

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

OFFICE SPACE CHARGES
 TO SUBSIDIARIES

21

Line No.	Description	GAS		
		System	Washington	Idaho
REVENUES				
1	Total General Business			
2	Total Transportation			
3	Other Revenues			
4	Total Gas Revenues	0	0	0
EXPENSES				
5	Exploration & Development			
	Production			
6	City Gate Purchases			
7	Purchased Gas Expense			
8	Net Nat. Gas Storage Trans			
9	Total Production	0	0	0
	Underground Storage			
10	Operating Expenses			
11	Depreciation			
12	Taxes			
13	Total Underground Storage	0	0	0
	Distribution			
14	Operating Expenses			
15	Depreciation			
16	Taxes	0		
17	Total Distribution	0	0	0
18	Customer Accounting			
19	Customer Service & Information			
20	Sales			
	Administrative and General			
21	Operating Expenses	(2)	(2)	
22	Depreciation			
23	Taxes			
24	Total Admin. & General	(2)	(2)	0
25	Total Gas Expense	(2)	(2)	0
26	Operating Income before FIT	2	2	0
	Federal Income Taxes			
27	Current Accrual	35.0%	1	1
28	Amort ITC			
29	Deferred FIT			
30	NET OPERATING INCOME	\$1	\$1	\$0
RATE BASE				
PLANT IN SERVICE				
31	Underground Storage			
32	Distribution Plant			
33	General Plant			
34	Total Plant in Service	0	0	0
ACCUMULATED DEPRECIATION				
35	Underground Storage			
36	Distribution Plant			
37	General Plant			
38	Total Accum. Depreciation	0	0	0
39	DEFERRED TAXES			
40	GAS INVENTORY			
41	WORKING CAPITAL			
42	GAIN ON SALE OF BUILDING			
43	TOTAL RATE BASE	\$0	\$0	\$0

Q2

AVISTA UTILITIES
ALLOCATION OF OFFICE SPACE CHARGES
TO SUBSIDIARIES
For The Twelve Months Ended December 31, 2009

	<u>TOTAL</u>	<u>ELECTRIC</u>	<u>GAS</u>	<u>WPNG</u>
Total Company Allocation to Subsidiaries –	\$ • 14,532	\$10,469	\$2,811	\$1,251
Per utility 4 factor note 7 *	100.000%	• 72.044%	• 19.346%	• 8.610%
Per jurisdictional 4 factor note 4 * (WA portion only).		64.886%	67.943%	
Allocation to WA by service	<u>\$8,703</u>	<u>\$6,793</u>	<u>• \$1,910</u>	

* See Results of Operations Report E-ALL-12A and G-ALL-12A

Avista Utilities

Subsidiary Office Space Analysis: Office Space Charges for Employees Charging Time to Subsidiary Projects For The Twelve Months Ended December 31, 2009

Total hours charged • 6,318.44

(Excluding Executive Officers)

Hours charged • 4,272.80

	FTEs	2.05	a
Standard office space	100	• b	square feet
	\$14.07	• c	Office Space Cost / per sq ft.
Furniture/Phones/Computer	\$2,484	• d	Annual Cost/Workstation
	<u>\$</u>	<u>7,993</u>	a*b*c+ a*d

(Executive Officers)

Hours charged • 2,045.64

	FTEs	0.98	a
Average Executive Square footage	296	• b	square feet
	\$14.07	• c	Office Space Cost / per sq ft.
Furniture/Phones/Computer	\$2,484	• d	Annual Cost/Workstation
	<u>\$</u>	<u>6,539</u>	a*b*c+ a*d
	<u>\$</u>	<u>14,532</u>	All Employees

Notes:

Office space rate is \$13.67, developed by Facilities, plus \$0.40 for copier expense - total is \$14.07

Approximate annual incremental costs for furniture, phone and personal computer is \$2,484 per workstation.

Transaction Analysis Selection: Organization : '%', Project Number : '%', MAC : '343'

Accounting Period: <All> Report Category: <All> Summary Exp Category: L: Mac: 343

Expenditure Organization	Project Desc	Transaction Amount	Transaction Qty SUM	Total Hours	Hours Allocation		Other
					Energy	Other	
Z89	Avista Energy Sub Billing	320.55	2.00	2.00	2.00		
	Avista Subsidiary Support	(2,262.18)	(32.28)	(32.28)			(32.28)
	Capital sub billing	548.50	21.20	21.20			21.20
A83	AdvantageIQ Billing	(0.01)	-	-			
J51	AdvantageIQ Billing	-	-	-			
R11	Avista Subsidiary Support	46.22	0.88	0.88			0.88
E55	Avista Subsidiary Support	76.96	4.00	4.00			4.00
V08	Avista Subsidiary Support	377.15	13.00	13.00			13.00
T01	Avista Subsidiary Support	1,447.58	10.40	10.40			10.40
F54	Capital sub billing	2,089.11	104.00	104.00			104.00
M54	Avista Subsidiary Support	2,191.86	100.00	100.00			100.00
Y54	Avista Subsidiary Support	3,530.24	90.40	90.40			90.40
Y01	Avista Subsidiary Support	13,049.01	347.20	347.20			347.20
E14	Avista Subsidiary Support	15,984.30	486.00	486.00			486.00
J54	Avista Subsidiary Support	32,736.88	598.00	598.00			598.00
D54	Avista Subsidiary Support	9,863.41	184.00	184.00			184.00
C54	Capital sub billing	41,855.84	1,872.00	1,872.00			1,872.00
	Avista Energy Sub Billing	32,027.17	619.00	619.00	619.00		
	Avista Subsidiary Support	24,031.48	474.00	474.00			474.00
J01	Avista Energy Sub Billing	133,182.92	1,832.00	1,832.00	1,832.00		
Total		311,097.99	6,725.80	6,725.80	2,453.00		4,272.80
E01	Avista Subsidiary Support	268,773.41	2,045.64	2,045.64			2,045.64
Total		268,773.41	2,045.64	2,045.64	-		2,045.64