

# **AVISTA UTILITIES**

2021 Washington PGA Filing

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**ATTACHMENT “E”**

Workpapers

August 31, 2021

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**Avista Utilities  
State of Washington  
Total Revenue Change**

	Total Revenue Change			% Change Calculation	
	Rate Schedule 150	Rate Schedule 155	Total	Total Billed Revenue*	% Change
Rate Schedule 101/102	\$ 8,152,547	\$ 3,867,198	\$ 12,019,745	\$ 125,338,342	9.6%
Rate Schedule 111/112	\$ 3,661,544	\$ 1,764,809	\$ 5,426,353	\$ 35,059,810	15.5%
Rate Schedule 131/132	\$ 60,223	\$ -	\$ 60,223	\$ 509,151	11.8%
Rate Schedule 146/116	\$ -	\$ -	\$ -	\$ 3,018,511	0.0%
Rate Schedule 148	\$ -	\$ -	\$ -	\$ 1,231,283	0.0%
<b>Total</b>	<b>\$ 11,874,314</b>	<b>\$ 5,632,007</b>	<b>\$ 17,506,321</b>	<b>\$ 165,157,097</b>	<b>10.6%</b>

\*Normalized Billing Determinants, priced at current rates.

Avista Utilities  
State of Washington  
Rate Schedule Changes for 150  
(Commodity and Demand)

Summary of Changes	Rate Schedule 150					
	Without Revenue Sensitive Costs			With Revenue Sensitive Costs		
	Demand	Commodity	Total Gas Cost Rate	Demand	Commodity	Total Gas Cost Rate
<b>Present</b>						
Rate Schedule 101/102	\$0.09822	\$0.16167	\$0.25989	\$0.10276	\$0.16914	\$0.27190
Rate Schedule 111/112	\$0.08835	\$0.16167	\$0.25002	\$0.09243	\$0.16914	\$0.26157
Rate Schedule 131/132	\$0.05640	\$0.16167	\$0.21807	\$0.05901	\$0.16914	\$0.22815
Rate Schedule 146/126,116	\$0.00054	\$0.00000	\$0.00054	\$0.00056	\$0.00000	\$0.00056
<b>Proposed</b>						
Rate Schedule 101/102	\$0.09373	\$0.22319	\$0.31692	\$0.09806	\$0.23350	\$0.33156
Rate Schedule 111/112	\$0.08732	\$0.22319	\$0.31051	\$0.09135	\$0.23350	\$0.32485
Rate Schedule 131/132	\$0.05443	\$0.22319	\$0.27762	\$0.05694	\$0.23350	\$0.29044
Rate Schedule 146/126,116	\$0.00054	\$0.00000	\$0.00054	\$0.00056	\$0.00000	\$0.00056
<b>Change</b>						
Rate Schedule 101/102	(\$0.00449)	\$0.06152	\$0.05703	(\$0.00470)	\$0.06436	\$0.05966
Rate Schedule 111/112	(\$0.00103)	\$0.06152	\$0.06049	(\$0.00108)	\$0.06436	\$0.06328
Rate Schedule 131/132	(\$0.00197)	\$0.06152	\$0.05955	(\$0.00207)	\$0.06436	\$0.06229
Rate Schedule 146/126,116	\$0.00000	\$0.00000	\$0.00000	\$0.00000	\$0.00000	\$0.00000

Revenue Change				
Revenue at Present Rates				
	Volume	Demand	Commodity	Total
Rate Schedule 101/102	136,650,136	14,042,168	23,113,004	\$ 37,155,172
Rate Schedule 111/112	57,862,570	5,348,237	9,786,875	\$ 15,135,112
Rate Schedule 131/132	966,823	57,052	163,528	\$ 220,581
Rate Schedule 146/126,116	35,126,288	19,671	-	\$ 19,671
<b>Total</b>	<b>230,605,817</b>	<b>19,467,128</b>	<b>33,063,407</b>	<b>52,530,536</b>
Revenue at Proposed Rates				
Rate Schedule 101/102	136,650,136	13,399,912	31,907,807	\$ 45,307,719
Rate Schedule 111/112	57,862,570	5,285,746	13,510,910	\$ 18,796,656
Rate Schedule 131/132	966,823	55,051	225,753	\$ 280,804
Rate Schedule 146/126,116	35,126,288	19,671	-	\$ 19,671
<b>Total</b>	<b>230,605,817</b>	<b>19,467,128</b>	<b>33,063,407</b>	<b>64,404,850</b>
Revenue Change				
Rate Schedule 101/102	136,650,136	(642,256)	8,794,803	\$ 8,152,547
Rate Schedule 111/112	57,862,570	(62,491)	3,724,035	\$ 3,661,544
Rate Schedule 131/132	966,823	(2,001)	62,225	\$ 60,223
Rate Schedule 146/126,116	35,126,288	-	-	\$ -
<b>Total</b>	<b>230,605,817</b>	<b>(706,748)</b>	<b>12,581,063</b>	<b>11,874,314</b>

Avista Utilities  
 State of Washington  
 Rate Schedule Changes for 155  
 Amortization Rate

Summary of Changes	Rate Schedule 155	
	Total Gas Cost Rate Without Revenue Sensitive Costs	Total Gas Cost Rate With Revenue Sensitive Costs
<b>Present</b>		
Rate Schedule 101/102	(\$0.00699)	(\$0.00731)
Rate Schedule 111	(\$0.00013)	(\$0.00014)
Rate Schedule 131	\$0.00000	\$0.00000
Rate Schedule 146	\$0.00000	\$0.00000
<b>Proposed</b>		
Rate Schedule 101/102	\$0.02006	\$0.02099
Rate Schedule 111	\$0.02902	\$0.03036
Rate Schedule 131	\$0.00000	\$0.00000
Rate Schedule 146	\$0.00000	\$0.00000
<b>Change</b>		
Rate Schedule 101/102	\$0.02705	\$0.02830
Rate Schedule 111	\$0.02915	\$0.03050
Rate Schedule 131	\$0.00000	\$0.00000
Rate Schedule 146	\$0.00000	\$0.00000

RCF

1.04620

Note: 112 and 132 receive annual lump sum payments for their portion of the deferral and therefore are not included in the overall amortization rate. Rate schedules 116 and 126 would also receive annual lump sum payments.

Revenue Change		
Revenue at Present Rates		
	Volume	Revenue
Rate Schedule 101/102	136,650,136	\$ (998,912)
Rate Schedule 111	57,862,570	\$ (8,101)
Rate Schedule 131	966,823	\$ -
Rate Schedule 146	-	\$ -
<b>Total</b>	<b>195,479,529</b>	<b>(1,007,013)</b>
Revenue at Proposed Rates		
Rate Schedule 101/102	136,650,136	\$ 2,868,286
Rate Schedule 111	57,862,570	\$ 1,756,708
Rate Schedule 131	966,823	\$ -
Rate Schedule 146	-	\$ -
<b>Total</b>	<b>195,479,529</b>	<b>4,624,994</b>
Revenue Change		
Rate Schedule 101/102	136,650,136	\$ 3,867,198
Rate Schedule 111	57,862,570	\$ 1,764,809
Rate Schedule 131	966,823	\$ -
Rate Schedule 146	-	\$ -
<b>Total</b>	<b>195,479,529</b>	<b>5,632,007</b>

STATE OF WASHINGTON  
ANNUAL PGA FILING

\*AN -- Allocated North sum of Washington + Idaho

Line  
No.

VOLUME FORECAST													
	Nov-21	Dec-21	Jan-22	Feb-22	Mar-22	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Total
1 Demand Forecast													
2 Rate Schedule 101/102	17,007,413	25,746,378	23,460,028	20,340,977	16,199,410	9,667,692	5,147,549	3,140,569	1,896,198	2,020,594	3,029,756	8,993,572	136,650,136
3 Rate Schedule 111/112	7,172,224	9,224,486	8,608,493	7,486,329	6,240,216	4,146,012	2,503,513	1,970,493	1,617,197	1,695,394	2,278,215	4,919,998	57,862,570
4 FIRM DEMAND THERMS	24,179,637	34,970,864	32,068,521	27,827,306	22,439,626	13,813,704	7,651,062	5,111,062	3,513,395	3,715,988	5,307,971	13,913,570	194,512,706
5 Rate Schedule 131/132	113,335	138,022	128,798	119,377	101,166	73,739	53,452	45,347	39,209	33,062	37,448	83,868	966,823
6 COMMODITY THERMS (SALES)	24,292,972	35,108,886	32,197,319	27,946,683	22,540,792	13,887,443	7,704,514	5,156,409	3,552,604	3,749,050	5,345,419	13,997,438	195,479,529
7 Fuel	415,765	400,977	458,529	436,478	408,636	259,978	129,104	81,199	69,730	72,163	149,581	334,152	3,216,292
8 TOTAL PURCHASE THERMS	24,708,737	35,509,863	32,655,848	28,383,161	22,949,428	14,147,421	7,833,618	5,237,608	3,622,334	3,821,213	5,495,000	14,331,590	198,695,821
9													
COMMODITY													
10 Commodity Allocation (based on Calendar													
11 Volumes)	67.64%	68.85%	68.63%	69.18%	67.70%	66.04%	65.34%	61.18%	58.90%	60.93%	63.39%	66.20%	
12													
13 Hedges													
14 Executed													
15 AN* System Total Volumes (Th)	12,937,500	13,950,000	13,368,750	12,075,000	12,787,500	2,250,000	2,325,000	2,250,000	2,325,000	2,325,000	2,250,000	2,325,000	81,168,750
16 AN* System Total Dollars (\$)	\$ 2,482,284	\$ 2,809,966	\$ 2,561,075	\$ 2,312,100	\$ 2,388,327	\$ 371,475	\$ 383,858	\$ 371,475	\$ 383,858	\$ 383,858	\$ 371,475	\$ 383,858	\$ 15,203,609
17													
18 WA Volumes (Th)	8,750,925	9,604,575	9,174,973	8,353,485	8,657,138	1,485,900	1,519,155	1,376,550	1,369,425	1,416,623	1,426,275	1,539,150	54,674,174
19 WA Dollars (\$)	1,679,017	1,934,662	1,757,666	1,599,511	1,616,897	245,322	250,813	227,268	226,092	233,885	235,478	254,114	10,260,725
20 WACOG	\$ 0.19187	\$ 0.20143	\$ 0.19157	\$ 0.19148	\$ 0.18677	\$ 0.16510	\$ 0.16510	\$ 0.16510	\$ 0.16510	\$ 0.16510	\$ 0.16510	\$ 0.16510	\$ 0.187670
21													
22													
23 Deferred Exchange Credits													
24 AN* Deferred Exchange	\$ (468,750)	\$ (468,750)	\$ (468,750)	\$ (468,750)	\$ (468,750)	\$ (468,750)	\$ (468,750)	\$ (468,750)	\$ (468,750)	\$ (468,750)	\$ (468,750)	\$ (468,750)	\$ (5,625,000)
25 WA Deferred Exchange	\$ (317,063)	\$ (322,734)	\$ (321,703)	\$ (324,281)	\$ (317,344)	\$ (309,563)	\$ (306,281)	\$ (286,781)	\$ (276,094)	\$ (285,609)	\$ (297,141)	\$ (310,313)	\$ (3,674,907)
26													
27 Price Forecast (per Dth)													
28 60 Day Average Pricing as of June 30, 2021													
29 AECO													
30 Sumas													
31 Rockies													
32													
33 Basin Weighting													
34 AECO													
35 Sumas													
36 Rockies													
37													
38 Basin-Weighted Index Price													
39 Index Volumes													
40 Index \$													
41													
42													
43 Embedded Charges													
44 Variable Transportation	\$ 34,493	\$ 40,572	\$ 36,161	\$ 29,455	\$ 31,932	\$ 41,157	\$ 34,558	\$ 30,887	\$ 31,861	\$ 27,062	\$ 28,776	\$ 30,305	\$ 397,219
45													
46													
47 TOTAL Commodity	\$ 5,756,121	\$ 8,823,084	\$ 8,046,769	\$ 6,892,965	\$ 5,043,193	\$ 2,726,998	\$ 1,253,980	\$ 751,694	\$ 435,595	\$ 462,508	\$ 796,726	\$ 2,640,050	\$ 43,629,683

Avista Utilities  
 State of Washington  
 Gas Cost Calculation (per Therm)

	Executed Hedges		Index Cost		Total Cost to Serve Average Load (including fuel)		Variable Charges	Deferred Exchange	Total Estimated Commodity Costs
	Volumes (a)	Dollars (b)	Volumes (c)	Dollars (d)	Volumes e) = (a) + (c)	Dollars (f) = (b) + (d)	Dollars (g)	Dollars (h)	Dollars (i)
Nov-21	8,750,925	\$ 1,679,017	15,957,812	\$ 4,359,674	24,708,737	\$ 6,038,691	\$ 34,493	\$ (317,063)	\$ 5,756,121
Dec-21	9,604,575	\$ 1,934,662	25,905,288	\$ 7,170,584	35,509,863	\$ 9,105,246	\$ 40,572	\$ (322,734)	\$ 8,823,084
Jan-22	9,174,973	\$ 1,757,666	23,480,875	\$ 6,574,645	32,655,848	\$ 8,332,311	\$ 36,161	\$ (321,703)	\$ 8,046,769
Feb-22	8,353,485	\$ 1,599,511	20,029,676	\$ 5,588,280	28,383,161	\$ 7,187,791	\$ 29,455	\$ (324,281)	\$ 6,892,965
Mar-22	8,657,138	\$ 1,616,897	14,292,290	\$ 3,711,708	22,949,428	\$ 5,328,605	\$ 31,932	\$ (317,344)	\$ 5,043,193
Apr-22	1,485,900	\$ 245,322	12,661,521	\$ 2,750,082	14,147,421	\$ 2,995,404	\$ 41,157	\$ (309,563)	\$ 2,726,998
May-22	1,519,155	\$ 250,813	6,314,463	\$ 1,274,890	7,833,618	\$ 1,525,703	\$ 34,558	\$ (306,281)	\$ 1,253,980
Jun-22	1,376,550	\$ 227,268	3,861,058	\$ 780,320	5,237,608	\$ 1,007,588	\$ 30,887	\$ (286,781)	\$ 751,694
Jul-22	1,369,425	\$ 226,092	2,252,909	\$ 453,736	3,622,334	\$ 679,828	\$ 31,861	\$ (276,094)	\$ 435,595
Aug-22	1,416,623	\$ 233,885	2,404,590	\$ 487,170	3,821,213	\$ 721,055	\$ 27,062	\$ (285,609)	\$ 462,508
Sep-22	1,426,275	\$ 235,478	4,068,725	\$ 829,613	5,495,000	\$ 1,065,091	\$ 28,776	\$ (297,141)	\$ 796,726
Oct-22	1,539,150	\$ 254,114	12,792,440	\$ 2,665,944	14,331,590	\$ 2,920,058	\$ 30,305	\$ (310,313)	\$ 2,640,050
	<b>54,674,174</b>	<b>\$ 10,260,725</b>	<b>144,021,647</b>	<b>\$ 36,646,646</b>	<b>198,695,821</b>	<b>\$ 46,907,371</b>	<b>\$ 397,219</b>	<b>\$ (3,674,907)</b>	<b>\$ 43,629,683</b>
Average	54,674,174	\$ 0.18767		\$ 0.2545		\$ 0.2361			
		27.5%		72.5%					

Sales Volumes (to customers)	WACOG
(j)	(k)
24,292,972	\$ 0.23695
35,108,886	\$ 0.25131
32,197,319	\$ 0.24992
27,946,683	\$ 0.24665
22,540,792	\$ 0.22374
13,887,443	\$ 0.19636
7,704,514	\$ 0.16276
5,156,409	\$ 0.14578
3,552,604	\$ 0.12261
3,749,050	\$ 0.12337
5,345,419	\$ 0.14905
13,997,438	\$ 0.18861
<b>195,479,529</b>	<b>\$ 0.22319</b>

RCF: 1.046195

Proposed Rate		
Proposed WACOG without RCF	\$	0.22319
Proposed WACOG with RCF	\$	<b>0.23350</b>

Current		
WACOG without RCF	\$	0.16167
WACOG with RCF	\$	<b>0.16914</b>

\$ 12,025,901

Avista Utilities  
 Demand Gas Cost Calculation  
 State of Washington

RCF 1.04620

Line	Volumes	Total	Schedule 101/102	Schedule 111/112/121/122	Schedule 131/132	Schedule 146
1	Total Washington Demand Costs	<u>\$17,931,920</u>				
2	Total Estimated Sales Volumes	230,605,817	136,650,136	57,862,570	966,823	35,126,288
3		100%	69.91%	29.60%	0.49%	
4						
5	Coincident Peak - Three Year Average (UG-190335)	1,427,015	1,054,338	372,677		
6		100%	73.88%	26.12%	0%	0%
7						
8	60 % Demand Portion (based on volumes)	\$10,759,152	\$ 7,508,463	\$ 3,179,094	\$ 52,627	\$ 18,968
9	40% Demand Portion (based on Coincident Peak)	\$7,172,768	\$ 5,299,241	\$ 1,873,527	\$ -	\$ -
	Total	<u>\$17,931,920</u>	<u>\$12,807,704</u>	<u>\$5,052,621</u>	<u>\$52,627</u>	<u>\$18,968</u>
10			71.42%	28.18%	0.29%	0.11%
11	<b>Calculation of Rate - Proposed</b>					
12	60 % Demand Portion (based on volumes)		\$ 0.05495	\$ 0.05494	\$ 0.05443	\$ 0.00054
13	40 % Demand Portion (based on Coincident Peak)		\$ 0.03878	\$ 0.03238	\$ -	\$ -
14	<b>Proposed Rate without Revenue Conversion</b>		\$ 0.09373	\$ 0.08732	\$ 0.05443	\$ 0.00054
15						
16						
17	60 % Demand Portion (based on volumes)		\$ 0.05749	\$ 0.05748	\$ 0.05694	\$ 0.00056
18	40 % Demand Portion (based on Coincident Peak)		\$ 0.04057	\$ 0.03388	\$ -	\$ -
19	<b>Proposed Rate with Revenue Conversion</b>		\$ 0.09806	\$ 0.09135	\$ 0.05694	\$ 0.00056



Avista Utilities  
 WA Gas Operations  
 Demand Cost Calculation (per Therm)

Line No.	Description	Estimated Demand Expense (AN)	Allocator	5 Day Peak Allocation Percentage	WA Allocation
1	Northwest Pipeline Corporation (NWP)	\$ 15,252,953	WA System Allocated	68.33%	\$ 10,422,343
2					
3	TC Energy - Gas Transmission Northwest	\$ 2,178,176	WA System Allocated	68.33%	\$ 1,488,348
4					
5	<b>Total Fixed Domestic Transportation Costs</b>	<b>17,431,129</b>			<b>\$ 11,910,691</b>
6					
7	TC Energy - AB (NOVA System)	\$ 5,555,520	WA System Allocated	68.33%	\$ 3,796,087
8					
9	TC Energy - BC (Foothills Pipe Line Ltd.)	\$ 1,939,980	WA System Allocated	68.33%	\$ 1,325,588
10					
11	Enbridge - Westcoast Energy Inc	\$ 1,316,484	WA System Allocated	68.33%	\$ 899,554
12					
13	<b>Total Fixed Canadian Transportation Costs</b>	<b>\$ 8,811,984</b>			<b>\$ 6,021,229</b>
14					
15	<b>Total Fixed Pipeline Charges</b>	<b>\$ 26,243,113</b>			<b>\$ 17,931,920</b>
16					
17	<b>Demand Costs</b>	<b>\$ 26,243,113</b>			<b>\$ 17,931,920</b>
18	Demand Volumes				194,512,706
19	<b>Demand Rate</b>			Check	\$ 0.09219

Avista Utilities  
 State of Washington  
 Schedule 155 - Temporary Refunds/Charges

	Amortization Acct 191000 Est. Balance At 6/30/21	Current Deferrals (Acct 191010) At 6/30/21	Total For Amortization Effective 11/01/2021
Rate Schedule 112	\$ -	\$ (3,365.87)	
Rate Schedule 132	\$ -	\$ 24,734.13	
<b>Subtotal Large Customers</b>		<b>\$ 21,368.26</b>	
Schedule 101 & 102	\$ 1,401,884	\$ 1,311,112	\$ 2,712,996
Schedule 111	\$ 572,601	\$ 1,086,050	\$ 1,658,651
Schedule 131	\$ -	\$ -	\$ -
Schedule 146	\$ -	\$ -	\$ -
<b>Subtal All other Customers</b>	<b>\$ 1,974,485</b>	<b>\$ 2,418,538</b>	<b>\$ 4,393,023</b>
<b>Total</b>	<b>1,974,485</b>	<b>2,439,906</b>	<b>4,393,023</b>

\*Large customer deferrals will be paid out or billed in November based on actual balance as of October 31, 2021.

**AMORTIZATION RATE CALCULATION**

Schedule 101/102					Schedule 111				
Amortization &					Amortization &				
Sales (Therms)	Deferral	Interest		Balance	Sales (Therms)	Deferral	Interest		Balance
		3.25%					3.25%		
Beginning Balance				\$ 2,712,996	Beginning Balance				\$ 1,658,651
Nov-21	17,007,413	\$ (337,658)	\$ 6,890	\$ 2,382,228	Nov-21	7,172,224	\$ (205,594)	\$ 4,214	\$ 1,457,271
Dec-21	25,746,378	\$ (511,158)	\$ 5,760	\$ 1,876,830	Dec-21	9,224,486	\$ (264,423)	\$ 3,589	\$ 1,196,437
Jan-22	23,460,028	\$ (465,766)	\$ 4,452	\$ 1,415,516	Jan-22	8,608,493	\$ (246,765)	\$ 2,906	\$ 952,578
Feb-22	20,340,977	\$ (403,841)	\$ 3,287	\$ 1,014,962	Feb-22	7,486,329	\$ (214,598)	\$ 2,289	\$ 740,269
Mar-22	16,199,410	\$ (321,616)	\$ 2,313	\$ 695,659	Mar-22	6,240,216	\$ (178,878)	\$ 1,763	\$ 563,154
Apr-22	9,667,692	\$ (191,938)	\$ 1,624	\$ 505,345	Apr-22	4,146,012	\$ (118,847)	\$ 1,364	\$ 445,671
May-22	5,147,549	\$ (102,197)	\$ 1,230	\$ 404,378	May-22	2,503,513	\$ (71,764)	\$ 1,110	\$ 375,017
Jun-22	3,140,569	\$ (62,352)	\$ 1,011	\$ 343,037	Jun-22	1,970,493	\$ (56,485)	\$ 939	\$ 319,471
Jul-22	1,896,198	\$ (37,646)	\$ 878	\$ 306,269	Jul-22	1,617,197	\$ (46,358)	\$ 802	\$ 273,915
Aug-22	2,020,594	\$ (40,116)	\$ 775	\$ 266,928	Aug-22	1,695,394	\$ (48,599)	\$ 676	\$ 225,992
Sep-22	3,029,756	\$ (60,152)	\$ 641	\$ 207,417	Sep-22	2,278,215	\$ (65,306)	\$ 524	\$ 161,210
Oct-22	8,993,572	\$ (178,555)	\$ 320	\$ 29,182	Oct-22	4,919,998	\$ (141,033)	\$ 246	\$ 20,423
	136,650,136	(2,712,995)	29,181	\$ 29,182		57,862,570	(1,658,650)	20,422	\$ 20,423

**Rate Schedule 101, 102**

Amortization Rate	\$	0.01985	2,712,996
Interest Rate	\$	0.00021	29,181
Rate Before RCF	\$	0.02006	2,742,177
Tariff Rate	\$	<b>0.02099</b>	

**Rate Schedule 111**

Amortization Rate	\$	0.02867	1,658,651
Interest Rate	\$	0.00035	20,422
Rate Before RCF	\$	0.02902	1,679,073
Tariff Rate	\$	<b>0.03036</b>	

**AVISTA UTILITIES**  
**Revenue Conversion Factor**  
**Washington - Natural Gas System**  
**TWELVE MONTHS ENDED DECEMBER 31, 2018**

Line No.	Description	Factor
1	<b>Revenues</b>	1.000000
	<b>Expense:</b>	
2	Uncollectibles	0.003781
3	Commission Fees	0.002000
4	Washington Excise Tax	0.038374
5	Franchise Fees	0.000000
6	Total Expense	0.044155
7	Net Operating Income Before FIT	0.955845
8	Federal Income Tax @ 21%	<u>0.200727</u>
9	<b>REVENUE CONVERSION FACTOR</b>	<u><u>0.755118</u></u>
	REVENUE GROSS UP:	1/(1-.044155) 1.046195

2019 GRC Conversion Factor (UG-190335)