

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

REGULATORY EXPENSE
ADJUSTMENT

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		0
17	Total Distribution	0	0	0
18	Customer Accounting			
19	Customer Service & Information			
20	Sales			
Administrative and General				
21	Operating Expenses	23	15	8
22	Depreciation			
23	Taxes			
24	Total Admin. & General	23	15	8
25	Total Gas Expense	23	15	8
26	Operating Income before FIT	(23)	(15)	(8)
Federal Income Taxes				
27	Current Accrual	35.0%	(8)	(5)
28	Amort ITC			(3)
29	Deferred FIT			
30	NET OPERATING INCOME	(\$15)	(\$10)	(\$5)
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	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)

REGULATORY EXPENSE
ADJUSTMENT
GAS

Line No.	Description	Idaho
	REVENUES	
1	Total General Business	\$0
2	Total Transportation	0
3	Other Revenues	0
4	Total Gas Revenues	0
	EXPENSES	
5	Exploration & Development	0
	Production	
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	0
17	Total Distribution	0
18	Customer Accounting	0
19	Customer Service & Information	0
20	Sales	0
	Administrative and General	
21	Operating Expenses	8
22	Depreciation	0
23	Taxes	0
24	Total Admin. & General	8
25	Total Gas Expense	8
26	Operating Income before FIT and SIT	(8)
27	Idaho State Income Tax	
	Adjusted Rate of	0.014685
		<u>\$0</u>