

AVISTA UTILITIES
ELECTRIC RESULTS OF OPERATION
WASHINGTON PRO FORMA RESULTS
TWELVE MONTHS ENDED SEPTEMBER 30, 2008
(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	\$407,849	\$ (17,696)	\$390,153	\$69,762	\$459,915
2	Interdepartmental Sales	800		800		800
3	Sales for Resale	126,479	(59,973)	66,506		66,506
4	Total Sales of Electricity	535,128	(77,669)	457,459	69,762	527,221
5	Other Revenue	36,572	(26,892)	9,680		9,680
6	Total Electric Revenue	571,700	(104,561)	467,139	69,762	536,901
EXPENSES						
Production and Transmission						
7	Operating Expenses	175,800	2,971	178,771		178,771
8	Purchased Power	147,076	(70,456)	76,620		76,620
9	Depreciation and Amortization	23,675	8,141	31,816		31,816
10	Taxes	8,935	2,443	11,378		11,378
11	Total Production & Transmission	355,486	(56,901)	298,585	0	298,585
Distribution						
12	Operating Expenses	17,279	3,643	20,922		20,922
13	Depreciation	14,599	1,841	16,440		16,440
14	Taxes	33,186	(14,044)	19,142	2,695	21,837
15	Total Distribution	65,064	(8,560)	56,504	2,695	59,199
16	Customer Accounting	8,559	25	8,584	181	8,765
17	Customer Service & Information	11,359	(10,649)	710		710
18	Sales Expenses	696	61	757		757
Administrative & General						
19	Operating Expenses	35,147	5,238	40,385	140	40,525
20	Depreciation	7,022	2,061	9,083		9,083
21	Taxes		252	252		252
22	Total Admin. & General	42,169	7,551	49,720	140	49,860
23	Total Electric Expenses	483,333	(68,473)	414,860	3,016	417,876
24	OPERATING INCOME BEFORE FIT	88,367	(36,088)	52,279	66,746	119,025
FEDERAL INCOME TAX						
25	Current Accrual	16,759	(17,855)	(1,096)	23,361	22,265
26	Deferred Income Taxes	3,070	6,276	9,346		9,346
27	Amortized Investment Tax Credit					
28	SETTLEMENT EXCHANGE POWER					
29	NET OPERATING INCOME	\$68,538	(\$24,509)	\$44,029	\$43,385	\$87,414
RATE BASE						
PLANT IN SERVICE						
30	Intangible	\$22,439	\$56,039	\$78,478		\$78,478
31	Production	656,077	106,142	762,219		762,219
32	Transmission	285,760	10,556	296,316		296,316
33	Distribution	552,007	55,301	607,308		607,308
34	General	88,036	21,562	109,598		109,598
35	Total Plant in Service	1,604,319	249,600	1,853,919	0	1,853,919
36	ACCUMULATED DEPRECIATION	543,584	67,357	610,941		610,941
37	ACCUM. PROVISION FOR AMORTIZATION	6,907	57,728	64,635		64,635
38	Total Accum. Depreciation & Amort.	550,491	125,085	675,576	0	675,576
39	GAIN ON SALE OF BUILDING		(194)	(194)		(194)
40	DEFERRED TAXES		(171,073)	(171,073)		(171,073)
41	TOTAL RATE BASE	\$1,053,828	(\$46,752)	\$1,007,076	\$0	\$1,007,076
42	RATE OF RETURN	6.50%		4.37%		8.68%

AVISTA UTILITIES
Calculation of General Revenue Requirement
Washington - Electric System
TWELVE MONTHS ENDED SEPTEMBER 30, 2008

Line No.	Description	(000's of Dollars)
1	Pro Forma Rate Base	\$1,007,076
2	Proposed Rate of Return	<u>8.68%</u>
3	Net Operating Income Requirement	\$87,414
4	Pro Forma Net Operating Income	<u>\$44,029</u>
5	Net Operating Income Deficiency	\$43,385
6	Conversion Factor	0.621901
7	Revenue Requirement	\$69,762
8	Total General Business Revenues	\$390,953
9	Percentage Revenue Increase	<u><u>17.84%</u></u>

AVISTA UTILITIES
Revenue Conversion Factor
Washington - Electric System
TWELVE MONTHS ENDED SEPTEMBER 30, 2008

<u>Line No.</u>	<u>Description</u>	<u>Factor</u>
1	Revenues	1.000000
	Expense:	
2	Uncollectibles	0.002599
3	Commission Fees	0.002000
4	Washington Excise Tax	0.038629
5	Franchise Fees	0.000000
6	Total Expense	<u>0.043229</u>
7	Net Operating Income Before FIT	0.956771
8	Federal Income Tax @ 35%	<u>0.334870</u>
9	REVENUE CONVERSION FACTOR	<u><u>0.621901</u></u>

AVISTA UTILITIES
ELECTRIC RESULTS OF OPERATION
WASHINGTON RESTATED RESULTS
TWELVE MONTHS ENDED SEPTEMBER 30, 2008
(000'S OF DOLLARS)

Not Done
Done

Line No.	DESCRIPTION	Per Results Report	Deferred FIT Rate Base	Deferred Gain on Office Building	Colstrip 3 AFUDC Elimination	Colstrip Common AFUDC	Kettle Falls Disallow.
	a	b	c	d	e	f	g
REVENUES							
1	Total General Business	\$407,849					
2	Interdepartmental Sales	800					
3	Sales for Resale	126,479					
4	Total Sales of Electricity	535,128	0	0	0	0	0
5	Other Revenue	36,572					
6	Total Electric Revenue	571,700	0	0	0	0	0
EXPENSES							
Production and Transmission							
7	Operating Expenses	175,800					
8	Purchased Power	147,076					
9	Depreciation and Amortization	23,675			(202)		
10	Taxes	8,935					
11	Total Production & Transmission	355,486	0	0	(202)	0	0
Distribution							
12	Operating Expenses	17,279					
13	Depreciation	14,599					
14	Taxes	33,186					
15	Total Distribution	65,064	0	0	0	0	0
16	Customer Accounting	8,559					
17	Customer Service & Information	11,359					
18	Sales Expenses	696					
Administrative & General							
19	Operating Expenses	35,147					
20	Depreciation	7,022					
21	Taxes						
22	Total Admin. & General	42,169	0	0	0	0	0
23	Total Electric Expenses	483,333	0	0	(202)	0	0
24	OPERATING INCOME BEFORE FIT	88,367	0	0	202	0	0
FEDERAL INCOME TAX							
25	Current Accrual	16,759					
26	Deferred Income Taxes	3,070					56
27	NET OPERATING INCOME	\$68,538	\$0	\$0	\$202	\$0	(\$56)
RATE BASE							
PLANT IN SERVICE							
28	Intangible	\$22,439					
29	Production	656,077			(7,452)	436	(5,248)
30	Transmission	285,760					
31	Distribution	552,007					
32	General	88,036					
33	Total Plant in Service	1,604,319	0	0	(7,452)	436	(5,248)
34	ACCUMULATED DEPRECIATION	543,584			(5,496)		(3,796)
25	ACCUM. PROVISION FOR AMORTIZATION	6,907					
36	Total Accum. Depreciation & Amort.	550,491	0	0	(5,496)	0	(3,796)
37	GAIN ON SALE OF BUILDING			(194)			
38	DEFERRED TAXES		(142,713)	68			598
39	TOTAL RATE BASE	\$1,053,828	(\$142,713)	(\$126)	(\$1,956)	\$436	(\$854)
40	RATE OF RETURN	6.50%					

AVISTA UTILITIES
ELECTRIC RESULTS OF OPERATION
WASHINGTON RESTATED RESULTS
TWELVE MONTHS ENDED SEPTEMBER 30, 2008
(000'S OF DOLLARS)

Line No.	DESCRIPTION	Customer Advances	Depreciation True-up	Settlement Exchange Power	Subtotal Actual	Eliminate B & O Taxes	Property Tax	Uncollect. Expense
	a	h	i	j	-	k	l	m
REVENUES								
1	Total General Business				\$407,849	\$ (13,744)		
2	Interdepartmental Sales				800			
3	Sales for Resale				126,479			
4	Total Sales of Electricity	0	0	0	535,128	(13,744)	0	0
5	Other Revenue				36,572	(16)		
6	Total Electric Revenue	0	0	0	571,700	(13,760)	0	0
EXPENSES								
Production and Transmission								
7	Operating Expenses				175,800			
8	Purchased Power				147,076			
9	Depreciation and Amortization		(685)		22,788			
10	Taxes				8,935		2,085	
11	Total Production & Transmission	0	(685)	0	354,599	0	2,085	0
Distribution								
12	Operating Expenses				17,279			
13	Depreciation		857		15,456			
14	Taxes				33,186	(13,726)	(643)	
15	Total Distribution	0	857	0	65,921	(13,726)	(643)	0
16	Customer Accounting				8,559			(108)
17	Customer Service & Information				11,359			
18	Sales Expenses				696			
Administrative & General								
19	Operating Expenses				35,147			
20	Depreciation		(232)		6,790			
21	Taxes						3	
22	Total Admin. & General	0	(232)	0	41,937	0	3	0
23	Total Electric Expenses	0	(60)	0	483,071	(13,726)	1,445	(108)
24	OPERATING INCOME BEFORE FIT	0	60	0	88,629	(34)	(1,445)	108
FEDERAL INCOME TAX								
25	Current Accrual		21		16,780	(12)	(506)	38
26	Deferred Income Taxes				3,126			
27	NET OPERATING INCOME	\$0	\$39	\$0	\$68,723	(\$22)	(\$939)	\$70
RATE BASE								
PLANT IN SERVICE								
28	Intangible				\$22,439			
29	Production			79,626	723,439			
30	Transmission				285,760			
31	Distribution	(231)			551,776			
32	General				88,036			
33	Total Plant in Service	(231)	0	79,626	1,671,450	0	0	0
34	ACCUMULATED DEPRECIATION				534,292			
25	ACCUM. PROVISION FOR AMORTIZATION				57,168	64,075		
36	Total Accum. Depreciation & Amort.	0	0	57,168	598,367	0	0	0
37	GAIN ON SALE OF BUILDING				(194)			
38	DEFERRED TAXES			(4,036)	(146,083)			
39	TOTAL RATE BASE	(\$231)	\$0	\$18,422	\$926,806	\$0	\$0	\$0
40	RATE OF RETURN				7.42%			

AVISTA UTILITIES
ELECTRIC RESULTS OF OPERATION
WASHINGTON RESTATED RESULTS
TWELVE MONTHS ENDED SEPTEMBER 30, 2008
(000'S OF DOLLARS)

Line No.	DESCRIPTION	Regulatory Expense	Injuries and Damages	FIT	Eliminate WA Power Cost Defer	Nez Perce Settlement Adjustment	Eliminate A/R Expenses	Office Space Charges to Subsidiaries
	a	n	o	p	q	r	s	t
REVENUES								
1	Total General Business				\$ (32,702)			
2	Interdepartmental Sales							
3	Sales for Resale							
4	Total Sales of Electricity	0	0	0	(32,702)	0	0	0
5	Other Revenue							
6	Total Electric Revenue	0	0	0	(32,702)	0	0	0
EXPENSES								
Production and Transmission								
7	Operating Expenses				(17,668)	9		
8	Purchased Power							
9	Depreciation and Amortization							
10	Taxes							
11	Total Production & Transmission	0	0	0	(17,668)	9	0	0
Distribution								
12	Operating Expenses							
13	Depreciation							
14	Taxes				(1,262)			
15	Total Distribution	0	0	0	(1,262)	0	0	0
16	Customer Accounting				(104)		(516)	
17	Customer Service & Information							
18	Sales Expenses							
Administrative & General								
19	Operating Expenses	80	86		(62)			(8)
20	Depreciation							
21	Taxes							
22	Total Admin. & General	80	86	0	(62)	0	0	(8)
23	Total Electric Expenses	80	86	0	(19,096)	9	(516)	(8)
24	OPERATING INCOME BEFORE FIT	(80)	(86)	0	(13,606)	(9)	516	8
FEDERAL INCOME TAX								
25	Current Accrual	(28)	(30)	1,715	(10,946)	(3)	181	3
26	Deferred Income Taxes			36	6,184			
27	NET OPERATING INCOME	(\$52)	(\$56)	(\$1,751)	(\$8,844)	(\$6)	\$335	\$5
RATE BASE								
PLANT IN SERVICE								
28	Intangible							
29	Production							
30	Transmission							
31	Distribution							
32	General							
33	Total Plant in Service	0	0	0	0	0	0	0
34	ACCUMULATED DEPRECIATION							
35	ACCUM. PROVISION FOR AMORTIZATION							
36	Total Accum. Depreciation & Amort.	0	0	0	0	0	0	0
37	GAIN ON SALE OF BUILDING							
38	DEFERRED TAXES							
39	TOTAL RATE BASE	\$0	\$0	\$0	\$0	\$0	\$0	\$0
40	RATE OF RETURN							

AVISTA UTILITIES
ELECTRIC RESULTS OF OPERATION
WASHINGTON RESTATED RESULTS
TWELVE MONTHS ENDED SEPTEMBER 30, 2008
(000'S OF DOLLARS)

Line No.	DESCRIPTION	Restate Excise Taxes	Net Gains/losses	Revenue Normalization	Misc Restating	Restate Debt Interest	Restated TOTAL
	a	u	v	w	x	y	Z
REVENUES							
1	Total General Business			\$28,750			\$390,153
2	Interdepartmental Sales						800
3	Sales for Resale						126,479
4	Total Sales of Electricity	0	0	28,750	0	0	517,432
5	Other Revenue			432			36,988
6	Total Electric Revenue	0	0	29,182	0	0	554,420
EXPENSES							
Production and Transmission							
7	Operating Expenses			(70)			158,071
8	Purchased Power						147,076
9	Depreciation and Amortization			2,688			25,476
10	Taxes						11,020
11	Total Production & Transmission	0	0	2,618	0	0	341,643
Distribution							
12	Operating Expenses						17,279
13	Depreciation		(122)				15,334
14	Taxes	31		1,127			18,713
15	Total Distribution	31	(122)	1,127	0	0	51,326
16	Customer Accounting			76			7,907
17	Customer Service & Information			(10,688)			671
18	Sales Expenses						696
Administrative & General							
19	Operating Expenses			58	(214)		35,087
20	Depreciation						6,790
21	Taxes						3
22	Total Admin. & General	0	0	58	(214)	0	41,880
23	Total Electric Expenses	31	(122)	(6,809)	(214)	0	444,123
24	OPERATING INCOME BEFORE FIT	(31)	122	35,991	214	0	110,297
FEDERAL INCOME TAX							
25	Current Accrual	(11)	43	12,597	75	(683)	19,213
26	Deferred Income Taxes						9,346
27	NET OPERATING INCOME	(\$20)	\$79	\$23,394	\$139	\$683	\$81,738
RATE BASE							
PLANT IN SERVICE							
28	Intangible						\$22,439
29	Production						723,439
30	Transmission						285,760
31	Distribution						551,776
32	General						88,036
33	Total Plant in Service	0	0	0	0	0	1,671,450
34	ACCUMULATED DEPRECIATION						534,292
25	ACCUM. PROVISION FOR AMORTIZATION						64,075
36	Total Accum. Depreciation & Amort.	0	0	0	0	0	598,367
37	GAIN ON SALE OF BUILDING						(194)
38	DEFERRED TAXES						(146,083)
39	TOTAL RATE BASE	\$0	\$0	\$0	\$0	\$0	\$926,806
40	RATE OF RETURN						8.82%

AVISTA UTILITIES
ELECTRIC RESULTS OF OPERATION
WASHINGTON RESTATED RESULTS
TWELVE MONTHS ENDED SEPTEMBER 30, 2008
(000'S OF DOLLARS)

Line No.	DESCRIPTION	Pro Forma Power Supply	Pro Forma Prod Property Adj	Pro Forma Labor Non-Exec	Pro Forma Labor Exec	Pro Forma Transmission Rev/Exp	Pro Forma Capital Add 2008
	a	PF1	PF2	PF3	PF4	PF5	PF6
REVENUES							
1	Total General Business						
2	Interdepartmental Sales						
3	Sales for Resale	(56,623)	(3,350)				
4	Total Sales of Electricity	(56,623)	(3,350)	0	0	0	0
5	Other Revenue	(27,028)	(304)			24	
6	Total Electric Revenue	(83,651)	(3,654)	0	0	24	0
EXPENSES							
Production and Transmission							
7	Operating Expenses	19,916	(8,749)	1,031	9	103	
8	Purchased Power	(66,597)	(3,859)				
9	Depreciation and Amortization		(767)				(77)
10	Taxes		(201)				
11	Total Production & Transmission	(46,681)	(13,576)	1,031	9	103	(77)
Distribution							
12	Operating Expenses			842			
13	Depreciation						296
14	Taxes						
15	Total Distribution	0	0	842	0	0	296
16	Customer Accounting			348			
17	Customer Service & Information			20			
18	Sales Expenses			31			
Administrative & General							
19	Operating Expenses			715	230		
20	Depreciation						509
21	Taxes						
22	Total Admin. & General	0	0	715	230	0	509
23	Total Electric Expenses	(46,681)	(13,576)	2,987	239	103	728
24	OPERATING INCOME BEFORE FIT	(36,970)	9,922	(2,987)	(239)	(79)	(728)
FEDERAL INCOME TAX							
25	Current Accrual	(12,940)	3,473	(1,045)	(84)	(28)	(255)
26	Deferred Income Taxes						
27	NET OPERATING INCOME	(\$24,030)	\$6,449	(\$1,942)	(\$155)	(\$51)	(\$473)
RATE BASE							
PLANT IN SERVICE							
28	Intangible		\$ (2,377)				\$349
29	Production		(14,014)				18,107
30	Transmission		(5,854)				9,165
31	Distribution						26,515
32	General						9,697
33	Total Plant in Service	0	(22,245)	0	0	0	63,833
34	ACCUMULATED DEPRECIATION		(7,324)				35,387
35	ACCUM. PROVISION FOR AMORTIZATION						
36	Total Accum. Depreciation & Amort.	0	(7,324)	0	0	0	35,387
37	GAIN ON SALE OF BUILDING						
38	DEFERRED TAXES		2,421				(7,001)
39	TOTAL RATE BASE	\$0	(\$12,500)	\$0	\$0	\$0	\$21,445
40	RATE OF RETURN						

AVISTA UTILITIES
ELECTRIC RESULTS OF OPERATION
WASHINGTON RESTATED RESULTS
TWELVE MONTHS ENDED SEPTEMBER 30, 2008
(000'S OF DOLLARS)

Line No.	DESCRIPTION a	Pro Forma Capital Add 2009 PF7	Pro Forma Noxon Gen 2010 PF8	Pro Forma Asset Management PF9	Pro Forma Information Services PF10	Pro Forma Spokane Rvr Relicensing PF11	Pro Forma CDA Tribe Settlement PF12
REVENUES							
1	Total General Business						
2	Interdepartmental Sales						
3	Sales for Resale						
4	Total Sales of Electricity	0	0	0	0	0	0
5	Other Revenue						
6	Total Electric Revenue	0	0	0	0	0	0
EXPENSES							
Production and Transmission							
7	Operating Expenses			874		1,677	
8	Purchased Power						
9	Depreciation and Amortization	722	158			1,959	829
10	Taxes	477	82				
11	Total Production & Transmission	1,199	240	874	0	3,636	829
Distribution							
12	Operating Expenses			2,023			
13	Depreciation	810					
14	Taxes	429					
15	Total Distribution	1,239	0	2,023	0	0	0
16	Customer Accounting						
17	Customer Service & Information						
18	Sales Expenses						
Administrative & General							
19	Operating Expenses				1,752		
20	Depreciation	1,784					
21	Taxes	249					
22	Total Admin. & General	2,033	0	0	1,752	0	0
23	Total Electric Expenses	4,471	240	2,897	1,752	3,636	829
24	OPERATING INCOME BEFORE FIT	(4,471)	(240)	(2,897)	(1,752)	(3,636)	(829)
FEDERAL INCOME TAX							
25	Current Accrual	(1,565)	(84)	(1,014)	(613)	(1,273)	(290)
26	Deferred Income Taxes						
27	NET OPERATING INCOME	(\$2,906)	(\$156)	(\$1,883)	(\$1,139)	(\$2,363)	(\$539)
RATE BASE							
PLANT IN SERVICE							
28	Intangible	\$5,498				\$26,703	\$25,866
29	Production	24,825	5,464				
30	Transmission	7,245					
31	Distribution	29,017					
32	General	11,865					
33	Total Plant in Service	78,450	5,464	0	0	26,703	25,866
34	ACCUMULATED DEPRECIATION	47,867	56				663
35	ACCUM. PROVISION FOR AMORTIZATION					560	
36	Total Accum. Depreciation & Amort.	47,867	56	0	0	560	663
37	GAIN ON SALE OF BUILDING						
38	DEFERRED TAXES	(7,647)	(22)			(2,818)	(8,384)
39	TOTAL RATE BASE	\$22,936	\$5,386	\$0	\$0	\$23,325	\$16,819
40	RATE OF RETURN						

AVISTA UTILITIES
ELECTRIC RESULTS OF OPERATION
WASHINGTON RESTATED RESULTS
TWELVE MONTHS ENDED SEPTEMBER 30, 2008
(000'S OF DOLLARS)

Line No.	DESCRIPTION	Pro Forma Montana Lease PF13	Pro Forma Colstrip Mercury Emiss. O&M PF14	Pro Forma Incentives PF15	Pro Forma O&M Plant Expense PF16	Pro Forma Employee Benefits PF17
REVENUES						
1	Total General Business					
2	Interdepartmental Sales					
3	Sales for Resale					
4	Total Sales of Electricity	0	0	0	0	0
5	Other Revenue					
6	Total Electric Revenue	0	0	0	0	0
EXPENSES						
Production and Transmission						
7	Operating Expenses		1,873		2,269	1,041
8	Purchased Power					
9	Depreciation and Amortization	3,516				
10	Taxes					
11	Total Production & Transmission	3,516	1,873	0	2,269	1,041
Distribution						
12	Operating Expenses					778
13	Depreciation					
14	Taxes					
15	Total Distribution	0	0	0	0	778
16	Customer Accounting					329
17	Customer Service & Information					19
18	Sales Expenses					30
Administrative & General						
19	Operating Expenses			550		1,768
20	Depreciation					
21	Taxes					
22	Total Admin. & General	0	0	550	0	1,768
23	Total Electric Expenses	3,516	1,873	550	2,269	3,965
24	OPERATING INCOME BEFORE FIT	(3,516)	(1,873)	(550)	(2,269)	(3,965)
FEDERAL INCOME TAX						
25	Current Accrual	(1,231)	(656)	(193)	(794)	(1,388)
26	Deferred Income Taxes					
27	NET OPERATING INCOME	(\$2,285)	(\$1,217)	(\$357)	(\$1,475)	(\$2,577)
RATE BASE						
PLANT IN SERVICE						
28	Intangible					
29	Production	4,398				
30	Transmission					
31	Distribution					
32	General					
33	Total Plant in Service	4,398	0	0	0	0
34	ACCUMULATED DEPRECIATION					
35	ACCUM. PROVISION FOR AMORTIZATION					
36	Total Accum. Depreciation & Amort.	0	0	0	0	0
37	GAIN ON SALE OF BUILDING					
38	DEFERRED TAXES	(1,539)				
39	TOTAL RATE BASE	\$2,859	\$0	\$0	\$0	\$0
40	RATE OF RETURN					

AVISTA UTILITIES
ELECTRIC RESULTS OF OPERATION
WASHINGTON RESTATED RESULTS
TWELVE MONTHS ENDED SEPTEMBER 30, 2008
(000'S OF DOLLARS)

Line No.	DESCRIPTION	Pro Forma Insurance	Pro Forma Clark Fork PM&E	Pro Forma TOTAL
	a	PF18	PF19	PFT
REVENUES				
1	Total General Business			\$390,153
2	Interdepartmental Sales			800
3	Sales for Resale			66,506
4	Total Sales of Electricity	0	0	457,459
5	Other Revenue			9,680
6	Total Electric Revenue	0	0	467,139
EXPENSES				
Production and Transmission				
7	Operating Expenses		656	178,771
8	Purchased Power			76,620
9	Depreciation and Amortization			31,816
10	Taxes			11,378
11	Total Production & Transmission	0	656	298,585
Distribution				
12	Operating Expenses			20,922
13	Depreciation			16,440
14	Taxes			19,142
15	Total Distribution	0	0	56,504
16	Customer Accounting			8,584
17	Customer Service & Information			710
18	Sales Expenses			757
Administrative & General				
19	Operating Expenses	283		40,385
20	Depreciation			9,083
21	Taxes			252
22	Total Admin. & General	283	0	49,720
23	Total Electric Expenses	283	656	414,860
24	OPERATING INCOME BEFORE FIT	(283)	(656)	52,279
FEDERAL INCOME TAX				
25	Current Accrual	(99)	(230)	(1,096)
26	Deferred Income Taxes			9,346
27	NET OPERATING INCOME	(\$184)	(\$426)	\$44,029
RATE BASE				
PLANT IN SERVICE				
28	Intangible			\$78,478
29	Production			762,219
30	Transmission			296,316
31	Distribution			607,308
32	General			109,598
33	Total Plant in Service	0	0	1,853,919
34	ACCUMULATED DEPRECIATION			610,941
25	ACCUM. PROVISION FOR AMORTIZATION			64,635
36	Total Accum. Depreciation & Amort.	0	0	675,576
37	GAIN ON SALE OF BUILDING			(194)
38	DEFERRED TAXES			(171,073)
39	TOTAL RATE BASE	\$0	\$0	\$1,007,076
40	RATE OF RETURN			4.37%

AVISTA UTILITIES

Restatement Summary
Washington Electric
TWELVE MONTHS ENDED SEPTEMBER 30, 2008

Column	Description of Adjustment	Washington Electric		
		NOI	Rate Base	ROR
b	Per Results Report	\$68,538	\$1,053,828	
c	Deferred FIT Rate Base	0	(142,713)	
d	Deferred Gain on Office Building	0	(126)	
e	Colstrip 3 AFUDC Elimination	202	(1,956)	
f	Colstrip Common AFUDC	0	436	
g	Kettle Falls Disallow.	(56)	(854)	
h	Customer Advances	0	(231)	
i	Depreciation True-up	39	0	
j	Settlement Exchange Power	0	18,422	
	Actual	68,723	926,806	7.42%
k	Eliminate B & O Taxes	(22)	0	
l	Property Tax	(939)	0	
m	Uncollect. Expense	70	0	
n	Regulatory Expense	(52)	0	
o	Injuries and Damages	(56)	0	
p	FIT	(1,751)	0	
q	Eliminate WA Power Cost Defer	(8,844)	0	
r	Nez Perce Settlement Adjustment	(6)	0	
s	Eliminate A/R Expenses	335	0	
t	Office Space Charges to Subsidiaries	5	0	
u	Restate Excise Taxes	(20)	0	
v	Net Gains/losses	79	0	
w	Revenue Normalization	23,394	0	
x	Misc Restating	139	0	
y	Restate Debt Interest	683	0	
	Restated Total	\$81,738	\$926,806	8.82%
PF1	Pro Forma Power Supply	(24,030)	0	
PF2	Pro Forma Prod Property Adj	6,449	(12,500)	
PF3	Pro Forma Labor Non-Exec	(1,942)	0	
PF4	Pro Forma Labor Exec	(155)	0	
PF5	Pro Forma Transmission Rev/Exp	(51)	0	
PF6	Pro Forma Capital Add 2008	(473)	21,445	
PF7	Pro Forma Capital Add 2009	(2,906)	22,936	
PF8	Pro Forma Noxon Gen 2010	(156)	5,386	
PF9	Pro Forma Asset Management	(1,883)	0	
PF10	Pro Forma Information Services	(1,139)	0	
PF11	Pro Forma Spokane Rvr Relicensing	(2,363)	23,325	
PF12	Pro Forma CDA Tribe Settlement	(539)	16,819	
PF13	Pro Forma Montana Lease	(2,285)	2,859	
PF14	Pro Forma Colstrip Mercury Emiss. O&M	(1,217)	0	
PF15	Pro Forma Incentives	(357)	0	
PF16	Pro Forma O&M Plant Expense	(1,475)	0	
PF17	Pro Forma Employee Benefits	(2,577)	0	
PF18	Pro Forma Insurance	(184)	0	
PF19	Pro Forma Clark Fork PM&E	(426)	0	
	Pro Forma Total	\$44,029	\$1,007,076	4.37%

AVISTA UTILITIES
ELECTRIC ADJUSTMENT SUMMARY
TWELVE MONTHS ENDED SEPTEMBER 30, 2008
(000'S OF DOLLARS)

PER RESULTS OF
OPERATIONS REPORTS
ELECTRIC

Line No.	DESCRIPTION	System	Washington	Idaho
REVENUES				
1	Total General Business	\$618,817	\$407,849	\$210,968
2	Interdepartmental Sales	945	800	145
3	Sales For Resale	195,819	126,479	69,340
4	Total Sales of Electricity	815,581	535,128	280,453
5	Other Revenue	56,326	36,572	19,754
6	Total Electric Revenue	871,907	571,700	300,207
EXPENSES				
Production and Transmission				
7	Operating Expenses	256,659	175,800	80,859
8	Purchased Power	246,147	147,076	99,071
9	Depreciation and Amortization	35,050	23,675	11,375
10	Taxes	13,833	8,935	4,898
11	Total Production & Transmission	551,689	355,486	196,203
Distribution				
12	Operating Expenses	25,859	17,279	8,580
13	Depreciation	22,950	14,599	8,351
14	Taxes	37,353	33,186	4,167
15	Total Distribution	86,162	65,064	21,098
16	Customer Accounting	12,202	8,559	3,643
17	Customer Service & Information	15,319	11,359	3,960
18	Marketing	957	696	261
Administrative & General				
19	Operating Expenses	54,408	35,147	19,261
20	Depreciation	10,882	7,022	3,860
21	Taxes	0	0	0
22	Total Admin. & General	65,290	42,169	23,121
23	Total Electric Expenses	731,619	483,333	248,286
24	Operating Income before FIT	140,288	88,367	51,921
Federal Income Taxes				
25	Current Accrual	18,789	16,759	2,030
26	Deferred Income Taxes	10,648	3,070	7,578
	Amortized ITC	0	0	0
27	NET OPERATING INCOME	\$110,851	\$68,538	\$42,313
RATE BASE				
PLANT IN SERVICE				
28	Intangible	\$34,522	\$22,439	\$12,083
29	Production	1,015,757	656,077	359,680
30	Transmission	442,422	285,760	156,662
31	Distribution	893,140	552,007	341,133
32	General	137,854	88,036	49,818
33	Total Plant in Service	2,523,695	1,604,319	919,376
34	ACCUMULATED DEPRECIATION	854,139	543,584	310,555
35	ACCUM. PROVISION FOR AMORTIZATION	10,571	6,907	3,664
36	Total Accum. Depreciation & Amort.	864,710	550,491	314,219
37	GAIN ON SALE OF BUILDING			
38	DEFERRED TAXES			
39	TOTAL RATE BASE	\$1,658,985	\$1,053,828	\$605,157

AVISTA UTILITIES
ELECTRIC ADJUSTMENT SUMMARY
TWELVE MONTHS ENDED SEPTEMBER 30, 2008
(000'S OF DOLLARS)

WASHINGTON
DEFERRED FIT RATE BASE
ELECTRIC

Line No.	DESCRIPTION	System	Washington	Idaho
REVENUES				
1	Total General Business	\$0		
2	Interdepartmental Sales			
3	Sales For Resale			
4	Total Sales of Electricity	0	0	0
5	Other Revenue			
6	Total Electric Revenue	0	0	0
EXPENSES				
Production and Transmission				
7	Operating Expenses			
8	Purchased Power			
9	Depreciation and Amortization			
10	Taxes			
11	Total Production & Transmission	0	0	0
Distribution				
12	Operating Expenses			
13	Depreciation			
14	Taxes	0	0	0
15	Total Distribution	0	0	0
16	Customer Accounting			
17	Customer Service & Information			
18	Marketing			
Administrative & General				
19	Operating Expenses			
20	Depreciation			
21	Taxes			
22	Total Admin. & General	0	0	0
23	Total Electric Expenses	0	0	0
24	Operating Income before FIT	0	0	0
Federal Income Taxes				
25	Current Accrual (at 35%)	0	0	0
26	Deferred Income Taxes	0	0	0
27	NET OPERATING INCOME	\$0	\$0	\$0
RATE BASE				
PLANT IN SERVICE				
28	Intangible			
29	Production			
30	Transmission			
31	Distribution			
32	General			
33	Total Plant in Service	0	0	0
34	ACCUMULATED DEPRECIATION			
35	ACCUM. PROVISION FOR AMORTIZATION			
36	Total Accum. Depreciation & Amort.	0	0	0
37	GAIN ON SALE OF BUILDING			
38	DEFERRED TAXES	(225,120)	(142,713)	(82,407)
39	TOTAL RATE BASE	(\$225,120)	(\$142,713)	(\$82,407)

AVISTA UTILITIES
ELECTRIC ADJUSTMENT SUMMARY
TWELVE MONTHS ENDED SEPTEMBER 30, 2008
(000'S OF DOLLARS)

DEFERRED GAIN
ON OFFICE BUILDING
ELECTRIC

Line No.	DESCRIPTION	System	Washington	Idaho
REVENUES				
1	Total General Business	\$0		
2	Interdepartmental Sales			
3	Sales For Resale			
4	Total Sales of Electricity	0	0	0
5	Other Revenue			
6	Total Electric Revenue	0	0	0
EXPENSES				
Production and Transmission				
7	Operating Expenses			
8	Purchased Power			
9	Depreciation and Amortization			
10	Taxes			
11	Total Production & Transmission	0	0	0
Distribution				
12	Operating Expenses			
13	Depreciation			
14	Taxes	0		
15	Total Distribution	0	0	0
16	Customer Accounting			
17	Customer Service & Information			
18	Marketing			
Administrative & General				
19	Operating Expenses			
20	Depreciation			
21	Taxes			
22	Total Admin. & General	0	0	0
23	Total Electric Expenses	0	0	0
24	Operating Income before FIT	0	0	0
Federal Income Taxes				
25	Current Accrual	0	0	0
26	Deferred Income Taxes	35.0%		
27	NET OPERATING INCOME	\$0	\$0	\$0
28	RATE BASE			
29	PLANT IN SERVICE			
30	Intangible			
31	Production			
32	Transmission			
33	Distribution			
34	General			
35	Total Plant in Service	0	0	0
36	ACCUMULATED DEPRECIATION			
37	ACCUM. PROVISION FOR AMORTIZATION			
38	Total Accum. Depreciation & Amort.	0	0	0
39	GAIN ON SALE OF BUILDING	(194)	(194)	0
39	DEFERRED TAXES	68	68	0
41	TOTAL RATE BASE	(\$126)	(\$126)	\$0

AVISTA UTILITIES
ELECTRIC ADJUSTMENT SUMMARY
TWELVE MONTHS ENDED SEPTEMBER 30, 2008
(000'S OF DOLLARS)

COLSTRIP #3 AFUDC
ELIMINATION REALLOCATION
ELECTRIC

Line No.	DESCRIPTION	System	Washington	Idaho
REVENUES				
1	Total General Business	\$0		
2	Interdepartmental Sales			
3	Sales For Resale			
4	Total Sales of Electricity	0	0	0
5	Other Revenue			
6	Total Electric Revenue	0	0	0
EXPENSES				
Production and Transmission				
7	Operating Expenses			
8	Purchased Power			
9	Depreciation and Amortization	(202)	(202)	
10	Taxes			
11	Total Production & Transmission	(202)	(202)	0
Distribution				
12	Operating Expenses			
13	Depreciation			
14	Taxes	0		
15	Total Distribution	0	0	0
16	Customer Accounting			
17	Customer Service & Information			
18	Marketing			
Administrative & General				
19	Operating Expenses			
20	Depreciation			
21	Taxes			
22	Total Admin. & General	0	0	0
23	Total Electric Expenses	(202)	(202)	0
24	Operating Income before FIT	202	202	0
Federal Income Taxes				
25	Current Accrual	0		
26	Deferred Income Taxes	35.0%		
27	NET OPERATING INCOME	\$202	\$202	\$0
RATE BASE				
PLANT IN SERVICE				
28	Intangible			
29	Production	(7,452)	(7,452)	0
30	Transmission			
31	Distribution			
32	General			
33	Total Plant in Service	(7,452)	(7,452)	0
34	ACCUMULATED DEPRECIATION	(5,496)	(5,496)	0
35	ACCUM. PROVISION FOR AMORTIZATION			
36	Total Accum. Depreciation & Amort.	(5,496)	(5,496)	0
37	GAIN ON SALE OF BUILDING			
38	DEFERRED TAXES			
39	TOTAL RATE BASE	(\$1,956)	(\$1,956)	\$0

AVISTA UTILITIES
ELECTRIC ADJUSTMENT SUMMARY
TWELVE MONTHS ENDED SEPTEMBER 30, 2008
(000'S OF DOLLARS)

COLSTRIP #3
COMMON AFUDC ADJUSTMENT
ELECTRIC

Line No.	DESCRIPTION	System	Washington	Idaho
REVENUES				
1	Total General Business	\$0		
2	Interdepartmental Sales			
3	Sales For Resale			
4	Total Sales of Electricity	0	0	0
5	Other Revenue			
6	Total Electric Revenue	0	0	0
EXPENSES				
Production and Transmission				
7	Operating Expenses			
8	Purchased Power			
9	Depreciation and Amortization			
10	Taxes			
11	Total Production & Transmission	0	0	0
Distribution				
12	Operating Expenses			
13	Depreciation			
14	Taxes	0		
15	Total Distribution	0	0	0
16	Customer Accounting			
17	Customer Service & Information			
18	Marketing			
Administrative & General				
19	Operating Expenses			
20	Depreciation			
21	Taxes			
22	Total Admin. & General	0	0	0
23	Total Electric Expenses	0	0	0
24	Operating Income before FIT	0	0	0
Federal Income Taxes				
25	Current Accrual	0		
26	Deferred Income Taxes	35.0%		
27	NET OPERATING INCOME	\$0	\$0	\$0
RATE BASE				
PLANT IN SERVICE				
28	Intangible			
29	Production	436	436	0
30	Transmission			
31	Distribution			
32	General			
33	Total Plant in Service	436	436	0
34	ACCUMULATED DEPRECIATION			
35	ACCUM. PROVISION FOR AMORTIZATION			
36	Total Accum. Depreciation & Amort.	0	0	0
37	GAIN ON SALE OF BUILDING			
38	DEFERRED TAXES			
39	TOTAL RATE BASE	\$436	\$436	\$0

AVISTA UTILITIES
ELECTRIC ADJUSTMENT SUMMARY
TWELVE MONTHS ENDED SEPTEMBER 30, 2008
(000'S OF DOLLARS)

**KETTLE FALLS DISALLOWANCE
ELECTRIC**

Line No.	DESCRIPTION	System	Washington	Idaho
REVENUES				
1	Total General Business	\$0		
2	Interdepartmental Sales			
3	Sales For Resale			
4	Total Sales of Electricity	0	0	0
5	Other Revenue			
6	Total Electric Revenue	0	0	0
EXPENSES				
Production and Transmission				
7	Operating Expenses			
8	Purchased Power			
9	Depreciation and Amortization	0		
10	Taxes			
11	Total Production & Transmission	0	0	0
Distribution				
12	Operating Expenses			
13	Depreciation			
14	Taxes	0		0
15	Total Distribution	0	0	0
16	Customer Accounting			
17	Customer Service & Information			
18	Marketing			
Administrative & General				
19	Operating Expenses			
20	Depreciation			
21	Taxes			
22	Total Admin. & General	0	0	0
23	Total Electric Expenses	0	0	0
24	Operating Income before FIT	0	0	0
Federal Income Taxes				
25	Current Accrual (at 35%)	0	0	0
26	Deferred Income Taxes	56	56	0
27	NET OPERATING INCOME	(\$56)	(\$56)	\$0
RATE BASE				
PLANT IN SERVICE				
28	Intangible			
29	Production	(5,248)	(5,248)	0
30	Transmission			
31	Distribution			
32	General			
33	Total Plant in Service	(5,248)	(5,248)	0
34	ACCUMULATED DEPRECIATION	(3,796)	(3,796)	0
35	ACCUM. PROVISION FOR AMORTIZATION			
36	Total Accum. Depreciation & Amort.	(3,796)	(3,796)	0
37	GAIN ON SALE OF BUILDING			
38	DEFERRED TAXES	598	598	0
39	TOTAL RATE BASE	(\$854)	(\$854)	\$0

AVISTA UTILITIES
ELECTRIC ADJUSTMENT SUMMARY
TWELVE MONTHS ENDED SEPTEMBER 30, 2008
(000'S OF DOLLARS)

CUSTOMER
ADVANCES
ELECTRIC

Line No.	DESCRIPTION	System	Washington	Idaho
REVENUES				
1	Total General Business	\$0		
2	Interdepartmental Sales			
3	Sales For Resale			
4	Total Sales of Electricity	0	0	0
5	Other Revenue			
6	Total Electric Revenue	0	0	0
EXPENSES				
Production and Transmission				
7	Operating Expenses			
8	Purchased Power			
9	Depreciation and Amortization			
10	Taxes			
11	Total Production & Transmission	0	0	0
Distribution				
12	Operating Expenses			
13	Depreciation			
14	Taxes	0		
15	Total Distribution	0	0	0
16	Customer Accounting			
17	Customer Service & Information			
18	Marketing			
Administrative & General				
19	Operating Expenses			
20	Depreciation			
21	Taxes			
22	Total Admin. & General	0	0	0
23	Total Electric Expenses	0	0	0
24	Operating Income before FIT	0	0	0
Federal Income Taxes				
25	Current Accrual	0	0	0
26	Deferred income Taxes	35.0%		
27	NET OPERATING INCOME	\$0	\$0	\$0
RATE BASE				
PLANT IN SERVICE				
28	Intangible			
29	Production			
30	Transmission			
31	Distribution	(231)	(231)	0
32	General			
33	Total Plant in Service	(231)	(231)	0
34	ACCUMULATED DEPRECIATION			
35	ACCUM. PROVISION FOR AMORTIZATION			
36	Total Accum. Depreciation & Amort.	0	0	0
37	GAIN ON SALE OF BUILDING			
38	DEFERRED TAXES			
39	TOTAL RATE BASE	(\$231)	(\$231)	\$0

AVISTA UTILITIES
ELECTRIC ADJUSTMENT SUMMARY
TWELVE MONTHS ENDED SEPTEMBER 30, 2008
(000'S OF DOLLARS)

DEPRECIATION TRUE-UP
ADJUSTMENT
ELECTRIC

Line No.	DESCRIPTION	System	Washington	Idaho
REVENUES				
1	Total General Business	\$0		
2	Interdepartmental Sales			
3	Sales For Resale			
4	Total Sales of Electricity	0	0	0
5	Other Revenue			
6	Total Electric Revenue	0	0	0
EXPENSES				
Production and Transmission				
7	Operating Expenses			
8	Purchased Power			
9	Depreciation and Amortization	(685)	(685)	0
10	Taxes			
11	Total Production & Transmission	(685)	(685)	0
Distribution				
12	Operating Expenses			
13	Depreciation	857	857	0
14	Taxes	0		0
15	Total Distribution	857	857	0
16	Customer Accounting	0		
17	Customer Service & Information			
18	Marketing			
Administrative & General				
19	Operating Expenses	0		
20	Depreciation	(232)	(232)	0
21	Taxes			
22	Total Admin. & General	(232)	(232)	0
23	Total Electric Expenses	(60)	(60)	0
24	Operating Income before FIT	60	60	0
Federal Income Taxes				
25	Current Accrual (at 35%)	21	21	0
26	Deferred income Taxes			
27	NET OPERATING INCOME	\$39	\$39	\$0
RATE BASE				
PLANT IN SERVICE				
28	Intangible	0		
29	Production	0		
30	Transmission	0		
31	Distribution	0		
32	General	0		
33	Total Plant in Service	0	0	0
34	ACCUMULATED DEPRECIATION	0		
35	ACCUM. PROVISION FOR AMORTIZATION			
36	Total Accum. Depreciation & Amort.	0	0	0
37	GAIN ON SALE OF BUILDING			
38	DEFERRED TAXES	0		
39	TOTAL RATE BASE	\$0	\$0	\$0

AVISTA UTILITIES
 CALCULATION OF IDAHO STATE INCOME TAX
 TWELVE MONTHS ENDED SEPTEMBER 30, 2008
 (000'S) OF DOLLARS

Description	Idaho
REVENUES	
Total General Business	\$0
Interdepartmental Sales	0
Sales For Resale	0
Total Sales of Electricity	0
Other Revenue	0
Total Electric Revenue	0
EXPENSES	
Production and Transmission	
Operating Expenses	0
Purchased Power	0
Depreciation and Amortization	0
Taxes	0
Total Production & Transmission	0
Distribution	
Operating Expenses	0
Depreciation	0
Taxes	0
Total Distribution	0
Customer Accounting	0
Customer Service & Information	0
Marketing	0
Administrative & General	
Operating Expenses	0
Depreciation	0
Taxes	0
Total Admin. & General	0
Total Electric Expenses	0
Operating Income before SIT	0
Idaho State Income Tax	
Adjusted Rate of	0.012216
	\$0

AVISTA UTILITIES
ELECTRIC ADJUSTMENT SUMMARY
TWELVE MONTHS ENDED SEPTEMBER 30, 2008
(000'S OF DOLLARS)

SETTLEMENT
EXCHANGE POWER
ELECTRIC

Line No.	DESCRIPTION	System	Washington	Idaho
REVENUES				
1	Total General Business	\$0		
2	Interdepartmental Sales			
3	Sales For Resale			
4	Total Sales of Electricity	0	0	0
5	Other Revenue			
6	Total Electric Revenue	0	0	0
EXPENSES				
Production and Transmission				
7	Operating Expenses			
8	Purchased Power			
9	Depreciation and Amortization	0	0	0
10	Taxes			
11	Total Production & Transmission	0	0	0
Distribution				
12	Operating Expenses			
13	Depreciation			
14	Taxes			
15	Total Distribution	0	0	0
16	Customer Accounting			
17	Customer Service & Information			
18	Marketing			
Administrative & General				
19	Operating Expenses			
20	Depreciation			
21	Taxes			
22	Total Admin. & General	0	0	0
23	Total Electric Expenses	0	0	0
24	Operating Income before FIT	0	0	0
Federal Income Taxes				
25	Current Accrual (at 35%)	0	0	0
26	Deferred Income Taxes	0	0	0
27	NET OPERATING INCOME	\$0	\$0	\$0
RATE BASE				
PLANT IN SERVICE				
28	Intangible			
29	Production	79,626	79,626	
30	Transmission			
31	Distribution			
32	General			
33	Total Plant in Service	79,626	79,626	0
34	ACCUMULATED DEPRECIATION			
35	ACCUM. PROVISION FOR AMORTIZATION	57,168	57,168	
36	Total Accum. Depreciation & Amort.	57,168	57,168	0
37	GAIN ON SALE OF BUILDING			
38	DEFERRED TAXES	(4,036)	(4,036)	
39	TOTAL RATE BASE	\$18,422	\$18,422	\$0

AVISTA UTILITIES
ELECTRIC ADJUSTMENT SUMMARY
TWELVE MONTHS ENDED SEPTEMBER 30, 2008
(000'S OF DOLLARS)

ELIMINATE
B & O TAXES
ELECTRIC

Line No.	DESCRIPTION	System	Washington	Idaho
REVENUES				
1	Total General Business	(\$13,744)	(\$13,744)	
2	Interdepartmental Sales			
3	Sales For Resale			
4	Total Sales of Electricity	(13,744)	(13,744)	0
5	Other Revenue	(16)	(16)	
6	Total Electric Revenue	(13,760)	(13,760)	0
EXPENSES				
Production and Transmission				
7	Operating Expenses			
8	Purchased Power			
9	Depreciation and Amortization			
10	Taxes			
11	Total Production & Transmission	0	0	0
Distribution				
12	Operating Expenses			
13	Depreciation			
14	Taxes	(13,726)	(13,726)	0
15	Total Distribution	(13,726)	(13,726)	0
16	Customer Accounting			
17	Customer Service & Information			
18	Marketing			
Administrative & General				
19	Operating Expenses	0	0	
20	Depreciation			
21	Taxes			
22	Total Admin. & General	0	0	0
23	Total Electric Expenses	(13,726)	(13,726)	0
24	Operating Income before FIT	(34)	(34)	0
Federal Income Taxes				
25	Current Accrual	(12)	(12)	0
26	Deferred Income Taxes			
27	NET OPERATING INCOME	(\$22)	(\$22)	\$0
RATE BASE				
PLANT IN SERVICE				
28	Intangible			
29	Production			
30	Transmission			
31	Distribution			
32	General			
33	Total Plant in Service	0	0	0
34	ACCUMULATED DEPRECIATION			
35	ACCUM. PROVISION FOR AMORTIZATION			
36	Total Accum. Depreciation & Amort.	0	0	0
37	GAIN ON SALE OF BUILDING			
38	DEFERRED TAXES			
39	TOTAL RATE BASE	\$0	\$0	\$0

AVISTA UTILITIES
 CALCULATION OF IDAHO STATE INCOME TAX
 TWELVE MONTHS ENDED SEPTEMBER 30, 2008
 (000'S) OF DOLLARS

ELIMINATE
 B & O TAXES
 ELECTRIC

Description	Idaho
REVENUES	
Total General Business	\$0
Interdepartmental Sales	0
Sales For Resale	0
Total Sales of Electricity	0
Other Revenue	0
Total Electric Revenue	0
EXPENSES	
Production and Transmission	
Operating Expenses	0
Purchased Power	0
Depreciation and Amortization	0
Taxes	0
Total Production & Transmission	0
Distribution	
Operating Expenses	0
Depreciation	0
Taxes	0
Total Distribution	0
Customer Accounting	0
Customer Service & Information	0
Marketing	0
Administrative & General	
Operating Expenses	0
Depreciation	0
Taxes	0
Total Admin. & General	0
Total Electric Expenses	0
Operating Income before SIT	0
Idaho State Income Tax	
Adjusted Rate of	0.012216
	\$0

AVISTA UTILITIES
ELECTRIC ADJUSTMENT SUMMARY
TWELVE MONTHS ENDED SEPTEMBER 30, 2008
(000'S OF DOLLARS)

PROPERTY TAX
ADJUSTMENT
ELECTRIC

Line No.	DESCRIPTION	System	Washington	Idaho
REVENUES				
1	Total General Business	\$0		
2	Interdepartmental Sales			
3	Sales For Resale			
4	Total Sales of Electricity	0	0	0
5	Other Revenue			
6	Total Electric Revenue	0	0	0
EXPENSES				
Production and Transmission				
7	Operating Expenses			
8	Purchased Power			
9	Depreciation and Amortization			
10	Taxes	2,085	2,085	0
11	Total Production & Transmission	2,085	2,085	0
Distribution				
12	Operating Expenses			
13	Depreciation			
14	Taxes	(643)	(643)	0
15	Total Distribution	(643)	(643)	0
16	Customer Accounting			
17	Customer Service & Information			
18	Marketing			
Administrative & General				
19	Operating Expenses			
20	Depreciation			
21	Taxes	3	3	0
22	Total Admin. & General	3	3	0
23	Total Electric Expenses	1,445	1,445	0
24	Operating Income before FIT	(1,445)	(1,445)	0
Federal Income Taxes				
25	Current Accrual (at 35%)	(506)	(506)	0
26	Deferred Income Taxes			
27	NET OPERATING INCOME	(\$939)	(\$939)	\$0
RATE BASE				
PLANT IN SERVICE				
28	Intangible			
29	Production			
30	Transmission			
31	Distribution			
32	General			
33	Total Plant in Service	0	0	0
34	ACCUMULATED DEPRECIATION			
35	ACCUM. PROVISION FOR AMORTIZATION			
36	Total Accum. Depreciation & Amort.	0	0	0
37	GAIN ON SALE OF BUILDING			
38	DEFERRED TAXES			
39	TOTAL RATE BASE	\$0	\$0	\$0

AVISTA UTILITIES
 CALCULATION OF IDAHO STATE INCOME TAX
 TWELVE MONTHS ENDED SEPTEMBER 30, 2008
 (000'S) OF DOLLARS

PROPERTY TAX
 ADJUSTMENT
 ELECTRIC

Description	Idaho
REVENUES	
Total General Business	\$0
Interdepartmental Sales	0
Sales For Resale	0
Total Sales of Electricity	0
Other Revenue	0
Total Electric Revenue	0
EXPENSES	
Production and Transmission	
Operating Expenses	0
Purchased Power	0
Depreciation and Amortization	0
Taxes	0
Total Production & Transmission	0
Distribution	
Operating Expenses	0
Depreciation	0
Taxes	0
Total Distribution	0
Customer Accounting	0
Customer Service & Information	0
Marketing	0
Administrative & General	
Operating Expenses	0
Depreciation	0
Taxes	0
Total Admin. & General	0
Total Electric Expenses	0
Operating Income before SIT	0
Idaho State Income Tax	
Adjusted Rate of	0.012216
	\$0

AVISTA UTILITIES
ELECTRIC ADJUSTMENT SUMMARY
TWELVE MONTHS ENDED SEPTEMBER 30, 2008
(000'S OF DOLLARS)

UNCOLLECTIBLE
EXPENSE
ELECTRIC

Line No.	DESCRIPTION	System	Washington	Idaho
REVENUES				
1	Total General Business	\$0		
2	Interdepartmental Sales			
3	Sales For Resale			
4	Total Sales of Electricity	0	0	0
5	Other Revenue			
6	Total Electric Revenue	0	0	0
EXPENSES				
Production and Transmission				
7	Operating Expenses			
8	Purchased Power			
9	Depreciation and Amortization			
10	Taxes			
11	Total Production & Transmission	0	0	0
Distribution				
12	Operating Expenses			
13	Depreciation			
14	Taxes	0		0
15	Total Distribution	0	0	0
16	Customer Accounting	(108)	(108)	0
17	Customer Service & Information			
18	Marketing			
Administrative & General				
19	Operating Expenses			
20	Depreciation			
21	Taxes			
22	Total Admin. & General	0	0	0
23	Total Electric Expenses	(108)	(108)	0
24	Operating Income before FIT	108	108	0
Federal Income Taxes				
25	Current Accrual (at 35%)	38	38	0
26	Deferred Income Taxes			
27	NET OPERATING INCOME	\$70	\$70	\$0
RATE BASE				
PLANT IN SERVICE				
28	Intangible			
29	Production			
30	Transmission			
31	Distribution			
32	General			
33	Total Plant in Service	0	0	0
34	ACCUMULATED DEPRECIATION			
35	ACCUM. PROVISION FOR AMORTIZATION			
36	Total Accum. Depreciation & Amort.	0	0	0
37	GAIN ON SALE OF BUILDING			
38	DEFERRED TAXES			
39	TOTAL RATE BASE	\$0	\$0	\$0

CALCULATION OF IDAHO STATE INCOME TAX
 TWELVE MONTHS ENDED SEPTEMBER 30, 2008
 (000'S) OF DOLLARS

UNCOLLECTIBLE
 EXPENSE
 ELECTRIC

Description	Idaho
REVENUES	
Total General Business	\$0
Interdepartmental Sales	0
Sales For Resale	0
Total Sales of Electricity	0
Other Revenue	0
Total Electric Revenue	0
EXPENSES	
Production and Transmission	
Operating Expenses	0
Purchased Power	0
Depreciation and Amortization	0
Taxes	0
Total Production & Transmission	0
Distribution	
Operating Expenses	0
Depreciation	0
Taxes	0
Total Distribution	0
Customer Accounting	0
Customer Service & Information	0
Marketing	0
Administrative & General	
Operating Expenses	0
Depreciation	0
Taxes	0
Total Admin. & General	0
Total Electric Expenses	0
Operating Income before SIT	0
Idaho State Income Tax	
Adjusted Rate of	0.012216
	\$0

AVISTA UTILITIES
ELECTRIC ADJUSTMENT SUMMARY
TWELVE MONTHS ENDED SEPTEMBER 30, 2008
(000'S OF DOLLARS)

REGULATORY EXPENSE
ADJUSTMENT
ELECTRIC

Line No.	DESCRIPTION	System	Washington	Idaho
REVENUES				
1	Total General Business	\$0		
2	Interdepartmental Sales			
3	Sales For Resale			
4	Total Sales of Electricity	0	0	0
5	Other Revenue			
6	Total Electric Revenue	0	0	0
EXPENSES				
Production and Transmission				
7	Operating Expenses			
8	Purchased Power			
9	Depreciation and Amortization			
10	Taxes			
11	Total Production & Transmission	0	0	0
Distribution				
12	Operating Expenses			
13	Depreciation			
14	Taxes	0		0
15	Total Distribution	0	0	0
16	Customer Accounting			
17	Customer Service & Information			
18	Marketing			
Administrative & General				
19	Operating Expenses	80	80	0
20	Depreciation			
21	Taxes			
22	Total Admin. & General	80	80	0
23	Total Electric Expenses	80	80	0
24	Operating Income before FIT	(80)	(80)	0
Federal Income Taxes				
25	Current Accrual	35.0%	(28)	(28)
26	Deferred Income Taxes			
27	NET OPERATING INCOME	(\$52)	(\$52)	\$0
RATE BASE				
PLANT IN SERVICE				
28	Intangible			
29	Production			
30	Transmission			
31	Distribution			
32	General			
33	Total Plant in Service	0	0	0
34	ACCUMULATED DEPRECIATION			
35	ACCUM. PROVISION FOR AMORTIZATION			
36	Total Accum. Depreciation & Amort.	0	0	0
37	GAIN ON SALE OF BUILDING			
38	DEFERRED TAXES			
39	TOTAL RATE BASE	\$0	\$0	\$0

AVISTA UTILITIES

CALCULATION OF IDAHO STATE INCOME TAX
 TWELVE MONTHS ENDED SEPTEMBER 30, 2008
 (000'S) OF DOLLARS

REGULATORY EXPENSE
 ADJUSTMENT
 ELECTRIC

Description	Idaho
REVENUES	
Total General Business	\$0
Interdepartmental Sales	0
Sales For Resale	0
Total Sales of Electricity	0
Other Revenue	0
Total Electric Revenue	0
EXPENSES	
Production and Transmission	
Operating Expenses	0
Purchased Power	0
Depreciation and Amortization	0
Taxes	0
Total Production & Transmission	0
Distribution	
Operating Expenses	0
Depreciation	0
Taxes	0
Total Distribution	0
Customer Accounting	0
Customer Service & Information	0
Marketing	0
Administrative & General	
Operating Expenses	0
Depreciation	0
Taxes	0
Total Admin. & General	0
Total Electric Expenses	0
Operating Income before SIT	0
Idaho State Income Tax	
Adjusted Rate of	0.012216
	\$0

AVISTA UTILITIES
ELECTRIC ADJUSTMENT SUMMARY
TWELVE MONTHS ENDED SEPTEMBER 30, 2008
(000'S OF DOLLARS)

INJURIES
AND DAMAGES
ELECTRIC

Line No.	DESCRIPTION	System	Washington	Idaho
REVENUES				
1	Total General Business	\$0		
2	Interdepartmental Sales			
3	Sales For Resale	0		
4	Total Sales of Electricity	0	0	0
5	Other Revenue			
6	Total Electric Revenue	0	0	0
EXPENSES				
Production and Transmission				
7	Operating Expenses			
8	Purchased Power			
9	Depreciation and Amortization			
10	Taxes			
11	Total Production & Transmission	0	0	0
Distribution				
12	Operating Expenses			
13	Depreciation			
14	Taxes	0		0
15	Total Distribution	0	0	0
16	Customer Accounting	0		
17	Customer Service & Information			
18	Marketing			
Administrative & General				
19	Operating Expenses	86	86	0
20	Depreciation			
21	Taxes			
22	Total Admin. & General	86	86	0
23	Total Electric Expenses	86	86	0
24	Operating Income before FIT	(86)	(86)	0
Federal Income Taxes				
25	Current Accrual	35.0%	(30)	(30)
26	Deferred Income Taxes			
27	NET OPERATING INCOME	(\$56)	(\$56)	\$0
RATE BASE				
PLANT IN SERVICE				
28	Intangible			
29	Production			
30	Transmission			
31	Distribution			
32	General			
33	Total Plant in Service	0	0	0
34	ACCUMULATED DEPRECIATION			
35	ACCUM. PROVISION FOR AMORTIZATION			
36	Total Accum. Depreciation & Amort.	0	0	0
37	GAIN ON SALE OF BUILDING			
38	DEFERRED TAXES			
39	TOTAL RATE BASE	\$0	\$0	\$0

AVISTA UTILITIES
 CALCULATION OF IDAHO STATE INCOME TAX
 TWELVE MONTHS ENDED SEPTEMBER 30, 2008
 (000'S) OF DOLLARS

INJURIES
 AND DAMAGES
 ELECTRIC

Description	Idaho
REVENUES	
Total General Business	\$0
Interdepartmental Sales	0
Sales For Resale	0
Total Sales of Electricity	0
Other Revenue	0
Total Electric Revenue	0
EXPENSES	
Production and Transmission	
Operating Expenses	0
Purchased Power	0
Depreciation and Amortization	0
Taxes	0
Total Production & Transmission	0
Distribution	
Operating Expenses	0
Depreciation	0
Taxes	0
Total Distribution	0
Customer Accounting	0
Customer Service & Information	0
Marketing	0
Administrative & General	
Operating Expenses	0
Depreciation	0
Taxes	0
Total Admin. & General	0
Total Electric Expenses	0
Operating Income before SIT	0
Idaho State Income Tax	
Adjusted Rate of	0.012216
	\$0

AVISTA UTILITIES
ELECTRIC ADJUSTMENT SUMMARY
TWELVE MONTHS ENDED SEPTEMBER 30, 2008
(000'S OF DOLLARS)

(Including Production Tax Credit)
FEDERAL
INCOME TAX
ELECTRIC

Line No.	DESCRIPTION	System	Washington	Idaho
REVENUES				
1	Total General Business	\$0		
2	Interdepartmental Sales			
3	Sales For Resale			
4	Total Sales of Electricity	0	0	0
5	Other Revenue			
6	Total Electric Revenue	0	0	0
EXPENSES				
Production and Transmission				
7	Operating Expenses			
8	Purchased Power			
9	Depreciation and Amortization			
10	Taxes			
11	Total Production & Transmission	0	0	0
Distribution				
12	Operating Expenses			
13	Depreciation			
14	Taxes	0		0
15	Total Distribution	0	0	0
16	Customer Accounting			
17	Customer Service & Information			
18	Marketing			
Administrative & General				
19	Operating Expenses			
20	Depreciation			
21	Taxes			
22	Total Admin. & General	0	0	0
23	Total Electric Expenses	0	0	0
24	Operating Income before FIT	0	0	0
Federal Income Taxes				
25	Current Accrual (at 35%)	1,715	1,715	0
26	Deferred Income Taxes	36	36	0
27	NET OPERATING INCOME	(\$1,751)	(\$1,751)	\$0
RATE BASE				
PLANT IN SERVICE				
28	Intangible			
29	Production			
30	Transmission			
31	Distribution			
32	General			
33	Total Plant in Service	0	0	0
34	ACCUMULATED DEPRECIATION			
35	ACCUM. PROVISION FOR AMORTIZATION			
36	Total Accum. Depreciation & Amort.	0	0	0
37	GAIN ON SALE OF BUILDING			
38	DEFERRED TAXES			
39	TOTAL RATE BASE	\$0	\$0	\$0

AVISTA UTILITIES
ELECTRIC ADJUSTMENT SUMMARY
TWELVE MONTHS ENDED SEPTEMBER 30, 2008
(000'S OF DOLLARS)

ELIMINATION OF IDAHO PCA
& WA POWER COST DEFERRALS
ELECTRIC

Line No.	DESCRIPTION	System	Washington	Idaho
REVENUES				
1	Total General Business	(\$32,702)	(\$32,702)	
2	Interdepartmental Sales			
3	Sales For Resale	0		
4	Total Sales of Electricity	(32,702)	(32,702)	0
5	Other Revenue			
6	Total Electric Revenue	(32,702)	(32,702)	0
EXPENSES				
Production and Transmission				
7	Operating Expenses	(17,668)	(17,668)	
8	Purchased Power	0	0	0
9	Depreciation and Amortization			
10	Taxes			
11	Total Production & Transmission	(17,668)	(17,668)	0
Distribution				
12	Operating Expenses			
13	Depreciation			
14	Taxes	(1,262)	(1,262)	0
15	Total Distribution	(1,262)	(1,262)	0
16	Customer Accounting	(104)	(104)	
17	Customer Service & Information			
18	Marketing			
Administrative & General				
19	Operating Expenses	(62)	(62)	
20	Depreciation			
21	Taxes			
22	Total Admin. & General	(62)	(62)	0
23	Total Electric Expenses	(19,096)	(19,096)	0
24	Operating Income before FIT	(13,606)	(13,606)	0
Federal Income Taxes				
25	Current Accrual	(10,946)	(10,946)	
26	Deferred Income Taxes	6,184	6,184	
27	NET OPERATING INCOME	(\$8,844)	(\$8,844)	\$0
RATE BASE				
PLANT IN SERVICE				
28	Intangible			
29	Production			
30	Transmission			
31	Distribution			
32	General			
33	Total Plant in Service	0	0	0
34	ACCUMULATED DEPRECIATION			
35	ACCUM. PROVISION FOR AMORTIZATION			
36	Total Accum. Depreciation & Amort.	0	0	0
37	GAIN ON SALE OF BUILDING			
38	DEFERRED TAXES			•
39	TOTAL RATE BASE	\$0	\$0	\$0

AVISTA UTILITIES
ELECTRIC ADJUSTMENT SUMMARY
TWELVE MONTHS ENDED SEPTEMBER 30, 2008
(000'S OF DOLLARS)

NEZ PERCE SETTLEMENT
ACCOUNTING ADJUSTMENT
ELECTRIC

Line No.	DESCRIPTION	System	Washington	Idaho
REVENUES				
1	Total General Business	\$0		
2	Interdepartmental Sales			
3	Sales For Resale	0		
4	Total Sales of Electricity	0	0	0
5	Other Revenue			
6	Total Electric Revenue	0	0	0
EXPENSES				
Production and Transmission				
7	Operating Expenses	9	9	0
8	Purchased Power			
9	Depreciation and Amortization			
10	Taxes			
11	Total Production & Transmission	9	9	0
Distribution				
12	Operating Expenses			
13	Depreciation			
14	Taxes	0		0
15	Total Distribution	0	0	0
16	Customer Accounting			
17	Customer Service & Information			
18	Marketing			
Administrative & General				
19	Operating Expenses			
20	Depreciation			
21	Taxes			
22	Total Admin. & General	0	0	0
23	Total Electric Expenses	9	9	0
24	Operating Income before FIT	(9)	(9)	0
Federal Income Taxes				
25	Current Accrual	(3)	(3)	0
26	Deferred Income Taxes			
27	NET OPERATING INCOME	(\$6)	(\$6)	\$0
RATE BASE				
PLANT IN SERVICE				
28	Intangible			
29	Production			
30	Transmission			
31	Distribution			
32	General			
33	Total Plant in Service	0	0	0
34	ACCUMULATED DEPRECIATION			
35	ACCUM. PROVISION FOR AMORTIZATION			
36	Total Accum. Depreciation & Amort.	0	0	0
37	GAIN ON SALE OF BUILDING			
38	DEFERRED TAXES			
39	TOTAL RATE BASE	\$0	\$0	\$0

AVISTA UTILITIES
 CALCULATION OF IDAHO STATE INCOME TAX
 TWELVE MONTHS ENDED SEPTEMBER 30, 2008
 (000'S) OF DOLLARS

NEZ PERCE SETTLEMENT
 ACCOUNTING ADJUSTMENT
 ELECTRIC

Description	Idaho
REVENUES	
Total General Business	\$0
Interdepartmental Sales	0
Sales For Resale	0
Total Sales of Electricity	0
Other Revenue	0
Total Electric Revenue	0
EXPENSES	
Production and Transmission	
Operating Expenses	0
Purchased Power	0
Depreciation and Amortization	0
Taxes	0
Total Production & Transmission	0
Distribution	
Operating Expenses	0
Depreciation	0
Taxes	0
Total Distribution	0
Customer Accounting	0
Customer Service & Information	0
Marketing	0
Administrative & General	
Operating Expenses	0
Depreciation	0
Taxes	0
Total Admin. & General	0
Total Electric Expenses	0
Operating Income before SIT	0
Idaho State Income Tax	
Adjusted Rate of	0.012216
	\$0

AVISTA UTILITIES
ELECTRIC ADJUSTMENT SUMMARY
TWELVE MONTHS ENDED SEPTEMBER 30, 2008
(000'S OF DOLLARS)

NET GAINS & LOSSES
ELECTRIC

Line No.	DESCRIPTION	System	Washington	Idaho
REVENUES				
1	Total General Business	\$0	\$0	\$0
2	Interdepartmental Sales			
3	Sales For Resale			
4	Total Sales of Electricity	0	0	0
5	Other Revenue			
6	Total Electric Revenue	0	0	0
EXPENSES				
Production and Transmission				
7	Operating Expenses	0	0	0
8	Purchased Power			
9	Depreciation and Amortization	0	0	
10	Taxes	0		
11	Total Production & Transmission	0	0	0
Distribution				
12	Operating Expenses	0	0	0
13	Depreciation	(122)	(122)	
14	Taxes	0	0	0
15	Total Distribution	(122)	(122)	0
16	Customer Accounting	0	0	0
17	Customer Service & Information	0	0	0
18	Marketing	0	0	0
Administrative & General				
19	Operating Expenses	0	0	0
20	Depreciation			
21	Taxes			
22	Total Admin. & General	0	0	0
23	Total Electric Expenses	(122)	(122)	0
24	Operating Income before FIT	122	122	0
Federal Income Taxes				
25	Current Accrual	43	43	0
26	Deferred Income Taxes			
27	NET OPERATING INCOME	\$79	\$79	\$0
RATE BASE				
PLANT IN SERVICE				
28	Intangible			
29	Production	0		
30	Transmission			
31	Distribution			
32	General			
33	Total Plant in Service	0	0	0
34	ACCUMULATED DEPRECIATION	0		
35	ACCUM. PROVISION FOR AMORTIZATION			
36	Total Accum. Depreciation & Amort.	0	0	0
37	GAIN ON SALE OF BUILDING			
38	DEFERRED TAXES	0		
39	TOTAL RATE BASE	\$0	\$0	\$0

AVISTA UTILITIES
ELECTRIC ADJUSTMENT SUMMARY
TWELVE MONTHS ENDED SEPTEMBER 30, 2008
(000'S OF DOLLARS)

ELIMINATE
A/R EXPENSES
ELECTRIC

Line No.	DESCRIPTION	System	Washington	Idaho
	REVENUES			
1	Total General Business	\$0		
2	Interdepartmental Sales			
3	Sales For Resale			
4	Total Sales of Electricity	0	0	0
5	Other Revenue			
6	Total Electric Revenue	0	0	0
	EXPENSES			
	Production and Transmission			
7	Operating Expenses			
8	Purchased Power			
9	Depreciation and Amortization			
10	Taxes			
11	Total Production & Transmission	0	0	0
	Distribution			
12	Operating Expenses			
13	Depreciation			
14	Taxes	0		0
15	Total Distribution	0	0	0
16	Customer Accounting	(516)	(516)	0
17	Customer Service & Information			
18	Marketing			
	Administrative & General			
19	Operating Expenses			
20	Depreciation			
21	Taxes			
22	Total Admin. & General	0	0	0
23	Total Electric Expenses	(516)	(516)	0
24	Operating Income before FIT	516	516	0
	Federal Income Taxes			
25	Current Accrual	35.0%	181	181
26	Deferred Income Taxes			0
27	NET OPERATING INCOME	\$335	\$335	\$0
	RATE BASE			
	PLANT IN SERVICE			
28	Intangible			
29	Production			
30	Transmission			
31	Distribution			
32	General			
33	Total Plant in Service	0	0	0
34	ACCUMULATED DEPRECIATION			
35	ACCUM. PROVISION FOR AMORTIZATION			
36	Total Accum. Depreciation & Amort.	0	0	0
37	GAIN ON SALE OF BUILDING			
38	DEFERRED TAXES			
39	TOTAL RATE BASE	\$0	\$0	\$0

AVISTA UTILITIES
 CALCULATION OF IDAHO STATE INCOME TAX
 TWELVE MONTHS ENDED SEPTEMBER 30, 2008
 (000'S) OF DOLLARS

ELIMINATE
 A/R EXPENSES
 ELECTRIC

Description	Idaho
REVENUES	
Total General Business	\$0
Interdepartmental Sales	0
Sales For Resale	0
Total Sales of Electricity	0
Other Revenue	0
Total Electric Revenue	0
EXPENSES	
Production and Transmission	
Operating Expenses	0
Purchased Power	0
Depreciation and Amortization	0
Taxes	0
Total Production & Transmission	0
Distribution	
Operating Expenses	0
Depreciation	0
Taxes	0
Total Distribution	0
Customer Accounting	0
Customer Service & Information	0
Marketing	0
Administrative & General	
Operating Expenses	0
Depreciation	0
Taxes	0
Total Admin. & General	0
Total Electric Expenses	0
Operating Income before SIT	0
Idaho State Income Tax	
Adjusted Rate of	0.012216
	\$0

AVISTA UTILITIES
ELECTRIC ADJUSTMENT SUMMARY
TWELVE MONTHS ENDED SEPTEMBER 30, 2008
(000'S OF DOLLARS)

OFFICE SPACE CHARGES
TO SUBSIDIARIES
ELECTRIC

Line No.	DESCRIPTION	System	Washington	Idaho
	REVENUES			
1	Total General Business	\$0		
2	Interdepartmental Sales			
3	Sales For Resale			
4	Total Sales of Electricity	0	0	0
5	Other Revenue			
6	Total Electric Revenue	0	0	0
	EXPENSES			
	Production and Transmission			
7	Operating Expenses			
8	Purchased Power			
9	Depreciation and Amortization			
10	Taxes			
11	Total Production & Transmission	0	0	0
	Distribution			
12	Operating Expenses			
13	Depreciation			
14	Taxes	0		
15	Total Distribution	0	0	0
16	Customer Accounting			
17	Customer Service & Information			
18	Marketing			
	Administrative & General			
19	Operating Expenses	(8)	(8)	
20	Depreciation			
21	Taxes			
22	Total Admin. & General	(8)	(8)	0
23	Total Electric Expenses	(8)	(8)	0
24	Operating Income before FIT	8	8	0
	Federal Income Taxes			
25	Current Accrual	3	3	0
26	Deferred Income Taxes			
27	NET OPERATING INCOME	\$5	\$5	\$0
	RATE BASE			
	PLANT IN SERVICE			
28	Intangible			
29	Production			
30	Transmission			
31	Distribution			
32	General			
33	Total Plant in Service	0	0	0
34	ACCUMULATED DEPRECIATION			
35	ACCUM. PROVISION FOR AMORTIZATION			
36	Total Accum. Depreciation & Amort.	0	0	0
37	GAIN ON SALE OF BUILDING			
38	DEFERRED TAXES			
39	TOTAL RATE BASE	\$0	\$0	\$0

AVISTA UTILITIES
ELECTRIC ADJUSTMENT SUMMARY
TWELVE MONTHS ENDED SEPTEMBER 30, 2008
(000'S OF DOLLARS)

RESTATE EXCISE
TAXES
ELECTRIC

Line No.	DESCRIPTION	System	Washington	Idaho
REVENUES				
1	Total General Business	\$0		
2	Interdepartmental Sales			
3	Sales For Resale			
4	Total Sales of Electricity	0	0	0
5	Other Revenue			
6	Total Electric Revenue	0	0	0
EXPENSES				
Production and Transmission				
7	Operating Expenses			
8	Purchased Power			
9	Depreciation and Amortization			
10	Taxes			
11	Total Production & Transmission	0	0	0
Distribution				
12	Operating Expenses			
13	Depreciation			
14	Taxes	31	31	
15	Total Distribution	31	31	0
16	Customer Accounting			
17	Customer Service & Information			
18	Marketing			
Administrative & General				
19	Operating Expenses			
20	Depreciation			
21	Taxes			
22	Total Admin. & General	0	0	0
23	Total Electric Expenses	31	31	0
24	Operating Income before FIT	(31)	(31)	0
Federal Income Taxes				
25	Current Accrual	35.0%	(11)	(11)
26	Deferred Income Taxes			0
27	NET OPERATING INCOME	(\$20)	(\$20)	\$0
RATE BASE				
PLANT IN SERVICE				
28	Intangible			
29	Production			
30	Transmission			
31	Distribution			
32	General			
33	Total Plant in Service	0	0	0
34	ACCUMULATED DEPRECIATION			
35	ACCUM. PROVISION FOR AMORTIZATION			
36	Total Accum. Depreciation & Amort.	0	0	0
37	GAIN ON SALE OF BUILDING			
38	DEFERRED TAXES			
39	TOTAL RATE BASE	\$0	\$0	\$0

AVISTA UTILITIES
ELECTRIC ADJUSTMENT SUMMARY
TWELVE MONTHS ENDED SEPTEMBER 30, 2008
(000'S OF DOLLARS)

REVENUE
NORMALIZATION
ELECTRIC

Line No.	DESCRIPTION	System	Washington	Idaho
REVENUES				
1	Total General Business	\$28,750	\$28,750	
2	Interdepartmental Sales			
3	Sales For Resale			
4	Total Sales of Electricity	28,750	28,750	0
5	Other Revenue	432	432	
6	Total Electric Revenue	29,182	29,182	0
EXPENSES				
Production and Transmission				
7	Operating Expenses	(70)	(70)	
8	Purchased Power			
9	Depreciation and Amortization	2,688	2,688	
10	Taxes			
11	Total Production & Transmission	2,618	2,618	0
Distribution				
12	Operating Expenses			
13	Depreciation			
14	Taxes	1,127	1,127	0
15	Total Distribution	1,127	1,127	0
16	Customer Accounting	76	76	
17	Customer Service & Information	(10,688)	(10,688)	
18	Marketing			
Administrative & General				
19	Operating Expenses	58	58	
20	Depreciation			
21	Taxes			
22	Total Admin. & General	58	58	0
23	Total Electric Expenses	(6,809)	(6,809)	0
24	Operating Income before FIT	35,991	35,991	0
Federal Income Taxes				
25	Current Accrual	12,597	12,597	0
26	Deferred Income Taxes		0	
27	NET OPERATING INCOME	\$23,394	\$23,394	\$0
RATE BASE				
PLANT IN SERVICE				
28	Intangible			
29	Production			
30	Transmission			
31	Distribution			
32	General			
33	Total Plant in Service	0	0	0
34	ACCUMULATED DEPRECIATION			
35	ACCUM. PROVISION FOR AMORTIZATION			
36	Total Accum. Depreciation & Amort.	0	0	0
37	GAIN ON SALE OF BUILDING			
38	DEFERRED TAXES			
39	TOTAL RATE BASE	\$0	\$0	\$0

AVISTA UTILITIES
 CALCULATION OF IDAHO STATE INCOME TAX
 TWELVE MONTHS ENDED SEPTEMBER 30, 2008
 (000'S) OF DOLLARS

0
 0
 ELECTRIC

Description	Idaho
REVENUES	
Total General Business	\$0
Interdepartmental Sales	0
Sales For Resale	0
Total Sales of Electricity	0
Other Revenue	0
Total Electric Revenue	0
EXPENSES	
Production and Transmission	
Operating Expenses	0
Purchased Power	0
Depreciation and Amortization	0
Taxes	0
Total Production & Transmission	0
Distribution	
Operating Expenses	0
Depreciation	0
Taxes	0
Total Distribution	0
Customer Accounting	0
Customer Service & Information	0
Marketing	0
Administrative & General	
Operating Expenses	0
Depreciation	0
Taxes	0
Total Admin. & General	0
Total Electric Expenses	0
Operating Income before SIT	0
Idaho State Income Tax	
Adjusted Rate of	0.012216
	\$0

AVISTA UTILITIES
ELECTRIC ADJUSTMENT SUMMARY
TWELVE MONTHS ENDED SEPTEMBER 30, 2008
(000'S OF DOLLARS)

MISCELLANEOUS
RESTATING ADJUSTMENTS
ELECTRIC

Line No.	DESCRIPTION	System	Washington	Idaho
REVENUES				
1	Total General Business	\$0	\$0	\$0
2	Interdepartmental Sales			
3	Sales For Resale			
4	Total Sales of Electricity	0	0	0
5	Other Revenue			
6	Total Electric Revenue	0	0	0
EXPENSES				
Production and Transmission				
7	Operating Expenses	0	0	0
8	Purchased Power			
9	Depreciation and Amortization	0	0	
10	Taxes	0		
11	Total Production & Transmission	0	0	0
Distribution				
12	Operating Expenses	0	0	0
13	Depreciation			
14	Taxes	0	0	0
15	Total Distribution	0	0	0
16	Customer Accounting	0	0	0
17	Customer Service & Information	0	0	0
18	Marketing	0	0	0
Administrative & General				
19	Operating Expenses	(214)	(214)	0
20	Depreciation			
21	Taxes			
22	Total Admin. & General	(214)	(214)	0
23	Total Electric Expenses	(214)	(214)	0
24	Operating Income before FIT	214	214	0
Federal Income Taxes				
25	Current Accrual	35.0%	75	75
26	Deferred Income Taxes			0
27	NET OPERATING INCOME	\$139	\$139	\$0
RATE BASE				
PLANT IN SERVICE				
28	Intangible			
29	Production	0		
30	Transmission			
31	Distribution			
32	General			
33	Total Plant in Service	0	0	0
34	ACCUMULATED DEPRECIATION	0		
35	ACCUM. PROVISION FOR AMORTIZATION			
36	Total Accum. Depreciation & Amort.	0	0	0
37	GAIN ON SALE OF BUILDING			
38	DEFERRED TAXES	0		
39	TOTAL RATE BASE	\$0	\$0	\$0

AVISTA UTILITIES
ELECTRIC ADJUSTMENT SUMMARY
TWELVE MONTHS ENDED SEPTEMBER 30, 2008
(000'S OF DOLLARS)

RESTATE
DEBT INTEREST
ELECTRIC

Line No.	DESCRIPTION	System	Washington	Idaho
REVENUES				
1	Total General Business	\$0		
2	Interdepartmental Sales			
3	Sales For Resale			
4	Total Sales of Electricity	0	0	0
5	Other Revenue			
6	Total Electric Revenue	0	0	0
EXPENSES				
Production and Transmission				
7	Operating Expenses			
8	Purchased Power			
9	Depreciation and Amortization			
10	Taxes			
11	Total Production & Transmission	0	0	0
Distribution				
12	Operating Expenses			
13	Depreciation			
14	Taxes	0		0
15	Total Distribution	0	0	0
16	Customer Accounting			
17	Customer Service & Information			
18	Marketing			
Administrative & General				
19	Operating Expenses			
20	Depreciation			
21	Taxes			
22	Total Admin. & General	0	0	0
23	Total Electric Expenses	0	0	0
24	Operating Income before FIT	0	0	0
Federal Income Taxes				
25	Current Accrual (at 35%)	(683)	(683)	0
26	Deferred income Taxes			
27	NET OPERATING INCOME	\$683	\$683	\$0
RATE BASE				
PLANT IN SERVICE				
28	Intangible			
29	Production			
30	Transmission			
31	Distribution			
32	General			
33	Total Plant in Service	0	0	0
34	ACCUMULATED DEPRECIATION			
35	ACCUM. PROVISION FOR AMORTIZATION			
36	Total Accum. Depreciation & Amort.	0	0	0
37	GAIN ON SALE OF BUILDING			
38	DEFERRED TAXES			
39	TOTAL RATE BASE	\$0	\$0	\$0

AVISTA UTILITIES
 CALCULATION OF IDAHO STATE INCOME TAX
 TWELVE MONTHS ENDED SEPTEMBER 30, 2008
 (000'S) OF DOLLARS

RESTATE
 DEBT INTEREST
 ELECTRIC

Description	Idaho
REVENUES	
Total General Business	\$0
Interdepartmental Sales	0
Sales For Resale	0
Total Sales of Electricity	0
Other Revenue	0
Total Electric Revenue	0
EXPENSES	
Production and Transmission	
Operating Expenses	0
Purchased Power	0
Depreciation and Amortization	0
Taxes	0
Total Production & Transmission	0
Distribution	
Operating Expenses	0
Depreciation	0
Taxes	0
Total Distribution	0
Customer Accounting	0
Customer Service & Information	0
Marketing	0
Administrative & General	
Operating Expenses	0
Depreciation	0
Taxes	0
Total Admin. & General	0
Total Electric Expenses	0
Operating Income before SIT	0
Idaho State Income Tax	
Adjusted Rate of	0.012216
	\$0

AVISTA UTILITIES
Restate Debt Interest - Proforma
Washington - Electric
For the Twelve Months Ended September 30, 2008
(000's)

<u>Adjustment Description</u>	<u>Rate Base Adjustments</u>
b Per Results Report	1,053,828
c Deferred FIT Rate Base	(142,713)
d Deferred Gain on Office Building	(126)
e Colstrip 3 AFUDC Elimination	(1,956)
f Colstrip Common AFUDC	436
g Kettle Falls Disallow.	(854)
h Customer Advances	(231)
i Depreciation True-up	0
j Settlement Exchange Power	18,422
k Eliminate B & O Taxes	0
l Property Tax	0
m Uncollect. Expense	0
n Regulatory Expense	0
o Injuries and Damages	0
p FIT	0
q Eliminate WA Power Cost Defer	0
r Nez Perce Settlement Adjustment	0
s Eliminate A/R Expenses	0
t Office Space Charges to Subsidiaries	0
u Restate Excise Taxes	0
v Net Gains/losses	0
w Revenue Normalization	0
x Misc Restating	0
y Restate Debt Interest	0
PF1 Pro Forma Power Supply	0
PF2 Pro Forma Prod Property Adj	(12,500)
PF3 Pro Forma Labor Non-Exec	0
PF4 Pro Forma Labor Exec	0
PF5 Pro Forma Transmission Rev/Exp	0
PF6 Pro Forma Capital Add 2008	21,445
PF7 Pro Forma Capital Add 2009	22,936
PF8 Pro Forma Noxon Gen 2010	5,386
PF9 Pro Forma Asset Management	0
PF10 Pro Forma Information Services	0
PF11 Pro Forma Spokane Rvr Relicensing	23,325
PF12 Pro Forma CDA Tribe Settlement	16,819
PF13 Pro Forma Montana Lease	2,859
PF14 Pro Forma Colstrip Mercury Emiss. O&M	0
PF15 Pro Forma Incentives	0
PF16 Pro Forma O&M Plant Expense	0
PF17 Pro Forma Employee Benefits	0
PF18 Pro Forma Insurance	0
PF19 Pro Forma Clark Fork PM&E	0
PF20 Pro Forma Open	0
Restated Rate Base	<u>1,007,076</u>
Weighted Average Cost of Debt	<u>3.45%</u>
Restated Debt Interest	\$34,744
Interest Per Results (E-FIT-12A)	<u>32,793</u>
Increase (Decrease) in Interest Expense	1,951
FIT Rate	<u>x 0.350</u>
Increase (Decrease) in FIT	-\$683

Inputs

Twelve Month Period Ending	TWELVE MONTHS ENDED SEPTEMBER 30, 2008
Idaho State Income Tax Rate of	0.012216
Company Name	AVISTA UTILITIES

updated tm 1/5/09

AVISTA UTILITIES
ELECTRIC ADJUSTMENT SUMMARY
TWELVE MONTHS ENDED SEPTEMBER 30, 2008
(000'S OF DOLLARS)

PRO FORMA
POWER SUPPLY
ADJUSTMENT
ELECTRIC

Line No.	DESCRIPTION	System	Washington	Idaho
REVENUES				
1	Total General Business	\$0		
2	Interdepartmental Sales			
3	Sales For Resale	(56,623)	(56,623)	
4	Total Sales of Electricity	(56,623)	(56,623)	0
5	Other Revenue	(27,028)	(27,028)	
6	Total Electric Revenue	(83,651)	(83,651)	0
EXPENSES				
Production and Transmission				
7	Operating Expenses	19,916	19,916	
8	Purchased Power	(66,597)	(66,597)	
9	Depreciation and Amortization			
10	Taxes			
11	Total Production & Transmission	(46,681)	(46,681)	0
Distribution				
12	Operating Expenses			
13	Depreciation			
14	Taxes	0		
15	Total Distribution	0	0	0
16	Customer Accounting			
17	Customer Service & Information			
18	Marketing			
Administrative & General				
19	Operating Expenses	0		
20	Depreciation			
21	Taxes			
22	Total Admin. & General	0	0	0
23	Total Electric Expenses	(46,681)	(46,681)	0
24	Operating Income before FIT	(36,970)	(36,970)	0
Federal Income Taxes				
25	Current Accrual	35.0%	(12,940)	(12,940)
26	Deferred Income Taxes			0
27	NET OPERATING INCOME	(\$24,030)	(\$24,030)	\$0
RATE BASE				
PLANT IN SERVICE				
28	Intangible			
29	Production			
30	Transmission			
31	Distribution			
32	General			
33	Total Plant in Service	0	0	0
34	ACCUMULATED DEPRECIATION			
35	ACCUM. PROVISION FOR AMORTIZATION			
36	Total Accum. Depreciation & Amort.	0	0	0
37	GAIN ON SALE OF BUILDING			
38	DEFERRED TAXES			
39	TOTAL RATE BASE	\$0	\$0	\$0

AVISTA UTILITIES
ELECTRIC ADJUSTMENT SUMMARY
TWELVE MONTHS ENDED SEPTEMBER 30, 2008
(000'S OF DOLLARS)

PRO FORMA
PRODUCTION PROPERTY
ADJUSTMENT
ELECTRIC

Line No.	DESCRIPTION	System	Washington	Idaho
REVENUES				
1	Total General Business	\$0		
2	Interdepartmental Sales			
3	Sales For Resale	(3,350)	(3,350)	
4	Total Sales of Electricity	(3,350)	(3,350)	0
5	Other Revenue	(304)	(304)	
6	Total Electric Revenue	(3,654)	(3,654)	0
EXPENSES				
Production and Transmission				
7	Operating Expenses	(8,749)	(8,749)	
8	Purchased Power	(3,859)	(3,859)	
9	Depreciation and Amortization	(767)	(767)	
10	Taxes	(201)	(201)	
11	Total Production & Transmission	(13,576)	(13,576)	0
Distribution				
12	Operating Expenses			
13	Depreciation			
14	Taxes	0		
15	Total Distribution	0	0	0
16	Customer Accounting			
17	Customer Service & Information			
18	Marketing			
Administrative & General				
19	Operating Expenses	0		
20	Depreciation			
21	Taxes			
22	Total Admin. & General	0	0	0
23	Total Electric Expenses	(13,576)	(13,576)	0
24	Operating Income before FIT	9,922	9,922	0
Federal Income Taxes				
25	Current Accrual	3,473	3,473	0
26	Deferred Income Taxes			
27	NET OPERATING INCOME	\$6,449	\$6,449	\$0
RATE BASE				
PLANT IN SERVICE				
28	Intangible	(2,377)	(\$2,377)	
29	Production	(14,014)	(14,014)	
30	Transmission	(5,854)	(5,854)	
31	Distribution			
32	General			
33	Total Plant in Service	(22,245)	(22,245)	0
34	ACCUMULATED DEPRECIATION	(7,324)	(7,324)	
35	ACCUM. PROVISION FOR AMORTIZATION			
36	Total Accum. Depreciation & Amort.	(7,324)	(7,324)	0
37	GAIN ON SALE OF BUILDING			
38	DEFERRED TAXES	2,421	2,421	
39	TOTAL RATE BASE	(\$12,500)	(\$12,500)	\$0

AVISTA UTILITIES

AVERAGE PRODUCTION AND TRANSMISSION COST
WASHINGTON ELECTRIC
TWELVE MONTHS ENDED SEPTEMBER 30, 2008

Column	Description of Adjustment	(000's)	Production/Transmission		
			Revenue	Expense	Rate Base
b	Per Results Report		159,899	355,486	615,840
c	Deferred FIT Rate Base			-	(86,478)
d	Deferred Gain on Office Building			-	
e	Colstrip 3 AFUDC Elimination		-	(202)	(1,956)
f	Colstrip Common AFUDC		-	-	436
g	Kettle Falls Disallow.		-	-	(854)
h	Customer Advances			-	
i	Depreciation True-up		-	(685)	-
j	Settlement Exchange Power		-	-	18,422
	Actual		<u>159,899</u>	<u>354,599</u>	<u>545,410</u>
k	Eliminate B & O Taxes			-	
l	Property Tax			2,085	
m	Uncollect. Expense			-	
n	Regulatory Expense			-	
o	Injuries and Damages			-	
p	FIT			-	
q	Eliminate WA Power Cost Defer			(17,668)	
r	Nez Perce Settlement Adjustment			9	
s	Eliminate A/R Expenses			-	
t	Office Space Charges to Subsidiaries			-	
u	Restate Excise Taxes			-	
v	Net Gains/losses			-	
w	Revenue Normalization		171	2,618	
x	Misc Restating			-	
y	Restate Debt Interest			-	
	Restated Total		<u>160,070</u>	<u>341,643</u>	<u>545,410</u>
PF1	Pro Forma Power Supply		(83,651)	(46,681)	-
PF2	Pro Forma Prod Property Adj		(3,654)	(13,576)	(12,500)
PF3	Pro Forma Labor Non-Exec			1,031	
PF4	Pro Forma Labor Exec			9	
PF5	Pro Forma Transmission Rev/Exp		24	103	-
PF6	Pro Forma Capital Add 2008			(77)	6,190
PF7	Pro Forma Capital Add 2009			1,199	5,375
PF9	Pro Forma Asset Management			874	-
PF11	Pro Forma Spokane Rvr Relicensing			3,636	23,325
PF12	Pro Forma CDA Tribe Settlement			829	16,819
PF13	Pro Forma Montana Lease			3,516	2,859
PF14	Pro Forma Colstrip Mercury Emiss. O&M			1,873	-
PF15	Pro Forma Incentives			-	
PF16	Pro Forma O&M Plant Expense			2,269	-
PF17	Pro Forma Employee Benefits			1,041	-
PF18	Pro Forma Insurance			-	
PF19	Pro Forma Clark Fork PM&E			656	-
	Pro Forma Total		<u>72,789</u>	<u>298,345</u>	<u>587,478</u>

AVISTA UTILITIES

AVERAGE PRODUCTION AND TRANSMISSION COST
 WASHINGTON ELECTRIC
TWELVE MONTHS ENDED SEPTEMBER 30, 2008

Proposed Production and Transmission Revenue Requirement
 Calculation of Proposed Retail Revenue Credit Rate

Line			(\$000's)	Debt Cost
1	Prod/Trans	Pro Forma Rate Base	\$587,478	
2		Proposed Rate of Return	<u>8.680%</u>	3.45%
3	Rate Base	Net Operating Income Requirement	\$50,993	
4	Tax Effect	Net Operating Income Requirement (Rate Base x Debt Cost x -35%)	(\$7,094)	
5	Net Expense	Net Operating Income Requirement (Expense - Revenue)	225,556	
6	Tax Effect	Net Operating Income Requirement (Net Expense x -35%)	(\$78,945)	
7	Total Prod/Trans	Net Operating Income Requirement	\$190,511	
8	1 - Tax Rate	Conversion Factor (Excl. Rev. Rel. Exp.)	0.65	
9	Prod/Trans	Revenue Requirement	\$293,093	
10	12ME Sept 2008 WA Normalized Retail Load MWh		5,487,574	
11	Prod/Trans Rev Requirement per kWh (Retail Revenue Credit Rate)		\$ 0.05341	

AVISTA UTILITIES
ELECTRIC ADJUSTMENT SUMMARY
TWELVE MONTHS ENDED SEPTEMBER 30, 2008
(000'S OF DOLLARS)

PRO FORMA
LABOR NON-EXECUTIVE
ADJUSTMENT
ELECTRIC

Line No.	DESCRIPTION	System	Washington	Idaho
REVENUES				
1	Total General Business	\$0		
2	Interdepartmental Sales			
3	Sales For Resale			
4	Total Sales of Electricity	0	0	0
5	Other Revenue	0		0
6	Total Electric Revenue	0	0	0
EXPENSES				
Production and Transmission				
7	Operating Expenses	1,430	1,031	399
8	Purchased Power			
9	Depreciation and Amortization			
10	Taxes			
11	Total Production & Transmission	1,430	1,031	399
Distribution				
12	Operating Expenses	1,136	842	294
13	Depreciation			
14	Taxes	(13)		(13)
15	Total Distribution	1,123	842	281
16	Customer Accounting	441	348	93
17	Customer Service & Information	27	20	7
18	Marketing	38	31	7
Administrative & General				
19	Operating Expenses	994	715	279
20	Depreciation			
21	Taxes			
22	Total Admin. & General	994	715	279
23	Total Electric Expenses	4,053	2,987	1,066
24	Operating Income before FIT	(4,053)	(2,987)	(1,066)
Federal Income Taxes				
25	Current Accrual	35.0%	(1,418)	(1,045)
26	Deferred Income Taxes			(373)
27	NET OPERATING INCOME	(\$2,635)	(\$1,942)	(\$693)
RATE BASE				
PLANT IN SERVICE				
28	Intangible			
29	Production			
30	Transmission			
31	Distribution			
32	General			
33	Total Plant in Service	0	0	0
34	ACCUMULATED DEPRECIATION			
35	ACCUM. PROVISION FOR AMORTIZATION			
36	Total Accum. Depreciation & Amort.	0	0	0
37	GAIN ON SALE OF BUILDING			
38	DEFERRED TAXES			
39	TOTAL RATE BASE	\$0	\$0	\$0

AVISTA UTILITIES
 CALCULATION OF IDAHO STATE INCOME TAX
 TWELVE MONTHS ENDED SEPTEMBER 30, 2008
 (000'S) OF DOLLARS.

LABOR NON-EXECUTIVE
 ADJUSTMENT
 ELECTRIC

Description	Idaho
REVENUES	
Total General Business	\$0
Interdepartmental Sales	0
Sales For Resale	0
Total Sales of Electricity	0
Other Revenue	0
Total Electric Revenue	0
EXPENSES	
Production and Transmission	
Operating Expenses	399
Purchased Power	0
Depreciation and Amortization	0
Taxes	0
Total Production & Transmission	399
Distribution	
Operating Expenses	294
Depreciation	0
Taxes	0
Total Distribution	294
Customer Accounting	93
Customer Service & Information	7
Marketing	7
Administrative & General	
Operating Expenses	279
Depreciation	0
Taxes	0
Total Admin. & General	279
Total Electric Expenses	1,079
Operating Income before SIT	(1,079)
Idaho State Income Tax	
Adjusted Rate of	0.012216
	(\$13)

AVISTA UTILITIES
ELECTRIC ADJUSTMENT SUMMARY
TWELVE MONTHS ENDED SEPTEMBER 30, 2008
(000'S OF DOLLARS)

PRO FORMA
LABOR EXECUTIVE
ADJUSTMENT
ELECTRIC

Line No.	DESCRIPTION	System	Washington	Idaho
REVENUES				
1	Total General Business	\$0		
2	Interdepartmental Sales			
3	Sales For Resale			
4	Total Sales of Electricity	0	0	0
5	Other Revenue	0		0
6	Total Electric Revenue	0	0	0
EXPENSES				
Production and Transmission				
7	Operating Expenses	14	9	5
8	Purchased Power			
9	Depreciation and Amortization			
10	Taxes			
11	Total Production & Transmission	14	9	5
Distribution				
12	Operating Expenses			
13	Depreciation			
14	Taxes	(2)		(2)
15	Total Distribution	(2)	0	(2)
16	Customer Accounting			
17	Customer Service & Information			
18	Marketing			
Administrative & General				
19	Operating Expenses	354	230	124
20	Depreciation			
21	Taxes			
22	Total Admin. & General	354	230	124
23	Total Electric Expenses	366	239	127
24	Operating Income before FIT	(366)	(239)	(127)
Federal Income Taxes				
25	Current Accrual	35.0%	(128)	(84)
26	Deferred Income Taxes			(44)
27	NET OPERATING INCOME	(\$238)	(\$155)	(\$83)
RATE BASE				
PLANT IN SERVICE				
28	Intangible			
29	Production			
30	Transmission			
31	Distribution			
32	General			
33	Total Plant in Service	0	0	0
34	ACCUMULATED DEPRECIATION			
35	ACCUM. PROVISION FOR AMORTIZATION			
36	Total Accum. Depreciation & Amort.	0	0	0
37	GAIN ON SALE OF BUILDING			
38	DEFERRED TAXES			
39	TOTAL RATE BASE	\$0	\$0	\$0

AVISTA UTILITIES
 CALCULATION OF IDAHO STATE INCOME TAX
 TWELVE MONTHS ENDED SEPTEMBER 30, 2008
 (000'S) OF DOLLARS

LABOR EXECUTIVE
 ADJUSTMENT
 ELECTRIC

Description	Idaho
REVENUES	
Total General Business	\$0
Interdepartmental Sales	0
Sales For Resale	0
Total Sales of Electricity	0
Other Revenue	0
Total Electric Revenue	0
EXPENSES	
Production and Transmission	
Operating Expenses	5
Purchased Power	0
Depreciation and Amortization	0
Taxes	0
Total Production & Transmission	5
Distribution	
Operating Expenses	0
Depreciation	0
Taxes	0
Total Distribution	0
Customer Accounting	0
Customer Service & Information	0
Marketing	0
Administrative & General	
Operating Expenses	124
Depreciation	0
Taxes	0
Total Admin. & General	124
Total Electric Expenses	129
Operating Income before SIT	(129)
Idaho State Income Tax	
Adjusted Rate of	0.012216
	(\$2)

AVISTA UTILITIES
ELECTRIC ADJUSTMENT SUMMARY
TWELVE MONTHS ENDED SEPTEMBER 30, 2008
(000'S OF DOLLARS)

PRO FORMA
TRANSMISSION REV/EXP
ELECTRIC

Line No.	DESCRIPTION	System	Washington	Idaho
REVENUES				
1	Total General Business	\$0	\$0	\$0
2	Interdepartmental Sales			
3	Sales For Resale			
4	Total Sales of Electricity	0	0	0
5	Other Revenue	24	24	0
6	Total Electric Revenue	24	24	0
EXPENSES				
Production and Transmission				
7	Operating Expenses	\$103	103	0
8	Purchased Power			
9	Depreciation and Amortization			
10	Taxes			
11	Total Production & Transmission	103	103	0
Distribution				
12	Operating Expenses			
13	Depreciation			
14	Taxes	0	0	0
15	Total Distribution	0	0	0
16	Customer Accounting			
17	Customer Service & Information			
18	Marketing			
Administrative & General				
19	Operating Expenses	0	0	
20	Depreciation			
21	Taxes			
22	Total Admin. & General	0	0	0
23	Total Electric Expenses	103	103	0
24	Operating Income before FIT	(79)	(79)	0
Federal Income Taxes				
25	Current Accrual	35.0%	(28)	(28)
26	Deferred Income Taxes			0
27	NET OPERATING INCOME	(\$51)	(\$51)	\$0
RATE BASE				
PLANT IN SERVICE				
28	Intangible			
29	Production			
30	Transmission			
31	Distribution			
32	General			
33	Total Plant in Service	0	0	0
34	ACCUMULATED DEPRECIATION			
35	ACCUM. PROVISION FOR AMORTIZATION			
36	Total Accum. Depreciation & Amort.	0	0	0
37	GAIN ON SALE OF BUILDING			
38	DEFERRED TAXES			
39	TOTAL RATE BASE	\$0	\$0	\$0

AVISTA UTILITIES
 CALCULATION OF IDAHO STATE INCOME TAX
 TWELVE MONTHS ENDED SEPTEMBER 30, 2008
 (000'S) OF DOLLARS

PRO FORMA
 TRANSMISSION REV/EXP
 ELECTRIC

Description	Idaho
REVENUES	
Total General Business	\$0
Interdepartmental Sales	0
Sales For Resale	0
Total Sales of Electricity	0
Other Revenue	0
Total Electric Revenue	0
EXPENSES	
Production and Transmission	
Operating Expenses	0
Purchased Power	0
Depreciation and Amortization	0
Taxes	0
Total Production & Transmission	0
Distribution	
Operating Expenses	0
Depreciation	0
Taxes	0
Total Distribution	0
Customer Accounting	0
Customer Service & Information	0
Marketing	0
Administrative & General	
Operating Expenses	0
Depreciation	0
Taxes	0
Total Admin. & General	0
Total Electric Expenses	0
Operating Income before SIT	0
Idaho State Income Tax	
Adjusted Rate of	0.012216
	\$0

AVISTA UTILITIES
ELECTRIC ADJUSTMENT SUMMARY
TWELVE MONTHS ENDED SEPTEMBER 30, 2008
(000'S OF DOLLARS)

PRO FORMA
CAPITAL ADDITIONS 2008
ELECTRIC

Line No.	DESCRIPTION	System	Washington	Idaho
REVENUES				
1	Total General Business	\$0		
2	Interdepartmental Sales			
3	Sales For Resale			
4	Total Sales of Electricity	0	0	0
5	Other Revenue	0		0
6	Total Electric Revenue	0	0	0
EXPENSES				
Production and Transmission				
7	Operating Expenses			
8	Purchased Power			
9	Depreciation and Amortization	(77)	(77)	0
10	Taxes	0	0	0
11	Total Production & Transmission	(77)	(77)	0
Distribution				
12	Operating Expenses			
13	Depreciation	296	296	0
14	Taxes	0	0	0
15	Total Distribution	296	296	0
16	Customer Accounting			
17	Customer Service & Information			
18	Marketing			
Administrative & General				
19	Operating Expenses	0		
20	Depreciation	509	509	0
21	Taxes	0	0	
22	Total Admin. & General	509	509	0
23	Total Electric Expenses	728	728	0
24	Operating Income before FIT	(728)	(728)	0
Federal Income Taxes				
25	Current Accrual	35.0%	(255)	(255)
26	Deferred Income Taxes			0
27	NET OPERATING INCOME	(\$473)	(\$473)	\$0
RATE BASE				
PLANT IN SERVICE				
28	Intangible	\$349	\$349	\$0
29	Production	18,107	18,107	0
30	Transmission	9,165	9,165	0
31	Distribution	26,515	26,515	0
32	General	9,697	9,697	0
33	Total Plant in Service	63,833	63,833	0
34	ACCUMULATED DEPRECIATION	35,387	35,387	0
35	ACCUM. PROVISION FOR AMORTIZATION	0		
36	Total Accum. Depreciation & Amort.	35,387	35,387	0
37	GAIN ON SALE OF BUILDING	0		
38	DEFERRED TAXES	(7,001)	(7,001)	0
39	TOTAL RATE BASE	\$21,445	\$21,445	\$0

AVISTA UTILITIES
 CALCULATION OF IDAHO STATE INCOME TAX
 TWELVE MONTHS ENDED SEPTEMBER 30, 2008
 (000'S) OF DOLLARS

PRO FORMA
 CAPITAL ADDITIONS 2008
 ELECTRIC

Description	Idaho
REVENUES	
Total General Business	\$0
Interdepartmental Sales	0
Sales For Resale	0
Total Sales of Electricity	<u>0</u>
Other Revenue	0
Total Electric Revenue	<u>0</u>
EXPENSES	
Production and Transmission	
Operating Expenses	0
Purchased Power	0
Depreciation and Amortization	0
Taxes	0
Total Production & Transmission	<u>0</u>
Distribution	
Operating Expenses	0
Depreciation	0
Taxes	0
Total Distribution	<u>0</u>
Customer Accounting	0
Customer Service & Information	0
Marketing	0
Administrative & General	
Operating Expenses	0
Depreciation	0
Taxes	0
Total Admin. & General	<u>0</u>
Total Electric Expenses	<u>0</u>
Operating Income before SIT	<u>0</u>
Idaho State Income Tax	
Adjusted Rate of	0.012216
	<u><u>\$0</u></u>

AVISTA UTILITIES
ELECTRIC ADJUSTMENT SUMMARY
TWELVE MONTHS ENDED SEPTEMBER 30, 2008
(000'S OF DOLLARS)

PRO FORMA
CAPITAL ADDITIONS 2009
ELECTRIC

Line No.	DESCRIPTION	System	Washington	Idaho
REVENUES				
1	Total General Business	\$0	\$0	\$0
2	Interdepartmental Sales			
3	Sales For Resale			
4	Total Sales of Electricity	0	0	0
5	Other Revenue			
6	Total Electric Revenue	0	0	0
EXPENSES				
Production and Transmission				
7	Operating Expenses	0		
8	Purchased Power			
9	Depreciation and Amortization	722	722	0
10	Taxes	477	477	0
11	Total Production & Transmission	1,199	1,199	0
Distribution				
12	Operating Expenses			
13	Depreciation	810	810	0
14	Taxes	429	429	0
15	Total Distribution	1,239	1,239	0
16	Customer Accounting	0	0	0
17	Customer Service & Information			
18	Marketing			
Administrative & General				
19	Operating Expenses	0	0	0
20	Depreciation	1,784	1,784	0
21	Taxes	249	249	0
22	Total Admin. & General	2,033	2,033	0
23	Total Electric Expenses	4,471	4,471	0
24	Operating Income before FIT	(4,471)	(4,471)	0
Federal Income Taxes				
25	Current Accrual	35.0%	(1,565)	(1,565)
26	Deferred Income Taxes			0
27	NET OPERATING INCOME	(\$2,906)	(\$2,906)	\$0
RATE BASE				
PLANT IN SERVICE				
28	Intangible	\$5,498	\$5,498	\$0
29	Production	24,825	24,825	0
30	Transmission	7,245	7,245	0
31	Distribution	29,017	29,017	0
32	General	11,865	11,865	0
33	Total Plant in Service	78,450	78,450	0
34	ACCUMULATED DEPRECIATION	47,867	47,867	0
35	ACCUM. PROVISION FOR AMORTIZATION			
36	Total Accum. Depreciation & Amort.	47,867	47,867	0
37	GAIN ON SALE OF BUILDING			
38	DEFERRED TAXES	(7,647)	(7,647)	0
39	TOTAL RATE BASE	\$22,936	\$22,936	\$0

AVISTA UTILITIES
 CALCULATION OF IDAHO STATE INCOME TAX
 TWELVE MONTHS ENDED SEPTEMBER 30, 2008
 (000'S) OF DOLLARS

PRO FORMA
 CAPITAL ADDITIONS 2009
 ELECTRIC

Description	Idaho
REVENUES	
Total General Business	\$0
Interdepartmental Sales	0
Sales For Resale	0
Total Sales of Electricity	0
Other Revenue	0
Total Electric Revenue	0
EXPENSES	
Production and Transmission	
Operating Expenses	0
Purchased Power	0
Depreciation and Amortization	0
Taxes	0
Total Production & Transmission	0
Distribution	
Operating Expenses	0
Depreciation	0
Taxes	0
Total Distribution	0
Customer Accounting	0
Customer Service & Information	0
Marketing	0
Administrative & General	
Operating Expenses	0
Depreciation	0
Taxes	0
Total Admin. & General	0
Total Electric Expenses	0
Operating Income before SIT	0
Idaho State Income Tax	
Adjusted Rate of	0.012216
	\$0

AVISTA UTILITIES
ELECTRIC ADJUSTMENT SUMMARY
TWELVE MONTHS ENDED SEPTEMBER 30, 2008
(000'S OF DOLLARS)

PRO FORMA
NOXON GENERATION 2010
ELECTRIC

Line No.	DESCRIPTION	System	Washington	Idaho
REVENUES				
1	Total General Business	\$0	\$0	\$0
2	Interdepartmental Sales			
3	Sales For Resale			
4	Total Sales of Electricity	0	0	0
5	Other Revenue			
6	Total Electric Revenue	0	0	0
EXPENSES				
Production and Transmission				
7	Operating Expenses			
8	Purchased Power			
9	Depreciation and Amortization	158	158	0
10	Taxes	82	82	
11	Total Production & Transmission	240	240	0
Distribution				
12	Operating Expenses			
13	Depreciation	0	0	0
14	Taxes	0	0	0
15	Total Distribution	0	0	0
16	Customer Accounting	0	0	
17	Customer Service & Information			
18	Marketing			
Administrative & General				
19	Operating Expenses	0	0	0
20	Depreciation	0	0	0
21	Taxes			
22	Total Admin. & General	0	0	0
23	Total Electric Expenses	240	240	0
24	Operating Income before FIT	(240)	(240)	0
Federal Income Taxes				
25	Current Accrual	(84)	(84)	0
26	Deferred Income Taxes			
27	NET OPERATING INCOME	(\$156)	(\$156)	\$0
RATE BASE				
PLANT IN SERVICE				
28	Intangible	\$0	\$0	\$0
29	Production	5,464	5,464	0
30	Transmission	0	0	0
31	Distribution	0	0	0
32	General	0	0	0
33	Total Plant in Service	5,464	5,464	0
34	ACCUMULATED DEPRECIATION	56	56	0
35	ACCUM. PROVISION FOR AMORTIZATION			
36	Total Accum. Depreciation & Amort.	56	56	0
37	GAIN ON SALE OF BUILDING			
38	DEFERRED TAXES	(22)	(22)	0
39	TOTAL RATE BASE	\$5,386	\$5,386	\$0

AVISTA UTILITIES
ELECTRIC ADJUSTMENT SUMMARY
TWELVE MONTHS ENDED SEPTEMBER 30, 2008
(000'S OF DOLLARS)

PRO FORMA
INFORMATION SERVICES
ELECTRIC

Line No.	DESCRIPTION	System	Washington	Idaho
REVENUES				
1	Total General Business	\$0	\$0	\$0
2	Interdepartmental Sales			
3	Sales For Resale			
4	Total Sales of Electricity	0	0	0
5	Other Revenue			
6	Total Electric Revenue	0	0	0
EXPENSES				
Production and Transmission				
7	Operating Expenses	0	0	0
8	Purchased Power			
9	Depreciation and Amortization	0	0	
10	Taxes	0		
11	Total Production & Transmission	0	0	0
Distribution				
12	Operating Expenses	0	0	0
13	Depreciation			
14	Taxes	0	0	0
15	Total Distribution	0	0	0
16	Customer Accounting	0	0	0
17	Customer Service & Information	0	0	0
18	Marketing	0	0	0
Administrative & General				
19	Operating Expenses	1,752	1,752	0
20	Depreciation			
21	Taxes			
22	Total Admin. & General	1,752	1,752	0
23	Total Electric Expenses	1,752	1,752	0
24	Operating Income before FIT	(1,752)	(1,752)	0
Federal Income Taxes				
25	Current Accrual	35.0%	(613)	(613)
26	Deferred Income Taxes			0
27	NET OPERATING INCOME	(\$1,139)	(\$1,139)	\$0
RATE BASE				
PLANT IN SERVICE				
28	Intangible			
29	Production	0		
30	Transmission			
31	Distribution			
32	General			
33	Total Plant in Service	0	0	0
34	ACCUMULATED DEPRECIATION	0		
35	ACCUM. PROVISION FOR AMORTIZATION			
36	Total Accum. Depreciation & Amort.	0	0	0
37	GAIN ON SALE OF BUILDING			
38	DEFERRED TAXES	0		
39	TOTAL RATE BASE	\$0	\$0	\$0

AVISTA UTILITIES
ELECTRIC ADJUSTMENT SUMMARY
TWELVE MONTHS ENDED SEPTEMBER 30, 2008
(000'S OF DOLLARS)

PRO FORMA
ASSET MANAGEMENT

Line No.	DESCRIPTION	ELECTRIC				
		System	Washington	Idaho		
REVENUES						
1	Total General Business	\$0	\$0	\$0		
2	Interdepartmental Sales					
3	Sales For Resale					
4	Total Sales of Electricity	0	0	0		
5	Other Revenue					
6	Total Electric Revenue	0	0	0		
EXPENSES						
Production and Transmission						
7	Operating Expenses	874	874	0		
8	Purchased Power					
9	Depreciation and Amortization	0	0	0		
10	Taxes	0				
11	Total Production & Transmission	874	874	0		
Distribution						
12	Operating Expenses	2,023	2,023	0		
13	Depreciation					
14	Taxes	0	0	0		
15	Total Distribution	2,023	2,023	0		
16	Customer Accounting	0	0	0		
17	Customer Service & Information	0	0	0		
18	Marketing	0	0	0		
Administrative & General						
19	Operating Expenses	0	0	0		
20	Depreciation					
21	Taxes					
22	Total Admin. & General	0	0	0		
23	Total Electric Expenses	2,897	2,897	0		
24	Operating Income before FIT	(2,897)	(2,897)	0		
Federal Income Taxes						
25	Current Accrual	35.0%	(1,014)	(1,014)		
26	Deferred Income Taxes			0		
27	NET OPERATING INCOME	(\$1,883)	(\$1,883)	\$0		
RATE BASE						
PLANT IN SERVICE						
28	Intangible					
29	Production	0				
30	Transmission					
31	Distribution					
32	General					
33	Total Plant in Service	0	0	0		
34	ACCUMULATED DEPRECIATION	0				
35	ACCUM. PROVISION FOR AMORTIZATION					
36	Total Accum. Depreciation & Amort.	0	0	0		
37	GAIN ON SALE OF BUILDING					
38	DEFERRED TAXES	0				
39	TOTAL RATE BASE	\$0	\$0	\$0		

AVISTA UTILITIES
 CALCULATION OF IDAHO STATE INCOME TAX
 TWELVE MONTHS ENDED SEPTEMBER 30, 2008
 (000'S) OF DOLLARS

PRO FORMA
 ASSET MANAGEMENT
 ELECTRIC

Description	Idaho
REVENUES	
Total General Business	\$0
Interdepartmental Sales	0
Sales For Resale	0
Total Sales of Electricity	0
Other Revenue	0
Total Electric Revenue	0
EXPENSES	
Production and Transmission	
Operating Expenses	0
Purchased Power	0
Depreciation and Amortization	0
Taxes	0
Total Production & Transmission	0
Distribution	
Operating Expenses	0
Depreciation	0
Taxes	0
Total Distribution	0
Customer Accounting	0
Customer Service & Information	0
Marketing	0
Administrative & General	
Operating Expenses	0
Depreciation	0
Taxes	0
Total Admin. & General	0
Total Electric Expenses	0
Operating Income before SIT	0
Idaho State Income Tax	
Adjusted Rate of	0.012216
	<u>\$0</u>

AVISTA UTILITIES
ELECTRIC ADJUSTMENT SUMMARY
TWELVE MONTHS ENDED SEPTEMBER 30, 2008
(000'S OF DOLLARS)

PRO FORMA
SPOKANE RIVER RELICENSING
ELECTRIC

Line No.	DESCRIPTION	System	Washington	Idaho
REVENUES				
1	Total General Business	\$0	\$0	\$0
2	Interdepartmental Sales			
3	Sales For Resale			
4	Total Sales of Electricity	0	0	0
5	Other Revenue			
6	Total Electric Revenue	0	0	0
EXPENSES				
Production and Transmission				
7	Operating Expenses	1,677	1,677	0
8	Purchased Power			
9	Depreciation and Amortization	1,959	1,959	0
10	Taxes	0		
11	Total Production & Transmission	3,636	3,636	0
Distribution				
12	Operating Expenses	0	0	0
13	Depreciation			
14	Taxes	0	0	0
15	Total Distribution	0	0	0
16	Customer Accounting	0	0	0
17	Customer Service & Information	0	0	0
18	Marketing	0	0	0
Administrative & General				
19	Operating Expenses	0	0	0
20	Depreciation			
21	Taxes			
22	Total Admin. & General	0	0	0
23	Total Electric Expenses	3,636	3,636	0
24	Operating Income before FIT	(3,636)	(3,636)	0
Federal Income Taxes				
25	Current Accrual	(1,273)	(1,273)	0
26	Deferred Income Taxes			
27	NET OPERATING INCOME	(\$2,363)	(\$2,363)	\$0
RATE BASE				
PLANT IN SERVICE				
28	Intangible	26,703	\$26,703	\$0
29	Production			
30	Transmission			
31	Distribution			
32	General			
33	Total Plant in Service	26,703	26,703	0
34	ACCUMULATED DEPRECIATION			
35	ACCUM. PROVISION FOR AMORTIZATION	560	560	0
36	Total Accum. Depreciation & Amort.	560	560	0
37	GAIN ON SALE OF BUILDING			
38	DEFERRED TAXES	(2,818)	(2,818)	
39	TOTAL RATE BASE	\$23,325	\$23,325	\$0

AVISTA UTILITIES
 CALCULATION OF IDAHO STATE INCOME TAX
 TWELVE MONTHS ENDED SEPTEMBER 30, 2008
 (000'S) OF DOLLARS

PRO FORMA
 SPOKANE RIVER RELICENSING
 ELECTRIC

Description	Idaho
REVENUES	
Total General Business	\$0
Interdepartmental Sales	0
Sales For Resale	0
Total Sales of Electricity	0
Other Revenue	0
Total Electric Revenue	0
EXPENSES	
Production and Transmission	
Operating Expenses	0
Purchased Power	0
Depreciation and Amortization	0
Taxes	0
Total Production & Transmission	0
Distribution	
Operating Expenses	0
Depreciation	0
Taxes	0
Total Distribution	0
Customer Accounting	0
Customer Service & Information	0
Marketing	0
Administrative & General	
Operating Expenses	0
Depreciation	0
Taxes	0
Total Admin. & General	0
Total Electric Expenses	0
Operating Income before SIT	0
Idaho State Income Tax	0
Adjusted Rate of	0.012216
	<u>\$0</u>

AVISTA UTILITIES
ELECTRIC ADJUSTMENT SUMMARY
TWELVE MONTHS ENDED SEPTEMBER 30, 2008
(000'S OF DOLLARS)

PRO FORMA
CDA TRIBE SETTLEMENT
ELECTRIC

Line No.	DESCRIPTION	System	Washington	Idaho
REVENUES				
1	Total General Business	\$0	\$0	\$0
2	Interdepartmental Sales			
3	Sales For Resale			
4	Total Sales of Electricity	0	0	0
5	Other Revenue			
6	Total Electric Revenue	0	0	0
EXPENSES				
Production and Transmission				
7	Operating Expenses	0	0	0
8	Purchased Power			
9	Depreciation and Amortization	829	829	0
10	Taxes	0		
11	Total Production & Transmission	829	829	0
Distribution				
12	Operating Expenses	0	0	0
13	Depreciation			
14	Taxes	0	0	0
15	Total Distribution	0	0	0
16	Customer Accounting	0	0	0
17	Customer Service & Information	0	0	0
18	Marketing	0	0	0
Administrative & General				
19	Operating Expenses	0	0	0
20	Depreciation			
21	Taxes			
22	Total Admin. & General	0	0	0
23	Total Electric Expenses	829	829	0
24	Operating Income before FIT	(829)	(829)	0
Federal Income Taxes				
25	Current Accrual	35.0%	(290)	(290)
26	Deferred Income Taxes			0
27	NET OPERATING INCOME	(\$539)	(\$539)	\$0
RATE BASE				
PLANT IN SERVICE				
28	Intangible	25,866	\$25,866	
29	Production	0	0	0
30	Transmission			
31	Distribution			
32	General			
33	Total Plant in Service	25,866	25,866	0
34	ACCUMULATED DEPRECIATION	663	663	
35	ACCUM. PROVISION FOR AMORTIZATION			
36	Total Accum. Depreciation & Amort.	663	663	0
37	GAIN ON SALE OF BUILDING			
38	DEFERRED TAXES	(8,384)	(8,384)	0
39	TOTAL RATE BASE	\$16,819	\$16,819	\$0

AVISTA UTILITIES
 CALCULATION OF IDAHO STATE INCOME TAX
 TWELVE MONTHS ENDED SEPTEMBER 30, 2008
 (000'S) OF DOLLARS

PRO FORMA
 CDA TRIBE SETTLEMENT
 ELECTRIC

Description	Idaho
REVENUES	
Total General Business	\$0
Interdepartmental Sales	0
Sales For Resale	0
Total Sales of Electricity	0
Other Revenue	0
Total Electric Revenue	0
EXPENSES	
Production and Transmission	
Operating Expenses	0
Purchased Power	0
Depreciation and Amortization	0
Taxes	0
Total Production & Transmission	0
Distribution	
Operating Expenses	0
Depreciation	0
Taxes	0
Total Distribution	0
Customer Accounting	0
Customer Service & Information	0
Marketing	0
Administrative & General	
Operating Expenses	0
Depreciation	0
Taxes	0
Total Admin. & General	0
Total Electric Expenses	0
Operating Income before SIT	0
Idaho State Income Tax	
Adjusted Rate of	0.012216
	<u>\$0</u>

AVISTA UTILITIES
ELECTRIC ADJUSTMENT SUMMARY
TWELVE MONTHS ENDED SEPTEMBER 30, 2008
(000'S OF DOLLARS)

PRO FORMA
COLSTRIP MERCURY EMISSIONS O&M
ELECTRIC

Line No.	DESCRIPTION	System	Washington	Idaho
REVENUES				
1	Total General Business	\$0	\$0	\$0
2	Interdepartmental Sales			
3	Sales For Resale			
4	Total Sales of Electricity	0	0	0
5	Other Revenue			
6	Total Electric Revenue	0	0	0
EXPENSES				
Production and Transmission				
7	Operating Expenses	1,873	1,873	0
8	Purchased Power			
9	Depreciation and Amortization	0	0	
10	Taxes	0		
11	Total Production & Transmission	1,873	1,873	0
Distribution				
12	Operating Expenses	0	0	0
13	Depreciation			
14	Taxes	0	0	0
15	Total Distribution	0	0	0
16	Customer Accounting	0	0	0
17	Customer Service & Information	0	0	0
18	Marketing	0	0	0
Administrative & General				
19	Operating Expenses	0	0	0
20	Depreciation			
21	Taxes			
22	Total Admin. & General	0	0	0
23	Total Electric Expenses	1,873	1,873	0
24	Operating Income before FIT	(1,873)	(1,873)	0
Federal Income Taxes				
25	Current Accrual	35.0%	(656)	(656)
26	Deferred Income Taxes			0
27	NET OPERATING INCOME	(\$1,217)	(\$1,217)	\$0
RATE BASE				
PLANT IN SERVICE				
28	Intangible			
29	Production	0		
30	Transmission			
31	Distribution			
32	General			
33	Total Plant in Service	0	0	0
34	ACCUMULATED DEPRECIATION	0		
35	ACCUM. PROVISION FOR AMORTIZATION			
36	Total Accum. Depreciation & Amort.	0	0	0
37	GAIN ON SALE OF BUILDING			
38	DEFERRED TAXES	0		
39	TOTAL RATE BASE	\$0	\$0	\$0

AVISTA UTILITIES
ELECTRIC ADJUSTMENT SUMMARY
TWELVE MONTHS ENDED SEPTEMBER 30, 2008
(000'S OF DOLLARS)

PRO FORMA
MONTANA LEASE
ELECTRIC

Line No.	DESCRIPTION	System	Washington	Idaho
REVENUES				
1	Total General Business	\$0	\$0	\$0
2	Interdepartmental Sales			
3	Sales For Resale			
4	Total Sales of Electricity	0	0	0
5	Other Revenue			
6	Total Electric Revenue	0	0	0
EXPENSES				
Production and Transmission				
7	Operating Expenses	0	0	0
8	Purchased Power			
9	Depreciation and Amortization	3,516	3,516	0
10	Taxes	0		
11	Total Production & Transmission	3,516	3,516	0
Distribution				
12	Operating Expenses	0	0	0
13	Depreciation			
14	Taxes	0	0	0
15	Total Distribution	0	0	0
16	Customer Accounting	0	0	0
17	Customer Service & Information	0	0	0
18	Marketing	0	0	0
Administrative & General				
19	Operating Expenses	0	0	0
20	Depreciation			
21	Taxes			
22	Total Admin. & General	0	0	0
23	Total Electric Expenses	3,516	3,516	0
24	Operating Income before FIT	(3,516)	(3,516)	0
Federal Income Taxes				
25	Current Accrual	35.0%	(1,231)	(1,231)
26	Deferred Income Taxes		0	0
27	NET OPERATING INCOME	(\$2,285)	(\$2,285)	\$0
RATE BASE				
PLANT IN SERVICE				
28	Intangible			
29	Production	4,398	4,398	0
30	Transmission			
31	Distribution			
32	General			
33	Total Plant in Service	4,398	4,398	0
34	ACCUMULATED DEPRECIATION	0		
35	ACCUM. PROVISION FOR AMORTIZATION			
36	Total Accum. Depreciation & Amort.	0	0	0
37	GAIN ON SALE OF BUILDING			
38	DEFERRED TAXES	(1,539)	(1,539)	0
39	TOTAL RATE BASE	\$2,859	\$2,859	\$0

AVISTA UTILITIES
 CALCULATION OF IDAHO STATE INCOME TAX
 TWELVE MONTHS ENDED SEPTEMBER 30, 2008
 (000'S) OF DOLLARS

PRO FORMA
 MONTANA LEASE
 ELECTRIC

Description	Idaho
REVENUES	
Total General Business	\$0
Interdepartmental Sales	0
Sales For Resale	0
Total Sales of Electricity	0
Other Revenue	0
Total Electric Revenue	0
EXPENSES	
Production and Transmission	
Operating Expenses	0
Purchased Power	0
Depreciation and Amortization	0
Taxes	0
Total Production & Transmission	0
Distribution	
Operating Expenses	0
Depreciation	0
Taxes	0
Total Distribution	0
Customer Accounting	0
Customer Service & Information	0
Marketing	0
Administrative & General	
Operating Expenses	0
Depreciation	0
Taxes	0
Total Admin. & General	0
Total Electric Expenses	0
Operating Income before SIT	0
Idaho State Income Tax	
Adjusted Rate of	0.012216
	\$0

AVISTA UTILITIES
ELECTRIC ADJUSTMENT SUMMARY
TWELVE MONTHS ENDED SEPTEMBER 30, 2008
(000'S OF DOLLARS)

PRO FORMA
INCENTIVES
ELECTRIC

Line No.	DESCRIPTION	System	Washington	Idaho
REVENUES				
1	Total General Business	\$0	\$0	\$0
2	Interdepartmental Sales			
3	Sales For Resale			
4	Total Sales of Electricity	0	0	0
5	Other Revenue			
6	Total Electric Revenue	0	0	0
EXPENSES				
Production and Transmission				
7	Operating Expenses	0	0	0
8	Purchased Power			
9	Depreciation and Amortization	0	0	
10	Taxes	0		
11	Total Production & Transmission	0	0	0
Distribution				
12	Operating Expenses	0	0	0
13	Depreciation			
14	Taxes	0	0	0
15	Total Distribution	0	0	0
16	Customer Accounting	0	0	0
17	Customer Service & Information	0	0	0
18	Marketing	0	0	0
Administrative & General				
19	Operating Expenses	550	550	0
20	Depreciation			
21	Taxes			
22	Total Admin. & General	550	550	0
23	Total Electric Expenses	550	550	0
24	Operating Income before FIT	(550)	(550)	0
Federal Income Taxes				
25	Current Accrual	35.0%	(193)	(193)
26	Deferred Income Taxes			0
27	NET OPERATING INCOME	(\$357)	(\$357)	\$0
RATE BASE				
PLANT IN SERVICE				
28	Intangible			
29	Production	0		
30	Transmission			
31	Distribution			
32	General			
33	Total Plant in Service	0	0	0
34	ACCUMULATED DEPRECIATION	0		
35	ACCUM. PROVISION FOR AMORTIZATION			
36	Total Accum. Depreciation & Amort.	0	0	0
37	GAIN ON SALE OF BUILDING			
38	DEFERRED TAXES	0		
39	TOTAL RATE BASE	\$0	\$0	\$0

AVISTA UTILITIES
ELECTRIC ADJUSTMENT SUMMARY
TWELVE MONTHS ENDED SEPTEMBER 30, 2008
(000'S OF DOLLARS)

PRO FORMA
O&M GENERATION PLANT EXPENSE
ELECTRIC

Line No.	DESCRIPTION	System	Washington	Idaho
REVENUES				
1	Total General Business	\$0	\$0	\$0
2	Interdepartmental Sales			
3	Sales For Resale			
4	Total Sales of Electricity	0	0	0
5	Other Revenue			
6	Total Electric Revenue	0	0	0
EXPENSES				
Production and Transmission				
7	Operating Expenses	2,269	2,269	0
8	Purchased Power			
9	Depreciation and Amortization	0	0	
10	Taxes	0		
11	Total Production & Transmission	2,269	2,269	0
Distribution				
12	Operating Expenses	0	0	0
13	Depreciation			
14	Taxes	0	0	0
15	Total Distribution	0	0	0
16	Customer Accounting	0	0	0
17	Customer Service & Information	0	0	0
18	Marketing	0	0	0
Administrative & General				
19	Operating Expenses	0	0	0
20	Depreciation			
21	Taxes			
22	Total Admin. & General	0	0	0
23	Total Electric Expenses	2,269	2,269	0
24	Operating Income before FIT	(2,269)	(2,269)	0
Federal Income Taxes				
25	Current Accrual	(794)	(794)	0
26	Deferred Income Taxes			
27	NET OPERATING INCOME	(\$1,475)	(\$1,475)	\$0
RATE BASE				
PLANT IN SERVICE				
28	Intangible			
29	Production	0		
30	Transmission			
31	Distribution			
32	General			
33	Total Plant in Service	0	0	0
34	ACCUMULATED DEPRECIATION	0		
35	ACCUM. PROVISION FOR AMORTIZATION			
36	Total Accum. Depreciation & Amort.	0	0	0
37	GAIN ON SALE OF BUILDING			
38	DEFERRED TAXES	0		
39	TOTAL RATE BASE	\$0	\$0	\$0

AVISTA UTILITIES
ELECTRIC ADJUSTMENT SUMMARY
TWELVE MONTHS ENDED SEPTEMBER 30, 2008
(000'S OF DOLLARS)

(Pension/Med Insur)
PRO FORMA
EMPLOYEE BENEFITS
ELECTRIC

Line No.	DESCRIPTION	System	Washington	Idaho
REVENUES				
1	Total General Business	\$0	\$0	\$0
2	Interdepartmental Sales			
3	Sales For Resale			
4	Total Sales of Electricity	0	0	0
5	Other Revenue			
6	Total Electric Revenue	0	0	0
EXPENSES				
Production and Transmission				
7	Operating Expenses	1,041	1,041	0
8	Purchased Power			
9	Depreciation and Amortization	0	0	
10	Taxes	0		
11	Total Production & Transmission	1,041	1,041	0
Distribution				
12	Operating Expenses	778	778	0
13	Depreciation			
14	Taxes	0	0	0
15	Total Distribution	778	778	0
16	Customer Accounting	329	329	0
17	Customer Service & Information	19	19	0
18	Marketing	30	30	0
Administrative & General				
19	Operating Expenses	1,768	1,768	0
20	Depreciation			
21	Taxes			
22	Total Admin. & General	1,768	1,768	0
23	Total Electric Expenses	3,965	3,965	0
24	Operating Income before FIT	(3,965)	(3,965)	0
Federal Income Taxes				
25	Current Accrual	35.0%	(1,388)	(1,388)
26	Deferred Income Taxes			0
27	NET OPERATING INCOME	(\$2,577)	(\$2,577)	\$0
RATE BASE				
PLANT IN SERVICE				
28	Intangible			
29	Production	0		
30	Transmission			
31	Distribution			
32	General			
33	Total Plant in Service	0	0	0
34	ACCUMULATED DEPRECIATION	0		
35	ACCUM. PROVISION FOR AMORTIZATION			
36	Total Accum. Depreciation & Amort.	0	0	0
37	GAIN ON SALE OF BUILDING			
38	DEFERRED TAXES	0		
39	TOTAL RATE BASE	\$0	\$0	\$0

AVISTA UTILITIES
ELECTRIC ADJUSTMENT SUMMARY
TWELVE MONTHS ENDED SEPTEMBER 30, 2008
(000'S OF DOLLARS)

PRO FORMA
INSURANCE
ELECTRIC

Line No.	DESCRIPTION	System	Washington	Idaho
REVENUES				
1	Total General Business	\$0	\$0	\$0
2	Interdepartmental Sales			
3	Sales For Resale			
4	Total Sales of Electricity	0	0	0
5	Other Revenue			
6	Total Electric Revenue	0	0	0
EXPENSES				
Production and Transmission				
7	Operating Expenses	0	0	0
8	Purchased Power			
9	Depreciation and Amortization	0	0	
10	Taxes	0		
11	Total Production & Transmission	0	0	0
Distribution				
12	Operating Expenses	0	0	0
13	Depreciation			
14	Taxes	0	0	0
15	Total Distribution	0	0	0
16	Customer Accounting	0	0	0
17	Customer Service & Information	0	0	0
18	Marketing	0	0	0
Administrative & General				
19	Operating Expenses	283	283	0
20	Depreciation			
21	Taxes			
22	Total Admin. & General	283	283	0
23	Total Electric Expenses	283	283	0
24	Operating Income before FIT	(283)	(283)	0
Federal Income Taxes				
25	Current Accrual	(99)	(99)	0
26	Deferred Income Taxes			
27	NET OPERATING INCOME	(\$184)	(\$184)	\$0
RATE BASE				
PLANT IN SERVICE				
28	Intangible			
29	Production	0		
30	Transmission			
31	Distribution			
32	General			
33	Total Plant in Service	0	0	0
34	ACCUMULATED DEPRECIATION	0		
35	ACCUM. PROVISION FOR AMORTIZATION			
36	Total Accum. Depreciation & Amort.	0	0	0
37	GAIN ON SALE OF BUILDING			
38	DEFERRED TAXES	0		
39	TOTAL RATE BASE	\$0	\$0	\$0

AVISTA UTILITIES
ELECTRIC ADJUSTMENT SUMMARY
TWELVE MONTHS ENDED SEPTEMBER 30, 2008
(000'S OF DOLLARS)

PRO FORMA
CLARK FORK PM&Es
ELECTRIC

Line No.	DESCRIPTION	System	Washington	Idaho
REVENUES				
1	Total General Business	\$0	\$0	\$0
2	Interdepartmental Sales			
3	Sales For Resale			
4	Total Sales of Electricity	0	0	0
5	Other Revenue			
6	Total Electric Revenue	0	0	0
EXPENSES				
Production and Transmission				
7	Operating Expenses	656	656	0
8	Purchased Power			
9	Depreciation and Amortization	0	0	
10	Taxes	0		
11	Total Production & Transmission	656	656	0
Distribution				
12	Operating Expenses	0	0	0
13	Depreciation			
14	Taxes	0	0	0
15	Total Distribution	0	0	0
16	Customer Accounting	0	0	0
17	Customer Service & Information	0	0	0
18	Marketing	0	0	0
Administrative & General				
19	Operating Expenses	0	0	0
20	Depreciation			
21	Taxes			
22	Total Admin. & General	0	0	0
23	Total Electric Expenses	656	656	0
24	Operating Income before FIT	(656)	(656)	0
Federal Income Taxes				
25	Current Accrual	35.0%	(230)	(230)
26	Deferred Income Taxes			0
27	NET OPERATING INCOME	(\$426)	(\$426)	\$0
RATE BASE				
PLANT IN SERVICE				
28	Intangible			
29	Production	0		
30	Transmission			
31	Distribution			
32	General			
33	Total Plant in Service	0	0	0
34	ACCUMULATED DEPRECIATION	0		
35	ACCUM. PROVISION FOR AMORTIZATION			
36	Total Accum. Depreciation & Amort.	0	0	0
37	GAIN ON SALE OF BUILDING			
38	DEFERRED TAXES	0		
39	TOTAL RATE BASE	\$0	\$0	\$0

AVISTA UTILITIES
ELECTRIC ADJUSTMENT SUMMARY
TWELVE MONTHS ENDED SEPTEMBER 30, 2008
(000'S OF DOLLARS)

PRO FORMA

Line No.	DESCRIPTION	ELECTRIC		
		System	Washington	Idaho
REVENUES				
1	Total General Business	\$0	\$0	\$0
2	Interdepartmental Sales			
3	Sales For Resale			
4	Total Sales of Electricity	0	0	0
5	Other Revenue			
6	Total Electric Revenue	0	0	0
EXPENSES				
Production and Transmission				
7	Operating Expenses	0	0	0
8	Purchased Power			
9	Depreciation and Amortization	0	0	
10	Taxes	0		
11	Total Production & Transmission	0	0	0
Distribution				
12	Operating Expenses	0	0	0
13	Depreciation			
14	Taxes	0	0	0
15	Total Distribution	0	0	0
16	Customer Accounting	0	0	0
17	Customer Service & Information	0	0	0
18	Marketing	0	0	0
Administrative & General				
19	Operating Expenses	0	0	0
20	Depreciation			
21	Taxes			
22	Total Admin. & General	0	0	0
23	Total Electric Expenses	0	0	0
24	Operating Income before FIT	0	0	0
Federal Income Taxes				
25	Current Accrual	0	0	0
26	Deferred Income Taxes	35.0%		
27	NET OPERATING INCOME	\$0	\$0	\$0
RATE BASE				
PLANT IN SERVICE				
28	Intangible			
29	Production	0		
30	Transmission			
31	Distribution			
32	General			
33	Total Plant in Service	0	0	0
34	ACCUMULATED DEPRECIATION	0		
35	ACCUM. PROVISION FOR AMORTIZATION			
36	Total Accum. Depreciation & Amort.	0	0	0
37	GAIN ON SALE OF BUILDING			
38	DEFERRED TAXES	0		
39	TOTAL RATE BASE	\$0	\$0	\$0

WORKPAPERS

In support of

Exhibit No. ____ (EMA-2)

Docket No. UE-09__

Witness: Elizabeth M. Andrews

AVISTA UTILITIES
ELECTRIC ADJUSTMENT SUMMARY
TWELVE MONTHS ENDED SEPTEMBER 30, 2008
(000'S OF DOLLARS)

POWER SUPPLY
NORMALIZED ADJUSTMENT
ELECTRIC

Line No.	DESCRIPTION	System	Washington	Idaho
REVENUES				
1	Total General Business	\$0		
2	Interdepartmental Sales			
3	Sales For Resale	(100,275)	(100,275)	
4	Total Sales of Electricity	(100,275)	(100,275)	0
5	Other Revenue			
6	Total Electric Revenue	(129,477)	(129,477)	0
EXPENSES				
Production and Transmission				
7	Operating Expenses	(17,182)	(17,182)	
8	Purchased Power	(98,483)	(98,483)	
9	Depreciation and Amortization			
10	Taxes			
11	Total Production & Transmission	(115,665)	(115,665)	0
Distribution				
12	Operating Expenses			
13	Depreciation			
14	Taxes	0		
15	Total Distribution	0	0	0
16	Customer Accounting			
17	Customer Service & Information			
18	Marketing			
Administrative & General				
19	Operating Expenses	0	0	
20	Depreciation			
21	Taxes			
22	Total Admin. & General	0	0	0
23	Total Electric Expenses	(115,665)	(115,665)	0
24	Operating Income before FIT	(13,812)	(13,812)	
Federal Income Taxes				
25	Current Accrual	35.0%	(4,834)	(4,834)
26	Deferred Income Taxes			
27	NET OPERATING INCOME	(\$8,978)	(\$8,978)	\$0
RATE BASE				
PLANT IN SERVICE				
28	Intangible			
29	Production			
30	Transmission			
31	Distribution			
32	General			
33	Total Plant in Service	0	0	0
34	ACCUMULATED DEPRECIATION			
35	ACCUM. PROVISION FOR AMORTIZATION			
36	Total Accum. Depreciation & Amort.	0	0	0
37	GAIN ON SALE OF BUILDING			
38	DEFERRED TAXES			
39	TOTAL RATE BASE	\$0	\$0	\$0

AVISTA UTILITIES
Ending Balance CWIP December 31, 2005
Jurisdictional Allocation

	Allocator	System	Washington	Idaho
<u>ELECTRIC</u>				
Intangible	1	725	474	251
Production/Transmission	1	31,534,698	20,614,232	10,920,466
Direct Distribution	99	10,466,843	4,698,232	5,768,611
Allocated Distribution	10	0	0	0
Direct General	99	189,786	144,719	45,067
Allocated General	4	0	0	0
Allocated Common	4	3,691,978	2,407,539	1,284,439
Subtotal Electric		45,884,030	27,865,195	18,018,835
Percent		100.000%	60.730%	39.270%
Electric Overhead		64,559	39,206	25,353
TOTAL ELECTRIC		45,948,589	27,904,402	18,044,187
Allocation Factors - From Roo E-ALL-12A				
Production Transmission Ratio	1	100.000%	65.370%	34.630%
Jurisdictional Four Factor	4	100.000%	65.210%	34.790%
Net Electric Distribution Plant	10	100.000%	62.220%	37.780%
Direct Assignment	99	0.000%	0.000%	0.000%
			51.723%	27.595%
			78%	81%
	Allocator	System	Washington	Idaho
<u>GAS</u>				
Intangible	4	0	0	0
Underground Storage	1C	0	0	0
Direct Distribution	99	3,589,862	1,698,005	1,891,857
Allocated Distribution	6	36,151	25,786	10,365
Direct General	99	50,341	39,788	10,553
Allocated General	4	0	0	0
Allocated Common	4	1,223,071	840,959	382,112
Subtotal Gas		4,899,425	2,604,539	2,294,886
Percent		100.000%	53.160%	46.840%
Gas Overhead		-741,959	-394,426	-347,533
TOTAL GAS		4,157,466	2,210,112	1,947,353
Allocation Factors - From ROO G-ALL-12A				
System Contract Demand	1C	100.000%	73.060%	26.940%
Jurisdictional Four Factor	4	100.000%	68.758%	31.242%
Actual Therms Purchased	6	100.000%	71.329%	28.671%
Direct Assignment	99	0.000%	0.000%	0.000%
			14.22%	6.46%
CD WA / CD ID			21.6%	19.0%

AVISTA UTILITIES
Ending Balance CWIP December 31, 2005
Jurisdictional Allocation

<u>WPNG</u>	<u>Allocator</u>	<u>System</u>	<u>Oregon</u>	<u>California</u>
Intangible	4	0	0	0
Production	99	0	0	0
Transmission	99	0	0	0
Distribution	99	5,343,895	5,343,895	0
Direct General	99	60,350	60,350	0
Allocated General	4	0	0	0
Allocated Common	4	505,164	505,164	0
Subtotal WPNG		5,909,409	5,909,409	0
Percent		100.000%	100.000%	0.000%
WPNG Overhead		-128,404	-128,404	0
TOTAL WPNG		5,781,006	5,781,006	0
Allocation Factors - From Roo W-ALL-12A				
Jurisdictional Four Factor	4	100.000%	100.000%	0.000%
Direct Assignment	99	0.000%	0.000%	0.000%

	<u>Allocator</u>	<u>Total Company</u>	<u>WWP Electric</u>	<u>WWP Gas</u>	<u>WPNG</u>
<u>COMMON</u>					
Common All - CDAA	7	5,129,512	3,713,716	1,001,178	414,618
Common Gas - GDAA	8	318,107	0	227,561	90,546
Common WWP - CDAN	9	-27,406	-21,738	-5,668	0
Total Common		5,420,213	3,691,978	1,223,071	505,164
Allocation Factors					
Utility 7	7	100.000%	72.399%	19.518%	8.083%
Utility 8	8	100.000%	0.000%	71.536%	28.464%
Utility 9	9	100.000%	79.318%	20.682%	0.000%

AVISTA UTILITIES
Ending Balance CWIP June 30, 2006
Jurisdictional Allocation

	Allocator	System	Washington	Idaho
<u>ELECTRIC</u>				
Intangible	1	0	0	0
Production/Transmission	1	47,301,935	30,921,275	16,380,660
Direct Distribution	99	10,451,650	3,531,060	6,920,591
Allocated Distribution	10	0	0	0
Direct General	99	125,479	101,752	23,727
Allocated General	4	0	0	0
Allocated Common	4	5,397,895	3,519,967	1,877,928
Subtotal Electric		63,276,958	38,074,053	25,202,905
Percent		100.000%	60.170%	39.830%
Electric Overhead		-194,760	-117,188	-77,572
TOTAL ELECTRIC		63,082,198	37,956,865	25,125,333
Allocation Factors - From Roo E-ALL-I2A				
Production Transmission Ratio	1	100.000%	65.370%	34.630%
Jurisdictional Four Factor	4	100.000%	65.210%	34.790%
Net Electric Distribution Plant	10	100.000%	62.190%	37.810%
Direct Assignment	99	0.000%	0.000%	0.000%
			52.297%	27.901%
CD WA / CD ID			79%	82%
<u>GAS</u>				
Intangible	4	0	0	0
Underground Storage	1C	0	0	0
Direct Distribution	99	3,507,087	1,908,825	1,598,263
Allocated Distribution	6	66,368	47,031	19,337
Direct General	99	31,752	26,491	5,261
Allocated General	4	0	0	0
Allocated Common	4	1,348,973	927,527	421,446
Subtotal Gas		4,954,180	2,909,873	2,044,307
Percent		100.000%	58.736%	41.264%
Gas Overhead		-474,160	-278,501	-195,659
TOTAL GAS		4,480,021	2,631,372	1,848,648
Allocation Factors - From ROO G-ALL-12A				
System Contract Demand	1C	100.000%	73.350%	26.650%
Jurisdictional Four Factor	4	100.000%	68.758%	31.242%
Actual Therms Purchased	6	100.000%	70.864%	29.136%
Direct Assignment	99	0.000%	0.000%	0.000%
			13.62%	6.19%
CD WA / CD ID			20.7%	18.1%

AVISTA UTILITIES
Ending Balance CWIP June 30, 2006
Jurisdictional Allocation

	Allocator	System	Oregon	California
<u>WPNG</u>				
Intangible	4	0	0	0
Production	99	0	0	0
Transmission	99	0	0	0
Distribution	99	3,247,834	3,247,834	0
Direct General	99	0	0	0
Allocated General	4	0	0	0
Allocated Common	4	580,709	580,709	0
Subtotal WPNG		3,828,544	3,828,544	0
Percent		100.000%	100.000%	0.000%
WPNG Overhead		-182,164	-182,164	0
TOTAL WPNG		3,646,379	3,646,379	0
Allocation Factors - From Roo W-ALL-12A				
Jurisdictional Four Factor	4	100.000%	100.000%	0.000%
Direct Assignment	99	0.000%	0.000%	0.000%

	Allocator	Total Company	WWP Electric	WWP Gas	WPNG
<u>COMMON</u>					
Common All - CDAA	7	7,190,553	5,288,005	1,321,839	580,709
Common Gas - GDAA	8	0	0	0	0
Common WWP - CDAN	9	137,023	109,890	27,133	0
Total Common		7,327,576	5,397,895	1,348,973	580,709
Allocation Factors					
Utility 7	7	100.000%	73.541%	18.383%	8.076%
Utility 8	8	100.000%	0.000%	69.885%	30.115%
Utility 9	9	100.000%	80.198%	19.802%	0.000%

AVISTA UTILITIES
Ending Balance CWIP December 31, 2006
Jurisdictional Allocation

	Allocator	System	Washington	Idaho
<u>ELECTRIC</u>				
Intangible	1	-388	-255	-132
Production/Transmission	1	65,434,093	43,075,263	22,358,830
Direct Distribution	99	11,569,058	4,239,179	7,329,879
Allocated Distribution	10	0	0	0
Direct General	99	174,580	41,827	132,753
Allocated General	4	0	0	0
Allocated Common	4	4,770,144	3,158,312	1,611,832
Subtotal Electric		81,947,487	50,514,326	31,433,161
Percent		100.000%	61.642%	38.358%
Electric Overhead		-965,846	-595,370	-370,476
TOTAL ELECTRIC		80,981,641	49,918,956	31,062,685
Allocation Factors - From ROO E-ALL-12A				
Production Transmission Ratio	1	100.000%	65.830%	34.170%
Jurisdictional Four Factor	4	100.000%	66.210%	33.790%
Net Electric Distribution Plant	10	100.000%	62.175%	37.825%
Direct Assignment	99	0.000%	0.000%	0.000%
			53.099%	27.099%
			80%	82%
	Allocator	System	Washington	Idaho
<u>GAS</u>				
Intangible	4	0	0	0
Underground Storage	1C	0	0	0
Direct Distribution	99	1,868,905	533,972	1,334,933
Allocated Distribution	6	134,238	95,681	38,557
Direct General	99	40,790	10,772	30,019
Allocated General	4	0	0	0
Allocated Common	4	1,233,204	851,589	381,615
Subtotal Gas		3,277,137	1,492,013	1,785,124
Percent		100.000%	45.528%	54.472%
Gas Overhead		-111,941	-50,964	-60,976
TOTAL GAS		3,165,197	1,441,049	1,724,147
Allocation Factors - From ROO G-ALL-12A				
System Contract Demand	1C	100.000%	73.350%	26.650%
Jurisdictional Four Factor	4	100.000%	69.055%	30.945%
Actual Therms Purchased	6	100.000%	71.277%	28.723%
Direct Assignment	99	0.000%	0.000%	0.000%
			13.67%	6.13%
CD WA / CD ID			20.5%	18.4%

AVISTA UTILITIES
Ending Balance CWIP December 31, 2006
Jurisdictional Allocation

	Allocator	System	Oregon	California
<u>WPNG</u>				
Intangible	4	0	0	0
Production	99	0	0	0
Transmission	99	0	0	0
Distribution	99	4,839,659	4,839,659	0
Direct General	99	0	0	0
Allocated General	4	0	0	0
Allocated Common	4	505,848	505,848	0
Subtotal WPNG		5,345,507	5,345,507	0
Percent		100.000%	100.000%	0.000%
WPNG Overhead		-314,545	-314,545	0
TOTAL WPNG		5,030,962	5,030,962	0
Allocation Factors - From Roo W-ALL-12A				
Jurisdictional Four Factor	4	100.000%	100.000%	0.000%
Direct Assignment	99	0.000%	0.000%	0.000%

	Allocator	Total Company	WWP Electric	WWP Gas	WPNG
<u>COMMON</u>					
Common All - CDAA	7	6,040,472	4,442,223	1,110,420	487,828
Common Gas - GDAA	8	59,835	0	41,816	18,019
Common WWP - CDAN	9	408,889	327,921	80,968	0
Total Common		6,509,196	4,770,144	1,233,204	505,848
Allocation Factors					
Utility 7	7	100.000%	73.541%	18.383%	8.076%
Utility 8	8	100.000%	0.000%	69.885%	30.115%
Utility 9	9	100.000%	80.198%	19.802%	0.000%

AVISTA UTILITIES
Average CWIP for the Twelve Months Ended 12/31/06
Jurisdictional Allocation

	<u>System</u>	<u>Washington</u>	<u>Idaho</u>	<u>Oregon</u>
TOTAL ELECTRIC	63,273,657	38,434,272	24,839,384	
TOTAL GAS	4,070,676	2,228,477	1,842,199	
TOTAL WPNG	<u>4,526,182</u>			4,526,182
	<u><u>71,870,514</u></u>			

AVISTA UTILITIES
ELECTRIC ADJUSTMENT SUMMARY
TWELVE MONTHS ENDED SEPTEMBER 30, 2008
(000'S OF DOLLARS)

WA RATE INCREASE
NORMALIZATION
ELECTRIC

Line No.	DESCRIPTION	System	Washington	Idaho
	REVENUES			
1	Total General Business	\$0	\$0	\$0
2	Interdepartmental Sales			
3	Sales For Resale			
4	Total Sales of Electricity	0	0	0
5	Other Revenue			
6	Total Electric Revenue	0	0	0
	EXPENSES			
	Production and Transmission			
7	Operating Expenses			
8	Purchased Power			
9	Depreciation and Amortization			
10	Taxes			
11	Total Production & Transmission	0	0	0
	Distribution			
12	Operating Expenses			
13	Depreciation			
14	Taxes	0	0	0
15	Total Distribution	0	0	0
16	Customer Accounting	0	0	
17	Customer Service & Information			
18	Marketing			
	Administrative & General			
19	Operating Expenses	0	0	0
20	Depreciation			
21	Taxes			
22	Total Admin. & General	0	0	0
23	Total Electric Expenses	0	0	0
24	Operating Income before FIT	0	0	0
	Federal Income Taxes			
25	Current Accrual	0	0	0
26	Deferred Income Taxes	35.0%		
27	NET OPERATING INCOME	\$0	\$0	\$0
	RATE BASE			
	PLANT IN SERVICE			
28	Intangible			
29	Production	0		
30	Transmission			
31	Distribution			
32	General			
33	Total Plant in Service	0	0	0
34	ACCUMULATED DEPRECIATION			
35	ACCUM. PROVISION FOR AMORTIZATION			
36	Total Accum. Depreciation & Amort.	0	0	0
37	GAIN ON SALE OF BUILDING			
38	DEFERRED TAXES			
39	TOTAL RATE BASE	\$0	\$0	\$0

AVISTA UTILITIES
 ELECTRIC RESULTS OF OPERATION
 SYSTEM RESTATED RESULTS
 TWELVE MONTHS ENDED SEPTEMBER 30, 2008
 (000'S OF DOLLARS)

Line No.	DESCRIPTION	Per Results Report	Deferred FIT Rate Base	Deferred Gain on Office Building	Colstrip 3 AFUDC Elimination	Colstrip Common AFUDC	mixed mixed Disallow.	0 Customer Advances
	a	b	c	d	e	f	g	h
REVENUES								
1	Total General Business	\$618,817						
2	Interdepartmental Sales	945						
3	Sales for Resale	195,819						
4	Total Sales of Electricity	815,581						
5	Other Revenue	56,326						
6	Total Electric Revenue	871,907						
EXPENSES								
Production and Transmission								
7	Operating Expenses	256,659						
8	Purchased Power	246,147						
9	Depreciation and Amortization	35,050			(202)			
10	Taxes	13,833						
11	Total Production & Transmission	551,689			(202)			
Distribution								
12	Operating Expenses	25,859						
13	Depreciation	22,950						
14	Taxes	37,353						
15	Total Distribution	86,162						
16	Customer Accounting	12,202						
17	Customer Service & Information	15,319						
18	Sales Expenses	957						
Administrative & General								
19	Operating Expenses	54,408						
20	Depreciation	10,882						
21	Taxes							
22	Total Admin. & General	65,290						
23	Total Electric Expenses	731,619			(202)			
24	OPERATING INCOME BEFORE FIT	140,288			202			
FEDERAL INCOME TAX								
25	Current Accrual	18,789						
26	Deferred Income Taxes	10,648					56	
27	NET OPERATING INCOME	\$110,851			\$202		\$(56)	
RATE BASE								
PLANT IN SERVICE								
28	Intangible	\$34,522						
29	Production	1,015,757			(7,452)	436	(5,248)	
30	Transmission	442,422						
31	Distribution	893,140						(231)
32	General	137,854						
33	Total Plant in Service	2,523,695			(7,452)	436	(5,248)	(231)
34	ACCUMULATED DEPRECIATION	854,139			(5,496)		(3,796)	
35	ACCUM. PROVISION FOR AMORTIZATION	10,571						
36	Total Accum. Depreciation & Amort.	864,710			(5,496)		(3,796)	
37	GAIN ON SALE OF BUILDING			(194)				
38	DEFERRED TAXES		(225,120)	68			598	
39	TOTAL RATE BASE	\$1,658,985	\$(225,120)	\$(126)	\$(1,956)	\$436	\$(854)	\$(231)
40	RATE OF RETURN							

AVISTA UTILITIES
 ELECTRIC RESULTS OF OPERATION
 SYSTEM RESTATED RESULTS
 TWELVE MONTHS ENDED SEPTEMBER 30, 2008
 (000'S OF DOLLARS)

Line No.	DESCRIPTION	* mixed mixed mixed	* mixed mixed mixed	* #REF! #REF! #REF!	* 0 Subtotal Actual	* #REF! #REF! #REF!
	a	i	j	k		l
REVENUES						
1	Total General Business			#REF!	\$618,817	#REF!
2	Interdepartmental Sales			#REF!	945	#REF!
3	Sales for Resale			#REF!	195,819	#REF!
4	Total Sales of Electricity			#REF!	815,581	#REF!
5	Other Revenue			#REF!	56,326	#REF!
6	Total Electric Revenue			#REF!	871,907	#REF!
EXPENSES						
Production and Transmission						
7	Operating Expenses			#REF!	256,659	#REF!
8	Purchased Power			#REF!	246,147	#REF!
9	Depreciation and Amortization	(685)		#REF!	34,163	#REF!
10	Taxes			#REF!	13,833	#REF!
11	Total Production & Transmission	(685)		#REF!	550,802	#REF!
Distribution						
12	Operating Expenses			#REF!	25,859	#REF!
13	Depreciation	857		#REF!	23,807	#REF!
14	Taxes			#REF!	37,353	#REF!
15	Total Distribution	857		#REF!	87,019	#REF!
16	Customer Accounting			#REF!	12,202	#REF!
17	Customer Service & Information			#REF!	15,319	#REF!
18	Sales Expenses			#REF!	957	#REF!
Administrative & General						
19	Operating Expenses			#REF!	54,408	#REF!
20	Depreciation	(232)		#REF!	10,650	#REF!
21	Taxes			#REF!		#REF!
22	Total Admin. & General	(232)		#REF!	65,058	#REF!
23	Total Electric Expenses	(60)		#REF!	731,357	#REF!
24	OPERATING INCOME BEFORE FIT	60		#REF!	140,550	#REF!
FEDERAL INCOME TAX						
25	Current Accrual	21		#REF!	18,810	#REF!
26	Deferred Income Taxes			#REF!	10,704	#REF!
27	NET OPERATING INCOME	\$39		#REF!	\$111,036	#REF!
RATE BASE						
PLANT IN SERVICE						
28	Intangible			#REF!	\$34,522	#REF!
29	Production	2,630	79,626	#REF!	1,085,749	#REF!
30	Transmission			#REF!	442,422	#REF!
31	Distribution			#REF!	892,909	#REF!
32	General			#REF!	137,854	#REF!
33	Total Plant in Service	2,630	79,626	#REF!	2,593,456	#REF!
34	ACCUMULATED DEPRECIATION			#REF!	844,847	#REF!
35	ACCUM. PROVISION FOR AMORTIZATION		57,168	#REF!	67,739	#REF!
36	Total Accum. Depreciation & Amort.		57,168	#REF!	912,586	#REF!
37	GAIN ON SALE OF BUILDING			#REF!	(194)	#REF!
38	DEFERRED TAXES		(4,036)	#REF!	(228,490)	#REF!
39	TOTAL RATE BASE	\$2,630	\$18,422	#REF!	\$1,452,186	#REF!
40	RATE OF RETURN					

AVISTA UTILITIES
 ELECTRIC RESULTS OF OPERATION
 SYSTEM RESTATED RESULTS
 TWELVE MONTHS ENDED SEPTEMBER 30, 2008
 (000'S OF DOLLARS)

Line No.	DESCRIPTION	Eliminate B & O Taxes	0 Property Tax	0 Uncollect. Expense	0 Regulatory Expense	Injuries and Damages	0 FIT	Restate Debt Interest
	a	m	n	o	p	q	r	s
REVENUES								
1	Total General Business	\$ (13,744)						
2	Interdepartmental Sales							
3	Sales for Resale							
4	Total Sales of Electricity	(13,744)						
5	Other Revenue	(16)						
6	Total Electric Revenue	(13,760)						
EXPENSES								
Production and Transmission								
7	Operating Expenses							
8	Purchased Power							
9	Depreciation and Amortization							
10	Taxes		2,085					
11	Total Production & Transmission		2,085					
Distribution								
12	Operating Expenses							
13	Depreciation							
14	Taxes	(13,726)	(643)					
15	Total Distribution	(13,726)	(643)					
16	Customer Accounting			(108)				
17	Customer Service & Information							
18	Sales Expenses							
Administrative & General								
19	Operating Expenses				80	86		
20	Depreciation							
21	Taxes		3					
22	Total Admin. & General		3		80	86		
23	Total Electric Expenses	(13,726)	1,445	(108)	80	86		
24	OPERATING INCOME BEFORE FIT	(34)	(1,445)	108	(80)	(86)		
FEDERAL INCOME TAX								
25	Current Accrual	(12)	(506)	38	(28)	(30)	1,715	(683)
26	Deferred Income Taxes						36	
27	NET OPERATING INCOME	\$ (22)	\$ (939)	\$70	\$ (52)	\$ (56)	\$ (1,751)	\$683
RATE BASE								
PLANT IN SERVICE								
28	Intangible							
29	Production							
30	Transmission							
31	Distribution							
32	General							
33	Total Plant in Service							
34	ACCUMULATED DEPRECIATION							
35	ACCUM. PROVISION FOR AMORTIZATION							
36	Total Accum. Depreciation & Amort.							
37	GAIN ON SALE OF BUILDING							
38	DEFERRED TAXES							
39	TOTAL RATE BASE							
40	RATE OF RETURN							

AVISTA UTILITIES
 ELECTRIC RESULTS OF OPERATION
 SYSTEM RESTATED RESULTS
 TWELVE MONTHS ENDED SEPTEMBER 30, 2008
 (000'S OF DOLLARS)

Line No.	DESCRIPTION	*	*	*	*	*	*	*
		mixed mixed mixed	mixed mixed mixed	#REF! #REF! #REF!	#REF! #REF! #REF!	#REF! #REF! #REF!	#REF! #REF! #REF!	#REF! #REF! #REF!
	a	t	u	v	w	x	y	z
REVENUES								
1	Total General Business	\$ (32,702)		#REF!	#REF!	#REF!	#REF!	#REF!
2	Interdepartmental Sales			#REF!	#REF!	#REF!	#REF!	#REF!
3	Sales for Resale			#REF!	#REF!	#REF!	#REF!	#REF!
4	Total Sales of Electricity	(32,702)		#REF!	#REF!	#REF!	#REF!	#REF!
5	Other Revenue			#REF!	#REF!	#REF!	#REF!	#REF!
6	Total Electric Revenue	(32,702)		#REF!	#REF!	#REF!	#REF!	#REF!
EXPENSES								
Production and Transmission								
7	Operating Expenses	(17,668)		#REF!	#REF!	#REF!	#REF!	#REF!
8	Purchased Power			#REF!	#REF!	#REF!	#REF!	#REF!
9	Depreciation and Amortization			#REF!	#REF!	#REF!	#REF!	#REF!
10	Taxes			#REF!	#REF!	#REF!	#REF!	#REF!
11	Total Production & Transmission	(17,668)		#REF!	#REF!	#REF!	#REF!	#REF!
Distribution								
12	Operating Expenses			#REF!	#REF!	#REF!	#REF!	#REF!
13	Depreciation			#REF!	#REF!	#REF!	#REF!	#REF!
14	Taxes	(1,262)		#REF!	#REF!	#REF!	#REF!	#REF!
15	Total Distribution	(1,262)		#REF!	#REF!	#REF!	#REF!	#REF!
16	Customer Accounting	(104)		#REF!	#REF!	#REF!	#REF!	#REF!
17	Customer Service & Information			#REF!	#REF!	#REF!	#REF!	#REF!
18	Sales Expenses			#REF!	#REF!	#REF!	#REF!	#REF!
Administrative & General								
19	Operating Expenses	(62)		#REF!	#REF!	#REF!	#REF!	#REF!
20	Depreciation			#REF!	#REF!	#REF!	#REF!	#REF!
21	Taxes			#REF!	#REF!	#REF!	#REF!	#REF!
22	Total Admin. & General	(62)		#REF!	#REF!	#REF!	#REF!	#REF!
23	Total Electric Expenses	(19,096)		#REF!	#REF!	#REF!	#REF!	#REF!
24	OPERATING INCOME BEFORE FIT	(13,606)		#REF!	#REF!	#REF!	#REF!	#REF!
FEDERAL INCOME TAX								
25	Current Accrual	(10,946)		#REF!	#REF!	#REF!	#REF!	#REF!
26	Deferred Income Taxes	6,184		#REF!	#REF!	#REF!	#REF!	#REF!
27	NET OPERATING INCOME	\$ (8,844)		#REF!	#REF!	#REF!	#REF!	#REF!
RATE BASE								
PLANT IN SERVICE								
28	Intangible			#REF!	#REF!	#REF!	#REF!	#REF!
29	Production			#REF!	#REF!	#REF!	#REF!	#REF!
30	Transmission			#REF!	#REF!	#REF!	#REF!	#REF!
31	Distribution			#REF!	#REF!	#REF!	#REF!	#REF!
32	General			#REF!	#REF!	#REF!	#REF!	#REF!
33	Total Plant in Service			#REF!	#REF!	#REF!	#REF!	#REF!
34	ACCUMULATED DEPRECIATION			#REF!	#REF!	#REF!	#REF!	#REF!
35	ACCUM. PROVISION FOR AMORTIZATION			#REF!	#REF!	#REF!	#REF!	#REF!
36	Total Accum. Depreciation & Amort.			#REF!	#REF!	#REF!	#REF!	#REF!
37	GAIN ON SALE OF BUILDING			#REF!	#REF!	#REF!	#REF!	#REF!
38	DEFERRED TAXES			#REF!	#REF!	#REF!	#REF!	#REF!
39	TOTAL RATE BASE			#REF!	#REF!	#REF!	#REF!	#REF!
40	RATE OF RETURN			#REF!	#REF!	#REF!	#REF!	#REF!

AVISTA UTILITIES
 ELECTRIC RESULTS OF OPERATION
 SYSTEM RESTATED RESULTS
 TWELVE MONTHS ENDED SEPTEMBER 30, 2008
 (000'S OF DOLLARS)

Line No.	DESCRIPTION	#REF!	0	#REF!	#REF!	#REF!
		#REF!	Restated	#REF!	#REF!	#REF!
		#REF!	TOTAL	#REF!	#REF!	#REF!
	a	aa	1	PF1	PF2	PF3
REVENUES						
1	Total General Business	#REF!	\$601,121	#REF!	#REF!	#REF!
2	Interdepartmental Sales	#REF!	945	#REF!	#REF!	#REF!
3	Sales for Resale	#REF!	195,819	#REF!	#REF!	#REF!
4	Total Sales of Electricity	#REF!	797,885	#REF!	#REF!	#REF!
5	Other Revenue	#REF!	56,742	#REF!	#REF!	#REF!
6	Total Electric Revenue	#REF!	854,627	#REF!	#REF!	#REF!
EXPENSES						
Production and Transmission						
7	Operating Expenses	#REF!	239,453	#REF!	#REF!	#REF!
8	Purchased Power	#REF!	246,147	#REF!	#REF!	#REF!
9	Depreciation and Amortization	#REF!	36,851	#REF!	#REF!	#REF!
10	Taxes	#REF!	15,918	#REF!	#REF!	#REF!
11	Total Production & Transmission	#REF!	538,369	#REF!	#REF!	#REF!
Distribution						
12	Operating Expenses	#REF!	25,859	#REF!	#REF!	#REF!
13	Depreciation	#REF!	23,685	#REF!	#REF!	#REF!
14	Taxes	#REF!	22,874	#REF!	#REF!	#REF!
15	Total Distribution	#REF!	72,418	#REF!	#REF!	#REF!
16	Customer Accounting	#REF!	11,550	#REF!	#REF!	#REF!
17	Customer Service & Information	#REF!	4,631	#REF!	#REF!	#REF!
18	Sales Expenses	#REF!	957	#REF!	#REF!	#REF!
Administrative & General						
19	Operating Expenses	#REF!	54,348	#REF!	#REF!	#REF!
20	Depreciation	#REF!	10,650	#REF!	#REF!	#REF!
21	Taxes	#REF!	3	#REF!	#REF!	#REF!
22	Total Admin. & General	#REF!	65,001	#REF!	#REF!	#REF!
23	Total Electric Expenses	#REF!	692,926	#REF!	#REF!	#REF!
24	OPERATING INCOME BEFORE FIT	#REF!	161,701	#REF!	#REF!	#REF!
FEDERAL INCOME TAX						
25	Current Accrual	#REF!	21,062	#REF!	#REF!	#REF!
26	Deferred Income Taxes	#REF!	16,924	#REF!	#REF!	#REF!
27	NET OPERATING INCOME	#REF!	\$123,715	#REF!	#REF!	#REF!
RATE BASE						
PLANT IN SERVICE						
28	Intangible	#REF!	\$34,522	#REF!	#REF!	#REF!
29	Production	#REF!	1,085,749	#REF!	#REF!	#REF!
30	Transmission	#REF!	442,422	#REF!	#REF!	#REF!
31	Distribution	#REF!	892,909	#REF!	#REF!	#REF!
32	General	#REF!	137,854	#REF!	#REF!	#REF!
33	Total Plant in Service	#REF!	2,593,456	#REF!	#REF!	#REF!
34	ACCUMULATED DEPRECIATION	#REF!	844,847	#REF!	#REF!	#REF!
35	ACCUM. PROVISION FOR AMORTIZATION	#REF!	67,739	#REF!	#REF!	#REF!
36	Total Accum. Depreciation & Amort.	#REF!	912,586	#REF!	#REF!	#REF!
37	GAIN ON SALE OF BUILDING	#REF!	(194)	#REF!	#REF!	#REF!
38	DEFERRED TAXES	#REF!	(228,490)	#REF!	#REF!	#REF!
39	TOTAL RATE BASE	#REF!	\$1,452,186	#REF!	#REF!	#REF!
40	RATE OF RETURN					

AVISTA UTILITIES
 ELECTRIC RESULTS OF OPERATION
 SYSTEM RESTATED RESULTS
 TWELVE MONTHS ENDED SEPTEMBER 30, 2008
 (000'S OF DOLLARS)

Line No.	DESCRIPTION	*	*	*	*	*	*	*
		#REF! #REF! #REF!	#REF! #REF! #REF!	#REF! #REF! #REF!	#REF! #REF! #REF!	#REF! #REF! #REF!	#REF! #REF! #REF!	Pro Forma mixed mixed
	a	PF4	PF5	PF6	PF7	PF8	PF9	
REVENUES								
1	Total General Business	#REF!	#REF!	#REF!	#REF!	#REF!		
2	Interdepartmental Sales	#REF!	#REF!	#REF!	#REF!	#REF!		
3	Sales for Resale	#REF!	#REF!	#REF!	#REF!	#REF!		
4	Total Sales of Electricity	#REF!	#REF!	#REF!	#REF!	#REF!		
5	Other Revenue	#REF!	#REF!	#REF!	#REF!	#REF!		
6	Total Electric Revenue	#REF!	#REF!	#REF!	#REF!	#REF!		
EXPENSES								
Production and Transmission								
7	Operating Expenses	#REF!	#REF!	#REF!	#REF!	#REF!		
8	Purchased Power	#REF!	#REF!	#REF!	#REF!	#REF!		
9	Depreciation and Amortization	#REF!	#REF!	#REF!	#REF!	#REF!	(77)	722
10	Taxes	#REF!	#REF!	#REF!	#REF!	#REF!		477
11	Total Production & Transmission	#REF!	#REF!	#REF!	#REF!	#REF!	(77)	1,199
Distribution								
12	Operating Expenses	#REF!	#REF!	#REF!	#REF!	#REF!		
13	Depreciation	#REF!	#REF!	#REF!	#REF!	#REF!	296	810
14	Taxes	#REF!	#REF!	#REF!	#REF!	#REF!		429
15	Total Distribution	#REF!	#REF!	#REF!	#REF!	#REF!	296	1,239
16	Customer Accounting	#REF!	#REF!	#REF!	#REF!	#REF!		
17	Customer Service & Information	#REF!	#REF!	#REF!	#REF!	#REF!		
18	Sales Expenses	#REF!	#REF!	#REF!	#REF!	#REF!		
Administrative & General								
19	Operating Expenses	#REF!	#REF!	#REF!	#REF!	#REF!		
20	Depreciation	#REF!	#REF!	#REF!	#REF!	#REF!	509	1,784
21	Taxes	#REF!	#REF!	#REF!	#REF!	#REF!		249
22	Total Admin. & General	#REF!	#REF!	#REF!	#REF!	#REF!	509	2,033
23	Total Electric Expenses	#REF!	#REF!	#REF!	#REF!	#REF!	728	4,471
24	OPERATING INCOME BEFORE FIT	#REF!	#REF!	#REF!	#REF!	#REF!	(728)	(4,471)
FEDERAL INCOME TAX								
25	Current Accrual	#REF!	#REF!	#REF!	#REF!	#REF!	(255)	(1,565)
26	Deferred Income Taxes	#REF!	#REF!	#REF!	#REF!	#REF!		
27	NET OPERATING INCOME	#REF!	#REF!	#REF!	#REF!	#REF!	\$ (473)	\$ (2,906)
RATE BASE								
PLANT IN SERVICE								
28	Intangible	#REF!	#REF!	#REF!	#REF!	#REF!	\$349	\$5,498
29	Production	#REF!	#REF!	#REF!	#REF!	#REF!	18,107	24,825
30	Transmission	#REF!	#REF!	#REF!	#REF!	#REF!	9,165	7,245
31	Distribution	#REF!	#REF!	#REF!	#REF!	#REF!	26,515	29,017
32	General	#REF!	#REF!	#REF!	#REF!	#REF!	9,697	11,865
33	Total Plant in Service	#REF!	#REF!	#REF!	#REF!	#REF!	63,833	78,450
34	ACCUMULATED DEPRECIATION	#REF!	#REF!	#REF!	#REF!	#REF!	35,387	47,867
35	ACCUM. PROVISION FOR AMORTIZATION	#REF!	#REF!	#REF!	#REF!	#REF!		
36	Total Accum. Depreciation & Amort.	#REF!	#REF!	#REF!	#REF!	#REF!	35,387	47,867
37	GAIN ON SALE OF BUILDING	#REF!	#REF!	#REF!	#REF!	#REF!		
38	DEFERRED TAXES	#REF!	#REF!	#REF!	#REF!	#REF!	(7,001)	(7,647)
39	TOTAL RATE BASE	#REF!	#REF!	#REF!	#REF!	#REF!	\$21,445	\$22,936
40	RATE OF RETURN							

AVISTA UTILITIES
 ELECTRIC RESULTS OF OPERATION
 SYSTEM RESTATED RESULTS
 TWELVE MONTHS ENDED SEPTEMBER 30, 2008
 (000'S OF DOLLARS)

Line No.	DESCRIPTION	* mixed mixed mixed	* mixed mixed mixed	* #REF! #REF! #REF!
	a		aa	l
REVENUES				
1	Total General Business		\$390,153	
2	Interdepartmental Sales		800	
3	Sales for Resale		66,506	
4	Total Sales of Electricity		457,459	
5	Other Revenue		9,680	
6	Total Electric Revenue		467,139	
EXPENSES				
Production and Transmission				
7	Operating Expenses		178,771	
8	Purchased Power		76,620	
9	Depreciation and Amortization		31,816	
10	Taxes		11,378	
11	Total Production & Transmission		298,585	
Distribution				
12	Operating Expenses		20,922	
13	Depreciation		16,440	
14	Taxes		19,142	
15	Total Distribution		56,504	
16	Customer Accounting		8,584	#REF!
17	Customer Service & Information		710	#REF!
18	Sales Expenses		757	#REF!
Administrative & General				
19	Operating Expenses		40,385	#REF!
20	Depreciation		9,083	#REF!
21	Taxes		252	#REF!
22	Total Admin. & General		49,720	#REF!
23	Total Electric Expenses		414,860	#REF!
24	OPERATING INCOME BEFORE FIT		52,279	#REF!
FEDERAL INCOME TAX				
25	Current Accrual		(1,096)	#REF!
26	Deferred Income Taxes		9,346	#REF!
27	NET OPERATING INCOME		\$44,029	#REF!
RATE BASE				
PLANT IN SERVICE				
28	Intangible		\$78,478	#REF!
29	Production		762,219	#REF!
30	Transmission		296,316	#REF!
31	Distribution		607,308	#REF!
32	General		109,598	#REF!
33	Total Plant in Service		1,853,919	#REF!
34	ACCUMULATED DEPRECIATION		610,941	#REF!
35	ACCUM. PROVISION FOR AMORTIZATION		64,635	#REF!
36	Total Accum. Depreciation & Amort.		675,576	#REF!
37	GAIN ON SALE OF BUILDING		(194)	#REF!
38	DEFERRED TAXES		(171,073)	#REF!
39	TOTAL RATE BASE		\$1,007,076	#REF!
40	RATE OF RETURN			#REF!

AVISTA UTILITIES
ELECTRIC ADJUSTMENT SUMMARY
TWELVE MONTHS ENDED SEPTEMBER 30, 2008
(000'S OF DOLLARS)

RESTATE
DEBT INTEREST
ELECTRIC

Line No.	DESCRIPTION	System	Washington	Idaho
REVENUES				
1	Total General Business	\$0		
2	Interdepartmental Sales			
3	Sales For Resale			
4	Total Sales of Electricity	0	0	0
5	Other Revenue			
6	Total Electric Revenue	0	0	0
EXPENSES				
Production and Transmission				
7	Operating Expenses			
8	Purchased Power			
9	Depreciation and Amortization			
10	Taxes			
11	Total Production & Transmission	0	0	0
Distribution				
12	Operating Expenses			
13	Depreciation			
14	Taxes	0		0
15	Total Distribution	0	0	0
16	Customer Accounting			
17	Customer Service & Information			
18	Marketing			
Administrative & General				
19	Operating Expenses			
20	Depreciation			
21	Taxes			
22	Total Admin. & General	0	0	0
23	Total Electric Expenses	0	0	0
24	Operating Income before FIT	0	0	0
Federal Income Taxes				
25	Current Accrual (at 35%)	#REF!	#REF!	#REF!
26	Deferred income Taxes			
27	Amortized ITC			
28	SETTLEMENT EXCHANGE POWER			
29	NET OPERATING INCOME	#REF!	#REF!	#REF!
RATE BASE				
PLANT IN SERVICE				
30	Intangible			
31	Production			
32	Transmission			
33	Distribution			
34	General			
35	Total Plant in Service	0	0	0
36	ACCUMULATED DEPRECIATION			
37	ACCUM. PROVISION FOR AMORTIZATION			
38	Total Accum. Depreciation & Amort.	0	0	0
39	GAIN ON SALE OF BUILDING			
40	DEFERRED TAXES			
41	TOTAL RATE BASE	\$0	\$0	\$0

AVISTA UTILITIES
 CALCULATION OF IDAHO STATE INCOME TAX
 TWELVE MONTHS ENDED SEPTEMBER 30, 2008
 (000'S) OF DOLLARS

RESTATE
 DEBT INTEREST
 ELECTRIC

Description	Idaho
REVENUES	
Total General Business	\$0
Interdepartmental Sales	0
Sales For Resale	0
Total Sales of Electricity	0
Other Revenue	0
Total Electric Revenue	0
EXPENSES	
Production and Transmission	
Operating Expenses	0
Purchased Power	0
Depreciation and Amortization	0
Taxes	0
Total Production & Transmission	0
Distribution	
Operating Expenses	0
Depreciation	0
Taxes	0
Total Distribution	0
Customer Accounting	0
Customer Service & Information	0
Marketing	0
Administrative & General	
Operating Expenses	0
Depreciation	0
Taxes	0
Total Admin. & General	0
Total Electric Expenses	0
Operating Income before SIT	0
Idaho State Income Tax	\$0
Adjusted Rate of	0.012216

AVISTA UTILITIES
ELECTRIC ADJUSTMENT SUMMARY
TWELVE MONTHS ENDED SEPTEMBER 30, 2008
(000'S OF DOLLARS)

PRO FORMA
POWER SUPPLY
ADJUSTMENT
ELECTRIC

Line No.	DESCRIPTION	System	Washington	Idaho
	REVENUES			
1	Total General Business	\$0		
2	Interdepartmental Sales			
3	Sales For Resale	(20,920)		(20,920)
4	Total Sales of Electricity	(20,920)	0	(20,920)
5	Other Revenue	(4,624)		(4,624)
6	Total Electric Revenue	(25,544)	0	(25,544)
	EXPENSES			
	Production and Transmission			
7	Operating Expenses	(10,719)		(10,719)
8	Purchased Power	(14,480)		(14,480)
9	Depreciation and Amortization			
10	Taxes			
11	Total Production & Transmission	(25,199)	0	(25,199)
	Distribution			
12	Operating Expenses			
13	Depreciation			
14	Taxes	(4)		(4)
15	Total Distribution	(4)	0	(4)
16	Customer Accounting			
17	Customer Service & Information			
18	Marketing			
	Administrative & General			
19	Operating Expenses	0		0
20	Depreciation			
21	Taxes			
22	Total Admin. & General	0	0	0
23	Total Electric Expenses	(25,203)	0	(25,203)
24	Operating Income before FIT	(341)	0	(341)
	Federal Income Taxes			
25	Current Accrual	35.0%	(119)	0
26	Deferred Income Taxes			(119)
27	NET OPERATING INCOME	(\$222)	\$0	(\$222)
	RATE BASE			
	PLANT IN SERVICE			
28	Intangible			
29	Production			
30	Transmission			
31	Distribution			
32	General			
33	Total Plant in Service	0	0	0
34	ACCUMULATED DEPRECIATION			
35	ACCUM. PROVISION FOR AMORTIZATION			
36	Total Accum. Depreciation & Amort.	0	0	0
37	GAIN ON SALE OF BUILDING			
38	DEFERRED TAXES			
39	TOTAL RATE BASE	\$0	\$0	\$0

CALCULATION OF IDAHO STATE INCOME TAX
 TWELVE MONTHS ENDED SEPTEMBER 30, 2008
 (000'S) OF DOLLARS

PRO FORMA
 POWER SUPPLY
 ADJUSTMENT
 ELECTRIC

Description	Idaho
REVENUES	
Total General Business	\$0
Interdepartmental Sales	0
Sales For Resale	(20,920)
Total Sales of Electricity	(20,920)
Other Revenue	(4,624)
Total Electric Revenue	(25,544)
EXPENSES	
Production and Transmission	
Operating Expenses	(10,719)
Purchased Power	(14,480)
Depreciation and Amortization	0
Taxes	0
Total Production & Transmission	(25,199)
Distribution	
Operating Expenses	0
Depreciation	0
Taxes	0
Total Distribution	0
Customer Accounting	
Customer Service & Information	0
Marketing	0
Administrative & General	
Operating Expenses	0
Depreciation	0
Taxes	0
Total Admin. & General	0
Total Electric Expenses	(25,199)
Operating Income before SIT	(345)
Idaho State Income Tax	
Adjusted Rate of	0.012216
	(\$4)

AVISTA UTILITIES
ELECTRIC ADJUSTMENT SUMMARY
TWELVE MONTHS ENDED SEPTEMBER 30, 2008
(000'S OF DOLLARS)

PRO FORMA
PRODUCTION PROPERTY
ADJUSTMENT
ELECTRIC

Line No.	DESCRIPTION	System	Washington	Idaho
	REVENUES			
1	Total General Business	\$0		
2	Interdepartmental Sales			
3	Sales For Resale	0		
4	Total Sales of Electricity	0	0	0
5	Other Revenue	(2,568)		(2,568)
6	Total Electric Revenue	(2,568)	0	(2,568)
	EXPENSES			
	Production and Transmission			
7	Operating Expenses	(8,447)		(8,447)
8	Purchased Power	0		
9	Depreciation and Amortization			
10	Taxes			
11	Total Production & Transmission	(8,447)	0	(8,447)
	Distribution			
12	Operating Expenses			
13	Depreciation			
14	Taxes	0		
15	Total Distribution	0	0	0
16	Customer Accounting			
17	Customer Service & Information			
18	Marketing			
	Administrative & General			
19	Operating Expenses	0		
20	Depreciation			
21	Taxes			
22	Total Admin. & General	0	0	0
23	Total Electric Expenses	(8,447)	0	(8,447)
24	Operating Income before FIT	5,879	0	5,879
	Federal Income Taxes			
25	Current Accrual	35.0%	2,058	0
26	Deferred Income Taxes			2,058
27	NET OPERATING INCOME	\$3,821	\$0	\$3,821
	RATE BASE			
	PLANT IN SERVICE			
28	Intangible			
29	Production	#DIV/0!		#DIV/0!
30	Transmission			
31	Distribution			
32	General			
33	Total Plant in Service	#DIV/0!	0	#DIV/0!
34	ACCUMULATED DEPRECIATION			
35	ACCUM. PROVISION FOR AMORTIZATION			
36	Total Accum. Depreciation & Amort.	0	0	0
37	GAIN ON SALE OF BUILDING			
38	DEFERRED TAXES			
39	TOTAL RATE BASE	#DIV/0!	\$0	#DIV/0!

AVISTA UTILITIES

Production Property Adjustment Calculation
Idaho Electric
TWELVE MONTHS ENDED DECEMBER 31, 2007

Column	Description of Adjustment	(000's)	Production/Transmission		
			Revenue	Expense	Rate Base
b	Per Results Report		77,820	196,203	345,448
c	Deferred FIT Rate Base			-	(45,974)
d	Deferred Gain on Office Building			-	
e	Colstrip 3 AFUDC Elimination		-	-	-
f	Colstrip Common AFUDC		-	-	-
g	Kettle Falls & Boulder Park Disallow.		-	-	-
h	Customer Advances			-	
i	Weatherizn and DSM Investment				2,630
	Actual		77,820	196,203	302,104
-	Subtotal Actual			196,203	
j	Depreciation True-up		-	-	#DIV/0!
k	Eliminate B & O Taxes			-	
l	Property Tax			-	
m	Uncollect. Expense			-	
n	Regulatory Expense			-	
o	Injuries and Damages			-	
p	FIT			-	
q	Idaho PCA			-	
r	Nez Perce Settlement Adjustment			-	
t	Clark Fork PM&E			523	
u	Revenue Normalization Adjustment			-	
v	Restate Debt Interest			-	
w	Misc Restating			-	
	Restated Total		77,820	196,726	#DIV/0!
PF1	Pro Forma Power Supply		(25,544)	(25,199)	-
PF2	Pro Forma Production Factor Adj			399	
PF3	Pro Forma Labor Non-Exec			5	
PF4	Pro Forma Labor Exec			-	
PF5	Pro Forma Transmission Rev/Exp			-	
PF6	Pro Forma Capital Add 2007		-	-	12,571
PF7	Pro Forma Capital Add 2008			-	(3,571)
PF8	Pro Forma Asset Management			-	
PF9	Pro Forma Spokane Rvr Relicensing			-	
PF10	Pro Forma CDA Tribe Settlement			-	
PF11	Pro Forma Montana Lease			-	
PF12	Pro Forma Colstrip Mercury Emiss. O&M			-	
PF13	Pro Forma Incentives			-	
	Pro Forma Total		52,276	171,931	#DIV/0!
	2009 ID Retail Load in Power Supply	3,120,008	Excludes Potlatch Generation Load passed through PCA @		
	2007 ID Normalized Retail Load	2,966,725	Excludes Potlatch Generation Load passed through PCA @		
	Production Factor	0.950871			
	2007 Production/Transmission Costs		\$49,708	\$163,484	#DIV/0!
	Production Property Adjustment		(\$2,568)	(\$8,447)	#DIV/0!

AVISTA UTILITIES
Calculation of General Revenue Requirement
IDAHO - Electric System
TWELVE MONTHS ENDED SEPTEMBER 30, 2008

Line No.	Description	(000's of Dollars)
1	Pro Forma Rate Base	#DIV/0!
2	Proposed Rate of Return	<u>8.74%</u>
3	Net Operating Income Requirement	#DIV/0!
4	Pro Forma Net Operating Income	<u>\$43,971</u>
5	Net Operating Income Deficiency	#DIV/0!
6	Conversion Factor	0.6395623
7	Revenue Requirement	#DIV/0!
8	Total General Business Revenues	<u>\$211,113</u>
9	Percentage Revenue Increase	<u><u>#DIV/0!</u></u>

AVISTA UTILITIES
ELECTRIC RESULTS OF OPERATION
IDAHO PRO FORMA RESULTS
TWELVE MONTHS ENDED SEPTEMBER 30, 2008
(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	\$210,968		\$210,968	#DIV/0!	#DIV/0!
2	Interdepartmental Sales	145		145		145
3	Sales for Resale	69,340	(20,920)	48,420		48,420
4	Total Sales of Electricity	280,453	(20,920)	259,533	#DIV/0!	#DIV/0!
5	Other Revenue	19,754	(7,192)	12,562		12,562
6	Total Electric Revenue	300,207	(28,112)	272,095	#DIV/0!	#DIV/0!
EXPENSES						
Production and Transmission						
7	Operating Expenses	80,859	(18,239)	62,620		62,620
8	Purchased Power	99,071	(14,480)	84,591		84,591
9	Depreciation and Amortization	11,375	215	11,590		11,590
10	Taxes	4,898		4,898		4,898
11	Total Production & Transmission	196,203	(32,504)	163,699	0	163,699
Distribution						
12	Operating Expenses	8,580	294	8,874		8,874
13	Depreciation	8,351	692	9,043		9,043
14	Taxes	4,167	297	4,464	#DIV/0!	#DIV/0!
15	Total Distribution	21,098	1,283	22,381	#DIV/0!	#DIV/0!
16	Customer Accounting	3,643	93	3,736	#DIV/0!	#DIV/0!
17	Customer Service & Information	3,960	7	3,967		3,967
18	Sales Expenses	261	7	268		268
Administrative & General						
19	Operating Expenses	19,261	403	19,664	#DIV/0!	#DIV/0!
20	Depreciation	3,860		3,860		3,860
21	Taxes					
22	Total Admin. & General	23,121	403	23,524	#DIV/0!	#DIV/0!
23	Total Electric Expenses	248,286	(30,711)	217,575	#DIV/0!	#DIV/0!
24	OPERATING INCOME BEFORE FIT	51,921	2,599	54,520	#DIV/0!	#DIV/0!
FEDERAL INCOME TAX						
25	Current Accrual	2,030	1,016	3,046	#DIV/0!	#DIV/0!
26	Deferred Income Taxes	7,578	(75)	7,503		7,503
27	Amortized Investment Tax Credit					
28	SETTLEMENT EXCHANGE POWER					
29	NET OPERATING INCOME	\$42,313	\$1,658	\$43,971	#DIV/0!	#DIV/0!
RATE BASE						
PLANT IN SERVICE						
30	Intangible	\$12,083		\$12,083		\$12,083
31	Production	359,680	#DIV/0!	#DIV/0!		#DIV/0!
32	Transmission	156,662		156,662		156,662
33	Distribution	341,133	22,253	363,386		363,386
34	General	49,818		49,818		49,818
35	Total Plant in Service	919,376	#DIV/0!	#DIV/0!	0	#DIV/0!
36	ACCUMULATED DEPRECIATION	310,555		310,555		310,555
37	ACCUM. PROVISION FOR AMORTIZATION	3,664	332	3,996		3,996
38	Total Accum. Depreciation & Amort.	314,219	332	314,551	0	314,551
39	GAIN ON SALE OF BUILDING					
40	DEFERRED TAXES		(82,476)	(82,476)		(82,476)
41	TOTAL RATE BASE	\$605,157	#DIV/0!	#DIV/0!	\$0	#DIV/0!
42	RATE OF RETURN	6.99%		#DIV/0!		#DIV/0!

**AVISTA UTILITIES
CALCULATION OF CONVERSION FACTOR: IDAHO ELECTRIC
TWELVE MONTHS ENDED DECEMBER 31, 2007**

Revenue:		1.000000
Expense:		
Uncollectibles (1)		0.002151
Commission Fees (2)		0.002491
Idaho Income Tax (3)		0.011416
Total Expense		<u>0.016058</u>
Net Operating Income Before FIT		0.983942
Federal Incom	0.35	0.344380
REVENUE CONVERSION FACTOR		<u>0.639562</u>

AVISTA UTILITIES
ELECTRIC RESULTS OF OPERATION
IDAHO RESTATED RESULTS
TWELVE MONTHS ENDED SEPTEMBER 30, 2008
(000'S OF DOLLARS)

Completed
Not Yet Updated

Line No.	DESCRIPTION	Per Results Report	Deferred FIT Rate Base	Deferred Gain on Office Building	Colstrip 3 AFUDC Elimination	Colstrip Common AFUDC	Kettle Falls & Boulder Park Disallow.	Customer Advances
	a	b	c	d	e	f	g	h
REVENUES								
1	Total General Business	\$210,968						
2	Interdepartmental Sales	145						
3	Sales for Resale	69,340						
4	Total Sales of Electricity	280,453	0	0	0	0	0	0
5	Other Revenue	19,754						
6	Total Electric Revenue	300,207	0	0	0	0	0	0
EXPENSES								
Production and Transmission								
7	Operating Expenses	80,859						
8	Purchased Power	99,071						
9	Depreciation and Amortization	11,375						
10	Taxes	4,898						
11	Total Production & Transmission	196,203	0	0	0	0	0	0
Distribution								
12	Operating Expenses	8,580						
13	Depreciation	8,351						
14	Taxes	4,167						
15	Total Distribution	21,098	0	0	0	0	0	0
16	Customer Accounting	3,643						
17	Customer Service & Information	3,960						
18	Sales Expenses	261						
Administrative & General								
19	Operating Expenses	19,261						
20	Depreciation	3,860						
21	Taxes							
22	Total Admin. & General	23,121	0	0	0	0	0	0
23	Total Electric Expenses	248,286	0	0	0	0	0	0
24	OPERATING INCOME BEFORE FIT	51,921	0	0	0	0	0	0
FEDERAL INCOME TAX								
25	Current Accrual	2,030						
26	Deferred Income Taxes	7,578						
27	NET OPERATING INCOME	\$42,313	\$0	\$0	\$0	\$0	\$0	\$0
RATE BASE								
PLANT IN SERVICE								
28	Intangible	\$12,083						
29	Production	359,680						
30	Transmission	156,662						
31	Distribution	341,133						
32	General	49,818						
33	Total Plant in Service	919,376	0	0	0	0	0	0
34	ACCUMULATED DEPRECIATION	310,555						
35	ACCUM. PROVISION FOR AMORTIZATION	3,664						
36	Total Accum. Depreciation & Amort.	314,219	0	0	0	0	0	0
37	GAIN ON SALE OF BUILDING							
38	DEFERRED TAXES		(82,407)					
39	TOTAL RATE BASE	\$605,157	(\$82,407)	\$0	\$0	\$0	\$0	\$0
40	RATE OF RETURN	6.99%						

AVISTA UTILITIES
 ELECTRIC RESULTS OF OPERATION
 IDAHO RESTATED RESULTS
 TWELVE MONTHS ENDED SEPTEMBER 30, 2008
 (000'S OF DOLLARS)

Line No.	DESCRIPTION	Weatherizn and DSM Investment	Subtotal Actual	Depreciation True-up	Eliminate B & O Taxes	Property Tax	Uncollect. Expense	Regulatory Expense
	a	i		j	k	l	m	n
REVENUES								
1	Total General Business		\$210,968					
2	Interdepartmental Sales		145					
3	Sales for Resale		69,340					
4	Total Sales of Electricity	0	280,453	0	0	0	0	0
5	Other Revenue		19,754					
6	Total Electric Revenue	0	300,207	0	0	0	0	0
EXPENSES								
Production and Transmission								
7	Operating Expenses		80,859					
8	Purchased Power		99,071					
9	Depreciation and Amortization		11,375					
10	Taxes		4,898					
11	Total Production & Transmission	0	196,203	0	0	0	0	0
Distribution								
12	Operating Expenses		8,580					
13	Depreciation		8,351					
14	Taxes		4,167					
15	Total Distribution	0	21,098	0	0	0	0	0
16	Customer Accounting		3,643					
17	Customer Service & Information		3,960					
18	Sales Expenses		261					
Administrative & General								
19	Operating Expenses		19,261					
20	Depreciation		3,860					
21	Taxes							
22	Total Admin. & General	0	23,121	0	0	0	0	0
23	Total Electric Expenses	0	248,286	0	0	0	0	0
24	OPERATING INCOME BEFORE FIT	0	51,921	0	0	0	0	0
FEDERAL INCOME TAX								
25	Current Accrual		2,030					
26	Deferred Income Taxes		7,578					
27	NET OPERATING INCOME	\$0	\$42,313	\$0	\$0	\$0	\$0	\$0
RATE BASE								
PLANT IN SERVICE								
28	Intangible		\$12,083					
29	Production	2,630	362,310					
30	Transmission		156,662					
31	Distribution		341,133					
32	General		49,818					
33	Total Plant in Service	2,630	922,006	0	0	0	0	0
34	ACCUMULATED DEPRECIATION		310,555					
35	ACCUM. PROVISION FOR AMORTIZATION		3,664					
36	Total Accum. Depreciation & Amort.	0	314,219	0	0	0	0	0
37	GAIN ON SALE OF BUILDING							
38	DEFERRED TAXES		(82,407)					
39	TOTAL RATE BASE	\$2,630	\$525,380	\$0	\$0	\$0	\$0	\$0
40	RATE OF RETURN		8.05%					

AVISTA UTILITIES
 ELECTRIC RESULTS OF OPERATION
 IDAHO RESTATED RESULTS
 TWELVE MONTHS ENDED SEPTEMBER 30, 2008
 (000'S OF DOLLARS)

Line No.	DESCRIPTION	Injuries and Damages	FIT	Idaho PCA	Nez Perce Settlement Adjustment	Eliminate A/R Expenses	Clark Fork PM&E	Revenue Normalization Adjustment
	a	o	p	q	r	s	t	u
REVENUES								
1	Total General Business							
2	Interdepartmental Sales							
3	Sales for Resale							
4	Total Sales of Electricity	0	0	0	0	0	0	0
5	Other Revenue							
6	Total Electric Revenue	0	0	0	0	0	0	0
EXPENSES								
Production and Transmission								
7	Operating Expenses						523	
8	Purchased Power							
9	Depreciation and Amortization							
10	Taxes							
11	Total Production & Transmission	0	0	0	0	0	523	0
Distribution								
12	Operating Expenses							
13	Depreciation							
14	Taxes						(6)	
15	Total Distribution	0	0	0	0	0	(6)	0
16	Customer Accounting							
17	Customer Service & Information							
18	Sales Expenses							
Administrative & General								
19	Operating Expenses							
20	Depreciation							
21	Taxes							
22	Total Admin. & General	0	0	0	0	0	0	0
23	Total Electric Expenses	0	0	0	0	0	517	0
24	OPERATING INCOME BEFORE FIT	0	0	0	0	0	(517)	0
FEDERAL INCOME TAX								
25	Current Accrual						(181)	
26	Deferred Income Taxes							
27	NET OPERATING INCOME	\$0	\$0	\$0	\$0	\$0	(\$336)	\$0
RATE BASE								
PLANT IN SERVICE								
28	Intangible							
29	Production							
30	Transmission							
31	Distribution							
32	General							
33	Total Plant in Service	0	0	0	0	0	0	0
34	ACCUMULATED DEPRECIATION							
35	ACCUM. PROVISION FOR AMORTIZATION							
36	Total Accum. Depreciation & Amort.	0	0	0	0	0	0	0
37	GAIN ON SALE OF BUILDING							
38	DEFERRED TAXES							
39	TOTAL RATE BASE	\$0	\$0	\$0	\$0	\$0	\$0	\$0
40	RATE OF RETURN							

AVISTA UTILITIES
 ELECTRIC RESULTS OF OPERATION
 IDAHO RESTATED RESULTS
 TWELVE MONTHS ENDED SEPTEMBER 30, 2008
 (000'S OF DOLLARS)

Line No.	DESCRIPTION	Restate Debt Interest	Restated TOTAL	Pro Forma Power Supply	Pro Forma Production Factor Adj	Pro Forma Labor Non-Exec	Pro Forma Labor Exec
	a	v	-	PF1	PF2	PF3	PF4
REVENUES							
1	Total General Business		\$210,968				
2	Interdepartmental Sales		145				
3	Sales for Resale		69,340	(20,920)			
4	Total Sales of Electricity	0	280,453	(20,920)	0	0	0
5	Other Revenue		19,754	(4,624)	(2,568)		
6	Total Electric Revenue	0	300,207	(25,544)	(2,568)	0	0
EXPENSES							
Production and Transmission							
7	Operating Expenses		81,382	(10,719)	(8,447)	399	5
8	Purchased Power		99,071	(14,480)			
9	Depreciation and Amortization		11,375				
10	Taxes		4,898				
11	Total Production & Transmission	0	196,726	(25,199)	(8,447)	399	5
Distribution							
12	Operating Expenses		8,580			294	
13	Depreciation		8,351				
14	Taxes		4,161	(4)		(13)	(2)
15	Total Distribution	0	21,092	(4)	0	281	(2)
16	Customer Accounting		3,643			93	
17	Customer Service & Information		3,960			7	
18	Sales Expenses		261			7	
Administrative & General							
19	Operating Expenses		19,261			279	124
20	Depreciation		3,860				
21	Taxes						
22	Total Admin. & General	0	23,121	0	0	279	124
23	Total Electric Expenses	0	248,803	(25,203)	(8,447)	1,066	127
24	OPERATING INCOME BEFORE FIT	0	51,404	(341)	5,879	(1,066)	(127)
FEDERAL INCOME TAX							
25	Current Accrual		1,849	(119)	2,058	(373)	(44)
26	Deferred Income Taxes		7,578				
27	NET OPERATING INCOME	\$0	\$41,977	(\$222)	\$3,821	(\$693)	(\$83)
RATE BASE							
PLANT IN SERVICE							
28	Intangible		\$12,083				
29	Production		362,310		#DIV/0!		
30	Transmission		156,662				
31	Distribution		341,133				
32	General		49,818				
33	Total Plant in Service	0	922,006	0	#DIV/0!	0	0
34	ACCUMULATED DEPRECIATION		310,555				
35	ACCUM. PROVISION FOR AMORTIZATION		3,664				
36	Total Accum. Depreciation & Amort.	0	314,219	0	0	0	0
37	GAIN ON SALE OF BUILDING						
38	DEFERRED TAXES		(82,407)				
39	TOTAL RATE BASE	\$0	\$525,380	\$0	#DIV/0!	\$0	\$0
40	RATE OF RETURN		7.99%				

AVISTA UTILITIES
 ELECTRIC RESULTS OF OPERATION
 IDAHO RESTATED RESULTS
 TWELVE MONTHS ENDED SEPTEMBER 30, 2008
 (000'S OF DOLLARS)

Line No.	DESCRIPTION	Pro Forma Transmission Rev/Exp	Pro Forma Capital Add 2007	Pro Forma Capital Add 2008	Pro Forma Asset Management	Pro Forma Spokane Rvr Relicensing	Pro Forma CDA Tribe Settlement
	a	PF5	PF6	PF7	PF8	PF9	PF10
REVENUES							
1	Total General Business						
2	Interdepartmental Sales						
3	Sales for Resale						
4	Total Sales of Electricity	0	0	0	0	0	0
5	Other Revenue						
6	Total Electric Revenue	0	0	0	0	0	0
EXPENSES							
Production and Transmission							
7	Operating Expenses						
8	Purchased Power						
9	Depreciation and Amortization						
10	Taxes						
11	Total Production & Transmission	0	0	0	0	0	0
Distribution							
12	Operating Expenses						
13	Depreciation						
14	Taxes						
15	Total Distribution	0	0	0	0	0	0
16	Customer Accounting						
17	Customer Service & Information						
18	Sales Expenses						
Administrative & General							
19	Operating Expenses						
20	Depreciation						
21	Taxes						
22	Total Admin. & General	0	0	0	0	0	0
23	Total Electric Expenses	0	0	0	0	0	0
24	OPERATING INCOME BEFORE FIT	0	0	0	0	0	0
FEDERAL INCOME TAX							
25	Current Accrual						
26	Deferred Income Taxes						
27	NET OPERATING INCOME	\$0	\$0	\$0	\$0	\$0	\$0
RATE BASE							
PLANT IN SERVICE							
28	Intangible						
29	Production						
30	Transmission						
31	Distribution						
32	General						
33	Total Plant in Service	0	0	0	0	0	0
34	ACCUMULATED DEPRECIATION						
35	ACCUM. PROVISION FOR AMORTIZATION						
36	Total Accum. Depreciation & Amort.	0	0	0	0	0	0
37	GAIN ON SALE OF BUILDING						
38	DEFERRED TAXES						
39	TOTAL RATE BASE	\$0	\$0	\$0	\$0	\$0	\$0
40	RATE OF RETURN						

AVISTA UTILITIES
 ELECTRIC RESULTS OF OPERATION
 IDAHO RESTATED RESULTS
 TWELVE MONTHS ENDED SEPTEMBER 30, 2008
 (000'S OF DOLLARS)

Line No.	DESCRIPTION	Pro Forma Montana Lease	Pro Forma Colstrip Mercury Emiss. O&M	Pro Forma Incentives	Pro Forma ID AMR	Pro Forma CS2 Levelized Adj
	a	PF11	PF12	PF13	PF14	PF15
REVENUES						
1	Total General Business					
2	Interdepartmental Sales					
3	Sales for Resale					
4	Total Sales of Electricity	0	0	0	0	0
5	Other Revenue					
6	Total Electric Revenue	0	0	0	0	0
EXPENSES						
Production and Transmission						
7	Operating Expenses					
8	Purchased Power					
9	Depreciation and Amortization					215
10	Taxes					
11	Total Production & Transmission	0	0	0	0	215
Distribution						
12	Operating Expenses					
13	Depreciation				692	
14	Taxes				322	
15	Total Distribution	0	0	0	1,014	0
16	Customer Accounting					
17	Customer Service & Information					
18	Sales Expenses					
Administrative & General						
19	Operating Expenses					
20	Depreciation					
21	Taxes					
22	Total Admin. & General	0	0	0	0	0
23	Total Electric Expenses	0	0	0	1,014	215
24	OPERATING INCOME BEFORE FIT	0	0	0	(1,014)	(215)
FEDERAL INCOME TAX						
25	Current Accrual				(325)	
26	Deferred Income Taxes					(75)
27	NET OPERATING INCOME	\$0	\$0	\$0	(\$689)	(\$140)
RATE BASE						
PLANT IN SERVICE						
28	Intangible					
29	Production					
30	Transmission					
31	Distribution				22,253	
32	General					
33	Total Plant in Service	0	0	0	22,253	0
34	ACCUMULATED DEPRECIATION					
35	ACCUM. PROVISION FOR AMORTIZATION				332	
36	Total Accum. Depreciation & Amort.	0	0	0	332	0
37	GAIN ON SALE OF BUILDING					
38	DEFERRED TAXES				(69)	
39	TOTAL RATE BASE	\$0	\$0	\$0	\$21,852	\$0
40	RATE OF RETURN					

AVISTA UTILITIES
 ELECTRIC RESULTS OF OPERATION
 IDAHO RESTATED RESULTS
 TWELVE MONTHS ENDED SEPTEMBER 30, 2008
 (000'S OF DOLLARS)

Line No.	DESCRIPTION	Pro Forma Open	Pro Forma Open	blank	blank	Pro Forma TOTAL
	a	PF16	PF17	PF	PF	PFT
REVENUES						
1	Total General Business					\$210,968
2	Interdepartmental Sales					145
3	Sales for Resale					48,420
4	Total Sales of Electricity	0	0			259,533
5	Other Revenue					12,562
6	Total Electric Revenue	0	0			272,095
EXPENSES						
Production and Transmission						
7	Operating Expenses					62,620
8	Purchased Power					84,591
9	Depreciation and Amortization					11,590
10	Taxes					4,898
11	Total Production & Transmission	0	0	0	0	163,699
Distribution						
12	Operating Expenses					8,874
13	Depreciation					9,043
14	Taxes					4,464
15	Total Distribution	0	0	0	0	22,381
16	Customer Accounting					3,736
17	Customer Service & Information					3,967
18	Sales Expenses					268
Administrative & General						
19	Operating Expenses					19,664
20	Depreciation					3,860
21	Taxes					
22	Total Admin. & General	0	0	0	0	23,524
23	Total Electric Expenses	0	0	0	0	217,575
24	OPERATING INCOME BEFORE FIT	0	0	0	0	54,520
FEDERAL INCOME TAX						
25	Current Accrual					3,046
26	Deferred Income Taxes					7,503
27	NET OPERATING INCOME	\$0	\$0	\$0	\$0	\$43,971
RATE BASE						
PLANT IN SERVICE						
28	Intangible					\$12,083
29	Production					#DIV/0!
30	Transmission					156,662
31	Distribution					363,386
32	General					49,818
33	Total Plant in Service	0	0	0	0	#DIV/0!
34	ACCUMULATED DEPRECIATION					310,555
35	ACCUM. PROVISION FOR AMORTIZATION					3,996
36	Total Accum. Depreciation & Amort.	0	0	0	0	314,551
37	GAIN ON SALE OF BUILDING					
38	DEFERRED TAXES					(82,476)
39	TOTAL RATE BASE	\$0	\$0	\$0	\$0	#DIV/0!
40	RATE OF RETURN					#DIV/0!

AVISTA UTILITIES
ELECTRIC ADJUSTMENT SUMMARY
TWELVE MONTHS ENDED SEPTEMBER 30, 2008
(000'S OF DOLLARS)

WEATHERIZATION & DEMAND
SIDE MANAGEMENT INVESTMENT
ELECTRIC

Line No.	DESCRIPTION	System	Washington	Idaho
REVENUES				
1	Total General Business	\$0	\$0	\$0
2	Interdepartmental Sales			
3	Sales For Resale			
4	Total Sales of Electricity	0	0	0
5	Other Revenue			
6	Total Electric Revenue	0	0	0
EXPENSES				
Production and Transmission				
7	Operating Expenses			
8	Purchased Power			
9	Depreciation and Amortization			
10	Taxes			
11	Total Production & Transmission	0	0	0
Distribution				
12	Operating Expenses			
13	Depreciation			
14	Taxes			
15	Total Distribution	0	0	0
16	Customer Accounting			
17	Customer Service & Information			
18	Marketing			
Administrative & General				
19	Operating Expenses			
20	Depreciation			
21	Taxes			
22	Total Admin. & General	0	0	0
23	Total Electric Expenses	0	0	0
24	Operating Income before FIT	0	0	0
Federal Income Taxes				
25	Current Accrual	0	0	0
26	Deferred Income Taxes	35.0%		
27	NET OPERATING INCOME	\$0	\$0	\$0
RATE BASE				
PLANT IN SERVICE				
28	Intangible			
29	Production	2,630		2,630
30	Transmission			
31	Distribution			
32	General			
33	Total Plant in Service	2,630	0	2,630
34	ACCUMULATED DEPRECIATION	0		
35	ACCUM. PROVISION FOR AMORTIZATION			
36	Total Accum. Depreciation & Amort.	0	0	0
37	GAIN ON SALE OF BUILDING			
38	DEFERRED TAXES	0		
39	TOTAL RATE BASE	\$2,630	\$0	\$2,630

AVISTA UTILITIES
ELECTRIC ADJUSTMENT SUMMARY
TWELVE MONTHS ENDED SEPTEMBER 30, 2008
(000'S OF DOLLARS)

CLARK FORK
PM&E ADJUSTMENT
ELECTRIC

Line No.	DESCRIPTION	System	Washington	Idaho
REVENUES				
1	Total General Business	\$0		
2	Interdepartmental Sales			
3	Sales For Resale	0		0
4	Total Sales of Electricity	0	0	0
5	Other Revenue	0		0
6	Total Electric Revenue	0	0	0
EXPENSES				
Production and Transmission				
7	Operating Expenses	523		523
8	Purchased Power	0		0
9	Depreciation and Amortization			
10	Taxes			
11	Total Production & Transmission	523	0	523
Distribution				
12	Operating Expenses			
13	Depreciation			
14	Taxes	(6)		(6)
15	Total Distribution	(6)	0	(6)
16	Customer Accounting			
17	Customer Service & Information			
18	Marketing			
Administrative & General				
19	Operating Expenses	0		0
20	Depreciation			
21	Taxes			
22	Total Admin. & General	0	0	0
23	Total Electric Expenses	517	0	517
24	Operating Income before FIT	(517)	0	(517)
Federal Income Taxes				
25	Current Accrual	35.0%	(181)	(181)
26	Deferred Income Taxes			
27	NET OPERATING INCOME	(\$336)	\$0	(\$336)
RATE BASE				
PLANT IN SERVICE				
28	Intangible			
29	Production			
30	Transmission			
31	Distribution			
32	General			
33	Total Plant in Service	0	0	0
34	ACCUMULATED DEPRECIATION			
35	ACCUM. PROVISION FOR AMORTIZATION			
36	Total Accum. Depreciation & Amort.	0	0	0
37	GAIN ON SALE OF BUILDING			
38	DEFERRED TAXES			
39	TOTAL RATE BASE	\$0	\$0	\$0

AVISTA UTILITIES
 CALCULATION OF IDAHO STATE INCOME TAX
 TWELVE MONTHS ENDED SEPTEMBER 30, 2008
 (000'S) OF DOLLARS

CLARK FORK
 PM&E ADJUSTMENT
 ELECTRIC

Description	Idaho
REVENUES	
Total General Business	\$0
Interdepartmental Sales	0
Sales For Resale	0
Total Sales of Electricity	<u>0</u>
Other Revenue	0
Total Electric Revenue	<u>0</u>
EXPENSES	
Production and Transmission	
Operating Expenses	523
Purchased Power	0
Depreciation and Amortization	0
Taxes	0
Total Production & Transmission	<u>523</u>
Distribution	
Operating Expenses	0
Depreciation	0
Taxes	0
Total Distribution	<u>0</u>
Customer Accounting	0
Customer Service & Information	0
Marketing	0
Administrative & General	
Operating Expenses	0
Depreciation	0
Taxes	0
Total Admin. & General	<u>0</u>
Total Electric Expenses	<u>523</u>
Operating Income before SIT	<u>(523)</u>
Idaho State Income Tax	
Adjusted Rate of	0.012216
	<u><u>(\$6)</u></u>

AVISTA UTILITIES
ELECTRIC ADJUSTMENT SUMMARY
TWELVE MONTHS ENDED SEPTEMBER 30, 2008
(000'S OF DOLLARS)

PRO FORMA
ID AMR
ELECTRIC

Line No.	DESCRIPTION	System	Washington	Idaho
REVENUES				
1	Total General Business	\$0	\$0	\$0
2	Interdepartmental Sales			
3	Sales For Resale			
4	Total Sales of Electricity	0	0	0
5	Other Revenue			
6	Total Electric Revenue	0	0	0
EXPENSES				
Production and Transmission				
7	Operating Expenses	0	0	0
8	Purchased Power			
9	Depreciation and Amortization	0	0	
10	Taxes	0		
11	Total Production & Transmission	0	0	0
Distribution				
12	Operating Expenses	0	0	0
13	Depreciation	692		692
14	Taxes	322	0	322
15	Total Distribution	1,014	0	1,014
16	Customer Accounting	0	0	0
17	Customer Service & Information	0	0	0
18	Marketing	0	0	0
Administrative & General				
19	Operating Expenses	0	0	0
20	Depreciation			
21	Taxes			
22	Total Admin. & General	0	0	0
23	Total Electric Expenses	1,014	0	1,014
24	Operating Income before FIT	(1,014)	0	(1,014)
Federal Income Taxes				
25	Current Accrual	35.0%	(325)	(325)
26	Deferred Income Taxes			
27	NET OPERATING INCOME	(\$689)	\$0	(\$689)
RATE BASE				
PLANT IN SERVICE				
28	Intangible			
29	Production	0		
30	Transmission	0		
31	Distribution	22,253		22,253
32	General			
33	Total Plant in Service	22,253	0	22,253
34	ACCUMULATED DEPRECIATION	0		
35	ACCUM. PROVISION FOR AMORTIZATION	332		332
36	Total Accum. Depreciation & Amort.	332	0	332
37	GAIN ON SALE OF BUILDING			
38	DEFERRED TAXES	(69)		(69)
39	TOTAL RATE BASE	\$21,852	\$0	\$21,852

AVISTA UTILITIES
 CALCULATION OF IDAHO STATE INCOME TAX
 TWELVE MONTHS ENDED SEPTEMBER 30, 2008
 (000'S) OF DOLLARS

PRO FORMA
 ID AMR
 ELECTRIC

Description	Idaho
REVENUES	
Total General Business	\$0
Interdepartmental Sales	0
Sales For Resale	0
Total Sales of Electricity	0
Other Revenue	0
Total Electric Revenue	0
EXPENSES	
Production and Transmission	
Operating Expenses	0
Purchased Power	0
Depreciation and Amortization	0
Taxes	0
Total Production & Transmission	0
Distribution	
Operating Expenses	0
Depreciation	692
Taxes	330
Total Distribution	1,022
Customer Accounting	
Customer Service & Information	0
Marketing	0
Administrative & General	
Operating Expenses	0
Depreciation	0
Taxes	0
Total Admin. & General	0
Total Electric Expenses	1,022
Operating Income before SIT	(1,022)
Idaho State Income Tax	
Adjusted Rate of	0.012216
	(\$12)

AVISTA UTILITIES
ELECTRIC ADJUSTMENT SUMMARY
TWELVE MONTHS ENDED SEPTEMBER 30, 2008
(000'S OF DOLLARS)

CS2 LEVELIZATION
PRO FORMA

Line No.	DESCRIPTION	<u>ELECTRIC</u>		
		System	Washington	Idaho
REVENUES				
1	Total General Business	\$0	\$0	\$0
2	Interdepartmental Sales			
3	Sales For Resale			
4	Total Sales of Electricity	0	0	0
5	Other Revenue			
6	Total Electric Revenue	0	0	0
EXPENSES				
Production and Transmission				
7	Operating Expenses	0	0	0
8	Purchased Power			
9	Depreciation and Amortization	215	0	215
10	Taxes	0		
11	Total Production & Transmission	215	0	215
Distribution				
12	Operating Expenses	0	0	0
13	Depreciation			
14	Taxes	0	0	0
15	Total Distribution	0	0	0
16	Customer Accounting	0	0	0
17	Customer Service & Information	0	0	0
18	Marketing	0	0	0
Administrative & General				
19	Operating Expenses	0	0	0
20	Depreciation			
21	Taxes			
22	Total Admin. & General	0	0	0
23	Total Electric Expenses	215	0	215
24	Operating Income before FIT	(215)	0	(215)
Federal Income Taxes				
25	Current Accrual			
26	Deferred Income Taxes	35.0%	(75)	0
26				(75)
27	NET OPERATING INCOME	(\$140)	\$0	(\$140)
RATE BASE				
PLANT IN SERVICE				
28	Intangible			
29	Production	0		
30	Transmission			
31	Distribution			
32	General			
33	Total Plant in Service	0	0	0
34	ACCUMULATED DEPRECIATION	0		
35	ACCUM. PROVISION FOR AMORTIZATION			
36	Total Accum. Depreciation & Amort.	0	0	0
37	GAIN ON SALE OF BUILDING			
38	DEFERRED TAXES	0		
39	TOTAL RATE BASE	\$0	\$0	\$0