

**AVISTA UTILITIES****CALCULATION OF CONVERSION FACTOR: WASHINGTON ELECTRIC  
TWELVE MONTHS ENDED DECEMBER 31, 2019**

Workpaper Ref. CF WA Elec

Revenue:		1.000000
Expense:		
Uncollectibles (1)		0.003326
Commission Fees (2)		0.002000
Washington Excise Tax (3)		0.038605
Total Expense		<u>0.043931</u>
Net Operating Income Before FIT		0.956069
Federal Income Tax @	21.00% <b>Shared Inputs</b>	0.200774
REVENUE CONVERSION FACTOR		<b>0.755294</b>

## NOTES:

## (1) Calculation of Effective Uncollectibles Rate:

Net Write-Offs *	<b>C-UE-1</b>	1,822,064	
Divided by:			
Sales to Ultimate Customers **	<b>Shared Inputs</b>	<u>547,776,886</u>	
EFFECTIVE RATE			<u>0.003326</u>

\* From Uncollectibles Adjustment Workpapers.

\*\* From Results of Operations Report E-OPS-12A

(2) WUTC fees rate per Regulatory Fee Calculation Schedule, Annual Report Year 2020 dated 04/21/2020

## (3) Calculation of Effective Washington Excise Tax Rate:

Nominal Rate *		0.038734	
Multiplied by			
Uncollectibles Factor:			
Revenue	1.000000		
Less:			
Effective Uncol Rate	0.003326	0.996674	
EFFECTIVE RATE			<u>0.038605</u>

\* From Combined Excise Tax Return.

Prep by: \_\_\_\_\_ 1st Review: \_\_\_\_\_