

AVISTA UTILITIES
ELECTRIC RESULTS OF OPERATION
WASHINGTON RESTATED RESULTS
TWELVE MONTHS ENDED DECEMBER 31, 1998
(000'S OF DOLLARS)

Line No.	DESCRIPTION	Per Results Report	Deferred FIT Rate Base	Deferred Gain on Office Building	Colstrip 3 AFUDC Elimination	Colstrip Common AFUDC	Kettle Falls Disallow.
	a	b	c	d	e	f	g
	REVENUES						
1	Total General Business	\$253,536					
2	Interdepartmental Sales	640					
3	Sales for Resale	306,373					
4	Total Sales of Electricity	560,549	0	0	0	0	0
5	Other Revenue	16,217					
6	Total Electric Revenue	576,766	0	0	0	0	0
	EXPENSES						
	Production and Transmission						
7	Operating Expenses	64,520					
8	Purchased Power	315,272					
9	Depreciation and Amortization	17,857			(208)		(164)
10	Taxes	10,517					
11	Total Production & Transmission	408,166	0	0	(208)	0	(164)
	Distribution						
12	Operating Expenses	10,621					
13	Depreciation	8,188					
14	Taxes	22,389					
15	Total Distribution	41,198	0	0	0	0	0
16	Customer Accounting	7,227					
17	Customer Service & Information	6,630					
18	Sales Expenses	383					
	Administrative & General						
19	Operating Expenses	33,046					
20	Depreciation	2,686					
21	Taxes	75					
22	Total Admin. & General	35,807	0	0	0	0	0
23	Total Electric Expenses	499,411	0	0	(208)	0	(164)
24	OPERATING INCOME BEFORE FIT	77,355	0	0	208	0	164
	FEDERAL INCOME TAX						
25	Current Accrual	12,948					
26	Deferred Income Taxes	2,700					56
27	Amortized Investment Tax Credit	(26)					
28	SETTLEMENT EXCHANGE POWER						
29	NET OPERATING INCOME	\$61,733	\$0	\$0	\$208	\$0	\$108
	RATE BASE						
	PLANT IN SERVICE						
30	Intangible	\$3,318					
31	Production	473,394			(6,916)	746	(5,248)
32	Transmission	176,604					
33	Distribution	364,352					
34	General	54,525					
35	Total Plant in Service	1,072,193	0	0	(6,916)	746	(5,248)
36	ACCUMULATED DEPRECIATION	333,117			(3,180)		(2,291)
37	ACCUM. PROVISION FOR AMORTIZATION	2,947					
38	Total Accum. Depreciation & Amort.	336,064	0	0	(3,180)	0	(2,291)
39	GAIN ON SALE OF BUILDING			(1,768)			
40	DEFERRED TAXES		(100,720)	618			1,116
41	TOTAL RATE BASE	\$736,129	(\$100,720)	(\$1,150)	(\$3,736)	\$746	(\$1,841)
42	RATE OF RETURN						

AVISTA UTILITIES
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WASHINGTON RESTATED RESULTS
TWELVE MONTHS ENDED DECEMBER 31, 1998
(000'S OF DOLLARS)

Line No.	DESCRIPTION	Clearwater Hydro	Weatherizn and DSM Investment	Customer Advances	Settlement Exchange Power	Subtotal Actual	Eliminate B & O Taxes
	a	h	i	j	k	-	l
REVENUES							
1	Total General Business					\$253,536	\$(7,998)
2	Interdepartmental Sales					640	
3	Sales for Resale					306,373	
4	Total Sales of Electricity	0	0	0	0	560,549	(7,998)
5	Other Revenue					16,217	(42)
6	Total Electric Revenue	0	0	0	0	576,766	(8,040)
EXPENSES							
Production and Transmission							
7	Operating Expenses					64,520	
8	Purchased Power					315,272	
9	Depreciation and Amortization				(2,532)	14,953	
10	Taxes					10,517	
11	Total Production & Transmission	0	0	0	(2,532)	405,262	0
Distribution							
12	Operating Expenses					10,621	
13	Depreciation					8,188	
14	Taxes					22,389	(7,982)
15	Total Distribution	0	0	0	0	41,198	(7,982)
16	Customer Accounting					7,227	
17	Customer Service & Information					6,630	
18	Sales Expenses					383	
Administrative & General							
19	Operating Expenses					33,046	
20	Depreciation					2,686	
21	Taxes					75	
22	Total Admin. & General	0	0	0	0	35,807	0
23	Total Electric Expenses	0	0	0	(2,532)	496,507	(7,982)
24	OPERATING INCOME BEFORE FIT	0	0	0	2,532	80,259	(58)
FEDERAL INCOME TAX							
25	Current Accrual					12,948	(20)
26	Deferred Income Taxes				455	3,211	
27	Amortized Investment Tax Credit					(26)	
28	SETTLEMENT EXCHANGE POWER				6,409	6,409	
29	NET OPERATING INCOME	\$0	\$0	\$0	(\$4,332)	\$57,717	(\$38)
RATE BASE							
PLANT IN SERVICE							
30	Intangible					\$3,318	
31	Production	43	26,551			488,570	
32	Transmission					176,604	
33	Distribution			(1,361)		362,991	
34	General					54,525	
35	Total Plant in Service	43	26,551	(1,361)	0	1,086,008	0
36	ACCUMULATED DEPRECIATION					327,646	
37	ACCUM. PROVISION FOR AMORTIZATION					2,947	
38	Total Accum. Depreciation & Amort.	0	0	0	0	330,593	0
39	GAIN ON SALE OF BUILDING					(1,768)	
40	DEFERRED TAXES	(15)				(99,001)	
41	TOTAL RATE BASE	\$28	\$26,551	(\$1,361)	\$0	\$654,646	\$0
42	RATE OF RETURN					8.82%	

AVISTA UTILITIES
ELECTRIC RESULTS OF OPERATION
WASHINGTON RESTATED RESULTS
TWELVE MONTHS ENDED DECEMBER 31, 1998
(000'S OF DOLLARS)

Line No.	DESCRIPTION	Pro Forma Property Tax	Uncollect. Expense	Regulatory Expense	Injuries and Damages	FIT	Pro Forma Restate Debt Interest
	a	m	n	o	p	q	r
	REVENUES						
1	Total General Business						
2	Interdepartmental Sales						
3	Sales for Resale						
4	Total Sales of Electricity	0	0	0	0	0	0
5	Other Revenue						
6	Total Electric Revenue	0	0	0	0	0	0
	EXPENSES						
	Production and Transmission						
7	Operating Expenses						
8	Purchased Power						
9	Depreciation and Amortization						
10	Taxes	(50)					
11	Total Production & Transmission	(50)	0	0	0	0	0
	Distribution						
12	Operating Expenses						
13	Depreciation						
14	Taxes	(76)					
15	Total Distribution	(76)	0	0	0	0	0
16	Customer Accounting		32				
17	Customer Service & Information						
18	Sales Expenses						
	Administrative & General						
19	Operating Expenses			123	2,329		
20	Depreciation						
21	Taxes	(1)					
22	Total Admin. & General	(1)	0	123	2,329	0	0
23	Total Electric Expenses	(127)	32	123	2,329	0	0
24	OPERATING INCOME BEFORE FIT	127	(32)	(123)	(2,329)	0	0
	FEDERAL INCOME TAX						
25	Current Accrual	44	(11)	(43)	(815)	3,321	2,128
26	Deferred Income Taxes					(91)	
27	Amortized Investment Tax Credit						
28	SETTLEMENT EXCHANGE POWER						
29	NET OPERATING INCOME	\$83	(\$21)	(\$80)	(\$1,514)	(\$3,230)	(\$2,128)
	RATE BASE						
	PLANT IN SERVICE						
30	Intangible						
31	Production						
32	Transmission						
33	Distribution						
34	General						
35	Total Plant in Service	0	0	0	0	0	0
36	ACCUMULATED DEPRECIATION						
37	ACCUM. PROVISION FOR AMORTIZATION						
38	Total Accum. Depreciation & Amort.	0	0	0	0	0	0
39	GAIN ON SALE OF BUILDING						
40	DEFERRED TAXES						
41	TOTAL RATE BASE	\$0	\$0	\$0	\$0	\$0	\$0
42	RATE OF RETURN						

AVISTA UTILITIES
ELECTRIC RESULTS OF OPERATION
WASHINGTON RESTATED RESULTS
TWELVE MONTHS ENDED DECEMBER 31, 1998
(000'S OF DOLLARS)

Line No.	DESCRIPTION	Eliminate A/R Expenses	Office Space Charges to Subs.	Reclass DADs/MOPs Revenues	Restated TOTAL
	a	s	t	u	v
	REVENUES				
1	Total General Business			\$1,941	\$247,479
2	Interdepartmental Sales				640
3	Sales for Resale				306,373
4	Total Sales of Electricity	0	0	1,941	554,492
5	Other Revenue			(1,941)	14,234
6	Total Electric Revenue	0	0	0	568,726
	EXPENSES				
	Production and Transmission				
7	Operating Expenses				64,520
8	Purchased Power				315,272
9	Depreciation and Amortization				14,953
10	Taxes				10,467
11	Total Production & Transmission	0	0	0	405,212
	Distribution				
12	Operating Expenses				10,621
13	Depreciation				8,188
14	Taxes				14,331
15	Total Distribution	0	0	0	33,140
16	Customer Accounting	(1,497)			5,762
17	Customer Service & Information				6,630
18	Sales Expenses				383
	Administrative & General				
19	Operating Expenses		(24)		35,474
20	Depreciation				2,686
21	Taxes				74
22	Total Admin. & General	0	(24)	0	38,234
23	Total Electric Expenses	(1,497)	(24)	0	489,361
24	OPERATING INCOME BEFORE FIT	1,497	24	0	79,365
	FEDERAL INCOME TAX				
25	Current Accrual	524	8		18,084
26	Deferred Income Taxes				3,120
27	Amortized Investment Tax Credit				(26)
28	SETTLEMENT EXCHANGE POWER				6,409
29	NET OPERATING INCOME	\$973	\$16	\$0	\$51,778
	RATE BASE				
	PLANT IN SERVICE				
30	Intangible				\$3,318
31	Production				488,570
32	Transmission				176,604
33	Distribution				362,991
34	General				54,525
35	Total Plant in Service	0	0	0	1,086,008
36	ACCUMULATED DEPRECIATION				327,646
37	ACCUM. PROVISION FOR AMORTIZATION				2,947
38	Total Accum. Depreciation & Amort.	0	0	0	330,593
39	GAIN ON SALE OF BUILDING				(1,768)
40	DEFERRED TAXES				(99,001)
41	TOTAL RATE BASE	\$0	\$0	\$0	\$654,646
42	RATE OF RETURN				7.91%

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TWELVE MONTHS ENDED DECEMBER 31, 1998
(000'S OF DOLLARS)

Line No.	DESCRIPTION	Pro Forma Power Supply 7/00-6/01 PF1	Pro Forma Potlatch 7/00-6/01 PF2	Pro Forma Depr Adj PF3	Pro Forma Hydro Rel Adj PF4
	a				
	REVENUES				
1	Total General Business		\$1,096		
2	Interdepartmental Sales				
3	Sales for Resale	(211,463)			
4	Total Sales of Electricity	(211,463)	1,096	0	0
5	Other Revenue	(1,039)			
6	Total Electric Revenue	(212,502)	1,096	0	0
	EXPENSES				
	Production and Transmission				
7	Operating Expenses	(3,660)			\$1,467
8	Purchased Power	(208,149)			
9	Depreciation and Amortization			1,955	
10	Taxes				
11	Total Production & Transmission	(211,809)	0	1,955	1,467
	Distribution				
12	Operating Expenses				
13	Depreciation			636	
14	Taxes		42		
15	Total Distribution	0	42	636	0
16	Customer Accounting				
17	Customer Service & Information				
18	Sales Expenses				
	Administrative & General				
19	Operating Expenses		3		
20	Depreciation			1,811	
21	Taxes				
22	Total Admin. & General	0	3	1,811	0
23	Total Electric Expenses	(211,809)	45	4,402	1,467
24	OPERATING INCOME BEFORE FIT	(693)	1,051	(4,402)	(1,467)
	FEDERAL INCOME TAX				
25	Current Accrual	(243)	368	(1,541)	(513)
26	Deferred Income Taxes				
27	Amortized Investment Tax Credit				
28	SETTLEMENT EXCHANGE POWER				
29	NET OPERATING INCOME	(\$450)	\$683	(\$2,861)	(\$954)
	RATE BASE				
	PLANT IN SERVICE				
30	Intangible				\$9,387
31	Production				
32	Transmission				
33	Distribution				
34	General				
35	Total Plant in Service	0	0	0	9,387
36	ACCUMULATED DEPRECIATION			2,201	
37	ACCUM. PROVISION FOR AMORTIZATION				110
38	Total Accum. Depreciation & Amort.	0	0	2,201	110
39	GAIN ON SALE OF BUILDING				
40	DEFERRED TAXES			770	
41	TOTAL RATE BASE	\$0	\$0	(\$1,431)	\$9,277
42	RATE OF RETURN				