

AVISTA UTILITIES
GAS ADJUSTMENT SUMMARY
TWELVE MONTHS ENDED DECEMBER 31, 2009
(000'S OF DOLLARS)

REGULATORY EXPENSE
ADJUSTMENT
GAS

Line No.	Description	System	Washington	Idaho
REVENUES				
1	Total General Business			
2	Total Transportation			
3	Other Revenues			
4	Total Gas Revenues	0	0	0
EXPENSES				
5	Exploration & Development			
Production				
6	City Gate Purchases			
7	Purchased Gas Expense			
8	Net Nat. Gas Storage Trans			
9	Total Production	0	0	0
Underground Storage				
10	Operating Expenses			
11	Depreciation			
12	Taxes			
13	Total Underground Storage	0	0	0
Distribution				
14	Operating Expenses			
15	Depreciation			
16	Taxes	0		0
17	Total Distribution	0	0	0
18	Customer Accounting			
19	Customer Service & Information			
20	Sales			
Administrative and General				
21	Operating Expenses	(37)	(37)	0
22	Depreciation			
23	Taxes			
24	Total Admin. & General	(37)	(37)	0
25	Total Gas Expense	(37)	(37)	0
26	Operating Income before FIT	37	37	0
Federal Income Taxes				
27	Current Accrual	35.0%	13	13
28	Amort ITC			
29	Deferred FIT			
30	NET OPERATING INCOME	\$24	\$24	\$0
RATE BASE				
PLANT IN SERVICE				
31	Underground Storage			
32	Distribution Plant			
33	General Plant			
34	Total Plant in Service	0	0	0
ACCUMULATED DEPRECIATION				
35	Underground Storage			
36	Distribution Plant			
37	General Plant			
38	Total Accum. Depreciation	0	0	0
39	DEFERRED TAXES			
40	GAS INVENTORY			
41	WORKING CAPITAL			
42	GAIN ON SALE OF BUILDING			
43	TOTAL RATE BASE	\$0	\$0	\$0

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Avista Utilities
Calculation of Regulatory Expense Adjustment - Gas
Twelve Months Ended December 31, 2009

	<u>System</u>	<u>Washington</u>	<u>Idaho</u>
Revised Expense: (1)			
WUTC	407,073	• 407,073	
IPUC	138,949		138,949
TOTAL REVISED EXP	<u>546,022</u>	<u>407,073</u>	<u>138,949</u>
Less Accrual: (2)			
WUTC	443,607	• 443,607	
IPUC	153,853		153,853
TOTAL ACCRUAL	<u>597,460</u>	<u>443,607</u>	<u>153,853</u>
Adjustment	<u>(51,438)</u>	<u>• (36,534)</u>	<u>(14,903)</u>

NOTES:

- (1) Source of revised WUTC and IPUC fees are shown on the following pages.
- (2) See attached schedules for accrual figures.

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Transaction Analysis Selection: Accounting Period : '2009%' , GI Ferc Account : '928000' , Statind Parameter 1 : 'DL'

Project Number:02805035	Ferc Acct:928000	Task Number:928000	Service:GD	Jurisdiction:WA	Ava Jet:102-MISC A
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Source Id	Accountin g Period	Transaction Amount
PA	200901	36,167.00
	200902	36,167.00
	200903	36,167.00
	200904	37,234.04
	200905	37,234.05
	200906	37,234.05
	200907	37,234.05
	200908	37,234.05
	200909	37,234.05
	200910	37,234.05
	200911	37,234.05
	200912	37,234.05
Total		443,607.44

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Avista Utilities
WUTC and IPUC Filing Fees Adjustment
Twelve Months Ended December 31, 2009

	WUTC AND IPUC FEES		
	Total	Washington	Idaho
Gas Revenues: (1)			
Sales to Ultimate Consumers:			
(499) Unbilled	(11,461,899)	• (8,326,112)	• (3,135,787)
(480) Residential	187,088,279	• 131,455,965	• 55,632,314
(481) Commercial / Industrial	107,153,391	• 76,604,844	• 30,548,547
(484) Interdepartmental	494,829	• 443,649	• 51,180
Total Sales to Ultimate Consumers	283,274,600	200,178,346	83,096,254
Other Operating Revenues:			
(488) Misc Service Revenues	36,816	• 20,363	• 16,453
(489) Revenue From Gas Transport	3,841,393	• 3,350,333	• 491,060
(493) Rent From Gas Property	12,706	• 12,706	• 0
Total Other Operating Revenues	3,890,915	3,383,402	507,513
Total Gas Subject to Fees	287,165,515	203,561,748	83,603,767
Fee Calculation			
First \$50,000 @ .001 (Washington)		0.001000	
Fee Rate (2)		0.002000	0.001662
REGULATORY FEES	546,022	407,073	138,949

- Gas includes: Acct 1489, Gas Transportation and Acct 1484, Interdepartmental Revenues.

Notes:

- (1) Figures from Results report G-OPS-12A
- (2) Rate from 2009 Commission Fees letters/orders: WA, 04/28/09 (per website form); ID, 05/7/09

AVISTA UTILITIES

RESULTS OF OPERATIONS

GAS OPERATING STATEMENT
 For Twelve Months Ended December 31, 2009
 Average of Monthly Averages Basis

Report ID:
 G-OPS-12A

***** SYSTEM ***** WASHINGTON ***** IDAHO *****

***** SYSTEM ***** WASHINGTON *****

***** SYSTEM ***** WASHINGTON *****

Ref/Basis	Account	Description	Direct	Allocated	Total	Direct	Allocated	Total	Direct	Allocated	Total
REVENUES											
SALES OF GAS:											
99	480000	Residential	187,088,279	0	187,088,279	131,455,965	0	131,455,965	55,632,314	0	55,632,314
99	4812XX	Commercial - Firm & Interruptible	102,232,910	0	102,232,910	73,400,952	0	73,400,952	28,831,958	0	28,831,958
99	4813XX	Industrial-Firm	4,920,481	0	4,920,481	3,203,892	0	3,203,892	1,716,589	0	1,716,589
99	481400	Interruptible	0	0	0	0	0	0	0	0	0
99	499XXX	Unbilled Revenue	-11,461,899	0	-11,461,899	-8,326,112	0	-8,326,112	-3,135,787	0	-3,135,787
99	484000	Interdepartmental Revenue	494,829	0	494,829	443,649	0	443,649	51,180	0	51,180
99	484000	TOTAL SALES TO ULTIMATE CUSTOMERS	283,274,600	0	283,274,600	200,178,346	0	200,178,346	83,096,254	0	83,096,254
OTHER OPERATING REVENUES:											
99	483000	Sales for Resale	114,437,688	0	114,437,688	78,622,435	0	78,622,435	35,815,253	0	35,815,253
99	483600	Sales for Resale	0	0	0	0	0	0	0	0	0
99	488000	Miscellaneous Service Revenues	36,816	0	36,816	20,363	0	20,363	16,453	0	16,453
99	489300	Transportation For Others	3,841,393	0	3,841,393	3,350,333	0	3,350,333	491,060	0	491,060
99	489310	Interdepartmental Revenue	0	0	0	0	0	0	0	0	0
99	493000	Rent from Gas Property	12,706	0	12,706	12,706	0	12,706	0	0	0
99	493000	Other Gas Revenues	7,775,296	85,043	7,860,339	5,369,848	59,488	5,429,336	2,405,448	25,555	2,431,003
1	495000	TOTAL OTHER OPERATING REVENUES	126,103,899	85,043	126,188,942	87,375,685	59,488	87,435,173	38,728,214	25,555	38,753,769
		TOTAL GAS REVENUES	409,378,499	85,043	409,463,542	287,554,031	59,488	287,613,519	121,824,468	25,555	121,850,023
PRODUCTION EXPENSES:											
G-804	804/805	City Gate Purchases	288,223,739	0	288,223,739	201,949,150	0	201,949,150	86,274,589	0	86,274,589
6	808XXX	Net Natural Gas Storage Transactions	14,874,907	0	14,874,907	11,090,894	0	11,090,894	3,784,013	0	3,784,013
6	811000	Gas Used for Products Extraction	-540,439	0	-540,439	-370,557	0	-370,557	-169,882	0	-169,882
10	813000	Other Gas Expenses	0	1,203,645	1,203,645	0	802,314	802,314	0	401,331	401,331
		TOTAL PRODUCTION EXPENSES	302,558,207	1,203,645	303,761,852	212,669,487	802,314	213,471,801	89,888,720	401,331	90,290,051
UNDERGROUND STORAGE EXPENSES:											
1	814000	Supervision & Engineering	0	614	614	0	429	429	0	185	185
1	824000	Other Expenses	0	277,747	277,747	0	194,284	194,284	0	83,463	83,463
1	837000	Other Equipment	0	298,389	298,389	0	208,723	208,723	0	89,666	89,666
		TOTAL UNDERGROUND STORAGE OP. EXP	0	576,750	576,750	0	403,436	403,436	0	173,314	173,314
DEPRECIATION EXPENSES:											
G-ADP	404X40	Depreciation Expense	0	562,541	562,541	0	393,497	393,497	0	169,044	169,044
1	404X40	Amortization Expense	0	227	227	0	159	159	0	68	68
G-OTX	404X40	Taxes Other Than FIT	0	196,660	196,660	0	137,564	137,564	0	59,096	59,096
		TOTAL UNDERGROUND STORAGE EXP	0	1,336,178	1,336,178	0	934,656	934,656	0	401,522	401,522

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