

**ATTACHMENT A  
TO  
STAFF RESPONSE TO  
BENCH REQUEST NO. 19**

**AVISTA REBUTTAL**  
**2016 WASHINGTON ELECTRIC ATTRITION STUDY**  
 Edited from Staff Filed Attrition Study Exhibit No. \_\_ (CRM-2)  
 Calculation of General Revenue Requirement

**Twelve Months Ended December 31, 2014**  
 (000's of Dollars)

Line No.	Description	(a) Attrition Balances	(b) Revenue Growth Factor	(c) Attrition Study Results
1	2016 Rate Base	\$1,316,105	1.013115	\$1,299,068
2	Settlement Rate of Return			<u>7.29%</u>
3	Net Operating Income Requirement			\$94,702
4	2016 Net Operating Income (at 2015 rates)	<u>\$113,363</u>	1.013115	<u>\$111,896</u>
5	2016 Rate of Return (at 2015 rates)			8.61%
6	2016 Net Operating Income Deficiency (Surplus)			(\$17,194)
7	Gross-up Conversion Factor			0.62018
8	2016 Attrition Revenue Deficiency			<b>(\$27,724)</b>
9	2016 Total General Business Revenues (at 2015 rates)			\$499,982
10	Attrition-based 2016 revenue requirement			<u>\$472,258</u>
11	Percent Revenue Requirement Change (vs. 2015)			<b>-5.54%</b>

**Multiparty Settlement - Cost of Capital**

**Washington - Electric System**

**Twelve Months Ended December 31, 2014**

<u>Component</u>	<u>Capital Structure</u>	<u>Cost</u>	<u>Weighted Cost</u>
Total Debt	51.50%	5.20%	2.68%
Common	48.50%	9.50%	4.61%
Total	<u>100.00%</u>		<u>7.29%</u>

**Revenue Conversion Factor**  
**Washington - Electric System**  
**Twelve Months Ended December 31, 2014**

<b>Line No.</b>	<b>Description</b>	<b>Factor</b>
1	<b>Revenues</b>	<i>1.000000</i>
	<b>Expense:</b>	
2	Uncollectibles	0.005353
3	Commission Fees	0.002000
4	Washington Excise Tax	0.038527
5	Total Expense	<u><i>0.045880</i></u>
6	Net Operating Income Before FIT	<i>0.954120</i>
7	Federal Income Tax @ 35%	<u><i>0.333942</i></u>
8	<b>REVENUE CONVERSION FACTOR</b>	<u><u><i>0.620180</i></u></u>

2016 ELECTRIC ATTRITION REVENUE REQUIREMENT

CBR Line Number	DESCRIPTION	Determine Base Cost and Revenue to Escalate				Escalate Non-Energy Cost				Other Cost & Revenue Adj.				2016 Revenue and Cost [H]+[I]+[J]+[K]+ [L] = [M]
		[A] 12.2014 Commission Basis Report Restated Totals <sup>1</sup>	[B] (less) 12.2014 Normalized Net Power Supply Cost	[C] Deferred Debit/Credit & Reg. Amorts Adj	[D] Pro Forma Revenue Normalization Adjustment	[E] December 2014 Escalation Base	[F] Escalation Factor	[G] Non-Energy Cost Escalation Amount	[H] Trended 2016 Non-Energy Cost [E]+[G]+[H]	[I] (plus) 12.2014 Pro-Formed Net Energy Cost	[J] (plus) Revenue Growth	[K] After Attrition Adj - Colstrip Refund Correction	[L] After Attrition Adj - Project Compass	
1	Total General Business	\$ 488,372	\$ -	\$ -	\$ 10,688	\$ 499,060	1.31%	\$ 499,060	\$ -	\$ 6,545	\$ -	\$ 505,605	\$ 505,605	
2	Interdepartmental Sales	\$ 922	\$ -	\$ -	\$ 922	\$ 922	1.31%	\$ 922	\$ -	\$ 12	\$ -	\$ 934	\$ 934	
3	Sales for Resale	\$ 60,998	\$ (60,998)	\$ -	\$ -	\$ -		\$ -	\$ 57,325	\$ (2,595)	\$ -	\$ 54,730	\$ 54,730	
4	Subtotal: Sales of Electricity	\$ 550,292	\$ (60,998)	\$ -	\$ 10,688	\$ 499,982		\$ 499,982	\$ 57,325	\$ 3,962	\$ -	\$ 561,269	\$ 561,269	
5	Other Revenue	\$ 17,163	\$ (13,684)	\$ -	\$ -	\$ 3,479	0.00%	\$ 3,479	\$ 10,529	\$ -	\$ -	\$ 14,008	\$ 14,008	
6	Total Electric Revenue	\$ 567,455	\$ (74,682)	\$ -	\$ 10,688	\$ 503,461		\$ 503,461	\$ 67,854	\$ 3,962	\$ -	\$ 575,277	\$ 575,277	
<b>EXPENSES</b>														
Production and Transmission														
7	Operating Expenses	\$ 120,307	\$ (69,476)	\$ -	\$ -	\$ 50,831	6.42%	\$ 3,263	\$ 54,094	\$ -	\$ -	\$ 79,305	\$ 134,488	
8	Purchased Power	\$ 116,643	\$ (116,641)	\$ -	\$ -	\$ 2		\$ -	\$ 2	\$ 1,907	\$ -	\$ 79,040	\$ 79,040	
9	Depreciation/Amortization	\$ 23,715	\$ -	\$ -	\$ -	\$ 23,715	9.50%	\$ 2,253	\$ 25,968	\$ -	\$ -	\$ 25,968	\$ 25,968	
10	Regulatory Amortization	\$ 8,101	\$ -	\$ (3,409)	\$ -	\$ 4,692	0.00%	\$ -	\$ 4,692	\$ -	\$ -	\$ 4,692	\$ 4,692	
11	Taxes	\$ 12,828	\$ -	\$ -	\$ -	\$ 12,828	10.99%	\$ 1,410	\$ 14,238	\$ -	\$ -	\$ 14,238	\$ 14,238	
12	Subtotal: Production and	\$ 281,594	\$ (186,117)	\$ (3,409)	\$ -	\$ 92,068		\$ 6,926	\$ 98,994	\$ 1,907	\$ 1,089	\$ 258,426	\$ 258,426	
Distribution														
13	Operating Expenses	\$ 21,299	\$ -	\$ -	\$ -	\$ 21,299	6.42%	\$ 1,367	\$ 22,666	\$ -	\$ -	\$ 22,666	\$ 22,666	
14	Depreciation/Amortization	\$ 23,794	\$ -	\$ -	\$ -	\$ 23,794	9.50%	\$ 2,261	\$ 26,055	\$ -	\$ -	\$ 26,055	\$ 26,055	
15	Regulatory Amortizations	\$ 25,575	\$ -	\$ -	\$ 412	\$ 25,987	10.99%	\$ 2,856	\$ 28,843	\$ 252	\$ -	\$ 29,095	\$ 29,095	
16	Taxes	\$ 70,668	\$ -	\$ -	\$ 412	\$ 71,080		\$ 6,484	\$ 77,564	\$ -	\$ -	\$ 77,564	\$ 77,564	
17	Customer Accounting	\$ 11,166	\$ -	\$ -	\$ 57	\$ 11,223	6.42%	\$ 721	\$ 11,944	\$ 35	\$ -	\$ 11,979	\$ 11,979	
18	Customer Service & Information	\$ 1,383	\$ -	\$ -	\$ -	\$ 1,383	6.42%	\$ 89	\$ 1,472	\$ -	\$ -	\$ 1,472	\$ 1,472	
19	Sales Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	6.42%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
20	Administrative & General	\$ 46,210	\$ -	\$ -	\$ 21	\$ 46,231	6.42%	\$ 2,968	\$ 49,199	\$ 13	\$ -	\$ 49,212	\$ 49,212	
21	Operating Expenses	\$ 16,947	\$ -	\$ -	\$ -	\$ 16,947	9.50%	\$ 1,610	\$ 18,557	\$ -	\$ -	\$ 18,557	\$ 18,557	
22	Depreciation/Amortization	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
23	Taxes	\$ 63,157	\$ -	\$ -	\$ 21	\$ 63,178	10.99%	\$ 4,578	\$ 67,756	\$ 13	\$ -	\$ 67,769	\$ 67,769	
24	Subtotal: A&G	\$ 427,968	\$ (186,117)	\$ (3,409)	\$ 490	\$ 238,932		\$ 18,797	\$ 257,729	\$ 2,207	\$ 1,089	\$ 417,461	\$ 417,461	
25	Total Electric Expenses	\$ 139,487	\$ 111,435	\$ 3,409	\$ 10,198	\$ 264,529		\$ (18,797)	\$ 245,732	\$ (88,582)	\$ (1,089)	\$ 157,816	\$ 157,816	

<sup>1</sup>Workpapers for 12.2014 Commission Basis Reports provided with Avista's Response to Staff\_DR\_130 Revised.

2016 ELECTRIC ATTRITION REVENUE REQUIREMENT

CBR Line Number	Determine Base Cost and Revenue to Escalate				Escalate Non-Energy Cost				Other Cost & Revenue Adj		After Attrition Adj - Colstrip Refund Correction	After Attrition Adj - Project Compass	2016 Revenue and Cost [L] = [M]
	12.2014 Commission Basis Report Restated Totals	(less) 12.2014 Normalized Net Power Supply Cost	Deferred Debt/Credit & Reg Amorts Adjs	Pro Forma Revenue Normalization Adjustment	December 2014 Escalation Base	Escalation Factor	Energy Cost Amount	Trended 2016 Non-Energy Cost [E]+[G]=[H]	(plus) 12.2014 Pro-Formed Net Energy Cost	(plus) Revenue Growth			
26	Federal Income Tax												
27	Current Accrual	\$ (7,683)	\$ 39,002	\$ 1,193	\$ 3,569	\$ 36,081	\$ (6,579)	\$ 29,502	\$ (31,004)	\$ 614	\$ (381)	\$ (1,269)	
28	Debt Interest	\$ (136)	\$ -	\$ 60	\$ -	\$ (76)	\$ (160)	\$ (236)	\$ -	\$ -	\$ -	\$ (236)	
29	Deferred Income Taxes	\$ 46,085	\$ -	\$ -	\$ -	\$ 46,085	\$ -	\$ 46,085	\$ -	\$ -	\$ -	\$ 46,085	
30	Amortized ITC - Noxon	\$ (128)	\$ -	\$ -	\$ -	\$ (128)	\$ -	\$ (128)	\$ -	\$ -	\$ -	\$ (128)	
31	NET OPERATING INCOME	\$ 101,349	\$ 72,433	\$ 2,156	\$ 6,629	\$ 182,567	\$ (12,058)	\$ 170,509	\$ (57,578)	\$ 1,141	\$ (708)	\$ 113,363	
RATE BASE													
Plant in Service													
32	Intangible	\$ 102,620	\$ -	\$ -	\$ -	\$ 102,620	\$ 4,157	\$ 106,777	\$ -	\$ -	\$ -	\$ 106,777	
33	Production	\$ 746,101	\$ -	\$ -	\$ -	\$ 746,101	4.05%	\$ 776,325	\$ -	\$ -	\$ -	\$ 776,325	
34	Transmission	\$ 371,971	\$ -	\$ -	\$ -	\$ 371,971	4.05%	\$ 387,039	\$ -	\$ -	\$ -	\$ 387,039	
35	Distribution	\$ 842,795	\$ -	\$ -	\$ -	\$ 842,795	4.05%	\$ 876,935	\$ -	\$ -	\$ -	\$ 876,935	
36	General	\$ 196,867	\$ -	\$ -	\$ -	\$ 196,867	4.05%	\$ 204,842	\$ -	\$ -	\$ -	\$ 204,842	
37	Subtotal: Plant in Service	\$ 2,260,354	\$ -	\$ -	\$ -	\$ 2,260,354	\$ 91,564	\$ 2,351,918	\$ -	\$ -	\$ -	\$ 2,351,918	
Accumulated Depreciation and Amortization													
38	Intangible	\$ (20,242)	\$ -	\$ -	\$ -	\$ (20,242)	4.05%	\$ (820)	\$ (21,062)	\$ -	\$ -	\$ (21,062)	
39	Production	\$ (325,531)	\$ -	\$ -	\$ -	\$ (325,531)	4.05%	\$ (13,187)	\$ (338,718)	\$ -	\$ -	\$ (338,718)	
40	Transmission	\$ (123,869)	\$ -	\$ -	\$ -	\$ (123,869)	4.05%	\$ (5,018)	\$ (128,887)	\$ -	\$ -	\$ (128,887)	
41	Distribution	\$ (252,722)	\$ -	\$ -	\$ -	\$ (252,722)	4.05%	\$ (10,237)	\$ (262,959)	\$ -	\$ -	\$ (262,959)	
42	General	\$ (65,720)	\$ -	\$ -	\$ -	\$ (65,720)	4.05%	\$ (2,662)	\$ (68,382)	\$ -	\$ -	\$ (68,382)	
43	Subtotal: Accumulated Depreciation and Amortization	\$ (788,084)	\$ -	\$ -	\$ -	\$ (788,084)	\$ (31,924)	\$ (820,008)	\$ -	\$ -	\$ -	\$ (820,008)	
44	Net Plant	\$ 1,472,270	\$ -	\$ -	\$ -	\$ 1,472,270	\$ 59,640	\$ 1,531,910	\$ -	\$ -	\$ -	\$ 1,531,910	
45	Deferred Taxes	(257,766)	\$ -	\$ -	\$ -	(257,766)	\$ (10,442)	(268,208)	\$ -	\$ -	\$ -	(268,208)	
46	Net Plant After Deferred taxes	\$ 1,214,504	\$ -	\$ -	\$ -	\$ 1,214,504	\$ 49,198	\$ 1,263,702	\$ -	\$ -	\$ -	\$ 1,263,702	
47	Deferred Debits and Credits	10,846	\$ -	\$ (6,250)	\$ -	\$ 4,596	\$ -	\$ 4,596	\$ -	\$ -	\$ -	\$ 4,596	
48	Working Capital	47,807	\$ -	\$ -	\$ -	\$ 47,807	\$ -	\$ 47,807	\$ -	\$ -	\$ -	\$ 47,807	
49	TOTAL RATE BASE	\$ 1,273,157	\$ -	\$ (6,250)	\$ -	\$ 1,266,907	\$ 49,198	\$ 1,316,105	\$ -	\$ -	\$ -	\$ 1,316,105	
50	RATE OF RETURN	Workpapers for 12.2014 Commission Basis Reports provided with Avisia's Response to Staff_DR_130 Revised											
		7.96%											
ATTRITION ADJUSTED REVENUE REQUIREMENT													
50	Proposed Rate of Return	The grey highlighted areas on pages 4 and 5 represent changes Avisia made to Staff Witness Mr. McGuire's Electric Attrition model. For example, corrections to Staff's model were made in columns [C], [L] and [M]. Avisia proposed growth escalations were used in column [F] page 4 & 5 (rows 9, 11 and 32) to reflect Staff's linear regression calculation, however, using years 2007-2014 data. These calculations can be seen on page 9-11. Column [F] page 4 (row 7), includes Avisia's proposed O&M escalation as calculated on page 12. The Company has removed Staff's After Attrition Adjustment related to Coyote Springs II/Colstrip normalized maintenance, as the Company is proposing to defer the "hours-based" major maintenance projects in 2016 forward, with amortization to occur in the following year. Avisia has added column [K] After Attrition Adjustment Colstrip Refund Correction to remove a non-recurring item. Lastly, in column [L], the Company has included total Project Compass costs, rather than the discounted balances proposed by Staff.											
51	Return on Plant in Service at Proposed Rate	7.29%											
52	Operating Income Deficiency	\$ 95,944											
53	Revenue Conversion Factor	0.62018											
54	Revenue Requirement	\$ (28,088)											
55	Revenue Growth Factor	1.013115											
56	Attrition Adjusted Revenue Requirement	\$ (27,724)											

**ELECTRIC COST AND REVENUE TREND CALCULATIONS 2001-2013**

**Commission Basis Results of Operations**

**AVISTA UTILITIES**

**(000'S OF DOLLARS)**

Line	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
<b>REVENUES</b>														
1 Total General Business	\$258,201	\$273,318	\$283,356	\$285,399	\$289,216	\$321,929	\$326,335	\$365,425	\$402,618	\$415,740	\$451,837	\$459,266	\$468,006	\$488,372
2 Interdepartmental Sales	528	791	752	752	713	733	739	820	872	790	820	816	884	922
3 Sales for Resale	91,388	29,918	35,252	40,460	44,718	35,380	34,954	46,848	31,491	133,479	52,604	54,549	75,349	60,998
4 Total Sales of Electricity	350,117	304,027	319,360	326,611	334,647	358,042	362,028	413,093	434,981	550,009	505,261	514,631	544,239	550,292
5 Other Revenue	14,305	34,274	57,244	8,587	10,259	10,178	10,170	10,927	9,395	11,786	13,666	13,089	13,408	17,163
6 Total Electric Revenue	364,422	338,301	376,604	335,198	344,906	368,220	372,198	424,020	444,376	561,795	518,927	527,720	557,647	567,455
<b>EXPENSES</b>														
<b>Production and Transmission</b>														
7 Operating Expenses	47,157	101,475	132,098	101,545	105,374	104,260	102,890	117,123	87,599	147,107	145,634	131,795	143,904	120,307
8 Purchased Power	132,159	50,769	46,591	51,042	55,046	79,146	65,640	72,508	100,437	142,197	91,142	101,283	109,034	116,643
9 Depreciation/Amortization	15,202	20,157	20,523	22,312	22,629	24,577	24,877	23,076	23,969	25,008	25,158	25,680	23,284	23,715
10 Regulatory Amortization	(6,050)	(6,349)	(5,608)	567	(8,817)	1,168	(3,082)	(1,076)	(1,703)	(2,879)	403	(7,744)	8,629	8,101
11 Taxes	5,139	7,164	6,722	7,283	9,900	9,115	8,319	8,146	9,014	9,955	10,846	11,456	12,913	12,828
12 Total Production & Transmission	193,607	173,216	200,326	182,749	184,132	218,266	198,644	219,777	219,316	321,388	273,183	262,470	297,764	281,594
<b>Distribution</b>														
13 Operating Expenses	10,560	9,631	10,171	12,016	14,263	15,485	14,563	17,329	17,267	18,354	19,081	21,152	20,878	21,299
14 Depreciation/Amortization	9,178	9,427	9,752	10,067	10,399	10,776	11,333	15,611	16,809	17,985	19,240	20,749	22,303	23,794
15 Taxes	15,462	16,996	17,286	17,401	14,988	16,307	16,156	17,416	18,207	19,990	22,393	22,595	23,288	25,575
16 Total Distribution	35,200	36,054	37,209	39,484	39,650	42,568	42,032	50,356	52,283	56,329	60,714	64,496	66,469	70,668
17 Customer Accounting	6,196	7,113	7,129	7,352	7,156	7,097	7,514	7,919	9,646	10,275	10,336	11,334	11,166	11,166
18 Customer Service & Information	5,381	6,261	6,620	266	7,127	1,159	7,472	12,847	19,736	20,832	21,292	18,487	1,516	1,383
19 Sales Expenses	734	628	734	686	430	657	682	571	660	176	4	5	5	0
<b>Administrative &amp; General</b>														
20 Operating Expenses	25,102	30,304	30,153	31,927	33,143	33,148	35,844	35,982	38,461	44,662	44,779	49,333	43,310	46,210
21 Depreciation/Amortization	4,414	6,606	6,659	6,072	6,537	6,459	7,187	7,187	7,688	9,277	10,906	12,517	14,721	16,947
22 Taxes	2	1	2	3	(4)	0	(9)	(3)	(3)	2	0	(4)	0	0
23 Total Admin. & General	29,518	36,911	36,814	38,002	39,676	39,607	42,574	43,166	46,146	53,941	55,685	61,846	58,031	63,157
24 Total Electric Expenses	270,636	260,183	288,832	268,539	278,171	309,354	298,938	334,636	347,787	461,927	421,153	417,640	435,119	427,968
25 OPERATING INCOME BEFORE FIT	93,786	78,118	87,772	66,659	66,735	58,866	73,260	89,384	96,589	99,868	97,774	110,080	122,528	139,487
<b>FEDERAL INCOME TAX</b>														
26 Current Accrual	7,803	12,532	18,199	10,603	6,760	3,384	5,070	(6,217)	(1,846)	9,263	6,569	11,499	19,267	(7,683)
27 Debt Interest	0	0	0	0	0	0	0	0	0	0	0	0	0	(136)
28 Deferred Income Taxes	16,107	3,470	1,284	608	3,867	3,975	6,497	26,634	23,983	13,823	16,402	15,684	10,613	46,085
29 Amortized ITC - Noxon	0	0	0	0	0	0	0	0	(58)	(83)	(99)	(128)	(130)	(128)
30 Levelized Settlement Exchange Power	5,369	0	0	0	0	0	0	0	0	0	0	0	0	0
31 NET OPERATING INCOME	\$64,507	\$62,116	\$68,289	\$55,448	\$56,108	\$51,307	\$61,693	\$68,967	\$74,510	\$76,865	\$74,695	\$82,954	\$92,777	\$101,349

Note: The Regulatory Amortization Category has been restated in prior years to reflect consistency with the current reporting format.

**ELECTRIC COST AND REVENUE TREND CALCULATIONS 2001-2013**

**Commission Basis Results of Operations**

**AVISTA UTILITIES**

(000'S OF DOLLARS)	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
<b>PLANT IN SERVICE</b>														
32 Intangible	\$16,340	\$20,910	\$21,299	\$21,374	\$22,459	\$23,458	\$20,632	\$23,321	\$57,116	\$81,955	\$84,081	\$85,247	\$91,466	\$102,620
33 Production	460,292	545,002	556,067	598,268	615,624	649,965	645,576	657,099	677,646	692,689	706,894	717,448	738,315	746,101
34 Transmission	191,517	186,550	196,937	213,539	224,696	244,435	259,532	289,302	301,090	312,505	328,012	342,382	359,941	371,971
35 Distribution	416,914	429,987	443,649	459,739	480,886	502,838	529,067	561,248	602,201	642,143	696,082	743,732	796,640	842,795
36 General	59,846	59,771	60,444	63,155	65,299	80,110	81,368	91,205	98,727	120,996	140,218	155,104	179,134	196,867
37 Total Plant in Service	1,144,909	1,242,220	1,278,396	1,356,075	1,408,964	1,500,806	1,536,175	1,622,175	1,736,780	1,850,288	1,955,287	2,043,913	2,165,496	2,260,354
<b>ACCUMULATED DEPRECIATION/AMORT</b>														
38 Intangible	na	na	na	na	na	na	na	na	na	na	3,744	4,369	17,667	20,242
39 Production	na	na	na	na	na	na	na	na	na	na	286,300	300,170	314,599	325,531
40 Transmission	na	na	na	na	na	na	na	na	na	na	111,144	116,316	122,308	123,869
41 Distribution	na	na	na	na	na	na	na	na	na	na	209,101	221,408	236,201	252,722
42 General	na	na	na	na	na	na	na	na	na	na	56,694	61,871	58,357	65,720
43 Total Accumulated Depreciation	373,090	391,351	422,390	447,359	474,906	506,599	526,307	557,426	585,821	629,399	666,983	704,134	749,132	788,084
44 NET PLANT	771,819	850,869	856,006	908,716	934,058	994,207	1,009,868	1,064,749	1,150,959	1,220,889	1,288,304	1,339,779	1,416,364	1,472,270
45 DEFERRED TAXES	(109,541)	(111,367)	(135,404)	(150,960)	(134,967)	(138,495)	(139,033)	(147,502)	(163,716)	(184,825)	(201,163)	(208,209)	(221,354)	(257,766)
46 Net Plant After Deferred Income Taxes	662,278	739,502	720,602	757,756	799,091	855,712	870,835	917,247	987,243	1,036,064	1,087,141	1,131,570	1,195,010	1,214,504
47 DEFERRED DEBITS AND CREDITS	(64,763)	22,356	21,841	20,255	20,751	18,799	21,020	19,593	17,776	17,776	18,845	16,438	14,761	10,846
48 WORKING CAPITAL	0	0	0	0	0	0	0	0	0	18,188	31,877	10,967	16,281	47,807
49 TOTAL RATE BASE	\$597,515	\$761,838	\$742,443	\$778,011	\$819,842	\$874,511	\$891,855	\$936,840	\$1,003,019	\$1,072,028	\$1,137,863	\$1,158,975	\$1,226,052	\$1,273,157
	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

Note: The Deferred Debits and Credits Category has been restated in prior years to reflect consistency with the current reporting format.



**ELECTRIC COST AND REVENUE TREND CALCULATIONS 2001-2013**

AVISTA UTILITIES  
WASHINGTON ELECTRIC RESULTS  
(000'S OF DOLLARS)

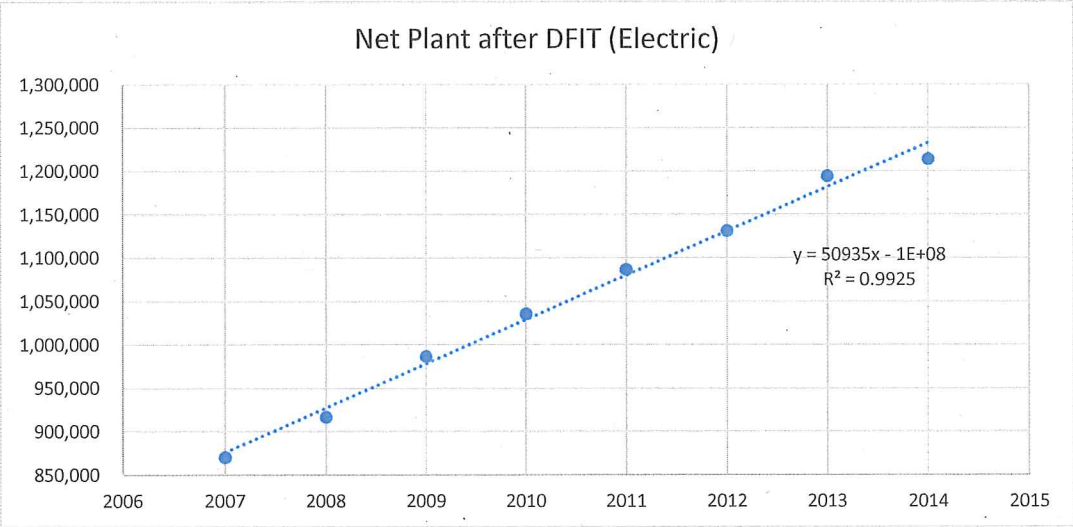
**Electric Data for Escalators**

Line No.	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Exclude Power Supply and Adder Schedule Expenses (DSM Tariff Rider and Residential Exchange Credit) from O&M														
1	Production/Transmission	47,157	50,475	132,098	101,545	105,374	102,890	117,123	87,599	147,107	145,634	131,795	143,904	120,307
2	Purchased Power	132,151	132,098	46,591	51,042	55,046	65,640	72,508	100,437	142,197	91,142	101,283	109,034	116,643
3	Distribution	10,560	9,631	10,171	12,016	14,263	15,485	17,329	17,267	18,354	19,081	21,152	20,878	21,299
4	Customer Accounting	6,196	7,113	7,129	7,352	7,156	7,097	7,919	9,646	9,261	10,336	10,336	11,334	11,166
5	Customer Service and Information	5,381	6,261	6,620	266	7,127	12,847	19,736	19,736	20,832	21,292	18,487	15,116	1,383
6	Sales	734	628	734	686	430	657	571	660	176	4	5	5	0
7	Administrative and General	25,102	30,304	30,153	31,927	33,143	33,148	35,844	38,461	44,662	44,779	49,333	43,310	46,210
8	Total Operating & Maintenance Expenses	227,289	206,181	233,496	204,834	222,539	234,605	264,279	273,806	382,589	332,207	332,391	329,981	317,008
9	Deduct Power Supply Expenses	(156,185)	(124,379)	(154,282)	(122,799)	(133,120)	(152,124)	(152,984)	(146,538)	(249,369)	(188,584)	(180,834)	(201,471)	(186,117)
10	Deduct DSM Tariff Rider Expenses	(5,113)	(6,111)	(6,177)	0	(6,652)	0	(6,711)	(19,005)	(19,612)	(20,235)	(17,018)	0	0
11	Deduct Res X Credit Expenses	11	58	49	0	62	37	24	27	41	31	55	0	0
12	Adjusted Operating Expenses	66,002	75,749	73,086	82,035	82,829	82,828	92,212	108,289	113,650	123,419	134,594	128,510	130,891
							7.24%	3.81%	9.22%	4.95%	8.60%	9.06%	-4.32%	1.85%
Depreciation/Amortization														
13	Production/Transmission	15,202	20,157	20,523	22,312	22,629	24,577	23,076	23,969	25,008	23,158	25,680	23,284	23,715
14	Distribution	9,178	9,427	9,752	10,067	10,399	11,333	15,611	16,809	17,985	19,240	20,749	22,303	22,794
15	Administrative and General	4,414	6,606	6,659	6,072	6,537	6,739	7,187	7,688	9,277	10,906	12,517	14,721	16,947
16	Total Depreciation/Amortization	28,794	36,190	36,934	38,451	39,565	41,812	42,949	48,466	52,270	55,304	58,946	60,308	64,456
		3.19%	25.69%	2.06%	4.11%	2.90%	5.68%	2.72%	6.81%	7.85%	5.80%	6.59%	2.31%	6.88%
Exclude Adder Schedule amortizations (Residential Exchange Credit) from Regulatory Amortizations														
17	Regulatory Amortizations	(6,030)	(6,349)	(5,608)	567	(8,817)	1,168	(3,082)	(1,703)	(2,879)	403	(7,744)	8,629	8,101
18	Deduct Res X Credit amortization	1,416	7,512	6,339	0	9,388	0	5,582	3,576	6,244	4,610	8,327	0	0
19	Adjusted Regulatory Amortizations	(4,634)	1,163	731	567	571	1,168	2,500	2,302	3,365	5,013	583	8,629	8,101
Exclude Adder Schedule excise taxes (DSM Tariff Rider and Residential Exchange Credit) from Taxes Other Than Income Tax														
20	Production/Transmission	5,139	7,164	6,722	7,283	9,900	9,115	8,146	9,014	9,955	10,846	11,456	12,913	12,828
21	Distribution	15,462	16,996	17,286	17,401	14,988	16,307	17,416	18,207	19,990	22,393	22,595	23,288	25,575
22	Administrative and General	2	1	2	3	(4)	0	(9)	(3)	2	0	0	(4)	0
23	Total Taxes Other Than Income Tax	20,603	24,161	24,010	24,687	24,884	25,422	24,466	27,218	29,947	33,239	34,047	36,201	38,403
24	Deduct DSM Tariff Rider Excise Tax	(205)	(248)	(248)	0	(267)	0	(488)	(762)	(787)	(612)	(683)	0	0
25	Deduct Res X Credit Excise Tax	57	303	256	0	379	0	225	162	252	186	336	0	0
26	Adjusted Taxes Other Than Income Tax	20,455	24,219	24,018	24,687	24,996	25,422	24,422	26,617	29,412	32,614	33,701	36,201	38,403
		-5.20%	18.40%	-0.83%	2.78%	1.25%	-3.93%	3.25%	5.69%	10.50%	10.88%	3.33%	7.42%	6.08%
27	Net Plant After Deferred Income Tax	662,278	739,502	720,602	757,756	799,091	855,712	870,835	917,247	987,243	1,036,064	1,087,141	1,131,570	1,195,010
		2.02%	11.66%	-2.56%	5.16%	5.45%	7.09%	1.77%	5.33%	7.63%	4.95%	4.09%	5.61%	1.63%
28	Total Rate Base	597,515	761,858	742,443	778,011	819,842	874,511	891,855	936,840	1,005,019	1,072,028	1,137,863	1,158,975	1,226,052
		5.11%	27.50%	-2.55%	4.79%	5.38%	6.67%	1.98%	5.04%	7.28%	6.14%	1.86%	5.79%	3.84%
Exclude Power Supply and Transmission Wheeling from Other Operating Revenue														
29	Other Operating Revenue	14,305	34,274	57,244	8,587	10,259	10,178	10,927	9,395	11,786	13,666	13,089	13,408	17,163
30	Deduct Power Supply Other Revenue	(2,251)	(25,293)	(47,139)	(179)	(1,839)	(221)	(1,839)	(448)	(640)	(1,752)	(1,489)	(282)	(3,062)
31	Deduct Transmission Other Revenue	(9,892)	(7,115)	(7,569)	(5,523)	(6,637)	(6,213)	(6,133)	(6,133)	(9,102)	(8,285)	(9,662)	(10,622)	(10,622)
32	Adjusted Other Revenue	2,162	1,866	2,536	2,779	3,443	2,956	3,073	2,814	2,813	2,813	3,315	3,464	3,478
		23.52%	-13.69%	35.91%	9.58%	23.89%	-14.14%	3.96%	-2.13%	-0.02%	-0.03%	17.86%	4.50%	0.41%

**Avista Proposed Based on Staff Methodology for 2007-2014:**

	2007	2008	2009	2010	2011	2012	2013	2014
Net Plant after DFIT	870,835	917,247	987,243	1,036,064	1,087,141	1,131,570	1,195,010	1,214,504
	Per CBR							

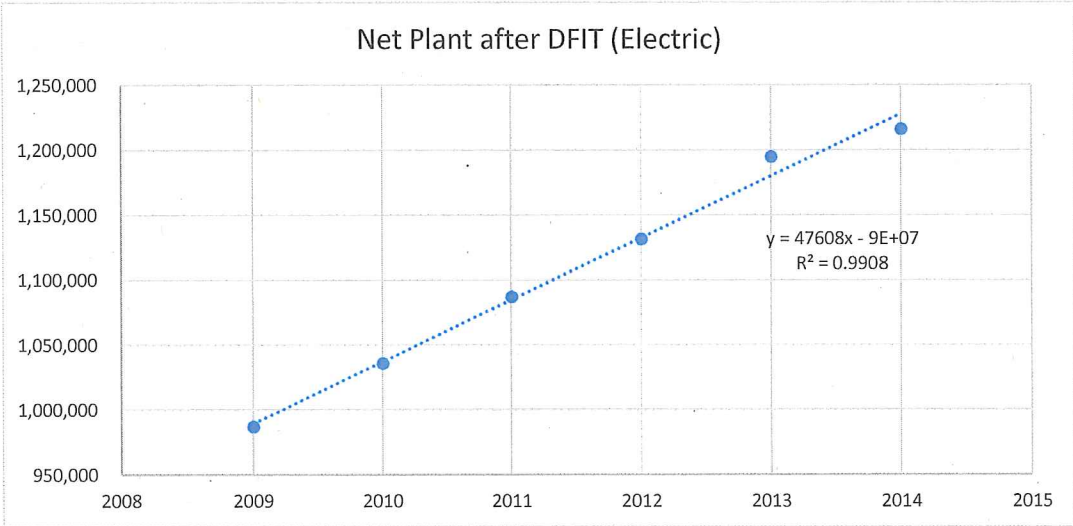
Annual Increase (slope below)	51,080							
Rate (Annual)	4.21%							
Rate (2-year, to 2016)	<b>8.41%</b>	(Escalation Factor)						
			<b>Order 05</b>					
				annual 000	rate	escalation		
				24599	2.03%	<b>4.05%</b>		
				(from "remove dist" tab)				



**AS PROPOSED BY STAFF PER CRM-2:**

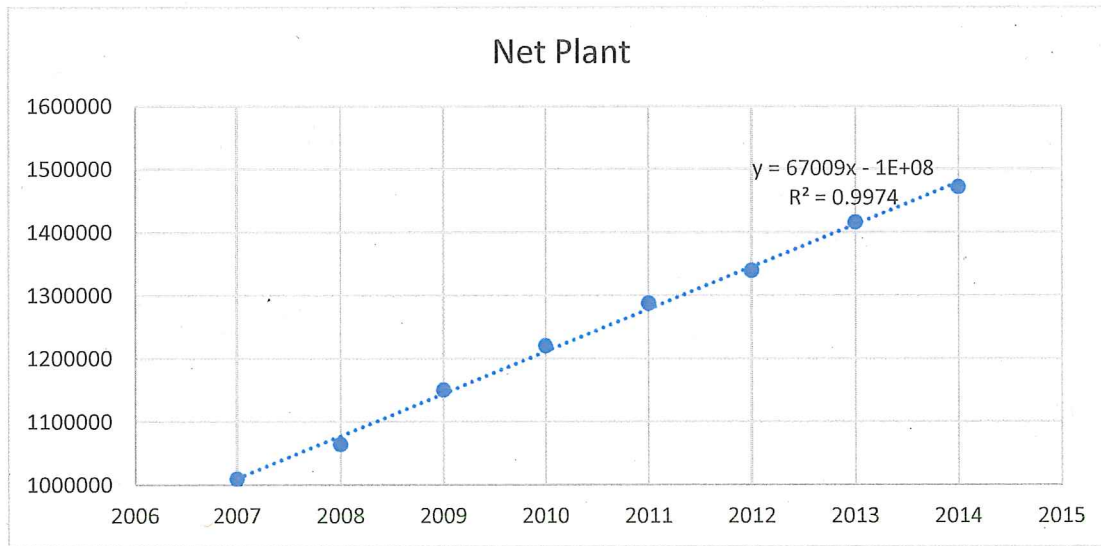
	2009	2010	2011	2012	2013	2014	
Net Plant after DFIT	987,243	1,036,064	1,087,141	1,131,570	1,195,010	1,216,245	McGuire Number

Annual Increase (slope below)	47,608						
Rate (Annual)	3.91%						
Rate (2-year, to 2016)	<b>7.83%</b>	(Escalation Factor)					7.98%

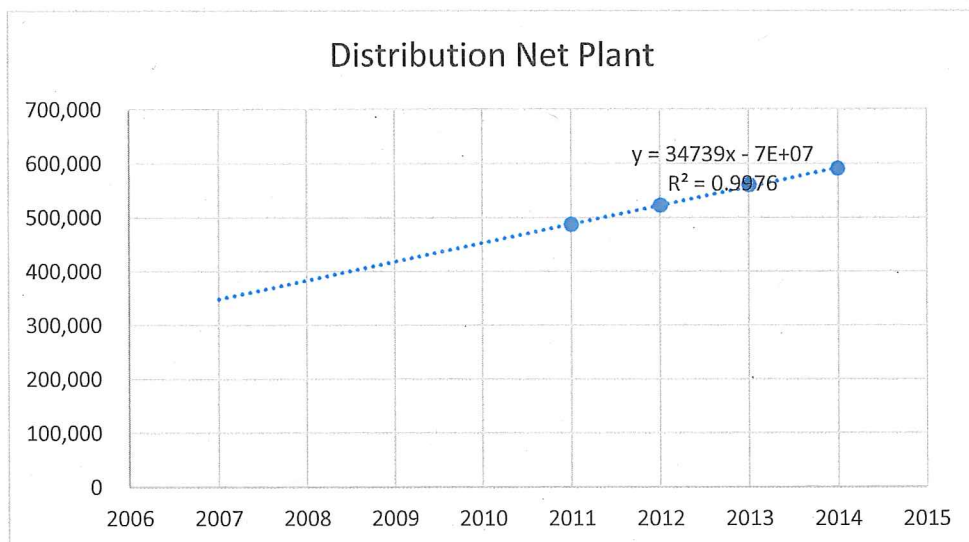


	2007	2008	2009	2010	2011	2012	2013	2014
Net Plant	1009868	1064749	1150959	1220889	1288304	1339779	1416364	1472270

Net Plant (rate) 67009 (chart below)  
 Net Plant after DFIT (rate) 51080 (from "Net Plant" tab)  
 Ratio 0.762286 (to adjust distribution Net Plant with an estimate for distribution DFIT)  
 Distribution Net Plant 34739 (second chart below)  
 Dist Net Plant after DFIT 26481 (after estimated DFIT)  
 Adjusted Net Plant after DFIT 24599 (Total, after removal of distribution net plant after DFIT)



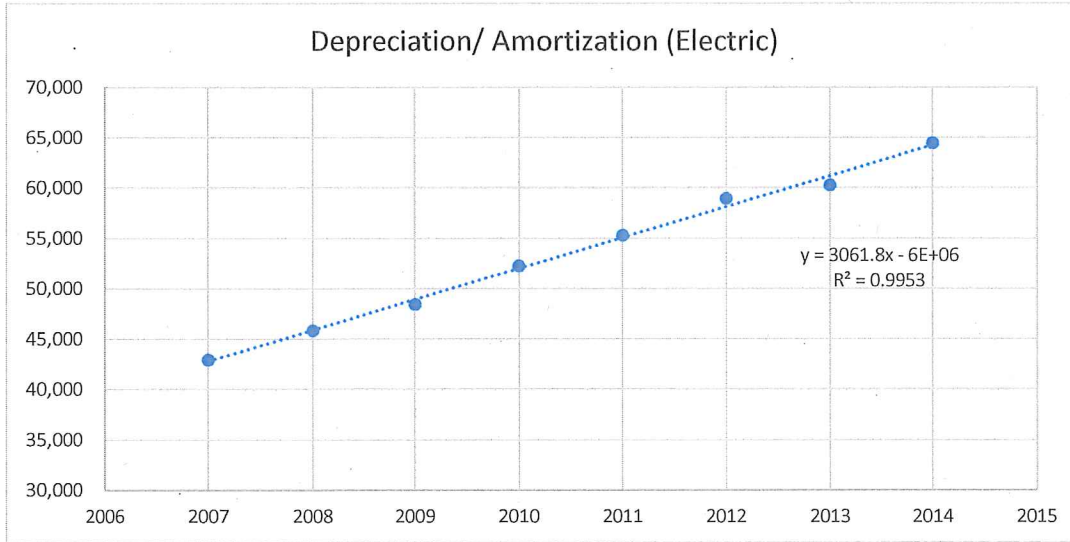
	2007	2008	2009	2010	2011	2012	2013	2014
Distribution Net Plant					486,981	522,324	560,439	590,073



**Avista Proposed Based on Staff Methodology for 2007-2014:**

	2007	2008	2009	2010	2011	2012	2013	2014
Depreciation/ Amortization	42,949	45,874	48,466	52,270	55,304	58,946	60,308	64,456

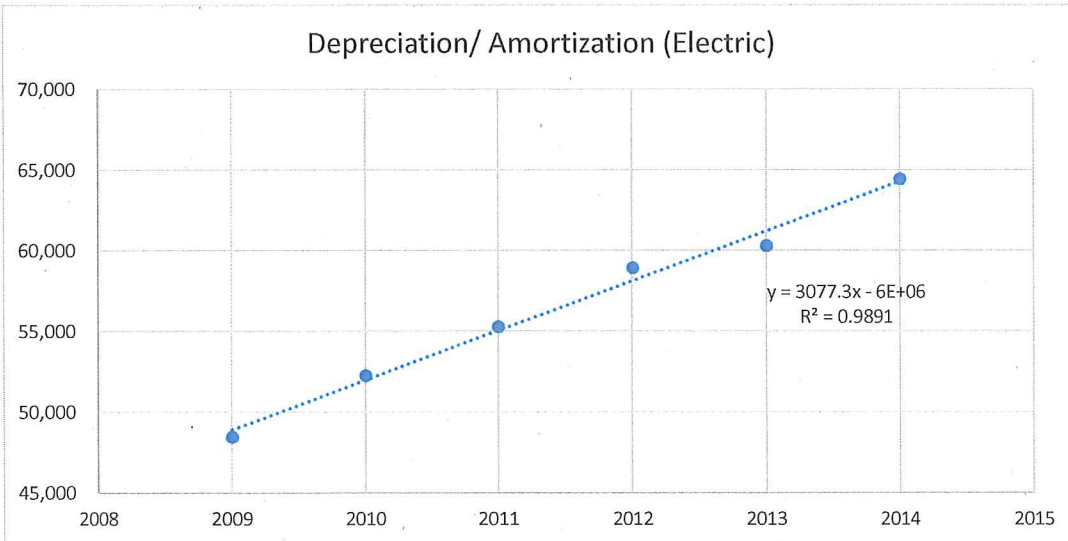
Annual Increase (slope below) 3,062  
 Rate (Annual) 4.75%  
 Rate (2-year, to 2016) **9.50%** (Escalation Factor)



**AS PROPOSED BY STAFF:**

	2009	2010	2011	2012	2013	2014
Depreciation/ Amortization	48,466	52,270	55,304	58,946	60,308	64,456

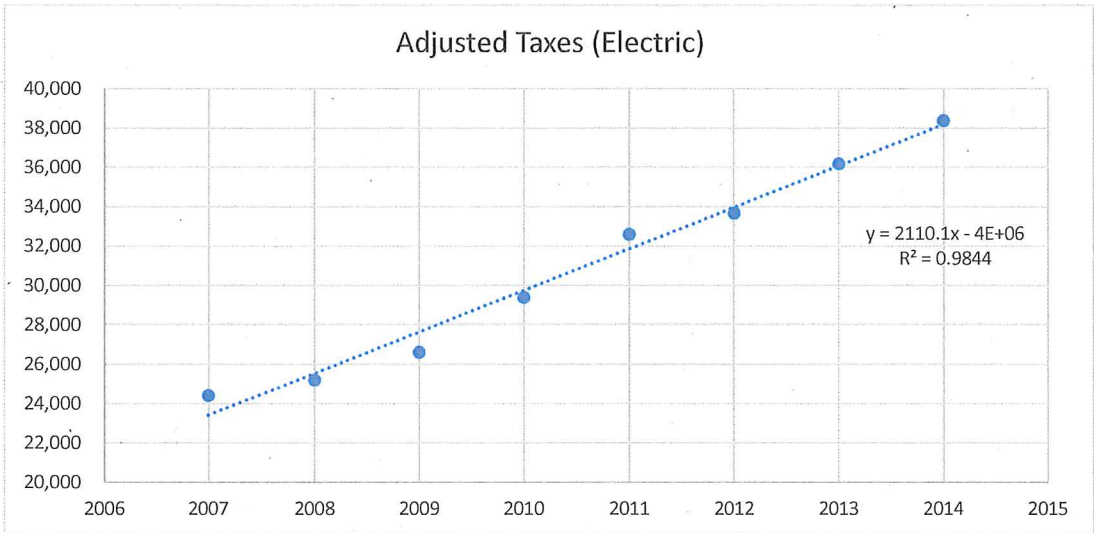
Annual Increase (slope below) 3,077  
 Rate (Annual) 4.77%  
 Rate (2-year, to 2016) **9.55%** (Escalation Factor) 9.78%



**Avista Proposed Based on Staff Methodology for 2007-2014:**

	2007	2008	2009	2010	2011	2012	2013	2014
Adjusted Taxes	24,422	25,215	26,617	29,412	32,614	33,701	36,201	38,403

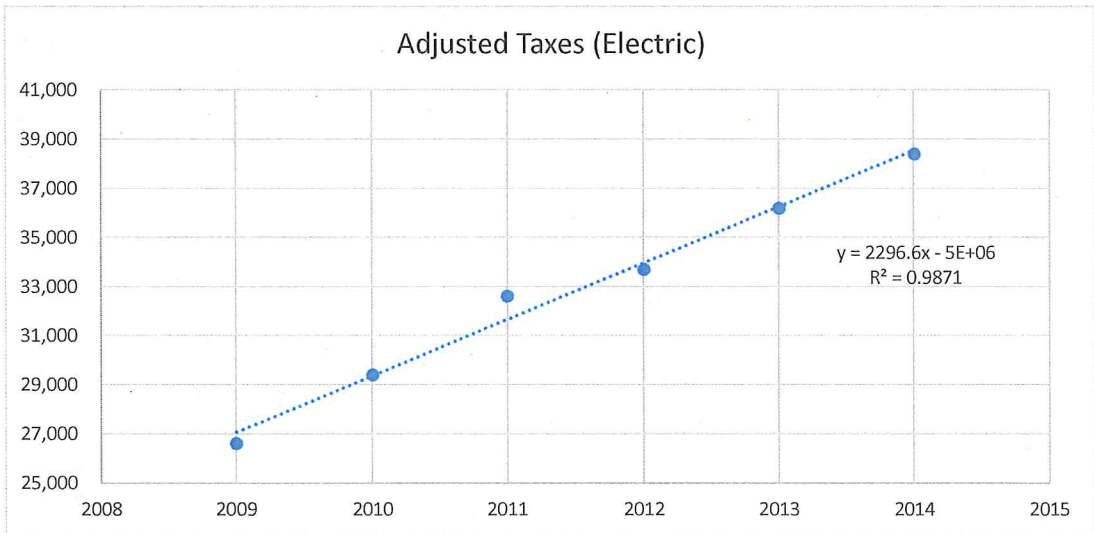
Annual Increase (slope below) 2,110  
 Rate (Annual) 5.49%  
 Rate (2-year, to 2016) **10.99%** (Escalation Factor)




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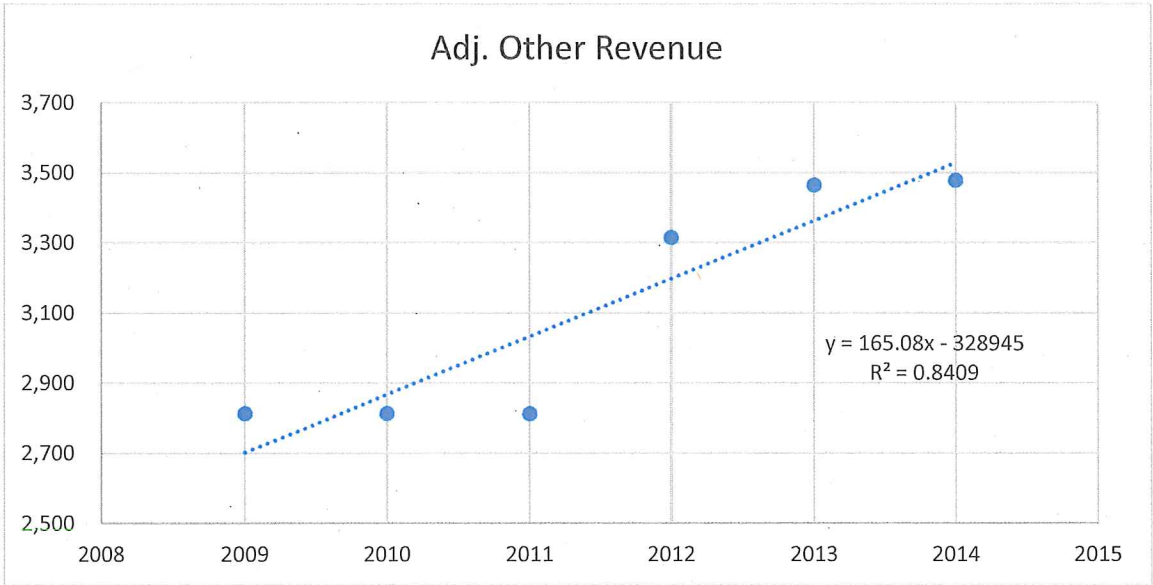
<b>AS PROPOSED BY STAFF:</b>	2009	2010	2011	2012	2013	2014
Adjusted Taxes	26,617	29,412	32,614	33,701	36,201	38,403

Annual Increase (slope below) 2,297  
 Rate (Annual) 5.98%  
 Rate (2-year, to 2016) **11.96%** (Escalation Factor) 12.32%



	2009	2010	2011	2012	2013	2014
Adj. Other Revenue	2,814	2,813	2,812	3,315	3,464	3,478

Annual Increase (slope below) 165  
 Rate (Annual) 4.75%  
 Rate (2-year, to 2016) 9.49% (Escalation Factor not used due to irregular growth)

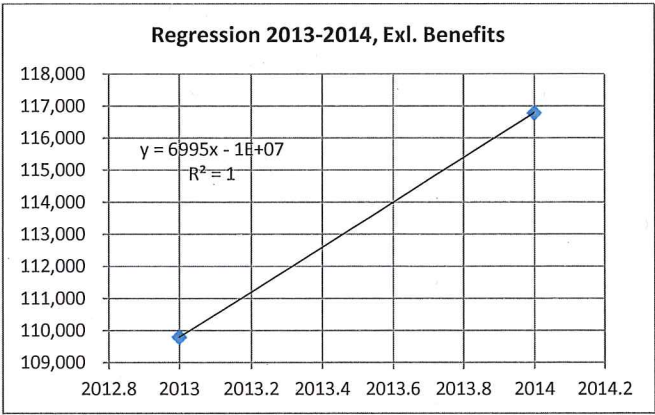
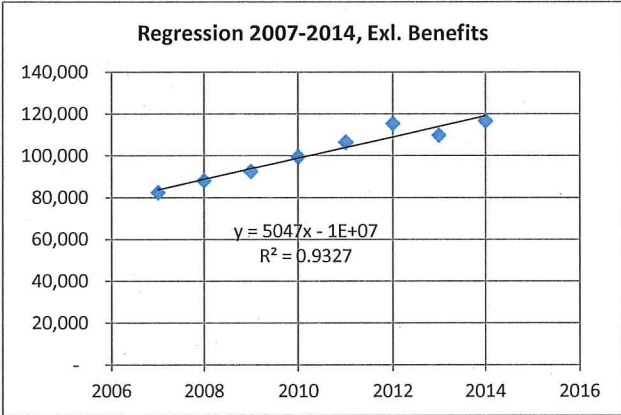


**Avista Proposed-partly based on Staff Methodology (Linear regression and averaging):**

	2007	2008	2009	2010	2011	2012	2013	2014
Total Adjusted Operating Expenses	92,212	99,146	108,289	113,650	123,419	134,594	128,510	130,891
Remove volatility of total Benefits	(9,711)	(10,953)	(15,669)	(14,095)	(16,820)	(19,041)	(18,709)	(14,095)
	82,501	88,193	92,620	99,555	106,599	115,553	109,801	116,796

	Slope	Rate (1 yr)	Escalation
2007-2014 (exl. Benefits)	5,047	4.32%	8.6%
2013-2014 (exl. Benefits)	6,995	5.99%	12.0%
<b>Average</b>		5.16%	<b>10.31%</b>

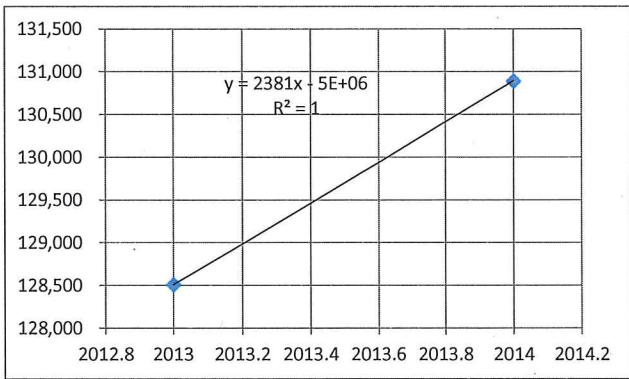
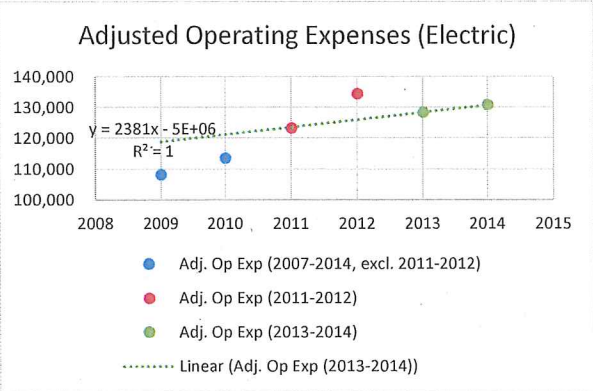
	rate	escalation
<b>Order 05</b>	3.21%	<b>6.42%</b>



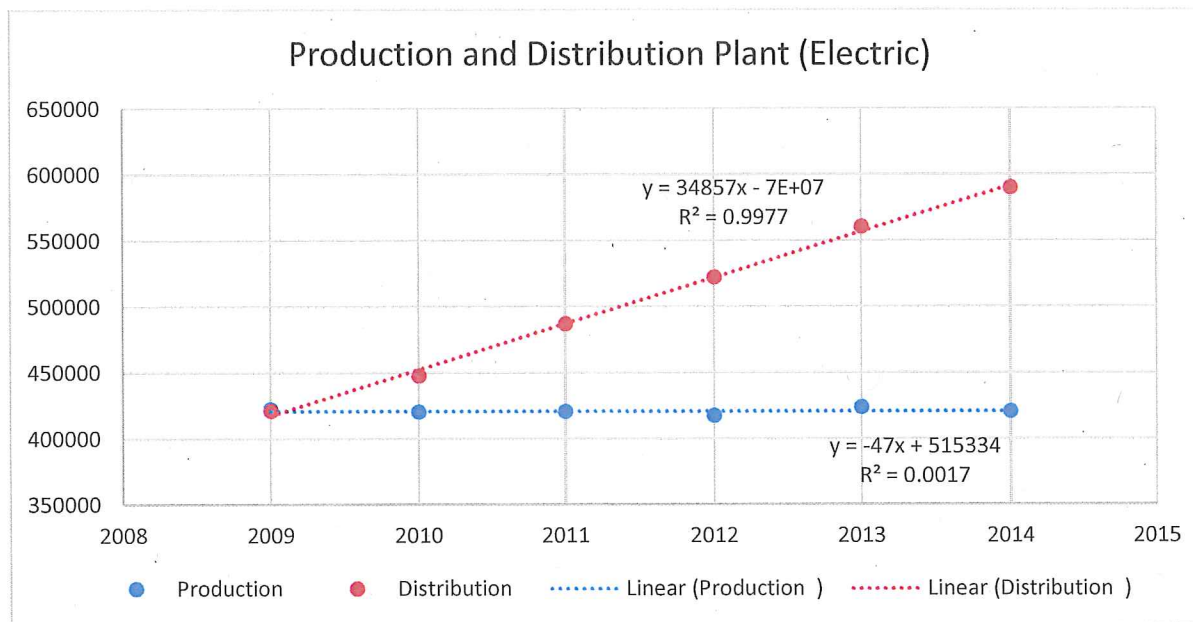
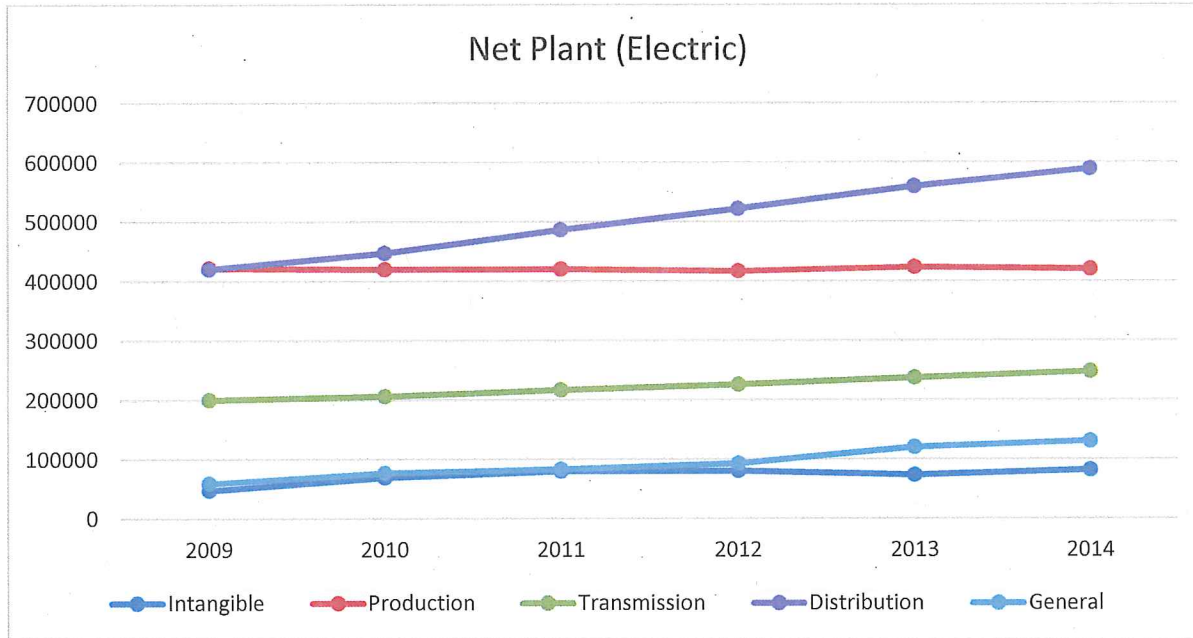
**AS PROPOSED BY STAFF:**

	2009	2010	2011	2012	2013	2014
Adj. Op Exp (2007-2014, excl. 2011-2012)	108,289	113,650			128,510	130,891
Adj. Op Exp (2011-2012)			123,419	134,594		
Adj. Op Exp (2013-2014)					128,510	130,891

	Slope	Rate (1yr)	Escalation
Rate (2013-2014, linear, slope below)	2,381.0	1.82%	3.64%
Company-proposed (2007-2014, linear)	3,926.7	3.00%	6.00%
<b>Average</b>		2.41%	<b>4.82%</b>

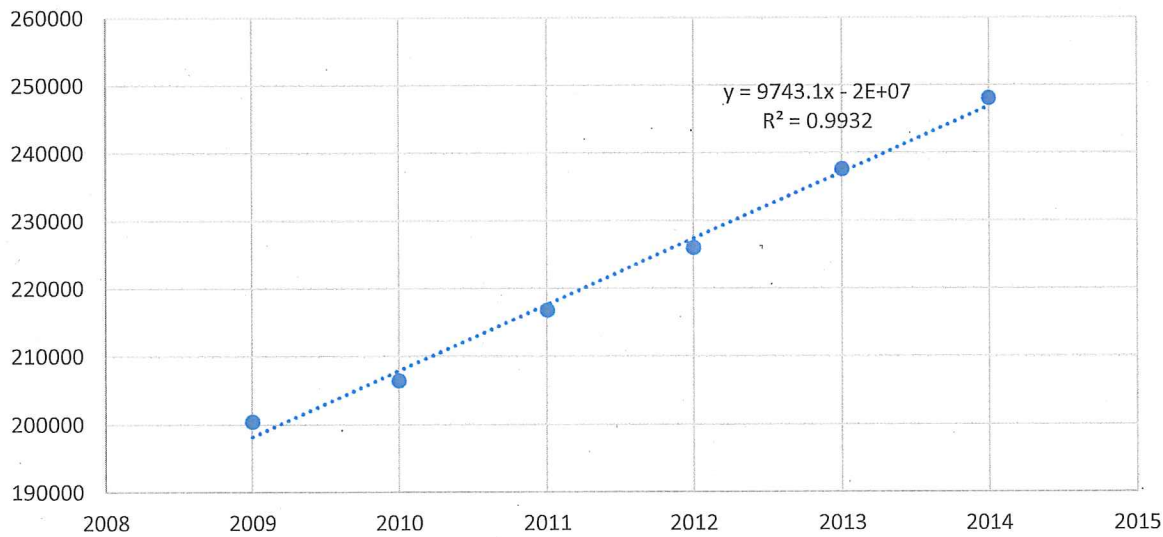


NET PLANT	2009	2010	2011	2012	2013	2014
Intangible	47814	69349	80337	80878	73799	82378
Production	422256	420349	420594	417278	423716	420570
Transmission	200441	206464	216868	226066	237633	248102
Distribution	420874	447550	486981	522324	560439	590073
General	59574	77177	83524	93233	120777	131147

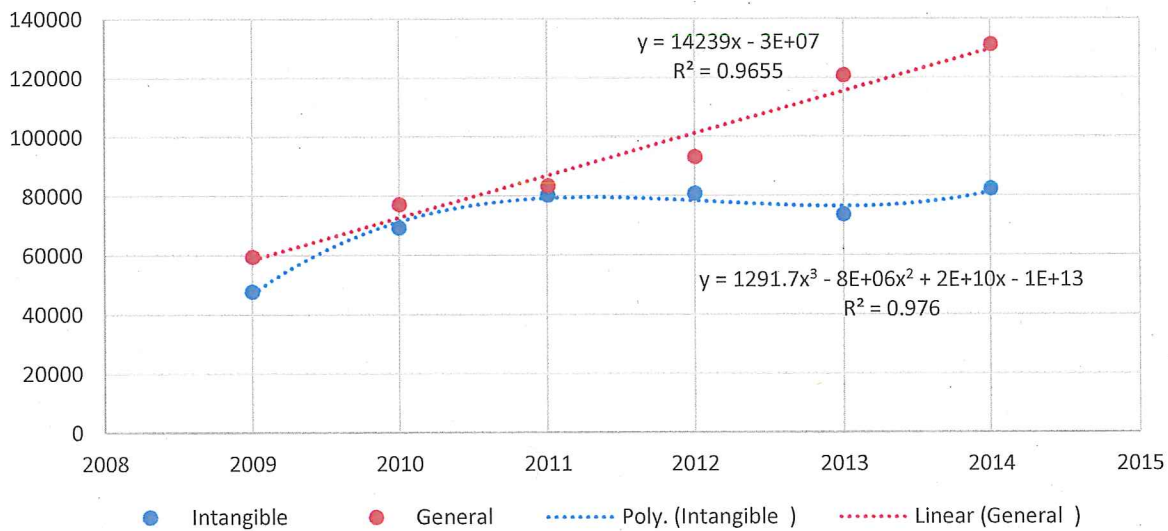




### Transmission Plant (Electric)



### General and Intangible Plant (Electric)



**ELECTRIC BILLING DETERMINANT INDEX  
09.2014 TO 2016 WEIGHTED REVENUE GROWTH**

Line Ended De Rate	Schedule	Revenue Model		Forecast		Billing Determinant		Revenue		Weight	Weight x Growth
		12 ME 09.2014	[A]	2016	[B]	Growth	[C] = ([B] - [A])/[A]	12 ME 09.2014	[D]		
1	RESIDENTIAL	Basic Charge	2,462,067	2,512,732	2.06%	20,927,570	4.19%	0.09%			
2	GENERAL SVC.	Basic Charge	364,552	379,314	4.05%	6,561,936	1.31%	0.05%			
3	LG. GEN. SVC.	Fixed Demand/Cust	24,110	24,225	0.48%	12,055,000	2.41%	0.01%			
4	EX LG GEN SVC	Fixed Demand/Cust	252	252	-0.12%	5,292,000	1.06%	0.00%			
5	PUMPING	Basic Charge	29,216	34,478	18.01%	525,888	0.11%	0.02%			
6	ST & AREA LTG	Basic Charge									
7	RESIDENTIAL	Volumes	2,378,478,031	2,447,894,613	2.92%	193,913,530	38.78%	1.13%			
8	GENERAL SVC.	Volumes	588,401,236	591,388,923	0.51%	62,328,507	12.47%	0.06%			
9	LG. GEN. SVC.	Volumes	1,419,228,271	1,431,149,606	0.84%	101,678,503	20.34%	0.17%			
10	EX LG GEN SVC	Volumes	1,105,372,136	1,114,987,712	0.87%	53,481,706	10.70%	0.09%			
11	PUMPING	Volumes	137,227,044	131,725,347	-4.01%	10,944,583	2.19%	-0.09%			
12	ST & AREA LTG	Volumes	25,127,765	24,890,112	-0.95%	7,019,746	1.40%	-0.01%			
13	RESIDENTIAL	Demand									
14	GENERAL SVC.	Demand	402,284	364,641	-9.36%	2,413,704	0.48%	-0.05%			
15	LG. GEN. SVC.	Demand	2,748,136	2,697,553	-1.84%	16,418,326	3.28%	-0.06%			
16	EX LG GEN SVC	Demand	1,276,783	1,168,073	-8.51%	6,420,658	1.28%	-0.11%			
17	PUMPING	Demand									
18	ST & AREA LTG	Demand									
19	Total					499,981,655	100.00%	1.31%			
Total Customers			2,880,197	2,951,000	2.46%						
Total Volumes			5,653,834,483	5,742,036,314	1.56%						
Total Demand			4,427,203	4,230,267	-4.45%						

Avista Corporation  
 WA Power Supply Pro Forma Net Cost  
 Rate Case Power Supply Adjustment Pro Forma - 09.2014 Historical Loads

	<b>2016 PF REVISED</b>		Staff DR 59
	Power Supply System	Total Washington Amounts	
P/T Allocation Percentages		64.71%	
447 Sales for Resale	\$88,888	\$57,325	
453 Sales of Water and Water Power	466	302	
454 Misc Rents	0	0	
456 Transmission Wheeling Revenue System	15,650	10,127	No Change to PF Transmission
456 Transmission Wheeling Revenue Direct WA	100	100	
456 Transmission Wheeling Revenue Direct ID	51	0	
456 Other Electric Revenue	0	0	
456 Other Electric Revenue-Direct WA	0	0	
Total Revenue	104,855	67,854	
501 Thermal Fuel Expense	29,123	18,845	
546 Other Power Gen Supvsn & Eng	0	0	
547 Other Fuel Expense	77,293	50,016	
536 Water for Power	1,001	648	
555 Purchased Power	119,195	77,131	
549 Misc Other Gen Expense	0	0	
550 Rents	0	0	
556 System Control & Dispatch	0	0	
557 Other Expenses	690	446	
XXX Other Expenses-Direct WA	0	-1,528	Agreed to Reduction \$1528 per Settlement agreement
565 Trans. of Elec. by Others	16,809	10,877	
546-562 CS2 O&M	0	0	Remove from base Power Supply per settlement agreement.
500-514 Colstrip O&M	0	0	Remove from base Power Supply per settlement agreement.
Total Expense	244,111	156,436	
Net Income Before Income Taxes	-139,256	-88,582	
Federal Income Tax	35%	-31,004	
Net Income		-\$57,578	
546-562 CS2 O&M	9,335	6,041	Remove from base Power Supply per settlement agreement.
500-514 Colstrip O&M	15,005	9,710	Remove from base Power Supply per settlement agreement.

Avista Corporation  
WA Power Supply Pro Forma Net Cost  
Rate Case Power Supply Adjustment Pro Forma - 2016 Forecast Loads

	Updated PF Power Supply System	Total Washington Amounts	Included same change
P/T Allocation Percentages		64.71%	
447 Sales for Resale	\$84,578	\$54,730	
453 Sales of Water and Water Power	466	302	
454 Misc Rents	0	0	
456 Transmission Wheeling Revenue System	15,650	10,127	
456 Transmission Wheeling Revenue Direct WA	100	100	
456 Transmission Wheeling Revenue Direct ID	51	0	
456 Other Electric Revenue	0	0	
456 Other Electric Revenue-Direct WA	0	0	
Total Revenue	100,845	65,259	
501 Thermal Fuel Expense	29,123	18,846	
546 Other Power Gen Supvsn & Eng	0	0	
547 Other Fuel Expense	77,293	50,016	
536 Water for Power	1,001	648	
555 Purchased Power	122,143	79,038	
549 Misc Other Gen Expense	0	0	
550 Rents	0	0	
556 System Control & Dispatch	0	0	
557 Other Expenses	690	446	
xxx Other Expenses-Direct WA	0	-1,528	Agreed to Reduction :
565 Trans. of Elec. by Others	16,809	10,877	
546-562 CS2 O&M	0	0	Remove from base Pc
500-514 Colstrip O&M	0	0	Remove from base Pc
Total Expense	247,059	158,344	
Net Income Before Income Taxes	-146,214	-93,085	
Federal Income Tax	35%	-32,580	
Net Income		-\$60,505	
546-562 CS2 O&M	9,335	6,041	Remove from base Pc
500-514 Colstrip O&M	15,005	9,710	Remove from base Pc

**ATTRITION ADJUSTMENT RELATED TO RETAIL REVENUE GROWTH AND  
ASSOCIATED POWER SUPPLY COST**  
(000'S OF DOLLARS)

Line No.	DESCRIPTION	(Note 1)	Revenue Growth and Power Supply Cost	Power Supply Test Year Load	Power Supply Rate Year Load	Incremental Power Supply Cost	Retail Revenue Growth
<b>REVENUES</b>							
1	Total General Business		6,545				6,545
2	Interdepartmental Sales		12				12
3	Sales for Resale		-2,595			-2,595	
4	Total Sales of Electricity		3,962	57,325	54,730	-2,595	6,557
5	Other Revenue		0	10,529	10,529	0	0
6	Total Electric Revenue		3,962	67,854	65,259	-2,595	6,557
<b>EXPENSES</b>							
<b>Production and Transmission</b>							
7	Operating Expenses		0	79,305	79,305	0	
8	Purchased Power		1,907	77,131	79,038	1,907	
9	Depreciation/Amortization						
10	Regulatory Amortization						
11	Taxes						
12	Total Production & Transmission		1,907	156,436	158,343	1,907	0
<b>Distribution</b>							
13	Operating Expenses						
14	Depreciation/Amortization		252				252
15	Taxes	0.038527	252				252
16	Total Distribution		504	0	0	0	504
17	Customer Accounting	0.005353	35				35
18	Customer Service & Information						
19	Sales Expenses						
<b>Administrative &amp; General</b>							
20	Operating Expenses	0.002000	13				13
21	Depreciation/Amortization						
22	Taxes						
23	Total Admin. & General		13	0	0	0	13
24	Total Electric Expenses		2,207	156,436	158,343	1,907	300
25	OPERATING INCOME BEFORE FIT		1,755	-88,582	-93,084	-4,502	6,257
<b>FEDERAL INCOME TAX</b>							
26	Current Accrual		614	-31,004	-32,579	-1,576	2,190
27	Debt Interest						
28	Deferred Income Taxes						
29	Amortized ITC - Noxon						
30	NET OPERATING INCOME		1,141	-57,578	-60,505	-2,926	4,067

Note 1: 09.2014 Washington electric revenue conversion factor amounts.



AVISTA UTILITIES  
WASHINGTON ELECTRIC  
PRO FORMA REVENUE UNDER PRESENT AND PROPOSED BASE TARIFF RATES  
12 MONTHS ENDED SEPTEMBER 30, 2014

WORK PAPER REFERENCE	RESIDENTIAL GENERAL SVC.		LG. GEN. SVC.	EX LG GEN SVC	PUMPING	ST & AREA LTG
	SCHEDULE 1	SCHEDULE 25				
	\$8.50	\$18.00				\$18.00
PDE-E-23						
	<u>PRESENT RATES</u>					
	BASIC CHARGE					
	MONTHLY MINIMUM					
PDE-E-23	7.525¢	11.507¢	7.240¢	5.616¢	9.712¢	
PDE-E-23	8.755¢	8.455¢	6.475¢	5.053¢	6.936¢	
PDE-E-23	10.264¢			4.320¢		
	BLOCK 1 PER KWH					
	BLOCK 2 PER KWH					
	BLOCK 3 PER KWH					
	BLOCK 4 PER KWH					
	ADJUST TO ACTUAL PER KWH					
PDE-E-23	8.185¢	10.561¢	7.151¢		7.972¢	
PDE-E-23			\$500.00	\$21,000.00		
	\$6.00	\$6.00	\$6.00	\$6.00		
	<u>PROPOSED RATES</u>					
	BASIC CHARGE					
	MONTHLY MINIMUM					
	\$8.50	\$18.00				\$18.00
PDE-E-23						
	<u>PROPOSED RATES</u>					
	BASIC CHARGE					
	MONTHLY MINIMUM					
PDE-E-23	7.525¢	11.507¢	7.240¢	5.616¢	9.712¢	
PDE-E-23	8.755¢	8.455¢	6.475¢	5.053¢	6.936¢	
PDE-E-23	10.264¢			4.320¢		
	BLOCK 1 PER KWH					
	BLOCK 2 PER KWH					
	BLOCK 3 PER KWH					
	BLOCK 4 PER KWH					
	ADJUST TO ACTUAL PER KWH					
PDE-E-23	8.185¢	10.561¢	7.151¢		7.972¢	
PDE-E-23			\$500.00	\$21,000.00		
	\$6.00	\$6.00	\$6.00	\$6.00		

Note: Rates do not include BPA Residential Exchange Program Schedule 59, Energy Efficiency Rider Adjustment Schedule 91, or Power Cost Surcharge Schedule 93.

**AVISTA UTILITIES  
WASHINGTON ELECTRIC**  
**PRO FORMA REVENUE UNDER PRESENT AND PROPOSED BASE TARIFF RATES**  
**12 MONTHS ENDED SEPTEMBER 30, 2014**

WORK PAPER REFERENCE	PRESENT REVENUE	RESIDENTIAL GENERAL SVC. LG. GEN. SVC. EX LG GEN SVC PUMPING ST & AREA LTG					
		SCHEDULE 1	SCH. 11,12	SCH. 21,22	SCHEDULE 25	SCH. 30, 31, 32	SCH. 41-48
<b>TOTAL</b>		\$20,927,570	\$6,561,936			\$525,888	
<b>BASE TARIFF REVENUE</b>							
BASIC CHARGE	\$28,015,394						
MONTHLY MINIMUM	0						
BLOCK 1	268,348,176	117,547,297	47,381,238	91,373,249	7,076,160	4,970,233	
BLOCK 2	107,204,438	46,580,209	15,632,461	10,789,519	28,240,750	5,961,499	
BLOCK 3	54,043,802	35,879,006			18,164,795		
BLOCK 4	0						
DEMAND BLOCK 1	17,347,000		2,413,704	12,055,000	5,292,000		
DEMAND BLOCK 2	26,563,218		7,412	16,488,816	7,660,698	4,820	
POWER FACTOR ADJUSTMENT	139,528			127,297			
PRIMARY VOLTAGE DISCOUNT	(1,310,531)			(70,490)	(1,240,041)		
ANNUAL MINIMUM ADJUSTMENT	0						
STREET & AREA LIGHT REVENUE	7,019,746						7,019,746
<b>SUBTOTAL</b>	\$507,370,771	\$220,934,082	\$71,996,750	\$130,763,391	\$65,194,363	\$11,462,440	\$7,019,746
	0	0	0	0	0	0	0
<b>SUBTOTAL</b>	\$507,370,771	\$220,934,082	\$71,996,750	\$130,763,391	\$65,194,363	\$11,462,440	\$7,019,746
ADJUST TO ACTUAL	0	0	0	0	0	0	0
<b>TOTAL BASE TARIFF REVENUE</b>	\$507,370,771	\$220,934,082	\$71,996,750	\$130,763,391	\$65,194,363	\$11,462,440	\$7,019,746
<b>ADJUSTMENT REVENUE</b>							
UNBILLED REVENUE ADJUSTMENT							
PDE-E-16 UNBILLED LOAD KWHS	(2,786,906)	(3,326,043)	230,343	208,054		100,740	
PDE-E-5/6 UNBILLED LOAD RATE		8,185¢	10,561¢	7,151¢		7,972¢	
UNBILLED LOAD REVENUE	(\$224,988)	(\$272,223)	\$24,327	\$14,877		\$8,031	
PDE-E-17 WEATHER-SENSITIVE KWHS	0	0	0	0			
PDE-E-5/6 WEATHER-SENSITIVE RATE		9,405¢	8,455¢	6,475¢			
WEATHER-SENSITIVE REVENUE	\$0	\$0	\$0	\$0			
PDE-E-16 TOTAL UNBILLED KWH ADJUST	(2,786,906)	(3,326,043)	230,343	208,054		100,740	0
TOTAL UNBILLED REVENUE ADJ	(\$224,988)	(\$272,223)	\$24,327	\$14,877		\$8,031	
<b>WEATHER NORMALIZATION ADJ</b>							
PDE-E-18 WEATHER-SENSITIVE KWHS	(80,043,211)	(61,889,108)	(8,479,367)	(9,674,736)			
PDE-E-5/6 WEATHER-SENSITIVE RATE		9,405¢	8,455¢	6,475¢			
WEATHER-SENSITIVE REVENUE	(\$7,164,129)	(\$5,820,759)	(\$716,930)	(\$626,439)			
<b>TOTAL ADJUSTMENT REVENUE</b>	(\$7,389,116)	(\$6,092,982)	(\$692,603)	(\$611,562)		\$8,031	
Adjusted Operating Expenses	507,370,771	220,934,082	71,996,750	130,763,391	65,194,363	11,462,440	7,019,746
<b>BLOCK 3</b>	\$499,981,655	\$214,841,099	\$71,304,147	\$130,151,829	\$65,194,363	\$11,470,471	\$7,019,746
Adjusted Taxes Other than Income							



**AVISTA UTILITIES  
WASHINGTON ELECTRIC  
PRO FORMA REVENUE UNDER PRESENT AND PROPOSED BASE TARIFF RATES  
12 MONTHS ENDED SEPTEMBER 30, 2014**

WORK PAPER  
REFERENCE

	TOTAL	RESIDENTIAL SCHEDULE 1	GENERAL SVC. SCH. 11,12	LG. GEN. SVC. SCH. 21,22	EX LG GEN SVC SCHEDULE 25	PUMPING SCH. 30, 31, 32	ST & AREA LTG SCH. 41-48
<b>PROPOSED REVENUE</b>							
<b>BASE TARIFF REVENUE</b>	\$28,015,394	\$20,927,570	\$6,561,936			\$525,888	
Adjusted Operating Expenses	0	0					
MONTHLY MINIMUM	268,348,176	117,547,297	47,381,238	91,373,249	7,076,160	4,970,233	
Adopted Operating Expense	107,204,438	46,580,209	15,632,461	10,789,519	28,240,750	5,961,499	
BLOCK 2	54,043,802	35,879,006	0		18,164,795		
BLOCK 3	0	0					
BLOCK 4	17,347,000			12,055,000	5,292,000		
Adopted Depreciation/Amortization	26,563,218		2,413,704	16,488,816	7,660,698		
DEMAND BLOCK 2	139,528		7,412	127,297		4,820	
Adjusted Taxes Other than Income	(1,310,531)			(70,490)	(1,240,041)		
PRIMARY VOLTAGE DISCOUNT	0						
ANNUAL MINIMUM ADJUSTMENT	7,019,746						7,019,746
STREET & AREA LIGHT REVENUE							
Adopted Net Plant After Deferred Income Taxes	\$507,370,771	\$220,934,082	\$71,996,750	\$130,763,391	\$65,194,363	\$11,462,440	\$7,019,746
SUBTOTAL	0	0	0	0	0	0	0
SUBTOTAL	\$507,370,771	\$220,934,082	\$71,996,750	\$130,763,391	\$65,194,363	\$11,462,440	\$7,019,746
ADJUST TO ACTUAL	0	0	0	0	0	0	0
SUBTOTAL	\$507,370,771	\$220,934,082	\$71,996,750	\$130,763,391	\$65,194,363	\$11,462,440	\$7,019,746
<b>ADJUSTMENT REVENUE</b>							
Adopted Operating Expense	(2,786,906)	(3,326,043)	230,343	208,054	100,740		
UNBILLED LOAD KWHS		8,185¢	10,561¢	7,151¢	7,972¢		
Adjusted Depreciation/Amortization	(\$224,988)	(\$272,223)	\$24,327	\$14,877	\$8,031		
UNBILLED LOAD REVENUE	0	0	0	0	0		
Adopted Depreciation/Amortization							
WEATHER-SENSITIVE KWHS		9,405¢	8,455¢	6,475¢			
Adjusted Taxes Other than Income	\$0	\$0	\$0	\$0	\$0		
WEATHER-SENSITIVE REVENUE							
TOTAL UNBILLED KWH ADJUST	(2,786,906)	(3,326,043)	230,343	208,054	100,740		
Adopted Net Plant After Deferred Inc	(\$224,988)	(\$272,223)	\$24,327	\$14,877	\$8,031		
WEATHER NORMALIZATION ADJ	(80,043,211)	(61,889,108)	(8,479,367)	(9,674,736)			
WEATHER-SENSITIVE KWHS		9,405¢	8,455¢	6,475¢			
WEATHER-SENSITIVE RATE	(\$7,164,129)	(\$5,820,759)	(\$716,930)	(\$626,439)			
WEATHER-SENSITIVE REVENUE							
TOTAL ADJUSTMENT REVENUE	(\$7,389,116)	(\$6,092,982)	(\$692,603)	(\$611,562)	\$8,031		
TOTAL BASE TARIFF REVENUE	507,370,771	220,934,082	71,996,750	130,763,391	65,194,363	11,462,440	7,019,746
TOTAL PROPOSED REVENUE	\$499,981,655	\$214,841,099	\$71,304,147	\$130,151,829	\$65,194,363	\$11,470,471	\$7,019,746
TOTAL PRESENT REVENUE	\$499,981,655	\$214,841,099	\$71,304,147	\$130,151,829	\$65,194,363	\$11,470,471	\$7,019,746
TOTAL REVENUE INCREASE	\$0	\$0	\$0	\$0	\$0	\$0	\$0
PERCENT REVENUE INCREASE	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

PDE-E-11

**AVISTA UTILITIES  
WASHINGTON ELECTRIC  
PRO FORMA REVENUE UNDER PRESENT AND PROPOSED BASE TARIFF RATES  
12 MONTHS ENDED SEPTEMBER 30, 2014**

WORK PAPER REFERENCE	RATES	TOTAL KWHS	TOTAL REVENUE	BASELOAD KWHS	BASELOAD REVENUE	WTHR-SENS. KWHS	WTHR-SENS. REVENUE
<u>PRESENT BASELOAD AND WEATHER-SENSITIVE RATES</u>							
<b>SCHEDULE 1</b>							
0-600 KWHS	7.525¢	1,562,090,324	\$117,547,297	1,562,090,324	\$117,547,297	0	\$0
601-1300 KWHS	8.755¢	532,041,223	\$46,580,209	70,260,097	\$6,151,271	461,781,126	\$40,428,938
OVER 1300 KWHS	10.264¢	349,561,635	\$35,879,006	0	\$0	349,561,635	\$35,879,006
<b>TOTAL</b>		<b>2,443,693,182</b>	<b>\$200,006,512</b>	<b>1,632,350,421</b>	<b>\$123,698,568</b>	<b>811,342,761</b>	<b>\$76,307,944</b>
<b>AVERAGE RATE</b>			<b>8.185¢</b>		<b>7.57¢</b>		<b>9.405¢</b>

<u>PRESENT BASELOAD AND WEATHER-SENSITIVE RATES</u>							
<b>SCHEDULE 11</b>							
0-3650 KWHS	11.507¢	411,760,125	\$47,381,238	411,760,125	\$47,381,238	0	\$0
over 3650 KWHS	8.455¢	184,890,135	\$15,632,461	76,010,451	\$6,426,684	108,879,684	9,205,777
<b>TOTAL</b>		<b>596,650,260</b>	<b>\$63,013,698</b>	<b>487,770,576</b>	<b>\$53,807,921</b>	<b>108,879,684</b>	<b>\$9,205,777</b>
<b>AVERAGE RATE</b>			<b>10.561¢</b>		<b>11.031¢</b>		<b>8.455¢</b>

Note: Total Base Load for Sch. 1 = Base Load per bill times total billings (base load per bill on PDE-E-19) = 663 X 2,462,067 = 1,632,350,421  
Total Base Load for Sch. 11 = 1,338 X 364,552 = 487,770,576

WORK PAPER REFERENCE	RATES	TOTAL KWHS	TOTAL REVENUE	BASELOAD KWHS	BASELOAD REVENUE	WTHR-SENS. KWHS	WTHR-SENS. REVENUE
<u>PRESENT BASELOAD AND WEATHER-SENSITIVE RATES</u>							
<b>SCHEDULE 21</b>							
0-250000 KWHS	7.240¢	1,262,061,453	\$91,373,249	1,262,061,453	\$91,373,249	0	\$0
OVER 250000 KWHS	6.475¢	166,633,500	\$10,789,519	35,056,547	\$2,269,911	131,576,953	\$8,519,608
<b>TOTAL</b>		<b>1,428,694,953</b>	<b>102,162,768</b>	<b>1,297,118,000</b>	<b>93,643,161</b>	<b>131,576,953</b>	<b>8,519,608</b>
<b>AVERAGE RATE</b>			<b>7.151¢</b>		<b>7.21¢</b>		<b>6.475¢</b>

Note: Total Base Load for Sch. 21 = Base Load per bill times total billings (base load per bill on PDE-E-19) = 53,800 X 24,110 = 1,297,118,000

**ELECTRIC**

	Average <b>2016</b>	Total Bills <b>2016</b>
<b>Total Customers by Rate Sched:</b>		
WA001	209,394	2,512,732
WA011	22,339	268,071
WA012	9,270	111,243
WA021	1,964	23,570
WA022	55	655
WA025	21	252
WA028	0	0
WA031	1,257	15,083
WA032	1,219	14,626
WA04X	397	4,769
ID001	105,893	1,270,712
ID011	16,007	192,086
ID012	5,278	63,333
ID021	1,134	13,603
ID022	21	257
ID025	9	108
ID025P	1	12
ID031	730	8,754
ID032	685	8,221
ID04X	147	1,764
<b>Total Customers by State:</b>		
WA	245,917	2,951,000
ID	129,904	1,558,851
<b>Grand Total</b>	<b>375,821</b>	<b>4,509,851</b>

**Total  
2016**

**Billed Demand Usage > minimum (in Kw's)**

**Total Demand Usage by Rate Sched:**

WA011	kw > 20	356,509
WA012	kw > 20	8,133
WA021	kw > 50	2,643,571
WA022	kw > 50	53,983
WA025	kvar > 3000	1,168,073
ID011	kw > 20	227,092
ID012	kw > 20	8,133
ID021	kw > 50	1,286,037
ID022	kw > 50	15,705
ID025	kvar > 3000	270,261
ID025P	kvar > 3000	649,540

**Total Demand Usage by State:**

WA	4,230,267
ID	2,456,767
<b>Grand Total</b>	<b>6,687,034</b>

Call Load tab

Total Calendar Energy Usage by Rate Sched:		Total Calendar Energy Usage by State:	
	2016	WA	ID
BV59	2,447,895	WA001	WA001
BV60	533,191	WA011	WA011
BV61	58,198	WA012	WA012
BV62	1,394,200	WA021	WA021
BV63	36,950	WA022	WA022
BV64	1,114,988	WA025	WA025
BV65	0	WA028	WA028
BV66	123,626	WA031	WA031
BV67	8,099	WA032	WA032
BV68	24,890	WA04X	WA04X
BV69	1,202,462	ID001	ID001
BV70	338,210	ID011	ID011
BV71	25,812	ID012	ID012
BV72	675,583	ID021	ID021
BV73	10,480	ID022	ID022
BV74	331,839	ID025	ID025
BV75	452,815	ID025P	ID025P
BV76	50,391	ID031	ID031
BV77	5,213	ID032	ID032
BV78	13,881	ID04X	ID04X
BV81	5,742,036	Grand Total	
BV82	3,106,687	1%	
BV84	8,848,723	Reconciliation with Power Supply	
BV85		Native Load - WA/ID	
BV89	9,434,612	Retail Losses - WA/ID	
BV90	585,889	Calendar Load from above	
BV92	8,848,723	Diff	
BV94	0		

Electric Revenue Report by Location Twelve Months Ended for Report Date : '12/31/2014'

Period: <All> State Cde: <All>

Ferc Acct	Source Id	RevCisDesc	Jurisdiction		Revenue Amt		ID	WA	12 Month Total	Power Supply	Transmission
			AN	Revenue Amt							
456000	REVBILLS	GA Other Gas Allocated	10,582.00	NULL	NULL	NULL	NULL	10,582.00			
		OA Other Electric Allocated	889,279.74	NULL	NULL	NULL	NULL	889,279.74			
		OC Other Electric Direct	3,679.62	683.02	38,699.56	NULL	NULL	43,062.20			
	REVCOL	OC Other Revenue & Scrap Sales	16,978.95	NULL	NULL	NULL	NULL	16,978.95			
	REVEARNED	AD Apprentice Lineman School De	6,800.00	NULL	NULL	NULL	NULL	6,800.00			
		AL Apprentice Lineman School Re	7,023.69	NULL	NULL	NULL	NULL	7,023.69			
		PD Pre-Line School Deposits	666,530.53	NULL	NULL	NULL	NULL	666,530.53			
		PL Pre-Line School Receivable	456.12	NULL	NULL	NULL	NULL	456.12			
	REVPGE	OP Other PGE	46,995.00	NULL	NULL	NULL	NULL	46,995.00			
456010	REVFUEL	AF Turbine Gas Financial - Cleanin	-7,723,892.50	NULL	NULL	NULL	NULL	-7,723,892.50		-7,723,892.50	
		AG Turbine Gas Financial Mizuho	-2,718,369.75	NULL	NULL	NULL	NULL	-2,718,369.75		-2,718,369.75	
		HR Gas Heat Rate Financial Rece	24.80	NULL	NULL	NULL	NULL	24.80		24.80	
456015	REVFUEL	CC Extraction Plant Credits	855,810.15	NULL	NULL	NULL	NULL	855,810.15		855,810.15	
		GF Turbine Gas Physical	29,287,951.55	NULL	NULL	NULL	NULL	29,287,951.55		29,287,951.55	
456016	REVREC	RO Miscellaneous Resource Optim	4,006,377.64	NULL	NULL	NULL	NULL	4,006,377.64		4,006,377.64	
		RW REC's Exclusive to Washingto	NULL	NULL	162,500.00	NULL	NULL	162,500.00		162,500.00	
456017	REVTRAN	NR Other Electric Revenue - Non I	60,244.08	NULL	NULL	NULL	NULL	60,244.08		60,244.08	
456020	REVESALES	BT BPA Excess Transm Sales	529,103.25	NULL	NULL	NULL	NULL	529,103.25		529,103.25	
456100	REVTRAN	ET Electric Transmission	11,553,981.52	NULL	NULL	NULL	NULL	11,553,981.52		11,553,981.52	
456120	REVTRAN	PC Parallel Capacity Support Rev	3,192,000.00	NULL	NULL	NULL	NULL	3,192,000.00		3,192,000.00	
456700	REVTRAN	DE Electric Distribution	NULL	44,019.49	97,939.56	NULL	NULL	141,959.05		141,959.05	
456705	REVTRAN	LV Electric Distribution	928,944.00	NULL	NULL	NULL	NULL	928,944.00		928,944.00	
456711	REVFUEL	GK Turbine Gas Bookout	-44,500.00	NULL	NULL	NULL	NULL	-44,500.00		-44,500.00	
456720	REVFUEL	GK Turbine Gas Bookout	44,500.00	NULL	NULL	NULL	NULL	44,500.00		44,500.00	
456730	REVFUEL	IT Intraco Thermal Gas	67,420,725.56	NULL	NULL	NULL	NULL	67,420,725.56		67,420,725.56	
	Sum		109,041,225.95	44,702.51	299,139.12	NULL	NULL	109,385,067.58		91,291,127.45	16,406,231.90

**After Attrition - CS2-Colstrip 2016 Incremental Expense above trended historical expense.**

Washington's Share:

	2014 HTP	2016 RY	Net
546-562 CS2 O&M	3,730	6,041	2,311
500-514 Colstrip O&M	8,399	9,710	1,311
	12,129	15,750	3,622

Removed from base Power Supply per settlement agreement.  
 Removed from base Power Supply per settlement agreement.

Escalation 2014-2016 #REF!

Incremental CS2/Colstrip O&M above trended 2014 expense  
 #REF!

Escalated Balance at 2016 #REF! 15,750

Avista Corporation  
 WA Power Supply Pro Forma Net Cost  
Commission Basis Power Supply Adjustment - 12.2014 Historical Loads

	UPDATED Power Supply System	Total Washington Amounts	
P/T Allocation Percentages		64.71%	
447 Sales for Resale	\$94,264	\$60,998	
453 Sales of Water and Water Power	475	307	
454 Misc Rents	0	0	
456 Transmission Wheeling Revenue System	16,264	10,524	
456 Transmission Wheeling Revenue Direct WA	98	98	
456 Transmission Wheeling Revenue Direct ID	44	0	
456 Other Electric Revenue	4,006	2,592	
456 Other Electric Revenue-Direct WA	163	163	
Total Revenue	115,314	74,682	
501 Thermal Fuel Expense	27,420	17,743	
546 Other Power Gen Supvsn & Eng	0	0	
547 Other Fuel Expense	55,782	36,097	
536 Water for Power	983	636	
555 Purchased Power	180,254	116,641	
549 Misc Other Gen Expense	0	0	
550 Rents	0	0	
556 System Control & Dispatch	0	0	
557 Other Expenses	581	376	
557 Other Expenses-Direct WA	2,396	2,396	
565 Trans. of Elec. by Others	18,896	12,228	
546-562 CS2 O&M	0	0	Remove from base Power Supply per settlement agreement.
500-514 Colstrip O&M	0	0	Remove from base Power Supply per settlement agreement.
Total Expense	286,312	186,117	
Net Income Before Income Taxes	-170,998	-111,435	
Federal Income Tax	35%	-39,002	
Net Income		-\$72,433	
546-562 CS2 O&M	5,764	3,730	Remove from base Power Supply per settlement agreement.
500-514 Colstrip O&M	12,979	8,399	Remove from base Power Supply per settlement agreement.

AVISTA UTILITIES  
 WASHINGTON ELECTRIC RESULTS  
 TWELVE MONTHS ENDED DECEMBER 31, 2000 - 2013  
 (000'S OF DOLLARS)

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	ADDED 2014
P/T Depreciation/Amort as filed	(3,114)	9,152	13,808	14,915	22,879	13,812	25,745	21,795	22,000	22,266	22,129	25,158	25,680	23,284	23,715
Regulatory Amortizations as filed												403	(7,744)	8,629	8,101
403 Production Depreciation	10,133	10,579	15,166	15,403	16,750	16,832	18,366	18,262	16,827	17,363	17,997	17,822	18,237	16,250	16,426
403 Transmission Depreciation	4,492	4,393	4,780	4,891	5,220	5,531	5,957	6,353	5,969	6,116	6,354	6,681	6,976	6,529	6,725
404 Intangible Amortization	225	230	211	229	342	266	254	262	280	490	657	655	659	652	710
Included in Depreciation prior to 2012, should continue in depreciation													(192)	(147)	(146)
P/T Depreciation	14,850	15,202	20,157	20,523	22,312	22,629	24,577	24,877	23,076	23,969	25,008	25,158	25,680	23,284	23,715
405 Exchange Power Amortization	-	-	2,450	2,450	2,450	2,450	2,450	2,450	2,450	2,450	2,450	2,450	2,450	2,450	2,450
406 Colstrip Common AFUDC	32	32	32	32	32	32	32	32	32	32	32	32	32	32	32
407 Amort of CO2 credits	(15)	(3)	(3)	(2)	(4)										
407 Amort of Centralia Gain	(16,644)	-	2												
407 Amort of Rate Base Reduction	(1,173)	(4,691)	(1,776)	(1,776)	(1,776)	(1,776)	(1,332)								
407 Amort of MOPS Reg Asset	192	192	191	191											
407 Amort of Residential Exchange	(1,416)	(1,416)	(7,512)	(6,339)	-	(9,388)	153	153	153	153	153	153	153	153	153
407 Small Gen Amortization			431												
407 Kettle Falls Disallowed Depreciation	(164)	(164)	(164)	(164)	(135)	(135)	(135)	(135)	(135)	(135)	(134)	(135)	(135)	(135)	(135)
407 SRR & CDA Settlement Deferrals & Amorts								(5,582)	(3,576)	(4,005)	(6,244)	(4,794)	(8,505)	-	-
407 Lancaster Generation								153	153	153	153	153	153	153	153
407 Optional Renewable Power Revenue Rev															
407 Deferred O&M Deferral & Amort															
407 LIDAR Deferral & Amortization															
407 WA Renewable Energy Credits Amortization															
407 CNC Transmission Amortization															
407 BPA Parallel Capacity Support															
407 Colstrip Outage Return															
407 Optional Renewable Solar Project Offset															
407 Palouse Wind Deferral															
Regulatory Deferrals and Amortizations	(17,964)	(6,050)	(6,349)	(5,608)	567	(8,817)	1,168	(3,082)	(1,076)	(1,703)	(2,879)	403	(7,744)	8,629	8,101
Check Total	(3,114)	9,152	13,808	14,915	22,879	13,812	25,745	21,795	22,000	22,266	22,129	25,561	17,936	31,913	31,816
Regulatory Deferrals & Amorts Excluding Revenue	(1,320)	(4,634)	1,163	731	567	571	1,168	2,500	2,302	2,302	3,365	5,013	583	8,629	8,101



	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
<b>RATE BASE</b>															
<b>PLANT IN SERVICE</b>															
31	\$15,127	\$16,340	\$20,910	\$21,299	\$21,374	\$22,459	\$23,458	\$20,632	\$23,321	\$57,116	\$81,955	\$84,081	\$85,247	\$91,466	\$102,620
32	369,323	382,522	598,523	609,668	651,608	669,043	703,455	712,962	724,416	751,055	767,632	706,894	717,448	738,315	746,101
33	181,627	191,517	186,550	196,937	213,539	224,696	244,435	259,532	289,302	301,090	312,505	328,012	342,382	359,941	371,971
34	398,104	416,427	429,742	443,424	459,516	480,638	502,571	528,809	561,016	598,884	638,445	696,082	743,732	796,640	842,795
35	58,402	59,846	59,771	60,444	63,155	65,299	80,110	81,368	91,205	98,727	120,996	140,218	155,104	179,134	196,867
36	1,022,583	1,066,652	1,295,496	1,331,772	1,409,192	1,462,135	1,534,029	1,603,303	1,689,260	1,806,872	1,921,533	1,955,287	2,043,913	2,165,496	2,260,354
<b>ACCUMULATED DEPRECIATION/AMORT</b>															
37	na	na	na	na	na	na	na	na	na	na	na	3,744	4,369	17,667	20,242
38	na	na	na	na	na	na	na	na	na	na	na	286,300	300,170	314,599	325,531
39	na	na	na	na	na	na	na	na	na	na	na	111,144	116,316	122,308	123,869
40	na	na	na	na	na	na	na	na	na	na	na	209,101	221,408	236,201	252,722
41	na	na	na	na	na	na	na	na	na	na	na	56,694	61,871	58,357	65,720
42	348,345	359,654	418,593	450,096	475,935	503,194	536,682	567,320	600,292	632,110	676,635	666,983	704,134	749,132	788,084
43	674,238	706,998	876,903	881,676	933,257	958,941	1,017,347	1,035,983	1,088,968	1,174,762	1,244,898	1,288,304	1,339,779	1,416,364	1,472,270
44	(104,246)	(108,113)	(113,807)	(138,127)	(154,531)	(138,256)	(142,383)	(143,546)	(151,677)	(169,421)	(190,931)	(201,163)	(208,209)	(221,354)	(257,766)
45	569,992	598,885	763,096	743,549	778,726	820,685	874,964	892,437	937,291	1,005,341	1,053,967	1,087,141	1,131,570	1,195,010	1,214,504
46	(1,500)	(1,370)	(1,238)	(1,106)	(715)	(843)	(453)	(582)	(451)	(322)	(127)	32,534	16,438	14,761	10,846
47	0	0	0	0	0	0	0	0	0	0	18,188	18,188	10,967	16,281	47,807
48	\$568,492	\$597,515	\$761,858	\$742,443	\$778,011	\$819,842	\$874,511	\$891,855	\$936,840	#####	\$1,072,028	\$1,137,863	\$1,158,975	\$1,226,052	\$1,273,157



AVISTA UTILITIES  
 WASHINGTON ELECTRIC RESULTS  
 TWELVE MONTHS ENDED DECEMBER 31, 2000 - 2012  
 (000'S OF DOLLARS)

2013/2014 Removed in CBR  
 (Note 3)

Line No.	DESCRIPTION	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
		Remove DSM	Remove DSM	Remove DSM	Remove DSM	Remove DSM	Remove DSM	Remove DSM	Remove DSM	Remove DSM	Remove DSM	Remove DSM	Remove DSM	Remove DSM
<b>REVENUES</b>														
1	Total General Business	-3,609	-5,318	-6,356	-6,425	-7,071	-6,919	-6,889	-6,980	-12,660	-19,768	-20,399	-21,047	-17,701
2	Interdepartmental Sales													
3	Sales for Resale													
4	Total Sales of Electricity	-3,609	-5,318	-6,356	-6,425	-7,071	-6,919	-6,889	-6,980	-12,660	-19,768	-20,399	-21,047	-17,701
5	Other Revenue													
6	Total Electric Revenue	-3,609	-5,318	-6,356	-6,425	-7,071	-6,919	-6,889	-6,980	-12,660	-19,768	-20,399	-21,047	-17,701
<b>EXPENSES</b>														
Production and Transmission														
7	Operating Expenses													
8	Purchased Power													
9	Depreciation/Amortization													
10	Regulatory Amortization													
11	Taxes													
12	Total Production & Transmission	0	0	0	0	0	0	0	0	0	0	0	0	0
Distribution														
13	Operating Expenses													
14	Depreciation/Amortization	-139	-205	-245	-248	-272	-267	-266	-269	-488	-762	-787	-812	-683
15	Taxes	-139	-205	-245	-248	-272	-267	-266	-269	-488	-762	-787	-812	-683
16	Total Distribution	-278	-410	-490	-496	-544	-534	-532	-538	-976	-1,524	-1,574	-1,624	-1,366
17	Customer Accounting	-19	-28	-34	-34	-38	-30	-30	-30	-55	-86	-88	-91	-77
18	Customer Service & Information	-3,443	-5,074	-6,064	-6,130	-6,747	-6,608	-6,580	-6,667	-12,092	-18,880	-19,483	-20,102	-16,906
19	Sales Expenses													
20	Administrative & General	-7	-11	-13	-13	-14	-14	-14	-14	-25	-40	-41	-42	-35
21	Operating Expenses													
22	Depreciation/Amortization													
23	Taxes	-7	-11	-13	-13	-14	-14	-14	-14	-25	-40	-41	-42	-35
24	Total Admin. & General	-3,609	-5,318	-6,356	-6,425	-7,071	-6,919	-6,889	-6,980	-12,660	-19,768	-20,399	-21,047	-17,701
25	OPERATING INCOME BEFORE FIT	0	0	0	0	0	0	0	0	0	0	0	0	0
FEDERAL INCOME TAX														
26	Current Accrual	0	0	0	0	0	0	0	0	0	0	0	0	0
27	Debt Interest													
28	Deferred Income Taxes													
29	Amortized ITC - Noxon													
30	NET OPERATING INCOME	0	0	0	0	0	0	0	0	0	0	0	0	0

Note 1: 06.2013 Washington electric revenue conversion factor amounts.  
 Note 2: Adder Schedules were removed from the 2004 and 2006 case files which were provided for Commission Basis reporting those years.  
 Note 3: Eliminate Adder Schedules Adjustment in 2013 Commission Basis filing eliminated both the revenues and expenses associated with Res X and the Tariff Rider & Buck-a-Block

AVISTA UTILITIES  
 WASHINGTON ELECTRIC RESULTS  
 TWELVE MONTHS ENDED DECEMBER 31, 2000 - 2012  
 (000'S OF DOLLARS)

2013/2014 Removed in CBR

Line No.	DESCRIPTION	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013/2014
		Remove ResX (Note 1)	Remove ResX (Note 2)	Remove ResX	Remove ResX	Remove ResX	Remove ResX	Remove ResX	Remove ResX	Remove ResX	Remove ResX	Remove ResX	Remove ResX	Remove ResX	Remove ResX
<b>REVENUES</b>															
1	Total General Business	17,444	1,484	7,873	6,644	7,504	9,829	10,769	5,844	3,744	4,193	6,538	4,827	8,718	
2	Interdepartmental Sales														
3	Sales for Resale														
4	Total Sales of Electricity	17,444	1,484	7,873	6,644	7,504	9,829	10,769	5,844	3,744	4,193	6,538	4,827	8,718	
5	Other Revenue														
6	Total Electric Revenue	17,444	1,484	7,873	6,644	7,504	9,829	10,769	5,844	3,744	4,193	6,538	4,827	8,718	
<b>EXPENSES</b>															
<b>Production and Transmission</b>															
7	Operating Expenses														
8	Purchased Power														
9	Depreciation/Amortization	16,644	1,416	7,512	6,339	7,160	9,388	10,285	5,582	3,576	4,005	6,244	4,610	8,327	
10	Regulatory Amortization														
11	Taxes														
12	Total Production & Transmission	16,644	1,416	7,512	6,339	7,160	9,388	10,285	5,582	3,576	4,005	6,244	4,610	8,327	
<b>Distribution</b>															
13	Operating Expenses														
14	Depreciation/Amortization	672	57	303	256	289	379	415	225	144	162	252	186	336	
15	Taxes														
16	Total Distribution	672	57	303	256	289	379	415	225	144	162	252	186	336	
<b>Customer Accounting</b>															
17	Customer Accounting	93	8	42	36	40	43	47	25	16	18	28	21	38	
18	Customer Service & Information														
19	Sales Expenses														
<b>Administrative &amp; General</b>															
20	Operating Expenses	35	3	16	13	15	20	22	12	7	8	13	10	17	
21	Depreciation/Amortization														
22	Taxes														
23	Total Admin. & General	35	3	16	13	15	20	22	12	7	8	13	10	17	
24	Total Electric Expenses	17,444	1,484	7,873	6,644	7,504	9,829	10,769	5,844	3,744	4,193	6,538	4,827	8,718	
25	OPERATING INCOME BEFORE FIT	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>FEDERAL INCOME TAX</b>															
26	Current Accrual	0	0	0	0	0	0	0	0	0	0	0	0	0	0
27	Debt Interest														
28	Deferred Income Taxes														
29	Amortized ITC - Noxon														
30	NET OPERATING INCOME	0	0	0	0	0	0	0	0	0	0	0	0	0	0

gzhkw6:  
 No Res X in 2000 but  
 Centralia Gain was  
 refunded

gzhkw6:  
 Net with Buck a  
 block revenue offset

Note 1: 12.2013 Washington electric revenue conversion factor amounts.  
 Note 2: No ResX rate credit in 2000. However, there was a refund of the Centralia Gain that affected both revenue and regulatory amortizations.  
 Note 3: Adder Schedules were removed from the 2004 and 2006 case files which were provided for Commission Basis reporting those years.  
 Note 4: Eliminate Adder Schedules Adjustment in 2013 Commission Basis filing eliminated both the revenues and expenses associated with Res X and the Tariff Rider & Buck-a-Block

AVISTA UTILITIES  
WASHINGTON ELECTRIC RESULTS  
TWELVE MONTHS ENDED DECEMBER RESTATED TOTALS  
(000'S OF DOLLARS)

As Filed

Line No.	DESCRIPTION	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	
	Adjustment Number															ADDED	
	Worksheet Reference																
<b>REVENUES</b>																	
1	Total General Business	\$242,529	\$258,201	\$273,318	\$283,356	\$285,399	\$289,216	\$321,929	\$326,335	\$365,425	\$402,618	\$415,740	\$451,837	\$460,195	\$468,006	\$488,372	
2	Interdepartmental Sales	546	528	791	752	752	713	733	739	820	872	790	820	(113)	884	922	
3	Sales for Resale	137,117	91,388	29,918	35,252	40,460	44,718	35,380	34,954	46,848	31,491	133,479	52,604	54,549	75,349	60,988	
4	Total Sales of Electricity	380,192	350,117	304,027	319,360	326,611	334,647	358,042	362,611	413,093	434,381	500,009	503,261	514,631	544,239	580,292	
5	Other Revenue	13,062	14,305	34,274	57,244	8,587	10,259	10,178	10,170	10,927	9,935	11,786	13,666	13,089	13,408	17,165	
6	Total Electric Revenue	393,254	364,422	338,301	376,604	335,198	344,906	368,220	372,198	424,020	444,376	561,795	518,927	527,720	557,647	567,455	
<b>EXPENSES</b>																	
<b>Production and Transmission</b>																	
7	Operating Expenses	78,721	47,157	101,475	132,098	101,545	105,374	104,260	102,890	117,123	87,509	147,107	145,634	131,795	143,904	120,307	
8	Purchased Power	181,189	132,159	50,769	46,591	51,042	55,046	79,146	65,640	72,508	100,437	142,197	91,142	101,283	109,034	116,643	
9	Depreciation/Amortization	(3,114)	9,152	13,808	14,915	22,879	13,812	25,745	21,795	22,000	22,266	22,129	25,138	25,872	23,284	23,715	
10	Regulatory Amortization											403	(7,936)	8,629	8,101		
11	Taxes	9,346	5,139	7,164	6,722	7,283	9,900	9,115	8,319	8,146	9,014	9,955	10,846	11,456	12,913	12,828	
12	Total Production & Transmission	266,142	193,607	173,216	200,326	182,749	184,132	218,266	198,644	219,777	223,748	321,388	273,183	262,470	297,764	281,594	
<b>Distribution</b>																	
13	Operating Expenses	9,418	10,560	9,631	10,171	12,016	14,263	15,485	14,565	17,329	17,267	18,354	19,081	21,152	20,878	21,299	
14	Depreciation/Amortization	9,056	9,178	9,427	9,752	10,067	10,399	10,776	11,333	15,611	16,809	17,985	19,240	20,749	22,303	23,794	
15	Taxes	11,693	15,462	16,996	17,286	17,401	14,988	16,307	16,156	17,416	18,207	19,990	22,393	22,595	23,288	25,575	
16	Total Distribution	30,167	35,200	36,054	37,209	39,484	39,650	42,368	42,052	50,356	52,283	56,329	60,714	64,496	66,469	70,668	
17	Customer Accounting	5,768	6,196	7,113	7,129	7,352	7,156	7,097	7,514	7,919	9,646	9,261	10,275	10,336	11,334	11,166	
18	Customer Service & Information	5,704	5,381	6,261	6,620	266	7,127	1,159	7,472	12,847	19,756	20,832	21,292	18,487	1,516	1,383	
19	Sales Expenses	1,071	754	638	784	686	430	657	682	571	660	176	4	5	5	0	
<b>Administrative &amp; General</b>																	
20	Operating Expenses	30,350	25,102	30,304	30,153	31,927	33,143	33,148	35,844	35,982	38,461	44,662	44,779	49,333	43,310	46,210	
21	Depreciation/Amortization	3,998	4,414	6,606	6,659	6,072	6,537	6,459	6,739	7,187	7,688	9,277	10,906	12,517	14,721	16,947	
22	Taxes	5	2	1	2	3	(4)	0	(9)	(3)	(3)	2	(4)	(4)	0		
23	Total Admin. & General	34,353	29,518	36,911	36,814	38,002	39,676	39,607	42,574	43,166	46,146	53,941	55,683	61,846	58,031	63,157	
24	Total Electric Expenses	343,205	270,656	260,183	288,832	268,559	278,171	309,554	298,938	334,636	352,219	461,927	421,153	417,640	455,119	427,968	
25	OPERATING INCOME BEFORE FIT	\$50,049	\$93,786	\$78,118	\$87,772	\$66,659	\$66,735	\$58,866	\$73,260	\$89,384	\$92,157	\$99,868	\$97,774	\$110,080	\$122,528	\$139,487	
<b>FEDERAL INCOME TAX</b>																	
26	Current Accrual	13,500	7,803	12,532	18,199	10,603	6,760	3,584	5,070	(6,217)	(1,846)	9,263	6,569	11,499	19,267	(7,683)	
27	Debt Interest															(136)	
28	Deferred Income Taxes	3,549	16,107	3,470	1,284	608	3,867	3,975	6,497	26,654	23,983	13,823	16,402	15,684	10,613	46,083	
29	Amortized ITC - Novon									(58)	(99)	(83)	(99)	(128)	(150)	(128)	
30	Levelized Settlement Exchange Power	5,683	5,369														
	NET OPERATING INCOME	\$77,317	\$64,307	\$62,116	\$68,289	\$55,448	\$56,108	\$51,307	\$61,693	\$68,967	\$70,078	\$76,865	\$74,695	\$82,954	\$92,777	\$101,549	
<b>RATE BASE</b>																	
<b>PLANT IN SERVICE</b>																	
31	Intangible	\$15,127	\$16,340	\$20,910	\$21,299	\$21,374	\$22,459	\$23,458	\$20,632	\$23,321	\$23,321	\$27,116	\$81,955	\$84,081	\$85,247	\$91,466	\$102,620
32	Production	369,323	382,522	598,523	609,668	651,608	669,043	703,455	712,962	724,416	751,055	767,652	706,894	717,448	738,315	746,101	
33	Transmission	181,627	191,517	186,550	196,937	213,539	224,696	244,453	259,532	289,302	301,090	312,505	328,012	342,382	359,941	371,971	
34	Distribution	398,104	416,427	429,742	443,424	459,516	480,638	502,571	528,809	561,016	598,884	638,445	696,082	743,732	796,640	842,795	
35	General	58,402	59,846	59,771	60,444	63,155	65,299	80,110	81,368	91,205	98,727	120,996	140,218	155,104	179,134	196,867	
36	Total Plant in Service	1,022,583	1,066,652	1,295,496	1,331,772	1,409,192	1,462,135	1,554,029	1,603,303	1,689,260	1,806,872	1,921,533	1,955,387	2,043,913	2,165,496	2,260,354	
<b>ACCUMULATED DEPRECIATION/AMORT</b>																	
37	Intangible											3,744		4,369	17,667	20,242	
38	Production	674,238	706,998	876,903	881,676	933,257	958,941	1,017,347	1,035,983	1,088,968	1,174,762	1,244,898	1,288,304	1,339,779	1,416,364	1,472,270	
39	Transmission	(104,246)	(108,113)	(113,807)	(118,127)	(124,531)	(138,256)	(142,383)	(143,546)	(151,677)	(169,421)	(190,951)	(201,163)	(208,209)	(221,354)	(237,766)	
40	Distribution	569,992	598,885	763,096	745,549	778,726	820,685	874,964	892,437	937,291	1,005,541	1,053,967	1,087,141	1,131,570	1,195,010	1,214,504	
41	General	(1,500)	(1,570)	(1,238)	(1,106)	(715)	(843)	(455)	(582)	(451)	(322)	(18,188)	18,188	10,967	16,281	47,807	
42	Total Accumulated Depreciation	\$568,492	\$597,515	\$761,858	\$742,443	\$778,011	\$819,855	\$936,840	\$1,005,019	\$1,072,028	\$1,157,863	\$1,158,975	\$1,226,052	\$1,273,157			
43	NET PLANT																
44	DEFERRED TAXES																
45	Net Plant After DFT																
46	DEFERRED DEBITS AND CREDITS																
47	WORKING CAPITAL																
48	TOTAL RATE BASE																
49	RATE OF RETURN	4.81%	10.80%	8.15%	9.20%	7.13%	6.84%	5.87%	6.92%	7.36%	6.97%	7.17%	6.56%	7.16%	7.57%	7.96%	

Avista Corporation  
WA Power Supply Net Costs

	Total Washington											ADDED
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	
P/T Allocation Percentages	65.48%	65.16%	65.37%	65.83%	64.59%	64.42%	64.87%	65.16%	65.24%	65.01%	65.19%	64.71%
447 Sales for Resale	\$5,221	\$40,439	\$44,690	\$35,381	\$34,954	\$46,849	\$30,933	\$132,773	\$52,603	\$54,548	\$75,350	\$60,998
453 Sales of Water and Water Power	297	238	125	153	200	198	247	184	331	304	282	307
454 Misc Rents	16	16	14	14	14	16	19	0	0	0	0	0
456 Other Electric Revenue	46,826	31	42	31	7	2	93	456	1,421	1,123	0	2,592 PS 456
456 Other Electric Revenue Direct WA										63	0	163 PS 456
Total Revenue	82,360	40,724	44,869	35,579	35,175	47,065	31,293	133,413	54,355	55,974	75,632	64,060
501 Thermal Fuel Expense	12,014	12,358	12,957	15,914	16,710	18,086	16,203	19,975	21,547	16,459	18,925	17,743
546 Other Power Gen Supvsn & Eng	0	0	0	0	0	0	0	0	0	0	0	0
547 Other Fuel Expense	15,447	45,629	55,227	47,155	43,656	52,704	15,928	74,449	62,924	50,012	60,338	36,097
536 Water for Power	528	490	497	450	420	421	464	556	635	674	671	636
555 Purchased Power	53,591	51,029	55,380	79,145	65,642	72,581	104,870	142,281	91,142	101,282	109,035	116,641
549 Misc Other Gen Expense	87	87	87	115	100	113	104	104	104	104	104	0
550 Rents	3,066	4,385	2,321	0	0	0	0	0	0	0	0	0
556 System Control & Dispatch	173	99	141	0	0	0	0	0	821	892	711	376
557 Other Expenses	63,438	51	74	291	243	297	307	466	0	0	0	2,396
557 Other Expenses Direct WA									11,410	11,411	11,687	12,228
565 Trans. of Elec. by Others	5,938	8,671	6,436	9,054	8,948	8,782	8,661	11,538	11,410	11,411	11,687	12,228
Total Expense	154,282	122,799	133,120	152,124	135,719	152,984	146,538	249,369	188,583	180,834	201,471	186,117
Net Income Before Income Taxes	-71,922	-82,075	-88,251	-116,545	-100,544	-105,919	-115,245	-115,955	-134,229	-124,860	-125,839	-122,057
Federal Income Tax	-25,173	-28,726	-30,888	-40,791	-35,190	-37,072	-40,336	-40,584	-46,980	-43,701	-44,044	-42,720
Net Income	\$ (46,749) \$	\$ (53,349) \$	\$ (57,363) \$	\$ (75,754) \$	\$ (65,354) \$	\$ (68,847) \$	\$ (74,910) \$	\$ (75,371) \$	\$ (87,249) \$	\$ (81,159) \$	\$ (81,795) \$	\$ (79,337)

500-562 CS2 and Colstrip	-285,134,949	-520,367,598	-501,146,486	-588,290,014	-647,431,636	-614,123,403	-769,016,302	-944,156,371	-788,469,422	-800,700,023	0
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Restate for prior years tracking CS2 and Colstrip O&M

