

AVISTA UTILITIES

GAS 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
	a	b	c	d	e	f
REVENUES						
1	Total General Business	\$220,020	\$ (6,144)	\$213,876	\$4,918	\$218,794
2	Total Transportation	3,486	(1,775)	1,711		1,711
3	Other Revenues	135,812	(133,960)	1,852		1,852
4	Total Gas Revenues	359,318	(141,879)	217,439	4,918	222,357
EXPENSES						
5	Exploration and Development					
Production						
6	City Gate Purchases	309,146	(151,865)	157,281		157,281
7	Purchased Gas Expense	737	89	826		826
8	Net Nat Gas Storage Trans	(18,687)	18,687	-		0
9	Total Production	291,196	(133,089)	158,107	0	158,107
Underground Storage						
10	Operating Expenses	408	2	410		410
11	Depreciation	260	39	299		299
12	Taxes	113	115	228		228
13	Total Underground Storage	781	156	937	0	937
Distribution						
14	Operating Expenses	6,260	721	6,981		6,981
15	Depreciation	5,659	(404)	5,255		5,255
16	Taxes	18,282	(7,987)	10,295	189	10,484
17	Total Distribution	30,201	(7,670)	22,531	189	22,720
18	Customer Accounting	4,884	169	5,053	13	5,066
19	Customer Service & Information	5,002	(4,246)	756		756
20	Sales Expenses	545	37	582		582
Administrative & General						
21	Operating Expenses	9,202	1,255	10,457	10	10,467
22	Depreciation	1,414	1,025	2,439		2,439
23	Taxes	23	63	86		86
24	Total Admin. & General	10,639	2,343	12,982	10	12,992
25	Total Gas Expense	343,248	(142,300)	200,948	212	201,160
26	OPERATING INCOME BEFORE FIT	16,070	421	16,491	4,706	21,197
FEDERAL INCOME TAX						
27	Current Accrual	5,138	4	5,142	1,647	6,789
28	Deferred FIT	(1,042)	7	(1,035)		(1,035)
29	Amort ITC	(30)	0	(30)		(30)
30	NET OPERATING INCOME	12,004	\$410	12,414	\$3,059	\$15,473
RATE BASE: PLANT IN SERVICE						
31	Underground Storage	13,539	9,287	22,826		22,826
32	Distribution Plant	237,485	15,518	253,003		253,003
33	General Plant	23,944	6,636	30,580		30,580
34	Total Plant in Service	274,968	31,441	306,409	0	306,409
ACCUMULATED DEPRECIATION						
35	Underground Storage	7,516	651	8,167		8,167
36	Distribution Plant	80,580	9,039	89,619		89,619
37	General Plant	8,155	3,442	11,597		11,597
38	Total Accum. Depreciation	96,251	13,132	109,383	0	109,383
39	DEFERRED FIT	0	(30,809)	(30,809)		(30,809)
40	GAS INVENTORY	0	12,111	12,111		12,111
41	GAIN ON SALE OF BUILDING	0	(65)	(65)		(65)
42	TOTAL RATE BASE	178,717	(\$454)	178,263	\$0	\$178,263
43	RATE OF RETURN	6.72%		6.96%		8.68%

AVISTA UTILITIES
Calculation of General Revenue Requirement
Washington - Gas
TWELVE MONTHS ENDED SEPTEMBER 30, 2008
(000's OF DOLLARS)

Line No.	Description	WASH
1	Pro Forma Rate Base	\$178,263
2	Proposed Rate of Return	<u>8.680%</u>
3	Net Operating Income Requirement	\$15,473
4	Pro Forma Net Operating Income	<u>\$12,414</u>
5	Net Operating Income Deficiency	\$3,059
6	Conversion Factor	0.622038
7	Revenue Requirement	\$4,918
8	Total General Business Revenues	\$215,587
9	Percentage Revenue Increase	<u><u>2.28%</u></u>

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

Line No.	Description	Factor
1	Revenues	1.000000
	Expense:	
2	Uncollectibles	0.002599
3	Commission Fees	0.002000
4	Washington Excise Tax	0.038420
5	Franchise Fees (City of Millwood Expired in 2004)	0.000000
6	Total Expense	<u>0.043019</u>
7	Net Operating Income Before FIT	0.956981
8	Federal Income Tax @ 35%	0.334943
9	REVENUE CONVERSION FACTOR	<u><u>0.622038</u></u>

AVISTA UTILITIES

GAS RESULTS OF OPERATION

WASHINGTON 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	Gas Inventory	Weatherization and DSM Investment	Customer Advances
	a	b	c	d	e	f	g
REVENUES							
1	Total General Business	\$220,020					
2	Total Transportation	3,486					
3	Other Revenues	135,812					
4	Total Gas Revenues	359,318	0	0	0	0	0
EXPENSES							
5	Exploration and Development Production	0					
6	City Gate Purchases	309,146					
7	Purchased Gas Expense	737					
8	Net Nat Gas Storage Trans	(18,687)					
9	Total Production	291,196	0	0	0	0	0
Underground Storage							
10	Operating Expenses	408					
11	Depreciation	260					
12	Taxes	113					
13	Total Underground Storage	781	0	0	0	0	0
Distribution							
14	Operating Expenses	6,260					
15	Depreciation	5,659					
16	Taxes	18,282					
17	Total Distribution	30,201	0	0	0	0	0
18	Customer Accounting	4,884			0	0	
19	Customer Service & Information	5,002					
20	Sales Expenses	545					
Administrative & General							
21	Operating Expenses	9,202					
22	Depreciation	1,414					
23	Taxes	23					
24	Total Admin. & General	10,639	0	0	0	0	0
25	Total Gas Expense	343,248	0	0	0	0	0
26	OPERATING INCOME BEFORE FIT	16,070	0	0	0	0	0
FEDERAL INCOME TAX							
27	Current Accrual	5,138					
28	Deferred FIT	(1,042)					
29	Amort ITC	(30)					
30	NET OPERATING INCOME	\$12,004	\$0	\$0	\$0	\$0	\$0
RATE BASE: PLANT IN SERVICE							
31	Underground Storage	13,539					
32	Distribution Plant	237,485					(52)
33	General Plant	23,944					
34	Total Plant in Service	274,968	0	0	*0	0	(52)
ACCUMULATED DEPRECIATION							
35	Underground Storage	7,516					
36	Distribution Plant	80,580					
37	General Plant	8,155					
38	Total Accum. Depreciation	96,251	0	0	0	0	0
39	DEFERRED FIT	0	(27,674)	23			
40	GAS INVENTORY	0			11,064		
41	GAIN ON SALE OF BUILDING	0		(65)			
42	TOTAL RATE BASE	\$178,717	(\$27,674)	(\$42)	\$11,064	\$0	(\$52)
43	RATE OF RETURN						

AVISTA UTILITIES

GAS RESULTS OF OPERATION

WASHINGTON RESTATED RESULTS

TWELVE MONTHS ENDED SEPTEMBER 30, 2008

(000'S OF DOLLARS)

Line No.	DESCRIPTION	Depreciation True-up	Subtotal Actual	Revenue Normalization & Gas Cost Adjust	Eliminate B & O Taxes	Property Tax	Uncollectible Expense
	a	h	-	i	j	k	l
REVENUES							
1	Total General Business		\$220,020	1,695	\$ (7,839)		
2	Total Transportation		3,486	(1,700)	(75)		
3	Other Revenues		135,812	(131,399)			
4	Total Gas Revenues	0	359,318	(131,404)	(7,914)	0	0
EXPENSES							
5	Exploration and Development		0				
	Production						
6	City Gate Purchases		309,146	(131,865)			
7	Purchased Gas Expense		737				
8	Net Nat Gas Storage Trans		(18,687)	18,687			
9	Total Production	0	291,196	(133,178)	0	0	0
	Underground Storage						
10	Operating Expenses		408				
11	Depreciation	(15)	245				
12	Taxes		113			(16)	
13	Total Underground Storage	(15)	766	0	0	(16)	0
	Distribution						
14	Operating Expenses		6,260				
15	Depreciation	(53)	5,606				
16	Taxes		18,282	67	(7,908)	(280)	
17	Total Distribution	(53)	30,148	67	(7,908)	(280)	0
18	Customer Accounting		4,884	5	0		(143)
19	Customer Service & Information		5,002	(4,270)			
20	Sales Expenses		545				
	Administrative & General						
21	Operating Expenses		9,202	3			
22	Depreciation	(15)	1,399	356			
23	Taxes		23			(1)	
24	Total Admin. & General	(15)	10,624	359	0	(1)	0
25	Total Gas Expense	(83)	343,165	(137,017)	(7,908)	(297)	(143)
26	OPERATING INCOME BEFORE FIT	83	16,153	5,613	(6)	297	143
	FEDERAL INCOME TAX						
27	Current Accrual	29	5,167	1,965	(2)	104	50
28	Deferred FIT		(1,042)				
29	Amort ITC		(30)				
30	NET OPERATING INCOME	\$54	\$12,058	\$3,648	(\$4)	\$193	\$93
RATE BASE: PLANT IN SERVICE							
31	Underground Storage		13,539				
32	Distribution Plant		237,433				
33	General Plant		23,944				
34	Total Plant in Service	0	274,916	0	0	0	0
ACCUMULATED DEPRECIATION							
35	Underground Storage		7,516				
36	Distribution Plant		80,580				
37	General Plant		8,155				
38	Total Accum. Depreciation	0	96,251	0	0	0	0
39	DEFERRED FIT		(27,651)				
40	GAS INVENTORY		11,064				
41	GAIN ON SALE OF BUILDING		(65)				
42	TOTAL RATE BASE	\$0	\$162,013	\$0	\$0	\$0	\$0
43	RATE OF RETURN		7.44%				

AVISTA UTILITIES

GAS RESULTS OF OPERATION

WASHINGTON RESTATED RESULTS

TWELVE MONTHS ENDED SEPTEMBER 30, 2008

(000'S OF DOLLARS)

Line No.	DESCRIPTION	Regulatory Expense Adjustment	Injuries and Damages	FIT	Net Gains/losses	Eliminate A/R Expenses	Office Space Charges to Subs
	a	m	n	o	p	q	r
REVENUES							
1	Total General Business						
2	Total Transportation						
3	Other Revenues						
4	Total Gas Revenues	0	0	0	0	0	0
EXPENSES							
5	Exploration and Development						
	Production						
6	City Gate Purchases						
7	Purchased Gas Expense						
8	Net Nat Gas Storage Trans						
9	Total Production	0	0	0	0	0	0
	Underground Storage						
10	Operating Expenses						
11	Depreciation						
12	Taxes						
13	Total Underground Storage	0	0	0	0	0	0
	Distribution						
14	Operating Expenses						
15	Depreciation				(13)		
16	Taxes						
17	Total Distribution	0	0	0	(13)	0	0
18	Customer Accounting	0			0	(85)	0
19	Customer Service & Information						
20	Sales Expenses						
	Administrative & General						
21	Operating Expenses	14	(65)				(2)
22	Depreciation						
23	Taxes						
24	Total Admin. & General	14	(65)	0	0	0	(2)
25	Total Gas Expense	14	(65)	0	(13)	(85)	(2)
26	OPERATING INCOME BEFORE FIT	(14)	65	0	13	85	2
	FEDERAL INCOME TAX						
27	Current Accrual	(5)	23	3	5	30	1
28	Deferred FIT			7			
29	Amort ITC						
30	NET OPERATING INCOME	(\$9)	\$42	(\$10)	\$8	\$55	\$1
RATE BASE: PLANT IN SERVICE							
31	Underground Storage						
32	Distribution Plant						
33	General Plant						
34	Total Plant in Service	0	0	0	0	0	0
ACCUMULATED DEPRECIATION							
35	Underground Storage						
36	Distribution Plant						
37	General Plant						
38	Total Accum. Depreciation	0	0	0	0	0	0
39	DEFERRED FIT						
40	GAS INVENTORY						
41	GAIN ON SALE OF BUILDING						
42	TOTAL RATE BASE	\$0	\$0	\$0	\$0	\$0	\$0
43	RATE OF RETURN						

AVISTA UTILITIES

GAS RESULTS OF OPERATION

WASHINGTON RESTATED RESULTS

TWELVE MONTHS ENDED SEPTEMBER 30, 2008

(000'S OF DOLLARS)

Line No.	DESCRIPTION	Restate Excise Taxes	Misc Restating Adjustments	Restate Debt Interest	Restated Total	Pro Forma Labor Non-Exec	Pro Forma Labor Exec
	a	s	t	u	-	PF1	PF2
REVENUES							
1	Total General Business				\$213,876		
2	Total Transportation				1,711		
3	Other Revenues				4,413		
4	Total Gas Revenues	0	0	0	220,000	0	0
EXPENSES							
5	Exploration and Development				0		
6	Production						
6	City Gate Purchases				157,281		
7	Purchased Gas Expense				737	33	3
8	Net Nat Gas Storage Trans				0		
9	Total Production	0	0	0	158,018	33	3
Underground Storage							
10	Operating Expenses				408	1	
11	Depreciation				245		
12	Taxes				97		
13	Total Underground Storage	0	0	0	750	1	0
Distribution							
14	Operating Expenses				6,260	329	
15	Depreciation				5,593		
16	Taxes	79			10,240		
17	Total Distribution	79	0	0	22,093	329	0
18	Customer Accounting	0			4,661	205	
19	Customer Service & Information				732	12	
20	Sales Expenses				545	19	
Administrative & General							
21	Operating Expenses		(86)		9,066	187	64
22	Depreciation				1,755		
23	Taxes				22		
24	Total Admin. & General	0	(86)	0	10,843	187	64
25	Total Gas Expense	79	(86)	0	197,642	786	67
26	OPERATING INCOME BEFORE FIT	(79)	86	0	22,358	(786)	(67)
FEDERAL INCOME TAX							
27	Current Accrual	(28)	30	(149)	7,194	(275)	(23)
28	Deferred FIT				(1,035)		
29	Amort ITC				(30)		
30	NET OPERATING INCOME	(\$51)	\$56	\$149	\$16,229	(\$511)	(\$44)
RATE BASE: PLANT IN SERVICE							
31	Underground Storage				13,539		
32	Distribution Plant				237,433		
33	General Plant				23,944		
34	Total Plant in Service	0	0	0	274,916	0	0
ACCUMULATED DEPRECIATION							
35	Underground Storage				7,516		
36	Distribution Plant				80,580		
37	General Plant				8,155		
38	Total Accum. Depreciation	0	0	0	96,251	0	0
39	DEFERRED FIT				(27,651)		
40	GAS INVENTORY				11,064		
41	GAIN ON SALE OF BUILDING				(65)		
42	TOTAL RATE BASE	\$0	\$0	\$0	\$162,013	\$0	\$0
43	RATE OF RETURN				10.02%		

AVISTA UTILITIES

GAS RESULTS OF OPERATION

WASHINGTON RESTATED RESULTS

TWELVE MONTHS ENDED SEPTEMBER 30, 2008

(000'S OF DOLLARS)

Line No.	DESCRIPTION	Pro Forma JP Storage	Pro Forma Capital Add 2008	Pro Forma Capital Add 2009	Pro Forma Asset Management	Pro Forma Incentives	Pro Forma Information Services
	a	PF3	PF4	PF5	PF6	PF7	PF8
REVENUES							
1	Total General Business						
2	Total Transportation						
3	Other Revenues	(2,561)					
4	Total Gas Revenues	(2,561)	0	0	0	0	0
EXPENSES							
5	Exploration and Development Production						
6	City Gate Purchases						
7	Purchased Gas Expense						
8	Net Nat Gas Storage Trans						
9	Total Production	0	0	0	0	0	0
Underground Storage							
10	Operating Expenses						
11	Depreciation	\$155	(107)	6			
12	Taxes	\$129		2			
13	Total Underground Storage	284	(107)	8	0	0	0
Distribution							
14	Operating Expenses				88		
15	Depreciation		(564)	226			
16	Taxes	\$ (98)		153			
17	Total Distribution	(98)	(564)	379	88	0	0
18	Customer Accounting	\$ (7)		0	0	0	0
19	Customer Service & Information						
20	Sales Expenses						
Administrative & General							
21	Operating Expenses	\$ (5)				152	450
22	Depreciation		218	466			
23	Taxes			64			
24	Total Admin. & General	(5)	218	530	0	152	450
25	Total Gas Expense	174	(453)	917	88	152	450
26	OPERATING INCOME BEFORE FIT	(2,735)	453	(917)	(88)	(152)	(450)
FEDERAL INCOME TAX							
27	Current Accrual	(957)	159	(321)	(31)	(53)	(158)
28	Deferred FIT						
29	Amort ITC						
30	NET OPERATING INCOME	(\$1,778)	\$294	(\$596)	(\$57)	(\$99)	(\$292)
RATE BASE: PLANT IN SERVICE							
31	Underground Storage	\$8,614	\$520	\$153			
32	Distribution Plant		5,289	10,281			
33	General Plant		2,110	4,526			
34	Total Plant in Service	8,614	7,919	14,960	0	0	0
ACCUMULATED DEPRECIATION							
35	Underground Storage	\$266	246	139			
36	Distribution Plant		3,900	5,139			
37	General Plant		1,239	2,203			
38	Total Accum. Depreciation	266	5,385	7,481	0	0	0
39	DEFERRED FIT	\$ (473)	(1,300)	(1,385)			
40	GAS INVENTORY	\$1,047					
41	GAIN ON SALE OF BUILDING						
42	TOTAL RATE BASE	\$8,922	\$1,234	\$6,094	\$0	\$0	\$0
43	RATE OF RETURN						

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

Line No.	DESCRIPTION	Pro Forma Employee Benefits	Pro Forma Insurance	Pro Forma Total
	a	PF9	PF10	-
REVENUES				
1	Total General Business			\$213,876
2	Total Transportation			1,711
3	Other Revenues			1,852
4	Total Gas Revenues	0	0	217,439
EXPENSES				
5	Exploration and Development Production			0
6	City Gate Purchases			157,281
7	Purchased Gas Expense	53		826
8	Net Nat Gas Storage Trans			0
9	Total Production	53	0	158,107
Underground Storage				
10	Operating Expenses	1		410
11	Depreciation			299
12	Taxes			228
13	Total Underground Storage	1	0	937
Distribution				
14	Operating Expenses	304		6,981
15	Depreciation			5,255
16	Taxes			10,295
17	Total Distribution	304	0	22,531
18	Customer Accounting	194	0	5,053
19	Customer Service & Information	12		756
20	Sales Expenses	18		582
Administrative & General				
21	Operating Expenses	465	78	10,457
22	Depreciation			2,439
23	Taxes			86
24	Total Admin. & General	465	78	12,982
25	Total Gas Expense	1,047	78	200,948
26	OPERATING INCOME BEFORE FIT	(1,047)	(78)	16,491
FEDERAL INCOME TAX				
27	Current Accrual	(366)	(27)	5,142
28	Deferred FIT			(1,035)
29	Amort ITC			(30)
30	NET OPERATING INCOME	(\$681)	(\$51)	\$12,414
RATE BASE: PLANT IN SERVICE				
31	Underground Storage			22,826
32	Distribution Plant			253,003
33	General Plant			30,580
34	Total Plant in Service	0	0	306,409
ACCUMULATED DEPRECIATION				
35	Underground Storage			8,167
36	Distribution Plant			89,619
37	General Plant			11,597
38	Total Accum. Depreciation	0	0	109,383
39	DEFERRED FIT			(30,809)
40	GAS INVENTORY			12,111
41	GAIN ON SALE OF BUILDING			(65)
42	TOTAL RATE BASE	\$0	\$0	\$178,263
43	RATE OF RETURN			6.96%

AVISTA UTILITIES

Restatement Summary

Washington Gas

Twelve Months Ended September 30, 2008

Column	Description	Washington Gas		
		NOI	Rate Base	ROR
b	Per Results Report	\$12,004	\$178,717	
c	Deferred FIT Rate Base	0	(27,674)	
d	Deferred Gain on Office Building	0	(42)	
e	Gas Inventory	0	11,064	
f	Weatherization and DSM Investment	0	0	
g	Customer Advances	0	(52)	
h	Depreciation True-up	54	0	
	Actual	12,058	162,013	7.44%
i	Revenue Normalization & Gas Cost Adjust	3,648	0	
j	Eliminate B & O Taxes	(4)	0	
k	Property Tax	193	0	
l	Uncollectible Expense	93	0	
m	Regulatory Expense Adjustment	(9)	0	
n	Injuries and Damages	42	0	
o	FIT	(10)	0	
p	Net Gains/losses	8	0	
q	Eliminate A/R Expenses	55	0	
r	Office Space Charges to Subs	1	0	
s	Restate Excise Taxes	(51)	0	
t	Misc Restating Adjustments	56	0	
u	Restate Debt Interest	149	0	
	Restated Total	\$16,229	\$162,013	10.02%
PF1	Pro Forma Labor Non-Exec	(511)	0	
PF2	Pro Forma Labor Exec	(44)	0	
PF3	Pro Forma JP Storage	(1,778)	8,922	
PF4	Pro Forma Capital Add 2008	294	1,234	
PF5	Pro Forma Capital Add 2009	(596)	6,094	
PF6	Pro Forma Asset Management	(57)	0	
PF7	Pro Forma Incentives	(99)	0	
PF8	Pro Forma Information Services	(292)	0	
PF9	Pro Forma Employee Benefits	(681)	0	
PF10	Pro Forma Insurance	(51)	0	
	Pro Forma Total	\$12,414	\$178,263	6.96%

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

PER RESULTS OF
OPERATIONS REPORTS
GAS

Line No.	Description	System	Washington	Idaho
REVENUES				
1	Total General Business	\$308,868	\$220,020	\$88,848
2	Total Transportation	4,015	3,486	529
3	Other Revenues	195,774	135,812	59,962
4	Total Gas Revenues	<u>508,657</u>	<u>359,318</u>	<u>149,339</u>
EXPENSES				
5	Exploration & Development Production	0	0	0
6	City Gate Purchases	441,253	309,146	132,107
7	Purchased Gas Expense	1,093	737	356
8	Net Nat. Gas Storage Trans	(27,613)	(18,687)	(8,926)
9	Total Production	<u>414,733</u>	<u>291,196</u>	<u>123,537</u>
Underground Storage				
10	Operating Expenses	575	408	167
11	Depreciation	367	260	107
12	Taxes	159	113	46
13	Total Underground Storage	<u>1,101</u>	<u>781</u>	<u>320</u>
Distribution				
14	Operating Expenses	10,093	6,260	3,833
15	Depreciation	8,466	5,659	2,807
16	Taxes	20,678	18,282	2,396
17	Total Distribution	<u>39,237</u>	<u>30,201</u>	<u>9,036</u>
18	Customer Accounting	6,821	4,884	1,937
19	Customer Service & Information	6,790	5,002	1,788
20	Sales	758	545	213
Administrative and General				
21	Operating Expenses	13,673	9,202	4,471
22	Depreciation	2,230	1,414	816
23	Taxes	34	23	11
24	Total Admin. & General	<u>15,937</u>	<u>10,639</u>	<u>5,298</u>
25	Total Gas Expense	<u>485,377</u>	<u>343,248</u>	<u>142,129</u>
26	Operating Income before FIT	23,280	16,070	7,210
Federal Income Taxes				
27	Current Accrual	6,227	5,138	1,089
28	Deferred FIT	(708)	(1,042)	334
29	Amort ITC	(49)	(30)	(19)
30	NET OPERATING INCOME	<u>\$17,810</u>	<u>\$12,004</u>	<u>\$5,806</u>
RATE BASE				
PLANT IN SERVICE				
31	Underground Storage	\$19,088	\$13,539	\$5,549
32	Distribution Plant	357,934	237,485	120,449
33	General Plant incl Intangible	35,011	23,944	11,067
34	Total Plant in Service	<u>412,033</u>	<u>274,968</u>	<u>137,065</u>
ACCUMULATED DEPRECIATION				
35	Underground Storage	10,596	7,516	3,080
36	Distribution Plant	120,558	80,580	39,978
37	General Plant incl Intangible	11,626	8,155	3,471
38	Total Accum. Depreciation	<u>142,780</u>	<u>96,251</u>	<u>46,529</u>
39	DEFERRED TAXES			
40	GAS INVENTORY			
41	GAIN ON SALE OF BUILDING			
42	TOTAL RATE BASE	<u>\$269,253</u>	<u>\$178,717</u>	<u>\$90,536</u>

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

DEFERRED FIT RATE BASE
GAS

Line No.	Description	System	Washington	Idaho
REVENUES				
1	Total General Business			
2	Total Transportation			
3	Other Revenues			
4	Total Gas Revenues	0	0	0
EXPENSES				
5	Exploration & Development			
Production				
6	City Gate Purchases			
7	Purchased Gas Expense			
8	Net Nat. Gas Storage Trans			
9	Total Production	0	0	0
Underground Storage				
10	Operating Expenses			
11	Depreciation			
12	Taxes			
13	Total Underground Storage	0	0	0
Distribution				
14	Operating Expenses			
15	Depreciation			
16	Taxes	0		0
17	Total Distribution	0	0	0
18	Customer Accounting			
19	Customer Service & Information			
20	Sales			
Administrative and General				
21	Operating Expenses			
22	Depreciation			
23	Taxes			
24	Total Admin. & General	0	0	0
25	Total Gas Expense	0	0	0
26	Operating Income before FIT	0	0	0
Federal Income Taxes				
27	Current Accrual (at 35%)	0	0	0
28	Amort ITC			
29	Deferred FIT			
30	NET OPERATING INCOME	\$0	\$0	\$0
RATE BASE				
PLANT IN SERVICE				
31	Underground Storage			
32	Distribution Plant			
33	General Plant			
34	Total Plant in Service	0	0	0
ACCUMULATED DEPRECIATION				
35	Underground Storage			
36	Distribution Plant			
37	General Plant			
38	Total Accum. Depreciation	0	0	0
39	DEFERRED TAXES	(41,894)	(27,674)	(14,220)
40	GAS INVENTORY			
41	GAIN ON SALE OF BUILDING			
42	TOTAL RATE BASE	(\$41,894)	(\$27,674)	(\$14,220)

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

DEFERRED GAIN
 ON OFFICE BUILDING
 GAS

Line No.	Description	System	Washington	Idaho
REVENUES				
1	Total General Business			
2	Total Transportation			
3	Other Revenues			
4	Total Gas Revenues	0	0	0
EXPENSES				
5	Exploration & Development			
Production				
6	City Gate Purchases			
7	Purchased Gas Expense			
8	Net Nat. Gas Storage Trans			
9	Total Production	0	0	0
Underground Storage				
10	Operating Expenses			
11	Depreciation			
12	Taxes			
13	Total Underground Storage	0	0	0
Distribution				
14	Operating Expenses			
15	Depreciation			
16	Taxes	0		
17	Total Distribution	0	0	0
18	Customer Accounting			
19	Customer Service & Information			
20	Sales			
Administrative and General				
21	Operating Expenses			
22	Depreciation			
23	Taxes			
24	Total Admin. & General	0	0	0
25	Total Gas Expense	0	0	0
26	Operating Income before FIT	0	0	0
Federal Income Taxes				
27	Current Accrual	0	0	0
28	Amort ITC			
29	Deferred FIT			
30	NET OPERATING INCOME	\$0	\$0	\$0
RATE BASE				
PLANT IN SERVICE				
31	Underground Storage			
32	Distribution Plant			
33	General Plant			
34	Total Plant in Service	0	0	0
ACCUMULATED DEPRECIATION				
35	Underground Storage			
36	Distribution Plant			
37	General Plant			
38	Total Accum. Depreciation	0	0	0
39	DEFERRED TAXES	23	23	0
40	GAS INVENTORY			
41	GAIN ON SALE OF BUILDING	(65)	(65)	0
42	TOTAL RATE BASE	(\$42)	(\$42)	\$0

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

GAS INVENTORY
ADJUSTMENT
GAS

Line No.	Description	System	Washington	Idaho
REVENUES				
1	Total General Business			
2	Total Transportation			
3	Other Revenues			
4	Total Gas Revenues	0	0	0
EXPENSES				
5	Exploration & Development			
Production				
6	City Gate Purchases			
7	Purchased Gas Expense			
8	Net Nat. Gas Storage Trans			
9	Total Production	0	0	0
Underground Storage				
10	Operating Expenses			
11	Depreciation			
12	Taxes			
13	Total Underground Storage	0	0	0
Distribution				
14	Operating Expenses			
15	Depreciation			
16	Taxes	0		
17	Total Distribution	0	0	0
18	Customer Accounting			
19	Customer Service & Information			
20	Sales			
Administrative and General				
21	Operating Expenses			
22	Depreciation			
23	Taxes			
24	Total Admin. & General	0	0	0
25	Total Gas Expense	0	0	0
26	Operating Income before FIT	0	0	0
Federal Income Taxes				
27	Current Accrual	0	0	0
28	Deferred FIT			
29	Amort ITC			
30	NET OPERATING INCOME	\$0	\$0	\$0
RATE BASE				
PLANT IN SERVICE				
31	Underground Storage			
32	Distribution Plant			
33	General Plant			
34	Total Plant in Service	0	0	0
ACCUMULATED DEPRECIATION				
35	Underground Storage			
36	Distribution Plant			
37	General Plant			
38	Total Accum. Depreciation	0	0	0
39	DEFERRED TAXES			
40	GAS INVENTORY	11,064	11,064	0
41	GAIN ON SALE OF BUILDING			
42	TOTAL RATE BASE	\$11,064	\$11,064	\$0

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

DSM INVESTMENT
RATE BASE
GAS

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

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

CUSTOMER
 ADVANCES
 GAS

Line No.	Description	System	Washington	Idaho
REVENUES				
1	Total General Business	\$0		
2	Total Transportation			
3	Other Revenues			
4	Total Gas Revenues	0	0	0
EXPENSES				
5	Exploration & Development Production			
6	City Gate Purchases			
7	Purchased Gas Expense			
8	Net Nat. Gas Storage Trans			
9	Total Production	0	0	0
Underground Storage				
10	Operating Expenses			
11	Depreciation			
12	Taxes			
13	Total Underground Storage	0	0	0
Distribution				
14	Operating Expenses			
15	Depreciation			
16	Taxes			
17	Total Distribution	0	0	0
18	Customer Accounting			
19	Customer Service & Information			
20	Sales			
Administrative and General				
21	Operating Expenses			
22	Depreciation			
23	Taxes			
24	Total Admin. & General	0	0	0
25	Total Gas Expense	0	0	0
26	Operating Income before FIT	0	0	0
Federal Income Taxes				
27	Current Accrual (at 35%)	0	0	0
28	Amort ITC			
29	Deferred FIT			
30	NET OPERATING INCOME	\$0	\$0	\$0
RATE BASE				
PLANT IN SERVICE				
31	Underground Storage			
32	Distribution Plant	(52)	(52)	0
33	General Plant			
34	Total Plant in Service	(52)	(52)	0
ACCUMULATED DEPRECIATION				
35	Underground Storage			
36	Distribution Plant			
37	General Plant			
38	Total Accum. Depreciation	0	0	0
39	DEFERRED TAXES			
40	GAS INVENTORY			
41	GAIN ON SALE OF BUILDING			
42	TOTAL RATE BASE	(\$52)	(\$52)	\$0

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

DEPRECIATION
TRUE-UP
GAS

Line No.	Description	System	Washington	Idaho
REVENUES				
1	Total General Business			
2	Total Transportation			
3	Other Revenues			
4	Total Gas Revenues	0	0	0
EXPENSES				
5	Exploration & Development			
Production				
6	City Gate Purchases	0		
7	Purchased Gas Expense			
8	Net Nat. Gas Storage Trans			
9	Total Production	0	0	0
Underground Storage				
10	Operating Expenses	0	0	0
11	Depreciation	(15)	(15)	0
12	Taxes			
13	Total Underground Storage	(15)	(15)	0
Distribution				
14	Operating Expenses	0		
15	Depreciation	(53)	(53)	0
16	Taxes	0		0
17	Total Distribution	(53)	(53)	0
18	Customer Accounting	0		
19	Customer Service & Information	0		
20	Sales	0		
Administrative and General				
21	Operating Expenses	0		
22	Depreciation	(15)	(15)	0
23	Taxes			
24	Total Admin. & General	(15)	(15)	0
25	Total Gas Expense	(83)	(83)	0
26	Operating Income before FIT	83	83	0
Federal Income Taxes				
27	Current Accrual	35.0%	29	29
28	Amort ITC			
29	Deferred FIT			
30	NET OPERATING INCOME	\$54	\$54	\$0
RATE BASE				
PLANT IN SERVICE				
31	Underground Storage			
32	Distribution Plant			
33	General Plant			
34	Total Plant in Service	0	0	0
ACCUMULATED DEPRECIATION				
35	Underground Storage	0		
36	Distribution Plant	0		
37	General Plant	0		
38	Total Accum. Depreciation	0	0	0
39	DEFERRED TAXES	0		
40	GAS INVENTORY			
41	GAIN ON SALE OF BUILDING			
42	TOTAL RATE BASE	\$0	\$0	\$0

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

DEPRECIATION
 TRUE-UP
 GAS

Line No.	Description	Idaho
REVENUES		
1	Total General Business	\$0
2	Total Transportation	0
3	Other Revenues	0
4	Total Gas Revenues	0
EXPENSES		
5	Exploration & Development Production	0
6	City Gate Purchases	0
7	Purchased Gas Expense	0
8	Net Nat. Gas Storage Trans	0
9	Total Production	0
Underground Storage		
10	Operating Expenses	0
11	Depreciation	0
12	Taxes	0
13	Total Underground Storage	0
Distribution		
14	Operating Expenses	0
15	Depreciation	0
16	Taxes	0
17	Total Distribution	0
18	Customer Accounting	0
19	Customer Service & Information	0
20	Sales	0
Administrative and General		
21	Operating Expenses	0
22	Depreciation	0
23	Taxes	0
24	Total Admin. & General	0
25	Total Gas Expense	0
26	Operating Income before FIT and SIT	0
27	Idaho State Income Tax	\$0
	Adjusted Rate of	0.011416

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

REVENUE NORMALIZATION
AND GAS COST ADJUSTMENT
GAS

Line No.	Description	System	Washington	Idaho
REVENUES				
1	Total General Business	\$1,695	\$1,695	
2	Total Transportation	(\$1,700)	(1,700)	
3	Other Revenues	(\$131,399)	(131,399)	
4	Total Gas Revenues	(131,404)	(131,404)	0
EXPENSES				
5	Exploration & Development Production			
6	City Gate Purchases	(151,865)	(151,865)	
7	Purchased Gas Expense			
8	Net Nat. Gas Storage Trans	18,687	18,687	
9	Total Production	(133,178)	(133,178)	0
Underground Storage				
10	Operating Expenses			
11	Depreciation			
12	Taxes			
13	Total Underground Storage	0	0	0
Distribution				
14	Operating Expenses			
15	Depreciation			
16	Taxes	67	67	0
17	Total Distribution	67	67	0
18	Customer Accounting	5	5	
19	Customer Service & Information	(4,270)	(4,270)	
20	Sales			
Administrative and General				
21	Operating Expenses	3	3	
22	Depreciation	356	356	
23	Taxes			
24	Total Admin. & General	359	359	0
25	Total Gas Expense	(137,017)	(137,017)	0
26	Operating Income before FIT	5,613	5,613	0
Federal Income Taxes				
27	Current Accrual (at 35%)	1,965	1,965	0
28	Amort ITC			
29	Deferred FIT			
30	NET OPERATING INCOME	\$3,648	\$3,648	\$0
RATE BASE				
PLANT IN SERVICE				
31	Underground Storage			
32	Distribution Plant			
33	General Plant			
34	Total Plant in Service	0	0	0
ACCUMULATED DEPRECIATION				
35	Underground Storage			
36	Distribution Plant			
37	General Plant			
38	Total Accum. Depreciation	0	0	0
39	DEFERRED TAXES			
40	GAS INVENTORY			
41	GAIN ON SALE OF BUILDING			
42	TOTAL RATE BASE	\$0	\$0	\$0

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

REVENUE NORMALIZATION
 AND GAS COST ADJUSTMENT
 GAS

Line No.	Description	Idaho
	REVENUES	
1	Total General Business	\$0
2	Total Transportation	0
3	Other Revenues	<u>0</u>
4	Total Gas Revenues	0
	EXPENSES	
5	Exploration & Development	0
	Production	
6	City Gate Purchases	0
7	Purchased Gas Expense	0
8	Net Nat. Gas Storage Trans	<u>0</u>
9	Total Production	0
	Underground Storage	
10	Operating Expenses	0
11	Depreciation	0
12	Taxes	<u>0</u>
13	Total Underground Storage	0
	Distribution	
14	Operating Expenses	0
15	Depreciation	0
16	Taxes	<u>0</u>
17	Total Distribution	0
18	Customer Accounting	0
19	Customer Service & Information	0
20	Sales	0
	Administrative and General	
21	Operating Expenses	0
22	Depreciation	0
23	Taxes	<u>0</u>
24	Total Admin. & General	<u>0</u>
25	Total Gas Expense	<u>0</u>
26	Operating Income before FIT and SIT	<u>0</u>
27	Idaho State Income Tax	
	Adjusted Rate of 0.011416	<u><u>\$0</u></u>

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

ELIMINATE
B & O TAXES
GAS

Line No.	Description	System	Washington	Idaho
REVENUES				
1	Total General Business	(\$7,839)	(\$7,839)	
2	Total Transportation	(75)	(75)	
3	Other Revenues			
4	Total Gas Revenues	(7,914)	(7,914)	0
EXPENSES				
5	Exploration & Development			
Production				
6	City Gate Purchases			
7	Purchased Gas Expense			
8	Net Nat. Gas Storage Trans			
9	Total Production	0	0	0
Underground Storage				
10	Operating Expenses			
11	Depreciation			
12	Taxes			
13	Total Underground Storage	0	0	0
Distribution				
14	Operating Expenses			
15	Depreciation			
16	Taxes	(7,908)	(7,908)	0
17	Total Distribution	(7,908)	(7,908)	0
18	Customer Accounting			
19	Customer Service & Information			
20	Sales			
Administrative and General				
21	Operating Expenses	0		
22	Depreciation			
23	Taxes			
24	Total Admin. & General	0	0	0
25	Total Gas Expense	(7,908)	(7,908)	0
26	Operating Income before FIT	(6)	(6)	0
Federal Income Taxes				
27	Current Accrual	(2)	(2)	0
28	Amort ITC			
29	Deferred FIT			
30	NET OPERATING INCOME	(\$4)	(\$4)	\$0
RATE BASE				
PLANT IN SERVICE				
31	Underground Storage			
32	Distribution Plant			
33	General Plant			
34	Total Plant in Service	0	0	0
ACCUMULATED DEPRECIATION				
35	Underground Storage			
36	Distribution Plant			
37	General Plant			
38	Total Accum. Depreciation	0	0	0
39	DEFERRED TAXES			
40	GAS INVENTORY			
41	GAIN ON SALE OF BUILDING			
42	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
 GAS

Line No.	Description	Idaho
	REVENUES	
1	Total General Business	\$0
2	Total Transportation	0
3	Other Revenues	0
4	Total Gas Revenues	0
	EXPENSES	
5	Exploration & Development Production	0
6	City Gate Purchases	0
7	Purchased Gas Expense	0
8	Net Nat. Gas Storage Trans	0
9	Total Production	0
	Underground Storage	
10	Operating Expenses	0
11	Depreciation	0
12	Taxes	0
13	Total Underground Storage	0
	Distribution	
14	Operating Expenses	0
15	Depreciation	0
16	Taxes	0
17	Total Distribution	0
18	Customer Accounting	0
19	Customer Service & Information	0
20	Sales	0
	Administrative and General	
21	Operating Expenses	0
22	Depreciation	0
23	Taxes	0
24	Total Admin. & General	0
25	Total Gas Expense	0
26	Operating Income before FIT and SIT	0
27	Idaho State Income Tax	\$0
	Adjusted Rate of 0.011416	

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

PROPERTY TAX
 ADJUSTMENT
 GAS

Line No.	Description	System	Washington	Idaho
REVENUES				
1	Total General Business			
2	Total Transportation			
3	Other Revenues			
4	Total Gas Revenues	0	0	0
EXPENSES				
5	Exploration & Development			
Production				
6	City Gate Purchases			
7	Purchased Gas Expense			
8	Net Nat. Gas Storage Trans			
9	Total Production	0	0	0
Underground Storage				
10	Operating Expenses			
11	Depreciation			
12	Taxes	(16)	(16)	0
13	Total Underground Storage	(16)	(16)	0
Distribution				
14	Operating Expenses			
15	Depreciation			
16	Taxes	(280)	(280)	0
17	Total Distribution	(280)	(280)	0
18	Customer Accounting			
19	Customer Service & Information			
20	Sales			
Administrative and General				
21	Operating Expenses			
22	Depreciation			
23	Taxes	(1)	(1)	0
24	Total Admin. & General	(1)	(1)	0
25	Total Gas Expense	(297)	(297)	0
26	Operating Income before FIT	297	297	0
Federal Income Taxes				
27	Current Accrual (at 35%)	104	104	0
28	Amort ITC			
29	Deferred FIT			
30	NET OPERATING INCOME	\$193	\$193	\$0
RATE BASE				
PLANT IN SERVICE				
31	Underground Storage			
32	Distribution Plant			
33	General Plant			
34	Total Plant in Service	0	0	0
ACCUMULATED DEPRECIATION				
35	Underground Storage			
36	Distribution Plant			
37	General Plant			
38	Total Accum. Depreciation	0	0	0
39	DEFERRED TAXES			
40	GAS INVENTORY			
41	GAIN ON SALE OF BUILDING			
42	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
 GAS

Line No.	Description	Idaho
REVENUES		
1	Total General Business	\$0
2	Total Transportation	0
3	Other Revenues	0
4	Total Gas Revenues	0
EXPENSES		
5	Exploration & Development	0
Production		
6	City Gate Purchases	0
7	Purchased Gas Expense	0
8	Net Nat. Gas Storage Trans	0
9	Total Production	0
Underground Storage		
10	Operating Expenses	0
11	Depreciation	0
12	Taxes	0
13	Total Underground Storage	0
Distribution		
14	Operating Expenses	0
15	Depreciation	0
16	Taxes	0
17	Total Distribution	0
18	Customer Accounting	0
19	Customer Service & Information	0
20	Sales	0
Administrative and General		
21	Operating Expenses	0
22	Depreciation	0
23	Taxes	0
24	Total Admin. & General	0
25	Total Gas Expense	0
26	Operating Income before FIT and SIT	0
27	Idaho State Income Tax	\$0
	Adjusted Rate of	0.011416

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

UNCOLLECTIBLE
EXPENSE
GAS

Line No.	Description	System	Washington	Idaho
REVENUES				
1	Total General Business			
2	Total Transportation			
3	Other Revenues			
4	Total Gas Revenues	0	0	0
EXPENSES				
5	Exploration & Development			
Production				
6	City Gate Purchases			
7	Purchased Gas Expense			
8	Net Nat. Gas Storage Trans			
9	Total Production	0	0	0
Underground Storage				
10	Operating Expenses			
11	Depreciation			
12	Taxes			
13	Total Underground Storage	0	0	0
Distribution				
14	Operating Expenses			
15	Depreciation			
16	Taxes	0		0
17	Total Distribution	0	0	0
18	Customer Accounting	(143)	(143)	0
19	Customer Service & Information			
20	Sales			
Administrative and General				
21	Operating Expenses			
22	Depreciation			
23	Taxes			
24	Total Admin. & General	0	0	0
25	Total Gas Expense	(143)	(143)	0
26	Operating Income before FIT	143	143	0
Federal Income Taxes				
27	Current Accrual	50	50	0
28	Amort ITC			
29	Deferred FIT			
30	NET OPERATING INCOME	\$93	\$93	\$0
RATE BASE				
PLANT IN SERVICE				
31	Underground Storage			
32	Distribution Plant			
33	General Plant			
34	Total Plant in Service	0	0	0
ACCUMULATED DEPRECIATION				
35	Underground Storage			
36	Distribution Plant			
37	General Plant			
38	Total Accum. Depreciation	0	0	0
39	DEFERRED TAXES			
40	GAS INVENTORY			
41	GAIN ON SALE OF BUILDING			
42	TOTAL RATE BASE	\$0	\$0	\$0

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

UNCOLLECTIBLE
 EXPENSE
 GAS

Line No.	Description	Idaho
	REVENUES	
1	Total General Business	\$0
2	Total Transportation	0
3	Other Revenues	0
4	Total Gas Revenues	0
	EXPENSES	
5	Exploration & Development	0
	Production	
6	City Gate Purchases	0
7	Purchased Gas Expense	0
8	Net Nat. Gas Storage Trans	0
9	Total Production	0
	Underground Storage	
10	Operating Expenses	0
11	Depreciation	0
12	Taxes	0
13	Total Underground Storage	0
	Distribution	
14	Operating Expenses	0
15	Depreciation	0
16	Taxes	0
17	Total Distribution	0
18	Customer Accounting	0
19	Customer Service & Information	0
20	Sales	0
	Administrative and General	
21	Operating Expenses	0
22	Depreciation	0
23	Taxes	0
24	Total Admin. & General	0
25	Total Gas Expense	0
26	Operating Income before FIT and SIT	0
27	Idaho State Income Tax	
	Adjusted Rate of 0.011416	\$0

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

REGULATORY EXPENSE
ADJUSTMENT
GAS

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

Line No.	Description	Idaho
	REVENUES	
1	Total General Business	\$0
2	Total Transportation	0
3	Other Revenues	0
4	Total Gas Revenues	0
	EXPENSES	
5	Exploration & Development	0
	Production	
6	City Gate Purchases	0
7	Purchased Gas Expense	0
8	Net Nat. Gas Storage Trans	0
9	Total Production	0
	Underground Storage	
10	Operating Expenses	0
11	Depreciation	0
12	Taxes	0
13	Total Underground Storage	0
	Distribution	
14	Operating Expenses	0
15	Depreciation	0
16	Taxes	0
17	Total Distribution	0
18	Customer Accounting	0
19	Customer Service & Information	0
20	Sales	0
	Administrative and General	
21	Operating Expenses	0
22	Depreciation	0
23	Taxes	0
24	Total Admin. & General	0
25	Total Gas Expense	0
26	Operating Income before FIT and SIT	0
27	Idaho State Income Tax	
	Adjusted Rate of	0.011416
		\$0

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

INJURIES
 AND DAMAGES
 GAS

Line No.	Description	System	Washington	Idaho
REVENUES				
1	Total General Business			
2	Total Transportation			
3	Other Revenues			
4	Total Gas Revenues	0	0	0
EXPENSES				
5	Exploration & Development			
Production				
6	City Gate Purchases			
7	Purchased Gas Expense			
8	Net Nat. Gas Storage Trans			
9	Total Production	0	0	0
Underground Storage				
10	Operating Expenses			
11	Depreciation			
12	Taxes			
13	Total Underground Storage	0	0	0
Distribution				
14	Operating Expenses			
15	Depreciation			
16	Taxes	0		0
17	Total Distribution	0	0	0
18	Customer Accounting			
19	Customer Service & Information			
20	Sales			
Administrative and General				
21	Operating Expenses	(65)	(65)	0
22	Depreciation			
23	Taxes			
24	Total Admin. & General	(65)	(65)	0
25	Total Gas Expense	(65)	(65)	0
26	Operating Income before FIT	65	65	0
Federal Income Taxes				
27	Current Accrual (at 35%)	23	23	0
28	Amort ITC			
29	Deferred FIT			
30	NET OPERATING INCOME	\$42	\$42	\$0
RATE BASE				
PLANT IN SERVICE				
31	Underground Storage			
32	Distribution Plant			
33	General Plant			
34	Total Plant in Service	0	0	0
ACCUMULATED DEPRECIATION				
35	Underground Storage			
36	Distribution Plant			
37	General Plant			
38	Total Accum. Depreciation	0	0	0
39	DEFERRED TAXES			
40	GAS INVENTORY			
41	GAIN ON SALE OF BUILDING			
42	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
 GAS

Line No.	Description	Idaho
REVENUES		
1	Total General Business	\$0
2	Total Transportation	0
3	Other Revenues	<u>0</u>
4	Total Gas Revenues	0
EXPENSES		
5	Exploration & Development	0
Production		
6	City Gate Purchases	0
7	Purchased Gas Expense	0
8	Net Nat. Gas Storage Trans	<u>0</u>
9	Total Production	0
Underground Storage		
10	Operating Expenses	0
11	Depreciation	0
12	Taxes	<u>0</u>
13	Total Underground Storage	0
Distribution		
14	Operating Expenses	0
15	Depreciation	0
16	Taxes	<u>0</u>
17	Total Distribution	0
18	Customer Accounting	0
19	Customer Service & Information	0
20	Sales	0
Administrative and General		
21	Operating Expenses	0
22	Depreciation	0
23	Taxes	<u>0</u>
24	Total Admin. & General	<u>0</u>
25	Total Gas Expense	<u>0</u>
26	Operating Income before FIT and SIT	<u>0</u>
27	Idaho State Income Tax	<u><u>\$0</u></u>
	Adjusted Rate of	0.011416

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

FEDERAL
 INCOME TAX
 GAS

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

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

STATE INCOME TAX
 ADJUSTMENT
 GAS

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

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

STATE INCOME TAX
 ADJUSTMENT
 GAS

Line No.	Description	Idaho
	REVENUES	
1	Total General Business	\$0
2	Total Transportation	0
3	Other Revenues	0
4	Total Gas Revenues	0
	EXPENSES	
5	Exploration & Development	0
	Production	
6	City Gate Purchases	0
7	Purchased Gas Expense	0
8	Net Nat. Gas Storage Trans	0
9	Total Production	0
	Underground Storage	
10	Operating Expenses	0
11	Depreciation	0
12	Taxes	0
13	Total Underground Storage	0
	Distribution	
14	Operating Expenses	0
15	Depreciation	0
16	Taxes	0
17	Total Distribution	0
18	Customer Accounting	0
19	Customer Service & Information	0
20	Sales	0
	Administrative and General	
21	Operating Expenses	0
22	Depreciation	0
23	Taxes	0
24	Total Admin. & General	0
25	Total Gas Expense	0
26	Operating Income before FIT and SIT	0
27	Idaho State Income Tax	\$0
	Adjusted Rate of	0.011416

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

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

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

ELIMINATE
A/R EXPENSES
GAS

Line No.	Description	System	Washington	Idaho
REVENUES				
1	Total General Business			
2	Total Transportation			
3	Other Revenues			
4	Total Gas Revenues	0	0	0
EXPENSES				
5	Exploration & Development			
Production				
6	City Gate Purchases			
7	Purchased Gas Expense			
8	Net Nat. Gas Storage Trans			
9	Total Production	0	0	0
Underground Storage				
10	Operating Expenses			
11	Depreciation			
12	Taxes			
13	Total Underground Storage	0	0	0
Distribution				
14	Operating Expenses			
15	Depreciation			
16	Taxes	0		0
17	Total Distribution	0	0	0
18	Customer Accounting	(85)	(85)	0
19	Customer Service & Information			
20	Sales			
Administrative and General				
21	Operating Expenses			
22	Depreciation			
23	Taxes			
24	Total Admin. & General	0	0	0
25	Total Gas Expense	(85)	(85)	0
26	Operating Income before FIT	85	85	0
Federal Income Taxes				
27	Current Accrual	35.0%	30	30
28	Amort ITC			
29	Deferred FIT			
30	NET OPERATING INCOME	\$55	\$55	\$0
RATE BASE				
PLANT IN SERVICE				
31	Underground Storage			
32	Distribution Plant			
33	General Plant			
34	Total Plant in Service	0	0	0
ACCUMULATED DEPRECIATION				
35	Underground Storage			
36	Distribution Plant			
37	General Plant			
38	Total Accum. Depreciation	0	0	0
39	DEFERRED TAXES			
40	GAS INVENTORY			
41	GAIN ON SALE OF BUILDING			
42	TOTAL RATE BASE	\$0	\$0	\$0

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

OFFICE SPACE CHARGES
 TO SUBSIDIARIES

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

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

RESTATE WASHINGTON
 EXCISE TAXES
 GAS

Line No.	Description	System	Washington	Idaho
	REVENUES			
1	Total General Business			
2	Total Transportation			
3	Other Revenues			
4	Total Gas Revenues	0	0	0
	EXPENSES			
5	Exploration & Development			
	Production			
6	City Gate Purchases			
7	Purchased Gas Expense			
8	Net Nat. Gas Storage Trans			
9	Total Production	0	0	0
	Underground Storage			
10	Operating Expenses			
11	Depreciation			
12	Taxes			
13	Total Underground Storage	0	0	0
	Distribution			
14	Operating Expenses			
15	Depreciation			
16	Taxes	79	79	0
17	Total Distribution	79	79	0
18	Customer Accounting			
19	Customer Service & Information			
20	Sales			
	Administrative and General			
21	Operating Expenses			
22	Depreciation			
23	Taxes			
24	Total Admin. & General	0	0	0
25	Total Gas Expense	79	79	0
26	Operating Income before FIT	(79)	(79)	0
	Federal Income Taxes			
27	Current Accrual (at 35%)	(28)	(28)	0
28	Amort ITC			
29	Deferred FIT			
30	NET OPERATING INCOME	(51)	(51)	0
	RATE BASE			
	PLANT IN SERVICE			
31	Underground Storage			
32	Distribution Plant			
33	General Plant			
34	Total Plant in Service	0	0	0
	ACCUMULATED DEPRECIATION			
35	Underground Storage			
36	Distribution Plant			
37	General Plant			
38	Total Accum. Depreciation	0	0	0
39	DEFERRED TAXES			
40	GAS INVENTORY			
41	GAIN ON SALE OF BUILDING			
42	TOTAL RATE BASE	0	0	0

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

OPERATING & MAINTENANCE SAVINGS
 (Associated with Mobile Dispatch)
 ADJUSTMENT
 GAS

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

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

(Associated with Mobile Dispatch)
 ADJUSTMENT
 GAS

Line No.	Description	Idaho
	REVENUES	
1	Total General Business	\$0
2	Total Transportation	0
3	Other Revenues	0
4	Total Gas Revenues	0
	EXPENSES	
5	Exploration & Development	0
	Production	
6	City Gate Purchases	0
7	Purchased Gas Expense	0
8	Net Nat. Gas Storage Trans	0
9	Total Production	0
	Underground Storage	
10	Operating Expenses	0
11	Depreciation	0
12	Taxes	0
13	Total Underground Storage	0
	Distribution	
14	Operating Expenses	0
15	Depreciation	0
16	Taxes	0
17	Total Distribution	0
18	Customer Accounting	0
19	Customer Service & Information	0
20	Sales	0
	Administrative and General	
21	Operating Expenses	0
22	Depreciation	0
23	Taxes	0
24	Total Admin. & General	0
25	Total Gas Expense	0
26	Operating Income before FIT and SIT	0
27	Idaho State Income Tax	\$0
	Adjusted Rate of 0.011416	\$0

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

MISCELLANEOUS
 RESTATING ADJUSTMENTS
 GAS

Line No.	Description	System	Washington	Idaho
REVENUES				
1	Total General Business			
2	Total Transportation			
3	Other Revenues			
4	Total Gas Revenues	0	0	0
EXPENSES				
5	Exploration & Development			
Production				
6	City Gate Purchases			
7	Purchased Gas Expense			
8	Net Nat. Gas Storage Trans			
9	Total Production	0	0	0
Underground Storage				
10	Operating Expenses			
11	Depreciation			
12	Taxes			
13	Total Underground Storage	0	0	0
Distribution				
14	Operating Expenses			
15	Depreciation			
16	Taxes	0		0
17	Total Distribution	0	0	0
18	Customer Accounting			
19	Customer Service & Information			
20	Sales			
Administrative and General				
21	Operating Expenses	(86)	(86)	
22	Depreciation			
23	Taxes			
24	Total Admin. & General	(86)	(86)	0
25	Total Gas Expense	(86)	(86)	0
26	Operating Income before FIT	86	86	0
Federal Income Taxes				
27	Current Accrual (at 35%)	35.0%	30	30
28	Amort ITC			
29	Deferred FIT			
30	NET OPERATING INCOME	\$56	\$56	\$0
RATE BASE				
PLANT IN SERVICE				
31	Underground Storage			
32	Distribution Plant			
33	General Plant			
34	Total Plant in Service	0	0	0
ACCUMULATED DEPRECIATION				
35	Underground Storage			
36	Distribution Plant			
37	General Plant			
38	Total Accum. Depreciation	0	0	0
39	DEFERRED TAXES			
40	GAS INVENTORY			
41	GAIN ON SALE OF BUILDING			
42	TOTAL RATE BASE	\$0	\$0	\$0

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

RESTATE
DEBT INTEREST
GAS

Line No.	Description	System	Washington	Idaho
REVENUES				
1	Total General Business			
2	Total Transportation			
3	Other Revenues			
4	Total Gas Revenues	0	0	0
EXPENSES				
5	Exploration & Development			
Production				
6	City Gate Purchases			
7	Purchased Gas Expense			
8	Net Nat. Gas Storage Trans			
9	Total Production	0	0	0
Underground Storage				
10	Operating Expenses			
11	Depreciation			
12	Taxes			
13	Total Underground Storage	0	0	0
Distribution				
14	Operating Expenses			
15	Depreciation			
16	Taxes	0		0
17	Total Distribution	0	0	0
18	Customer Accounting			
19	Customer Service & Information			
20	Sales			
Administrative and General				
21	Operating Expenses			
22	Depreciation			
23	Taxes			
24	Total Admin. & General	0	0	0
25	Total Gas Expense	0	0	0
26	Operating Income before FIT	0	0	0
Federal Income Taxes				
27	Current Accrual (at 35%)	23	(149)	172
28	Amort ITC			
29	Deferred FIT			
30	NET OPERATING INCOME	(\$23)	\$149	(\$172)
RATE BASE				
PLANT IN SERVICE				
31	Underground Storage			
32	Distribution Plant			
33	General Plant			
34	Total Plant in Service	0	0	0
ACCUMULATED DEPRECIATION				
35	Underground Storage			
36	Distribution Plant			
37	General Plant			
38	Total Accum. Depreciation	0	0	0
39	DEFERRED TAXES			
40	GAS INVENTORY			
41	GAIN ON SALE OF BUILDING			
42	TOTAL RATE BASE	\$0	\$0	\$0

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

<u>Adjustment Description</u>	<u>Rate Base Adjustments</u>
b Per Results Report	\$178,717
c Deferred FIT Rate Base	(27,674)
d Deferred Gain on Office Building	(42)
e Gas Inventory	11,064
f Weatherization and DSM Investment	0
g Customer Advances	(52)
h Depreciation True-up	0
i Revenue Normalization & Gas Cost Adjust	0
j Eliminate B & O Taxes	0
k Property Tax	0
l Uncollectible Expense	0
m Regulatory Expense Adjustment	0
n Injuries and Damages	0
o FIT	0
p Net Gains/losses	0
q Eliminate A/R Expenses	0
r Office Space Charges to Subs	0
s Restate Excise Taxes	0
t Misc Restating Adjustments	0
PF1 Pro Forma Labor Non-Exec	0
PF2 Pro Forma Labor Exec	0
PF3 Pro Forma JP Storage	8,922
PF4 Pro Forma Capital Add 2008	1,234
PF5 Pro Forma Capital Add 2009	6,094
PF6 Pro Forma Asset Management	0
PF7 Pro Forma Incentives	0
PF8 Pro Forma Information Services	0
PF9 Pro Forma Employee Benefits	0
PF10 Pro Forma Insurance	0
Total Restated Rate Base	<u>\$178,263</u>
Weighted Average Cost of Debt	<u>3.45%</u>
Restated Debt Interest	\$6,150
Actual Interest (G-FIT-12A)	<u>\$5,724</u>
Increase (Decrease) in Interest Expense	\$426
FIT Rate	<u>x 0.350</u>
Increase (Decrease) in FIT	<u><u>(\$149)</u></u>

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

PRO FORMA
LABOR NON-EXECUTIVE
ADJUSTMENT
GAS

Line No.	Description	System	Washington	Idaho
REVENUES				
1	Total General Business			
2	Total Transportation			
3	Other Revenues			
4	Total Gas Revenues	0	0	0
EXPENSES				
5	Exploration & Development			
	Production			
6	City Gate Purchases			
7	Purchased Gas Expense	45	33	12
8	Net Nat. Gas Storage Trans			
9	Total Production	45	33	12
	Underground Storage			
10	Operating Expenses	1	1	0
11	Depreciation			
12	Taxes			
13	Total Underground Storage	1	1	0
	Distribution			
14	Operating Expenses	468	329	139
15	Depreciation			
16	Taxes	(3)		(3)
17	Total Distribution	465	329	136
18	Customer Accounting	257	205	52
19	Customer Service & Information	16	12	4
20	Sales	23	19	4
	Administrative and General			
21	Operating Expenses	254	187	67
22	Depreciation			
23	Taxes			
24	Total Admin. & General	254	187	67
25	Total Gas Expense	1,061	786	275
26	Operating Income before FIT	(1,061)	(786)	(275)
	Federal Income Taxes			
27	Current Accrual	35.0%	(371)	(275)
28	Amort ITC			(96)
29	Deferred FIT			
30	NET OPERATING INCOME	(\$690)	(\$511)	(\$179)
RATE BASE				
PLANT IN SERVICE				
31	Underground Storage			
32	Distribution Plant			
33	General Plant			
34	Total Plant in Service	0	0	0
ACCUMULATED DEPRECIATION				
35	Underground Storage			
36	Distribution Plant			
37	General Plant			
38	Total Accum. Depreciation	0	0	0
39	DEFERRED TAXES			
40	GAS INVENTORY			
41	GAIN ON SALE OF BUILDING			
42	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
 LABOR NON-EXECUTIVE
 ADJUSTMENT
GAS

Line No.	Description	<u>Idaho</u>
	REVENUES	
1	Total General Business	\$0
2	Total Transportation	0
3	Other Revenues	<u>0</u>
4	Total Gas Revenues	0
	EXPENSES	
5	Exploration & Development	0
	Production	
6	City Gate Purchases	0
7	Purchased Gas Expense	12
8	Net Nat. Gas Storage Trans	0
9	Total Production	<u>12</u>
	Underground Storage	
10	Operating Expenses	0
11	Depreciation	0
12	Taxes	<u>0</u>
13	Total Underground Storage	0
	Distribution	
14	Operating Expenses	139
15	Depreciation	0
16	Taxes	<u>0</u>
17	Total Distribution	139
18	Customer Accounting	52
19	Customer Service & Information	4
20	Sales	4
	Administrative and General	
21	Operating Expenses	67
22	Depreciation	0
23	Taxes	<u>0</u>
24	Total Admin. & General	<u>67</u>
25	Total Gas Expense	<u>278</u>
26	Operating Income before FIT and SIT	<u>(278)</u>
27	Idaho State Income Tax	
	Adjusted Rate of 0.011416	<u><u>(\$3)</u></u>

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

PRO FORMA
LABOR EXECUTIVE
ADJUSTMENT
GAS

Line No.	Description	System	Washington	Idaho
REVENUES				
1	Total General Business			
2	Total Transportation			
3	Other Revenues			
4	Total Gas Revenues	0	0	0
EXPENSES				
5	Exploration & Development			
	Production			
6	City Gate Purchases			
7	Purchased Gas Expense	4	3	1
8	Net Nat. Gas Storage Trans			
9	Total Production	4	3	1
	Underground Storage			
10	Operating Expenses	0	0	0
11	Depreciation			
12	Taxes			
13	Total Underground Storage	0	0	0
	Distribution			
14	Operating Expenses	0	0	0
15	Depreciation			
16	Taxes			
17	Total Distribution	0	0	0
18	Customer Accounting	0	0	0
19	Customer Service & Information	0	0	0
20	Sales	0	0	0
	Administrative and General			
21	Operating Expenses	95	64	31
22	Depreciation			
23	Taxes			
24	Total Admin. & General	95	64	31
25	Total Gas Expense	99	67	32
26	Operating Income before FIT	(99)	(67)	(32)
	Federal Income Taxes			
27	Current Accrual	35.0%	(34)	(23)
28	Amort ITC			(11)
29	Deferred FIT			
30	NET OPERATING INCOME	(\$65)	(\$44)	(\$21)
RATE BASE				
PLANT IN SERVICE				
31	Underground Storage			
32	Distribution Plant			
33	General Plant			
34	Total Plant in Service	0	0	0
ACCUMULATED DEPRECIATION				
35	Underground Storage			
36	Distribution Plant			
37	General Plant			
38	Total Accum. Depreciation	0	0	0
39	DEFERRED TAXES			
40	GAS INVENTORY			
41	GAIN ON SALE OF BUILDING			
42	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
 LABOR EXECUTIVE
 ADJUSTMENT
GAS

Line No.	Description	Idaho
	REVENUES	
1	Total General Business	\$0
2	Total Transportation	0
3	Other Revenues	<u>0</u>
4	Total Gas Revenues	0
	EXPENSES	
5	Exploration & Development	0
	Production	
6	City Gate Purchases	0
7	Purchased Gas Expense	1
8	Net Nat. Gas Storage Trans	<u>0</u>
9	Total Production	1
	Underground Storage	
10	Operating Expenses	0
11	Depreciation	0
12	Taxes	<u>0</u>
13	Total Underground Storage	0
	Distribution	
14	Operating Expenses	0
15	Depreciation	0
16	Taxes	<u>0</u>
17	Total Distribution	0
18	Customer Accounting	0
19	Customer Service & Information	0
20	Sales	0
	Administrative and General	
21	Operating Expenses	31
22	Depreciation	0
23	Taxes	<u>0</u>
24	Total Admin. & General	<u>31</u>
25	Total Gas Expense	<u>32</u>
26	Operating Income before FIT and SIT	<u>(32)</u>
27	Idaho State Income Tax	
	Adjusted Rate of 0.011416	<u><u>\$0</u></u>

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

JP STORAGE
 PRO FORMA ADJUSTMENT
 GAS

Line No.	Description	System	Washington	Idaho
REVENUES				
1	Total General Business			
2	Total Transportation			
3	Other Revenues	(2,561)	(2,561)	
4	Total Gas Revenues	(2,561)	(2,561)	0
EXPENSES				
5	Exploration & Development			
Production				
6	City Gate Purchases			
7	Purchased Gas Expense			
8	Net Nat. Gas Storage Trans			
9	Total Production	0	0	0
Underground Storage				
10	Operating Expenses			
11	Depreciation	155	155	
12	Taxes	129	129	
13	Total Underground Storage	284	284	0
Distribution				
14	Operating Expenses			
15	Depreciation			
16	Taxes	(98)	(98)	0
17	Total Distribution	(98)	(98)	0
18	Customer Accounting	(7)	(7)	
19	Customer Service & Information			
20	Sales			
Administrative and General				
21	Operating Expenses	(5)	(5)	
22	Depreciation			
23	Taxes			
24	Total Admin. & General	(5)	(5)	0
25	Total Gas Expense	174	174	0
26	Operating Income before FIT	(2,735)	(2,735)	0
Federal Income Taxes				
27	Current Accrual (at 35%)	(957)	(957)	0
28	Amort ITC			
29	Deferred FIT			
30	NET OPERATING INCOME	(\$1,778)	(\$1,778)	\$0
RATE BASE				
PLANT IN SERVICE				
31	Underground Storage	\$8,614	\$8,614	
32	Distribution Plant			
33	General Plant			
34	Total Plant in Service	8,614	8,614	0
ACCUMULATED DEPRECIATION				
35	Underground Storage	266	266	
36	Distribution Plant			
37	General Plant			
38	Total Accum. Depreciation	266	266	0
39	DEFERRED TAXES	(473)	(473)	
40	GAS INVENTORY	1,047	1,047	
41	GAIN ON SALE OF BUILDING			
42	TOTAL RATE BASE	\$8,922	\$8,922	\$0

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

JP STORAGE
 PRO FORMA ADJUSTMENT
 GAS

Line No.	Description	Idaho
	REVENUES	
1	Total General Business	\$0
2	Total Transportation	0
3	Other Revenues	0
4	Total Gas Revenues	0
	EXPENSES	
5	Exploration & Development	0
	Production	
6	City Gate Purchases	0
7	Purchased Gas Expense	0
8	Net Nat. Gas Storage Trans	0
9	Total Production	0
	Underground Storage	
10	Operating Expenses	0
11	Depreciation	0
12	Taxes	0
13	Total Underground Storage	0
	Distribution	
14	Operating Expenses	0
15	Depreciation	0
16	Taxes	0
17	Total Distribution	0
18	Customer Accounting	0
19	Customer Service & Information	0
20	Sales	0
	Administrative and General	
21	Operating Expenses	0
22	Depreciation	0
23	Taxes	0
24	Total Admin. & General	0
25	Total Gas Expense	0
26	Operating Income before FIT and SIT	0
27	Idaho State Income Tax	\$0
	Adjusted Rate of 0.011416	\$0

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

PRO FORMA
CAPITAL ADDITIONS 2008
GAS

Line No.	Description	System	Washington	Idaho
REVENUES				
1	Total General Business			
2	Total Transportation			
3	Other Revenues			
4	Total Gas Revenues	0	0	0
EXPENSES				
5	Exploration & Development			
Production				
6	City Gate Purchases	0		
7	Purchased Gas Expense			
8	Net Nat. Gas Storage Trans			
9	Total Production	0	0	0
Underground Storage				
10	Operating Expenses	0	0	0
11	Depreciation	(107)	(107)	0
12	Taxes			
13	Total Underground Storage	(107)	(107)	0
Distribution				
14	Operating Expenses	0		
15	Depreciation	(564)	(564)	0
16	Taxes	0		0
17	Total Distribution	(564)	(564)	0
18	Customer Accounting	0		
19	Customer Service & Information	0		
20	Sales	0		
Administrative and General				
21	Operating Expenses	0		
22	Depreciation	218	218	0
23	Taxes			
24	Total Admin. & General	218	218	0
25	Total Gas Expense	(453)	(453)	0
26	Operating Income before FIT	453	453	0
Federal Income Taxes				
27	Current Accrual	159	159	0
28	Amort ITC			
29	Deferred FIT			
30	NET OPERATING INCOME	\$294	\$294	\$0
RATE BASE				
PLANT IN SERVICE				
31	Underground Storage	520	\$520	\$0
32	Distribution Plant	5,289	5,289	0
33	General Plant	2,110	2,110	0
34	Total Plant in Service	7,919	7,919	0
ACCUMULATED DEPRECIATION				
35	Underground Storage	246	246	0
36	Distribution Plant	3,900	3,900	0
37	General Plant	1,239	1,239	0
38	Total Accum. Depreciation	5,385	5,385	0
39	DEFERRED TAXES	(1,300)	(1,300)	0
40	GAS INVENTORY			
41	GAIN ON SALE OF BUILDING			
42	TOTAL RATE BASE	\$1,234	\$1,234	\$0

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

PRO FORMA
 CAPITAL ADDITIONS 2008
 GAS

Line No.	Description	Idaho
REVENUES		
1	Total General Business	\$0
2	Total Transportation	0
3	Other Revenues	0
4	Total Gas Revenues	0
EXPENSES		
5	Exploration & Development	0
Production		
6	City Gate Purchases	0
7	Purchased Gas Expense	0
8	Net Nat. Gas Storage Trans	0
9	Total Production	0
Underground Storage		
10	Operating Expenses	0
11	Depreciation	0
12	Taxes	0
13	Total Underground Storage	0
Distribution		
14	Operating Expenses	0
15	Depreciation	0
16	Taxes	0
17	Total Distribution	0
18	Customer Accounting	0
19	Customer Service & Information	0
20	Sales	0
Administrative and General		
21	Operating Expenses	0
22	Depreciation	0
23	Taxes	0
24	Total Admin. & General	0
25	Total Gas Expense	0
26	Operating Income before FIT and SIT	0
27	Idaho State Income Tax	\$0
	Adjusted Rate of	0.011416

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

PRO FORMA
CAPITAL ADDITIONS 2009
GAS

Line No.	Description	System	Washington	Idaho
REVENUES				
1	Total General Business			
2	Total Transportation			
3	Other Revenues			
4	Total Gas Revenues	0	0	0
EXPENSES				
5	Exploration & Development			
Production				
6	City Gate Purchases			
7	Purchased Gas Expense			
8	Net Nat. Gas Storage Trans			
9	Total Production	0	0	0
Underground Storage				
10	Operating Expenses			
11	Depreciation	6	6	
12	Taxes	2	2	
13	Total Underground Storage	8	8	0
Distribution				
14	Operating Expenses			
15	Depreciation	226	226	0
16	Taxes	153	153	0
17	Total Distribution	379	379	0
18	Customer Accounting			
19	Customer Service & Information			
20	Sales			
Administrative and General				
21	Operating Expenses	0		
22	Depreciation	466	466	0
23	Taxes	64	64	0
24	Total Admin. & General	530	530	0
25	Total Gas Expense	917	917	0
26	Operating Income before FIT	(917)	(917)	0
Federal Income Taxes				
27	Current Accrual	35.0%	(321)	(321)
28	Amort ITC			
29	Deferred FIT			
30	NET OPERATING INCOME	(\$596)	(\$596)	\$0
RATE BASE				
PLANT IN SERVICE				
31	Underground Storage	\$153	\$153	\$0
32	Distribution Plant	10,281	10,281	0
33	General Plant	4,526	4,526	0
34	Total Plant in Service	14,960	14,960	0
ACCUMULATED DEPRECIATION				
35	Underground Storage	139	139	0
36	Distribution Plant	5,139	5,139	0
37	General Plant	2,203	2,203	0
38	Total Accum. Depreciation	7,481	7,481	0
39	DEFERRED TAXES	(1,385)	(1,385)	0
40	GAS INVENTORY			
41	GAIN ON SALE OF BUILDING			
42	TOTAL RATE BASE	\$6,094	\$6,094	\$0

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

PRO FORMA
 CAPITAL ADDITIONS 2009
 GAS

Line No.	Description	Idaho
	REVENUES	
1	Total General Business	\$0
2	Total Transportation	0
3	Other Revenues	0
4	Total Gas Revenues	0
	EXPENSES	
5	Exploration & Development	0
	Production	
6	City Gate Purchases	0
7	Purchased Gas Expense	0
8	Net Nat. Gas Storage Trans	0
9	Total Production	0
	Underground Storage	
10	Operating Expenses	0
11	Depreciation	0
12	Taxes	0
13	Total Underground Storage	0
	Distribution	
14	Operating Expenses	0
15	Depreciation	0
16	Taxes	0
17	Total Distribution	0
18	Customer Accounting	0
19	Customer Service & Information	0
20	Sales	0
	Administrative and General	
21	Operating Expenses	0
22	Depreciation	0
23	Taxes	0
24	Total Admin. & General	0
25	Total Gas Expense	0
26	Operating Income before FIT and SIT	0
27	Idaho State Income Tax	\$0
	Adjusted Rate of	0.011416

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

PRO FORMA
 ASSET MANAGEMENT
 GAS

Line No.	Description	System	Washington	Idaho
REVENUES				
1	Total General Business			
2	Total Transportation			
3	Other Revenues			
4	Total Gas Revenues	0	0	0
EXPENSES				
5	Exploration & Development			
Production				
6	City Gate Purchases	0		
7	Purchased Gas Expense			
8	Net Nat. Gas Storage Trans			
9	Total Production	0	0	0
Underground Storage				
10	Operating Expenses	0	0	0
11	Depreciation	0	0	0
12	Taxes			
13	Total Underground Storage	0	0	0
Distribution				
14	Operating Expenses	88	88	0
15	Depreciation	0	0	0
16	Taxes	0	0	0
17	Total Distribution	88	88	0
18	Customer Accounting	0	0	0
19	Customer Service & Information	0	0	0
20	Sales	0	0	0
Administrative and General				
21	Operating Expenses	0	0	0
22	Depreciation	0	0	0
23	Taxes			
24	Total Admin. & General	0	0	0
25	Total Gas Expense	88	88	0
26	Operating Income before FIT	(88)	(88)	0
Federal Income Taxes				
27	Current Accrual	35.0%	(31)	(31)
28	Amort ITC			
29	Deferred FIT			
30	NET OPERATING INCOME	(\$57)	(\$57)	\$0
RATE BASE				
PLANT IN SERVICE				
31	Underground Storage	\$0	\$0	\$0
32	Distribution Plant	0	0	0
33	General Plant	0	0	0
34	Total Plant in Service	0	0	0
ACCUMULATED DEPRECIATION				
35	Underground Storage	0	0	0
36	Distribution Plant	0	0	0
37	General Plant	0	0	0
38	Total Accum. Depreciation	0	0	0
39	DEFERRED TAXES	0	0	0
40	GAS INVENTORY			
41	GAIN ON SALE OF BUILDING			
42	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
 GAS

Line No.	Description	Idaho
	REVENUES	
1	Total General Business	\$0
2	Total Transportation	0
3	Other Revenues	0
4	Total Gas Revenues	0
	EXPENSES	
5	Exploration & Development	0
	Production	
6	City Gate Purchases	0
7	Purchased Gas Expense	0
8	Net Nat. Gas Storage Trans	0
9	Total Production	0
	Underground Storage	
10	Operating Expenses	0
11	Depreciation	0
12	Taxes	0
13	Total Underground Storage	0
	Distribution	
14	Operating Expenses	0
15	Depreciation	0
16	Taxes	0
17	Total Distribution	0
18	Customer Accounting	0
19	Customer Service & Information	0
20	Sales	0
	Administrative and General	
21	Operating Expenses	0
22	Depreciation	0
23	Taxes	0
24	Total Admin. & General	0
25	Total Gas Expense	0
26	Operating Income before FIT and SIT	0
27	Idaho State Income Tax	\$0
	Adjusted Rate of 0.011416	\$0

Check

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

PRO FORMA
INCENTIVES
GAS

Line No.	Description	System	Washington	Idaho
REVENUES				
1	Total General Business			
2	Total Transportation			
3	Other Revenues			
4	Total Gas Revenues	0	0	0
EXPENSES				
5	Exploration & Development			
	Production			
6	City Gate Purchases	0		
7	Purchased Gas Expense	0		
8	Net Nat. Gas Storage Trans			
9	Total Production	0	0	0
	Underground Storage			
10	Operating Expenses	0	0	0
11	Depreciation			
12	Taxes			
13	Total Underground Storage	0	0	0
	Distribution			
14	Operating Expenses	0	0	0
15	Depreciation			
16	Taxes	0		0
17	Total Distribution	0	0	0
18	Customer Accounting	0	0	0
19	Customer Service & Information	0	0	0
20	Sales	0	0	0
	Administrative and General			
21	Operating Expenses	152	152	0
22	Depreciation			
23	Taxes			
24	Total Admin. & General	152	152	0
25	Total Gas Expense	152	152	0
26	Operating Income before FIT	(152)	(152)	0
	Federal Income Taxes			
27	Current Accrual	35.0%	(53)	(53)
28	Amort ITC			
29	Deferred FIT			
30	NET OPERATING INCOME	(\$99)	(\$99)	\$0
RATE BASE				
PLANT IN SERVICE				
31	Underground Storage			
32	Distribution Plant			
33	General Plant			
34	Total Plant in Service	0	0	0
ACCUMULATED DEPRECIATION				
35	Underground Storage			
36	Distribution Plant			
37	General Plant			
38	Total Accum. Depreciation	0	0	0
39	DEFERRED TAXES			
40	GAS INVENTORY			
41	GAIN ON SALE OF BUILDING			
42	TOTAL RATE BASE	\$0	\$0	\$0

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

INCENTIVES
 PRO FORMA
 GAS

Line No.	Description	Idaho
REVENUES		
1	Total General Business	\$0
2	Total Transportation	0
3	Other Revenues	0
4	Total Gas Revenues	0
EXPENSES		
5	Exploration & Development	0
Production		
6	City Gate Purchases	0
7	Purchased Gas Expense	0
8	Net Nat. Gas Storage Trans	0
9	Total Production	0
Underground Storage		
10	Operating Expenses	0
11	Depreciation	0
12	Taxes	0
13	Total Underground Storage	0
Distribution		
14	Operating Expenses	0
15	Depreciation	0
16	Taxes	0
17	Total Distribution	0
18	Customer Accounting	0
19	Customer Service & Information	0
20	Sales	0
Administrative and General		
21	Operating Expenses	0
22	Depreciation	0
23	Taxes	0
24	Total Admin. & General	0
25	Total Gas Expense	0
26	Operating Income before FIT and SIT	0
27	Idaho State Income Tax	\$0
	Adjusted Rate of 0.011416	\$0

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

PfInfoServ

PRO FORMA
 INFORMATION SERVICES
 GAS

Line No.	Description	System	Washington	Idaho
REVENUES				
1	Total General Business			
2	Total Transportation			
3	Other Revenues			
4	Total Gas Revenues	0	0	0
EXPENSES				
5	Exploration & Development Production			
6	City Gate Purchases	0		
7	Purchased Gas Expense	0		
8	Net Nat. Gas Storage Trans			
9	Total Production	0	0	0
Underground Storage				
10	Operating Expenses	0	0	0
11	Depreciation			
12	Taxes			
13	Total Underground Storage	0	0	0
Distribution				
14	Operating Expenses	0	0	0
15	Depreciation			
16	Taxes	0		0
17	Total Distribution	0	0	0
18	Customer Accounting	0	0	0
19	Customer Service & Information	0	0	0
20	Sales	0	0	0
Administrative and General				
21	Operating Expenses	450	450	0
22	Depreciation			
23	Taxes			
24	Total Admin. & General	450	450	0
25	Total Gas Expense	450	450	0
26	Operating Income before FIT	(450)	(450)	0
Federal Income Taxes				
27	Current Accrual	35.0%	(158)	(158)
28	Amort ITC			
29	Deferred FIT			
30	NET OPERATING INCOME	(\$292)	(\$292)	\$0
RATE BASE				
PLANT IN SERVICE				
31	Underground Storage			
32	Distribution Plant			
33	General Plant			
34	Total Plant in Service	0	0	0
ACCUMULATED DEPRECIATION				
35	Underground Storage			
36	Distribution Plant			
37	General Plant			
38	Total Accum. Depreciation	0	0	0
39	DEFERRED TAXES			
40	GAS INVENTORY			
41	GAIN ON SALE OF BUILDING			
42	TOTAL RATE BASE	\$0	\$0	\$0

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

PFEmpBen

(Pension/Medical Insurance)
 PRO FORMA
 EMPLOYEE BENEFITS
 GAS

Line No.	Description	System	Washington	Idaho	
REVENUES					
1	Total General Business				
2	Total Transportation				
3	Other Revenues				
4	Total Gas Revenues	0	0	0	
EXPENSES					
5	Exploration & Development Production				
6	City Gate Purchases	0			
7	Purchased Gas Expense	53	53	0	
8	Net Nat. Gas Storage Trans				
9	Total Production	53	53	0	
Underground Storage					
10	Operating Expenses	1	1	0	
11	Depreciation				
12	Taxes				
13	Total Underground Storage	1	1	0	
Distribution					
14	Operating Expenses	304	304	0	
15	Depreciation	0		0	
16	Taxes	(1)		(1)	
17	Total Distribution	303	304	(1)	
18	Customer Accounting	194	194	0	
19	Customer Service & Information	12	12	0	
20	Sales	18	18	0	
Administrative and General					
21	Operating Expenses	465	465	0	
22	Depreciation				
23	Taxes				
24	Total Admin. & General	465	465	0	
25	Total Gas Expense	1,046	1,047	(1)	
26	Operating Income before FIT	(1,046)	(1,047)	1	
Federal Income Taxes					
27	Current Accrual	35.0%	(366)	(366)	0
28	Amort ITC				
29	Deferred FIT				
30	NET OPERATING INCOME	(\$680)	(\$681)	\$1	
RATE BASE					
PLANT IN SERVICE					
31	Underground Storage				
32	Distribution Plant	0		0	
33	General Plant				
34	Total Plant in Service	0	0	0	
ACCUMULATED DEPRECIATION					
35	Underground Storage				
36	Distribution Plant	0		0	
37	General Plant				
38	Total Accum. Depreciation	0	0	0	
39	DEFERRED TAXES	0		0	
40	GAS INVENTORY				
41	GAIN ON SALE OF BUILDING				
42	TOTAL RATE BASE	\$0	\$0	\$0	

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

EMPLOYEE BENEFITS
 PRO FORMA
 GAS

Line No.	Description	Idaho
REVENUES		
1	Total General Business	\$0
2	Total Transportation	0
3	Other Revenues	0
4	Total Gas Revenues	0
EXPENSES		
5	Exploration & Development	0
Production		
6	City Gate Purchases	0
7	Purchased Gas Expense	0
8	Net Nat. Gas Storage Trans	0
9	Total Production	0
Underground Storage		
10	Operating Expenses	0
11	Depreciation	0
12	Taxes	0
13	Total Underground Storage	0
Distribution		
14	Operating Expenses	0
15	Depreciation	0
16	Taxes	101
17	Total Distribution	101
18	Customer Accounting	0
19	Customer Service & Information	0
20	Sales	0
Administrative and General		
21	Operating Expenses	0
22	Depreciation	0
23	Taxes	0
24	Total Admin. & General	0
25	Total Gas Expense	101
26	Operating Income before FIT and SIT	(101)
27	Idaho State Income Tax	(\$1)
	Adjusted Rate of	0.011416

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

PFInsur

PRO FORMA
INSURANCE
GAS

Line No.	Description	System	Washington	Idaho
REVENUES				
1	Total General Business			
2	Total Transportation			
3	Other Revenues			
4	Total Gas Revenues	0	0	0
EXPENSES				
5	Exploration & Development			
Production				
6	City Gate Purchases	0		
7	Purchased Gas Expense	0		
8	Net Nat. Gas Storage Trans			
9	Total Production	0	0	0
Underground Storage				
10	Operating Expenses	0	0	0
11	Depreciation			
12	Taxes			
13	Total Underground Storage	0	0	0
Distribution				
14	Operating Expenses	0	0	0
15	Depreciation			
16	Taxes	0		0
17	Total Distribution	0	0	0
18	Customer Accounting	0	0	0
19	Customer Service & Information	0	0	0
20	Sales	0	0	0
Administrative and General				
21	Operating Expenses	78	78	
22	Depreciation			
23	Taxes			
24	Total Admin. & General	78	78	0
25	Total Gas Expense	78	78	0
26	Operating Income before FIT	(78)	(78)	0
Federal Income Taxes				
27	Current Accrual	35.0%	(27)	(27)
28	Amort ITC			
29	Deferred FIT			
30	NET OPERATING INCOME	(\$51)	(\$51)	\$0
RATE BASE				
PLANT IN SERVICE				
31	Underground Storage			
32	Distribution Plant			
33	General Plant			
34	Total Plant in Service	0	0	0
ACCUMULATED DEPRECIATION				
35	Underground Storage			
36	Distribution Plant			
37	General Plant			
38	Total Accum. Depreciation	0	0	0
39	DEFERRED TAXES			
40	GAS INVENTORY			
41	GAIN ON SALE OF BUILDING			
42	TOTAL RATE BASE	\$0	\$0	\$0

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

INSURANCE
 PRO FORMA
 GAS

Line No.	Description	Idaho
REVENUES		
1	Total General Business	\$0
2	Total Transportation	0
3	Other Revenues	0
4	Total Gas Revenues	0
EXPENSES		
5	Exploration & Development	0
Production		
6	City Gate Purchases	0
7	Purchased Gas Expense	0
8	Net Nat. Gas Storage Trans	0
9	Total Production	0
Underground Storage		
10	Operating Expenses	0
11	Depreciation	0
12	Taxes	0
13	Total Underground Storage	0
Distribution		
14	Operating Expenses	0
15	Depreciation	0
16	Taxes	0
17	Total Distribution	0
18	Customer Accounting	0
19	Customer Service & Information	0
20	Sales	0
Administrative and General		
21	Operating Expenses	0
22	Depreciation	0
23	Taxes	0
24	Total Admin. & General	0
25	Total Gas Expense	0
26	Operating Income before FIT and SIT	0
27	Idaho State Income Tax	\$0
	Adjusted Rate of	0.011416

Inputs

Twelve month period

TWELVE MONTHS ENDED SEPTEMBER 30, 2008

Idaho State Income Tax Adjusted Rate of

0.011416

tm 2/15/08

Company Name

AVISTA UTILITIES

WORKPAPERS

In support of

Exhibit No. ____ (EMA-3)

Docket No. UG-09__

Witness: Elizabeth M. Andrews

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

PFJP11-open

PRO FORMA

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

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

#REF!
 PRO FORMA
 GAS

Line No.	Description	Idaho
	REVENUES	
1	Total General Business	\$0
2	Total Transportation	0
3	Other Revenues	0
4	Total Gas Revenues	0
	EXPENSES	
5	Exploration & Development	0
	Production	
6	City Gate Purchases	0
7	Purchased Gas Expense	0
8	Net Nat. Gas Storage Trans	0
9	Total Production	0
	Underground Storage	
10	Operating Expenses	0
11	Depreciation	0
12	Taxes	0
13	Total Underground Storage	0
	Distribution	
14	Operating Expenses	0
15	Depreciation	0
16	Taxes	0
17	Total Distribution	0
18	Customer Accounting	0
19	Customer Service & Information	0
20	Sales	0
	Administrative and General	
21	Operating Expenses	0
22	Depreciation	0
23	Taxes	0
24	Total Admin. & General	0
25	Total Gas Expense	0
26	Operating Income before FIT and SIT	0
27	Idaho State Income Tax	
	Adjusted Rate of 0.011416	\$0

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

PF12-Open

PRO FORMA

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

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

#REF!
 PRO FORMA
 GAS

Line No.	Description	Idaho
REVENUES		
1	Total General Business	\$0
2	Total Transportation	0
3	Other Revenues	0
4	Total Gas Revenues	0
EXPENSES		
5	Exploration & Development	0
Production		
6	City Gate Purchases	0
7	Purchased Gas Expense	0
8	Net Nat. Gas Storage Trans	0
9	Total Production	0
Underground Storage		
10	Operating Expenses	0
11	Depreciation	0
12	Taxes	0
13	Total Underground Storage	0
Distribution		
14	Operating Expenses	0
15	Depreciation	0
16	Taxes	0
17	Total Distribution	0
18	Customer Accounting	0
19	Customer Service & Information	0
20	Sales	0
Administrative and General		
21	Operating Expenses	0
22	Depreciation	0
23	Taxes	0
24	Total Admin. & General	0
25	Total Gas Expense	0
26	Operating Income before FIT and SIT	0
27	Idaho State Income Tax	\$0
	Adjusted Rate of 0.011416	\$0

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

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

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

0
 ADJUSTMENT
 GAS

Line No.	Description	Idaho
	REVENUES	
1	Total General Business	\$0
2	Total Transportation	0
3	Other Revenues	0
4	Total Gas Revenues	0
	EXPENSES	
5	Exploration & Development Production	0
6	City Gate Purchases	0
7	Purchased Gas Expense	0
8	Net Nat. Gas Storage Trans	0
9	Total Production	0
	Underground Storage	
10	Operating Expenses	0
11	Depreciation	0
12	Taxes	0
13	Total Underground Storage	0
	Distribution	
14	Operating Expenses	0
15	Depreciation	0
16	Taxes	0
17	Total Distribution	0
18	Customer Accounting	0
19	Customer Service & Information	0
20	Sales	0
	Administrative and General	
21	Operating Expenses	0
22	Depreciation	0
23	Taxes	0
24	Total Admin. & General	0
25	Total Gas Expense	0
26	Operating Income before FIT and SIT	0
27	Idaho State Income Tax	\$0
	Adjusted Rate of	0.011416

AVISTA UTILITIES
 GAS RESULTS OF OPERATION
 WASHINGTON RESTATED RESULTS
 TWELVE MONTHS ENDED
 (000S OF DOLLARS)

Line No.	DESCRIPTION	6/30/1999		12/31/1998		6/30/1998		12/31/1997		Difference		% Difference	
		Per Results Report	Restated Total	Per Results Report	Restated Total	Per Results Report	Restated Total	Per Results Report	Restated Total	Per Results Report	Restated Total	Per Results Report	Restated Total
REVENUES													
1	Total General Business	\$220,020	\$213,876	\$67,226	\$72,351	\$60,870	\$65,232	\$59,881	\$60,410	\$160,139	\$153,466	267.43%	254.04%
2	Total Transportation	3,486	1,711	5,294	5,218	5,449	5,372	4,946	4,876	(1,460)	(3,165)	-29.52%	-64.91%
3	Other Revenues	135,812	4,413	12,629	12,629	11,275	11,275	9,493	9,493	126,319	(5,080)	1330.65%	-53.51%
4	Total Gas Revenues	359,318	220,000	85,149	90,198	77,594	81,879	74,320	74,779	284,998	145,221	383.47%	194.20%
EXPENSES													
5	Exploration and Development Production	0	0	0	0	0	0	0	0	0	0		
6	City Gate Purchases	309,146	157,281	49,265	53,479	43,653	47,886	44,989	46,442	264,157	110,839	587.16%	238.66%
7	Purchased Gas Expense	737	737	117	(101)	(68)	(580)	246	246	491	491	199.59%	199.59%
8	Net Nat Gas Storage Trans	(18,687)	0	(1,017)	(1,017)	321	321	(2,074)	(2,074)	(16,613)	2,074	801.01%	-100.00%
9	Total Production	291,196	158,018	48,365	52,361	43,906	47,627	43,161	44,614	248,035	113,404	574.67%	254.19%
Underground Storage													
10	Operating Expenses	408	408	319	319	365	365	333	333	75	75	22.52%	22.52%
11	Depreciation	260	245	325	325	322	322	328	328	(68)	(83)	-20.73%	-25.30%
12	Taxes	113	97	103	103	133	118	138	152	(25)	(55)	-18.12%	-36.18%
13	Total Underground Storage	781	750	747	747	820	805	799	813	(18)	(63)	-2.25%	-7.75%
Distribution													
14	Operating Expenses	6,260	6,260	3,905	3,905	3,870	3,870	3,902	3,902	2,358	2,358	60.43%	60.43%
15	Depreciation	5,659	5,593	3,738	3,738	3,639	3,639	3,539	3,539	2,120	2,054	59.90%	58.04%
16	Taxes	18,282	10,240	4,956	4,081	3,352	4,106	5,753	4,281	12,529	5,959	217.78%	139.20%
17	Total Distribution	30,201	22,093	12,599	11,724	12,861	11,615	13,194	11,722	17,007	10,371	128.90%	88.47%
18	Customer Accounting	4,884	4,661	3,322	2,875	3,163	2,872	3,208	2,841	1,676	1,820	52.24%	64.06%
19	Customer Service & Information	5,002	732	585	585	565	594	594	594	4,408	138	742.09%	23.23%
20	Sales Expenses	545	545	474	474	443	443	437	437	108	108	24.71%	24.71%
Administrative & General													
21	Operating Expenses	9,202	9,066	8,195	8,281	7,359	7,346	7,319	7,248	1,883	1,818	25.73%	25.08%
22	Depreciation	1,414	1,755	818	818	725	725	668	668	746	1,087	111.68%	162.72%
23	Taxes	23	22	15	15	15	14	16	18	7	4	-43.75%	-22.22%
24	Total Admin. & General	10,639	10,843	9,028	9,114	8,099	8,085	8,003	7,934	335,245	2,909	4188.99%	36.66%
25	Total Gas Expense	345,248	197,642	75,120	77,880	69,857	72,012	69,396	68,955	273,852	128,687	394.62%	186.62%
26	OPERATING INCOME BEFORE FIT FEDERAL INCOME TAX	16,070	22,358	10,029	12,318	7,737	9,867	4,924	5,824	11,146	16,534	226.36%	283.89%
27	Current Accrual	5,138	7,194	(651)	717	(778)	497	(2,149)	(2,162)	7,287	9,356	-339.09%	-432.74%
28	Deferred FIT	(1,042)	(1,035)	2,229	2,093	1,755	1,725	3,029	3,040	(4,071)	(4,075)	-134.40%	-134.05%
29	Amort ITC	(30)	(30)	(31)	(31)	(30)	(30)	(31)	(31)	1	1	-3.23%	-3.23%
30	NET OPERATING INCOME	\$12,004	\$16,229	\$8,482	\$9,539	\$6,790	\$7,675	\$4,075	\$4,977	\$7,929	\$11,252	194.58%	226.08%
RATE BASE: PLANT IN SERVICE													
31	Underground Storage	\$13,539	\$13,539	\$14,091	\$14,091	\$14,053	\$14,053	13,958	13,958	(419)	(419)	-3.00%	-3.00%
32	Distribution Plant	237,485	237,433	150,325	154,669	145,223	149,785	140,409	145,185	97,076	92,248	69.14%	63.54%
33	General Plant	23,944	23,944	12,868	12,868	12,720	12,720	11,816	11,816	12,128	12,128	102.64%	102.64%
34	Total Plant in Service	274,968	274,916	177,284	181,628	171,996	176,558	166,183	170,959	108,785	103,957	65.46%	60.81%
ACCUMULATED DEPRECIATION													
35	Underground Storage	7,516	7,516	5,936	5,936	5,775	5,775	5,603	5,603	1,913	1,913	34.14%	34.14%
36	Distribution Plant	80,580	80,580	40,779	40,779	39,525	39,525	38,317	38,317	42,263	42,263	110.50%	110.50%
37	General Plant	8,155	8,155	5,028	5,028	4,930	4,930	4,538	4,538	3,617	3,617	79.70%	79.70%
38	Total Accum. Depreciation	96,251	96,251	51,743	51,743	50,230	50,230	48,458	48,458	47,793	47,793	98.63%	98.63%
39	DEFERRED FIT		(27,651)		(10,034)		(9,317)	0	(8,584)		(19,067)		222.12%
40	GAS INVENTORY		11,064		1,458		1,430	0	1,481		9,583		647.06%
41	GAIN ON SALE OF BUILDING		(65)		(615)		(641)	0	(667)		602		-90.25%
42	TOTAL RATE BASE	\$178,717	\$162,013	\$125,541	\$120,694	\$121,766	\$117,800	\$117,725	\$114,731	\$60,992	\$47,282	51.81%	41.21%
43	RATE OF RETURN	6.72%	10.02%	6.76%	7.90%	5.58%	6.52%	3.46%	4.34%				

AVISTA UTILITIES
 GAS RESULTS OF OPERATION
 IDAHO RESTATEMENT RESULTS
 TWELVE MONTHS ENDED
 (000S OF DOLLARS)

Line No.	DESCRIPTION	6/30/1999		12/31/1998		6/30/1998		12/31/1997		Difference		% Difference	
		Per Results Report	Restated Total	Per Results Report	Restated Total	Per Results Report	Restated Total	Per Results Report	Restated Total	Per Results Report	Restated Total	Per Results Report	Restated Total
REVENUES													
1	Total General Business	\$88,848	\$88,848	\$29,295	\$31,501	\$26,349	\$28,092	\$23,908	\$24,445	\$64,940	\$64,403	271.62%	263.46%
2	Total Transportation	529	529	1,960	1,956	2,095	2,092	1,996	1,993	(1,467)	(1,464)	-73.50%	-73.46%
3	Other Revenues	59,962	59,962	5,155	5,155	4,546	4,546	3,498	3,498	56,464	56,464	1614.18%	1614.18%
4	Total Gas Revenues	149,339	149,339	36,410	38,612	32,990	34,730	29,402	29,936	119,937	119,403	407.92%	398.86%
EXPENSES													
5	Exploration and Development Production	0	0	0	0	0	0	0	0	0	0		
6	City Gate Purchases	132,107	132,107	21,416	22,893	17,303	18,600	14,823	15,279	117,284	116,828	791.23%	764.63%
7	Purchased Gas Expense	356	356	67	(17)	(37)	(240)	134	134	222	222	163.67%	163.67%
8	Net Nat Gas Storage Trans	(8,926)	(8,926)	(428)	(428)	134	134	(778)	(778)	(8,148)	(8,148)	1047.30%	1047.30%
9	Total Production	123,537	123,537	21,055	22,448	17,400	18,494	14,179	14,635	109,358	108,902	771.27%	744.12%
Underground Storage													
10	Operating Expenses	167	167	110	110	126	126	116	116	51	51	-43.97%	-43.97%
11	Depreciation	107	107	112	112	111	111	114	114	(7)	(7)	-6.14%	-6.14%
12	Taxes	46	46	36	36	46	40	48	53	(2)	(7)	-4.17%	-13.21%
13	Total Underground Storage	320	320	258	258	283	277	278	283	42	37	15.11%	13.07%
Distribution													
14	Operating Expenses	3,833	3,833	1,673	1,673	1,654	1,654	1,563	1,563	2,270	2,270	145.23%	145.23%
15	Depreciation	2,807	2,807	1,802	1,802	1,722	1,722	1,629	1,629	1,178	1,178	72.31%	72.31%
16	Taxes	2,396	2,396	758	802	672	689	718	784	1,678	1,612	233.70%	205.61%
17	Total Distribution	9,036	9,036	4,233	4,277	4,048	4,065	3,910	3,976	5,126	5,060	131.10%	127.26%
18	Customer Accounting	1,937	1,937	1,506	1,416	1,404	1,375	1,431	1,356	506	581	-35.36%	-42.85%
19	Customer Service & Information	1,788	1,788	222	222	209	209	217	217	1,571	1,571	723.96%	723.96%
20	Sales Expenses	213	213	185	185	172	172	168	168	45	45	26.79%	26.79%
Administrative & General													
21	Operating Expenses	4,471	4,471	3,821	3,396	3,258	2,823	3,183	2,774	1,288	1,697	-40.46%	-61.18%
22	Depreciation	816	816	392	392	335	335	310	310	506	506	163.23%	163.23%
23	Taxes	11	11	7	7	7	7	7	7	4	4	57.14%	57.14%
24	Total Admin. & General	5,298	5,298	4,220	3,795	3,600	3,165	3,500	3,091	138,629	2,207	3960.83%	71.40%
25	Total Gas Expense	142,129	142,129	31,679	32,601	27,116	27,757	23,683	23,726	118,446	118,403	500.13%	-499.04%
26	OPERATING INCOME BEFORE FIT FEDERAL INCOME TAX	7,210	7,210	4,731	6,011	5,874	6,973	5,719	6,210	1,491	1,000	26.07%	16.10%
27	Current Accrual	1,089	1,248	200	743	426	740	(696)	(510)	1,785	1,758	-256.47%	-344.68%
28	Deferred FIT	334	337	1,011	929	1,335	1,300	2,331	2,317	(1,997)	(1,980)	-85.67%	-85.46%
29	Amort FIT	(19)	(19)	(19)	(19)	(19)	(19)	(19)	(19)	0	0	0.00%	0.00%
30	NET OPERATING INCOME	\$5,806	\$5,644	\$3,539	\$4,358	\$4,132	\$4,952	\$4,103	\$4,422	\$1,703	\$1,222	41.51%	27.64%
RATE BASE: PLANT IN SERVICE													
31	Underground Storage	\$5,549	\$5,549	\$4,859	\$4,859	\$4,846	\$4,846	4,848	4,848	701	701	14.46%	14.46%
32	Distribution Plant	120,449	120,449	72,467	73,938	68,735	70,273	64,639	66,244	55,810	54,205	86.34%	81.83%
33	General Plant	11,067	11,067	6,291	6,291	6,026	6,026	5,596	5,596	5,471	5,471	97.77%	97.77%
34	Total Plant in Service	137,065	137,065	83,617	85,088	79,607	81,145	75,083	76,688	61,982	60,377	82.55%	78.73%
ACCUMULATED DEPRECIATION													
35	Underground Storage	3,080	3,080	2,047	2,047	1,991	1,991	1,946	1,946	1,134	1,134	58.27%	58.27%
36	Distribution Plant	39,978	39,978	19,658	19,658	18,707	18,707	17,640	17,640	22,338	22,338	126.63%	126.63%
37	General Plant	3,471	3,471	2,316	2,316	2,205	2,205	2,024	2,024	1,447	1,447	71.49%	71.49%
38	Total Accum. Depreciation	46,529	46,529	24,021	24,021	22,903	22,903	21,610	21,610	24,919	24,919	115.31%	115.31%
39	DEFERRED FIT		(14,220)		(4,603)		(4,227)	0	(3,829)		(10,391)		-271.38%
40	GAS INVENTORY		0		503		493	0	515		(515)		-100.00%
41	GAIN ON SALE OF BUILDING		0		(268)		(274)	0	(280)		280		-100.00%
42	TOTAL RATE BASE	\$90,536	\$76,316	\$59,596	\$56,699	\$56,704	\$54,234	\$55,473	\$51,484	\$37,063	\$24,832	69.31%	-48.23%
43	RATE OF RETURN	6.41%	7.40%	5.94%	7.69%	7.29%	9.13%	7.67%	8.59%				

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%
<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

	Allocator	System	Oregon	California
<u>WPNG</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%

	Allocator	Total Company	WWP Electric	WWP Gas	WPNG
<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%
Common Washington - CDWA		184,507			
Common Idaho - CDID		55,620			

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-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%	62.190%	37.810%
Direct Assignment	99	0.000%	0.000%	0.000%
			52.297%	27.901%
CD WA / CD ID			79%	82%
	Allocator	System	Washington	Idaho
<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

<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	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%

	<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	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%
Common Washington - CDWA		128,243			
Common Idaho - CDID		28,988			

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%
Common Washington - CDWA		52,599			
Common Idaho - CDID		162,772			

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

	System	Washington	Idaho	Oregon
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
 GAS 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	0 Gas Inventory	Weatherization and DSM Investment
	a	b	c	d	e	e
REVENUES						
1	Total General Business	\$308,868				
2	Total Transportation	4,015				
3	Other Revenues	195,774				
4	Total Gas Revenues	508,657				
EXPENSES						
5	Exploration and Development					
Production						
6	City Gate Purchases	441,253				
7	Purchased Gas Expense	1,093				
8	Net Nat Gas Storage Trans	(27,613)				
9	Total Production	414,733				
Underground Storage						
10	Operating Expenses	575				
11	Depreciation	367				
12	Taxes	159				
13	Total Underground Storage	1,101				
Distribution						
14	Operating Expenses	10,093				
15	Depreciation	8,466				
16	Taxes	20,678				
17	Total Distribution	39,237				
18	Customer Accounting	6,821				
19	Customer Service & Information	6,790				
20	Sales Expenses	758				
Administrative & General						
21	Operating Expenses	13,673				
22	Depreciation	2,230				
23	Taxes	34				
24	Total Admin. & General	15,937				
25	Total Gas Expense	485,377				
26	OPERATING INCOME BEFORE FIT	23,280				
FEDERAL INCOME TAX						
27	Current Accrual	6,227				
28	Deferred FIT	(708)				
29	Amort ITC	(49)				
30	NET OPERATING INCOME	\$17,810				
RATE BASE: PLANT IN SERVICE						
31	Underground Storage	\$19,088				
32	Distribution Plant	357,934				
33	General Plant	35,011				
34	Total Plant in Service	412,033				
ACCUMULATED DEPRECIATION						
35	Underground Storage	10,596				
36	Distribution Plant	120,558				
37	General Plant	11,626				
38	Total Accum. Depreciation	142,780				
39	DEFERRED FIT		(41,894)	23		
40	GAS INVENTORY				11,064	
41	GAIN ON SALE OF BUILDING			(65)		
42	TOTAL RATE BASE	\$269,253	\$ (41,894)	\$ (42)	\$11,064	
43	RATE OF RETURN					

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

Line No.	DESCRIPTION	#REF! #REF! #REF!	0 Subtotal Actual	* mixed Normalization & Gas Cost Adjust	#REF! #REF! #REF!	* Eliminate B & O Taxes
	a	f	-	g	h	i
REVENUES						
1	Total General Business	#REF!	\$308,868	\$1,695	#REF!	\$ (7,839)
2	Total Transportation	#REF!	4,015	(1,700)	#REF!	(75)
3	Other Revenues	#REF!	195,774	(131,399)	#REF!	
4	Total Gas Revenues	#REF!	508,657	(131,404)	#REF!	(7,914)
EXPENSES						
5	Exploration and Development	#REF!			#REF!	
	Production	#REF!			#REF!	
6	City Gate Purchases	#REF!	441,253	(151,865)	#REF!	
7	Purchased Gas Expense	#REF!	1,093		#REF!	
8	Net Nat Gas Storage Trans	#REF!	(27,613)	18,687	#REF!	
9	Total Production	#REF!	414,733	(133,178)	#REF!	
	Underground Storage	#REF!			#REF!	
10	Operating Expenses	#REF!	575		#REF!	
11	Depreciation	#REF!	352		#REF!	
12	Taxes	#REF!	159		#REF!	
13	Total Underground Storage	#REF!	1,086		#REF!	
	Distribution	#REF!			#REF!	
14	Operating Expenses	#REF!	10,093		#REF!	
15	Depreciation	#REF!	8,413		#REF!	
16	Taxes	#REF!	20,678	67	#REF!	(7,908)
17	Total Distribution	#REF!	39,184	67	#REF!	(7,908)
18	Customer Accounting	#REF!	6,821	5	#REF!	
19	Customer Service & Information	#REF!	6,790	(4,270)	#REF!	
20	Sales Expenses	#REF!	758		#REF!	
	Administrative & General	#REF!			#REF!	
21	Operating Expenses	#REF!	13,673	3	#REF!	
22	Depreciation	#REF!	2,215	356	#REF!	
23	Taxes	#REF!	34		#REF!	
24	Total Admin. & General	#REF!	15,922	359	#REF!	
25	Total Gas Expense	#REF!	485,294	(137,017)	#REF!	(7,908)
26	OPERATING INCOME BEFORE FIT	#REF!	23,363	5,613	#REF!	(6)
	FEDERAL INCOME TAX	#REF!			#REF!	
27	Current Accrual	#REF!	6,256	1,965	#REF!	(2)
28	Deferred FIT	#REF!	(708)		#REF!	
29	Amort ITC	#REF!	(49)		#REF!	
30	NET OPERATING INCOME	#REF!	\$17,864	\$3,648	#REF!	\$ (4)
RATE BASE: PLANT IN SERVICE						
31	Underground Storage	#REF!	\$19,088		#REF!	
32	Distribution Plant	#REF!	357,882		#REF!	
33	General Plant	#REF!	35,011		#REF!	
34	Total Plant in Service	#REF!	411,981		#REF!	
ACCUMULATED DEPRECIATION						
35	Underground Storage	#REF!	10,596		#REF!	
36	Distribution Plant	#REF!	120,558		#REF!	
37	General Plant	#REF!	11,626		#REF!	
38	Total Accum. Depreciation	#REF!	142,780		#REF!	
39	DEFERRED FIT	#REF!	(41,871)		#REF!	
40	GAS INVENTORY	#REF!	11,064		#REF!	
41	GAIN ON SALE OF BUILDING	#REF!	(65)		#REF!	
42	TOTAL RATE BASE	#REF!	\$238,329		#REF!	
43	RATE OF RETURN					

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

Line No.	DESCRIPTION	*	*	*	*	*
		0 Property Tax j	0 Uncollectible Expense k	Regulatory Expense Adjustment l	Injuries and Damages m	0 0 FIT n
REVENUES						
1	Total General Business					
2	Total Transportation					
3	Other Revenues					
4	Total Gas Revenues					
EXPENSES						
5	Exploration and Development					
Production						
6	City Gate Purchases					
7	Purchased Gas Expense					
8	Net Nat Gas Storage Trans					
9	Total Production					
Underground Storage						
10	Operating Expenses					
11	Depreciation					
12	Taxes	(16)				
13	Total Underground Storage	(16)				
Distribution						
14	Operating Expenses					
15	Depreciation					
16	Taxes	(280)				
17	Total Distribution	(280)				
18	Customer Accounting		(143)			
19	Customer Service & Information					
20	Sales Expenses					
Administrative & General						
21	Operating Expenses			14	(65)	
22	Depreciation					
23	Taxes	(1)				
24	Total Admin. & General	(1)		14	(65)	
25	Total Gas Expense	(297)	(143)	14	(65)	
26	OPERATING INCOME BEFORE FIT	297	143	(14)	65	
FEDERAL INCOME TAX						
27	Current Accrual	104	50	(5)	23	(10)
28	Deferred FIT					10
29	Amort ITC					
30	NET OPERATING INCOME	\$193	\$93	\$ (9)	\$42	
RATE BASE: PLANT IN SERVICE						
31	Underground Storage					
32	Distribution Plant					
33	General Plant					
34	Total Plant in Service					
ACCUMULATED DEPRECIATION						
35	Underground Storage					
36	Distribution Plant					
37	General Plant					
38	Total Accum. Depreciation					
39	DEFERRED FIT					
40	GAS INVENTORY					
41	GAIN ON SALE OF BUILDING					
42	TOTAL RATE BASE					
43	RATE OF RETURN					

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

Line No.	DESCRIPTION	*	*	*	*	*
		Restate Debt Interest	#REF! #REF! #REF!	#REF! #REF! #REF!	Eliminate A/R Expenses	mixed mixed mixed
	a	o	p	q	s	t
REVENUES						
1	Total General Business		#REF!	#REF!		
2	Total Transportation		#REF!	#REF!		
3	Other Revenues		#REF!	#REF!		
4	Total Gas Revenues		#REF!	#REF!		
EXPENSES						
5	Exploration and Development		#REF!	#REF!		
	Production		#REF!	#REF!		
6	City Gate Purchases		#REF!	#REF!		
7	Purchased Gas Expense		#REF!	#REF!		
8	Net Nat Gas Storage Trans		#REF!	#REF!		
9	Total Production		#REF!	#REF!		
	Underground Storage		#REF!	#REF!		
10	Operating Expenses		#REF!	#REF!		
11	Depreciation		#REF!	#REF!		
12	Taxes		#REF!	#REF!		
13	Total Underground Storage		#REF!	#REF!		
	Distribution		#REF!	#REF!		
14	Operating Expenses		#REF!	#REF!		
15	Depreciation		#REF!	#REF!		
16	Taxes		#REF!	#REF!		
17	Total Distribution		#REF!	#REF!		
18	Customer Accounting		#REF!	#REF!	(85)	
19	Customer Service & Information		#REF!	#REF!		
20	Sales Expenses		#REF!	#REF!		
	Administrative & General		#REF!	#REF!		
21	Operating Expenses		#REF!	#REF!		(2)
22	Depreciation		#REF!	#REF!		
23	Taxes		#REF!	#REF!		
24	Total Admin. & General		#REF!	#REF!		(2)
25	Total Gas Expense		#REF!	#REF!	(85)	(2)
26	OPERATING INCOME BEFORE FIT		#REF!	#REF!	85	2
	FEDERAL INCOME TAX		#REF!	#REF!		
27	Current Accrual	23	#REF!	#REF!	30	1
28	Deferred FIT		#REF!	#REF!		
29	Amort ITC		#REF!	#REF!		
30	NET OPERATING INCOME	\$ (23)	#REF!	#REF!	\$55	\$1
RATE BASE: PLANT IN SERVICE						
31	Underground Storage		#REF!	#REF!		
32	Distribution Plant		#REF!	#REF!		
33	General Plant		#REF!	#REF!		
34	Total Plant in Service		#REF!	#REF!		
ACCUMULATED DEPRECIATION						
35	Underground Storage		#REF!	#REF!		
36	Distribution Plant		#REF!	#REF!		
37	General Plant		#REF!	#REF!		
38	Total Accum. Depreciation		#REF!	#REF!		
39	DEFERRED FIT		#REF!	#REF!		
40	GAS INVENTORY		#REF!	#REF!		
41	GAIN ON SALE OF BUILDING		#REF!	#REF!		
42	TOTAL RATE BASE		#REF!	#REF!		
43	RATE OF RETURN					

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

Line No.	DESCRIPTION	*		0	#REF!	Pro Forma
		0	0	Restated	#REF!	Capital Add
		0	0	Total	#REF!	mixed
	a	u	v	w	x	-
	REVENUES					
1	Total General Business			\$302,724	#REF!	
2	Total Transportation			2,240	#REF!	
3	Other Revenues			64,375	#REF!	
4	Total Gas Revenues			369,339	#REF!	
	EXPENSES					
5	Exploration and Development				#REF!	
	Production				#REF!	
6	City Gate Purchases			289,388	#REF!	
7	Purchased Gas Expense			1,093	#REF!	
8	Net Nat Gas Storage Trans			(8,926)	#REF!	
9	Total Production			281,555	#REF!	
	Underground Storage				#REF!	
10	Operating Expenses			575	#REF!	
11	Depreciation			352	#REF!	(107)
12	Taxes			143	#REF!	
13	Total Underground Storage			1,070	#REF!	(107)
	Distribution				#REF!	
14	Operating Expenses			10,093	#REF!	
15	Depreciation			8,400	#REF!	(564)
16	Taxes			12,636	#REF!	
17	Total Distribution			31,129	#REF!	(564)
18	Customer Accounting			6,598	#REF!	
19	Customer Service & Information			2,520	#REF!	
20	Sales Expenses			758	#REF!	
	Administrative & General				#REF!	
21	Operating Expenses			13,537	#REF!	
22	Depreciation			2,571	#REF!	218
23	Taxes			33	#REF!	
24	Total Admin. & General			16,141	#REF!	218
25	Total Gas Expense			339,771	#REF!	(453)
26	OPERATING INCOME BEFORE FIT			29,568	#REF!	453
	FEDERAL INCOME TAX				#REF!	
27	Current Accrual			8,442	#REF!	159
28	Deferred FIT			(698)	#REF!	
29	Amort ITC			(49)	#REF!	
30	NET OPERATING INCOME			\$21,873	#REF!	\$294
	RATE BASE: PLANT IN SERVICE				#REF!	
31	Underground Storage			\$19,088	#REF!	\$520
32	Distribution Plant			357,882	#REF!	5,289
33	General Plant			35,011	#REF!	2,110
34	Total Plant in Service			411,981	#REF!	7,919
	ACCUMULATED DEPRECIATION				#REF!	
35	Underground Storage			10,596	#REF!	246
36	Distribution Plant			120,558	#REF!	3,900
37	General Plant			11,626	#REF!	1,239
38	Total Accum. Depreciation			142,780	#REF!	5,385
39	DEFERRED FIT			(41,871)	#REF!	(1,300)
40	GAS INVENTORY			11,064	#REF!	
41	GAIN ON SALE OF BUILDING			(65)	#REF!	
42	TOTAL RATE BASE			\$238,329	#REF!	\$1,234
43	RATE OF RETURN					

AVISTA UTILITIES
 GAS 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	\$88,848		\$88,848	\$1,915	\$90,763
2	Total Transportation	529	0	529		529
3	Other Revenues	59,962	0	59,962		59,962
4	Total Gas Revenues	149,339	0	149,339	1,915	151,254
EXPENSES						
5	Exploration and Development Production					
6	City Gate Purchases	132,107	0	132,107		132,107
7	Purchased Gas Expense	356	13	369		369
8	Net Nat Gas Storage Trans	(8,926)	0	(8,926)		(8,926)
9	Total Production	123,537	13	123,550	0	123,550
Underground Storage						
10	Operating Expenses	167	0	167		167
11	Depreciation	107	0	107		107
12	Taxes	46	0	46		46
13	Total Underground Storage	320	0	320	0	320
Distribution						
14	Operating Expenses	3,833	139	3,972		3,972
15	Depreciation	2,807	0	2,807		2,807
16	Taxes	2,396	(4)	2,392	22	2,414
17	Total Distribution	9,036	135	9,171	22	9,193
18	Customer Accounting	1,937	52	1,989	4	1,993
19	Customer Service & Information	1,788	4	1,792		1,792
20	Sales Expenses	213	4	217		217
Administrative & General						
21	Operating Expenses	4,471	98	4,569	5	4,574
22	Depreciation	816	0	816		816
23	Taxes	11	0	11		11
24	Total Admin. & General	5,298	98	5,396	5	5,401
25	Total Gas Expense	142,129	306	142,435	31	142,466
26	OPERATING INCOME BEFORE FIT	7,210	(306)	6,904	1,884	8,788
FEDERAL INCOME TAX						
27	Current Accrual	1,089	52	1,141	659	1,800
28	Deferred FIT	334	3	337		337
29	Amort ITC	(19)	0	(19)		(19)
						0
30	NET OPERATING INCOME	5,806	(\$361)	5,445	\$1,225	\$6,670
RATE BASE: PLANT IN SERVICE						
31	Underground Storage	5,549	0	5,549		5,549
32	Distribution Plant	120,449	0	120,449		120,449
33	General Plant	11,067	0	11,067		11,067
34	Total Plant in Service	137,065	0	137,065	0	137,065
ACCUMULATED DEPRECIATION						
35	Underground Storage	3,080	0	3,080		3,080
36	Distribution Plant	39,978	0	39,978		39,978
37	General Plant	3,471	0	3,471		3,471
38	Total Accum. Depreciation	46,529	0	46,529	0	46,529
39	DEFERRED FIT	0	(14,220)	(14,220)		(14,220)
40	GAS INVENTORY	0	0	-		0
41	GAIN ON SALE OF BUILDING	0	0	-		0
42	TOTAL RATE BASE	90,536	(\$14,220)	76,316	\$0	\$76,316
43	RATE OF RETURN	6.41%		7.13%		8.74%

AVISTA UTILITIES
Calculation of General Revenue Requirement
Idaho - Gas
TWELVE MONTHS ENDED SEPTEMBER 30, 2008
(000's OF DOLLARS)

Line No.	Description	IDAHO
1	Pro Forma Rate Base	\$76,316
2	Proposed Rate of Return	<u>8.740%</u>
3	Net Operating Income Requirement	\$6,670
4	Pro Forma Net Operating Income	<u>\$5,445</u>
5	Net Operating Income Deficiency	\$1,225
6	Conversion Factor	0.6395623
7	Revenue Requirement	\$1,915
8	Total General Business Revenues	\$89,377
9	Percentage Revenue Increase	<u><u>2.14%</u></u>

**AVISTA UTILITIES
CALCULATION OF CONVERSION FACTOR: IDAHO GAS
TWELVE MONTHS ENDED SEPTEMBER 30, 2008**

Revenues	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 Inc 35.00%	0.344380
REVENUE CONVERSION FACTOR	<u>0.639562</u>

AVISTA UTILITIES
 GAS RESULTS OF OPERATION
 IDAHO 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	Gas Inventory	Weatherization and DSM Investment	Customer Advances
	a	b	c	d	e	f	g
REVENUES							
1	Total General Business	\$88,848					
2	Total Transportation	529					
3	Other Revenues	59,962					
4	Total Gas Revenues	149,339	0	0	0	0	0
EXPENSES							
5	Exploration and Development	0					
Production							
6	City Gate Purchases	132,107					
7	Purchased Gas Expense	356					
8	Net Nat Gas Storage Trans	(8,926)					
9	Total Production	123,537	0	0	0	0	0
Underground Storage							
10	Operating Expenses	167					
11	Depreciation	107					
12	Taxes	46					
13	Total Underground Storage	320	0	0	0	0	0
Distribution							
14	Operating Expenses	3,833					
15	Depreciation	2,807					
16	Taxes	2,396					
17	Total Distribution	9,036	0	0	0	0	0
18	Customer Accounting	1,937			0	0	
19	Customer Service & Information	1,788					
20	Sales Expenses	213					
Administrative & General							
21	Operating Expenses	4,471					
22	Depreciation	816					
23	Taxes	11					
24	Total Admin. & General	5,298	0	0	0	0	0
25	Total Gas Expense	142,129	0	0	0	0	0
26	OPERATING INCOME BEFORE FIT	7,210	0	0	0	0	0
FEDERAL INCOME TAX							
27	Current Accrual	1,089					
28	Deferred FIT	334					
29	Amort ITC	(19)					
30	NET OPERATING INCOME	\$5,806	\$0	\$0	\$0	\$0	\$0
RATE BASE: PLANT IN SERVICE							
31	Underground Storage	5,549					
32	Distribution Plant	120,449					
33	General Plant	11,067					
34	Total Plant in Service	137,065	0	0	0	0	0
ACCUMULATED DEPRECIATION							
35	Underground Storage	3,080					
36	Distribution Plant	39,978					
37	General Plant	3,471					
38	Total Accum. Depreciation	46,529	0	0	0	0	0
39	DEFERRED FIT	0	(14,220)				
40	GAS INVENTORY	0					
41	GAIN ON SALE OF BUILDING	0					
42	TOTAL RATE BASE	\$90,536	(\$14,220)	\$0	\$0	\$0	\$0
43	RATE OF RETURN						

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

Line No.	DESCRIPTION	Subtotal Actual	Depreciation True-up	Weather Normalization & Gas Cost Adjust	Eliminate B & O Taxes	Property Tax	Uncollectible Expense
	a	-	h	i	j	k	l
REVENUES							
1	Total General Business	\$88,848					
2	Total Transportation	529					
3	Other Revenues	59,962					
4	Total Gas Revenues	149,339	0	0	0	0	0
EXPENSES							
5	Exploration and Development	0					
Production							
6	City Gate Purchases	132,107					
7	Purchased Gas Expense	356					
8	Net Nat Gas Storage Trans	(8,926)					
9	Total Production	123,537	0	0	0	0	0
Underground Storage							
10	Operating Expenses	167					
11	Depreciation	107					
12	Taxes	46					
13	Total Underground Storage	320	0	0	0	0	0
Distribution							
14	Operating Expenses	3,833					
15	Depreciation	2,807					
16	Taxes	2,396					
17	Total Distribution	9,036	0	0	0	0	0
18	Customer Accounting	1,937		0	0		0
19	Customer Service & Information	1,788					
20	Sales Expenses	213					
Administrative & General							
21	Operating Expenses	4,471					
22	Depreciation	816					
23	Taxes	11					
24	Total Admin. & General	5,298	0	0	0	0	0
25	Total Gas Expense	142,129	0	0	0	0	0
26	OPERATING INCOME BEFORE FIT	7,210	0	0	0	0	0
FEDERAL INCOME TAX							
27	Current Accrual	1,089					
28	Deferred FIT	334					
29	Amort ITC	(19)					
30	NET OPERATING INCOME	\$5,806	\$0	\$0	\$0	\$0	\$0
RATE BASE: PLANT IN SERVICE							
31	Underground Storage	5,549					
32	Distribution Plant	120,449					
33	General Plant	11,067					
34	Total Plant in Service	137,065	0	0	0	0	0
ACCUMULATED DEPRECIATION							
35	Underground Storage	3,080					
36	Distribution Plant	39,978					
37	General Plant	3,471					
38	Total Accum. Depreciation	46,529	0	0	0	0	0
39	DEFERRED FIT	(14,220)					
40	GAS INVENTORY	0					
41	GAIN ON SALE OF BUILDING	0					
42	TOTAL RATE BASE	\$76,316	\$0	\$0	\$0	\$0	\$0
43	RATE OF RETURN	7.61%					

AVISTA UTILITIES
 GAS RESULTS OF OPERATION
 IDAHO RESTATED RESULTS

TWELVE MONTHS ENDED SEPTEMBER 30, 2008
 (000'S OF DOLLARS)

Line No.	DESCRIPTION	Regulatory Expense Adjustment	Injuries and Damages	FIT	Eliminate A/R Expenses	Restate Debt Interest	Restated Total
	a	m	n	o	p	q	-
REVENUES							
1	Total General Business						\$88,848
2	Total Transportation						529
3	Other Revenues						59,962
4	Total Gas Revenues	0	0	0	0	0	149,339
EXPENSES							
5	Exploration and Development						0
Production							
6	City Gate Purchases						132,107
7	Purchased Gas Expense						356
8	Net Nat Gas Storage Trans						(8,926)
9	Total Production	0	0	0	0	0	123,537
Underground Storage							
10	Operating Expenses						167
11	Depreciation						107
12	Taxes						46
13	Total Underground Storage	0	0	0	0	0	320
Distribution							
14	Operating Expenses						3,833
15	Depreciation						2,807
16	Taxes						2,396
17	Total Distribution	0	0	0	0	0	9,036
18	Customer Accounting	0					1,937
19	Customer Service & Information						1,788
20	Sales Expenses						213
Administrative & General							
21	Operating Expenses						4,471
22	Depreciation						816
23	Taxes						11
24	Total Admin. & General	0	0	0	0	0	5,298
25	Total Gas Expense	0	0	0	0	0	142,129
26	OPERATING INCOME BEFORE FIT	0	0	0	0	0	7,210
FEDERAL INCOME TAX							
27	Current Accrual			(13)		172	1,248
28	Deferred FIT			3			337
29	Amort ITC						(19)
30	NET OPERATING INCOME	\$0	\$0	\$10	\$0	(\$172)	\$5,644
RATE BASE: PLANT IN SERVICE							
31	Underground Storage						5,549
32	Distribution Plant						120,449
33	General Plant						11,067
34	Total Plant in Service	0	0	0	0	0	137,065
ACCUMULATED DEPRECIATION							
35	Underground Storage						3,080
36	Distribution Plant						39,978
37	General Plant						3,471
38	Total Accum. Depreciation	0	0	0	0	0	46,529
39	DEFERRED FIT						(14,220)
40	GAS INVENTORY						0
41	GAIN ON SALE OF BUILDING						0
42	TOTAL RATE BASE	\$0	\$0	\$0	\$0	\$0	\$76,316
43	RATE OF RETURN						7.40%

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

Line No.	DESCRIPTION	Pro Forma Labor Non-Exec	Pro Forma Labor Exec	Pro Forma JP Storage Contract	Pro Forma Capital Add 2007	Pro Forma Capital Add 2008	Pro Forma Incentives
	a	PF1	PF2	PF3	PF4	PF5	PF6
REVENUES							
1	Total General Business						
2	Total Transportation						
3	Other Revenues						
4	Total Gas Revenues	0	0	0	0	0	0
EXPENSES							
5	Exploration and Development						
Production							
6	City Gate Purchases						
7	Purchased Gas Expense	12	1				
8	Net Nat Gas Storage Trans						
9	Total Production	12	1	0	0	0	0
Underground Storage							
10	Operating Expenses						
11	Depreciation						
12	Taxes						
13	Total Underground Storage	0	0	0	0	0	0
Distribution							
14	Operating Expenses	139					
15	Depreciation						
16	Taxes	(3)					
17	Total Distribution	136	0	0	0	0	0
18	Customer Accounting	52					
19	Customer Service & Information	4					
20	Sales Expenses	4					
Administrative & General							
21	Operating Expenses	67	31				
22	Depreciation						
23	Taxes						
24	Total Admin. & General	67	31	0	0	0	0
25	Total Gas Expense	275	32	0	0	0	0
26	OPERATING INCOME BEFORE FIT	(275)	(32)	0	0	0	0
FEDERAL INCOME TAX							
27	Current Accrual	(96)	(11)				
28	Deferred FIT						
29	Amort ITC						
30	NET OPERATING INCOME	(\$179)	(\$21)	\$0	\$0	\$0	\$0
RATE BASE: PLANT IN SERVICE							
31	Underground Storage						
32	Distribution Plant						
33	General Plant						
34	Total Plant in Service	0	0	0	0	0	0
ACCUMULATED DEPRECIATION							
35	Underground Storage						
36	Distribution Plant						
37	General Plant						
38	Total Accum. Depreciation	0	0	0	0	0	0
39	DEFERRED FIT						
40	GAS INVENTORY						
41	GAIN ON SALE OF BUILDING						
42	TOTAL RATE BASE	\$0	\$0	\$0	\$0	\$0	\$0
43	RATE OF RETURN						

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

Line No.	DESCRIPTION	Pro Forma AMR	Pro Forma Total
	a	PF7	-
REVENUES			
1	Total General Business		\$88,848
2	Total Transportation		529
3	Other Revenues		59,962
4	Total Gas Revenues	0	149,339
EXPENSES			
5	Exploration and Development		0
	Production		
6	City Gate Purchases		132,107
7	Purchased Gas Expense		369
8	Net Nat Gas Storage Trans		(8,926)
9	Total Production	0	123,550
	Underground Storage		
10	Operating Expenses		167
11	Depreciation		107
12	Taxes		46
13	Total Underground Storage	0	320
	Distribution		
14	Operating Expenses		3,972
15	Depreciation		2,807
16	Taxes	(1)	2,392
17	Total Distribution	(1)	9,171
18	Customer Accounting		1,989
19	Customer Service & Information		1,792
20	Sales Expenses		217
	Administrative & General		
21	Operating Expenses		4,569
22	Depreciation		816
23	Taxes		11
24	Total Admin. & General	0	5,396
25	Total Gas Expense	(1)	142,435
26	OPERATING INCOME BEFORE FIT	1	6,904
	FEDERAL INCOME TAX		
27	Current Accrual		1,141
28	Deferred FIT		337
29	Amort ITC		(19)
30	NET OPERATING INCOME	\$1	\$5,445
RATE BASE: PLANT IN SERVICE			
31	Underground Storage		5,549
32	Distribution Plant		120,449
33	General Plant		11,067
34	Total Plant in Service	0	137,065
ACCUMULATED DEPRECIATION			
35	Underground Storage		3,080
36	Distribution Plant		39,978
37	General Plant		3,471
38	Total Accum. Depreciation	0	46,529
39	DEFERRED FIT		(14,220)
40	GAS INVENTORY		0
41	GAIN ON SALE OF BUILDING		0
42	TOTAL RATE BASE	\$0	\$76,316
43	RATE OF RETURN		7.13%