

## Attachment A

### Power Supply Base

	Avista Corporation WA Power Supply Authorized Net Costs <u>2015 GRC Power Supply - 09.2014 Historical Loads</u>		Avista Corporation WA Power Supply Pro Forma Net Costs <u>09.30.2014 Historical Loads</u>		NET CHANGE	WA Share NET CHANGE
	ERM Current Authorized		Proposed Authorized Power Cost Rate Adjustment			
	<u>2016 Authorized</u>		<u>09.2017 - 08.2018</u>			
	Power Supply System	Total Washington Amounts	Power Supply System	Total Washington Amounts	Power Supply System	Total Washington Amounts
P/T Allocation Percentages		(1) 64.710%		(1) 64.710%		
447 Sales for Resale	\$88,588	\$57,325	\$48,229	\$31,209	-\$40,359	-\$26,116
456 Transmission Wheeling Revenue	15,802	10,225	15,802	10,225	0	0
456 Other Electric Revenue	0	0	0	0	0	0
Total Revenue	104,390	67,550	64,031	41,434	-40,359	-26,116
501 Thermal Fuel Expense	29,123	18,845	27,170	17,582	-\$1,953	-\$1,263
547 Other Fuel Expense	77,293	50,016	71,274	46,122	-6,019	-3,894
555 Purchased Power	119,195	77,131	108,832	70,425	-10,363	-6,706
557 Other Expenses	690	446	690	446	0	0
XXX Other Expenses-Direct WA	(2) -1,500	-1,500	-1,500	-1,500	0	0
565 Trans. of Elec. by Others	17,238	11,155	17,238	11,155	0	0
Total Expense	242,039	156,093	223,704	144,230	-18,335	-11,863
Net Income Before Income Taxes	-137,649	-88,543	-159,672	-102,796	-22,023	-\$14,253
Federal Income Tax	35%	-30,990	35%	-35,979		-\$4,989
<b>Net Income</b>		<b>-\$57,553</b>		<b>-\$66,817</b>		<b>-\$9,264</b>
<b>Revenue Requirement</b>		\$ 92,916		\$ 107,873		\$ 14,957
UE-150204 authorized retail sales	5,653,834 MWhs					
ERM Retail Revenue Adj rate		\$ 15.66		\$ 18.18		

(1) 64.71% per UE-150204 authorized.

(2) Includes authorized settlement reduction of \$1,500,000.

**Avista Corp.**  
**Power Supply Pro forma - Washington Jurisdiction**  
**System Numbers - Oct 2013 - Sep 2014 Authorized and Sep 2017 - Aug 2018 Pro Forma**  
**Oct 13 - Sep 14 Test Year Load**  
**Sep 2017 - Aug 2018 Power Supply Update**

Line No.		(Per: UE-150204)		Sep 17 - Aug 18 Pro Forma
		Current Authorized	Adjustment	
<b>555 PURCHASED POWER</b>				
1	Modeled ST Market Purchases	\$11,102	-\$4,357	\$6,745
2	Actual ST Market Purchases	0	0	0
3	Actual ST Purchases - Financial M-to-M	8,080	-8,492	-412
4	Rocky Reach/Rock Island Purchase	12,413	1,947	14,360
5	Wells - Avista Share	1,833	0	1,833
6	Wells - Colville Tribe's Share	0	0	0
7	Priest Rapids Project	7,707	-23	7,684
8	Douglas Settlement	1,236	0	1,236
9	Lancaster Capacity Payment	23,017	0	23,017
10	Lancaster Variable O&M Payments	3,267	-12	3,255
11	WNP-3	17,394	0	17,394
12	Deer Lake-IP&L	7	0	7
13	Small Power	1,401	0	1,401
14	Stimson	2,128	0	2,128
15	Spokane-Upriver	2,763	0	2,763
16	Spokane Waste-to-Energy	6,450	0	6,450
17	Non-Monetary	0	0	0
18	Ancillary Services	0	0	0
19	Palouse Wind	20,397	574	20,971
20	Stateline Wind Purchase	0	0	0
21		0	0	0
22	<b>Total Account 555</b>	<b>119,195</b>	<b>-10,363</b>	<b>108,832</b>
<b>557 OTHER EXPENSES</b>				
23	Authorized Broker Commission Fees	690	0	690
24	WA EIA REC Purchase - Direct WA	0	0	0
25	WA RECs Power Supply Expense Deferral - Direct WA	0	0	0
26	Optional Renewable Power Expense Offset	0	0	0
27	Natural Gas Fuel Purchases	0	0	0
28	Authorized Direct WA (100% WA) Settlement Adjustment	-1,500	0	-1,500
29	<b>Total Account 557</b>	<b>-810</b>	<b>0</b>	<b>-810</b>
<b>501 THERMAL FUEL EXPENSE</b>				
30	Kettle Falls - Wood Fuel	5,584	-400	5,184
31	Kettle Falls - Start-up Gas	19	0	19
32	Colstrip - Coal	23,196	-1,554	21,642
33	Colstrip - Oil	324	0	324
34		0	0	0
35	<b>Total Account 501</b>	<b>29,123</b>	<b>-1,953</b>	<b>27,170</b>
<b>547 OTHER FUEL EXPENSE</b>				
36	Coyote Springs Gas	32,829	-113	32,716
37	Coyote Springs 2 Gas Transportation	7,136	-741	6,395
38	Lancaster Gas	31,861	1,941	33,802
39	Lancaster Gas Transportation	5,795	-366	5,429
40	Actual Financial Gas Transactions M-to-M	7,017	-7,645	-628
41	Actual Physical Gas Transactions M-to-M	-25	10	-15
42	Gas Transport Optimization	-9,437	0	-9,437
43	Gas Transportation for BP, NE and KFCT	57	0	57
44	Imbalance and Tax Adjustment	0	0	0
45	Rathdrum Gas	1,213	785	1,998
46	Northeast CT Gas	34	88	122
47	Boulder Park Gas	626	66	692
48	Kettle Falls CT Gas	190	-46	144
49		0	0	0
50	<b>Total Account 547</b>	<b>77,293</b>	<b>-6,019</b>	<b>71,274</b>

**Avista Corp.**  
**Power Supply Pro forma - Washington Jurisdiction**  
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Line No.	(Per: UE-150204)		Sep 17 - Aug 18 Pro Forma	
	Current Authorized	Adjustment		
<u>565 TRANSMISSION OF ELECTRICITY BY OTHERS</u>				
51	WNP-3	943	0	943
52	Short-term Transmission Purchases	61	0	61
53	BPA PTP for Colstrip, Coyote & Lancaster	12,201	0	12,201
54	BPA Townsend-Garrison Wheeling	1,508	0	1,508
55	Avista on BPA - Borderline	1,391	0	1,391
56	Kootenai for Worley	45	0	45
57	Sagle-Northern Lights	140	0	140
58	Northwestern for Colstrip	306	0	306
59	PGE Firm Wheeling	643	0	643
60		0	0	0
61	Total Account 565	17,238	0	17,238
<u>536 WATER FOR POWER</u>				
62	Headwater Benefits Payments (not included in ERM N/A)	0	0	0
63	<b>TOTAL EXPENSE</b>	242,039	-18,335	223,704
<u>447 SALES FOR RESALE</u>				
64	Modeled Short-Term Market Sales	35,211	-4,024	31,187
65	Actual ST Market Sales - Physical	0	0	0
66	Actual ST Market Sales - Financial M-to-M	19,164	-16,018	3,146
67	Peaker (PGE) Capacity Sale	19,278	-19,278	0
68	Nichols Pumping Sale	1,358	-87	1,271
69	Sovereign/Kaiser DES	156	0	156
70	Pend Oreille DES & Spinning	570	0	570
71	SMUD Sale - (Energy America)	12,325	-646	11,679
72	COB Arbitrage	526	-306	220
73	Intracompany Generation	0	0	0
74	Authorized Sales for Resale	0	0	0
75	Total Account 447	88,588	-40,359	48,229
<u>456 OTHER ELECTRIC REVENUE</u>				
76	Non-WA EIA REC Sales	0	0	0
77	WA EIA REC Sales	0	0	0
78	Gas Not Consumed Sales Revenue	0	0	0
79	Authorized Transmission Revenues	15,802	0	15,802
80	Total Account 456	15,802	0	15,802
<u>453 SALES OF WATER AND WATER POWER</u>				
81	Upstream Storage Revenue (not included in ERM N/A)	0	0	0
82	<b>TOTAL REVENUE</b>	104,390	-40,359	64,031
83	<b>TOTAL NET EXPENSE</b>	137,649	22,023	159,672
			16.00%	

**Avista Corp**  
**Pro forma September 2017 - August 2018**  
**ERM Authorized Expense and Retail Sales**  
**October 2013 - September 2014 Historic Normalized Loads**

**ERM Authorized Power Supply Expense - System Numbers (1)**

	<u>Total</u>	<u>January</u>	<u>February</u>	<u>March</u>	<u>April</u>	<u>May</u>	<u>June</u>	<u>July</u>	<u>August</u>	<u>September</u>	<u>October</u>	<u>November</u>	<u>December</u>
Account 555 - Purchased Power	\$108,832,849	\$11,783,553	\$11,699,906	\$10,423,708	\$9,322,652	\$7,438,755	\$6,873,421	\$7,006,144	\$7,632,211	\$6,078,310	\$7,349,314	\$11,215,096	\$12,009,779
Account 501 - Thermal Fuel	\$27,169,715	\$2,692,055	\$2,294,865	\$2,397,904	\$1,660,496	\$1,341,513	\$1,692,078	\$2,266,711	\$2,465,448	\$2,565,867	\$2,506,580	\$2,551,187	\$2,735,012
Account 547 - Natural Gas Fuel	\$71,274,527	\$8,767,440	\$6,300,529	\$6,145,756	\$3,733,056	\$1,819,242	\$1,796,497	\$5,138,176	\$6,884,812	\$7,253,507	\$6,948,349	\$7,570,308	\$8,916,854
Account 447 - Sale for Resale	\$48,228,712	\$4,254,018	\$2,454,827	\$3,387,896	\$4,882,535	\$5,107,457	\$4,532,569	\$5,127,344	\$2,751,672	\$3,207,366	\$2,672,903	\$4,470,861	\$5,379,265
<b>Power Supply Expense</b>	<b>\$159,048,377</b>	<b>\$18,989,030</b>	<b>\$17,840,473</b>	<b>\$15,579,473</b>	<b>\$9,833,670</b>	<b>\$5,492,052</b>	<b>\$5,829,427</b>	<b>\$9,283,687</b>	<b>\$14,230,799</b>	<b>\$12,690,318</b>	<b>\$14,131,340</b>	<b>\$16,865,730</b>	<b>\$18,282,380</b>
<b>Transmission Expense</b>	<b>\$17,237,232</b>	<b>\$1,503,379</b>	<b>\$1,417,562</b>	<b>\$1,557,827</b>	<b>\$1,347,286</b>	<b>\$1,410,951</b>	<b>\$1,401,574</b>	<b>\$1,411,206</b>	<b>\$1,443,939</b>	<b>\$1,441,121</b>	<b>\$1,400,226</b>	<b>\$1,464,406</b>	<b>\$1,437,755</b>
<b>Transmission Revenue</b>	<b>\$15,802,275</b>	<b>\$1,306,342</b>	<b>\$1,061,936</b>	<b>\$1,137,644</b>	<b>\$1,166,933</b>	<b>\$1,506,921</b>	<b>\$1,586,833</b>	<b>\$1,599,620</b>	<b>\$1,447,883</b>	<b>\$1,304,804</b>	<b>\$1,285,929</b>	<b>\$1,197,858</b>	<b>\$1,199,571</b>
<b>Broker Fees</b>	<b>\$690,000</b>	<b>\$57,500</b>	<b>\$57,500</b>	<b>\$57,500</b>	<b>\$57,500</b>	<b>\$57,500</b>	<b>\$57,500</b>	<b>\$57,500</b>	<b>\$57,500</b>	<b>\$57,500</b>	<b>\$57,500</b>	<b>\$57,500</b>	<b>\$57,500</b>
<b>CS2 and Colstrip O&amp;M</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Total</b>	<b>\$161,173,335</b>	<b>\$19,243,567</b>	<b>\$18,253,598</b>	<b>\$16,057,155</b>	<b>\$10,071,523</b>	<b>\$5,453,582</b>	<b>\$5,701,668</b>	<b>\$9,152,773</b>	<b>\$14,284,356</b>	<b>\$12,884,135</b>	<b>\$14,303,137</b>	<b>\$17,189,778</b>	<b>\$18,578,064</b>
<b>WA Share of System Costs</b>	<b>\$104,295,265</b>	<b>\$12,452,512</b>	<b>\$11,811,903</b>	<b>\$10,390,585</b>	<b>\$6,517,282</b>	<b>\$3,529,013</b>	<b>\$3,689,549</b>	<b>\$5,922,759</b>	<b>\$9,243,407</b>	<b>\$8,337,324</b>	<b>\$9,255,560</b>	<b>\$11,123,505</b>	<b>\$12,021,865</b>
<b>Direct WA Adjustment (3)</b>	<b>-\$1,500,000</b>	<b>-\$125,000</b>	<b>-\$125,000</b>	<b>-\$125,000</b>	<b>-\$125,000</b>	<b>-\$125,000</b>	<b>-\$125,000</b>	<b>-\$125,000</b>	<b>-\$125,000</b>	<b>-\$125,000</b>	<b>-\$125,000</b>	<b>-\$125,000</b>	<b>-\$125,000</b>
<b>Adjusted WA Share of System Costs</b>	<b>\$102,795,265</b>	<b>\$12,327,512</b>	<b>\$11,686,903</b>	<b>\$10,265,585</b>	<b>\$6,392,282</b>	<b>\$3,404,013</b>	<b>\$3,564,549</b>	<b>\$5,797,759</b>	<b>\$9,118,407</b>	<b>\$8,212,324</b>	<b>\$9,130,560</b>	<b>\$10,998,505</b>	<b>\$11,896,865</b>

**ERM Authorized Washington Retail Sales (2)**

	<u>Total</u>	<u>January</u>	<u>February</u>	<u>March</u>	<u>April</u>	<u>May</u>	<u>June</u>	<u>July</u>	<u>August</u>	<u>September</u>	<u>October</u>	<u>November</u>	<u>December</u>
<b>Total Retail Sales, MWh (2)</b>	<b>5,653,834</b>	<b>555,937</b>	<b>498,647</b>	<b>492,113</b>	<b>431,145</b>	<b>438,507</b>	<b>423,630</b>	<b>451,024</b>	<b>469,267</b>	<b>421,946</b>	<b>451,214</b>	<b>471,440</b>	<b>548,964</b>
<b>Retail Revenue Adjustment rate</b>	<b>\$18.18 /MWh</b>	<b>UE-140188 Settlement Method</b>											
<b>Base Rate and Decoupling RRA rate</b>	<b>\$15.66 /MWh</b>												
<b>Sch 93 Incremental RRA rate</b>	<b>\$2.52 /MWh</b>												

(1) Multiply system numbers by 64.71% to determine Washington share, UE-150204 production/transmission ratio.

(2) Twelve months ended September 2014 normalized monthly WA Retail Sales.

(3) Additional adjustment of \$1.5 million (Washington basis) agreed-to by the Parties per Multiparty Settlement Stipulation, page 4, Section 5c.