

Compliance Filing - Interest Methodology for Biannual Update

Input Month **12/31/2022**

Cost of Debt

	Actual Cost of Debt	Actual Cost of Debt - After Tax Rate	Tax Rate	Monthly Rate	Monthly After Tax Rate
12/31/2022	4.791%	3.785%	21.000%	0.39924%	0.31540%

Example Calculation of Interest:

	<u>Deferred Asset</u>		<u>DFIT</u>	<u>Net Deferred Balance</u>
Deferral of \$100,000	\$ 100,000		\$ 21,000	\$ 79,000
Interest			<u>Annual Interest</u>	
<u>Using Actual Debt</u>	\$ 79,000	4.791%	\$ 3,785	(1) Actual cost of Debt method
<u>Using Actual after tax</u>	\$ 100,000	3.785%	\$ 3,785	(2) After Tax Cost of Debt Method
			<u>Monthly interest</u>	
	\$ 79,000	0.399%	\$ 315	
	\$ 100,000	0.315%	\$ 315	

Deferred interest should only be recorded on the net deferred Asset/Liability (Deferred balance less ADFIT associated with the deferral), as the Company should not record interest on the deferred federal income tax balance.

Using the "After Tax" rate applied to the Full Deferred balance is a simplified accounting method, which calculates interest earned on the net deferred balance.

Or - applying the full actual cost of debt on the net deferred balance accomplishes the same amount of interest to be recorded.

Compliance Filing - Interest Methodology for Biannual Update

AVISTA CORPORATION
 Cost of Long-Term Debt Detail - Washington
 December 31, 2022

Line No.	Description	Coupon Rate	Maturity Date	Settlement Date	Principal Amount	Issuance Costs	SWAP Loss/(Gain)	Discount (Premium)	Loss/Reacq Expenses	Net Proceeds	Yield to Maturity	Principal Outstanding 12/31/2022	Effective Cost	Line No.
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(g)	(h)	(i)	(j)	(k)	(l)	
1	FMBS - SERIES A	7.530%	5/5/2023	5/6/1993	5,500,000	42,712	-	-	963,011	4,494,277	9.359%	5,500,000	514,744	1
2	FMBS - SERIES A	7.540%	5/5/2023	5/7/1993	1,000,000	7,766	-	-	175,412	816,822	9.375%	1,000,000	93,747	2
3	FMBS - SERIES A	7.180%	8/11/2023	8/12/1993	7,000,000	54,364	-	-	-	6,945,636	7.244%	7,000,000	507,064	3
4	ADVANCE ASSOCIAT	2.736%	6/1/2037	6/3/1997	40,000,000	1,296,086	-	-	(1,769,125)	40,473,039	2.688%	40,000,000	1,075,125	4
5	FMBS - SERIES C	6.370%	6/19/2028	6/19/1998	25,000,000	158,304	-	-	188,649	24,653,047	6.475%	25,000,000	1,618,863	5
6	FMBS - 6.25%	6.250%	12/1/2035	11/17/2005	150,000,000	1,812,935	(4,445,000)	367,500	1,700,376	150,564,188	6.222%	150,000,000	9,332,891	6
7	FMBS - 5.70%	5.700%	7/1/2037	12/15/2006	150,000,000	4,702,304	3,738,000	222,000	-	141,337,696	6.120%	150,000,000	9,179,674	7
8	5.125% SERIES	5.125%	4/1/2022	9/22/2009	250,000,000	2,284,788	(10,776,222)	575,000	2,875,817	255,040,618	4.907%	-	-	8
9	5.55% SERIES	5.550%	12/20/2040	12/20/2010	35,000,000	258,834	-	-	5,263,822	29,477,345	6.788%	35,000,000	2,375,887	9
10	4.45% SERIES	4.450%	12/14/2041	12/14/2011	85,000,000	692,833	10,557,000	-	-	73,750,167	5.340%	85,000,000	4,538,871	10
11	4.23% SERIES	4.230%	11/29/2047	11/30/2012	80,000,000	730,833	18,546,870	-	105,020	60,617,277	5.868%	80,000,000	4,694,533	11
12	4.11% SERIES	4.110%	12/1/2044	12/18/2014	60,000,000	428,205	(5,429,000)	-	-	65,000,795	3.650%	60,000,000	2,190,040	12
13	4.37% SERIES	4.370%	12/1/2045	12/16/2015	100,000,000	590,761	9,383,299	-	-	90,025,940	5.017%	100,000,000	5,016,889	13
14	3.54% SERIES	3.540%	12/1/2051	12/15/2016	175,000,000	1,042,569	53,966,197	-	-	119,991,233	5.598%	175,000,000	9,797,043	14
15	3.91% SERIES	3.910%	12/1/2047	12/14/2017	90,000,000	552,539	8,823,322	-	-	80,624,139	4.550%	90,000,000	4,095,220	15
16	4.35% SERIES	4.350%	6/1/2048	5/22/2018	375,000,000	4,246,448	26,580,102	378,750	-	343,794,700	4.881%	375,000,000	18,303,348	16
17	3.43% SERIES	3.430%	12/1/2049	11/26/2019	180,000,000	1,108,340	13,330,106	-	-	165,561,554	3.885%	180,000,000	6,992,955	17
18	3.07% SERIES	3.070%	9/30/2050	9/30/2020	165,000,000	1,074,990	33,503,119	-	-	130,421,891	4.323%	165,000,000	7,133,634	18
19	2.90% SERIES	2.900%	10/1/2051	9/28/2021	140,000,000	1,070,181	17,244,100	-	-	121,685,719	3.618%	140,000,000	5,065,417	19
20	4.00% SERIES	4.000%	4/1/2052	3/17/2022	400,000,000	4,579,993	17,035,230	-	-	378,384,778	4.323%	400,000,000	17,291,545	20
21												2,263,500,000	109,817,490	21
22														22
23	Repurchase	2	8.85%	6/5/2028	5/24/2002	10,000,000			(2,228,153)	12,228,153	6.981%		-188,084	23
24	Repurchase	2	8.83%	6/5/2028	4/3/2003	10,000,000			(450,769)	10,450,769	8.395%		-43,661	24
25	Repurchase	2	8.83%	12/29/2022	3/11/2003	5,000,000			92,363	4,907,637	9.029%		10,341	25
26	Repurchase	2	5.72%	3/1/2034	12/30/2009	17,000,000			1,916,297	15,083,703	6.661%		159,446	26
27	Repurchase	2	6.55%	10/1/2032	12/31/2008	66,700,000			3,709,174	62,990,826	7.034%		324,360	27
28												2,263,500,000	110,079,892	28
29											3.997%	206,328,123	8,247,529	29
30	3 Short Term-Debt				206,328,123							2,469,828,123	118,327,421	30
31														31
32											4.79%			32
33														33
34														34
35														35

1 Average Monthly Average Rate over a twelve month period
 2 Coupon Rate at the time of repurchase
 3 Calculated using the Internal Rate of Return method

Compliance Filing - Interest Methodology for Biannual Update

AVISTA CORPORATION
 Cost of Short-Term Debt Detail
 December 31, 2022

	Dec-21	Jan-22	Feb-22	Mar-22	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Avg of
	202112	202201	202202	202203	202204	202205	202206	202207	202208	202209	202210	202211	202212	
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)	(M)	(N)	(O)
4 Credit Facility	\$245,258,065	\$274,854,839	\$269,892,857	\$131,612,903	\$76,550,000	\$81,774,194	\$112,533,333	\$187,629,032	\$211,225,806	\$240,966,667	\$275,000,000	\$292,833,333	\$319,419,355	203,100,973
5 Revolver	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$16,161,290	673,387
6 Term Loan	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$61,290,323	2,553,763
7 Total Short Term Debt	<u>\$245,258,065</u>	<u>\$274,854,839</u>	<u>\$269,892,857</u>	<u>\$131,612,903</u>	<u>\$76,550,000</u>	<u>\$81,774,194</u>	<u>\$112,533,333</u>	<u>\$187,629,032</u>	<u>\$211,225,806</u>	<u>\$240,966,667</u>	<u>\$275,000,000</u>	<u>\$292,833,333</u>	<u>\$396,870,968</u>	<u>\$206,328,123</u>
8														
9 Number of Days in Month	31	31	28	31	30	31	30	31	31	30	31	30	31	396
10														
11 CF Interest Expense	\$237,313	\$270,396	\$235,281	\$131,890	\$95,442	\$130,235	\$213,968	\$469,120	\$611,824	\$743,499	\$998,303	\$1,161,649	\$1,827,267	7,126,186
12 Intercompany Interest Expense	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13 Commitment Fee & Utilization Fee	37,272	38,318	34,483	38,202	36,491	36,020	35,101	36,984	38,023	37,946	38,449	37,470	44,956	489,716
14 Credit Agreement Amort of up-front costs	47,895	47,910	47,910	47,910	47,963	48,477	48,477	48,485	48,485	49,529	49,529	49,529	49,529	\$631,628
15 Total STD Expense	<u>\$ 322,479</u>	<u>\$ 356,624</u>	<u>\$ 317,674</u>	<u>\$ 218,003</u>	<u>\$ 179,896</u>	<u>\$ 214,731</u>	<u>\$ 297,546</u>	<u>\$ 554,589</u>	<u>\$ 698,333</u>	<u>\$ 830,975</u>	<u>\$ 1,086,280</u>	<u>\$ 1,248,649</u>	<u>\$ 1,921,751</u>	<u>\$ 8,247,529</u>
16														
17														
18														
19														
20														
21														

Total Borrowing Cost 8,247,529
 Total Average Borrowings \$206,328,123
 Cost Rate 4.00%

(i) Short term interest is calculated on the average balance for the month times the interest rate for the month times the actual days in the month divided by 360 days.