

EXHIBIT A

Interim Rate Relief Factor Comparison Table

**INTERIM RELIEF FACTORS
COMPARISON TABLE**

Order references used in table:

WUTC v. Avista Corp., Docket No. UE-010395 (Sixth Supplemental Order)(2001). “Avista Order”

WUTC v. Olympic Pipe Line Co., Docket No. TO-011472 (Third Supplemental Order) (2002) “Olympic Order”

WUTC v. Verizon Northwest Inc., Docket No. UT-040788 (Order No. 4) “Verizon Bifurcation Order”

FACTOR	AVISTA	OLYMPIC	VERIZON
1. Alleged Emergency outside circumstances	Extraordinary hydropower and wholesale market conditions; drought Avista Order, ¶5	Whatcom Creek Pipeline explosion.; “Disaster has struck.” Olympic Order, ¶45.	No linkage between amount of interim request and company’s financial condition during pendency of general rate case.
2. General rate case pending	No – ordered to file one by 12/1/01. Avista Order, ¶4.	Yes . Olympic Order, ¶¶ 2-3.	Unclear. “To maintain this docket, Verizon must file within 30 days after the date of this order tariffs by which it would recover no more than the revenue deficiency that it believes is supported by its testimony and other materials previously filed in this docket.” Verizon Bifurcation Order, ¶37.
3. Mitigation Efforts	Steps taken to mitigate increased power costs; increased use of thermal resources, pursued conservation measures. Avista Order , ¶38.	Resumption of pipeline operation, addressing organizational challenges. Olympic Order, ¶36.	Verizon Supplemental Response to Staff Data Request No. 11: no documents connecting headcount and capital spending reductions to current financial condition. Alleged in Verizon’s direct case.
4. Financial results reviewed on intrastate WA basis	No Only rate of return was computed using Commission basis jurisdictional financials – all other indicators were reviewed for total company. Avista Order, ¶¶ 41-46.	No. Financial data reviewed was on total company basis, acknowledged interstate interim increase from FERC. No restating adjustments. Olympic Order, ¶¶ 56-57; Table 1.	Verizon Response to Staff DR 278(e): “Income Statement and Balance Sheet are not maintained at an intrastate level.”
5. Negative ROR	-0.7% Based on Commission-Basis Report actual results; 4.8% based on normalized results. Avista Order, ¶41.	-6.0% (anticipated, not actual). Olympic Order, ¶36.	Verizon Test Year Intrastate ROR is positive 2.03% before restatement. Sch. L1, interim workpapers of Nancy Heuring.

FACTOR	AVISTA	OLYMPIC	VERIZON
6. Inability to pay % and principal on debt	Fixed charge ratio of 1.25 is required. Avista's ratio projected to decline from 2.23 in June 2001 to -2.42 in December 2001. Avista Order, ¶51.	Capital structure is 100% debt; \$9 million in arrears on debt payments; negative equity of over \$50 million. Olympic Order, ¶29.	Verizon NW capital structure is 61.95% equity, 38.05% debt. No actual prospect of default alleged. (Vander Weide (JHV-4T), page 6, lines 13-19). No evidence of Verizon's actual fixed charge ratios.
7. Below investment grade bonds	Debt rating would drop below BBB without new equity financing and improved cash flow from operations. Avista Order, ¶44.	No discussion.	Verizon Response to Staff Data Request 36 – Verizon NW debt is AA and A+ rated.
8. Bank covenants	Without proceeds from stock issuance and Coyote Springs loan, Avista will violate its covenants by Sept. 30 2001 and through all of 2002. Avista Order, ¶52.	Conditions present but no default declared. Olympic Order, ¶31.	No actual problem alleged. Verizon Response to Staff DR. #35 – Covenants look to Verizon NW, not intrastate; Verizon Response to Staff DR #15 – Verizon did not calculate financial ratios on Verizon NW basis.
9. Current Economic Climate	Volatile western wholesale power markets in recent years. Avista Order, ¶5.	Mandated closure of pipeline; owes more than book value of plant; safety improvements needed. Company is not financially sound. Olympic Order, ¶8.	Verizon Response to Staff DR #46: GTE Funding only lends to high-rated Verizon operating companies, including Verizon NW.
10. Interim rates subject to refund	Yes.	Yes.	Verizon proposes refund condition. However, "...refunds are not a perfect solution. To the extent that the rates may ultimately be found improperly high, the company has had the use of the funds represented by such excess payments, and consumers have not. Even if a company keeps track of payments by customer, many customers move in the course of a year, and many customers may not be reached for the payment of refunds." Verizon Bifurcation Order, ¶33.