

AVISTA UTILITIES  
GAS ADJUSTMENT SUMMARY  
TWELVE MONTHS ENDED DECEMBER 31, 1998  
(000'S OF DOLLARS)

ELIMINATE  
B & O TAXES  
**GAS**

Line No.	Description	System	Washington	Idaho
<b>REVENUES</b>				
1	Total General Business	(\$2,061)	(\$1,601)	(\$460)
2	Total Transportation	(80)	(76)	(4)
3	Other Revenues			
4	Total Gas Revenues	(2,141)	(1,677)	(464)
<b>EXPENSES</b>				
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	(1,848)	(1,850)	2
17	Total Distribution	(1,848)	(1,850)	2
18	Customer Accounting			
19	Customer Service & Information			
20	Sales			
Administrative and General				
21	Operating Expenses	(442)		(442)
22	Depreciation			
23	Taxes			
24	Total Admin. & General	(442)	0	(442)
25	Total Gas Expense	(2,290)	(1,850)	(440)
26	Operating Income before FIT	149	173	(24)
Federal Income Taxes				
27	Current Accrual	53	61	(8)
28	Amort ITC			
29	Deferred FIT			
30	NET OPERATING INCOME	\$96	\$112	(\$16)
<b>RATE BASE</b>				
<b>PLANT IN SERVICE</b>				
31	Underground Storage			
32	Distribution Plant			
33	General Plant			
34	Total Plant in Service	0	0	0
<b>ACCUMULATED DEPRECIATION</b>				
35	Underground Storage			
36	Distribution Plant			
37	General Plant			
38	Total Accum. Depreciation	0	0	0
39	DEFERRED TAXES			
40	GAS INVENTORY			
41	GAIN ON SALE OF BUILDING			
42	TOTAL RATE BASE	\$0	\$0	\$0

AVISTA UTILITIES  
CALCULATION OF IDAHO STATE INCOME TAX  
TWELVE MONTHS ENDED DECEMBER 31, 1998  
(000's OF DOLLARS)

ELIMINATE  
B & O TAXES  
GAS

Line No.	Description	Idaho
	REVENUES	
1	Total General Business	(\$460)
2	Total Transportation	(4)
3	Other Revenues	0
4	Total Gas Revenues	(464)
	EXPENSES	
5	Exploration & Development Production	0
6	City Gate Purchases	0
7	Purchased Gas Expense	0
8	Net Nat. Gas Storage Trans	0
9	Total Production	0
	Underground Storage	
10	Operating Expenses	0
11	Depreciation	0
12	Taxes	0
13	Total Underground Storage	0
	Distribution	
14	Operating Expenses	0
15	Depreciation	0
16	Taxes	2
17	Total Distribution	2
18	Customer Accounting	0
19	Customer Service & Information	0
20	Sales	0
	Administrative and General	
21	Operating Expenses	(442)
22	Depreciation	0
23	Taxes	0
24	Total Admin. & General	(442)
25	Total Gas Expense	(440)
26	Operating Income before FIT and SIT	(24)
27	Idaho State Income Tax	
	Adjusted Rate of 0.014685	\$0