

AVISTA CORPORATION  
Docket Nos. UE-150204 and UG-150205  
Calculation of Remand Refund  
- **Natural Gas Operations**  
(000s of dollars)

**Attachment B**

<u>Line</u>	<u>Description</u>	<u>Formula</u>	<u>Annual Amount at 35% FIT</u>
<b><u>PC Calculation of Annual Net Revenue Requirement Related to Escalated Rate Base:</u></b>			
1	Escalated Rate Base Included in Attrition Adjustment		38,087
2	Revenue Growth Factor		1.01157
3	Escalated Rate Base Adjusted for Growth Factor	L.1 / L.2	37,651
4	Authorized Rate of Return		7.29%
5	Return on Escalated Rate Base	L.3 x L.4	2,745
6	Revenue Conversion Factor		0.62032
7	Revenue Requirement before Debt Interest Offset	L.5 / L.6	4,425
8	Authorized Cost of Debt		2.68%
9	Offset for Debt Interest Impact	L.3 x L.8 x -0.35 / L.6	(569)
10	Annual Net Revenue Requirement Related to Escalated Rate Base	L.7 + L.9	3,855
<b><u>Commission Calculation of Refund:</u></b>			
11	Refund Period 11 Months	L.10 x L.11	92.6%
12	Total Refund to Natural Gas Customer (L.10 x L.11)		<b>3,571</b>

Source/Notes:

Source of Attachment B calculation: Exhibit No. DMR-29

Line 1: Avista Exhibit EMA-15, page 5 of 6, column (G), line 20.

Line 2: Avista Exhibit EMA-15, page 5 of 6, column (J), line 27.

Line 4: UE-150204 and UG-150205, Final Order 05 ¶ 5.

Line 6: Avista Exhibit EMA-15, page 5 of 6, column (J), line 24.

Line 8: UE-150204 and UG-150205, Final Order 05, Appendix C ¶ 4.

Line 11: Staff Exhibit CRM-12, page 1 of 1, Excel format, calculation in cell H47 =339/366.