

AVISTA CORPORATION
Summary of Requested Rate Increase
Electric Service
Based on Rates Currently in Effect
Washington Jurisdiction
Filed March 4, 2008

- a) **The date and amount of the latest prior general rate increase authorized by the Commission, and revenue realized from that authorized increase in the test period, based on the company's test period units of revenue.**

Date	January 1, 2008
Amount	\$30,166,000
Revenue realized	\$30,166,000

- b) **Total general business revenues at present rates and at requested rates.**

Present Rates	\$355,999,393
Requested Rates	\$392,616,184

- c) **Requested revenue change in percentage, in total and by major customer class.**

Residential	10.3%
General Service (Small Commercial)	10.3%
Large General Service (Medium - Large Commercial / Industrial)	10.3%
Extra Large General Service (Large - Commercial / Industrial)	10.3%
Pumping Service	10.3%
Street & Area Lighting	10.3%
Other	N.A.
Overall	10.3%

- d) **Requested revenue change in dollars, in total and by major customer class.**

Residential	\$15,972,174
General Service (Small Commercial)	3,882,939
Large General Service (Medium - Large Commercial / Industrial)	11,041,252
Extra Large General Service (Large - Commercial / Industrial)	4,370,165
Pumping Service	815,940
Street & Area Lighting	534,323
Other	0
Total	\$36,616,793

- e) **Requested rate change in dollars per month, per average customer, by customer class.**

Residential	\$6.53
General Service (Small Commercial)	\$12.34
Large General Service (Medium - Large Commercial / Industrial)	\$282.24
Extra Large General Service (Large - Commercial / Industrial)	\$16,660.67
Pumping Service	\$30.51

Requested rate change in dollars per month, per average residential customer.		
Monthly impact at average usage of 600 kwhs per month. (non-electric heat)		\$3.76
Monthly impact at average usage of 1000 kwhs per month. (average)		\$6.48
Monthly impact at average usage of 1400 kwhs per month. (electric heat)		\$9.31
f) Most current customer count by major customer class. (1)		
Residential		198,858
General Service (Small Commercial)		26,769
Large General Service (Medium - Large Commercial / Industrial)		3,283
Extra Large General Service (Large - Commercial / Industrial)		22
Pumping Service		2,269
Total		231,201
(1) January 31, 2008		
g) Current authorized overall rate of return and authorized rate of return on common equity.		
Overall rate of return		8.20%
Rate of return on common equity		10.20%
h) Requested overall rate of return and requested rate of return on common equity, and the method or methods used to calculate rate of return on common equity.		
Overall rate of return		8.43%
Rate of return on common equity		10.80%
The methodologies utilized in the derivation of the rate of return on common equity were discounted cash flow analysis, risk premium model analysis and capital asset pricing model analysis.		
i) Requested capital structure.		
Total Debt (including Short-Term)		53.70%
Preferred Trust Securities		0.00%
Preferred Stock		0.00%
Common Equity		46.30%
Total		100.00%
j) Requested total net operating income.		
Net operating income		\$22,772,000
k) Requested total rate base and method of calculation, or equivalent.		
Rate base		\$950,944,000
Method of calculation is average of monthly average basis.		
l) Requested revenue effect of attrition allowance, if any requested.		
Attrition allowance		NONE