

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

DOCKET NO. UE-150204

DOCKET NO. UG-150205

EXHIBIT NO. ____ (JSS-5)

JENNIFER S. SMITH

REPRESENTING AVISTA CORPORATION

AVISTA UTILITIES
WASHINGTON ELECTRIC RESULTS - PRO FORMA STUDY
CROSS CHECK
TWELVE MONTHS ENDED SEPTEMBER 30, 2014
(000'S OF DOLLARS)

Line No.	DESCRIPTION	WITH PRESENT RATES			WITH PROPOSED RATES	
		Actual Per Results Report	Total Adjustments	Pro Forma Total	Proposed Revenues & Related Exp	Pro Forma Proposed Total
	<i>a</i>	<i>b</i>	<i>c</i>	<i>d</i>	<i>e</i>	<i>f</i>
REVENUES						
1	Total General Business	\$510,473	(\$11,414)	\$499,059	\$3,639	\$502,698
2	Interdepartmental Sales	923	-	923		923
3	Sales for Resale	95,856	(42,099)	53,757		53,757
4	Total Sales of Electricity	607,252	(53,513)	553,739	3,639	557,378
5	Other Revenue	76,386	(62,096)	14,290		14,290
6	Total Electric Revenue	683,638	(115,609)	568,029	3,639	571,668
EXPENSES						
Production and Transmission						
7	Operating Expenses	201,319	(54,572)	146,747		146,747
8	Purchased Power	128,389	(52,780)	75,609		75,609
9	Depreciation/Amortization	23,738	1,736	25,474		25,474
10	Regulatory Amortization	283	4,414	4,697		4,697
11	Taxes	13,798	1,952	15,750		15,750
12	Total Production & Transmission	367,527	(99,250)	268,277	-	268,277
Distribution						
13	Operating Expenses	20,337	1,282	21,619		21,619
14	Depreciation/Amortization	23,480	2,665	26,145		26,145
15	Taxes	43,233	(16,040)	27,193	140	27,333
16	Total Distribution	87,050	(12,093)	74,957	140	75,097
17	Customer Accounting	10,571	1,824	12,395	20	12,415
18	Customer Service & Information	19,917	(18,421)	1,496		1,496
19	Sales Expenses	-	0	0		0
Administrative & General						
20	Operating Expenses	43,575	8,068	51,643	7	51,650
21	Depreciation/Amortization	16,215	10,241	26,456		26,456
22	Taxes	-	-	-		-
23	Total Admin. & General	59,790	18,309	78,099	7	78,106
24	Total Electric Expenses	544,855	(109,631)	435,224	167	435,391
25	OPERATING INCOME BEFORE FIT	138,783	(5,978)	132,805	3,472	136,277
FEDERAL INCOME TAX						
26	Current Accrual	28,537	(1,910)	26,627	1,216	27,843
27	Debt Interest	-	(1,242)	(1,242)		(1,242)
28	Deferred Income Taxes	7,383	910	8,293		8,293
29	Amortized Investment Tax Credit	(120)	(37)	(157)		(157)
30	NET OPERATING INCOME	\$102,983	(\$3,700)	\$99,283	\$2,256	\$101,539
RATE BASE						
PLANT IN SERVICE						
31	Intangible	\$100,295	\$62,972	\$163,267		\$163,267
32	Production	747,839	77,472	825,311		825,311
33	Transmission	370,703	45,065	415,768		415,768
34	Distribution	830,629	91,232	921,861		921,861
35	General	192,845	32,410	225,255		225,255
36	Total Plant in Service	2,242,311	309,151	2,551,462	-	2,551,462
ACCUMULATED DEPRECIATION						
37	Intangible	(19,415)	(12,833)	(32,248)		(32,248)
38	Production	(324,667)	(27,926)	(\$352,593)		(352,593)
39	Transmission	(124,279)	(2,672)	(126,951)		(126,951)
40	Distribution	(248,229)	(45,033)	(293,262)		(293,262)
41	General	(63,732)	(14,242)	(77,974)		(77,974)
42	Total Accumulated Depreciation	(780,322)	(102,706)	(883,028)	-	(883,028)
43	NET PLANT BEFORE DFIT	1,461,989	206,445	1,668,434	-	1,668,434
44	DEFERRED TAXES	(238,376)	(76,486)	(314,862)		(314,862)
45	NET PLANT AFTER DFIT	1,223,613	129,959	1,353,572	-	1,353,572
46	DEFERRED DEBITS AND CREDITS	11,848	(18,304)	(6,456)		(6,456)
47	WORKING CAPITAL	25,039	20,703	45,742		45,742
48	TOTAL RATE BASE	\$1,260,500	\$132,358	\$1,392,858	\$0	\$1,392,858
49	RATE OF RETURN	8.17%		7.13%		7.29%

AVISTA UTILITIES
CALCULATION OF GENERAL REVENUE REQUIREMENT
WASHINGTON ELECTRIC
TWELVE MONTHS ENDED SEPTEMBER 30, 2014
PRO FORMA CROSS CHECK STUDY

Line No.	Description	(000's of Dollars)
1	Pro Forma Rate Base	1,392,858
2	Proposed Rate of Return	<u>7.29%</u>
3	Net Operating Income Requirement	\$101,539
4	Pro Forma Net Operating Income	<u>\$99,283</u>
5	Net Operating Income Deficiency	\$2,256
6	Conversion Factor	0.62000
7	Revenue Requirement - 2016	<u>\$3,639</u>
8	Total General Business Revenues	\$499,982
9	Percentage Revenue Increase	<u><u>0.73%</u></u>

AVISTA UTILITIES Multiparty Settlement - COST OF CAPITAL WASHINGTON ELECTRIC			
Proposed Cap Structure			
Component	Capital Structure	Cost	Weighted Cost
Total Debt	51.5%	5.20%	2.68%
Common	48.5%	9.50%	4.61%
Total	<u>100.00%</u>		<u>7.29%</u>

AVISTA UTILITIES
REVENUE CONVERSION FACTOR
WASHINGTON ELECTRIC
TWELVE MONTHS ENDED SEPTEMBER 30, 2014

<u>Line No.</u>	<u>Description</u>	<u>Factor</u>
1	Revenues	<i>1.000000</i>
	Expense:	
2	Uncollectibles	0.005631
3	Commission Fees	0.002000
4	Washington Excise Tax	0.038516
6	Total Expense	<u><u>0.046147</u></u>
7	Net Operating Income Before FIT	<i>0.953853</i>
8	Federal Income Tax @ 35%	<u><u>0.333849</u></u>
9	REVENUE CONVERSION FACTOR	<u><u><u>0.62000</u></u></u>

AVISTA UTILITIES
WASHINGTON ELECTRIC RESULTS - PRO FORMA STUDY
CROSS CHECK
TWELVE MONTHS ENDED SEPTEMBER 30, 2014
(000'S OF DOLLARS)

(To Attrition Study)

Line No.	DESCRIPTION	Results of Operations	Deferred FIT Rate Base	Deferred Debits and Credits	Working Capital	Eliminate B & O Taxes	Restate Property Tax	Uncollect. Expense
	Adjustment Number	1.00	1.01	1.02	1.03	2.01	2.02	2.03
	Workpaper Reference	E-ROO	E-DFIT	E-DDC	E-WC	E-EBO	E-RPT	E-UE
REVENUES								
1	Total General Business	\$510,473	\$0	\$0	\$0	(\$17,768)	\$0	\$0
2	Interdepartmental Sales	923	-	-	-	-	-	-
3	Sales for Resale	95,856	-	-	-	-	-	-
4	Total Sales of Electricity	607,252	-	-	-	(17,768)	-	-
5	Other Revenue	76,386	-	-	-	(13)	-	-
6	Total Electric Revenue	683,638	-	-	-	(17,781)	-	-
EXPENSES								
Production and Transmission								
7	Operating Expenses	201,319	-	306	-	-	-	-
8	Purchased Power	128,389	-	-	-	-	-	-
9	Depreciation/Amortization	23,738	-	-	-	-	-	-
10	Regulatory Amortization	283	-	(1,360)	-	-	-	-
11	Taxes	13,798	-	-	-	-	(9)	-
12	Total Production & Transmission	367,527	-	(1,054)	-	-	(9)	-
Distribution								
13	Operating Expenses	20,337	-	-	-	-	-	-
14	Depreciation/Amortization	23,480	-	-	-	-	-	-
15	Taxes	43,233	-	-	-	(17,693)	384	-
16	Total Distribution	87,050	-	-	-	(17,693)	384	-
17	Customer Accounting	10,571	-	2	-	-	-	1,117
18	Customer Service & Information	19,917	-	-	-	-	-	-
19	Sales Expenses	0	-	-	-	-	-	-
Administrative & General								
20	Operating Expenses	43,575	-	-	-	-	-	-
21	Depreciation/Amortization	16,215	-	-	-	-	-	-
22	Taxes	0	-	-	-	-	-	-
23	Total Admin. & General	59,790	-	-	-	-	-	-
24	Total Electric Expenses	544,855	-	(1,052)	-	(17,693)	375	1,117
25	OPERATING INCOME BEFORE FIT	138,783	-	1,052	-	(88)	(375)	(1,117)
FEDERAL INCOME TAX								
26	Current Accrual	28,537	-	368	-	(31)	(131)	(391)
27	Debt Interest	0	56	69	(194)	-	-	-
28	Deferred Income Taxes	7,383	-	-	-	-	-	-
29	Amortized ITC - Noxon	(120)	-	-	-	-	-	-
30	NET OPERATING INCOME	\$102,983	(\$56)	\$614	\$194	(\$57)	(\$244)	(\$726)
RATE BASE								
PLANT IN SERVICE								
31	Intangible	\$100,295	\$0	\$0	\$0	\$0	\$0	\$0
32	Production	747,839	-	-	-	-	-	-
33	Transmission	370,703	-	-	-	-	-	-
34	Distribution	830,629	-	-	-	-	-	-
35	General	192,845	-	-	-	-	-	-
36	Total Plant in Service	2,242,311	-	-	-	-	-	-
ACCUMULATED DEPRECIATION/AMORT								
37	Intangible	(19,415)	-	-	-	-	-	-
38	Production	(324,667)	-	-	-	-	-	-
39	Transmission	(124,279)	-	-	-	-	-	-
40	Distribution	(248,229)	-	-	-	-	-	-
41	General	(63,732)	-	-	-	-	-	-
42	Total Accumulated Depreciation	(780,322)	-	-	-	-	-	-
43	NET PLANT	1,461,989	-	-	-	-	-	-
44	DEFERRED TAXES	(238,376)	(6,009)	-	-	-	-	-
45	Net Plant After DFIT	1,223,613	(6,009)	-	-	-	-	-
46	DEFERRED DEBITS AND CREDITS & OTHER	11,848	-	(7,399)	-	-	-	-
47	WORKING CAPITAL	25,039	-	-	20,703	-	-	-
48	TOTAL RATE BASE	1,260,500	(\$6,009)	(\$7,399)	\$20,703	\$0	\$0	\$0
49	RATE OF RETURN	8.17%	0	-	-	-	-	-
50	REVENUE REQUIREMENT	(17,891)	(616)	(1,861)	2,121	92	393	1,171

AVISTA UTILITIES
WASHINGTON ELECTRIC RESULTS - PRO FORMA STUDY
CROSS CHECK
TWELVE MONTHS ENDED SEPTEMBER 30, 2014
(000'S OF DOLLARS)

Line No.	DESCRIPTION	Regulatory Expense	Injuries and Damages	FIT/DFIT/ ITC/PTC Expense	Office Space Charges to Subsidiaries	Includes Staff correction	Includes Staff correction	Weather Normalization	Eliminate Adder Schedules
						2.08	2.09		
		2.04	2.05	2.06	2.07	2.08	2.09	2.10	2.11
		E-RE	E-ID	E-FIT	E-OSC	E-RET	E-NGL	E-WN	E-EAS
REVENUES									
1	Total General Business	\$0	\$0	\$0	\$0	\$0	\$0	(\$7,056)	(\$10,713)
2	Interdepartmental Sales	-	-	-	-	-	-	-	-
3	Sales for Resale	-	-	-	-	-	-	-	-
4	Total Sales of Electricity	-	-	-	-	-	-	(7,056)	(10,713)
5	Other Revenue	-	-	-	-	-	-	-	-
6	Total Electric Revenue	-	-	-	-	-	-	(7,056)	(10,713)
EXPENSES									
Production and Transmission									
7	Operating Expenses	-	-	-	-	-	-	-	249
8	Purchased Power	-	-	-	-	-	-	-	-
9	Depreciation/Amortization	0	-	-	-	-	-	-	-
10	Regulatory Amortization	-	-	-	-	-	-	-	8,012
11	Taxes	-	-	-	-	-	-	-	-
12	Total Production & Transmission	-	-	-	-	-	-	-	8,261
Distribution									
13	Operating Expenses	-	-	-	-	-	-	-	-
14	Depreciation/Amortization	-	-	-	-	-	(90)	-	-
15	Taxes	-	-	-	-	(195)	-	(272)	(413)
16	Total Distribution	-	-	-	-	(195)	(90)	(272)	(413)
17	Customer Accounting	-	-	-	-	-	-	(40)	(60)
18	Customer Service & Information	-	-	-	-	-	-	-	(18,480)
19	Sales Expenses	-	-	-	-	-	-	-	-
Administrative & General									
20	Operating Expenses	(74)	241	-	(16)	-	-	(14)	(21)
21	Depreciation/Amortization	-	-	-	-	-	-	-	-
22	Taxes	-	-	-	-	-	-	-	-
23	Total Admin. & General	(74)	241	-	(16)	-	-	(14)	(21)
24	Total Electric Expenses	(74)	241	-	(16)	(195)	(90)	(326)	(10,713)
25	OPERATING INCOME BEFORE FIT	74	(241)	-	16	195	90	(6,730)	-
FEDERAL INCOME TAX									
26	Current Accrual	26	(84)	231	6	68	32	(2,356)	-
27	Debt Interest	-	-	-	-	-	-	-	-
28	Deferred Income Taxes	-	-	(8)	-	-	-	-	-
29	Amortized ITC - Noxon	-	-	(10)	-	-	-	-	-
30	NET OPERATING INCOME	\$48	(\$157)	(\$213)	\$10	\$127	\$59	(\$4,375)	\$0
RATE BASE									
PLANT IN SERVICE									
31	Intangible	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
32	Production	-	-	-	-	-	-	-	-
33	Transmission	-	-	-	-	-	-	-	-
34	Distribution	-	-	-	-	-	-	-	-
35	General	-	-	-	-	-	-	-	-
36	Total Plant in Service	-	-	-	-	-	-	-	-
ACCUMULATED DEPRECIATION/AMORT									
37	Intangible	-	-	-	-	-	-	-	-
38	Production	-	-	-	-	-	-	-	-
39	Transmission	-	-	-	-	-	-	-	-
40	Distribution	-	-	-	-	-	-	-	-
41	General	-	-	-	-	-	-	-	-
42	Total Accumulated Depreciation	-	-	-	-	-	-	-	-
43	NET PLANT	-	-	-	-	-	-	-	-
44	DEFERRED TAXES	-	-	-	-	-	-	-	-
45	Net Plant After DFIT	-	-	-	-	-	-	-	-
46	DEFERRED DEBITS AND CREDITS & OTHER	-	-	-	-	-	-	-	-
47	WORKING CAPITAL	-	-	-	-	-	-	-	-
48	TOTAL RATE BASE	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
49	RATE OF RETURN								
50	REVENUE REQUIREMENT	(78)	253	344	(17)	(204)	(94)	7,056	-

AVISTA UTILITIES
WASHINGTON ELECTRIC RESULTS - PRO FORMA STUDY
CROSS CHECK
TWELVE MONTHS ENDED SEPTEMBER 30, 2014
(000'S OF DOLLARS)

(To Attrition Study)

Line No.	DESCRIPTION	Misc. Restating Expenses	Eliminate WA Power Cost Defer	Nez Perce Settlement Adjustment	Restate Debt Interest	Restate Incentive Expenses	Regulatory Amortization Restating Adj.	Restated TOTAL
		2.12	2.13	2.14	2.15	2.16	2.17	R-Ttl
	Adjustment Number Workpaper Reference	E-MR	E-EWPC	E-NPS	E-RDI	E-RI	E-CCM	
REVENUES								
1	Total General Business	\$0	\$7,762	\$0	\$0	\$0	\$0	\$482,698
2	Interdepartmental Sales	-	-	-	-	-	-	923
3	Sales for Resale	-	-	-	-	-	-	95,856
4	Total Sales of Electricity	-	7,762	-	-	-	-	579,477
5	Other Revenue	-	-	-	-	-	-	76,373
6	Total Electric Revenue	-	7,762	-	-	-	-	655,850
EXPENSES								
Production and Transmission								
7	Operating Expenses	(4)	4,853	14	-	-	-	206,737
8	Purchased Power	-	-	-	-	-	-	128,389
9	Depreciation/Amortization	-	-	-	-	-	-	23,738
10	Regulatory Amortization	-	(61)	-	-	-	(2,468)	4,406
11	Taxes	-	-	-	-	-	-	13,789
12	Total Production & Transmission	(4)	4,792	14	-	-	(2,468)	377,059
Distribution								
13	Operating Expenses	(4)	-	-	-	-	-	20,333
14	Depreciation/Amortization	-	-	-	-	-	-	23,390
15	Taxes	-	299	-	-	-	-	25,343
16	Total Distribution	(4)	299	-	-	-	-	69,066
17	Customer Accounting	-	34	-	-	-	-	11,624
18	Customer Service & Information	(3)	-	-	-	-	-	1,434
19	Sales Expenses	-	-	-	-	-	-	-
Administrative & General								
20	Operating Expenses	13	16	-	-	(1,121)	-	42,599
21	Depreciation/Amortization	-	-	-	-	-	-	16,215
22	Taxes	-	-	-	-	-	-	-
23	Total Admin. & General	13	16	-	-	(1,121)	-	58,814
24	Total Electric Expenses	2	5,141	14	-	(1,121)	(2,468)	517,997
25	OPERATING INCOME BEFORE FIT	(2)	2,621	(14)	-	1,121	2,468	137,853
FEDERAL INCOME TAX								
26	Current Accrual	(1)	-	(5)	869	392	864	28,394
27	Debt Interest	-	-	-	-	-	-	(68)
28	Deferred Income Taxes	-	918	-	-	-	-	8,293
29	Amortized ITC - Noxon	-	-	-	-	-	-	(130)
30	NET OPERATING INCOME	(\$1)	\$1,703	(\$9)	(869)	\$729	\$1,604	101,364
RATE BASE								
PLANT IN SERVICE								
31	Intangible	\$0	\$0	\$0	\$0	\$0	\$0	\$100,295
32	Production	-	-	-	-	-	-	747,839
33	Transmission	-	-	-	-	-	-	370,703
34	Distribution	-	-	-	-	-	-	830,629
35	General	-	-	-	-	-	-	192,845
36	Total Plant in Service	-	-	-	-	-	-	2,242,311
ACCUMULATED DEPRECIATION/AMORT								
37	Intangible	-	-	-	-	-	-	(19,415)
38	Production	-	-	-	-	-	-	(324,667)
39	Transmission	-	-	-	-	-	-	(124,279)
40	Distribution	-	-	-	-	-	-	(248,229)
41	General	-	-	-	-	-	-	(63,732)
42	Total Accumulated Depreciation	-	-	-	-	-	-	(780,322)
43	NET PLANT	-	-	-	-	-	-	1,461,989
44	DEFERRED TAXES	-	-	-	-	-	-	(244,385)
45	Net Plant After DFIT	-	-	-	-	-	-	1,217,604
46	DEFERRED DEBITS AND CREDITS & OTHER	-	-	-	-	-	-	4,449
47	WORKING CAPITAL	-	-	-	-	-	-	45,742
48	TOTAL RATE BASE	\$0	\$0	\$0	\$0	\$0	\$0	\$1,267,795
49	RATE OF RETURN							(1)
50	REVENUE REQUIREMENT	2	(2,747)	15	1,402	(1,175)	(2,587)	(14,423)

(1) The Restated TOTAL column does not represent 9/30/2014 Test Period results of operation on a normalized basis. There are differences between certain restating adjustments included in the normalized commission basis reports (CBRs) versus those included here. Examples include removal of CBR Power Supply Adjustment, and inclusion of pro forma debt interest, restated deferred debits and credits and restated regulatory amortizations. Normalized CB results of operations at 09/30/2014 was 7.39% as shown on Exhibit No. __ (EMA-2) page 5.

AVISTA UTILITIES
 WASHINGTON ELECTRIC RESULTS - PRO FORMA STUDY
 CROSS CHECK
 TWELVE MONTHS ENDED SEPTEMBER 30, 2014
 (000'S OF DOLLARS)

Power Supply: Settlement-Removes
 CS2 Colstrip from Base PS/ Reduce
 for \$1.528m agreed to / includes
 corrections per Staff-DR 59 /
 Updates P/T Ratio

Updated to
 reflect current
 information

Updated to
 reflect current
 information

Line No.	DESCRIPTION	Pro Forma Power Supply	Pro Forma Transmission Rev/Exp	Pro Forma Labor Non-Exec	Pro Forma Labor Exec	Pro Forma Employee Benefits	Pro Forma Insurance Expense	Pro Forma Property Tax	Pro Forma Information Tech/Serv Exp
		3.00	3.01	3.02	3.03	3.04	3.05	3.06	3.07
		E-PPS	E-PTR	E-PLN	E-PLE	E-PEB	E-PI	E-PPT	E-ISIT
REVENUES									
1	Total General Business	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2	Interdepartmental Sales	-	-	-	-	-	-	-	-
3	Sales for Resale	(42,099)	-	-	-	-	-	-	-
4	Total Sales of Electricity	(42,099)	-	-	-	-	-	-	-
5	Other Revenue	(62,430)	347	-	-	-	-	-	-
6	Total Electric Revenue	(104,529)	347	-	-	-	-	-	-
EXPENSES									
Production and Transmission									
7	Operating Expenses	(64,382)	432	899	(26)	1,119	-	-	-
8	Purchased Power	(52,780)	-	-	-	-	-	-	-
9	Depreciation/Amortization	-	-	-	-	-	-	-	-
10	Regulatory Amortization	-	-	-	-	-	-	-	-
11	Taxes	-	-	-	-	-	-	1,961	-
12	Total Production & Transmission	(117,162)	432	899	(26)	1,119	-	1,961	-
Distribution									
13	Operating Expenses	-	-	607	-	759	-	-	-
14	Depreciation/Amortization	-	-	-	-	-	-	-	-
15	Taxes	-	-	-	-	-	-	1,220	-
16	Total Distribution	-	-	607	-	759	-	1,220	-
17	Customer Accounting	-	-	302	-	377	-	-	-
18	Customer Service & Information	-	-	28	-	34	-	-	-
19	Sales Expenses	-	-	0	-	-	-	-	-
Administrative & General									
20	Operating Expenses	-	-	2,014	246	907	172	-	1,679
21	Depreciation/Amortization	-	-	-	-	-	-	-	-
22	Taxes	-	-	-	-	-	-	-	-
23	Total Admin. & General	-	-	2,014	246	907	172	-	1,679
24	Total Electric Expenses	(117,162)	432	3,850	220	3,196	172	3,181	1,679
25	OPERATING INCOME BEFORE FIT	12,633	(85)	(3,850)	(220)	(3,196)	(172)	(3,181)	(1,679)
FEDERAL INCOME TAX									
26	Current Accrual	4,422	(30)	(1,348)	(77)	(1,119)	(60)	(1,113)	(588)
27	Debt Interest	-	-	-	-	-	-	-	-
28	Deferred Income Taxes	-	-	-	-	-	-	-	-
29	Amortized ITC - Noxon	-	-	-	-	-	-	-	-
30	NET OPERATING INCOME	\$8,211	(\$55)	(\$2,503)	(\$143)	(\$2,077)	(\$112)	(\$2,068)	(\$1,091)
RATE BASE									
PLANT IN SERVICE									
31	Intangible	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
32	Production	-	-	-	-	-	-	-	-
33	Transmission	-	-	-	-	-	-	-	-
34	Distribution	-	-	-	-	-	-	-	-
35	General	-	-	-	-	-	-	-	-
36	Total Plant in Service	-	-	-	-	-	-	-	-
ACCUMULATED DEPRECIATION/AMORT									
37	Intangible	-	-	-	-	-	-	-	-
38	Production	-	-	-	-	-	-	-	-
39	Transmission	-	-	-	-	-	-	-	-
40	Distribution	-	-	-	-	-	-	-	-
41	General	-	-	-	-	-	-	-	-
42	Total Accumulated Depreciation	-	-	-	-	-	-	-	-
43	NET PLANT	-	-	-	-	-	-	-	-
44	DEFERRED TAXES	-	-	-	-	-	-	-	-
45	Net Plant After DFIT	-	-	-	-	-	-	-	-
46	DEFERRED DEBITS AND CREDITS & OTHER	-	-	-	-	-	-	-	-
47	WORKING CAPITAL	-	-	-	-	-	-	-	-
48	TOTAL RATE BASE	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
49	RATE OF RETURN								
50	REVENUE REQUIREMENT	(13,244)	89	4,037	231	3,351	180	3,335	1,760

AVISTA UTILITIES
WASHINGTON ELECTRIC RESULTS - PRO FORMA STUDY
CROSS CHECK
TWELVE MONTHS ENDED SEPTEMBER 30, 2014
(000'S OF DOLLARS)

Includes Staff_DR_44
correction / Remove
Proposed Deferred Items

Includes revised P/T
Ratio
Updated to reflect
Actual Dec. 2014 EOP

Line No.	DESCRIPTION	To Attrition Study)		Pro Forma Major Maint-Hydro Thermal, Other	Planned Capital Add Dec 2014 EOP	Planned Capital Add Dec 2014 EOP-Update	Pro Forma Sub-Total
		Pro Forma Lake Spokane Deferral	Pro Forma Revenue Normalization				
		3.08	3.09	3.10	3.11	3.12U	PF-Ttl
		E-LSA	E-PREV	E-PMM	E-CAP14	E-CAP14U	
	Adjustment Number	3.08	3.09	3.10	3.11	3.12U	PF-Ttl
	Workpaper Reference	E-LSA	E-PREV	E-PMM	E-CAP14	E-CAP14U	
	REVENUES						
1	Total General Business	\$0	\$16,361	\$0	\$0	\$0	\$499,059
2	Interdepartmental Sales	-	-	-	-	-	923
3	Sales for Resale	-	-	-	-	-	53,757
4	Total Sales of Electricity	-	16,361	-	-	-	553,739
5	Other Revenue	-	-	-	-	-	14,290
6	Total Electric Revenue	-	16,361	-	-	-	568,029
	EXPENSES						
	Production and Transmission						-
7	Operating Expenses	-	-	958	-	-	145,737
8	Purchased Power	-	-	-	-	-	75,609
9	Depreciation/Amortization	-	-	-	791	(1,378)	23,151
10	Regulatory Amortization	291	-	-	-	-	4,697
11	Taxes	-	-	-	-	-	15,750
12	Total Production & Transmission	291	-	958	791	(1,378)	264,944
	Distribution						-
13	Operating Expenses	-	-	-	-	-	21,699
14	Depreciation/Amortization	-	-	-	1,126	(665)	23,851
15	Taxes	-	630	-	-	-	27,193
16	Total Distribution	-	630	-	1,126	(665)	72,743
17	Customer Accounting	-	92	-	-	-	12,395
18	Customer Service & Information	-	-	-	-	-	1,496
19	Sales Expenses	-	-	-	-	-	0
	Administrative & General						
20	Operating Expenses	-	33	-	-	-	47,650
21	Depreciation/Amortization	-	-	-	2,888	(132)	18,971
22	Taxes	-	-	-	-	-	-
23	Total Admin. & General	-	33	-	2,888	(132)	66,621
24	Total Electric Expenses	291	755	958	4,805	(2,175)	418,199
25	OPERATING INCOME BEFORE FIT	(291)	15,606	(958)	(4,805)	2,175	149,830
	FEDERAL INCOME TAX						
26	Current Accrual	(102)	5,462	(335)	(1,682)	761	32,586
27	Debt Interest	-	-	-	(329)	370	(27)
28	Deferred Income Taxes	-	-	-	-	-	8,293
29	Amortized ITC - Noxon	-	-	-	-	-	(130)
30	NET OPERATING INCOME	(\$189)	10,144	(623)	(\$2,794)	\$1,044	109,108
	RATE BASE						
	PLANT IN SERVICE						
31	Intangible	\$0	\$0	\$0	\$9,188	(\$2,948)	\$106,535
32	Production	-	-	-	21,114	(11,831)	757,122
33	Transmission	-	-	-	22,089	(2,579)	390,213
34	Distribution	-	-	-	33,385	(3,363)	860,651
35	General	-	-	-	9,189	(1,838)	200,196
36	Total Plant in Service	-	-	-	94,965	(22,559)	2,314,717
	ACCUMULATED DEPRECIATION/AMORT						
37	Intangible	-	-	-	(3,411)	2,459	(20,367)
38	Production	-	-	-	(11,229)	5,870	(\$330,026)
39	Transmission	-	-	-	(1,260)	555	(124,984)
40	Distribution	-	-	-	(14,098)	(376)	(262,703)
41	General	-	-	-	(3,968)	1,760	(65,940)
42	Total Accumulated Depreciation	-	-	-	(33,966)	10,268	(804,020)
43	NET PLANT	-	-	-	60,999	(12,291)	1,510,697
44	DEFERRED TAXES	-	-	-	(25,901)	(27,178)	(297,464)
45	Net Plant After DFIT	-	-	-	35,098	(39,469)	1,213,233
46	DEFERRED DEBITS AND CREDITS & OTHER	-	-	-	-	-	4,449
47	WORKING CAPITAL	-	-	-	-	-	45,742
48	TOTAL RATE BASE	\$0	\$0	\$0	35,098	(39,469)	1,263,424
49	RATE OF RETURN						
50	REVENUE REQUIREMENT	305	(16,361)	1,004	8,633	(6,324)	(27,427)

AVISTA UTILITIES

WASHINGTON ELECTRIC RESULTS - PRO FORMA STUDY

CROSS CHECK

TWELVE MONTHS ENDED SEPTEMBER 30, 2014

(000'S OF DOLLARS)

Includes revised P/T Ratio

Updated to reflect 12.2014 actual & 7/2015 Staff DR 143- Revised 2

Updated to reflect current information

(To Attrition Study)

Updated to reflect net changes

Line No.	DESCRIPTION	Planned		Meter Retirement	O&M Offsets	Colstrip Refund Non-Recurring	Pro Forma Cross Check Total	Reconcile Pro Forma To Attrition	Attrition Adjusted / Pro Forma Total (2)
		Capital Add 2015 EOP	Capital Add 2016 AMA						
		4.01	4.02	4.03	4.04	4.06N	PFCC-Ttl	4.05	AA/PF-Ttl
	Workpaper Reference	E-CAP15	E-CAP16	E-MRD	E-OFF	E-Col		E-REC	
REVENUES									
1	Total General Business	\$0	\$0	\$0	\$0	\$0	\$499,059	\$0	\$499,059
2	Interdepartmental Sales	-	-	-	-	-	923	-	923
3	Sales for Resale	-	-	-	-	-	53,757	-	53,757
4	Total Sales of Electricity	-	-	-	-	-	553,739	-	553,739
5	Other Revenue	-	-	-	-	-	14,290	-	14,290
6	Total Electric Revenue	-	-	-	-	-	568,029	-	568,029
EXPENSES									
Production and Transmission									
7	Operating Expenses	-	-	-	(79)	1,089	146,747	-	146,747
8	Purchased Power	-	-	-	-	-	75,609	-	75,609
9	Depreciation/Amortization	1,839	484	-	-	-	25,474	-	25,474
10	Regulatory Amortization	-	-	-	-	-	4,697	-	4,697
11	Taxes	-	-	-	-	-	15,750	-	15,750
12	Total Production & Transmission	1,839	484	-	(79)	1,089	268,277	-	268,277
Distribution									
13	Operating Expenses	-	-	-	(80)	-	21,619	-	21,619
14	Depreciation/Amortization	1,775	519	-	-	-	26,145	-	26,145
15	Taxes	-	-	-	-	-	27,193	-	27,193
16	Total Distribution	1,775	519	-	(80)	-	74,957	-	74,957
17	Customer Accounting	-	-	-	-	-	12,395	-	12,395
18	Customer Service & Information	-	-	-	-	-	1,496	-	1,496
19	Sales Expenses	-	-	-	-	-	0	-	0
Administrative & General									
20	Operating Expenses	-	-	-	(130)	-	47,520	4,123	51,643
21	Depreciation/Amortization	6,723	762	-	-	-	26,456	-	26,456
22	Taxes	-	-	-	-	-	-	-	-
23	Total Admin. & General	6,723	762	-	(130)	-	73,976	4,123	78,099
24	Total Electric Expenses	10,337	1,765	-	(289)	1,089	431,101	4,123	435,224
25	OPERATING INCOME BEFORE FIT	(10,337)	(1,765)	-	289	(1,089)	136,928	(4,123)	132,805
FEDERAL INCOME TAX									
26	Current Accrual	(3,618)	(618)	-	101	(381)	28,070	(1,443)	26,627
27	Debt Interest	(1,213)	(104)	-	-	-	(1,344)	102	(1,242)
28	Deferred Income Taxes	-	-	-	-	-	8,293	-	8,293
29	Amortized ITC - Noxon	(27)	-	-	-	-	(157)	-	(157)
30	NET OPERATING INCOME	(5,479)	(1,044)	-	188	(708)	102,065	(2,782)	99,283
RATE BASE									
PLANT IN SERVICE									
31	Intangible	\$54,279	\$2,453	\$0	\$0	\$0	\$163,267	\$0	\$163,267
32	Production	49,381	18,808	-	-	-	825,311	-	825,311
33	Transmission	20,008	5,547	-	-	-	415,768	-	415,768
34	Distribution	43,423	17,787	-	-	-	921,861	-	921,861
35	General	21,905	3,154	-	-	-	225,255	-	225,255
36	Total Plant in Service	188,996	47,749	-	-	-	2,551,462	-	2,551,462
ACCUMULATED DEPRECIATION/AMORT									
37	Intangible	(6,599)	(5,282)	-	-	-	(32,248)	-	(32,248)
38	Production	(14,604)	(7,963)	-	-	-	(\$352,593)	-	(\$352,593)
39	Transmission	(850)	(1,117)	-	-	-	(126,951)	-	(126,951)
40	Distribution	(19,691)	(10,868)	-	-	-	(293,262)	-	(293,262)
41	General	(7,549)	(4,485)	-	-	-	(77,974)	-	(77,974)
42	Total Accumulated Depreciation	(49,293)	(29,715)	-	-	-	(883,028)	-	(883,028)
43	NET PLANT	139,703	18,034	-	-	-	1,668,434	-	1,668,434
44	DEFERRED TAXES	(10,413)	(6,985)	-	-	-	(314,862)	-	(314,862)
45	Net Plant After DFIT	129,290	11,049	-	-	-	1,353,572	-	1,353,572
46	DEFERRED DEBITS AND CREDITS & OTHER	-	-	-	-	-	4,449	(10,905)	(6,456)
47	WORKING CAPITAL	-	-	-	-	-	45,742	-	45,742
48	TOTAL RATE BASE	\$129,290	\$11,049	\$0	\$0	\$0	1,403,763	(\$10,905)	1,392,858
49	RATE OF RETURN							\$ 31,369	7.13%
50	REVENUE REQUIREMENT	24,040	2,982	-	(303)	1,142	434	3,205	3,639

27,639

2,676