\$59,414	(\$1,488,085)	(\$372,021)	(\$1,116,064)
201705	\$3,771,012	\$4,171,316	(\$400,304)	(\$962,887)	(\$1,363,191)	(\$882,121)	\$223,625	(\$658,496)	(\$164,624)	(\$493,872)
201706	\$4,527,201	\$3,983,007	\$544,194	(\$682,514)	(\$138,320)	(\$89,507)	(\$16,866)	(\$106,373)	(\$26,593)	(\$79,780)
201707	\$11,862,436	\$7,742,804	\$4,119,632	(\$660,516)	\$3,459,116	\$2,238,394	(\$830,278)	\$1,408,116	\$352,029	\$1,056,087
201708	\$16,703,313	\$12,904,239	\$3,799,074	(\$371,017)	\$3,428,057	\$2,218,296	(\$758,570)	\$1,459,726	\$657,317	\$802,409
201709	\$11,566,058	\$11,169,238	\$396,820	(\$69,406)	\$327,414	\$211,870	(\$202,249)	\$9,621	\$9,621	\$0
201710	\$13,619,352	\$11,853,243	\$1,766,109	(\$705,794)	\$1,060,315	\$686,130	\$292,748	\$978,879	\$978,879	\$0
201711	\$15,019,200	\$15,093,313	(\$74,113)	(\$302,381)	(\$376,494)	(\$243,629)	(\$175,063)	(\$418,691)	(\$418,691)	\$0
201712	\$12,346,414	\$16,619,356	(\$4,272,942)	(\$352,517)	(\$4,625,459)	(\$2,993,135)	(\$186,260)	(\$3,179,396)	(\$1,514,591)	(\$1,664,805)
YTD Totals	\$137,235,359	\$136,830,730	\$404,629	(\$6,059,188)	(\$5,654,559)	(\$3,659,065)	(\$2,560,676)	(\$6,219,740)	(\$4,554,935)	(\$1,664,805)
Total Deferral (Excluding Interest)										(\$22,955,458)

	Total	Absorbed (Avista)	Deferred (Customer)
First \$4M at 100%	(\$4,000,000)	(\$4,000,000)	\$ -
\$4M to \$10M at 25% (rebate)	(\$2,219,740)	(\$554,935)	(\$1,664,805.00)
\$4M to \$10M at 50% (surcharge)	\$ -	\$ -	\$ -
Over \$10M at 10%	\$ (66,219,740)	(\$4,554,935)	(\$1,664,805.00)

STATE OF WASHINGTON
186280 ERM DEFERRAL (CURRENT YEAR)

Accounting Period	Beginning Balance	Monthly Activity	Ending Balance
Beginning Balance			\$ (3,342,983.18)
201701	\$ (3,342,983.18)	\$ 3,342,983.00	\$ (0.18)
201702	\$ (0.18)	\$ -	\$ (0.18)
201703	\$ (0.18)	\$ (169,028.00)	\$ (169,028.18)
201704	\$ (169,028.18)	\$ (1,118,198.00)	\$ (1,287,226.18)
201705	\$ (1,287,226.18)	\$ (498,369.00)	\$ (1,785,595.18)
201706	\$ (1,785,595.18)	\$ (85,119.00)	\$ (1,870,714.18)
201707	\$ (1,870,714.18)	\$ 1,052,127.00	\$ (818,587.18)
201708	\$ (818,587.18)	\$ 801,190.00	\$ (17,397.18)
201709	\$ (17,397.18)	\$ (36.00)	\$ (17,433.18)
201710	\$ (17,433.18)	\$ (36.00)	\$ (17,469.18)
201711	\$ (17,469.18)	\$ (36.00)	\$ (17,505.18)
201712	\$ (17,505.18)	\$ (1,667,296.00)	\$ (1,684,801.18)

<u>Current Month</u>	<u>Amount</u>	<u>Journal ID</u>
Beginning Balance	\$ (17,505.18)	
Deferral	\$ (1,664,805.00)	481 - ERM
Interest	\$ (2,491.00)	481 - ERM
Transfer to 186290	\$ -	481 - ERM
Ending Balance	\$ (1,684,801.18)	
<u>YTD</u>	<u>Amount</u>	<u>Journal ID</u>
Beginning Balance	\$ (3,342,983.18)	
Transfer to Account 186290	\$ 3,342,983.18	481 - ERM
Deferral Year to Date	\$ (1,664,805.00)	481 - ERM
Interest	\$ (19,996.00)	481 - ERM
Ending Balance	\$ (1,684,801.00)	
	<u>Total</u>	<u>Absorbed (Avista)</u> <u>Deferred (Customer)</u>
First \$4M at 100%	\$ (4,000,000)	\$ (4,000,000) \$ -
\$4M to \$10M at 25% (rebate)	\$ (2,219,740)	\$ (554,935) \$ (1,664,805)
\$4M to \$10M at 50% (surcharge)	\$ -	\$ - \$ -
Over \$10M at 10%	\$ -	\$ - \$ -
	\$ (6,219,740)	\$ (4,554,935) \$ (1,664,805)

STATE OF WASHINGTON
182350 RECOVERABLE DEFERRAL BALANCE (CURRENT YEAR - 2017)

Accounting Period	Beginning Balance	Monthly Activity	Ending Balance
Beginning Balance			\$ (17,947,669.71)
201701	\$ (17,947,669.71)	\$ (52,693.00)	\$ (18,000,362.71)
201702	\$ (18,000,362.71)	\$ (52,693.00)	\$ (18,053,055.71)
201703	\$ (18,053,055.71)	\$ (52,693.00)	\$ (18,105,748.71)
201704	\$ (18,105,748.71)	\$ (52,693.00)	\$ (18,158,441.71)
201705	\$ (18,158,441.71)	\$ (52,693.00)	\$ (18,211,134.71)
201706	\$ (18,211,134.71)	\$ (52,693.00)	\$ (18,263,827.71)
201707	\$ (18,263,827.71)	\$ (3,465,487.00)	\$ (21,729,314.71)
201708	\$ (21,729,314.71)	\$ (63,900.00)	\$ (21,793,214.71)
201709	\$ (21,793,214.71)	\$ (63,900.00)	\$ (21,857,114.71)
201710	\$ (21,857,114.71)	\$ (63,900.00)	\$ (21,921,014.71)
201711	\$ (21,921,014.71)	\$ (63,900.00)	\$ (21,984,914.71)
201712	\$ (21,984,914.71)	\$ (63,900.00)	\$ (22,048,814.71)

<u>Current Month</u>	<u>Amount</u>	<u>Journal ID</u>
Beginning Balance	\$ (21,984,914.71)	
Transfer from 186290	\$ -	
Interest	\$ (63,900.00)	481 - ERM
Ending Balance	\$ (22,048,814.71)	

**STATE OF WASHINGTON
 186322 REC AMORTIZATION**

FERC Account	Accounting Period	Beginning Balance	Monthly Activity	Ending Balance
186322	Beginning Balance			\$ 4,016,380.98
ED.WA	201701	\$ 4,016,380.98	\$ 235,126.00	\$ 4,251,506.98
	201702	\$ 4,251,506.98	\$ 208,406.00	\$ 4,459,912.98
	201703	\$ 4,459,912.98	\$ 190,968.00	\$ 4,650,880.98
	201704	\$ 4,650,880.98	\$ 175,195.00	\$ 4,826,075.98
	201705	\$ 4,826,075.98	\$ 166,380.00	\$ 4,992,455.98
	201706	\$ 4,992,455.98	\$ 169,267.02	\$ 5,161,723.00
	201707	\$ 5,161,723.00	\$ (5,721,115.00)	\$ (559,392.00)
	201708	\$ (559,392.00)	\$ 279,802.54	\$ (279,589.46)
	201709	\$ (279,589.46)	\$ 265,259.48	\$ (14,329.98)
	201710	\$ (14,329.98)	\$ 205,554.83	\$ 191,224.85
	201711	\$ 191,224.85	\$ 277,255.26	\$ 468,480.11
	201712	\$ 468,480.11	\$ 292,937.57	\$ 761,417.68

<u>Current Month</u>		<u>Amount</u>	<u>Journal ID</u>
Account 186322	Begin Balance	\$ 468,480.11	
Transfer from 186324		\$ -	
Amortization		\$ 289,670.00	475 - WA REC Journal
Interest - 6.340%		\$ 3,267.57	475 - WA REC Journal
	Ending Balance	\$ 761,417.68	

STATE OF WASHINGTON
186323 REC DEFERRAL (2017)

FERC Account	Accounting Period	Beginning Balance	Monthly Activity	Ending Balance
186323	Beginning Balance			\$ -
ED WA	201701			\$ -
	201702			\$ -
	201703			\$ -
	201704			\$ -
	201705			\$ -
	201706			\$ -
	201707	\$ -	\$ (192,742.27)	\$ (192,742.27)
	201708	\$ (192,742.27)	\$ 3,171.67	\$ (189,570.60)
	201709	\$ (189,570.60)	\$ (175,928.79)	\$ (365,499.39)
	201710	\$ (365,499.39)	\$ (174,432.61)	\$ (539,932.00)
	201711	\$ (539,932.00)	\$ (195,101.32)	\$ (735,033.32)
	201712	\$ (735,033.32)	\$ (202,695.40)	\$ (937,728.72)

<u>Current Month</u>		<u>Amount</u>	<u>Journal ID</u>
Account 186323	Beginning Balance	\$ (735,033.32)	
Deferral		\$ (198,327.00)	
Interest		\$ (4,368.40)	475 - WA REC Journal
Adjustment		\$ -	475 - WA REC Journal
	Ending Balance	\$ (937,728.72)	

STATE OF WASHINGTON
186324 REC DEFERRAL (2016)

FERC Account	Accounting Period	Beginning Balance	Monthly Activity	Ending Balance
186324	Beginning Balance			\$ (3,544,505.88)
ED WA	201701	\$ (3,544,505.88)	\$ (655,479.00)	\$ (4,199,984.88)
	201702	\$ (4,199,984.88)	\$ (24,011.00)	\$ (4,223,995.88)
	201703	\$ (4,223,995.88)	\$ (477,781.00)	\$ (4,701,776.88)
	201704	\$ (4,701,776.88)	\$ (468,371.00)	\$ (5,170,147.88)
	201705	\$ (5,170,147.88)	\$ (293,549.00)	\$ (5,463,696.88)
	201706	\$ (5,463,696.88)	\$ (467,067.00)	\$ (5,930,763.88)
	201707	\$ (5,930,763.88)	\$ 5,930,763.88	\$ -
	201708	\$ -	\$ -	\$ -
	201709	\$ -	\$ -	\$ -
	201710	\$ -	\$ -	\$ -
	201711	\$ -	\$ -	\$ -
	201712	\$ -	\$ -	\$ -

<u>Current Month</u>		<u>Amount</u>	<u>Journal ID</u>
Account 186324	Beginning Balance	\$ -	
Transfer to 186322		\$ -	
Deferral		\$ -	475 - WA REC Journal
Interest		\$ -	475 - WA REC Journal
	Ending Balance	\$ -	

Attachment A

Avista Corporation
Monthly Power Cost Deferral Report
Month of December 2017

ERM Deferral Journal

Avista Corporation Journal Entry

Effective Date: 201712

Journal: 481-WA ERM

Team: Resource Accounting

Type: C

Category: DJ

Currency: USD

Last Saved by: Cheryl Kettner

Last Saved: 01/09/2018 10:02 AM

Submitted by: Cheryl Kettner

Approval Requested: 01/09/2018 10:02 AM

Approved by:

Seq	Co.	FERC	ED	WA	DL	Ser.	Jul.	S.L.	Debit	Credit	Comment
10	001	182350 - REGULATORY ASSET ERM APPROVED FOR RECOVERY	ED	WA	DL				63,900.00		Interest Accrual for Amortization Balance
20	001	431600 - INTEREST EXPENSE ENERGY DEFERRALS	ED	WA	DL						Interest Expense on Amortization Balance
30	001	186280 - REGULATORY ASSET ERM DEFERRED CURRENT YEAR	ED	WA	DL				1,664,805.00		Current Year ERM (2017)
40	001	557280 - DEFERRED POWER SUPPLY EXPENSE	ED	WA	DL						Current Year ERM Deferral Expense (2017)
50	001	186280 - REGULATORY ASSET ERM DEFERRED CURRENT YEAR	ED	WA	DL				2,491.00		Current Year ERM Interest Accrual (2017)
60	001	431600 - INTEREST EXPENSE ENERGY DEFERRALS	ED	WA	DL				2,491.00		Current Year ERM Interest Expense (2017)
Totals:									1,731,196.00	1,731,196.00	

Cheryl Kettner
Prepared by Cheryl Kettner
Date: 1/9/2018

Explanation:

Record current month deferred power supply costs, and interest per WA accounting order.

Reviewed by

Approved for Entry
Corporate Accounting use Only

Washington Energy Recovery Mechanism (ERM) Amortizing Deferral Balance

Changes Semiannually on January 1 and July 1

The rate is based on Avista's actual cost of debt, updated semiannually.

The actual cost of debt calculated at 6/30 will be used for the interest calculation from July through December.

The actual cost of debt calculated at 12/31 will be used for the interest calculation from January through June.

Interest will be accrued monthly and compounded semi-annually.

Interest is calculated using the prior month ending balance plus 1/2 month of current month charges times the current after tax interest rate

Jan-June Interest Rate	0.29359%
Jul-Dec Interest Rate	0.29494%

Account 182350

Month Ending	Beg. Balance	Balance Transfer	Amortization	Adjustments	Interest	Interest Adjustments	End Balance before interest	Balance with Interest	GLW Balance	Check	Adjustment Notes
12/31/2016									(17,947,670)		
1/31/2017	(17,947,670)		0		(52,693)		(17,947,670)	(18,000,363)	(18,000,363)	0.00	
2/28/2017	(17,947,670)		0		(52,693)		(17,947,670)	(18,053,056)	(18,053,056)	0.00	
3/31/2017	(17,947,670)		0		(52,693)		(17,947,670)	(18,105,749)	(18,105,749)	0.00	
4/30/2017	(17,947,670)		0		(52,693)		(17,947,670)	(18,158,442)	(18,158,442)	0.00	
5/31/2017	(17,947,670)		0		(52,693)		(17,947,670)	(18,211,135)	(18,211,135)	0.00	
6/30/2017	(17,947,670)		0		(52,693)		(17,947,670)	(18,263,828)	(18,263,828)	0.00	
7/31/2017	(18,263,828)	(3,401,587)	0		(63,900)		(21,665,415)	(21,729,315)	(21,729,315)	0.00	
8/31/2017	(21,665,415)		0		(63,900)		(21,665,415)	(21,793,215)	(21,793,215)	0.00	
9/30/2017	(21,665,415)		0		(63,900)		(21,665,415)	(21,857,115)	(21,857,115)	0.00	
10/31/2017	(21,665,415)		0		(63,900)		(21,665,415)	(21,921,015)	(21,921,015)	0.00	
11/30/2017	(21,665,415)		0		(63,900)		(21,665,415)	(21,984,915)	(21,984,915)	0.00	
12/31/2017	(21,665,415)		0		(63,900)		(21,665,415)	(22,048,815)	(21,984,915)	63,900.00	

Entry:	Debit	Credit	
182350 ED WA	0		Regulatory Asset ERM Approved For Recovery
557290 ED WA		0	WA ERM Amortization
431600 ED WA	63,900		Interest Expense Energy Deferrals
182350 ED WA		63,900	Regulatory Asset ERM Approved For Recovery

Avista Corp. - Resource Accounting
Washington Energy Recovery Mechanism (ERM) Current Year Deferral

Changes Semiannually on January 1 and July 1

The rate is based on Avista's actual cost of debt, updated semiannually.

The actual cost of debt calculated at 6/30 will be used for the interest calculation from July through December.

The actual cost of debt calculated at 12/31 will be used for the interest calculation from January through June.

Interest will be accrued monthly and compounded semi-annually.

Interest is calculated using the prior month ending balance plus 1/2 month of current month charges times the current after tax interest rate

watch interest (-) Balance Int Exp 431600 ED WA
 watch interest (+) Balance Int Exp 419600 ED WA

Jan-June Interest Rate	0.29359%
Jul-Dec Interest Rate	0.29494%

Account 186280

Month Ending	Reg Balance	Balance Transfer	Deferral - Sur. (Feb.)	Adjustments	Interest	Interest Adjustments	End Balance before interest	Balance with interest	GLW Balance	Check	Adjustment Notes
12/31/2016	(3,342,983)	3,342,983	0		0		0	0	(3,342,983)	0	
1/31/2017							0	0	0	0.00	
2/28/2017							0	0	0	0.00	
3/31/2017			(168,780)		(248)		(168,780)	(169,028)	(169,028)	0.00	
4/30/2017	(168,780)		(1,116,064)		(2,134)		(1,284,844)	(1,287,226)	(1,287,226)	0.00	
5/31/2017	(1,284,844)		(493,872)		(4,497)		(1,778,716)	(1,785,595)	(1,785,595)	0.00	
6/30/2017	(1,778,716)		(79,780)		(5,339)		(1,858,496)	(1,870,714)	(1,870,714)	0.00	
7/31/2017	(1,870,714)		1,056,087		(3,960)		(814,627)	(816,587)	(816,587)	0.00	
8/31/2017	(814,627)		802,409		(1,219)		(12,218)	(17,397)	(17,397)	0.00	
9/30/2017	(12,218)		0		(36)		(12,218)	(17,433)	(17,433)	0.00	
10/31/2017	(12,218)		0		(36)		(12,218)	(17,469)	(17,469)	0.00	
11/30/2017	(12,218)		0		(36)		(12,218)	(17,505)	(17,505)	0.00	
12/31/2017	(12,218)		(1,664,805)		(2,491)		(1,677,023)	(1,684,801)	(17,505)	1,667,296.00	

Entry	Debit	Credit
587280 ED WA	1,664,805.00	
186280 ED WA		1,664,805.00
431600 ED WA	2,491.00	
186280 ED WA		2,491.00
		Deferred Power Supply Expense
		Regulatory Asset ERM Deferred Current Year
		Interest Expense Energy Deferrals
		Regulatory Asset ERM Deferred Current Year

Avista Corp. - Resource Accounting
WASHINGTON POWER COST DEFERRALS

Line No.	WASHINGTON ACTUALS	TOTAL	MONTHLY												(1)
			Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	
1	555 Purchased Power	\$132,500,540	\$14,489,370	\$14,842,700	\$14,555,065	\$10,126,189	\$7,370,635	\$7,518,769	\$7,684,967	\$7,537,349	\$8,660,896	\$11,043,092	\$14,579,440	\$14,082,068	
2	447 Sale for Resale	(\$88,779,012)	(\$8,245,341)	(\$8,280,684)	(\$8,096,218)	(\$5,422,409)	(\$5,808,662)	(\$5,422,409)	(\$6,790,805)	(\$3,837,337)	(\$6,861,199)	(\$6,614,796)	(\$8,918,722)	(\$12,614,541)	
3	501 Thermal Fuel	\$26,288,939	\$3,107,526	\$1,445,764	\$1,659,485	\$593,079	\$932,589	\$3,058,428	\$3,762,991	\$3,762,991	\$2,530,191	\$2,786,672	\$2,008,377	\$2,850,241	
4	547 CT Fuel	\$69,526,485	\$9,055,016	\$4,339,629	\$2,734,446	\$2,317,057	\$2,255,561	\$2,313,002	\$8,249,668	\$9,519,606	\$7,225,158	\$6,316,558	\$7,150,335	\$8,050,449	
5	456 Transmission Revenue	(\$20,599,612)	(\$1,601,614)	(\$1,536,835)	(\$1,582,047)	(\$1,818,694)	(\$2,240,043)	(\$2,290,921)	(\$1,821,024)	(\$1,835,393)	(\$1,530,445)	(\$1,417,619)	(\$1,330,901)	(\$1,594,076)	
6	565 Transmission Expense	\$17,569,671	\$1,463,312	\$1,494,869	\$1,439,098	\$1,417,627	\$1,422,611	\$1,491,858	\$1,434,301	\$1,491,858	\$1,476,942	\$1,454,078	\$1,475,183	\$1,510,683	
7	557 Broker Fees	\$728,348	\$46,719	\$19,336	\$45,185	\$113,333	\$53,560	\$46,901	\$64,239	\$62,515	\$51,367	\$55,488	\$55,488	\$61,590	
8	Adjusted Actual Net Expense	\$137,235,359	\$18,324,988	\$12,324,779	\$10,817,944	\$6,352,662	\$3,771,012	\$4,527,201	\$11,862,436	\$16,703,313	\$11,566,058	\$13,619,352	\$15,019,200	\$12,346,414	
Total through December															
9	555 Purchased Power	\$119,195,329	\$12,127,251	\$11,591,985	\$10,660,401	\$10,031,882	\$8,675,133	\$8,326,700	\$8,186,121	\$9,056,301	\$7,883,689	\$8,186,793	\$11,985,843	\$12,493,230	
10	447 Sale for Resale	(\$88,588,362)	(\$7,154,528)	(\$6,331,583)	(\$7,373,144)	(\$9,451,450)	(\$8,788,449)	(\$8,347,826)	(\$7,766,255)	(\$5,454,044)	(\$6,343,594)	(\$6,461,587)	(\$7,582,420)	(\$7,533,482)	
11	501 Thermal Fuel	\$29,123,409	\$2,667,343	\$2,503,517	\$2,494,287	\$2,179,004	\$1,851,578	\$1,612,580	\$2,427,227	\$2,652,598	\$2,644,728	\$2,706,850	\$2,628,470	\$2,755,227	
12	547 CT Fuel	\$77,293,436	\$8,481,668	\$7,698,692	\$7,292,619	\$5,265,751	\$2,712,482	\$5,239,795	\$6,788,998	\$6,788,998	\$6,983,768	\$7,442,560	\$7,920,542	\$8,801,867	
13	456 Transmission Revenue	(\$15,902,274)	(\$1,306,342)	(\$1,061,936)	(\$1,137,644)	(\$1,166,933)	(\$1,506,921)	(\$1,586,833)	(\$1,599,620)	(\$1,447,883)	(\$1,304,804)	(\$1,285,929)	(\$1,197,858)	(\$1,199,571)	
14	565 Transmission Expense	\$17,237,232	\$1,503,379	\$1,417,562	\$1,557,827	\$1,347,286	\$1,410,951	\$1,401,574	\$1,411,206	\$1,443,939	\$1,441,121	\$1,400,226	\$1,464,406	\$1,437,755	
15	557 Broker Fees	\$690,000	\$57,500	\$57,500	\$57,500	\$57,500	\$57,500	\$57,500	\$57,500	\$57,500	\$57,500	\$57,500	\$57,500	\$57,500	
16	Settlement Adjustment	(\$2,318,040)	(\$193,170)	(\$193,170)	(\$193,170)	(\$193,170)	(\$193,170)	(\$193,170)	(\$193,170)	(\$193,170)	(\$193,170)	(\$193,170)	(\$193,170)	(\$193,170)	
17	Authorized Net Expense	\$136,830,730	\$16,183,101	\$15,682,567	\$13,358,676	\$8,069,870	\$4,171,316	\$3,983,007	\$7,742,804	\$12,904,239	\$11,169,238	\$11,853,243	\$15,093,313	\$16,619,356	
18	Actual - Authorized Net Expense	\$404,629	\$2,141,887	(\$3,357,788)	(\$2,540,732)	(\$400,304)	\$544,194	\$4,119,632	\$3,799,074	\$396,820	\$1,766,109	\$1,766,109	(\$74,113)	(\$4,272,942)	
19	Resource Optimization - Subtotal	(\$6,059,188)	(\$421,402)	(\$135,869)	(\$720,656)	(\$574,229)	(\$682,514)	(\$660,516)	(\$371,017)	(\$371,017)	(\$69,406)	(\$705,794)	(\$302,381)	(\$352,517)	
20	Adjusted Net Expense	(\$5,654,569)	\$1,720,485	(\$3,493,657)	(\$3,261,388)	(\$2,391,437)	(\$1,363,191)	(\$138,320)	\$3,459,116	\$3,428,057	\$327,414	\$1,060,315	(\$376,494)	(\$4,625,459)	
21	Washington Allocation		64.71%	64.71%	64.71%	64.71%	64.71%	64.71%	64.71%	64.71%	64.71%	64.71%	64.71%	64.71%	
22	Washington Share	(\$3,659,064)	\$1,113,326	(\$2,260,745)	(\$2,110,444)	(\$1,547,499)	(\$882,121)	(\$89,507)	\$2,238,394	\$2,218,296	\$211,870	\$686,130	(\$243,629)	(\$2,993,135)	
23	Washington 100% Activity (EIA 937)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
24	WA Retail Revenue Adjustment	(\$2,560,676)	(\$899,103)	(\$134,989)	\$66,915	\$59,414	\$223,625	(\$16,866)	(\$830,278)	(\$758,570)	(\$202,249)	\$292,748	(\$175,063)	(\$186,260)	
25	Net Power Cost (+) Surcharge (-) Rebate	(\$6,219,740)	\$214,223	(\$2,395,734)	(\$2,043,529)	(\$1,488,085)	(\$658,496)	(\$106,373)	\$1,408,116	\$1,459,726	\$9,621	\$978,878	(\$418,692)	(\$3,179,395)	
27	Cumulative Balance	\$214,223	(\$2,181,511)	(\$4,225,040)	(\$5,713,125)	(\$6,371,621)	(\$6,477,994)	(\$5,059,878)	(\$3,610,152)	(\$3,610,152)	(\$3,600,531)	(\$2,621,653)	(\$3,040,345)	(\$6,219,740)	
	input 10,000,000 and up		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
	input 4,000,000 to \$10M		\$0	\$0	(\$225,040)	(\$1,713,125)	(\$2,371,621)	(\$2,477,994)	(\$1,069,878)	\$0	\$0	\$0	\$0	(\$2,219,740)	
	input 0 to \$4M		\$214,223	(\$2,181,511)	(\$4,000,000)	(\$4,000,000)	(\$4,000,000)	(\$4,000,000)	(\$4,000,000)	(\$3,610,152)	(\$3,600,531)	(\$2,621,653)	(\$3,040,345)	(\$4,000,000)	
	check #-should be zero		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
	Deferral Amount, Cumulative (Customer)		\$0	\$0	(\$168,780)	(\$1,284,844)	(\$1,778,716)	(\$1,858,496)	(\$802,409)	\$0	\$0	\$0	\$0	(\$1,664,805)	
	Deferral Amount, Monthly Entry		\$0	\$0	(\$168,780)	(\$1,116,064)	(\$493,872)	(\$79,780)	\$1,056,087	\$802,409	\$0	\$0	\$0	(\$1,664,805)	
	Acct 557280 Entry: (+) Rebate, (-) Surcharge		\$0	\$0	\$168,780	\$1,116,064	\$493,872	\$79,780	(\$1,056,087)	(\$802,409)	\$0	\$0	\$0	\$1,664,805	
	Company Band Gross Margin Impact, Cumulative		\$214,223	(\$2,181,511)	(\$4,056,260)	(\$4,428,281)	(\$4,592,905)	(\$4,619,498)	(\$4,257,469)	(\$3,610,152)	(\$3,600,531)	(\$2,621,653)	(\$3,040,345)	(\$4,554,935)	

(1) includes true up for Transmission Revenue. Please see ERM Report pages 19 and 20 for additional information

Avista Corp. - Resource Accounting
WASHINGTON DEFERRED POWER COST CALCULATION - ACTUAL SYSTEM POWER SUPPLY EXPENSES

Line No.	TOTAL	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17
547 FUEL													
33	\$11,963	(\$1,576)	\$1,542	\$0	\$19	\$1,674	\$1,347	\$1,454	(\$3)	\$21	\$1,819	\$2,101	\$3,565
34	\$753,503	\$62,250	\$33,173	\$52,301	\$17,025	\$32,380	\$38,501	\$114,633	\$190,719	\$59,334	\$36,878	\$44,523	\$71,786
35	\$177,635	\$14,101	\$4,234	\$5,383	\$2,662	\$1,660	\$4,799	\$34,135	\$70,967	\$21,007	\$8,765	\$4,062	\$5,860
36	\$36,279,453	\$4,593,125	\$2,383,174	\$1,870,423	\$1,426,854	\$1,089,979	\$1,279,879	\$4,045,224	\$4,345,131	\$3,827,452	\$3,374,389	\$3,658,011	\$4,385,812
37	\$30,033,795	\$4,284,501	\$1,800,867	\$714,582	\$853,392	\$1,065,062	\$923,329	\$3,730,447	\$3,804,998	\$3,063,190	\$2,843,990	\$3,405,581	\$3,564,256
38	\$2,270,136	\$122,615	\$116,639	\$91,757	\$17,105	\$64,806	\$65,147	\$223,775	\$1,107,794	\$254,154	\$51,117	\$36,057	\$19,170
39	\$69,526,485	\$9,055,016	\$4,339,629	\$2,734,446	\$2,317,057	\$2,255,561	\$2,313,002	\$8,249,668	\$9,519,606	\$7,225,158	\$6,316,558	\$7,150,335	\$8,050,449
40	\$139,536,952	\$18,416,571	\$12,347,409	\$10,852,778	\$6,708,544	\$4,410,613	\$5,341,951	\$12,202,258	\$16,982,609	\$11,555,046	\$13,531,526	\$14,819,430	\$12,368,217
456 TRANSMISSION REVENUE													
41	(\$12,765,475)	(\$920,621)	(\$869,298)	(\$946,913)	(\$1,144,968)	(\$1,540,591)	(\$1,592,052)	(\$1,190,519)	(\$1,212,796)	(\$932,841)	(\$795,994)	(\$714,587)	(\$904,295)
45	(\$3,192,000)	(\$286,000)	(\$286,000)	(\$286,000)	(\$286,000)	(\$286,000)	(\$286,000)	(\$286,000)	(\$286,000)	(\$286,000)	(\$286,000)	(\$286,000)	(\$286,000)
46	(\$340,671)	(\$978)	(\$14,933)	(\$21,941)	(\$81,132)	(\$102,201)	(\$94,841)	(\$5,638)	\$0	(\$386)	(\$17,483)	(\$1,078)	(\$60)
47	(\$2,472,918)	(\$261,636)	(\$234,225)	(\$194,814)	(\$174,215)	(\$178,872)	(\$185,649)	(\$206,488)	(\$204,218)	(\$178,839)	(\$185,763)	(\$196,857)	(\$271,342)
48	(\$60,240)	(\$5,020)	(\$5,020)	(\$5,020)	(\$5,020)	(\$5,020)	(\$5,020)	(\$5,020)	(\$5,020)	(\$5,020)	(\$5,020)	(\$5,020)	(\$5,020)
49	(\$105,372)	(\$8,781)	(\$8,781)	(\$8,781)	(\$8,781)	(\$8,781)	(\$8,781)	(\$8,781)	(\$8,781)	(\$8,781)	(\$8,781)	(\$8,781)	(\$8,781)
50	(\$1,662,936)	(\$138,578)	(\$138,578)	(\$138,578)	(\$138,578)	(\$138,578)	(\$138,578)	(\$138,578)	(\$138,578)	(\$138,578)	(\$138,578)	(\$138,578)	(\$138,578)

Avista Corp. - Resource Accounting
WASHINGTON DEFERRED POWER COST CALCULATION - ACTUAL SYSTEM POWER SUPPLY EXPENSES

Line No.	TOTAL	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17
51	Total 456 Transmission Revenue	(\$20,599,612)	(\$1,601,614)	(\$1,536,835)	(\$1,562,047)	(\$1,818,694)	(\$2,290,921)	(\$1,821,024)	(\$1,835,393)	(\$1,530,445)	(\$1,417,619)	(\$1,330,901)	(\$1,594,076)
52	565000 ED AN	\$17,515,239	\$1,458,776	\$1,490,333	\$1,434,562	\$1,413,091	\$1,418,075	\$1,428,765	\$1,487,322	\$1,474,406	\$1,449,542	\$1,470,647	\$1,506,147
53	565312 ED AN	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
54	565710 ED AN	\$54,432	\$4,536	\$4,536	\$4,536	\$4,536	\$4,536	\$4,536	\$4,536	\$4,536	\$4,536	\$4,536	\$4,536
55	Total 565 Transmission Expense	\$17,569,671	\$1,463,312	\$1,494,869	\$1,439,098	\$1,417,627	\$1,422,611	\$1,434,301	\$1,491,858	\$1,478,942	\$1,454,078	\$1,475,183	\$1,510,683
56	557170 ED AN	\$482,390	\$44,479	\$43,154	\$35,685	\$28,909	\$41,037	\$36,369	\$42,289	\$41,607	\$49,081	\$37,026	\$36,681
57	557172 ED AN	\$375	\$0	\$0	\$375	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
58	557165 ED AN	\$136,020	\$2,240	(\$23,818)	\$72,055	\$16,276	\$8,955	\$7,171	\$3,705	\$4,436	(\$1,472)	\$14,270	\$21,450
59	557018 ED AN	\$109,563	\$0	\$0	\$0	\$56,508	\$3,568	\$3,361	\$18,245	\$16,472	\$3,758	\$4,192	\$3,459
60	Total 557 ED AN Broker & Related Fees	\$728,348	\$46,719	\$19,336	\$108,115	\$45,185	\$53,560	\$46,901	\$64,239	\$62,515	\$51,367	\$55,488	\$61,590
RESOURCE OPTIMIZATION													
61	Econ Dispatch-557010	\$20,211,262	\$465,163	\$1,164,156	\$1,884,211	\$1,500,828	\$1,281,528	\$953,551	\$2,237,102	\$2,455,984	\$3,267,054	\$1,211,843	\$1,627,535
62	Econ Dispatch-557150	(\$8,419,893)	(\$2,907,151)	\$921,961	\$1,755,397	\$2,054,073	\$2,367,946	(\$2,976,389)	(\$1,245,477)	(\$2,654,374)	(\$2,535,241)	(\$2,174,544)	(\$3,481,878)
63	Gas Bookouts-557700	\$2,274,789	\$0	\$109,560	\$11,750	\$0	\$12,636	\$0	\$742,450	\$658,115	\$14,250	\$437,640	\$229,710
64	Gas Bookouts-557711	(\$2,274,789)	\$0	(\$109,560)	(\$11,750)	\$0	(\$12,636)	\$0	(\$742,450)	(\$658,115)	(\$14,250)	(\$437,640)	(\$229,710)
65	Intraco Thermal Gas-557730	\$49,347,739	\$5,714,140	\$2,992,717	\$1,792,656	\$3,018,689	\$3,893,940	\$5,452,335	\$5,589,840	\$5,975,660	\$2,954,838	\$5,198,347	\$4,695,843
66	Fuel DispatchFin-456010	(\$8,165,001)	(\$302,618)	(\$623,958)	(\$1,333,190)	(\$835,460)	(\$761,623)	(\$602,008)	(\$1,132,181)	(\$831,385)	(\$85,965)	(\$78,650)	(\$462,383)
67	Fuel Dispatch-456015	\$23,702,205	(\$641,193)	(\$1,193,995)	(\$2,917,461)	(\$3,709,807)	(\$4,636,483)	(\$6,108,620)	(\$1,999,556)	(\$449,955)	(\$37,151)	(\$1,317,581)	(\$59,841)
68	Intraco Thermal Gas-456730	(\$35,332,351)	(\$2,749,753)	(\$3,396,998)	(\$1,902,284)	(\$1,752,218)	(\$2,233,183)	(\$1,275,199)	(\$2,242,160)	(\$5,430,144)	(\$1,959,498)	(\$3,825,971)	(\$2,671,803)
69	Fuel Bookouts-456711	\$1,081,217	\$0	\$0	\$11,850	\$0	\$12,879	\$0	\$631,238	\$0	\$0	\$425,250	\$0
70	Fuel Bookouts-456720	(\$1,081,217)	\$0	\$0	(\$11,850)	\$0	(\$12,879)	\$0	(\$631,238)	\$0	\$0	(\$425,250)	\$0
71	Resource Optimization Subtotal	(\$6,060,449)	(\$421,412)	(\$136,117)	(\$720,671)	(\$674,250)	(\$682,552)	(\$660,849)	(\$371,137)	(\$69,463)	(\$706,008)	(\$302,537)	(\$352,527)
72	Misc. Power Exp. Actual-557160 ED AN	\$787	\$0	\$225	\$0	\$0	\$0	\$247	\$0	\$0	\$172	\$143	\$0
73	Misc. Power Exp. Subtotal	\$787	\$0	\$225	\$0	\$0	\$0	\$247	\$0	\$0	\$172	\$143	\$0
74	Wind REC Exp Authorized	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
75	Wind REC Exp Actual 557395	\$474	\$10	\$23	\$15	\$21	\$39	\$86	\$120	\$57	\$42	\$13	\$10
76	Wind REC Subtotal	\$474	\$10	\$23	\$15	\$21	\$39	\$86	\$120	\$57	\$42	\$13	\$10
77	WA EIA937 Requirement (EWEB) - Expense	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
78	WA EIA937 Requirement (EWEB) - Broker Fee Exp	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
79	WA EIA 937 Requirement (EWEB) - Broker Fee Exp	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
80	EWEB REC WA EIA 937 Compliance	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
81	Net Resource Optimization	(\$6,059,188)	(\$421,402)	(\$135,869)	(\$720,656)	(\$674,229)	(\$682,514)	(\$660,516)	(\$371,017)	(\$69,406)	(\$705,794)	(\$302,381)	(\$352,517)
82	Adjusted Actual Net Expense	\$131,176,171	\$17,903,586	\$12,188,910	\$10,097,288	\$5,678,433	\$2,808,125	\$11,201,920	\$16,332,296	\$11,496,652	\$12,913,558	\$14,716,819	\$11,993,897

Avista Corp. - Resource Accounting
Washington Electric Jurisdiction
Energy Recovery Mechanism (ERM) Retail Revenue Credit Calculation - 2017

Retail Sales - MWh	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	YTD
Total Billed Sales	635,436	552,138	497,731	448,218	419,097	423,687	464,714	513,953	482,863	372,091	501,875	527,870	5,839,673
Deduct Prior Month Unbilled	(283,778)	(261,693)	(216,822)	(206,931)	(186,064)	(191,194)	(192,214)	(231,543)	(235,297)	(187,295)	(247,724)	(228,468)	(2,669,023)
Add Current Month Unbilled	261,693	216,822	206,931	186,064	191,194	192,214	231,543	235,297	187,295	247,724	228,468	261,456	2,646,701
Total Retail Sales	613,351	507,267	487,840	427,351	424,227	424,707	504,043	517,707	434,861	432,520	482,619	560,858	5,817,351
Test Year Retail Sales	555,937	498,647	492,113	431,145	438,507	423,630	451,024	469,267	421,946	451,214	471,440	548,964	5,653,834
Difference from Test Year	57,414	8,620	(4,273)	(3,794)	(14,280)	1,077	53,019	48,440	12,915	(18,694)	11,179	11,894	163,517
Production Rate - \$/MWh	\$15.66	\$15.66	\$15.66	\$15.66	\$15.66	\$15.66	\$15.66	\$15.66	\$15.66	\$15.66	\$15.66	\$15.66	\$15.66
Total Revenue Credit - \$	\$899,103	\$134,989	(\$66,915)	(\$59,414)	(\$223,625)	\$16,866	\$830,278	\$758,570	\$202,249	(\$292,748)	\$175,063	\$186,260	\$2,560,676

ELECTRIC UNBILLED KWH AND REVENUE		TOWN	REVENUE CLASS CODE	RATE SCH	Current Gross Unbilled KWH	Current Gross Unbilled REVENUE	Prior Month Reversal KWH	Prior Month Reversal REVENUE	Net Change KWH	Net Change REVENUE
WASHINGTON										
2800	Residential Service	2800	01	0001	148,629,721	\$ 14,216,193	(115,213,068)	\$(11,231,514)	29,315,653	\$ 2,984,579
2800	Residential Fixed Income Semi	2800	01	0002	351,583	\$ 22,157	(302,230)	\$(15,318)	49,363	\$ 3,859
2800	Residential Farm Gen	2800	01	0012	3,711,265	\$ 51,590	(2,955,141)	\$(427,091)	756,124	\$ 84,529
2800	Residential Farm Lg	2800	01	0022	1,992,363	\$ 161,186	(1,578,314)	\$(136,917)	414,048	\$ 22,269
2800	Residential Farm Pump	2800	01	0032	156,264	\$ 23,653	(134,325)	\$(22,991)	21,939	\$ 1,082
2800	Commercial General	2800	21	0011	30,354,239	\$ 3,517,261	(27,469,377)	\$(3,236,043)	2,884,862	\$ 281,218
2800	Commercial Lg General	2800	21	0021	66,850,896	\$ 5,452,509	(63,972,083)	\$(5,485,162)	2,908,813	\$ (32,653)
2800	Commercial Extra Lg	2800	21	0025	-	\$ -	-	\$ -	-	\$ -
2800	Commercial Pump	2800	21	0031	1,328,242	\$ 98,563,377	(1,914,125)	\$(174,826)	(585,853)	\$ (65,072)
2800	Industrial General	2800	31	0011	351,593	\$ 39,413	(302,230)	\$(34,405)	49,363	\$ 5,008
2800	Industrial Lg General	2800	31	0021	5,313,868	\$ 417,665	(5,070,753)	\$(416,569)	242,215	\$ (794)
2800	Industrial Extra Lg	2800	31	0025	2,136,242	\$ 147,054	(5,153,310)	\$(325,325)	(3,017,068)	\$ (178,271)
2800	Industrial Pump	2800	31	0031	351,593	\$ 31,392	(402,974)	\$(36,694)	(51,351)	\$ (5,302)
WASHINGTON TOTAL					251,455,979	\$ 24,660,087	(228,467,930.00)	\$(228,467,930.00)	32,068,049	\$ 3,110,362
IDAHO										
3800	Residential Service	3800	01	0001	74,676,888	\$ 7,234,110	(63,707,277)	\$(5,801,820)	14,669,611	\$ 1,433,050
3800	Residential Farm Gen	3800	01	0012	1,718,902	\$ 200,224	(1,376,827)	\$(169,298)	342,075	\$ 31,926
3800	Residential Farm Lg	3800	01	0022	429,725	\$ 31,930	(349,393)	\$(27,924)	80,332	\$ 4,008
3800	Residential Farm Pump	3800	01	0032	117,158	\$ 14,187	(100,743)	\$(14,922)	16,455	\$ 1,265
3800	Commercial General	3800	21	0011	19,259,510	\$ 1,890,467	(16,857,735)	\$(1,890,688)	2,401,775	\$ 199,779
3800	Commercial Lg General	3800	21	0021	29,533,654	\$ 2,119,454	(29,409,649)	\$(2,066,831)	1,124,205	\$ 52,623
3800	Commercial Extra Lg	3800	21	0025	-	\$ -	-	\$ -	-	\$ -
3800	Commercial Pump	3800	21	0031	1,171,978	\$ 49,865,342	(1,208,921)	\$(117,887)	(36,943)	\$ (4,956)
3800	Industrial General	3800	31	0011	273,462	\$ 26,219	(235,068)	\$(22,952)	38,394	\$ 3,267
3800	Industrial Lg General	3800	31	0021	3,594,067	\$ 244,282	(3,569,601)	\$(243,717)	34,466	\$ 565
3800	Industrial Extra Lg	3800	31	0025	-	\$ -	-	\$ -	-	\$ -
3800	Industrial Pump	3800	31	0031	864,121	\$ 63,165	(671,623)	\$(64,794)	(7,502)	\$ (1,629)
IDAHO TOTAL					131,339,705	\$ 11,936,969	(112,896,837)	\$(112,896,837.00)	18,842,868	\$ 1,719,936
WASHINGTON & IDAHO TOTAL					382,756,684	\$ 36,597,056	(340,964,767)	\$(340,964,767)	51,830,917	\$ 4,830,298
check						\$ 0.0932		\$ 0.0932		\$



Revenue By Revenue Class

Electric

Data Source: Financial Reporting
Data Updated Daily

State Code: WA

Accounting Period	Service	Revenue Class	Revenue Class Desc	Meter Qty	Usage Qty	Revenue Amt	YTD Average Meters	YTD Usage	YTD Revenue Amt
201712	ED	01	01 RESIDENTIAL	224,696	256,288,507	25,881,258	222,837	2,606,946,771	259,527,850
		21	21 FIRM COMMERCIAL	24,760	188,248,848	19,068,066	24,705	2,208,674,056	220,686,184
		31	31 FIRM- INDUSTRIAL	343	81,118,233	5,296,092	344	951,806,318	60,551,548
		39	39 FIRM-PUMPING-IRRIGATION ONLY	543	282,605	35,015	550	50,146,018	3,950,600
		51	51 LIGHTING-PUBLIC STREET AND HIWAY	426	987,329	406,650	413	11,936,095	4,872,504
		80	80 INTERDEPARTMENT REVENUE	80	944,650	95,133	75	10,163,326	1,004,940
		83	83 MISC-SERVICE REVENUE SNP	0	0	12,353	0	0	208,331
		85	85 MISC-RENT FROM ELECTRIC PROPERTY	0	0	25,853	0	0	299,055
		ED - Summary		250,848	527,870,172	50,820,420	248,923	5,839,672,583	551,101,013
201712 - Summary				250,848	527,870,172	50,820,420	248,923	5,839,672,583	551,101,013
Overall - Summary				250,848	527,870,172	50,820,420	248,923	5,839,672,583	551,101,013

Run Date: Jan 9, 2018

For Internal Use Only

From: Schlect, Jeff
Sent: Friday, January 05, 2018 4:26 PM
To: Kettner, Cheryl; Berg, Jenny; Gill, Rubal; Wilcox, John
Cc: Gnaedinger, Randy; Magruder, Mike; Rosentrater, Heather; Thorson, Neil; Vickers, Laura; Johnson, Frank; Dillon, Kenny; Murphy, Tim; Andrea, Michael
Subject: BPA Network Service Billing Correction - Lee&Reynolds Substation
Attachments: L&R Meter Billing Correction Summary FINAL.xlsx

All –

Please find attached a revised worksheet summarizing the billing adjustments totaling \$1,839,724 for BPA Network Integration Transmission Service due to the metering error discovered on August 2, 2017 at the Lee & Reynolds Substation. Adjustments for transmission, ancillary services and energy imbalance are straight-forward billing adjustments that do not require additional FERC oversight. For the portion associated with Low-voltage facilities charges (\$63,402), this constitutes an actual rate change that requires FERC acceptance. Please let me know should you need any additional background information. My thanks to Randy Gnaedinger, Tim Murphy, Jenny Berg and Cheryl Kettner who have done, and will do, much of the heavy lifting on this. Thank you!

- Jeff

- **Billing adjustments to be applied to the December 2017 invoice: \$1,776,322**

- > \$216,805 - Transmission Demand (Account 456100)
- > \$40,690 - Ancillary Services (Account 456130 with internal 555/447 transfers)
- > \$1,518,827 - Energy Imbalance deviation (Account 447) ✓

- **Tentative future billing adjustment pending FERC authorization: \$63,402**

- > \$63,402 - Low-Voltage Use-of-Facilities (Account 456705)

Jeff Schlect, PE
 Senior Manager, FERC Policy
 and Transmission Services



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**Billing Correction and Energy Deviation - January 5, 2018
LEE & REYNOLDS POINT OF DELIVERY METERING ERROR**

Per Network Integration Transmission Service Agreement Exhibit 3 (Network Operating Agreement) Section 9.5(c)

Time Period	Low Voltage Charges ²		Transmission Demand Charge ³		Ancillary Service Charge ³		Scheduled Energy Difference ⁴		
	Old	New	Old	New	Old	New	Net Energy	Ave Index	Net
Sep-Dec 2011	\$16,816	\$19,652	\$145,369	\$158,324	\$13,214	\$14,333	3274 MWh	\$30.31	\$99,263
2012	\$50,449	\$58,955	\$454,473	\$492,140	\$45,612	\$48,877	10200 MWh	\$17.45	\$178,035
2013	\$50,449	\$58,955	\$436,004	\$470,593	\$45,045	\$48,436	10125 MWh	\$30.52	\$308,982
2014	\$50,449	\$58,955	\$430,151	\$465,653	\$60,103	\$64,879	10489 MWh	\$31.11	\$326,339
2015	\$50,449	\$58,955	\$428,027	\$462,275	\$118,246	\$127,809	10418 MWh	\$23.17	\$241,375
2016	\$56,527	\$71,212	\$439,298	\$474,289	\$133,030	\$142,604	9978 MWh	\$20.48	\$204,306
thru 28-Aug-2017	\$38,340	\$50,198	\$318,966	\$345,819	\$122,233	\$131,235	7662 MWh	\$20.95	\$160,527
Sub-Totals							62,146 MWh		\$1,518,827
Total All Categories		\$63,402		\$216,805		\$40,690			\$1,839,724

Initial Billing Correction to be applied to December 2017 invoice: \$1,776,322
Low Voltage Charges adjustment to be applied to future invoice pending FERC filing: \$63,402

Notes

- 1 - Annual Producer Price Index (PPI) trailing 12-month value, <https://www.bls.gov/bis/news-release/ppi.htm#2017>
 - 2 - Low-voltage charges are calculated on the "Low Voltage" tab of this spreadsheet
 - 3 - Transmission Demand and Ancillary Service charges are calculated in "Billing Capacity Adjustments Summary (Jan'06-Aug'17).xlsx"
 - 4 - Scheduled Energy Difference is calculated in "L&R Energy 200701-201708.xlsx"
- Index: 2011-2017 Powerdex Mid-Columbia Hourly

Detail for September-December 2011 Period

Month	Low Voltage Charges ²		Transmission Demand Charge ³		Ancillary Service Charge ³		Scheduled Energy Difference ⁴		
	Old	New	Old	New	Old	New	Net Energy	Ave Index	Net
11-Sep	\$4,204	\$4,913	\$35,879	\$39,143	\$5,058	\$5,326	709 MWh	\$31.81	\$22,544
11-Oct	\$4,204	\$4,913	\$36,336	\$39,636	\$3,680	\$3,889	769 MWh	\$24.18	\$18,587
11-Nov	\$4,204	\$4,913	\$36,249	\$39,428	\$2,146	\$2,422	820 MWh	\$31.41	\$25,758
11-Dec	\$4,204	\$4,913	\$36,905	\$40,117	\$2,330	\$2,696	977 MWh	\$33.14	\$32,374
Sub-Totals	\$16,816	\$19,652	\$145,369	\$158,324	\$13,214	\$14,333	3274 MWh		\$99,263
Total All Categories									\$116,173

Attachment B

Avista Corporation
Monthly Power Cost Deferral Report
Month of December 2017

Long Term Power Sales Contract

POWER PURCHASE AGREEMENT
BETWEEN
CLARK FORK HYDRO, LLC
AND
AVISTA CORPORATION

I N D E X

1.	DEFINITIONS.....	3
2.	NO RELIANCE ON AVISTA.....	5
3.	WARRANTIES	6
4.	CONDITIONS TO ACCEPTANCE OF ENERGY	6
5.	TERM OF AGREEMENT.....	6
6.	PURCHASE AND SALE OF POWER.....	7
7.	INSURANCE	8
8.	CURTAILMENT, INTERRUPTION OR REDUCTION OF DELIVERY	8
9.	OPERATION	9
10.	METERING	11
11.	PURCHASE PRICES AND METHOD OF PAYMENT.....	11
12.	FORCE MAJEURE	12
13.	INDEMNITY	13
14.	ASSIGNMENT.....	14
15.	NO UNSPECIFIED THIRD PARTY BENEFICIARIES	14
16.	DEFAULT	14
17.	ARBITRATION	16
18.	RELEASE BY PROJECT DEVELOPER	16
19.	GOVERNMENTAL AUTHORITY.....	16
20.	EQUAL OPPORTUNITY	17
21.	SEVERAL OBLIGATIONS.....	17
22.	IMPLEMENTATION.....	17
23.	NON-WAIVER.....	17
24.	AMENDMENT.....	17
25.	CHOICE OF LAWS	18
26.	COMPLIANCE WITH LAWS.....	18
27.	VENUE	18
28.	HEADINGS	18
29.	NOTICES	18
30.	EXHIBITS	19

Exhibit A	Communication and Reporting
Exhibit B	Form of Engineer's Certification of Operations and Maintenance Policy
Exhibit C	Interconnection Agreement
Exhibit D	Description of the Facility
Exhibit E	Purchase Price

This Power Purchase Agreement ("Agreement") with an Effective Date as provided in Section 5.1 below is made by and between Avista Corporation, a Washington corporation ("Avista"), and Clark Fork Hydro LLC, an Idaho limited liability company, ("Project Developer"). Avista and Project Developer are sometimes referred to herein individually as a "Party" and collectively as the "Parties."

WITNESSETH:

WHEREAS, Project Developer plans to continue to operate a 250 kW electric generating unit(s) ("Facility") at Clark Fork, Idaho; and

WHEREAS, Project Developer has obtained all necessary rights and authorities to own and operate the Facility; and

WHEREAS, Project Developer and Avista are parties to an agreement pursuant to which Avista purchases the output of the Facility, which agreement expires by its own terms on December 31, 2017; and

WHEREAS, Project Developer and Avista desire to enter into this Agreement under which Avista will continue to purchase the output of the Facility pursuant to the terms of this Agreement for the Term; and

WHEREAS, the Facility is connected in a manner such that parallel operation with Avista's electrical system occurs; and

WHEREAS, Avista and Project Developer are parties to the Interconnection Agreement, which is set forth at Exhibit C, herein, and incorporated as a part of this Agreement; and

WHEREAS, Project Developer desires to sell and Avista desires to purchase power from the Facility subject to approval of the Idaho Public Utilities Commission; and

WHEREAS, Project Developer is or shall be a Qualifying Facility within the meaning of the Public Utility Regulatory Policies Act of 1978 and the rules and regulations thereunder; and

NOW, THEREFORE, in consideration of the mutual covenants and agreements hereinafter set forth, the Parties agree as follows.

1. DEFINITIONS

Whenever used in this Agreement and exhibits hereto, the following terms shall have the following meanings:

- 1.1** "**Agreement**" means this Power Purchase Agreement, including all exhibits, and any written amendments.

- 1.2 "aMW" means average MW.
- 1.3 "Avista", "Project Developer", "Party" and "Parties" shall have their respective meanings set forth above.
- 1.4 "Effective Date" shall have the meaning provided in Section 5.1.
- 1.5 Reserved
- 1.6 "Facility" means the electric generating facilities, including all equipment and structures necessary to generate and supply power, more particularly described at Exhibit D (Description of the Facility).
- 1.7 "Facility Service Power" means the electric power used by the Facility during its operation, including, but not necessarily limited to pumping, generator excitation, cooling or otherwise related to the production of electricity by the Facility.
- 1.8 "FERC" means the Federal Energy Regulatory Commission.
- 1.9 "Independent Engineering Certification" means certifications provided by a professional engineer registered in Washington or Idaho, who has no direct or indirect, legal or equitable, ownership interest in the Facility.
- 1.10 "Interconnection Agreement" The Generation Interconnection Agreement by which Net Delivered Output may be delivered into the transmission system of Avista at the Point of Delivery during the term of this Agreement. The Interconnection Agreement is set forth in full at Exhibit C.
- 1.11 "Interconnection Facilities" means all facilities required to interconnect the Facility for delivery of Net Delivered Output to the Avista transmission or distribution system including connection, transformation, switching, relaying and safety equipment. Interconnection Facilities shall also include all telemetry, metering, cellular telephone, and/or communication equipment required under this Agreement regardless of location.
- 1.12 "IPUC" means the Idaho Public Utilities Commission or its successor.
- 1.13 "MW" means megawatt. One thousand kilowatts equals one megawatt.
- 1.14 "Market Energy Cost" means eighty-five percent (85%) of the weighted average of the daily Intercontinental Exchange ("ICE") daily On- and Off-Peak Firm Index prices for electricity at the Mid-Columbia hub ("Mid-C"), or its successor, or as agreed to by the parties where no successor exists.
- 1.15 "Net Delivered Output" means all electric energy generated by the Facility, net of Facility Service Power.

1.16 "Net Delivered Output Cost" means the rate in dollars per megawatt-hour, to be paid by Avista for all Net Delivered Output, subject to any limitations under this Agreement. The Net Delivered Output Cost is specified in Section 11.1.

1.17 "Off-Peak" means all hours other than On-Peak hours.

1.18 "On-Peak" means the hours ending 0700 through 2200 Pacific Prevailing time, Monday through Sunday, including NERC holidays.

1.19 "Operating Year" means each 12-month period from January 1 through December 31.

1.20 "Point of Delivery" means the location where the Facility is electrically interconnected with Avista's transmission system.

1.21 "Prudent Utility Practices" means the practices, methods, and acts, including but not limited to practices, methods, and acts engaged in or approved by a significant portion of the electric power generation and transmission industry, in the exercise of reasonable judgment in the light of the facts known or that should have been known at the time a decision was made, that would have been expected to accomplish the desired result in a manner consistent with law, regulation, reliability, safety, environmental protection, economy, and expedition.

1.22 "Scheduled Outage" means any outage which is scheduled by the Project Developer to remove electrical or mechanical equipment from service for repair, replacement, maintenance, safety or any other reason, and which thereby limits the generating capability of the Facility to less than its full tested capability.

1.23 "Term" means the period commencing on the Effective Date and terminating on December 31, 2037, unless terminated earlier in accordance with the terms of this Agreement.

2. NO RELIANCE ON AVISTA

2.1 Project Developer Independent Investigation. Project Developer warrants and represents to Avista that in entering into this Agreement and the undertaking by Project Developer of the obligations set forth herein, Project Developer has investigated and determined that it is capable of performing hereunder and has not relied upon the advice, experience or expertise of Avista in connection with the transactions contemplated by this Agreement.

2.2 Project Developer Experts. All professionals or experts including, but not limited to, engineers, attorneys or accountants, that Project Developer may have consulted or relied on in undertaking the transactions contemplated by this Agreement have been solely those of Project Developer.

3. WARRANTIES

3.1 No Warranty by Avista. Any review, acceptance or failure to review Project Developer's design, specifications, equipment or facilities shall not be an endorsement or a confirmation by Avista, and Avista makes no warranties, expressed or implied, regarding any aspect of Project Developer's design, specifications, equipment or facilities, including, but not limited to, safety, durability, reliability, strength, capacity, adequacy or economic feasibility.

3.2 Qualifying Facility Status. Project Developer warrants that the Facility is a "Qualifying Facility", as that term is used and defined in 18 C.F.R. §§ 292.101, 292.207. After initial qualification, Project Developer shall take such steps as may be required to adequately maintain the Facility's Qualifying Facility status during the term of this Agreement and Project Developer's failure to adequately maintain Qualifying Facility status will be a material breach of this Agreement. Avista reserves the right to review the Project Developer's Qualifying Facility status and associated support and compliance documents at any time during the term of this Agreement.

4. CONDITIONS TO ACCEPTANCE OF ENERGY

Avista's obligation to accept output generated by the Facility is conditioned upon the following:

4.1 Licenses, Permits and Approvals. Pursuant to applicable federal, state, tribal or local regulations, Project Developer shall prior to the Effective Date obtain, and for the Term shall maintain in good standing and effect, all licenses, permits or approvals necessary for Project Developer's operations including, but not limited to, compliance with Subpart B, 18 C.F.R. § 292.207. Licenses, permits and approvals shall include but shall not be limited to tribal, state and local business licenses, environmental permits approvals for fuel storage, water rights, and other necessary easements and leases.

4.2 Insurance. Project Developer shall, prior to the Effective Date, have obtained the insurance and engineering certification required by Section 7.

4.3 Initial Year Monthly Net Delivered Output Amounts. Project Developer shall provide to Avista the Initial Year Monthly Net Delivered Output Estimates in accordance with Section 6.3.

5. TERM OF AGREEMENT

5.1 Subject to the provisions of this Section 5, this Agreement shall be effective at 0000 hours on January 1, 2018, or such other date as ordered by the IPUC, ("Effective Date"); provided the Agreement is executed by the Parties on or prior to the January 1, 2018. In the event this Agreement is executed by the Parties subsequent to January 1, 2018, the Effective Date will be deemed to be the date upon which the Agreement will have been executed by both Parties. Power purchases pursuant to this Agreement shall commence upon the Effective Date.

5.2 Project Developer and Avista shall jointly petition the IPUC for an order approving the Agreement and any mutually agreed to amendment to the Agreement. This Agreement and any amendment to this Agreement is conditioned upon the approval and determination by the IPUC that the prices to be paid for electric power are just and reasonable, in the public interest, and that the costs incurred by Avista for purchases of electric power from Seller are legitimate expenses.

5.3 In the event that the IPUC fails to issue a final order approving this Agreement by January 30, 2018, neither Party shall have any further obligations to purchase or sell electric power hereunder, and this Agreement shall terminate on January 30, 2018.

5.4 In the event that this Agreement is terminated pursuant to Section 5.3, except as otherwise provided, the Project Developer shall refund amounts to Avista. The refund amount for each month shall be equal to the amount previously paid by Avista for electric power received by Avista during such month, less the arithmetic product that is obtained by multiplying the number of megawatt-hours during such month for which Avista has paid, by the lesser of: (i) the Net Delivered Output Cost set forth in Section 11.1 for such month, or (ii) the Market Energy Cost for such month. In the event that Avista has not paid for electric power delivered by Project Developer before this Agreement is terminated pursuant to Section 5.3, Avista shall pay for such power at the lesser of: (i) the Net Delivered Output Cost set forth in Section 11.1 for such month, or (ii) the Market Energy Cost for such month.

5.5 This Agreement shall expire on December 31, 2037, unless terminated earlier in accordance with the terms of this Agreement.

5.6 Unless excused by Force Majeure, Avista may terminate this Agreement on thirty (30) days prior written notice if, in any two (2) consecutive Operating Years, Project Developer fails to deliver Net Delivered Output equal to 1,000 megawatt-hours.

6. PURCHASE AND SALE OF POWER

6.1 Project Developer shall sell and deliver to the Point of Delivery and Avista shall purchase all Net Delivered Output.

6.2 The Facility is designed, and the Project Developer shall operate the Facility in a manner such that the hourly scheduled amount of Net Delivered Output does not exceed 250 kW in any hour. Avista shall have the right, but not the obligation, to purchase any Net Delivered Output from the Facility in excess of 250 kW in any hour. The maximum annual amount of electric power that Avista is obligated to purchase hereunder shall be 2,453 megawatt-hours in any Operating Year which is a non-Leap Year, or 2,460 megawatt-hours in any Operating Year which is a Leap Year.

6.3 Initial Net Delivered Output Estimates. Project Developer shall provide to Avista no later than seven (7) calendar days following the Effective Date, Net Delivered Output Estimates for each of the twelve consecutive months that begin with the month containing the

Effective Date, counting the month during which the Effective Date occurs as month one (Initial Year Monthly Net Delivered Output Estimates).

7. INSURANCE

7.1 Business Insurance. Prior to operating the Facility, Project Developer, at his own cost, shall obtain and maintain the following insurance in force over the Term of this Agreement and shall provide certificates of all insurance policies. Avista's acceptance of the certificate of insurance is not intended to, and will not reduce, limit, affect, or modify the primary obligations and liabilities of Project Developer under the provisions of this Agreement. Project Developer must provide notice of cancellation or notice of change in policy terms at least 60 days prior to any change or termination of the policies.

7.1.1 General Liability. Project Developer shall carry and maintain comprehensive general liability insurance in a form acceptable to Avista with coverage of not less than \$1,000,000 per occurrence, including coverage of bodily injury, property damage liability, and contractual liability specifically related to the indemnity provisions of this Agreement. The deductible will not exceed the Project Developer's financial ability to cover claims and will not be greater than prevailing practices for similar operations in the State of Idaho.

7.1.2 Property Insurance. Project Developer shall carry and maintain property insurance for the full replacement value of the Facility in a form acceptable to Avista, a deductible not to exceed the Project Developer's financial ability, and will not be greater than prevailing practices for similar operations in the State of Idaho.

7.1.3 Qualifying Insurance. The insurance coverage required by this Section 7.1.1 must be obtained from an insurance carrier licensed to conduct business in the state in which the Services are to be performed, must be acceptable to Avista, such acceptance not to be unreasonably withheld, but in no event have less than an A.M. Best Rating of A-, Class VIII. The policies required under this Agreement must include (i) provisions or endorsements naming Avista and its directors, officers and employees as additional insureds, (ii) Avista as a loss payee as applicable, (iii) a cross-liability and severability of interest clause, and (iv) provisions such that the policy is primary insurance with respect to the interests of Avista and that any other insurance maintained by Avista is excess and not contributory.

8. CURTAILMENT, INTERRUPTION OR REDUCTION OF DELIVERY

Avista may require Project Developer to curtail, interrupt or reduce delivery of Net Delivered Output if, in accordance with Section 9.2, Avista determines that curtailment, interruption or reduction is necessary because of force majeure or to protect persons and property from injury or damage, or because of emergencies, necessary system maintenance, system modification or special operating circumstances. Avista shall use its reasonable efforts to keep

any period of curtailment, interruption, or reduction to a minimum. In order not to interfere unreasonably with Project Developer operations, Avista shall give Project Developer reasonable prior notice of any curtailment, interruption, or reduction, the reason for its occurrence and its probable duration.

9. OPERATION

9.1 Communications and Reporting. Avista and the Project Developer shall maintain appropriate operating communications through Avista's Designated Dispatch Facility in accordance with Exhibit A of this Agreement.

9.2 Excuse From Acceptance of Delivery of Power.

9.2.1 Avista may interrupt, suspend or curtail delivery, receipt or acceptance of delivery of power if Avista reasonably determines consistent with Prudent Utility Practice that the failure to do so:

9.2.1.1 May endanger any person or property, or Avista's electric system, or any electric system with which Avista's system is interconnected;

9.2.1.2 May cause, or contribute to, an imminent significant disruption of electric service to Avista's or another utility's customers;

9.2.1.3 May interfere with any construction, installation, inspection, testing, repair, replacement, improvement, alteration, modification, operation, use or maintenance of, or addition to, Avista's electric system or other property of Avista.

9.2.2 Avista shall promptly notify Project Developer of the reasons for any such interruption, suspension or curtailment provided for in Section 9.2.1, above. Avista shall use reasonable efforts to limit the duration of any such disconnection, interruption, suspension or curtailment.

9.3 Project Developer Declared Suspension of Energy Deliveries.

9.3.1 If the Project Developer's Facility experiences a forced outage due to equipment failure which is not caused by an event of force majeure or by neglect, disrepair or lack of adequate preventative maintenance of the Project Developer's Facility, Project Developer may, after giving notice as provided in Section 9.3.2 below, temporarily suspend all deliveries of Net Delivered Energy to Avista from the Facility for from individual generation unit(s) within the Facility impacted by the forced outage for a period of not less than 48 hours to correct the forced outage condition ("Declared Suspension of Energy Deliveries"). The Project Developer's Declared Suspension of Energy Deliveries will begin at the start of the next full hour following the Project Developer's telephone notification as specified in Section 9.3.2 and will continue for the

time as specified (not less than 48 hours) in the written notification provided by the Project Developer. In the month(s) in which the Declared Suspension of Energy occurred, the Net Delivered Energy Amount will be adjusted as specified in Section 6.3.5.

9.3.2 If the Project Developer desires to initiate a Declared Suspension of Energy Deliveries as provided in Section 9.3.1, the Project Developer shall notify the Designated Dispatch Facility by telephone. The beginning hour of the Declared Suspension of Energy Deliveries will be at the earliest the next full hour after making telephone contact with Avista. The Project Developer shall, within 24 hours after the telephone contact, provide Avista a written notice in accordance with Section 29 that will contain the beginning hour and duration of the Declared Suspension of Energy Deliveries and a description of the conditions that caused the Project Developer to initiate a Declared Suspension of Energy Deliveries. Avista shall review the documentation provided by the Project Developer to determine Avista's acceptance of the described forced outage as qualifying for a Declared Suspension of Energy Deliveries as specified in Section 9.3.1. Avista's acceptance of the Project Developer's forced outage as an acceptable forced outage will be based upon the clear documentation provided by the Project Developer that the forced outage is not due to an event of Force Majeure or by neglect, disrepair or lack of adequate preventative maintenance of the Project Developer's Facility.

9.4 Scheduled Maintenance. On or before January 31 of each calendar year, Project Developer shall submit a written proposed maintenance schedule of significant Facility maintenance for that calendar year and Avista and Project Developer shall mutually agree as to the acceptability of the proposed schedule. The Parties determination as to the acceptability of the Project Developer's timetable for scheduled maintenance shall take into consideration Prudent Utility Practices, Avista system requirements and the Project Developer's preferred schedule. Neither Party shall unreasonably withhold acceptance of the proposed maintenance schedule. The Parties shall cooperate in determining mutually acceptable Facility down times or maintenance shutdowns.

9.5 Compliance with Permits, Licenses, Authorizations and Other Rights. Project Developer shall obtain and comply with all permits, licenses, authorizations and other rights required to own, operate, use and maintain the Facility, as they may change from time to time. Project Developer shall furnish to Avista on request, copies of all documents granting, evidencing or otherwise related to such permits, licenses, authorizations and rights.

9.6 Project Developer's Risk. Project Developer shall own, operate, use and maintain the Facility at its own risk and expense in compliance with all applicable laws, ordinances, rules, regulations, orders and other requirements, now or hereafter in effect, of any governmental authority.

9.7 Avista Right to Inspect. Project Developer shall permit Avista to inspect the Facility or the operation, use or maintenance of the Facility. Project Developer shall provide Avista reasonable advance notice of any such test or inspection by or at the direction of Project Developer.

9.8 Project Developer Obligations in Accordance with Prudent Utility Practices.
Project Developer shall own, operate and maintain the Facility and any Project Developer-owned Interconnection Facilities so as to allow reliable generation and delivery of electric energy to Avista for the full term of the Agreement, in accordance with Prudent Utility Practices.

10. METERING

10.1 A power meter currently located at the Point of Delivery at Project Developer's expense will register the Net Delivered Output generated and delivered to Avista on an hourly basis.

10.2 The power meter will record power, which flows from the Facility to Avista. Avista and Project Developer both shall have the right to read and receive readings from the power meter. Avista shall read the meter at least once a month to determine the amount of Net Delivered Output in each calendar month. Power deliveries in any month shall be calculated based on information from meter readings with the date adjustment made by prorating metered amounts to the number of days in such month. Actual monthly Net Delivered Output shall be determined from the record developed. Avista shall own and maintain all meters used to determine the billing hereunder and the meter(s) shall be located as specified in the Interconnection Agreement. Such meter(s) shall be tested and inspected in accordance with Avista's meter testing program as filed with the Washington Utilities and Transportation Commission and/or the Idaho Public Utilities Commission. If requested by Project Developer, Avista shall provide copies of applicable test and calibration records and calculations. Avista shall permit a representative of Project Developer to be present at all times the meters are being tested. Additionally, Avista shall test any or all of such meters as may be reasonably be required by Project Developer. Project Developer shall pay reasonable costs for such requested test unless any of the meters is found to be inaccurate in which case Avista shall pay for such test.

10.3 Adjustments shall be made in meter readings and billings for errors in a meter reading or billing discovered within twelve (12) months of the error. Avista shall notify Project Developer of any errors arising from meter calibration, reading or billing. Avista shall permit representatives of Project Developer to inspect all of Avista's records relating to the delivery of electrical energy to and purchase of electrical energy by Avista hereunder.

11. PURCHASE PRICES AND METHOD OF PAYMENT

11.1 Net Delivered Output Cost.

11.1.1 Avoided Cost Rates For Non-Fueled Projects Smaller Than Ten Megawatts - Non-Levelized. For all Net Delivered Output received by Avista for each hour Avista shall pay the applicable rate based upon the following On-Peak or Off-Peak Avoided Cost Rates For Non-Fueled Projects Smaller Than Ten Average Megawatts per month - Non-Levelized as shown in Exhibit E.

11.2 RESERVED.

11.3 Payments to Project Developer. For each month during the term of this Agreement, so long as there are energy deliveries made and/or payments due hereunder, Avista shall prepare a statement based upon Net Delivered Output delivered to Avista. Payments by Avista for amounts billed shall be paid no later than the 15th day of the month following the prior calendar month billing period. If the Due Date falls on a non-business day of either Party, then the payment shall be due on the next following business day.

11.4 Payments to Avista. If Project Developer is obligated to make any payment or refund to Avista, Avista shall bill Project Developer for such payments. Project Developer shall pay Avista on or before the 15th day of the month following the prior calendar month billing period or ten (10) days after receipt of the bill, whichever is later.

11.5 Interest. Any payments by Avista to Project Developer or by Project Developer to Avista, if not paid in full within the limitations set forth in Sections 11.3 and 11.4 above, shall be late. In addition to the remedies for such an event of default pursuant to Section 16, the late-paying Party shall be assessed a charge for late payment equal to the lesser of seven and one half percent (7.5%) per annum, or the maximum rate allowed by the laws of the State of Idaho, multiplied by the overdue amount.

11.6 Set-Off. Project Developer agrees that Avista may set off any and all amounts owed by Project Developer to Avista against any current or future payments due Project Developer under this Agreement.

11.7 Wire Transfer. All payments shall be made by ACH or wire transfer in accordance with further agreement of the Parties.

12. FORCE MAJEURE

12.1 Neither Party shall be liable to the other Party for, or be considered to be in breach of or default under this Agreement, on account of any delay in performance due to any of the following events or any delay or failure to produce Net Delivered Output, or to, receive or accept Net Delivered Output due to any of the following events:

12.1.1 Any cause or condition beyond such Party's reasonable control which such Party is unable to overcome by the exercise of reasonable diligence (including but not limited to: fire, flood, earthquake, volcanic activity, wind, drought and other acts of the elements; court order and act of civil, military or governmental authority; strike lockout and other labor dispute; riot, insurrection, sabotage or war; breakdown of or damage to facilities or equipment; electrical disturbance originating in or transmitted through such Party's electric system or any electric system with which such Party's system is interconnected; and, act or omission of any person or entity other than such Party, and Party's contractors or suppliers of any tier or anyone acting on behalf of such Party); or

12.1.2 Any action taken by such Party which is, in the sole judgment of such Party, necessary or prudent to protect the operation, performance, integrity, reliability or stability of such Party's electric system or any electric system with which such Party's electric system is interconnected, whether such actions occur automatically or manually.

12.2 In the event of any force Majeure occurrence, the time for performance thereby delayed shall be extended by a period of time reasonably necessary to compensate for such delay. Avista shall not be required to pay for Available Output which, as a result of any force majeure event, is not delivered. Nothing contained in this Section shall require any Party to settle any strike, lockout or other labor dispute. In the event of a force majeure occurrence which will affect performance under this Agreement, the nonperforming Party shall provide the other Party written notice within fourteen (14) days after the occurrence of the force majeure event. Such notice shall include the particulars of the occurrence, assurances that suspension of performance is of no greater scope and of no longer duration than is required by the force majeure, and that best efforts are being used to remedy its inability to perform.

12.3 Force majeure shall include an electrical disturbance that prevents any electric deliveries from occurring at the Point of Delivery.

13. INDEMNITY

13.1 Project Developer shall indemnify, defend and hold harmless Avista, its directors, officers, employees, agents, and representatives, against and from any and all losses, expenses, liabilities, claims or actions (hereafter "Loss"), based upon or arising out of bodily injuries or damages to persons, including without limitation death resulting therefrom, or physical damages to or losses of property caused by, arising out of or sustained in connection with the construction, operation or maintenance of the Facility. In the event that any such Loss is caused by the negligence of both Project Developer and Avista, including their employees, agents, suppliers and subcontractors, the Loss shall be borne by Project Developer and Avista in the proportion that their respective negligence bears to the total negligence causing the Loss.

13.2 TO THE EXTENT PERMITTED BY APPLICABLE LAW, PROJECT DEVELOPER AND AVISTA EACH WAIVE ANY IMMUNITY UNDER EXISTING WORKER'S COMPENSATION LAW APPLICABLE TO THE JURISDICTION WHERE THE FACILITY IS TO BE LOCATED AS NECESSARY TO INDEMNIFY AND HOLD HARMLESS THE OTHER FROM SUCH LOSS, TO THE EXTENT SET FORTH IN SECTION 13.1, ABOVE.

13.3 PROJECT DEVELOPER AND AVISTA SPECIFICALLY WARRANT THAT THE TERMS AND CONDITIONS OF THE FOREGOING INDEMNITY PROVISIONS ARE THE SUBJECT OF MUTUAL NEGOTIATION BY THE PARTIES, AND ARE SPECIFICALLY AND EXPRESSLY AGREED TO IN CONSIDERATION OF THE MUTUAL BENEFITS DERIVED UNDER THE TERMS OF THE AGREEMENT.

13.4 Other than as expressly provided for in this Agreement, neither Party shall be liable under any provision of this Agreement for any losses, damages, costs or expenses for any special, indirect, incidental, consequential, or punitive damages, including but not limited to loss of profit or revenue, loss of the use of equipment, cost of capital, cost of temporary equipment or services, whether based in whole or in part in contract, in tort, including negligence, strict liability, or any other theory of liability; provided, however, that damages for which a Party may be liable to the other Party under another agreement will not be considered to be special, indirect, incidental, or consequential damages hereunder.

14. ASSIGNMENT

14.1 Project Developer shall not voluntarily assign its rights or delegate its duties under this Agreement, or any part of such rights or duties without the written consent of Avista. Such consent shall not unreasonably be withheld. Further, no assignment by Project Developer shall relieve or release it to the extent of any of its obligations hereunder. Subject to the foregoing restrictions on assignments, this Agreement shall be fully binding upon, inure to the benefit of and be enforceable by the Parties and their respective successors, heirs and assigns.

14.2 Project Developer shall have the right, subject to the obligation to provide security hereunder, without the other Party's consent, but with a thirty (30) days prior written notice to the other Party, to make collateral assignments of its rights under this Agreement to satisfy the requirements of any development, construction, or other long-term financing. A collateral assignment shall not constitute a delegation of Project Developers' obligations under this Agreement, and this Agreement shall not bind the collateral assignee. Any collateral assignee succeeding to any portion of the ownership interest of Project Developer shall be considered Project Developer's successor in interest and shall thereafter be bound by this Agreement.

15. NO UNSPECIFIED THIRD PARTY BENEFICIARIES

Except as specifically provided in this Agreement, there are no third party beneficiaries of this Agreement. Nothing contained in this Agreement is intended to confer any right or interest on anyone other than the Parties, and their respective successors, heirs and assigns permitted under Section 14.

16. DEFAULT

16.1 In the event that either Party fails to perform the terms and conditions set forth in this Agreement (a breach of or default under this Agreement), including without limitation the failure to provide Net Delivered Output, when available and deliverable to Avista, at the times or in the amounts required by this Agreement, the following shall apply:

16.1.1 The non-defaulting Party shall give written notice to the defaulting Party of the breach of or default under this Agreement.

16.1.2 Where default is for failure to pay sums which are due and payable under this Agreement, then the defaulting Party shall have 30 days following receipt of written notice to cure the default, after which period the non-defaulting Party may unilaterally terminate this Agreement.

16.1.3 Except as provided in Sections 16.1.2 and 16.1.4, in all other cases of breach or default, then the defaulting Party must begin to cure the breach or default within 30 days and shall complete such cure within 90 days of receipt of written notice, or else the non-defaulting Party may unilaterally terminate this Agreement.

16.1.4 If a breach or default occurs under Sections 16.2.1, 16.3.1, 16.3.2, 16.3.3, 16.3.4, then the non-defaulting party may terminate this Agreement after the respective cure period(s) as expressly provided for in such Sections.

16.2 Notwithstanding any claim of force majeure, Project Developer shall be in default if:

16.2.1 Project Developer has abandoned the Facility; or

16.2.2 There have been no energy deliveries to Avista from the Facility for a period of twelve (12) consecutive months; or

16.2.3 Net Delivered Output delivered to Avista fails to exceed 42,048 megawatt-hours during any rolling period of twenty-four (24) consecutive calendar months; or

16.2.4 Facility ceases to be a Qualifying Facility.

16.3 For purposes of this Agreement, and without limiting the generality of section 16.1, a Party shall also be in default if it:

16.3.1 Becomes insolvent (e.g., is unable to meet its obligations as they become due or its liabilities exceed its assets); or

16.3.2 Makes a general assignment of substantially all of its assets for the benefit of its creditors, files a petition for bankruptcy or reorganization or seeks other relief under any applicable insolvency laws; or

16.3.3 Has filed against it a petition for bankruptcy, reorganization or other relief under any applicable insolvency laws and such petition is not dismissed or stayed within sixty (60) days after it is filed.

16.3.4 Is in default under any Transmission Agreement, provided that Avista shall have the obligation to notify Project Developer of any default under any Transmission Agreement, and provide Project Developer with seventy-two (72) hours from the receipt of notice of default to cure such default under any Transmission Agreement.

16.4 Any right or remedy afforded to either Party under any provision of this Agreement on account of the breach of or default under this Agreement by the other Party is in addition to, and not in lieu of, all other rights or remedies afforded to such Party under any other provisions of this Agreement, by law or otherwise on account of the breach or default.

17. ARBITRATION

Each Party shall strive to resolve any and all differences during the term of the Agreement. If a dispute cannot be resolved, each Party shall use arbitration before requesting a hearing before the IPUC. The arbitration shall be conducted pursuant to the Dispute Resolution Procedures, Attachment 5, to the Interconnection Agreement. The Parties agree that the IPUC shall have continuing jurisdiction over this Agreement.

18. RELEASE BY PROJECT DEVELOPER

Project Developer releases Avista from any and all claims, losses, harm, liabilities, damages, costs and expenses to the extent, resulting from any:

18.1 Electric disturbance or fluctuation that migrates, directly or indirectly, from Avista's electric system to the Facility;

18.2 Interruption, suspension or curtailment of electric service to the Facility or any other premises owned, possessed, controlled or served by Project Developer, which interruption, suspension or curtailment is caused or contributed to by the Facility or the interconnection of the Facility with any electric system; or

18.3 Disconnection, interruption, suspension or curtailment by Avista pursuant to terms of this Agreement or the Interconnection Agreement.

18.4 Disconnection, interruption, suspension or curtailment of transmission service by a transmitting entity or any unforeseen cost or increase in costs to Project Developer imposed by a transmitting entity.

19. GOVERNMENTAL AUTHORITY

This Agreement is subject to the rules, regulations, orders and other requirements, now or hereafter in effect, of all governmental authorities having jurisdiction over the Facility, this

Agreement, the Parties or either of them. All laws, ordinances, rules, regulations, orders and other requirements, now or hereafter in effect, of governmental authorities that are required to be incorporated in agreements of this character are by this reference incorporated in this Agreement.

20. EQUAL OPPORTUNITY

Project Developer shall comply with all applicable equal opportunity laws, ordinances, orders, rules and regulations.

21. SEVERAL OBLIGATIONS

Except where specifically stated in this Agreement to be otherwise, the duties, obligations and liabilities of the Parties are intended to be several not joint or collective. This Agreement shall not be interpreted or construed to create an association, joint venture or partnership between the Parties or to impose any partnership obligations or liability upon either Party. Each Party shall be individually and severally liable for its own obligations under this Agreement. Further, neither Party shall have any rights, power or authority to enter into any agreement or undertaking for or on behalf of, to act as to be an agent or representative of, or to otherwise bind the other Party.

22. IMPLEMENTATION

Each Party shall promptly take such action (including, but not limited to, the execution, acknowledgement and delivery of documents) as may be reasonably requested by the other Party for the implementation or continuing performance of this Agreement.

23. NON-WAIVER

The failure of either Party to insist upon or enforce strict performance by the other Party of any provision of this Agreement or to exercise any right under this Agreement shall not be construed as a waiver or relinquishment to any extent of such Party's right to assert or rely upon any such provision or right in that or any other instance; rather, the same shall be and remain in full force and effect.

24. AMENDMENT

No change, amendment or modification of any provision of this Agreement shall be valid unless set forth in a written amendment to this Agreement signed by both Parties.

25. CHOICE OF LAWS

This Agreement shall be construed and interpreted in accordance with the laws of the State of Idaho.

26. COMPLIANCE WITH LAWS

Both Parties shall comply with all applicable laws and regulations of governmental agencies having jurisdiction over the Facility and the operations of the Parties.

27. VENUE

Any action at law or in equity to enforce the terms and conditions of this Agreement shall be brought in Idaho.

28. HEADINGS

The section headings in this Agreement are for convenience only and shall not be considered part of or used in the interpretation of this Agreement.

29. NOTICES

All written notices required by this Power Purchase Agreement shall be mailed or delivered as follows:

to Avista: Director, Power Supply
 Avista Corporation
 P.O. Box 3727
 Spokane, WA 99220

to Project Developer: Jay White
 Operations Manager Clark Fork Hydro LLC
 PO Box 528
 Clark Fork Idaho 83811

and

Judi Allread
1805 Booker Rd
Springfield KY 40069

and

U.S. Bank Trust Dept.
C/O Jennifer Schmidt
1603 N. 4th Street
Coeur D'Alene, ID 83814

Either Party may change its address specified above by giving the other Party notice of such change in accordance with this Section. All notices, requests, authorizations, directions or other communications by a Party shall be deemed delivered when mailed as provided in this Section or personally delivered to the other Party. Any verbal notice required hereby which affects the payments to be made hereunder shall be confirmed in writing (certified mail) as promptly as practicable after the verbal notice is given.

30. EXHIBITS

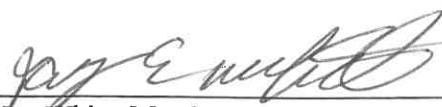
This Power Purchase Agreement includes the following exhibits which are attached and incorporated by reference herein:


Exhibit A	Communications and Reporting
Exhibit B	Reserved
Exhibit C	Interconnection Agreement
Exhibit D	Description of the Facility
Exhibit E	Purchase Prices

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed by their duly authorized representatives as of the first date herein above set forth.

CLARK FORK HYDRO, LLC


AVISTA CORPORATION

By: 
Jay White, Member
Date: 12/17/17

By: 
Printed Name: SCOTT MUERIS
Title: PRESIDENT, CHAIRMAN & CEO
Date: 12/15/17

And

CLARK FORK HYDRO, LLC

By: 
Judith Allread, Member
Date: 12-22-17

And

CLARK FORK HYDRO, LLC

By: U.S. Bank, N.A., as Trustee of the
James E. White, Jr. Credit Shelter Trust,
the James E. White, Jr. Exempt Marital Trust
and the James E. White, Jr. Non-Exempt Marital Trust,
Member

By: 
Jennifer J. Schmidt,
Officer/Trust Associate
Date: 12/14/2017

Exhibit A
Communication and Reporting

(a) During normal business hours, all verbal communications relating to interruptions and outages:

Avista	System Operator: (509) 495-4105 Alternate Phone Number: (509) 495-4934
Project Developer	208 266 0381 (Home Phone) 208 290 8558 (Cell)

(b) Outside of normal business hours (nights, weekends, and holidays), all verbal communications relating to interruptions and outages shall take place between the following personnel:

Avista	System Operator: (509) 495-4105 Alternate Phone Number: (509) 495-4934
Project Developer	208 266 0381 (Home Phone) 208 290 8558 (Cell)

Exhibit B

Reserved

Exhibit C

Interconnection Agreement

Insert Existing Interconnection Agreement

Exhibit D

Description Of The Facility

Description of Small Generating Facility (Project) and Premises

The Derr Creek Hydroelectric Project ("Project") and Premises are specifically described as follows: a hydroelectric generating facility located on Derr Creek in Bonner County, Idaho, which has a present nameplate capacity of 0.250 megawatts. The Point of Interconnection is shown on Attachment 3 as the Interconnection Point.

Description of Point of Interconnection (POI)

The Point of Interconnection is comprised of one physical points as identified below:

- 1) The point where the Interconnection Customer's 480V URD cables terminate with the Transmission Provider's 20.8 kV underground distribution line at the 300 kVA transformer (see Attachment 3 – One-line Diagram).

Description of Interconnection Facilities

The Transmission Provider's Interconnection Facilities are those 20.8 kV distribution feeder facilities (Clark Fork 712) originating at pole 165358 extending southwest parallel with River Rd up to the Point of Interconnection at 480 V on the 300 kVA transformer, including the CTs, PTs, metering and associated communications to measure Project power.

Exhibit E

Purchase Prices

The pricing applicable to the Facility will be consistent with the avoided cost rates that are in effect at the time that the parties enter into a Power Purchase Agreement.

**Clark Fork Hydro - Derr Creek
IPUC Pricing - June 1, 2017**

		\$/MWh Season 1	\$/MWh Season 2
1	2018	63.20	49.16
2	2019	66.81	51.96
3	2020	68.89	53.58
4	2021	70.22	54.62
5	2022	70.22	54.62
6	2023	71.47	55.59
7	2024	73.73	57.35
8	2025	77.75	60.47
9	2026	80.96	62.97
10	2027	82.85	64.44
11	2028	84.61	65.81
12	2029	86.63	67.38
13	2030	87.86	68.34
14	2031	89.10	69.30
15	2032	90.80	70.62
16	2033	92.18	71.70
17	2034	93.99	73.10
18	2035	96.02	74.68
19	2036	98.09	76.29
20	2037	100.37	78.06

Season 1 108.00% (Applied to July - February)
Season 2 84.00% (Applied to March - June)

Attachment C

Avista Corporation
Monthly Power Cost Deferral Report
Month of December 2017

REC Deferral Journal

Avista Corporation Journal Entry

Effective Date: 201712

Journal: 475-WASHINGTON REC DEFERRAL

Team: Resource Accounting

Last Saved by: Keri Meister

Last Saved: 01/03/2018 2:28 PM

Type: C

Submitted by: Keri Meister

Approval Requested: 01/03/2018 2:28 PM

Category: DJ

Approved by:

Currency: USD

Seq	Co.	FERC	Ser.	Jur.	S.I.	Debit	Credit	Comment
10	001	186323 - MISC DEF DEBIT-WA REC 2	ED	WA	DL	4,368.40	4,368.40	WA REC Deferral Interest
20	001	431016 - INTEREST EXPENSE ON REC DEFERRAL	ED	WA	DL			WA REC Deferral Interest
30	001	186323 - MISC DEF DEBIT-WA REC 2	ED	WA	DL	198,327.00	198,327.00	WA REC Deferral 201707-201806
40	001	557322 - DEF POWER SUPPLY EXP-RECS	ED	WA	DL	3,267.57	3,267.57	WA REC Deferral 201707-201806
50	001	186322 - MISC DEF DEBIT - WA REC 1	ED	WA	DL			WA REC Deferral Amort Interest
60	001	419600 - INTEREST ON ENERGY DEFERRALS	ED	WA	DL	289,670.00	289,670.00	WA REC Deferral Amort Interest
70	001	186322 - MISC DEF DEBIT - WA REC 1	ED	WA	DL			WA Rec Deferral Amort
80	001	557324 - DEF POWER SUPPLY EXP-REC-AMORT	ED	WA	DL	495,632.97	495,632.97	WA Rec Deferral Amort
Totals:								

Explanation:

To account for the Washington REC Deferral per Washington UE-120436 and UE-120437.



 Prepared by Keri Meister



 Reviewed by

 Approved for Entry

 Corporate Accounting use Only

1-3-18 Date

 1/3/18 Date

 Date

DJ475 - Washington REC Deferral - Account 186323

The rate is based on WA Rate Order for REC deferral interest will be accrued monthly and compounded semi-annually. Interest is calculated using the prior month ending balance plus 1/2 month of current month charges times the current monthly interest rate

Account	186323 ED WA				186323 RECON		Notes	
Month Ending	Balance before Interest	Balance Transfer	Deferral	WA I-937 RPS	Monthly Interest Rate	Interest	Interest Adjustments	End Balance before Interest
201512	(2,022,351)		0		0.52833%	(10,685)		(2,022,351)
201601	(2,022,351)		0		0.52833%	(10,685)		(2,022,351)
201602	(2,022,351)		0		0.52833%	(10,685)		(2,022,351)
201603	(2,022,351)		0		0.52833%	(10,685)		(2,022,351)
201604	(2,022,351)		0		0.52833%	(10,685)		(2,022,351)
201605	(2,022,351)		0		0.52833%	(10,685)		(2,022,351)
201606	(2,022,351)		0		0.52833%	(10,685)		(2,022,351)
201607	(2,086,461)	2,050,047	0	36,414	0.52917%	0		0
201608	0	0	0	0	0.52917%	0		0
201609	0	0	0	0	0.52917%	0		0
201610	0	0	0	0	0.52917%	0		0
201611	0	0	0	0	0.52917%	0		0
201612	0	0	0	0	0.52917%	0		0
201701	0	0	0	0	0.52917%	0		0
201702	0	0	0	0	0.52917%	0		0
201703	0	0	0	0	0.52917%	0		0
201704	0	0	0	0	0.52917%	0		0
201705	0	0	0	0	0.52917%	0		0
201706	0	0	0	0	0.52917%	0		0
201707	0	0	(193,944.00)	1,705.73	0.52917%	(504.12)		(192,238.27)
201708	(192,238.27)		4,178.00		0.52917%	(1,006.21)		(188,060.27)
201709	(188,060.27)		(174,472.00)		0.52917%	(1,456.79)		(362,532.27)
201710	(362,532.27)		(172,059.00)		0.52917%	(2,373.65)		(534,591.27)
201711	(534,591.27)		(191,765.00)		0.52917%	(3,336.28)		(726,356.27)
201712	(726,356.27)		(198,327.00)		0.52917%	(4,368.40)		(924,663.27)

current month entry (198,327.00) (4,368.40)

201712 UPDATE DATE TO CALC JET ENTRY

JET ENTRY:	DR	CR
186323 ED WA		4,368.40
431016 ED WA	4,368.40	
186323 ED WA	198,327.00	
557322 ED WA	198,327.00	

Misc Def Debit - WA Rec 2
Interest Exp on Rec Def
Misc Def Debit - WA Rec 2
Def Power Supply Exp - RECS

Month Ending	End Balance with Interest	GL Wland Balance	Variance	Notes
201512	(2,083,036.00)	(2,022,351.13)	(60,684.87)	(0.13) Semi-Annual Compounding - USE ACCT 186324 AS OF 301601
201601	(2,043,721.00)	(2,043,721.13)	(0.13)	(0.13)
201602	(2,054,406.00)	(2,054,406.13)	(0.13)	(0.13)
201603	(2,065,091.00)	(2,065,091.13)	(0.13)	(0.13)
201604	(2,075,776.00)	(2,075,776.13)	(0.13)	(0.13)
201605	(2,086,461.00)	(2,086,461.13)	(0.13)	(0.13)
201606	-	-	0.00	Semi-Annual Compounding - TRANSFER TO 186324
201607	-	-	0.00	
201608	-	-	0.00	
201609	-	-	0.00	
201610	-	-	0.00	
201611	-	-	0.00	
201612	-	-	0.00	
201701	-	-	0.00	
201702	-	-	0.00	
201703	-	-	0.00	
201704	-	-	0.00	
201705	-	-	0.00	
201706	-	-	0.00	
201707	(192,742.39)	(192,742.27)	0.12	UE 160204 rate order 7-2017 thru 5-2018 REC rate after tax cost of capital to remain at 5.350%
201708	(189,570.60)	(189,570.60)	0.00	
201709	(365,499.39)	(365,499.39)	0.00	
201710	(539,932.04)	(539,932.04)	0.00	
201711	(735,033.32)	(735,033.32)	0.00	
201712	(937,728.72)	(735,033.32)	202,695.40	

Avista Corp. - Resource Accounting
 DJ 475 - Washington REC Deferral
 2017 REC Revenue and Expense Deferral Calculation

M

Source	201701	201702	201703	201704	201705	201706	201707	201708	201709	201710	201711	201712	Total
REC Revenue and Expense													
456016-ED-AN	(976,370)	-	(706,434)	(680,601)	(411,419)	(672,670)	(303,312)	-	(271,704)	(268,006)	(295,811)	(307,879)	\$ (4,894,206)
557171-ED-AN	2,231	2,897	3,518	1,559	3,425	1,360	5,806	6,409	4,068	4,071	1,648	3,650	\$ 40,641
Total	\$ (974,139)	\$ 2,897	\$ (702,916)	\$ (679,042)	\$ (407,994)	\$ (671,310)	\$ (297,506)	\$ 6,409	\$ (267,636)	\$ (263,935)	\$ (294,163)	\$ (304,229)	\$ (4,853,564)
Washington State Share													
Voluntary REC Revenue	(636,496)	-	(460,524)	(443,684)	(268,204)	(458,514)	(197,729)	-	(177,124)	(174,713)	(192,839)	(200,706)	\$ (3,190,533)
Voluntary REC Broker Fee Expense	1,454	1,889	2,294	1,016	2,233	887	3,785	4,178	2,652	2,654	1,074	2,379	\$ 26,494
Total Surcharge (+) or Rebate (-)	\$ (635,041)	\$ 1,889	\$ (458,231)	\$ (442,668)	\$ (265,971)	\$ (437,627)	\$ (193,944)	\$ 4,178	\$ (174,472)	\$ (172,059)	\$ (191,765)	\$ (198,327)	\$ (3,164,039)
Accounting Entries													
186324 ED.WA thru 201706													
557322 ED.WA													
	Credit	Debit	Credit	Credit	Credit	Credit	Credit	Debit	Credit	Credit	Credit	Credit	Credit
	Debit	Credit	Debit	Debit	Debit	Debit	Debit	Credit	Debit	Debit	Debit	Debit	Debit

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DJ475 - Washington REC Deferral (Current Amortization)

The rate is based on WA Rate Order for REC deferral
Interest will be accrued monthly and compounded semi-annually.
Interest is calculated using the prior month ending balance plus 1/2 month of current month charges times the current monthly interest rate

Account	186322 ED WA											
Month Ending	Balance before Interest	Balance Transfer	Amortization	Adjustments	Monthly Interest Rate	Interest	Interest Adjustments	End Balance before interest	End Balance with Interest	GL Wand Balance	Variance	Notes
201512										2,038,919.11		
201601	2,038,919		565,256		0.52833%	12,265		2,604,175	2,616,440.11	2,616,440.11	0.11	Semi-Annual Compounding
201602	491,135				0.52833%	15,056		3,095,310	3,122,631.11	3,122,631.11	0.11	
201603	3,095,310		452,878		0.52833%	17,550		3,548,188	3,593,059.11	3,593,059.11	0.11	
201604	3,548,188		422,754		0.52833%	19,863		3,970,942	4,035,676.00	4,035,676.11	0.11	
201605	3,970,942		417,810		0.52833%	22,083		4,388,752	4,475,569.00	4,475,569.11	0.11	
201606	4,388,752		393,767		0.52833%	24,227		4,782,519	4,893,563.00	4,893,563.11	0.11	
201607	4,893,563	(2,050,047)	323,100		0.52917%	15,902		3,166,516	3,182,518.00	3,182,518.10	0.10	Semi-Annual Compounding - Balance xfer from 186323 Deferral
201608	3,166,516		163,180		0.52917%	17,189		3,329,796	3,362,887.00	3,362,887.10	0.10	
201609	3,329,796		157,172	(36,414)	0.52917%	17,843	(386)	3,450,554	3,501,102.00	3,501,101.98	(0.02)	Move to 186324 - moved from 186323 in July in error
201610	3,450,554		138,398		0.52917%	18,625		3,588,952	3,658,125.00	3,658,124.98	(0.02)	
201611	3,588,952		141,434		0.52917%	19,366		3,730,386	3,818,925.00	3,818,924.98	(0.02)	
201612	3,730,386		177,247		0.52917%	20,209		3,907,633	4,016,381.00	4,016,380.98	(0.02)	
201701	4,016,381		213,308		0.52917%	21,818		4,229,689	4,251,507.00	4,251,506.98	(0.02)	Semi-Annual Compounding
201702	4,229,689		185,533		0.52917%	22,873		4,415,222	4,459,913.00	4,459,912.98	(0.02)	
201703	4,415,222		167,162		0.52917%	23,806		4,582,384	4,650,881.00	4,650,880.98	(0.02)	
201704	4,582,384		150,548		0.52917%	24,647		4,732,932	4,826,076.00	4,826,075.98	(0.02)	
201705	4,732,932		140,962		0.52917%	25,418		4,873,894	4,992,456.00	4,992,455.98	(0.02)	
201706	4,873,894		143,097.02		0.52917%	26,170		5,016,991	5,161,723.00	5,161,723.00	0.00	
201707	5,161,723	(5,930,764)	213,155		0.52917%	(3,506)		(555,886)	(559,392.00)	(559,392.00)	0.00	-Semi-Annual Compounding -UE-150204 rate order 7-2017 thru 6-2018 REC rate after tax cost of capital to remain at 6.350% -Transfer 186324 Def balance to 186322 for Amortization
201708	(555,886.00)		281,998.00		0.52917%	(2,195.46)		(273,888.00)	(279,589.46)	(279,589.46)	0.00	
201709	(273,888.00)		266,005.00		0.52917%	(745.52)		(7,883.00)	(14,329.96)	(14,329.98)	0.00	
201710	(7,883.00)		205,054.00		0.52917%	500.83		197,171.00	191,224.85	191,224.85	0.00	
201711	197,171.00		275,483.00		0.52917%	1,772.26		472,654.00	468,480.11	468,480.11	0.00	
201712	472,654.00		289,670.00		0.52917%	3,267.57		762,324.00	761,417.88	468,480.11	(292,937.57)	
current month entry			289,670.00			3,267.57						

201712 UPDATE DATE TO CALC JET ENTRY

JET ENTRY:	DR	CR
186322 ED WA	3,267.57	
419600 ED WA		3,267.57
186322 ED WA	289,670.00	
557324 ED WA		289,670.00

Misc Def Debit - WA Rec 1
Interest on Energy Deferrals
Misc Def Debit - WA Rec 1
Def Power Supply Exp - Rec Amort

292,937.57 TTL

Revenue By Rate Schedule

Data Source: Financial Reporting
Data Updated Daily

Accounting Period	Service	State Code	Rate Schedule	Rate Schedule Desc	FEDC ACCT	Revenue Class Desc	Meter Qty	Usage Qty	Revenue Amt	YTD Average Meters	YTD Usage	YTD Revenue Amt
201712	ED	WA	0001	RESIDENTIAL	440000	01 RESIDENTIAL	0	0	-140,000	0	0	0
			0001	RESIDENTIAL	480000	01 INTERDEPARTMENT REVENUE	0	0	-6	0	0	-1,107,129
			0002	RESIDENTIAL DISCOUNT	480000	01 RESIDENTIAL	0	0	-332	0	0	-16
			0011	GENERAL SERVICE	442300	21 FIRM COMMERCIAL	0	0	-28,639	0	0	-2,749
			0011	GENERAL SERVICE	442300	31 FIRM INDUSTRIAL	0	0	-321	0	0	-258,861
			0011	GENERAL SERVICE	480000	80 INTERDEPARTMENT REVENUE	0	0	-114	0	0	-2,807
			0012	RESID&FARM-GEN SERV	480000	01 RESIDENTIAL	0	0	-3,546	0	0	-846
			0021	RESID&FARM-GEN SERV	480000	80 INTERDEPARTMENT REVENUE	0	0	-65,281	0	0	-37,362
			0021	LARGE GENERAL SERV	442200	21 FIRM COMMERCIAL	0	0	-5,202	0	0	-589,560
			0021	LARGE GENERAL SERV	442300	31 FIRM INDUSTRIAL	0	0	-396	0	0	-50,403
			0021	LARGE GENERAL SERV	480000	80 INTERDEPARTMENT REVENUE	0	0	-1,932	0	0	-3,459
			0022	RESID&FARM-LGE GEN SE	440000	01 RESIDENTIAL	0	0	-14,089	0	0	-15,546
			0025	EXTRA LGE GEN SERV	442200	21 FIRM COMMERCIAL	0	0	-40,554	0	0	-136,393
			0025	EXTRA LGE GEN SERV	442300	31 FIRM INDUSTRIAL	0	0	-8	0	0	-376,354
			0030	PUMPING SERV-SPECIAL	442300	39 FIRM-PUMPING-IRRIGATION ONLY	0	0	-1,352	0	0	-14,663
			0031	PUMPING SERVICE	442200	21 FIRM COMMERCIAL	0	0	-354	0	0	-36,668
			0031	PUMPING SERVICE	442300	31 FIRM INDUSTRIAL	0	0	-11,162	0	0	-6,089
			0031	PUMPING SERVICE	480000	80 INTERDEPARTMENT REVENUE	0	0	-34	0	0	-11,162
			0032	PUMPING SVC RES&FIRM	480000	01 RESIDENTIAL	0	0	-142	0	0	-301
			0032	PUMPING SVC RES&FIRM	442300	39 FIRM-PUMPING-IRRIGATION ONLY	0	0	-11	0	0	-3,262
			0041	CO OWNED ST LIGHTS	440000	51 LIGHTING-PUBLIC STREET AND HWAY	0	0	-3	0	0	-1,241
			0042	CO OWNED ST LITS SO VA	440000	51 LIGHTING-PUBLIC STREET AND HWAY	0	0	-598	0	0	-30
			0044	CST OWNED ST LT SO VA	440000	51 LIGHTING-PUBLIC STREET AND HWAY	0	0	-10	0	0	-5,061
			0045	CUST OWNED ST LT ENGY	440000	51 LIGHTING-PUBLIC STREET AND HWAY	0	0	-24	0	0	-59
			0046	CUST OWNED ST LITS V	440000	51 LIGHTING-PUBLIC STREET AND HWAY	0	0	-63	0	0	-257
			0047	AREA LIGHT-COM&INDUS	442200	21 FIRM COMMERCIAL	0	0	-277	0	0	-568
			0047	AREA LIGHT-COM&INDUS	442300	31 FIRM INDUSTRIAL	0	0	-7	0	0	-2,428
			0047	AREA LIGHT-COM&INDUS	442300	39 FIRM-PUMPING-IRRIGATION ONLY	0	0	0	0	0	-51
			0047	AREA LIGHT-COM&INDUS	480000	80 INTERDEPARTMENT REVENUE	0	0	-5	0	0	-2
			0048	AREA LIGHT-FARM&RESID	440000	01 RESIDENTIAL	0	0	-152	0	0	-40
			0048	AREA LIGHT-FARM&RESID	442300	39 FIRM-PUMPING-IRRIGATION ONLY	0	0	0	0	0	-1,343
									-303,685	0	0	-1
									-303,685	0	0	-2,654,707
									-303,685	0	0	-2,654,707
									-303,685	0	0	-2,654,707

Revenue Class: ALL

Billing Determinant: RIDER 98

State Code: WA

Run Date: Jan 3, 2018

ED - Total
WA - Total

201712 - Total
Overall - Total

For Internal Use Only

Conversion Factor
Amort Expense \$

0.953853
7285,570

UE-160204 7-2017 thru 6-2018

