

AVISTA UTILITIES
GAS RESULTS OF OPERATION
WASHINGTON RESTATED RESULTS
TWELVE MONTHS ENDED
(000'S OF DOLLARS)

Line No.	DESCRIPTION	6/30/98		12/31/97		Difference		% Difference		
		Per Results Report	Restated Total	Per Results Report	Restated Total	Per Results Report	Restated Total	Per Results Report	Restated Total	
	a	b	-	b	-	b	-	b	-	
REVENUES										
1	Total General Business	\$67,226	\$65,625	\$59,881	\$60,410	\$7,345	\$5,215	12.27%	8.63%	
2	Total Transportation	5,294	5,218	4,946	4,876	348	342	7.04%	7.01%	
3	Other Revenues	12,629	12,629	9,493	9,493	3,136	3,136	33.03%	33.03%	
4	Total Gas Revenues	85,149	83,472	74,320	74,779	10,829	8,693	14.57%	11.62%	
EXPENSES										
5	Exploration and Development Production	0	0	0	0	0	0			
6	City Gate Purchases	49,265	49,265	44,989	46,442	4,276	2,823	9.50%	6.08%	
7	Purchased Gas Expense	117	117	246	246	(129)	(129)	-52.44%	-52.44%	
8	Net Nat Gas Storage Trans	(1,017)	(1,017)	(2,074)	(2,074)	1,057	1,057	-50.96%	-50.96%	
9	Total Production	48,365	48,365	43,161	44,614	5,204	3,751	12.06%	8.41%	
Underground Storage										
10	Operating Expenses	319	319	333	333	(14)	(14)	-4.20%	-4.20%	
11	Depreciation	325	325	328	328	(3)	(3)	-0.91%	-0.91%	
12	Taxes	103	101	138	152	(35)	(51)	-25.36%	-33.55%	
13	Total Underground Storage	747	745	799	813	(52)	(68)	-6.51%	-8.36%	
Distribution										
14	Operating Expenses	3,905	3,905	3,902	3,902	3	3	0.08%	0.08%	
15	Depreciation	3,738	3,738	3,539	3,539	199	199	5.62%	5.62%	
16	Taxes	4,956	3,803	5,753	4,281	(797)	(478)	-13.85%	-11.17%	
17	Total Distribution	12,599	11,446	13,194	11,722	(595)	(276)	-4.51%	-2.35%	
18	Customer Accounting	3,322	2,851	3,208	2,841	114	10	3.55%	0.35%	
19	Customer Service & Information	585	585	594	594	(9)	(9)	-1.52%	-1.52%	
20	Sales Expenses	474	474	437	437	37	37	8.47%	8.47%	
Administrative & General										
21	Operating Expenses	8,195	8,217	7,319	7,248	876	969	11.97%	13.37%	
22	Depreciation	818	818	668	668	150	150	22.46%	22.46%	
23	Taxes	15	15	16	18	(1)	(3)	-6.25%	-16.67%	
24	Total Admin. & General	9,028	9,050	8,003	7,934	67,117	1,116	838.65%	14.07%	
25	Total Gas Expense	75,120	73,516	69,396	68,955	5,724	4,561	8.25%	6.61%	
26	OPERATING INCOME BEFORE FIT FEDERAL INCOME TAX	10,029	9,956	4,924	5,824	5,105	4,132	103.68%	70.95%	
27	Current Accrual	(651)	172	(2,149)	(2,162)	1,498	2,334	-69.71%	-107.96%	
28	Deferred FIT	2,229	2,093	3,029	3,040	(800)	(947)	-26.41%	-31.15%	
29	Amort ITC	(31)	(31)	(31)	(31)	0	0	0.00%	0.00%	
30	NET OPERATING INCOME	\$8,482	\$7,722	\$4,075	\$4,977	\$4,407	\$2,745	108.15%	55.15%	
RATE BASE: PLANT IN SERVICE										
31	Underground Storage	\$14,091	\$14,091	13,958	13,958	133	133	0.95%	0.95%	
32	Distribution Plant	150,325	154,669	140,409	145,185	9,916	9,484	7.06%	6.53%	
33	General Plant	12,868	12,868	11,816	11,816	1,052	1,052	8.90%	8.90%	
34	Total Plant in Service	177,284	181,628	166,183	170,959	11,101	10,669	6.68%	6.24%	
ACCUMULATED DEPRECIATION										
35	Underground Storage	5,936	5,936	5,603	5,603	333	333	5.94%	5.94%	
36	Distribution Plant	40,779	40,779	38,317	38,317	2,462	2,462	6.43%	6.43%	
37	General Plant	5,028	5,028	4,538	4,538	490	490	10.80%	10.80%	
38	Total Accum. Depreciation	51,743	51,743	48,458	48,458	3,285	3,285	6.78%	6.78%	
39	DEFERRED FIT		(10,080)	0	(8,584)		(1,496)		17.43%	
40	GAS INVENTORY		1,458	0	1,481		(23)		-1.55%	
41	GAIN ON SALE OF BUILDING		(615)	0	(667)		52		-7.80%	
42	TOTAL RATE BASE	\$125,541	\$120,648	\$117,725	\$114,731	\$7,816	\$5,917	6.64%	5.16%	
43	RATE OF RETURN	6.76%	6.40%	3.46%	4.34%					