

**BEFORE THE**  
**WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION	)	DOCKETS UE-190334,
	)	UG-190335, and UE-190222
Complainant,	)	<i>(Consolidated)</i>
	)	
v.	)	
	)	
AVISTA CORPORATION d/b/a	)	
AVISTA UTILITIES	)	
	)	
Respondent.	)	
_____	)	

**EXHIBIT BGM-3**  
**ELECTRIC SERVICE REVENUE REQUIREMENT CALCULATIONS**

Electric Revenue Requirement Summary (\$000)

Line	Adj. No.	Description	Company Filing (Rev. Req. at AWEC ROR)			AWEC Proposed		
			Net Oper. Income	Rate Base	Rev. Req. Def. / (Suf.)	Net Oper. Income	Rate Base	Rev. Req. Def. / (Suf.)
1	1.00	Results of Operations	\$117,595	\$1,596,053	(9,891)	\$117,595	1,596,053	(9,891)
<i>Restating Adjustments:</i>								
2	1.01	Deferred FIT Rate Base	(11)	(1,946)	(163)	(11)	(1,946)	(163)
3	1.02	Deferred Debits and Credits	(28)	(7)	36	(28)	(7)	36
4	1.03	Working Capital	-	-	-	-	-	-
5	1.04	Remove AMI Rate Base	(107)	(19,166)	(1,609)	(107)	(19,166)	(1,609)
6	2.01	Eliminate B & O Taxes	(70)	-	93	(70)	-	93
7	2.02	Restate Property Tax	427	-	(565)	427	-	(565)
8	2.03	Uncollect. Expense	(557)	-	738	(557)	-	738
9	2.04	Regulatory Expense	14	-	(19)	14	-	(19)
10	2.05	Injuries and Damages	(20)	-	26	(20)	-	26
11	2.06	FIT/DFIT/ ITC Expense	36	-	(48)	36	-	(48)
12	2.07	Office Space Charges to Non-Utility	45	-	(60)	45	-	(60)
13	2.08	Restate Excise Taxes	(21)	-	27	(21)	-	27
14	2.09	Net Gains & Losses	49	-	(65)	49	-	(65)
15	2.10	Weather Normalization	406	-	(538)	406	-	(538)
16	2.11	Eliminate Adder Schedules	1,103	-	(1,461)	1,103	-	(1,461)
17	2.12	Misc. Restating Non-Util / Non- Recurring Expenses	1,237	-	(1,639)	1,237	-	(1,639)
18	2.12E.A1	Hydro One	-	-	-	445	-	(590)
19	2.12E.A2	Director Fees	-	-	-	78	-	(104)
20	2.12E.A3	IT Allocation	-	-	-	784	-	(1,039)
21	2.13	Restating Incentives	196	-	(260)	196	-	(260)
22	2.14	Restate Debt Interest	(804)	-	1,065	(804)	-	1,065
23	2.15	Eliminate WA Power Cost Defer	9,982	-	(13,222)	9,982	-	(13,222)
24	2.16	Nez Perce Settlement Adjustment	6	-	(7)	6	-	(7)
25	2.17	Normalize CS2/Colstrip Major Maint	(1,017)	-	1,347	(1,017)	-	1,347
26	2.18	Authorized Power Supply	(20,327)	-	26,926	(20,327)	-	26,926
27	2.18E.A4	WNP-3 Settlement	-	-	-	3,059	-	(4,052)
28	2.18E.A5	GTN Pipeline	-	-	-	500	-	(662)
29	2.18E.A6	Gas Optimization	-	-	-	9,706	-	(12,856)
30	2.19	Restate 2018 AMA Rate Base to EOP	(2,552)	61,892	9,037	(2,552)	61,892	9,037
31		<b>Restated Results</b>	<b>105,581</b>	<b>1,636,826</b>	<b>9,749</b>	<b>120,153</b>	<b>1,636,826</b>	<b>(9,553)</b>
<i>Pro Forma Adjustments</i>								
32	3.01	Pro Forma Revenue Normalization	(993)	-	1,315	(993)	-	1,315
33	3.01E.A7	Production Factor	-	-	-	6,622	-	(8,772)
34	3.01E.A8	Pole Attachment Revs.	-	-	-	16	-	(21)
35	3.02	Pro Forma Def. Debits, Credits & Regulatory Amorts	1,746	(583)	(2,366)	1,746	(583)	(2,366)
36	3.03	Pro Forma Labor Non-Exec	(1,924)	-	2,549	(1,924)	-	2,549
37	3.04E.A9	AWEC Labor Esc.	-	-	-	72	(32)	(99)
38	3.04	Pro Forma Labor Exec	(261)	-	345	(261)	-	345
39	3.05	Pro Forma Employee Benefits	(2,083)	-	2,759	(2,083)	-	2,759
40	3.05E.A10	AWEC P.F. Benefits	-	-	-	1,638	(1,104)	(2,270)
41	3.06	Pro Forma Insurance Expense	(27)	-	36	(27)	-	36
42	3.07	Pro Forma IS/IT Expense	(1,498)	-	1,984	(1,498)	-	1,984
43	3.08	Pro Forma Property Tax	(2,811)	-	3,723	(2,811)	-	3,723
44	3.09	Pro Forma Depreciation Expense	1,691	-	(2,239)	1,691	-	(2,239)
45	3.10	Pro Forma 2019 Major Capital Adds	(3,267)	81,243	11,753	(3,267)	81,243	11,753
46	3.10E.A11	AvistaUtilities.com	-	-	-	477	(3,129)	(918)
47	3.10E.A12	Retirements	-	-	-	1,636	-	(2,167)
48	3.10E.A13	Corporate Aircraft	-	-	-	83	-	(110)
49	3.10E.A14	Customer Advances	-	-	-	(18)	(3,166)	(266)
50	3.11	Pro Forma O&M Offsets	119	-	(158)	119	-	(158)
51	3.12	Pro Forma Fee Free Amortization	(1,067)	-	1,414	(1,067)	-	1,414
52	3.13	Pro Forma Colstrip Amortization	(1,295)	(9,188)	876	(1,295)	(9,188)	876
53	3.14	PF Normalize CS2/Colstrip Major Maint	355	-	(470)	355	-	(470)
54		<b>Pro Forma Results (Traditional Rev. Req.)</b>	<b>94,265</b>	<b>1,708,298</b>	<b>31,270</b>	<b>119,364</b>	<b>1,700,867</b>	<b>(2,655)</b>
			Filed Deficiency: <b>\$45,775</b>			Calculated: <b>(\$2,655)</b>		
			ROR Impact: <b>(14,506)</b>			Check <b>0.21</b>		

Electric Revenue Requirement Summary (\$000)

Line	Adj. No.	Description	Impact of AWEC Adjustments			Rev. Req. Def. / (Suf.)	AWEC Position
			Pre-Tax Net Oper. Income	Net Oper. Income	Rate Base		
1	1.00	<b>Results of Operations</b>					
<i>Restating Adjustments:</i>							
2	1.01	Deferred FIT Rate Base	-	-	-	-	Neutral
3	1.02	Deferred Debits and Credits	-	-	-	-	Neutral
4	1.03	Working Capital	-	-	-	-	Neutral
5	1.04	Remove AMI Rate Base	-	-	-	-	Neutral
6	2.01	Eliminate B & O Taxes	-	-	-	-	Neutral
7	2.02	Restate Property Tax	-	-	-	-	Neutral
8	2.03	Uncollect. Expense	-	-	-	-	Neutral
9	2.04	Regulatory Expense	-	-	-	-	Neutral
10	2.05	Injuries and Damages	-	-	-	-	Neutral
11	2.06	FIT/DFIT/ ITC Expense	-	-	-	-	Neutral
12	2.07	Office Space Charges to Non-Utility	-	-	-	-	Neutral
13	2.08	Restate Excise Taxes	-	-	-	-	Neutral
14	2.09	Net Gains & Losses	-	-	-	-	Neutral
15	2.10	Weather Normalization	-	-	-	-	Neutral
16	2.11	Eliminate Adder Schedules	-	-	-	-	Neutral
17	2.12	Misc. Restating Non-Util / Non- Recurring Expenses	-	-	-	-	Oppose
18	2.12E.A1	Hydro One	563	445	-	(590)	AWEC Proposed
19	2.12E.A2	Director Fees	99	78	-	(104)	AWEC Proposed
20	2.12E.A3	IT Allocation	992	784	-	(1,039)	AWEC Proposed
21	2.13	Restating Incentives	-	-	-	-	Neutral
22	2.14	Restate Debt Interest	-	-	-	-	Neutral
23	2.15	Eliminate WA Power Cost Defer	-	-	-	-	Neutral
24	2.16	Nez Perce Settlement Adjustment	-	-	-	-	Neutral
25	2.17	Normalize CS2/Colstrip Major Maint	-	-	-	-	Neutral
26	2.18	Authorized Power Supply	-	-	-	-	Oppose
27	2.18E.A4	WNP-3 Settlement	3,872	3,059	-	(4,052)	AWEC Proposed
28	2.18E.A5	GTN Pipeline	632	500	-	(662)	AWEC Proposed
29	2.18E.A6	Gas Optimization	12,286	9,706	-	(12,856)	AWEC Proposed
30	2.19	Restate 2018 AMA Rate Base to EOP	-	-	-	-	Neutral
31		<b>Restated Results</b>	<b>18,446</b>	<b>14,572</b>	<b>-</b>	<b>(19,302)</b>	
<i>Pro Forma Adjustments</i>							
32	3.01	Pro Forma Revenue Normalization	-	-	-	-	Oppose
33	3.01E.A7	Production Factor	8,383	6,622	-	(8,772)	AWEC Proposed
34	3.01E.A8	Pole Attachment Revs.	20	16	-	(21)	AWEC Proposed
35	3.02	Pro Forma Def. Debits, Credits & Regulatory Amorts	-	-	-	-	Neutral
36	3.03	Pro Forma Labor Non-Exec	-	-	-	-	Neutral
37	3.04E.A9	AWEC Labor Esc.	92	72	(32)	(99)	AWEC Proposed
38	3.04	Pro Forma Labor Exec	-	-	-	-	Oppose
39	3.05	Pro Forma Employee Benefits	-	-	-	-	Oppose
40	3.05E.A10	AWEC P.F. Benefits	2,081	1,638	(1,104)	(2,270)	AWEC Proposed
41	3.06	Pro Forma Insurance Expense	-	-	-	-	Neutral
42	3.07	Pro Forma IS/IT Expense	-	-	-	-	Neutral
43	3.08	Pro Forma Property Tax	-	-	-	-	Neutral
44	3.09	Pro Forma Depreciation Expense	-	-	-	-	Neutral
45	3.10	Pro Forma 2019 Major Capital Adds	-	-	-	-	Oppose
46	3.10E.A11	AvistaUtilities.com	626	477	(3,129)	(918)	AWEC Proposed
47	3.10E.A12	Retirements	2,071	1,636	-	(2,167)	AWEC Proposed
48	3.10E.A13	Corporate Aircraft	105	83	-	(110)	AWEC Proposed
49	3.10E.A14	Customer Advances	-	(18)	(3,166)	(266)	AWEC Proposed
50	3.11	Pro Forma O&M Offsets	-	-	-	-	Neutral
51	3.12	Pro Forma Fee Free Amortization	-	-	-	-	Neutral
52	3.13	Pro Forma Colstrip Amortization	-	-	-	-	Neutral
53	3.14	PF Normalize CS2/Colstrip Major Maint	-	-	-	-	Neutral
54		<b>Pro Forma Results (Traditional Rev. Req.)</b>	<b>31,823</b>	<b>25,099</b>	<b>(7,431)</b>	<b>(33,925)</b>	

AVISTA 2020 WASHINGTON GRC - AWEC REPLY  
WASHINGTON ELECTRIC RESULTS  
TWELVE MONTHS ENDED DECEMBER 31, 2018  
(000'S OF DOLLARS)

		April 1, 2020				
		WITH PRESENT RATES			WITH 04.2020 PROPOSED RATES	
Line No.	DESCRIPTION	Actual Per Results Report	Total Adjustments	04.2020 Adjusted Total (1)	Proposed Revenues & Related Exp	04.2020 Proposed Total
	<i>a</i>	<i>b</i>	<i>c</i>	<i>d</i>	<i>e</i>	<i>f</i>
REVENUES						
1	Total General Business	\$540,037	(\$30,347)	\$509,690	(\$2,655)	\$507,035
2	Interdepartmental Sales	1,101	-	1,101		1,101
3	Sales for Resale	60,012	(24,436)	35,576		35,576
4	Total Sales of Electricity	601,150	(54,783)	546,367	(2,655)	543,712
5	Other Revenue	60,951	(47,932)	13,019		13,019
6	Total Electric Revenue	662,101	(102,715)	559,386	(2,655)	556,731
EXPENSES						
Production and Transmission						
7	Operating Expenses	175,404	(41,099)	134,305		134,305
8	Purchased Power	89,111	(32,660)	56,451		56,451
9	Depreciation/Amortization	28,724	4,951	33,675		33,675
10	Regulatory Deferrals/Amortization	1,647	990	2,637		2,637
11	Taxes	16,973	1,985	18,958		18,958
12	Total Production & Transmission	311,859	(65,833)	246,026	-	246,026
Distribution						
13	Operating Expenses	23,755	987	24,742		24,742
14	Depreciation/Amortization	32,128	(3,212)	28,916		28,916
15	Taxes	48,243	(17,937)	30,306	(102)	30,204
16	Total Distribution	104,126	(20,162)	83,964	(102)	83,862
17	Customer Accounting	11,331	1,187	12,518	(10)	12,508
18	Customer Service & Information	27,244	(25,653)	1,591		1,591
19	Sales Expenses	59	-	59		59
Administrative & General						
20	Operating Expenses	52,643	(1,442)	51,201	(5)	51,196
21	Depreciation/Amortization	29,471	1,490	30,961		30,961
22	Regulatory Deferrals/Amortization	(5,927)	5,230	(697)		(697)
23	Taxes	-	-	-		-
24	Total Admin. & General	76,187	5,278	81,465	(5)	81,460
25	Total Electric Expenses	530,806	(105,182)	425,624	(117)	425,507
26	OPERATING INCOME BEFORE FIT	131,295	2,467	133,762	(2,538)	131,224
FEDERAL INCOME TAX						
27	Current Accrual	15,092	(803)	14,289	(533)	13,756
28	Debt Interest	-	(588)	(588)		(588)
29	Deferred Income Taxes	(1,075)	2,089	1,014		1,014
30	Amortized Investment Tax Credit	(317)	-	(317)		(317)
31	NET OPERATING INCOME	\$117,595	\$1,769	\$119,364	(2,005)	\$117,359
RATE BASE						
PLANT IN SERVICE						
32	Intangible	\$189,271	\$11,396	\$200,667		\$200,667
33	Production	905,266	15,798	921,064		921,064
34	Transmission	477,024	36,047	513,071		513,071
35	Distribution	1,109,132	48,974	1,158,106		1,158,106
36	General	260,548	25,039	285,587		285,587
37	Total Plant in Service	2,941,241	137,254	3,078,495	-	3,078,495
ACCUMULATED DEPRECIATION						
38	Intangible	(43,469)	(4,661)	(48,130)		(48,130)
39	Production	(365,167)	(7,183)	(372,350)		(372,350)
40	Transmission	(140,271)	(2,696)	(142,967)		(142,967)
41	Distribution	(336,685)	(11,520)	(348,205)		(348,205)
42	General	(93,140)	(4,575)	(97,715)		(97,715)
43	Total Accumulated Depreciation	(978,732)	(30,635)	(1,009,367)	-	(1,009,367)
44	NET PLANT BEFORE DFIT	1,962,509	106,619	2,069,128	-	2,069,128
45	DEFERRED TAXES	(410,938)	(1,215)	(412,153)		(412,153)
46	NET PLANT AFTER DFIT	1,551,571	105,404	1,656,975	-	1,656,975
47	DEFERRED DEBITS AND CREDITS	(2,132)	(590)	(2,722)		(2,722)
48	WORKING CAPITAL	46,614	-	46,614		46,614
50	TOTAL RATE BASE	\$1,596,053	\$104,814	\$1,700,867	\$0	\$1,700,867
51	RATE OF RETURN	7.37%		7.02%		6.90%

**AVISTA 2020 WASHINGTON GRC - AWEC REPLY  
REVENUE CONVERSION FACTOR  
WASHINGTON ELECTRIC  
TWELVE MONTHS ENDED DECEMBER 31, 2018**

<b>Line No.</b>	<b>Description</b>	<b>Factor</b>
1	<b>Revenues</b>	<i>1.000000</i>
	<b>Expense:</b>	
2	Uncollectibles	<i>0.003782</i>
3	Commission Fees	<i>0.002000</i>
4	Washington Excise Tax	<i>0.038587</i>
6	Total Expense	<u><u><i>0.044369</i></u></u>
7	Net Operating Income Before FIT	<i>0.955631</i>
8	Federal Income Tax @ 21%	<u><u><i>0.200683</i></u></u>
9	<b>REVENUE CONVERSION FACTOR</b>	<u><u><i>0.754948</i></u></u>

**AVISTA 2020 WASHINGTON GRC - AWEC REPLY  
CALCULATION OF REQUESTED GENERAL REVENUE REQUIREMENT  
WASHINGTON ELECTRIC  
TWELVE MONTHS ENDED DECEMBER 31, 2018**

Line No.	Description	Requested Base Rate Change 4/1/2020 (000's of Dollars)						
1	Pro Forma Rate Base	\$ 1,700,867						
2	Proposed Rate of Return	6.90%						
3	Net Operating Income Requirement	\$117,360						
4	Pro Forma Net Operating Income	119,364						
5	Net Operating Income Deficiency	(\$2,004)						
6	Conversion Factor	0.754948						
7	Revenue Requirement	<b>(\$2,655)</b>						
8	Total General Business Revenues	\$510,791						
9	Percentage Revenue Increase	<b>-0.52%</b>						
10	Total <u>Billed</u> General Business Revenues	\$519,238						
11	Percentage Revenue Increase	<b>-0.51%</b>						
<b>Revenue Growth Rate and Revenue Adjustment for Rate Year 2 (4/1/2021)</b>								
12	Revenue Growth Rate %	1.67% per Exh. BGM-9						
13	Delivery & Power Plant Revenues 4/1/2020 <i>(\$411,394 + \$45,775 = \$457,170) *</i>	\$ 408,739						
14	Rate Year 2: 4/1/2021 -3/31/2022	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">Incremental Revenue</th> <th style="text-align: center;">Incremental % (Base)</th> <th style="text-align: center;">Incremental % (Billed)</th> </tr> </thead> <tbody> <tr> <td style="text-align: right;">\$ 6,829</td> <td style="text-align: center;">1.34%</td> <td style="text-align: center;">1.32%</td> </tr> </tbody> </table>	Incremental Revenue	Incremental % (Base)	Incremental % (Billed)	\$ 6,829	1.34%	1.32%
Incremental Revenue	Incremental % (Base)	Incremental % (Billed)						
\$ 6,829	1.34%	1.32%						
	* Current Delivery & Power Plant Revenues per Exh. EMA-x, pg x	\$411,394						
	4/1/2020 Proposed Revenue Increase from line 7	(\$2,655)						

<b>AVISTA 2020 WASHINGTON GRC - AWEC REPLY COST OF CAPITAL WASHINGTON ELECTRIC</b>			
<b>Proposed Capital Structure</b>			
<b>Component</b>	<b>Capital Structure</b>	<b>Cost</b>	<b>Weighted Cost</b>
Debt	51.9%	5.15%	2.67%
Common	48.1%	8.80%	4.23%
Total	<u>100.00%</u>		<u>6.90%</u>

AVISTA 2020 WASHINGTON GRC - AWEC REPLY  
WASHINGTON ELECTRIC RESULTS  
TWELVE MONTHS ENDED DECEMBER 31, 2018  
(000'S OF DOLLARS)

Actual Results    RESTATEMENT ADJUSTMENTS

DONE

Line No.	DESCRIPTION	Results of Operations	Deferred FIT Rate Base	Deferred Debits and Credits	Working Capital	Remove AMI Rate Base	Eliminate B & O Taxes	Restate Property Tax	Uncollect. Expense	Regulatory Expense
		1.00 E-ROO	1.01 E-DFIT	1.02 E-DDC	1.03 E-WC	1.04 E-AMI	2.01 E-EBO	2.02 E-RPT	2.03 E-UE	2.04 E-RE
	Adjustment Number	1.00	1.01	1.02	1.03	1.04	2.01	2.02	2.03	2.04
	Workpaper Reference	E-ROO	E-DFIT	E-DDC	E-WC	E-AMI	E-EBO	E-RPT	E-UE	E-RE
	REVENUES									
1	Total General Business	\$540,037	\$0	\$0	\$0	\$0	(\$18,620)	\$0	\$0	\$0
2	Interdepartmental Sales	1,101	-	-	-	-	-	-	-	-
3	Sales for Resale	60,012	-	-	-	-	-	-	-	-
4	Total Sales of Electricity	601,150	-	-	-	-	(18,620)	-	-	-
5	Other Revenue	60,951	-	-	-	-	(13)	-	-	-
6	Total Electric Revenue	662,101	-	-	-	-	(18,633)	-	-	-
	EXPENSES									
	Production and Transmission									
7	Operating Expenses	175,404	-	-	-	-	-	-	-	-
8	Purchased Power	89,111	-	-	-	-	-	-	-	-
9	Depreciation/Amortization	28,724	-	-	-	-	-	-	-	0
10	Regulatory Amortization	1,647	-	-	-	-	-	-	-	-
11	Taxes	16,973	-	-	-	-	-	(178)	-	-
12	Total Production & Transmission	311,859	-	-	-	-	-	(178)	-	-
	Distribution									
13	Operating Expenses	23,755	-	-	-	-	-	-	-	-
14	Depreciation/Amortization	32,128	-	-	-	-	-	-	-	-
15	Taxes	48,243	-	-	-	-	(18,544)	(362)	-	-
16	Total Distribution	104,126	-	-	-	-	(18,544)	(362)	-	-
17	Customer Accounting	11,331	-	35	-	-	-	-	705	-
18	Customer Service & Information	27,244	-	-	-	-	-	-	-	-
19	Sales Expenses	59	-	-	-	-	-	-	-	-
	Administrative & General									
20	Operating Expenses	52,643	-	-	-	-	-	-	-	(18)
21	Depreciation/Amortization	29,471	-	-	-	-	-	-	-	-
22	Regulatory Deferrals/Amortization	(5,927)	-	-	-	-	-	-	-	-
23	Taxes	0	-	-	-	-	-	-	-	-
24	Total Admin. & General	76,187	-	-	-	-	-	-	-	(18)
25	Total Electric Expenses	530,806	-	35	-	-	(18,544)	(540)	705	(18)
26	OPERATING INCOME BEFORE FIT	131,295	-	(35)	-	-	(89)	540	(705)	18
	FEDERAL INCOME TAX									
27	Current Accrual	15,092	-	(7)	-	-	(19)	113	(148)	4
28	Debt Interest	0	11	0	-	107	-	-	-	-
29	Deferred Income Taxes	(1,075)	-	-	-	-	-	-	-	-
30	Amortized ITC - Noxon	(317)	-	-	-	-	-	-	-	-
31	NET OPERATING INCOME	\$117,595	(\$11)	(\$28)	\$0	(\$107)	(\$70)	\$427	(\$557)	\$14
	RATE BASE									
	PLANT IN SERVICE									
32	Intangible	\$189,271	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
33	Production	905,266	-	-	-	-	-	-	-	-
34	Transmission	477,024	-	-	-	-	-	-	-	-
35	Distribution	1,109,132	-	-	-	(22,464)	-	-	-	-
36	General	260,548	-	-	-	-	-	-	-	-
37	Total Plant in Service	2,941,241	-	-	-	(22,464)	-	-	-	-
	ACCUMULATED DEPRECIATION/AMORT									
38	Intangible	(43,469)	-	-	-	-	-	-	-	-
39	Production	(365,167)	-	-	-	-	-	-	-	-
40	Transmission	(140,271)	-	-	-	-	-	-	-	-
41	Distribution	(336,685)	-	-	-	1,415	-	-	-	-
42	General	(93,140)	-	-	-	-	-	-	-	-
43	Total Accumulated Depreciation	(978,732)	-	-	-	1,415	-	-	-	-
44	NET PLANT	1,962,509	-	-	-	(21,049)	-	-	-	-
45	DEFERRED TAXES	(410,938)	(1,946)	-	-	1,883	-	-	-	-
46	Net Plant After DFIT	1,551,571	(1,946)	-	-	(19,166)	-	-	-	-
47	DEFERRED DEBITS AND CREDITS & OTHER	(2,132)	-	(7)	-	-	-	-	-	-
48	WORKING CAPITAL	46,614	-	-	-	-	-	-	-	-
49	TOTAL RATE BASE	1,596,053	(\$1,946)	(\$7)	\$0	(\$19,166)	\$0	\$0	\$0	\$0
50	RATE OF RETURN	7.37%								
51	REVENUE REQUIREMENT	(9,891)	(163)	36	-	(1,609)	93	(565)	738	(19)



AVISTA 2020 WASHINGTON GRC - AWEC REPLY

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

										OPPOSE
Line No.	DESCRIPTION	Injuries and Damages	FIT/DFIT/ ITC Expense	Office Space Charges to Non-Utility	Restate Excise Taxes	Net Gains & Losses	Weather Normalization	Eliminate Adder Schedules	Misc. Restating Non-Util / Non-Recurring Expenses	
		2.05	2.06	2.07	2.08	2.09	2.10	2.11	2.12	
		E-ID	E-FIT	E-OSC	E-RET	E-NGL	E-WN	E-EAS	E-MR	
	Adjustment Number									
	Workpaper Reference									
	REVENUES									
1	Total General Business	\$0	\$0	\$0	\$0	\$0	\$2,745	(\$29,832)	\$0	
2	Interdepartmental Sales	-	-	-	-	-	-	-	-	
3	Sales for Resale	-	-	-	-	-	-	-	-	
4	Total Sales of Electricity	-	-	-	-	-	2,745	(29,832)	-	
5	Other Revenue	-	-	-	-	-	(2,110)	9,800	374	
6	Total Electric Revenue	-	-	-	-	-	635	(20,032)	374	
	EXPENSES									
	Production and Transmission									
7	Operating Expenses	-	-	-	-	-	-	-	(3)	
8	Purchased Power	-	-	-	-	-	-	-	-	
9	Depreciation/Amortization	-	-	-	-	-	-	-	-	
10	Regulatory Amortization	-	-	-	-	-	-	1,661	-	
11	Taxes	-	-	-	-	-	-	-	-	
12	Total Production & Transmission	-	-	-	-	-	-	1,661	(3)	
	Distribution									
13	Operating Expenses	-	-	-	-	-	-	-	(2)	
14	Depreciation/Amortization	-	-	-	-	(62)	-	-	-	
15	Taxes	-	-	-	26	-	106	(1,151)	-	
16	Total Distribution	-	-	-	26	(62)	106	(1,151)	(2)	
17	Customer Accounting	-	-	-	-	-	10	(113)	-	
18	Customer Service & Information	-	-	-	-	-	-	(25,693)	(1)	
19	Sales Expenses	-	-	-	-	-	-	-	-	
	Administrative & General									
20	Operating Expenses	25	-	(57)	-	-	5	(60)	(2,841)	
21	Depreciation/Amortization	-	-	-	-	-	-	-	-	
22	Regulatory Deferrals/Amortization	-	-	-	-	-	-	3,928	-	
23	Taxes	-	-	-	-	-	-	-	-	
24	Total Admin. & General	25	-	(57)	-	-	5	3,868	(2,841)	
25	Total Electric Expenses	25	-	(57)	26	(62)	121	(21,428)	(2,847)	
26	OPERATING INCOME BEFORE FIT	(25)	-	57	(26)	62	514	1,396	3,221	
	FEDERAL INCOME TAX									
27	Current Accrual	(5)	-	12	(5)	13	108	293	676	
28	Debt Interest	-	-	-	-	-	-	-	-	
29	Deferred Income Taxes	-	(36)	-	-	-	-	-	-	
30	Amortized ITC - Noxon	-	-	-	-	-	-	-	-	
31	NET OPERATING INCOME	(\$20)	\$36	\$45	(\$21)	\$49	\$406	\$1,103	\$2,545	
	RATE BASE									
	PLANT IN SERVICE									
32	Intangible	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$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	-	-	-	-	-	-	-	-	
	DEFERRED TAXES									
45	Net Plant After DFIT	-	-	-	-	-	-	-	-	
46	DEFERRED DEBITS AND CREDITS & OTHER	-	-	-	-	-	-	-	-	
47	WORKING CAPITAL	-	-	-	-	-	-	-	-	
48		-	-	-	-	-	-	-	-	
49	TOTAL RATE BASE	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
50	RATE OF RETURN									
51	REVENUE REQUIREMENT	26	(48)	(60)	27	(65)	(538)	(1,461)	(3,370)	

AVISTA 2020 WASHINGTON GRC - AWEC REPLY  
WASHINGTON ELECTRIC RESULTS  
TWELVE MONTHS ENDED DECEMBER 31, 2018  
(000'S OF DOLLARS)

OPPOSE

Line No.	DESCRIPTION	Restating Incentives	Restate Debt Interest	Eliminate WA Power Cost Defer	Nez Perce Settlement Adjustment	Normalize CS2/Colstrip Major Maint	Authorized Power Supply	Restate 2018 AMA Rate Base to EOP	Restated TOTAL
		2.13	2.14	2.15	2.16	2.17	2.18	2.19	R-Ttl
		E-RI	E-RDI	E-EWPC	E-NPS	E-PMM	E-APS	E-EOP18	
	Adjustment Number	2.13	2.14	2.15	2.16	2.17	2.18	2.19	R-Ttl
	Workpaper Reference	E-RI	E-RDI	E-EWPC	E-NPS	E-PMM	E-APS	E-EOP18	
	REVENUES								
1	Total General Business	\$0	\$0	\$2,639	\$0	\$0	\$0	\$0	\$496,969
2	Interdepartmental Sales	-	-	-	-	-	-	-	1,101
3	Sales for Resale	-	-	-	-	-	(24,436)	-	35,576
4	Total Sales of Electricity	-	-	2,639	-	-	(24,436)	-	533,646
5	Other Revenue	-	-	-	-	-	(50,972)	-	18,030
6	Total Electric Revenue	-	-	2,639	-	-	(75,408)	-	551,676
	EXPENSES								
	Production and Transmission								
7	Operating Expenses	-	-	(10,119)	(7)	1,287	(33,808)	-	132,754
8	Purchased Power	-	-	-	-	-	(32,660)	-	56,451
9	Depreciation/Amortization	-	-	-	-	-	-	588	29,312
10	Regulatory Amortization	-	-	-	-	-	-	-	3,308
11	Taxes	-	-	-	-	-	-	-	16,795
12	Total Production & Transmission	-	-	(10,119)	(7)	1,287	(66,468)	588	238,620
	Distribution								
13	Operating Expenses	-	-	-	-	-	-	-	23,753
14	Depreciation/Amortization	-	-	-	-	-	-	1,374	33,440
15	Taxes	-	-	102	-	-	-	-	28,420
16	Total Distribution	-	-	102	-	-	-	1,374	85,613
17	Customer Accounting	-	-	16	-	-	-	-	11,984
18	Customer Service & Information	-	-	-	-	-	-	-	1,550
19	Sales Expenses	-	-	-	-	-	-	-	59
	Administrative & General								
20	Operating Expenses	(248)	-	5	-	-	-	-	49,454
21	Depreciation/Amortization	-	-	-	-	-	-	1,708	31,179
22	Regulatory Deferrals/Amortization	-	-	-	-	-	-	-	(1,999)
23	Taxes	-	-	-	-	-	-	-	-
24	Total Admin. & General	(248)	-	5	-	-	-	1,708	78,634
25	Total Electric Expenses	(248)	-	(9,996)	(7)	1,287	(66,468)	3,670	416,460
26	OPERATING INCOME BEFORE FIT	248	-	12,635	7	(1,287)	(8,940)	(3,670)	135,216
	FEDERAL INCOME TAX								
27	Current Accrual	52	804	528	1	(270)	(1,877)	(771)	14,594
28	Debt Interest	-	-	-	-	-	-	(347)	(229)
29	Deferred Income Taxes	-	-	2,125	-	-	-	-	1,014
30	Amortized ITC - Noxon	-	-	-	-	-	-	-	(317)
31	NET OPERATING INCOME	196	(804)	\$9,982	\$6	(1,017)	(\$7,063)	(\$2,552)	120,153
	RATE BASE								
	PLANT IN SERVICE								
32	Intangible	\$0	\$0	\$0	\$0	\$0	\$0	\$3,989	\$193,260
33	Production	-	-	-	-	-	-	15,801	921,067
34	Transmission	-	-	-	-	-	-	18,112	495,136
35	Distribution	-	-	-	-	-	-	42,815	1,129,483
36	General	-	-	-	-	-	-	10,748	271,296
37	Total Plant in Service	-	-	-	-	-	-	91,465	3,010,242
	ACCUMULATED DEPRECIATION/AMORT								
38	Intangible	-	-	-	-	-	-	(3,881)	(47,350)
39	Production	-	-	-	-	-	-	(7,117)	(372,284)
40	Transmission	-	-	-	-	-	-	(2,604)	(142,875)
41	Distribution	-	-	-	-	-	-	(12,671)	(347,941)
42	General	-	-	-	-	-	-	(4,201)	(97,341)
43	Total Accumulated Depreciation	-	-	-	-	-	-	(30,474)	(1,007,791)
44	NET PLANT	-	-	-	-	-	-	60,991	2,002,451
45	DEFERRED TAXES	-	-	-	-	-	-	901	(410,100)
46	Net Plant After DFIT	-	-	-	-	-	-	61,892	1,592,351
47	DEFERRED DEBITS AND CREDITS & OTHER	-	-	-	-	-	-	-	(2,139)
48	WORKING CAPITAL	-	-	-	-	-	-	-	46,614
49	TOTAL RATE BASE	\$0	\$0	\$0	\$0	\$0	\$0	61,892	\$1,636,826
50	RATE OF RETURN								(1)
51	REVENUE REQUIREMENT	(260)	1,065	(13,222)	(7)	1,347	9,355	9,037	(9,553)

(1) The Restated TOTAL column does not represent 12/31/2018 Test Period Commission Basis results of operation on a normalized basis (CBR basis). Differences exist due to: 1) inclusion of proposed (Pro Forma) cost of debt (pro forma versus CBR actual cost of debt) impacting Adj. 2.14; 2) restating power supply expenses to annualized authorized Power Supply amounts in Adj 2.18 (revenue associated with the approved annual authorized level is included in Adj. 3.01 Pro Forma Normalization); and 3) the inclusion of Restate 2018 AMA Rate base to EOP adjustment 2.19.

AVISTA 2020 WASHINGTON GRC - AWEC REPLY PRO FORMA ADJUSTMENTS

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

Line No.	DESCRIPTION	OPPOSE		OPPOSE		OPPOSE		Pro Forma IS/IT Expense
		Pro Forma Revenue Normalization	Pro Forma Def. Debits, Credits & Regulatory Amorts	Pro Forma Labor Non-Exec	Pro Forma Labor Exec	Pro Forma Employee Benefits	Pro Forma Insurance Expense	
		3.01	3.02	3.03	3.04	3.05	3.06	3.07
		E-PREV	E-PRA	E-PLN	E-PLE	E-PEB	E-PINS	E-PIT
	Adjustment Number	3.01	3.02	3.03	3.04	3.05	3.06	3.07
	Workpaper Reference	E-PREV	E-PRA	E-PLN	E-PLE	E-PEB	E-PINS	E-PIT
	REVENUES							
1	Total General Business	12,720.99	\$0	\$0	\$0	\$0	\$0	\$0
2	Interdepartmental Sales	-	-	-	-	-	-	-
3	Sales for Resale	-	-	-	-	-	-	-
4	Total Sales of Electricity	12,721	-	-	-	-	-	-
5	Other Revenue	(5,011)	-	-	-	-	-	-
6	Total Electric Revenue	7,710	-	-	-	-	-	-
	EXPENSES							
	Production and Transmission							
7	Operating Expenses	-	180	903	-	950	-	-
8	Purchased Power	-	-	-	-	-	-	-
9	Depreciation/Amortization	-	-	-	-	-	-	-
10	Regulatory Amortization	-	(2,394)	-	-	-	-	-
11	Taxes	-	-	-	-	-	-	-
12	Total Production & Transmission	-	(2,214)	903	-	950	-	-
	Distribution							
13	Operating Expenses	-	-	567	-	527	-	-
14	Depreciation/Amortization	-	-	-	-	-	-	-
15	Taxes	491	-	-	-	-	-	-
16	Total Distribution	491	-	567	-	527	-	-
17	Customer Accounting	48	-	173	-	264	-	-
18	Customer Service & Information	-	-	15	-	26	-	-
19	Sales Expenses	-	-	-	-	-	-	-
	Administrative & General							
20	Operating Expenses	25	-	686	330	(1,211)	34	1,896
21	Depreciation/Amortization	-	-	-	-	-	-	-
22	Regulatory Deferrals/Amortization	-	-	-	-	-	-	-
23	Taxes	-	-	-	-	-	-	-
24	Total Admin. & General	25	-	686	330	(1,211)	34	1,896
25	Total Electric Expenses	564	(2,214)	2,344	330	556	34	1,896
26	OPERATING INCOME BEFORE FIT	7,146	2,214	(2,344)	(330)	(556)	(34)	(1,896)
	FEDERAL INCOME TAX							
27	Current Accrual	1,501	465	(492)	(69)	(117)	(7)	(398)
28	Debt Interest	-	3	0	-	6	-	-
29	Deferred Income Taxes	-	-	-	-	-	-	-
30	Amortized ITC - Noxon	-	-	-	-	-	-	-
31	NET OPERATING INCOME	5,645	\$1,746	(\$1,852)	(\$261)	(\$445)	(27)	(\$1,498)
	RATE BASE							
	PLANT IN SERVICE							
32	Intangible	\$0	\$0	\$0	\$0	\$0	\$0	\$0
33	Production	-	-	-	-	-	-	-
34	Transmission	-	-	-	-	-	-	-
35	Distribution	-	-	-	-	-	-	-
36	General	-	-	(32)	-	(1,104)	-	-
37	Total Plant in Service	-	-	(32)	-	(1,104)	-	-
	ACCUMULATED DEPRECIATION/AMORT							
38	Intangible	-	-	-	-	-	-	-
39	Production	-	-	-	-	-	-	-
40	Transmission	-	-	-	-	-	-	-
41	Distribution	-	-	-	-	-	-	-
42	General	-	-	-	-	-	-	-
43	Total Accumulated Depreciation	-	-	-	-	-	-	-
44	NET PLANT	-	-	(32)	-	(1,104)	-	-
45	DEFERRED TAXES	-	-	-	-	-	-	-
46	Net Plant After DFIT	-	-	(32)	-	(1,104)	-	-
47	DEFERRED DEBITS AND CREDITS & OTHER	-	(583)	-	-	-	-	-
48	WORKING CAPITAL	-	-	-	-	-	-	-
49	TOTAL RATE BASE	\$0	(583)	(\$32)	\$0	(\$1,104)	\$0	\$0
50	RATE OF RETURN							
51	REVENUE REQUIREMENT	(7,478)	(2,366)	2,451	345	489	36	1,984

AVISTA 2020 WASHINGTON GRC - AWEC REPLY

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

OPPOSE

Line No.	DESCRIPTION	Pro Forma Property Tax	Pro Forma Depreciation Expense	Pro Forma 2019 Major Capital Adds	Pro Forma O&M Offsets	Pro Forma Fee Free Amortization	Pro Forma Colstrip Amortization	PF Normalize CS2/Colstrip Major Maint	Pro Forma Total
		3.08	3.09	3.10	3.11	3.12	3.13	3.14	
		E-PPT	E-PDEP	E-PCAP	E-POFF	E-PFEE	E-PCOL	E-PMM	PF-SubTtl
	Adjustment Number	3.08	3.09	3.10	3.11	3.12	3.13	3.14	PF-SubTtl
	Workpaper Reference	E-PPT	E-PDEP	E-PCAP	E-POFF	E-PFEE	E-PCOL	E-PMM	
	REVENUES								
1	Total General Business	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$509,690
2	Interdepartmental Sales	-	-	-	-	-	-	-	1,101
3	Sales for Resale	-	-	-	-	-	-	-	35,576
4	Total Sales of Electricity	-	-	-	-	-	-	-	546,367
5	Other Revenue	-	-	-	-	-	-	-	13,019
6	Total Electric Revenue	-	-	-	-	-	-	-	559,386
	EXPENSES								
	Production and Transmission								
7	Operating Expenses	-	-	-	(33)	-	-	(449)	134,305
8	Purchased Power	-	-	-	-	-	-	-	56,451
9	Depreciation/Amortization	-	3,940	572	-	-	(149)	-	33,675
10	Regulatory Amortization	-	-	-	-	-	1,723	-	2,637
11	Taxes	2,163	-	-	-	-	-	-	18,958
12	Total Production & Transmission	2,163	3,940	572	(33)	-	1,574	(449)	246,026
	Distribution								
13	Operating Expenses	-	-	-	(105)	-	-	-	24,742
14	Depreciation/Amortization	-	(5,231)	707	-	-	-	-	28,916
15	Taxes	1,395	-	-	-	-	-	-	30,306
16	Total Distribution	1,395	(5,231)	707	(105)	-	-	-	83,964
17	Customer Accounting	-	-	-	-	49	-	-	12,518
18	Customer Service & Information	-	-	-	-	-	-	-	1,591
19	Sales Expenses	-	-	-	-	-	-	-	59
	Administrative & General								
20	Operating Expenses	-	-	-	(13)	-	-	-	51,201
21	Depreciation/Amortization	-	(849)	631	-	-	-	-	30,961
22	Regulatory Deferrals/Amortization	-	-	-	-	1,302	-	-	(697)
23	Taxes	-	-	-	-	-	-	-	-
24	Total Admin. & General	-	(849)	631	(13)	1,302	-	-	81,465
25	Total Electric Expenses	3,558	(2,140)	1,910	(151)	1,351	1,574	(449)	425,624
26	OPERATING INCOME BEFORE FIT	(3,558)	2,140	(1,910)	151	(1,351)	(1,574)	449	133,762
	FEDERAL INCOME TAX								
27	Current Accrual	(747)	449	(401)	32	(284)	(331)	94	14,289
28	Debt Interest	-	-	(420)	-	-	52	-	(588)
29	Deferred Income Taxes	-	-	-	-	-	-	-	1,014
30	Amortized ITC - Noxon	-	-	-	-	-	-	-	(317)
31	NET OPERATING INCOME	(\$2,811)	\$1,691	(\$1,089)	119	(1,067)	(1,295)	355	119,364
	RATE BASE								
	PLANT IN SERVICE								
32	Intangible	\$0	\$0	7,407	\$0	\$0	\$0	\$0	\$200,667
33	Production	-	-	9,185	-	-	(9,188)	-	921,064
34	Transmission	-	-	17,935	-	-	-	-	513,071
35	Distribution	-	-	28,623	-	-	-	-	1,158,106
36	General	-	-	15,427	-	-	-	-	285,587
37	Total Plant in Service	-	-	78,577	-	-	(9,188)	-	3,078,495
	ACCUMULATED DEPRECIATION/AMORT								
38	Intangible	-	-	(780)	-	-	-	-	(48,130)
39	Production	-	-	(66)	-	-	-	-	(\$372,350)
40	Transmission	-	-	(92)	-	-	-	-	(142,967)
41	Distribution	-	-	(264)	-	-	-	-	(348,205)
42	General	-	-	(374)	-	-	-	-	(97,715)
43	Total Accumulated Depreciation	-	-	(1,576)	-	-	-	-	(1,009,367)
44	NET PLANT	-	-	77,001	-	-	(9,188)	-	2,069,128
45	DEFERRED TAXES	-	-	(2,053)	-	-	-	-	(412,153)
46	Net Plant After DFIT	-	-	74,948	-	-	(9,188)	-	1,656,975
47	DEFERRED DEBITS AND CREDITS & OTHER	-	-	-	-	-	-	-	(2,722)
48	WORKING CAPITAL	-	-	-	-	-	-	-	46,614
49	TOTAL RATE BASE	\$0	\$0	\$74,948	\$0	\$0	(\$9,188)	\$0	1,700,867
50	RATE OF RETURN								
51	REVENUE REQUIREMENT	3,723	(2,239)	8,292	(158)	1,414	876	(470)	(2,655)