

AVISTA UTILITIES
ELECTRIC ADJUSTMENT SUMMARY
TWELVE MONTHS ENDED DECEMBER 31, 2009
(000'S OF DOLLARS)

ELIMINATE
B & O TAXES
ELECTRIC

Line No.	DESCRIPTION	System	Washington	Idaho
REVENUES				
1	Total General Business	(\$15,422)	(\$15,422)	
2	Interdepartmental Sales			
3	Sales For Resale			
4	Total Sales of Electricity	(15,422)	(15,422)	0
5	Other Revenue	(17)	(17)	
6	Total Electric Revenue	(15,439)	(15,439)	0
EXPENSES				
Production and Transmission				
7	Operating Expenses			
8	Purchased Power			
9	Depreciation and Amortization			
10	Taxes			
11	Total Production & Transmission	0	0	0
Distribution				
12	Operating Expenses			
13	Depreciation			
14	Taxes	(15,384)	(15,384)	0
15	Total Distribution	(15,384)	(15,384)	0
16	Customer Accounting			
17	Customer Service & Information			
18	Marketing			
Administrative & General				
19	Operating Expenses	0	0	
20	Depreciation			
21	Taxes			
22	Total Admin. & General	0	0	0
23	Total Electric Expenses	(15,384)	(15,384)	0
24	Operating Income before FIT	(55)	(55)	0
Federal Income Taxes				
25	Current Accrual	35.0%	(19)	(19)
26	Deferred Income Taxes			
27	Amortized ITC - Noxon			
28	NET OPERATING INCOME	(\$36)	(\$36)	\$0
RATE BASE				
PLANT IN SERVICE				
29	Intangible			
30	Production			
31	Transmission			
32	Distribution			
33	General			
34	Total Plant in Service	0	0	0
35	ACCUMULATED DEPRECIATION			
36	ACCUM. PROVISION FOR AMORTIZATION			
37	Total Accum. Depreciation & Amort.	0	0	0
38	GAIN ON SALE OF BUILDING			
39	WORKING CAPITAL			
40	DEFERRED TAXES			
41	TOTAL RATE BASE	\$0	\$0	\$0

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**AVISTA UTILITIES
ELIMINATE B & O TAXES
TWELVE MONTHS ENDED DECEMBER 31, 2009
Electric**

	<u>Washington</u>	<u>Idaho</u>
Expense per Account 408.12 <i>(Results Report E-OTX-12A)</i>	① 15,480,338 •	2,955,248
Excise Tax exemption for Tribal members on Tribal land per WAC 458-20-192	① (95,514) •	

B&O Taxes Collected through Schedule 58 and 58A	<u>15,439,446</u>	<u>2,966,054</u>
Net Impact on NOI Before FIT <i>(before ID SIT)</i>	<u>(\$54,621)</u>	<u>(\$10,806)</u>

For WA & ID this adjustment eliminates the impact of Schedule 58 and WA Sch 58A from both revenues & expense.

$E0 = 15,384,824 \cdot$

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**AVISTA UTILITIES
B & O TAX COLLECTED
TWELVE MONTHS ENDED DECEMBER 31, 2009
ELECTRIC**

DESCRIPTION	CLASS	Schedule 58	Schedule 58A (1)	12ME 12/09 Total
WASHINGTON-E6				
GENERAL BUSINESS				
Residential	1	6,961,850.58	-46,917.85	6,914,932.73
Commercial	21	7,965,302.97	-46,807.60	7,918,495.37
Industrial-Firm-Misc	31	491,338.80	-6.12	491,332.68
-Firm-Pumping	39	5,557.88	-1,118.29	4,439.59
Street Lighting	51	93,596.41	-663.65	92,932.76
Total General Business		15,517,646.64	-95,513.51	15,422,133.13
OTHER REVENUES				
-Theft of Service	18	0.00	0.00	0.00
-Energy Exchanger	61-63	0.00	0.00	0.00
-Rent Electric Prop.	85	17,112.66	0.00	17,112.66
-Other Electric Rev.	86	200.64	0.00	200.64
Total Other Revenues		17,313.30	0.00	17,313.30
TOTAL		15,534,959.94	-95,513.51	15,439,446.43
(2) Reverse Interdepartmental	80	202.53		202.53

DESCRIPTION	CLASS	SCH	12ME 12/09
IDAHO-E6			
GENERAL BUSINESS			
Residential	1	58	1,330,984.25
Commercial	21	58	1,534,147.35
Industrial-Firm-Misc	31	58	63,127.79
-Firm-Pumping	39	58	4,036.78
Street Lighting	51	58	33,450.30
Total General Business			2,965,746.47
-Theft of Service	18	58	0.00
-Rent Electric Prop.	85	58	307.23
Total Other Revenues			307.23
TOTAL			2,966,053.70
(2) Reverse Interdepartmental	80	58	154.31
SYSTEM TOTAL			<u>18,405,500.13</u>

- (1) Schedule 58A reflects refunded WA excise tax embedded in rates to tribal members on tribal land per WAC 458-20-192. This amount needs to be added back to the excise tax expense to offset the elimination of the refund.
- (2) Interdepartmental revenues are not subject to B&O taxes and any entries in the revenue runs are due to errors in the revenue system and the amounts should be reversed. They are not included in the expense accrual.

source: Revenue Runs

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Electric Revenue Meters Report by Location Twelve Months Ended for Report Date : '01/29/2010'

State Ferc Acct ID	Period Revenue Class	Revenue Amt SUM												
		200901	200902	200903	200904	200905	200906	200907	200908	200909	200910	200911	200912	
440000	01	168,472.69	139,473.87	127,251.27	116,940.79	97,517.01	85,039.54	84,725.63	95,996.05	91,454.09	86,798.51	108,161.78	131,153.02	1,330,984.25
	Total for 440000	168,472.69	139,473.87	127,251.27	116,940.79	97,517.01	85,039.54	84,725.63	95,996.05	91,454.09	86,798.51	108,161.78	131,153.02	1,330,984.25
442200	21	140,831.80	127,617.39	123,285.97	120,636.72	118,317.68	122,296.52	124,356.05	137,612.89	133,534.06	128,935.00	122,898.18	134,025.09	1,534,147.35
	Total for 442200	140,831.80	127,617.39	123,285.97	120,636.72	118,317.68	122,296.52	124,356.05	137,612.89	133,534.06	128,935.00	122,898.18	134,025.09	1,534,147.35
442300	31	5,096.94	4,916.87	4,442.87	4,450.33	4,374.84	5,064.81	6,282.90	6,234.04	6,282.76	5,785.83	5,221.59	4,984.01	63,127.78
442300	39	226.26	198.82	198.37	177.13	314.21	426.27	548.73	657.46	487.03	301.87	225.01	295.82	4,036.78
	Total for 442300	5,323.20	5,115.69	4,641.24	4,627.46	4,689.05	5,491.08	6,831.63	6,891.50	6,749.79	6,087.70	5,446.60	5,280.83	67,164.57
444000	51	2,704.63	2,717.87	2,718.42	2,718.47	2,718.47	2,719.24	2,719.24	2,719.24	2,914.14	2,914.14	2,943.22	2,943.22	33,450.30
	Total for 444000	2,704.63	2,717.87	2,718.42	2,718.47	2,718.47	2,719.24	2,719.24	2,719.24	2,914.14	2,914.14	2,943.22	2,943.22	33,450.30
448000	80	27.10	21.66	18.60	15.81	11.93	6.44	6.00	6.50	6.68	6.83	8.79	16.97	154.31
	Total for 448000	27.10	21.66	18.60	15.81	11.93	6.44	6.00	6.50	6.68	6.83	8.79	16.97	154.31
454000	85	26.27	26.27	26.27	24.78	28.26	26.27	26.27	26.30	26.30	26.30	26.30	17.64	307.23
	Total for 454000	26.27	26.27	26.27	24.78	28.26	26.27	26.27	26.30	26.30	26.30	26.30	17.64	307.23
	Total for ID	317,385.69	274,972.75	257,941.77	244,964.03	223,282.40	215,578.09	218,644.82	243,252.48	234,685.06	224,768.48	237,265.87	273,445.57	2,966,208.01
WA 440000	01	867,522.77	793,059.01	721,637.57	594,165.55	498,769.21	464,843.89	426,827.53	522,669.04	478,197.25	435,484.66	510,945.78	647,728.32	6,961,850.56
	Total for 440000	867,522.77	793,059.01	721,637.57	594,165.55	498,769.21	464,843.89	426,827.53	522,669.04	478,197.25	435,484.66	510,945.78	647,728.32	6,961,850.56
442200	21	682,575.16	687,886.43	661,027.28	621,242.69	621,767.27	658,596.27	658,975.93	725,248.19	717,280.69	656,473.37	626,246.48	647,983.21	7,965,302.97
	Total for 442200	682,575.16	687,886.43	661,027.28	621,242.69	621,767.27	658,596.27	658,975.93	725,248.19	717,280.69	656,473.37	626,246.48	647,983.21	7,965,302.97
442300	31	42,139.23	41,558.82	38,504.55	37,701.68	38,916.34	37,779.66	37,993.36	42,889.71	48,284.07	43,437.31	41,377.20	40,766.87	491,338.80
442300	39	254.38	230.58	239.59	231.91	314.80	693.85	796.50	928.34	808.53	808.85	246.34	204.11	5,557.88
	Total for 442300	42,393.61	41,789.40	38,744.14	37,933.59	39,231.14	38,473.51	38,789.86	43,828.05	49,072.60	44,046.26	41,623.54	40,970.98	496,896.68
444000	51	15,583.20	8,844.01	7,116.12	7,116.83	7,116.83	7,111.57	7,111.57	7,118.56	7,115.60	7,115.60	7,121.36	7,127.16	93,596.41
	Total for 444000	15,583.20	8,844.01	7,116.12	7,116.83	7,116.83	7,111.57	7,111.57	7,118.56	7,115.60	7,115.60	7,121.36	7,127.16	93,596.41
448000	80	13.83	15.28	12.38	21.82	14.52	12.87	13.60	15.19	14.18	19.23	20.66	28.97	202.53
	Total for 448000	13.83	15.28	12.38	21.82	14.52	12.87	13.60	15.19	14.18	19.23	20.66	28.97	202.53
454000	85	1,425.92	1,425.92	1,425.92	1,425.92	1,425.92	1,425.92	1,425.92	1,425.92	1,425.92	1,425.92	1,425.92	1,427.54	17,112.66
	Total for 454000	1,425.92	1,425.92	1,425.92	1,425.92	1,425.92	1,425.92	1,425.92	1,425.92	1,425.92	1,425.92	1,425.92	1,427.54	17,112.66
456000	86	16.72	16.72	16.72	16.72	16.72	16.72	16.72	16.72	16.72	16.72	16.72	16.72	200.64
	Total for 456000	16.72	16.72	16.72	16.72	16.72	16.72	16.72	16.72	16.72	16.72	16.72	16.72	200.64
	Total for WA	1,809,531.21	1,531,036.77	1,429,980.13	1,261,923.12	1,168,341.81	1,170,480.75	1,133,161.13	1,300,319.67	1,253,122.96	1,144,561.76	1,187,400.46	1,345,282.90	15,535,162.47
	Total	1,926,916.90	1,806,009.52	1,687,921.90	1,506,987.15	1,391,624.01	1,386,059.84	1,351,805.95	1,543,572.15	1,487,808.02	1,369,350.24	1,424,686.33	1,616,728.47	18,501,370.46

Electric Revenue Meters Report by Location Twelve Months Ended for Report Date : '01/28/2010'

State Cde	Ferc Acct	Revenue Class	Period	Revenue Amt SUM												
				200901	200902	200903	200904	200905	200906	200907	200908	200909	200910	200911	200912	
WA	440000	01		-6,018.06	-6,124.74	-4,977.00	-4,463.44	-3,487.75	-2,745.08	-2,547.27	-2,681.62	-2,382.71	-3,066.29	-3,602.12	-4,821.77	-46,917.85
			Total for 440000	-6,018.06	-6,124.74	-4,977.00	-4,463.44	-3,487.75	-2,745.08	-2,547.27	-2,681.62	-2,382.71	-3,066.29	-3,602.12	-4,821.77	-46,917.85
	442200	21		-5,066.09	-5,421.31	-4,626.65	-3,996.49	-3,327.92	-3,227.71	-3,414.59	-3,498.69	-3,105.32	-3,310.61	-3,389.70	-4,422.52	-46,807.60
			Total for 442200	-5,066.09	-5,421.31	-4,626.65	-3,996.49	-3,327.92	-3,227.71	-3,414.59	-3,498.69	-3,105.32	-3,310.61	-3,389.70	-4,422.52	-46,807.60
	442300	31		-0.51	-0.51	-0.51	-0.51	-0.51	-0.51	-1.02	-1.02	-0.51	-0.51	-0.51	-6.12	
		39		-56.45	-44.26	-102.94	-71.15	-57.49	-108.30	-149.47	-146.81	-148.64	-80.66	-71.40	-80.72	-1,118.29
			Total for 442300	-56.96	-44.77	-103.45	-71.66	-58.00	-108.81	-149.47	-147.83	-149.15	-81.17	-71.91	-81.23	-1,124.41
	444000	51		-71.24	-53.11	-53.93	-53.93	-53.93	-53.93	-53.93	-53.93	-53.93	-53.93	-53.93	-53.93	-663.65
			Total for 444000	-71.24	-53.11	-53.93	-53.93	-53.93	-53.93	-53.93	-53.93	-53.93	-53.93	-53.93	-53.93	-663.65
			Total for WA	-11,212.35	-11,643.93	-9,761.03	-8,585.52	-6,927.60	-6,135.53	-6,165.26	-6,382.07	-5,691.11	-6,512.00	-7,117.66	-9,379.45	-95,513.51
			Total	-11,212.35	-11,643.93	-9,761.03	-8,585.52	-6,927.60	-6,135.53	-6,165.26	-6,382.07	-5,691.11	-6,512.00	-7,117.66	-9,379.45	-95,513.51

TAXES OTHER THAN FEDERAL INCOME TAX
 For Twelve Months Ended December 31, 2009
 Average of Monthly Averages Basis

Report ID:
 E-OTX-12A

Ref/Basis Account	Description	SYSTEM ***** WASHINGTON ***** IDAHO *****		***** WASHINGTON ***** IDAHO *****		Total	Allocated	Direct	Total	Allocated	Direct	Total
		Direct	Allocated	Direct	Allocated							
PRODUCTION & TRANSMISSION												
1	408130	State Excise Tax	0	32,408	32,408	0	21,023	0	21,023	0	11,385	11,385
1	408140	State Kwh Generation Tax	0	1,342,615	1,342,615	0	870,954	0	870,954	0	471,661	471,661
1	408150	R&P Property Tax--Production	0	8,604,479	8,604,479	0	5,581,726	0	5,581,726	0	3,022,753	3,022,753
1	408180	R&P Property Tax--Transmission	0	2,847,846	2,847,846	0	1,847,398	0	1,847,398	0	1,000,448	1,000,448
1	409100	State Income Tax--Montana & Oregon	0	436,551	436,551	0	283,191	0	283,191	0	153,360	153,360
		TOTAL PRODUCTION & TRANSMISSION	0	13,263,899	13,263,899	0	8,604,292	0	8,604,292	0	4,659,607	4,659,607
DISTRIBUTION												
99	408110	State Excise Tax	17,219,402	0	17,219,402	17,219,402	0	17,219,402	0	0	0	0
99	408120	Municipal Occupation & License Tax	18,435,586	0	18,435,586	15,480,338	0	15,480,338	2,955,248	0	2,955,248	2,955,248
99	408160	Miscellaneous State or Local Tax--WA & ID	-14,642	0	-14,642	0	0	0	-14,642	0	0	-14,642
99	408170	R&P Property Tax--Distribution	4,337,589	0	4,337,589	2,702,982	0	2,702,982	1,634,607	0	1,634,607	1,634,607
99	409100	State Income Tax--Idaho	464,001	0	464,001	0	0	0	464,001	0	0	464,001
		TOTAL DISTRIBUTION	40,441,936	0	40,441,936	35,402,722	0	35,402,722	5,039,214	0	5,039,214	5,039,214
		TOTAL TAXES OTHER THAN FIT	40,441,936	13,263,899	53,705,835	35,402,722	8,604,292	44,007,014	5,039,214	4,659,607	9,698,821	9,698,821

ALLOCATION RATIOS:

E-ALL	1	Production/Transmission Ratio	100.000%	64.870%	35.130%
E-ALL	4	Jurisdictional 4-Factor Ratio	100.000%	64.886%	35.114%
E-ALL	99	Not Allocated	0.000%	0.000%	0.000%

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