Exh. JH-5 Dockets UE-190334, UG-190335, and UE-190222 Witness: Joanna Huang

## BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

## WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION,

Complainant,

v.

AVISTA CORPORATION, d/b/a AVISTA UTILITIES,

**Respondent.** 

DOCKETS UE-190334, UG-190335, and UE-190222 (Consolidated)

## EXHIBIT TO TESTIMONY OF

Joanna Huang

## STAFF OF WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

Pro Forma Labor Executive, Adjustment 3.04

October 3, 2019

#### AVISTA UTILITIES WASHINGTON ELECTRIC RESULTS TWELVE MONTHS ENDED DECEMBER 31, 2018 (000'S OF DOLLARS)

Line		Pro Forma Labor
No.	DESCRIPTION	Exec
	Adjustment Number	3.04
	Workpaper Reference	E-PLE
	REVENUES	
1	Total General Business	\$0
2	Interdepartmental Sales	-
3	Sales for Resale	-
4	Total Sales of Electricity	-
5 6	Other Revenue Total Electric Revenue	-
6	Total Electric Revenue	-
	EXPENSES	
	Production and Transmission	
7	Operating Expenses	-
8	Purchased Power	-
9 10	Depreciation/Amortization Regulatory Amortization	-
10	Taxes	
12	Total Production & Transmission	-
	Distribution	
13 14	Operating Expenses Depreciation/Amortization	
14	Taxes	-
16	Total Distribution	-
17	Customer Accounting	-
18	Customer Service & Information	-
19	Sales Expenses	
	Administrative & General	
20	Operating Expenses	(5)
21	Depreciation/Amortization	-
22	Regulatory Deferrals/Amortization	-
23	Taxes	-
24 25	Total Admin. & General Total Electric Expenses	(5)
23	Total Electric Expenses	(5)
26	OPERATING INCOME BEFORE FIT	5
	FEDERAL INCOME TAX	
27	Current Accrual	1
28	Debt Interest	-
29	Deferred Income Taxes	-
30	Amortized ITC - Noxon	-
31	NET OPERATING INCOME	\$4
	RATE BASE PLANT IN SERVICE	
32	Intangible	\$0
33	Production	-
34	Transmission	-
35	Distribution	-
36	General	-
37	Total Plant in Service ACCUMULATED DEPRECIATION/AMORT	-
38	Intangible	
39	Production	
40	Transmission	-
41	Distribution	-
42	General	
43	Total Accumulated Depreciation	
44	NET PLANT	-
45	DEFERRED TAXES	
46	Net Plant After DFIT	-
47	DEFERRED DEBITS AND CREDITS & OTHER	-
48	WORKING CAPITAL	-
49	TOTAL RATE BASE	\$0

AVISTA UTILITIES WASHINGTON GAS RESULTS TWELVE MONTHS ENDED DECEMBER 31, 2018 (000'S OF DOLLARS)

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No.         DESCRIPTION         Exc.           a         3.04         GPLE           REVENUES         1         Total General Business         S         -           2         Total Transportation         -         -         -           3         Other Revenues         -         -         -           4         Total Gas Revenues         -         -         -           5         City Gare Parchases         -         -         -           6         Production Express         -         -         -           7         Net Nat Gas Storage Trans         -         -         -           8         Total Production         -         -         -         -           10         Depreciation         -	Line		Pro Forma Labor
REVENUES     S       1     Total General Business     S       2     Total Transportation     S       3     Other Revenues     S       4     Total Gas Revenues     S       5     City Gare Purchases     S       6     Purchased Gas Expenses     S       7     Net Mat Gas Storage Trans     S       8     Total Poduction     Storage Trans       9     Operating Expenses     S       10     Depreciation     S       11     Taxes     S       12     Total Underground Storage     S       13     Operating Expenses     S       14     Depreciation     S       15     Taxes     S       16     Total Distribution     S       17     Customer Accounting     S       18     Customer Accounting     S       19     Sale Expenses     C       210     Depreciation Amortization     C       22     Total Administrative & General     C       23     Taxes     C       24     Total Administration     C       25     Total Administration     C       26     OPERATING INCOME BEFORE FIT     C       27     Current Acc	No.		
REVENUES       \$         1       Total General Business       \$         2       Total General Business		а	
1       Total General Business       5         2       Total Gas Revenues       -         4       Total Gas Revenues       -         5       City Gas Purchases       -         6       Purchased Gas Exposes       -         7       Net Na Gas Storage Trans       -         8       Total Poduction       -         10       Depreciation       -         11       Taxes       -         12       Total Induction       -         Distribution       -       -         11       Taxes       -         12       Total Induction       -         13       Operating Expenses       -         14       Depreciation       -         15       Taxes       -         16       Total Distribution       -         19       Sales Expenses       -         21       Depreciation/Anorizations       -         22       Regulatory Amonizations       -         23       Taxes       -         24       Total Admin. & General       -         25       Total Admin. & General       -         26       OPERATING INCOME EFORE FIT			0-1 LE
2       Total Transportation         3       Other Revenues         4       Total Gas Revenues         5       City Gane Parchaeses         6       Purchaed Gas Expenses         7       Net Nal Gas Storage Trans         8       Total Production         9       Operating Expenses         10       Depreciation         11       Taxes         12       Total Underground Storage         9       Operating Expenses         10       Depreciation         11       Taxes         12       Total Underground Storage         13       Operating Expenses         14       Depreciation         15       Taxes         16       Total Distribution         17       Customer Accounting         18       Customer Accounting         19       Sales Expenses         20       Operating Expenses         21       Depreciation         22       Regulatory Anontizations         23       Taxes         24       Total Gas Expense         25       Total Gas Expense         26       OPERATING INCOME BEFORE FIT         27		REVENUES	
3     Oher Revenues       4     Total Gas Revenues       5     City Gas Parchaes       6     Purchaed Gas Expense       7     Net Nal Gas Storage Tans       8     Total Production       0     Depreciation       11     Taxes       12     Total Underground Storage       9     Operating Expenses       10     Depreciation       11     Taxes       12     Total Underground Storage       13     Operating Expenses       14     Depreciation       15     Taxes       16     Total Distribution       17     Customer Accounting       18     Customer Accounting       19     Sales Expenses       19     Sales Expenses       21     Depreciation Amortization       22     Total Admin. & General       23     Taxes       24     Total Admin. & General       25     Total Admin. & General       26     OPERATING INCOME EFTT       27     Current Accrual       28     Deht Interest       29     Defered FTT       30     Anet ITC       31     NET OPERATING INCOME       23     Total Adenin. & General       34			\$ -
4     Total Gas Revenues       EXPENSES       Poduction Expanses       5     City Gate Purchases       6     Parchased Gas Expanse       7     Net Nat Gas Stonge Trans       8     Total Production       9     Operating Expenses       10     Depreciation       11     Taxes       12     Total Underground Storage       13     Operating Expenses       14     Depreciation       15     Taxes       16     Total Underground Storage       17     Customer Accounting       18     Customer Accounting       19     Sales Expenses       10     Operating Expenses       11     Taxes       12     Total Underground Storage       13     Taxes       14     Depreciation       15     Taxes       16     Total Ostribution       17     Customer Accounting       18     Customer Accounting       19     Sales Expenses       21     Depreciation Amortizations       22     Regulatory Amortizations       23     Taxes       24     Total Anin & General       25     Total Gas Expense       26     OPERATING INCOME BEFORE FIT <td></td> <td>-</td> <td>-</td>		-	-
EXPENSES Production Expenses City Gate Parchases City Gate City Ga			
Production Expenses       -         5       City Gate Purchases       -         6       Purchased Gate Supenses       -         7       Ne Nat Gas Storage Trans       -         8       Total Production       -         1       Depreciation       -         10       Depreciation       -         11       Taxes       -         12       Total Underground Storage       -         Distribution       -       -         13       Operating Expenses       -         14       Depreciation       -         15       Taxes       -         16       Total Distribution       -         17       Customer Accounting       -         18       Customer Accounting       -         19       Sales Expenses       -         21       Depreciation/motrization       -         22       Regulatory Amortizations       -         23       Taxes       -         24       Total Admin. & General       -         25       Total Gas Expense       -         26       OPERALINCOME TAX       -         27       Current Accrual	4	Total Gas Revenues	-
Production Expenses       -         5       City Gate Purchases       -         6       Purchased Gate Supenses       -         7       Ne Nat Gas Storage Trans       -         8       Total Production       -         1       Depreciation       -         10       Depreciation       -         11       Taxes       -         12       Total Underground Storage       -         Distribution       -       -         13       Operating Expenses       -         14       Depreciation       -         15       Taxes       -         16       Total Distribution       -         17       Customer Accounting       -         18       Customer Accounting       -         19       Sales Expenses       -         21       Depreciation/motrization       -         22       Regulatory Amortizations       -         23       Taxes       -         24       Total Admin. & General       -         25       Total Gas Expense       -         26       OPERALINCOME TAX       -         27       Current Accrual		EXPENSES	
5       City Gate Purchases       -         6       Purchased Gas Expenses       -         7       Net Nat Gas Storage Trans       -         8       Total Production       -         8       Total Production       -         9       Operating Expenses       -         10       Depreciation       -         11       Taxes       -         12       Total Underground Storage       -         13       Operating Expenses       -         14       Depreciation       -         15       Taxes       -         16       Total Distribution       -         17       Customer Accounting       -         18       Customer Accounting       -         19       Sales Expenses       -         20       Operating Expenses       -         21       Depreciation/Anortizations       -         22       Regulatory Anortizations       -         23       Taxes       -       -         24       Total Admin. & General       -       -         25       Total Gas Expense       -       -       -         24       Total Jonor ITC			
7       Net Nat Gas Storage Trans         8       Total Production         9       Operating Expenses         10       Depreciation         11       Taxes         12       Total Underground Storage         13       Operating Expenses         14       Depreciation         15       Taxes         16       Total Distribution         17       Customer Accounting         18       Castomer Accounting         19       Sales Expenses         21       Depreciation/Amortization         22       Regulatory Amortization         23       Taxes         24       Total Admin. & General         25       Total Admin. & General         26       OPERATING INCOME BEFORE FIT         27       Current Accrual       0         28       Debt Intrest       0         30       Amort ITC       0         31       NET OPERATING INCOME       \$         29       Deferred FIT       2         20       Deferred FIT       2         31       NET OPERATING INCOME       \$         32       Total Accrual       0         33	5		
8     Total Production       Underground Storage       9     Operating Expenses       10     Depreciation       11     Taxes       12     Total Underground Storage       13     Operating Expenses       14     Depreciation       15     Taxes       16     Total Distribution       17     Customer Accounting       18     Customer Accounting       19     Sales Expenses       10     Operating Expenses       11     Taxes       12     Total Distribution       13     Customer Accounting       14     Depreciation Amortization       15     Taxes       16     Total Admin.& General       20     Operating Expenses       21     Depreciation Amortizations       22     Regulatory Amortizations       23     Taxes       24     Total Admin.& General       25     Total G INCOME TAX       27     Current Accrual       28     Debt Intrest       29     Defered FIT       31     NET OPERATING INCOME       32     Total Plant in Service       33     Distribution Plant       34     General Plant       35     Total Protep	6	Purchased Gas Expense	
Underground Storage     9     Operating Expenses	7	Net Nat Gas Storage Trans	
9       Operating Expenses	8	Total Production	
9       Operating Expenses		17. 1	
10       Depreciation         11       Taxes         12       Total Underground Storage         13       Operating Expenses         14       Depreciation         15       Taxes         16       Total Distribution         17       Customer Accounting         18       Customer Service & Information         19       Sales Expenses         20       Operating Expenses         21       Depreciation Amortization         22       Regulatory Amortizations         23       Taxes         24       Total Admin. & General         25       Total Admin. & General         26       OPERATING INCOME BEPORE FIT         27       Current Accunal         28       Debt Interest         29       Defered FIT         30       Amort ITC         31       NET OPERATING INCOME         22       Underground Storage         33       Distribution Plant         34       General Plant         35       Total Plant in Service         36       General Plant         37       Distribution Plant         38       General Plant	0		
11       Taxes         12       Total Underground Storage         13       Operating Expenses         14       Depreciation         15       Taxes         16       Total Distribution         17       Customer Accounting         18       Customer Service & Information         19       Sales Expenses         Administrative & General         20       Operating Expenses         21       Depreciation Amortization         22       Regulatory Amortizations         23       Taxes         24       Total Admin. & General         25       Total Gas Expense         26       OPERATING INCOME BEFORE FIT         27       Current Accrual         28       Debt Interest         29       Deferred ITT         30       Amort ITC         31       NET OPERATING INCOME         28       Debt Interest         39       Distribution Plant         31       NET OPERATING INCOME         29       Deferred ITT         30       Amort ITC         31       NET OPERATING INCOME         25       Total Plant in Service         32 <td></td> <td></td> <td></td>			
12     Total Underground Storage       13     Operating Expenses       14     Depreciation       15     Taxes       16     Total Distribution       17     Customer Service & Information       18     Customer Service & Information       19     Sales Expenses       20     Operating Expenses       21     Depreciation/Amortization       22     Regulatory Amortizations       23     Taxes       24     Total Admin. & General       25     Total Gas Expense       26     OPERATING INCOME BEFORE FIT       27     Current Accrual       28     Debt Intrest       29     Deferred FIT       30     Amort ITC       31     NET OPERATING INCOME       22     Underground Storage       33     Distribution Plant       34     General Plant       35     Total Plant in Service       36     AccuMULATED DEPREC/AMORT       37     Distribution Plant       38     General Plant       39     Total Acan. Depreciation/Amort.       31     NET OPERALING OMORT       32     AccuMULATED DEPREC/AMORT       34     General Plant       35     Total Plant In Service		-	
13       Operating Expenses         14       Depreciation         15       Taxes         16       Total Distribution         17       Customer Accounting         18       Customer Service & Information         19       Sales Expenses         20       Operating Expenses         21       Depreciation/Amortization         22       Regulatory Amortizations         23       Taxes         24       Total damin. & General         25       Total Gas Expense         26       OPERATING INCOME BEFORE FIT         27       Current Accrual         28       Debt Interest         29       Deferred FIT         30       Amort ITC         31       NET OPERATING INCOME         22       Underground Storage         33       Distribution Plant         34       General Plant         35       Total Plant in Service         36       Underground Storage         37       Distribution Plant         38       General Plant         39       Total Accum. Depreciation/Amort.         40       NET PLANT         41       DEPERCAMORT			
13       Operating Expenses         14       Depreciation         15       Taxes         16       Total Distribution         17       Customer Accounting         18       Customer Service & Information         19       Sales Expenses         20       Operating Expenses         21       Depreciation/Amortization         22       Regulatory Amortizations         23       Taxes         24       Total Admin. & General         25       Total Gas Expense         26       OPERATING INCOME BEFORE FIT         27       Current Accrual         28       Debt Interest         29       Deferred FIT         30       Amort ITC         31       NET OPERATING INCOME         22       Underground Storage         33       Distribution Plant         34       General Plant         35       Total Plant in Service         36       Underground Storage         37       Distribution Plant         38       General Plant         39       Total Accum. Depreciation/Amort.         40       NET PLANT         41       DEPERCAMORT			
14       Depreciation       -         15       Taxes       -         16       Total Distribution       -         17       Customer Accounting       -         18       Customer Service & Information       -         19       Sales Expenses       -         Administrative & General       -       -         20       Operating Expenses       -         21       Depreciation/Amorization       -         22       Regulatory Amorizations       -         23       Taxes       -         24       Total Admin. & General       -         25       Total Gas Expense       -         26       OPERATING INCOME BEFORE FIT       -         27       Current Accrual       0         28       Debt Interest       -         29       Deferred FIT       -         30       Amort ITC       -         31       NET OPERATING INCOME       S       -         32       Underground Storage       \$       -         33       Distribution Plant       -       -         34       General Plant       -       -         35       Total Accum,			
15       Taxes			
16       Total Distribution         17       Customer Accounting         18       Customer Service & Information         19       Sales Expenses         20       Operating Expenses         21       Depreciation/Amortization         22       Regulatory Amortizations         23       Taxes         24       Total Admin. & General         25       Total Gas Expense         26       OPERATING INCOME BEFORE FIT         27       Current Accrual         28       Debt Intrest         29       Deferred FIT         30       Amort ITC         31       NET OPERATING INCOME         32       Total Admin. & General         33       Distribution Plant         34       General Plant         35       Total Plant in Service         36       Underground Storage         37       Distribution Plant         38       General Plant         39       Total Accurn, Depreciation/Amort.         40       NET PLANT         41       DEFERED FIT         42       Net Plant After DFIT         43       GaS INVENTORY         44       GAS INVENTORY </td <td></td> <td>-</td> <td></td>		-	
17       Customer Accounting         18       Customer Service & Information         19       Sales Expenses         Administrative & General         20       Operating Expenses         21       Depreciation/Amortization         22       Regulatory Amortizations         23       Taxes         24       Total Admin. & General         25       Total Gas Expense         26       OPERATING INCOME BEFORE FIT         27       Current Accrual         28       Debt Interest         29       Deferred FIT         30       Amort ITC         31       NET OPERATING INCOME         32       Underground Storage         33       Distribution Plant         34       General Plant         35       Total Plant in Service         ACCUMULATED DEPREC/AMORT       ACCUMULATED DEPREC/AMORT         36       Underground Storage         37       Distribution Plant         38       General Plant         39       Total Accun. Depreciation/Amort.         40       NET PLANT         41       DEFERED FIT         42       Net Plant After DFIT         43       <			· · · · ·
18       Customer Service & Information         19       Sales Expenses         Administrative & General         20       Operating Expenses         21       Depreciation/Amortization         22       Regulatory Amortizations         23       Taxes         24       Total Admin. & General         25       Total Gas Expense         26       OPERATING INCOME BEFORE FIT         27       Current Accrual         28       Debt Interest         29       Defered FIT         30       Amort ITC         31       NET OPERATING INCOME         32       Underground Storage         33       Distribution Plant         34       General Plant         35       Total Accum. Depreciation/Amort.         38       General Plant         39       Total Accum. Depreciation/Amort.         40       NET PLANT         41       DEFERED FIT         42       Net Def DEPREC/AMORT         43       General Plant         44       GAIN ON SALE OF BUILDING         45       OTHER         46       WORKING CASITAL	10	Total Distribution	
18       Customer Service & Information         19       Sales Expenses         Administrative & General         20       Operating Expenses         21       Depreciation/Amortization         22       Regulatory Amortizations         23       Taxes         24       Total Admin. & General         25       Total Gas Expense         26       OPERATING INCOME BEFORE FIT         27       Current Accrual         28       Debt Interest         29       Deferred FIT         30       Amort ITC         31       NET OPERATING INCOME         32       Underground Storage         33       Distribution Plant         34       General Plant         35       Total Accum. Depreciation/Amort.         38       General Plant         39       Total Accum. Depreciation/Amort.         40       NET PLANT         41       DEFERED FIT         42       Net Def DET         43       General Plant         44       GAIN ON SALE OF BUILDING         45       OTHER         46       WORKING CASITAL	17	Customer Accounting	
Administrative & General       (2         20       Operating Expenses       (2         21       Depreciation/Amortization       (2         22       Regulatory Amortizations       (2         23       Taxes       (2         24       Total Admin. & General       (2         25       Total Gas Expense       (2         26       OPERATING INCOME BEFORE FIT       2         FEDERAL INCOME TAX       (1)       (2)         7       Current Accual       (0)         28       Debt Interest       (2)         29       Deferred FIT       (2)         30       Amort ITC       (2)         31       NET OPERATING INCOME       S       (2)         31       NET OPERATING INCOME       S       (2)         32       Underground Storage       (3)       (3)         33       Distribution Plant       (3)       (3)         34       General Plant       (3)       (3)         35       Total Plant in Service       (3)       (3)         36       Underground Storage       (3)       (3)         37       Distribution Plant       (3)         38       Genera	18		
20       Operating Expenses       (2)         21       Depreciation/Amortization       (2)         22       Regulatory Amortizations       (2)         23       Taxes       (2)         24       Total Admin. & General       (2)         25       Total Gas Expense       (2)         26       OPERATING INCOME BEFORE FIT       2)         27       Current Accrual       (0)         28       Debt Interest       (2)         29       Deferred FIT       (2)         30       Amort ITC       (2)         31       NET OPERATING INCOME       \$       2)         RATE BASE: PLANT IN SERVICE         32       Underground Storage       \$       (2)         AccuMULATED DEPREC/AMORT         34       General Plant       (2)         35       Total Accum. Depreciation/Amort.       (2)         38       General Plant       (3)         39       Total Accum. Depreciation/Amort.       (3)         31       NET PLANT       (4)         32       Total Accum. Depreciation/Amort.       (4)         34       General Plant       (4)         35       Total Accu	19	Sales Expenses	
20       Operating Expenses       (2)         21       Depreciation/Amortization			
21       Depreciation/Amortization         22       Regulatory Amortizations         23       Taxes         24       Total Admin. & General         25       Total Gas Expense         26       OPERATING INCOME BEFORE FIT         27       Current Accrual         28       Debt Interest         29       Deferred FIT         30       Amort ITC         31       NET OPERATING INCOME         32       Underground Storage         33       Distribution Plant         34       General Plant         35       Total Accrual         36       General Plant         37       Distribution Plant         38       General Plant         39       Total Accum. Depreciation/Amort.         40       NET PLANT         41       DEFERED FIT         42       NetTORY         43       GAS INVENTORY         44       GAIN ON SALE OF BUILDING         45       OTHER         46       WORKING CASITAL	20		
22       Regulatory Amortizations         23       Taxes         24       Total Admin. & General         25       Total Gas Expense         26       OPERATING INCOME BEFORE FIT         27       Current Accrual         28       Debt Intrest         29       Deferred FIT         30       Amort ITC         31       NET OPERATING INCOME         32       Underground Storage         33       Distribution Plant         34       General Plant         35       Total Accrual         36       Underground Storage         37       Distribution Plant         38       General Plant         39       Total Accum. Depreciation/Amort.         41       DEFERED FIT         42       NetTOPY         44       GAIN ON SALE OF BUILDING         45       OTHER         46       WORKING CASITAL			(2
23       Taxes			
24       Total Admin. & General       (2)         25       Total Gas Expense       (2)         26       OPERATING INCOME BEFORE FIT       2)         FEDERAL INCOME TAX       (2)         27       Current Accrual       (2)         28       Debt Interest       (2)         29       Deferred FIT       (2)         30       Amort ITC       (2)         31       NET OPERATING INCOME       S         22       Underground Storage       S         33       Distribution Plant       (2)         34       General Plant       (2)         35       Total Plant in Service       (2)         ACCUMULATED DEPREC/AMORT       (2)         36       General Plant       (2)         37       Distribution Plant       (2)         38       General Plant       (2)         39       Total Accum. Depreciation/Amort.       (2)         40       NET PLANT       (2)         41       DEFERED FIT       (2)         42       Net Plant After DFIT       (2)         43       GAS INVENTORY       (4)         44       GAIN ON SALE OF BUILDING       (4) <t< td=""><td></td><td></td><td></td></t<>			
26       OPERATING INCOME BEFORE FIT       2         FEDERAL INCOME TAX       0         27       Current Accrual       0         28       Debt Interest       1         29       Deferred FIT       1         30       Amort ITC       1         31       NET OPERATING INCOME       \$         22       Underground Storage       \$         33       Distribution Plant       1         34       General Plant       1         35       Total Plant in Service       1         36       General Plant       1         37       Distribution Plant       1         38       General Plant       1         39       Total Accum. Depreciation/Amort.       1         40       NET PLANT       1         41       DEFERRED FIT       1         42       Net Plant After DFIT       1         43       GAS INVENTORY       1         44       GAIN ON SALE OF BUILDING       1         45       OTHER       1         46       WORKING CASITAL       1			(2
FEDERAL INCOME TAX       0         27       Current Accrual       0         28       Debt Interest       1         29       Deferred FIT       1         30       Amort ITC       1         31       NET OPERATING INCOME       S       2         RATE BASE: PLANT IN SERVICE         32       Underground Storage       \$       1         33       Distribution Plant       1       1         34       General Plant       1       1         35       Total Plant in Service       1       1         36       Underground Storage       1       1         37       Distribution Plant       1       1         38       General Plant       1       1         39       Total Accum. Depreciation/Amort.       1       1         41       DEFERED FIT       1       1         42       Net Plant After DFT       1       1         43       GAS INVENTORY       1       1         44       GAIN ON SALE OF BUILDING       1       1         45       OTHER       1       1       1         46       WORKING CASITAL       1	25	Total Gas Expense	(2
FEDERAL INCOME TAX       0         27       Current Accrual       0         28       Debt Interest       1         29       Deferred FIT       1         30       Amort ITC       1         31       NET OPERATING INCOME       S       2         RATE BASE: PLANT IN SERVICE         32       Underground Storage       \$       1         33       Distribution Plant       1       1         34       General Plant       1       1         35       Total Plant in Service       1       1         36       Underground Storage       1       1         37       Distribution Plant       1       1         38       General Plant       1       1         39       Total Accum. Depreciation/Amort.       1       1         41       DEFERED FIT       1       1         42       Net Plant After DFT       1       1         43       GAS INVENTORY       1       1         44       GAIN ON SALE OF BUILDING       1       1         45       OTHER       1       1       1         46       WORKING CASITAL       1			
27       Current Accrual       0         28       Debt Interest       1         29       Deferred FIT       1         30       Amort ITC       1         31       NET OPERATING INCOME       \$       2         RATE BASE: PLANT IN SERVICE         32       Underground Storage       \$         33       Distribution Plant       1         34       General Plant       1         35       Total Plant in Service       1         ACCUMULATED DEPREC/AMORT         36       Underground Storage       1         37       Distribution Plant       1         38       General Plant       1         39       Total Accum. Depreciation/Amort.       1         40       NET PLANT       1         41       DEFERRED FIT       1         42       Net Plant After DFIT       1         43       GAS INVENTORY       1         44       GAIN ON SALE OF BUILDING       1         45       OTHER       1         46       WORKING CASITAL       1         47       TOTAL RATE BASE       1	26	OPERATING INCOME BEFORE FIT	2
27       Current Accrual       0         28       Debt Interest       1         29       Deferred FIT       1         30       Amort ITC       1         31       NET OPERATING INCOME       \$       2         31       NET OPERATING INCOME       \$       2         RATE BASE: PLANT IN SERVICE         32       Underground Storage       \$         33       Distribution Plant       1         34       General Plant       1         35       Total Plant in Service       1         ACCUMULATED DEPREC/AMORT       1       1         36       General Plant       1         37       Distribution Plant       1         38       General Plant       1         39       Total Accum. Depreciation/Amort.       1         40       NET PLANT       1         41       DEFERRED FIT       1         42       Net Plant After DFIT       1         43       GAS INVENTORY       1         44       GAIN ON SALE OF BUILDING       1         45       OTHER       1         46       WORKING CASITAL       1         47		EEDERAL INCOME TAY	
28       Debt Interest         29       Deferred FIT         30       Amort ITC         31       NET OPERATING INCOME       \$         31       NET OPERATING INCOME       \$         32       Underground Storage       \$         33       Distribution Plant	27		(
29       Deferred FIT         30       Amort ITC         31       NET OPERATING INCOME       S         31       NET OPERATING INCOME       S         31       NET OPERATING INCOME       S         32       Underground Storage       S         33       Distribution Plant       -         34       General Plant       -         35       Total Plant in Service       -         ACCUMULATED DEPREC/AMORT       -       -         36       Underground Storage       -         37       Distribution Plant       -         38       General Plant       -         39       Total Accum. Depreciation/Amort.       -         40       NET PLANT       -         41       DEFERRED FIT       -         42       Net Plant After DFIT       -         43       GAS INVENTORY       -         44       GAIN ON SALE OF BUILDING       -         45       OTHER       -         46       WORKING CASITAL       -         47       TOTAL RATE BASE       -			
31     NET OPERATING INCOME     S     2       RATE BASE: PLANT IN SERVICE       32     Underground Storage     \$       33     Distribution Plant	29		
RATE BASE: PLANT IN SERVICE         32       Underground Storage         33       Distribution Plant         34       General Plant         35       Total Plant in Service         ACCUMULATED DEPREC/AMORT         36       Underground Storage         37       Distribution Plant         38       General Plant         39       Total Accum. Depreciation/Amort.         40       NET PLANT         41       DEFERRED FIT         42       Net Plant After DFIT         43       GAS INVENTORY         44       GAIN ON SALE OF BUILDING         45       OTHER         46       WORKING CASITAL	30	Amort ITC	
RATE BASE: PLANT IN SERVICE         32       Underground Storage         33       Distribution Plant         34       General Plant         35       Total Plant in Service         ACCUMULATED DEPREC/AMORT         36       Underground Storage         37       Distribution Plant         38       General Plant         39       Total Accum. Depreciation/Amort.         40       NET PLANT         41       DEFERRED FIT         42       Net Plant After DFIT         43       GAS INVENTORY         44       GAIN ON SALE OF BUILDING         45       OTHER         46       WORKING CASITAL			
32     Underground Storage     \$       33     Distribution Plant	31	NET OPERATING INCOME	\$ 2
32     Underground Storage     \$       33     Distribution Plant			
32     Underground Storage     \$       33     Distribution Plant		RATE BASE: PLANT IN SERVICE	
33       Distribution Plant         34       General Plant         35       Total Plant in Service         ACCUMULATED DEPREC/AMORT         36       Underground Storage         37       Distribution Plant         38       General Plant         39       Total Accum. Depreciation/Amort.         40       NET PLANT         41       DEFERRED FIT         42       Net Plant After DFIT         43       GAS INVENTORY         44       GAIN ON SALE OF BUILDING         45       OTHER         46       WORKING CASITAL         47       TOTAL RATE BASE	32		\$
35     Total Plant in Service       ACCUMULATED DEPREC/AMORT       36     Underground Storage       37     Distribution Plant       38     General Plant       39     Total Accum. Depreciation/Amort.       40     NET PLANT       41     DEFERRED FIT       42     Net Plant After DFIT       43     GAS INVENTORY       44     GAIN ON SALE OF BUILDING       45     OTHER       46     WORKING CASITAL			
ACCUMULATED DEPREC/AMORT 36 Underground Storage 37 Distribution Plant 38 General Plant 39 Total Accum. Depreciation/Amort. 40 NET PLANT 41 DEFERRED FIT 42 Net Plant After DFIT 43 GAS INVENTORY 44 GAIN ON SALE OF BUILDING 45 OTHER 46 WORKING CASITAL 47 TOTAL RATE BASE	34	General Plant	
36     Underground Storage       37     Distribution Plant       38     General Plant       39     Total Accum. Depreciation/Amort.       40     NET PLANT       41     DEFERRED FIT       42     Net Plant After DFIT       43     GAS INVENTORY       44     GAIN ON SALE OF BUILDING       45     OTHER       46     WORKING CASITAL	35	Total Plant in Service	
36     Underground Storage       37     Distribution Plant       38     General Plant       39     Total Accum. Depreciation/Amort.       40     NET PLANT       41     DEFERRED FIT       42     Net Plant After DFIT       43     GAS INVENTORY       44     GAIN ON SALE OF BUILDING       45     OTHER       46     WORKING CASITAL		ACCUMULATED DEDDEC(AMONT	
37     Distribution Plant       38     General Plant       39     Total Accum. Depreciation/Amort.       40     NET PLANT       41     DEFERRED FIT       42     Net Plant After DFIT       43     GAS INVENTORY       44     GAIN ON SALE OF BUILDING       45     OTHER       46     WORKING CASITAL	26		
38     General Plant       39     Total Accum. Depreciation/Amort.       40     NET PLANT       41     DEFERRED FIT       42     Net Plant After DFIT       43     GAS INVENTORY       44     GAIN ON SALE OF BUILDING       45     OTHER       46     WORKING CASITAL			
39       Total Accum. Depreciation/Amort.         40       NET PLANT         41       DEFERRED FIT         42       Net Plant After DFIT         43       GAS INVENTORY         44       GAIN ON SALE OF BUILDING         45       OTHER         46       WORKING CASITAL         47       TOTAL RATE BASE			
41     DEFERRED FIT       42     Net Plant After DFTT       43     GAS INVENTORY       44     GAIN ON SALE OF BUILDING       45     OTHER       46     WORKING CASITAL			
42       Net Plant After DFIT         43       GAS INVENTORY         44       GAIN ON SALE OF BUILDING         45       OTHER         46       WORKING CASITAL         47       TOTAL RATE BASE	40	NET PLANT	
43     GAS INVENTORY       44     GAIN ON SALE OF BUILDING       45     OTHER       46     WORKING CASITAL       47     TOTAL RATE BASE			
<ul> <li>44 GAIN ON SALE OF BUILDING</li> <li>45 OTHER</li> <li>46 WORKING CASITAL</li> <li>47 TOTAL RATE BASE</li> </ul>			
<ul> <li>45 OTHER</li> <li>46 WORKING CASITAL</li> <li>47 TOTAL RATE BASE</li> </ul>			
46     WORKING CASITAL       47     TOTAL RATE BASE			
47 TOTAL RATE BASE			
		GRAEVO CASITAL	
	47	TOTAL RATE BASE	
	48	RATE OF RETURN	\$

#### Avista Utilities **Executive Salaries and Wages Adjustment**

		12 ME 12.31.2018	Less	Total	Am	ount		Pe	ercent
Employee		Actual Salary Expense	One Leave and Holiday	Labor Expense	Utility	r	on-Utility	Utility	Non-Utility
61582		840,732	141,096	699,636	\$ 596,690	\$	102,945	85%	15%
03512		431,030	37,390	393,640	\$ 328,312	\$	65,329	83%	17%
88740		430,847	74,393	356,454	\$ 326,794	\$	29,660	92%	8%
02565		369,077	51,049	318,028	\$ 261,409	\$	56,619	82%	18%
00188		359,232	100,128	259,104	\$ 237,046	\$	22,058	91%	9%
85931		317,569	34,160	283,409	\$ 251,594	\$	31,814	89%	11%
02552		315,646	38,514	277,132	\$ 174,382	\$	102,750	63%	37%
00365		288,599	32,220	256,379	\$ 72,638	\$	183,741	28%	72%
45464		274,046	36,022	238,024	\$ 213,041	\$	24,982	90%	10%
05320		271,476	35,491	235,985	\$ 220,825	\$	15,161	94%	6%
76183		257,479	30,150	227,329	\$ 19,408	\$	207,921	9%	91%
01750		235,492	27,970	207,522	\$ 184,717	\$	22,805	89%	11%
00107	(1)	171,230	19,977	151,253	\$ 143,966	\$	7,287	95%	5%
		4,562,455	658,560	3,903,895	 3,030,822		873,072	78%	22%
			14%						

		Approved	Less	Labor		Am	ount		Percent (	2016 Levels)
mployee		Salaries 2019	One Leave and Holiday	Labor Expense		Utility	N	on-Utility	Utility	Non-Utility
61582		0	0	0	\$	-	\$	-	0%	0'
03512		445,000	38,602	406,398	\$	377,950	\$	28,448	93%	7
88740	(2)	496,000	85,643	410,357	\$	393,943	\$	16,414	96%	4
02565		380,000	52,560	327,440	\$	301,245	\$	26,195	92%	8
00188		370,000	103,129	266,871	\$	264,202	\$	2,669	99%	19
85931		320,000	34,421	285,579	\$	237,030	\$	48,548	83%	17
02552		325,000	39,655	285,345	\$	282,491	\$	2,853	99%	19
00365		294,000	32,823	261,177	\$	258,565	\$	2,612	99%	19
45464		285,000	37,462	247,538	\$	247,538	\$	-	100%	0
05320	(3)	298,500	39,024	259,476	\$	259,476	\$	-	100%	0
76183		268,000	31,382	236,618	\$	23,662	\$	212,956	10%	909
01750		242,000	28,743	213,257	\$	177,003	\$	36,254	83%	17
00107	(4)	225,000	26,250	198,750	\$	196,762	\$	1,987	99%	19
		3,948,500	549,695	3,398,805		3,019,868		378,937	89%	119
			14%		_					
	Net	System Adjustment			\$	(10,953)				

## 0.68595 Note 4

#### Allocated to Washington Gas

0.20549 Note 7 0.72272 Note 4

(1,627) \$

(5,269)

\$

Amount represents the annual salary for this executive. Actual amount represents partial year expense. Note (1)

Note (2) Promoted to President of Avista Utilities

Note (3) Increase places salary within +/- 15% of Market for equivalent position.

Note (4) Increase places salary within +/- 15% of Market for equivalent position.

lissa.cheesman@utc.wa.gov

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# Avista chairman/CEO announces retirement

### Monday, May 13, 2019 5:00 PM ET

By Darren Sweeney Market Intelligence

Avista Corp. Chairman and CEO Scott Morris announced May 13 to the company's board of directors that he will retire March 1, 2020.

Morris will serve as the executive chairman of the board until his retirement date and then as nonexecutive chairman following his retirement, the company said in a news release. He will transition his duties as CEO to Avista President Dennis Vermillion, who was elected CEO by the board, effective Oct. 1. Vermillion will continue to serve on Avista's board.

The Spokane, Wash.-headquartered water and gas utility and Canada's Hydro One Ltd. terminated their proposed merger in late January after Washington and Idaho regulators rejected the deal. Both commissions cited concerns over Hydro One's lack of independence from the government of Ontario.

Morris started at Avista in 1981 and has been CEO and chairman since 2008. Vermillion has been with Avista since 1985.

This article was published by S&P Global Market Intelligence and not by S&P Global Ratings, which is a separately managed division of S&P Global.

## AVISTA CORP. RESPONSE TO REQUEST FOR INFORMATION

JURISDICTION:	WASHINGTON	DATE PREPARED:	5/29/2019
CASE NO.:	UE-190334 & UG-190335	WITNESS:	Elizabeth Andrews
<b>REQUESTER:</b>	UTC Staff	<b>RESPONDER:</b>	Annette Brandon
TYPE:	Data Request	DEPT:	Regulatory Affairs
<b>REQUEST NO.:</b>	Staff - 010	TELEPHONE:	(509) 495-4324
		EMAIL:	annette.brandon@avistacorp.com

# **REQUEST:**

Please provide a copy of Dennis Vermillion's employment contract as CEO with Avista. Please also provide a brief summary of Dennis Vermillion's compensation package, including annual base salary, annual incentives, restricted stocks, etc.

## **RESPONSE:**

Mr. Vermillion does not have an employment contract as Chief Executive Officer with Avista. Currently, Mr. Vermillion serves as President of Avista Utilities, until such time as Mr. Morris retires effective October 1, 2019.

As CEO, Mr. Vermillion will be provided with the same compensation package as all other executive officers, albeit at a different mix of components (base salary, short term incentive and long-term incentive). In addition, at the beginning of each calendar year, the Compensation Committee asks the CEO to develop specific performance targets and goals for his role based on strategic goals set by the board. At the end of the year, the Compensation Committee reviews the CEO's year-end results as a part of its overall CEO performance review process. The results of this review process will be considered in the development of the Base Salary portion of the Compensation Plan. Please see Staff\_DR\_011 for the Annual 2018 Proxy Statement Compensation Discussion and Analysis portion for a full description of compensation provided the Company CEO.