	Exhibit No	_(DBD-5)
BEFORE THE WASHINGTON UTILITIES AND TRANSPORT	ATION COMM	ISSION
DOCKET NO. UE-14		
DOCKET NO. UG-14		
EXHIBIT NO(DBD-5)		
DAVE B. DEFELICE		
REPRESENTING AVISTA CORPORATION	Ν	

**Functional Group:** Generation / Production

Business Case Name: Base Load Hydro

**ER No: ER Name:** 4147 Base Hydro

Approved Business Case Spend Amount 2013-2016 (\$000s - System): \$4,5961

Transfer to Plant Amounts (\$000s - System):

Year	Total	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2013	903							3		-249			1,149
2014	1,000												1,000
2015	1,000												1,000
2016	1,000												1,000

#### **Business Case Description:**

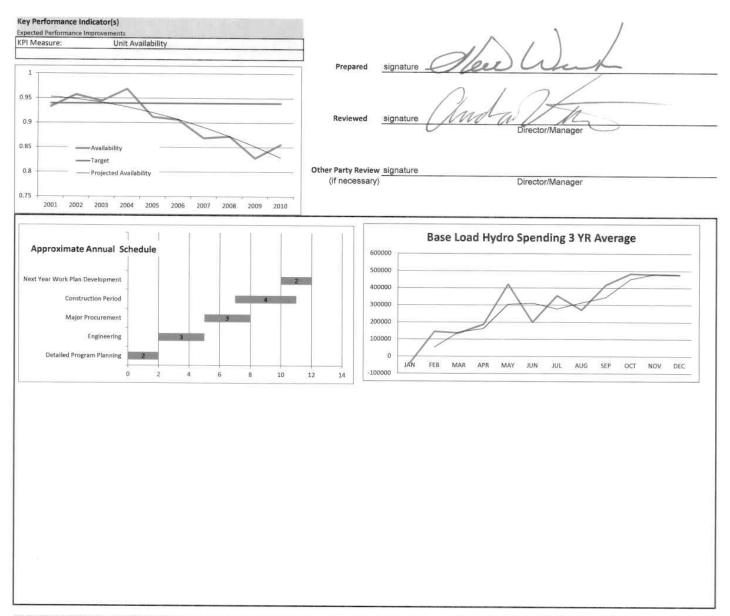
This program is to cover the capital maintenance expenditures required to keep these plants operating within 90% of their current performance. The program will focus on ways to maintain compliance while maintaining reasonable unit availability. These plants are the Upper Spokane River plants, including Post Falls, Upper Falls, Monroe Street and Nine Mile.

#### Offsets:

<sup>&</sup>lt;sup>1</sup>The business case amount reflects approved capital expenditures for the years indicated and not transfers to plant.



Investment Name:	Base Load Hyd	ro											
Requested Amount	\$1,200,000	Van Deserve		-	sments:								
Duration/Timeframe Dept, Area:	GPSS	Year Program		Finan		High - Exceeds			MINO	more			
Owner:	Andy Vickers			Strate	The state of the s	Generating Fle						E COLE IV	
Sponsor:	Jason Thackstor	1		_	itional:	Operations red ERM Reduction			ertorm a	at current	leveis		LILL AL LIC
Category:	Program				ess Risk: am Risk:				ah adı da				
Mandate/Reg. Reference:					sment Score:	Moderate certa 89							
Recommend Program Desc				Mases	sillent score.		-	Annual Cost					
This program is to cover the	Color Colorest	and a second second				Performance	1	Capital Cost	-	M Cost		ther Costs	Business Risk Scor
within 90% of their current program will focus on ways a reasonable unit avilability NM	performance (this a to maintain compl	assumes some degi ance and reduce o	redation of perfor verall O&M exper	rmance nses whi	over time.) The ile maintaining	This program would systematically upgrade various equipment to improve	Ş	1,200,000	\$		\$		10
A la delle delle delle delle								Annual Cost			se/(De	crease)	
Alternatives:	1-					Performance	-	Capital Cost	0&1	VI Cost	0	ther Costs	Business Risk Score
Status Quo :	graph below). Star decline. This is du	pility has been decli tus quo would anti e to the relative low or generating assets	cipate a continua wer priority of the	tion of t	his general	n/a	\$	645,000	\$		\$		16
Alternative 1: Brief name of alternative (if applicable)		at something above the but would contin				anticipate a slowing trend change	\$	750,000	\$	y y x	\$	+	0
Alternative 2: Brief name of alternative (if applicable)	Describe other opt	cribe other options that were considered							\$		\$		0
Alternative 3 Name: Brief name of alternative (if applicable)	Describe other opt	ions that were con	sidered			describe any incremental changes in operations	\$		\$		\$		0
Program Cash Flows						Associated Ers (	list a	il applicable):					
2012-2016						4000		4106	1 11		T		
	Capital Cost	O&M Cost	Other Costs		Approved	4003		4109	1130				
Previous	\$ 310,000	\$ -	\$ -	\$	310,000	4004		4117		N. J. S. I			
2012	\$ 1,200,000	\$ -	\$ -	\$	1,149,000	4104							
2013	\$ 1,200,000	\$ -	\$ -	\$	1,149,000		_						
2014	\$ 1,200,000	\$ -	\$ -	\$	1,149,000			P	rogram	Cash Flo	w		
2015	\$ 1,200,000	\$ -	\$ -	\$	1,149,000				177				
2016	\$ 1,200,000	\$ -	\$ -	\$	1,149,000	\$1,500,00	0 1	-					Here were
2017			\$ -	Ś	1,149,000	Constitution				- 61	- 61		
2018			\$ -	\$	1,149,000	\$1,000,00	0						
Future			\$ -	S	1,145,000	\$500,00	0 -					51	200
Total	The second second		\$ -	Ŝ	8,353,000	ş.	. 12						-
Mandate Excerpt (if application) Mithin this program, there individual items here.		and NERC man	dated items that	t are inc	cluded. These	are expected to	be !	managed as pa	2014 art of the	2015 e overll pi	2016 ogran		considered as
Additional Justifications:													
Additional Justifications: The historical availability for The age of these plants (Pos address immediate problem	st Falls 105 yrs old, I	Nine Mile 103 year	s old, and Upper	Falls 90	years old) also cr	eteriorating equi eate some issues	pmer due	nt and a need to to the band aid	replace :	some equi	pment lave be	and systems t en made over	hat are very old. the years to
Resources Requirements: (		approvals attached											
Internal Labor Availability: Contract Labor:	✓ Low Probability ✓ YES	✓ Medium Probability  ☐ NO	High Probability	Faciliti	es:	YES - attach form YES - attach form YES - attach form		NO or Not Requi	red				



nale for decision		Review Cycles 2012-2016					
	Date	Template					

**Functional Group:** Generation / Production

**Business Case Name:** Clark Fork Settlement Agreement

ER No: ER Name:

6100 Clark Fork License/Compliance

6103 Clark Fork Implement PME Agreement

Approved Business Case Spend Amount 2013-2016 (\$000s - System): \$50,2171

### Transfer to Plant Amounts (\$000s - System):

Year	Total	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2013	1,719							66	157	34		211	1,251
2014	10,830	42	47	722	740	4,951	101	107	757	766	748	736	1,110
2015	7,081	25	28	451	461	465	59	63	471	477	466	459	3,654
2016	21,946	54	69	535	568	572	100	115	555	584	561	542	17,690

### **Business Case Description:**

Implementation of Protection, Mitigation and Enhancement (PM&E) programs. License is issued to Avista Corporation for a period of 45 years, effective March 1, 2001, to operate and maintain the Clark Fork Project No. 2058. The License includes hundreds of specific legal requirements, many of which are reflected in License Articles 404-430. These Articles derived from a comprehensive settlement agreement between Avista and over 20 other parties, including the States of Idaho and Montana, various federal agencies, five Native American tribes, and numerous Non Governmental Organizations. We are required to develop, in consultation with the Management Committee, a yearly work plan and report, addressing all PM&E measures of the License. In addition, implementation of these measures is intended to address ongoing compliance with Montana and Idaho Clean Water Act requirements, the Endangered Species Act (fish passage), and state, federal and tribal water quality standards as applicable. License articles also describe our operational requirements for items such as minimum flows, ramping rates and reservoir levels, as well as dam safety and public safety requirements.

## Offsets:

<sup>&</sup>lt;sup>1</sup>The business case amount reflects approved capital expenditures for the years indicated and not transfers to plant.

## **Capital Program Business Case**

Investment Name:	Clark Fork Settle	ement Agreemen	t	1							
	\$12,569,817	Vees De-		10 0 X 20 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0	sments:	Liberto Process	400	CIDD			
Duration/Timeframe	Environmental	Year Program		Finan		High - Exceeds Other	12%	CIRR			
Dept, Area: Owner:		Bruce Howard (D	Nir)	Strate	gic: ational:		uiro o	vecution to n	erform at current	lovole	
Sponsor:	Marian Durkin	Didoc Howard (c	707		ess Risk:	ERM Reduction			chomi di carrent	104013	
	Mandatory			200 Oct 1840	am Risk:				chedule and reso	ources	
Mandate/Reg. Reference:	n/a			Asses	sment Score:	174		Annual Cost	Summary - Increa	se/(Decrease)	
Recommend Program Desc	ription:			-		Performance	Ca	pital Cost	O&M Cost	Other Costs	Business Risk Score
Implementation of Protection	on, Mitigation and I	Inhancement (PM&	E) programs. Lic	ense is	issued to Avista		\$	12,569,817	\$ -	\$ -	4
Corporation for a period of- Project No. 2058. The Licens reflected in License Articles between Avista and over 20 agencies, five Native Americ to develop, in consultation vail all PM&E measures of the Li ongoing compliance with M (fish passage), and state, fet describe our operational rec levels, as well as dam safety	se includes hundred 404-430. These Ar O other parties, inclu- can tribes, and num with the Managema icense. In addition, lontana and Idaho ( deral and tribal wat quirements for item	ds of specific legal re ticles derived from a uding the States of I erous Non Govern ent Committee, a ye implementation of Clean Water Act req er quality standards as such as minimum	equirements, mai a comprehensive daho and Montai nental Organizati arly work plan ai these measures i uirements, the Ei a as applicable. Li	ny of w settlen na, vari ions. W nd repo is intend ndange icense a	hich are nent agreement ous federal /e are required ort, addressing ded to address red Species Act articles also						
								Annual Cost	Summary - Increa	se/(Decrease)	
Alternatives:				-		Performance	Ca	pital Cost	O&M Cost	Other Costs	Business Risk Score
-	requirements or al loss of operational	t funded, there is po ternative enforcem flexibility of the hy- ent or lawsuits rega	ent and higher m dro facilities; in a	nitigation iddition	n costs, and/or	n/a	s		\$ -	From Moderate to Extreme	20
							\$		\$ -	\$ -	0
							\$		s -	\$ -	0
							\$		\$ -	\$ ==	0
Program Cash Flows 5 years of costs	4000000				J. AUG	Associated Ers (	list all	applicable):			
5 years or costs	Capital Cost	O&M Cost	Other Costs	1	Approved	6103		6100			
Previous		\$ -	\$ -	\$							
2012		\$ -	\$ -	\$	5,728,500						
2013		\$ -	\$ -	\$	5,475,220						
2014		\$ -	\$ -	\$	12,569,817						
2015	\$ 18,760,951	\$ -	\$ -	\$	18,760,951						
2016	\$ 13,410,790	\$ -	\$ -	\$	13,410,790						
2017	\$ 15,056,504	\$ -	\$ -	\$	15,056,504						
2018 Total		\$ -	\$ -	\$	5,139,269 55,945,278						
Mandate Excerpt (if applica Article 401. The licensee Entered into January 28,	shall comply with				e in accordance		Fork :	Settlement A	greement (CFSA	) (License Application	on Volume III)
Additional Justifications:	1555, III addition	to the articles see	iorar wiami are	TENO	project 2000-0						
The CFSA establishes proces Management Committee co							st to 27	various parti	es. Under this agre	ement, Avista will wo	ork with a
Resources Requirements: (	request forms and o	approvals attached)	8				- 7			Tradition like	
Internal Labor Availability: Contract Labor:	Low Probability  YES	☐ Medium Probability ☐ NO	☑ High Probability	Facilit	al Tools:	YES - attach form YES - attach form YES - attach form YES - attach form		☑ NO or Not Requ ☑ NO or Not Requ ☑ NO or Not Requ ☑ NO or Not Requ	lired labor boxe resource o pired a general s	appropriate box. The in s should be checked to wners have been conta ense of how likely staff not require a firm comm	indicate if the cted and to provide will be provided

# Capital Program Business Case

Key Perfo Expected Pe						- 1			$\bigcirc$
KPI Measu	ure:		Fill in	the nar	ne of the KPI here				2 -
			Fill in	the nar	ne of the KPI here				
1.2						Prepared	signature		
1 -	-								
0.8	=	— Project I — Poly. ()	FO Rate			Reviewed	signature		Director/Manager
0.6									1 =1 0
0.2					This graph is to provide a place to direct the KPI benefit. Providing a graph is	Other Party Revie			Director/Manager
0	1	2	3	4	recommended to help communicate what the project is intended to	(ii ricocssai	W		J. Colonial Lago.
Capital E	Budge				<u> </u>				
					2014	2015 20	16	2017	2018

	2014	2015	2016	2017	2018	
ER 6103	3,687,817	3.827.951	4.023,790	4.225.504	4,352,269	Core PME: assumes 3% labor change, 3% ave GDP and int adjustment (10 year historical review)
ER 6103	1,317,000	2,103,000	2,322,000	2,566,000		Spillway Crest modifications for TDG- assumes repairs to Bay 2 are complete in 2013 and revised design are completed in late 2013 early 2104. Modify 1 bay in 2014, 2 bays in 2015, 2 bays in 2016, and 2 bays in 2017.
	225,000	340,000	425,000	245,000	375,000	Tributatry traps for downstream passage: assumes feasibility study and design 2014 - 2015, with construction anticipated in 2016  Cabinet Gorge fishway: assumed to be started post spill 2014 and completed by the star
Bruce	4,900,000	9,900,000	2,500,000	7,620,000		of Q3 2016  Noxon Rapids fishway: assumes project on hold at 30% level with construction to begin 2016, Some backgroud project work would continue.
Min Flaw	250,000	200,000	100,000	100,000	100,000	
Clark Fork Delta	1,500,000	1,500,000			2	erosion remediation with Avista contributing 15-25% to the erosion loss. Project to begin in the fall of 2014 through 2015.
Permitting & Additional Labor	200,000	200,000	20,000	200,000	200,000	permitting needs on all construction: Fishway Projects & GSCP change in management of Spillway Crest and additional anticipated labor expenses
ER 6100	100,000	100,000	100,000	100,000	100,000	Ongoing non-PME capital for facilities maintenance.
B04	12,569,817	18,760,951	13,410,790	15,056,504	5,139,269	

he completed by Capital Planning Group							
o be completed by Capital Planning Group Rationale for decision		Review Cycles 2012-2016					
	Date	Template					

**Functional Group:** Generation / Production

**Business Case Name:** Generation Battery Replacement

ER No: ER Name:

4108 System Battery Replacement

Approved Business Case Spend Amount 2013-2016 (\$000s - System): \$5091

# Transfer to Plant Amounts (\$000s - System):

Year	Total	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2013	112									1			111
2014	100												100
2015	183												183
2016	115												115

## **Business Case Description:**

This program is set up around an asset management plan for the station batteries in all generating stations. This is the same as the current battery replacement item. This item will also have some minor fluctuations as the number and size of batteries in any one year can change.

#### Offsets:

<sup>&</sup>lt;sup>1</sup>The business case amount reflects approved capital expenditures for the years indicated and not transfers to plant.

Investment Name:		tery Replacemer	nt									
Requested Amount Duration/Timeframe	\$160,000	Voor Broaram		Assessments:			n i m m					
Dept, Area:	GPSS	Year Program		Financial:	Low - >0% an		SIRR		2002	Lune-		
Owner:	Andy Vickers			Strategic:	Life Cycle Pro							
Sponsor:	Jason Thackstor	,		Operational: Business Risk:	Operations so ERM Reduction			by execu	uon	100		
Category:	Program	-		Program Risk:				dula and			-	
Mandate/Reg. Reference:	n/a				High certainty							
Recommend Program Desc	MANAGE STATE OF THE STATE OF TH			Assessment Score		_	Annual Cost			se/(Decre	ase)	
1) ACRES TRAVELLES CONTRACTOR DE LA CONT	IX O BINCHED WINE C				Performance		ital Cost	-	A Cost	Oth	er Costs	Business Risk Score
This program is set up arou stations. This is the same a fluctuations as the number	s the current Batter	y replacment item	. This item will al		Forced outages r from battery failures		160,000	\$		\$		0
Alternatives:							Annual Cost			-		
	Investment of the second				Performance		ital Cost	0&1	/ Cost	Oth	er Costs	Business Risk Score
Status Qua:	we currently have	a battery replacen	nent program in p	olace	n/a	\$	120,000	\$		\$		0
Alternative 1: Brief name of alternative (if applicable)		equently place an	entire generating	ilt in system failure asset and public at	risk outages and	\$		\$	1.1	\$		0
		11 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1			equipment failures							
Alternative 2: Brief name of alternative (if applicable)	Describe other opt	ions that were con	sidered		describe any incremental changes in operations	\$		\$		\$		0
Alternative 3 Name: Brief name of alternative (if applicable)	Describe other opt	ions that were con	sidered		describe any incremental changes in operations	\$		\$		\$		0
Program Cash Flows 2012-2016					Associated Ers	The second second	oplicable):					
	Capital Cost	O&M Cost	Other Costs	Approved								
Previous		\$ -	\$ -	\$ 10,	000							ture and the second
2012			\$ -	\$ 160,	000							
2013	The same of the sa		\$ -	\$ 111,	000							
2014	\$ 100,000	\$ -	\$ -	\$ 100,	000	ı	Battery i	Replac	ement	t Cash	Flow	
2015.		\$ -	\$ -	\$ 183,	000							
2016			\$ -	\$ 115,	000 \$210,00	0 1						
2017	The state of the s		\$ -	\$ 124,	\$160,00	0 -						
2018	\$ 131,000	\$ -	\$ -	\$ 131,	000			_	-80	-		
Future		\$ -	\$ -	\$	\$110,00			-89	- 89	- 10		7
Total	\$ 1,135,000	\$ -	\$ -	\$ 934,	\$60,00	201	2 2013	2014	2015	2016	2017	2018
Mandate Excerpt (if applica	able):											THE THE SE
n/a											1271	
Additional Justifications:												
This is part of a life cycle pro have experienced these fail possibilty of extensive dama and personnel.	ures in the recent p	ast and had been for	ortunate that we	did not loose contr	ol of the plant. When	a batter	y fails, there	is a risk o	f loss of c	control, lo	s of prote	ction, and the
Resources Requirements: (	request forms and a	approvals attached					Z 1			1		
Internal Labor Availability: Contract Labor:	Low Probability YES	☐ Medium Probability ☑ NO	High Probability	Enterprise Tech: Facilities: Capital Tools: Fleet:	YES - attach form YES - attach form YES - attach form YES - attach form	(Z)	NO or Not Requ NO or Not Requ NO or Not Requ NO or Not Requ	ired ired				



Key Performance Indicator(s)	
Expected Performance Improvements  KPI Measure: Fill in the name of the KPI here	
KPI Measure: Fill in the name of the KPI here Fill in the name of the KPI here	
Fill the name of the KPI here	
	Prepared signature
	$\sim$ $\sim$ $\sim$ $\sim$
No graph is available	
	Reviewed signature/ ///////
	Director/Manager
	Early 2 To 3 To 3
	Other Party Review signature
	(if necessary) Director/Manager
This space is to be used for photographs	Shorts as allowed at the state of the state
This space is to be used for priotographs	charts, or other data that may be useful in evaulating the Program
ho completed by Control Division	
be completed by Capital Planning Group	
pe completed by Capital Planning Group lationale for decision	Review Cycles
De completed by Capital Planning Group Rationale for decision	Review Cycles 2012-2016
be completed by Capital Planning Group Rationale for decision	2012-2016
be completed by Capital Planning Group Rationale for decision	2012-2016
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be completed by Capital Planning Group Rationale for decision	2012-2016
be completed by Capital Planning Group Rationale for decision	2012-2016

Functional Group: Generation / Production

Business Case Name: Hydro Safety Minor Blanket

ER No: ER Name:

6001 Hydro Generation Minor Blanket

Approved Business Case Spend Amount 2013-2016 (\$000s - System): \$2151

# Transfer to Plant Amounts (\$000s - System):

Year	Total	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2013	50												50
2014	65												65
2015	70												70
2016	75												75

#### **Business Case Description:**

Funds periodic capital purchases and projects to ensure public safety at hydro facilities, on and off water, in context of FERC regulatory and license requirements. Hydro Public Safety measures as described in the Federal Energy Regulation Commission (FERC) publication "Guidelines for Public Safety at Hydropower Projects" and as documented in Avista's Hydro Public Safety Plans for each of its hydro facilities.

#### Offsets:

<sup>&</sup>lt;sup>1</sup>The business case amount reflects approved capital expenditures for the years indicated and not transfers to plant.

## AWISTA

# Capital Program Business Case

Investment Name:	Hydro Safety Min	or Blanket		Î					
Requested Amount	\$65,000 Lifetime	Year Program		Assessments: Financial:	MH - >= 9% &	<12% CIPP			
Duration/Timeframe Dept, Area:	Environmental	real Program		Strategic:	Other	-1270 CHAIN			
Owner:	Michele Drake (Co	or); Bruce Howar	d (Dir)	Operational:		uire execution to pe	rform at current le	evels	
Sponsor:	Marian Durkin			Business Risk:		n >10 and <= 15		2220	
Category:	Mandatory	- 0-1-1-0-11-1-		Program Risk: Assessment Score:	Moderate certa	ainty around cost, so	snedule and resou Summary - Increas		
Mandate/Reg. Reference: Recommend Program Desc		ic salety Guidelin	es	Assessment score.	Performance	Capital Cost	O&M Cost	Other Costs	Business Risk Score
Funds periodic capital purc	A R C ACADA N T	ancura nublic cafe	ty at hydro facilit	ies on and off water	n/a	\$ 65,000	\$ -	\$ -	4
in context of FERC regulato			ty at nyuro racini	ies, on and on water,	11/4	3 33,000			
								l	
					Performance	Annual Cost Capital Cost	Summary - Increas O&M Cost	Other Costs	Business Risk Score
Alternatives: Alternative 1: Funded	Eunding of this pro-	ram reduces liabili	ty risk and impro	ves public safety on	n/a	\$ 65,000	\$ -	\$ -	20
Alternative 1. Funded	and near the Hydro and are referenced	Facilities. These re	quirements com	e from Federal Law					
Alternative 2: Unfunded				. Potential for loss of th recreational liability		\$ -	s -	from moderate to extreme	4
Program Cash Flows					Associated Ers	(list all applicable):			
5 years of costs					Current ER	6001			
DELINES AND THE SECOND	Capital Cost	O&M Cost	Other Costs	Approved					
Previous		\$ -	\$ -	\$ -					
2012		\$ -	\$ -	\$ 35,000	-				
2014		\$ -	\$ -	\$ 65,000	unes and a second				
2015		\$ -	\$ -	\$ 70,000					
2016	\$ 75,000	\$ -	\$ -	\$ 75,000	0				
2017	\$ 80,000	\$ -	\$ -	\$ 80,000					
2018 Tota		\$ -	\$ -	\$ 80,000					
Mandate Excerpt (if applic Section 10© of the Feder for the protection of life, Engineer an applicant, or	ral Power Act authories and property	. Title 18, Part 12	Section 42 of	the Code of Federal	Regulations stat	s that, "To the satis	faction of, and wit	hin a time specified	tain such projects d by the Regional
Additional Justifications:									
Hydro Public Safety measu Public Safety Plans for each			egulation Comm	ission (FERC) publication	on "Guidelines for	Public Safety at Hydr	opower Projects" a	and as documented i	n Avista's Hydro
Resources Requirements:	Water State Control of the State Sta						Check the	appropriate box. The	internal and contract
Internal Labor Availability: Contract Labor:	Low Probability VES	Medium Probability	☑ High Probability	Enterprise Tech: Facilities: Capital Tools: Fleet:	YES - attach form YES - attach form YES - attach form YES - attach form	n NO or Not Req	ured labor boxe ured resource o ured a general s	is should be checked to whers have been cont sense of how likely sta not require a firm con	o indicate if the facted and to provide if will be provided
Key Performance Indicato	r(s)						$\cap$		
Expected Performance Improve		a Cafata Isaa	- Dublie Her In	action (conducted -	rovimataly and	avery five years) and	every & annount	of Avista's submittals	
KPI Measure:	FERC's Annual Dan	n safety inspection	s, rublic Use Insp	ection (conducted app	oximately once e	every rive years) and i	eview or approval	or Walers 2 20011Htts	**
				1			7 2		
				Prepared	signature			<i></i>	
1.2								_	
1						10111	1 10/	1). 1	
0.8 — Project FC	Rate			Reviewed	signature	Wichel	,7/1	MOK	
— Poly. ()	0.23			Keviewed	signature	I I WILL	Director/Mana	iger .	

# Capital Program Business Case

0.4	3 4	This graph is to provide a pl the KPI benefit. Providing a recommended to help com what the project is intende	graph is nunicate	Other Party Review (if necessary)	signature	pe	Director/Manager
Capital Budget Projectio	ns						
·		2014	2015	2016	2017	2018	
EN 6001		65,000	20,000	75,000	80,000	80,000	Dam Safety anticipated need for safety equipment
но4		65,000	70,000	75,000	80,000	80,000	
ER 7108		265,000	195,000	125,000	125,000	125,000	Franchising / Permit Renewals assume 40 year Railroad permit renewals on existing substations & equipment the John Wayne Pioneer Trail
200.00			2000000	,		, 500,000 5	
HED	Year	Description	Est Cost				
Cabinet Gorge	2014	K-rated gate at main entrance, S. entrance, and overlook entrance (all equipped with intercom, card swipe, and CCTV)	\$65,000				
Noxon Rapids	2015	K-rated gate at main entrance, S. entrance, and near substation (all equipped with intercom, card swipe, and CCTV)	\$70,000				
Long Lake	2016	K-rated gate at main entrance (equipped with intercom, card swipe, and CCTV)	\$25,000				
Nine Mile	2016	K-rated gate at main entrance (equipped with intercom, card swipe, and CCTV)	\$25,000				
Post Falls	2016	K-rated gate at main entrance (equipped with intercom, card swipe, and CCTV)	\$25,000				
Long Lake	2017	Down Stream Warning System	\$80,000				
Nine Mile	2018	Down Stream Warning System	\$80,000	1			
To be completed by Capi Rationale for decision	ital Planning	Group					Review Cycles 2012-2016

Date

Template

**Functional Group:** Generation / Production **Business Case Name:** Little Falls Plant Upgrade

ER No: ER Name:

4152 Little Falls Powerhouse Redevelopment

Approved Business Case Spend Amount 2013-2016 (\$000s - System): \$33,7001

### Transfer to Plant Amounts (\$000s - System):

Year	Total	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2013	27							9	6	5	7		
2014	9,000												9,000
2015	6,500			6,500									
2016	9,000			9,000									

#### **Business Case Description:**

The existing Little Falls equipment ranges in age from 60 to more than 100 years old. The Company has experienced an increase in forced outages at Little Falls over the past six years has significantly increased (from approximately 20 hours in 2004 to several hundred hours in the past three to four years) due to equipment failures on a number of different pieces of equipment. This project will replace nearly all of the old, unreliable equipment with new. This includes replacing two of the turbines, all four generators, all generator breakers, three of the four governors, all of the automatic voltage regulators, removing all four generator exciters, replacing the unit controls, changing the switchyard configuration, replacing the unit protection system, and replacing and modernizing the station service.

#### Offsets:

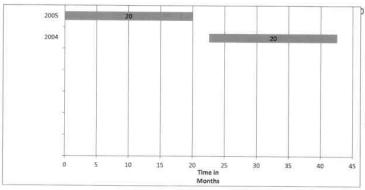
An O&M Offset was included in the O&M Offset adjustment for \$1,500 in 2013, \$3,000 in 2014 and 2015. After the revenue requirements was finalized, it was determined that these savings are related to employee labor that will be redistributed to other projects. These savings were included in the revenue requirement in this case and should have been excluded.

<sup>&</sup>lt;sup>1</sup>The business case amount reflects approved capital expenditures for the years indicated and not transfers to plant.



Investment Name:	Little Falls Plant Upgrade (Revised)									
Requested Amount	\$56,100,000	Assessments:								
Duration/Timeframe	8 Year Project	Financial:	MH - >= 9% &	<129	6 CIRR					
Dept, Area:	GPSS	Strategic:	Generating Fle				-			
Owner:	Andy Vickers	Operational:	Operations imp			rent l	evels	-		
Sponsor:	Jason Thackston	Business Risk:	ERM Reduction			OIIL	04015			
Category:	Project	Project/Program Risk:			The state of the s	lule :	and resources			
Mandate/Reg. Reference:	n/a	Assessment Score:	104.5		THE RESERVE OF THE PERSON NAMED IN		y - Increase/([		laser	
Recommend Project Desc	ription:		Performance	,	Capital Cost	1	O&M Cost		Other Costs	Business Risk Scor
experienced an increase in (from ~20 hours in 2004 to failures on a number of dif equiment with new. this in breakers, three of the four	priment ranges in age from 60 to more than 100 forced outages at Little Falls over the past six ye is several hundred hours in the past three to four ferent pieces of equipment. This project will nearly includes replacing two of the turbines, all four gerigovernors, all of the AVR's, removing all four gerigovernors, all of the AVR's, removing all four gerigovernors, all of the AVR's, removing all four gerigovernors are the support of the	ars has significantly increased years) due to equipment arly all of the old, unreliable nerators, all generator nerator excters, replacing the	there would be some performance improvement	\$	56,100,000	\$	(20,000)	\$		3
					Cost Sur	nmar	y - Increase/(D	ecre	ease)	
Alternatives:			Performance	(	Capital Cost		O&M Cost		Other Costs	Business Risk Scor
Status Qua :	Forced outages and emergency repairs would of the reliability of the plant. At some point, personal back in the plant.		n/a	\$	-	\$	20,000	\$	150,000	12
Alternative 1: Brief name of alternative (if applicable)	This would replace the two items that are curre and then continue to use the older equipment. older equipment for reliability purposes. This v Force Outage rate for the plant.	This continues to rely on this	Major personnel safety would be addressed	\$	5,000,000	\$	20,000	\$		9
Alternative 2: Brief name of alternative (if applicable)	This would replace the major cost items, but th would continue to cause an increasing unplann replacement and down time costs would be mu	ed outages. However, the	Would reduce the outage times	\$	51,000,000	\$		\$		0
Alternative 3 Name : Brief name of alternative (if	Describe other options that were considered	THE TANK	describe any incremental	\$		\$		\$	-	0





# Construction Cash Flows (CWIP)

	 Capital Cost	U&IVI COST	 Itner Costs	Approved
Previous	\$ 1,800,000	\$	\$ -	\$ 1,800,000
2012	\$ 3,200,000	\$	\$ -	\$ 2,000,000
2013	\$ 6,500,000	\$	\$	\$ 5,800,000
2014	\$ 9,400,000	\$	\$ -	\$ 9,700,000
2015	\$ 8,800,000	\$ -	\$	\$ 8,800,000
2016	\$ 9,400,000	\$	\$	\$ 9,400,000
2017	\$ 8,800,000	\$	\$ 1.0	\$ 8,800,000
2018	\$ 6,200,000	\$ 1	\$	\$ 6,200,000
Future	\$ 2,000,000	\$	\$ -	\$
Total	\$ 56,100,000	\$	\$	\$ 52,500,000

## Milestones (high level targets)

October-10 Project Started
July-12 AVR/Breaker Replacement
February-12 AVR/Breaker Work Complete
July-13 Demolition Complete
January-14 Station Service Complete

March-14 June-14 June-14 July-14 March-15

Control Room Installed Control Panels Installed Switchyard Work Complete First Unit Out of Service (OOS) Rirst Unit Returned to Service (R' July-15 March-16 July-16 March-17 7/1/117

Second Unit OOS Second Unit RTS Third Unit OOS Third Unit RTS Fourth Unit OOS

# Associated Ers (list all applicable):

4102 4103

Mandate Excerpt (if applicable):

This is not a mandated item.

#### Additional Justifications:

Because of the age and condition of all of the equipment of the plant, all of the equipment has been qualified as obsolete in accordance with the obsolescence criteria tool. The Asset Management tool has been applied to Little Falls and also supports this project. The Asset Management studies that have been done to date are still subject to further refinements, but the general conclusions support this project. There are many items in this 100 year old facility which do not meet modern design standards, codes, and expectations. This project will bring Little Falls to a place where it can be relied on for another 50 to 100 years. Finally, this project will need to be worked in coordination with our Indian Relations group as the Little Falls project is part of a settlement agreement with the Spokane Tribe.

Resources Requirements: (request forms and approvals attached)

Internal Labor Availability: Contract Labor:	ntract Labor: ☑ YES ☐ NO			Enterprise Tech: Facilities: Capital Tools: Fleet:	☐ YES	- attach form - attach form - attach form - attach form	NO or Not Requ     NO or Not Requ     NO or Not Requ     NO or Not Requ     NO or Not Requ	uired uired								
Key Performance Indicator Expected Performance Improver KPI Measure:  1000 800 Outage H — Target 600 Project Fi 400 200 0 2004 2005	nents Forced Outage Ho	2011	Prepared  Reviewed  Other Party Review (if necessary		ture (	Men And a		or/Man	(2)	_						
1 0.98 0.96 0.94 0.92 0.9 0.88 0.88 0.88 0.86 0.84	Plai 2003 2004	Trend Line	2007 2008	2009 2010	0.4 0.4 0.3 0.2 0.1 0.2 0.1 0.3							0.75				
a new station s  Another considexpected costs	Revision: 2013 Business Case: This project business case is being re originally some of the station service and switchyard work was contra a new station service and panel room installed before we start work.  Another consideration is that some fo the major cost componenets expected costs could change considerably as we begin to pin down or some components.					sed and is requesting additional amounts for the 2013 by plated to be done in future years but with better project the generating units themselves. This results in shifting turbing runners, generator stators, governors) will not					ined tha mall yea	it we mu er.	ust get			
	Solide for decision					te		201	12-2016 Te	emplate						
								-								

**Functional Group:** Generation / Production

Business Case Name: Nine Mile Hydroelectric Development Rehabilitation & Modernization

ER No: ER Name:

4140 Nine Mile Redevelopment

Approved Business Case Spend Amount 2013-2016 (\$000s - System): \$62,0041

### Transfer to Plant Amounts (\$000s - System):

Year	Total	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2013	990								52		2	935	
2014	9,208	683	363	150	3,784	268	1,897					2,064	
2015	47,044								1,850				45,194
2016	13,801	75	456	83	75	79			34		12,870	64	64

## **Business Case Description:**

This program is to rehabilitate and modernize the 4 unit Nine Mile Hydroelectric Development. This program includes projects to replace Units 1 and 2, which are more than 100 years old. In addition, a new warehouse will be constructed, new tail race gate system will be added, new grounding and communications will be added, a barge landing will be added, a cottage will be removed and another remodeled, a new panel room will be added, Units 3 & 4 will be overhauled and modernized, the powerhouse will be restored, a new access gates and controls will be added and other improvements will be made.

#### Offsets:

<sup>&</sup>lt;sup>1</sup>The business case amount reflects approved capital expenditures for the years indicated and not transfers to plant.

# LIVISTA

#### Capital Project Business Case

	Mile Rehal		Program			7								
0	13,000					-	ments:	1100000					ELECTION .	JUSTILE TURK
_	3	8	Year Proje			Financ		14.00%						
rs	Vickers	rs	_			Strate	gic: ess Risk:	Generating Pla Business Risk			1 /- 15			
	Thackstor			_	-	Projec					fule and resource	S		
	ct				100000000000000000000000000000000000000			200000000000000000000000000000000000000				-		
						Assess	ment Score:	112		Annual Cost	Summary - Increa	se/(Decre	ase)	]
								Performance	(	Capital Cost	O&M Cost	Oth	er Costs	Business Risk Sco
in 10 stem otta verh	ore than 100 ate system ed, a cottage Il be overha	an 100 y stem w ottage verhaul	years old an vill be added will be remo lled and mod	are wo lew gro ed and rnized,		tion, a n ommunic deled, a use will b	new panel	increase capacity, energy, and renewable credits. (REC's)	\$	90,913,000	\$	\$		4
									300		Summary - Increa			
-								Performance	-	Capital Cost	O&M Cost	-	er Costs	Business Risk Sco
wo		wore o	out. A FERC		out of service amendment ha			n/a	\$		\$	\$		16
er o	be other opt	er optio	ons that we	consid	lered			describe any	\$		\$ -	\$		4
								incremental changes in operations						
er o	be other opt	er optio	ons that we	consid	lered			describe any incremental changes in operations	\$		\$ -	\$		0
er o	be other opt	er optio	ons that we	consid	ered			describe any	\$		\$ -	\$		0
								incremental changes in operations	100		10			
Capital Cost O&M Cost Other Costs Approved Associated Ers (list all applicable):														
-	10,612,838	-			\$ -	\$	10,612,838	ĺ						
	15,379,000		\$		\$ -	\$	12,999,000							
_	21,505,000		\$		\$ -	\$	21,505,000							
	10,193,000 6,000,000		\$		\$ -	\$	17,900,000	8				1		
****	13,315,000	-	S		\$ - \$ -	\$	9,600,000 7,000,000							
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						\$								
2,000	66,392,000	2,000	\$	- (	5 *	\$	76,504,000							
				- 110		7								
	2013		2014		2015		2016	2017		Total	Mandate Excerpt			
0,000	15,379,000	COPYLL COLORS	\$ 21,50		10,193,000		6,000,000	\$ 13,315,000	\$	66,392,000				regulation and a
*			\$		-	\$		\$ -	\$		rete	rence nu	mber if po	ssible
			\$	_	5 -	\$	•	\$ -	\$					
			S	- 5		\$	-	\$ -	\$					
		_	\$	- 5		\$		\$ -	\$					
2			\$	- 5		\$		\$ -	\$					
-		-	\$	- 5	-	\$		\$ -	\$	*	Additional Justific	ations:	No. of the last	
*			\$	- 5		\$		\$ -	\$					may be useful in
			\$	- 5		\$		\$ -	\$	•	describing in m			of the Project, the
*			\$	- 5		\$	•	\$ -	\$			urge	ncy, etc.	
			\$	- 5		\$	- :	\$ -	\$					
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	- V		\$	- 5		\$		\$ -	\$					
		-	\$	- 5		\$	*	\$ -	\$	• 1	100			
,000	15,379,000	000,	\$ 21,50	000   \$	10,193,000	\$	6,000,000	\$ 13,315,000	\$	66,392,000				
					January-00 January-00 January-00 January-00 January-00 January-00	open open open open open open			J	January-00 January-00 January-00 January-00 January-00 January-00	open open open open open open	u	lse your judg	ould be general. ement on project at progress can
	forms and a		oprovals atte □ Medium Prob		January-00 January-00 January-00 January-00	open open open open open	rise Tech: □ yE	'S - attach form	J	lar lar lar	nuary-00 nuary-00 nuary-00 nuary-00	nuary-00 open nuary-00 open nuary-00 open nuary-00 open nuary-00 open open ot Required Capital Tools:	nuary-00 open nuary-00 open nuary-00 open nuary-00 open nuary-00 open ot Required Capital Tools: \( \text{\subseteq} \text{ves-attach} \)	nuary-00 open Milestones sh nuary-00 open Use your judg nuary-00 open nuary-00 open nuary-00 open open

# LIVISTA

#### Capital Project Business Case

KPI Measure:		
	Fill in the name of the KPI here Fill in the name of the KPI here	4
4.0	Fill III the name of the Kri here	
1.2	—#REF!	
1	— #REF!	0/2
	#REFI	Prepared Signature WSA Craham
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	—— Poly. (#REF1)	$\alpha 1 \alpha /$
0.6		/ bad / len
		Reviewed signature
0.4		Director/Manager
0.2		
		Other Party Review signature
0		(if necessary) Director/Manager
	1	
	d by Capital Planning Group	
To be complete Rationale for	ed by Capital Planning Group	Review Cycles

**Functional Group:** Generation / Production

Business Case Name: Regulating Hydro

ER No: ER Name:

4148 Regulating Hydro

Approved Business Case Spend Amount 2013-2016 (\$000s - System): \$11,9321

## Transfer to Plant Amounts (\$000s - System):

Year	Total Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2013	3,292					1	,221	16	14	8		2,033
2014	2,500											2,500
2015	3,000											3,000
2016	3,000											3,000

## **Business Case Description:**

This program is to cover the capital maintenance expenditures required to keep these plants operating at their current performance. The program will work to improve the reliability of these plants so that their value can be maximized in both the energy and ancillary markets. These plants are Long Lake, Little Falls, Noxon Rapids and Cabinet Gorge.

#### Offsets:

<sup>&</sup>lt;sup>1</sup>The business case amount reflects approved capital expenditures for the years indicated and not transfers to plant.

Investment Name:	Regulating Hyd	ro	-	7								
Requested Amount	equested Amount \$3,500,000 Assess uration/Timeframe 20 Year Program Financi											
Duration/Timeframe		Year Program		Financial:	High - Exceed	s 12%	CIRR					
Dept, Area:	GPSS			Strategic:	Generating Fle	et Mo	dernization		1			
Owner:	Andy Vickers	2010		Operational:	Operations im	prove	d beyond curr	ent levels			NAME OF	LOUIS STORY
Sponsor:	Jason Thackstor	1		Business Risk:	Business Risk	Redu	ction >0 and	<= 5				
Category:	Program			Program Risk:	High certainty	aroun	d cost, sched	lule and re	sources			
Mandate/Reg. Reference:	n/a			Assessment Score:	88		Annual Cost	Summary -	Increas	e/(Decrea	se)	
Recommend Program Desc	ription:				Performance	C	apital Cost	0&M			r Costs	Business Risk Score
This program is to cover the	e capital maintenan	ce expenditures re	quired to keep th	ese plants operating at	describe any	S	3,500,000	\$	-	\$	-	10
their current performance. value can be maximized in	The program will w	vork to improve th	e reliability of the	se plants so that their	incremental changes that this Program would benefit present operations		3,500,000					
							Annual Cost	Summary -	Increas	e/(Decrea	se)	
Alternatives:					Performance	C	apital Cost	0&M (	Cost	Othe	r Costs	Business Risk Score
Status Quo :	Current work has l this group of asset needs.			h avialability rate for ing to equipment	n/a	\$	1,890,000	\$		\$		15
Alternative 1: Brief name of alternative (if applicable)	availability but red	And the same of the same of the	vices from plant (i	decrease in overall .e. no Cabinet	describe any incremental changes in operations	\$	2,200,000	\$	•	\$	0,48	15
Alternative 2: Brief name of alternative (if applicable)	Describe other opt		describe any incremental changes in operations	\$		\$		ş		0		
Alternative 3 Name: Brief name of alternative (if applicable)	Describe other opt		describe any incremental changes in operations	\$		\$		\$		0		
Program Cash Flows					Associated Ers (	_	The second secon					
2012-2016	Cit-l Ct	00110	0.1.0		4000	-	4102					
	Capital Cost	O&M Cost	Other Costs	Approved	4003	_	4103					
Previous			\$ -	\$ 1,890,000			4105		- 100			
2012	The second secon		\$ -	\$ 2,533,000								
2013			\$ -	\$ 2,033,000					C - 1 F	12,7107		
2014	\$ 3,500,000	\$ -	\$ -	\$ 2,833,000				Program	Cash Fi	ow		
2015	\$ 3,500,000	\$ -	\$ -	\$ 3,533,000			_					
2016	\$ 3,500,000	\$ -	\$ -	\$ 3,533,000	\$4,000,0	000	-	100	-	- 60	-	-
2017	\$ 3,500,000	\$ -	\$ -	\$ 3,533,000	\$3,000,0	000			_	- 88		4 1 1 1 1 1 1 1 1
2018	\$ 3,500,000	\$ -	\$ -	\$ 3,533,000		000						
Future	\$ 3,500,000	\$ -	\$ -	\$ -	\$1,000,0	000			20	0.00		100
Total			\$ -	\$ 23,421,000		5-			-		-	
and the second second	4 25/00/01/00	1	TY.	19 25,422,000			2012 2013	2014	2015	2016	2017	2018
Mandate Excerpt (if application Within this program, there		and NERC man	dated items that	are included. These	are expected to	be m	nanaged as p	art of the o	veril pro	ogram an	d are no	t considered as
individual items here.									2-0101212		5 700 EM	
Additional Justifications:	-2.1								_			A NAME OF THE OWNER OWNER OF THE OWNER
The magnitude of the value very important for this class availability of Little Falls due what is commonly referred plants, voltage regulating ne	s of assets. While the to aging equipment to as the ancilary se	ne purpose of this p nt and failures of the ervices from these	program is to sust nat equipment. The generating assets	ain our current level of his is being addressed in . This include installing	unit availability fo a separate proje blow down system	or thes ct requ ms to a	e plants, indivi- uest. Additiona allow for spinn	dually, we hally, efforts in ing reserves	ave bee will be m	n experier ade withi	ncing a de n this pro	cline in the gram to improve
Resources Requirements: (	request forms and o	approvals attached	)							77		
Internal Labor Availability: Contract Labor:	Low Probability  YES	☐ Medium Probability ☐ NO	☑ High Probability	Enterprise Tech: Facilities: Capital Tools: Fleet:	YES - attach form YES - attach form YES - attach form YES - attach form		NO or Not Requirence NO or No	red red				

## AWISTA

#### Capital Investment Business Case

Key Performand Expected Performa	ce Indicator(s)		
KPI Measure:	Availability		Prepared signature Slaw Count
1.58		#REF1	Director/Manager (
1.18		#REFI	
0.88	0 0 0 0 0 0 0 0		
	Typical Program Schedule	Plan	
0 0			
0 0			
0	2 4 6	8	10 12

Date

To be completed by Capital Planning Group
Rationale for decision

Review Cycles 2012-2016

Template

**Functional Group:** Generation / Production

**Business Case Name:** Spokane River License Implementation

ER No: ER Name:

6107 Spokane River Implementation (PM&E)

Approved Business Case Spend Amount 2013-2016 (\$000s - System): \$20,1871

### Transfer to Plant Amounts (\$000s - System):

Year	Total	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2013	1,860							3	2	1			1,854
2014	4,815			1,204			1,204			1,204			1,204
2015	462			116			116			116			116
2016	16,222												16,222

### **Business Case Description:**

The Spokane River Project capital projects fulfill FERC's license requirements related to wetlands, water quality, recreation, and land use improvements that will lead to improvements located at Nine Mile, and Lake Spokane (the Long Lake Dam reservoir). The water quality improvements and wetland acquisition and/or enhancements are mandatory conditions included in the License as part of the Washington and Idaho 401 Water Quality Certifications, whereas the recreation and land use projects are FERC's License requirements. This year we will continue modeling a number of potential total dissolved gas remedies for Long Lake Dam, and monitoring low dissolved oxygen (DO) in the tailrace below the dam to determine if the aeration equipment we installed in previous years will sufficiently meet the State's water quality standards. We are also installing additional aeration equipment in the Long Lake Powerhouse to further improve DO in the tailrace. We completed the channel modifications at Upper Falls last fall, which were approved by the Washington Department of Ecology. We will work to complete the required Nine Mile and Lake Spokane recreation projects during this year's construction season.

## Offsets:

<sup>&</sup>lt;sup>1</sup>The business case amount reflects approved capital expenditures for the years indicated and not transfers to plant.



## Capital Program Business Case

Investment Name: Requested Amount	Spokane River L \$2,902,000	_icense Impleme	entation	-	******							
Duration/Timeframe	- Free Company	Year Program		*******	ssments: ncial:	High - Exceeds	s 12	% CIRR				
Dept, Area:	Environmental	200		-	egic:	Other	- 11					
Owner:	Elvin "Speed" Fit	zhugh (Mgr), Bru	ce Howard (Dir)	0.0000000000000000000000000000000000000	ational:		quire	e execution to p	erfor	m at current	levels	
Sponsor:	Marian Durkin			Busin	ness Risk:	<b>ERM Reductio</b>						
Category:	Mandatory			Prog	ram Risk:	Moderate certa	ainty	y around cost, s	ched	ule and resc	ources	
Mandate/Reg. Reference:	THE RESERVE OF THE PARTY OF THE	2545-091		Asse	ssment Score:	174		Annual Cost	Sum	mary - Increa	se/(Decrease)	
Recommend Program De	scription:					Performance		Capital Cost	1	O&M Cost	Other Costs	Business Risk Score
Implementation of Protec License for Project 2545. through settlement agree	Includes items enforc					n/a	\$	2,902,000	\$		\$ -	8
										THE RESERVE OF THE PARTY OF THE	se/(Decrease)	
Alternatives: Alternative 1: Funded	The Federal Energy				William	Performance		Capital Cost 2,902,000		O&M Cost	Other Costs	Business Risk Score
	maintain the Spoka Avista shall operative must meet to r to the Federal Pow laws, including the Historic Preservatithrough specific lic Measures), relating recreation, educatiaddition, the Licen settlement agreem Coeur d'Alene Trib term of the license agreements with loagreements also in our requirements f monitoring require	e the Project and in etain our License. ver Act. It embodie Clean Water Act, I on Act, among oth ense articles (or Progresse on, cultural, and as eincorporates re- ment between Avist e, which includes so. A Avista entered in ocal and state agen include funding com for land management.	ncludes several hu Overall, the Licer es requirements o the Endangered Sy iers. These require rotection, Mitigat if resources, water esthetic resources quirements specificat, the Department specific funding re nto additional two cries, and the Spo mitments. The Li ent, dam safety, p	undrectors in its in it	I requirements ssued pursuant de range of other Act, the National s are expressed d Enhancement ty, e project. In 50-year terior and the nents over the settlement ribe; these also references afety and							
Alternative 2: Unfunded (PM&E)	We are subject to I Regulatory Commi- state agencies und those with whom we citizen lawsuits in a conditions are not costs, alternative in hydro facilities, or	ssions, independer er their delegated we entered settlem certain settings for funded, there is th nitigation costs, an	nt enforcement of authorities, and to nent agreements. non-compliance, ne potential for pend/or loss of opera	f certa hird-p We a If the enaltie ations	in measures by arty claims by re also subject to License s, extensive legal flexibility of the		\$		\$		from moderate to extreme	8
Program Cash Flows		L - I I				Associated Ers (I	list a					
5 years of costs	Capital Cost	O&M Cost	Other Costs		Approved	Current ER		6107			-	
Previou		\$ -	\$ -	\$	Approved							
201		\$ -	\$ -	\$	3,370,500							
201		\$ -	\$ -	\$	3,432,000							
	4 \$ 2,902,000	\$ -	\$ -	\$	2,902,000							
	5 \$ 11,262,000		\$ -	\$	11,262,000							
201			\$ -	-	2,591,000							
			\$ -	\$	529,000							
201		1.0	1.0	\$	574 000							
201				-								
	8 \$ 579,000	\$ -	\$ - \$ -	\$	579,000 23,557,500							



## **Capital Program Business Case**

				et, Nine Mile a	nd Long Lake HEDs.			
dditiona	al Justifications:							
Vashingt nterior (I	on Department o Federal Power Act	f Ecology (401 Certif	ication), conditions the Total Dissolved	filed May 4, 200 Gas Control and	7 by the US Forest Serv I Mitigation Program in	ice (Federal Pow	er ACt 4(e)), conditions file	cation), conditions issued on May 8, 2009 by the ed January 27, 2009 by the US Department of the the articles set forth in Form L-1, entitled "Terms and
Resource	s Requirements: (	request forms and a	pprovals attached)					
nternal L Contract	abor Availability: Labor:	Low Probability YES	☐ Medium Probability ☐ NO	High Probability	Enterprise Tech: Facilities: Capital Tools: Fleet:	YES - attach form YES - attach form YES - attach form YES - attach form	NO or Not Required  NO or Not Required	Check the appropriate box. The internal and contract labor boxes should be checked to indicate if the resource owners have been contacted and to provide a general sense of how likely staff will be provided (this does not require a firm committment).
ey Perfo	ormance Indicator	(s)						
xpected Pe	erformance Improver		ulatory Commission	(CEDC)	1			
r i wicos	ute.	Bureau of Indian At		(renc)				
			of Environmental Q tment of Ecology (W				- >	
4.5			071		Prepared	signature	-16	Jan J
1.2	_							
1 -								111 1
0.8	- Project FO	Rate					50001	AA
0.6	—— Poly. ()				Reviewed	signature	Fleth	rector/Manager
								1000
0.4							mil	treed
0.2			graph is to provide a KPI benefit. Providing		Other Party Review (if necessary)		Dir	rector/Manager
0		reco	mmended to help cor	mmunicate	(ii necessary)	,	/	ectormanager
	1 2	3 4 Wha	t the project is intend	ed to				
Capital I	Budget Projecti	2014	2015	2016	2017	7 2018	3	
Capital I	Hank Meghan	2014	10,896,000	2,203,000	196,000	221,000	Riverbank stabilization	
Capital I	Hank Meghan Daye	2014 1,465,000 200,000	10,896,000	2,203,000 75,000	196,000 75,000	221,000 75,000	Riverbank stabilization Wetlands - WA land purchase , ID St.	ice Property (401 settlement) and additional mitigation properties targeted for urchase of property or easement, as required by the Sookane River License. The
Capital I	Hank Meghan	2014	10,896,000	2,203,000	196,000 75,000 113,600	221,000 75,000 138,000	Riverbank stabilization Wetlands - WA land purchase , ID St. Fishery assumes alloted money for pi Recreation assuming agency budgets	
	Hank Meghan Daye Tim	2014 1,465,000 200,000 148,000 789,000 300,000	10,896,000 100,000 113,000 153,000	2,203,000 75,000 168,000 145,000	196,000 75,000 113,000	221,000 75,000 138,000 145,000	Riverbank stabilization Wetlands - WA land purchase , ID St. Fishery assumes alloted money for pi Recreation assuming agency budgets Huntington Park	urchase of property or easements, as required by the Spokane River License. The
Capital I	Hank Meghan Dave Tim Rene	2014 1,465,000 200,000 148,000 789,000	10,896,000 100,000 113,000	2,203,000 75,000 168,000	196,000 75,000 113,000	221,000 75,000 138,000 145,000	Riverbank stabilization Wetlands - WA land purchase , ID St. Fishery assumes alloted money for pi Recreation assuming agency budgets Huntington Park	urchase of property or easements, as required by the Spokane River License. The
	Hank Meghan Dave Tim Rene	2014 1,465,000 200,000 148,000 789,000 300,000	10,896,000 100,000 113,000 153,000	2,203,000 75,000 168,000 145,000	196,000 75,000 113,000	221,000 75,000 138,000 145,000	Riverbank stabilization Wetlands - WA land purchase , ID St. Fishery assumes alloted money for pi Recreation assuming agency budgets Huntington Park	urchase of property or easements, as required by the Spokane River License. The

Functional Group: Generation / Production

Business Case Name: Base Load Thermal Plant

ER No: ER Name:

4149 Base Load Thermal

Approved Business Case Spend Amount 2013-2016 (\$000s - System): \$14,1001

# Transfer to Plant Amounts (\$000s - System):

Year	Total	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2013	4,135						2	,568	433	259	-209	542	542
2014	2,200						2,200						
2015	2,200						2,200						
2016	2,205						2,205						

## **Business Case Description:**

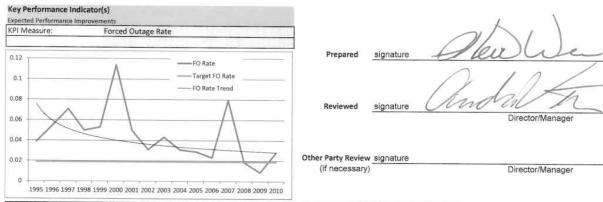
This program is necessary to sustain or improve the existing operating costs of Coyote Springs 2, Colstrip, and Kettle Falls. Work includes replacement of items identified through asset management decisions and programs necessary to maintain reliable and low operating costs of these plants. As this program proceeds, it is expected that forced outage rates and forced de-rates of these facilities will decrease to a level one standard deviation less than current average.

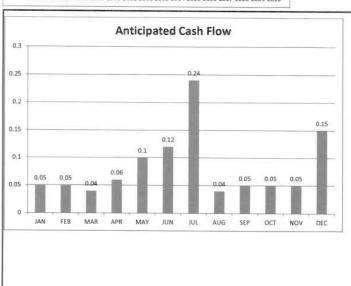
#### Offsets:

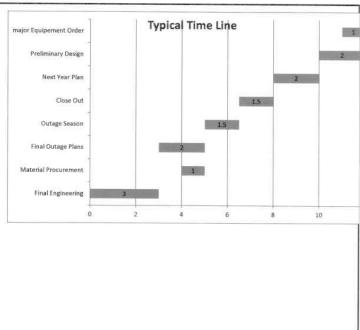
<sup>&</sup>lt;sup>1</sup>The business case amount reflects approved capital expenditures for the years indicated and not transfers to plant.

Investment Name:	Base Load The	rmal Plant							
Requested Amount	\$6,500,000			Assessments:					
Duration/Timeframe	ongoing	Year Program		Financial:	High - Exceed	Is 12% CIRR			
Dept, Area:	GPSS / Power S	Supply		Strategic:	Generating Fle	eet Moderization			
Owner:	Andy Vickers			Operational:	Operations rec	quire execution to	perform at current	levels	
Sponsor:	Jason Thackston	n		Business Risk:		on >5 and <= 10			
Category:	Program			Program Risk:	High certainty	around cost, sche	dule and resource	es	E C. S. A.
Mandate/Reg. Reference:	n/a			Assessment Score:	94	The second secon	t Summary - Increa	The second secon	
Recommend Program Des	cription:								Action Control of the Control
This program is necessary t	THE PERSON NAMED IN COLUMN	o the substine succ	ntles esste of the		Performance	Capital Cost	O&M Cost	Other Costs	Business Risk Score
generating stations. This p Work includes replacemen necessary to maintain relia expected that forced outag standard deviation less tha	rogram is specificall t of items identified ble and low operati te rates and forced i	ly for Coyote Spring through asset mar ng costs of these p derates of these fac	gs 2, Gelsstrip, Kei nagement decision lants. As this pro- cilities will decrea	ttle Falls, and Lancaster ns and programs gram proceeds, it is se to a level one	This will improve the forced outage rate for these plants by an overall 0.1%	\$ 2,200,000	\$	\$	8
Altographics							t Summary - Increa		
Alternatives:	F				Performance	Capital Cost	O&M Cost	Other Costs	Business Risk Score
Status Quo :	over time. These	degrades have bee	n offset with worl	ormance has degraded k that is included in a ependent of the other,	n/a	\$	\$ -	\$ -	15
Alternative 1: Brief name of alternative (if applicable)	The program can be the Goal	pe reduced in amou	unt and effectiver	ess in accomplishing	current trend would be reduced.	\$ 5,500,000	\$ -	\$ -	10
Alternative 2: Brief name of alternative (if applicable)	Describe other opt	tions that were con	sidered		describe any incremental changes in operations	S	\$ -	\$ -	0
Alternative 3 Name: Brief name of alternative (if applicable)	Describe other opt	tions that were con	sidered		describe any incremental changes in operations	S -	\$ -	s -	0
Program Cash Flows					Associated Ers (	list all applicable):			
2012-2016					Current ER	4148			
	Capital Cost	O&M Cost	Other Costs	Approved					
Previous	\$ 6,520,910	\$ -	\$ -	\$ 6,520,910					
2012	\$ 6,500,000	\$ -	\$ -	\$ 6,877,000				THE RESERVE OF THE PERSON NAMED IN COLUMN TWO IS NOT THE PERSON NAMED IN COLUMN TWO IS NAME	
2013	\$ 6,500,000	\$ -	\$ -	\$ 7,500,000					
2014	\$ 6,500,000	\$ -	\$ -	\$ 2,200,000					
2015	0.000		\$ -	\$ 2,200,000					
2016			-						
2017		The state of the s	-	\$ 2,200,000					
			\$ -	\$ 2,200,000					
2018			\$ -	\$ 2,200,000	i l				
Future			\$ -	\$ -					
Total	\$ 58,520,910	\$ -	\$ -	\$ 31,897,910					
Mandate Excerpt (if application									
Within the program there met. These mandates ar	are a number of re included within	regulatory manda the amount listed	ites for air emiss l above.	sions and monitoring	that must be cor	mplied with. In add	lition there numer	rous NERC require	ments that must be
Additional Justifications:									
As these plants degrade, we shareholders in a particular	e expose ourselves t year.	o an increasing for	ced outage rates	and must acquire repla	cement energy an	d capacity from the	market. This can le	ave use with signific	ant exposure for
Resources Requirements: (	request forms and a	approvals attached							
Internal Labor Availability: Contract Labor:	Low Probability YES	☐ Medium Probability ☐ NO	☑ High Probability	Enterprise Tech: Facilities: Capital Tools: Fleet:	YES - attach form YES - attach form YES - attach form YES - attach form	✓ NO or Not Requ ✓ NO or Not Requ ✓ NO or Not Requ ✓ NO or Not Requ	ired ired		









npleted by Capital Planning Group ale for decision		Review Cycles 2012-2016
	Date	Template

**Functional Group:** Generation / Production

**Business Case Name:** Peaking Generation

ER No: ER Name:

4150 Peaking Generation

Approved Business Case Spend Amount 2013-2016 (\$000s - System): \$2,1201

# Transfer to Plant Amounts (\$000s - System):

Year	Total	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2013	1,000							420	16	64			500
2014	500						500						
2015	500						500						
2016	500						500						

### **Business Case Description:**

This program is to cover the capital maintenance expenditures required to keep the gas fired peaking units (Boulder Park, Rathdrum and Northeast Combustion Turbine) operating at or above their current performance. The program will focus on maximizing ability of these units to start and run when demanded (starting reliability).

#### Offsets:

<sup>&</sup>lt;sup>1</sup>The business case amount reflects approved capital expenditures for the years indicated and not transfers to plant.

Investment Name:	Peaking Genera	tion		]						
Requested Amount	\$500,000			Assessments:			1000000			
Duration/Timeframe		Year Program		Financial:		High - Exceed				
Dept, Area:	GPSS			Strategic:		Reliability & Ca				
Owner:	Andy Vickers		-	Operational:			quire execution to		t levels	
Sponsor:	Jason Thackstor Program		-	Business Risk:			Reduction >5 and			
Category:				Program Risk:			around cost, sche			
Mandate/Reg. Reference: Recommend Program Desc				Assessment So	core:	94	100000000000000000000000000000000000000	st Summary - Increa		
		44				Performance	Capital Cost	O&M Cost	Other Costs	usiness Risk Risk Sco
This program is to cover the units operating at or above these units to start and run	their current perfor	rmance. The progr	am will focus on	maximizing abili	ity of	By expending these funds, the start reliability for these assets will be improved.	\$ 500,000		\$ -	0
Alternatives:								st Summary - Increa		
	B	Part 1		7		Performance	Capital Cost	O&M Cost	Other Costs	usiness Risk Risk Sco
Status Quo:	Presently, there is not been used extent that effort.	very little invested ensively. The over				n/a	\$	\$	\$	0
Alternative 1: Brief name of alternative (if applicable)	Describe other opt	ions that were con	sidered			describe any incremental changes in operations	\$ -	\$ -	\$	0
Alternative 2: Brief name of alternative (if applicable)	Describe other opt	ribe other options that were considered ribe other options that were considered					\$ -	\$ -	\$ -	0
Alternative 3 Name: Brief name of alternative (if applicable)	Describe other options that were considered					operations describe any incremental changes in operations	\$	\$ -	\$ -	0
Program Cash Flows						Associated Ers (	(list all applicable):			ALMA TIME
2012-2016			Table Vision Control	A 1987 1989		4002				
Description of the contract of	Capital Cost	O&M Cost	Other Costs	Approve		4107				
Previous 2012	\$ 10,000		\$ -		10,000	4118				
2012			\$ -	10.70	000,000	4113				
2013			\$ -		520,000		Anticir	ated Annual	Cach Flow	
2014			\$ -		500,000		Anticip	ateu Annuai	Cash Flow	
			\$ -		000,000		3			
2016			\$ -		000,000	\$600,000	0			
2017			\$ -		500,000	\$400,000	0			
2018			\$ -	\$		\$200,000	0			
Future	The state of the s		\$ -	\$		\$-				
Total	\$ 4,010,000	\$ -	\$ -	\$ 3,1	130,000	3-	2012 2013	2014 2015	2016 2017	2018
Mandate Excerpt (if applica	able):				1					
Within this program, then individual items here.		and NERC mand	dated items that	are included.	These a	are expected to	be managed as	part of the overll p	program and are no	t considered as
Additional Justifications:	1.010,187.00									
With wind and other renew market. Also, the analysis u energy can exceed \$500/M	sed currently does	not contemplate th	ne emergency res	erve power valu	ie of thes	e units. There a	re times when ener	gy is unavailable fro	may not be reflected om other sources and	with this new I the spot price of
Resources Requirements: (	request forms and o	pprovals attached)	)							
Internal Labor Availability: Contract Labor:	Low Probability  YES	Medium Probability	High Probability	Enterprise Tec Facilities: Capital Tools: Fleet:	10007	YES - attach form YES - attach form YES - attach form YES - attach form	NO or Not Rec ✓ NO or Not Rec ✓ NO or Not Rec	guired guired		

AVISTA

ey Performance Indicator(s)	10		
pected Performance Improvements PI Measure: Unit Starts			~ \ /
Unit Availability			
	Prepared	signature	- Clew West
No Data is currently available for these	Reviewed	signature	(Inda//A
measures.	Reviewed	signature	Director/Manager
	Other Party Review	v signature	
	(if necessary	)	Director/Manager
This space is to be used for photographs, charts	s, or other data that ma	y be useful in	evaulating the Program
WOOD DOWN AS A P. W. W. P.			
be completed by Capital Planning Group Rationale for decision			
nationale for decision			Review Cycles 2012-2016
		Manife 2	2012-2010
		Date	Template
		- Contract	
		I COLUMN	

**Functional Group:** Generation / Production

Business Case Name: Post Falls Intake Gate Replacement

ER No: ER Name:

4153 Post Falls Intake Gate Replacement

Approved Business Case Spend Amount 2013-2016 (\$000s - System): \$9001

Transfer to Plant Amounts (\$000s - System):

Year	Total	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2013	1							1					
2014													
2015													
2016													

#### **Business Case Description:**

This project is to replace the existing wooden timbered head gates with new steel gates, and to modify the structure to include a hoist system. Provisions for the gates will be made to pull the gates out for easy maintenance purposes. This work also includes installation of new controls and appropriate emergency power systems. The work plan is to design and begin gate fabrication in year 1 and construction in year 2.

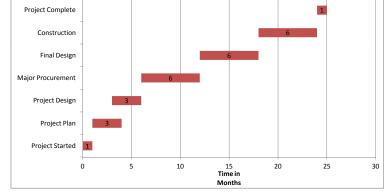
#### Offsets:

<sup>&</sup>lt;sup>1</sup>The business case amount reflects approved capital expenditures for the years indicated and not transfers to plant.



Investment Name:	Post Falls Intake Gate Replacement (Revised)	]							
Requested Amount	\$2,200,000	Assessments:							
Duration/Timeframe	1 Year Project	Financial:	Medium - >= 5	% & <	<9% CIRR				
Dept, Area:	GPSS	Strategic:	Generating Fle	et Mo	oderization				
Owner:	Carlberg	Operational:	Operations imp			ent l	levels		
Sponsor:	Storro	Business Risk:	ERM Reduction						
Category:	Mandatory	Project/Program Risk:		_	nd cost, sched	ule a	and resources		
Mandate/Reg. Reference:	CFR Title 18, Chapter I, Subchapter B, Part 12	Assessment Score:	165		Cost Sun	nma	ry - Increase/(D	ecrease)	
Recommend Project Descri	ption:		Performance	c	Capital Cost		O&M Cost	Other Costs	Business Risk Score
This project is to replace th	e existing wooden timbered head gates with new steel g	ates and to modify the	Operator safety	\$	2,200,000	\$	(50,000)	\$ -	2
structure to include a hoist	system. Provisions for the gates will be made to pull the	gates out for easy	will be greatly						
maintenance purposes. Th	is work is to also include installation of new controls and	appropriate	improved.						
emergency power systems.	The work plan is to design and begin gate fabrication in	year 1 and							
construction in year 2.									
					Cook Cook		ry - Increase/(D		
Alternatives:			Performance		Capital Cost	IIIIIa	O&M Cost	Other Costs	Business Risk Score
Status Quo:	The current gate system uses timbers as the main gate	ctructure which have	n/a	Ś	apitai Cost	Ś	50,000		16
Status Quo .	been in use for decades and their integrity is suspect. F		11/ d	Ş	-	Ş	30,000	Ş -	10
	not seal very well and extensive maintenance is necessary								
	Thot sear very well and extensive maintenance is necesse	ary.							
Alternative 1: Brief name	There were several gate system evaluated, and there are	ra lace avnanciva firet	other gate	\$	1,800,000	\$	50,000	\$ -	2
of alternative (if	cost options. Howeveer, the maintenance costs for the		options would	ې	1,800,000	٦	30,000	, -	2
applicable)	greater, putting pressure on other options.	se other options is far	perform						
иррпсиые)	greater, putting pressure on other options.		similarly						
Alternative 2: Brief name	Describe other options that were considered		describe any	\$		Ś		\$ -	0
	Describe other options that were considered		incremental	Þ	-	Þ	-	\$ -	U
of alternative (if applicable)			changes in						
арріїсавіе)			operations						
			operations						
				_		4		_	
Alternative 3 Name : Brief	Describe other options that were considered		describe any	\$	-	\$	-	\$ -	0
name of alternative (if	Describe other options that were considered		incremental	\$	-	\$	-	\$ -	0
	Describe other options that were considered			\$	-	\$	-	\$ -	0

#### Timeline Construction Cash Flows (CWIP)



	Capital Cost	O&M Cost	Other Costs	Approved
Previous	\$ 900,000	\$ -	\$ -	\$ 379,055
2012	\$ 2,200,000	\$ -	\$ -	\$ 2,200,000
2013	\$	\$ -	\$	\$ 900,000
2014	\$ -	\$ -	\$ -	\$ -
2015	\$	\$ -	\$	\$ -
2016	\$ 1	\$ -	\$ -	\$ -
2017	\$	\$ -	\$	\$ -
2018	\$ -	\$ -	\$ -	\$ -
Future	\$ 1	\$ -	\$ -	\$ -
Total	\$ 3,100,000	\$ -	\$ -	\$ 3,479,055

# Milestones (high level targets)

November-10 Project Started
April-11 Project Plan
June-11 Project Design
November-11 Major Procurement
July-12 Construction Start

December-12 Project Complete

Associated Ers (list all applicable):	4153									
Mandate Excerpt (if applicable):	CFR 18.I.B.Part 12; 2007 FERC Inspection Report, July 10, 2007 Letter to FERC with Plant and Schedule; 2011 FERC Inspection Report and									
	Part 12 Report R	ecommendation	and August 13, 2012	letter to FERC	requesting extens	ion				

Additional Justifications:



Resources Requirements:	(request forms and	approvals attached)					
Internal Labor Availability: Contract Labor:  Key Performance Indicator	√YES	☐ Medium Probability ☐ NO	✓ High Probablity	Enterprise Tech: Facilities: Capital Tools: Fleet:	YES - attach form YES - attach form YES - attach form YES - attach form	✓ NO or Not Required	Check the appropriate box. The internal and contract labor boxes should be checked to indicate if the resource owners have been contacted and to provide a general sense of how likely staff will be provided (this does not require a firm
Expected Performance Improve	ments						committment).
KPI Measure:							
				Prepared	signature		
Estima	ted Project C	Cash Flow					
250000							
200000				Reviewed	signature		
				Revieweu	Signature	Director	/Manager
150000							
100000		_					
50000	ш			Other Party Review		Discotor	Managan
				(if necessary)	1	Director	/Manager
Jan Feb Mar	Apr May Jun Jul	Aug Sep Oct Nov	Dec				
							1
1							
1							
To be completed by Ca	pital Planning G	roup					
Rationale for decision					-		v Cycles 2-2016
					Date		Template

**Functional Group:** Generation / Production

**Business Case Name:** Coyote Springs Long-Term Service Agreement ("LTSA")

ER No: ER Name:

4143 CS2 LTSA Cash Accrual

Approved Business Case Spend Amount 2013-2016 (\$000s - System): \$3,1211

Transfer to Plant Amounts (\$000s - System):

Year	Total	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2013	179												179
2014													
2015													
2016													

# **Business Case Description:**

This program is to cover the capital accruals required to execute our LTSA with General Electric for Coyote Springs Unit 2. This is the same as the current LTSA item. This program will have fluctuations in expenditure to account for the variable operating hours and operating conditions that feed into the LTSA formula.

#### Offsets:

<sup>&</sup>lt;sup>1</sup>The business case amount reflects approved capital expenditures for the years indicated and not transfers to plant.



Investment Name:	Coyote Springs I	LTSA		]												
Requested Amount Duration/Timeframe	\$650,000 5+	Year Program		6000000	ssments: ncial:	High - Exceeds 12% CIRR										
Dept, Area:	Power Supply	real Flogram		- C-C-C-C-C-C-C-C-C-C-C-C-C-C-C-C-C-C-C	tegic:	Life Cycle Programs										
Owner:	Thomas Dempse	V/Scott Kinney		-	rational:		ons require execution to perform at current levels									
Sponsor:	Jason Thackston	yrooda rannoy		-	ness Risk:	ERM Reduction		- TOTAL								
Category:	Program			-	ram Risk:	High certainty around cost, schedule and resources										
Mandate/Reg. Reference:				1000000	ssment Score:	89		Annual Cost	# A COLUMN TO THE REAL PROPERTY OF THE PARTY	se)						
Recommend Program Desc				133		Performance	113	Capital Cost		M Cost		Costs	Business Risk Score			
This program is to cover the		uired to execute or	ir LTSA with GE f	or Cov	vote Springs Unit	This program	\$	650,000	\$		\$	-	10			
<ol><li>This is the same as the covariable operating hours an</li></ol>	urrent LTSA item. Th	nis program will hav	e fluctuations to		2000	assures best response times to outages and forced outages										
						T		Annual Cost								
Alternatives:	I					Performance	-	Capital Cost	-	M Cost	-	Costs	Business Risk Score			
Status Qua :	This is a contract w to maintain the Fra Coyote Springs Unit	me 7EA gas turbine	. This is the maj			n/a	\$	650,000	\$		\$		15			
Alternative 1: Brief name of alternative (if applicable)	e none					n/a	\$	3	\$	(#)	\$	190	0			
Alternative 2: Brief name of alternative (if applicable)	Describe other opti		describe any incremental changes in operations	\$		\$		\$	•)	0						
Alternative 3 Name: Brief name of alternative (if applicable)	Describe other opti		describe any incremental changes in operations	\$	3	\$		S	•	0						
Program Cash Flows 2012-2016						Associated Ers (	list	all applicable):	65613	No.	CONTRACTOR OF THE PARTY OF THE	15(3)				
2012-2010	Capital Cost	O&M Cost	Other Costs		Approved	4140										
Previous		\$ -	\$ -	\$	10,000											
2012	\$ 1,232,735	\$ -	\$ -	\$	2,231,043											
2013	\$ 998,299	\$ -	\$ -	\$	1,000,000			Zelstviller Ch	-montrale res		-12-11-11-11-11-11-11-11-11-11-11-11-11-					
2014	\$ 649,943	\$ -	\$ -	\$	711,000			Estim	ated L	TSA Ca	sh Flow	/S				
2015	\$ 644,712	\$ -	\$ -	\$	707,000											
2016	\$ 639,324	\$ -	\$ -	\$	703,000	\$1,500,000	Y									
2017	\$ 633,775	\$ -	\$ -	\$	700,000											
2018	\$ 628,058	\$ -	\$ -	\$	700,000	\$1,000,000	1		-		enth.	-	and the same of th			
Future	\$ 2,451,565	\$ -	\$ -	\$		\$500,000	1				- 111	- 81				
Total	\$ 7,888,412	\$ -	\$ -	\$	6,762,043		Ţ				_					
						Ş-	1	2012 2013	2014	2015	2016	2017	2018			
Mandate Excerpt (if applic n/a	able):															
Additional Justifications: This LTSA is a contractual a	greement between A	Avista and GE.				TERROPOLICA I										
Resources Requirements:	request forms and a	pprovals attached)		you.		an silver		de state	KELON							
Internal Labor Availability: Contract Labor:	Low Probability YES	Medium Probability NO	High Probability	Faci	erprise Tech: lities: ital Tools: et:	YES - attach form YES - attach form YES - attach form YES - attach form		✓ NO or Not Req ✓ NO or Not Req ✓ NO or Not Req ✓ NO or Not Req	uired uired							

### Capital Investment Business Case

ATVISTA					
Key Performance Indicator(s)  Expected Performance Improvements  KPI Measure: Unit Availability	Prepared	signature	The	Lu C. Do	Dry 12/2/13
	Reviewed	signature	Brott	Director/Manager	Dry 12/2/13
	Other Party Review			Director/Manager	
					^
To be completed by Capital Planning Group Rationale for decision				Review Cycles	
		Date		2012-2016 Template	

**Functional Group:** Generation / Production

Business Case Name: Rathdrum Combustion Turbine - Replace Mark V Controller

ER No: ER Name:

4154 Rathdrum CT Upgrade Unit 1 to Mark VI Controller

Approved Business Case Spend Amount 2013-2016 (\$000s - System): \$5001

Transfer to Plant Amounts (\$000s - System):

Year	Total	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2013	45							1	42		1		
2014													
2015													
2016													

#### **Business Case Description:**

In 2007, the Mark V controller on Unit 2 failed catastrophically, taking the unit out of service for several months. A new Mark VI controller was installed in its place. This project is to replace the Mark V controller in Unit 1 with a Mark VI controller to match Unit 1. The Mark V technology is at the end of its life and is minimally supported by the original equipment manufacturer. In addition, some features make the Mark VI a better solution for our operations.

#### Offsets:

There are no anticipated offsets with this business case.

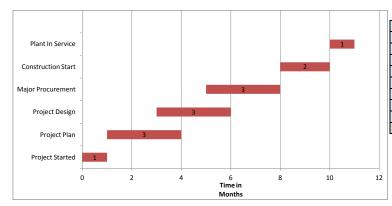
<sup>&</sup>lt;sup>1</sup>The business case amount reflects approved capital expenditures for the years indicated and not transfers to plant.

#### **Capital Investment Business Case**



Investment Name:	Rathdrum CT Replace Mark V Controller (Revise										
Requested Amount	\$918,000	Assessments:									
Duration/Timeframe	1 Year Project	Financial:	MH - >= 9% &	<12% C	IRR						
Dept, Area:	GPSS	Strategic:	Reliability & Ca	pacity							
Owner:	Tim Carlberg	Operational:	Operations improved beyond current levels								
Sponsor:	Dick Storro	Business Risk:	ERM Reduction								
Category:	Project	Project/Program Risk:			cost, sched	ule and re	sources				
,	n/a	Assessment Score:	105		Cost Sur	nmary - In	crease/([	Decrease	)		
Recommend Project Descri	iption:		Performance	Сар	ital Cost	0&M	Cost	Oth	er Costs	<b>Business Risk Score</b>	
In 2007, the Mark V control	ller on Unit 2 failed catastrophically, taking the unit out o	of service for several	OEM future	\$	918,000	\$	-	\$	-	2	
months. A new Mark VI co	ntrroller was installed in its place. This project is to repla	ace the old Mark V	support for								
controller in Unit 1 with a N	Mark VI controller to match Unit 1. The Mark V technolog	gy is at the end of its	controller								
life and is minimally suppor	ted by the OEM. In addition, there are some features th	at make the Mark VI a	software and								
better solution for our oprations. hardware											
				Cost Sur	nmary - In	crease/([	Decrease	)			
Alternatives:			Performance	Сар	ital Cost	0&M	Cost	Oth	er Costs	<b>Business Risk Score</b>	
Status Quo :	The existing Mark V controller continues to be function	n/a	\$	-	\$	-	\$	-	12		
	technology is dated. Due to a catastrophic failure four	, ,									
	controller was replaced in Unit 2. We currently have a	mis-matched									
	controller set for these turbines										
Alternative 1: Brief name	Another option that will be pursued is to install a Mark	Vie retrofit system.	OEM future	\$	500,000	\$	-	\$	-	2	
of alternative (if	This may provide the same functionality of the planned	Mark VI, but could be	support for								
applicable)	less expensive. We will work with GE to further evaluat	to this options									
		te tilis options	controller								
		te this options	controller software and								
Alternative 2: Brief name	Describe other options that were considered	te tilis options		\$	-	\$		\$	-	0	
Alternative 2: Brief name of alternative (if		te this options	software and	\$	-	\$	-	\$	-	0	
		te this options	software and describe any	\$	-	\$	-	\$	-	0	
of alternative (if		te tills options	software and describe any incremental	\$	-	\$	-	\$	-	0	
of alternative (if applicable)		te uns options	software and describe any incremental changes in	\$	-	\$	-	\$	-	0	
of alternative (if applicable)	Describe other options that were considered	te uns opuons	software and describe any incremental changes in operations	Ť	-	Ť	-	,	-		
of alternative (if applicable)  Alternative 3 Name: Brief	Describe other options that were considered	te uns opuons	software and describe any incremental changes in operations describe any	Ť	-	Ť	-	,	-		

#### Timeline Construction Cash Flows (CWIP)



	Capital Cost	O&M Cost	Other Costs	Approved
Previous	\$ -	\$ -	\$ -	\$ -
2012	\$ 10,000	\$ -	\$ -	\$ 918,000
2013	\$ 908,000	\$ -	\$ -	\$ 500,000
2014	\$ -	\$ -	\$ -	\$ -
2015	\$ -	\$ -	\$ -	\$ -
2016	\$ -	\$ -	\$ -	\$ -
2017	\$ -	\$ -	\$ -	\$ -
2018	\$ -	\$ -	\$ -	\$ -
Future	\$ -	\$ -	\$ -	\$ -
Total	\$ 918,000	\$ -	\$ -	\$ 1,418,000

### Milestones (high level targets)

November-12 **Project Started** December-12 Project Plan February-13 Project Design March-13 Major Procurement June-13 Construction Start

July-13 Plant In Service

Associated Ers (list all applicable): 4154 Mandate Excerpt (if applicable): n/a

### Additional Justifications:

A modest operational issue we currently face is that we have two different types of control systems for the same plant. This has some implications for spare parts and even maintenance issuesd on a limited basis. The technoology of the Mark V is now being phased out by GE, and being replaced with the Mark VI control. Completing this project will assure a higher availability over the long term for Unit 1 and provide some marginal improvement for the operations and maintenance of the plant.

### **Capital Investment Business Case**



Resources Requirements:	(request forms and	approvals attached)						
Internal Labor Availability: Contract Labor:	Low Probability  YES	☐ Medium Probability ☐ NO	✓ High Probablity	Enterprise Tech: Facilities: Capital Tools: Fleet:	YES - attach form YES - attach form YES - attach form YES - attach form	✓ NO or Not Required		
Key Performance Indicator Expected Performance Improve								
KPI Measure:	Unit Avialability							
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0	Year							
Faliu	nated Projec	t Cook Flour						
0.3	nateu Projec	t Casii Flow					ring resources, this project was me initial investigation was performed	
0.25				in early	2012 and final scop	be of work is not yet firm.		
0.2								
0.15								
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0.05		ш_						
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Jan Feb Mar	Apr May Jun	Jul Aug Sep Od	t Nov Dec					
To be completed by Ca Rationale for decision	pital Planning G	roup			T		Review Cycles	
Nationale for decision							2012-2016	
					Date		Template	

**Functional Group:** Generation / Production

**Business Case Name:** Long Lake Replace Field Windings

ER No: ER Name:

4169 Long Lake HED Replace Field Windings

Approved Business Case Spend Amount 2013-2016 (\$000s - System): \$3,4001

#### Transfer to Plant Amounts (\$000s - System):

Year	Total	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2013													
2014	800												800
2015	2,430												2,430
2016	170		170										

#### **Business Case Description:**

Long Lake Replace Generator Field Windings - over the past 10 years, we have observed a continuing decline in the insulation level on the generators at Long Lake. This decline is measured using Megger test instruments. We have experienced an increasing amount of forced outages and down time due to the poor condition of these units. We had planned to address this as part of the Long Lake redevelopment project however, that was delayed due to problems at Little Falls. It is the opinion of engineering that the generators at Long Lake will not run reliably for the six years or more to when this would be address as part of that project.

#### Offsets:

There are no anticipated offsets with this business case.

<sup>&</sup>lt;sup>1</sup>The business case amount reflects approved capital expenditures for the years indicated and not transfers to plant.

Investment Name:	LLRepl Field Wi	ndas							
Requested Amount	\$3,400,000	-5-		Assessments:					
Duration/Timeframe	no. years	3		Financial:	9.62%				
Dept, Area:	GPSS			Strategic:	Reliability & C				
Owner: Sponsor:	Andy Vickers Jason Thackstor			Business Risk:		Reduction >5 an			
Category:	Project			Project Risk:	High certainty	around cost, sch	edule and resource	9	The Country of the Co
Mandate/Reg. Reference:				Assessment Score:	99	A second Co		//n	1
Recommend Project Descr				prosessinent score.	Performance	NI SON SALES	st Summary - Increas		
Long Lake Replace Generat decline in the insulation lev instruments. We have expi poor condition of these uni project however that was of generators at Long Lake wil part of that project.	vel on the generator erienced an increasi its. We had planned delayed due to probl	s at Long Lake. Thi ng amount of force to address this as ems at Little Falls.	s decline is meas d outages and do part of the Long It is the opinion	ured using Megger test own time due to the Lake redevelopment of engineering that the	This would reduced plant forced outages			Other Costs \$	Business Risk Scor
Alternatives:					Performance	Capital Cost	st Summary - Increas O&M Cost		n i n ni i n
Unfunded Project:		try to keep the uni to degrade in insu	ts on line. Megg lation levels. The	enerally increase as ou er readings indicate e costs represent tages.		\$	\$ 265,000	\$ 1,152,000	Business Risk Scor 12
Alternative 1: Brief name of alternative (if applicable)	Replace one or two allow the work to g budget impacts. The	sets of field poles get done more quic ne incremental cos	rather than rewi kly and reduce se t is reflective of o	nd them. This would econd and third year	describe any incremental changes in operations	\$ 3,700,000	\$	\$ -	2
Alternative 2: Brief name of alternative (if applicable)	Describe other opt				describe any incremental changes in operations	\$	\$ -	\$	0
Alternative 3 Name: Brief name of alternative (if applicable)	Describe other opti	ions that were con	sidered		describe any incremental changes in operations	\$	\$ -	\$	0
Program Cash Flows	Capital Cost	O&M Cost	Other Costs	Approved		[a			
Previous		\$ -	\$ -	S -		Associated Ers (lis	t all applicable):		
2013	\$ -	\$ -	\$ -	\$ -					
2014		\$ 50,000	\$ -	\$ 1,572,000	0				
2015		\$ 50,000	\$ -	\$ 1,658,000	0				
2016		\$ -	\$ -	\$ 170,000	)	M			
2017+ Total	PARTY NAMED IN COLUMN TWO IS NOT THE OWNER.	\$ - \$ 100,000	\$ -	\$ 3,400,000	0				
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July-14 October-14 October-14 December-14 July-15	Contracts in Place 1st Unit Started 1st Unit Complete 2nd Unit Started 2nd Unit Complete 3rd Unit Started	d	October-15 October-15 December-15 March-16 January-00 January-00	3rd Unit Completed 4th Unit Started 4th Unit Completed Project Complete open open		January-00 January-00 January-00 January-00 January-00	open open open open open open	Use your judg	ould be general. ement on project at progress can
desources Requirements: (r internal Labor Availability: contract Labor:	☑ Low Probability	pprovals attached)  Medium Probability  NO	High Probability			NO or Not Required			or Not Required or Not Required



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Director/Manager
Other Party Review signature
(if necessary) Director/Manager

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	Date	Template

**Functional Group:** Generation / Production

**Business Case Name:** Noxon Spare Coils

ER No: ER Name:

4166 Noxon Rapids HED Spare Coils

Approved Business Case Spend Amount 2013-2016 (\$000s - System): \$1,3501

Transfer to Plant Amounts (\$000s - System):

Year	Total	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2013													
2014	1,350									1,350			
2015													
2016													

#### **Business Case Description:**

This project is to replace the spare coils that were used last spring to repair the stator winding that failed for Unit 4. This item will procure 100 spare coils. These spares cover Units 1 through 4 (Unit 5 is different). Because we had spares on hand, we were able to return Unit 4 to normal service within 11 weeks. Without these spares, the unit would have been out for 9 months or more. Prices for coils supplied under emergency conditions would likely carry a 30% premium. This project does not include any installation, only replacing stock that we had previously.

#### Offsets:

There are no anticipated offsets with this business case.

<sup>&</sup>lt;sup>1</sup>The business case amount reflects approved capital expenditures for the years indicated and not transfers to plant.

Investment Name:	Noxon Spare Co	oils									
Requested Amount	<b>Estimated Total</b>	Capital Expend	iture	Assessmen	ts:						
Duration/Timeframe		Year Project		Financial:		8.54%					
Dept, Area:	GPSS			Strategic:		Reliability & C	apad	city			
Owner:	Andy Vickers			Business Ris	sk:	<b>Business Risk</b>	Rec	duction >0 and	<= 5		
Sponsor:	Jason Thackston	1		Project Risk	12	High certainty	arou	und cost, sched	fule and resource	S	
Category:	Project										
	n/a			Assessment	Score:	88	В	Annual Cost	Summary - Increas	se/(Decrease)	1
Recommend Project Descr	iption:					Performance		Capital Cost	O&M Cost	Other Costs	Business Risk Score
This project is to replace th for Unit 4. This item will pr different). Because we had weeks. Without these spar supplied under emergency any installation, only replace	ocure 100 spare coi spares on hand, we es, the unit would h condtions would lik	ls. These spares co were able to return wave been out for 9 ely carry a 30% pre	over Units 1 throu on Unit 4 to norm months or more	igh 4 (Unit 5 is al serivce with Prices for co	s hin 11 oils	describe any incremental changes that this Project would benefit present operations	\$	1,350,000	\$ -	\$	3
Alternatives:			FOR III			Performance			Summary - Increas		B 1 - B1 1 C
Unfunded Project:	Should we not hav significanly longer (30% premium).				her cost	n/a	\$	2,100,000	O&M Cost \$	Other Costs \$ 165,484	Business Risk Score 4
Alternative 1: Brief name of alternative (if applicable)	Describe other opt	ions that were con	sidered			describe any incremental changes in operations	\$	***************************************	\$ -	\$ -	3
Alternative 2: Brief name of alternative (if applicable)	Describe other opt	ions that were con	sidered			describe any incremental changes in operations	\$	1 1 1	\$ -	s -	0
Alternative 3 Name: Brief name of alternative (if applicable)	Describe other opt	ions that were con	sidered			describe any incremental changes in operations	\$		\$ -	\$ -	0
Program Cash Flows											
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Previous		\$ -	\$ -	\$	-	1	1.00	ocioted era (nat	оп аррисамеј.		
2013		\$ -	s -	\$	102	1	-				
2014		\$ -	\$ -	-	1,350,000	1					
2015		\$ -	\$ -	\$							
2016			-		*	-	-	16 6 1			
		\$ -	\$ -	\$	-						
2017+ Total	NAME OF TAXABLE PARTY.	\$ -	\$ -	\$ 1	1,350,000						
ER	2013	2014	2015	201	16	2017+		Tatal	lee	74 P LI-V	
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0	\$ -	\$ -	\$ -	\$		\$ -	\$		coils in order to ha	ve an adequate supp	ly in case of multi
0	\$ -	\$ -	\$ -	\$		\$ -	\$		coil falures. We ha	d a single point failu	e and consumed
0	\$ -	\$ -	\$ -	\$	-	\$ -	\$			t was estimated that	
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Total	\$ -	\$ 1,350,000	\$ -	\$	-	\$ -	\$	1,350,000			
Milestones (high level t September-14 January-00 January-00 January-00 January-00	Spare Coils Rece open open open open open	sived	January-00 January-00 January-00 January-00 January-00	open open open open open				January-00 January-00 January-00 January-00 January-00	open open open open open	Use your judg	ould be general. ement on project at progress can
Resources Requirements: (	request forms and a Low Probability YES	pprovals attached)  Medium Probability  NO	January-00	enterprise T Facilities:	10000		☑ NO (	January-00 or Not Required or Not Required	Capital Tools:		



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**Functional Group:** Generation / Production

**Business Case Name:** Coyote Springs 2 Replace Inlet Air Filter System

ER No: ER Name:

4167 CS2 Inlet Air System

Approved Business Case Spend Amount 2013-2016 (\$000s - System): \$510<sup>1</sup>

#### Transfer to Plant Amounts (\$000s - System):

Year	Total	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2013													
2014	500						500						
2015													
2016													

#### **Business Case Description:**

Coyote Springs 2 Replace Inlet Air Filter System. This project would replace the present air filters with a new system that is more effective at particulate removal than the current system. Cursory studies indicate that these new filters would reduce the number of water wash's required to maintain unrestricted air flow, and reduce the particles going through the turbine, which in turn reduces the erosion we see on the blades and buckets.

#### Offsets:

An estimated savings of \$20,587 (\$13,384 WA) for 2014 was determined and presented on the attached Business Case. If Coyote Springs 3 continues with the current system, performance level decreases will be experienced over time until the air media needs to be replaced. This has been included in the O&M Offsets adjustment as shown in Company witness Mrs. Andrews' workpapers.

<sup>&</sup>lt;sup>1</sup>The business case amount reflects approved capital expenditures for the years indicated and not transfers to plant.



Investment Name:	CS2 Inlet Air Sy	S		1					
Requested Amount	\$		500,000	Assessments:					
Duration/Timeframe		Year Project		Financial:	7.00%				
Dept, Area:	Power Supply			Strategic:		lant Modernizatio			
Owner:	Scott Kinney / Ar			Business Risk:	and the same of th	Reduction >0 a			
Sponsor: Category:	Jason Thackstor Project			Project Risk:	High certainty	around cost, sch	edule and resources	3	
	n/a			₹.					-
Recommend Project Descri	The same of the sa			Assessment Score:			ost Summary - Increas		
Coyote Springs 2 Replace In		This project would	d replace the pro	cont air filears mith	Performance		O&M Cost	Other Costs	Business Risk Sco
new system that is more eff indicate that these new filte unrestricted air flow, and re erosion we see on the blade	fective at particulat ers would reduce th educe the particles p	e removal than the e number of water	current system. wash's required t	Cursory studies o maintain	a Would reduce need for water wash. Assume on per year		00 \$ (20,587)		3
						Annual C	ost Summary - Increas	e/(Decrease)	
Alternatives:					Performance	Capital Cost	O&M Cost	Other Costs	Business Risk Scor
Infunded Project:				ut at a slightly be forced to replac	n/a e	\$ -	\$ 20,587	\$ -	. 6
Alternative 1: Brief name	Describe other opt	ions that were cons	idered		describe any	6			
of alternative (if	Describe other opt	ons that were cons	nucieu		describe any incremental	\$	\$ -	\$ -	3
applicable)					changes in				
					operations				
Alternative 2: Brief name	Describe other opt	ions that were cons	idered		describe any	\$ -	\$ -	\$ -	0
of alternative (if applicable)			NOCI CO		incremental changes in operations			0	
Alternative 3 Name : Brief	Describe other opt	ions that were cons	idered		describe any	\$ -	\$ -	\$ -	0
name of alternative (if applicable)					incremental changes in operations			0	
Program Cash Flows	Capital Cost	O&M Cost	Other Costs	Approved		Associated Ers (I	ist all applicable):		
Previous		\$ -	\$ -	\$ -	300				
2013		\$ -	\$ -	\$ 10,0	Antonia de la companya della companya de la companya de la companya della company				
2014		\$ (20,587)	definite and the same of the s	\$ 500,0					
2015 2016		\$ -	\$ -	\$ -					
2017+ Total	\$ -	\$ (20,587)	\$ -	\$ -					
ER	2013	2014	2015	2016	2017+	Total	Mandate Excerpt (	if applicable):	
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December-13 July 1 14 January-00 January-00 January-00	Project Initiated Material Ordered System Installed open open open		January-00 January-00 January-00 January-00 January-00 January-00	open open open open open open		January-00 January-00 January-00 January-00 January-00 January-00	open open open open open open	Use your jud	hould be general, gement on project that progress can
Resources Requirements: (r internal Labor Availability: Contract Labor:	□ Low Probability □ YES	pprovals attached)  Medium Probability  No	High Probability	Enterprise Tech: [Facilities: [		NO or Not Required			IO or Not Required IO or Not Required



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**Functional Group:** Electric Transmission / Distribution

**Business Case Name:** Colstrip Thermal Capital

ER No: ER Name:

4116 Colstrip Capital Additions

7130 Colstrip Unit 4 Outage due to Generator Failure

Approved Business Case Spend Amount 2013-2016 (\$000s): \$16,218<sup>1</sup>

# Transfer to Plant Amounts (\$000s - System):

Year	Total	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2013													
2014	8,004	210	616	636	658	1,123	874	584	627	607	616	608	845
2015	3,177	235	233	240	248	424	330	220	237	229	233	229	319
2016	5,836	395	390	416	432	940	650	371	396	385	390	386	685

#### **Business Case Description:**

This program is for ongoing capital expenditures associated with normal outage activities on Units 3 & 4 at Colstrip. Every 2 out of 3 years we have outages at Colstrip with higher capital program activities. For non-outage years, the program activities are reduced. Avista votes its 15% share of Unit's 3 & 4 and its approximate 10% share of common facilities to approve or disapprove of the budget proposed by PPLM on behalf of all the owners. Individual projects are reviewed for appropriate rates of return and necessity.

#### Offsets:

There are no anticipated offsets with this business case.

<sup>&</sup>lt;sup>1</sup>The business case amount reflects approved capital expenditures for the years indicated and not transfers to plant.

#### Capital Program Business Case



Investment Nam		Colstrip 3&4 Cap														
Requested Amou Duration/Timefr		Estimated Total 5+	Year Program	ture	Assessments: Financial:		10.00%							ACCUPATION OF THE PARTY OF		
Dept, Area:	1,5411156	Power Supply	roar rogian		Strategic:		None									
Owner:		Scott Kinney			Business Risk:		-	usiness Risk Reduction - None			AND THE RESIDENCE OF THE PROPERTY OF THE PROPE					
Sponsor:		Jason Thackston			Program Risk:		Low certainty around cost, schedule and resources									
Category: Mandate/Reg. Re	oference:	Program n/a			Assessment So	ore.	29 Annual Cost Summary - Increase/(Decrease)									
Recommend Pro			The Part of the Pa	- Allega ave	prosessment oc	.vie.	Performance	Car	pital Cost	O&M Co		Other C		Business Risk Score		
		capital expenditure:	s associated with n	ormal outage acti	vities on Units 3	8 & 4 at	-	\$	7,420,000	\$		\$	-	0		
Colstrip. Every 2 outage years, the approximate 10%	out of 3 ye e program i % share of c	ears we have outage activities are reduce common facilities to dividual projects are	s at Colstrip with h d. Avista votes its approve or disappr	igher capital prog 15% share of Unit ove of the budge	ram activities. I 's 3 & 4 and its t proposed by P	For non	- programs are required for									
						_	-		Annual Cost	Summary - 1	ncreas	e/(Decrease)	)			
Alternatives:	1-3C R			MINI ALLIAN		But	Performance	Ca	pital Cost	08M C		Other C		Business Risk Score		
Unfunded Progra	am:	Generally speaking option of unilateral to sell our portion of	lly rejecting the pro	posed capital pro	jects. We woul		n/a	\$	•	\$	•	\$ 50,0	00,000	0		
Alternative 1: Br of alternative (if applicable)		Describe other opti	ions that were cons	sidered			describe any incremental changes in operations	\$	(*)	\$ - \$ - 0				0		
Alternative 2: Br of alternative (if applicable)		Describe other opti	ions that were cons	sidered			describe any incremental changes in operations	\$	*	\$						
Alternative 3 Nan name of alternat applicable)		Describe other opti	ions that were cons	sidered			describe any incremental changes in operations	\$		\$	(#	\$	S#	0		
Program Cash Fl	lows	Capital Cost	O&M Cost	Other Costs	Approvi			Accord	ated Ers (list	all analtaskia	4.					
	Previous		\$ -	\$ -	\$	ea	1	ASSOCI	4116	an applicable	1;					
	2014		\$ -	5 -		205,250										
	2015		\$ -	5 -		76,850	-									
	2016	The state of the s	\$ -	\$ -		36,350	-									
	2017		\$ -	\$ -		377,450										
24	Total			\$ .	100	328,650										
			1						2.1.	luum varannam						
4116 ER		\$ 7,414,223	\$ 3,176,850	\$ 6,054,849	\$ 7,4	186,699	\$ 2,232,750	\$	Total 26,365,371			if applicable		ies somewhat of a		
0		\$ -	\$ -	\$ -	\$	-	\$ -	\$	20,303,371					"rollup" of many		
0		\$ -	\$ -	\$ -	\$	-	\$ -	\$		categ	ories (	of capital wo	ork. Ma	any are, in fact		
0		\$ -	\$ -	\$ -	\$		\$ -	\$	Marie C	manda	ted by	EPA and of	ther reg	gulatory bodies.		
0		\$ -	\$ -	\$ -	\$		\$ -	\$	- 1							
0		\$ -	\$ -	\$ -	\$	-	\$ -	\$								
0		\$ -	\$ -	\$ -	\$		\$ -	\$		Additional J	ustific	ations:				
0		\$ -	\$ -	\$ -	\$		\$ -	\$					dividua	lly by PPL and the		
0		\$ -	\$ .	\$ -	\$	-	\$ -	\$						e. Joint approval is		
0		\$ -	\$ -	\$ -	\$	-	\$ -	\$		given only v				lder/ratepayer needs		
0		\$ -	\$ -	\$ -	\$		\$ -	\$	-		me	et the prope	ir thresi	10103.		
0		\$ -	\$ -	\$ -	\$		\$ -	\$		1						
0		\$ -	\$ -	\$ -	\$	+	\$ -	\$		1						
0		\$ -	\$ -	\$ -	\$		\$ -	\$		1						
Total		\$ 7,414,223	\$ 3,176,850	\$ 6,054,849	\$ 7,4	186,699	\$ 2,232,750	\$	26,365,371							
Resources Requi	irements:	request forms and c	approvals attached													
Internal Labor Av Contract Labor:		Low Probability	☐ Medium Probability ☑ NO	High Probability	Enterprise Teo Facilities: Capital Tools: Fleet:		YES - attach form YES - attach form YES - attach form YES - attach form	1 1	NO or Not Requ NO or Not Requ NO or Not Requ NO or Not Requ	ired labo ired reso ared a ge	r boxes urce ov neral se	should be che vners have be	ecked to en conta cely staff	nternal and contract indicate if the acted and to provide will be provided mittment).		
		-1-1								1						
Key Performanc Expected Performa		ments		Committee of the commit								-				
Expected Performa KPI Measure:			CO CONTRACTOR OF THE CONTRACTO		}		Prepared	signa	ture	Trons	n (	160	201	10/2/B		
Expected Performa		ments Fill in the name of Fill in the name of	CO CONTRACTOR OF THE CONTRACTO		]		Prepared	signa	ture	Turns 2	2 (	- 164	<u> </u>	m/2/13		
Expected Performa KPI Measure:	#REF	ments Fill in the name of the fill in the	CO CONTRACTOR OF THE CONTRACTO		-		Prepared Reviewed	signa	5	Thems 3co	d (	r/Mahager	0	12/2/13		
Expected Performat KPI Measure:	#REF	Fill in the name of Fill in the name of	CO CONTRACTOR OF THE CONTRACTO						5	Them BCZ	t	// Apple of the control of the contr	<u> </u>	12/2/13		
Expected Performa KPI Measure: 1.2 1	#REF	ments Fill in the name of the fill in the	CO CONTRACTOR OF THE CONTRACTO					signa	ture S	Bons Bot	A (	r/Manager	-	12/2/13		

### Capital Program Business Case

0	í	This graph is to provide a place to direct the KPI benefit. Providing a graph is recommended to help communicate what the project is intended to		
Thi	s space is to be used f	or photographs, charts, or other data that r	nay be useful in evaulating	g the Program
completed by Capita	l Planning Group			
ionale for decision				Review Cycles 2012-2016
			Date	Template

AVISTA

**Functional Group:** Generation / Production

**Business Case Name:** Kettle Falls Generating Facility ("KFGS") Water Supply

ER No: ER Name:

4151 Kettle Falls Develop New River Wells

Approved Business Case Spend Amount 2013-2016 (\$000s - System): \$1,3101

Transfer to Plant Amounts (\$000s - System):

Year	Total	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2013													
2014	1,615						1,	615					
2015													
2016													

#### **Business Case Description:**

KFGS receives its water from the City of Kettle Falls from an agreement that dates back to the construction of the plant in the early 1980's. That agreement will expire next year and future rates will be higher, affecting the costs of the plant. This effort is to secure necessary water rights and a long-term water supply for the plant that is controlled by the Company.

#### Offsets:

Since the plant went into service, the water supply requirements for the plant have come from the City of Kettle Falls. When completed, this project will allow us to move off of the City system as we will have our own water supply. This will reduce the amount we pay for the water and this is the source of that offset. It is estimated that the net savings in 2015 will be \$18,750 for total system and \$12,189 allocated to Washington. This has been included in the O&M Offsets adjustment as shown in Company witness Mrs. Andrews' workpapers.

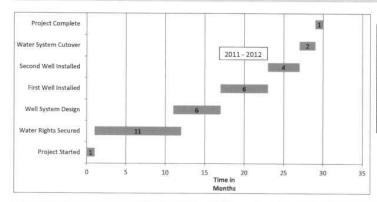
<sup>&</sup>lt;sup>1</sup>The business case amount reflects approved capital expenditures for the years indicated and not transfers to plant.



#### Capital Investment Business Case

Investment Name:	Kettle Falls Water Supply										
Requested Amount	\$1,500,000	Assessments:									
Duration/Timeframe	1 Year Project	Financial:	Medium - >= 5	% 8	& <9% CIRR						
Dept, Area:	GPSS	Strategic:	Reliability & Ca			-		-			
Owner:	Andy Vickers	Operational:	Operations require execution to perform at current levels								
Sponsor:	Jason Thackston	Business Risk:	ERM Reductio			-	min de odmone	10.84	213		
Category:	Project	Project/Program Risk:			und cost, sched	lule	and resources				
Mandate/Reg. Reference:	n/a	Assessment Score:	84	-		-	ry - Increase/(I	-	eace)	T	
Recommend Project Desc	ription:		Performance		Capital Cost		O&M Cost	1	Other Costs	Business Risk Score	
construction of the plant in higher - impacting the cos	m the City of Kettle Falls from an agreement th n the early 1980's. That agreement will expire n ts of the plant. This effort is to secure necessar that is controled by the company.	ext year and future rates will be	This will not	\$	TOTAL PROPERTY OF THE PARTY OF	\$	(18,750)	\$	outer costs	0	
					Cost Sur	nma	ry - Increase/(D	ecr	ease)		
Alternatives:			Performance		Capital Cost		O&M Cost		Other Costs	Business Risk Score	
Status Quo:	This is not an option, the agreement will expirate will result or a new source will need to be		n/a	\$		\$	18,750	\$		0	
Alternative 1: Brief name of alternative (if applicable)	This project is to develop a two pump system would still have water to operate the plant. V and risk a forced outage on a water pump fail	We could eliminate this pump	increases risk of a forced outage	\$	1,700,000	\$	(18,750)	\$		0	
Alternative 2: Brief name of alternative (if applicable)	Describe other options that were considered		describe any incremental changes in operations	\$		\$		\$		0	
Alternative 3 Name: Brief name of alternative (if applicable)	Describe other options that were considered		describe any incremental changes in operations	\$		\$		\$		0	

#### Timeline



#### Construction Cash Flows (CWIP)

		Capital Cost		O&M Cost	Ot	ner Costs		Approved
Previous	\$	151,837	\$		\$		\$	151,837
2012	\$	1,500,000	\$		\$		\$	1,500,000
2013	\$	600,000	\$		\$		\$	460,000
2014	\$	12	\$	1	\$		\$	850,000
2015	\$		\$	-	\$		\$	
2016	\$		\$		\$	10	\$	
2017	\$		\$		\$		\$	201
2018	\$		\$		\$		\$	
Future	\$		\$	-	\$		\$	THE STREET
Total	Ś	2 251 837	Ś		4		Ċ	2 061 927

#### Milestones (high level targets)

September-09 Project Started Water Rights Secured October-10 June-11 Well System Design March-12 First Well Installed June-12 Second Well Installed

July-12 August-12 Water System Cutover Project Complete

Associated Ers (list all applicable):	4	1151			15	
Mandate Excerpt (if applicable):	n/a					

Additional Justifications:

Water rights have been procurred but are currently being carried in suspense on this project. \$800,000 of the \$1,500,000 are in this acount. Work to develop the first well was begun in 2011 and continues through the first quarter of 2012. In addition, this item includes an estimated \$300,000 to procure additional water rights to guarentee adequate water for the future. Actual cash expected for 2012 is \$700,000

#### Capital Investment Business Case

-0000				
	_			

Resources Requirements:	(request forms and	d approvals attached)				
Internal Labor Availability: Contract Labor:	☐ Low Probability ☐ YES	☐ Medium Probability ☐ NO	High Probability	Enterprise Tech: Facilities: Capital Tools: Fleet:	YES - attach form YES - attach form YES - attach form YES - attach form	✓ NO or Not Required
Key Performance Indicator						
Expected Performance Improve KPI Measure:	Water Rate		-	1		Z 1
250000		=======================================		Prepared	signature 4	Thew Went
200000	\$200,000				/	211/
150000			rent Water Rates ure City Rates	Reviewed	signature (	Director/Manager
100000 \$100,000			w Well O&M Rates	Milliong Charles Temples and the con-		
50000	\$30,0	000		Other Party Review (if necessary		Director/Manager
0						
To be somethed by 2	alfal Diameter 2	200000				
Fo be completed by Car Rationale for decision	oital Planning G	roup				Review Cycles 2012-2016
					Date	Template
						The second secon

**Functional Group:** Generation / Production

**Business Case Name:** Post Falls South Channel Gate Replacement

ER No: ER Name:

4162 PF S Channel Gate Replacement

Approved Business Case Spend Amount 2013-2016 (\$000s - System): \$11,0081

Transfer to Plant Amounts (\$000s - System):

Year	Total	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2013													
2014													
2015	11,008			11,00	8								
2016													

#### **Business Case Description:**

Avista had planned to maintain the south channel gates to comply with FERC Dam Safety directives. When a pre-construction underwater investigation was done, it was discovered that the condition of the concrete structure was very poor and would not handle the planned work. This project includes an engineering investigation into options and project estimates. It is anticipated that much of the existing concrete structure will be removed and replaced with a new concrete structure, new gates and hoist systems to automate the operation.

#### Offsets:

An O&M Offset was included in the O&M Offset adjustment for \$5,000 in 2015. After the revenue requirements was finalized, it was determined that these savings are related to employee labor that will be redistributed to other projects and should have been excluded.

<sup>&</sup>lt;sup>1</sup>The business case amount reflects approved capital expenditures for the years indicated and not transfers to plant.

# AWISTA

#### Capital Program Business Case

Investment Name:	Post Fall Sout	h Channel Repla	cement											
Requested Amount Duration/Timeframe	Estimated Tot	al Capital Expen	diture	DHOS	sessments:									
Dept, Area:	GPSS	3 Year Project		_	ancial:	0.00%								
Owner:	Andy Vickers				ategic:	Generating P				deni				
Sponsor:	Jason Thacksto	on			siness Risk: oject Risk:			eduction >0 an						
Category:	Mandatory				yece nisk.	riigii certairity	arou	ind cost, sche	dule and resourc	95				
Mandate/Reg. Reference:	CFR Title 18, C	hapter I, Subcha	oter B, Part 12	Ass	essment Score:	55	5	Annual Cos	st Summary - Incre	nee //p	lacrancal			
Recommend Project Descr	ription:					Performance	_	Capital Cost		T				
Avista had planned to mair	ntain the south cha	nnel gates to com	ply with FERC Dan	n Safe	ty directives.	Gate	\$	11,008,000	O&M Cost \$ (5,00	_	Other Costs	Business Risk Score		
When a pre-construction u	inderwater investig	gation was done, it	was discovered t	hat th	e condition of the	operations	1	11,000,000	\$ (5,00	0)		5		
concrete structure was ver	y poor and would	not handle the plan	nned work. This h	as res	ulted in an effort	would be								
to evaluate options. This in It is anticipated that much concrete structure, new ga	tem includes an en of the existing con	gineering investiga crete structure wil	tion into options I be removed and	and p	oject estimates	automated.								
								Annual Cos	t Summary - Incre	ase/(D	ecrease)			
Alternatives:						Performance		Capital Cost	O&M Cost	11000	Other Costs	Business Risk Score		
Unfunded Project:	the existing gates	under a FERC Dam and structure. We he process of requ	e have deferred ti	nese c	osts for several	n/a	\$		\$ -	\$		20		
Alternative 1: Brief name		ase is being submit	ted no alternativ	ne are	bnows	describe and	-			-				
of alternative (if	Lanc Line Line C	and in ments amount	ico, no alternativ	es are	MIOWII.	describe any incremental	\$		\$ -	\$	*	5		
applicable)						changes in								
ESSA ACTUAL STREET						operations	1							
Alternative 2: Brief name	Describe other or	tions that were co	nsidered			describe any	\$			-				
of alternative (if applicable)						incremental changes in operations	3		\$ - \$ - 0					
Alternative 3 Name : Brief	Describe other or	tions that were co	nsidered		124	describe any	Ś	14	s -	e		0		
name of alternative (if applicable)						incremental changes in operations			\$ - \$ -					
Program Cash Flows	Capital Cost	00115-1	Tau	-			_							
Previous	\$ 63,830	\$ -	Other Costs		Approved			ciated Ers (list	all applicable):					
2013			\$ -	\$	63,830		new	A PELAL						
2014		The second second	\$ -	\$	1,144,000 8,294,000		-	-9		+				
2015		\$ -	\$ -	\$	1,570,000					-				
2016	\$ -	\$ -	\$ -	S	2,370,000		_							
2017	\$ -	\$ -	\$ -	\$										
Total	\$ 2,870,000	\$ -	\$ -	\$	11,008,000									
ER	2013	2014	2015	1	2016	2017		Total		410				
new	\$ 960,000	The state of the s		5	2020	\$ -	\$		Mandate Excerpt					
0	\$ -	\$ -	\$ -	\$		\$ -	\$	2,910,000	CFR 18.I.B.Part	12, 2	DO/ FERC Ins	spection Report, lan and Schedule;		
0	\$ -	\$ -	\$ -	\$		\$ -	\$		2011 FERC Insp					
0	\$ -	\$ -	\$ -	\$		\$ -	\$		Recommendation	n and	August 13, 20	12 letter to FERC		
0	\$ -	\$ -	\$ -	\$		\$ -	\$		requesting exter	sion				
0	\$ -	\$ -	\$ -	\$		\$ -	\$	+				- 1		
0	\$ - \$ -	\$ -	\$ -	\$	-	\$ -	\$	- 1						
0	\$ .	\$ -	\$ -	\$		\$ -	\$		Additional Justific					
0	\$ -	\$ -	\$ -	\$		\$ -	\$		The sequence of c					
0	\$ -	\$ -	\$ -	\$	-	\$ - \$ -	\$					nis project has also		
)	\$ -	\$ -	\$ -	\$		\$ -	\$		been discussed at					
)	\$ -	\$ -	\$ -	\$		\$ -	\$		with FERC Dam Sa					
)	\$ -	\$ -	\$ -	\$	-	\$ -	\$		Engineer. Expects concerns on this s					
	\$ -	\$ -	\$ -	\$	II. HE	\$ -	S	-	concerns on this s	tructur	e are well unde	erstood.		
)	\$ -	\$ -	\$ -	\$		\$ -	\$							
Total	\$ 960,000	\$ 1,950,000	\$ -	\$		\$ -	\$	2,910,000						
March-13 July-13 September-13 January-14	Project Kick-Off Design Basis Co Gate Supply Bids Gate Supply Awa Issue Construction Installation Contra	Out red on RFP act Awarded	March-12 January-13 January-13 January-13 January-13			te	Ji Ji Ji	anuary-13 anuary-13 anuary-13 anuary-13	open open open open open open		Use your judg progress so th	ould be general. ement on project at progress can Provide at least es per year		
nternal Labor Availability:	Low Probability YE5	Medium Probability	☐ High Probability	Ente								or Not Required or Not Required		

### Capital Program Business Case

Key Performan	re Indirector(e)		
	ince Improvements		
KPI Measure:	FERC Mandate		
5.0			1
1.2	#REF1		
1	#REF1	Prepared	signature (Ille) ( Uuch
	#REFI		
8.0	Project FO Rate		$\alpha$ $11$
0.6	—— Poly. (#REF!)		
0.0		Reviewed	signature / MOCAL / MC
0.4			Director/Manager
0.2			
0		Other Party Review	
	1	(if necessary)	Director/Manager
	Because of the timing of the discovery of the concrete condit which did not allow for much investigation of what would be have learned about the needed work to address this issue.	tion, the initial budget estimated needed for the project. As	ate was made very quickly within a two week time period a result, the original requiest has been increased as we
	Additional Information: The original plan had contemplated a	s single spillagte in place of t	he current six dates expecting to reduce construction and
	However, upon further scoping work, it was determined that were installed in the 1990's for dam stability. This forced a c	going to a single gate design	would require removal of six post tension anchors that
,			
1	Also, the project will now require a cofferdam to facilitate the the site construction have also increased the cost over the or	necessary construction. The	at along with the access improvements needed to perform
	the site construction have also increased the cost over the or	nginai estimate.	
To be complet	ted by Capital Planning Group		
Rationale for	r decision		Review Cycles
			2012-2016
		Data	•
		Date	Template
		Kitchen Berner Bank	
			CONTRACTOR OF THE PROPERTY OF
THE PARTY			

**Functional Group:** Generation / Production

Business Case Name: Cabinet Gorge Unit 1 Refurbishment

ER No: ER Name:

4161 CG HED U#1 Refurbishment

Approved Business Case Spend Amount 2013-2016 (\$000s - System): \$11,4001

Transfer to Plant Amounts (\$000s - System):

Year	Total	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2013													
2014													
2015	11,400				10,88	30	į	520					
2016													

#### **Business Case Description:**

This is the Capital portion of a major overhaul project planned for Cabinet Gorge Unit 1. The runner hub has significant issues, and will need to be upgraded to allow for frequent cycling with integration of intermittent resources. The present automatic voltage regulator has relatively slow response due to its hybrid design. It also has no limiters for generator protection. A new system will improve both of these. The machine monitoring will allow for better analysis of the machine condition for this critical unit. New protective relays will be installed and new controls will be integrated with the project to replace the failing Bailey NET90 system. Rehab of this unit will also allow flexibility around minimum flow for fish habitat.

#### Offsets:

There are no anticipated offsets with this business case.

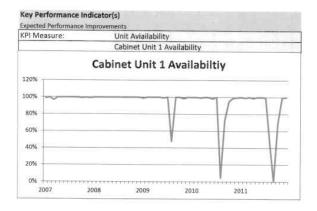
<sup>&</sup>lt;sup>1</sup>The business case amount reflects approved capital expenditures for the years indicated and not transfers to plant.

#### Capital Program Business Case

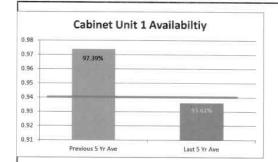
Investment Name:	Cabinet Gorge I	Unit 1 Refurbishr	ment_Rehab	1										
Requested Amount		Capital Expendi	iture	11.7.1	essments:	2.50								
Duration/Timeframe		3 Year Project		-	incial:	9.24%	-				Marine Service			
Dept, Area: Owner:	GPSS Andy Vickers			- CO (CO) (CO)	tegic:				lodernization	4.0				Electric terms
Sponsor:	Jason Thackston	1			iness Risk: ject Risk:				duction >5 and				-	
Category:	Project			Fron	act risk.	riigii cera	anny .	arou	nd cost, sched	We and re	Bources			
Mandate/Reg. Reference:	Contract of the Contract of th			Asse	essment Score:		98		Annual Cost	Summary	- Increas	se/(Decrease)		
Recommend Project Descri				1,000	331112111 2221 2	Perform			Capital Cost	2000	Cost		-1-	Contract Diet Contra
This is the Capital portion of	of a major overhaul	project planned for	r Cabinet Gorge I	Init 1.	The runner but		_	\$	11,400,000	S	Cost	Other Cos	113	Business Risk Score
has significant issues, and v	will need to be upgr	aded to allow for fr	requent cycling w	ith int	egration of	control	000000000000000000000000000000000000000	3	11,400,000	Ş	41707	\$		*
intermittent resources. Th							1997	-		200				2 10 1717
no limiters for generator pr														
is to allow for better analys	sis of machine condi	ition for this critical	I unit. New protes	tive rel	elays are to be	(NERC								
installed and new controls				Bailey	/ NET90 system.	. predicta	able							
Rehab of this unit will also	allow flexibility arou	and minimum flow	for fish habitat.	947		rewind ti	ming							
ate most on												se/(Decrease)		
Alternatives:	Transmit will posti	to detailments	and the second second	18.2.2	. 14 . 5	Perform		-	Capital Cost	0&M	The Contract of the Contract o	Other Cos	sts	Business Risk Score
Unfunded Project:		nue to deteriorate,				n/a		\$	*	\$ 1,	,550,027	\$	0	12
	being able to run ti	the plant at 3,000cfs	s, losing consider	able fir	exibility									
Alternative 1: Install IRIS	t toot critical is to i		t tamitada		to botton	-		-	-40 000			4		
Monitoring System Only		install a Partial Disch				none	à	\$	949,000	\$	868,026	\$		4
Wohldring System Unity		on of the generator				e:								Shick the
	unit is also in need	d of rewedge & reins	sulation of the in	ald win	idings					R. P. P.		0.00		
Alternative 2: Brief name	Describe other onl	tions that were con	of deeped			donastha				-		-		THE RESERVE
of alternative (if	Describe other opt	tions that were con-	sidered			describe		\$	Y S	\$		\$	-	0
applicable)						incremen	172-27			-31				Bar -
ирриссине						changes	- C. P. C. C.	11/1		7 1				
Alternative 3 Name : Brief	Describe other ont	tions that were con	ridarad		7.1	operatio						*	- 0	-
name of alternative (if	Describe other opt	ions that were con-	Sidered			describe	11.225	\$	100 S-101	\$		\$		0
applicable)						incremen	000000							
орриссия						changes						6 103		
						Operan	Uiis							
Program Cash Flows														
	Capital Cost	O&M Cost	Other Costs		Approved			Asso	ciated Ers (list	all applical	ble):			
Previous		\$ -	\$ -	\$	RUINKE S		J	none						THE PLANE
2013	\$ 5,172,658	\$ -	\$ -	\$	1,300,000	0	j.							
2014		Trick and the second	\$ -	\$	5,200,000	0	J		LIST ME COLL					
2015		\$ -	\$ -	\$	4,900,000	0	- 1					Total Control		
2016		\$ -	\$ -	\$										
2017		\$ -	\$ -	\$										
Total	\$ 8,567,296	\$ -	\$ -	\$	11,400,000	0								1
		Y	7 3000											
ER	2013	2014	2015	1	2016	2017			Total	Mandate	Excerpt (i	if applicable):		
none 0	\$ 5,172,658	\$ 3,394,638		\$	-	\$	-	\$	8,567,296			not applica	able	
0	5 -	\$ -	7	\$		\$	-	\$						
0	\$ -	\$ -	\$ -	\$		\$		\$	The state of the s					
0	\$ -	\$ -	\$ -	\$		\$	-	\$						
0	5 -	\$ -	\$ -	\$		\$	1	\$		2				
0	\$ -	\$ -	\$ -	\$		\$		\$						
0	\$ -	S -	\$ -	\$		\$		\$	170-17	Additiona	d Justifica	tions:		
0	\$ -	\$ -	\$ -	\$		\$	-	\$				a hybrid design	n that	utilized the
0	\$ -	\$ -	\$ -	\$		\$	_	\$						perform blackstart
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Total	\$ 5,172,658	\$ 3,394,638	\$ -	\$		\$		\$	8,567,296	standards.		500 Books	Month	35 3 cm 2 cm 4 cm
Milestones (high level t														
October-12	Project Start				charge Ring ins				January-14	open		Milesto	nac el	nould be general.
November-12	Basis of Design		October-13		ner delivered to				ovember-14	open				gement on project
December-12	AVR Ordered		November-14		ner installation			J	January-15	open				nat progress can
March-13	Monitoring Equipr	ment Ordered	January-14		allation Comple				April-15	open		be mea	sured.	. Provide at least
July-13 September-13	Final Design	and to Cita	March-14		thine in Service	2		- 1	April-15	open		three m	nilesto	nes per year
September-13	Equipment Delive	red to Site	Septebmer -14	open	1			J	lanuary-13	open				-
Resources Requirements: (	request forms and r	ennroyals attached	4											
Internal Labor Availability:		Medium Probability	✓ High Probability	Ente	rprise Tech:	YES - attach form	. 17	7 40 0	Not Planting!	Capital To	ole [7	YES - attach form	Ola	
Contract Labor:	☐ YES	☑ NO	E ingri i somming	Facili		YES - attach form			r Not Required ir Not Required	Fleet:	5.50460 SHEELS	YES - attach form		O or Not Required O or Not Required
					2000 sec.			Attenda	Hot recipies		55.470	Access and a company	Bad the	) or not requeed

#### AWISTA

#### Capital Program Business Case







Some other explanation of the chart included above is that you can see that we are experiencing increasing outages over time to address the problems with the unit. These outages are generally increasing over time.

The monitoring system is intended to help us capture when a major outage is likely to occur and then plan accordingly. An asset management study has shown the benefits of a monitoring system that we can use to predict when we should plan for major events rather than perform the work after failure.

The chart at the left shows the decreasing availability that has been experienced over the past ten years due to mechanical problems with the unit. Doing this capital project at the same time as the major maintenance will improve future availability as this will not be needed again.

completed by Capital Planning Group tionale for decision		Review Cycles 2012-2016
	Date	Template

**Functional Group:** Generation / Production

Business Case Name: Kettle Falls Generating Station Ash Collector

ER No: ER Name:

4168 KFGS Ash Collector

Approved Business Case Spend Amount 2013-2016 (\$000s - System): \$1,9071

Transfer to Plant Amounts (\$000s - System):

Year	Total	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2013													
2014													
2015	1,907								1,907				
2016													

#### **Business Case Description:**

This project will replace the ash collector at the Kettle Falls Generating Station. The current unit requires frequent repair of metal surfaces due to ash abrasion, which requires plant outages.

#### Offsets:

O&M savings are estimated to be \$75,000 in 2014 (\$48,758 Washington) due to the reduction of maintenance costs associated with ash abrasion and have been included in the O&M Offsets adjustment as shown in Company witness Mrs. Andrews' workpapers.

There is \$38,100 of avoided costs that will not otherwise result in incremental cost savings. It is estimated that there is a 20% probability of an outage occurring if the replacement does not take place. By putting into service the ash collector, it is estimated that \$190,500 of additional costs are avoided. The total avoided cost of a five day outage, based on the probability of occurrence of 20%, is calculated to be \$38,100 ( $$190,500 \times 20\%$ ) system and \$9,529 Washington.

<sup>&</sup>lt;sup>1</sup>The business case amount reflects approved capital expenditures for the years indicated and not transfers to plant.

Investment Name:	KFGS Ash Colle	ctor									
Requested Amount	\$1,907,000	GLOI		Assessments:							
Duration/Timeframe	The state of the s	Year Project		Financial:	6.91%						
Dept, Area:	GPSS	rour i roject		Strategic:		ot me	onogoment				
Owner:	Andy Vickers			Business Risk:	Life-cycle asse			4- 40			
Sponsor:	Jason Thackston						duction >5 and				
Category:	Project			Project Risk:	night certainty	arou	ind cost, sched	dule and resource	S		
Mandate/Reg. Reference:	M. Harrison and			********************************	-		4				1
				Assessment Score:	94	-	Annual Cost	t Summary - Increa	se/(Dec	rease)	
Recommend Project Descr	ALCOHOLD .				Performance		Capital Cost	O&M Cost	01	ther Costs	<b>Business Risk Score</b>
To replace the ash collector of metal surfaces due to asi	r at the Kettle Falls G h abrasion, requiring	enerating Station. plant outages. Ot	Current unit req	uires frequent repair	Would eliminate need	\$	1,907,000	\$ (75,000		(38,100)	3
					to reweld current ash collector and associated risks of fallure						
							Annual Cost	t Summary - Increa	se/(Dec	rease)	
Alternatives:					Performance		Capital Cost	O&M Cost	Ot	her Costs	<b>Business Risk Score</b>
Unfunded Project:	Continue to repair,	risking plant availa	ability		Requires plant outages to repair.	\$		\$ 75,000	\$	38,100	9
Alternative 1: Brief name	Describe other opti	ons that were con-	sidered		describe any	5		\$ -	\$		3
of alternative (if applicable)					incremental changes in operations	1			,		
Alternative 2: Brief name of alternative (if applicable)	Describe other opti	ons that were con	sidered		describe any incremental changes in	\$		\$ -	\$		0
					operations	-					
Alternative 3 Name: Brief name of alternative (if applicable)	Describe other opti	ons that were cons	sidered		describe any incremental changes in operations	\$		\$	\$		0
Program Cash Flows	C-1-16-1			T							
Depote view	Capital Cost	O&M Cost	Other Costs	Approved		Asse	ociated Ers (list	all applicable):			
Previous		\$ -	\$ -	\$ -							
2013		\$ -	\$ -	\$ -							
2014		\$ -	\$ -	\$ 907,000	)						
2015	\$ -	\$ -	\$ -	\$ 1,000,000	)						
2016	\$ -	\$ -	\$ -	\$ -	fil						
2017+ Total		\$ -	\$ -	\$ 1,907,000	0						
ER	2013	2014	2015	2016	1 2017			1	0.0 W	074 4 A	
		2014	2015	2016	2017÷	-	Total	Mandate Excerpt	-	Maria Carlos	
4149	\$ -	\$ 1,907,000	\$ -	\$ -	\$ -	\$	1,907,000				regulation and a
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Total	\$ -	\$ 1,907,000	\$ -	\$ -	\$ -	\$	1 007 000				
l Otal	7	3 1,507,000	, -	3 -	13 -	>	1,907,000				
Milestones (high level t	argets)										
January-00	open		January-00	open			January-00	open	I CU	PICELIA CONTROL CONTROL	Secretary and a second second
January-00	open		January-00	open			And Continuent Cards	open			ould be general.
January-00	open		January-00	open			A COLUMN TO STATE OF THE PARTY	open			ement on project
January-00	open		January-00	open				open		progress so th	at progress can
January-00	open		January-00	open				open			
January-00	open		January-00	open				open			
				15							
Resources Requirements: ( Internal Labor Availability: Contract Labor:	Low Probability	pprovals attached)  Medium Probability  NO	☑ High Probability	Enterprise Tech:					] YES - atta ] YES - atta		or Not Required or Not Required

Key Performance	e Indicator(s)		
Expected Performar KPI Measure:	ice Improvements		
KPI Measure:	Fill in the name of the KPI here		
1.2	Fill in the name of the KPI here		
1.2	#REF!		
1	#REF!		/ / .
	#REF1		-1/////////////////////////////////////
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	1	(if necessary)	Director/Manager
o be completed	by Capital Planning Group		714
Rationale for d	ecision	n	Code
		Review 2012-	
		Date	Template
		the state of the s	

Functional Group: General

**Business Case Name:** Capital Tools & Stores Equipment

**ER No: ER Name:** 7005 Stores Equip

7006 Tools Lab & Shop Equipment7002 Office Mach & Equipment

Approved Business Case Spend Amount 2013-2016 (\$000s - System): \$7,631<sup>1</sup>

### Transfer to Plant Amounts (\$000s - System):

Year	Total	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2013	404						18	20	57	37	136	136	
2014	1,937	280	280	280	43	43	43	43	43	43	280	280	280
2015	2,348	333	333	333	58	58	58	58	58	58	333	333	333
2016	2,466	348	348	348	63	63	63	63	63	63	348	348	348

#### **Business Case Description:**

This business case is for the purchase and repair of tool and facility material handling equipment. This includes equipment such as forklifts, manlifts, shelving, cutting/binding machines, etc. These funds are used for capital Stores equipment company-wide. The ER's included in this business case are blanket projects that occur year over year

# Offsets:

There are no anticipated offsets with this business case.

<sup>&</sup>lt;sup>1</sup> The business case amount reflects approved capital expenditures for the years indicated and not transfers to plant.

### Capital Program Business Case

		1,936,500	Assessments:				7			7	
,	Year Program		Financial:	MH - >= 9% &	<12	% CIRR					
nain			Strategic:	Life Cycle Prog	gran	18					
gh			Operational:	Operations rec	uire	execution to p	erfor	m at current	leve	ls	
ynski			Business Risk:								
			Program Risk:	High certainty	arou	ind cost, sched	ule a	nd resources	3		
	1111-1111-1		Assessment Score:			THE RESERVE OF THE PERSON NAMED IN				Decrease)	
				Performance							Business Risk Score
material h	nandling equipme	ent		Enhances crew efficiency	\$	1,500,000	\$	-	\$	-	.0
							Sum	mary - Increas	e/(D	Decrease)	
				Performance		Capital Cost		D&M Cost		Other Costs	Business Risk Score
ne current	condition of the	asset(s) and probl	ems that need to be	n/a	\$		\$		\$		0
(not all to	ools can be repair eased labor to fin	ed), delayed respo d/rent tools and e	onse by crews, reduce quipment, safety		s		\$	1,233,606	\$		0
CONTRACTOR OF THE RESIDENCE					-				_		
		Other" budget shi	fting 95% of costs to		\$	665,000	\$	35,000	\$	•	0
						all applicable):					
								2014			
Cost	O&M Cost	Other Costs	Approved	7006		1500000		7006	\$	1,422,007	
								7005		514493	
			STATE OF STA				M Out				
	-		\$ 1,936,500	)							
				5							
		\$ -	\$ 2,465,742	2							
23,259	\$ -	\$ -	\$ 2,552,563	3							
			\$ 2,552,563	3							
88,447	\$ -	\$ -	\$ 12,735,693	3							
	material has be current abor to re (not all to ency, increor not having, metering equipmental experience experience). The cost are consistent as a cost of the cost are cost of the cost o	material handling equipment in a current condition of the abor to repair failed tools, (not all tools can be repair for not having appropriate earing, metering equipment, reduction ental expense & labor to "g, 5% to O&M  Cost O&M Cost  O&M Cost	material handling equipment  securrent condition of the asset(s) and problemator to repair failed tools, increased cost to lead tools can be repaired), delayed respectively. Increased labor to find/rent tools and ear not having appropriate equipment to perfixing, metering equipment, specialized cable string equipment, reduction of safety related earned expense & labor to "Other" budget shing, 5% to O&M  Cost O&M Cost Other Costs  OO,000 \$ - \$ - 775,000 \$ -	Program Risk: Assessment Score:  material handling equipment  be current condition of the asset(s) and problems that need to be abor to repair failed tools, increased cost to have outside repairs (not all tools can be repaired), delayed response by crews, reduce ency, increased labor to find/rent tools and equipment, safety or not having appropriate equipment to perform craft work (metering, metering equipment, specialized cable splicing, leak detectioning equipment, reduction of safety related equipment, etc.)  ental expense & labor to "Other" budget shifting 95% of costs to g, 5% to O&M  Cost O&M Cost Other Costs Approved  Cost O&M	Program Risk:  Assessment Score:  84  Performance Enhances crew efficiency  Performance Enhances crew efficiency  Performance Enhances crew efficiency  Performance In a secure to condition of the asset(s) and problems that need to be  abor to repair failed tools, increased cost to have outside repairs (not all tools can be repaired), delayed response by crews, reduced ency, increased labor to find/rent tools and equipment, safety or not having appropriate equipment to perform craft work (meter ining, metering equipment, specialized cable splicing, leak detection, ing equipment, reduction of safety related equipment, etc.)  Performance  In/a  Associated Explain to the second of th	Program Risk: Assessment Score:  84  Performance  Enhances crew efficiency  Description  Descrip	Program Risk: Assessment Score:    Performance   Reprogram Risk:   Assessment Score:   Reprogram Risk:   Assessment Score:   Reprogram Risk:   Reprogram Ris	Program Risk: Assessment Score:    Assessment Score	Program Risk: Assessment Score:  84  Annual Cost, Summary - Increase Performance Enhances crew   \$ 1,500,000   \$   Enhances crew   6fficiency   Annual Cost Summary - Increase   Enhances crew   \$ 1,500,000   \$   Enhances crew   6fficiency   Annual Cost Summary - Increase   Enhances crew   \$ 1,500,000   \$   Enhances crew   \$ 1,233,606   \$   Enhances   \$ 1,233,606   \$   E	Program Risk:   Assessment Score:   84   Annual Cost Summary - Increase/(I   Performance   Capital Cost   O&M Cost	Program Risk:   Assessment Score:   84   Annual Cost Summary - Increase/(Decrease)

Mandate Excerpt (if applied	cable):						
N/A	The heart						
Additional Justifications:					District Control of the	To the second second	
Increased budget 2014-20	17 amount by 5%	to account for inflatio	n				
Resources Requirements:	(request forms an	d approvals attached)					
Internal Labor Availability:	☐ Low Probability	☐ Medium Probability	High Probablity	Enterprise Tech:	YES - attach form	NO or Not Required	Check the appropriate box. The internal and contract
Contract Labor:	☐ YES	☑ NO		Facilities:	YES - attach form	NO or Not Required	labor boxes should be checked to indicate if the resource owners have been contacted and to provide
				Capital Tools:	YES - attach form	NO or Not Required	a general sense of how likely staff will be provided
				Fleet:	YES - attach form	☑ NO or Not Required	(this does not require a firm committment).

### Capital Program Business Case

Key Performance Inc Expected Performance In	dicator(s)			. 1
KPI Measure:	Tool Repair as a percentage of tool purchases			h \.
	Fill in the name of the KPI here	D		A distribution
		Prepared	signature	J. O. W. J. W. J.
				( ) 1
				01 11 12
		Reviewed	signature	Curly Sine V
				Director/Mahager
				MY D
		Other Party Revie	w signature	1 Will Ber
		(if necessar)	/)	Director/Manager
	This area to be be a directly and a second of			/
	This space is to be used for photographs, charts	, or other data that ma	ay be useful ir	n evaulating the Program
To be completed to	by Capital Planning Group			
Rationale for dec	ision			Review Cycles
				2012-2016
			Date	Template
			DOLE	remplate
			-	

Functional Group: General

Business Case Name: Central Operating Facility (Mission Campus) Long-Term Restructuring Plan

ER No: ER Name:

7126 Long term Campus Re-Structuring Plan

Approved Business Case Spend Amount 2013-2016 (\$000s - System): \$14,7001

#### Transfer to Plant Amounts (\$000s - System):

Year	Total	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2013	8,461						1	.,060	623	627		1,150	5.000
2014	2,000												2,000
2015	1,500												1,500
2016	3,500												3,500

#### **Business Case Description:**

Construct a new warehouse in 2012 and remodel the old warehouse in the Service Bldg to accommodate 110 work stations in 2013. The project also adds 125 employee parking spaces. The new warehouse shall utilize current material handling technologies to increase employee efficiencies, and its height will allow more material to be stored per square foot, thus allowing the Company to use limited square space more efficiently. The facility will provide IS/IT infrastructure and networking in north half of the Mission campus where it is currently non-existent, in anticipation of future projects. This project will also allow the HVAC renovation of the north-building wing to be accomplished in one year rather than a staged process, which results in a one-time \$1.2M reduction in capital costs for that project.

#### Offsets:

No O&M Offsets are listed on the attached Business Case, however after further discussion it was determined that incremental savings occur in 2014 and 2015. These O&M savings are the result of eliminating the need of leased facilities used for personnel that will be relocated to the Mission Campus. In addition, savings are gained due to line trucks and employees not having to travel and off-load waste maters that are recyclable or hazardous. Savings are \$20,000 in 2014 and \$20,000 in 2015 on a system level. The allocation to Washington is 79.22% for Electric and 20.78% for Gas making the Washington allocated savings \$15,844 Electric and \$4,156 Gas in each year. This has been included in the O&M Offsets adjustment as shown in Company witness Mrs. Andrews' workpapers.

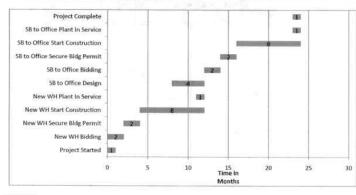
In addition, the attached business case shows "other costs" as (\$1,200,000). These savings are related to capital and are not inclusive of O&M savings.

<sup>&</sup>lt;sup>1</sup> The business case amount reflects approved capital expenditures for the years indicated and not transfers to plant.

#### **Capital Investment Business Case**

Investment Name:	COF Long-Term Restructuring Plan									
Requested Amount	\$17,750,000	Assessments:								
Duration/Timeframe	5 Year Project	Financial:	High - Exceeds	129	% CIRR					
Dept, Area:	Facilities	Strategic:	Other	U.S.		160	DOMESTIC OF THE OWNER.	77.77		122000000
Owner:	Mike Broemling & Eric Bowles	Operational:	Operations imp	rove	ed beyond curre	ent I	evels	V 12	US BEILIE	DEN PERM
Sponsor:	Don Kopczynski	Business Risk:	ERM Reduction	n >0	and <= 5	708		100	II. VIII. EVAN	
Category:	Project	Project/Program Risk:	High certainty a	arou	nd cost, sched	ule a	and resource	S		
Mandate/Reg. Reference:	n/a	Assessment Score:	100.5		Cost Sun	nma	ry - Increase/(	Decre	ease)	
Recommend Project Descr	iption:		Performance		Capital Cost		O&M Cost		Other Costs	ERM Risk Score
stored per SF, thus using o networking in north half of This project will also allow rather than a staged proce PLEASE SEE ADDITIONAL EI	crease employee efficiencies, and its height will al Ir limited SF here at the COF more efficiently. Pro the COF where it is currently non-existent, in anti the HVAC rennovation of the north building wing I ss, which results in a one-time \$1.2M reduction in FFCIENCIES UNDER "ADDITIONAL JUSTIFICATIONS savings and any other facility sales or cessation of	vide IS/IT infrastructure and cipation of future projects. to be accomplished in one year capital costs for that project. " BELOW. The CIRR is 12.5%-	issues by creating on-site office space and parking to house employees and contractors							
					Cost Sun	nma	ry - Increase/(	Decre	ease)	
Alternatives:			Performance		Capital Cost		O&M Cost		Other Costs	ERM Risk Score
Status Quo:	COF will continue to not have enough office space accommodate demand. Continue to obtain more		n/a	\$		\$		\$	•	6
	land and construct buildings to house our emplo				10 - 1.				100	
Alternative 1: Construct a new warehouse (recommended option)			Alleviates current space issues & new warehouse	\$	9,500,000	\$		\$	(1,200,000)	3
new warehouse	land and construct buildings to house our emplo	yees. e existing building on the west	current space issues & new warehouse	\$	9,500,000	\$		\$	(1,200,000)	3

#### Timeline



#### Construction Cash Flows (CWIP)

	Capital Cost	O&M Cost	Ot	her Costs	Approved
Previous	\$	\$ -	\$		\$
2012	\$ 3,050,000	\$ **	\$		\$ 3,050,000
2013	\$ 7,700,000	\$ -	\$		\$ 7,700,000
2014	\$ 2,400,000	\$ -	\$	42	\$ 2,000,000
2015	\$ 3,000,000	\$	\$	4	\$ 3,000,000
2016	\$ 2,000,000	\$	\$		\$ 2,000,000
2017	\$	\$	\$		\$
2018	\$	\$	\$	141	\$
Future	\$	\$	\$		\$
Total	\$ 18,150,000	\$ 0.50000000	\$		\$ 17,750,000

#### Milestones (high level targets)

March-14

December-14

August-12 New WH Start Construction April-13 New WH Plant In Service May-13 SB to Office Start Constructi October-13 SB to Office Plant in Service

SB to Office Start Construction SB to Office Plant in Service New IR & Hazmat Bldg Start Const New IR & Hazmat Bldg In Service March-15 WH Yard & Wash Bay Start Const
August-15 GPSS & Spo Const. Remodel: Start Const
October-15 WH Yard & Wash Bay In Service

March-16

WH Yard & Wash Bay In Service GPSS & Spo Const. Remodel: In Service

Associated Ers (list all applicable):

Mandate Excerpt (if applicable):

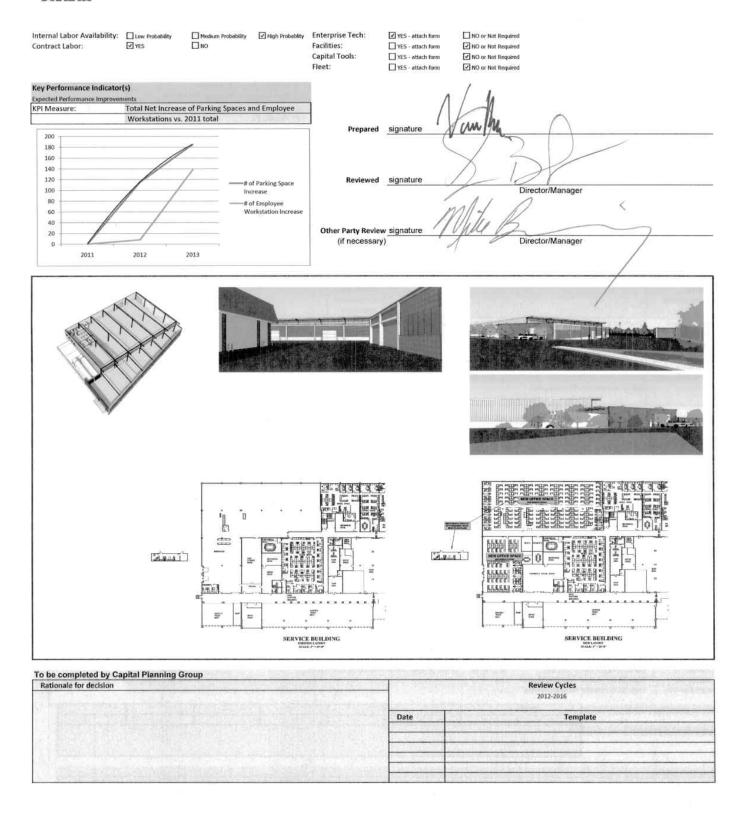
7126		Miss In the second	ALCOHOLD TO SELECT	
				i
n/a				

#### Additional Justifications

Sept 2013 changes: \$2.4 M for new IR / Haz Mat area in 2014, \$1.5M for WH Yard and Wash Bay in 2015, \$1.5M in 2015 and \$2M in 2016 for G&P/Spo Construct Remodel. New IR and Hazmat Bldgs will result in time efficiencies for linemen trucks and drop off processes. Increasing the WH storage yard will also result in time efficiencies for WH personnel due to closer material, more level asphalted area (rather than gravel), and controlled (fenced) inventory and stocking. Wash bay will will save time from washing vehicles off site and will prevent frequent freezing/breakdown of current wash bay. Office renovations of Spokane Construction and GPSS will replace a 30 year old HVAC system and increase number of cubicles on campus to accomposate for growth.

Resources Requirements: (request forms and approvals attached)

#### **Capital Investment Business Case**



Functional Group: General

Business Case Name: Dollar Rd Service Center Addition and Remodel

ER No: ER Name:

7107 Dollar Road Land Purchase and Facility Expansion
 7132 Dollar Rd Service Center Addition and Remodel

Approved Business Case Spend Amount 2013-2016 (\$000s - System): \$9,3461

# Transfer to Plant Amounts (\$000s - System):

Year	Total	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2013	213								5	2		7	199
2014													
2015													
2016	8,000												8,000

### **Business Case Description:**

New addition and complete remodel of the Dollar Road Service Center. In 2012/13, this project involves the construction of a new 15,000 square foot Fleet Facility.

For 2015/16, the project involves construction of a new 2-story office building, gas meter shop, covered parking canopies, parking lot, and asphalted storage yard. The following items will be completed:

- 1) structural strengthening of existing building roof components to alleviate current leaking and structural snow deflection/damage.
- 2) New building shell/envelope over the existing building, and insulation for increased energy efficiencies.
- 3) Construction of a new gas meter shop which will be relocated from the central Mission campus. This will allow the Company to reclaim square footage to help alleviate current space issues at the Mission campus. The project will also allow for the introduction of current technologies and efficiencies to gas meter shop operations.

### Offsets:

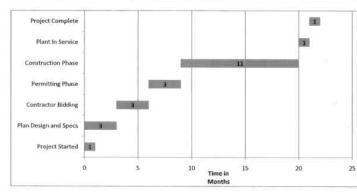
O&M offsets per the attached Business Case are \$20,000. Savings are related to the new facility and will reduce office space rentals due to the relocation of the Gas Meter Shop from Mission Campus, as well as office space on the second floor of the new building. This will also provide yearly energy use and maintenance savings, as well as daily crew workflow efficiencies. After further discussion it was determined that the offsets would total \$91,210 occurring in 2016.

<sup>&</sup>lt;sup>1</sup> The business case amount reflects approved capital expenditures for the years indicated and not transfers to plant.

#### **Capital Investment Business Case**

Requested Amount	Dollar Rd Service Center Addition and Remodel									
the december to the fill of the	\$11,846,000	Assessments:								
Duration/Timeframe	4 Year Project	Financial:	MH - >= 9% &	<129	6 CIRR					
Dept, Area:	Facilities	Strategic:	Other			- 19	DESCRIPTION OF THE PROPERTY OF		and the same	
Owner:		Operational:	Operations req	uire e	execution to pe	erfor	m at current le	eve	is	S. S
Sponsor:	Don Kopczynski	Business Risk:	ERM Reduction							DIG THE TASK
Category:	Project	Project/Program Risk:	High certainty a	arour	nd cost, sched	ule a	nd resources			
Mandate/Reg. Reference:	2000	Assessment Score:	83	-		-	y - Increase/(D	ecr	rease)	T
Recommend Project Descri	ption:		Performance	-	Capital Cost		O&M Cost		Other Costs	Business Risk Score
Fleet Facility. 2015/16: New and asphalted storage yard building roof components t bldg. envelope over existing Move from COF. Reclaim S	remodel of the Dollar Road Service Center. 2012/13: Co 12-story office building, gas meter shop, covered parking The following items will be provided: 1) structural streng o alleviate current leaking and structural snow deflection, type bldg, and insulation for increased energy efficiencies. 3) Fat COF to alleviate current space issues. Introduce curre operations. PLEASE SEE ADDITIONAL EFFICIENCIES UNDEr the CIRR is 9%-12%.	canopies, parking lot, gthening of existing /darnage. 2) New New gas meter shop. ent technologies and	Provides upgraded facility that translates to efficient, timely, and high productivity for gas services.	Ş	11,846,000		(20,000)			2
Alternatives:			Performance	,	Cost Sur Capital Cost	_	ry - Increase/(D O&M Cost	ecr	Other Costs	
Status Quo:										Desertance Dist. Comme
	Estimated yearly S30K O+M costs to unknow dilanidated	huilidag Capital cocts	A STATE OF THE PARTY OF THE PAR					c		
	Estimated yearly 530K O+M costs to upkeep dilapidated (including asphalt, roof repair, HVAC systems) would be the next two years, as probable capital repairs will be ne functions fail. Avista CNG vehicles will need to be service	approx. \$150K over eded as facility		\$	150,000	\$	30,000	\$		Business Risk Score
Alternative 1: Construct a new addition and complete remodel. (recommended option)	(including asphalt, roof repair, HVAC systems) would be the next two years, as probable capital repairs will be ne functions fail. Avista CNG vehicles will need to be service See Project Description above.	approx. \$150K over eded as facility	A STATE OF THE PARTY OF THE PAR					STIPS.		
Alternative 1: Construct a new addition and complete remodel. (recommended	(including asphalt, roof repair, HVAC systems) would be the next two years, as probable capital repairs will be ne functions fail. Avista CNG vehicles will need to be service See Project Description above.	approx. \$150K over seded as facility ed by a facility off site silding construction. e difficult to sell	n/a Provides upgraged gas	\$	150,000	\$	30,000	STIPS.		

#### Timeline



Construction	Cash F	lows (	CWIP)	

	Capital Cost	O&M Cost		Other Costs	Approved
Previous	\$ -	\$	\$		\$
2012	\$ 2,500,000	\$ 13	\$		\$ 2,500,000
2013	\$ 1,300,000	\$ 14	\$		\$ 1,346,000
2014	\$ 	\$	\$		\$ -
2015	\$ 4,000,000	\$	\$		\$ 4,000,000
2016	\$ 4,000,000	\$	\$	-	\$ 4,000,000
2017	\$	\$	\$	-	\$
2018	\$	\$ 	\$	-	\$
Future	\$ 	\$ 	\$	-	\$ 300
Total	\$ 11,800,000	\$	15		\$ 11,846,000

#### Milestones (high level targets)

July-12 Fleet Bldg Start Construction February-13 Fleet Bldg Plant In Service July-15 Office Bldg Start Construction June-16 Office Bldg Plant in Service

7107						607 TABLE OF THE
7001						
n/a						i=URVIDU
	7001	7001	7001	7001	7001	7001

#### Additional Justifications

5) Covered truck storage for 12 rigs. Protect fleet investments from weather. Also time efficiencies for servicemen, less truck prep due to rainy, snowy, etc. conditions before being dispatched. 6) Wash bay for trucks on-site. Time efficiencies to not take trucks off-site or back to COF for washing. 7) New asphalted storage yard. Shall provide over 2 additional acres of storage for gas equipment. 8) New required [5/IT infrastructure and networking. 9) New required office furniture. 10) Fleet bldg will allow for service of CNG fuel systems for Avista vehicles. Currently we have no code-compliant Fleet facility to serve CNG systems. \*\*\*Note: this facility had the 2nd most deficient score on the Facilities Department's Building Assessment Survey. The survey consisted of Avista's company-wide facilities and service centers and shall incur large amounts of O+M funds to upkeep if project is not approved.

Resources Requirements: (request forms and approvals attached)

#### Capital Investment Business Case

Internal Labor Availability: Contract Labor:	Low Probability  YES	Medium Probability	High Probability	Enterprise Tech: Facilities: Capital Tools: Fleet:	YES - attach form YES - attach form YES - attach form YES - attach form	NO or Not Required	
Key Performance Indicator Expected Performance Improver KPI Measure:	nents	apital costs for facilit	y	-	/	1/1	
90000 80000 70000 60000 50000 40000 30000 20000	/	Costs (if s Quo) ——Yearly O	M & Capital remains Status M & Capital New Addition)		signature	Dir	ector/Manager
2012	2013 2014	4.		Other Party Review (if necessary		Julio Boir	ector/Manager
						American In Contract	ABNATURE ROOM AND SCORE PARTIES AND SCORE PARTIE
To be completed by Ca Rationale for decision	pital Planning G	roup					Review Cycles 2012-2016
					Date		Template

Functional Group: General

Business Case Name: Structures and Improvements/Furniture

ER No: ER Name:

7001 Structures & Improvements

7003 Office Furniture

Approved Business Case Spend Amount 2013-2016 (\$000s - System): \$14,1531

### Transfer to Plant Amounts (\$000s - System):

Year	Total	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2013	2,025							680	9	626	53	383	380
2014	3,353	279	279	279	279	279	279	279	279	279	279	279	279
2015	3,600	300	300	300	300	300	300	300	300	300	300	300	300
2016	3,600	300	300	300	300	300	300	300	300	300	300	300	300

# **Business Case Description:**

This program is for the Capital Maintenance, Improvements, and Furniture budgets at 50 plus Avista offices and service centers (over 700,000 square feet in total). Many of the included service centers were built in the 1950's and 1960's and are starting to show signs of severe aging. The program includes capital projects in all construction disciplines (Roofing, Asphalt, Electrical, Plumbing, HVAC, Energy efficiency projects etc.). This program is driven mainly from the results of an objective building survey completed at each service center. The survey assigns a rating to each building category based on condition. This will help us create capital project lists for each service center and make decisions on continued maintenance vs. future replacement.

#### Offsets:

<sup>&</sup>lt;sup>1</sup> The business case amount reflects approved capital expenditures for the years indicated and not transfers to plant.

#### Capital Program Business Case

Investment Name: Requested Amount	Structures and I \$25,773,300	mprovements and	Furniture	Assessments:							
Duration/Timeframe		Year Program		Financial:	MH - >= 9% &						
Dept, Area:	Facilities	The same of the sa		Strategic:	Life Cycle Prog						
Owner:	Mike Broemling &	Eric Bowles	C. Indiana	Operational:	Operations rec			erform at	current	levels	CONTRACTOR
Sponsor: Category:	Don Kopczynski Program			Business Risk: Program Risk:	ERM Reductio			ulo and s			MOVEMENT STATES
	n/a			Assessment Score:	riigh certainty					se/(Decrease)	
Recommend Program Desc				Prosessifient score.	THE STATE OF				-	1	
This program would be resp	THE PROPERTY OF	tal Maintenance Imr	arovements an	ed Euroitura budgate at	Performance		Capital Cost	U&N	A Cost	Other Costs	Business Risk Score
50 plus Avista Offices and S were built in the 50's and 6 Capital projects in all constre efficiency projects etc). Th survey completed at each S condition. This will help us continued maintenance vs l	ervice Centers (over 0's and are starting ruction disciplines (F iis program would b ervice Center. The s create capital projec	700,000 sf total). Ma to show signs of seve toofing, Asphalt, Elect e driven mainly from urvey assigns a rating	any of the inclu re aging. The pa trical, Plumbing the results of a g to each building	ded Service Centers rogram would include g, HVAC, Energy in objective building ing category based on	Improve operating functionality, increased safety, increased energy efficiency.	\$	25,773,300	Summary	y - Increas	\$ -	0
Alternatives:					Performance		Capital Cost	-	A Cost	Other Costs	Business Risk Score
Status Quo:	loss due to inefficie etc Failure to ma bills, increased da	ent HVAC systems, Lo	w E glass, lack o e system can re nt systems, (ex		n/a	\$		\$	-	\$	0
Alternative 1: Brief name of alternative (if applicable)	respectively. This w which could also in	epair and replacemen yould also increase th cur additional produc major HVAC shutdow	e risk for unpla ctivity costs for	nned major failures	lower capital would drive up O&M and risk major failure	\$		\$	*	\$	0
Alternative 2: Brief name of alternative (if applicable)	Describe other opt	ions that were consid	lered		describe any incremental changes in operations	\$		\$		\$	0
Alternative 3 Name: Brief name of alternative (if applicable)	Describe other opti	ions that were consid	ered		describe any incremental changes in operations	\$		\$		\$	0
Program Cash Flows					Associated Ers (	list al					
5 years of costs	Control Cont	00116	out o	1	Current ER		7001		7003		
	Capital Cost	O&M Cost	Other Costs	Approved		-					The late of the
2012	\$ 4,820,000	5 - 5	\$ -	\$ 4,420,000		-		-			
2013			\$ -	\$ 3,600,000							
2014	The same of the sa		\$ -	\$ 3,353,300	-						
2015	\$ 4,000,000	\$ - !	5 -	\$ 3,600,000	-						
2016	\$ 4,000,000	\$ - 3	\$ -	\$ 3,600,000							
2017	\$ -	-	\$ -	\$ 3,600,000	7						
2018 Total	THE RESERVE OF THE PERSON NAMED IN	\$ - 5	\$	\$ 3,600,000	-						
Mandate Excerpt (if applica provide brief citation of th	able):			\$ 25,773,300	1						
Additional Justifications: With the completion of the are also working on creating budget is included in this pr	Facilities Survey in N	May 2011, we now ha	ive the ability to	o rate the condition of maintenance is no long	ger prudent and re	eplace	ement is a more	cost effe	ctive solu	tion. In addition, the	office furniture
Resources Requirements: (	request forms and a	pprovals attached)									
Internal Labor Availability: Contract Labor:	Low Probability  YES	☑ Medium Probability □ NO	High Probability	Enterprise Tech: Facilities: Capital Tools: Fleet:	YES - attach form YES - attach form YES - attach form YES - attach form		NO or Not Required NO or	ired ired			

#### AWISTA

#### **Capital Program Business Case**

Key Perfo	rmance Indicator(s)	
	rformance Improvements	4/4
KPI Measu	re: Fill in the name of the KPI here	1/0/10
	Fill in the name of the KPI here	[ Mar.) [ Mar.]
2500 +		Prepared signature
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2000	Hours	
	Base Line	
1500	Project FO Rate	Reviewed signature
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-500	recommended to help communicate	
-300	what the project is intended to	
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e completed by Capital Planning Group tionale for decision		Review Cycles 2012-2016
	Date	Template

Functional Group: General

**Business Case Name:** Clinic Expansion Project

ER No: ER Name:

7120 Spokane Health Clinic

Approved Business Case Spend Amount 2013-2016 (\$000s - System): \$1501

Transfer to Plant Amounts (\$000s - System):

Year	Total	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2013	150												150
2014													
2015													
2016													

#### **Business Case Description:**

Capital equipment costs for the new Clinic that will be completed in 4th Quarter 2013. Costs include all furniture, specialized equipment, oxygen systems, exam tables etc. for a two-room examination Facility. Project shows the possibility of significant savings to the company through bringing many of the third party health costs back in house at a reduced cost to the employee.

#### Offsets:

<sup>&</sup>lt;sup>1</sup> The business case amount reflects approved capital expenditures for the years indicated and not transfers to plant.

Functional Group: General

**Business Case Name:** Apprentice & Craft Training

ER No: ER Name:

7200 Apprentice Craft Train

Approved Business Case Spend Amount 2013-2016 (\$000s - System): \$240<sup>1</sup>

#### Transfer to Plant Amounts (\$000s - System):

Year	Total	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2013	10											5	5
2014	60	5	5	5	5	5	5	5	5	5	5	5	5
2015	60	5	5	5	5	5	5	5	5	5	5	5	5
2016	60	5	5	5	5	5	5	5	5	5	5	5	5

#### **Business Case Description:**

This program is for on-going capital improvements to support the essential skills needed for journeyman workers, apprentices and pre-apprentices now and for the future. It is important to provide the types of training scenarios that employees face in the field. Capital expenditures under this program include items such as building new facilities or expanding existing facilities, purchase of equipment needed, or build out of realistic utility field infrastructure used to train employees. Examples include: new or expanded shops, truck canopies, classrooms, backhoes and other equipment, build out of "Safe City" located at the Company's Jack Stewart training facility in Spokane, which could include commercial and residential building replicas, and distribution, transmission, smart grid, metering, gas and substation infrastructure.

#### Offsets:

<sup>&</sup>lt;sup>1</sup> The business case amount reflects approved capital expenditures for the years indicated and not transfers to plant.

#### Capital Program Business Case



	Apprentice/Craft	Trng								
Requested Amount Duration/Timeframe	\$60,000	Year Program		Assessments: Financial:	7.00%					
	Apprentice/Craft T			Strategic:	Performance E	xcel	lence			
	Linda Jones	ranning		Business Risk:	Business Risk			= 5		
	Karen Feltes			Program Risk:				le and resources		
	Mandatory									
Mandate/Reg. Reference:	296-05 WAC & Chpt 4	9 04 RCW		Assessment Score:	102		Annual Cost	Summary - Increas	e/(Decrease)	
Recommend Program Desc	ription:				Performance		Capital Cost	O&M Cost	Other Costs	Business Risk Score
This program is for on-going cap	ital improvements to su	pport the essential ski	lls needed for journ	ey workers, apprentices	describe any	\$	60,000	\$ -	\$ -	2
and pre-apprentices now and for					incremental					
he field. The program is for capi expenditures under this program					changes that					3
expenditures under this program of equipment needed, or build or					this Program		- 1			1-1 (-1 - a)
expanded shops, truck canopy, cl					would benefit					The same of the sa
residential building replicas, and	distribution, transmission	on, smart grid, meterin	g, gas and substatio	n infrastructure."	present					THE RESERVE OF
					operations	-			110	
200					n			Summary - Increas		Bustones Diel Conse
Alternatives:	and the same		1 0	and the difference	Performance	S	Capital Cost	O&M Cost \$ 20,000	Other Costs	Business Risk Score
		s bodies may de-cer ay require extensiv	rtify our Apprent e travel to fulfill	would be difficult to ice program. Inability our training	n/a	٥	-	\$ 20,000		
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A. M. M. S.					operations					
Program Cash Flows		00445-4	Out C				aciated Fee Mate	all applicable		
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2015		\$ -	\$ .	\$ 60,000	-1					
2016	100	\$ -	\$ -	\$ 60,000						
2017		\$ -	\$ -	\$ 60,000						
2018				\$ 60,000						
Total	\$ 300,000	\$ -	\$ -	\$ 360,000						
ER	2013	2014	2015	2016	2017		Total	Mandate Excerpt (	if applicable):	
7200	\$ 60,000	\$ 60,000	\$ 60,000	\$ 60,000	\$ 60,000	\$	300,000		See Below	
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		the KPI benefit. Providing a graph is recommended to help communicate				
0		what the project is intended to				
	1					
ha com-	pleted by Capital Planning Group					Character and
Rationale	e for decision				Review Cycles	DANIE TO THE
177					2012-2016	
			Date		Template	

Functional Group: General

Business Case Name: HVAC Renovation Project at Mission Campus Headquarters

ER No: ER Name:

7101 COF HVAC Improvement

Approved Business Case Spend Amount 2013-2016 (\$000s - System): \$17,3831

Transfer to Plant Amounts (\$000s - System):

Year	Total Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2013	6,507							16	26	18	-53	6,500
2014	2,000			2,000								
2015	8,000					8	,000					
2016												

#### **Business Case Description:**

The HVAC Renovation Project began in 2007 and 2008. The HVAC Project is a systematic replacement of the original 1956 Heating, Ventilation and Air Conditioning System for the Service Building, Cafeteria/ Auditorium and General Office Building. The original HVAC equipment has been operating 24/7 since original construction in 1956. The Project entails a floor by floor evacuation and relocation of employees and a complete demolition of each floor; including a massive Asbestos Abatement component, and removing the original fire proofing on the basic steel structure. The Project requires exhaustive demolition and reconstruction of each floor. Sustainable energy savings and conservation are built into the Project as we apply for LEED certification for each floor. The 5th, 4th, and 3rd floor has obtained LEED-CI Gold status recognizing all of the renewable strategies we employed during the design and construction phases. The goal of this project is to re-purpose and recycle the entire Facility for the next generation of Avista employees to use for 50 more years. Life cycle costs weighed heavily on our Construction Specifications and equipment choices during the design phase. The design team chose energy efficient equipment that was designed for 30 to 50 year life cycles.

#### Offsets:

After revenue requirements was finalized, it was determined that offsets exist for this business case. The project will produce approximately \$36,000 (system) in reduced energy costs for 2013 and 2014. For 2013, this would include six months of the savings or \$18,000. Washington's allocation of this is \$14,000 for Electric and \$4,000 for gas. In 2014, offsets were \$36,000 (\$29,000 WA Electric \$7,000 WA Gas). The O&M savings for 2015 are estimated to be \$112,590 and are planned to be in-service September 2015. As such, the offset amount is \$28,148 (\$22,000 WA Electric and \$6,000 WA Gas). These additional savings should have been included in revenue requirements.

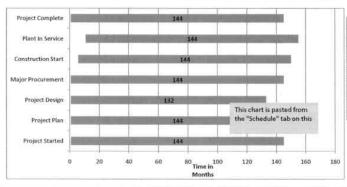
<sup>&</sup>lt;sup>1</sup> The business case amount reflects approved capital expenditures for the years indicated and not transfers to plant.

#### Capital Investment Business Case



	HVAC Renovation Project								
Requested Amount	\$39,804,485 As	sessments:							
Duration/Timeframe	8 Year Project Fir	nancial:	MH - >= 9% &	<12% CIRR					
Dept, Area:	Facilities Mangement Str	rategic:	Life Cycle Prog	rams	344		RELEGIO		THE RESERVE OF THE PERSON
Owner:	Mike Broemling & Eric Bowles Op	perational:	Operations imp	roved beyond curr	ent levels				
Sponsor:	Don Kopczynski Bu	isiness Risk:	<b>ERM Reduction</b>	n >0 and <= 5	T-PA		or the Control	H 9	NAME OF TAXABLE
Category:	Project Pro	oject/Program Risk:	High certainty a	around cost, sched	ule and re	esources		1100	
Mandate/Reg. Reference:	n/a As	sessment Score:	105	Cost Sun	nmary - In	crease/(D	ecrease)		
Recommend Project Descr	iption:		Performance	Capital Cost	0&M	Cost	Other Co	sts	Business Risk Score
original construction in 195 and a complete demolition removing the original fire p and reconstruction of each we apply for LEED certifical recognizing all of the reney goal of this project is to re- employees to use for 50 m and equipment choices dur	fice Building. The original HVAC equipment has been opera 6. The Project entails a floor by floor evacuation and reloca of each floor; including a massive Asbestos Abatement cor roofing on the basic steel structure. The Project requires ex floor. Sustainable energy savings and conservation are build tion for each floor. The 5th, 4th, and 3rd floor has obtained vable strategies we employed during the design and constructure purpose and recycle the entire Facility for the next generation or years. Life cycle costs weighed heavily on our Contruction ing the design phase. The design team chose energy efficie	ation of employees mponent, and khaustive demolition It into the Project as d LEED-CI Gold statu uction phases. The ion of Avista on Specifications	tremendous						
was designed for 30 to 50 y	rear life cycles.				1960				MANAGER
was designed for 30 to 50 y	ear life cycles.		ggi. Herbi	Cost Sun	nmary - In	crease/(D	ecrease)		MANAGE
was designed for 30 to 50 y  Alternatives:	rear life cycles.		Performance	Cost Sun Capital Cost	nmary - In O&M		ecrease) Other Co	sts	Business Risk Score
	The current condition of the HVAC system is very poor. It our newest equipment was installed in the new addition of Building in 1978. 75% of our equipment was installed in 15 longer available for our equipment and replacement parts manufactured.	of the General Office 956. Parts are no	n/a	Capital Cost Varies, but in the hundreds of thousands as equip. breaks				osts -	Business Risk Score
Alternatives: Status Quo:  Alternative 1: Brief name	The current condition of the HVAC system is very poor. It is our newest equipment was installed in the new addition of Building in 1978. 75% of our equipment was installed in 19 longer available for our equipment and replacement parts manufactured.  During the Design Phase which occurred in 2008, several of	of the General Office 1956. Parts are no is have to be different types of	n/a Updated	Capital Cost Varies, but in the hundreds of thousands as	0&M	Cost	Other Co	ests	
Alternatives: Status Quo :	The current condition of the HVAC system is very poor. It our newest equipment was installed in the new addition to Building in 1978. 75% of our equipment was installed in 19 longer available for our equipment and replacement parts manufactured.	of the General Office 956. Parts are no is have to be different types of distinct ed for the Project.	n/a	Capital Cost Varies, but in the hundreds of thousands as equip. breaks down.	0&M \$	25,000	Other Co \$		O
Alternatives: Status Quo:  Alternative 1: Brief name of alternative (if	The current condition of the HVAC system is very poor. It is our newest equipment was installed in the new addition or Building in 1978. 75% of our equipment was installed in 19 longer available for our equipment and replacement parts manufactured.  During the Design Phase which occurred in 2008, several or the Compared and analyzed for district characteristics. Initial cost and life cycle cost were evaluate By Value engineering our choices we were able to settle or	of the General Office 956. Parts are no is have to be different types of distinct ed for the Project. In our current and maintain our 60 be last 20 years, and dical to try to keep	n/a  Updated municipal codes required us to increase air flow in the describe any incremental changes in	Capital Cost Varies, but in the hundreds of thousands as equip. breaks down.	0&M \$	25,000	Other Co \$		Ö

#### Timeline



		 Capital Cost	3	O&M Cost	1 3	Other Costs	Approved
1.00	Previous	\$ 18,121,485	\$	*	\$		\$ 18,121,485
	2012	\$ 4,300,000	\$		\$	1 1	\$ 4,300,000
200	2013	\$ 6,500,000	\$		\$		\$ 7,383,000
	2014	\$ 10,000,000	\$		\$	-	\$ 7,000,000
	2015	\$ V W Tooler	\$	100	\$	THE RESIDENCE	\$ 3,000,000
	2016	\$ *	\$		\$	*	\$ De Please
	2017	\$ av Stranjebii	\$	William I was	15		\$ The Late
	2018	\$	\$		5		\$ 1000
	Future	\$	\$		\$		\$ 12, 14, 15
:176	Total	\$ 38,921,485	\$		\$		\$ 39,804,485

Construction Cash Flows (CWIP)

#### Milestones (high level targets)

October-07 5th Fir Start Const.

December-08 5th Fir In Service

March-09 4th Fir Start Const.

February-10 4th Fir In Service

May-10 3rd Fir Start Const.

Mar-11 3rd Fir In Service

Jun-11 2nd Fir Start Const. Oct-12 2nd Fir In Service Jan-13 1st Fir/Bsmt Start Const. Mar-14 1st Fir/Bsmt In Service Apr-14 70's Addition Start Const. Jun-15 70's Addition In Service

Associated Ers (list all applicable):

Current ER 7101 7001 7003 7050

Mandate Excerpt (if applicable):

ASHRAE- When upgrading HVAC Systems, all design has to conform to ASHRAE standards, and air flows are regulated by the Washington Administrative code (WACS).

Additional Justifications:

# Capital Investment Business Case



				ATT DESCRIPTION OF THE PARTY OF		
				Control of the second		
Resources Requirements: (request forms and approvals attached)		4575				
Internal Labor Availability: Low Probability Medium Probability Phigh Probability	Enterprise Tech:	YES - attach form	NO or Not Required	Check the appropriate box. The		
Contract Labor: ☑ YES ☐ NO	Facilities: Capital Tools: Fleet:	YES - attach form YES - attach form YES - attach form	NO or Not Required  NO or Not Required  NO or Not Required	internal and contract labor boxes should be checked to indicate if the resource owners have been		
Key Performance Indicator(s)				contacted and to provide a general sense of how likely staff will be provided (this does not require a		
Expected Performance Improvements  KPI Measure: Fill in the name of the KPI here	1	A	116 -	firm commitment).		
Fill in the name of the KPI here	Prepared	signature	IAMA IIIA			
Outage Hours	Frepared	signature	10.0100			
800 — Target		_	1			
600 Project FO Rate	Paviewed	signature	)_1A			
400	Reviewed	signature D	Directo	r/Manager		
200		1	1-1			
	Other Party Review	u signatura	1/1/16/2			
2004 2005 2006 2007 the KPI benefit. Providing a graph is	(if necessary		Directo	r/Manager		
recommended to help communicate what the project is intended to		/				
	L					
		)[				
		ł		67		
AND STAR COPP.  And Started Corp.  And Started Corp		Live	STA Corp.	Brade (mp. Carpy) HVE Services in Other Bestine Service Selection - Remote Services		
CHES BARRY STORE OF THE STORE O	Limited Section 1	5. Re	nevation Option #4: The option provides	new professions only of handling units on each foor of		
Avera Corp. coach to reposs the IEGAC system for serves the first story reports office.	building on their	ene.	billigationes work wis browded hados gut o			
Securacy corporate carryon. The mord to interview the system is due to the age mechanical automa which is concenting 50 years on the cointing number of the office success of 30 years in the office butching addition. While Autom has maintained the system over the years, solved all the overlate the and performance the current system is provided.	building and in in enceptionally to fall ou does	7. Re dia	movation Option P4a: This option is the charge oir temperature at the air handing operature. It is possible for the rese air han	n name as Option #4, however, it utilizes a lower units on each floor. By using a lower discharge or disregurits on each floor to each server ble negation to		
not provide good flootbilly, recursos more energy that today's more afficient systems, and difficult to locate.	spine perferane	ayt bo	year that serves the office addition. Heath sea. The replacement of the dust dist	ding units on each floor to nine serve the respective to distinctive the meet his a portflower rectanized g is provided through not water code sected at VAV ribution system; VAV bows, contrain, and other		
As a result. Avida Corp. bired McKimstry ic provide a deskyritetif approach. In the IVI. The first slep in the process analysis determined the most appropriate HVAC system for the was correlated by systemstally various options. For consideration, then develocing information of the consideration, then develocing information of the consideration.	ne project. Two netion for each	791	scottoneous work are provided under this is	often.  glinev roof mounted air fuunding unds to serve all occure conditioned air to the office space. The		
gration thes wested above Mechanisty to nonstreament a notation to Acidate, with Acidate about recommended solution is noted to generate a fact of perhatival HVACE system and correlated consiste building reviews, rest with Scaffly personnel, and reviewed the state drawings. Based on these based, Mechanisty developed the Subwerg ordinate for reviews of the state of the State o	ly appreving the ions. McRinstry	198	rtions of the office space. Now shafts successes of the dual duct distribution syst its are provided under this option.	provide conditioned at to the office space. The light, VAV boxes, controls, and other misualian ocus		
drivengs. Based on hese table, McKiristy developed the following options for review.  RENOVATION OPTIONS		9, Ra	movation Option #8: This option periodical view all purifices of the officer spaces. New office is according to the option of the option of the option of the option option.	t new soot mounted costing-only all handling units to shafts provide confiltened air to the officer speed. costed at VSV boxes. The implicationed of the dack		
<ol> <li>Eizleting Synthem: The soluting syntem softians a single motificate at honding an that convex a shard shot VAV system for the original circle sourcing parties; manufact and transfer in a source soperation, so severe at the stock of the motion.</li> </ol>	sit on each finor 6. multipone air	elis	drowline syntem, VAV boxes, sombols, and dan,	d other interestaments with any provided under the		
audit on also stitues dual duct technology. Offsted water and fronting weller are an leanting units via the central plant booted in the Service Building. The dual dist	resided to all acr	10. Re dis	novation Option #7. This option replace droution spalars. This option includes a droution, VAV bases, controls, and the ra-	is the existing system with a rew smarrhor FMAC needs on the fine floor, dust seed too; seed the floor, dust seed floor system dust, stong with any of the other.		
transplant the budding as a high validity system which meaning none insu- continuous energy to distribute the air.  2. Renovation Option #1: This option replaces the existing air hostiling equipm	ent with projer	St. Re	Ming appreces needed to accommodate to severtion Option #6; This option replica	to taised floor system.  The makeling system with a ground sounce heat.		
equipment in both size and function. The replacement of the dual dust distribute boxes, controls, and other miscellaneous work are provided under this cotion.	or system, VAV	EVALUAT	riging system throughout the building			
2 Removation Option #2: This option registree the mosting air manning apopure hunding sits and more conforg allay on Res. (mighad facility) and more benefit coming allas is server the office adultini. This updow was devemped as a very bol performance over option #2. The registreet of the shad statistication specifies.	after and non nortuse orotyy	Ney inforce Adochesion	of on nauded to select the proper system.  Svenes Option Evaluation. The primary.	a mechanical system solection matrix that included the. This matrix is reclaimed an American A — factors that were evaluated on a quantitative boom factors were also reviewed or a quantitative basis.		
controls, and other miscellareous work are provided under the collors  4. Removation Option Risk. This author is the same as Option 62, however, if it discharge air respectables at the or healthing value or out-off foor. By using a love	utilizes a lower or discharge an	fit order to	develop the first cost budget, Mc-Onstr	y creates pretminary mechanical adventions that a duct distribution on floors. McCaughy's estimating		
discharge are temperature at the set handling units on out five. By string a low- sequential as a possible for the row of handling units in each file too shade some posters of the other soldtons for their conference on the remark of the same body of the other soldtons for their conference on the set of the soldtons to be a set of the same of the set of the soldtons for their conference on the set of the soldtons.	n the respective use mechanical or system, VAV	group their make up to for each or	developed mechanical fruit costs tiosocicle majority of the unusual first cost, however	on the available information. Modulative first counts  f, tiers years other miscallangous costs to consister socilaracius worts. For these series McKasstry redorf		
6. Renovarian Option 82. The option provide alternating position and restriction of the state	manding units that serves the providests, and	energy use	aret cost. The energy model simulates #	elogised in a unergy model for open system to predict re-energy use of the HYAC postern over the course the existing business, the weather data codered. Also, MAX:says's correct property existent revise code (preventive resistance). My retentive		
		two energy	ce costs were based on the preferency or scale and service costs were combined to	evice costs (preventive manifolacce). Proventive quipment lest generated for each option. Together, reach the overall operational bost for wirch option.		
Page 1 of 3	instry		Page 2	McKinstry		
To be completed by Conitr! Floreign Conin						
To be completed by Capital Planning Group  Rationale for decision			Revie	ew Cycles		
			201	12-2016		
		Date Template				
		355	ACCOUNT OF THE	MANY CALLS OF THE STATE OF THE		

Functional Group: General

Business Case Name: Microwave Refresh

ER No: ER Name:

5121 Microwave Replacement with Fiber

Approved Business Case Spend Amount 2013-2016 (\$000s - System): \$8,007<sup>1</sup>

#### Transfer to Plant Amounts (\$000s - System):

Year	Total	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2013	3,171									1,642	29		1,500
2014	1,625					186		551	73		300		514
2015	1,073									220			853
2016	4,034												4,034

# **Business Case Description:**

The purpose of this project is to refresh the aging microwave technology with current technology to provide for high-speed data communications. These communication systems support relay and protection schemes of the electrical transmission system.

#### Offsets:

<sup>&</sup>lt;sup>1</sup> The business case amount reflects approved capital expenditures for the years indicated and not transfers to plant.

#### Capital Investment Business Case



stment Name: M	licrowave Refre	esh	OF REAL PROPERTY.	1								
uested Amount \$			19,267,507	Assessments:	Water of American	Little	0 10 10			AND DESCRIPTION OF THE PERSON NAMED IN		
ation/Timeframe		Year Project		Financial:	MH - >= 9% & <1		CIRR			Section Chain		
	nterprise Techn acob Reidt/Jim (		No.	Strategic: Operational:	Reliability & Capa Operations requi		ecution to per	rform	at current le	vels		
	m Kensok	Joidel	44.4	Business Risk:	ERM Reduction						TION.	
	roject			Project/Program Risk		ty an						300
ndate/Reg. Reference: n/				Assessment Score:	81		Cost Sur	nmar	y - Increase/		-	
ommend Project Descripti	The state of the s				Performance		apital Cost	_	O&M Cost	Other Costs	ER	M Risk Score
purpose of this project is to vide for the high speed dat section schemes of the ele-	ta communication	ns. These communi			The current system are out of date and in need of replacement	\$	Cost Sur	\$	y - Increase/	\$ -		0
rnatives:			A		Performance	- 0	apital Cost		O&M Cost	Other Costs	ER	M Risk Score
us Quo ;						\$		\$		s -		0
rnative 1: Brief name Iternative (if licable)						\$		\$		\$ -		0
rnative 2: Brief name Iternative (if Iicable)						\$		\$		\$ -		0
rnative 3 Name : Brief ne of alternative (if licable)						\$		\$		\$ -		0
eline	V 14611					Cons	truction Cash I	Flows	(CWIP)			
						C	Capital Cost		O&M Cost	Other Costs		Approved
					Previous		2,910,116		6	\$ -	\$	2,910,11
					2012		1,559,877			\$ -	\$	1,200,00
					2013 2014			\$		\$ -	\$	1,500,000
					2014		1,050,000			\$ -	\$	1,050,000
					2016		4,050,000	\$		\$ -	\$	4,050,00
					2017			\$		\$ -	\$	3,050,000
					2018	\$	4,100,000	\$		\$ -	\$	4,100,000
					Future		1,050,000	\$		\$ -	\$	19,267,50
					Total	2	21,977,384	De	ecember-14 ecember-14	Ben-M230 2014 Remaining MW	19	19,207,30
December-12 N December-13 N December-11 M December-12 M	gets) ILW-SHN Prior ILW-SHN 2012 ILW-SHN 2013 I23-SPU Prior I23-SPU 2012 I23-SPU 2013			M15-NLW 2012 M15-NLW 2013 Fiber to Lew Off 20 Fiber to Lew Off 20 Fiber to Lew Off 20 Ben-MPK-BLD Ring	13 14	De De De	ecember-16 ecember-14 ecember-15 ecember-16 ecember-17 ecember-18	Ben Ben Ben Ren	V Sub 2016 -M23 2014 -M23 2015 -M23 2016 naining MW naining MW			
ociated Ers (list all applica	ble):	5119								V = 1 1 1 1 2		
ndate Excerpt (if applicabl	le):	na			PA TOL							
December-11 N December-12 N December-13 N December-13 M December-14 M December-15 M December-15 M December-16 M December-17 M December-17 M December-18 M December-19 M De	LW-SHN Prior LW-SHN 2012 LW-SHN 2013 123-SPU Prior 123-SPU 2012 123-SPU 2013 ble):	na	December-13 December-12 December-13 December-14	M15-NLW 2013 Fiber to Lew Off 20 Fiber to Lew Off 20 Fiber to Lew Off 20	13 14	De De De	ecember-14 ecember-15 ecember-16 ecember-17	Ben Ben Ren Ren Ren Ren Ren Ren Ren Ren Ren R	-M23 2014 -M23 2015 -M23 2016 naining MW			

Page 1 of 2

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http://wherecontridepartments/budgetSiversees Cases/Enterprise Technology/Microwave Refresh Rented Bas Case short

#### Capital Investment Business Case

		☐ YES - attach form ☐ NO or Not Required
Key Performance Indicator(s)		
Expected Performance Improvements		
KPI Measure: Fill in the n	ame of the KPI here	1 1 - 1
Fill in the n	ame of the KPI here	Tout 1 Cuit
1000 -		Prepared signature X UVV 10800
800 ——Outage Hours ——Target	$\overline{}$	
600 —— Project FO Rate	$\rightarrow \rightarrow \rightarrow$	Reviewed signature
400		Director/Manager
200		
2004 2005 2006 200	This graph is to provide a place to direct the KPI benefit. Providing a graph is	Other Party Review signature (if necessary) Director/Manager
-200	recommended to help communicate what the project is intended to	
This space	e is to be used for photographs, charts, o	or other data that may be useful in evaulating the project

Date

To be completed by Capital Planning Group
Rationale for decision

Review Cycles 2012-2016

Template

Functional Group: General

**Business Case Name:** Mechanical Shop 3 Ton Crane

ER No: ER Name:

4165 Mechanical Shop 3 Ton Crane

Approved Business Case Spend Amount 2013-2016 (\$000s - System): \$0<sup>1</sup>

### Transfer to Plant Amounts (\$000s - System):

Year	Total	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2013													
2014	154										154		
2015													
2016													

# **Business Case Description:**

Replace 480v exposed buss shop crane with freestanding 3 ton unit. Present crane is an electrocution hazard, and cannot handle many jobs due to its limited size. Limitations force us to outsource work that could be done at little or no incremental cost by our own employees. The crane is also outmoded, with limited parts availability.

#### Offsets:

An estimated O&M offset of \$20,000 (\$13,000 WA) is gained by eliminating the need to outsource work to external contractors. These offsets are estimated to occur in 2014 and have been included in the O&M Offsets adjustment as shown in Company witness Mrs. Andrews' workpapers.

<sup>&</sup>lt;sup>1</sup> The business case amount reflects approved capital expenditures for the years indicated and not transfers to plant.

Investment Name:	Mech Shop 3 To	n Crane		7					
Requested Amount	\$154,000			Assessments:	2002991				
Duration/Timeframe Dept, Area:	GPSS 1	Year Project		Financial:	6.58%	anacih.			
Owner:	Andy Vickers			Strategic: Business Risk:	Reliability & C	Reduction >5 and	<= 10		
Sponsor:	Jason Thackston			Project Risk:	PROTESTANDA AND AND AND AND AND AND AND AND AND	around cost, sched			
Category:	Project								
Mandate/Reg. Reference:				Assessment Score:	84	Annual Cost	Summary - Increase	/(Decrease)	
Recommend Project Descri	#23 Per 2011				Performance	Capital Cost	O&M Cost	Other Costs	<b>Business Risk Score</b>
Replace 480v exposed buss hazard, and cannot handle done at little or no increme parts avalibility.	many jobs due to its	size. Limitations f	orce us to outsou	irce work that could be	describe any incremental changes that this Project	\$ 154,000	\$ (20,000)	\$	0
					would benefit present operations				
Alternatives:					Douformanes		Summary - Increase O&M Cost		Business Risk Score
Unfunded Project:	480v avnoced bucc	crane in use now.	Potential for out	arnal contact	Performance n/a	Capital Cost	\$ 20,000	Other Costs	6
omunica stojeci.	450V EXPOSED BUSS	crane in use now.	Potential for ext	ernar contact.	пуа		\$ 20,000		ů
Alternative 1: Brief name	Describe other opt	ions that were cons	idered		describe any	Name of Street	St. occurs of the sail	\$ -	0
of alternative (if applicable)					incremental changes in operations				
Alternative 2: Brief name	Describe other opt	ions that were cons	idered		describe any	\$ -	\$ -	\$ -	0
of alternative (if applicable)	S				incremental changes in operations				
Alternative 3 Name : Brief	Describe other opt	ions that were cons	idered		describe any	\$ -	\$ -	\$ -	0
name of alternative (if applicable)					incremental changes in operations				
Program Cash Flows	Capital Cost	O&M Cost	Other Costs	Approved		Associated Ers (list	all applicable):		
Previous		\$ -	\$ -	\$ -		7006			
2013	\$ 154,000	\$ (20,000)	\$ -	\$ -					
2014		\$ (20,000)		\$ -					
2015		\$ (20,000)		\$ -					
2016 2017+		\$ (20,000)		\$ -					
Total	\$ 154,000	\$ (100,000)	\$ -	\$					
ER	2013	2014	2015	2016	2017+	Total	Mandate Excerpt (ii		
7006	\$ 154,000	\$ -	\$ -	\$ -	\$ -	\$ 154,000		ation of the law of ence number if po	regulation and a
0	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	retere	since maniber in pr	)SSIDIE
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0	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		urgency, etc.	
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Total	\$ 154,000		\$ -	\$ -	\$ -	\$ 154,000			
Milestones (high level to January-00 January-00 February-13 March-13 January-00 January-00 Resources Requirements: (Internal Labor Availability: Contract Labor (Contract Labo	open open Begin Project In Service open open open request forms and a	☐ Medium Probability	January-00 January-00 January-00 January-00 January-00 January-00	open open open open open open		January-00 January-00 January-00 January-00 January-00 January-00	open open open open open open	Use your jud progress so attach form	hould be general. gement on project that progress can
Contract Labor:	☑ YES	□NO		Facilities: ☐ YES - 6	ttach form 🖾 N	O or Not Required	Fleet: TYES -	attach form NO or	Not Required

### Capital Project Business Case

easure: Fill in the name of the KPI here Fill in the name of the KPI here Fill in the name of the KPI here	re		Prepared  Reviewed  ner Party Review (if necessary)	signature signature w signature	Chapter of the second	bmit NEW Requests only us business are no to Review Ten  Director/Manager  Director/Manager	plate* tab)
### Fill in the name of the KPI here  ##################################	re		Prepared  Reviewed  ner Party Review (if necessary)	signature signature w signature	Char	Director/Manager	
1.2			Reviewed ner Party Review (if necessary)	signature  w signature		=======================================	
#REF! #REF!  #REF!  #REF!  #REF!  Project FO Rate  Poly. (#REF!)  0.4  0.2  0 1	ir photographs, charts, or of		Reviewed ner Party Review (if necessary)	signature  w signature		=======================================	
1 #REF!	r photographs, charts, or of		Reviewed ner Party Review (if necessary)	signature  w signature		=======================================	
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0.8 — Project PO Rate — Poly. (#REFI)  0.4  0.2  0 1	ir photographs, charts, or of		ner Party Review (if necessary)	w signature		=======================================	
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ationale for decision							

Date

Template

Functional Group: General

Business Case Name: Transmission Outage Management

ER No: ER Name:

5148 Transmission Outage Management

Approved Business Case Spend Amount 2013-2016 (\$000s - System): \$300<sup>1</sup>

Transfer to Plant Amounts (\$000s - System):

Year	Total	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2013													
2014	300							300					
2015													
2016													

# **Business Case Description:**

System Operations proposes installation of a Transmission Outage Management system that would provide additional transmission outage management functionality, streamline current transmission outage management processes, and eliminate the current homegrown logging application. Implementing this system would automate many processes that are performed in a manual fashion and would bring Avista's capabilities up to industry standards. Maintenance of the logging portion of the application would change from programming the application (current) to configuring the application. Mining of data for calculating compliance reports and reliability indicators would be reduced with normalized data and automated processes.

#### Offsets:

<sup>&</sup>lt;sup>1</sup> The business case amount reflects approved capital expenditures for the years indicated and not transfers to plant.

Investment Name:	Transmission Outage Mgt						
Requested Amount	\$300,000	Assessments:					
Duration/Timeframe	1 Year Project	Financial:	7.00%				
Dept, Area:	System Operations	Strategic:	Reliability & Ca	pacity			
Owner:	Heather Rosentrater	Business Risk:		Reduction >5 and	<= 10		
Sponsor:	Don Kopczynski	Project Risk:		inty around cost, s		ources	
Category:	Project			,			
Mandate/Reg. Reference:	n/a	Assessment Score:	70	Annual Cost	t Summary - Increa	se/(Decrease)	1
Recommend Project Descr			Performance	Capital Cost	O&M Cost	Other Costs	Business Risk Score
System Operations propose	es installation of a Transmission Outage Manag	ement system that would	Consistency in	\$ 300,000			12
provide additional transmis management processes, an system would automate m capabilities up to industry s from programming the app	ssion outage management functionality, stream id eliminate the current homegrown logging ap any processes that are performed in a manual f standards. Maintenance of the logging portion slication (current) to configuring the application iability indicators would be reduced with norm	nline current transmission outage plication. Implementing this ashion and would bring Avista's of the application would change . Mining of data for calculating	logging and the dissemination of the information.	300,000	35,00		
				Annual Cost	Summary - Increa	se/(Decrease)	
Alternatives:		ESS DIE DE LANGE HEIGE	Performance	Capital Cost	O&M Cost	Other Costs	<b>Business Risk Score</b>
Unfunded Project:	Transmission Outage Management is currently that involves multiple handoffs and non-struct communications to multiple parties is complete or errors. The log is also a key component that compiling compliance reports and calculating CAIFI, etc.). A preliminary investigation of the number of vendors exist that offer Transmissi logging portion is a small subset of the application Transmission Outage Management. The oapplication is no longer in System Operations, required to learn, document, and enhance the Information from the current logging application available in SCADA. System Operations utilize for logging system activities which was the fire based logging. The current system meets bas System Operations needs the ability to enhanchange.	tured process flows. Required ted manually, and can be prone at it used to provide context for reliability indicators (SAIDI, market indicates that a small on Outage Managment. The attion which is primarily focused riginal developer of the logging A moderate amount of work is a current application. It is in its utilized in multiple areas of ata that supplements data is a homegrown Access Database at step in a migration from paper ic operational logging needs, but	n/a	\$ 300,000	\$ 30,00	) \$	20
Alternative 1: Sagali	Dispatch logging     Switching Order logging     Standard naming conventions     Auditing of outages, logs, and Switching Order	ers	describe any incremental changes in operations	E .	\$	\$ -	12
Alternative 2: Equinox	Outage Scheduling Planned Outage Coordination Control Room Operator Logging, Reporting, an Reliability Analysis	nd Notification	describe any incremental changes in operations	\$	\$ -	\$ -	0
Alternative 3 Name: SunNet Consulting	Transmission Outage Application integrates C Transmission, Distribution & Generation Syste Logging and Reporting Requirements		describe any incremental changes in operations	\$ -	\$ -	\$ -	0

Program (	Cash	Flow
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2.5	Ca	pital Cost	F.00	O&M Cost	Oth	er Costs	Approved
Previous	\$	-	\$	-	\$	*:	\$ 11.00
2013	\$		\$	9	\$	- 60	\$
2014	\$	300,000	\$	30,000	\$	12	\$ 300,000
2015	\$	-			\$	15.	\$
2016	\$				\$	-	\$
2017+	\$	3			\$	-	\$
Total	\$	300,000	\$	30,000	\$	0.00	\$ 300,000

Associated Ers	(list all applicable):	

ER		2013		2014		2015		2016		2017+		Total	Mandate Excerpt (if applicable):
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January-00	open		January-00	A 2 (15 (81) (15 (5 (5))		January-00			our judgement on project
January-00	open		January-00			January-00		progre	ess so that progress can
January-00	open		January-00			January-00	open		
January-00	open		January-00	open		January-00			
Resources Requirements:	: (request forms o	and approvals attac	hed)						
nternal Labor Availability	: Low Probability	Medium Probal	bility High Probabilt	Enterprise Tech:	YES - attach form	☐ NO or Not Required	Capital Tools:	☑ YES - attach form	☐ NO or Not Required
Contract Labor:	<b>☑</b> YES	□ NO		Facilities:	YES - attach form	NO or Not Required	Fleet:	YES - attach form	NO or Not Required

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Functional Group: General

**Business Case Name:** New Deer Park Service Center

ER No: ER Name:

7135 Deer Park Service Center

Approved Business Case Spend Amount 2013-2016 (\$000s - System): \$2,500<sup>1</sup>

Transfer to Plant Amounts (\$000s - System):

Year	Total	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2013													
2014													
2015	2,500												2,500
2016													

# **Business Case Description:**

Replace existing Deer Park Service Center. Current building is over 40 years old, and existing storage yard is becoming too small for ever-growing inventory. Environmental concerns with existing site located near railroad tracks, and close proximity to city water well. Presently cleaning up existing soil contamination, and prolonged remaining at site could lead to environmental spills in the future. The existing building is tight for current line truck sizes, warehouse is undersized, and has code compliance and security issues. Deer Park is one of our lower-performing service centers on the Facilities Building Survey Report.

#### Offsets:

No O&M offsets are presented on the attached copy of the Business Case, however after further discussion it was determined that \$16,000 of annual savings would occur after the in-service date of September 2015. This amount has been prorated to include only 3 of those months. Savings are from facilities energy and maintenance savings including employee efficiencies due to larger facilities and more spacious storage yard. The total O&M offset is calculated as  $$16,000 \times (3/12) = $4,000$ . Washington's portion of this is \$3,169 Electric and \$831 Gas. This has been included in the O&M Offsets adjustment as shown in Company witness Mrs. Andrews' workpapers.

<sup>&</sup>lt;sup>1</sup> The business case amount reflects approved capital expenditures for the years indicated and not transfers to plant.



Investment Name:	New Deer Park S	vc Ctr													
Requested Amount Duration/Timeframe	\$2,500,000 1 year	2015		Assessments: Financial:											
Dept, Area:	Facilities	2010		Strategic:	Customer Cos	Customer Cost Management									
Owner:	Mike Broemling			Business Risk:	Business Risk			<= 5							
Sponsor:	Don Kopcyznski			Project Risk:	High certainty	arour	nd cost, sched	ule and	resources		April 1981 April 1981				
Category:	Project			4	-										
Mandate/Reg. Reference:				Assessment Score	133 3	1	Annual Cost								
Recommend Project Descri					Performance	-	Capital Cost	_	M Cost	Other Costs	Business Risk Score				
Replace existing Deer Park is becoming too small for er railroad tracks, and close pr and prolonged remaining a tight for current line trucks Deer Park is one of our low	ver-growing invento roximity to city wate t site could lead to e sizes, warehouse is u	ry. Environmental r well. Presently cl nvironmental spill: ndersized, and has	concerns with exi leaning up existing s in the future. Th s code compliance	sting site located n s soil contamination e existing building and security issue	ear crews shall benefit from increased	\$	2,500,000	\$	10,000	\$	•				
							Annual Cost	Summa	ary - Increas	e/(Decrease)					
Alternatives:				Contained to the second	Performance		Capital Cost	-	M Cost	Other Costs	Business Risk Score				
Unfunded Project:	Deer Park is one of	our lowest scoring	service centers.	Continual O&M an		\$	50,000	\$	25,000	\$ -	8				
	capital funding will usability. Storage y trucks will remain a	need to be poured ard will eventually	d into the building become too smal	to maintain its I for material. Line											
Alternative 1: Brief name	None. Purchasing a					5		\$	-	\$ -	4				
of alternative (if applicable)	not an option. Auto contamination and to south small, and	junkyard and RR environmental iss	tracks to the west ues. Public street	, unknown as to so to north and east	il incremental										
Alternative 2: Brief name	Describe other opt				describe any	\$		\$	2	5 -	0				
of alternative (if applicable)					incremental changes in operations										
Alternative 3 Name : Brief	Describe other opt	ions that were con	sidered		describe any	\$		\$		\$ -	0				
name of alternative (if applicable)					incremental changes in operations										
Program Cash Flows															
	Capital Cost	O&M Cost	Other Costs	Approved		Asso	ociated Ers (list	all appl	icable):						
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Milestones (high level ta March-15 November-15	start Construction Plant in service	1													

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o be completed by Capital Planning Group Rationale for decision	Review Cycles 2012-2016					
	Date	Template				

Functional Group: General

Business Case Name: Central Office Facility – Mission Campus ("COF") Long-term Restriction Phase 2

ER No: ER Name:

7131 COF Long Term Restructuring Plan Phase 2

Approved Business Case Spend Amount 2013-2016 (\$000s - System): \$8,500<sup>1</sup>

Transfer to Plant Amounts (\$000s - System):

Year	Total	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2013													
2014													
2015	2,000												2,000
2016	6,500												6,500

#### **Business Case Description:**

COF Long Term Restructuring Plan, Phase 2. This project involves the construction of a new Fleet Vehicle Garage and 4-story parking structure. By the end of 2015, Facilities projects will add approx. 183 new cubicles. Our parking lots will be beyond max capacity. The Fleet Garage is over 50 yrs old and is constrained. New garage will allow for maintenance of Compressed Natural Gas vehicles as the current bldg does not allow for this. Once Fleet is relocated there will be a distinct separation between operational/service vehicles and employee vehicle. This separation will increase safety by eliminating intermingling of pedestrians in work areas. Office building & parking garage is projected to allow Call Center and any leased facilities to come back to Mission campus. Ross Park conversion to office will secure any future employee expansion that will occur.

#### Offsets:

There are no offsets presented on the attached Business Case. However after further discussion, it was determined that O&M savings of \$33,000 will occur in July 2015. These O&M savings are the result of eliminating the need of leased facilities used for personnel that will be relocated to the Mission Campus. In addition, we would not need to rent or purchase addition space for parking. These annual savings have been prorated to include savings after the in-service date. The resulting offset is calculated as  $$33,000 \times (5/12) = $13,860$ . Washington's apportionment of this amount is \$10,980 Electric and \$2,880 Gas. This has been included in the O&M Offsets adjustment as shown in Company witness Mrs. Andrews' workpapers.

<sup>&</sup>lt;sup>1</sup> The business case amount reflects approved capital expenditures for the years indicated and not transfers to plant.

Investment Name:	COF LngTrm Res	struct Ph2			_										
Requested Amount Duration/Timeframe	\$47,500,000	Year Project	4		Asse	ssments:	7.00%								
Dept, Area:	Facilities	real riojec			Strat		Other	-		-	A STATE OF THE STA	-			
Owner:	Mike Broemling a	nd Eric Bow	les		4	ness Risk:	Business Risk								
Sponsor:	Don Kopczynski				4	ect Risk:	High certainty				T T				
Category:	Project		1111												
	n/a	450			Asse	ssment Score:	86		Annual Cost	Sum	mary - Increase	e/(De	crease)		
Recommend Project Descri	•			The late			Performance		Capital Cost		O&M Cost		Other Costs	<b>Business Risk Scor</b>	
COF Long Term Restructuring Pl 2015 Facilities projects will add is over 50 yrs old and is constral maintenance of CNG vehicles, co Service vehicles and Administral pedestrians in work areas. Offic come back to Mission campus. I	approx. 183 new cubic ined by its dims from or current bidg does not all itive Employees and vel- ce building & parking ga	les. Our parking ur ever enlargir low this. Once I hicles. Separation rage is projects	lots will b g vehicles leet is mo on will incr ed to allow	e beyond max co and line trucks. yed, a distinct se ease safety by e Call Center and	apacity New g eparati liminat any lei	r. The Fleet Garage arage will allow for on b/n Operations / ing intermingling of ased facilities to	State of the art fleet building. Service vehicles contained to north campus. Employee vehicles near main GOB.	\$	47,500,000	\$		\$		2	
									SECURE AND DESCRIPTION OF THE PERSON OF	-	mary - Increase				
Alternatives:	1						Performance		Capital Cost		O&M Cost	-	Other Costs	Business Risk Score	
Unfunded Project:	Employee parking shall enforce parking regulat cars to desks. All CNG v extra 15 minute travel departments (i.e. call o	tions if this occu whicles will hav time. Continued	rs. Added 5 e to be mai	i-to-10 minutes v ntained at Dollar	walk tin Road i	ne from employee leet Bldg, with its	n/a	\$		\$		\$		2	
Alternative 1: Brief name of alternative (if applicable)	Build extra parking offset new employe employees.	lot on Ross C					describe any incremental changes in operations	\$	2,000,000	\$	20,000	\$			
Alternative 2: Brief name of alternative (if applicable)	Build new fleet buil times and inefficier				onstru	ction. Travel	describe any incremental changes in	\$	7,000,000	\$	20,000	\$		0	
Alternative 3 Name: Brief name of alternative (if applicable)	Describe other opti	ions that wer	e conside	red			describe any incremental changes in operations	incremental changes in							
Program Cash Flows	Capital Cost	O&M Co	. [	Other Costs		Approved		la	alabad Facilitat	-U	-th-ship).		appears.		
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2016	\$ 6,500,000	\$	- \$		\$	6,500,000									
2017			\$	•	\$	16,000,000	see note unde	r add	'i justification						
2018 2019 Total	\$ 4,000,000	\$	- \$		\$	19,000,000 - 43,500,000									
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Key Performance Indicator(s)		
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The state distribution is a maintained		

Functional Group: Natural Gas Distribution

Business Case Name: Aldyl A Replacement

ER No: ER Name:

3008 Aldyl -A Pipe Replacement

Approved Business Case Spend Amount 2013-2016 (\$000s - System): \$63,156<sup>1</sup>

#### Transfer to Plant Amounts (\$000s - System):

Year	Total	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2013	8,463							1,778	1,915	1,573	729	1,392	1,076
2014	16,452	945	891	1,028	1,171	1,464	1,453	1,301	1,676	1,586	1,603	1,180	2,153
2015	16,817	965	910	1,051	1,197	1,497	1,486	1,330	1,713	1,622	1,639	1,205	2,203
2016	17,885	1,018	963	1,115	1,271	1,593	1,582	1,416	1,819	1,729	1,746	1,280	2,352

#### **Business Case Description:**

This program covers the replacement of 730 miles of pre-1987 Aldyl A mains and the remediation of 16,000 bending stress sites on services tapped from steel main. Due to the tendency for this material to suffer brittle-like cracking leak failures, Aldyl A will eventually reach a level of unreliability that is not acceptable. Please also see Company witness Labolle for further details regarding this program.

#### Offsets:

<sup>&</sup>lt;sup>1</sup> The business case amount reflects approved capital expenditures for the years indicated and not transfers to plant.

#### Capital Program Business Case



Investment Name:	Aldyl A Replace	ment_mains an	d bending stre						
Requested Amount Duration/Timeframe	\$17,600,000	Year Program		Assessments: Financial:	Madium - >= f	5% & <9% CIRR			
Dept, Area:	Gas Delivery	rear riogram		Strategic:	Life Cycle Pro				
Owner:	Mike Faulkenber	ry		Operational:		quire execution to p	perform at current	levels	
Sponsor:	Don Kopczynski			Business Risk:		on >5 and <= 10	onom at carrent	10.013	DATE OF THE OWNER.
Category:	Program			Program Risk:	High certainty	around cost, sched	dule and resources	S	MATERIAL PROPERTY.
Mandate/Reg. Reference:				Assessment Score:	89	Annual Cos	t Summary - Increa	se/(Decrease)	
Recommend Program Des	cription:				Performance	Capital Cost	O&M Cost	Other Costs	Business Risk Score
This program covers the re 16,000 bending stress sites suffer brittle-like cracking I acceptable. There is a pote high likelihood of increasin	on services tapped eak failures, Aldyl A ential harm to the p	from steel main. I will eventually rea ublic through dam	Due to the tender och a level of unre age to life and pre	ncy for this material to eliability that is not	As Aldyl A is removed, O&M expense associated with repairing the increasing leaks will be eliminated in proportion		\$	\$	5
Alternatives:							t Summary - Increas		
Unfunded Program:	W				Performance	Capital Cost	O&M Cost	Other Costs	Business Risk Score
omunica riogram.	in more than 13 ca and Oregon, the co	ntastrophic events ost of the effects (a I leak repair could t	in Washington ali at a 10% escalatio total more than \$	ces is modeled to result one. Extended to Idaho on) and increasing 660MM over a 20 year				\$ 3,000,000	15
Alternative 1: Brief name of alternative (if applicable)	20 year replaceme service taps each y that if pipe is remo could occur over 2	ent program: Repla year, prioritized by oved on a first in-fir 0 years, however, es first without reg	ice 37 miles of m DIMP risk model st out basis up to using a DIMP bas	ain and remediate 800 ing. Modeling suggests o 3 catastrophic events ed approach to remove may be possible to	As Aldyl A is removed, O&M expense associated with repairing the increasing leaks will be eliminated in proportion		\$ (60,000)	\$	5
Alternative 2: Brief name	Describe other opt	ions that were con	sidered		describe any	\$ -		*	-
of alternative (if	bescribe other opt	ions that were con	isidered		The state of the s	\$ -	\$ -	\$ -	0
opplicable)					incremental				
					changes in operations				
Alternative 3 Name: Brief name of alternative (if applicable)	Describe other opt	ions that were con	sidered		describe any incremental changes in	\$ -	\$ -	\$ -	0
2000 W					operations				
Program Cash Flows 5 years of costs					Associated Ers (	list all applicable):			
	Capital Cost	O&M Cost	Other Costs	Approved	Ouron Er				
2012	\$ 5,000,000	\$ -	\$ -	ć r.000.000					
2012				\$ 5,000,000					
2013			Y	\$ 12,000,000	-				
2014	The formal devices and the second		\$ -	\$ 16,452,196	4				
2016	The state of the s	*	\$ -	\$ 16,817,429	-				
2017	2 10,003,272	3	3 -	\$ 17,885,272	-				
2018				\$ 18,262,977	-				
Total	\$ 69,504,897	š -	\$ -	\$ 18,648,237 \$ 105,066,111	-				
Mandate Excerpt (if application of the				ible					
Additional Justifications:								name of the last	
vista has experienced 2 inj Commission. Further event pproach is critical at this ti	s of this nature will	most likely result i	n some sort of m	andatory pipe replacen	ent program with	h a timeline we cann	ot control. Taking a	g Utility and Transpo s proactive and prior	ortation ity-justified
lesources Requirements: (	request forms and a	pprovals attached,				A STATE OF THE STA		u Wijer tob	
nternal Labor Availability:	☑ Low Probability	☐ Medium Probability	☐ High Probablity	Enterprise Tech:	YES - attach form	NO or Not Requ		ppropriate box. The in	
Contract Labor:	✓ YES	□ NO	ang Probable	Facilities: Capital Tools: Fleet:	YES - attach form YES - attach form YES - attach form YES - attach form	✓ NO or Not Requ ✓ NO or Not Requ ✓ NO or Not Requ	resource ow a general se	should be checked to mers have been contains nse of how likely staff of require a firm comm	cted and to provide will be provided

Page 1 of 3

Pinled: 10-29-2013

#### Capital Program Business Case



ey Performance Inc xpected Performance In PI Measure:	nprovement		flasts and				1	1 1	
ri ivieasure:			ne of the Ki	their consequences PI here		/	[[[]]	, 4	
					7).	Prepared signature	1001	W	
	_	Base Case	Repla	cement Case		6			
400							-		
ğ 350					,	Reviewed signature	- 9	If after	
5 300 5 250				~/	/		D	irector/Manager	
200			_	~~		1	. 1		
ž 150		. /		~		r Party Review signature	44/1		
350 300 250 250 150 150	$\prec$	$\vee$				(if necessary)	( PD	irector/Manager	
0								\	
2010	2015	20	20 Year	2025 2030	2035				
			ı			Unfunded Project/Program Risk (no funding if a proje	ct cases funding if	an autotini aasaa aa	
Business Case	ERM Risk Reduction	Unfunded Raw Score	Revised Risk Raw Score	Financial Impact		The manufacture of the project of th	T. Course rainting in	an exorate brokeani	
	3377325580012		11011 (10011)	(Consequential Costs/Revenues)	Likelihood	Legal, Regulatory, External Business Affairs	Likelihood	Customer Service and Reliability (# customers * duration of an outage)	Likelihood
				3 - \$2MM - \$4MM	< Once / year	4 - Potential for regulators to impose onerous restrictions or Board or management to make	< Once / year		
				Environmental	Likelihood	leadership change Safety and Health: Public	Likelihood	Safety and Health: Employee	Likelihood
						5 - Potential for multiple loss of lives Wide spread damage on property or business Public health infrastructure impact up to 72 hours	< Once / year	2 - Potential for minimal or minor injury Lost Time Incident and Severity Rate increases year over year	< Once / 5 years
ldyl A Replacement						Revised Risk if funded/	completed		
mains & bending tress tees)	15	20	5	Financial Impact (Consequential Costs/Revenues)	Likelihood	Legal, Regulatory, External Business Affairs	Likelihood	Customer Service and Reliability (# customers * duration of an outage)	tikelihood
				3 - \$2MM - \$4MM	< Once / 50 year	Could result in a sustained negative impact to s local, online, or industrial relationships and / or national / global media coverage.	< Once / 50 years		
				Environmental	Likelihood	Safety and Health: Public	Likelihood	Safety and Health: Employee	Likelihood
						5 - Potential for multiple loss of lives Wide spread damage on properly or business Public health infrastructure impact up to 72 hours	< Once / 50 years	2 - Potential for minimal or minor injury Lost Time Incident and Severity Rate increases year over year	< Once / 50 years
A UTC Docket U	G-120715 overy Med	Commission (	sion Policy CRM) base	on Accelerated Repla	cement of Pi	ons based on new models and informative peline with Elevated Risk was issued or in Oregon with NWNG.	December 3	normalii kalen in 2 SEVANII s	nno i Shiriperi
nationale for dec	sion							Review Cycles	
								2012-2016	141 (6)
						Date		Template	
							CI CI UV		

Functional Group: Natural Gas Distribution

**Business Case Name:** Cathodic Protection

ER No: ER Name:

3004 Cathodic Protection-Minor Blanket

Approved Business Case Spend Amount 2013-2016 (\$000s - System): \$3,000<sup>1</sup>

#### Transfer to Plant Amounts (\$000s - System):

Year	Total	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2013	172							8	4	71	5	39	45
2014	800	48	43	52	58	67	80	77	87	78	72	62	75
2015	800	49	43	52	58	67	80	77	87	78	72	62	75
2016	800	49	43	52	58	67	80	77	87	78	72	62	75

#### **Business Case Description:**

This program will replace existing and install new cathodic protection systems to ensure compliance with 49 CFR 192, Subpart I - "Requirements for Corrosion Control" that requires pipelines be protected against external corrosion by means of a cathodic protection system. This program will ensure appropriate cathodic protection levels are maintained, reduce corrosion related failures, help prevent leaks within steel pipeline systems and enhance public safety.

### Offsets:

<sup>&</sup>lt;sup>1</sup> The business case amount reflects approved capital expenditures for the years indicated and not transfers to plant.

### Capital Program Business Case

Investment Name:	Cathodic Protec	tion	Natural Ga	S		7									
Requested Amount	\$800,000					Ass	essments:								
Duration/Timeframe	On-Going	Year	r Program			_	ancial:	High - Exceed	s 129	6 CIRR					
Dept, Area:	Gas Operations					- 1000	ategic:	Reliability & C			W		10000		
Owner:	Mike Faulkenber	rv				-	erational:	Operations rec			arfo	rm at current l	avole	10 VIII VIII VIII VIII VIII VIII VIII VI	
Sponsor:	Don Kopczynski	,			_		iness Risk:	ERM Reduction			eno	m at current	eveis		
Category:	Mandatory	_		_		-	gram Risk:	Moderate certa	-		cho	dula and rass	urana.	THE REST	
Mandate/Reg. Reference:		annet I	"Doquiror	nonto for	Corre	-		Market and the second second second	-		Interitors				
Recommend Program Desc		parti	- Requirer	nents for	Corros	siq Ass	essment Score:	154			Sun	nmary - Increas	T		
					1-00 TO 100 TO 1			Performance		Capital Cost	L.	O&M Cost	-	er Costs	Business Risk Score
This annual program will re								describe any	\$	800,000	\$		\$		3
compliance with 49 CFR 197								incremental	1				1		
protected against external of								changes that			1				
appropriate cathodic protei				rrosion rel	lated fa	ilures	, help prevent	this Program					l.		
leaks within steel pipeline s	ystems and enhanc	e publ	ic safety.					would benefit			l				1
								present			t				
								operations	1		1				
										Annual Cost	Sun	mary - Increas	e/(Decre	ase)	
Alternatives:						OIU.		Performance	1	Capital Cost		O&M Cost		er Costs	Business Risk Score
Unfunded Program:	Avista would be ou	it of co	ompliance in	portions o	of its ga	s dist	ribution system.	n/a	\$		\$		\$		12
e.co.om/usessesses <del>al</del> evecess	Telanorapianen automobil			# independent	S MINNES WAS			1.9.0	- T				*		1
															1
Albanantina to Brief									-		-		-		
Alternative 1: Brief name	Install new and rep	olace e	xisting catho	dic protec	ction sy	stem.		n/a	\$	800,000	\$	1.00	\$		3
of alternative (if															
applicable)									1		1				
Alternative 2: Brief name								n/a	\$	-	\$		Ś		0
of alternative (if													17		
applicable)									1						
0.00															
Alternative 3 Name : Brief		_					-	describe any	\$		4				
name of alternative (if									2	-	\$	-	\$		0
								incremental							
applicable)								changes in	1						
								operations							
Program Cash Flows								Associated Ers (	list al	l applicable):					
5 years of costs								Current ER	1						
	Capital Cost	-	&M Cost	Other	Costs		Approved	3004							
Previous		\$		\$		\$									
2012		\$		\$	-	\$	500,000								
2013	\$ 500,000	\$		\$		\$	600,000								
2014	\$ 800,000	\$		\$		\$	800,000	1							
2015	\$ 800,000	\$		\$	-	\$	800,000	1							
2016	\$ 800,000	\$	2	Ś	- 5	\$	800,000	İ							
2017	\$ 800,000	\$		Ś	-	5	800,000								
2018		Ś		S	-	\$	600,000								
Total			100	S	DO FETA	S	3,500,000								
, ocal	3,400,000	1 4		Y	1112	19	3,300,000	I:							
Mandate Evenent (if applies															

Mandate Excerpt (if applicable)				
	Mandata	Evenent	lif annli	eabla)

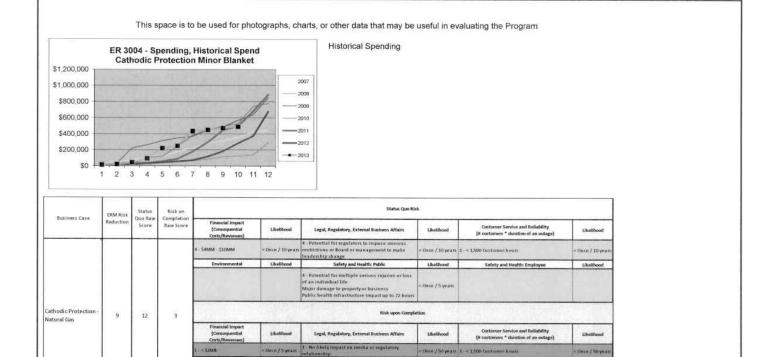
49 CFR 192.455(a) "Except as provided in paragraphs (b), (c), and (f) of this section, each buried or submerged pipeline installed after July 31, 1971, must be protected against external corrosion, including the following: (2) It must have a cathodic protection system designed to protect the pipeline in accordance with this subpart, installed and placed in operation within 1

year after completion of	construction.						
Additional Justifications:							
Any supplementary inform	ation that may be	useful in describing i	n more detail the	nature of the Progra	m, the urgency, etc.		
Resources Requirements:	(request forms an	d approvals attached)	Marca et al.				
Internal Labor Availability: Contract Labor:	Low Probability  YES	✓ Medium Probability ☐ NO	High Probability	Enterprise Tech: Facilities: Capital Tools: Fleet:	YES - attach form YES - attach form YES - attach form YES - attach form	NO or Not Required	Check the appropriate box. The internal and contract labor boxes should be checked to indicate if the resource owners have been contacted and to provide a general sense of how likely staff will be provided (this does not require a firm commitment).

#### Capital Program Business Case



Key Performance Indicator(s)		
Expected Performance Improvements		
KPI Measure:		Vi
Prepare	d signature	John Cl J M
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		/
Reviewe	d signature	144 @>
		Qirector/Manager
		'
Other Party Rev	ew signature	
(if necessar	ту)	Director/Manager



Rationale for decision

Review Cycles

2012-2016

Date Template

Likelihood

Once / 50 years

Safety and Health: Employe

Safety and Health: Public

Functional Group: Natural Gas Distribution

Business Case Name: Gas Non-Revenue Program

ER No: ER Name:

3005 Gas Distribution Non-Revenue Blanket

Approved Business Case Spend Amount 2013-2016 (\$000s - System): \$25,550<sup>1</sup>

#### Transfer to Plant Amounts (\$000s - System):

Year	Total	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2013	4,728							1,049	929	1,271	669	386	425
2014	4,702	621	468	502	631	595	615	682	710	621	721	549	685
2015	8,925	749	585	625	759	719	745	818	846	749	853	674	809
2016	9,108	768	598	635	778	732	758	837	859	762	872	687	822

#### **Business Case Description:**

This annual program will replace sections of existing natural gas piping that require replacement to improve the operation of the gas system but are not directly linked to new revenue. The program includes replacement of pipe and facilities that are at the end of their useful life or have failed. It includes improvements in equipment and/or technology to enhance system operation and/or maintenance, replacement of obsolete facilities, replacement of main to improve cathodic performance, and projects to improve public safety and/or improve system reliability. Starting in 2014, costs associated with the labor and minor materials to complete the Planned Meter Change-out ("PMC") program will no longer be captured in this Business Case, they will be on the "Gas PMC Program".

#### Offsets:

<sup>&</sup>lt;sup>1</sup> The business case amount reflects approved capital expenditures for the years indicated and not transfers to plant.

# Capital Program Business Case

Investment Name:	Gas Non-Reven	ue Program							
Requested Amount Duration/Timeframe	\$5,600,000	Vees Deserve		Assessments:					
	On-Going Gas Operations	Year Program		Financial:		% & <9% CIRR		Paristing of the	
Dept, Area: Owner:	Mike Faulkenber	n/		Strategic:	Reliability & Ca		estern at a second		
Sponsor:	Don Kopczynski	iy		Operational: Business Risk:		uire execution to p	enorm at current	ieveis	ADMINISTRAÇÃO
Category:	Program			Program Risk:		ainty around cost, s	schedule and resc	urces	
Mandate/Reg. Reference:				Assessment Score:	89		t Summary - Increa		
Recommend Program Desc	cription:				Performance	Capital Cost	O&M Cost	Other Costs	Business Risk Scor
This annual program will re operation of the gas systen replacement of pipe and fa improvements in equipmer	n but are not directl cilities that are at th	y linked to new rev se end of their usef	enue. The progr ul life or have fai	am includes led. It includes	describe any incremental changes that this Program	\$ 5,600,000	100000000000000000000000000000000000000	\$ -	8
replacement of obsolete fa improve public safety and/ and minor materials to con will be on the "Gas PMC Pro the historical spend has bed	cilities, replacement or improve system in plete the PMC progogram". This results	t of main to improve reliability. Starting i gram will no longer in a \$1M reduction	e cathodic perfo n 2014, costs ass be captured in th in the 2014 bud	rmance, and projects to ociated with the labor nis Business Case, they get request; however					
Alternatives:					1 2 2		Summary - Increa		
Unfunded Program:	Taureta will be unab	do to complete con	t-1		Performance	Capital Cost	O&M Cost	Other Costs	Business Risk Scor
omanaca riogram.	Avista Will be tillat	ne to complete cap	ital hon-revenue	system enhancements	n/a	\$ -	\$ -	\$ -	8
Alternative 1: Brief name of alternative (if applicable)	Complete installati	ion and/or upgrade	of non-revenue	assets.	n/a	\$ 5,600,000	\$ -	\$ -	2
Alternative 2: Brief name of alternative (if applicable)					n/a	\$ -	\$ -	\$	0
Alternative 3 Name: Brief name of alternative (if applicable)					describe any incremental changes in operations	\$ -	\$ -	\$ -	0
Program Cash Flows 5 years of costs					Associated Ers (I	list all applicable):			
The Contract of	Capital Cost	O&M Cost	Other Costs	Approved	3005				
Previous		\$ -	\$ -	\$ -					
2012			\$ -	\$ 3,823,000					
2013			\$ -	\$ 7,949,690	area				
2014	The second second second	The state of the s	\$ -	\$ 5,600,000	ine				
2015			\$ -	\$ 6,000,000					
2016	\$ 6,000,000	\$ -	\$ -	\$ 6,000,000					
2017				\$ 6,000,000	and the second s				
Z018 Total		\$ -	\$ -	\$ 6,000,000 \$ 29,372,690					
Mandate Excerpt (if applica	able):				-	Albert, Western			
Additional Justifications: The program addresses a nu replacement of odorization	umber of mandator equipment, installa	y projects, at the di tion of steel pipe to	rection of the co	mmission and/or projec n cathodic protection, e	cts that enhance potc.)	ublic safety and syst	em reliability. (Exa	mple: Incremental p	pipe enhancements,
Resources Requirements: (	request forms and a	pprovals attached)		The Laborator			11/6 95/216		TEACH PALLS
nternal Labor Availability: Contract Labor:	Low Probability  YES	☐ Medium Probability. ☐ NO	High Probability	Enterprise Tech: Facilities: Capital Tools: Fleet:	YES - attach form YES - attach form YES - attach form	✓ NO or Not Requ	labor boxes ired resource over ired a general se	ppropriate box. The i should be checked to vners have been contains onse of how likely staff of require a firm com-	indicate if the acted and to provide f will be provided

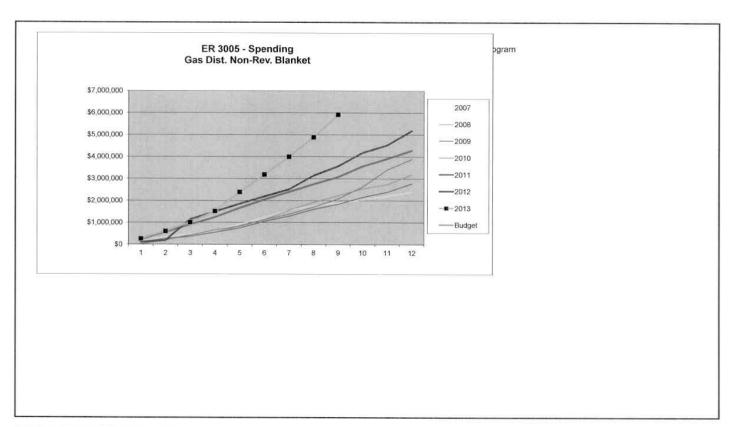
#### Capital Program Business Case

Reviewed signature



Key Performance Indicator(s)	
Expected Performance Improvements	
KPI Measure:	
	Prepared signature
	1 / Y O

Other Party Review signature
(if necessary) Director/Manager



	Review Cycles 2012-2016
Date	Template
	Date

Functional Group: Natural Gas Distribution

**Business Case Name:** Gas Reinforcement

ER No: ER Name:

3000 Gas Reinforce-Minor Blanket

3268 Reinforcement Appleway Bridge Crossing, Liberty Lake, WA

Approved Business Case Spend Amount 2013-2016 (\$000s - System): \$3,950<sup>1</sup>

# Transfer to Plant Amounts (\$000s - System):

Year	Total	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2013	394							14			325	29	26
2014	1,000	66	56	68	73	81	103	101	112	95	86	81	77
2015	1,000	66	57	68	73	81	103	101	112	95	86	81	77
2016	1,000	66	57	68	73	81	103	101	112	95	86	81	77

# **Business Case Description:**

This annual program will provide for necessary reinforcements and reliability looping of the existing gas distribution system in WA, ID, and OR. Avista has an obligation to provide reliable service that is of adequate pressure and capacity. Periodic reinforcement of the system is required to reliably serve due to increased demand at existing service locations and new customers. Execution of this program on an annual basis will ensure the continuation of reliable gas service that is of adequate pressure and capacity.

### Offsets:

<sup>&</sup>lt;sup>1</sup> The business case amount reflects approved capital expenditures for the years indicated and not transfers to plant.

#### AWISTA

#### Capital Investment Business Case

Status Quo:  Gas distribution reinforcements are identified on an on-going basis and need to be completed when identified to ensure continuation of reliable service.  Alternative 1: Pipe Installations  Capital Pipe Installations - Install additional pipe to reinforce and loop existing gas distribution system to increase system reliability.  Alternative 2: Uprate Alternative  Alternative  Distribution System Uprates - Increase the operating pressure of existing gas distribution system will increase the delivery capacity in addition to increases operating efficiency by tying existing distribution system to a 60 PSIG MAOP. Uprating gas distribution system with similar operating pressures.  Alternative 3 Name: Brief applicable)  Describe other options that were considered  Associated Ers (list all applicable):  Capital Cost  O&M Cost  Other Costs  Approved Capital  3000  2012 \$ 1,050,000 \$ - \$ - \$ - \$ 800,000	Investment Name:	Gas Reinforcem	ent		7									
Duration/Timeframe   Dept., Area:   Gas Operations   Strategic   Operations	Requested Amount				Assessments:									
DeptArea:   Gas Operations   Strategic:   Owner:   Mike Faulkenberry   Operations:   Business Risk   European Risk:   Don Kopczynski   Business Risk   European Risk:   EMBORT   Program Risk:   Performance   Performance   Performance   Performance   Performance   Sisteribution system to fit his program on a namual basis will ensure the continuation of reliable service this is of adequate pressure and capacity. Performance   Performa	Duration/Timeframe	On-Going	2012+		TOTAL CONTROL OF TAXABLE STREET	MH - >= 9% &	<129	% CIRR						
Owner: Mike Faulkenberry Operational: Sponsor: Don Kopczynski Business Risk: Program Risk Program Risk: Program Risk Program Risk: Program Ris	Dept, Area:	Gas Operations												
Sponsor:   Don Kopczynski   Business Risk:   Category:   Mandatory   Program Risk:   Moderate Gertainty around cost, schedule and resources   Moderate Reg. Reference:   WAC 480-90-148(2)(d), IDAPA 31.31.01.151, ORT   Assessment Score:   143   Annual Cost Summary-Increase/(Decrease)   Reference:   Moderate Gertainty around cost, schedule and resources   Moderate Gertainty around cost, sche	Owner:		ry						itio	1	17.17	A Property		
Mandatory   Mandatory   Program Risk:   Annual Cost Summary - Increase/(Decrease)	Sponsor:	Don Kopczynski							- Cition		000			
Mandate/Reg. Reference:  WAC 480-90-148(2)(d), IDAPA 31.31.01.151, OR   Assessment Score:  It is annual program Description:  This annual program will provide for necessary reinforcements and reliability looping of the existing gas distribution system in WA, ID, and OR. Avista has an obligation to provide reliable service that is of adequate pressure and capacity. Periodic reinforcement of the system is required to reliably serve due to increased demand at existing service locations and new customers. Execution of this program on an annual basis will meet a design day load. Specific ER's may be added to this Business Case as they are defined as Reinforcement Projects.  Annual Cost Summary - Increase/(Decrease)  Performance (describe any \$ 1,050,000 \$ \$ . \$ . \$ . \$ . \$ . \$ . \$ . \$ . \$	Category:	Mandatory			_									
Recommend Program Description:  This annual program will provide for necessary reinforcements and reliability looping of the existing gas distribution system unit annual program will provide for necessary reinforcements and reliability looping of the existing gas distribution system to increase the deniand a existing service locations and new sustomers. Execution of this program on annual basis will ensure the continuation of reliable gas service that is of adequate pressure and capacity. Periodic reinforcement of the system is required to reliably serve due to increased demand a existing service locations and new sustomers. Execution of this program on annual basis will ensure the continuation of reliable gas service that is of adequate pressure and capacity. The 2013 budget was cut and needs to be increased for 2014+ (to \$1,000,000) to ensure adequate capacity that will meet a design day load. Specific ER's may be added to this Business Case as they are defined as Reinforcement Projects.  Annual Cost Summary - Increase/(Decrease)  Business Risk this Program would benefit this present operations  Annual Cost Summary - Increase/(Decrease)  Annual Cost Summary - Increase/(Decrease)  Annual Cost Summary - Increase/(Decrease)  Business Risk this Program would benefit this Present operations  Annual Cost Summary - Increase/(Decrease)  Annua	Mandate/Reg. Reference:	WAC 480-90-148	8(2)(d), IDAPA 31	31.01.151. OR								rearest		
This annual program will provide for necessary reinforcements and reliability looping of the existing gas distribution system in WA, ID, and OR. Avista has an obligation to provide reliable service that is of adequate pressure and capacity. Periodic reinforcement of the system is required to reliably serve due to increased demand at existing service locations and new customers. Execution of this program on an annual basis will nears the continuation of reliable gas service that is of adequate pressure and capacity. The 2013 budget was cut and needs to be increased for 2014+ (to \$1,000,000) to ensure adequate capacity that will meet a design day load. Specific ER's may be added to this Business Case as they are defined as Reinforcement Projects.  Annual Cost Summary - Increase/(Decrease)				ie ite ii ie ii e it	prosessment score.		-		Jui					
Alternative 1: Pipe Installation system to increase system reliability.  Alternative 2: Uprate Alternative  Alternative  Alternative  Alternative  Capital Pipe Installations - Install additional pipe to reinforce and loop existing gas distribution system to increase system reliability.  Alternative  Alternative  Capital Pipe Installations - Install additional pipe to reinforce and loop existing gas distribution system to increase system reliability.  Alternative  Alternative  Capital Pipe Installations - Install additional pipe to reinforce and loop existing gas distribution system to a 50 PSIG MAOP. Uprating gas distribution system will increase the delivery capacity in addition to increases operating efficiency by tying existing distribution system to gether with similar operating pressures.  Alternative 3 Name: Brief name of alternative (if applicable)  Program Cash Flows  Capital Cost  O&M Cost  Other Costs  Osh Gode  Social Stribution and non-going basis and need to be completed when identified on an on-going basis and need to be completed when identified on an on-going basis and need to be completed when identified on an on-going basis and need to be completed when identified on an on-going basis and need to be completed when identified on an on-going basis and need to be completed when identified on an on-going basis and need to be completed when identified on an on-going basis and need to be completed when identified on an on-going basis and need to be completed when identified on an on-going basis and need to be completed when identified on an on-going basis and need to be completed when identified on an on-going basis and need to be completed when identified on an on-going basis and need to be completed when identified on an on-going basis and need to be completed when identified on an on-going basis and need to be completed when identified on an on-going basis and need to be completed when identified on sure in features and loop existing and unique of the system monitoring during cold  Reduction in r	distribution system in WA, adequate pressure and cap increased demand at existi annual basis will ensure the The 2013 budget was cut a capacity that will meet a de	ID, and OR. Avista I acity. Periodic reinf ng service locations continuation of rel nd needs to be incre sign day load. Speci	nas an obligation to forcement of the stand new customental able gas service the eased for 2014+ (to	o provide reliable ystem is required rs. Execution of the nat is of adequate o \$1,000,000) to e	service that is of to reliably serve due to his program on an pressure and capacity. nsure adequate	incremental changes that this Program would benefit present	-	The state of the s	\$	-	-			
Status Quo:  Gas distribution reinforcements are identified on an on-going basis and need to be completed when identified to ensure continuation of reliable service.  Alternative 1: Pipe Installations - Install additional pipe to reinforce and loop existing gas distribution system to increase system reliability.  Alternative 2: Uprate Alternative distribution system Uprates - Increase the operating pressure of existing gas distribution system to a 60 PSIG MAOP. Uprating gas distribution system will increase the delivery capacity in addition to increase operating efficiency by tying existing distribution system to gether with similar operating pressures.  Alternative 3 Name: Brief name of alternative (if applicable)  Program Cash Flows  Capital Cost						Sun	nmary - Increas	e/(Dec	crease)					
Alternative 1: Pipe Installation gas distribution system to increase system reliability.  Alternative 2: Uprate Alternative alternative increase the operating pressure of existing gas distribution system to a 60 PSIG MAOP. Uprating gas distribution system will increase the delivery capacity in addition to increase operating efficiency by tying existing distribution system together with similar operating pressures.  Alternative 3 Name: Brief name of alternative (if applicable)  Program Cash Flows  Capital Cost O&M Cost Other Costs Approved Capital 3000  2012 \$ 1,050,000 \$ - \$ - \$ - \$ 800,000		r					(	Capital Cost	101	O&M Cost	0	ther Costs	Business Risk Score	
System   S	status Quo:					n/a			\$		\$		16	
Alternative distribution system to a 60 PSIG MAOP. Uprating gas distribution system will increase the delivery capacity in addition to increases operating efficiency by trying existing distribution system together with similar operating pressures.  Alternative 3 Name: Brief name of alternative (if applicable)  Describe other options that were considered  Current ER  Current ER  Current ER  Describe other options that were considered  Describe other options that were considered  Current ER  Describe other options that were considered  Describe other options that were considered  Current ER  Describe other options that were considered  Describe other options that were considered  Describe other options that were considered  Current ER  Describe other options that were considered  Current ER  Describe other options that were considered  Describe other options that we			nforce and loop existing	system monitoring	\$	1,000,000			\$		4			
Incremental changes in operations		distribution system increase the delive	to a 60 PSIG MAC ry capacity in addi	listribution system will operating efficiency by	regulator station	\$	50,000	\$	100,000	\$		4		
Current ER	Alternative 3 Name: Brief name of alternative (if						\$		\$		\$		0	
Current ER	Program Cash Flows													
Capital Cost   O&M Cost   Other Costs   Approved Capital   3000     3268	The state of the s						ust al	applicable):	_		-			
2012 \$ 1,050,000 \$ - \$ - \$ 800,000	2012-2010	Control Control												
2012 \$ 1,050,000 \$ - \$ - \$ 800,000			DEM Cost	Other Costs	Approved Capital	3000								
7 -7		Capital Cost	- Com cost	-			_		-		_			
2013 \$ 1,050,000 \$ - \$ - \$ 950,000	Service.					3268		0.55 / 0.05			15			

	Capital Cost		O&M Cost	Oth	Other Costs		roved Capital
2012	\$	1,050,000	\$	\$		5	800,000
2013	\$	1,050,000	\$	\$		\$	950,000
2014	\$	1,000,000	\$	\$	-	\$	1,000,000
2015	\$	1,000,000	\$ 1	\$		\$	1,000,000
2016	\$	1,000,000	\$	\$		\$	1,000,000
2017	\$	800,000	\$	\$	-	\$	800,000
2018	\$	600,000	\$	\$	-	\$	600,000
2019	\$		\$	\$	-	William.	
Total	\$	6,500,000	\$	\$		\$	6,150,000

Mandate Excerpt (if applicable):

WAC 480-90-148(2)(d), "Each gas utility must maintain its gas system in a condition that enables it to furnish safe, adequate, and efficient service." IDAPA 31.31.01.151, "Service to the customer shall assure the customer of adequate pressure, a definite heat content, and the accurate measurement of gas.", OR Tariff - Rule 14(A)(2), "The Company will exercise reasonable diligence and care to furnish and deliver a continuous and sufficient quantity of gas to its customers but does not guarantee continuity or sufficiency of quantity."

Additional Justifications:	
Program required to reliably serve customers	



Resources Require	ments:	(request	t forms and	l approvals attached	1)					
nternal Labor Avai ontract Labor: ey Performance I		<b>☑</b> YES	Probability	☑ Medium Probability	☐ High Probability	Facilities: Capital Tools: Fleet:	YES - attach form YES - attach form YES - attach form YES - attach form	▼ NO or Not Required	internal and cor should be check resource owner contacted and t	o provide a general
ey Performance I pected Performance										oes not require a firm
PI Measure:	=11			lated Outages of the KPI here				21 /	commitment).	
		ranare	ne name c	i the Krinere		Prepared	signature	USIS all		
						Reviewed	signature	Director	/Manager	
						Other Death Death	. Nienet ve			
						Other Party Review (if necessary)		Director	/Manager	
							00 & 3268 - Spe orcement Mino			
					\$900,000 <sub>T</sub>					
					\$800,000					2007
					\$700,000		7 100 100			2008
					\$600,000			1		2009
					\$500,000			-	,	—2010 —2011
					\$400,000			/		2012
					\$200,000			. 1		-■-2013
					\$100,000					Budget
					\$0 +	1 2 3 4	5 6	7 8 9 10 11	12	
Business Case	ERM Risk Reduction	Status Quo Raw	Risk on Completion	Financial Impact		Stati	us Quo Risk			
	West Heredes	Score	Raw Score	(Consequential Costs/Revenues)	1.0000	Legal, Regulatory, External Business After		Customer Service and Reliability (# customers * duration of an outage)	Likelihood	
				2 - \$200k - \$2MM	< Once / year restri	ctions or Board or management to re ership change	nake < Once / year	5 -> 120,000 Customer hours	< Once / 5 years	
				Environmental		Safety and Health: Public stential for injury	Likelihood	Safety and Health: Employee	Chice / 50 years	
					Publi	chealth infrastructure impact up to	e nours	- Tunnana 700 Mary	CONNY 2 SYEETS	
s Reinforcement	12	16	.4	Financial Impact (Consequential	Likelihood	Risk up Legal, Regulatory, External Business Aft	on Completion  fairs Likelihood	Customer Service and Reliability (# customers * duration of an outage)	Likelihood	
				Costs/Revenues)	< Once / 10 years local,	uld result in a moderate negative in online, or industrial relationships		1 - < 1,500 Customer hours	< Once / 10 years	
				Environmental	Likelihood	nal media coverage Safety and Health: Public	Likelihood	Safety and Health: Employee	Likelihood	
						teotial for injury chealth infrastructure impact up to I	8 hours Coce / 50 year	1 - Fotential for injury	< Once / 50 years	
be completed tationale for dec		pital Pi	anning G	roup			Data		v Cycles -2016	
							Date		Template	
										nes: a fillioesilit

Functional Group: Natural Gas Distribution

**Business Case Name:** Gas Replacement Street & Highway

ER No: ER Name:

3003 Gas Replace-St&Hwy

3302 HWY 62 - HP & IP Main Relocation & SSFT #1316

Approved Business Case Spend Amount 2013-2016 (\$000s - System): \$18,000<sup>1</sup>

# Transfer to Plant Amounts (\$000s - System):

Year	Total	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2013	1,938							847	303	235	194	153	207
2014	4,500	214	201	419	269	331	527	314	388	549	363	274	651
2015	4,500	214	201	419	269	331	527	314	388	549	363	274	651
2016	4,500	214	201	419	269	331	527	314	388	549	363	274	651

# **Business Case Description:**

This annual program will replace sections of existing gas piping that require replacement due to relocation or improvement of streets or highways in areas where natural gas piping is installed. Avista installs many of its facilities in public right-of-way under established franchise agreements. Avista is required under the franchise agreements, in most cases, to relocate its facilities when they are in conflict with road or highway improvements.

### Offsets:

<sup>&</sup>lt;sup>1</sup> The business case amount reflects approved capital expenditures for the years indicated and not transfers to plant.

#### Capital Investment Business Case AVISTA

Investment Name:	Gas Replacement Street and Highway		
Requested Amount	\$4,500,000	Assessments:	
Duration/Timeframe	On-Going	Financial:	Medium - >= 5% & <9% CIRR
Dept, Area:	Gas Operations	Strategic:	Other
Owner:	Mike Faulkenberry	Operational:	Operations require execution to perform at current levels
Sponsor:	Don Kopczynski	Business Risk:	ERM Reduction >10 and <= 15
Category:	Mandatory	Program Risk:	Moderate certainty around cost, schedule and resources

Mandate/Reg. Reference: Franchise Agreements and Permits	Assessment Score:	140	Annual Cost	Summary - Increas	se/(Decrease)	
Recommend Program Description:		Performance	Capital Cost	O&M Cost	Other Costs	Business Risk Score
This annual program will replace sections of existing gas piping that require repor improvement of streets or highways in areas where gas piping is installed. A facilities in public right-of-way under established franchise agreements. Avista franchise agreements, in most cases, to relocate its facilities when they are in only highway improvements.	Avista installs many of its is required under the	describe any incremental changes that this Program would benefit present operations	\$ 4,500,000	\$	\$ -	2

				Annual Cost	rease)			
Alternatives:		Performance	0	apital Cost	O&M Cost	Ot	her Costs	Business Risk Scor
Status Quo:	Avista would be out of compliance with established franchise agreements and/or permits if work is not completed.	n/a	\$		\$ 2	\$		16
Alternative 1:	Relocate facilities in conflict with street and highway projects where established franchise agreements and/or permits exist.	n/a	\$	4,500,000	\$	\$		2
Alternative 2:		n/a	\$		\$	\$	) *:	0
Alternative 3 Name: Brief name of alternative (if applicable)		describe any incremental changes in operations	\$		\$	\$		0

Program Cash Flows								Associated Ers (list all applicable):						
2012-2016								Current ER						
	Capita	l Cost	O&M Co	st	Other Costs		Approved	3003						
								3302						
2012	\$ 2,	,200,000	\$		\$ -	\$	2,200,000	3297						
2013	\$ 4,	,500,000	\$	-	\$ -	\$	4,500,000							

2012	\$ 2,200,000	\$ -	\$	\$ 2,200,000
2013	\$ 4,500,000	\$ -	\$ 20	\$ 4,500,000
2014	\$ 4,500,000	\$ 	\$ 	\$ 4,500,000
2015	\$ 4,500,000	\$ F	\$	\$ 4,500,000
2016	\$ 4,500,000	\$	\$ *	\$ 4,500,000
2017	\$ 4,500,000			\$ 4,500,000
2018	\$ 4,500,000			\$ 4,500,000
Total	\$ 29,200,000	\$ I VIOLET	\$	\$ 29,200,000

Mandate	Excernt	(if anni	icable):

Franchise agreements and typical state highway and R/R permits prescribe that the utility will relocate at their expense when in conflict with entity activities.

Additional	Justifications:
Additional	Justifications:

Mandatory work to maintain compliance with existing franchise and operating permits with state highway districts and rail roads.

JOHN.				
ALP.	w	1	W/	飚.

Resources Requiremen	nts: (red	quest forms and	d approvals attached)							
Internal Labor Availabi Contract Labor:		Low Probability	✓ Medium Probability  NO	High Probability	Enterprise Tech Facilities: Capital Tools: Fleet:	YES - attach form YES - attach form YES - attach form YES - attach form	✓ NO or Not Require	check the app internal and c d should be che resource own	ropriate box. The entract labor booked to indicate ers have been I to provide a ger	if the
Key Performance Indic Expected Performance Imp KPI Measure:		its						sense of how	ikely staff will be does not require	1
					Prep	ared signature	M. all	/		
						/	1/1/	$\mathcal{M}$		
					Revie	wed signature	MAG	Director/Manager		
					Other Party R	teview signature		Director/Manager		
					V	//		Disolatina in grand in a constant in a const		
			ER 30 Gas I	03 & 3302 - Replc Str	- Spending eet & Hwy					
\$4,00	000,000	MERC								
	00,000							2007		
	000,000							2008 2009		
\$2.00	00,000							2010		
\$1,50	00,000		_	-				—2011 —2012		
	000,000		/ .	>				-■-2013		
\$50	000,000		-					Budget		
		1 :	2 3 4	5 6	7	8 9 10	11 12			
								+	Reliability of an outage)	Likelihood
			2 - \$200k - \$2MM	< Once		al for regulators to impose onerou s or Board or management to make o change		1 - < 1,500 Customer hours		< Once / 10 years
			Environn	ental Like	elihood	Safety and Health: Public	Likelihood	Safety and Health:	Employee	Likelihood
Gas Replacement	14	16	2			Risk upon C	ompletion			
Street and Highway	14	16	Financial I (Consequ	ential Like	elihood Legal	Regulatory, External Business Affairs	Likelihood	Customer Service an		Likelihood
			Costs/Rev 1 - < \$200k	once once	/ 10 years 1 - No like relationsh	y impact on media or regulatory	< Once / 10 years	s 1 - < 1,500 Customer hours	Total Grangery	< Once / 50 years
			Environn	erta) Like	elihood	Safety and Health: Public	Likelihood	Safety and Health:	Employee	Likelihood
To be completed by Rationale for decision		al Planning G	iroup					Review Cycles 2012-2016		
						Date		Template		

Functional Group: Natural Gas Distribution

Business Case Name: Gas Telemetry Deployment

**ER No: ER Name:** 3117 Gas Telemetry

Approved Business Case Spend Amount 2013-2016 (\$000s - System): \$1,200<sup>1</sup>

Transfer to Plant Amounts (\$000s - System):

Year	Total	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2013	98											38	60
2014	400	31	26	28	30	35	33	31	43	35	36	31	42
2015	400	31	26	28	30	35	33	31	43	35	36	31	42
2016	400	31	26	28	30	35	33	31	43	35	36	31	42

# **Business Case Description:**

This program will continue the installations of gas telemetry throughout Avista's natural gas service territory. Further enhancing the telemetry sites will increase the visibility of the gas system to help analyze operational concerns and cold weather performance. This program will also replace the current mechanical pressure recording charts with electronic pressure recording devices. These types of projects also enhance our disaster recovery efforts by updating existing telemetry and adding new sites. Gas Scheduling benefits from this data also by having independent measurement points to check the pipelines values and to receive more timely information from the field.

#### Offsets:

<sup>&</sup>lt;sup>1</sup> The business case amount reflects approved capital expenditures for the years indicated and not transfers to plant.

# AVISTA

#### Capital Program Business Case

Investment Name:	Gas Telemetry									
Requested Amount	\$400,000	VB		Assessments:						
Duration/Timeframe	Con Engineering	Year Program		Financial:	7.00%					
Dept, Area: Owner:	Gas Engineering Mike Faulkenben			Strategic:	Reliability & C					
Sponsor:	Don Kopczynski	i y		Business Risk: Program Risk:	Prince and the second	Reduction >5 a	nd <= 10 hedule and resource			
Category:	Program			riogram Kisk.	riigii certairity	around cost, so	nedule and resource	5		
Mandate/Reg. Reference:		2.631		Assessment Score:	#NAME?	Annual (	ost Summary - Increas	co//Decrease)		
Recommend Program Desc					Performance	Capital Cost	The second second second second	The second second	Durley Birt C	
This program will continue	the installations of	gas telemetry thro	ughout Avista's e	as service territory	describe any	\$ 400,0		Other Costs	Business Risk Score	
Further enhancing the tele- operational concerns and co mechanical pressure record also enhance our Disaster f Scheduling benefits from the pipelines values and to reco	metry sites will incre old weather perfore ding charts with elec Recovery efforts by his data also by havi	ease the visibility on mance. This progar ctronic pressure re updating existing t ng independent m	of the gas system in will also replace cording devices, elemetry and addeasurement poin	to help analyze e the current These types of project ling new sites. Gas	incremental changes that	3 400,0	3		•	
WWW.							ost Summary - Increas	se/(Decrease)		
Alternatives:					Performance	Capital Cost	O&M Cost	Other Costs	Business Risk Score	
Unfunded Program:	No further enhance Existing mechanica			ing telemetry system. to fix and replace.	. n/a	\$	\$ 50,000	\$ -	8	
Alternative 1: Brief name of alternative (if applicable)	facilities. This fund	ing level was previ are now requestin	ously approved a	ain or upgrade existing s part of the Gas PMC out as it does not align	incremental	\$ 400,0	00 \$ -	\$ -	1	
Alternative 2: Brief name of alternative (if applicable)	Describe other opt	ions that were con	sidered		describe any incremental changes in operations	\$	\$ -	\$ -	0	
Alternative 3 Name: Brief name of alternative (if applicable)	Describe other opt	ions that were con	sidered		describe any incremental changes in operations	\$	\$ -	\$ -	0	
Program Cash Flows		Г								
	Capital Cost	O&M Cost	Other Costs	Approved			list all applicable):			
Previous		\$ -	\$ -	\$ -		31	17			
2014	\$ 370,000 \$ 370,000	\$ -	\$ -	\$ 400,00	article (					
2016		\$ -	\$ -	\$ 400,00	and the last of th					
2017	\$ 370,000	\$ -	\$ -	\$ 400,00	-					
2018		\$ -	\$ -	\$ 400,00	the same of the sa					
Total	The second secon	\$ -	\$ -	\$ 2,000,00	-					
ER	2014	2015	2016	2017	2018	Total	Mandate Excerpt	(if applicable):	CONTRACTOR OF STREET	
3117	\$ 400,000	\$ 400,000	\$ 400,000	\$ 400,00			00 CFR 192.741 - E		vstem supplied by	
0	\$ -	\$ -	\$ -	\$ -	\$ -	\$ .		ource must be equ		
0	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	telemetering or re	ecording pressure	gauges to indicate	
0	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	the gas pressure	in the district.		
3117 0 0 0 0 0 0 0 0 0	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	CFR 192.631 - C	ontrol Room Mgm	nt	
0	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -				
0	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -				
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -				
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		metry sites will also		
0	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		onitoring of Automa	atic Shut Off or	
0	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	The state of the s		and the state of the	
0	\$ -	\$ -	4	\$ -	\$ -	\$ -			es are IP addressable	
0	\$ -	\$ -	\$ -		\$ -	\$ -	is not available.	и иле риллагу dispa	tch center (Mission)	
0	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -				
0 0 0 0 0 0	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -				
Total	\$ 400,000	\$ 400,000	\$ 400,000	\$ 400,000	The state of the s		00			
	400,000	400,000	400,000	400,00	400,000	2,000,0	00	4 ( 10		
Resources Requirements: ( Internal Labor Availability: Contract Labor:		pprovals attached  Medium Probability	High Probability	Enterprise Tech: Facilities:	YES - attach form	NO or Not	Required labor boxes resource ov	should be checked to wners have been cont	tacted and to provide	
				Capital Tools: Fleet:	YES - attach form	( ) ( ) ( ) ( ) ( ) ( ) ( ) ( ) ( ) ( )		ense of how likely state ot require a firm com		

Avista	Capital Program Business Case
Key Performance Indicator(s)  Expected Performance Improvements  KPI Measure:	<u></u>
57.111.0000.00	Prepared signature Q// Q///
	Prepared signature (1)
	Reviewed signature
	Director/Manager
	Other Party Review signature (if necessary) Director/Manager
This space is to be used for photographs, char	rts, or other data that may be useful in evaulating the Program
To be completed by Capital Planning Group Rationale for decision	Review Cycles

Date

Review Cycles 2012-2016

Template

Functional Group: Natural Gas Distribution

Business Case Name: Isolated Steel Replacement

ER No: ER Name:

3007 Isolated Steel Replacement

Approved Business Case Spend Amount 2013-2016 (\$000s - System): \$10,582<sup>1</sup>

## Transfer to Plant Amounts (\$000s - System):

Year	Total	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2013	1,121							188	180	116	184	173	280
2014	2,598	192	165	177	192	226	220	200	275	230	238	196	287
2015	2,818	209	179	192	208	245	238	217	299	249	258	213	311
2016	2,818	209	179	192	208	245	238	217	299	249	258	213	311

# **Business Case Description:**

This annual program will replace sections of cathodically isolated steel pipe. Isolated portions of pipe including risers, service pipe and main will be replaced as required to meet the requirements of 49 CFR 192.455 & 157 and in accordance with WUTC Docket PG-100049. This program will be conducted in ID and OR also to assure cathodically isolated steel is identified and replaced as needed.

### Offsets:

<sup>&</sup>lt;sup>1</sup> The business case amount reflects approved capital expenditures for the years indicated and not transfers to plant.

# AWISTA

ns of cath	00049, 49CFR	192.455&157	Fina Stra Ope Busi	essments: ncial: tegic: rational:											
kenberry zynski ket PG-1 ns of cath	00049, 49CFR	192.455&157	Stra Ope Busi	tegic: rational:	Reliability & Ca										
kenberry zynski ket PG-1 ns of cath	00049, 49CFR	192.455&157	Ope Busi	rational:		paci	Reliability & Capacity								
zynski ket PG-1 ns of cath	00049, 49CFR	192.455&157	Busi		Operations somewhat impacted by execution										
et PG-1		192.455&157	_					y exe	cution			minimum eve			
et PG-1		192.455&157	Prog	ness Risk:	ERM Reduction				Mary Control	1 211		Market Market			
ns of cath		192.455&157	10000	ram Risk:	Moderate certa	inty		-							
			Asse	ssment Score:	117		Annual Cost	Sumn	nary - Increa	se/(De	crease)				
his annual program will replace sections of cathodically isolated steel pipe. Isolated portions of p								C	&M Cost	(	Other Costs	<b>Business Risk Score</b>			
NAC Doc	olaced as require ket PG-100049.	d to meet the req This program will	uirem	ents of 49 CFR	describe any incremental changes that this Program would benefit present operations	\$	2,598,333	\$	*	\$	*	12			
Alternatives:  Status Quo: Avista would be out of compliance with Docket PG-100049 and 49 CFR							Capital Cost		&M Cost	-	Other Costs	Business Risk Score			
	of compliance w	ith Docket PG-10	nd 49 CFR	n/a	\$		\$		\$	(A)	12				
rogramm	natic replacemen	t of isolated steel		n/a	\$	2,598,333	\$	-	\$	11:21	9				
					n/a	\$		\$	*	\$		0			
					describe any incremental changes in operations	\$		\$	•	\$		0			
			ig/is		Associated Ers (	list al	l applicable):								
					Current ER										
Cost	O&M Cost	Other Costs	A	proved Capital	3007										
			Titl	V. The plant											
21,433	\$ -	\$ -	\$	1,095,000											
48,337	\$ -	\$ -	\$	2,348,333											
98,333	\$ -	\$ -	\$	2,598,333	1										
90,043	\$ -	\$ -	\$	2,818,333											
90,043	\$ -	\$ -	\$	2,818,333	1										
18,333			\$	2,818,333	1										
18,333				J. T. VII. SHEET	1										
			100		1										
34,855	\$ -	\$ -	\$	14,496,665	1										
State	Cost 321,433 348,337 990,043 318,333 318,333	Cost   O&M Cost   Cost   O&M Cost   Cost	Cost   O&M Cost   Other Costs   Other Cost	Cost   O&M Cost   Other Costs   April 1988	Cost	this Program would benefit present operations    Performance   Performance   n/a	this Program would benefit present operations	Cost   O&M Cost   Other Costs   Approved Capital   Current ER	Cost   O&M Cost   Other Costs   Approved Capital   3007	this Program would benefit present operations  Annual Cost Summary - Increase Performance    Capital Cost   O&M Cost	this Program would benefit present operations  Annual Cost Summary - Increase/(De present operations)  Annual Cost Summary - Increase/(De present operations)  Annual Cost Summary - Increase/(De Capital Cost O&M Cost O&M Cost O	this Program would benefit present operations  Annual Cost Summary - Increase/(Decrease)  Annual Cost Summary - Increase/(Decrease)  Annual Cost Summary - Increase/(Decrease)  Performance  Capital Cost  O&M Cost  Other Costs  1/a  1/a  1/a  1/a  1/a  1/a  1/a  1/			

# AVISTA

ernal Labor Availabilit ntract Labor:	A: N		□NO	lium Probability	☑ High Probabil	Facilitie Capital Fleet:		YES - attach form YES - attach form YES - attach form YES - attach form	✓ NO or Not Require	inte sid sho	eck the appropriate box.  ernal and contract labor b uild be checked to indicat ource owners have been stacted and to provide a g	oxes e if the
Performance Indicat	tor(s)									sen	se of how likely staff will	be
cted Performance Improv	vements										vided (this does not requi	ire a firm
Measure:										con	nmitment).	
8		U	-	Z	AA				All MI	111		
Department		YTD October 2013		imum to plete 2013	Percent Complete		Prepared	signature	48 al	ДИ		
Spokane Gas Constru	iction	58	5	650	90%				111.1	/ No		
Roseburg		11.	3	107	106%	1	Reviewed	signature	11/11	VSVI		
Medford Construction	n	- 5	5	222	2%				0	Director/Man	ager	
Clarkston Electric &	Gas		5	34	18%	1				J		
La Grande		2.		28	89%	1					J.	
Sandpoint / Bonners .	Ferry			7	57%			or residence contains to the				
CDA Gas		3		31	123%		r Party Reviev			Disset #4		
Klamath Falls		2	_	43	56%	1	(if necessary	)		Director/Man	ager	
Pullman Electric & C	Gas	1		98	14%							
Total YTD 2013		81.	_	1220	67%							
\$2	3,000,000 2,500,000 2,000,000	0	ed Ste	ER 300 el Pipe R	7 - Spend Replacem	ling ent Min	or Blanke	et			——2011 ——2012	
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\$1 \$1 \$1	2,500,000 2,000,000 1,500,000 \$500,000	Status	2 Risk on	el Pipe R	Replacem	ent Min		8 9	10 11 x Quo Risk	12	—2012 —=2013	
St.	2,500,000 2,000,000 1,500,000 1,000,000 \$500,000	Status	2	el Pipe R	4 5	ent Min	7	8 9	s Quo Risk	Custom	—2012 —=2013	Likelihood
St.	2,500,000 2,000,000 1,500,000 \$500,000 \$0	O O O O O O O O O O O O O O O O O O O	2 Risk on Completion	Financial (Consequences) 3 - SZMM - SAMM - SAMM	4 5 Impact uential venues)	6  Likelihood	7 Legal, Regul 4 - Potential for restrictions or Be leadership than	Status atory, External Business Affine regulators to impose oner and or management to mage	s Quo Risk  tirs Likelihood  ous  «Once / S years	Custome (# custome	——2012 ——2013 ——Budget  Budget  er Service and Reliability ers * duration of an outage)	
St.	2,500,000 2,000,000 1,500,000 \$500,000 \$0	O O O O O O O O O O O O O O O O O O O	2 Risk on Completion	Financial (Consequence Costs/Rev	4 5 Impact uential venues)	6 Likelihood	7 Legal, Regul 4 - Potential for restrictions or Be leadership than	8 9 Statu	s Quo Risk Likelihood	Custome (# custome 1 - < 1,500 Custom	——2012 ——2013 ——Budget  Budget  er Service and Reliability ers * duration of an outage)	
\$1 \$1 \$1 Business Case	2,500,000 2,000,000 1,500,000 1,500,000 \$(	Status Quo Raw Score	2 Risk on Completion Raw Score	Financial (Consequences) 3 - SZMM - SAMM - SAMM	4 5 Impact uential venues)	6  Likelihood	7 Legal, Regul 4 - Potential for restrictions or Be leadership than	Statu atory, External Business Affin regulators to impose one and or management to m get and Health: Public	s Quo Risk  tirs Likelihood  ous  «Once / S years	Custome (# custome 1 - < 1,500 Custom	——2012 ——2013 ——Budget er Service and Reliability ers * duration of an outage) her-hours	< Once / 10 year
S: S	2,500,000 2,000,000 1,500,000 \$500,000 \$0	O O O O O O O O O O O O O O O O O O O	2 Risk on Completion	Financial (Consequences) 3 - SZMM - SAMM - SAMM	4 t Impact uential venues) M < 0 mental	6  Likelihood	7  Legal, Regul  4 - Potential for restrictions or Be leadership chany Saf	Statu atory, External Business Affra egulators to impose oner and or management to m ge ety and Health: Public Risk upo	s Quo Risk Likelihood ous ske < Once f 5 years Likelihood n Completion Likelihood	Custom (# custom 1 - < 1,500 Custom Safety Custom	——2012 ——2013 ——Budget er Service and Reliability ers * duration of an outage) her-hours	< Once / 10 year
St.	2,500,000 2,000,000 1,500,000 1,500,000 \$(	Status Quo Raw Score	2 Risk on Completion Raw Score	Financial (Consequence SAMM - SAMM - SAMM - SAMM - Financial (Consequence Consequence SAMM -	A 5 Impact pential venues)  M < 0 Impact pential venues)  M < 0 Impact pential venues  M < 0	6  Likelihood  nice / 5 years  Likelihood	Vegal, Regul 4 - Potential for restrictions or Be lieadership chan, Safe Vegal, Regula 2 - Could result it local, online, or regional media.	Status St	s Quo Risk Likelihood  ous ske < Once / 5 years Likelihood  n Completion  Likelihood  pact to	Custom (# custom 1 - < 1,500 Custom Safety Custom		< Once / 10 year Likelihood

	Review Cycles 2012-2016
Date	Template
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Functional Group: Natural Gas Distribution

Business Case Name: Overbuilt Pipe Replacement

ER No: ER Name:

3006 Overbuilt Pipe Replacement Blanket

Approved Business Case Spend Amount 2013-2016 (\$000s - System): \$3,300<sup>1</sup>

### Transfer to Plant Amounts (\$000s - System):

Year	Total	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2013	390							40	65	34	73	66	112
2014	900	82	74	73	73	75	73	72	85	72	74	75	72
2015	900	82	73	73	73	75	73	71	86	72	75	74	73
2016	900	82	73	73	73	75	73	71	86	72	75	74	73

# **Business Case Description:**

This program will replace sections of existing natural gas distribution piping that has either experienced encroachment or have been built over/covered by customer-constructed improvements (i.e. decks, driveways, etc.). These types of situations restrict the Company's access to pipe. The project will address the replacement of sections of gas main and services that no longer can be operated safely. The replacements will be completed to enhance public safety. All types of overbuilds will be addressed with the primary focus of the project being overbuilds in manufactured/mobile home developments.

#### Offsets:

<sup>&</sup>lt;sup>1</sup> The business case amount reflects approved capital expenditures for the years indicated and not transfers to plant.

# LIVISTA

### Capital Program Business Case

Investment Name:	Overbuilt Pipe F	Replacement		1							
Requested Amount	\$900,000			Assessments:							
Duration/Timeframe	On Going	Year Program		Financial:	7.00%						
Dept, Area:	Gas Operations			Strategic:	Reliability & C						
Owner: Sponsor:	Mike Faulkenber Don Kopczynski	ry		Business Risk:	Business Risk						
Category:	Mandatory			Program Risk:	High certainty	around cost, s	schedule	and resource	98		
Mandate/Reg. Reference:		(f)		Assessment Score:	131	Annua	I Cost Cum	mary - Increa	IIDaaaa	1	
Recommend Program Desi				passessificit score.	Performance						
This program will replace s		as nining that have	evnerienced en	roachment or have	describe any	\$ 900	0,000 \$	O&M Cost	\$	er Costs	Business Risk Score
been overbuilt by custome Company's access to pipe. longer can be operated saf of overbuilds will be addres manufactured/mobile hom	r constructed impro It will address the r ely. The replacemer ssed with the prima	vements (i.e. deck eplacement of sec its will be complete	s, driveways, etc. tions of gas main ed to enhance pu	) that restricts the and services that no blic safety. All types	incremental changes that this Program would benefit present operations	3 900	5,000		,		4
						Annua	Cost Sun	mary - Increa	se/(Decre	ase)	
Alternatives:					Performance	Capital Co	st	O&M Cost	Othe	r Costs	<b>Business Risk Score</b>
Unfunded Program:	Avista will continue	e operating with in	creased risk due	to overbuilds	n/a	\$	- \$		\$		12
Alternative 1: Brief name of alternative (if applicable)	Complete program	matic replacemen	t of overbuilt pipe	ė.	describe any incremental changes in operations	\$ 900	0,000 \$		\$		4
Alternative 2: Brief name of alternative (if applicable)	Describe other opt	ions that were con	sidered		describe any incremental changes in operations	\$	- \$		\$		0
Alternative 3 Name: Brief name of alternative (if applicable)	Describe other opt	ions that were con	describe any incremental changes in operations	\$	- \$		\$		0		
Program Cash Flows											
	Capital Cost	O&M Cost	Other Costs	Approved		Associated Ers	s (list all a	oplicable):			
Previous	\$ 500,000	\$ -	\$ -	\$ 500,00	0	The second secon	3006				17000
2013		\$ -	\$ -	\$ 600,00	0						
2014		\$ -	\$ -	\$ 900,00	the state of the s						
2015		\$ -	\$ -	\$ 900,00	the same of the sa						
2016		\$ -	\$ -	\$ 900,00							
2017 2018		\$ -	\$ -	\$ 900,00							- 1
Total		\$ .	\$ -	\$ 900,000 \$ 5,100,000							l l
10(6)	3 4,300,000	9	2	3,100,00	0.1						
ER	2013	2014	2015	2016	2017	Total	Mar	ndate Excerpt	(if applical	blel:	
3006	\$ 900,000	\$ 900,000	\$ 900,000	\$ 900,00	The state of the s	\$ 4,500					ice lines under
0	\$ -	\$ -	\$ -	\$ -	\$ -	\$					vice line is installed
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0 0 0 0 0 0 0 0 0	\$ 900,000	\$ 900,000	\$ 900,000	\$ 900,000		\$ 4,500	-				
Resources Requirements: (				250,000	14 300,000	13/ 4/300			2	2,000	
Internal Labor Availability: Contract Labor:	Low Probability  YES	☐ Medium Probability ☐ NO	High Probability	Enterprise Tech: Facilities: Capital Tools: Fleet:	YES - attach form YES - attach form YES - attach form YES - attach form	NO or No	ot Required at Required	resource or a general s	s should be wners have	checked to been cont v likely staf	internal and contract o indicate if the acted and to provide if will be provided mittment).

# Capital Program Business Case



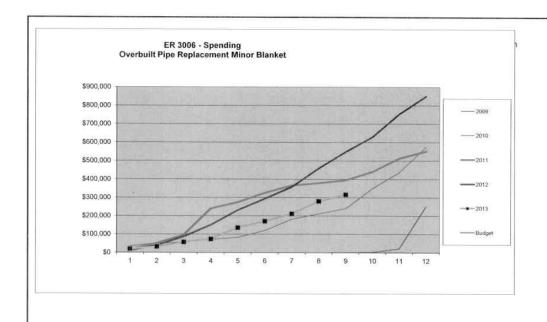
Key Performance Indicator(s)	
Expected Performance Improvements	
KPI Measure:	

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Other Party Review signature

(if necessary)

Director/Manager



To be completed by Capital Planning Group

Rationale for decision

Review Cycles
2012-2016

Date

Template

Functional Group: Natural Gas Distribution

**Business Case Name:** Regulator Station Reliability Replacement

ER No: ER Name:

3002 Regulator Reliable - Blanket

Approved Business Case Spend Amount 2013-2016 (\$000s - System): \$2,850<sup>1</sup>

### Transfer to Plant Amounts (\$000s - System):

Year	Total	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2013	218							5	6	122	23	32	31
2014	600	36	31	39	44	48	64	64	67	59	52	48	47
2015	800	44	40	51	58	64	88	87	89	81	70	64	63
2016	800	44	40	51	58	64	88	87	89	81	70	64	63

# **Business Case Description:**

This annual project upgraded or replaced various regulator stations within the natural gas distribution system, improving station reliability and reducing operation and maintenance costs. Existing stations required upgrades due to many factors, such as replacement of obsolete equipment and improvement in regulation technology.

#### Offsets:

<sup>&</sup>lt;sup>1</sup> The business case amount reflects approved capital expenditures for the years indicated and not transfers to plant.



Investment Name:	Regu	lator Statio	n Reli	ability Rep	placement	1									
Requested Amount	\$600,					10000	essments:								
Duration/Timeframe	On-G					1000	ncial:	Medium - >= 5				500 000		ASS III	
Dept, Area:		Operations				***	tegic:	Life Cycle Pro	CONTRACTOR OF THE PARTY OF THE					ALMIZ	
Owner:		Faulkenberr	У			-	rational:	Operations rec			erform	at current	evels		
Sponsor: Category:		Copczynski					ness Risk:	ERM Reductio						CHOLL	
	Progr	am				-	ram Risk:	High certainty	_	the state of the s	-		Contract of the Contract of th		A TOWNS OF STREET
Mandate/Reg. Reference: Recommend Program Desc	rintian			- U-L		Asse	ssment Score:	75		- Constitution of the Cons		Section Section	e/(Decrease)		
This annual program will re Avista standards. This prog performance, safety, replace	place o gram w	r upgrade ex ill address er	hance	ments that v	will improve syste	m ope	erating	describe any incremental changes that	\$	600,000	-	M Cost	Other Co	osts -	Business Risk Score 2
and ensure the reliable ope	ration	of metering a	and reg	ulating equi	pment.			this Program would benefit present operations							11
Alternatives:						- 17		I n. f.	-		~	-	e/(Decrease)		
Status Quo:	Station	ns are identif	and on	an on going	basis that requir		ada as	Performance	_	apital Cost	-	M Cost	Other Co	osts	Business Risk Score
Stotus Quo.	replac	ement to en	sure co	ntinued reli	able operation. S eaks or affect sys	tation	s that are not	n/a	\$		\$	1.5	\$		4
Alternative 1:	Upgra	de stations a	s ident	ified on an c	on-going basis			Reduction in regulator station maintenance.	\$	600,000	\$	761	\$	721	2
Alternative 2:								describe any incremental changes in operations	\$		\$	9#:	\$		0
Alternative 3 Name: Brief name of alternative (if applicable)								describe any incremental changes in operations	\$	3	\$		\$	130	0
									•		-				
Program Cash Flows								Associated Ers (	list all	applicable):	_				
2012-2016	720				1	_		Current ER							
	Ca	pital Cost	0.	&M Cost	Other Costs		Approved	3002	-						
2012	\$	500,000	\$	-	\$ -	\$	400,000		-		-			_	
2012		650,000		-	\$ -	\$	650,000								
2013	_	600,000		-	S -	\$	600,000	-							
2015	\$	800,000		-	\$ -	\$	800,000	+							
2016	-	800,000			\$ -	\$	800,000								
2017	\$	800,000		777		5	800,000								
2018	\$	800,000				5	800,000	1							
								İ							
Total	\$	4,950,000	\$	ov in ea	\$ -	\$	4,850,000								
Mandate Excerpt (if applica CFR § 192.739 - Pressure If older components are n	e limiti	ng and regu airable, ther	lating main	stations: In	spection and te	sting.	Mandates that F	Regulating Statio	ons m	ust be inspec	ted ann	ually.			
Additional Justifications:															
Approximately 50% of the sy enhancements that facilitate					cement of antiqu	ated 6	equipment or have	e an elevated safe	ety risł	c. Approximate	ely 50%	of the spen	ding is strateg	gic and	provides
Resources Requirements: (											1,421		IUQUANI	WP	
Internal Labor Availability: Contract Labor:	☐ Low	Probability	☐ Medi	um Probability	High Probability	Facil	tal Tools:	YES - attach form YES - attach form YES - attach form YES - attach form		☑ NO or Not Requ ☑ NO or Not Requ ☑ NO or Not Requ ☑ NO or Not Requ	ired ired	intern should resour	the appropriat al and contract be checked to ce owners hav ted and to pro	labor to indicate been	oxes e if the
Key Performance Indicator	201											sense	of how likely st	aff will	be
Expected Performance Improvem	nents		100			,							ed (this does n itment).	ot requ	ire a tirm
KPI Measure:						1						Commi	material)		
						1									



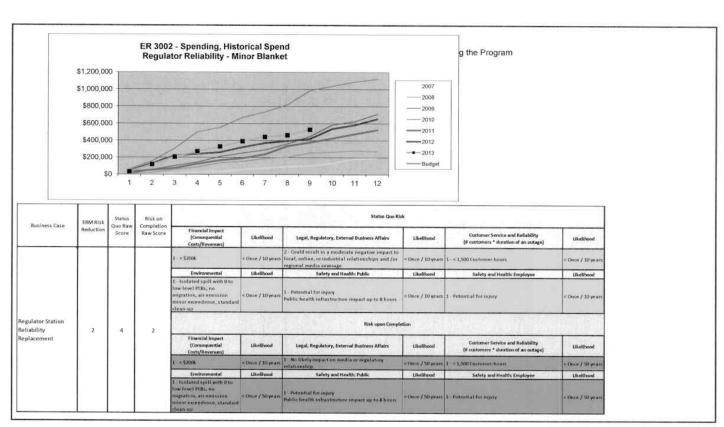
#### Capital Investment Business Case

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Other Party Review signature

Oirector/Menager

Director/Manager



ionale for decision		Review Cycles 2012-2016
	Date	Template
		Emperopolitica de la composiçõe de la co

Functional Group: Natural Gas Distribution

**Business Case Name:** Replace Deteriorating Steel Gas Systems

ER No: ER Name:

3001 Replace Deteriorating Gas System

Approved Business Case Spend Amount 2013-2016 (\$000s - System): \$3,400<sup>1</sup>

#### Transfer to Plant Amounts (\$000s - System):

Year	Total	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2013	495							22	39	62	249	43	81
2014	800	42	41	49	56	71	73	65	81	79	79	57	107
2015	1,000	52	51	61	70	89	92	83	101	100	98	71	132
2016	1,000	52	51	61	70	89	91	82	101	99	99	71	134

# **Business Case Description:**

This annual program will replace sections of existing steel gas piping that are suspect for failure or are showing signs of deterioration within the gas system. This program will address the replacement of sections of gas main with corrosion related issues that no longer operate reliably and/or safely. Sections of the gas system require replacement due to many factors including material failures, environmental impact, increased leak frequency, or coating problems. This program will identify and replace sections of steel pipe to improve public safety and system reliability. The projects primary focus is to address corrosion related pipe issues.

#### Offsets:

<sup>&</sup>lt;sup>1</sup> The business case amount reflects approved capital expenditures for the years indicated and not transfers to plant.

# AVISTA

Investment Name:	Repl. Deteriorati	ng Steel Gas Sy	stems										
Requested Amount	\$800,000			Ass	sessments:								
Duration/Timeframe	On-Going			Fin	ancial:	<= 0% CIRR					J. W.		7711 5 00-13
Dept, Area:	Gas Operations			Str	ategic:	Life Cycle Prog			Ш				
Owner:	Mike Faulkenberr	у			erational:			ed beyond curr	ent	levels	1910		
Sponsor:	Don Kopczynski				siness Risk:	ERM Reductio					100	A Proposition	
Category:	Program				ogram Risk:	And the second s	-	around cost, s	-	the second second second second second	-		
Mandate/Reg. Reference:				Ass	sessment Score:	79		Annual Cost	Sur	mmary - Increas	e/(De	ecrease)	
Recommend Program Desc	ription:					Performance		Capital Cost		O&M Cost		Other Costs	Business Risk Scor
This annual program will re- showing signs of deteriorati- sections of gas main with co- of the gas system require re- impact, increased leak frequire steel pipe to improve public pipe issues.	ion within the gas sy prrosion related issu eplacement due to n uency, or coating pro	rstem. This program es that no longer of many factors includ oblems. This progr	m will address the perate reliably a ing material failt am will identify	ne rep and/o ures, o and r	placement of r safely. Sections environmental eplace sections of	describe any incremental changes that this Program would benefit present operations	\$	800,000	\$		\$		1
									Sui	nmary - Increas			
Alternatives:						Performance		Capital Cost		O&M Cost	_	Other Costs	Business Risk Score
Status Quo:	A number of location Roseburg, and La Grelated to leaks.			111/2-05/00	SOLVER STATE OF THE PARTY OF TH	n/a	\$		\$		\$		6
Alternative 1: Pipe Installation	Strategically replac	e sections of at-risl	k steel piping.			Reduced risk of system leaks	\$	800,000	\$		\$		1
Alternative 2:						describe any incremental changes in operations	\$		\$		\$		0
Alternative 3 Name: Brief name of alternative (if applicable)						describe any incremental changes in operations	\$		\$		\$		0
Program Cash Flows						Associated Ers (	list :	all applicable).					
2012-2016						Current ER	list d	an applicable).			T		
5034450E502354	Capital Cost	O&M Cost	Other Costs		Approved	3001							
					STONOL IV. IZ								
2012		\$ -	5 -	\$	800,000							DAY-A-	
2013			\$ -	\$	600,000								
2014		\$ -	\$ -	\$	800,000								
2015		\$ -	\$ -	\$	1,000,000								
2016	\$ 1,000,000	\$ -	\$ -	\$	1,000,000								
2017	\$ 1,000,000			\$	1,000,000								
2018	\$ 1,000,000			\$	1,000,000								
Total	\$ 6,200,000	\$ -	\$ -	\$	6,200,000								
	alkeracing to					•							
Mandate Excerpt (if applica	able):			h.									
N/A													
Additional Justifications:			Inc. Isla					NI-SI-	- 3	and the same		DELET-	i i i i i i i i i i i i i i i i i i i
This program has been exec	cuted historically usi	ng a qualitative ass	sessment metho	d at t	he district level.						THE	MILLIAN TO	



ternal Labor Av ontract Labor:		<b>₹</b> YE		☐ Medium Proba	obility 🗹 H		Enterprise Tech: Facilities: Capital Tools: Fleet:	YES - att	ach form ach form	NO or Not Require NO or Not Require NO or Not Require NO or Not Require	ed ed	Check the appropriate box. The internal and contract labor boxes should be checked to indicate if the resource owners have been contacted and to provide a general
y Performano ected Performan												sense of how likely staff will be provided (this does not require a firm
Measure:	ince maprosi		Rate/ 100	0 miles of steel pi	pe					1		commitment).
	Ex	tern	al Corr	osion Leaks			Prepared	signature	9	1/15, Oh	1/1	
6.77	1	<u> </u>	1		miles of ste	Section Services	Reviewed	signature	9	n	Director/I	Manager
	V				Base Line (	Syr Avg)	Other Party Revie (if necessary		è		Director/I	Manager
2004 2005	2006 200	7 2008	2009 2010	2011 2012	Source-	DIMP						
		THIS	space is	to be used for pr	notographs	s, charts, or	other data that ma	ly be useful	III evaluat	ing the Frogram		
\$1 \$1 \$1 \$1 \$1	,800,000 ,600,000 ,400,000 ,200,000 ,000,000 \$800,000 \$600,000 \$400,000 \$200,000	1		ER 3001 - Spere e Deteriorating	nding		9 10 1	_	200	57 58 59 60 10 11 11 12		
\$1 \$1 \$1 \$1 \$1	,600,000 - ,400,000 - ,200,000 - ,000,000 - \$800,000 - \$600,000 - \$400,000 -	1 tano naw Score	Replace	ER 3001 - Sper e Deteriorating	nding Gas Syste	7 8		_	200 — 200 — 200 — 200 — 200 — 200 — 200 — 200 — 800	57 58 59 60 10 11 11 12	1 factors	,
\$1 \$1 \$1 \$3	,600,000 ,400,000 ,200,000 ,000,000 \$800,000 \$600,000 \$400,000 \$200,000	1	Replace 2	ER 3001 - Sper e Deteriorating	Gas Syste	T 8  Legal, Regulate 4 - Potential for ege	9 10 1	1 12	200 — 200 — 200 — 200 — 200 — 200 — 200 — 200 — 800	27 28 309 10 11 12 13 diget  Service and Reliability * * theration of an outage)		
\$1 \$1 \$1 \$1	,600,000 ,400,000 ,200,000 ,000,000 \$800,000 \$600,000 \$400,000 \$200,000	1	Replace 2	ER 3001 - Sper e Deteriorating  3 4 5  Financial Impact (Consequential Cents/Revenues)  1- S-MINI - SAMM Environmental	Gas Syste	Foresttlat for right trades the characteristic for right for single for built to dery hip charge the dery hip charge.	9 10 1  Stefanial Business Affairs solid at on the second and the second agreement for make and Healthy Public	1 12	200 — 200 — 20 — 20 — 20 — 20 — 20 — 80 — (Continued of Continued of C	27 28 309 10 11 12 13 diget  Service and Reliability * * theration of an outage)	Likelihoo	Mark
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\$1 \$1 \$1 \$1 \$1 \$1 \$1 \$1 \$1 \$1 \$1 \$1 \$1 \$	,600,000 ,400,000 ,200,000 ,000,000 \$800,000 \$600,000 \$400,000 \$0	1 Usio naw	Replac	ER 3001 - Sper e Deteriorating  3 4 5  Financial Impact (Commonantial Controlline remen)  1- Schild - Sahid  Environmental - Included spill with 0 to over level KDs  migration, all reminists standard	Gas Syste	T 8  Legal, Regulate 4 - Potential for reg restricteurs or Boar Safet 5 - Potential for res sugars from the services Safet Safet Safet Safet Safet Safet Safet Safet Safet Safet Safet Safet Safet Safet Safet Safet	9 10 1  ry, External Business Affairs soliation to improve operature distribution to make and against Public and Hamiltonian to equipment, property or	1 12 Likelihood  Chee/ 10 years  Chee/ 10 years	200  200  200  200  200  200  200  800  1.≪L500 Gastames  Safety -	509 100 111 122 13 diget  *Service and Reliability * *divisation of an outlage) * thours and Health: Employee	Likelihoos  < Onse / 10 y  Likelihoos	orais.
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ationale for decision		Review Cycles 2012-2016
	Date	Template

Functional Group: Natural Gas Distribution

Business Case Name: Gas Planned Meter Change-out ("PMC") Program - Capital Replacements

ER No: ER Name:

3055 Gas Meter Replacement Non-Revenue

Approved Business Case Spend Amount 2013-2016 (\$000s - System): \$3,090<sup>1</sup>

# Transfer to Plant Amounts (\$000s - System):

Year	Total	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2013													
2014	1,000	76	63	70	75	83	93	89	110	89	87	80	85
2015	1,030	78	65	72	77	85	96	92	114	92	90	82	88
2016	1,061	79	66	74	79	88	99	95	117	95	92	85	91

# **Business Case Description:**

This annual program will provide for replacement of gas meters and associated measurement equipment that are completed in association with the Gas Planned Meter Change-out (PMC) program. Avista is required by commission rules and an approved Tariff in WA, ID, and OR to test meters for accuracy and ensure proper metering performance. Execution of this program on an annual basis will ensure the continuation of reliable gas measurement. This program will include the labor and minor materials associated with the PMC program. Major materials (meters, regulators, and ERTs) will be charged to the appropriate growth ERs.

#### Offsets:

<sup>&</sup>lt;sup>1</sup> The business case amount reflects approved capital expenditures for the years indicated and not transfers to plant.

### Capital Program Business Case



Investment Name:	Gas PMC Progra \$1,000,000	am		1.						
Requested Amount Duration/Timeframe	On-Going	Voor Dronen		Assessments:	10-6		ast outp			
		Year Program		Financial:	High - Exceed					
Dept, Area:	Gas Engineering			Strategic:	Reliability & C					
Owner:	Mike Faulkenber	ry		Business Risk:			eduction >10 and			
Sponsor:	Don Kopczynski			Program Risk:	Moderate cer	taint	ty around cost, s	schedule and reso	ources	
Category:	Mandatory									
Mandate/Reg. Reference:		3, IDAPA 31.31.0	1.151-200, OAF	Assessment Score:	18	5	Annual Cost	Summary - Increa	se/(Decrease)	
Recommend Program Desc	cription:				Performance		Capital Cost	O&M Cost	Other Costs	Business Risk Score
This annual program will pr equipment that are comple Avista is required by comm accuracy and ensure prope ensure the continuation of materials associated with the charged to the appropriate	eted in association w ission rules and an a r metering perform reliable gas measur he PMC program. M	vith the Gas Planne approved Tariff in V ance. Execution of ement. This progr	ed Meter Change WA, ID, and OR to this program on am will include the	out (PMC) program. test meters for an annual basis will ne labor and minor		\$	1,000,000	\$ -	\$ -	0
Alternatives:					Performance		Annual Cost Capital Cost	Summary - Increa	se/(Decrease) Other Costs	Business Risk Score
Status Quo :	Avista would be ou	et of compliance wi	th state administ	rative requirements i		\$		\$ -	The second secon	
	WA, ID, and OR rel completed.	ated to gas measu	rement and could	I face fines if not					\$ -	0
Alternative 1:	Replacement gas n program and comp measurement tech	lete strategic enha		of the gas meter PMG elemetry and		\$	1,000,000	\$	\$	0
Alternative 2:						T		\$ -	\$ -	0
						\$	8	\$ -	\$ -	0
Program Cash Flows	Canital Cost	08846	l out-re-	T						
Baudaya	Capital Cost	O&M Cost	Other Costs	Approved		Ass	sociated Ers (list	all applicable):		_
Previous		\$ -	\$ -	\$ -	2	-	3055			
2013	The second secon	\$ -	\$ -	\$ -	383					
2014	\$ 1,000,000	\$ -	\$ -	\$ 1,000,00	0					
2015	\$ 1,030,000	\$ -	\$ -	\$ 1,030,00	0					
2016	\$ 1,060,900	\$ -	\$ -	\$ 1,060,90	0					
2017	\$ 1,092,727	\$ -	\$ -	\$ 1,092,72	(Section 1)					
2018	T Hymney Car	·	*		-					
		ć	ė.		9					
Total	\$ 4,183,627	\$ -	\$ -	\$ -						
ER	2013	2014	2015	2016	2017		Total	Mandate Excerpt	(if applicable):	
3055	\$ -	\$ 1,000,000	\$ 1,030,000	\$ 1,060,90	0 \$ 1,092,727	\$	4,183,627		see below	107 107
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Total	\$ -	\$ 1,000,000	\$ 1,030,000	\$ 1,060,90		-				
		1,000,000		1,000,90	7 1,032,121	13	4,183,627			
Resources Requirements: (i Internal Labor Availability: Contract Labor:	Low Probability	Provals attached	☑ High Probability	Enterprise Tech: Facilities: Capital Tools: Fleet:	YES - attach form YES - attach form YES - attach form	io R	✓ NO or Not Requi ✓ NO or Not Requi ✓ NO or Not Requi ✓ NO or Not Requi	ired labor boxes ired resource over ired a general se	appropriate box. The should be checked to wners have been cont ense of how likely staf lot require a firm com	o indicate if the acted and to provide if will be provided

### Capital Program Business Case

EXHIBE THE	-298					
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Performance Impro sure:									
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						Revie	wed signa	ture Director	Manager
								2	
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						Other Party R			
						(if neces	ssary)	Director	/Manager
	This s	pace is	to be use	ed for photograph	is, charts, o	r other data that may be useful	ul in evaulati	ng the Program	
ATE EXCERPT	: OAR 86	60-023-	-0015(3) -	"Each energy uti	lity shall add	opt schedules for periodic test	s and repair	s of meters. The length of time	e meters shall be allowed to rer
ice petore recei ission's approva	ving perio	odic tes	its and rep	pairs is to be dete	ermined from	n periodic analysis of the accu	racy of mete	ers tested. The schedules ado	opted shall be subject to the
NAL COMMENT	S: Progran	n requir	red to relia	ably serve custome	rs, ensure ac	curate measurement, and prope	erly bill gas re	venue.	
harges had histo	rically gone	e into El	R3005, the	Business Case for	ER3005 will	be adjusted to show the change	starting in 20	14.	
ally ER3117 had	been comb	oined w	ith this pro	ogram, as of 1-1-14	, it will be or	its own Business Case.			
us Scoring:									
2									
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	Business	Unturde			Unfund	ed Panjeet/Program Risk (no funding if a p	rajest, sease fun	ding II an existing program)	
Business Case	Business Hisk Reduction	Unturde dilaw Score	Fevired Risk Resystore	Financial Impact		The state of the s	To come	This was a second of the secon	
3 Euginess Case	Rigic	diffan	Revised Risk	Financial Impact (Consequential Costs (Pirvenues)	Unfund	Legal, Regulatory, External Business Affairs	Likelikood	ding if an existing program)  Customer Service and Fleliability  [8 eustomers - duration of an outage]	Litelhood
Business Case	Rigic	diffan	Revised Risk	(Consequential		Legal, Regulatory, External Business Attains 14. Pominiafor regulators to impose our cou- fection of a Boardor management to make	To come	Customer Service and Fieliability	Likelihood Conce till years
Business Case	Rigic	diffan	Revised Risk	(Consequential Costs/Revenues)	Likelihood	Legal, Regulators, External Business Attains  4. Perunsiator regulators to impose corross fee histories of Board or management to make health charge Safety and Health Public	Likelihood	Customer Service and Reliability (# customers " duration of an outage)	
Business Case	Rigic	diffan	Revised Risk	(Consequential Costs/Firenues) 2 - \$2001 \$2MM	Likelikond	Legal, Regulators, External Business Affairs  14. Potential for regulator to impose corross.  Festilations of Board or management to make  Nutriting things.	Likelihood c Once / year Likelihood	Cestomer Service and Reliability 18 customers "duration of an outage) 1+c 1,500 Customer-bous	< Disce / 10 years
Ges PMC	Rigit Reduction	d Rani Score	Revised Risk	(Consequential Costs/Firenues) 2 - \$2001 \$2MM	Likelikond	Legal, Regulators, External Business All airs  4. Powerful for regulation to impose one cou- feet fulfors of Board for management or male habitatis there. Safety and Health Public  1. Powerful or pres.	Likelihood  cOnce / gear  Likelihood  cOnce / \$2 year>	Customer Service and FleSability (# customers" duration of an outage) 1+: USO Contomer-bourt Safety and Health: Employee	(< Once f til years Likelihood
5	Rigic	diffan	Revised Risk Revi Score	(Consequential Costs/Revenors) 2 - \$200 - \$200 Environmental Financial Impact	Likelihood  Cincelges  Likelihood	Legal, Regulators, External Business All airs  4. Powerful for regulation to impose operous feet relations of Board or management to make hazbuths there. Safety and Health Public  1. Powerful for pives Feeting the Regulators programment to the power Revised Risk if final Legal, Regulators, External Business	Likelihood  cOncelgee  Likelihood  cOncel 10 years  fedleompleted	Cestomer Service and Fleikability (8 customers "duration of an outage)  1-c 1500 Customer-bours  Sufety and Health Employee 1-Fotential forkitus  Customer Service and Reliability	Clinic # 10 years  Elit ethicsand  C Dince # 60 years
Ges PMC Program Copital	Rigit Reduction	d Rani Score	Revised Risk Revi Score	(Consequential Costs (Ferences) 2 - 42000 - 42000 Environmental Financial Impact (Convequential Costs (Ferences)	Likelihood  Likelihood	Legal, Regulators, External Dusliness Alfairs  4. Powerfailtor regulations to impose overcous textifations of good or management or make hazbetts charge Safety and Health Pubble 1. Powerfailto repu; Pubble legals with actions as use to the house Revised Risk if four Legal, Regulators, External Business Alfaire	Likelihood  COnce f year  Likelihood  COnce f C years  fedfeompleted  Likelihood	Customer Service and Reliability (8 customers "duration of an outage)  1-c 1500 Currone-bous  Sefety and Health-Employee  1-Formula locking  Customer Service and Reliability (8 customers "duration of an outage)	C Dince F 50 years  Likelihoond C Dince F 50 years  Likelihoond
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6 6 7 Ges PMC 8 Program Capital	Rigit Reduction	d Rani Score	Revised Risk Revi Score	(Consequential Costs (Ferences) 2 - 42000 - 42000 Environmental Financial Impact (Convequential Costs (Ferences)	Likelihood  Likelihood	Legal, Regulators, External Business All airs  4. Potential for regulation to impose overcome testadors or Double on management to make Nazietti charus Safety and Health: Pubble  1. Potendal or repr. Editor hash inharts consent act or to E hours Rovised Birst if fam.  Legal, Regulators, External Business All airs  [1-160 bely impact con mode on regulators	Ukelhood  Conce f Gyen  Likelihood  Likelihood  Conce f Gyen  Likelihood  Conce f Gyen  Likelihood	Cestomer Service and Fleiiability (8 customers "duration of an outage)  1-c 1500 Customer-bours  Sudety and Health Employee 1-Fotential lockibus  Customer Service and Fleiiability (8 customers "duration of an outage)  1-c 1500 Customers "duration of an outage)	C Dince F 50 years  Likelihoond C Dince F 50 years  Likelihoond

Functional Group: Natural Gas Distribution

Business Case Name: Encoder Receiver Transmitter ("ERT") Replacement Program

ER No: ER Name:

3054 Gas ERT Replacement Program

Approved Business Case Spend Amount 2013-2016 (\$000s - System): \$1,846<sup>1</sup>

#### Transfer to Plant Amounts (\$000s - System):

Year	Total	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2013													
2014													
2015	902	54	49	58	65	78	84	78	95	87	85	67	102
2016	944	56	51	60	68	81	89	82	99	91	89	71	107

# **Business Case Description:**

This program covers labor required for the consistent replacement of 19,500 gas ERTs annually for a 12-year cycle, beginning in the year 2015. Analyses has identified that a levelized replacement strategy will minimize the effect of unit failures as well as introduce new, levelized populations of ERTs into the system for future predictive maintenance. Large populations of ERTs are predicted to fail in quantities of over 20,000 units per year at the peak, causing an operations burden of personnel and equipment as well as an unreasonable number of estimated bills (currently Avista experiences just a couple hundred failures annually due to small ERT populations). The cost of the ERT will go against ER1053, not this business case.

#### Offsets:

<sup>&</sup>lt;sup>1</sup> The business case amount reflects approved capital expenditures for the years indicated and not transfers to plant.

# AWISTA

#### Capital Program Business Case

Investment Name:	ERT Replaceme	ent Program								1
Requested Amount	\$0	V D		Assessments:						
Duration/Timeframe		2 Year Program		Financial:	7.00%					
Dept, Area: Owner:	Gas Engineering Mike Faulkenber			Strategic:	Life-cycle ass					
Sponsor:	Don Kopczynski	iy		Business Risk:	-	_	eduction >5 and			
Category:	Program			Program Risk:	riigh certainty	art	ound cost, sched	dule and resource	S	
Mandate/Reg. Reference:				Assessment Score:	9:	1	Annual Cont		Un	-
Recommend Program Des		THE RESERVE		prosessment score.	Performance	+		Summary - Increas		
This program covers the co	nsistent replaceme	nt of 19.500 gas FF	RTs annually for a	12 year cycle	As ERTs are	\$	Capital Cost 901,890	\$ 8,000	Other Costs	Business Risk Score
beginning in the year 2015 the effect of unit failures a future predictive maintena 20,000 units per year at th an unreasonable number of annually due to small ERT p	. Analysis has ident s well as introduce i ince. Large populat e peak, causing an o if estimated bills (cu	ified that a levelize new, levelized populions of ERTs are properations burden in perations burden in the services of the serv	ed replacement sulations of ERTs in edicted to fail in of personnel and eriences just a co	trategy will minimize nto the system for quantities of over equipment as well as uple hundred failures	replaced in a planned way, the impact to operations				\$	1
Alternatives:						+		Summary - Increas		
Unfunded Program:	If unfunded, the n	umber of field FRT	E-11		Performance	١.	Capital Cost	O&M Cost	Other Costs	Business Risk Score
omunded Program.	unsustainable leve	l. At its peak, more uiring a maintenan	e than 20,000 ER ce call and estim	Ts are predicted to fa ated bill for customer		\$	1,058,000	\$ 117,000	\$	2
Alternative 1: Brief name of alternative (if applicable)	refreshed. Replace age, so there will b	ements beyond thi e a lag & re-set of	s 12 year cycle th this program at 1	ly until all ERTs are en occur at 14 years o hat time, however, no more than 19,500	trouble calls for	\$	901,890	\$ 8,000	\$ -	1
Alternative 2: Brief name of alternative (if applicable)	years of age was the doing a 'birthday' r	ne best advantage. replacement at 10	This modern stu years will pull un	ng units older than 10 idy has shown that its with too much life is back into the system	early replacement is	\$	1,950,000	\$ 690	\$	0
Alternative 3 Name: Brief name of alternative (if applicable)	Describe other opt	ions that were con	sidered		describe any incremental changes in operations	\$		\$ -	\$ -	0
Program Cash Flows	Capital Cost	O&M Cost	Lauta	1 .						
Previous		\$ -	Other Costs	Approved 5	-	As	sociated Ers (list 3054	all applicable):		
2014		\$ -	\$ -	\$ -			3034			
2015	THE RESERVE TO A STREET THE PARTY OF THE PAR	\$ -	\$ -	\$ 901,89	0	$\vdash$				
2016	\$ 943,960	\$ -	\$ -	\$ 943,96	<del></del>					
2017	\$ 994,140	\$ -	\$ -	\$ 994,14	0	-				
2018	\$ 1,044,320	\$ -	\$ -	\$ 1,044,32	0					
Total	\$ 3,884,310	\$ -	\$ -	\$ 3,884,31	0					
ER	2014	2015	2016	2017	2018					
3054	\$ -	\$ 901,890	\$ 943,960			\$	Total 3,884,310	Mandate Excerpt (	if applicable):	
0	\$ -	\$ -	\$ -	\$ -	\$ -	\$	3,004,310			
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0	\$ -	\$ -	\$ -	\$ -	\$ -	\$	Market Company			
Total	\$ -	\$ 901,890	70		\$ -	\$	2.004.240			
Resources Requirements: (				\$ 994,140	0 \$ 1,044,320	\$	3,884,310			
nternal Labor Availability:	Low Probability	☐ Medium Probability ☐ NO	High Probability	Enterprise Tech: Facilities: Capital Tools: Fleet:	YES - attach form YES - attach form YES - attach form YES - attach form		NO or Not Requir	red labor boxes red resource ow red a general ser	propriate box. The i should be checked to ners have been conti nse of how likely staf at require a firm com	indicate if the acted and to provide f will be provided

#### Capital Program Business Case

AWISTA

ected Performance I	mprovements
l Measure:	# of ERTs replaced vs. planned
	ii oi citto replacea voi piannea

Prepared signature

Reviewed signature

Director/Mariager

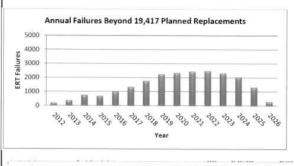
Other Party Review signature

(if necessary)

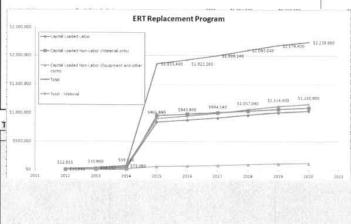
Director/Manager

This space is to be used for photographs, charts, or other data that may be useful in evaulating the Program

Avista has over 230,000 gas ERTs in service since the year 2000. There have been large population years, such as 2004 and 2005, which represent over 100,000 units alone. These ERTs run on batteries that will eventually discharge and need replacement, and are predicted to happen in large quantities over short periods of time, peaking at over 20,000 field failures a year unless organized replacement rate of approximately 19,500 units annually, starting in 2015, balances the maximum life of the battery while reducing the effects of field failures to a manageable level. The levelized replacement process also introduces smaller populations of ERTs back into the system so the next time batteries need replacing there will only be about 19,500 unit families in place for any given future year. (Refer to Asset Management Report Titled "ERT Replacement Strategy Development, 6/14/12)







	Review Cycles 2012-2016	
Date	Template	

Functional Group: Natural Gas Distribution

Business Case Name: Goldendale High Pressure Main Replacement

ER No: ER Name: 3306 Goldendale HP

Approved Business Case Spend Amount 2013-2016 (\$000s - System): \$3,500<sup>1</sup>

Transfer to Plant Amounts (\$000s - System):

Year	Total	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2013													
2014													
2015	3,500												3,500
2016													

# **Business Case Description:**

The coating on the existing high pressure main that feeds the town of Goldendale is disbanded and is showing signs of early stages of corrosion. This line has been exposed in several different locations, and all sections have similar characteristics. It is proposed to replace nearly 3 miles of 4" HP feeding the town of Goldendale with new 4" steel main. Federal code mandates that the coating on steel mains must be properly adhered to the main to protect the pipe from corrosion. This gas system was purchased from Columbia Gas Co and the construction records are not complete, an added benefit to replacement would be the opportunity to have complete construction and pressure test documentation.

#### Offsets:

<sup>&</sup>lt;sup>1</sup> The business case amount reflects approved capital expenditures for the years indicated and not transfers to plant.

### Capital Project Business Case



Investment Name:	Goldendale HP									
Requested Amount Duration/Timeframe	\$0	1 Year Project		Assessments:	7.00%					
Dept., Area:	Gas Engineering			Financial: Strategic:	7.00% Reliability & C	anac	nit.			
Owner:	Mike Faulkenbe			Business Risk:			duction >10 and	C= 15		
Sponsor:	Don Kopczynski			Project Risk:				lule and resource	0	
Category:	Project				- ngir seriainiy		ina coot, conco	and that resource		
Mandate/Reg. Reference:	CFR 192.459 19	2.461		Assessment Score:	94	1	Annual Cost	Summary - Increa	se/(Decrease)	
Recommend Project Descri	ption:				Performance		Capital Cost	O&M Cost	Other Costs	Business Risk Scor
The coating on the existing early stages of corrosion. The characteristics. It is propose 4" steel main. Federal code main to protect the pipe froconstruction records are no complete construction and	nis line has been ex ed to replace nearly mandates that the om corrosion. This p t complete, an add	posed in several dif 3 miles of 4" HP fe coating on steel magas gas system was pure led benefit to replace	ferent locations, a eding the town of ains must be prop chased from Colur	all have similar Goldendale with ne erly adhered to the mbia Gas Co and the	s of	\$	3,500,000	\$	\$	1
							Annual Cost	Summary - Increa	se/(Decrease)	
Alternatives:					Performance		Capital Cost	O&M Cost	Other Costs	Business Risk Scor
Unfunded Project:	If unfunded, we co	ould face potential t	ines from the WU	ITC.		\$	-	\$ 100,000	\$ -	12
Relocate Meter Stn	Replace 3 miles of	4" HP gas main as	described above.			\$	3,500,000	\$ -	\$ -	1
Reuran nine	Downers the 2 - 1	e of UD			F1.4 CA.	-				
Rewrap pipe	Rewrap the 3 mile	s of HP gas main			high O&M expense	\$	*4	\$ 2,000,000	\$	0
Alternative 3 Name: Brief name of alternative (if applicable)	Describe other op	tions that were con	sidered		describe any incremental changes in operations	\$	•	\$	\$ -	0
Program Cash Flows	Capital Cost	O&M Cost	T au							
Previous		\$ -	Other Costs	\$ Approved		3xx	ociated Ers (list a	all applicable):	T	
2013	\$ -	\$ -	\$ -	\$ -		SXX	CX.			
2014	\$ -	\$ -	\$ -	\$ -				7 77 77 77	1 1 1 1 1 1	
2015			\$ -	\$ 3,500,0	00					-
2016		\$ -	\$ -	\$ 3,500,0	-					
2017+	\$ -	\$ -	\$ -	\$ -	0.7					
Total	\$ 3,500,000	\$ -	\$ -	\$ 3,500,0	00					
ER	2013	2014	2015	2016	2017+		Total	Mandate Excerpt	(if applicable):	
XXX	\$ -	\$ -	\$ 3,500,000	\$ -	\$ -	\$	3,500,000		on control: Examin	ation of buried
	\$ -	\$ -	\$ -	\$ -		\$	San Jack	pipeline when ex		
	\$ -	\$ -	\$ -	\$ -	- Y	\$	Call S	192.461 Corrosi	on control: Protecti	ve coatings
	\$ -	\$ -	\$ -	\$ -	T	\$	The leader to	100		
	\$ -	\$ -	\$ -	\$ -		\$				
	\$ -	\$ -	1	1		\$	ALIMATE NEEDS			
	\$ -	\$ -	\$ -	\$ -	\$ -	\$		Additional tuests	ations	
	\$ -	\$ -	\$ -	\$ -		\$		Additional Justific	ations: ntary information th	at may be useful in
	\$ -	\$ -	\$ -	\$		\$			ore detail the nature	
	\$ -	\$ -	\$ -	\$ .		\$	100		urgency, etc.	and a square the
	\$ -	\$ -	\$ -	\$ -		\$		100		
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	\$ -	\$ -	\$ -	\$ -	\$ -	\$	ASSESSMENT			
	\$ -	\$ -	\$ -	\$ -		\$				
)	\$ -	\$ -	\$ -	\$ -	Y	\$	Maria	1		
otal	\$ -	\$ -	\$ 3,500,000	\$ -	\$ -	\$	3,500,000			
Milestones (high level tar	gets)									i i
January-00	open		January-00	open			January-00	open	Milestones	should be general.
January-00	open		January-00	open			January-00	open		gement on project
January-00	open		January-00	open			January-00	open		that progress can
January-00 January-00	open		January-00	open			January-00	open	be measure	
January-00	open open		January-00 January-00	open open			January-00 January-00	open open		
	100			20000000			, , , , , ,			
Resources Requirements: (	equest forms and	approvals attached)	☑ High Probablity	Enterprise Tech:	INDEXS ISS		or Not Required	Capital Tools:	YES - attach form	NO or Not Required

# Capital Project Business Case



formance Indicator(s)  Performance Improvements		
isure:		
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	Prepared signature	1.11. a Wal
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	4	1111 / /
	Reviewed signature	Director Manager
		Directoriwanager
	Other Party Review signature	) 1
	(if necessary)	Director/Manager
une 25, 2013		Edward
		1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1
Jody Morehouse		
( w	_ 内部 和問題 一家 自然	
SUBJECT Goldendale High Pressure Coating Adhesion		
As per federal code 49, part 192,461 a coating system must be installed with sufficient adhesion to the		
metal surface to effectively resist under film migration of moisture. The coating system on the Goldendale HP between the gate station and the regulation station in town appears to consist of a thin		
plastic. The adhesion of the coating is nonexistent migration of moisture under the coating is present.		4.7
Kenny Gibson recently installed test leads at several locations. Ken was asked to visually inspect the pipe and provide photographic evidence of what he observed. The photos are included with the		
recommendation.		
Cathodic Protection levels on the piping are at adequate levels. However cathodic protection currents		
work much like a flash light, the current only gathers on those sections of pipe that are exposed to the sail. Therefore a coating that is loosely adhered to the metal is effectively shielded the pipe from the	1	
cathodic protection current and the environment. Therefore a separate corrosion cell can develop between the coating and the metal.	1000	white a second
RECOMMENDATION	in the second	
According to Kenny Gibson the pipe seemed to be in pretty good shape other than the whitish	The state of the s	
material under the coating adhered to the metal. This is a corrosion product left behind from	H Charles St. Commercial	D. D. Contraction
the corrosion cell between cathodic and anodic areas on the metals surface. The existing pipe would need to be cleaned to an SSPC-SP 5/NACE No. 1 (near white metal) and coated with an		が見したのか意う
epoxy type coating system		門が呼ばれる。
<ul> <li>Another option would be to remove the HP piping and install a new pipe with and FSE (fusion bonded epoxy) coating</li> </ul>		Acres de la companya del companya de la companya del companya de la companya de l
		The state of the s
Sary Dougles		
Cathodic Protection Specialist		
	No. 1200	
	55 AND 18 3 L 18 2.	T. STATE OF THE ST
	3 143 PM	
	N TON BULL	A CONTRACTOR OF THE PARTY OF TH
completed by Capital Planning Group		A STATE OF THE STA
Topics willing Stoup		Paylan Codes
nale for decision		Review Cycles
nale for decision		2012-2016
nale for decision	Date	

Functional Group: Natural Gas Distribution

Business Case Name: Reinforcement, Highway 2 North of old Kaiser Aluminum

ER No: ER Name:

3237 US2 N Spo Gas HP Reinforce(Kaiser Prop)

Approved Business Case Spend Amount 2013-2016 (\$000s - System): \$1,405<sup>1</sup>

Transfer to Plant Amounts (\$000s - System):

Year	Total	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2013													
2014													
2015	1,400												1,400
2016													

#### **Business Case Description:**

This project will reinforce the area north of the Kaiser Aluminum property along Hwy 2. The distribution system in this area is not able to reliably serve customers on a design day. Additionally, Avista serves the Inland Asphalt plant located north of this location that cannot reliably serve this customer in the spring and fall. Approximately 8,000' of 6" high-pressure steel will be installed. Engineering to start in 2014, construction planned for 2015. This project is the top reinforcement priority for the Spokane area.

### Offsets:

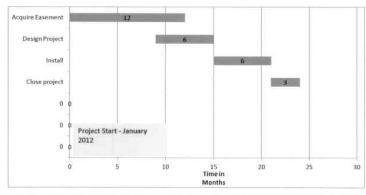
<sup>&</sup>lt;sup>1</sup> The business case amount reflects approved capital expenditures for the years indicated and not transfers to plant.

#### Capital Investment Business Case



Investment Name:	Reinforcement	t, Hwy 2 (Kaiser), Spokane WA	1								
Requested Amount	\$	100,000	Assessments:								
Duration/Timeframe	no. years: 1	Year Project: 2014	Financial:	Low - >0% and	1 < 5	% CIRR					
Dept, Area:	Gas Engineerin	9	Strategic:	Reliability & Ca	apaci	ty	75		of 18	S Santak	SALVAY THE LESS T
Owner:	Mike Faulkenbe	erry	Operational:	Operations not	t imp	acted by execu	ition				CONTRACTOR OF THE PARTY OF THE
Sponsor:	Don Kopczynsk	3	Business Risk:	<b>ERM Reductio</b>	n >0	and <= 5			V STIVE	100500	
Category:	Project		Project/Program Risk:	Moderate certa	ainty	around cost, s	che	dule and reso	urces		
Mandate/Reg. Reference:	WAC 480-90-14	18(2)(d)	Assessment Score:	34	-	the second secon	-	ry - Increase/(I	-	-	
Recommend Project Descr	iption:			Performance		Capital Cost		O&M Cost	1	Other Costs	Business Risk Score
this area is not able to relia Asphalt plant located north Completion of this reinforc	ably serve custome of this location the ement will improv I. Engineering to st	ne Kalser property along Hwy 2. The di- rs on a design day. Additionally, Avista iat is not able to be reliability served in e pressures in the US2 Kalser area. Ap art in 2014, construction planned for 2 ea.	serves the Inland the spring and fall. proximately 8,000' of	describe any incremental changes that this project would benefit present operations	\$	1,400,000	\$		\$		6
				operations		Cost Sur	nma	ry - Increase/(I	Decre	acel	
Alternatives:				Performance	1	Capital Cost	-	O&M Cost	-	Other Costs	Business Risk Score
Status Quo:	Inability to reliab Hwy 2.	ility serve all customers on the north s	ide of the Kaiser near	n/a	\$		\$		\$		6
Alternative 1: Brief name of alternative (if applicable)		allations (8000') - Install additional pipe ibution system to increase system capa		describe any incremental changes in operations	\$	1,400,000	\$		\$		1
Alternative 2: Brief name of alternative (if applicable)	Describe other o	ptions that were considered		describe any incremental changes in operations	\$		\$		\$		0
Alternative 3 Name: Brief name of alternative (if applicable)	Describe other o	ptions that were considered		describe any incremental changes in operations	\$		\$		\$		0

#### Timeline



### Construction Cash Flows (CWIP)

apital Cost		OWINI COST	0	mer costs		Approved
\$ 43,500	\$	-	\$		\$	43,500
7,000	\$		\$	-	\$	
\$ 5	\$		\$	- 1	\$	5,000
\$ 100,000	\$		\$		\$	100,000
\$ 1,300,000	\$		\$		\$	1,300,000
\$ -	\$		\$	WIT IDEA	\$	
\$ * 1	\$		\$		\$	
\$ 7 12 2	\$		\$		\$	
\$	\$		\$		\$	
\$ 1,443,500	\$	To be set	\$	t toe	\$	1,448,500
\$ \$ \$ \$ \$ \$	\$ 43,500 \$ - \$ 100,000 \$ 1,300,000 \$ - \$ - \$ - \$ -	\$ 43,500 \$ \$ \$ \$ 100,000 \$ \$ 1,300,000 \$ \$ - \$ \$ - \$ \$ - \$ \$ - \$	\$ 43,500 \$ - \$ 5 - \$ 100,000 \$ - \$ 1,300,000 \$ - \$ - \$ - \$ - \$ - \$ - \$ - \$ -	\$ 43,500 \$ - \$ \$ - \$ \$ - \$ \$ 100,000 \$ - \$ \$ 1,300,000 \$ - \$ \$ - \$ - \$ \$ - \$ - \$ \$ - \$ - \$ \$ - \$ - \$	\$ 43,500 \$ - \$ - \$ - \$ - \$ 100,000 \$ - \$ - \$ 1,300,000 \$ - \$ - \$ - \$ - \$ - \$ - \$ -	\$ 43,500 \$ - \$ - \$ \$ - \$ - \$ \$ - \$ - \$ \$ 100,000 \$ - \$ - \$ \$ 1,300,000 \$ - \$ - \$ \$ - \$ - \$ - \$ \$ - \$ - \$ - \$ \$ - \$ - \$ \$ - \$ - \$

Milestones should be general. In some cases it may be as simple as project start, project complete. Use your judgment on project progress so that progress can be measured.

#### Milestones (high level targets)

Acquire easement
Design pipe installation August-14 December-14 November-15 Install pipe

December-15 Project complete and closed

Associated Ers (list all applicable):	
Mandate Excerpt (if applicable):	

WAC 480-90-148(2)(d), "Each gas utility must maintain its gas system in a condition that enables it to furnish safe, adequate, and efficient	Current ER	3231	All the second second					
VAC 480-90-148(2)(d), "Each gas utility must maintain its gas system in a condition that enables it to furnish safe, adequate, and efficient								
	NAC 480-90-148	(2)(d), "Each ga	s utility must mair	ntain its gas syst	em in a condition th	at enables it to fun	nish safe, adequate	, and efficient

# Additional Justifications:

This project requires a easement through the Kaiser Property to be completed. The project schedule is dependant upon acquisition of the appropriate easements. This project is a strategic reinforcement and is addressing pressure issues related to operation of the asphalt plant north of Hwy 2 during the shoulder months and enhancements to the gas system to accommodate future growth in the area of the old Kaiser property. This project CIRR wil increase with growth in the area within or near the Kaiser property.

	eran .				
- 4	:Du	ere.	œ	w	æ
-	W B	er it	-	20.0	PΦ

Resources Requirer	ments: (req	uest form	s and approv	vals attached)									
Internal Labor Avail Contract Labor:  Key Performance In	edicator(s)	Low Probabil YES	ity ☑ Me	edium Probability	High Probability	Enterprise Facilities Capital T Fleet:	0.	YES - attach form YES - attach form YES - attach form YES - attach form	☑ NO o	Not Required Not Required Not Required Not Required	ii s r c	heck the appropriate be sternal and contract lab hould be checked to ind asource owners have be contacted and to provide ense of how likely staff rovided (this does not r	or boxes licate if the een e a general will be
Expected Performance  KPI Measure:	Improvement	5				1			_			ommitment).	equire a min
						]	Prepared	signature	JH 0	7 (M			
							Reviewed	signature	$\bigvee$	A.	irector Ma	anager	
							Party Review f necessary)			D	irector/Ma	inager	
	Th	is space	is to be use	ed for photog	raphs, charts, o	or other da	ata that may	be useful in evalu	uating the p	oroject			
Business Case	ERM Risk Reduction	Status Quo Raw	Risk on Completion					Stat	tus Quo Risk			institute series constitute	
	Reduction	Score	Raw Score	Financial I {Consequ Costs/Rev	ential Like	elihood	Legal, Regula	tory, External Business Af	ffairs .	Likelihood		stomer Service and Reliability stomers * duration of an outa	
				1 - < \$200k		/ 5 years to	- Could result in ocal, online, or i egional media c	a moderate negative is ndustrial relationships overage	mpact to	nce / 5 years	1 - < 1,500 Co	stomer-hours	< Once / 10 years
				Environm	nental Liki	elihood	Safe	ety and Health: Public		Likelihood		afety and Health: Employee	Likelihood
Chase Rd. Gate	5	6	1					Risk up	pon Completion				
nation installation				Financial Impact (Consequential Likelit Costs/Revenues)		elihood	hood Legal, Regulatory, External Business Affairs  1 No likely impact on media or regulatory			Likelihood		stomer Service and Reliability stomers * duration of an outa	
				1 - < \$200k		/ Su years (e	elationship.		< 0	nce / 50 years		V-004-0100000	< Once / 50 years
				Environm	sental Like	elihood	Safe	ety and Health: Public		Likelihood	- 5	afety and Health: Employee	Likelihood
To be completed Rationale for dec		ıl Planniı	ng Group								Review C 2012-20		
								Date				Template	
			1/11/5	E STERON		N SELECT		100 100	1,15115	Ephylics:			

**Functional Group:** Gas Underground Storage **Business Case Name:** Jackson Prairie Storage

ER No: ER Name:

7201 Jackson Prairie Storage

Approved Business Case Spend Amount 2013-2016 (\$000s - System): \$3,0501

### Transfer to Plant Amounts (\$000s - System):

Year	Total	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2013	450							-1	2	326	- 44	83	83
2014	500				33		33	36	364		33		
2015	1,000	83	83	83	83	83	83	83	83	83	83	83	83
2016	1,000	83	83	83	83	83	83	83	83	83	83	83	83

# **Business Case Description:**

Jackson Prairie (JP) Underground Storage Facility stores natural gas. Avista owns this facility as a 1/3 partner with Puget Sound Energy and Williams' Northwest Pipeline. Puget Sound Energy is the managing partner for the facility, which is located in Chehalis, WA. The requested capital represents Avista's 1/3 share of the capital needed to maintain the existing facility and maintain equal ownership status. The purpose of the facility is to allow Avista to serve customers on a peak day, and to purchase natural gas at potentially lower costs during off-peak periods and store that gas for use during high cost periods.

#### Offsets:

<sup>&</sup>lt;sup>1</sup> The business case amount reflects approved capital expenditures for the years indicated and not transfers to plant.

#### AVISTA

#### Capital Investment Business Case

Investment Name:	Jackson Prairie	Storage	er in his en with a wife	70												
Requested Amount	\$1,000,000			The State of the S	mu.	1101659	0.0									
Duration/Timeframe	20+ Year Program Financial: H						High - Exceeds 12% CIRR									
Dept, Area:	Natural Gas Reso						apacit									
Owner:	Steve Harper		to the state of the state of	Operation	onal:		equire execution to perform at current levels ion >15									
Sponsor:	Jason Thackston			Busines		ERM Reductio										
Category:	Program			Program	n Risk:	High certainty	-				The second second					
Mandate/Reg. Reference:	n/a			Assessm	nent Score:	116		Annual Cost	Sum	mary - Increa	se/(Dec	rease)				
Recommend Program Desc	ription:		Performance	C	apital Cost	_	O&M Cost	_	ther Costs	Business Risk Score						
Jackson Prairie (JP) Undergr partner with Puget Sound E partner for the facility whic share of the capital needed purpose of the facility is to potentially lower costs duri	nergy and Williams' h is located in Cheha to maintain the exis allow Avista to serve	Northwest Pipelir alis, WA. The requ sting facility and m coustomers on a p	ne. Puget Sound E ested capital repr aintain equal own eak day, and to p	Energy is to resents Av nership sta ourchase n	he managing vista's 1/3 atus. The natural gas at	describe any incremental changes that this Program would benefit present operations	\$	1,000,000	\$		\$		2			
						operations	0.00	Annual Cost	Sum	mary - Increa	se//Dec	reasel				
Altomosticom				KOWI DUV		Performance	-	apital Cost	-	D&M Cost	_	ther Costs	Business Risk Score			
Alternatives:	Inc.		4-1-4/214-1-	L.B Mark	F-11	n/a	-	apital Cost	5	Jaivi Cost	\$	ilei Costs	20			
Status Quo:	Not recommended Avista to fund its 1, percentage. Voting by other partners v	/3 capital obligation of the country	on would dilute Av deminished and th	vista's own herefore d	nership lecisions made				3		,		20			
Alternative 1: Brief name of alternative (if applicable)	Recommended – S approximately \$1,0 \$539,000 in 2014. compression, pipe,	00,000 per year lo Capital needs van	ooking forward. O y year-to-year, bu	Cost is esti t relate to	mated to be well,	describe any incremental changes in operations	\$	1,000,000	\$		\$		2			
Alternative 2: Brief name of alternative (if applicable)	Not recommended obligation. Voting by other partners v	rights would be d	eminished and th	erefore de	ecisions made	describe any incremental changes in operations	\$		\$		\$		2			
Alternative 3 Name: Brief name of alternative (if applicable)	Describe other opti	ions that were cor	isidered			describe any incremental changes in operations	\$		\$		\$		0			
Program Cash Flows						Associated Ers	(list al	l applicable):								
2012-2016	Combal Com	00000	I out - c		Particular Company	ER 7201										
	Capital Cost	O&M Cost	Other Costs		pproved		-		-		-					
Previous		\$ -	\$ -	\$	620,600		-			Salarie A						
2012		\$ -	\$ -	\$	630,000						-					
2013			\$ -	\$	550,000	-										
2014		\$ -	\$ -	\$	500,000	-										
2015		\$ -	\$ -	\$	1,000,000	-										
2016			\$ -	\$	1,000,000	-										
2017			\$ -	\$	1,000,000	-										
2018			\$ -	\$	1,000,000											
	\$1,000,000/year	\$ -	\$ -	\$												
Total	\$ 5719,000	¢ .	ė .	, c	5 680 000	1										

Mandate	Evcernt /	if applicable):

provide brief citation of the law or regulation and a reference number if possible

5,719,000 \$

Additional Justifications:

While not a mandated project by definition, this Program is not one that can easily be terminated. The use of JP is documented and acknowledged as part of Avista's Integrated Resource Plan.

5,680,000

# AVISTA

# Capital Investment Business Case

Costs/Revenues)  5 -> \$10MM	nternal Labor Availabil Contract Labor:	ity: ☑ L	.ow Probabilit 'ES	y ☐ Mei		High Probablity	Enterprise 1 Facilities: Capital Too Fleet:	ols:	YES - attach form YES - attach form YES - attach form YES - attach form	☑ NO or	Not Required Not Required Not Required Not Required	Check the appropriate box. The internal and contract labor box should be checked to indicate if resource owners have been contacted and to provide a gen	es f the eral
Measure:   Avoided gas costs through use of IP storage				- Krain	T. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1.	100							
File the name of the KPI here    Prepared   Signature   Director/Manager		Avo	ided gas	costs throug	h use of JP stora	ge	1		n	0		committment).	
Reviewed signature  Other Party Review Signature  (if necessary)  Director/Manager  Statu Que Nat		Fill	in the nar	ne of the KP	l here		1	corecional o	11	Muso	110 7	hx low ring	
Reviewed signature  Other Party Review signature  Off necessary)  Director/Manager  Other Party Review signature  (if necessary)  Director/Manager  States Que Blak  States Que Blak  States Que Blak  States Que Blak  Consequential Consequent		JP W	VA/ID Avoi	ded Winter (	Cost		Pr	repared	signature ///	NU 110	We y	- Jos Will Com	
Reviewed signature  Other Party Review signature  Other States of				SELECTION OF THE PERSON OF THE							17	1///	
Other Party Review signature  (if nocessary)  Director/Manager    Display   Director/Manager   Director/Manager	147.000.000			200	-					/	1//	1//	
Other Party Review Signature  (if nocessary)  Director/Manager  Status Que Ria			100			Re	viewed	signature	1	-00	m-		
Other Party Review Signature  (If necessary)  Director/Manager    Description   Descri				250							b	prector/Manager	
Other Party Review Signature  (if nocessary)  Director/Manager  (if nocess													
Business Case Reduction Score Reduction Score Reduction Score Reduction Score Reduction Reduction Score Reduction Reduction Score Reduction Reduct				1000	200		Other Pa	arty Review	signature				
Business Case    Bod Risk   Satistic Reduction   States   Satistic Reduction   Satistic Que Risk   Satistic Reduction   Sati	Co Assessed			11100	MAGE	-			Table 1		D	irector/Manager	
Business Case    Bittle   Status   Compeledon   Compeledon   Compeledon   Compeledon   Score   Compeledon   C				584479.357	20005-2030 588-248-1444	2109 2162 2100 210							
Business Case Reduction Score Review Cycles Residence Re	preserved and a company server annihilation of the server	m pre frequenciero en Estamas el presi estamas el presi	the protest the ten- galler areas of school to achieve of to days	Marine Ma Marine Marine Marine Marine Marine Marine Marine Ma Marine Marine Ma Ma Ma Ma Marine Ma Ma Ma Ma Ma Ma Ma Ma Ma Ma Ma Ma Ma									
Business Case Reduction Socie Review Cycles  Business Case Reduction Socie Review Cycles  Business Case Reduction Socie Review Cycles						HEAVY IN							
Business Case  Reduction Some Review Cycles Review Cycles Review Cycles Residence Consequental C			Status	Risk on					Stat	itus Quo Risk			
Scon Prairie  18 20 2  Environmental Libelihood   Safety and Health Employee   Libe   Liberation				(Consequent	ial Lik	selihood	Legal, Regulat	ory, External Business Al	Affairs	Likelihood		Likelihood	
See completed by Capital Planning Group   Review Cycles   See completed by Capital Planning Group   See complete							e / year   local, online, or in		dustrial relationships		ince / year		
Public health infrastructure (mpact up to 8 hours   New Year)	- 1				Environmen	tal Lik					Likelihood	Safety and Health: Employee	Likelihood
Askson Prairie range  18 20 2 Financial impact (Consequential Costs/Reversues) 1 < \$2000	1									o 8 hours < 0	ince / year		
Financial impact (Consequential Ukelihood Legal, Regulatory, External Business Affairs Ukelihood Gustomer Service and Reliability (a customer) * duration of an outage) Ukelihood Customer * duration	keen Beside								Risk up	apon Completion			
Constplaymental   Likelihood   Legal, Regulatory, External Business Affairs   Uhelihood   (E-customen * duration of an outage)   Likelihood   Legal, Regulatory   Conce / 50 years		18	20	2	Financial Imp	sact						Customer Capiles and Pallability	
1 - < 5200k < Once / 10 years regulatory < Once / 50 years   Environmental Likelihood Safety and Health: Public Likelihood Safety and Health: Employee Like   1 - Potential for injury   Conce / 50 years   2 - Potential for injury   Conce / 50 years   3 - Potential for injury   Conce / 50 years   4 - Potential for injury   Conce / 50 years   5 - De completed by Capital Planning Group   7 - Review Cycles   Review Cycles   7 - Review Cycles   Review Cycles   8 - Review Cycles   Review Cycles   8 - Size on media or regulatory   Conce / 50 years   9 - De completed by Capital Planning Group   9 - De completed by Capital Planning Group   9 - Review Cycles   Review Cycles   9 - De completed by Capital Planning Group   9 - De completed by Ca	12.000				(Consequent	ial Li)	kelihood	Legal, Regulat	ory, External Business A	Affairs	Likelihood		Likelihood
Environmental Likelihood Safety and Health: Public Likelihood Safety and Health: Employee Like 1- Potential for injury Conce / 50 years 1 - Potential for in						The second second			t on media or regulato	or/ <0	nce / 50 years		
o be completed by Capital Planning Group  Rationale for decision  Review Cycles					Environmen	tal Li)	kelihood	Safet			Likelihood	Safety and Health: Employee	Likelihood
b be completed by Capital Planning Group Rationale for decision Review Cycles					to sures.					o 5 hours	once / 50 years	1 - Potential for injury	< Once / 50 year
Rationale for decision Review Cycles													
			al Planni	ng Group								Review Cycles	DE LA
	Kationale for deci-	Sion											
									Date	THE RESERVE OF THE PARTY OF THE	COLUMN TWO IS NOT THE OWNER.	Template	

**Functional Group:** Transportation

**Business Case Name:** CNG Fleet Conversion

ER No: ER Name:

7127 CNG Fleet Conversion

Approved Business Case Spend Amount 2013-2016 (\$000s - System): \$1,300<sup>1</sup>

#### Transfer to Plant Amounts (\$000s - System):

Year	Total	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2013	932							232					700
2014	200	8	8	12	14	16	24	24	22	22	18	16	16
2015	200	8	8	12	14	16	24	24	22	22	18	16	16
2016	200	8	8	12	14	16	24	24	22	22	18	16	16

#### **Business Case Description:**

Building four CNG refueling stations and converting 119 light duty trucks to CNG over the next seven years. If more vehicles are acquired in the fleet, there is a potential for more CNG to be served from these refueling stations. The refueling stations will be located in Dollar rd., Spokane main campus, Coeur d' Alene and Klamath Falls. They were constructed in 2012 and 2013. Vehicle conversion will begin in 2012 on 15-20 vehicles per year for the foreseeable future. In addition, the expected life of the refueling stations should provide service to Company vehicles for 20 years, therefore 3 generations of vehicles (average life 7 years).

#### Offsets<sup>2</sup>:

<sup>&</sup>lt;sup>1</sup> The business case amount reflects approved capital expenditures for the years indicated and not transfers to plant.

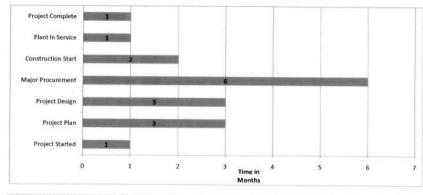
<sup>&</sup>lt;sup>2</sup> Included in the alternatives on the CNG Fleet Conversion business case are \$6,625,950 of potential avoided costs for the 20 year project, on a present value basis. These costs are not included in the O&M Offset adjustment as they are based on the potential savings of adding new CNG vehicles vs. adding new gasoline/diesel vehicles.



#### **Capital Investment Business Case**

Investment Name:	CNG Fleet Conversion									
Requested Amount	\$4,100,000	Assessments:								
Duration/Timeframe	21 Year Project	Financial:	MH - >= 9% &	<129	CIRR					
Dept, Area:	Strategic Initiatives	Strategic:	Value & Growt		Oliviv	-		_		
Owner:	Ken Boni	Operational:	Operations imp	17	d hevond cur	rent	levels	_		
Sponsor:	Roger Woodworth/Scott Morris	Business Risk:	ERM Reductio			OIIL	icveis	_		
Category:	Project	Project/Program Risk:				che	dule and reso	urc	20	
Mandate/Reg. Reference:	n/a	Assessment Score:	93			-	ry - Increase/(E	-		
Recommend Project Desc	ription:	prosessment score.	Performance		apital Cost	IIIIIa	O&M Cost	T	Other Costs	
Building 4 CNG refueling st	ations and converting 119 light duty trucks to C	NG over the part source ware if		S	4,100,000	5	757,059	\$	Other Costs	ERM Risk Score
stations. The refueling stat Klamath Falls. They will be 20 vehicles per year for the	in the Fleet, there is a potential for more CNG to ions will be located in Dollar rd., Spokane main e constructed in 2012 and 2013. Vehicle conver e foreseable future. In addition, the expected in Company vehicles for 20 years, therefore 3 gene	campus, Coeur d' Alene and sions will begin in 2012 on 15 - fe of the refueling stations	emissions, possible public access for CNG							
Alternatives:						nma	ry - Increase/(C	ecr	ease)	
			Performance	C	apital Cost		O&M Cost		Other Costs	ERM Risk Score
Status Quo :	Continued dependence of foreign oil and the	use of a high carbon fuel	n/a	\$		\$	(6,625,950)	\$		6
Alternative 1: Brief name of alternative (if applicable)	Describe other options that were considered		describe any incremental changes in operations	\$	•	\$		\$	·	3
Alternative 2: Brief name of alternative (if applicable)	Describe other options that were considered		describe any incremental changes in operations	\$	3-1	\$	•	\$		0
Alternative 3 Name: Brief	Describe other options that were considered		describe any incremental	\$	ž :	\$	638	\$	*	0

#### Timeline



	(	apital Cost	oital Cost C		Other Costs	
Previous	\$		\$		\$	
2012	\$	2,200,000	\$	16,400	\$	
2013	\$	700,000	\$	27,192	\$	
2014	\$	200,000	\$	28,008	\$	
2015	\$	200,000	\$	28,713	\$	
2016	\$	200,000	\$	30,605	\$	
2017	\$	200,000	\$	31,523	\$	
2018	\$	200,000	\$	32,469	\$	
Future	\$	200,000	\$	562,149	\$	
Total	\$	4,100,000	\$	757,059	\$	

Construction Cash Flows (CWIP)

#### Milestones (high level targets)

November-11 Project Started March-12 Project Plan June-12 Project Design March-12 Major Procurement September-12 Construction Start

December-12 December-12 mm/dd/yy mm/dd/yy

mm/dd/yy

Plant In Service Project Complete open open

open

mm/dd/yy open mm/dd/yy open mm/dd/yy

## Associated Ers (list all applicable):

Mandate Excerpt (if applicable):

Current ER						
provide brief of	citation of the law	or regulation and a r	reference numb	er if possible		

## Additional Justifications:

Optimize our fleet to lower costs and environmental performance and jump start new growth of natural gas as a transportation fuel for our customers. This will ultimately stage new margin for natural gas sales and shareholder value.

Resources Requirements: (request forms and approvals attached)

# Avesta

# Capital Investment Business Case

Internal Labor Availability: Contract Labor:  Key Performance Indicato  Expected Performance Improve KPI Measure:	YES  r(s) ments	☐ Medium Probebility ☐ NO	☐ High Probability	Enterprise Tech: Facilities: Capital Tools: Fleet:	YES - attach form YES - attach form YES - attach form YES - attach form	NO or Not Required NO or Not Required NO or Not Required NO or Not Required	Check the appropriate box. The internal and contract labor boxes should be checked to indicate if the resource owners have been contacted and to provide a general sense of how likely staff will be provided (this does not require a firm
KPI Measure:	Rate Benefit			1			committment).
900000 800000 700000 600000 500000 400000 300000		— Year — Annual o Benefits	- 1	Prepared Reviewed	signature	Sin L	Jon. or/Manager
100000				Other Party Review	w signature		
1 3 5 7 5	11 13 15 17	19 21		(if necessary	/)	Direct	or/Manager
Fueli	ng Station					Outy Conversions	
Fast fill	Dispensers						
Compressor and	d Storage	-		Duel fuel conversion		Tent and A	
				During Conversion			making the control of
be completed by Capit	al Planning Gro	up			ra Majira ani		
Rationale for decision							w Cycles
						2017	2-2016
					Date		Template
						The second second second	

Functional Group: Transportation

Business Case Name: Fleet Budget

ER No: ER Name:

7000 Transportation Equip

Approved Business Case Spend Amount 2013-2016 (\$000s - System): \$23,564<sup>1</sup>

# Transfer to Plant Amounts (\$000s - System):

Year	Total	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2013	4,287							467	199	1,568	1,084	485	484
2014	5,586	467	465	465	465	465	465	465	467	465	465	465	465
2015	6,500	543	541	541	541	542	541	541	544	541	542	542	541
2016	6,500	543	541	541	541	542	541	541	544	541	542	542	541

# **Business Case Description:**

Fleet utilizes a Vehicle Replacement Model analysis program to determine which vehicles are replaced for the next budget cycle. This program utilizes our internal data regarding equipment utilization, repair costs, purchase costs, disposal costs, and business needs across all classes of equipment. This provides a consistent and level spend to cover all departments effectively. This contributes to the operational readiness for all departments and our Company as a whole. The 5 year projection includes analysis of 19 classes of vehicles in total and the replacement of over 600 assets.

#### Offsets:

<sup>&</sup>lt;sup>1</sup> The business case amount reflects approved capital expenditures for the years indicated and not transfers to plant.

### **Capital Investment Business Case**



Investment Name:	Fleet Budget	4		1							
Requested Amount	\$		5,585,502	Assessments:					III.	The second	TO VALUE OF
Duration/Timeframe	-	2014 - 2016		Financial:	MH - >= 9% & <12%	CIRR			AT ITS TO		
Dept, Area:	Fleet	1 THE TREE	Sec. 25.	Strategic:	Life Cycle Programs		MEKO.				
Owner:	Al Fisher	Marie Decou.		Operational:	Operations require ex		to perform	at cu	rrent levels		
Sponsor:	Don Kopczynski		7 75	Business Risk:	ERM Reduction >0 ar						
Category:	Program			Program Risk:	High certainty around	Contract the Contract	Production of the Control of the Con	Act of the last of	the Administration of the Control of		
Mandate/Reg. Reference:				Assessment Score:	84	- 27	Annual Cost	Summ	nary - Increas	e/(Decrease)	
Recommend Program Desc					Performance	-	ital Cost	-	0&M Cost	Other Costs	Business Risk Score
Fleet utilizes a VRM (Vehicle replaced for the next budge utilization, repair costs, pur This provides a consistent a operational readiness for al analysis of 19 classes in total	et cycle. This progra chase costs, dispos and level spend to co I departments and o	m utilizes our inter al costs, and busine over all department our company as a w	nal data regardin ss needs across a s effectively. Thi hole. The 5 year	g equipment Ill classes of equipment. s contributes to the	Replacing equipment within a lifecylce allows operations to be more effective with less break downs and repairs that are inherent with older vehicles.		5,585,502	\$ Summ	nary - Increas	s	3
Alternatives:					Performance	-	ital Cost	<b>FORFEITHER</b>	0&M Cost	Other Costs	Business Risk Score
Status Quo:	current life cycle a	epair our equipmer nalysis realizing equ selp keep O&M cost	ipment has a use	levels utilizing our eful life range. Using	Equipment remains reliable. No risk to Operations.	\$	5,585,502	\$	to a man	\$ -	0
Reduced Spend	cycle, is at the upp		ts, and is difficul		Less reliable equipment. Risk to operation's commitments.	\$	2,792,751	\$	653,568	\$ -	0
Only replace equipment upon failure.		n. Minimal Capital		e only when repairs are a maximum	Unreliable equipment, failed commitments and schedules by Operations, ultimatley	\$	-	\$	1,307,136	777	9
						\$		\$		\$	0
Program Cash Flows					Associated Ers (list all a	applicabl	e):		in the state of		
2012-2016					Current ER		7000				
	Capital Cost	O&M Cost	Other Costs	Approved							
Previous			\$ -	\$ 9,468,000							
2012			\$ -	\$ 7,673,715							
2013			\$ -	\$ 4,978,945							
2014	Torritoria de la Constantina del Constantina de la Constantina de la Constantina de la Constantina de la Constantina de la Constantina del Constantina de la Constantina de la Constantina de la Constantina de la Constantina de la Constantina de la Constantina de la Constantina de la Constantina de la Constantina de la Constantina de la Constantina de la Constantina de la Constantina de la		\$ -	\$ 5,585,502							
2015	The second secon	\$ -	\$ -	\$ 6,500,000	1						
2016			\$ -	\$ 6,500,000							
2017	4.54	\$ -	\$ -	\$ 6,500,000							
2018		\$ -	\$ -	\$ 6,500,000							
Future Total	TOTAL CONTRACTOR OF THE PERSON NAMED IN	\$ -	\$ -	\$ 44,238,162							
Total	1 40,327,343		15 -	\$ 44,238,162	J						
Mandate Excerpt (if applica The Federal Motor Carrie		ation (FMCSA), D	epartment of T	ransportation (DOT), /	American National Star	ndards I	nstitute (AN	(SI), C	Occupational	Safety and Heal	th Administration (OS
Additional Justifications: With the implementation of and organization's failure to companies and help them fit worse off the company is.	educate drivers an	d maintain their Fle	ets. This is now	being carried out by an	increased number of roa	dside ins	pections alo	ng wit	th weigh statio	n inspections to g	ather data on
Resources Requirements: (	request forms and o	approvals attached)	(								
Internal Labor Availability: Contract Labor:	Low Probability  VES	☐ Medium Probability ☐ NO	High Probability	Enterprise Tech: Facilities: Capital Tools: Fleet:	☐ YES - attach form ☐ YES - attach form ☐ YES - attach form ☐ YES - attach form	[2]	NO or Not Requ NO or Not Requ NO or Not Requ NO or Not Requ	ired ired	interna should resource	the appropriate box I and contract labor be checked to indic to owners have bee ted and to provide a	boxes ate if the n

Key Performance Indicator(s)

#### **Capital Investment Business Case**

Exhibit No.\_\_(DBD-5) Attachment No.\_\_T-2.2

sense of how likely staff will be provided (this does not require a firm committment).

Expected Performance In	nprovements			provided (this does not require a firm
KPI Measure:	Vehicle Availability			committment).
		Prepared	signature/	West States
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		Reviewed	signature	alan & Fisher
				Director/Manager
		Other Party Review	signature	
		(if necessary	)	Director/Manager
	This space is to be used for photographs, charts,	or other data that may	v be useful in	in evaulating the Program
To be seveleted	hu Canital Dianaina Casus			
no be completed	by Capital Planning Group			
Rationale for de	cision	× 1 (1)		Review Cycles
			The second	2012-2016
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100 m (500)				
15 - 15				

Functional Group: Enterprise Technology

Business Case Name: AvistaUtilities.com Redesign

ER No: ER Name:

5143 AU.com & AVANet Redevelopment

Approved Business Case Spend Amount 2013-2016 (\$000s - System): \$1,539<sup>1</sup>

### Transfer to Plant Amounts (\$000s - System):

Year	Total	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2013	1,000												1,000
2014	1,538												1,538
2015	240									240			
2016													

# **Business Case Description:**

Refresh of the AvistaUtilities.com website to improve navigation, updating the look and feel of the overall site, creating a new homepage layout, and improving self-service and search functionality for customers. Since 2008, web usage on the AvistaUtilities.com site has increased by more than 55% and usability standards have since then changed to incorporate the emergence of mobile app technologies. The refresh includes improved functionality to allow for more customer self-serve use on our website.

# Offsets:

\$100,000 of additional O&M costs are included with this business case which negate the \$100,000 of O&M savings (see signed business case under "Other Costs.") These savings are related to reduction in labor due to efficiencies gained by customers being able to navigate the website effectively. No offset has been included in the O&M Offset adjustment for this business case.

<sup>&</sup>lt;sup>1</sup> The business case amount reflects approved capital expenditures for the years indicated and not transfers to plant.



Investment Name:	AvistaUtilities.com	m Redesign									
Requested Amount	\$1,500,000	Vana Davinsi		Assessments:	7.00%						
Duration/Timeframe	Customer Solution	Year Project		Financial: Strategic:	Customer Exp	orion					
Dept, Area: Owner:	Dana Anderson, J			Business Risk:	Business Risk			<= 10	HUAVE		100000000000000000000000000000000000000
Sponsor:	Dana Anderson, J			Project Risk:				schedule and res	ources		
Category:	Project			1.00						M. W. C.	
Mandate/Reg. Reference:	n/a			Assessment Score:	77		Annual Cos	t Summary - Incre	ase/(De	crease)	
Recommend Project Desc	ription:				Performance	(	Capital Cost	O&M Cost	(	Other Costs	<b>Business Risk Scor</b>
See Attached Project Char	ters.				Improved usability for customers and improved capability for information sharing and delivery to increase overall employee engagement		1,000,000	\$ 500,00	0 \$		0
							Annual Cos	t Summary - Incre	ase/(De	reasel	-
Alternatives:	TACL TO SERVICE	Charles I have			Performance	1	apital Cost	O&M Cost		Other Costs	Business Risk Scor
Unfunded Project:	unable to complete	transactions on the w	t practices. 14% of cust eb and of those that car consuming and someti	consistent feedback	n/a	\$		\$	\$		0
Alternative 1: Brief name of alternative (if applicable)	Redesign of AvistaU	tilities.com			Improved usability, capability and new technology	\$	1,000,000	\$ 500,00	0 \$		0
Alternative 2: Brief name of alternative (if applicable)						\$		\$ -	\$		0
Alternative 3 Name: Brief name of alternative (if applicable)						\$		\$ -	\$		0
Program Cash Flows		0000000							- 1		
	Capital Cost	O&M Cost	Other Costs	Approved				all applicable):	-		
Previou			· · · · · · · · · · · · · · · · · · ·	\$ 10,452		New	-		-	-	
201		\$ 100,000 \$	(50,000						-	-	
201		\$ 100,000 \$ \$ 100,000 \$	(100,000			-			-		
		\$ 100,000 \$	(100,000		4				_		
		\$ 100,000 \$	(100,000		-						
Tota		\$ 500,000 \$	(450,000		H						
100		-	1,00,000	1	_						
ER	2013	2014	2015	2016	2017		Total	Mandate Excerp	t (if app	licable):	
New		\$ - \$		\$ -	\$ -	\$					regulation and a
0		\$ - \$		\$ -	\$ -	\$	100	ref	erence	number if po	ssible
0		\$ - \$		\$ -	\$ -	\$	-				
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Total			THE RESERVE THE				B/- 1311				information to
	\$ -	\$ - \$		\$ -	\$ -	\$	Street, St.		е	mployees.	
Milestones (high level September-12 January-13 April-13	Project Start Phase 0 Complete Phase 1 Complete		January-00 January-00 January-00	open open open		J	anuary-00 anuary-00 anuary-00	open open open		Use your jud	hould be general. gement on project hat progress can
August-13 February-14 January-00	Phase 2 Complete Phase 3 Complete open		January-00 January-00 January-00	open open open		J	anuary-00 anuary-00 anuary-00	open open open			

Avista			1	Capital Program Bus	siness Case				
sources Requirement	s: (request forms an	d approvals attached)							
ernal Labor Availabilit		Medium Probability	☑ High Probability	Enterprise Tech:	YES - attach form	NO or Not Required	Capital Tools:	YES - attach form	NO or Not Required
tract Labor:	✓ YES	□ NO		Facilities:	YES - attach form	NO or Not Required	Fleet:	YES - attach form	NO or Not Required
Performance Indica	tor(s)								
ted Performance Impro									
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achment 1: Project		Loom							
	Addendum for AU Addendum for AV								
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Planning Group		Review Cycles 2012-2016
	Date	Template

Functional Group: Enterprise Technology

**Business Case Name:** Enterprise Business Continuity Plan

ER No: ER Name:

5010 Enterprise Business Continuity

Approved Business Case Spend Amount 2013-2016 (\$000s - System): \$1,864<sup>1</sup>

# Transfer to Plant Amounts (\$000s - System):

Year	Total Ja	n Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2013	339									218		121
2014	482		120			120			120			120
2015	450		112			112			112			112
2016	450		112			112			112			112

#### **Business Case Description:**

Avista has developed an Enterprise Business Continuity Plan ("EBCP") to facilitate emergency response and business continuity activities in fulfillment of our mission to provide safe and reliable service to our customers. The program supports the Enterprise Business Continuity objectives by providing an all-hazards framework for emergency response, technology recovery, alternate facilities and business continuity activities. The program provides communications, escalation and operational procedures necessary for efficient response to events.

#### Offsets:

<sup>&</sup>lt;sup>1</sup> The business case amount reflects approved capital expenditures for the years indicated and not transfers to plant.

# AVISTA

### Capital Program Business Case

Investment Name: Requested Amount	Enterprise Busin \$385,000	ness Continuity	Plan	Assess	ments:								
Duration/Timeframe		Year Program		Financ		High - Exceeds	s 12% CI	RR					
Dept, Area:	Enterprise Techn	ology		Strates	gic:	Other		11:00			-1-1		
Owner:	Clay Storey/Jim (	Corder		Operat		Operations imp			rent le	vels			
Sponsor:	Jim Kensok			_	ss Risk:	ERM Reductio			tulo o	ed rocouroos			
Category:	Program	-		_	m Risk: ment Score:	106				nary - Increase		sca)	
Mandate/Reg. Reference: Recommend Program Desc	n/a			Assess	ment score.	Performance				&M Cost		r Costs	Business Risk Score
Avista has developed an En		ntinuity Dian (EDC)	) to facilitate om	orannor	response and	This is a risk	\$	482,000	5	498,755	Othe	COSES	4
Avista has developed an En- business continuity activitie Continuity objectives by pre recovery, alternate facilities escalation and operational Justifications:" for more inf	es in fulfillment of ou oviding an all-hazard and business conti- procedures necessa	or mission. The prop is framework for er nuity activities. The	gram supports the mergency respon program provide	ne Enterp ise, techr es comm	orise Business nology nunications,	mitigation program	*	402,000	,	430,733			
Jastineations: 101 more in	O/Motion:	-					А	nnual Cost	Sumn	nary - Increas	e/(Decrea	ise)	
Alternatives:						Performance	Capit	tal Cost	0	&M Cost	Othe	r Costs	Business Risk Score
Unfunded Program:	emergency event v longer delays in the	am the company's will be diminished. e restoration of bus ntially even action	This will have the siness services fo	e effect o r our cus	of creating tomer and	n/a	\$		\$		\$		25
Alternative 1: Brief name of alternative (if applicable)	facilitate emergeno of our mission.	ed an Enterprise Bu by response and bus orts the Enterprise	siness continuity	activitie	s in fulfillment	This is a risk mitigation program	\$	482,000	\$	498,755	\$		4
Alternative 2: Brief name of alternative (if applicable)	Describe other opt		describe any incremental changes in operations	\$		\$		\$		0			
Alternative 3 Name: Brief name of alternative (if applicable)	Describe other opt		describe any incremental changes in operations	\$		\$		\$		0			
Program Cash Flows						Associated Ers (		plicable):	_				
5 years of costs	Capital Cost	O&M Cost	Other Costs		Approved	5010		_				-	
	Capital Cost	Odivi cost	Other costs	+-	Approved								
2012	\$ 482,000	\$ 488,838	\$ -	\$	482,000					1-15			
2013	\$ 600,000	\$ 549,558	\$ -	\$	482,000								
2014				\$	482,000	1							
2015		\$ 655,818		\$	450,000	1							
2016		\$ 701,358	\$ -	\$	450,000 450,000	-							
2017 2018		\$ 746,898 \$ 792,438		\$	450,000	1							
Total		\$ 4,545,186	s -	S	3,246,000	1							
Mandate Excerpt (if applic n/a	able):												
Additional Justifications:												300	
Additional Justifications: Support of the Enterprise B activation of the EBCP. The restoration efforts are sync operating procedures in suj emergency operations and	ough the developme hronized, which in to oport of critical busin	ent and maintenand urn, lowers the risk ness processes, pro	ce of standardize of direct, indirect cess and proced	ed missio ct, tangib	n critical plans a ble or intangible	and comprehension losses. Through a	ve alterna on-going o	te facilities developme	plann nt, ma	ng, exercises intenance, rev	and testir	ng, the res testing of	ponse, recovery and the critical alternate
Resources Requirements:	request forms and a	pprovals attached)								2200 120 121 00			
Internal Labor Availability: Contract Labor:	Low Probability YES	☐ Medium Probability ☐ NO	☑ High Probability	Faciliti	rise Tech: es: I Tools:	YES - attach form YES - attach form YES - attach form YES - attach form		NO or Not Requ NO or Not Requ NO or Not Requ NO or Not Requ	iired iired	labor boxes resource ow	should be ners have nse of how	checked to been cont likely staf	nternal and contract indicate if the acted and to provide f will be provided mittment).



ey Performance In				
xpected Performance II PI Measure:	Fill in the name of the KPI here			
ri Weasure.	Fill in the name of the KPI here			
		Prepared signature		
			21	
			Man Stan	
		Reviewed signature	Clay Hoory	
			/Director/Manager	
		Other Party Review signature	Sour	
		(if necessary)	Director/Manager	
50V 25 - W				
e Program is pla	anned to include the following Projects in the ne	ext 5 years:		
Enterprise Busin	ness Continuity management software			
Alternate facilitie	es infrastructure			
Includes AFM/C	MT in Disaster Recovery			
Includes Mobile	Dispatch in Disaster Recovery			
Includes AMR s	systems(Fixed network, AutoSOI, MV90, others) ansion in Disaster Recovery	In Disaster Recovery		
r ilesystem expe	ansion in bisaster recovery			
L	L. Carlet Name and Const			750
Rationale for de	by Capital Planning Group		Review Cycles	8 7
Nationale for de	SCION .		2012-2016	

Date

Template

Functional Group: Enterprise Technology

Business Case Name: Mobility in the Field

ER No: ER Name:

5144 Mobility in the Field

Approved Business Case Spend Amount 2013-2016 (\$000s - System): \$1,4101

# Transfer to Plant Amounts (\$000s - System):

Year	Total	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2013	113												113
2014	690			172			172			172			172
2015	420			105			105			105			105
2016	320			80			80			80			80

# **Business Case Description:**

This program is to increase the Company's mobility in the field using mobile devices. A Mobile Road Map Team has documented 30 opportunities where mobile technology could be used in the field. The top opportunities, with the highest benefit and savings, are included over the five-year program. The first phase is the project called "Visibility in the Field", which will assist in Leak Survey and Gas Service Dispatch by providing spatial maps in the field using a mobile device.

#### Offsets:

<sup>&</sup>lt;sup>1</sup> The business case amount reflects approved capital expenditures for the years indicated and not transfers to plant.

-			
ALT N	FES.	57	Ø.

Investment Name:	Mobility in the	Field		1							
Requested Amount	\$200,000			PROFESSIO	essments:						
Duration/Timeframe		5 Year Program		10000	ncial:	MH - >= 9% &	-				
Dept, Area:	Energy Delivery			-	tegic;	Agile Technolo			ant lavala		
Owner:	Don Kopczynski	rater & Mike Broen	neling	-	rational: ness Risk:	ERM Reductio		ved beyond curr	entieveis		
Sponsor: Category:	Program	& Jim Kensok		-	ram Risk:		_		ule and resource	·s	
	n/a		THE STREET	1	essment Score:	83	_		Summary - Increa		
Recommend Program Desc				Tusse	Sament Score.	Performance	-	Capital Cost	O&M Cost	Other Costs	ERM Risk Score
This program is to increase		field using mehilo e	laviene A Mobile	Pand	Man Team has	ArcGIS Online	-		Odivi Cost	Other costs	2
documented 30 opportunit with the highest benefit an opportunities will continue (CIRR) at 9% per Dave DeFe be for the project called Vis Dispatch This would provi for our field employees. O benefits would include ope timely entry of data along to View GIS Layers and Multip Facility Data (in 2015) 4. Pt 2016).	d savings, are inclu- to emerge, therefo- elice. Opportinites sibility in the Field v ide spatial maps in ur customer will be rations improveme with improved tools de Maps in the Field	echnology could be ded over the five ye ore a Mobility Progra will be done in pha which enables the fo the field, using a mo enefit with these new ints to reduce comp a and information in d (in 2013) 2. Gas E	used in the field. ar program. Addi am is requested. ses over the 5 yea llowing: 1. Lean bille device result w capabilities and liance risk, reduce the field. The top xposed Pipe Repo	The total tional The Coars. The Surve ing in effect opport (in	op opportunities, I mobile ustomer IRR he first phase will y 2. Gas Service efficiency gained iencies. The icate effort, more ortunities are 1. 2014) 3. Capture	will allow us to share information with web maps. This will increase collaboration					
									Summary - Increa	THE RESERVE OF THE PROPERTY OF THE PERSON OF	
Alternatives:				ui.		Performance		Capital Cost	O&M Cost	Other Costs	ERM Risk Score
Unfunded Program:	information in the the office; If a Ser	and taken out to the field and then ente viceman does have to the paper process	r the data into ele a Go-Book then be	ectror	nic format once in ne electronic entry	n/a	\$		\$	\$ -	3
Alternative 1: Add ArcGIS Server with tablet mobile devices	installation of serv hire one FTE for A	n ELA with Esri or pu vers and ArcGIS Serv FM Team, deploy as hanges and training.	er application, es oproximately 180	tablis mobi	h governance, le devices, user	\$2,000 per device estimate	\$	150,000			2
Alternative 2: Add ArcGIS Server with Mesa devices	Mobile devices de	ployed as a Mesa.				\$4,000 per device estimate					0
Alternative 3 Name : Add ArcGIS Server with Go- Book devices	Mobile devices de	eployed as a Go-Boo	k.			\$10,000 per device estimate					0
Program Cash Flows	and the state of	- Family 19	24 600		2,411	Associated Ers (	(list	all applicable):	17.00		A
5 years of costs						Current ER					
	Capital Cost	O&M Cost	Other Costs		Approved						
				-							
2012				\$							
2013				\$	100,000						
2014			\$ (200,000)		570,000						
2015			\$ (392,000)	-	420,000						
2016 2017					320,000						
2017	200000000000000000000000000000000000000	\$ 400,000		\$	-	1					
			\$ -		1.410.000						
Total  Mandate Excerpt (if application of the	able):				1,410,000						
Additional Justifications:						July 150 Li		and the same of			

The hardware and software technology is advancing in such a manner that it will now benefit our field personnel to have a Mobility in the Field Program. We now have less expensive mobile devices to deploy along with a disconnected application for our field workers to be able to work offline and synch information back and forth when connection is successful to wi-fi or cellular. Advances in technology are making mobile capabilities more of a standard in doing business. Our field workers need to have the tools that make them more efficient in their work processes, able to post data quickly and have more information to ultimately benefit our customers.

Resources Requirements:	(request forms and	l approvals attached)					
nternal Labor Availability:	☐ Low Probability  ☑ YES	☑ Medium Probability	☐ High Probability	Enterprise Tech:	YES - attach form	☐ NO or Not Required	Check the appropriate box. The internal and contract labor boxes should be checked to indicate if the

Page 1 of 2

e.	ISTA				Capital Program B	usiness Case		
MAW								
Contract	Labor:	☐ Low Probability ☑ YES	✓ Medium Probability ☐ NO	High Probablity	Facilities: Capital Tools: Fleet:	YES - attach form YES - attach form YES - attach form YES - attach form	NO or Not Required NO or Not Required NO or Not Required NO or Not Required NO or Not Required	resource owners have been contacted and to provide a general sense of how likely staff will be provided (this does not require a firm committment).
Key Perfe	ormance Indicate	or(s)		200				
	erformance Improv	ements			Į.			
KPI Meas	ure:		ned by each project					
		Fill in the nam	e of the KPI here		]	signature		
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3.80XXX	——Year							
2000 -	Hours						0	
1500	Base Line				TO AND THE POST OF A THE	1 )	2-12	
1500	Project Fo				Reviewed	signature	Die	ector/Manager
1000 -		31.54					Dir	ector/wariagei
500 -			-	7	***************************************	`	530	
0 -			This graph is to provide a the KPI benefit, Providir		Other Party Review		Din	ector/Manager
-500 -	1 2	3 4	recommended to help of what the project is inten	ommunicate	(ii fiecessary	,	5	Stormanage
To be c	ompleted by C	anital Plannin	g Group	1505000	- A. C			
	nale for decision			United				2012-2016

Date

Template

Functional Group: Enterprise Technology

**Business Case Name:** Technology Refresh to Sustain Business Process

ER No: ER Name:

5005 Information Technology Refresh Program

Approved Business Case Spend Amount 2013-2016 (\$000s - System): \$63,6981

### Transfer to Plant Amounts (\$000s - System):

Year	Total	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2013	10,919							2,860	2,226	1,285	1,404	1,245	1,899
2014	13,862	122	122	2,721	122	122	3,721	122	122	2,721	122	122	3,721
2015	19,362	565	565	2,985	565	565	3,985	565	565	2,985	565	565	4,889
2016	19,362	1,032	876	2,361	893	915	3,342	873	860	2,304	861	822	4,222

#### **Business Case Description:**

This program is in place to provide for technology refresh in alignment with the roadmaps for application and technology lifecycles. The continuation of technology refresh programs provides benefit to Avista by providing a stable and reliable application and computing platform to allow for the safe and reliable operation of our electric and gas infrastructure.

#### Offsets:

<sup>&</sup>lt;sup>1</sup> The business case amount reflects approved capital expenditures for the years indicated and not transfers to plant.



Investment Name: Requested Amount	Technology Ref	resh to Sustain	Business Proc	Assessments:	ssments:							
Duration/Timeframe		Year Program		Financial:	Medium - >= 5% & <9% CIRR							
Dept, Area:	IS/IT		100	Strategic:	Life Cycle Pro							
Owner:	Jacob Reidt/Jim	Corder		Operational:		uire execution to p	erform at current	levels				
Sponsor:	Jim Kensok			Business Risk:		n >5 and <= 10 around cost, sched	fule and recourse	10				
Category:	Program n/a			Program Risk: Assessment Score:	89		Summary - Increa		T			
Mandate/Reg. Reference: Recommend Program Desi	The state of the s	-		Assessment acore.	Performance	Capital Cost	O&M Cost	Other Costs	Business Risk Score			
This program is in place to		au cofrach in alleac	mont with the re-	udmans for application	This program	\$ 10,019,774	Odivi Cost	\$ -	15			
and technology lifecycles. I providing a stable and relia operation of our electric ar	The continuation of to ble application and o	echnology refresh computing platforn	programs provide	es benefit to Avista by	provides for current technologies for the normal operation of the business							
							Summary - Increa					
Alternatives:					Performance	Capital Cost	O&M Cost	Other Costs	Business Risk Score			
Unfunded Program:	staff members with process efficiency increase technolog	n key institutional k 3) increase in O&M y outages impactin	nowledge 2) Dec labor to support g the operations	the technology 4) of the business.	The performance of the computing technology at	\$ -		\$ 1,895,751	20			
Technology Refresh Programs	the roadmaps for a technology refresh and reliable applica	pplication and tecl programs provide	nnology lifecycles s benefit to Avista ng platform to allo	esh in alignment with The continuation of a by providing a stable ow for the safe and es.	This program provides for current technologies for the normal	\$ 10,019,774	\$	\$ -	15			
Alternative 2: Brief name of alternative (if applicable)	Describe other opt	ions that were con	sidered		describe any incremental changes in operations	\$	\$ -	\$	0			
Alternative 3 Name: Brief name of alternative (if applicable)	Describe other opt	ions that were con	sidered		describe any incremental changes in operations	\$	\$	\$ -	0			
Program Cash Flows			-11-11		Associated Ers	list all applicable):						
5 years of costs					5005							
	Capital Cost	O&M Cost	Other Costs	Approved	5024							
	\$ 9,973,758			\$ 9,973,750		5009						
2013			\$ -	\$ 11,110,49								
2014		\$ -	\$ -	\$ 13,862,24 \$ 19,362,24								
2015		\$ -	\$ -	\$ 19,362,24								
2017		\$ -	\$ -	\$ 19,362,24								
2018		\$ -	\$ -	\$ 19,362,24								
Total	\$ 72,313,141	\$ -	\$ -	\$ 112,395,464	1							
Mandate Excerpt (if applic	able):											
provide brief citation of the		n and a reference	number if pos	sible								
Additional Justifications: Technology refresh prograt and improve their systems reason is due to the additic in 3-5 years adding to the r and \$500k in Network Syst	to provide improved on of new hardware refresh budget. For e	d performance and and software to su example, infrastruc	function. This in pport new busine ture refresh cost:	turn requires compan ess requirements and g s the increase from year	ies to replace syste rowth. New equip or to year due to po	em on a periodic basi oment purchased und rior years spend in Te	s to maintain relial der Technology Exp echnology Expansio	pility and functionalit cansion Program will on, roughly \$800k in I	y. The second main have to be refreshed Distributed Systems			
Resources Requirements:	(request forms and a	approvals attached			or Nation	-						
Internal Labor Availability: Contract Labor:	☐ Low Probability  ✓ YES	☐ Medium Probability ☐ NO	☑ High Probability	Enterprise Tech: Facilities: Capital Tools: Fleet:	YES - attach form YES - attach form YES - attach form	☐ NO or Not Requ ☐ NO or Not Requ ☑ NO or Not Requ ☑ NO or Not Requ	labor boxes ired resource of ired a general s	appropriate box. The i s should be checked to wners have been contr ense of how likely staff not require a firm com	indicate if the acted and to provide f will be provided			

### AVISTA

# Capital Program Business Case

Key Performance In	dicator(s)				
Expected Performance I	mprovements				
KPI Measure:	Fill in the name of the KPI here			5.1	
	Fill in the name of the KPI here		CONTRACTOR OF STREET	Oxy. Marla H	
		Prepared	signature	Sawyneit	
				200	
				- 11 1	
		Reviewed	signature	THE COL	
				Director/Manager	
	==	Other Party Revie	w signature		
		(if necessar	y)	Director/Manager	
	EL 100 2 APR 1 A 4	8 8 90 907 11.00 00.00			
	This space is to be used for photographs	, charts, or other data that m	ay be useful in e	vaulating the Program	
1					
To be completed	by Capital Planning Group	A SHARE WAS A SHARE OF THE PARTY OF THE PART		The second second second second	NAME OF TAXABLE PARTY.
Rationale for de	ecision	A REAL PROPERTY.	E CONTRACTOR OF THE PARTY OF TH	Review Cycles	
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Functional Group: Enterprise Technology

**Business Case Name:** Customer Service System Replacement (Project Compass)

ER No: ER Name:

5138 Customer Information System (CIS) Replacement

Approved Business Case Spend Amount 2013-2016 (\$000s - System): \$78,963<sup>1</sup>

Transfer to Plant Amounts (\$000s - System):

Year	Total	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2013	9,184										8,074	1,110	
2014	67,341									67,341			
2015													
2016													

# **Business Case Description:**

The Customer Information System (CIS) will be implemented in two waves. The first wave includes the Maximo application in the Company's areas of Generation, Production, and Substation Support. This wave has an estimated go-live date or transfer to plant date of September 2013. The second wave, includes Maximo application in the Company's areas of Transmission, Distribution, and Gas Operations, as well as the Customer Care and Billing application. This large technology project is described in detail in the testimony of Mr. Kensok.

#### Offsets:

<sup>&</sup>lt;sup>1</sup> The business case amount reflects approved capital expenditures for the years indicated and not transfers to plant.

Functional Group: Enterprise Technology

Business Case Name: Enterprise Security

ER No: ER Name:

5002 Security Initiative5014 Security Systems

Approved Business Case Spend Amount 2013-2016 (\$000s - System): \$8,1651

# Transfer to Plant Amounts (\$000s - System):

Year	Total Jan	Feb Mar	Apr	May	Jun J	ul Aug	Sep	Oct	Nov	Dec
2013	1,530				176	5 27	944	37		346
2014	2,183	455			518		545			665
2015	2,185	546			546		546			546
2016	2,186	455			517		545			670

# **Business Case Description:**

This program is to maintain and improve all security aspects to protect people, assets, information & operations through projects, activities and polices. It will also manage the number of security incidents at level that aligns with our corporate risk expectations. Additionally it will increase the culture of security through education and training.

# Offsets:

<sup>&</sup>lt;sup>1</sup> The business case amount reflects approved capital expenditures for the years indicated and not transfers to plant.



Investment Name: Requested Amount	\$1,836,932	rity				Assessments:									
Duration/Timeframe		Year	Program	-		Financial:		12%		The Park of the Pa	197		1955		
Dept, Area:	Enterprise Techn					Strategic:		Agile Technolo	gy P	latforms		Salar Land		D. D. College	TO SHIFT ALL
Owner:	Clay Storey/Jim C					Business Risk:		<b>Business Risk</b>							
Sponsor:	Jim Kensok					Program Risk:		High certainty	aroui	nd cost, sched	lule a	and resources	3		
Category:	Program				The second	- 20		BOOK THE							
Mandate/Reg. Reference:	n/a					Assessment Scor	e:	92 Annual Cost Summary - Increase/(Decrease)							
Recommend Program Desc			i de de la					Performance	Criticinal Control Con					Business Risk Score	
This program is to maintain operations through project level that aligns with our co through education and trai	s, activities and poli orporate risk expect	ces. It	will also man	age 1	the number of	of security inciden	nts at		\$	1,836,932	\$		\$		9
									1	Annual Cost	Sum	mary - Increas	se/(Dec	rease)	
Alternatives:				110	T TOTAL		16	Performance		Capital Cost		O&M Cost		ther Costs	<b>Business Risk Score</b>
Unfunded Program:	Address issues rela arise and pay fines				security and	compliance as the	ey	The risk of security incidents increases			\$				15
Alternative 1: Brief name of alternative (if applicable)	This program is to people, assets, info polices. It will also aligns with our cor culture of security	manag porate	on & operation on the operation of the number of the risk expectation of the operation of t	ons to er of tions	hrough proje security incid . Additionally	cts, activities and lents at level that		Decreases the likelihood or severity of security incidents	\$	1,836,932	\$				
Alternative 2: Brief name of alternative (if applicable)									\$		\$	\$ - \$ - 0			0
Alternative 3 Name: Brief name of alternative (if applicable)			201	1					\$		\$		\$		0
Program Cash Flows															
	Capital Cost		&M Cost	100	ther Costs	Approved			-	ociated Ers (list	all a	pplicable):	_		
Previous				\$		\$ 1,885		1	Froi	m 5014	-		-		
2013				\$		\$ 1,610		4		-	-		+	-	-
2014				\$		\$ 2,185		1	-						
2015				\$		\$ 2,185	NAME OF TAXABLE PARTY.	-							
2016				\$		\$ 2,185	_	1							
2017		3	-9/-	\$	-	\$ 2,185		1							
Total	The state of the s	\$		5		\$ 10,350	-	1							
								70	_						
ER	2013		2014		2015	2016		2017		Total		ndate Excerpt			over project unde
		-				Contract of			\$						ever project unde nay be mandatory
		-		-		_	-		\$		1 "			specific requ	
-0-4	\$ 1,885,000	\$	1,885,000	s	1,885,000	\$ 1,885	5 000	\$ 1,885,000	\$	9,425,000	1	5450 5	.,	opcome .cq.	in announce:
5014	\$ 1,885,000	\$	1,003,000	\$	1,003,000	\$	-	\$ -	5	3,723,000	1				
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	\$ -	\$		\$		\$		\$ -	\$		Add	ditional Justific	ations		
0	\$ -	\$		\$		\$		\$ -	\$		1				s being fund by a
0	\$ -	\$		\$		\$	*	\$ -	\$	•	1				h and Technology
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0	\$ -	\$		\$		\$	-	\$ -	\$	*	-		Busine	ss Case (ER500	12).
0	\$ -	\$		\$		\$		\$ -	\$		1				
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Total	\$ 1,885,000	_	1,885,000	\$	1,885,000	5 1,885	5,000	\$ 1,885,000	\$	9,425,000					
- Octob	1,065,000	14	2,000,000		2,020,000			1,000,000	100		_				
Resources Requirements: Internal Labor Availability: Contract Labor:			dium Probability		High Probability	Enterprise Tech: Facilities: Capital Tools: Fleet:		YES - attach form YES - attach form YES - attach form YES - attach form	1	NO or Not Rec  NO or Not Rec  NO or Not Rec  NO or Not Rec	uired juired	resource of a general se	s should wners h ense of	be checked to ave been conta	cted and to provide will be provided
Key Performance Indicato Expected Performance Improve KPI Measure:	ments Fill in the name of					]									
1.2 +	Fill in the name of	the KP	1 here			]	1	Prepared	sign	nature					
1.2 — #REI	FI														

Page 1 of 2

# AVISTA

0.8 — #REF!  0.8 — Project  — Poly. (#  0.4 — 0.2	FO Rate REFI)	This graph is to provide a place to direct the KPI benefit. Providing a graph is recommended to help communicate what the project is intended to	Reviewed <u>s</u> Other Party Review <u>s</u> (if necessary)	ignature ignature	Director/Manager  Director/Manager
2013 Projects Certificate Management CVA expansion to SCADA and Data loss prevention software a Email Encryption File Integrity Monitoring Network Access Control Phase Network IPS Expansion Security monitoring expansion to Two factor authentication  2014 Projects SIEM & Officer Refresh Controlled Access based on ne SSPWR Internet Access Itron Security Appliances (SGD) Asset management - Authorizer Identity Management Solution Controlled Use of Admin Privile Password Vault	nd Data classification standards  Automation  GCC and SCADA (QRadar)  ad to know  P. Refresh & Unauthorized SW	PKI Refresh CVA Hardware Refresh Web Services Security (O&M) Disk Encryption Refresh Network Device Config Analysis Refr McAfee NSM & NIPS Refresh Malware Detection Appliance Refresh Limitation, and Control of Network Pol Configuration management tool Boundary Defense Application SW-Secure config Account Monitoring and Control HR Systems Integration w/Active Din 2016 Projects Asset mgt/Auth & Unauth Devices Re Password Vault Refresh Network Access Control Refresh Identity Management. Refresh Enterprise Reduced Sign-On Controlled Access based on need to	h (FireEye) hts, Protocols, and Services ectory		
To be completed by Cap Rationale for decision	tal Planning Group				Review Cycles 2012-2016
			Date		Template
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Functional Group: Enterprise Technology

**Business Case Name:** Technology Expansion to Enable Business Process

ER No: ER Name:

5006 Information Technology Expansion Program

Approved Business Case Spend Amount 2013-2016 (\$000s - System): \$21,5431

# Transfer to Plant Amounts (\$000s - System):

Year	Total	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2013	3,311							629	446	425	343	296	1,171
2014	3,836	175	175	608	175	175	608	175	175	608	175	175	608
2015	5,799	271	271	909	271	271	909	271	271	909	271	271	909
2016	6,060	155	195	1,032	363	271	1,027	286	334	998	224	140	1,034

### **Business Case Description:**

This program facilities the technology growth throughout the Company. This includes technology expansion for the entire workforce, business process automation and increases in technology to support efficient business processes.

#### Offsets:

<sup>&</sup>lt;sup>1</sup> The business case amount reflects approved capital expenditures for the years indicated and not transfers to plant.



Investment Name:	Technology Expa	nsion to Enable	Business Pro									
Requested Amount Duration/Timeframe	\$7,675,945	Year Program		Assessments:	7.00%							
Dept, Area:	Enterprise Techor			Strategic:	Agile Technolo	ogy Pi	atforms					
Owner:	Jacob Reidt/Jim C			Business Risk:	Business Risk			<= 10				
Sponsor:	Jim Kensok	01001		Program Risk:				ule and resources	3			
Category:	Program			•								
Mandate/Reg. Reference:	n/a			Assessment Score:	81		Annual Cost	Summary - Increas	se/(Decrease)			
Recommend Program Desc	ription:				Performance	0	apital Cost	O&M Cost	Other Costs	Business Risk Score		
This program facilities the t expansion for the entire wo efficient business processes	orkforce, business pro					\$	7,675,945	\$ - \$ - 5				
								Summary - Increas		Ourie and Diel Cons		
Alternatives:					Performance	-	apital Cost	O&M Cost	Other Costs	Business Risk Score		
Unfunded Program:		ancement to provi in-house develop in will be the loss of	ide for growth of ed applications. If 20+ application	the technology base A consequence of not FTE's who posess	n/a	\$		\$				
Alternative 1: Brief name of alternative (if applicable)	includes technology automation and inc	expansion for the	entire workforce			\$	7,675,945	\$ -	\$ .	5		
	processes.					6		S -	é	0		
Alternative 2: Brief name of alternative (if applicable)						\$		\$	\$			
Alternative 3 Name: Brief name of alternative (if applicable)						\$	•	\$ - \$ - 0				
Program Cash Flows	Capital Cost	O&M Cost	Other Costs	Approved	1	Asso	ciated Ers (list	all applicable):				
Previous		THE SECTION OF THE PERSON OF T	\$ -	\$ 7,792,700	<b>1</b>		5006					
2013			\$ -	\$ 5,848,113								
2014			\$ -	\$ 3,835,572								
2015	\$ 8,083,991	\$ -	\$ -	\$ 5,799,088	8							
2016	\$ 7,559,940	\$ -	\$ -	\$ 6,059,940	8							
2017	\$ 8,330,445	\$ -	\$ -	\$ 6,830,445	<b>1</b>	amo	unts same as	2012 less 820k m	noved to new Ente	erprise Security		
2018 Total		\$ -	\$ -	\$ 8,496,234 \$ 36,869,392	-	busi	ness case					
ER	2013	2014	2015	2016	2017		Total	Mandate Excerpt	(if applicable):			
5006	\$ 7,675,945	\$ 7,835,572	\$ 8,083,991	\$ 7,559,940	\$ 8,330,445	\$	39,485,893		na			
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0	\$ -	\$ -	\$ -	\$ .	\$ -	\$	-	Harry Harris				
Total	\$ 7,675,945	\$ 7,835,572	\$ 8,083,991	\$ 7,559,940	\$ 8,330,445	\$	39,485,893					
Resources Requirements: ( internal Labor Availability: Contract Labor:	☑ Low Probability	oprovals attached)  Medium Probability  No	☑ High Probability	Enterprise Tech: Facilities: Capital Tools: Fleet:	YES - attach form YES - attach form YES - attach form YES - attach form	1	NO or Not Request NO or No or	ired labor boxes ired resource ov ired a general se	appropriate box. The should be checked to wners have been cont ense of how likely stat out require a firm com	o indicate if the acted and to provide if will be provided		
Key Performance Indicator Expected Performance Improver KPI Measure:	nents Fill in the name of t			1					a			
	Fill in the name of t	he KPI here		J	Prepared	sign	ature	andgru	Lew			

Page 1 of 2

Protect 13/8/2013

http://www.com/dapartmentu/buogs/Sunness Cares/Enterprise Technology/Technology/Expension to Enable Blancas Process Program Busiliess Care kinn

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	recommer	ed to help communicate	
0 +	what the p	eject is intended to	
	1		
Please see a	attachment for descriptions of the work completed ur	ler this program.	
To be comp	eleted by Capital Planning Group		Review Cycles
To be comp	oleted by Capital Planning Group for decision		Review Cycles
To be comp Rationale	eleted by Capital Planning Group		Review Cycles 2012-2016
To be comp Rationale	oleted by Capital Planning Group for decision	Date	2012-2016
To be comp Rationale	oleted by Capital Planning Group for decision	Date	
To be comp Rationale	oleted by Capital Planning Group for decision	Date	2012-2016
To be comp Rationale	oleted by Capital Planning Group for decision	Date	2012-2016

Functional Group: Enterprise Technology

**Business Case Name:** RTCCS Refresh

ER No: ER Name:

5119 Moducom Repl(RTCCS)

Approved Business Case Spend Amount 2013-2016 (\$000s - System): \$221

Transfer to Plant Amounts (\$000s - System):

Year	Total Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2013	-3						-6	3				
2014												
2015												
2016												

# **Business Case Description:**

Replace the current Moducom Radio Telecom Command and Control System (RTCCS) with a newer system which is also compatible with the radio equipment that will be used in conjunction with the Next Generation Radio Project. These are currently in use Distribution Dispatch; SO; Generation Control Center; Noxon and Cabinet Gorge Clarkfork HED; Credit Dispatch; Wholesale Marketing.

#### Offsets:

<sup>&</sup>lt;sup>1</sup> The business case amount reflects approved capital expenditures for the years indicated and not transfers to plant.

#### **Capital Investment Business Case**



Investment Name:	Project Name	ן					
Requested Amount	Estimated Total Capital Expenditure	Assessments:					
Duration/Timeframe	no. years Year Project	Financial:	MH - >= 9% &	<12% CIRR			
Dept, Area:	Department	Strategic:	Agile Technolo	gy Platforms			
Owner:	Typically Director	Operational:		proved beyond curr	ent levels		
Sponsor:	Typically Executive Officer	Business Risk:	ERM Reduction	n >0 and <= 5			
Category:	Project	Project/Program Risk:	High certainty a	around cost, sched	lule and resources		
Mandate/Reg. Reference:	n/a	Assessment Score:	100	Cost Sur	mmary - Increase/(D	ecrease)	
Recommend Project Descri	iption:		Performance	Capital Cost	O&M Cost	Other Costs	<b>Business Risk Score</b>
Replace the current Moduc	om Radio Telecom Command and Control System (RTCC	S) with a newer system	describe any	\$ -	\$ -	\$ -	6
which is also compatible wi	th the radio equipment that will be used in conjunction v	with the Next	incremental				
Generation Radio Project.	These are currently in use Distribution Dispatch; SO; Gen	eration Control Center;	changes that				
Noxon and Cabinet Gorge C	Clarkfork HED; Credit Dispatch; Wholesale Marketing.		this project				
			would benefit				
			present				
			operations				
			•	Cost Sur	mmary - Increase/(D	ecrease)	
Alternatives:			Performance	Capital Cost	O&M Cost	Other Costs	<b>Business Risk Score</b>
Status Quo :	Describe the current condition of the asset(s) and probl	ems that need to be	n/a	\$ -	\$ -	\$ -	10
	corrected						
Alternative 1: Brief name	Describe other options that were considered		describe any	\$ -	\$ -	\$ -	6
of alternative (if	·		incremental				
applicable)			changes in				
			operations				
Alternative 2: Brief name	Describe other options that were considered		describe any	\$ -	\$ -	\$ -	0
of alternative (if			incremental	-	•	•	-
applicable)			changes in				
			operations				
Alternative 3 Name : Brief	Describe other options that were considered		describe any	\$ -	\$ -	\$ -	0
name of alternative (if	Describe other options that were considered		incremental	-	<u>,</u>	Ÿ	U
applicable)			changes in				
applicable)			operations				
			эрстипона				

Timeline Construction Cash Flows (CWIP)

	Capital Cost	O&M Cost	Other Costs	Approved
Previous	\$ 1,165,244	\$ -	\$ -	\$ 1,165,244
2012	\$ 2,618,156	\$ -	\$ -	\$ 2,618,156
2013	\$ 21,600	\$ -	\$ -	\$ 21,600
2014	\$ -	\$ -	\$ -	\$ -
2015	\$ -	\$ -	\$ -	\$ -
2016	\$ -	\$ -	\$ -	\$ -
2017	\$ -	\$ -	\$ -	\$ -
2018	\$ -	\$ -	\$ -	\$ -
Future	\$ -	\$ -	\$ -	\$ -
Total	\$ 3,805,000	\$ -	\$ -	\$ 3,805,000

Rebaselined after completion of Design & Planning

Milestones (high level to	argets)						
January-11 December-11 March-12 December-12 January-13 January-13	Project Started Year End Design & Planning Execution Comple Warrenty & Close Project Complete	ete out Complete		January-13	Project Complete		
Associated Ers (list all app	licable):	5119					
Mandate Excerpt (if applic	cable):	na					
Additional Justifications:							

#### **Capital Investment Business Case**



D	(						
Resources Requirements:	request forms o	and approvals attached)					
Internal Labor Availability: Contract Labor:	Low Probability Ses	☐ Medium Probability ☐ NO	High Probablity	Enterprise Tech: Facilities: Capital Tools: Fleet:	YES - attach form YES - attach form YES - attach form YES - attach form	□ NO or Not Required □ NO or Not Required	
Key Performance Indicator	(s)						
Expected Performance Improver	nents						
KPI Measure:	Fill in the name	e of the KPI here					
	Fill in the name	e of the KPI here		Prepared	signature		
1000		^		Prepared	signature		
Outage H	lours	/\					
Target  600 — Project F	O Bata	/ `	\				
600 —— Project Fi	O Nate			Reviewed	signature		
400		/		neviewed	oignaturo		Director/Manager
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0		This graph is to provide a	place to direct	Other Party Review	signature		
2004 2005	2006 2007	the KPI benefit. Providing	g a graph is	(if necessary)			Director/Manager
-200		recommended to help co- what the project is intend	mmunicate				-
		what the project is intend	ied to				
	This space is	to be used for photogr	raphs, charts, c	or other data that may	be useful in eva	aulating the project	
To be completed by Ca	nital Dlannina	Group					
Rationale for decision	pıtai Fianining	Group					Review Cycles
acionale foi decision							2012-2016
					Date		Template

Functional Group: Enterprise Technology

**Business Case Name:** High Voltage Protection for Substations

ER No: ER Name:

5142 High Voltage Protection Upgrade

Approved Business Case Spend Amount 2013-2016 (\$000s - System): \$2,131<sup>1</sup>

# Transfer to Plant Amounts (\$000s - System):

Year	Total Ja	an Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2013	1,457								904	28	525	
2014	2,014		144	136	178	154	138	161	304	166	154	478
2015	320		80			80			80			80
2016	320											320

# **Business Case Description:**

High Voltage Protection to personnel and telecommunication equipment by fiber integration, demark relocation, & equipment remediation at suburban and rural substations.

#### Offsets:

The O&M Offsets adjustment includes offsets 2013 and 2014 of \$9,650 (\$6,273 Washington) and \$15,900 (\$10,336 Washington) respectively. After further discussion it was determined that these savings will be distributed to other expenses and the initial savings will be negated. These additional savings should not have been included in revenue requirements.

<sup>&</sup>lt;sup>1</sup> The business case amount reflects approved capital expenditures for the years indicated and not transfers to plant.

#### AVISTA

#### Capital Investment Business Case

Investment Name:	High Voltage Protection for Substations_Revis	ā								
Requested Amount	\$4,371,844	Assessments:								
Duration/Timeframe	6 Year Project	Financial:	Medium - >= 5	% &	<9% CIRR					
Dept, Area:	Enterprise Technology	Strategic:	Reliability & Ca	pac	city					
Owner:	Jacob Reidt/Jim Corder	Operational:	Operations req	uire	execution to p	erfo	rm at current l	evel	s	
Sponsor:	Jim Kensok	Business Risk:	<b>ERM Reduction</b>	n >5	and <= 10					
Category:	Mandatory	Project/Program Risk:	High certainty	arou	ind cost, sched					
Mandate/Reg. Reference:	Yes	Assessment Score:	128		Cost Sun	nma	ry - Increase/(D	ecre	ase)	
Recommend Project Desc	ription:		Performance		Capital Cost		O&M Cost	3	Other Costs	ERM Risk Score
	personnel and Telco equipment by fiber integration, der suburban and rural substations.	mark relocation, &	describe any incremental changes that this project would benefit present operations	\$	3,820,309	\$	(374,500)	\$		3
					Cost Sun	nma	ry - Increase/(D	ecre	ase)	
Alternatives:			Performance		Capital Cost		O&M Cost		Other Costs	ERM Risk Score
Status Quo :	Not repairing this situation has potential to increase th telephone company personnel working near substation damage to communications equipment caused by elec-	ns and the risk of	n/a	\$		\$		\$	1,000,000	15
Alternative 1: Brief name of alternative (if applicable)	High Voltage Protection to personnel and equipment be demark relocation, & equipment remediation at suburd substations.		16 substations integrated onto fiber network, reducing	\$	3,820,309	\$	(48,600)	\$	ŕ	3
Alternative 2: Brief name of alternative (if applicable)		describe any incremental changes in operations	\$	\$		\$		\$		0
Alternative 3 Name: Brief name of alternative (if applicable)	Describe other options that were considered	describe any incremental changes in operations	\$		\$		\$		0	

Timeline Construction Cash Flows (CWIP)

	Capital Cost	O&M Cost	Other Costs	Approved
Previous	\$ 1,243,989	\$	\$	\$ 1,243,989
2012	\$ 1,041,320	\$ (18,000)	\$	\$ 997,355
2013	\$ 525,000	\$ (37,300)	\$ 12,000	\$ 690,500
2014	\$ 530,000	\$ (53,200)	\$ 12,000	\$ 800,000
2015	\$ 320,000	\$ (53,200)	\$ 12,000	\$ 320,000
2016	\$ 160,000	\$ (53,200)	\$ 12,000	\$ 320,000
2017	\$	\$ (53,200)	\$ 12,000	\$
2018	\$	\$ (53,200)	\$ 12,000	\$
Future	\$	\$ (53,200)	\$ 12,000	\$ -
Total	\$ 3,820,309	\$ (374,500)	\$ 84,000	\$ 4,371,844

Rebaselined after completion of Design & Planning

October-11 December-11 October-12 December-12	Major Procurem Previous Spend Major Procurem Previous Spend	2011 ent	January-13 First fiber project close February-13 First remediation project close April-13 Second remediation project close April-13 Future GridNet Sites engineering July-13 HVP Shop labor finishes December-13 Finalize GridNet Installation		December-14 December-15 December-16	RLH Construction RLH Construction RLH Construction	
Associated Ers (list all ap	pplicable):	5119					
Mandate Excerpt (if app	licable):			) tarrif Number 1 section 13.7 require lease notes below for additional info		er provide high voltage	protection for communication

#### Additional Justifications

In order to balance the need for communications from devices at substation locations with safety of personnel and equipment, high voltage protection & isolation standards have arisen. Telco companies have the ability or desire to turn off communication circuits to substations until Avista works with them to electrically isolate the copper coming into the substation. This effects Phone, Modem, SCADA, and / or Metering & Monitoring systems at the substations. This set of projects was created to mitigate this tariff risk as well as the lower likelihood (but more expensive) risks to personnel and equipment.

Resources Requirements: (request forms and approvals attached)

coatminizabudgefiBusiness Cases/Enterprise Technology/High Voltage Profestion Revised Bus Case storm

# AVISTA

### Capital Investment Business Case

Internal Labor Availability: Contract Labor:	☑ YES	☑ Medium Probability	☑ High Probability	Enterprise Tech: Facilities: Capital Tools: Fleet:	YES - attach form YES - attach form YES - attach form YES - attach form	□ NO or Not Required □ NO or Not Required □ NO or Not Required □ NO or Not Required
Key Performance Indicator Expected Performance Improver KPI Measure:				Prepared Reviewed	signature signature	Director/Manager
				Other Party Review (if necessary		Director/Manager
Please see the follow lin http%3A%2F%2Ftariffs.	k for CenturyLink qwest.com%3A8	(FKA Qwest) Tarif 000%2Fidc%2Fgro	f No. 1 that outl ups%2Fpublic%	62Fdocuments%2Fta	s for High Voltag ariff%2Ffcc1_s01	e Protection Circuits.
To be completed by Ca	nital Planning G	Group				Control of the Contro
Rationale for decision					Date	Review Cycles 2012-2016  Template

Functional Group: Enterprise Technology

Business Case Name: Next Generation Radio Refresh

ER No: ER Name:

5106 Next Generation Radio System

Approved Business Case Spend Amount 2013-2016 (\$000s - System): \$6,887

# Transfer to Plant Amounts (\$000s - System):

Year	Total	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2013	1,999												1,999
2014	7,235								4,458				2,777
2015	27	15	10	2									
2016													

# **Business Case Description:**

This project is refreshing Avista's 20 year old Land Mobile Radio ("LMR") system that is used for critical crew communications during outage restoration and daily operations of maintaining the electric and gas distribution and transmission systems. Avista continues to maintain a private LMR system because the offerings available from public providers cannot provide communication throughout our rural service territory and as a portion of our nation's critical infrastructure it is imperative that Avista have a communication system that will operate in the event of a disaster to help safeguard the general public.

#### Offsets:

<sup>&</sup>lt;sup>1</sup> The business case amount reflects approved capital expenditures for the years indicated and not transfers to plant.

### Capital Investment Business Case

AVISTA

Investment Name:	Next Generation Radio Refresh	1								
Requested Amount	\$ 22,476,931	Assessments:								
Duration/Timeframe	5 Year Project	Financial:	Medium - >= 5	% & <9	% CIRR					
Dept, Area:	Enterprise Technology	Strategic:	Agile Technolo	ogy Pla	tforms				Name of the last	
Owner:	Jacob Reidt/Jim Corder	Operational:	Operations rec	quire ex	ecution to p	erform	at current	levels		
Sponsor:	Jim Kensok	Business Risk:	<b>ERM Reductio</b>	n >5 a	nd <= 10					
Category:	Mandatory	Project/Program Risk:	High certainty	around	cost, sched	dule an	d resource	s		
Mandate/Reg. Reference:	FCC Narrow Banding Mandate (See below)	Assessment Score:	128		Cost Sur	mmary -	- Increase/(	Decrea	se)	
Recommend Project Descr	iption:		Performance	Ca	pital Cost	08	&M Cost	0	ther Costs	ERM Risk Score
communications during our distribution and transmission because the offerings availa- service territory and as a po-	rista's 20 year old Land Mobile Radio (LMR) system that it tage restoration and daily operations of maintaining the in on systems. Avista continues to maintain a private Land is able from public providers cannot provide communication ortion of our nation's critical infrastructure it is imperative t will operate in the event of a disaster to help safeguard	electric and gas Mobile Radio system n throughout our rural e that Avista have a	radio system will not meet	\$		\$		\$		0
					Cost Sur	mmary -	- Increase/(	Decrea	se)	
Alternatives:			Performance	Ca	pital Cost	08	&M Cost	0	ther Costs	ERM Risk Score
Status Quo:	Describe the current condition of the asset(s) and probl corrected	ems that need to be	n/a	\$		\$		\$		0
Alternative 1: Brief name of alternative (if applicable)	Describe other options that were considered		describe any incremental changes in operations	s		\$		\$		0
Alternative 2: Brief name of alternative (if applicable)	Describe other options that were considered		describe any incremental changes in operations	\$		\$		\$		0
Alternative 3 Name: Brief name of alternative (if applicable)	Describe other options that were considered		describe any incremental changes in operations	\$		\$		\$		0
Timeline	1000/2001			Constr	uction Cash	Flows (0	CWIP)			
				77-2-1	CONTRACTOR OF THE PARTY OF THE	11000			A CONTRACTOR OF THE PARTY OF TH	The second second second

Actual Forecast

		Capital Cost	O&M Cost	(	Other Costs		Approved
Previous	\$	11,327,464	\$ -	\$		\$	11,327,464
2012	\$	8,003,573	\$	\$		\$	4,262,000
2013	\$	2,997,260	\$ 	\$	1	\$	2,715,260
2014	\$	3,946,378	\$ -1 -	\$		\$	4,145,207
2015	\$	27,000	\$ 1(*)	\$	*	\$	27,000
2016	\$		\$	\$		\$	THE RESERVE
2017	\$		\$	\$	111111111111111111111111111111111111111	\$	
2018	\$		\$	\$	-	\$	
Future	\$		\$	\$		\$	
Total	5	26,301,675	\$	\$	ATTO BEAT	5	22,476,931

Rebaselined after completion of Design & Planning

Milestones (high level February-08 December-11 December-12 December-13 December-14	targets) Project Started year end actual year end actual year end actual year end actual		December-15	year end actual		
Associated Ers (list all app	licable):	5106				
Mandate Excerpt (if applie	cable):	na				
Additional Justifications:						

Page 1 of 2

Printed 12/5/2011

# Exhibit No.\_\_(DBD-5) Attachment No.\_\_ET-10.2

### Capital Investment Business Case



Resources Requirements:	(request forms	and approvals attached)					Company of the Compan
Internal Labor Availability: Contract Labor:	Low Probability	☐ Medium Probability ☐ NO	High Probability	Enterprise Tech: Facilities: Capital Tools: Fleet:	YES - attach form YES - attach form YES - attach form YES - attach form	NO or Not Required NO or Not Required NO or Not Required NO or Not Required	
Key Performance Indicator			3,127	1			
Expected Performance Improve KPI Measure:	Fill in the nam	e of the KPI here		3		1- 100 10 70	<b>L</b>
1000 ——Outage H	laisee	٨		Prepared	signature	Jano Ment	
800 — Target	tours	/	\			Vano	/
600 — Project F	O Rate		1	Reviewed	signature	Jak Sing	/
400				nenewe		Director	Manager
200							
0		This graph is to provide a		Other Party Review			
-200 2004 2005	2006 2007	the KPI benefit. Providin recommended to help co what the project is inten-	mmunicate	(if necessary)		Director	Manager
	This space is	s to be used for photog	graphs, charts,	or other data that ma	y be useful in eva	aulating the project	
To be completed by Ca		g Group					v Cycles
Rationale for decision					A SERVICE		-2016
					Date	Complete Control	Template

Functional Group: Enterprise Technology

Business Case Name: GridGlo GFX Integration

ER No: ER Name:

7129 GridGlo GFX Integration

Approved Business Case Spend Amount 2013-2016 (\$000s - System): \$6621

# Transfer to Plant Amounts (\$000s - System):

Year	Total	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2013													
2014	240												240
2015													
2016													

### **Business Case Description:**

Trove (formerly gridglow) will develop, deliver and integrate the Trove Fusion Exchange Platform (GFX Platform) with Avista's Blue Cube framework. The GFX Platform embeds advanced analytical algorithms enabling utilities to derive business insights from the fusion of organic grid data with organic and external customer data within an open, multi-layered architecture. The GFX Platform provides Application-Program Interfaces ("API") APIs to an embedded analytics layer, and Forecasting Application is in scope for this business cases.

#### Offsets:

<sup>&</sup>lt;sup>1</sup> The business case amount reflects approved capital expenditures for the years indicated and not transfers to plant.

# AVISTA

### Capital Project Business Case

Investment Name:	Trove GFX Integ	gration											
Requested Amount	\$662,000			-	sments:								
Duration/Timeframe		Year Project		Financ		22.00%							
Dept, Area: Owner:	Enterprise Techni Mark Gustafson	lology		Strate	Transport of the Control of the Cont	Agile Technol							
Sponsor:	Jim Kensok				ess Risk:			luction - None	colo - I I -				
Category:	Project			Projec	C MISK:	woderate cent	amty	around cost, s	cnedule	and resou	irces		
	n/a			Assess	ment Score:	78	R R	Annual Cost	Summa	ry - Increase	o//Dage	lane	1
Recommend Project Descri	iption:		des de	- Alexander		Performance		Capital Cost		M Cost	10000	er Costs	Business Risk Sco
GridGlo changed their com Trove Fusion Exchange Plat embeds advanced analytica organic grid data with orga GFX Platform provides Appl analytical workflow layer, a Forecasting Application is in 65.80%; Medium case =22.8	form (GFX Platform il algorithms enablir nic and external cus lication-Program Int nd access to the Tro is scope for this busi	) with Avista's Blue og utilities to derive tomer data within erfaces ("API") API ove fusion layer of o ness case and adde	Cube framewore business insigh an open, multi-lasto an open and the color of the c	k. The G its from the ayered are ed analyticites. Not	FX Platform ne fusion of chitecture. The cs layer, an e: The Load	describe any incremental changes that this Project would benefit present	\$	662,000	\$	67,100	\$		0
Alternatives:						Performance		Annual Cost					
Unfunded Project:	Describe the current corrected	nt condition of the	asset(s) and pro	blems th	at need to be	n/a	\$	Capital Cost	\$	M Cost	\$	er Costs	Business Risk Scor 0
Alternative 1: Brief name of alternative (if applicable)	Trove GFX Integrat	ion				describe any incremental changes in operations	\$	662,000	\$	67,100		0	
Alternative 2: Brief name of alternative (if applicable)	Describe other opti	EHIL				describe any incremental changes in operations	\$		\$			0	
Alternative 3 Name: Brief name of alternative (if applicable)	Describe other opti	ons that were con:	sidered			describe any incremental changes in operations	\$		\$		0		
Program Cash Flows	Co-hal Co-t					,							
Previous	Capital Cost	O&M Cost	Other Costs		pproved		Asso	ciated Ers (list a	all applic	able):			
2013		\$ -	\$ -	\$	204 500	-							
2014	CONTRACTOR OF THE PARTY OF THE	\$ 67,100	\$ -	\$	284,500		_						
2015		\$ 114,600	\$ -	\$	377,500		_						
2016		\$ 138,200	\$ -	\$									
2017+		\$ 114,600	\$ -	S	-								
Total		\$ 434,500	\$ -	\$	662,000								
ER	2013	2014	2015		2016	2017+		Total	Mandate	Excerpt (if	fapolica	ble):	
0	\$ -	\$ -	\$ -	\$		\$ -	\$						egulation and a
0	\$ -	\$ -	\$ -	\$		\$ -	\$	*		refere	ence nu	mber if pos	sible
0	\$ -	\$ -	\$ -	\$		\$ -	\$	<b>■</b>					
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#### AVISTA YES - attach form NO or Not Required YES - attach form NO or Not Required **☑**YES Key Performance Indicator(s) Expected Performance Impro Fill in the name of the KPI here KPI Measure: Fill in the name of the KPI here 1.2 #REF! #REF! Prepared signatu 0.8 Project FO Rate - Poly. (#REF!) 0.6 Reviewed signature 0.4 Director/Manager 0.2 Other Party Review signature (if necessary) 1 **Energy Applications & Extensions** External Web Apps **External Native Apps** Peer-to-Peer Dynamic Distributed Energy Demand Revenue Generation Response Protection Efficiency Scoring Pricing Web Service API Analytical Workflows Workflow Definition Quality of QoS Definition Workflow Coordination Service Oozie Workflow Engine Service Engine Parameterization **Embedded Analytics (EA)** Native AP Execution Statistical Machine Statistical Plug-in Micro Consumer Clustering **Data Access** Interface Segmentation Forecasting **Process Control** Learning Data Fusion Core (DFC) **Data Fusion Core ESB Adapter Config** Logical Data Model Channels, Mappers, Fusers Eventing Premise Model Access Core Analytical Framework and Alert Definition Inbound Outbound (Plumbing) Alerting Internal ESB (Spring Integration) Avista Blue Cube To be completed by Capital Planning Group **Review Cycles** Rationale for decision 2012-2016 Date Template

Capital Project Business Case

Functional Group: Enterprise Technology

Business Case Name: Asset Facilities Management ("AFM") - Migration to a Commercial Off-The-Shelf

("COTS") Application

ER No: ER Name:

5147 AFM COTS Migration

Approved Business Case Spend Amount 2013-2016 (\$000s - System): \$18,3501

# Transfer to Plant Amounts (\$000s - System):

Year	Total	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2013													
2014													
2015	8,350			2,088			2,088			2,088			2,088
2016	10,000												10,000

## **Business Case Description:**

The project is to migrate the existing AFM system to a COTS application, which aligns to our AFM Roadmap and strategic goals for the transition to more agile technology platforms. The project will include the replacement of the natural gas and electric Construction Design Tool, Edit, and the Company's Outage Management Tool and associated applications. The selection of the COTS solution will occur after business requirements are gathered and an RFI/RFP process is completed. The O&M estimates are related to the RFI/RFP process, licensing and maintenance fees, and for certain components of the system that will go live during the course of the project.

# Offsets:

<sup>&</sup>lt;sup>1</sup> The business case amount reflects approved capital expenditures for the years indicated and not transfers to plant.

# **Capital Project Business Case**



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# Capital Project Business Case

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completed by Capital Planning Group onale for decision		Review Cycles 2012-2016
	Date	Template

Functional Group: Enterprise Technology

Business Case Name: Financial Forecast Model

ER No: ER Name:

5149 Financial Forecast Model

Approved Business Case Spend Amount 2013-2016 (\$000s - System): \$5001

Transfer to Plant Amounts (\$000s - System):

Year	Total Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2013												
2014												
2015	500						500					
2016												

## **Business Case Description:**

The vendor no longer supports the Impact Financial Forecasting application. As a result, the software needs to be replaced. The output from this software is used for all financial decision making that occurs in the organization and is considered a critical system. With a new system, operational work as it relates to financial planning and analysis could be improved. Improved usability of a new system could allow users to gain efficiencies in their work by allowing streamlined data uploads, downloads, and reporting. The O&M costs refer to software maintenance in 2016 and beyond.

After the company finalized the ProForma Cross Check study in this case, more information became available regarding this business case. This business case will now be included in the Technology Refresh business case. However, the estimated costs have not changed for this ER.

# Offsets:

<sup>&</sup>lt;sup>1</sup> The business case amount reflects approved capital expenditures for the years indicated and not transfers to plant.

Functional Group: Electric Transmission / Distribution

Business Case Name: Colstrip Transmission Capital Additions

ER No: ER Name:

2214 Colstrip Transmission-PNACI Capital Additions

Approved Business Case Spend Amount 2013-2016 (\$000s - System): \$1,2441

### Transfer to Plant Amounts (\$000s - System):

Year	Total	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2013	40							16	3	4	9	5	3
2014	369	7	12	9	21	97	52	16	24	50	21	16	44
2015	208	4	7	5	12	54	29	9	14	28	12	9	25
2016	215	4	7	6	12	56	30	9	14	29	12	9	25

#### **Business Case Description:**

This program is for capital replacement and upgrades and for O&M expenses for the jointly owned 500 kV Colstrip Transmission System. Program funding is used as transmission assets reach the end of their useful lives, requiring replacement or increased capacity. The program can also be used to accommodate necessary upgrades due to new interconnection requests on these facilities. Under the Colstrip Project Transmission Agreement (among Avista, Northwestern Energy, PacifiCorp, Portland General Electric and Puget Sound Energy), Avista is obligated to fund capital and O&M expenses commensurate with Avista's ownership share in these facilities. Such facilities include hardware, software, and operating system upgrades, as well as deployment of capabilities to meet new operating standards and requirements. Some system upgrades may be initiated by other requirements, including NERC reliability standards, growth, and third-party projects (e.g. transmission or generation interconnections under FERC regulations). Examples of upgrades to be completed under this program in the next 2 years are: 500 kV breaker replacement at Colstrip Substation, 500 kV communication replacement (OPGW Project) between Broadview and Colstrip to meet required dual communication paths under NERC standards, 500 kV relay upgrades at Broadview and 500 kV tower erosion mitigation.

#### Offsets:

<sup>&</sup>lt;sup>1</sup> The business case amount reflects approved capital expenditures for the years indicated and not transfers to plant.

## **Capital Program Business Case**

nvestment Name:	Colstrip Transm	ission		1									
Requested Amount	\$410,220			Assessments:									
Ouration/Timeframe		Year Program		Financial:	MH - >= 9% &								
Dept, Area:	Transmission  Jeff Schlect/Heat	har Dagantrator		Strategic:	Reliability & Co			erform at current	levele				
Owner: Sponsor:	Don Kopczynski	nei Rosentiatei		Operational: Business Risk:	ERM Reduction			enonn at current	ieveis				
Category:	Program			Program Risk:				ule and resources	3				
Mandate/Reg. Reference:				Assessment Score:	102		Annual Cost	Summary - Increas	e/(Decrease)				
ecommend Program Desc	ription:				Performance	(	Capital Cost	O&M Cost	Other Costs	ERM Risk Score			
or capital upgrades and re	placement and for C	&M expenses for t	he jointly owned	500 kV Colstrip	Improved	\$	410,220	\$ 399,838	\$ -	12			
ransmission System. Progr					performance,								
eplacment or upgrade. Un					upgraded								
orthWestern Energy, Pacif					equipment, better status &								
o fund capital and O&M ex acilities include hardware, :					control, new								
nd requirements. Some up					life cycle.								
rojects (e.g. transmission o													
o be completed under this	program in the next	2 years are: 500 k	V breaker replac	ement at Colstrip									
Substation, 500 kV commun	nication replacemen	t (OPGW Project) b	etween Broadvie	w and Colstrip to meet	Service of the Control of the Contro								
equired dual communication		C standards, 500 kV	relay upgrades	at Broadview and 500	6 STATE COMMENT	e Eil	passa Hijish						
V tower erosion mitigation	• Shift whether a etc.				Australia gene	Section	resource and the						
						10000	Annual Cost	Summary - Increas	e/(Decrease)				
ternatives:					Performance	-	Capital Cost	O&M Cost	Other Costs	ERM Risk Score			
	Non-compliant ope	rational capabilitie	s and practices w	ould result in negative	Severe negative	-		\$ -	\$ -	0			
Ĭ	audit findings, finar				system								
	contract with other	joint owners. Obs	olete equipment	would remain in	reliability and	100	tus a files						
	service until failure				compliance								
Januarius 1, Diefer	Describe -th	one that	idorod		Impacts	c		\$ -	\$ -	0			
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rogram Cash Flows					Associated ERs	(list a	Il applicable):			PERSONAL STATE			
years of costs					2214				T 100 100 100 100 100 100 100 100 100 10				
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2012	¢ 410.220	\$ 399,838	\$ -	\$ -									
2012		\$ 399,838	\$ -	\$ 452,000									
2014		\$ 392,853	\$ -	\$ 368,887	1								
2015		\$ 339,985	\$ -	\$ 208,220	1								
2016	\$ 215,354	\$ 316,572	\$ -	\$ 215,354	]								
2017		\$ 324,888	\$ -	\$ 60,000	1								
2018		\$ 330,000	\$ -	\$ 150,000									
Total	\$ 1,875,681	\$ 2,491,136	\$ -	\$ 1,454,461									
Mandate Excerpt (if applica													
IERC reliability standard					ected which will	addre	ess emergenc	y operations, tran	smission operation	ns, critical			
frastructure protection, See http://www.nerc.con													
bee http://www.nerc.com	II/IIIe2/Staridards/N	eliability_Gtaridal	us_Olidel_Dev	elopinient.nam j									
dditional Justifications:													
nis program is for capital r										need to be closely			
valuated to assure that re	liable and complian	nt operations are n	ot impacted and	that Avista would not	be in breach of o	contra	act with other j	oint transmission o	wners.				
esources Requirements: (	request forms and a	pprovals attached)											
		_					_	Check the a	ppropriate box. The in	nternal and contract			
iternal Labor Availability:		Medium Probability	☑ High Probablity	Enterprise Tech:	YES - attach form		NO or Not Requ	red labor boxes	should be checked to	indicate if the			
ontract Labor:	✓ YES	□ NO		Facilities:	YES - attach form		NO or Not Requ	1000010001	vners have been conta				
				Capital Tools:	YES - attach form		NO or Not Requ		ense of how likely staff ot require a firm com				
				Fleet:	YES - attach form		☑ NO or Not Requ	red (uns does n	ocrequire a minicomi				

Page 1 of 2

stribution/Colstrip Transmission Program Business Case and Review.xlsm

AVISTA

	provements				
l Measure:	Complete projects ahead of need and cor	mpliance targets.		11	
	elocal trionigo lid minibian de no Al T	Prepared	signature  JEPF So	CHLECT - SRMAMCER, TH	MOSMICSION SUCS
			9100 1895 235 A	la B	falering Actor cates Program
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		(if necessar		Director/Manager	
		access road damage that occurred in lines cross the Big Horn River, two to river. The attached picture shows a nearest tower. During the 1st week continuing to erode the bank.	in 2011 because of rec cowers were observed about 150' of land left k of June, 2011 there v	vas patrolling the 500kV lines to assess right-of-way cord high runoff. When flying over the area where to be in danger of becoming undermined by the between the edge of the water and the base of the was 260° of land there. The river appears to be wand Colstrip. This is an issue of very high importa	the e
				n System. Maintenance work is schedule for 2012	
		distribution of the second			
	The state of the s	2 yes salarazek	0	Rounday	
	ew-Colstrip Communications - 500 kV communicatio on and Colstrip Substation now requires dual commu		Big Coule S Broadvier	Anders of	
and cond	adopted a non-test policy on the SLYP/SLCN relay sy ern that any cycling of cards or hardware has too gre s are expected to be updated, but the OPGW replace	eat a risk of failure. NERC testing	Billin	Afferficient Sep (2) (2) (2) (2) (2) (2) (2) (2) (2) (2)	Colump Limb Worl
completi	ion prior to implemtation of testing standards.		W Garriott Sub	Green	
		*		4	Colstrip 500 KV
				Primar Kout Alem of borts   Alem of kouts 2	Proposed Routing Dec 2012
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		pos.			
be completed I	by Capital Planning Group ision	Mile		Review Cycles	
			Date	Review Cycles 2012-2016 Template	
			Date	2012-2016	
			Date	2012-2016	

Functional Group: Electric Transmission / Distribution

Business Case Name: Distribution Grid Modernization

ER No: ER Name:

2470 Dist Grid Modernization2554 Feeder Automation Upgrades

2570 Sandpoint Grid Modernization Project

Approved Business Case Spend Amount 2013-2016 (\$000s - System): \$53,6411

## Transfer to Plant Amounts (\$000s - System):

Year	Total	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2013	6,630							537	262	195	229		5,455
2014	9,450												9,450
2015	13,500												13,500
2016	21,000												21,000

## **Business Case Description:**

The Distribution Grid Modernization Program provides value to customers and shareholders by improving grid reliability, energy savings and operational ability through a systematic and managed upgrade of our aging distribution system. This program seeks cost effective opportunities to increase service quality performance and system availability through the identification of locations that would benefit from the addition of switched capacitor banks, regulators and smart grid devices. The long-term plan represented by the IRR of 6.4% aims to upgrade 6 feeders per year to cover the whole distribution system in a 60 year cycle. This coordinates well with Wood Pole Management's 20 year cycle such that every third planned maintenance trip to a feeder would be an upgrade, expanding Wood Pole Management's scope. The average cost to rebuild each feeder is estimated to be \$3.5M.

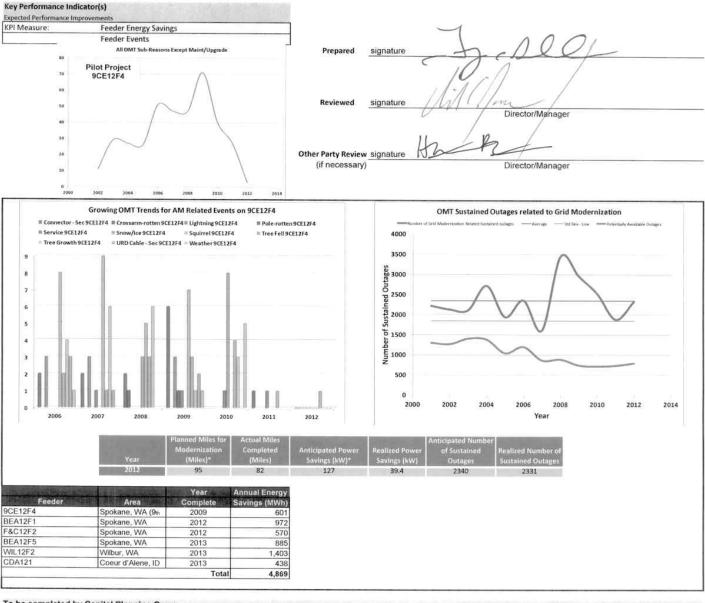
#### Offsets:

O&M offsets associated with this business case may occur in the future, however, they are not quantifiable at this time.

<sup>&</sup>lt;sup>1</sup> The business case amount reflects approved capital expenditures for the years indicated and not transfers to plant.

Investment Name:	Dist Grid Moder	nization		1								
Requested Amount	See Plan Below			Asses	sments:							
Duration/Timeframe	Indefinite	Year Program		Financ		MH - >= 9% &			1.7	THE STATE OF	Per Charles	
Dept, Area:	Electrical Engine	ering		Strate	The state of the s	Life Cycle Prog	CONTROL CONTROL	0.375				712 (355)
Owner:	Troy Dehnel			2000	tional:				erform at current	levels		State Allen
Sponsor:	Don Kopczynski				ess Risk:	ERM Reduction						
Category:	Program			1000	ım Risk:		The second second second		chedule and reso	-		
Mandate/Reg. Reference:				Assess	ment Score:	93	Annua	al Cost	Summary - Increa	se/(Decre	ease)	
Recommend Program Desc	ription:					Performance	Capital Co	ost	O&M Cost	Oth	er Costs	<b>Business Risk Score</b>
The Distribution Grid Mode Grid Reliability, Energy Savin aging distribution system. T performance and system as addition of switched capacit by the IRR of 6.4% aims to u cycle. This coordinates well	ngs and Operationa his program seeks c ailability through th tor banks, regulator upgrade 6 feeders p	Ability through a sost effective oppore identification of sand smart grid deer year to cover the	systematic and m tunities to increa locations that wo evices. The long-to whole distributi	anaged se servi uld ben erm pla on syste	upgrade of our ce quality efit from the n represented cm in a 60 year	When completed save an average of 1,970 MWh* annually & Reduce Outages		0,000	\$	\$.	60,000	4
Alternatives:						Performance	Capital Co		O&M Cost	-	er Costs	Business Risk Score
Unfunded Program:	No systematic plan for better access, o feeder.				The second secon	n/a		0,000	\$ -	\$	600,000	25
Alternative 1: Brief name of alternative (if applicable)	The Dist Grid Mode employees, and sh outs, transformers banks and smart gr	areholders by repla conductor, etc. In	cing problemation adding	poles, o	cross-arms, cut- ed capacitor	When completed save an average of 1,970 MWh*	\$ 9,00	0,000	\$	\$	60,000	4
Alternative 2: Brief name of alternative (if applicable)												
Alternative 3 Name : Brief name of alternative (if applicable)												
Program Cash Flows						Associated Ers (	list all annlica	hle):		T 0.11		
7 years of costs						Feeder Upgrad	пэт ан арриса	2470		T		T
	Capital Cost	O&M Cost	Other Costs		Approved	Feeder Automa		2570		_		
								-		1		
2012	\$ 9,000,000	\$ -	\$ -	\$	8,000,000					1		
2013	\$ 6,941,084	\$ -	\$ -	\$	6,941,084					1		
2014	\$ 9,700,000		\$ -	\$	9,700,000							
2015	\$ 16,000,000	\$ -	\$ -	\$	16,000,000	1						
2016	\$ 21,000,000	\$ -	\$ -	\$	21,000,000							
2017	\$ 21,000,000	\$ -	\$ -	\$	21,000,000	1						
2018	\$ 21,000,000	\$ -	\$ -	\$	21,000,000	†						
Total	\$ 104,641,084	\$ -	\$ -	\$	103,641,084	1						
Mandate Excerpt (if applice The Avista Distribution S	stem Efficiencies	Program Study	(Gibson, 2009)	identifie	ed the existing	distribution syst	em losses to	be ap	oproximately 12%	. Assum	ing, all of t	he distribution
feeders studied were eco upgrades would correspo	nomically viable to	o upgrade the sys	stem would exp	erience	a reduction of	losses by 7%.	The total ene	rgy sa	vings correspond	ding to th	ie impleme	entation of the
Additional Justifications: *1,970 MWh Annual Energy	savings based on t	he charter docume	nt: <i>The Avista Dis</i>	tributio	n System Efficier	ncies Program Stu	dy (Gibson, 20	009).				
Resources Requirements: (	request forms and a	pprovals attached)								18 18		
Internal Labor Availability: Contract Labor:	Low Probability YES	☐ Medium Probability ☐ NO	High Probability	Facilit	orise Tech: les: I Tools:	YES - attach form YES - attach form YES - attach form YES - attach form	☑ NO or ☑ NO or ☑ NO or ☑ NO or	Not Requ Not Requ	labor boxe resource o red a general s	s should be wners hav ense of ho	e checked to e been conta	nternal and contract indicate if the acted and to provide (will be provided mittment).





	2012-2016
Date	Template
	Date

Functional Group: Electric Transmission / Distribution

**Business Case Name:** Distribution Line Protection

ER No: ER Name:

2276 Distribution Line Protection

Approved Business Case Spend Amount 2013-2016 (\$000s - System): \$7501

## Transfer to Plant Amounts (\$000s - System):

Year	Total	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2013	253								2	2			250
2014	250	21	21	21	21	21	21	21	21	21	21	21	21
2015	125	10	10	10	10	10	10	10	10	10	10	10	10
2016	125	10	10	10	10	10	10	10	10	10	10	10	10

#### **Business Case Description:**

Avista's Electric Distribution system is configured into a trunk and lateral system. Lateral circuits are protected via fuse-links and operate under fault conditions to isolate the lateral in order to minimize the number of affected customers in an outage. Engineering recommends treatment of the removal and replacement of Chance Cutouts, the removal and replacement of Durabute cutouts and the installation of cut-outs on un-fused lateral circuits. This is a targeted program to ensure adequate protection of lateral circuits and to replace known defective equipment.

## Offsets:

<sup>&</sup>lt;sup>1</sup> The business case amount reflects approved capital expenditures for the years indicated and not transfers to plant.



Investment Name: Requested Amount Duration/Timeframe	Distribution Line			Assessments:								
Duration/Timeframe	On-going	Year Program	211 - 111 111 111	Financial:	MH - >= 9% &	<129	% CIRR					
Dept, Area:	Engineering	W Y A SHI	-3.11	Strategic:	Life Cycle Prog			-				
Owner:	Al Fisher	CONT. THE THE	THE REST	Operational:	Operations rec			erfor	n at current	levels		
Sponsor:	Don Kopczynski			Business Risk:	ERM Reductio							
Category:	Program			Program Risk:	Moderate certa			ched	ule and reso	urces		
Mandate/Reg. Reference:	n/a	A CONTRACTOR	O	Assessment Score:	93				nary - Increas		rease)	
Recommend Program Desc		A STATE OF THE STA			Performance	1	Capital Cost		&M Cost		ther Costs	COSA Diel Carre
Avista's Electric Distribution		ed into a trunk and	latoral system I	atoral circuite are	Investments	\$	250,000	\$	10,000	- 0	ther Costs	ERM Risk Score 8
protected via fuse-links and affected customers. Engine of Chance Cutouts 2. Remo lateral circuits. This is a tar known defective equipmen	l operate under fault eering recommends val and replacement geted program to er	t conditions to isola treatment of the fo t of Durabute cutou	ite the lateral mi illowing: 1. Rem its 3. Installation	nimize the number of loval and replacement of cut-outs on unfused	necessary to maintain current operations and to extend the life of current assets.				nary - Increas	o ((Day		
Alternatives:					Performance	1	Capital Cost	_	0&M Cost	-	ther Costs	ERM Risk Score
			1				Capital Cost	-	WIVI COST	-		
Unfunded Program:					n/a	\$	de se en grad	\$	SHE'RE	\$	Chil	15
Alternative 1: Brief name of alternative (if applicable)	Describe other opti	ions that were cons	idered		describe any incremental changes in operations	\$		\$		\$		8
Alternative 2: Brief name of alternative (if applicable)	Describe other opti	ions that were cons	iidered		describe any incremental changes in operations	\$		\$		\$		0
Alternative 3 Name: Brief name of alternative (if applicable)	Describe other opti	ions that were cons	idered		describe any incremental changes in operations	\$		\$		\$		0
Program Cash Flows 5 years of costs				1000	Associated Ers	(list a	ll applicable):	N.				
3 years or costs	Canital Cost	O&M Cost	Other Corts	7	Current ER	Cun	tom Mido	-		-		
	Capital Cost	UMINI COST	Other Costs	Approved	2410	oloys	tem Wide	-				
2017	A					-				-		
2013		\$ 5,000		\$ 250,000							1 - 11	
2014		\$ 10,000	\$ -	\$ 250,000								
2015		\$ 10,000	\$ -	\$ 125,000								
2016		\$ 10,000	\$ -	\$ 125,000								
2017	\$ 125,000	\$ 5,000	\$ -	\$ 125,000								
2018				\$ 125,000								
Total	\$ 875,000	\$ 40,000	\$	\$ 1,000,000	1							
Mandate Excerpt (if applic	able):											
Additional Justifications: This program was funded foliaterals.	or a 2-year period in	the 2009-2010 tim	eframe. This rec	quest allows for complet	tion of the Chance	e cuto	out replacement	s but	also includes	the ins	tallation of de	vices on unfused
Resources Requirements:	(request forms and a	pprovals attached)										
Internal Labor Availability: Contract Labor:	Low Probability YES	☐ Medium Probability ☑ NO	High Probablity	Enterprise Tech: Facilities: Capital Tools: Fleet:	YES - attach form YES - attach form YES - attach form YES - attach form	1	☑ NO or Not Requ ☑ NO or Not Requ ☑ NO or Not Requ ☑ NO or Not Requ	ired ired	labor boxes resource ov a general se	should mers h	be checked to ave been conta	cted and to provide will be provided

Key Performance Indicator(s)						
Expected Performance Improvements KPI Measure: # Cuto	out Replacement / Cutout Installation	Prepared	signature _	Soh me	· Clari	
		Reviewed	signature C	Man & 7:	Ske A rector/Manager	
		Other Party Review (if necessary)	signature	Di	rector/Manager	
					t-aar eettaa soderraasi <b>w</b> ittosii	
Thin	peace is to be used for abeliance by about	Spokane, N & W			CDA a	
This	space is to be used for photographs, charts, o			BKR 12F3 Record 1 me		45.22 - Record 0.7 m4
		Roxboro 751 - Reenf 2.5 ms		Mit, 13F2 Record 0.5 mi	Okt Town -	Die Tie Record
		8 Othelio 521 - Record		Collete 34F1 - Hwy 35N Recond	Daton 131	Reconst 1.5 ms
		Long Lake - Chiv OH to UG (USFWIS)		Offurd 34Ft - Replace, Neutral	Defor: 531	Record 1.4 mg
		3HT 12F2-Wiede Water		One 1593 Record 2.4 Hz	Avended 1	51 - Resord 1.5 ms
		Montre St. Swoondary Cid. Record		Colide 13F2 - Record 2 mi	Cluffor: 131	- Recon G.6 mir (Weinshore)
		Millwood 12F4: Record 0.5 mi		Colube 17F2 - Record 4.7 mi Oskstull		Add 1-ph 3 1 miles
		Colbert 12F1 - Record 4/0 ACSR		CHW10F2 - Record 0.35 mi - town		soond 1.2 mi Rhverberut Pk
		NE 12F2 - Tw to NE 12F4		CHW12F2- Angel Pk Resond 0.75mi		Coldwater De Loop
		IE 12F2 - Tower MT		Onn 12F1 and Colv 12F2 Viper Midline		ow 241 - Est 1 rus
		Liberty I, k. 12F2 - Henry Fid Tie		GRN13F1 Tie to CLV13F2 4.5 mi		1 Record 12 ms
		NE. 12F1 Rizzond & Spit FDR		OF 34F1 - CHW 12F3 FDR Tel		- Entend 0.5 mi
		90E 13F4 - Record 366		Onn 12F2 - Record 1.2 mi		4- Record 1 re
		Fort Wingle 12F1- Record 1 mi		GR1/12F2 Record 4 1 Mi Old Kettle Ru		2 - Retricule 1.5 yyr to been to
		Deer Park 12F2 - Record 2/0 ACSR		CLV12F4 Record 1 ft mi		-Resent 1.5 ms
		NE 12F2 - Te-to WAK 12F3		RET12F2 - Chg FDR Veltage to 13.2 KV	Rathdrum 2	233- US 1 ms (Nylle Ranstr)
		Barker 13F2 - Tie to: EFM 13F1		C3,V34F1 - Kelly Hell Roos	Lucky Firi 57	82 - Add FCRI
		East Farms 12F1 - Record 1.5 M		CHW12F2: Flowery Trail Record	CDA - Ospi	rey miligation
		Fort Wright 12F4 - Recond 9007		GIF34F182, CI,V34F1-3 Midmes	Humer 540	7 - Endervil Jight O. 5 mi
		UCE 12F1 - Tw to BEA 12F6		Cololle Area Switched Buries	Shur Oi-32	1 Record 3 mg
		SCE 12F2 Tie to Chester 12F2			Lameronnic 3	ACL - Conv /t mv le t/IC
		Silver Lix 13F1 - Record 2.1 mi			Water 14	4 Record for litter Mine
		Third & Halton 1251 - Tie to 1257			Palou	se & L/C
		CNW 12F4 Tie to 3HT 12F7			Holbrook T	296 - Record 3700*
		Chaster 12F4 - Record 1.75 mi			Onifine 128	MIS.
		9CE 13F3/Bea 12F1 / Record 1 mi			10th&Show	art 1253 to to 1256
		Surset 12F1-Record 1.5 mi				art 1253 - 1 mi record & regi-
		9CE 12F1-Tie to 9CE 12F3 Bidwy 0.5 mi				13tid Edward
		Mil. 12F1 Record 1/6 CU 6/6 mi				Recent #6 CU
		CHE 12F3 Record 2/0 CU 3 nv				2 - Add Phase
		DKR 1253 Recond 3/0 ACSR 1 mx			Moscow 51:	
		ARCHITECTURE AND ARCHITECTURE				Medine Flegs
To be completed by Capital F	Planning Group			W-Day 1		
Rationale for decision	9				Review Cycles	
nationale for decision					2012-2016	
			Date		Template	

Functional Group: Electric Transmission / Distribution

**Business Case Name:** Distribution Minor Rebuild

ER No: ER Name:

2055 Electric Distribution Minor Blanket

Approved Business Case Spend Amount 2013-2016 (\$000s - System): \$34,8001

# Transfer to Plant Amounts (\$000s - System):

Year	Total	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2013	4,792							611	988	1,319	570	683	611
2014	8,300	833	675	661	661	687	654	627	889	628	677	687	621
2015	8,300	833	674	661	661	687	654	627	890	628	677	687	621
2016	8,300	833	674	661	661	687	654	627	890	628	677	687	621

#### **Business Case Description:**

This program is for distribution minor rebuild as requested by the customer or initiated by Avista. Examples of construction work includes replacing meters, services, transformers, primary overhead or underground lines, or devices. This also includes addressing trouble related jobs (i.e. replacing burnt or damaged poles).

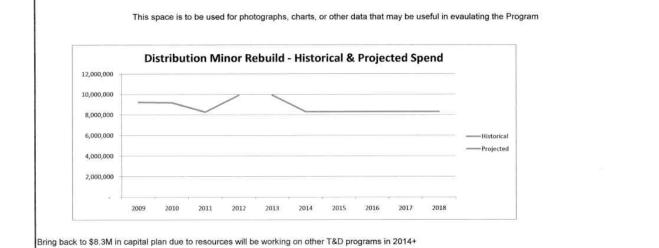
## Offsets:

<sup>&</sup>lt;sup>1</sup> The business case amount reflects approved capital expenditures for the years indicated and not transfers to plant.

Investment Name:	-	tribution Min	or Rebuild		1									
Requested Amount	\$	0-1	V- 5	8,300,000	115070011800142014791			1 35 (1) (2)						
Duration/Timeframe Dept, Area:		Going erations	Year Program		Financial:		Medium - >= 5					10.	177	
Owner:		isher			Strategic: Operation		Reliability & Co		hat impacted t		221112			
Sponsor:		Kopczynski			Business		ERM Reduction			оу ех	ecution			
Category:		gram			Program		Moderate certa			che	fule and reso	urce	e	
Mandate/Reg. Reference:	n/a		MA PER SE		Assessme		90				mary - Increas			
Recommend Program Des	cripti	on:					Performance	3	Capital Cost	T-	O&M Cost	T	Other Costs	Business Risk Score
This program is for distribu	ution r	ninor rebuild a	s requested by the	customer or initia	sted by Avi	sta.	CIRR = 8%	5	8,300,000	\$		\$	- Cuiter Costs	4
Examples of construction v	work i	ncludes replaci	ng meters, service:	s, transformers, pr	imary over	rhead or	20000 200			1		1		
underground lines, or devi	ices. T	his also include	es addressing troul	ole related jobs (i.e	e. replacing	g burnt or								Market State of the State of th
damaged notes)					-			-				1		Ellerand to a
Alternatives:		0 0 0			- 1200		Performance		Capital Cost		mary - Increas			Design of the
Status Quo:	If we	e do not respon	nd, we would not b	e addressing the	ninor rehu	ild inhs to	n/a	-	Capital Cost	s	O&M Cost	\$	Other Costs	Business Risk Score
			bution system. Thi				liya			3		3		20
			e would be potenti				10 1 1 2 1 E A	1						
		repsond.					No. of the last							
Alternative 1: Brief name	This	program is for	distribution minor	rebuild as reques	ted by the	customer or	CIRR = 8%	\$	8,300,000	\$		\$		4
of alternative (if			We have spent ov					1	0,500,000	-		1		
applicable)			5MM annually.		13077	5)	United States	1.00	THE STREET	97		10.00		
							1000	13				0.5		
							0.0000000000000000000000000000000000000	\$		\$		\$		0
							met divince		STATISTICS.					
								117		18		13		
							The state of the s					min		THE REAL PROPERTY.
							United States	\$		\$		\$		0
												1		
	150						E CONTROL OF	1						Company of the Company
				PER ST			Mary - Clima			33	The State of the S			
December Coat Plans														
Program Cash Flows 5 years of costs							Associated Ers (	list a						
5 years or costs		Capital Cost	O&M Cost	Other Costs			Current ER		2055			_		
Mark Market	-	apital Cust	O COST	Other Costs	Арр	proved		-						
2017	2 5	8,300,000	\$ -	\$ -	\$	8,300,000		-						
2013	_	8,500,000		\$ -	S	9,900,000		_						
2014	-	8,500,000	\$ -	\$ -	\$	8,300,000	1							
2015	5 5	8,500,000	\$ -	\$ -	\$	8,300,000	1							
2016	5 5	8,500,000	\$ -	\$ -	\$	8,300,000	1							
2017	7		ATTENDED TO		\$	8,300,000	1							
2018	3				\$	8,300,000	1							
Tota	1 \$	42,300,000	\$ -	\$ -	\$	59,700,000	1							
Mandate Excerpt (if applic	able):													
Additional Justifications: This business case somewh	at cor	versely trends	with the Growth b	usiness case. If no	ew revenue	e / hook-up :	significantly decre	eases	, the funding for	this	business case i	may r	need to go up.	
Resources Requirements:								. 0.3 ()	, and winding to			indy i	ices to go up.	
Internal Labor Availability:	П	ur Dembahilin.	Medium Probability		Enternel	Toeh	There is a second		Fig. 200 constants	1019	Check the ap	prop	riate box. The in	ternal and contract
Contract Labor:	☑ YE		☐ NO	High Probability	Enterprise Facilities: Capital Too Fleet:		YES - attach form YES - attach form YES - attach form YES - attach form		☑ NO or Not Requi ☑ NO or Not Requi ☑ NO or Not Requi ☑ NO or Not Requi	red red	resource ow a general ser	should ners h	d be checked to	ndicate if the ited and to provide will be provided

#### **Capital Program Business Case**

Key Performance In	ndicator(s)			
Expected Performance				VI
KPI Measure:	Fill in the name of the KPI here			
	Fill in the name of the KPI here			Falls Illian
		Prepared si	gnature	J sural years
		Reviewed <u>si</u>	gnature	Ofan E Fisher Director/Manager
		Other Party Review si	ignature	DisposalManages
		(if necessary)		Director/Manager



To be completed by Capital Planning Group

Rationale for decision

Review Cycles

2012-2916

Date

Template

Functional Group: Electric Transmission / Distribution

**Business Case Name:** Distribution Transformer Change-Out Program ("TCOP")

ER No: ER Name:

2535 TCOP Related Distribution Rebuilds

Approved Business Case Spend Amount 2013-2016 (\$000s - System): \$20,9241

# Transfer to Plant Amounts (\$000s - System):

Year	Total	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2013	813							90	121	106	109	193	193
2014	4,700	303	260	315	344	381	489	482	524	453	407	381	363
2015	6,900	386	345	445	498	557	756	749	765	697	606	556	539
2016	5,800	347	304	381	421	469	621	614	645	574	506	469	451

## **Business Case Description:**

The Distribution Transformer Change-Out Program has three main drivers. First, the pre-1981 distribution transformers that are targeted for replacement average 42 years of age and are a minimum of 30 years old. Their replacement will increase the reliability and availability of the system. Secondly, the transformers to be replaced are inefficient compared to current standards. Thirdly, pre-1981 transformers have the potential to have PCB containing oil. The transformers to be removed early in the programs are those that are most likely to have PCB containing oil and their replacement will reduce the risk of PCB containing oil spills.

#### Offsets:

<sup>&</sup>lt;sup>1</sup> The business case amount reflects approved capital expenditures for the years indicated and not transfers to plant.

Investment Name:	Distibution Tran	sformer Change									
Requested Amount Duration/Timeframe	\$ 25	Year Program	7,000,000	Assessments: Financial:	Medium - >= 5	% R =	9% CIRR				
Dept, Area:	Asset Manageme		rovement	Strategic:	Life Cycle Prog						
Owner:	Glenn Madden (M			Operational:	Operations rec			erforn	at current le	evels	
Sponsor:	Don Kopczynski			Business Risk:	ERM Reductio						
Category:	Program			Program Risk:	High certainty	_					
Mandate/Reg. Reference: Recommend Program Desc	n/a			Assessment Score:	89	-		11275	ary - Increase		
	The second secon		1 P	1001 1 1 1 1	Performance		apital Cost		&M Cost	Other Costs	Business Risk Score
The Distribution Transform transformers that are targe old. Their replacement will transformers to be replaced result in energy savings. The transformers to be remove and their replacement will and a public relations concerns.	ted for replacement l increase the reliabil d are inefficient com hirdly, pre-1981 tran d early in the progra reduce the risk of po	average 42 years of ity and availability pared to current st sformers have the p m are those that ar	of age and are a not the system. Someone of the system. Someone others and their others are the systems and their others are most likely to be	ninimum of 30 years econdly, the r replacement will pcb containing oil. The nave pcb containing oil	completed save an average of 5.6 MW per	\$	5,800,000	\$	105,000	\$ -	3
Alternatives:					I notono	-			nary - Increase		Durdana Disk Carre
	No along of soules		Day the state of	f	Performance	_	apital Cost	_	&M Cost	Other Costs	Business Risk Score
Unfunded Program:	sformers. Substancially	n/a	\$	4,500,000	\$	200,000	\$ 900,000	12			
Alternative 1: Transformer Change-Out Program	First, the pre-1981 replacement avera	distribution transfo ge 42 years of age a	rmers that are to and are a minimu		When completed save an average of 5.6 MW per	\$	5,800,000	\$	105,000	\$ -	3
Alternative 2:				at the TCOP does work ard guy insulator (fiber		\$	200,000	\$		\$ -	0
Alternative 3 Name :						\$	(*)	\$	#:	\$ -	0
Program Cash Flows	Residence in	AND DESCRIPTION OF	san marie in		Associated Ers	flist all	applicable):	100.00	decination		
5 years of costs					Current ER	T	1003				
	Capital Cost	O&M Cost	Other Costs	Approved			2060				
			100				2535				
2012			\$ -	\$ 6,000,000							
2013		\$ 102,000 \$ 105,000	\$ -	\$ 3,524,015	4						
2015			\$ -	\$ 4,700,000 \$ 6,900,000	-						
2016		\$ 110,000	\$ -	\$ 5,800,000							
2017		7 220,000	*	\$ -	1						
2018				\$ -	1						
Total	\$ 31,600,000	\$ 524,000	\$ -	\$ 26,924,015	]						
Mandate Excerpt (if applic	able):										
Additional Justifications:	elite	And the second	AND MILE				WU	a	L		
Resources Requirements:			☑ High Probability	trag me" am a					Check the a	ppropriate box. The i	nternal and contract
Internal Labor Availability: Contract Labor:	☐ Low Probability ☑ YES	☐ Medium Probability ☐ NO	Enterprise Tech: Facilities: Capital Tools: Fleet:	YES - attach form YES - attach form YES - attach form YES - attach form		☑ NO or Not Requ ☑ NO or Not Requ ☑ NO or Not Requ ☑ NO or Not Requ	uired uired	labor boxes resource ow a general se	should be checked to where have been conti- nse of how likely staf ot require a firm com	indicate if the acted and to provide f will be provided	

Key Performand Expected Performa									•	9	$\sim$		
KPI Measure:			n Transform	ner Events	Distribution	Transformer Oil Spi	lls		110		M. B. L. Director/Man		
		Distributio	n Transform	ner Energy Sa	vings		4 846.50		LI		Im	10	
	Dist	ribution T	Transforme	er Events		Prepa	red signa	ure	11m	-	11/10	acc	_
350								•		U			
300											1		
250						Review	wed signal	ure /	Ph.	5	2:2	0.	
							oight.		qua		Director/Man	ager	
¥ 200									(m)				
100						Other Party	Review signa	ure					
50						(if nece	essary)				Director/Man	ager	
0	2006	2007	2008	2009	2010								
	2000	2007	2008	2003	2010								
	2006		309										
	2006		230										
	2008		262										
	2009		213										
	2010		182										
Ta ha '		elial Di-	-l 0	_									
To be comple Rationale fo	eted by Ca or decision	pital Plani	ning Grou	P			- T				Review Cyc	les	
I											2012-2016		
1													
							Da	te				emplate	

Functional Group: Electric Transmission / Distribution

**Business Case Name:** Distribution Wood Pole Management ("WPM")

ER No: ER Name:

2060 Wood Pole Mgmt

Approved Business Case Spend Amount 2013-2016 (\$000s - System): \$38,310<sup>1</sup>

### Transfer to Plant Amounts (\$000s - System):

Year	Total	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2013	4,436							607	615	434	485	1,169	1,124
2014	14,680 1	,183	1,038	1,104	1,143	1,206	1,332	1,307	1,507	1,269	1,236	1,206	1,146
2015	15,873 1	L,215	1,071	1,167	1,222	1,300	1,487	1,463	1,647	1,409	1,345	1,300	1,240
2016	16,093 1	L <b>,2</b> 35	1,091	1,187	1,241	1,319	1,506	1,481	1,666	1,428	1,364	1,316	1,259

#### **Business Case Description:**

Distribution Wood Pole Management Program inspects all Electric Distribution Feeders on a 20 year cycle and repairs or replaces wood poles, cross arms, missing lightning arresters, missing grounds, bad cutouts, bad insulating pins, bad insulators, leaking transformers, replaces guy wires not meeting current code requirements on poles replaced by WPM, and replaces pre-1981 transformers.

#### Offsets:

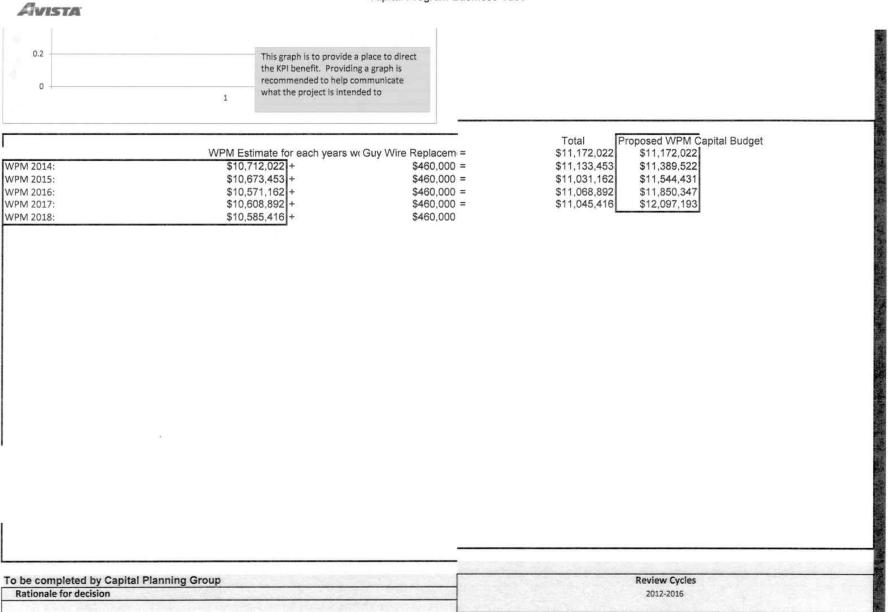
The attached copy of the business case does not identify any O&M offsets. However, the company estimates the cost of an event associated with a bad wood pole based on crew response and labor is approximately \$600. The company has experienced a downward trend in wood pole related events. Based on this trend, the company projects a reduction of 144 events in 2015 (project 736 events) compared to 2013 (880 events). This is the same trend and prediction used for 2012 offset calculation. The company WA Offset is \$86,400 x 65.01% = \$56,169.

<sup>&</sup>lt;sup>1</sup> The business case amount reflects approved capital expenditures for the years indicated and not transfers to plant.

Investment Name:	Distribution Wo	od Pole Manage	ment	1						
Requested Amount	\$11,500,000			Assessments:						
Duration/Timeframe	Indefinite	Year Program		Financial:	7.42%					
Dept, Area:	Asset Maintenan			Strategic:	Life-cycle ass	et m	anagement	0.1		
Owner:	Glenn Madden (N	Manager) & Heath	er Rosentrater//	Business Risk:			duction >5 and	<= 10		
Sponsor:	Don Kopczynski			Program Risk:	High certainty	arou	and cost, sched	ule and resources		
Category:	Program									
Mandate/Reg. Reference:	NESC - See WPI	M Compliance Pla	an for details	Assessment Score	9:	3	Annual Cost	Summary - Increas	e/(Decrease)	
Recommend Program Desc	ription:				Performance		Capital Cost	O&M Cost	Other Costs	Business Risk Score
Distribution Wood Pole Ma and repairs or replaces woo bad insulating pins, bad ins requirements on poles repl	od poles, crossarms, ulators, leaking tran	missing lightning a sformers, replaces	arresters, missing guy wires not me	grounds, bad cutou	The Control of the Co	\$	11,172,022	\$ 530,943	\$ 5,996,350	15
							Annual Cost	Summary - Increas	o//Decrease)	
Alternatives:					Performance		Capital Cost	O&M Cost	Other Costs	Business Risk Score
Status Quo: No Wood Pole Management	Run wood poles an	d associated equip	ment to failure		Increase OMT		8,186,361	OCHI COSC	\$ 6,834,467	25
ole Management					events by 1,700 events					
Wood Pole Management -	Distribution Wood Distribution Feede crossarms, missing insulating pins, bac	rs on a 20 year cycl lightning arresters	e and repairs or r , missing grounds	eplaces wood poles	an average of	\$	10,712,022	\$ 530,943	\$ 5,996,350	15
	Distribution Wood Distribution Feeder crossarms, missing insulating pins, bad	rs on a 20 year cycl lightning arresters	e and repairs or r , missing grounds	eplaces wood poles , bad cutouts, bad	Customer IRR = 7.42% and avoids an average of	\$	11,172,022	\$ 530,943	\$ 5,996,350	15
Distribution Wood Pole Management - 10 Year Inspection Cycle with Guy	Distribution Wood Distribution Feeder crossarms, missing insulating pins, bad	rs on a 10 year cycl lightning arresters	e and repairs or re , missing grounds	eplaces wood poles , bad cutouts, bad	Customer IRR = 7.66% and avoids an average of	\$	17,296,437	\$ 961,699	\$ 4,920,632	10
Program Cash Flows	Capital Cost	O&M Cost	Other Costs				a class of Page (Mass			
Previous				\$ 9,486,3	100	ASS	ociated Ers (list a	an applicable):		
2013	y 3,033,700	2 307,337	-	\$ 9,486,3			2000			
2013	\$ 11,500,000	\$ 519,006	\$ -	\$ 9,486,3						
2014		\$ 530,943								
2015		\$ 543,155							L	
2017		\$ 555,648	\$ 4,574,638	THE PARTY OF THE P						
	7 13,000,000	7 333,040	7,577,030	10,400,2						

# AVISTA

Total	al \$ 64,500,000	) \$ 2,718	,846 \$ 18,26	8,188	\$ 38,945,	,200					
I							2	018		Total	Mandate Excerpt (if applicable):
ER	2014	2015	2016		2017		\$	Moreo	\$	8,062	The current WPM program complies with the following
2060	\$ -	\$	- \$		\$		\$		\$		part of the National Electric Safety Code: 013, 121,
0	\$ -	T	- \$		\$	-	\$	*	\$		212 A, 212 B, and 261 A.2
0	\$ -		- / \$		\$		\$		\$		50.75 c. 4 Ho.
0	\$ -	\$	- \$		\$	3.5	\$		\$		i-infihi.
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0	\$ -	\$	- \$		\$	-	\$	-	\$		
	\$ -	\$	- \$	- > 3	\$	-	\$		\$	•	Additional Justifications:
O minima de la marca dela marca dela marca de la marca dela marca de la marca de la marca de la marca de la marca	\$ -	\$	- \$	- 1	\$	35 10	\$		\$		Any supplementary information that may be useful in
0	\$ -	\$	- \$		\$	-	\$		\$		describing in more detail the nature of the Project, the
0	\$ -	\$	- \$	- 7	\$	1.	\$	-	\$	SAMPLE SE	urgency, etc.
0	\$ -	- 1	- \$		\$	(e.	\$	-	\$		
0	\$ -		- \$		\$	-	\$	-	\$		
0	\$ -		- \$		\$	12	\$		\$		1
0	\$ -		- \$		\$		\$		\$		
0	\$ -	\$	- \$		\$	7.	\$		\$		
0	\$ -		- \$		\$	2	\$		\$		
Total	\$ -	S	- S		\$	-	7				
Internal Labor Availability: Contract Labor:	∴ Low Probability  ✓ YES	☐ Medium Probab	☑High Prol	F	Enterprise Tech: Facilities: Capital Tools: Fleet:		YES -	attach form attach form attach form	1	✓ NO or Not Requ ✓ NO or Not Requ ✓ NO or Not Requ	a general sense of how likely staff will be provided
Key Performance Indicato Expected Performance Improve KPI Measure:		AT Events								j	1 1.12
RPI IVIEdSUIC.	Miles of Followup		ed compared to	the ann	anal goal		Pre	epared	sigr	nature /	(11) / 120
	Willes of Follower	Work complete	d compared to	are d	uai goui	-	111	parac	0.5	1	WV
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2000							Rev	viewed	sigr	nature	/UV you
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Pol	ly. (#REF!)										
0.6	A Ministrate									1h	- A /
W				Oth	ner Part	y Review	v sigr	nature Uh	n		
							(if ne	cessary)	)		Director/Manager
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Date	Template

Functional Group: Electric Transmission / Distribution

Business Case Name: Electric Replacement/Relocation

ER No: ER Name:

2056 Distribution Line Relocations

2061 WSDOT Franchise Requirements Construction

Approved Business Case Spend Amount 2013-2016 (\$000s - System): \$9,9001

## Transfer to Plant Amounts (\$000s - System):

Year	Total	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2013	1,279							244	215	141	254	222	203
2014	2,300	219	188	186	186	191	184	179	230	179	189	191	178
2015	2,400	229	197	194	194	199	192	187	240	187	197	199	186
2016	2,500	237	205	202	202	207	201	195	249	195	205	207	194

## **Business Case Description:**

This annual program will replace sections of existing infrastructure that require replacement due to relocation or improvement of streets or highways. Requirements may come from our franchise agreements, permits, or WA DOT. Avista installs many of its facilities in public right-of-way under established franchise agreements. Avista is required under the franchise agreements, in most cases, to relocate its facilities when they are in conflict with road or highway improvements.

## Offsets:

<sup>&</sup>lt;sup>1</sup> The business case amount reflects approved capital expenditures for the years indicated and not transfers to plant.

## **Capital Investment Business Case**

Investment Name:	Elec Replaceme	ent and Relocati	on	1							
Requested Amount	\$	0010	2,700,000	Assessments:							
Duration/Timeframe Dept, Area:	On-Going Gas and Electric	2012+		Financial:	Medium - >= 5	5% &	<9% CIRR				
Owner:	Al Fisher	Operations		Strategic: Operational:	Other						
Sponsor:	Don Kopczynski	44.00	THE STATE OF	Business Risk:	Operations re-	quire	0 and <= 15	perform a	at current	levels	
Category:	Mandatory	Milional III.		Program Risk:	Moderate cert			schedule	and reso	ources	
Mandate/Reg. Reference:	Franchise Agree	ments and Perm	its	Assessment Score:	140					se/(Decrease)	
Recommend Program Des					Performance		Capital Cost	0&1	M Cost	Other Costs	Business Risk Scor
This annual program will re relocation or improvement agreements, permits, or W established franchise agree relocate its facilities when to	of streets or highwa A DOT. Avista instal ements. Avista is rec	ays. Requirements Ils many of its facili Juired under the fr	s may come from o ities in public right- anchise agreemen	our franchise -of-way under	NA PARAMETERS	\$	2,700,000	\$		\$ departs -	2
							Annual Cost	Summar	y - Increa	se/(Decrease)	
Alternatives:	r				Performance	(	Capital Cost	0&1	VI Cost	Other Costs	Business Risk Score
Status Quo :	Avista would be ou and/or permits if w			nchise agreements	n/a	\$		\$		\$ -	16
Alternative 1:	Relocate facilities i	n conflict with stre	et and highway no	niacts where	n/a	5	2 700 000		-	4	
	established franchi			ojetis where	nya	3	2,700,000	\$		\$	2
Alternative 2:						\$		\$		\$ -	0
					-						194500
Alternative 3 Name : Brief					describe any	\$		\$		\$ -	-
name of alternative (if applicable)					incremental changes in operations	3		\$		,	0
Program Cash Flows					(4)		M-17-42-19-4				
2012-2016					Associated Ers (	list al	ll applicable):				
	Capital Cost	O&M Cost	Other Costs	Approved	2056	-					
Previous			\$ -	\$ -	2061				St. 187		
2012	\$ 2,400,000	\$ -	\$ -	\$ 2,400,00			2110		110	10.1	
2013	\$ 2,700,000	\$ -	\$ -	\$ 2,700,00	0	•					
2014	\$ 2,300,000	\$ -	\$ -	\$ 2,300,00	and the same of th						
2015	\$ 2,400,000 \$ 2,500,000	\$ -	\$ - \$ -	\$ 2,400,00							
2017	\$ 2,600,000	\$ -	\$ -	\$ 2,500,00 \$ 2,600,00							
2018	\$ 2,700,000	\$ -	\$ -	\$ 2,700,00	CONTRACTOR OF THE PARTY OF THE						
		\$ -	\$ -	\$ -	-						
Total	\$ 17,600,000	\$ -	\$ -	\$ 17,600,00	0						
Mandate Excerpt (if applica	able).										
Franchise agreements, typic		d R/R permits and	WA Department o	f Transportaion pres	cribe that the utility	will r	relocate at their	expense	when in o	conflict with entity a	ctivities.
Additional Justifications:									40/4		
Mandatory work to maintai	n compliance with e	xisting franchise a	nd operating perm	its with state highwa	y districts and rail r	oads.					
Resources Requirements: (/	request forms and a	oprovals attached)						i i vilia			
Internal Labor Availability: Contract Labor:		☑ Medium Probability ☐ NO		Enterprise Tech: Facilities: Capital Tools:	YES - attach form YES - attach form		✓ NO or Not Requir ✓ NO or Not Requir ✓ NO or Not Requir	red red	interna	the appropriate box. I and contract labor b be checked to indicat	oxes
				Fleet:	YES - attach form		☑ NO or Not Requir	red	11/1/2002/17/12/2002	ce owners have been	
Key Performance Indicator(	s)			Fleet:	YES - attach form		☑ NO or Not Requir	red	contact	e owners have been ted and to provide a g of how likely staff will	eneral
xpected Performance Improvem	ents			Fleet:	YES - attach form		NO or Not Requir	red	sense o	ted and to provide a g of how likely staff will and (this does not requ	eneral be
				Fleet:	YES - attach form		☑ NO or Not Requir	red	sense o	ted and to provide a g of how likely staff will	eneral be

**Capital Investment Business Case** 

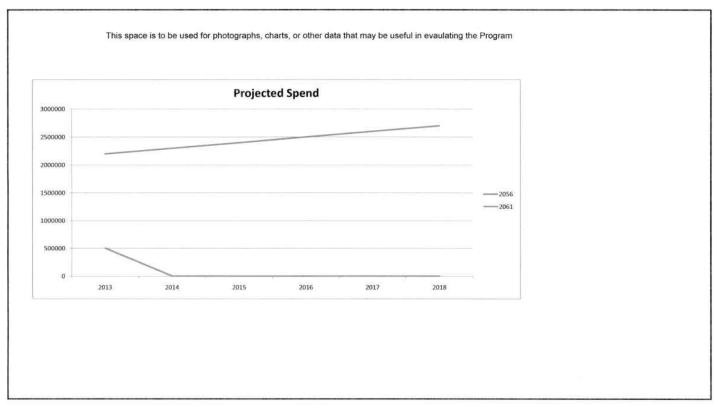
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WSDOT Franchise work will be incorporated into ER2056 in years 2014 - 2018

Other Party Review signature

(if necessary) Director/Manager



onale for decision		Review Cycles 2012-2016
	Date	Template

Functional Group: Electric Transmission / Distribution

**Business Case Name:** Environmental Compliance

ER No: ER Name:

6000 PCB Identification & Disposal 6101 Forest Service Requirements

Approved Business Case Spend Amount 2013-2016 (\$000s - System): \$1,1501

## Transfer to Plant Amounts (\$000s - System):

Year	Total	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2013	213												213
2014	250	4	4	44	7	8	50	12	11	49	9	8	46
2015	250	4	4	44	7	8	50	12	11	49	9	8	46
2016	250	4	4	44	7	8	50	12	11	49	9	8	46

# **Business Case Description:**

Implementation of Forest Service Special Use Permits, waste oil disposal, including PCBs, and environmental compliance requirements related to storm water management, water quality protection, property cleanup and related issues, etc.

#### Offsets:

<sup>&</sup>lt;sup>1</sup> The business case amount reflects approved capital expenditures for the years indicated and not transfers to plant.

Requested Amount	Environmental	Compliance													
	\$250,000			As	sessments:										
Duration/Timeframe	3	30 Year Program			ancial:	High - Evene	6 12	% CIPP							
Dept, Area:	Environmental				ategic:	High - Exceeds 12% CIRR Other									
Owner:	Darrell Soyars (	(Mgr.); Bruce Hov	ward (Dir)		erational:	Operations require execution to perform at current levels									
Sponsor:	Marian Durkin			-	siness Risk:	ERM Reduction	on >1	0 and <= 15	peno	im at curren	tievels				
Category:	Mandatory				ogram Risk:	ERM Reduction >10 and <= 15 High certainty around cost, schedule and resources									
Mandate/Reg. Reference:	SUP; NEPA; PC	B Disposal; EPA	TSCA WA	-	sessment Score:	182 Annual Cost Summary - Increase/(Decrease)									
Recommend Program Desc	ription:					1000			Jan						
Implementation of Forest S	ervice Special Use	Permits (SUP) Wa	aste Oil Disposal	includ	ng DCDe and	Performance n/a	\$	Capital Cost 250,000	5	O&M Cost	Other Costs	Business Risk Scor			
Environmental Compliance property cleanup and relate	requirements rela	ted to storm water	r managmeent, w	ater q	uality protection,			230,000			s -	6			
Alternatives:								Annual Cos			se/(Decrease)				
Alternative 1: Funded SUP	Avista is required	to perform was	e maletimas.			Performance		Capital Cost		O&M Cost	Other Costs	Business Risk Score			
implementation	right-of-ways (RO	W) across National	Forest lands. Th	ese ac	tivities are	n/a	\$	100,000	\$	(5)	\$ -	20			
	States Forest Serv protect.	the framework of rice (USFS) for 30 ye	ears which requir	es mit	igation project to										
Alternative 2: Unfunded	If mitigation proje	cts are not perform	med in accordance	e with	the permit and		\$		\$		from moderate to				
SUP implementation	annual workplans,	, this would repres	ent a violation of	the St	JP, thus placing		7		3		from moderate to	6			
	the activities associ	ciated with our RO	W at risk. Potent	ial for	USFS						extreme				
	enforcement/pen	alties, as well as NE	ERC/WECC enforc	emen											
											1				
Disposal	Washington State	Waste Oil and PCE and Environmenta Act (TSCA) regulat	al Protection Agen	quired ncy (EF	under A), Toxic		\$	150,000	\$	9	\$ -	0			
Alternative 2 : Unfunded	If the DCB disposal	is not for ded		101 T C N 1 1 1 1											
PCB Disposal	non-compliance w	is not funded, we with state/federal la ction or to cleanup ites.	ws, as well as sub	piect to	proper disposal		\$		\$		from moderate to extreme	0			
Alternative 1: Funded	Funding of this pro	ogram reduces rish	of non-complian	50.200											
Environmental Compliance	liability	gram reduces risin	or non-complian	ce and	evironmental		\$		\$		\$	15			
Alternative 2 : Unfunded	If unfunded Avieta	would run the risk	k of having a facility												
	an/or liability from	contamination. Co	or naving faciliti ould experience fi	es out ince o	of compliance penalties		\$	*	\$		from moderate to extreme	2			
Program Cash Flows				46		Associated Ers (I	ist all	applicable):							
years of costs						Current ER		6101		6000	6002				
72 -	Capital Cost	O&M Cost	Other Costs		Approved						0002				
	\$ -	\$ -	\$ -	\$											
The second secon	\$ -	\$ -	\$ -	\$	350,000										
2013		\$ -	\$ -	\$	400,000										
	\$ 250,000	\$ -	\$ -	\$	250,000										
	\$ 250,000	\$ -	\$ -	\$	250,000										
	\$ 250,000	\$ -	\$ -	\$	250,000										
2017		\$ -	\$ -	\$	250,000										
	\$ 250,000	\$ -	\$ -	\$	250,000										
2018 S Total S	\$ 750,000		\$ -	\$											

Mandate Excerpt (if appli	cable):						
Additional Justifications:			59 10 111				
	work space and a	ccess to teh ROW for	construction and	maintenance work	Permit conditions alle	nage to facilities, interru	egetation located on the transmission ROW and to upt power supply and start wildfires. Other objectives tion management. PCB: EPA Federal PCB Regulations posal of PCB).
Resources Requirements:	(request forms and	d approvals attached)					
Internal Labor Availability:	Low Probability  YES	☐ Medium Probability	☑ High Probablity	Enterprise Tech:	YES - attach form	NO or Not Required	Check the appropriate box. The internal and contract labor boxes should be checked to indicate if the
Page 1 of 3							Project 12/2/20

# Capital Program Business Case

Key Perfor expected Per							$\circ$
(PI Measu	re:		annı	al meet	ings with the National Forest Service (NFS		( )
					al Protection Agency		X
			WDO				/ .
1.2						Prepared signature	- Jus
1	_						
8.0	_	Project F Poly. ()	O Rate			Reviewed signature	Janet h
0.6		104.11					Director/Manager
0.4							
0.2					This graph is to provide a place to direct	Other Party Review signature	
0					the KPI benefit. Providing a graph is recommended to help communicate	(if necessary)	Director/Manager
9	1	2	3	4	what the project is intended to		

#### Capital Budget Projections

		2014	2015	2016	2017	2018	
ER 6000		150,000	150,000	150,000	150,000	150,000	PCB Wast Management
ER 6101		100,000	100,000	100,000	100,000	100,000	Permit Renewal/implementation
ER 6002		200,000	200,000	200,000	200,000	200,000	Environmental Compliance Pullman Storm Water
4		450,000	450,000	450,000	450,000	450,000	
Engineers Opinion Cost Estimet	Avista SR 270 Site Storm Treat						

	Review Cycles 2012-2016
Date	Template

Functional Group: Electric Transmission / Distribution

Business Case Name: Primary Underground Residential Distribution ("URD") Cable Replacement

ER No: ER Name:

2054 Electric Underground Replacement

Approved Business Case Spend Amount 2013-2016 (\$000s - System): \$2,8501

### Transfer to Plant Amounts (\$000s - System):

Year	Total	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2013	737							132	236	106	104	81	77
2014	1,000	39	30	29	91	134	186	185	138	81	30	30	27
2015	1,000	39	30	29	187	188	186	185	42	27	30	30	27
2016													

## **Business Case Description:**

This effort involves replacing the first generation of Underground Residential District (URD) cable. This project has been ongoing for the past several years and focuses on replacing a vintage and type of cable that has reached its end of life and contributes significantly to URD cable failures.

#### Offsets:

The company estimates the cost of per underground cable outage based on crew response and labor is \$3,850. The company has experienced a downward trend in underground outages. Based on this trend, the company projects a reduction of 45 outages in 2015 (project 45 outages) compared to 2012 (72 actual outages). Therefore outage savings are anticipated to be \$103,950 total system or \$68,000 in WA.

<sup>&</sup>lt;sup>1</sup> The business case amount reflects approved capital expenditures for the years indicated and not transfers to plant.

## Capital Investment Business Case

Assessme Financial: ement Strategic: Operation Business Project/P Assessme  ry URD cable  d increase and the cost ork and the past 4 years \$8.8 million over the near the first generation of P	to repair the s of work, lext 5 years.	Performance Customer IRR = 10% and avoids an average of 600 outages per year  Performance Increase number of Outage towards 700 Customer IRR = 10% and avoids an average of 600	gram prove n >5 arou	ed beyond curn and <= 10 nd cost, sched Cost Sur L,800,000	rent levels dule and resource mmany - Increase/ O&M Cost \$  mmary - Increase/ O&M Cost \$	(Decrease) Other Costs \$	4
ement Strategic: Operation Business I Project/P Assessme  ry URD cable  d increase and the cost ork and the past 4 years \$8.8 million over the next of the first generation of P	to repair the s of work, ext 5 years.	Life Cycle Progoperations imperations impe	gram porove n >5 arou	ed beyond curn and <= 10 nd cost, sched Cost Sur Capital Cost 1,800,000  Cost Sur	own Cost  mmary - Increase/ O&M Cost  pmary - Increase/ O&M Cost	(Decrease)  Other Costs  \$  (Decrease)  Other Costs	4  ERM Risk Score
Operation Business Project/P Assessme  ry URD cable  d increase and the cost tork and the past 4 years \$8.8 million over the noted first generation of P	to repair the s of work, next 5 years.	Operations impERM Reduction High certainty 110 Performance Customer IRR = 10% and avoids an average of 600 outages per year  Performance Increase number of Outage towards 700 Customer IRR = 10% and avoids an average of 600	s s	ed beyond cun and <= 10 nd cost, sched Cost Sur Capital Cost 1,800,000	own Cost  mmary - Increase/ O&M Cost  pmary - Increase/ O&M Cost	(Decrease)  Other Costs  \$  (Decrease)  Other Costs	4  ERM Risk Score
Business Project/P Assessme  ry URD cable  d increase and the cost ork and the past 4 years \$8.8 million over the nated first generation of P	Risk: Program Risk: ent Score:  to repair the s of work, ext 5 years.  Primary URD	ERM Reductio High certainty 110 Performance Customer IRR = 10% and avoids an average of 600 outages per year  Performance Increase number of Outage towards 700 Customer IRR = 10% and avoids an average of 600	n >5 aroui	and <= 10 nd cost, sched Cost Sur Capital Cost 1,800,000  Cost Sur	own Cost  mmary - Increase/ O&M Cost  pmary - Increase/ O&M Cost	(Decrease)  Other Costs  \$  (Decrease)  Other Costs	4  ERM Risk Score
Project/P Assessme ry URD cable  If increase and the cost ork and the past 4 years \$8.8 million over the noted first generation of P	to repair the s of work, lext 5 years.	High certainty 110 Performance Customer IRR = 10% and avoids an average of 600 outages per year  Performance Increase number of Outage towards 700 Customer IRR = 10% and avoids an average of 600	\$ \$	nd cost, sched Cost Sur Capital Cost 1,800,000  Cost Sun	O&M Cost  S  mmary - Increase/ O&M Cost	(Decrease)  Other Costs  \$  (Decrease)  Other Costs	4  ERM Risk Score
Assessmenty URD cable  If increase and the cost of the cost of the past 4 years \$8.8 million over the new ted first generation of P	to repair the s of work, ext 5 years.	Performance Customer IRR = 10% and avoids an average of 600 outages per year  Performance Increase number of Outage towards 700 Customer IRR = 10% and avoids an average of 600	\$ (\$	Cost Sur Capital Cost 1,800,000 Cost Sun	O&M Cost  S  mmary - Increase/ O&M Cost	(Decrease)  Other Costs  \$  (Decrease)  Other Costs	4  ERM Risk Score
ry URD cable  d increase and the cost ork and the past 4 years \$8.8 million over the neted first generation of P	to repair the s of work, next 5 years. Primary URD	Performance Customer IRR = 10% and avoids an average of 600 outages per year  Performance Increase number of Outage towards 700 Customer IRR = 10% and avoids an average of 600	\$	Capital Cost 1,800,000 Cost Sun	O&M Cost \$ nmary - Increase/ O&M Cost	Other Costs \$ (Decrease) Other Costs	4  ERM Risk Score
d increase and the cost to ork and the past 4 years \$8.8 million over the noted ted first generation of P	to repair the s of work, next 5 years. Primary URD	Customer IRR = 10% and avoids an average of 600 outages per year  Performance Increase number of Outage towards 700 Customer IRR = 10% and avoids an average of 600	\$	Capital Cost 1,800,000 Cost Sun	O&M Cost \$ nmary - Increase/ O&M Cost	Other Costs \$ (Decrease) Other Costs	ERM Risk Score
d increase and the cost to ork and the past 4 years \$8.8 million over the noted ted first generation of P	to repair the s of work, next 5 years. Primary URD	Customer IRR = 10% and avoids an average of 600 outages per year  Performance Increase number of Outage towards 700 Customer IRR = 10% and avoids an average of 600	\$	1,800,000	nmary - Increase/	(Decrease) Other Costs	4  ERM Risk Score
ork and the past 4 years \$8.8 million over the ne ted first generation of P	s of work, next 5 years. Primary URD	Increase number of Outage towards 700 Customer IRR = 10% and avoids an average of 600	\$		O&M Cost	Other Costs	
ork and the past 4 years \$8.8 million over the ne ted first generation of P	s of work, next 5 years. Primary URD	Increase number of Outage towards 700 Customer IRR = 10% and avoids an average of 600	\$	capital Cost			
ork and the past 4 years \$8.8 million over the ne ted first generation of P	s of work, next 5 years. Primary URD	number of Outage towards 700 Customer IRR = 10% and avoids an average of 600			\$	\$ 1,300,000	10
		10% and avoids an average of 600	\$				
ed		outages per year		1,800,000	\$ -	\$ -	4
		describe any incremental changes in operations	\$		\$ -	\$ -	0
ed		describe any incremental changes in operations	\$		\$ -	s -	0
	No.		Cons	struction Cash F	lows (CWIP)	W P. C.	
			(	Capital Cost	O&M Cost	Other Costs	Approved
		Previous	\$	19,852,679			\$ 19,852,679
		2012	\$				\$ 1,982,000
		And the same of th	-				\$ 850,000
		The state of the s					\$ 1,000,00
			-				
	-		_	The state of the s	mein .		\$ 1,000,000
		The state of the s	-	TOTAL STATE OF THE PARTY OF THE			
	-	2722740					\$ -
				1,000,000			\$ -
	-	THE PARTY NAMED IN COLUMN TWO IS NOT THE PARTY N	-	-		- Contract of the Contract of	\$ -
	L	Total	Ş	27,652,679	\$ -	\$	\$ 24,684,679
			2013 2014 2015	Previous \$ 2012 \$ 2013 \$ 2014 \$ 2015 \$ 2016 \$ 2017 \$ 2018 \$ Future \$	Previous \$ 19,852,679 2012 \$ 1,800,000 2013 \$ 1,000,000 2014 \$ 1,000,000 2015 \$ 1,000,000 2016 \$ 1,000,000 2017 \$ 1,000,000 2017 \$ 1,000,000 2018 \$ 1,000,000 Future \$ -	Previous \$ 19,852,679 \$ - 2012 \$ 1,800,000 \$ - 2013 \$ 1,000,000 \$ - 2014 \$ 1,000,000 \$ - 2015 \$ 1,000,000 \$ - 2016 \$ 1,000,000 \$ - 2017 \$ 1,000,000 \$ - 2018 \$ 1,000,000 \$ - 2018 \$ 1,000,000 \$ - 2018 \$ 1,000,000 \$ - 2018 \$ 1,000,000 \$ - 2018 \$ 1,000,000 \$ -	Capital Cost         O&M Cost         Other Costs           Previous         \$ 19,852,679         \$ -         \$ -           2012         \$ 1,800,000         \$ -         \$ -           2013         \$ 1,000,000         \$ -         \$ -           2014         \$ 1,000,000         \$ -         \$ -           2015         \$ 1,000,000         \$ -         \$ -           2016         \$ 1,000,000         \$ -         \$ -           2017         \$ 1,000,000         \$ -         \$ -           2018         \$ 1,000,000         \$ -         \$ -           Future         \$ -         \$ -         \$ -

Additional Justifications:			

Resources Requirements: (request forms and approvals attached)

Mandate Excerpt (if applicable):

# Capital Investment Business Case

-				
$\Delta T_1$	197	160	w.a	в.

Internal Labor Availability: Contract Labor:	☐ Low Probability ☑ YES	☐ Medium Probability ☐ NO	High Probability	Enterprise Tech: Facilities: Capital Tools: Fleet:	YES - attach form YES - attach form YES - attach form YES - attach form	☑ NO or Not Required ☑ NO or Not Required ☑ NO or Not Required ☑ NO or Not Required	Check the appropriate box. The internal and contract labor boxes should be checked to indicate if the resource owners have been contacted and to provide a general
Key Performance Indicato	r(s)						sense of how likely staff will be
Expected Performance Improve						9	provided (this does not require a firm committment).
KPI Measure:	Primary URD Ca Avoided Outage			-		W/ule	SSAMMENTAL INC.
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Metric URD Cab	voided Costs due le - Pri Caused utages	Actual Avoided Costs Cable - Pri Out	due to URD irts, o	or other data that ma	ay be useful in eva	aulating the project	
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Rationale for decision		The second			The second		view Cycles
							2012-2016
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**Functional Group:** Electric Transmission / Distribution

**Business Case Name:** Transmission - Reconductors and Rebuilds

ER No: **ER Name:** 2310 West Plains Transmission Reinforce 2423 System Transmission: Rebuild Condition 2457 Benton-Othello 115 Recond 2549 Moscow City to North Lewiston 115kV Rebuild Project 2550 Burke-Thompson A&B 115kV Transmission Rebuild Project 2556 CDA-Pine Creek 115kV Transmission Line: Rebuild 2557 9CE-Sunset 115kV Transmission Line: Rebuild 2564 Devils Gap-Lind 115kV Transmission Rebuild Project 2574 Chelan-Stratford 115kV - Rebuild Columbia River Xing 2575 Garden Springs-Silver Lake 115kV - Rebuild H&W-SLK Addy-Devils Gap 115kV - Rec/Rebuild 266 & 397 Cond 2576 2577 Benewah-Moscow 230kV - Structure Replacement Beacon-Bell-Francis & Cdr-Waikiki 115kV - Reconfigure 2582

Approved Business Case Spend Amount 2013-2016 (\$000s - System): \$57,3961

#### Transfer to Plant Amounts (\$000s - System):

Year	Total	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2013	4,271								2		1,718		2,550
2014	11,797												11,797
2015	21,388												21,388
2016	24,637												24,637

### **Business Case Description:**

This program reconductors and/or rebuilds existing transmission lines as they reach the end of their useful lives, require increased capacity, or present a risk management issue. Projects include: ER 2310 - West Plains Transmission Reinforcement, ER 2550 - Pine Creek-Burke-Thompson, ER 2557 9CE-Sunset Rebuild, ER 2423 - System Condition Rebuild, ER 2457 Benton-Othello Rebuild, ER2556 CDA-Pine Creek Rebuild, ER 2564 Devils Gap-Lind Major Rebuild, ER 2574 - Chelan-Stratford River Crossing Rebuild, ER 2576a Addy-Devils Gap Reconductor, ER 2575 Garden Springs-Silver Lake Rebuild, ER 2582 BEA-BEL-F&C-WAI Reconfiguration, ER 2577 BEN-M23 Rebuild, ER 25xa - Out-Year Transmission Rebuild.

#### Offsets:

After revenue requirements were finalized, it was determined that the savings included in the O&M adjustment should have included ERs for Burke-Pine Creek and Benton-Othello 115 based on reductions in line losses rather than Chelan-Strafford 115kV and Benton-Othello 115 based on estimated savings. The updated dollar amount of the O&M adjustment does not change due to this update. In addition, offsets were determined on the Bronx – Cabinet 115 kV rebuild/reconductor. The work involves several projects that have in service dates of November 2014 and November 2013. Therefore, we included two months worth of savings per project. Burke-Thompson, the annual energy savings from reduced losses is 252 MWh in 2014 and 213MWh in 2015. Two months of which is 42MWh and 35.50MWh respectively. The MWh are multiplied by the avoided energy cost of \$44/MWh to arrive at \$1,848 (\$1,201 WA) and \$1,562 (\$1,015.46 WA) for 2014 and 2015. For Benton-Othello 115, the annual energy savings from reduced line losses is 962 MWh in 2014 and 1,388 MWh in 2015. Assuming two months of savings, the total loss savings are 160 MWh for 2014 and 231MWh for 2015. Assuming an avoided energy cost of \$44/MWH the 2014 savings is \$7,040 (\$4,577 WA) and \$10,164 (\$6,608 WA) for 2015. For Bronx -Cabinet, the annual energy savings from reduced line losses in 2014 is 572 annual or 95.34 MWh for two months. The associated offset is calculated by multiplying 95.34 by \$44/MHh to arrive at \$4,195 (\$2,727 WA) in 2014. In 2015, the MWh were 1,144 annually or 190.67 for two months. The associated savings were \$8,389 (\$5,454 WA). These additional savings should have been included in revenue requirements.

<sup>&</sup>lt;sup>1</sup> The business case amount reflects approved capital expenditures for the years indicated and not transfers to plant.

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Martine   Mart	Investment Name:	-	ns - Recon &	Reb	olds		-	1													
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Description   Plantime   Program		T&D - TLD Engineering Strategic: Heather Rostentrater Business Risk:																			
Annual Cost   Program   Annual Cost   Program   Annual Cost   Professional Players   Described on the program   Professional Players   Described on the program   Professional Players   Professional Player																					
Manufacture   Manufacture								Pro	ogram Risk:	Hig	th certainty										
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Date

Template

Functional Group: Electric Transmission / Distribution

**Business Case Name:** Segment Reconductor and FDR Tie Program

ER No: ER Name:

Distribution - Spokane North & West
 Distribution - CdA East & North
 Distribution - Pullman & Lewis Clark

Approved Business Case Spend Amount 2013-2016 (\$000s - System): \$14,1151

## Transfer to Plant Amounts (\$000s - System):

Year	Total	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2013	1,473									3	270	450	750
2014	2,653	3	3	3	3	3	3	3	3	3	3	3	2,520
2015	3,074	50	50	669	50	50	669	50	50	669	50	50	669
2016	2,702	50	50	575	50	50	575	50	50	575	50	50	575

### **Business Case Description:**

Distribution planning has identified a number of thermal constraints on the system where "segment reconductor" work is warranted to mitigate thermally overloaded conductor. In addition, a number of urban feeder tie additions are required to meet the Company's 500 Amp feeder plan also known as the "feeder and one-half" plan. This work is planned and coordinated with assistance from the five (5) Area Engineers in Spokane, Big Bend, Colville, Coeur'd Alene, and Pullman. Annual spend varies from year-to-year but the operational premise is constant: mitigate thermally overloaded conductor, mitigate known or emerging voltage issues, and establish FDR tie points in compliance with the Company's 500A Feeder Plan.

## Offsets:

O&M offsets associated with this business case may occur in the future, however, they are not quantifiable at this time.

<sup>&</sup>lt;sup>1</sup> The business case amount reflects approved capital expenditures for the years indicated and not transfers to plant.

Segment Recor		₹ Tie Pgm										
			As	sessments:								
	Year Program		Fin	ancial:	MH - >= 9% & <12% CIRR							
					Reliability & Capacity							
			Op	erational:	Operations rec	quire	execution to p	erform	at current	t leve	s	
			Bu	siness Risk:	ERM Reduction >5 and <= 10							
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	On-going Engineering Rosentrater/Jam Don Kopczynski Program n/a cription: dentified a number of anted to mitigate the are required to mee. This work is plannesend, Colville, Coeur remise is constant: r , and establish FDR t  Unfunding segmen overloaded conduct distribution system Describe other opt  Describe other opt  Capital Cost \$ 4,605,000	Engineering Rosentrater/James Don Kopczynski Program n/a cription: dentified a number of thermal constraianted to mitigate thermally overloade are required to meet the Company's 56. This work is planned and coordinater Bend, Colville, Coeur'd Alene, and Pulln remise is constant: mitigate thermally, and establish FDR tie points in compliance of the company's 50 to the constant overloaded conductor segments and distribution system. Loss of load servant overloaded conductor segments and distribution system. Loss of load servant overloaded conductor segments and distribution system. 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Loss of load servant overloaded conductor segments and distribution system. Loss of load servant overloaded conductor segments and distribution system.	On-going Year Program Engineering Rosentrater/James Don Kopczynski Program n/a cription: dentified a number of thermal constraints on the system anted to mitigate thermally overloaded conductor. In a are required to meet the Company's 500 Amp feeder pl . This work is planned and coordinated with assistance Bend, Colville, Coeur'd Alene, and Pullman. Annual sper remise is constant: mitigate thermally overloaded cond, and establish FDR tie points in compliance with the Co  Unfunding segment reconductor and FDR tie program overloaded conductor segments and significantly com distribution system. Loss of load service capacity wou Describe other options that were considered  Describe other options that were considered  Capital Cost O&M Cost Other Costs \$ 4,605,000 \$	On-going Year Program Engineering Str Rosentrater/James Op Don Kopczynski Bui Program n/a Ass cription: dentified a number of thermal constraints on the system whe anted to mitigate thermally overloaded conductor. In additionare required to meet the Company's 500 Amp feeder plan als. This work is planned and coordinated with assistance from Bend, Colville, Coeur'd Alene, and Pullman. Annual spend var remise is constant: mitigate thermally overloaded conductor, and establish FDR tie points in compliance with the Compan distribution system. Loss of load service capacity would res  Describe other options that were considered  Describe other options that were considered  Capital Cost O&M Cost Other Costs  \$ 4,605,000 \$ \$ \$ \$ \$	On-going Year Program Engineering Strategic: Operational: Business Risk: Program Program N/a Assessment Score: Cription: dentified a number of thermal constraints on the system where "segment anted to mitigate thermally overloaded conductor. In addition, a number of are required to meet the Company's 500 Amp feeder plan also known as the This work is planned and coordinated with assistance from the five (5) Area Bend, Colville, Coeur'd Alene, and Pullman. Annual spend varies from year to remise is constant: mitigate thermally overloaded conductor, mitigate known, and establish FDR tie points in compliance with the Company's 500A Feeder  Unfunding segment reconductor and FDR tie program will result in thermally overloaded conductor segments and significantly compromise the electric distribution system. Loss of load service capacity would result.  Describe other options that were considered  Describe other options that were considered  Capital Cost O&M Cost Other Costs Approved  \$\frac{\text{S}}{\text{4},605,000} \text{\$\frac{\text{S}}{\text{5}} \text{\$\frac{\text{5}}{\text{6}05,000}} \text{\$\frac{\text{5}}{\text{5}} \text{\$\frac{\text{5}}{\text{5}} \text{\$\text{5}} \text{\$\frac{\text{5}}{\text{5}} \text{\$\text{5}} \$\fr	On-going Year Program Engineering Strategic: Operational: Don Kopczynski Business Risk: Program Program Risk: Assessment Score:  dentified a number of thermal constraints on the system where "segment anted to mitigate thermally overloaded conductor. In addition, a number of are required to meet the Company's 500 Amp feeder plan also known as the care the constraints in the company's 500 Amp feeder plan also known as the care the constant: mitigate thermally overloaded conductor, mitigate known, and establish FDR tie points in compliance with the Company's 500A Feeder  Unfunding segment reconductor and FDR tie program will result in thermally overloaded conductor; segments and significantly compromise the electric distribution system. Loss of load service capacity would result.  Describe other options that were considered  Capital Cost  O&M Cost  Other Costs  Approved  S 4,605,000  S - S 3,605,000	Din-going   Year Program   Financial: Strategic: Reliability & Capaci   Rosentrater/James   Operational: Operations require   Don Kopczynski   Business Risk:   ERM Reduction >5   Moderate certainty   N/a   Assessment Score:   Reliability & Capaci   Copregram   Risk:   Reliability & Capaci   Risk:   Reliability & Capaci   Copregram   Risk:   Reliability & Capaci   Risk:   Reliability & Capaci   Risk:   Reliability & Capaci   Copregram   Risk:   Reliability & Capaci   Risk:   Ris	Engineering	Don-going   Year Program   Financial:   Engineering   Strategic:   Operational:   Operational:   Operational:   Operational:   Operational:   Operations require execution to perform.   ERM Reduction >5 and <= 10   Operations require execution to perform.   ERM Reduction >5 and <= 10   Operations require execution to perform.   ERM Reduction >5 and <= 10   Operations require execution to perform.   ERM Reduction >5 and <= 10   Operations require execution to perform.   ERM Reduction >5 and <= 10   Operations require execution to perform.   ERM Reduction >5 and <= 10   Operations require execution to perform.   ERM Reduction >5 and <= 10   Operations require execution to perform.   ERM Reduction >5 and <= 10   Operations require execution to perform.   ERM Reduction >5 and <= 10   Operations require execution to perform.   ERM Reduction >5 and <= 10   Operations require execution to perform.   ERM Reduction >5 and <= 10   Operations require execution to perform.   ERM Reduction >5 and <= 10   Operations require execution to perform.   ERM Reduction >5 and <= 10   Operations require execution to perform.   ERM Reduction >5 and <= 10   Operations require execution to perform.   ERM Reduction >5 and <= 10   Operations   Operations   Annual Cost Summa   Operations and to extend the life of current   assets.   Annual Cost Summa   Operations   Operation	Don-going   Year Program   Financial: Strategic: Strategic: Strategic: Strategic: Strategic: Browntzer/James   Operational: Business Risk:	Don-going   Year Program   Financial: Strategic: Strategic: Soentrater/James   Operations   Strategic: Special policy   Strategic: Special	Con-going Year Program

iviandate Excerpt (if applie	cable):						
Additional Justifications:							
This program is a foundation Cable replacement, are tar represents the collective elements.	geted efforts to m	aintain or improve re	liability, this prog	gram specifically iden	tifies thermal, voltage,	and FDR tie issues amo	is such as WPM, PCB transformers, Worst Feeders, URD ongst 345 individual electric circuits. This program rely.
Resources Requirements:	(request forms and	d approvals attached)					
Internal Labor Availability: Contract Labor:	Low Probability YES	☐ Medium Probability ☑ NO	High Probability	Enterprise Tech: Facilities: Capital Tools: Fleet:	YES - attach form YES - attach form YES - attach form	✓ NO or Not Required ✓ NO or Not Required ✓ NO or Not Required ✓ NO or Not Required	Check the appropriate box. The internal and contract labor boxes should be checked to indicate if the resource owners have been contacted and to provide a general sense of how likely staff will be provided (this does not require a firm commitment).



Key Performance Indicator(s)

Expected Performance Improvements

KPI Measure: Dx System Capacity Increase

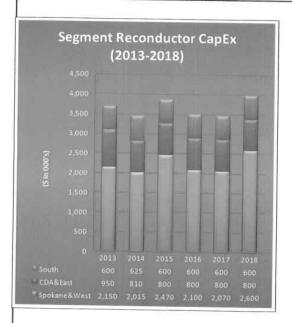
Dx System 500A Plan Compliance



Other Party Review signature

(if necessary)

Director/Manager



ROX 751 - Reconductor (see 2414) Mica Peak Cnv to URD Deer Lake Xing COB 12F2 Green Bluff Tie LOO 12F2 Deer Lk Narrows Xing COB 12F1 Recond Midway 1 Mi DEE 12F2 Bear Lk-Antler Tie DEE 12F2 Recond to LOO 12F1 SOT 522/523 Recond- 6A WAS781 - Interset Poles LL - Cnv OH to UG (USFWS) LIB 12F2 - Henry Rd Tie CHE 12F1-12F4 Tie on Bowdish U District FDR Tie Trent Ave DEE 12F2 - Recond Z/O ACSR LIB 12F1-EFM 12F2 Rocky Hill Tie BKR 12F2 - Tie to EFM 12F1 3HT 12F7 Tie U District Loop BKR 12F2 Recond 2/0 CU on Mission EFM 12F1 - State Ln Bridge - Conv OH/UG 9CE 12F4 Recond 336 9CE 12F2 - Tie to Chester 12F2 SLK 12F1 - Recond 2.1 mi C&W 12F4 - Tie to 3HT 12F7 9CE 12F3 Thierman/Mission Rcd 1 mi SRE 12F1 - Liberty Ik 12F2 on Mission CHW12F2 - Angel Pk Recond 0.75mi GRN12F1 Tie to CLV12F2 4.5 mi GlF 34F1 - CHW
12F3 FDR Tie CLV 34F1 - Kelly Hill Rbld CHW 12F2 - Flowery Trail Recond GlF 34F1Midline GRN 12F2 Recond 4.1 Mi Old Kettle 12F3 FDR TIE CLV 34F1- Kelly Hill Rbld CHW 12F2- Flowery Trail Recond GIF 34F1Midline GRN 12F2 Recond 4.1 Mi Old Kettle Rd CHW 12F4 Recond near Ctnwd Road CLV 12F4 Recond 1.6 mi KET 12F2 - Chg FDR Voltage to 13.2 kW DVP 12F2- Recond 6 miles Hwy 2 SPG 761 - Recond Small CU LIN 711 - Convert to 25 kV - tie Rox751 LIB 12F3 Rcd W Side Lib Lk Wh 12F3 tie INT 12F1 Strong Rd URD COB 12F2 Bernhill Rd Rcd 2 ACSR 3HT 12F1-12F5 Tie at Iron Bridge BKR 12F3 Recond 1 mi-Central Premix COB 12F1 - Split FDR BKR 12F3 8 SIP 12F3 Recond 1 mi 3HT 12F3 Recond 2/0 Switch #980 Mill 12F2 tie 12F3 Northwoods URD SIP General Upg WAK 12F1-12F4 Tie MIL12F4 tie OPT12F2 Mirabeau URD BEA 12F6-9CE 12F1 Hav. Rcd 1/0 ACSR FWT 12F4 - C&W 12F5 River Xing INT 12F2 Recond 2 mile-Rutter Pkwy COB 12F2 Recond Bernhill to Greenbluff INT 12F2 - DEE 12F1 Improve Tie LIB 12F2 Cm to OH/UG at Milco Pk SUN 12F4 - Reconductor 2/0 @ SIA SUN 12F2 - Replace Sw 475 w/ Recloser DEF 12F1 Miltips (Instruction rea 15 UNI 12F4 - Reconductor 2/19 CM 15 N DR Reconductor Premix UR 13 12F4 - Recondu 475 W, Recloser DEE 12F1 Improve tie Lib 12F2 Criv to UH/UG at Mica Pk SUN 12F4 - Reconductor 2/0 @ SIA SUN 12F2 - Replace Sw 475 W, Recloser DEE 12F1 Midline (protection req.) SUN 12F4 replace midline 249R SIP 12F3 to BKR (Central Premix) Lib 12F1 - EFM 12F2 Rocky Hill Tie BKR 12F3 Recond 2/0 ACSR 1 mi CLV Area Switched Banks CHW 12F3 - ARD 12F2 FDR Tie (5 mi UG) LF34F1 - Midline CLV 34F1 Midline OSB 521 - Recond/Viper for Coeur Mine OLD - Dx Tie Recond DAL 131 Recond 1.5 mi DAL 131 - Recond 0.5 mi (lakeshore) DAL 133 - Add 1-ph 3.1 miles PF 213 - Recond 1.2 mi Riverbend Pk HUE 142 - Extend 3ph 0.5 mi DAL 134- Coldwater Ck Loop BLU 321 Recond 3 m | (Silver Beach) LKV 343 - Conv 6 mi to UG PVW 241 - Ext 1 mi BLU 321- Recond 1.2 mi PIN 442- Recond 1 mi WAL 544-Recond for Star Mine OGA 611 - Recond 1.5 mi PIN 441 - Reconductor FDR Tie SAG 741 - Recond Lignite 9200 ft SPT 4S21 - River Xing & Reloc at Sundowner OLD 721 - create UG loop for Ind Pk RAT 233 - Recond Hwy 41 to 2/0 ACSR PVW 243 - Cap Bank Riverbend Comm PF 213 - Recond McGuire Road BLU 321 - Rbld & UG near Tony's Rest CDA 125- Recond #G Crapo Dalton & 17th CDA 124-Recond NIC Loop HOL 1206 -Recond 3700' SLW 1358 Extend ORO 1281 TEN 1253 - 1 mi recond & regs CFD 1210 - Recond #6 CU PAL 312 - Add Phase MOS 515 tie to 512 CFD 1211-ext 556 trunk 2miles DRY 1209-rebuild 5mi towards Silcott LOL 1359 - 2-3miles of lateral rbld PDL1201 tie to PDL 1208 PDL 1203 - 3ph loop, so portion TEN 1255 - recond .75 mi at 5th & Cedar TEN 1257 - 1 mi latera rbld ORO 1281 - 1 mi recond at sub WSU Steam plant - cable & conduit CFD 1211-Regs at 1.5 miles GRV 1273-Regs at Orogrande and E City SWT 2403 - Cap bank at Lapvai WIK1279 - extend 2 ph Huy 95 & Denvy 1874 1272 riet o WIK 1278 so of hwy NLEW13 - addt river xing DRY 1208 tie to PDL 1202 - Fair & 13th SLW 1348 tie to SLW 1358 - 25th & 8th IFG Integration TEN 1256 - midline TEN 1257 tie to LOL 1266 ORO 1281-midline KOO 1299-midline JPE 1287-midline KAM-KOO tieline LEO 611-U/B with M115-N Lew Recond SPU Bishop Blvd URD Inc Cap.

ision		Review Cycles 2012-2016
	Date	Template
		S S Sent Control of the Control of t

Functional Group: Electric Transmission / Distribution

Business Case Name: Downtown Spokane Electric Network

ER No: ER Name:

2058 Spokane Electric Network Increase Capacity

2237 Metro FDR Upgrade

2251 Post St-Improvement/Upgrades

Approved Business Case Spend Amount 2013-2016 (\$000s - System): \$9,2001

## Transfer to Plant Amounts (\$000s - System):

Year	Total	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2013	1,413							115	177	189	549	192	192
2014	2,300	191	191	191	191	191	191	191	191	191	191	191	191
2015	2,300	191	191	191	191	191	191	191	191	191	191	191	191
2016	2,299	192	192	192	192	192	192	192	192	192	192	192	192

### **Business Case Description:**

Avista owns and maintains an underground electric network that serves the core business district of downtown Spokane. The network is unique to Avista's electric distribution and requires specialized material, equipment, tooling, and training to perform maintenance repair, planned replacement, and capacity growth projects. The scope of annual capital replacements and additions includes: 10,000 feet of secondary cable, 5,000 feet of primary cable, 15 manholes, and 5 vaults/vault roofs.

#### Offsets:

<sup>&</sup>lt;sup>1</sup> The business case amount reflects approved capital expenditures for the years indicated and not transfers to plant.



Investment Name:	Spokane Elec. N			1											
Requested Amount	\$2,300,000 annu			Assessments:			V OUDD								
Duration/Timeframe	n/a	Year Program		Financial:	MH - >= 9% &						4				
Dept, Area:	Engineering Rosentrater/James			Strategic:	Life Cycle Prog			orfor	m at augus at l	levole					
Owner: Sponsor:	Don Kopczynski	38		Operational: Business Risk:		s require execution to perform at current levels uction >5 and <= 10									
Category:	Program			Program Risk:	Resident and the second second	ertainty around cost, schedule and resources									
Mandate/Reg. Reference:	n/a			Assessment Score:	97										
Recommend Program Desi	- Carlotte Agents			Prosessment acore.		-			-			n pist com			
				interior districts of	Performance	ŝ	Capital Cost		0&M Cost	Other Co	sts	Business Risk Scor			
Avista owns and maintains downtown Spokane. Topol specialized material, equip replacement, and capacity includes: 10,000 feet of ser roofs. Electric revenues ass	logy in the Network i ment, tooling, and tra growth projects. The condary cable, 5,000	is unique to Avista aining to perform r e scope of annual c feet of primary cal	electric distribution naintenance repa apital replacemen ole, 15 manholes,	on and requires air, planned nts and additions , and 5 vaults/vault	Investments necessary to maintain current operations and to extend the life of current assets.		2,300,000	Ş	315,000			6			
									mary - Increas						
Alternatives:					Performance	-	Capital Cost	_	0&M Cost	Other Co	sts	Business Risk Scor			
Unfunded Program:	Unfunding Network loss system function		es zero PM activi	ties and an eventual	n/a	\$		\$		\$		25			
Alternative 1: Brief name	Describe other opti	ons that were cons	idered		describe any	\$		\$		\$		6			
of alternative (if applicable)	Describe other opti	ons that were cons	adered		incremental changes in operations			,							
Alternative 2: Brief name of alternative (if applicable)	Describe other opti	ons that were cons	idered		describe any incremental changes in operations	\$		\$		\$		0			
Alternative 3 Name: Brief name of alternative (if applicable)	Describe other opti	ons that were cons	idered		describe any incremental changes in operations	\$		\$		\$	*	0			
Program Cash Flows					Associated Ers (	(list a	ll applicable):								
5 years of costs			0.1 0 1		Current ER			0	2058		2237				
	Capital Cost	O&M Cost	Other Costs	Approved	P	-		Cap.	X Repl.	Metro PILC		Post St PILC			
2012	\$ 2,150,000	\$ 315,000	\$ -	\$ 2,150,000		-		10			-				
2012		\$ 315,000		\$ 2,300,007											
2014		\$ 315,000	\$ -	\$ 2,300,000	-										
2019					-										
2016		\$ 315,000	\$ -	The state of the s	-										
2016		\$ 315,000	\$ -												
		\$ 315,000		\$ 2,300,000	-										
2018 Tota		\$ 315,000 \$ 2,205,000	s -	\$ 2,300,000 \$ 15,950,007											
					7										
Mandate Excerpt (if applic Various WUTC tariff sch		ited with custome	r classifications	in downtown Spoka	ne, NESC/WAC	gov	ern public and	i work	er safety.						
Additional Justifications: Service to the core busines					her urban or rura	ıl area	as. This reflects	the in	nportance of c	ontinuous ser	vice t	o hospitals, law			
enforcement, city governm	ent, panking, legal, (	commerce, and rec	all sectors of the	local economy.											
Resources Requirements:	(request forms and a	pprovals attached)			-				elly leve						
Internal Labor Availability: Contract Labor:	☐ Low Probability ☐ YES	☐ Medium Probability ☑ NO	High Probability	Enterprise Tech: Facilities: Capital Tools:	YES - attach form		NO or Not Request NO or No or Not Request NO or No or	uired uired	labor boxes resource ov a general se	should be che vners have bee	cked to n cont ely staf	nternal and contract indicate if the acted and to provide f will be provided			



Key Performance Indicator(s)

Expected Performance Improvements

KPI Measure: Plan to Actual

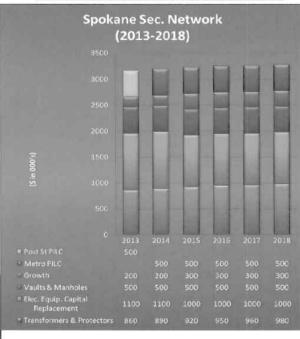


Other Party Review signature

(if necessary)

Work Plan Actual (conductor feet, equipment counts)

Director/Manager



	Scdry/Svc	Primary		Vaults	
	Cable	Cable	XFMR	HH/MH	Lights
JAN	0	0	1	0	0
FEB	1488	200	0	0	0
MAR	0	0	0	1	3
APR	0	1904	0	2	1
MAY	355	1315	4	5	.0
JUN	80	1378	0	1	0
JUL	366	2626	1	0	2
AUG	0	2587	1	3	1
SEP	1614	138	2	0	0
ост	0	0	0	3	0
NOV					
DEC					
TOTALS	3903	10148	9	15	7





ompleted by Capital Planning Group onale for decision		Review Cycles 2012-2016
	Date	Template

**Functional Group:** Electric Transmission / Distribution

**Business Case Name:** Storm Related Electric Transmission and Distribution Capital Project

ER No: ER Name:

2051 Electric Transmission Plant-Storm2059 Failed Electric Dist Plant-Storm

Approved Business Case Spend Amount 2013-2016 (\$000s - System): \$13,6001

## Transfer to Plant Amounts (\$000s - System):

Year	Total	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2013	2,984							216	330	776	1,019	315	329
2014	3,300	401	306	261	240	230	218	209	300	229	267	310	327
2015	3,400	412	314	269	249	238	226	216	311	236	275	319	335
2016	3,500	425	323	277	256	245	233	222	319	243	283	329	346

#### **Business Case Description:**

This program will replace cross arms, poles and structures as required due to storms, fires on distribution and transmission lines.

#### Offsets:

<sup>&</sup>lt;sup>1</sup> The business case amount reflects approved capital expenditures for the years indicated and not transfers to plant.

Storms	STREET, STREET		1								
\$		3,300,000	Assessments:								
On-Going	Year Program		Financial:	Medium - >= 5	% &	<9% CIRR					
Operations			Strategic:						-	THE STATE OF THE	THE RESERVE OF THE PARTY OF THE
Al Fisher	THE STREET		Operational:				erfo	m at current	leve	ls	
Don Kopczynski			Business Risk:	ERM Reduction >15							
Program			Program Risk:	Moderate certa	ainty	around cost, s	che	dule and reso	ource	s	
n/a	and the state of		Assessment Score:	98		Annual Cost	Sun	mary - Increa	se/(D	ecrease)	
ription:				Performance					1		Business Risk Score
ossarms, poles and	structures as requ	ired due to storms	, fires on distribution		\$	3,300,000	\$	Nilari	\$		4
				1	-		-		_		
16			16			Capital Cost		Commence of the Commence of th	-	Other Costs	Business Risk Score
risk having an unre	liable system, inc			n/a				77	\$		25
THE RESERVE OF PERSONS ASSESSMENT OF THE PERSON OF THE PER			es as required due to		\$	3,300,000	\$		\$		4
					\$		\$		\$		0
					\$		\$		\$	*	0
		TOTAL TOTAL CO.		Associated Frs (	list a	ill annlicable):					
						The second second second second		100	T		
Capital Cost	O&M Cost	Other Costs	Approved	Canonican		2059					
							) Till				
\$ 3,300,000	\$ -	\$ -	\$ 3,300,000		13.3		200				
\$ 3,400,000	\$ -	\$ -	\$ 3,400,000						•		
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\$ 3,500,000	\$ -	\$ -	\$ 3,500,000	-							
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			\$ 3,500,000								
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	On-Going Operations Al Fisher Don Kopczynski Program n/a ription: ossarms, poles and  If we do not replactisk having an unredecreased custome This program will restorms, fires on dis  Capital Cost  \$ 3,300,000 \$ 3,400,000 \$ 3,400,000 \$ 3,400,000 \$ 3,400,000	On-Going Year Program Operations Al Fisher Don Kopczynski Program n/a ription: ossarms, poles and structures as requ  If we do not replace our failed infast risk having an unreliable system, incr decreased customer satisfaction.  This program will replace crossarms, storms, fires on distribution and tran  Capital Cost O&M Cost  \$ 3,300,000 \$ - \$ 3,400,000 \$ - \$ 3,	On-Going Year Program Operations Al Fisher Don Kopczynski Program n/a ription: ossarms, poles and structures as required due to storms  If we do not replace our failed infastructure due to storrisk having an unreliable system, increased O&M costs decreased customer satisfaction.  This program will replace crossarms, poles and structur storms, fires on distribution and transmission lines.  Capital Cost  O&M Cost  Other Costs  \$ 3,300,000 \$ - \$ - \$ - \$ - \$ - \$ - \$ - \$ - \$ -	On-Going Year Program Operations Al Fisher Don Kopczynski Program n/a Assessment Score: ription:  Ossarms, poles and structures as required due to storms, fires on distribution  If we do not replace our failed infastructure due to storms and fire, Avista will risk having an unreliable system, increased O&M costs to repair, and decreased customer satisfaction.  This program will replace crossarms, poles and structures as required due to storms, fires on distribution and transmission lines.  Capital Cost  O&M Cost Other Costs Approved  \$ 3,300,000 \$ - \$ - \$ 3,300,000 \$ 3,400,000 \$ - \$ - \$ 3,400,000 \$ 3,300,000 \$ - \$ - \$ 3,400,000 \$ 3,400,000 \$ - \$ - \$ 3,400,000 \$ 3,400,000 \$ - \$ - \$ 3,400,000 \$ 3,400,000 \$ - \$ - \$ 3,400,000 \$ 3,400,000 \$ - \$ - \$ 3,400,000 \$ 3,400,000 \$ - \$ - \$ 3,400,000	On-Going Year Program Operations Operations Strategic: Operational: Op	On-Going Year Program Operations Strategic: Operational: Operational: Operations Operations Operational: Operational: Operational: Operations Operational: Operat	Strategic:   Arrivational   Strategic:   Strategic:   Current ER	Con-Going   Year Program   Financial: Strategic: Al Fisher   Operations   Strategic: Operations   St	On-Going Year Program Operations Alf Fisher Operations Alf Fisher Operations Don Kopczynski Don Kopczynski Program In/a Assessment Score:  ### Assessment Score:  ### Assessment Score:  ### Operations Require execution to perform at current ERM Reduction >15  ### Moderate certainty around cost, schedule and rescription:  ### Capital Cost  ### Own Cost  ### Own Cost  ### Annual Cost Summary - Increased Own Costs to repair, and decreased customer satisfaction.  ### Assessment Score:  ### Operations require execution to perform at current ERM Reduction >15  ### Moderate certainty around cost, schedule and rescription:  ### Performance  ### Own Cost  ### O	Don-Going   Year Program   Financial:   Strategic:   A Fisher   Operations   Strategic:   Reliability & Capacity   Operations   Capital Cost   Operations   Capital Cost   Operations   Don-Goling   Year Program   Financial:   Strategic:   Al Fisher   Operations:   Business Risk:   Operations:   Business Risk:   Operations:   Business Risk:   Operations:   Business Risk:   Operations:   Opera	

Mandate Excerpt (if applic	able):				e e de la composition della co		
Additional Justifications:							
	, , , ,			THE CALL			
Resources Requirements:	Tripo (monos established)	and the supplementary supplementary for	And Annual Market	eteros e e terros especies.		Ver 1	Check the appropriate box. The internal and contract
Internal Labor Availability: Contract Labor:	Low Probability  YES	✓ Medium Probability     ☐ NO	☐ High Probablity	Enterprise Tech: Facilities: Capital Tools: Fleet:	YES - attach form YES - attach form YES - attach form YES - attach form	✓ NO or Not Required ✓ NO or Not Required ✓ NO or Not Required ✓ NO or Not Required	labor boxes should be checked to indicate if the resource owners have been contacted and to provide a general sense of how likely staff will be provided (this does not require a firm committment).

ected Performance Impro Measure:	Fill in the name of the KPI here Fill in the name of the KPI here	Prepared	signature	Laureliche.
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				( Director/Manager
		Other Party Review	v signature	
		(if necessary	)	Director/Manager
		N 101 NO 12 V M119		
	This space is to be used for photographs,	charts, or other data that ma	y be useful in ev	vaulating the Program
	Capital Planning Group		1	
Rationale for decision	OII.			Review Cycles 2012-2016
			Date	Template
			ECT NO.	THE RESIDENCE STATE OF THE PERSON

Functional Group: Electric Transmission / Distribution

**Business Case Name:** Substation - 115 kV Line Relay Upgrades

ER No: ER Name:

2217 Spokane-CDA 115 kV Line Relay Upgrades

Approved Business Case Spend Amount 2013-2016 (\$000s - System): \$3,1501

### Transfer to Plant Amounts (\$000s - System):

Year	Total	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2013	350											350	
2014	950				325			75		250		50	250
2015	900			125	125		100	125	100		125	125	75
2016	850		150	125			125	200	125			125	

#### **Business Case Description:**

The 115 kV Transmission line relaying in the greater Spokane-Couer d'Alene area needs to be upgraded. Per System Protection's revised memo dated 10/25/07, the relaying and communications must be upgraded to eliminate false trips and mis-coordination of relays as well as the requirement to trip lines quickly enough to avoid system transient instability, which could lead to cascading outages. The first two years of the project completed the installation of fiber optic communications to all the required substations. Year Two marked the beginning of relay upgrades in the Spokane area, and the remainder of the project will complete the relay upgrades as planned.

#### Offsets:

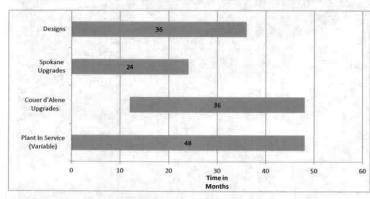
<sup>&</sup>lt;sup>1</sup> The business case amount reflects approved capital expenditures for the years indicated and not transfers to plant.

#### **Capital Investment Business Case**



Investment Name:	Substation - 115 kV Line Relay Upgrades									
Requested Amount	\$7,274,676	Assessments:								
Duration/Timeframe	7 Year Project	Financial:	Medium - >= 5	% 8	\$ <9% CIRR					
Dept, Area:	T&D - Substation Engineering	Strategic:	Reliability & Ca	apa	city	1		10		
Owner:	Heather Rosentrater	Operational:	Operations rec	uire	e execution to p	erfo	orm at current le	evel	s	
Sponsor:	Don Kopczynski	Business Risk:	ERM Reductio			2102		-		
Category:	Project	Project/Program Risk:	High certainty	aro	und cost, sched	ule	and resources	-11		
Mandate/Reg. Reference:	n/a	Assessment Score:	79		Cost Sur	Wall selfillers				
Recommend Project Descr	ription:		Performance		Capital Cost	Т	O&M Cost	T	Other Costs	Business Risk Score
Per System Protection's re- upgraded to eliminate falso quickly enough to avoid sy- years of the project compli substations. Year Two mai	ine relaying in the greater Spokane-Couer d'Alene area vised memo dated 10/25/07, the relaying and commun e trips and mis-coordination of relays as well as the rec stem transient instability, which could lead to cascadin eted the installation of fiberoptic communications to a rked the beginning of relay upgrades in the Spokane ar the relay upgrades as planned.	nications must be quirement to trip lines ng outages. The first two Il the required	Improved comm., relay operation, & avoidance of potential large system outage problems.	\$	7,274,676	\$		\$		1
				Ü.,	Cost Sur	nma	ary - Increase/(D	ecre	ase)	
Alternatives:			Performance		Capital Cost		O&M Cost		Other Costs	<b>Business Risk Score</b>
Status Quo :	Under certain operating conditions and fault scenari- the greater Spokane-Couer d'Alene area is susceptib transmission outages. Existing protection schemes a operate quickly enough to prevent these scenarios fr	le to potentially large and equipment cannot	n/a	\$	100,000	\$	500,000	\$	500,000	6
Alternative 1: Brief name of alternative (if applicable)	Describe other options that were considered		describe any incremental changes in operations	\$		\$		\$		0
Alternative 2: Brief name of alternative (if applicable)	Describe other options that were considered	uen l	describe any incremental changes in operations	\$		\$		\$		0
		describe any	\$		\$		\$		0	





## Construction Cash Flows (CWIP)

	- 1	Capital Cost	O&M Cost	0	ther Costs	45.00	Approved
Previous	\$	2,624,675	\$	\$		\$	2,624,675
2012	\$	1,000,000	\$ -	\$		\$	1,000,000
2013	\$	1,250,000	\$	\$		\$	400,001
2014	\$	1,250,000	\$ 	\$	-	\$	1,000,000
2015	\$	1,000,000	\$ The .	\$		\$	1,000,000
2016	\$		\$	\$		\$	750,000
2017	\$		\$ All Indiana de Com	\$		\$	500,000
2018	\$	An and	\$ 100	\$		\$	I I Kes
Future	\$	1 + W	\$ -	\$	139	\$	
Total	\$	7,124,675	\$	\$		\$	7,274,676

## Milestones (high level targets)

January-09 Start Communications Infrastructure - Spokane January-10 Start Communications Infrastructure - Couer d'Alene January-10 Start Relay Upgrades - Spokane December-10 Complete Communications Infrastructure January-11 Continue Spokane Area Relay Upgrades

January-13 Start Couer d'Alene Area Relay Upgrades December-16 Complete Spokane Area Relay Upgrades December-17 Complete Couer d'Alene Area Relay Upgrades

Associated Ers (list all applicable):	2217					
Mandate Excerpt (if applicable):	Obligation to serve:	Maintain a reliable sy	stem that meets cus	stomer demand and	f reliablity standards	
Mandate Excerpt (If applicable):	Obligation to serve.	naintain a reliable sy	stem that meets cus	stomer demand and	reliability standards	

## Additional Justifications:

This project is already in construction.

Additional documentation is available upon request including System Protection Documentation, Proposed Schedules and Priorities, Internal Substation Memos, meeting notes, etc.

## AWISTA

#### Capital Investment Business Case

Resources Requirements: (	request forms and	d approvals attached)					CONTRACTOR OF THE PARTY OF THE
nternal Labor Availability: Contract Labor: Key Performance Indicator Expected Performance Improver	□ yes (s)	☐ Medium Probability ☑ NO	☑ High Probability	Enterprise Tech: Facilities: Capital Tools: Fleet:	YES - attach form YES - attach form YES - attach form YES - attach form	✓ NO or Not Required ✓ NO or Not Required ✓ NO or Not Required ✓ NO or Not Required	Check the appropriate box. The internal and contract labor boxes should be checked to indicate if the resource owners have been contacted and to provide a general sense of how likely staff will be provided (this does not require a firm committment).
KPI Measure:		Relay Upgrades per y	ear.		4 - 197 - 110	1 1 5	Committeenty
				Prepared	Mic	hala mag	unde,
						Mike Magruder, Maria	ager - Substation Engineering
					11	B	
				Reviewed	Da	Viether Breeze	ntrater, Director - ENSO
				Reviewed	an	dal	ers, Director - GPSS
Sales and the sales are	Dogs.		i se gli				- H
	000		9000	ld Control & Meter	Otis Or	chards 115 kV Switchi	ing Station
o	·	. W W U	. 6	Panels			ently completed. New relays are ng high-speed communications via previously installed.
	CTER .	min mi		la site			
Old Electromechanica Relays			6	00		147 EM	
	000		ים			-	
	atal Blassia						
To be completed by Ca Rationale for decision	ipital Planning (	Group					eview Cycles 2012-2016
					Date		Template

Functional Group: Electric Transmission / Distribution

**Business Case Name:** Substation - Asset Mgmt. Capital Maintenance

ER No:	ER Name:
2210	System-Working Space
2215	System - Replace High Voltage Breakers
2252	System - Replace/Install Relays
2253	System - Upgrade Meters
2260	System - Upgrade Surge Protection
2275	System - Rock/Fence Restore
2278	System-Replace Obsolete Reclosers
2280	System - Replace Obsolete Circuit Switchers
2293	SCADA - Install/Replace
2294	System - Batteries
2336	System - Replace Dist Power Xfmrs
2343	System - Replace/Install Substation Structures
2397	System - Install/Replace Borderline Metering
2425	System - High Voltage Fuse Upgrades
2449	System - Replace Substation Air Switches
2481	System-Replace/Install Capacitor Banks
2492	System-Install Autotransformer Diagnostic Monitor
2493	System-Replace/Upgrade Voltage Regulators
2505	System-Replace Current & Potential Devices
2273	Beacon ST YD-Oil Contain

Approved Business Case Spend Amount 2013-2016 (\$000s - System): \$16,400<sup>1</sup>

## Transfer to Plant Amounts (\$000s - System):

Year	Total	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2013	1,786							36	672	518	58	415	88
2014	4,100	220	345	162	363	1,537	220	100	392	262	406	87	
2015	4,100	220	345	162	363	1,537	220	100	392	262	406	87	
2016	4,100	220	345	162	363	1,537	220	100	392	262	406	87	

### **Business Case Description:**

This program installs, replaces, or upgrades substation apparatus via Asset Management planning or emergency replacements. All obsolete, end-of-life, or failed apparatus are covered under this program. Apparatus includes panel houses and associated equipment, high voltage breakers, relays, metering, surge arresters, rock and fence, low voltage breakers/reclosers, circuit switchers, SCADA systems, batteries and chargers, power transformers, high voltage fuses, air switches, capacitor banks, autotransformer diagnostic equipment, step voltage regulators, and instrument transformers.

#### Offsets:

<sup>&</sup>lt;sup>1</sup> The business case amount reflects approved capital expenditures for the years indicated and not transfers to plant.

Investment Name:	Substation - Ass	set Mgmt. Capita	I Maintenance									
Requested Amount Duration/Timeframe	\$4,100,000	Year Program	100000000000000000000000000000000000000	Assessments: Financial:	Medium - >= 5	06. 8006	CIPP					
Dept, Area:	T&D - Substation		F 1960 0	Strategic:	Life Cycle Prog		CITAL			-		
Owner:	Heather Rosentra			Operational:	Operations req		ution to r	erforr	n at current le	evels		
Sponsor:	Don Kopczynski			Business Risk:	<b>ERM Reductio</b>				A STATE OF THE PARTY OF THE PAR			
Category:	Program	117		Program Risk:	High certainty	around co	st, sched	iule a	nd resources		1	
	n/a			Assessment Score:	89	A	nnual Cos	t Sum	mary - Increas	e/(Decrease	)	
Recommend Program Desc		August - Tra			Performance	Capit	al Cost		O&M Cost	Other (	osts	Business Risk Score
This program installs, replai emergency replacements. A Apparatus includes panelho rock and fence, LV breakers transformers, HV fuses, air regulators, and instrument	All obsolete, end-of- ouses and associated reclosers, circuit so switches, capacitor	life, or failed appar d equipment, HV br witchers, SCADA sy	ratus are covered eakers, relays, m stems, batteries a	under this program. etering, surge arresters, and chargers, power	Renew asset life cycle; remove obsolete, end of life apparatus; upgrade; install new apparatus		4,100,000	\$		\$		2
-		v		Personal Common		Δ.	nnual Cos	Sumi	mary - Increase	//Decrease	1	
Alternatives:					Performance		al Cost	_	D&M Cost	Other (	-	Business Risk Score
Unfunded Program:	Maintain (to the be Repair or replace e not be possible du customer outages	quipment on emer e to obsolescence.	gency basis only.	Some repairs would	n/a	\$	500,000	\$	1,000,000		500,000	12
Alternative 1: Brief name of alternative (if applicable)	Describe other opt	ions that were con	sidered	NEX.	describe any incremental changes in operations	\$		\$		\$		0
Alternative 2: Brief name of alternative (if applicable)	Describe other opt	ions that were con	sidered		describe any incremental changes in operations	\$		\$		\$		0
Alternative 3 Name: Brief name of alternative (if applicable)	Describe other opt	ions that were con	sidered		describe any incremental changes in operations	\$		\$		\$		0
Program Cash Flows			1 200	1 0 50 7	Associated Ers (I	list all app	licable):		mieliNe		i de	
5 years of costs					2210		2215		2252		2253	2260
	Capital Cost	O&M Cost	Other Costs	Approved	2275		2278		2280		2293	2294
2012	£ 4.100.000				2326		2336		2343		2397	2425
2012	\$ 4,100,000		\$ -	\$ 4,100,000	2449		2481		2492		2493	2505
2013		\$ -	\$ -	\$ 4,100,020 \$ 4,100,000								
2015	\$ 4,100,000	\$ -	\$ -	\$ 4,100,000 \$ 4,100,000	807							
2016	\$ 4,100,000	\$ -	\$ -	\$ 4,100,000								
2017	\$ 4,100,000	3	3	\$ 4,100,000	1							
2018	\$ 4,100,000	7919 1 1 h		\$ 4,100,000	1							
Total Mandate Excerpt (if applica	\$ 28,700,000	\$	\$ -	\$ 28,700,020								THE H
Additional Justifications: In general, this program is re beyond current levels as ob opportunity to make improv	solete equipment is	often replaced wit	th apparatus of h	gher capacity and/or ne								
Resources Requirements: (	request forms and a	pprovals attached)						- VA			16.1	Mark Hilling
Internal Labor Availability: Contract Labor:	Low Probability YES	☐ Medium Probability ☑ NO	High Probability	Enterprise Tech: Facilities: Capital Tools: Fleet:	YES - attach form YES - attach form YES - attach form YES - attach form	I NO	D or Not Requ D or Not Requ D or Not Requ D or Not Requ	ired ired	resource ow a general ser	should be che ners have be	ecked to i en contac ely staff	ternal and contract indicate if the sted and to provide will be provided sittment).



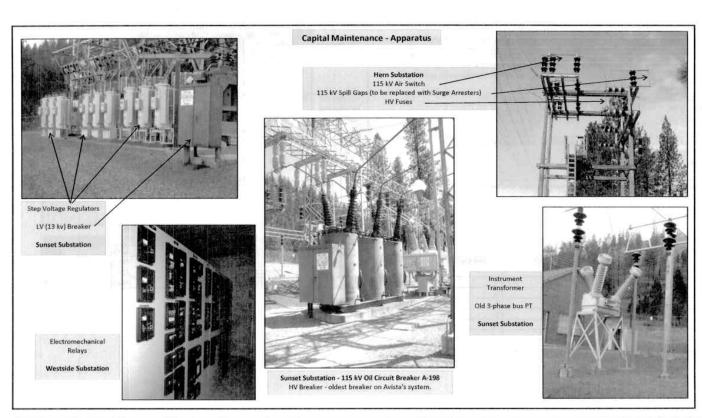
Key Performance Inc	and the same of th
Expected Performance In	nprovements
KPI Measure:	Meet AM Plan Requirements for all Apparatus
	Maintain or increase annual program spend to
	meet demand

Prepared Wicharla Maguela Mike Magruder, Manager Substation Engineering

Reviewed South

Heather Rosentrater, Director - ENSO

Andy Vickers, Director - GPSS



ationale for decision		Review Cycles 2012-2016
	Date	Template

Functional Group: Electric Transmission / Distribution

**Business Case Name:** Substation - Capital Spares

ER No: ER Name:

1006 Power Xfmr-Distribution2000 Power Xfmr-Transmission2001 Power Circuit Breaker

Approved Business Case Spend Amount 2013-2016 (\$000s - System): \$20,8401

## Transfer to Plant Amounts (\$000s - System):

Year	Total	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2013	495							13	88	289	4	100	
2014	3,050					1,103				300	1,497	150	
2015	8,545			250		1,150				240	400	6,505	
2016	2,565			250	100	950		300	300	250	165	250	

#### **Business Case Description:**

This program maintains our fleet of Power Transformers and High Voltage Circuit Breakers. This fleet of critical apparatus is capitalized upon receipt and placed in service for both planned and emergency installations as required. The annual program expenditures may vary significantly in years when an Autotransformer (230/115 kV) is purchased. In years without an Autotransformer purchase, only minor variations will occur based on planned projects as well as replenishing apparatus fleet levels required for adequate capital spares. These are long lead time items so apparatus levels need to be managed.

#### Offsets:

<sup>&</sup>lt;sup>1</sup> The business case amount reflects approved capital expenditures for the years indicated and not transfers to plant.

Investment Name:	Substation - Cap \$4,720,000	oital Spares		1									
Requested Amount Duration/Timeframe		Year Program		Assessments: Financial:	Medium - >= 5	% &	<9% CIRR						
Dept, Area:	T&D - Substation			Strategic:	Medium - >= 5% & <9% CIRR Life Cycle Programs								
Owner:	Heather Rosentra		1 1111	Operational:	Operations require execution to perform at current levels								
Sponsor:	Don Kopczynski			Business Risk:	ERM Reduction >5 and <= 10								
Category:	Program			Program Risk:	THE RESERVE OF THE PERSON NAMED IN	High certainty around cost, schedule and resources							
Mandate/Reg. Reference:	n/a			Assessment Score:	Committee of the last of the l	89 Annual Cost Summary - Increase/(Decrease)					rease)		
Recommend Program Desc	ription:				Performance		Capital Cost		O&M Cost		her Costs	Business Risk Score	
This program maintains our	fleet of Power Tran	sformers and High	Voltage Circuit B	reakers. This fleet of	Renew asset life	_	4,720,000	\$		\$	-	1	
critical apparatus is capitalis installations as required. Th Autotransformer (230/115 l variations will occur based o adequate capital spares. Th	ne annual program e kV) is purchased. In on planned projects	expenditures may v years without an A as well as replenis	ary significantly i Autotransformer hing apparatus fle	n years when an purchase, only minor eet levels required for	cycle; meet capacity requirements; adequate spare inventory	(II)			112				
Altamaticas					I no f			Sun	nmary - Increase				
Alternatives: Unfunded Program:	lura collination of			maintain our electric	Performance		Capital Cost		O&M Cost		her Costs	Business Risk Score	
Omunded Program.	system in the even (reliability), or oblig	t of failures (emerg gation to serve (gro	gency), planned so with). In addition	ystem improvements	n/a	\$		\$	500,000	\$	250,000	8	
Alternative 1: Brief name of alternative (if applicable)	Describe other opti	ions that were con	sidered		describe any incremental changes in operations	\$		\$		\$		0	
Alternative 2: Brief name of alternative (if applicable)	Describe other opti	ions that were con	sidered		describe any incremental changes in operations	\$		\$		\$		0	
Alternative 3 Name: Brief name of alternative (if applicable)	Describe other opti		describe any incremental changes in operations	\$		\$		\$		0			
Dragon Cash Flaur					*				2 2 2 2				
Program Cash Flows 5 years of costs					Associated Ers (1	list al			2004				
3 years or costs	Capital Cost	O&M Cost	Other Costs	T Annual of	1006		2000	-	2001				
7 511	Capital Cost	Owivi Cost	Other Costs	Approved				-			Charles Tree		
2012	\$ 3,835,000	\$ .	\$ -	\$ 2,535,000	1	Wall.							
2013			\$ -	\$ 4,980,100			A STATE OF			100		The state of the state of	
2014		\$ -	\$ -	\$ 3,550,000									
2015	AND DESCRIPTION OF THE PERSON NAMED IN COLUMN 1	\$ -	\$ -	\$ 8,045,000									
2016			\$ -	\$ 4,265,000	900								
2017	\$ 5,800,000	The Telephone		\$ 5,800,000									
2018				\$ 3,865,000									
Total	\$ 36,790,000	5 -	\$ -	\$ 33,040,100									
	7-ye	ar average annual	projected spend:	\$ 4,720,014									
Mandate Excerpt (if applica						g (i		ly d					
Obligation to serve: Long	lead time capital	spares are requir	ed to meet syste	em needs and service	e expectations.								
Additional Justifications:			1 The Wall		1 1 1 1 1 1 1 1		0 - 1 - 2 - 2 - 2						
Transformers and High Volt spares count. This is manag In general, this is a Life Cycl Commodity pricing and mar	ed closely by Substa e Program for these	tion Engineering v assets. This Progra	vith annual review am also includes	vs of capital spares and a Reliability and Capacit	planned needs. ty (improved reliat							100	
Resources Requirements: (	request forms and a	pprovals attached)	grewege.	TO THE ST	J. 3. 1. 1	o y			11 112				
Internal Labor Availability: Contract Labor:	Low Probability YES	Medium Probability	☑ High Probability	Enterprise Tech: Facilities: Capital Tools: Fleet:	YES - attach form YES - attach form YES - attach form YES - attach form		NO or Not Required NO or No or	ired ired	labor boxes resource ow a general se	should be ners had nse of h	e checked to ve been conta	cted and to provide will be provided	



Key Performance Indicator(s)		
Expected Performance Improvements		
KPI Measure: Annual capital spares review and summa		
Every capital spare will be justified.	Prepared	Michael a. Magnind
	Prepared/	Mike Magruder, Manager - Substation Engineering
		mine magrader, manager cassication Engineering
	1 (	3 - 6
	Reviewed	
		Heather Rosentrater, Director - ENSO
	Other Party Review signature	
	(if necessary)	Director/Manager
	5. 200	
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ER 1006: Distribution Power Transformers	ER 2000: Transmission Power Transformers	ER 2001: Power Circuit Breakers
Older single phase units shown above from Kooskia 115 kV Sub.	Older unit shown above from Westside 230 kV Sub.	Older 115 kV Oil Circuit Breakers (above) from Lolo Sub.
New 3-phase unit shown below from Idaho Road 115 kV Sub.	New unit (and old one next to it) shown below from Benewah 230 kV Sub.	New 115 kV Gas Circuit Breakers (below) from Benewah Sub.
	Benewan 230 KV SUB.	
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		in the same of the
To be completed by Capital Planning Group		Bandon Cod
Rationale for decision		Review Cycles 2012-2016
	The second second second	2017-2010
	Date	Template

Functional Group: Electric Transmission / Distribution

**Business Case Name:** Substation - Distribution Substation Rebuilds

ER No:	ER Name:		
2204	System Wood Substation Rebuilds	2562	Grangeville 115 kV Sub - Rebuild
2283	Millwood Sub - Rebuild	2563	Stratford 115kV - Upgrade Bus
2285	Sunset Sub - Rebuild	2565	Ford 115 kV - Rebuild Substation
2317	Lyons & Standard 115 Sub-Increase Capacity	2566	Northwest 115 kV - Rebuild Substation
2341	Ninth & Central Sub - Increase Capacity & Rebuild	2567	Chester 115 kV - Rebuild Substation
2342	Pine Creek 230 Sub-Rebuild Dist/Replace Cap Ban	k 2568	Metro 115 kV - Rebuild Substation
2465	Bronx - 115-21kV	2569	Gifford 115 kV - Rebuild Substation
2502	N. Moscow - Increase Capacity	2306	Appleway Sub - Rebuild
2521	St Maries 634 Cx Fdr	2390	Otis Orchards 115-Replace PCBs & Relays
2522	10th & Stewart Dx Int	2538	College & Walnut Substation Yard Expansion
2533	Pullman Substation - Rebuild	2572	Noxon Construction Sub - Minor Rebuild
2546	Blue Creek 115 kV - Rebuild	2573	Little Fall 115 kV Sub - Rebuild
2547	Lucky Friday 115 kV - Rebuild		

Approved Business Case Spend Amount 2013-2016 (\$000s - System): \$25,2151

## Transfer to Plant Amounts (\$000s - System):

Year	Total	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2013	1,241							8	128	15	41		1,050
2014	3,230	6	6	6	6	6	6	1,606	6	581	506	6	486
2015	3,125	33	33	33	183	2,333	33	33	33	33	33	33	308
2016	6,870	17	17	17	17	17	17	2,717	17	1,417	17	2,017	587

### **Business Case Description:**

This program replaces and/or rebuilds existing substations as they reach the end of their useful lives, require increased capacity, or cannot accommodate necessary equipment upgrades due to existing physical constraints. Included are Wood Substation rebuilds as well as upgrading stations to current design and construction standards. Some station rebuilds may be initiated by other requirements, including obligation to serve, growth, and external projects. Examples of substation rebuilds to be completed under this program in the next 5 years are Big Creek & Kamiah (Wood Substation), Millwood (Life Cycle), Turner (Smart Grid Investment Grant), Blue Creek (Productivity), Lucky Friday (Growth), and Pine Creek Distribution (Life Cycle).

#### Offsets:

<sup>&</sup>lt;sup>1</sup> The business case amount reflects approved capital expenditures for the years indicated and not transfers to plant.

Investment Name: Requested Amount	Substation - Dist \$8.168.573	tribution Station	Rebuilds	Assessments:									
Duration/Timeframe	The state of the s	Year Program		Financial:	MH - >= 9% &	<129	% CIRR						
Dept, Area:	T&D - Substation			Strategic:	Life Cycle Programs								
Owner:	Heather Rosentra		CT -330 -24	Operational:	Operations improved beyond current levels								
Sponsor:	Don Kopczynski			Business Risk:	ERM Reduction >5 and <= 10								
Category:	Program	ALC: NO PERSON		Program Risk:	High certainty around cost, schedule and resources								
Mandate/Reg. Reference:	n/a			Assessment Score:	105	_		-	nmary - Increas	e/(D	ecrease)		
Recommend Program Desc	ription:				Performance	3	Capital Cost		O&M Cost		Other Costs	Business Risk Score	
This program replaces and/	or rebuilds existing s	ubstations as they	reach the end of	their useful lives,	Improved	\$	8,168,573	\$		\$	-	1	
require increased capacity, physical constraints. Includ construction standards. So to serve, growth, and extern under this program in the n (SGIG), Blue Creek (Product	ed are Wood Sub re me station rebuilds i nal projects (e.g. Sm ext 5 years are Big C	builds as well as up may be initiated by art Grid). Example reek & Kamiah (We	grading stations other requireme s of substation re ood Subs), Millwo	to current design and ints, including obligation builds to be completed od (Life Cycle), Turner	performance, upgraded equipment, better status & control, new life cycle.								
Alternatives:			VIII		Performance			Sun	nmary - Increas	-		Danis and Diels Consu	
Unfunded Program:	Observator and for his	ab loss agricument	deterioreted we	od structures, and non-	Relatively high	\$	Capital Cost	Ś	O&M Cost 500,000	-	Other Costs	Business Risk Score	
omanded Program.	standard construct	ion or equipment v need additional ca	vould remain in so pacity for growth	ervice until failure. or may not be suitable	probability of a station failure within 10 yrs.	3	1,000,000	3	500,000	\$	250,000	8	
Alternative 1: Planned	Continuation of no	n-standard constru	ction practices ar	d configurations	Performance	\$	1,500,000	\$	500,000	\$		4	
Equipment Replacements.	rking conditions for	remains at					1						
	ments to the subs	current levels;			18								
	while requiring mo	re O&M to maintai	n aging infrastruc	ture and equipment.	min. improve			У.					
Alternative 2: Brief name of alternative (if applicable)	Describe other opti	ons that were cons		describe any incremental changes in operations	\$		\$		\$		0		
Alternative 3 Name: Brief name of alternative (if applicable)	Describe other opti	ons that were cons	V. Santa	describe any incremental changes in operations	\$		\$		\$				
					- Paradana			Los					
Program Cash Flows 5 years of costs	Victor II	111111111111111111111111111111111111111		J. Talky C. T.	Associated Ers (I	list al	The state of the s	_	2285		2341	2465	
3 years or costs	Capital Cost	O&M Cost	Other Costs	Approved	2502		2283 2521	-	2522	-	2546	2562	
	Cupital Cost	- Calli Cost	Other costs	пррготес	2563		2565		2566		2567	2568	
2012	\$ 7,750,000	\$ -	\$ -	\$ 7,750,000	2569		2572		2573		2001	2000	
2013		\$ -	\$ -	\$ 5,060,013	2000	_	2412		2010	_			
2014		\$ -	\$ -	\$ 5,505,000									
2015	\$ 7,635,000	\$ -	\$ -	\$ 6,240,000	State Pills								
2016		\$ -	\$ -	\$ 8,410,000									
2017	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	EU N 2 3 2 2	-	\$ 12,140,000	32 0.0								
2018				\$ 12,075,000									
Total	\$ 39,000,000	\$ -	s -	\$ 57,180,013	La Compile								
		7-year average	projected spend:	\$ 8,168,573									
Mandate Excerpt (if applica						(40)							
Obligation to serve: Spec	cific substations ma	ay require rebuild	for increased ca	apacity due to load gro	owth.								
		St. Cata Sold		SOME DANCE OF	A CHARLES						UKHA SHI IN	NAME OF TAXABLE	
Additional Justifications: This program replaces subst like Lucky Friday, could be Program Link: Substation tr Program Link: Substation di	tandalone projects u ansmission integrati	inder the Mandato ion budget dollars	ry category since \$415k - \$435k) a	we have to meet custo re included in this progr	mer load growth. am.								
Resources Requirements: (	request forms and a	pprovals attached)										- 5-7	
Internal Labor Availability: Contract Labor:	Low Probability YES	☐ Medium Probability ☑ NO	High Probability	Enterprise Tech: Facilities:	YES - attach form		✓ NO or Not Requ	ired	labor boxes resource ow	shou	ld be checked to i have been contac	ted and to provide	
				Capital Tools: Fleet:	YES - attach form		NO or Not Requ				of how likely staff quire a firm comm		



Key Performance In	dicator(s)	
expected Performance I	mprovements	
KPI Measure:	Complete 3 rebuilds per year.	
	Complete Metro Sub EPC Rebuild by 2018.	Prepared Wishala Magnid
		Mike Magruder, Manager - Substation Engineering
		Reviewed Kn R
		Heather Rosentrater, Director - ENSO
		Reviewed Andal Sa
		Andy Vickers, Director - GPSS
ETHE		
	Millwood Sub - 1950's vi substation. Switchgear an	
1 10	wood sub. Also serves	IEP.
1		THE RESIDENCE OF THE PARTY OF T
117A		
門里丁島		Bo & The state of the state of
Blue Creek Sub (Re	elow) - Productivity is	Turner Sub (Right) - Under construction
driving the replace	ment of the "lossy" h is driving the rebuild of	(Aug. 2011). To be completed in 2012. Photos show today's standard design
the station to add	in s driving the rebuild of	and construction for reference.  Rebuilds will be similar construction.



Lucky Friday Sub (Left) - Growth is driving this rebuild as the Lucky Friday Mine is adding between 2-8 MW over the next 10 years starting as early as Fall of 2012. Increasing capacity is requiring a rebuild for the required protection, SCADA, oil containment, and a second feeder. Included will be a space for a Mobile Sub installation.

e completed by Capital Planning Group tionale for decision		Review Cycles 2012-2016
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Functional Group: Electric Transmission / Distribution

**Business Case Name:** Substation - New Distribution Substations

ER No: **ER Name:** 2274 Tamarack 115Kv Sub-Construction 2322 Downtown West Sub - Property 2443 Greenacres 115-13kV Sub - New Construct 2479 Hillyard 115-13kV Substation 2583 Lewiston Mill Road- Dx Line Integration 2587 Irvin 115-13 kV Sub - Add Distribution Station 2398 Wheatland 115Sub-Const New Sub&2 Feeders

Approved Business Case Spend Amount 2013-2016 (\$000s - System): \$4,7401

## Transfer to Plant Amounts (\$000s - System):

Year	Total	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2013	373										273		100
2014	379												379
2015	2,045					2,045							
2016													

#### **Business Case Description:**

This program adds new distribution substations to the system in order to serve new and growing load as well as for increased system reliability and operational flexibility. New substations under this program will require planning and operational studies, justifications, and approved project diagrams prior to funding. Planned new substation projects include Tamarack (NE Moscow), Greenacres and Irvin (Spokane Valley), Hillyard and Downtown West (Spokane). Out years include construction for these and design and construction for one new substation per year on average depending on need and justifications.

### Offsets:

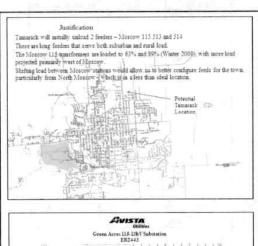
<sup>&</sup>lt;sup>1</sup> The business case amount reflects approved capital expenditures for the years indicated and not transfers to plant.

Investment Name:	Substation - Ne	w Distribution S	tations										
Requested Amount	\$1,430,714	. V D		Assessments:									
Duration/Timeframe Dept, Area:	T&D - Substation	Year Program	27.90 15.	Financial:	Medium - >= 5								
Owner:	Heather Rosentr	Strategic: Operational:	Reliability & Capacity Operations require execution to perform at current levels										
Sponsor:	Don Kopczynski	aici	Business Risk:										
Category:	Program			Program Risk:	ERM Reduction >5 and <= 10 High certainty around cost, schedule and resources								
Mandate/Reg. Reference:	n/a			Assessment Score:	80	100000				e/(Decrease)	T		
Recommend Program Desc			1 10 100		Performance		Capital Cost		&M Cost	Other Costs	Business Risk Score		
This program adds new dist	ribution substation	s to the system in o	order to serve nev	v and growing load as	Improved	5	1,430,714	_	SIVI COST	\$ -	1		
well as for increased systen require planning and opera This documentation will be Tamarack (NE Moscow), Gr Out years include construct average depending on need	n reliability and ope tional studies, justif included with this t eenacres and Irvin ( ion for these and d	rational flexibility. fications, and appro ousiness case. Plan Spokane Valley), H	New substations wed Project Diagoned ned new substati Illyard and Down	under this program wil rams prior to funding, on projects include rown West (Spokane).				H.					
					-			Summ	ary - Increas	e/(Decrease)			
Alternatives:					Performance	(	Capital Cost	08	&M Cost	Other Costs	Business Risk Score		
Unfunded Program:	The state of the s	ew substations as ju our obligation to se		not be able to	Unable to add load to system; poor system operation.			\$	250,000	\$ 250,00	9		
Alternative 1: Extend Feeders; Increase Substation Capacities	capacity at those s impact is most cer		e required at a m bility and difficul		for more customers; system stress.	\$	1,000,000	\$	150,000	\$	6		
Alternative 2: Brief name of alternative (if applicable)	Describe other opt	tions that were con	sidered		describe any incremental changes in operations	\$		\$		\$	0		
Alternative 3 Name: Brief name of alternative (if applicable)	Describe other opt	cions that were con	sidered		describe any incremental changes in operations	\$		\$	•	\$ -	0		
Program Cash Flows													
5 years of costs					Associated Ers (	list al	l applicable): 2321	-	2222	220	0 2442		
years 5, costs	Capital Cost	O&M Cost	Other Costs	Approved	2459		2479		2322 2480	239 258	200 2000		
				терготов	2,00		247.0		2400	2,00	,		
2012	\$ 1,275,000	\$ -	\$ -	\$ 250,000									
2013			\$ -	\$ 775,001						lo A reconstruit			
2014	\$ 1,400,000	\$ -	\$ -	\$ 1,590,000	)								
2015	\$ 2,750,000	\$ -	\$ -	\$ 1,025,000									
2016	\$ 2,000,000	\$ -	\$ -	\$ 1,350,000	)								
2017				\$ 1,725,000									
2018				\$ 3,300,000									
Total	\$ 15,645,000	\$ -	\$ -	\$ 10,015,001									
Mandate Excerpt (if applica			projected spend:		,								
Obligation to serve: Subs	stations will need t	o be added to the	system as justi	fied for increased cap	pacity and operat	ional	reliability requ	iiremen	ts due to lo	ad growth.			
Additional Justifications:		and the last			National Control					LUIN ENGL			
lew distribution substation eliability, incremental distri asily taken out of service b trogram Link: Substation tr rrogram Link: Substation di	ibution substation c ecause load can be ansmission integrat	apacity is required transferred. ion budget dollars	. This allows for i (\$20k - \$3.45M) a	mproved operational fl are included in this prop	exibility, better sy: gram. The Bovill So	stem i	reliability, and e	easier ro	outine mainte	enance scheduling 5M in 2013.	ions rise regarding as equipment is more		
Resources Requirements: (	request forms and a	pprovals attached,									a spatial		
Internal Labor Availability: Contract Labor;	Low Probability  YES	✓ Medium Probability ☐ NO	High Probability	Enterprise Tech: Facilities: Capital Tools: Fleet:	YES - attach form YES - attach form YES - attach form YES - attach form		✓ NO or Not Requi ✓ NO or Not Requi ✓ NO or Not Requi ✓ NO or Not Requi	ired ired	labor boxes resource ow a general ser	should be checked to	acted and to provide f will be provided		

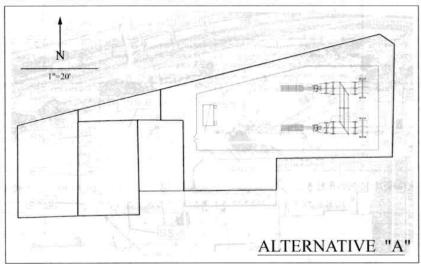
#### AWISTA

### **Capital Program Business Case**

Key Performance Ind	licator(s)		
Expected Performance Im	provements		
KPI Measure:	Energize new subs before need as justified.	7 1	7 1 100
		Prepared	Wichael a Magnide
		k	Mike Magruder, Manager - Substation Engineering
		Reviewed	Hu h
		Kevieweu _	Heather Rosentrater, Director - ENSO
		Reviewed	andal to
		-	Andy Vickers, Director - GPSS







Upper Left: Project Diagram and preliminary justification for Tamarack Sub (NE Moscow).
Lower Left: Project Diagram and Scope for Greenacres Sub (Spokane Valley).
These Project Diagrams and associated background information via Distribution Planning studies are a requirement for any new substations to be funded under this Program. Each study will be included with the Business Case for reference.

Above: Shown is a preliminary design for a potential new substation in the University District in downtown Spokane. The property has been secured and as electric load increases in the U-District, this new substation will need to be constructed ahead of the need to ensure we have the required capacity and system reliability. In addition, this new sub will improve overall operational flexibility to serve all of our electric load in the U-District vicinity. Construction could occur in the next 3-10 years depending on the load growth.

e completed by Capital Planning Group ionale for decision		Review Cycles 2012-2016
	Date	Template

Functional Group: Electric Transmission / Distribution

Business Case Name: Tribal Permits and Settlements

ER No: ER Name:

2301 Tribal Permits and Settlements

Approved Business Case Spend Amount 2013-2016 (\$000s - System): \$2,5701

### Transfer to Plant Amounts (\$000s - System):

Year	Total	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2013	103							6	6	5	6		81
2014	495	7	7	110	7	7	110	7	7	110	7	7	110
2015	1,430			358			358			358			357
2016	315			79			79			79			79

#### **Business Case Description:**

Avista has hydroelectric, transmission, distribution and substation facilities located on the Coeur d'Alene, Colville, Flathead (Salish/Kootenai), Nez Perce and Spokane Tribe Reservations. These facilities are essential components of our energy resource and delivery systems. Avista is required to obtain permits from the Bureau of Indian Affairs (BIA) for its facilities on land held in trust by the federal government for Tribes and/or individual tribal members. Through some of its tribal settlements, Avista obtained the necessary tribal consent and BIA permits for its facilities on tribal trust land. However, Avista needs to renew approximately 700 rights of way permits for other facilities on Trust Land. The original permits were obtained 50+ years ago and the renewal process can be time-consuming (multiple years) and costly. Some of the permits may be in a trespass situation. Avista is actively working with the BIA and the Tribes to file renewal applications and complete the renewal process.

#### Offsets:

<sup>&</sup>lt;sup>1</sup> The business case amount reflects approved capital expenditures for the years indicated and not transfers to plant.

Investment Name:	Tribal Permits a	nad Settlement	\$	_									
Requested Amount	\$325,000			Assess	ments:								
Duration/Timeframe	5 years	Year Program		Financ	000000000000000000000000000000000000000	High - Exceed	s 12	% CIRR					
Dept, Area:	Real Estate for N	lative American I	Relations	Strate		Reliability & Ca			-		-		
Owner:	Toni Pessemier			Operat				execution to p	erforr	n at curren	t leve	le	
Sponsor:	Jason Thackston	The state of the s	The state of the state of	_	ss Risk:	ERM Reductio			CHOIL	n at carren	LICVO	15	
Category:	Program				m Risk:			ind cost, sched	lule a	nd resource	98		
Mandate/Reg. Reference:	25 U.S.C. 323 &	357; 25 CFR 169	)	Assess	ment Score:	94		Annual Cost				locroscal	Γ
Recommend Program Desc	cription:					Performance	-	Capital Cost		&M Cost	1	Other Costs	Business Risk Score
Avista has hydro, transmiss Flathead (Salish/Kootenal), components of our energy Bureau of Indian Affairs (BI	Nez Perce and Spok resource and delive	ane Tribe Reserva ry systems. Avista	tions. These facilities is required to ob-	lities are e Itain pern	essential nits from the	Maintaining facilities in existing locations	\$	325,000	\$		\$	00101 0030	8
and/or individual tribal mer tribal consent and BIA perm approximately 700 rights of obtained 50+ years ago and Some of th epermits may be to file renewal applications	mbers. through son nits for its facilities of f way permits for ot I the renewal proces e in a trespass situal	ne of its tribal settl on tribal trust land. her facilities on Truss ss can be time-con tion. Avista is activ	ements, Avista ob However, Avista ust Land. The orig suming (multiple	btained the needs to ginal pern years) an	ne necessary o renew nits were id costly.	versus costs of having to relocate	100	office and the second s					
Alternatives:							-	Annual Cost					
Unfunded Program:	If permits remain e	maland an all and			F 1914 191	Performance	-	Capital Cost	-	&M Cost		Other Costs	Business Risk Score
	be in a trespass site exposure. Addition	uation exposing th	e company to litig	gation an	d poor media	Lines could be removed from service impacting	\$	10,000,000	\$		\$	1,000,000	16
Alternative 1: Relocation of facilities	Relocation of distri facilities off reserva involve unplanned surveys, title repor	ation and onto roa man-hours, fleet a	d rights of way or and equipment, as	r private p	property would	Restore service to today's system.	\$	10,000,000	\$				0
Alternative 2: Brief name of alternative (if applicable)	Describe other opt	ions that were con	sidered			describe any incremental changes in operations	\$	*	\$		\$		0
Alternative 3 Name: Brief name of alternative (if applicable)	Describe other opt	ions that were con	sidered			describe any incremental changes in operations	\$	2	\$		\$		0
Program Cash Flows						Associated Ers (	Det -	II amadicable).					
5 years of costs						Current ER	iist a	2301			_		
3 7 20.3 01 203.3	Capital Cost	O&M Cost	Other Costs	A	pproved	Current ER		2301		-	+		
				100 511	w Even wy								
2012	\$ 325,000	\$ -	\$ -	\$	325,000						-		
2013	\$ 325,000	\$ -	\$ -	\$	325,000								
2014	\$ 500,000	\$ -	\$ -	\$	500,000								
2015	\$ 1,250,000	\$ -	\$ -	\$	1,430,000								
2016		\$ -	\$ -	\$	315,000								
2017	\$ 300,000			S	300,000								
2018	\$ 250,000			\$	250,000								
Total	\$ 3,200,000	\$ -	4	5	3,445,000								
.000	3/200,000		14		9,949,000								

Mandate Excerpt (if applie	cable):						
25 U.S.C. 323 (Tribal Tr	ust Lands); 25 U	S.C. 357 (Allotted I	Lands) and 25 (	CFR 169 (process)			
Additional Justifications:							
If Avista is unable to obtain	its needed rights	of way (ROW) across	Tribal Trust, Trib	al Fee and Allotted la	ands, the financial risk t	to Avista is significant. I	or example, Avista could be exposed to trespass
damages and the requiren	ent that it move,	at substantial epense,	its lines and faci	lities.			
Resources Requirements:	(request forms and	d approvals attached)					
Internal Labor Availability:	☐ Low Probability	П.,	-			_	Check the appropriate box. The internal and contract
Contract Labor:	YES YES	☐ Medium Probability ☐ NO	☐ High Probability	Enterprise Tech: Facilities:	YES - attach form	NO or Not Required NO or Not Required	labor boxes should be checked to indicate if the
		Attail Comp.		Capital Tools:	YES - attach form	NO or Not Required	resource owners have been contacted and to provide a general sense of how likely staff will be provided
				Fleet:	YES - attach form	NO or Not Required	(this does not require a firm committment).



Key Perfo		dicator(s)							
KPI Measi				ne of the KPI here					
				ne of the KPI here			0	1.	50 NOTE 1
2500					Prepared	signature	Hi		11-15-13
2500	Ye	ar							
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1000		ny. (mours)		^				Director/Manager	
200000							ar constant		
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0	-			This graph is to provide a place to direct	Other Party Revie	w signature	to A		
	1	2 3	4	the KPI benefit. Providing a graph is	(if necessar	y)	0	Director/Manager	
-500				recommended to help communicate what the project is intended to					
				and the project is interface to					
		Thi	s space i	s to be used for photographs, charts	, or other data that m	ay be useful	in evaulating the Pr	ogram	
			energi enancente	section of the construction			3		
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	Date

Functional Group: Electric Transmission / Distribution

**Business Case Name:** Worst Feeders

ER No: ER Name:

2414 Sys-Dist Reliability-Improve Worst Feeders

Approved Business Case Spend Amount 2013-2016 (\$000s - System): \$7,001<sup>1</sup>

#### Transfer to Plant Amounts (\$000s - System):

Year	Total	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2013	500									-1	1	500	
2014	1,500											149	1,350
2015	2,000	167	167	167	167	167	167	167	167	167	167	167	167
2016	2	,000	167	167	167	167	167	167	167	167	167	167	167
167													

#### **Business Case Description:**

Initiating in 2009, ER 2414- "Worst Feeders" was proposed by Asset Management to improve the service reliability of the Company's worst performing electric distribution circuits. Many rural feeders significantly exceed the Company SAIFI target of 2.1. This program is coordinated through divisional Area Engineers to identify treatment of these feeders. Work plans may include, reconstruction, hardening, vegetation management, conversion from overhead to underground, enhanced protection, and relocation.

#### Offsets:

O&M offsets associated with this business case may occur in the future, however, they are not quantifiable at this time.

<sup>&</sup>lt;sup>1</sup> The business case amount reflects approved capital expenditures for the years indicated and not transfers to plant.

#### Capital Program Business Case

Investment Name:	Underperformi	ng Elec Ckts (Wo	orst FDRs)										
Requested Amount	\$2,000,000			Asse	ssments:								
Duration/Timeframe	on-going	Year Program		Finar	ncial:	Medium - >= 5	% 8	<9% CIRR					
Dept, Area:	Engineering/Op	erations		Strat	egic:	Life Cycle Prog	gran	ns					
Owner:	Rosentrater/Jar			Oper	ational:	Operations req	uire	execution to p	erforr	n at current	levels	3	
Sponsor:	Don Kopczynsk	i		Busin	ness Risk:	ERM Reduction	n >5	5 and <= 10					
Category:	Program			Prog	ram Risk:	Moderate certa	ainty	around cost, s	ched	ule and reso	urces		500 m m m m m m m m m m m m m m m m m m
Mandate/Reg. Reference:	n/a			Asse	ssment Score:	84		Annual Cost	Sumr	nary - Increas	e/(De	crease)	
Recommend Program Desc	ription:					Performance		Capital Cost		&M Cost	1	Other Costs	Business Risk Score
Initiating in 2009, ER 2414- reliability of the Company's significantly exceed the Cor	worst-performing npany SAIFI target	electric distribution of 2.1. This program	n circuits. Many r m is coordinated	ural fe	eders h divisional Area	Improve the overall system performance of	\$	2,000,000	\$		\$		12
Engineers to identify treatm vegetation management, co					The state of the s	the Company's "top ten" worst feeders.					- // -		
Alternatives:						Douformana				nary - Increas			Donales and Diale Consu
	Investores estate	the test at a second				Performance		Capital Cost		&M Cost		Other Costs	Business Risk Score
Unfunded Program:		lity indices expected ct customer contact: odies.				rural FDRs whose SAIFI exceeds 10	\$		\$		\$		20
50% funding	Funding at \$1,000 feeders.	0,000 would restrict	current treatmen	nt to to	p five worst	annual spend restricted to top five worst feeders	\$	1,000,000	\$		\$		12
25% funding		00 would restrict tre eclosers, additional		ced pro	otection only	work plan restricted to enhanced protection	\$	500,000	\$		\$		0
						describe any incremental changes in operations	\$		\$		\$		0
Program Cash Flows						Associated Ers (	list :	all applicable):					
5 years of costs						Current ER		2414		ver de que			
	Capital Cost	O&M Cost	Other Costs	1100	Approved	STEET STEET							
2012			\$ -	\$	1,500,000						27		DATE:
2013		) \$ -	\$ -	\$	1,500,750	1							
2014		) \$ -	\$ -	\$	1,500,000								
2015			\$ -	\$	2,000,000	J							
2016	\$ 2,000,000	)		\$	2,000,000								
2017	\$ 2,000,000	)		\$	2,000,000								
2018	\$ 2,000,000	) \$ -	\$ -	\$	2,000,000	1							
Total	\$ 14,000,000	) \$ -	\$ -	\$	12,500,750	1							
Mandate Excerpt (if applic	able):								e A				
Additional Justifications:													
Any supplementary informa	ation that may be	useful in describing i	in more detail the	natur	e of the Program	the urgency etc	-						
		and the second s	and a constitution		one ringiani,	and entry, etc.							

YES - attach form

YES - attach form

YES - attach form

YES - attach form

NO or Not Required

☑ NO or Not Required

NO or Not Required

NO or Not Required

Contract Labor:

Resources Requirements: (request forms and approvals attached)

□ NO

2 YES

☑ Medium Probability ☐ High Probability Enterprise Tech:

Facilities:

Fleet:

Capital Tools:

Check the appropriate box. The internal and contract labor boxes should be checked to indicate if the resource owners have been contacted and to provide a general sense of how likely staff will be provided (this does not require a firm committment).



Key Performance In Expected Performance In	500.012.00 <b>0.00</b>	
KPI Measure:	Monitor SAIFI	

Other Party Review signature Director/Manager

	7-yr	7-yr	3-yr	3-yr	%Dif	1-yr	% Dif
Feeder	Rank	Ave	Rank	Ave	3yr v. 7yr	Rank	1yr v 3yr
GRV1273	1	21.02	1	13.07	38%	3	23%
DER651	2	10.44	2	8.97	14%	12	41%
GIF34F2	3	7.40	7	6.32	15%	4	-50%
SPI12F1	4	7.19	3	7.47	-4%	10	21%
STM633	5	7.18	8	6.08	15%	6	-24%
CHW12F3	6	5.58	14	4.73	15%	24	14%
JPE1287	7	5.37	4	6.82	-27%	30	46%
GIF34F1	8	5.19	17	4.11	21%	11	-32%
VAL12F1	9	5.11	6	6.34	-24%	17	24%
CLV34F1	10	5.01	11	5.29	-6%	5	-61%
ROX751	11	4.97	10	5.34	-7%	118	76%
ODN732	12	4.87	9	6.00	-23%	1	-142%
WEI1289	13	4.70	5	6.78	-4496	53	66%
WAL543	14	4.66	19	4.06	13%	26	0%
VAL12F2	15	3.85	20	3.90	-1%	8	-63%
LF34F1	16	3.85	36	2.77	28%	183	77%
COT2402	17	3.84	25	3.14	18%	96	51%
DER652	18	3.75	38	2.71	28%	213	90%
CKF711	19	3.74	34	2.85	24%	93	45%
KET12F2	20	3.57	41	2.65	26%	38	-19%
RDN12F2	21	3.54	81	1.70	52%	126	29%
BLU321	22	3.50	154	1.03	71%	179	3196
WAL542	23	3.44	63	2.11	39%	59	-3%
SPT4S21	24	3.43	40	2.66	22%	138	57%
MIS431	25	3.43	16	4.29	-25%	15	-18%
WAL545	26	3.37	77	1.77	48%	69	-15%
ORI12F3	27	3.36	31	2.92	13%	34	-12%
SPI12F2	28	3.35	80	1.74	48%	133	33%
DGA611	29	3.27	46	2.50	24%	45	-9%
UL662	30	3.24	35	2.79	14%	208	89%

onale for decision		Review Cycles 2012-2016
	Date	Template

Functional Group: Electric Transmission / Distribution

**Business Case Name:** Spokane Valley Transmission Reinforcement

ER No: ER Name:

2446 Irvin Sub - New Construction

2474 Beacon-Boulder #2 115: Capacity Upgrade

2526 Opportunity 12F2 Cx Fdr

2552 Opportunity 115 kV Switching Station

Approved Business Case Spend Amount 2013-2016 (\$000s - System): \$9,9961

## Transfer to Plant Amounts (\$000s - System):

Year	Total	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2013	997							143	109	73	13		658
2014	1,900												1,900
2015	600												600
2016	6,440									4,600			1,840

### **Business Case Description:**

The Spokane Valley Transmission Reinforcement Project includes rebuilding 4.4 miles of the Beacon - Boulder #2 115 kV Transmission Line, constructing the new Irvin Switching Station, rebuilding 1.75 miles of the Irvin - Opportunity 115 kV Tap, installing circuit breakers at Opportunity Substation, and constructing a new 2.2 mile 115 kV transmission line from Irvin to Millwood/Inland Empire Paper. The completion of these projects are required to mitigate existing and future performance and reliability issues of the Transmission System in the Spokane Valley.

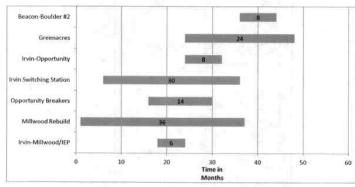
#### Offsets:

<sup>&</sup>lt;sup>1</sup> The business case amount reflects approved capital expenditures for the years indicated and not transfers to plant.

#### Capital Investment Business Case

Investment Name:	Spokane Valley Transmission Reinforcement											
Requested Amount	\$13,736,503	Assessments:										
Duration/Timeframe	5 Year Project	Financial:	Medium - >= 5	% &	<9% CIRR							
Dept, Area:	T&D - Substation & Transmission Engineering	Strategic:	Reliability & Capacity									
Owner:	Heather Rosentrater	Operational:	Operations require execution to perform at current levels									
Sponsor:	Don Kopczynski	Business Risk:		RM Reduction >0 and <= 5								
Category:	Project	Project/Program Risk:	High certainty	arou	ind cost, sched	ule	and resources	s				
Mandate/Reg. Reference:	n/a	Assessment Score:		78.5 Cost Summary - Increase/(Decrease)						-4+		
Recommend Project Descri	iption:		Performance		Capital Cost		O&M Cost	T	Other Costs	Business Risk Score		
the Irvin - Opportunity 115 new 2.2 mile 115 kV transn	ssion Line, constructing the new Irvin Switching Station, kV Tap, installing circuit breakers at Opportunity Substa nission line from Irvin to Millwood/IEP. The completion g and future performance and reliability issues of the Tr	tion, and constructing a of these projects are										
				-	Cost Sur	nma	ry - Increase/(	Decr	ease)			
Alternatives:			Performance		Capital Cost		O&M Cost	T	Other Costs	<b>Business Risk Score</b>		
Status Quo :	Heavy thermal loading (>90%) is projected to occur on in the near term planning horizon. Presently the Beac Transmission Line cannot be taken out of service to be to operational constraints serving IEP's new synchrono	on - Boulder #2 maintained/rebuilt due	n/a	\$		\$		\$		6		
Alternative 1: Partial Transmission System Upgrades	Upgrade existing Transmission System by installing cap rebuilding 115 kV transmission lines with 795 ACSS cor expenditures will be required going forward.		Thermal load reduced in near term planning horizon	\$	9,600,000	\$		\$		4		
Alternative 2: Irvin Plan Minus IRV-MIL 115 kV Line	Construct all items in proposed Project except the new line from Irvin to Millwood/IEP. Ability to serve IEP is s		Thermal load reduced in near term planning horizon	\$	9,500,000	\$	uni na irazine.	\$	rimet gallich	4		
Alternative 3 Name: Brief name of alternative (if applicable)	Describe other options that were considered		describe any incremental changes in operations	\$		\$		\$		0		

#### Timeline



## Construction Cash Flows (CWIP)

	Capital Cost			Owivi Cost	Utt	ier Costs	Approved			
Previous	\$	40,559	\$		\$	1007	\$	40,559		
2012	\$	3,700,000	\$		\$		\$	3,700,000		
2013	\$	4,150,000	\$	6.00	\$		\$	1,155,944		
2014	\$	2,940,000	\$	41	\$		\$	3,400,000		
2015	\$	1,500,000	\$		\$		\$	2,625,000		
2016	\$		\$		\$		\$	2,815,000		
2017	\$		\$	and the state of	\$	100000000000000000000000000000000000000	\$			
2018	\$	4/20-1	\$	mer serv	\$	100	\$			
Future	\$		\$	10000	\$	1	\$	-		
Total	\$	12,330,559	\$	40	\$	- 4	\$	13,736,503		

Milestones	(high to	wal ta	Intern

January-12	Construct Irvin-Millwood/IEP 115 line
January-12	Rebuild Millwood Sub (not included in Project)
January-12	Build Irvin 115 kV Switching Station
January-12	Install breakers at Opportunity
January-13	Rebuild Irvin-Opportunity 115 kV line
January-13	Construct Greenacres Sub (not included in Project)
January-15	Rebuild Beacon-Boulder #2 115 kV line

December-12	Complete construction (terminate Irvin end of line when Irvin is completed - 2014)
September-13	Complete rebuild
December-16	Complete 115 kV Switching Station; Add Distribution later

Complete 115 kV Switching Station; Add Distribution later Complete installation

December-14 Complete rebuild December-13 April-15 Complete construction Complete rebuild December-15

Associated Ers (list all applicable):	1006	2001	2446	2474	2526	2552	
Mandate Excerpt (if applicable):	With continued load g			y to supply projec	ted customer dem	ands under	

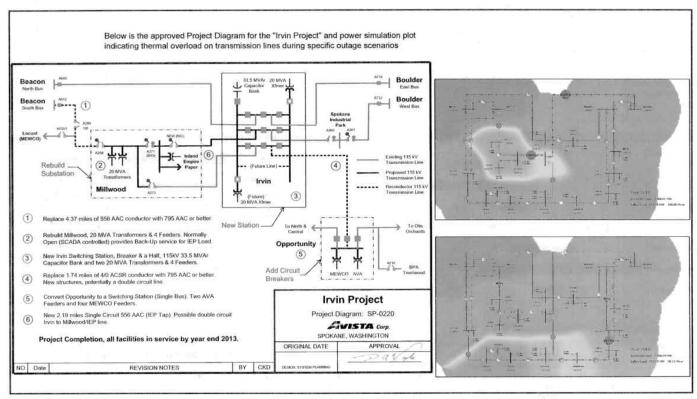
#### Additional Justifications:

In 2009, The Irvin Project report was reviewed and approved by stakeholders in the Engineering, Operations, and Planning Groups at Avista. A superior project, or collection of projects, was selected to mitigate existing and future performance and reliability issues of the Transmission System in the Spokane Valley. These projects, identified as Option 4a in The Irvin Project, and reiterated in the System Planning Interoffice Memorandum SP-2009-03 – Summary – Irvin (Spokane Valley Transmission Reinforcement) Project are illustrated in Project Diagram SP-0220 – Irvin Project. Further updates are provided in Interoffice Memorandum SP-2011-07 - Spokane Valley Transmission Reinforcement (Irvin Project). All documents are posted on Transmission System Planning SharePoint Site.

## Avista

### **Capital Investment Business Case**

Resources Requirements:	(request forms an	d approvals attached)					
Internal Labor Availability: Contract Labor:	Low Probability  YE5	☑ Medium Probability ☐ NO	High Probability	Enterprise Tech: Facilities: Capital Tools: Fleet:	YES - attach form YES - attach form YES - attach form YES - attach form	✓ NO or Not Required ✓ NO or Not Required ✓ NO or Not Required ✓ NO or Not Required	Check the appropriate box. The internal and contract labor boxes should be checked to indicate if the resource owners have been contacted and to provide a general
Key Performance Indicator	r(s)						sense of how likely staff will be provided (this does not require a firm
Expected Performance Improves		P LE CHARLE		7			committment).
KPI Measure:	Fill in the name		A STATE OF THE PARTY OF THE PAR	-	-		4.180
	riii in the name	of the Kriffere		Prepared	nine	agusto.	Cutta De D
				Trepared	Mil	ke Magruder/Ken Sweiga	nt T&D Substations/Transmission
					110	12	0
				Reviewed	Bb	7	-
						Heather Rosent	rater, Director - ENSO
					1	10	/
					11/1	1-1/2	
				Reviewed	Over	Tall 1	
						Andy Vicker	s, Director - GPSS



nale for decision		Review Cycles 2012-2016	
	Date	Template	

Functional Group: Electric Transmission / Distribution

Business Case Name: Clearwater Substation Upgrades

ER No: ER Name:

2571 Clearwater 115 kV Substation Upgrades

Approved Business Case Spend Amount 2013-2016 (\$000s - System): \$3,700<sup>1</sup>

#### Transfer to Plant Amounts (\$000s - System):

Year	Total	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2013													
2014	2,700									2,200			500
2015	500										500		
2016	500										500		

## **Business Case Description:**

Clearwater 115 kV Substation Upgrades. Several components in this station have reached their life cycle and need to be replaced. Some of the station components are non-standard and relatively unreliable. This project will upgrade the station by adding a 115 kV bus sectionalizing breaker and associated air switches on the section of bus between the two power transformers for better operational flexibility and restoration. This work includes construction of a 115 kV line terminal and relocation of 2 lines, upgrading metering, and adding SCADA. This is very difficult work in this particular station and this customer requires continued operation during construction. The protective relays and associated communication system will be upgraded to improve reliability of service.

#### Offsets:

<sup>&</sup>lt;sup>1</sup> The business case amount reflects approved capital expenditures for the years indicated and not transfers to plant.

## Capital Project Business Case



Investment Name:	Clearwater Sub U	Jpgrades		]								
Requested Amount	\$3,700,000	V 5		Assessments:	7 0001							
Duration/Timeframe	4 Year Project Financial:					7.00%						
Dept, Area:	T&D - Substations	A DE LEGIS CONTRACTOR DE LA PERSONA DE LA PE		Strategic:	Reliability & C	-		2011 200000				
Owner:	Heather Rosentra Don Kopczynski	ter	- confirm	Business Risk:	Business Risk			ule and resources				
Sponsor: Category:	Project			Project Risk:	riigii certairity	aloun	d cost, scried	ule and resources	•			
Mandate/Reg. Reference:	n/a	THE COLUMN TWO		Assessment Score	98	al .	Annual Cost	Summary - Increa	so //Dacrasca)	1		
Recommend Project Descri		والمحاجما		Prosessment Score.				Harman Street Company of the		A		
Clearwater 115 kV Substation	2	I componente in th	is station boxes so	ached their life and	Performance le better	5	apital Cost	O&M Cost	Other Costs	Business Risk Score		
and need to be replaced. So project will upgrade the sta on the section of bus betwe restoration. This work inclu- metering, and adding SCAD continued operation during be upgraded to improve rel	ome of the station co tion by adding a 115 sen the two power tr ides construction of A. This is very difficu construction. The pi	omponents are nor kV bus sectionalizi ansformers for bet a 115 kV line termi alt work in this part	n-standard and re ng breaker and a ter operational fi nal and relocation icular station and	latively unreliable. ssociated air switch exibility and n of 2 lines, upgradi I this customer requ	This operational flexibility, improved system comms and metering							
							THE RESERVE AND PARTY AND PERSONS ASSESSED.	Summary - Increa	The state of the s			
Alternatives:					Performance n/a		apital Cost	O&M Cost	Other Costs	Business Risk Score		
Unfunded Project: The existing station is a single bus with "sliding link" air switches that are extremely dangerous to operate. A 115 kV fault in the station will shut down Clearwater Paper entirely until the problem can be fixed. Existing meters are obsolete and routinely cause problems.						\$	100,000	\$ 50,000	\$ 1,000,000	6		
Alternative 1: Brief name of alternative (if applicable)	Several options were project is what was requirements. So,	agreed upon with	Clearwater Paper	to meet both parti	es' incremental changes in	\$		\$	\$	1		
	Business Case.				operations	1						
Alternative 2: Brief name of alternative (if applicable)	Describe other opti	ons that were cons	idered		describe any incremental changes in operations	\$		\$	\$	0		
Alternative 3 Name: Brief name of alternative (if applicable)	Describe other opti	ons that were cons	idered		describe any incremental changes in operations	\$		\$	\$ -	0		
Program Cash Flows							i i i i i i i i i i i i i i i i i i i					
Previous	Capital Cost	O&M Cost	Other Costs	Approved S		Assoc	iated Ers (list 2571	all applicable):				
2013		\$ -	\$ -	\$ 700,0	000		2011					
2014	and the second s	5 -	\$ -	\$ 2,000,0		11			PAGE III WORKS	THE REAL PROPERTY.		
2015	The state of the s	\$ -	\$ -	\$ 500,0	AND DESCRIPTION OF THE PERSON	-4	1000					
2016		\$ -	\$ -	\$ 500,0								
2017+	S -	\$ -	\$ -	Ś								
Total		\$ -	\$ -	\$ 3,700,0	000							
ER	2013	2014	2015	2016	2017+		Total	Mandate Excerpt	(if applicable):			
2571	\$ 700,000	\$ 2,000,000	\$ 500,000	\$ 500,0	000 \$ -	\$	3,700,000	provide brief of	citation of the law or	regulation and a		
2571 0 0 0 0 0 0	\$ -	\$ -	\$ -	\$	- \$ -	\$		refe	erence number if po	ssible		
0	\$ -	\$ -	\$ -	\$	- \$ -	\$	100	2				
0	\$ -	\$ -	\$ -		- \$ -	\$	1					
0	\$ -	\$ -	\$ -	\$	- \$ -	\$	-					
0	\$ -	\$ -	\$ -	\$	- \$ -	\$			NUMBER OF STREET			
0	\$ -	\$ -	\$ -	\$	- \$ -	\$	-					
0	\$ -	\$ -	\$ -	\$	- \$ -	\$		Additional Justific	ations:			
0	\$ -	\$ -	\$ -	Y	- \$ -	\$		Day See Silly		A STATE OF THE PARTY OF THE PAR		
0	\$ -	\$ -	\$ -		- \$ -	\$						
0	\$ -	\$ -	\$ -	\$	- \$ -	\$		100000000000000000000000000000000000000	meet the aggressi			
0	\$ -	\$ -	\$ -	\$	- \$ -	\$			approval is neede			
0	\$ -	\$ -	\$ -	\$	- \$ -	\$		project funding	can be secured to	begin design and		
0	\$ -	\$ -	\$ -	\$	- \$ -	\$		procuremen	nt. Schedule com	mitments with		
0 0 0 0 0 0 0 0 0 0	\$ -	\$ -	\$ -	\$	- \$ -	\$	- × .		ater Paper are ch			
0	\$ -	\$ -	\$ -	\$	- \$ -	\$		Cicarw	ater ruper are th			
Total	\$ 700,000	\$ 2,000,000	\$ 500,000	\$ 500,0		\$	3,700,000	Richard III				
District of the second	UPPER OZV											
Milestones (high level ta												
March-13	Sub Design Begin		Spring-14	T-line Shoofly Co			Spring-16	Upgrade Transfo	ormer r€ Milestones s	hould be general.		
June-13	UT2 - 34 kV Bkr D		Summer-14	115 kV Bus Sect			anuary-00	open		gement on project		
July-13	T-Line Design Be		Fall-14	Commission Tie			anuary-00	open		hat progress can		
September-13	UT2 - 34 kV Bkr F		Winter-14	Upgrade SCADA			anuary-00	open	be measured	The state of the s		
Winter-13	115 kV Sub Desig		Spring-15	Upgrade Lolo 2 F			anuary-00	open				
Spring-14	115 kV Bay Cons	. A-448	Fall-15	Upgrade N Lewis	ston Relays	J	anuary-00	open				
Resources Requirements: ( Internal Labor Availability: Contract Labor:	request forms and a	pprovals attached) Medium Probability NO	☑ High Probability				Not Required			O or Not Required		
	410			, Juliane	YES - attach form	ET MO OL	Not Required	L		O or Not Required		

## **Capital Project Business Case**



Key Performance Indicator(s)		· · · · · · · · · · · · · · · · · · ·
Expected Performance Improvements  KPI Measure: Fill in the name of the KPI here		
Fill in the name of the KPI here  1.2  #REF!  1 —#REF!		Mike Magruder/Ken Sweigart, T&D Substations/Transmission
0.8 — #REF!  — Project FO Rate  — Poly, (#REF!)	Reviewed	Heather Rosentrater, Director - ENSO
0.4	Reviewed	Andy Vickers, Director - GPSS
0 +	Reviewed(if necessary)	Director
34 kV UT2 breaker and air switches to be replaced a switches were replaced in 2012.  To be completed by Capital Planning Group	N. Lewiston transmission line river crossing deadend structure to be rebuilt to the west (right in photo) and old Lolo 2: 115 kV line terminal to be rebuilt in substation.  Sliding link switches to be replaced with gang-operair switches (and a bus sectionalizing breaker).	
Rationale for decision		Review Cycles 2012-2016
	Date	Template

Functional Group: Electric Transmission / Distribution

**Business Case Name:** Franchising for Washington State Department of Transportation ("WSDOT")

ER No: ER Name:

7108 WSDOT Highway Franchise Consolidation

Approved Business Case Spend Amount 2013-2016 (\$000s - System): \$710<sup>1</sup>

## Transfer to Plant Amounts (\$000s - System):

Year	Total	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2013	42											21	21
2014	265			66			66			66			66
2015	195	16	16	16	16	16	16	16	16	16	16	16	16
2016	125	10	10	10	10	10	10	10	10	10	10	10	10

#### **Business Case Description:**

Obtain franchise renewals for existing facilities on WSDOT rights of way. We have hundreds of miles of Transmission and Distribution facilities within WSDOT rights of ways. Maintaining our right to be there allows for the continued operation of those facilities without additional negative impact to our ratepayers or the Company.

#### Offsets:

<sup>&</sup>lt;sup>1</sup> The business case amount reflects approved capital expenditures for the years indicated and not transfers to plant.



Investment Name:	Franchising for	WSDOT		1								
Requested Amount	\$265,000	100000000000000000000000000000000000000		Assessments:								
Duration/Timeframe		Year Program		Financial:	Medium - >= 5							
Dept, Area:	Environmental			Strategic:	Life Cycle Prog							THE RESERVE TO THE
Owner:		Bruce Howard (Di	r)	Operational:	Operations sor			y exec	cution			
Sponsor:	Marian Durkin			Business Risk:	ERM Reduction							
Category:	Program			Program Risk:	High certainty a	arou	nd cost, sched	ule an	d resource:	S		
Mandate/Reg. Reference:	n/a			Assessment Score:	81		Annual Cost	Summ	ary - Increas	e/(Decrea	ase)	
Recommend Program Des	cription:				Performance		Capital Cost	08	&M Cost	Othe	r Costs	Business Risk Score
Obtain franchise renewals Transmission and Distribut allows for the continued op	ion facilities within \	WSDOT rights of wa	ys. Maintaining	our right to be there	Present operation	\$	265,000			\$		1
or the Company.	34 III - 100 A	CHAIR I ST. A SCHOOL CONTROL OF THE CO	DATE OF THE PROPERTY OF THE		will remain			_		//n	•	
Altamations					D		Annual Cost					D. 1
Alternatives:					Performance	-	Capital Cost		&M Cost	-	r Costs	Business Risk Score
Unfunded Program:	requiring that we r	elocate our facilitie o WSDOT propertie	s. In addition, w	VSDOT property, thus e will not be able to rve our load or operate	n/a	\$		\$	•	1002000	erate to reme	9
move facilities to private property	This would involve moving all of the e	20110	its on, or buying,	private property and	interrupt services to move facilities	\$	1	\$	e		erate to reme	1
						\$	-	\$	-	\$	-	0
						\$		\$	*	\$		0
Program Cash Flows 5 years of costs					Associated Ers (	_	ll applicable):					
	Capital Cost	O&M Cost	Other Costs	Approved		-						
			102									
2012		\$ -	\$ -	\$ 250,000								
2013		\$ -	\$ -	\$ 125,000								
2014	\$ 265,000	\$ -	\$ -	\$ 265,000								
2015	\$ 195,000	\$ -	\$ -	\$ 195,000								
2016	\$ 125,000	\$ -	\$ -	\$ 125,000								
2017	\$ 125,000			\$ 125,000								
2018	\$ 125,000			\$ 125,000	1							
Total	The state of the s	\$ -	\$ -	\$ 1,210,000								
Mandate Excerpt (if applic provide brief citation of th		n and a reference	number if poss	iible				16-16-16-16-16-16-16-16-16-16-16-16-16-1				
Additional Justifications:		المستوالين										
WSDOT will not allow new	facilities to be built	on franchises that h	ave expired.									
Resources Requirements:	(request forms and c	approvals attached)										
Internal Labor Availability: Contract Labor:	☐ Low Probability ☐ YES	☐ Medium Probability	☐ High Probablity	Enterprise Tech: Facilities: Capital Tools: Fleet:	YES - attach form YES - attach form YES - attach form YES - attach form		☑ NO or Not Requ ☑ NO or Not Requ ☑ NO or Not Requ ☑ NO or Not Requ	ired ired	labor boxes resource ov	s should be wners have ense of how	checked to been cont v likely sta	internal and contract b indicate if the acted and to provide if will be provided amittment).

#### Capital Program Business Case



Key Perfo								
KPI Measi		ce Improve	ments obtain	franchi	ses			<i>P</i> _
			Fill in t	he nam	e of the KPI here		alanatura	C I me
2500						Prepared	signature	
2000	_	-Year -Hours						
		Base Line						marzad
1500		- Project FO - Poly. (Hou				Reviewed	signature	/
1000		r ory: (mou	(9)		^			Director/Manager
500								
					This graph is to provide a place to direct	Other Party Revie	w signature	(2×4)
0	1	2	3	4	the KPI benefit. Providing a graph is	(if necessar		Director/Manager
-500		ofe.	18	7.	recommended to help communicate what the project is intended to			
					**************************************			
To be o	omplet	ed by Ca	pital F	lannin	g Group			
		decision			Branne (All)			Review Cycles

Date

**Review Cycles** 2012-2016

Template

Functional Group: Electric Transmission / Distribution

**Business Case Name:** Harrington Voltage Conversion from 4 kV to 13 kV

ER No: ER Name:

2289 Harrington Conversion to 13 kV

Approved Business Case Spend Amount 2013-2016 (\$000s - System): \$3,000<sup>1</sup>

### Transfer to Plant Amounts (\$000s - System):

Year	Total	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2013													
2014	1,000												1,000
2015	2,000	167	167	167	167	167	167	167	167	167	167	167	167
2016													

#### **Business Case Description:**

The Harrington, WA area is the last area Avista serves at the legacy 4 kV voltage. This voltage is obsolete for serving utility distribution systems and we have very limited spare equipment to continue service at this voltage. The substation is very old and the transformer will be difficult and time consuming to replace if it fails. We do not have 4 kV on our mobile substations, so all the customers served by Harrington feeders will be out of service until the transformer is replaced. This could easily be up to 48 hours. There is no reason to delay this needed upgrade to our standard distribution class voltage and equipment. Minor system efficiencies also result.

#### Offsets:

<sup>&</sup>lt;sup>1</sup> The business case amount reflects approved capital expenditures for the years indicated and not transfers to plant.

# Capital Project Business Case



Investment Name:	Harrington Upg	rade	s			1									
Requested Amount	\$3,000,000					Ass	essments:			E-10					
Duration/Timeframe			ar Project			Fina	ancial:	7.00%			1000		the se		
Dept, Area:	T&D - Substatio	-	stribution	S. market			itegic:	Reliability & Ca				- Systeman	1.78	100	
Owner:	Heather Rosent	-			1000		iness Risk:	Business Risk I							
Sponsor:	Don Kopczynsk					Pro	ject Risk:	High certainty a	arour	nd cost, sched	ule and	d resources			
Category:	Project	- 191				-									
The second secon	n/a	-			-	Ass	essment Score:	87	-	Annual Cos	Summ	ary - Increas	e/(Decr	ease)	
Recommend Project Descri	200000000000000000000000000000000000000							Performance		Capital Cost	0	&M Cost	Oti	ner Costs	<b>Business Risk Score</b>
Harrington Voltage Convers								Removes long	\$	3,000,000	\$		\$	127.00	1
voltage is obsolete for servi								term outage risk							Contract of the Contract of th
continue service at this volt								for sub failures;							
consuming to replace if it fa					1			The state of the s							
by Harrington feeders will be hours. There is no reason to				100,000				standardizes							
equipment. Minor system			aue to our star	idard o	istributioi	Clas	s voitage and	system							
equipment. Willor system	efficiencies and re-	ouit.				-					1		un		
Alternatives:					-			Douformouse	١.,			ary - Increase			
Unfunded Project:	Do nothing This	ontine	narar incense	ad sick t	for the Co		ou and overses	Performance	_	Capital Cost	-	&M Cost	-	ner Costs	Business Risk Score
omunueu Project.	Do nothing. This						tation has reached	n/a	\$	300,000	\$	100,000	\$	1,000,000	6
	The second secon						ation costs will be		icini				NO.		
	more expensive a			te. on	Mainted re	31016	ation costs will be	THE REAL PROPERTY.	033		100		ALC: U		
Hadamada d Basilanta Campid											-				
Unfunded Project: Cont'd	are over-dutied,						e transformer that		\$		\$		\$		1
	one of five remain		CAY STORY AND			ueu i	or a fault. This is	incremental	100		100		100-1		
	one of five remain	mig St	ations with the	s type c	n tusnig.			changes in operations			110		25		
Alternative 2: Brief name	Dibtb	***		t days of				The Marketon	-		-	-			
of alternative (if	Describe other or	tions	tnat were cons	idered				describe any	\$	1	\$		\$	2.21	0
applicable)	DESIGN COM							incremental	11,77				1100		
<i>аррисавіе)</i>	Mark the r							changes in	1186		18-60				
Alternative 2 Name - Drief	Describe attaches	******		sava da ar		_		operations		AND DESCRIPTION OF THE PERSON				1000	
Alternative 3 Name: Brief name of alternative (if	Describe other or	tions	that were cons	idered				describe any	\$		\$	9 15	\$	1	0
applicable)								incremental	Billio.		9		60.8		
аррисавист	Dec Paris							changes in operations	100				C.S.R	SELL INV.	
			-	1000				Operations	_		_				1011
Program Cash Flows	and the same of			-	and to the last			100				12			
r rogram cash r rows	Capital Cost	1	O&M Cost	Oth	er Costs	T	Anneward	1	A	alabad Fas Mar	-11	tartet.	-	-	
Previous		\$	Jain Cost	Ś	C. CUSIS	Ś	Approved	Const.	M350	ociated Ers (list 2289		icable):	1000000	1 2 1/2-1	
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Total	\$ -	5	3,000,000	\$		\$		\$ -	Ś	3,000,000					
										75.570.00					
Milestones (high level tar	rgets)			00					K I	1.5-0					
January-14	Begin Design			Ju	ly-14	Ren	nove & Salvage (	Old Substation	.1	January-00	open				
March-14	Start Distribution	Line	Work		just-14		rt Substation Con			January-00	open				
May-14	Transmit Substa				ber-14		nplete Substation			January-00	open				
June-14	Install Mobile Su	bstati	ion		ber-14		nsfer Load from N			January-00	open				
June-14	Start Distribution				mber-14		urn Mobile to Spo			January-00	open				
July-14	Complete Cutov	er Pro	ocess	Janu	uary-00	ope	n		J	January-00	open				
December 1															
Resources Requirements: ( Internal Labor Availability:	minimized committee and a requirement of the committee of	water contract	THE RESIDENCE OF THE PROPERTY.	-					(He	S 1 11 15 15				and the same	
Internal Labor Availability: Contract Labor:	Low Probability	☐ M	edium Probability	High	Probablity					r Not Required	9800 <b>-</b> 190 -		YES - attac		or Not Required
	YES	CIN	M)			raci	lities:	ES - attach form	I NO or	Not Required	Fleet:		YES - attac	TI TOTTI	or Not Required

## Capital Project Business Case



Key Performance Indicator(s)				
Expected Performance Improvements KPI Measure: Fill	s i in the name of the KPI here			1 1
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		-	Bryan Cox,	Director - West Operations
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Rationale for decision	Shekardayah sayah sayah sa da			v Cycles -2016
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Functional Group: Electric Transmission / Distribution

Business Case Name: Moscow 230 Substation Rebuild

ER No: ER Name:

2484 Moscow 230 kV Sub-Rebuild 230 kV Yard

Approved Business Case Spend Amount 2013-2016 (\$000s - System): \$6,4001

#### Transfer to Plant Amounts (\$000s - System):

Year	Total	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2013	6,686									6,317	369		
2014	5,853						5	,700					153
2015													
2016													

## **Business Case Description:**

This project, which is presently under construction, completely rebuilds the entire Moscow 230 kV Substation. The new station will include gas circuit breakers for both the 230 kV and 115 kV yards, a new 250 MVA Autotransformer, two 115 kV Capacitor Banks or an additional Autotransformer, a new panel house, and a station configuration that allows for future additions. The primary driver for this project is the capacity of the existing 125 MVA Autotransformer. System planning studies show an imminent thermal overload of the 56 year old unit in the event we have a failure of the Shawnee Autotransformer. Considering these two units serve the entire Pullman-Moscow area, this project is critically important to Avista's ability to serve our customers.

#### Offsets:

After revenue requirement was finalized, it was determined that offsets do exist for this business case. The new transformer results in loss savings of 720 MWH annually based on average loading. Assuming an avoided energy cost of \$44/MWH, the total 2013 savings is [(720 MWH x \$44/MWH) / (12 months)] \* 6 months = \$15,840 system and Washington's allocation is \$10,298. For 2014 and 2015, the calculation includes savings based on twelve months resulting in an offset of \$31,680 system and \$20,575 Washington in each of those two years. These additional offset amounts should have been included in revenue requirements.

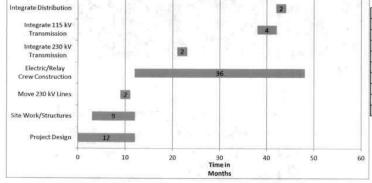
<sup>&</sup>lt;sup>1</sup> The business case amount reflects approved capital expenditures for the years indicated and not transfers to plant.

### AWISTA

#### Capital Investment Business Case

Investment Name:	Moscow 230 Substation Rebuild									
Requested Amount	\$14,612,411	Assessments:								
Duration/Timeframe	5 Year Project	Financial:	Medium - >= 59	% & 4	<9% CIRR					
Dept, Area:	T&D - Substation & Transmission Engr	Strategic:	Life Cycle Prog	rams	3					
Owner:	Heather Rosentrater	Operational:	Operations requ			erfor	rm at current l	evel	s	The state of the s
Sponsor:	Don Kopczynski	Business Risk:	ERM Reduction			200				
Category:	Project	Project/Program Risk:	High certainty a	roun	d cost, sched	ule a	and resources			
Mandate/Reg. Reference:	n/a	Assessment Score:	89		Cost Sun	nma	ry - Increase/(0	ecre	ease)	I
Recommend Project Descr	iption:		Performance	C	apital Cost		O&M Cost	1	Other Costs	Business Risk Score
250 MVA Autotransformer, panelhouse, and a station of project is the capacity of th imminent thermal overload Autotransformer. Consider	n will include gas circuit breakers for both the 230 two 115 kV Capacitor Banks or an additional Auto onfiguration that allows for future additions. The e existing 125 MVA Autotransformer. System plan to f the 56 year old unit in the event we have a failing these two units serve the entire Pullman-Mosca's ability to serve our customers.	transformer, a new primary driver for this ining studies show an ure of the Shawnee	sufficient for demand; sys. reliability and station safety will be improved.							
						nma	ry - Increase/(E	ecre	ease)	
Alternatives:			Performance	C	apital Cost		O&M Cost		Other Costs	<b>Business Risk Score</b>
Status Quo:	Our ability to serve our load under N-1 conditions winter peak. System operations has few alternations		n/a	\$	250,000	\$	100,000	\$	100,000	8
	the existing capacity at Moscow 230 if there is a f Load growth exacerbates this problem		post retail							
Alternative 1: Rebuild with two-125 MVA units (vs. one-250 MVA unit)	the existing capacity at Moscow 230 if there is a f	ailure of the Shawnee unit.  Instead of one-250 MVA unit.  the recommended option.  cost increase, which still	Better operational flexibility;meets requirements	\$	16,000,000	\$		\$		1
two-125 MVA units (vs.	the existing capacity at Moscow 230 if there is a f Load growth exacerbates this problem An option was studied with two-125 MVA units in All other aspects of the rebuild were the same as There are definite benefits to this option but the	ailure of the Shawnee unit.  Instead of one-250 MVA unit.  the recommended option.  cost increase, which still	Better operational flexibility,meets requirements	\$	16,000,000	\$		\$		0





	7-1-3	Capital Cost	1000	OWINI COST	1 00	ilei costs	Approved
Previous	\$	5,312,410	\$		\$	-	\$ 5,312,410
2012	\$	2,900,000	\$		\$	T +(17)	\$ 2,900,000
2013	\$	3,750,001	\$		\$	-	\$ 3,750,001
2014	\$	2,650,000	\$		\$		\$ 2,650,000
2015	\$		\$	VALUE OF THE REAL PROPERTY.	\$		\$
2016	\$	14	\$		\$		\$ 
2017	\$		\$	-	\$		\$ -
2018	\$		\$		\$		\$
Future	\$		\$	TEIR *	\$		\$
Total	\$	14,612,411	\$		5		\$ 14,612,411

Capital Cost O&M Cost Other Costs Appro

Milestones (high level targets)

May-11 Design Started May-11

October-11 Structures Complete; Autotransformer delivered

January-12 Electric Crew on Project Full Time May-12 Entire Design Complete September-13

230 kV Plant in Service

July-14

All 115 kV Plant In Service

July-14 December-14 December-14 Distribution Station in Service 115 kV Capacitor Banks in Service Old Station Removed & Salvaged

Associated Ers (list all applicable):	2484							
Mandate Excerpt (if applicable):	Obligation to serv Moscow area.	: The presen	t Moscow 230 kV Sub	station is not s	I ufficient for future I	oad service under	L contingency for the	greater Pullman-

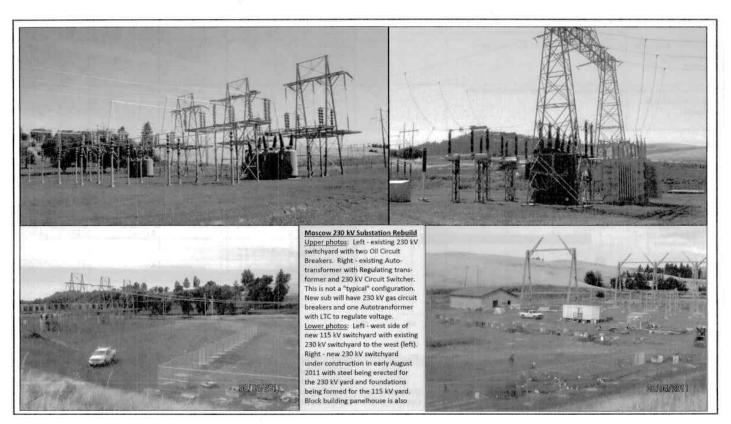
#### Additional Justifications:

This project is already in construction.

Additional documentation is available upon request including System Planning studies, Project Diagrams, Internal Substation Memos, meeting notes, etc.



Resources Requirements:	(request forms and	approvals attached)			The state of the s		
Internal Labor Availability: Contract Labor:	Low Probability  YES	☐ Medium Probability ☐ NO	☑ High Probability	Enterprise Tech: Facilities: Capital Tools: Fleet:	YES - attach form YES - attach form YES - attach form YES - attach form	✓ NO or Not Required ✓ NO or Not Required ✓ NO or Not Required ✓ NO or Not Required	Check the appropriate box. The internal and contract labor boxes should be checked to indicate if the resource owners have been contacted and to provide a general sense of how likely staff will be
Key Performance Indicato	r(s)						provided (this does not require a firm committment).
Expected Performance Improve	ments						communication
KPI Measure:	See Milestones				7.7	0	WAT !
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					1.1	12	
				Reviewed	Ha		<u> </u>
				Reviewed		HW B	- I - Di - I - ENGO
						Heather Rosent	rater, Director - ENSO
				Other Party Review	Chan	John .	
				(if necessary)	000	Andy Vicker	s, Director - GPSS
				(ii ficococary)		Zuroy Violesia	Signature and the second of th



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Functional Group: Electric Transmission / Distribution

Business Case Name: Smart Grid Demonstration Project

ER No: ER Name:

2530 SGDP-Pullman Smart Grid Demonstration Project

3291 Install Gas AMI for Pullman Smart Grid

Approved Business Case Spend Amount 2013-2016 (\$000s - System): \$1,4761

#### Transfer to Plant Amounts (\$000s - System):

Year	Total	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2013	360							5	7	1	39		309
2014	525	19	19	94	19	19	94	19	19	94	19	19	94
2015													
2016													

#### **Business Case Description:**

This Smart grid proposal will bring smart grid technology to electric distribution facilities that serve nearly 14,000 customers in the City of Pullman. Avista expects to realize benefits from smart grid technologies in reduced system losses and lower operating costs. Customers should realize benefits from improved service reliability, improved energy data enabling efficient energy usage, and energy savings from conservation voltage reduction (CVR).

#### Offsets:

O&M offsets associated with this business case may occur in the future, however, they are not quantifiable at this time.

<sup>&</sup>lt;sup>1</sup> The business case amount reflects approved capital expenditures for the years indicated and not transfers to plant.



Investment Name:		nonstration Projec	:t								
Requested Amount Duration/Timeframe	\$10,937,500	5 Year Project		Assessments: Financial:	Medium - >= 5	04.1	2 -0% CIPP				
Dept, Area:		ss Improvement		Strategic:	Customer Exp	23.00			-	-	
Owner:	Heather Rosent			Operational:			ved beyond curr	ent levels		-	
Sponsor:	Don Kopczynsk			Business Risk:	ERM Reductio			2112.10.2.2.2.2		-	
Category:	Project			Project/Program Risk	High certainty	aro	und cost, sched	ule and resource	s		
Mandate/Reg. Reference:	n/a			Assessment Score:	105		Cost Sun	nmary - Increase/	Decrease)		
Recommend Project Desc	ription:				Performance		Capital Cost	O&M Cost	Othe	Costs	Business Risk Scor
This Smart grid proposal w serve nearly 14,000 custor technologies in reduced sy improved service reliability from conservation voltage	mers in the City of P ystem losses and lov y, improved energy	ullman. Avista expect wer operating costs. C	ts to realize bend sustomers should	efits from smart grid I realize benefits from	This program will bring automated metering and outage restoration to 13,000	\$		\$ 5,254,378			4
Altomothus					Paufaurana	-		nmary - Increase/(			
Alternatives:	Icanian tatan				Performance	-	Capital Cost	O&M Cost	-	Costs	Business Risk Scor
Status Quo:		no automation for op			n/a	\$		\$	\$		16
Alternative 1: Brief name of alternative (if applicable)		n devices on 13 feede 3,000 Electric custome			reduced system losess & offset operational cost	\$	10,102,500	\$ 5,254,378	\$		4
Alternative 2: Brief name of alternative (if applicable)	Describe other op	itions that were consi	dered		describe any incremental changes in operations	\$		\$ -	\$		0
Alternative 3 Name: Brief name of alternative (if applicable)	Describe other op	tions that were consi	dered		describe any incremental changes in operations	\$		\$ -	\$		0
imeline						Con	nstruction Cash F	lows (CWIP)		337	
1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1					4		Capital Cost	O&M Cost	Other	Costs	Approved
Project Complete	1 1				Previous	\$	2,177,250		-		\$ 2,177,250
Plant In Service					2012	\$	7,957,750	\$ 792,000			\$ 3,286,567
Plantin Service		r r			2013	\$	800,000	\$ 2,276,814	\$		\$ 951,831
Construction Start	12	_	1		2014		2,500	\$ 1,083,732			\$ 525,000
		_			2015	\$		\$ 1,016,832	-		\$ -
Major Procurement	-			1 11	2016	_		\$ -	\$		\$ -
				1 1	2017	\$		\$ -	\$		\$ -
Project Design	.0				2018	\$		\$ -	\$		\$ -
			This chart is p		Future Total	-		\$ 5,254,378	\$		\$ 6,940,648
Project Plan		4	the "Schedule	e" tab on this	Total	ş	10,557,500	\$ 3,234,376	9		\$ 6,940,648
Project Started 0	10 20	30 Time in Months	0 50	60 70							
Milestones (high level ta											
January-10 March-10 November-10 January-11 February-11	Project Started Project Plan Project Design Major Procureme Construction Sta			October-12 December-14 mm/dd/yy mm/dd/yy mm/dd/yy		ete Mile:		mm/dd/yy mm/dd/yy mm/dd/yy eneral. In some case your judgement on p			
ssociated Ers (list all appl	icable):	Current ER					sured.				
	1000000000	2530					HAVE -				
landate Excerpt (if applic	able):	provide brief citati	on of the law or	regulation and a refe	erence number i	f po	ssible				
dditional Justifications:							المستدراواك				
wista entered into a 5 year oiding this contract would	include partial cost	reimbursement to B	ent of Energy in attelle, Itron, WS	September 2010, Avisi U, and other partners i	ta committed to a for abandoning th	De le pi	monstration Proje roject prior to cor	ect of \$39,558,000 mpletion.	and its pro	ject partn	ers. Penalities of



Resources Requirements:	(request forms and	approvals attached)						
Internal Labor Availability: Contract Labor: Key Performance Indicator	☑ YES	✓ Medium Probability  NO	High Probability	Enterprise Tech: Facilities: Capital Tools: Fleet:	YES - attach form YES - attach form YES - attach form YES - attach form	NO or Not Required  NO or Not Required  NO or Not Required  NO or Not Required  NO or Not Required	Check the appropriate box. The internal and contract labor boxes should be checked to indicate if resource owners have been contacted and to provide a gene sense of how likely staff will be	the
Expected Performance Improver		- Carlotte				0 /	provided (this does not require a committment).	firm
KPI Measure:		•		Prepared	signature	In C.(	Communency.	
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		Say		Other Death David				
2012 2013	2014	3815	3	Other Party Review (if necessary		Dir	rector/Manager	
Egus 1 - Key Performance Indones								
To be completed by Cap Rationale for decision	ital Planning Gr	oup						
nationale for decision							Review Cycles 2012-2016	
					Date		Template	
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Functional Group: Electric Transmission / Distribution

Business Case Name: Transmission - Asset Management

ER No: ER Name:

2057 Transmission Minor Rebuild2254 System 115kV Air Switch Upgrade

Approved Business Case Spend Amount 2013-2016 (\$000s - System): \$5,1291

# Transfer to Plant Amounts (\$000s - System):

Year	Total	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2013	546							35	22	42	86	150	210
2014	1,315	93	93	100	100	122	122	122	126	126	126	96	92
2015	1,370	114	114	114	114	114	114	114	114	114	114	114	114
2016	1,425	119	119	119	119	119	119	119	119	119	119	119	119

#### **Business Case Description:**

The Transmission Asset Management Business Case covers the follow-up work to the Wood Pole Inspection in ER 2057, and Air Switch Replacements in ER 2254.

#### Offsets:

<sup>&</sup>lt;sup>1</sup> The business case amount reflects approved capital expenditures for the years indicated and not transfers to plant.

# AVISTA

#### **Capital Program Business Case**

Investment Name:	Trans Asset Mar	- JUE - 1.6	Sett Jewi	1						a
Requested Amount	\$1,400,000			Assessments:						
Duration/Timeframe	Indefinite	Year Program		Financial:	10.00%					
Dept, Area:	T&D - TLD Engine			Strategic:	Life-cycle asse					
Owner: Sponsor:	Heather Rosentra Don Kopczynski	iter	ter de la company	Business Risk: Program Risk:			duction >0 and	<= 5 ule and resources		
Category:	Program			Program Nisk.	riigii certainty	aiou	una cost, scried	ule and resources		
Mandate/Reg. Reference:	WECC Standard	FAC-501-WECC-	1	Assessment Score:	#NAME?	T	Annual Cost	Summary - Increas	e/(Decrease)	
Recommend Program Desc					Performance		Capital Cost	O&M Cost	Other Costs	Business Risk Score
The Transmission Asset Ma Inspection in ER 2057, and a	The state of the s		low-up work to t	ne Wood Pole	Customer IRR of 8.9%	f \$	1,400,000	\$ 331,000		12
							Annual Cost	Summary - Increas	e/(Decrease)	
Alternatives:					Performance		Capital Cost	O&M Cost	Other Costs	Business Risk Score
Unfunded Program:	increasing at risk fo	r more failures and	l more risk of a n		Higher risk of a transmission	\$	3,464,530	\$ -	\$ 1,576,000	15
	increase the differe			ojor fire will increase an	d line causing a major fire due to pole or crossarm failures				an is tidenerely for	
Alternative 1: Brief name of alternative (if applicable)	majority of the pole project. This also co	of the transmission  es, replace the tran  overs replacing Tra  hat have reached to  ncrease the capaci	line has reached smission structur nsmission Air Sw heir end of life.	the end of life for the res under a larger itches located outside For major rebuilds, new	Customer IRR of 8.9% and avoids about 580 events per year	s	4,205,000	\$ 331,000	\$ -	12
Alternative 2: Brief name of alternative (if applicable)	Describe other opti	ons that were cons	idered		describe any incremental changes in operations	\$	3	\$ -	\$ -	0
Alternative 3 Name: Brief name of alternative (if applicable)	Describe other opti	ons that were cons	idered		describe any incremental changes in	\$	э.	\$ -	\$ -	0
Program Cash Flows					operations					
	Capital Cost	O&M Cost	Other Costs	Approved		Ass	ociated Ers (list a			
Previous		\$ -	\$ -	\$ -			2057	2254		
2014	The same of the sa	\$ 331,823	\$ -	\$ 1,646,823	-					
2015	The second secon	\$ 339,455		\$ 1,709,455	-					
2016		\$ 347,262		\$ 1,772,262						
2017 2018	The second secon	\$ 355,249 \$ 363,420	1000	\$ 1,780,249	en-					
Total	The second secon	\$ 1,737,209		\$ 1,843,420 \$ 8,752,209						
	3,5-2,5-2	4 1,0,100		T O, SE, EGS	_					
ER	2014	2015	2016	2017	2018		Total	Mandate Excerpt (i	f applicable):	2 1 1 1 1 1 1 1
2057	\$ 1,431,823	\$ 1,489,455	\$ 1,547,262			-				dated under NERC
2254	\$ 215,000	\$ 220,000	\$ 225,000			\$	1,115,000		501-WECC-1. Faile	
0	\$ -	\$ -	\$ -	\$ -	\$ -	\$	•	standard could	d result in large fina	ancial penalties.
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Total	\$ 1,646,823	\$ 1,709,455	\$ 1,772,262	\$ 1,780,249		\$	8,752,209			1
Resources Requirements: ( Internal Labor Availability: Contract Labor:	Low Probability	pprovals attached)  Medium Probability  NO	High Probability	Enterprise Tech: Facilities: Capital Tools: Fleet:	YES - attach form YES - attach form YES - attach form YES - attach form YES - attach form		✓ NO or Not Requi	red labor boxes red resource ow red a general se	opropriate box. The in should be checked to i ners have been contac nse of how likely staff of require a firm comm	ndicate if the ted and to provide will be provided
Key Performance Indicator	(s)				LI 163 - attach form		LEI NO OF NOt Requi	funz does no	a intii comm	
Expected Performance Improvem	57									
KPI Measure:	Fill in the name of ti	he KPI here		1						
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Page 1 of 2

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0.2		This graph is to provide a place to direct the KPI benefit. Providing a graph is		
		recommended to help communicate		
0	1	what the project is intended to		
		accomplish.		
e comple	eted by Capital Planning Group			
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				Review Cycles 2012-2016
			Date	2012-2016
			Date	
			Date	2012-2016
			Date	2012-2016
			Date	2012-2016

Functional Group: Electric Transmission / Distribution

**Business Case Name:** Transmission - NERC High Priority Mitigation

ER No: ER Name:

2560 Line Ratings Mitigation Project

Approved Business Case Spend Amount 2013-2016 (\$000s - System): \$3,0701

#### Transfer to Plant Amounts (\$000s - System):

Year	Total	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2013	1,350												1,350
2014	1,900												1,900
2015													
2016													

#### **Business Case Description:**

This program reconfigures insulator attachments, and/or rebuilds existing transmission line structures, or removes earth beneath transmission lines in order to mitigate ratings/sag discrepancies found between "design" and "field" conditions as determined by LiDAR survey data. This program was undertaken in response to the October 7, 2012 North American Electric Reliability Corporations (NERC) "NERC Alert" - Recommendation to Industry, "Consideration of Actual Field Conditions in Determination of Facility Ratings". This Capital Program (ER2560) covers mitigation work on Avista's "High Priority" 230kV transmission lines, including: Benewah-Pine Creek (BI CT203), Cabinet-Noxon (BI AT203), Cabinet-Rathdrum (BI CT202), Hatwai-North Lewiston (BI LT205), Lolo-Oxbow (BI LT202), and Noxon-Pine Creek (BI AT202). Mitigation brings lines in compliance with the National Electric Safety Code (NESC) minimum clearances values. These code minimums have been adopted into the State of Washington's Administrative Code (WAC).

#### Offsets:

<sup>&</sup>lt;sup>1</sup> The business case amount reflects approved capital expenditures for the years indicated and not transfers to plant.

# AVISTA

Investment Name:		NERC High Prior	ity Mitigation	]					
Requested Amount	\$2,835,000			Assessments:					
Duration/Timeframe		Year Program		Financial:	Market Street,	% & <9% CIRR			
Dept, Area: Owner:	TLD Engineering Heather Rosentra			Strategic: Operational:	Reliability & Ca		and Investo		
Sponsor:	Don Kopczynski	atei	77	Business Risk:		proved beyond curr n >10 and <= 15	ent levels		
Category:	Program			Program Risk:		around cost, sched	ule and resource	s	
Mandate/Reg. Reference:	October 7, 2010	"NERC Alert" w/r	Facility Ratings	Assessment Score:	102		Summary - Increa		
Recommend Program Desc	ription:				Performance	Capital Cost	O&M Cost	Other Costs	ERM Risk Score
This program reconconfigur	es insulator attachn	nents, and/or rebui	lds existing transi	mission line structures,	Regulatory	\$ 1,337,500	\$ -	\$ -	1
or removes earth beneath t			and the same of th		compliance,				
"design" and "field" condition			The second second		upgraded				
response to the October 7,					facilities,		1	1	
Recommendation to Indust Ratings". This Capital Prog.					greater clearance, and	m			1
transmission lines, including					(in some cases)				
Rathdrum (BI CT202), Hatw				A STATE OF THE PARTY OF THE PAR	greater load				1 1
AT202). Mitgation brings lin					capabilities.				1 1
clearances values. These co		been adopted into	the State of Was	hington's					
Administrative Code (WAC)									
						Annual Cost	Summary - Increa	se/(Decrease)	
Alternatives:					Performance	Capital Cost	O&M Cost	Other Costs	ERM Risk Score
Unfunded Program:				ista at odds with NERC	Relatively high	\$ -	\$ -	\$ -	16
				fines for any outage	probability of				
		in violation of NES		nally, failure to mitigate	fines and legal				
	would place Avista	in violation of NES	c code standards	and the WAC.	action against Avista.				
Alternative 1: Brief name	Describe other opt	ions that were con-	sidered		describe any	\$ -	\$ -	\$ -	0
of alternative (if					incremental	•		*	
applicable)					changes in				
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Alternative 3 Name : Brief	Describe other opt	ions that were cons	sidered		describe any	\$ -	\$ -	\$ -	0
name of alternative (if					incremental	,			, i
applicable)					changes in				
				1-11-					
Program Cash Flows					Associated Ers (I	ist all applicable):			
5 years of costs					2560				T
	Capital Cost	O&M Cost	Other Costs	Approved					
Previous									
2012		\$ -	\$ -	\$ -					
2013		\$ -	\$ -	\$ 1,170,000 \$ 1,900,000					
2014		\$ -	\$ -	\$ 1,900,000					
2016		\$ -	\$ -	\$ -					
Total	-		\$ -	\$ 3,070,000					
Mandate Excerpt (if applica	blo).								
Regulatory: Specific tran	WAR TO SHARE THE PARTY OF THE P	uire rebuild for inc	reased line clea	arance Risk Manager	nent: Specific to	ransmission lines r	equire rebuild to r	educe notential nul	olic injuny risks
,		and repaire for me	rouseu into ojec	arance, Tribit manager	nom: opcomo u	distribution in the f	equire results to r	educe poterniai pui	one injury make.
EDD ARE		1-00-0							
22.00 - 10 - 02 - V									
Additional Justifications:									
1,000									
Resources Requirements: (	request forms and a	pprovals attached)							
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Internal Labor Availability:		Medium Probability	High Probability	Enterprise Tech:	YES - attach form	NO or Not Requ	ired labor boxe	s should be checked to	
Contract Labor:		□NO		Facilities:	YES - attach form	NO or Not Requ	ired resource o	wners have been conta	cted and to provide
				Capital Tools:	YES - attach form	NO or Not Requ		ense of how likely staff	
				Fleet:	YES - attach form	NO or Not Regu	ired (this does i	not require a firm com	muniterit.

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Performance Indicator(s) cted Performance Improvements		1
Measure:	Prepared signature	1/22/2013
	Reviewed signature	Director/Manager
	Other Party Review signature (if necessary)	Director/Manager
completed by Capital Planning Group onale for decision		Review Cycles 2012-2016
	Date	Template

Functional Group: Electric Transmission / Distribution

**Business Case Name:** Transmission - NERC Low Priority Mitigation

ER No: ER Name:

2579 Low Priority Ratings Mitigation

Approved Business Case Spend Amount 2013-2016 (\$000s - System): \$3,2501

#### Transfer to Plant Amounts (\$000s - System):

Year	Total	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2013													
2014	250												250
2015	500												500
2016	2,500												2,500

#### **Business Case Description:**

This program reconfigures insulator attachments, and/or rebuilds existing transmission line structures, or removes earth beneath transmission lines in order to mitigate ratings/sag discrepancies found between "design" and "field" conditions as determined by LiDAR survey data. This program was undertaken in response to the October 7, 2012 North American Electric Reliability Corporations (NERC) "NERC Alert" - Recommendation to Industry, "Consideration of Actual Field Conditions in Determination of Facility Ratings". This Capital Program (ER25xx) covers mitigation work on Avista's "Low Priority" 230kV and 115kV transmission lines. Mitigation brings lines in compliance with the National Electric Safety Code (NESC) minimum clearances values. These code minimums have been adopted into the State of Washington's Administrative Code (WAC).

#### Offsets:

<sup>&</sup>lt;sup>1</sup> The business case amount reflects approved capital expenditures for the years indicated and not transfers to plant.

# AVISTA

Investment Name: Requested Amount	NERC Low Prior \$1,500,000	ity Mit		Assessments:							
Duration/Timeframe	The state of the s	Year Program		Financial:	9.00%						
TO THE PROPERTY OF THE PROPERTY OF THE PROPERTY.	TLD Engineering	Today rogidan	THE RESERVE THE	Strategic:	Reliability & Ca	ana	city				
Owner:	Heather Rosentra	ter		Business Risk:	The state of the s	-	duction >10 and	<= 15		THE REAL PROPERTY.	
	Don Kopczynski			Program Risk:	High certainty	arou	und cost, sched	ule and resou	rces		
Category:	Program			1.5 - 1.75 - 1114C 10							
Mandate/Reg. Reference:		NERC Alert" w/r F	acility Ratings	Assessment Score:	#NAME?		Annual Cost	Summary - Inc	rease/(	Decrease)	
Recommend Program Descr	ription:				Performance		Capital Cost	O&M Cos	1	Other Costs	Business Risk Score
This program reconconfigure or removes earth beneath to "design" and "field" condition	ransmission lines in	order to mitigate ra	rtings/sag discrep	pancies found between	Regulatory compliance, upgraded	\$	1,500,000	\$	- \$	+4	1
response to the October 7, a Recommendation to Industr Ratings". This Capital Progri transmission lines. Mitgatio minimum clearances values Administrative Code (WAC).	2012 North America ry, "Consideration o am (ER25xx) covers on brings lines in cor . These code minim	n Electric Reliability f Actual Field Condi mitigation work on npliance with the N	Corporations (N tions in Determin Avista's "Low Pri ational Electric S	ERC) "NERC Alert" - lation of Facility ority" 230kV and 115k\ afety Code (NESC)	facilities, greater / clearance, and (in some cases) greater load capabilities.						
						-	Annual Cont	Comment to		Decree	
Alternatives:					Performance	-	Capital Cost	Summary - Inc	THE RESERVE AND PERSONS NAMED IN	Other Costs	Business Risk Score
Unfunded Program:	The unfunded ("do	nothing") annroach	would place Avi	sta at odds with NERC	Relatively high	5	Capital Cost	\$	- 5		16
omanded (10gram)	recommendations,	and increase the po mected with line cl	otential for large earance. Additio	fines for any outage nally, failure to mitigate	probability of	J. C.	y sy magazini	Mary the Section		followalacy a	
Alternative 1: Brief name of alternative (if applicable)	Describe other opti	ions that were cons	idered		describe any incremental changes in operations	\$	•	\$	- \$	*	1
Alternative 2: Brief name of alternative (if applicable)	Describe other opti	ions that were cons	idered		describe any incremental changes in operations	\$	-	\$	- \$	i 1 <del>7</del> 0	0
Alternative 3 Name: Brief name of alternative (if applicable)	Describe other opti	ions that were cons	idered		describe any incremental changes in operations	\$		\$	- \$		0
Program Cash Flows		,									
	Capital Cost	O&M Cost	Other Costs	Approved		Ass	sociated Ers (list				
Previous		\$ -	\$ -	\$ -			2579				
2013		\$ -	\$ -	\$ -	1	_					
2014	The second second second second	\$ -	\$ -	\$ 250,000		-			_		
2015	\$ 500,000	\$ -	\$ -	\$ 500,000	-						
2016 2017	\$ 2,500,000	\$ -	\$ -	\$ 2,500,000 \$ 2,500,000	-						
Total	to be a second s		\$ -	\$ 5,750,000	-						
ER	2013	2014	2015	2016	2017	1	Total	Mandate Exce	rot (if a	pplicable):	
2579	\$ -	\$ 250,000	\$ 500,000			\$				transmission	lines require
0	\$ -	\$ -	\$ -	\$ -	\$ -	\$		modfication/r	ebuild f	or increased lin	ne clearance.
0	\$ -	\$ -	\$ -	\$ -	\$ -	\$		Risk Manage	ment:	Specific transn	nission lines require
0	\$ -	\$ -	\$ -	\$ -	\$ -	\$		rebuild to red	uce po	tential public in	jury risks.
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Total	\$ -	\$ 250,000	\$ 500,000	- Address	The state of the s	-	5,750,000				
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Key Performance Indicators					☐ YES - attach form ☑ NO or Not Required (this does not require a firm committment).						



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Functional Group: Electric Transmission / Distribution

**Business Case Name:** Transmission - NERC Medium Priority Mitigation

ER No: ER Name:

2581 Medium Priority Ratings Mitigation

Approved Business Case Spend Amount 2013-2016 (\$000s - System): \$4,987 1

#### Transfer to Plant Amounts (\$000s - System):

Year	Total	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2013													
2014	1,693												1,693
2015	3,294												3,294
2016	2,251												2,251

#### **Business Case Description:**

This program reconfigures insulator attachments, and/or rebuilds existing transmission line structures, or removes earth beneath transmission lines in order to mitigate ratings/sag discrepancies found between "design" and "field" conditions as determined by LiDAR survey data. This program was undertaken in response to the October 7, 2012 North American Electric Reliability Corporations (NERC) "NERC Alert" - Recommendation to Industry, "Consideration of Actual Field Conditions in Determination of Facility Ratings". This Capital Program (ER2581) covers mitigation work on Avista's "Medium Priority" 230kV and 115kV transmission lines, including North Lewiston-Shawnee 230kV, Beacon-Bell #4 230kV, Beacon-Bell #5 230kV, Noxon-Hot Springs #2 230kV, Beacon-Boulder #2 115kV, Beacon-Francis & Cedar 115kV, 9th & Central-Otis 115kV, Northwest-Westside 115kV, Dry Creek-Talbot 230kV, Walla Walla-Wanapum 230kV, Benewah-Moscow 230kV, Devils Gap-Stratford 115kV. Mitigation brings lines in compliance with the National Electric Safety Code (NESC) minimum clearances values. These code minimums have been adopted into the State of Washington's Administrative Code (WAC).

#### Offsets:

<sup>&</sup>lt;sup>1</sup> The business case amount reflects approved capital expenditures for the years indicated and not transfers to plant.

PR	

	NERC Med Priori \$2,500,000	y	-	A								
Requested Amount Duration/Timeframe	The state of the s	Year Program		Assessments: Financial:	9.00%							
	TLD Engineering	Note that the state of		Strategic:	Reliability & Ca	apacit	ty					
	Heather Rosentra	er		Business Risk:	Business Risk			<= 15				
	Don Kopczynski			Program Risk:	High certainty	aroun	nd cost, sched	ule and resour	es			
NATIONAL PROPERTY OF THE PROPERTY OF THE PARTY OF THE PAR	Program	IEDO Madilinio	a allie i Datione		#NIA 84EO	1			lin.		T	
Mandate/Reg. Reference: Recommend Program Descr	October 7, 2010 "I	NERC Alen W/FF	-acility Ratings	Assessment Score:	#NAME?	-		Summary - Incr	-			
This program reconconfigure		ents and/or rebuil	de evicting transc	niccion line structures	Performance Regulatory	\$	2,500,000	O&M Cost	\$	Other Costs	Business Risk Score	
or removes earth beneath tr					compliance,	1	2,500,000	*	,			
design" and "field" condition					upgraded							
esponse to the October 7, 2					facilities,				1			
Recommendation to Industr	ry, "Consideration of	Actual Field Condi	tions in Determin	ation of Facility	greater							
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L15kV transmission lines, in					(in some cases)			Sell black				
230kV, Noxon-Hot Springs # Central-Otis 115kV, Northwe					greater load capabilities.							
Benewah-Moscow 230kV, D		The state of the s			саравинез.	pits		Maria Carlo	- 1		5 103	
National Electric Safety Code			어릴 수 있다면 이 전에게 되었다. [1995년]					Marine 14				
adopted into the State of W	ashington's Adminis	trative Code (WAC	).						-1			
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Iternatives:					Performance	1	Capital Cost	O&M Cost		Other Costs	Business Risk Score	
Infunded Program:				sta at odds with NERC	Relatively high	\$	33	\$	\$		16	
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12				nally, failure to mitigate	fines and legal				1			
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Pl Measure:	Fill in the name of the KPI here				KI (O)	11
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0 +	1	what the project is intended to accomplish.				
	This space is to be used for	photographs, charts, or other data that	t may be useful in ev	aulating the	Program	
	pleted by Capital Planning Group					
Rationale f	for decision				Review Cycles 2012-2016	
			Date		Template	

Functional Group: Electric Transmission / Distribution

**Business Case Name:** SCADA - System Operations & Backup Control Center

**ER No: ER Name:** 2277 SCADA Upgrade

Approved Business Case Spend Amount 2013-2016 (\$000s - System): \$2,2401

#### Transfer to Plant Amounts (\$000s - System):

Year	Total	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2013	133										100	17	17
2014	1,090												1,090
2015	515												515
2016	435												435

#### **Business Case Description:**

This program replaces and/or upgrades existing electric and gas control center telecommunications and computing systems as they reach the end of their useful lives, require increased capacity, or cannot accommodate necessary equipment upgrades due to existing constraints. Included are hardware, software, and operating system upgrades, as well as deployment of capabilities to meet new operational standards and requirements. Some system upgrades may be initiated by other requirements, including NERC reliability standards, growth, and external projects (e.g. Smart Grid). Examples of upgrades to be completed under this program are Critical Infrastructure Protection version 5 (NERC requirement), Gas Control Room Management (PHMSA requirement), WECC RC Advanced Applications, and Technology Refresh (network and storage).

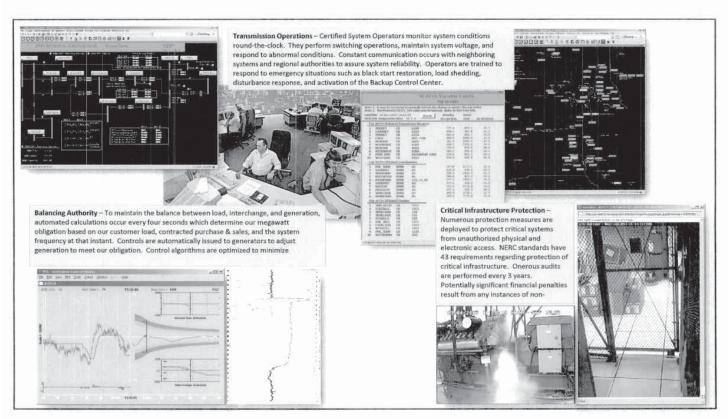
#### Offsets:

<sup>&</sup>lt;sup>1</sup> The business case amount reflects approved capital expenditures for the years indicated and not transfers to plant.

# AVISTA

	SCADA - SOO an Average amt 201			Assessments:								
Duration/Timeframe		Year Program		Financial:	Low - >0% and	1 < 5%	CIRR					
	T&D - SCADA - S		S	Strategic:	Reliability & Ca	apacity						
	Brad Calbick/Hea	ther Rosentrater		Operational:	Operations sor	newh	at impacted b	y execu	tion			
	Don Kopczynski			Business Risk:	ERM Reductio	AND ASSESSED.	Market Commission of the Parket Commission of					
	Program			Program Risk:	High certainty					100000		
Mandate/Reg. Reference:		RC		Assessment Score:	64		Annual Cost	Summar	y - Increas	e/(Decrea	ase)	
Recommend Program Descr	ription:				Performance		pital Cost	The second	VI Cost		er Costs	Business Risk Score
This program replaces and/o					Improved	\$	200,000	\$		\$	-	1
computing systems as they r					performance,							
accommodate necessary equ		A STATE OF THE PARTY OF THE PAR			upgraded							
software, and operating syst			equipment,									
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NERC reliability standards, g completed under this progra			life cycle.									
Control Room Management		700m 90 W	me cycle.									
Refresh (network and storage		s, and reciniology										
nerrean (network and storag	5C)-				1		Annual Cost	Summai	v - Increas	e/(Decrea	ase)	
Alternatives:					Performance	C	pital Cost		VI Cost		r Costs	Business Risk Score
	Non-compliant one	rational canabilitie	s and practices w	ould result in negative	Severe negative		500,000	\$	500,000	\$	500,000	8
No. of a first Contract Contra	audit findings, finar				system	*	300,000	1900	300,000		330,500	
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	growth may or may			compliance								
	(e.g. Regulatory, SG				impacts							
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applicable)					changes in							
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name of alternative (if applicable)  Program Cash Flows	Describe other opti	ons that were con:	idered		incremental changes in	(list al	applicable):					
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name of alternative (if applicable)  Program Cash Flows	tiven till			Approved	incremental changes in operations	(list al	applicable):					
name of alternative (if applicable)  Program Cash Flows 5 years of costs	Capital Cost \$ 200,000	O&M Cost	Other Costs	\$ 200,001	incremental changes in operations  Associated ERS 2277	(list all	applicable):		C-1, 1600			
name of alternative (if applicable)  Program Cash Flows 5 years of costs  2013 2014	\$ 200,000 \$ 1,090,500	0&M Cost \$ - \$ -	Other Costs \$ - \$ -	\$ 200,001 \$ 1,090,500	incremental changes in operations  Associated ERS 2277	(list al	applicable):					
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name of alternative (if applicable)  Program Cash Flows 5 years of costs  2013 2014 2015 2016	\$ 200,000 \$ 1,090,500 \$ 515,000 \$ 435,000	0&M Cost  \$ - \$ - \$ - \$ -	Other Costs  \$ - \$ - \$ - \$ - \$ -	\$ 200,001 \$ 1,090,500 \$ 515,000 \$ 435,000	incremental changes in operations  Associated ERS 2277	(list all	applicable):					
name of alternative (if applicable)  Program Cash Flows 5 years of costs  2013 2014 2015 2016 2017	\$ 200,000 \$ 1,090,500 \$ 515,000 \$ 435,000 \$ 435,000	0&M Cost   \$ - \$ - \$ - \$	Other Costs  \$ - \$ - \$ -	\$ 200,001 \$ 1,090,500 \$ 515,000 \$ 435,000 \$ 435,000	incremental changes in operations  Associated ERs  2277	(list all	applicable):					
Program Cash Flows 5 years of costs  2013 2014 2015 2016 2017 2018	\$ 200,000 \$ 1,090,500 \$ 515,000 \$ 435,000 \$ 435,000 \$ 435,000	0&M Cost  \$ - \$ - \$ - \$ - \$ -	Other Costs	\$ 200,001 \$ 1,090,500 \$ 515,000 \$ 435,000 \$ 435,000 \$ 435,000	incremental changes in operations  Associated ERS  2277	(list all	applicable):				7 (1)	
Program Cash Flows 5 years of costs  2013 2014 2015 2016 2017	\$ 200,000 \$ 1,090,500 \$ 515,000 \$ 435,000 \$ 435,000 \$ 435,000	0&M Cost  \$ - \$ - \$ - \$ - \$ -	Other Costs  \$ - \$ - \$ - \$ - \$ -	\$ 200,001 \$ 1,090,500 \$ 515,000 \$ 435,000 \$ 435,000	incremental changes in operations  Associated ERS  2277	(list all	applicable):					
name of alternative (if applicable)  Program Cash Flows 5 years of costs  2013 2014 2015 2016 2017 2018 Total	\$ 200,000 \$ 1,090,500 \$ 515,000 \$ 435,000 \$ 435,000 \$ 435,000 \$ 3,110,500	0&M Cost  \$ - \$ - \$ - \$ - \$ -	Other Costs	\$ 200,001 \$ 1,090,500 \$ 515,000 \$ 435,000 \$ 435,000 \$ 435,000	incremental changes in operations  Associated ERS  2277	(list al	applicable):					
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name of alternative (if applicable)  Program Cash Flows 5 years of costs  2013 2014 2015 2016 2017 2018 Total  Mandate Excerpt (if applications) Mercons reliability standard infrastructure protection, are being implemented at the standard infrastructure protection. This program replaces and/operational and regulatory in the standard	\$ 200,000 \$ 1,090,500 \$ 515,000 \$ 435,000 \$ 435,000 \$ 3,110,500 \$ able): s are being continuommunications, and audited. (See or upgrades existing requirements. Cuts	S - S - S - S - S - S - S - S - S - S -	S - S - S - S - S - S - S - S - S - S -	\$ 200,001 \$ 1,090,500 \$ 515,000 \$ 435,000 \$ 435,000 \$ 3,110,501 ed standards are exp ns. Gas Control Roc ords/Reliability Stand	incremental changes in operations  Associated ERs 2277  ected which will m Management ards Under De	addre requii welopr	ss emergenc ements whic nent.html an	h addre d http://g end of us e not imp	ss alarm r primis.phn eful life, inc pacted.	managen nsa.dot.g creased ca	nent, and o lov/crm/) apacity requ	uirements, and new
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Program Cash Flows 5 years of costs  2013 2014 2015 2016 2017 2018 Total  Mandate Excerpt (if applica NERC reliability standard infrastructure protection, are being implemented at Additional Justifications: This program replaces and/operational and regulatory is Resources Requirements: (Internal Labor Availability:	\$ 200,000 \$ 1,090,500 \$ 515,000 \$ 435,000 \$ 435,000 \$ 5110,500 \$ 5	S - S - S - S - S - S - S - S - S - S -	S - S - S - S - S - S - S - S - S - S -	\$ 200,001 \$ 1,090,500 \$ 515,000 \$ 435,000 \$ 435,000 \$ 3,110,501  ed standards are expns. Gas Control Rocards/Reliability Standards are that the same that th	ected which will m Management ards_Under_De  sfor a number of treliable and con	addre requii	ss emergencements which which which we have a construction of the	h addred http://g	eful life, incoacted.  Check the a labor boxes resource ov a general st	managem nsa.dot.g creased ca sppropriate s should be wrers have ense of hor	nent, and o lov/crm/) apacity required box. The in- checked to	nirements, and new neternal and contract indicate if the cuted and to provided will be provided

Avista	С	apital Program I	Business Ca	se
Key Performance In Expected Performance In	mprovements			a de la companya de l
KPI Measure:	Complete projects ahead of need and compliance targets.	Prepared	signature	Busy 7. Colo
		Reviewed	signature	Director/Manager
		Other Party Revie		Discher/Manager



To be completed by Capital Planning Group

Rationale for decision

Review Cycles
2012-2016

Date Template

Functional Group: Electric Transmission / Distribution

**Business Case Name:** Smart Grid Workforce Training Grant - DOE

ER No: ER Name:

7205 Smart Grid Workforce Training

Approved Business Case Spend Amount 2013-2016 (\$000s - System): \$1551

#### Transfer to Plant Amounts (\$000s - System):

Year	Total	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2013	360									-11	344	13	13
2014													
2015													
2016													

#### **Business Case Description:**

Avista is partnering with several utilities and colleges in the region to develop a smart grid workforce training program for a three year period. As a result of this partnership Avista will be upgrading the Jack Stewart Training Center with a substation and distribution training facility for smart grid technology, updating Avista training programs for apprentices, journeymen and pre-line school students to incorporate smart grid technology; and developing several online curriculum offerings to be shared by utilities and colleges in Washington, Oregon, Idaho, Montana and Utah.

#### Offsets:

<sup>&</sup>lt;sup>1</sup> The business case amount reflects approved capital expenditures for the years indicated and not transfers to plant.

Functional Group: Electric Transmission / Distribution

**Business Case Name:** Spokane Smart Circuit – Distribution Management System

ER No: ER Name:

2529 Spokane Smart Circuit

Approved Business Case Spend Amount 2013-2016 (\$000s - System): \$8141

Transfer to Plant Amounts (\$000s - System):

Year	Total	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2013	1,104							3	-1	944	158		
2014													
2015													
2016													

#### **Business Case Description:**

At this time, the utility's distribution system has little real time information and is unable to respond to dynamic loading and faulted conditions very quickly. This project will install a Distribution Management System that will allow real time system information to be used to control the distribution system. Intelligent end devices such as capacitor banks, air switches and reclosers will be installed and will provide sensing and control of the distribution circuits. Substations control and communication equipment will be upgraded to allow for the control and aggregation of field data. A wireless mesh network will be installed to provide backhaul from end devices to the substations. The project will automate distribution equipment on 58 feeders and in 14 substations.

### Offsets:

<sup>&</sup>lt;sup>1</sup> The business case amount reflects approved capital expenditures for the years indicated and not transfers to plant.



Investment Name:	Spokane Smart	Circuit												
Requested Amount	\$22M	Van Drainet	Assessments: Financial:	High - Evogede 12% CIDD										
Duration/Timeframe	Business Proces	Year Project	High - Exceeds 12% CIRR Reliability & Capacity											
Dept, Area: Owner:	Heather Rosentr			Strategic: Operational:	Operations improved beyond current levels									
Sponsor:	Don Kopczynski			Business Risk:	ERM Reduction >10 and <= 15									
Category:	Project			Project/Program Ris		_	und cost, sched							
Mandate/Reg. Reference:	n/a		444	Assessment Score:	116.1666667		Cost Sur	nma	ary - Increase/(	Decrea	ise)			
Recommend Project Descr					Performance		Capital Cost		O&M Cost	_	ther Costs	Bus	iness Risk Scor	
At this time the utility's dis dynamic loading and fault System that will allow real Intelligent end devices such sensing and control of the upgraded to allow for the to provide backhaul from e equipment on 58 feeders a Alternatives:	d conditions very quitime system information as capacitor banks, distribution circuits, control and aggregatind devices to the su	aickly. This project value to continuous to be used to continuous and reasonable to control to fill data. And the projections of field data. And the projections. The projections of field data.	vill install a Distri control the distrib closers will be ins I and communica wireless mesh ne	bution Management oution system. stalled and will provid tion equipment will b twork will be installed	e and outage	\$		, ș	ary - Increase/(		ise)	Bus	8 iness Risk Scoi	
Status Quo:	System continues	to operate as today.	C		n/a	\$	capital cost	\$	Odin cost	\$	ther costs	- Dus	20	
Alternative 1: Brief name				substations and 59 c		Š	22,000,000	\$	1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 -	\$			8	
of alternative (if applicable)	the distribution cir	cuits.			Automation reducing system losses							/6		
Alternative 2: Brief name of alternative (if applicable)		ions that were consi		describe any incremental changes in operations	\$	•	\$		S			0		
Alternative 3 Name: Brief name of alternative (if applicable)	Describe other opt	describe any incremental changes in operations	\$	*	\$	1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	\$			0				
Fimeline						Co	nstruction Cash F	low	vs (CWIP)					
							Capital Cost		O&M Cost	0	ther Costs		Approved	
Project Complete			100	Previous	\$	18,781,582	\$		\$		\$	18,781,582		
Plant In Service					2012	\$	2,146,190	\$	-	\$		\$	2,146,190	
riant in service				-	2013	\$	1,072,228	\$		\$		\$	814,228	
Construction Start			2	•	2014	\$		\$		\$		\$		
The state of the s				-11	2015	\$		\$		\$	34	\$		
Major Procurement		- 6	4 - 5		2016	-	**	\$	-	\$	7	\$		
					2017	\$		\$		\$		\$		
Project Design	Charles and	District Control			Future			\$		\$	:	\$		
				art is pasted from hedule" tab on this	Total	\$	22,000,000	5	- 4	S		\$	21,742,000	
Project Plan Project Started	3		the Schedul	e tabon tris						1.7				
o	2 4	6 Time in Months	8 10	12 14										
Milestones (high level														
October-09 October-09 June-10 October-09 October-09	Project Started Project Plan Project Design Major Procureme Construction Star			June-12 March-13 mm/dd/yy mm/dd/yy mm/dd/yy	open p	ete Vile: Proje	stones should be g				y be as simple			
Associated Ers (list all appl	icable):	Current ER 2529					sured.					F		
Mandate Excerpt (if applic	able):	1937 renewable p	ortfolio standar	d	111							1		
Additional Justifications: This project is in conjunctio	n with a federal sma	art grid grant. Avista	s is contractually	obligated to complete	the scope of work	an	d could risk up to	\$20	OM in lost grant	mone	ys.			

-	
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sources Requirements:	(request forms and	d approvals attached)						
ernal Labor Availability: ntract Labor:	□ Low Probability ☑ YES	☐ Medium Probability ☐ NO	☑ High Probability	Enterprise Tech: Facilities: Capital Tools: Fleet:	YES - attach form YES - attach form YES - attach form YES - attach form	✓ NO or Not Required ✓ NO or Not Required ✓ NO or Not Required ✓ NO or Not Required	Check the appropriate internal and contractial should be checked to in resource owners have contacted and to provi	bor boxes ndicate if the been
Performance Indicato						. 1	sense of how likely state provided (this does not	f will be
ted Performance Improve Measure:	Avoided Outage	Hours		]		1)[	committment).	,
	Reduced system	losses (MWh/Yr)		Prepared	signature		The Sol	
0000 — Outage	Hours			ricpared	Signature		2010001	0.304
000 Energy				1	1	1 0		
0000 —— Project	FO Rate			Reviewed	signature	to the		
1000	/			Neviewed	oignaturo -	Direc	ctor/Manager	
0000								
5000	1			Other Party Review	signature			
0 2009 2010	2011 2012	2013 2014 2015	2016	(if necessary)		Direc	ctor/Manager	
5000 2009 2010	2011 2012	2013 2014 2019						
be completed by Ca	apital Planning (	Group						
		Group					view Cycles	
		Group					2012-2016	
		Group			Date			
be completed by Ca Rationale for decision		Group			Date		2012-2016	
		Group			Date		2012-2016	

Functional Group: Electric Transmission / Distribution

Business Case Name: Thornton 230 kV Switching Station

ER No: ER Name:

2545 Thorton 230kv Switching Station-Construction WIND

Approved Business Case Spend Amount 2013-2016 (\$000s - System): \$01

Transfer to Plant Amounts (\$000s - System):

Year	Total	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2013	14								14				
2014													
2015													
2016													

#### **Business Case Description:**

This project will design and construct the Thornton 230kV Switching Station in accordance with the LGIA with Palouse Wind, LLC. Per the Agreement, Avista will own, operate, and maintain this switching station and will be responsible for 2/3 of the overall cost while Palouse Wind will be responsible for 1/3 of the overall cost.

#### Offsets:

<sup>&</sup>lt;sup>1</sup> The business case amount reflects approved capital expenditures for the years indicated and not transfers to plant.



nvestment Name:	Thornton 230 kV	Switching St	ation											
Requested Amount	\$5,000,000	V Built		Assessments: Financial:	Medium >= 5% & <0% CIPP									
Ouration/Timeframe		Year Project		Medium - >= 5% & <9% CIRR										
Area:	T&D - Substation	Engineering		Strategic:	Renewables Operations improved beyond current levels									
	Rick Vermeers Jason Thackston			Operational: Business Risk:	ERM Reductio			ent	levels	-				
ponsor:	The second secon			Project/Program Risk:				ر ماریا	and resources	-	100	read to the last		
ategory:	Project			Assessment Score:	100			_	ry - Increase/(I	Docropco	,	P		
Mandate/Reg. Reference:				Assessment Score:		-	The state of the s	Ima	the same of the sa		THE RESERVE OF THE PARTY OF THE			
tecommend Project Descri					Performance	1	Capital Cost		O&M Cost		er Costs	ERM Risk Scor		
his project will design and					required to	\$	5,000,000	\$		\$		1		
vith Palouse Wind, LLC. Pe					adequately									
and will be responsible for a	2/3 of the overall cos	it while Palouse	Wind will be respon	isible for 1/3 of the	isolate the wind	1								
verall cost. Billing informa					farm without							and the second		
ctivities are presently und imited Authorization to Pro					impacting our system and									
awsuit if we cannot meet o		of Hability arou	ind this project with	the potential for	customers	П								
IWSUIL II WE CAIIIIOL IIIEEL C	ou communent.				Costomers									
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Iternatives:		100			Performance	Н	Capital Cost	1	O&M Cost		er Costs	ERM Risk Scor		
tatus Quo:	Autota has required	this multching s	tation to interconne	et the Palouse Wind	n/a	\$	The second secon	\$	Con Cost	Ś	7,000,000	12		
tutus Quo .				n without this station	100	1		Y .		*	,,000,000			
			I see litigation if we		100					100				
			th Palouse Wind, LLC							20				
hamatha da Datafaa					describe any	\$		\$		\$		0		
Alternative 1: Brief name	Describe other option	ons that were c	unsidered		incremental	13		3		7		0		
of alternative (if					changes in					1				
pplicable)				operations					-					
	Describe of the state of		a wat days ad			-		+		e		0		
Alternative 2: Brief name	Describe other option	ons that were o	onsidered		describe any incremental	\$		\$		\$		0		
of alternative (if					7221000000000000									
pplicable)					changes in operations									
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Alternative 3 Name : Brief	Describe other option	ons that were o	onsidered		describe any	\$		\$		\$		0		
ame of alternative (if					incremental									
pplicable)	DESCRIPTION OF THE PERSON OF T				changes in	Н				10.14				
					operations			_						
Transmission Contracts Design Major Procurement							Previous 2012 2013 2014	\$	1,750,000 3,250,000 - -	\$ \$	•	\$ - \$ - \$ -		
-			_			-	2015	-		\$	070	\$ -		
Construction		2	1			-	2016 2017			\$	10.50	\$ -		
Contracts			1		- 1	-		-			(#)			
Site Prep		2.1				$\vdash$	2018	-		\$	*	\$ -		
(Developer)						-	Future Total		E 000 000	\$	2.5	\$ -		
Avista Construction			THE RESERVE	NAME OF TAXABLE PARTY.		_	Total	1 9	5,000,000	9				
(7)														
Commissioning				Name of	NIT COLOR									
-														
0	5	10	Time in Months	20	25									
Milestones (high level ta	rgets)	No. of Contract of	Section 1995						REFER			A SHALL SHALL		
January-11	Project Started			September-11	Avista Crew O	n S	ite for Structural	Wo	rk			I La		
March-11	Preliminary Design	n Begins		October-11	Avista Electrica	al D	Design Transmitt							
June-11	Spend Approval			September-12	Construction C		pleted							
	Avista Physical De		ted	November-12	Commissioning									
July-11	Developer Begins	Site Work		December-12	Energize all Fa	acili	ties							
July-11 August-11														
	laublet.	75	45	Automotive and the second	No. of the last of									
August-11	traction;	25	10			-								
August-11	icable);		a Aujata most the s	aguiromente of Mach	ington state initi	iativ	ve I-937	-		-				
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August-11		This does help	o Avista meet tre r	equilements of wash										
August-11		This does hel	o Avista meet the n	equilements of Wash					B M					
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	able):				vided upon reque	est.	A SALISAR		e P					
August-11  ssociated Ers (list all applications)  dittional Justifications:	able):				vided upon reque	est.	es de la constante de la const							
August-11 ssociated Ers (list all applications) andate Excerpt (if applications)	able):				vided upon reque	est.	A Solding							

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Resources Requirements:	(request forms and	l approvals attached)		THE RESERVE TO A STATE OF THE PARTY OF THE P	F1 15 15 15 15			-
Internal Labor Availability: Contract Labor:	Low Probability YES	☐ Medium Probability ☑ NO	☑ High Probability	Enterprise Tech: Facilities: Capital Tools: Fleet:	YES - attach form YES - attach form YES - attach form YES - attach form	✓ NO or Not Required ✓ NO or Not Required ✓ NO or Not Required ✓ NO or Not Required	Check the appropriate box. The internal and contract labor boxes should be checked to indicate if the resource owners have been contacted and to provide a general sense of how likely staff will be	0
Key Performance Indicator Expected Performance Improves			Tol -	1			provided (this does not require a firm committment).	
KPI Measure:		Energized by 12/17/	12.		21.	- / 0.7		
				Prepared	signature W	wharfa. Was	gude	
				Reviewed	signature 6	Direct	tor/Manager	
				Other Party Review (if necessary		im Continu	/ for/Manager	
Thornton 2	30 kV Switching	Station - Before (	Right) & After	(Below) Site Prep	7	A	100 m	
				s contractor moved on sit	0.		and the same of the same of	Section 1
The photo below show Monday, August 29 to before Thanksgiving a	ws that same site ex begin forming four and the Electric/Rela	actly one month later,	August 26, 2011. /	Avista crews moved on sit s expected to arrive just				
This project is well int	o construction.							C
				×				
	-11-1			-		-	THE PARTY OF THE P	
		HIL						
				7.7				
						(1) (4) (4) (4) (4) (4) (4) (4) (4) (4) (4)		
To be completed by Ca	apital Planning (	Group					iew Cycles	
						2	012-2016	
					Date		Template	
Harris Land								
								-

**Functional Group:** Electric Transmission / Distribution

**Business Case Name:** Purchase Westside Property

ER No: ER Name:

2531 Purchase Westside Property

Approved Business Case Spend Amount 2013-2016 (\$000s - System): \$01

Transfer to Plant Amounts (\$000s - System):

Year	Total	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2013	70								70				
2014													
2015													
2016													

# **Business Case Description:**

This business case is for the purchase of property at Westside. The purchase was made for the anticipated reconstruction of the existing 115 kV and 230/115 kV Autotransformer bus arrangement anticipated to being in 2017 or 2018.

#### Offsets:

<sup>&</sup>lt;sup>1</sup> The business case amount reflects approved capital expenditures for the years indicated and not transfers to plant.



Investment Name:	Westside		d														
Requested Amount	\$4,200,00		Voor	Program			Assessn										
Duration/Timeframe	T&D - Sul						Financia		None								
Dept, Area: Owner:	Heather F			151111551011			Strategi Busines		Business Risk	Pad	luction - None						
Sponsor:	Don Kopo		atei				Project				ind cost, sched	ule an	d resource	۹			
Category:	Productivi						Troject	itisit.	riigir oortairity	uiou	1110 0001, 001100	alo all	a roodaroo				
- · ·	n/a	,					Assessm	ent Score:	28	8	Annual Cost	Summ	narv - Increa	se/(De	ecrease)		
Recommend Project Descr									Performance	_	Capital Cost		&M Cost		Other Costs	Ru	siness Risk Score
Reconstruct the existing 11	-	0/115 k\	/ Autot	ransformer h	hus arra	ngement	and incre	ease the	Improved	\$	4,200,000		_	\$		_	0
transformation at Westside						-			performance,		,,	ļ .					
breakers failure contingend	ies in the Sp	okane a	rea. Tl	he proposed	bus arra	angement	for the 1	15 kV bus is	upgraded								
our present standard of bre	eaker and a	half. The	e autot	ransformer o	capacity	would in	crease to	the current	equipment,								
standard of 250 MVA each.	In addition	the Wes	tside 2	30 kV station	n physic	al condition	on has be	en identified	better status &	i.							
at end of life cycle.									control, new								
									life cycle.								
											Annual Cost				-		
Alternatives:									Performance	_	Capital Cost		&M Cost		Other Costs	Bu	siness Risk Score
Unfunded Project:	_	_		30/115 kV tra					n/a	\$	120,000	\$	75,000	) \$	•	-	0
				#2 230/115 k													
					require	tne sneac	ling of loa	ad to maintain									
	an accepta																
Alternative 1: Brief name	Describe o	ther opti	ions th	at were cons	sidered				describe any	\$	-	\$	-	\$		-	0
of alternative (if									incremental								
applicable)									changes in								
									operations								
Alternative 2: Brief name	Describe o	ther opti	ions th	at were cons	sidered				describe any	\$	-	\$	-	\$		-	0
of alternative (if									incremental								
applicable)									changes in								
4/1 / 24/ D: 6	5 "								operations			_					
Alternative 3 Name: Brief	Describe o	ther opt	ions th	at were cons	sidered				describe any	\$	-	\$	-	\$	•	-	0
name of alternative (if applicable)									incremental changes in								
арріїсавіе)									operations								
Program Cash Flows																	
	Capital			&M Cost		r Costs		pproved		Ass	ociated Ers (list	all app	licable):				
Previous		-	\$	-	\$	-	\$	-	1		2531						
2013		-	\$	-	\$	=	\$	-	4								
2014		750,000	\$	-	\$	-	\$	-	4								
2015		200,000	\$	-	\$		\$	-	4								
2010		-	\$	<u>-</u>	\$		Ś		1								
2018		_	Y		7		Ś	750,000	1								
2019		_					\$	-	1								
Tota	1 \$ 8,4	450,000	\$	-	\$	-	\$	750,000									
									_								
ER	201	3		2014	2	015		2016	2017		Total		ate Excerpt				
2531	\$	-	\$	750,000	_	,500,000	\$	4,200,000	\$ -	\$							increased
0	\$	-	\$	-	\$	-	\$	-	\$ -	\$		capa	city due to	Spoka	ne area loa	ad grov	vth.
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0 0	\$	-	\$	-	\$	=	\$	-	\$ -	\$	-	Addit	ional Justific	cations	s:		
0	\$	-	\$	-	\$	_	\$	-	\$ -	\$	-		sis of the Sp			nission	System is
0	\$	-	\$	-	\$	-	\$	-	\$ -	\$	-		•				Assessment
0	\$	-	\$	-	\$	-	\$	-	\$ -	\$	-					-	e five and ten
0	\$	-	\$	-	\$	-	\$	-	\$ -	\$	-	year p	lanning hor	izon.Tl	ne observed	overloa	ads occur in the
0	\$	-	\$	-	\$	-	\$	-	\$ -	\$	-	2014	base cases n	naking	the issues a	an opera	ations concern.
0	\$	-	\$	-	\$	-	\$	-	\$ -	\$	-						verload by 2017
0 0 0	\$	-	\$	-	\$	-	\$	-	\$ -	\$	-	for an	outage of V	Vestsic	de #2 230/1:	15 kV Tı	ransformer.
	\$	-	\$	750.000	\$	-	\$	4.200.002	\$ -	\$	- 0.450.000						
Total	\$	-	\$	750,000	\$ 3	,500,000	\$	4,200,000	\$ -	\$	8,450,000						
Milestones (high level ta	rgets)																
January-14	Sub Design	ın Begir	าร		.lu	ly-16	Commi	ssion Auto #2	2		January-00	open					
August-14	Grading a			S		ary-00	open	m			January-00	open					d be general.
January-15	_			akers, Bus		ary-00	open				January-00	open					ent on project progress can
July-15	115 kV lin					ary-00	open				January-00	open			progress	30 triat	orogress carr
September-15	Commisio					ary-00	open				January-00	open					
January-16	Install 230	kV bre	aker a	ind Auto #1	Janu	ary-00	open				January-00	open					
Resources Requirements:	Iroquast for	ns and o	innrow	als attached)													
nessurces nequirements.																	
Internal Labor Availability:						Probablity	Enterpri	se Tech:	FS - attach form	V NO	or Not Required	Capita	al Tools: [	∏γFS - ≤	attach form	V NO or □	Not Required
Internal Labor Availability:	Low Proba			lium Probability		Probablity	Enterpri	se Tech:	ES - attach form	☑ NO	or Not Required	Capita	_				Not Required Not Required

Exhibit No.\_\_(DBD-5)
Attachment No.\_\_ETD-37.2

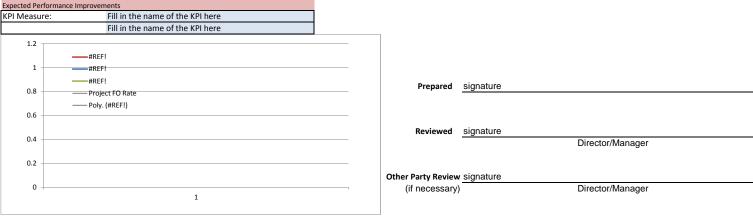
**Capital Project Business Case** 

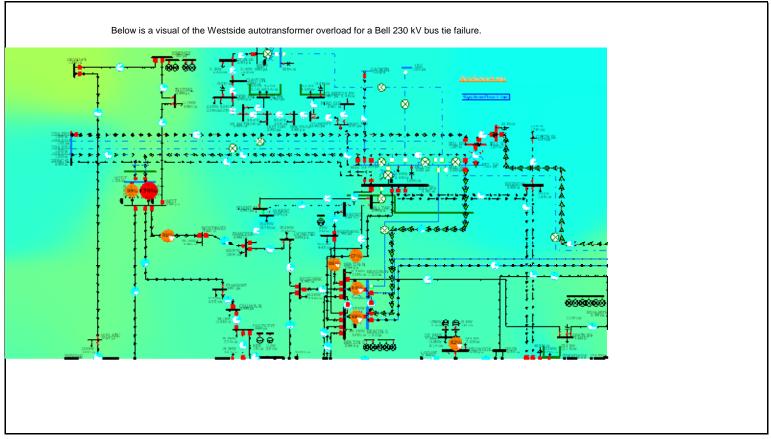
AVISTA

Contract Labor: VES VNO Facilities: VES - attach form VNO or Not Required Fleet: VES - attach form VNO or Not Required Fleet: VES - attach form VNO or Not Required Fleet: VES - attach form VNO or Not Required Fleet: VES - attach form VNO or Not Required Fleet: VES - attach form VNO or Not Required Fleet: VES - attach form VNO or Not Required Fleet: VES - attach form VNO or Not Required Fleet: VES - attach form VNO or Not Required Fleet: VES - attach form VNO or Not Required Fleet: VES - attach form VNO or Not Required Fleet: VES - attach form VNO or Not Required Fleet: VES - attach form VNO or Not Required Fleet: VES - attach form VNO or Not Required Fleet: VES - attach form VNO or Not Required Fleet: VES - attach form VNO or Not Required Fleet: VES - attach form VNO or Not Required Fleet: VES - attach form VNO or Not Required Fleet: VES - attach form VNO or Not Required Fleet: VES - attach fl



**Key Performance Indicator(s)** 





To be completed by Capital Planning Group		
Rationale for decision		Review Cycles
		2012-2016
	Date	Template

# AVISTA UTILITIES 2013-2016 CAPITAL PROJECTS

Functional Group: Electric Transmission / Distribution

**Business Case Name:** Customer Prepay

ER No: ER Name:

2585 Customer Prepay

Approved Business Case Spend Amount 2013-2016 (\$000s - System): \$2,000<sup>1</sup>

Transfer to Plant Amounts (\$000s - System):

Year	Total	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2013													
2014													
2015	1,997												1,997
2016													

#### **Business Case Description:**

Customer Pre Pay- This project would update customer systems and the AMR interfaces to enable prepay programs. These systems need to be set up so that customer's balance can trigger a disconnect when the customer's balance hits zero. The system also need to alert customers to the low balance prior to disconnect. O&M reductions could occur based on the reduction of collection(s) activities.

#### Offsets:

There are no anticipated offsets with this business case.

<sup>&</sup>lt;sup>1</sup> The business case amount reflects approved capital expenditures for the years indicated and not transfers to plant.

#### Capital Project Business Case



Investment Name: Requested Amount	Customer Pre P \$2,000,000	ay		Assessments:						
Duration/Timeframe	no. years	1		Financial:	0.00%					
Dept, Area:	Energy Delivery			Strategic:	Customer Exp	perier	nce			
Owner:	Heather Rosentra	ater		Business Risk:			luction >0 and			
Sponsor	Don Kopczynski Productivity			Project Risk:	Low certainty	arour	nd cost, schedu	ule and resources		or - miles
Category: Mandate/Reg. Reference:	-	-		Assessment Score:	14	4	Annual Cost	Summary - Increase	e//Decrease)	1
Recommend Project Descri		DE 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	Name of Street	Pascasine in Score:	Performance		Capital Cost	O&M Cost	Other Costs	Business Risk Score
Customer Pre Pay-This proj programs. These systems n customer's balance hits zerd disconnect. O&M reduction	ect would update c eed to be set up so b. The system also	that customer's ba need to alert custo	lance can trigger mers to the low b	a disconnect when the palance prior to	describe any incremental changes that this Project would benefit present operations	\$	2,000,000	\$ 300,000	\$ -	4
Alternatives:					Performance		Capital Cost	O&M Cost	Other Costs	Business Risk Score
Unfunded Project:	Utility will still follo for consumption.	ow the existing mo	del where custon	ers are billed monthly	n/a	\$	*	\$ -	\$ -	12
Alternative 1: Brief name of alternative (if applicable)	The utility will prov advanced meters t and MDM and will	o opt into a pre pa	y program. Requ	ires integration to CSS	Customers prepay for electric usage.	\$	2,000,000	\$ 200,000	\$	4
Alternative 2: Brief name of alternative (if applicable)	Describe other opt	ions that were con	sidered		describe any incremental changes in operations	\$		\$ -	\$ -	0
Alternative 3 Name: Brief name of alternative (if applicable)	Describe other opt	ions that were con	sidered		describe any incremental changes in operations	\$		\$ -	\$ -	0
Program Cash Flows	Capital Cost	O&M Cost	Other Costs	Approved		Asso	ociated Ers (list	all applicable):		
Previous	\$ -	\$ -	\$ -	\$ -	1				IA	
2013		\$ -	\$ -	\$ -						
2014	\$ -	\$ -	\$ -	\$ -	4					
2015 2016	\$ 2,000,000	\$ 100,000		\$ 2,000,000	1					
2017+		\$ 100,000		\$ -	1					
Total		\$ 300,000		\$ 2,000,000	1					
								les a variable		
ER	2013	2014	2015	2016	2017+	-	Total	Mandate Excerpt (		and the second of
0	\$ -	\$ -	\$ -	\$ -	\$ -	\$	-		ation of the law or ence number if po	
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0	\$ -	\$ -	\$ -	\$ -	\$ -	\$		Additional Justifica	ations:	
0	\$ -	\$ -	\$ -	5 -	\$ -	\$			tary information tha	t may be useful in
0	\$ -	\$ -	\$ -	\$ -	\$ -	\$			re detail the nature	
0	\$ -	\$ -	\$ -	\$ -	\$ -	\$			urgency, etc.	
0	\$ -	\$ -	\$ -	\$ -	\$ -	\$				
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0	\$ -	\$ -	\$ -	\$ -	\$ -	\$				
0	\$ -	\$ -	\$ -	\$ -	\$ -	\$				
Total	\$ -	\$ -	\$ -	\$ -	\$ -	\$				
Milestones (high level t	argets)									
January-00 January-00 January-00 January-00 January-00 January-00	open open open open open open open		January-00 January-00 January-00 January-00 January-00 January-00	open open open open open open			January-00 January-00 January-00 January-00 January-00 January-00	open open open open open open	Use your jud	hould be general. gement on project hat progress can
Resources Requirements: ( Internal Labor Availability: Contract Labor:		pprovals attached  Medium Probability  No	High Probability	Enterprise Tech:			or Not Required or Not Required			IO or Not Required IO or Not Required

### Capital Project Business Case



Key Performance	e Indicator(s)		
xpected Performan KPI Measure:		1	
Criwensure.	Fill in the name of the KPI here		
1.2			
	#REF!	11	A second or beautiful to be the seco
1	#REF1	1/2/5	61
0.8		Prepared signature	-5
	Poly. (#REFI)	/ ,	
0.6		lh_	-B _
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0		(if necessary)	Director/Manager
	1		
To be complet Rationale for	ted by Capital Planning Group r decision	Date R	teview Cycles 2012-2016 Template
		Date	rempiate

# AVISTA UTILITIES 2013-2016 CAPITAL PROJECTS

Functional Group: Electric Transmission / Distribution

Business Case Name: Noxon Switchyard Rebuild

ER No: ER Name:

2532 Noxon 230 kV Substation - Rebuild

Approved Business Case Spend Amount 2013-2016 (\$000s - System): \$11,4001

#### Transfer to Plant Amounts (\$000s - System):

Year	Total	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2013													
2014													
2015	8,425									7,900			525
2016	500												500

#### **Business Case Description:**

The existing Noxon Rapids 230 kV Switchyard requires reconstruction due to the present age and condition of the equipment in the station. The existing bus is constructed as strain bus (which has suffered a number of recent failures) and is configured as a single bus with a tiebreaker separating the East and West buses. The station is the interconnection point of the Noxon Rapids Hydroelectric development as well as a principal interconnection point between Avista and BPA, and as such is a significant asset in the reliable operation of the Western Montana Hydro Complex. Equipment outages within the Station (planned or unplanned) can cause significant curtailments of the local generation output. Due to the significance of the station, a complete rebuild will require coordination with Avista's Energy Resources Department and neighboring utilities, primarily BPA. The Noxon Switchyard Rebuild Project is proposed to be a Greenfield Double Bus Double Breaker 230 kV switching station to replace the existing Noxon Switchyard.

#### Offsets:

There are no anticipated offsets with this business case.

<sup>&</sup>lt;sup>1</sup>The business case amount reflects approved capital expenditures for the years indicated and not transfers to plant.

#### **Capital Investment Business Case**

Investment Name:	Noxon Switchya	rd Rebuild	in the law of										
Requested Amount	\$24,950,000		Marie Service	10.00	sessments:								
Duration/Timeframe	ACCORDING TO THE PARTY OF THE P	Year Project	F		nancial:	Medium - >= 5°	O. T. S. Committee	Water St. Towns Talled			moy!		
Dept, Area: Owner:	T&D - Substation Heather Rosentra		in Engineerin		rategic: perational:	Reliability & Ca Operations req	A STANSON AND		odom	a ot ourront	lavala		
Sponsor:	Don Kopczynski	iter			isiness Risk:	ERM Reduction			CHOIL	rat Current	ieveis		
Category:	Project				oject/Program Risk:				ule ar	nd resources	ŝ		
Mandate/Reg. Reference:	n/a	Light			sessment Score:	79	-			- Increase/(	West trans	ase)	
Recommend Project Descr	iption:					Performance	(	Capital Cost	1	0&M Cost	1	Other Costs	Business Risk Score
The existing Noxon Rapids	230 kV Switchyard re	equires reconstr	uction due to	the preser	nt age and condition	Improve station		24,950,000	\$		\$		1
of the equipment in the sta of recent failures) and is co The station is the interconr interconnection point betw the Western Montana Hyd cause significant curtailme complete rebuild will requi utilities, primarily BPA. Th Double Breaker 230 kV swi	onfigured as a single lection point of the I veen Avista and BPA, ro Complex. Equipm Ints of the local gener ire coordination with e Noxon Switchyard	bus with a tie brown Rapids Hy, and as such is a nent outages with ration output. Do Avista's Energy Rebuild Project i	eaker separati ydro Electric Di a significant ass thin the Station Due to the signi Resources De is proposed to	ing the East am as well set in the in (planned ifficance of partment be a gree	at and West buses. I as a principal reliable operation o or unplanned) can I the station, a and neighboring	replacing end of life equipment.							
				1	177			Cost Sur	nmary	- Increase/(	Decrea	ase)	
Alternatives:			Electric State			Performance	(	Capital Cost	-	8M Cost	-	Other Costs	Business Risk Score
Status Quo:	The existing Noxon Outages caused by and reduced interc	equipment failu	ure could cause	e curtailm	ent of generation	n/a	\$		\$	**	\$		6
Alternative 1:	Replace end of life leaves the station a outage possibilities voltage control (re-	as a single bus, w s as well as other	which does not r bus configura	t improve ations wou	single contingency		\$	8,500,000	\$		\$		0
							\$		\$		\$		0
							\$		\$		\$		0
Timeline						Dy	Cons	struction Cash F	Flows	(CWIP)	24		
					T-WT F		_	Capital Cost	_	&M Cost	-	Other Costs	Approved
	- F	7 3			. 1.4	Previous	-	*	\$		\$		\$
			0.00		No.	2012	-	100 000	\$		\$	*	\$ 150,000
	2					2013	-	400,000	\$	*	\$	-1	\$ 400,018 \$ 2,525,000
					ml ml	2014		2,525,000 5,475,000	\$		\$	100	\$ 2,525,000 \$ 5,475,000
54					17	2015	-	3,000,000	\$		\$		\$ 3,000,000
						2017	_	4,200,000	\$	CADUE 1	\$		\$ 4,200,000
25						2018	-	4,200,000	5		\$		\$ 4,200,000
						Future	-	5,000,000	\$		5		\$ -
						Total		24,800,000	5		S		\$ 19,950,018
0	0.2 0	.4 0.6 Time i Monti	in		1 1.2								
Milestones (high level ta	urgets)					and the last of							
Jan-Dec 2012 Jan-Dec 2013 April-14 April-14 - Dec-15 April-14 - Dec-15 Jan-15 - Dec-15 April-15 - Oct-15	Plan/Scope Proje Finalize Scope O Receive Permit Construct Reacto Upgrade Strain b Design rest of ne Construction of n	ptions; Process or Station & 230 ous and bus swi w station; repla	s Permitting 0 kV Connect itches in old s	tion sub	April-16 - Oct-16 April-17 - Oct-17 April-18 - Oct-18 April-19 - Oct-19 April-20 - Oct-20 April-20 - Oct-20		f new f new f new f new	station; Line station; Line station; Line station; Line	Const Const Const	ruction/Tern ruction/Tern ruction/Tern	ninatio ninatio	on/BPA Cons	truction
Associated Ers (list all appl	licable):	25	532	10.15	ek Indus		DIT.						
Mandate Excerpt (if applic	ahla).				1 1 1 1 1 1 1		O LA			1730	-		
	abiej.												

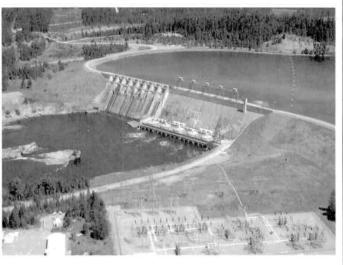
The existing station has not had equipment upgrades since 2007 due to projected plans for a station rebuild. With the decision to pursue a full station upgrade in a new location, the time it will take to construct this new station will require the old station to remain in operation until at least 2020 by current estimates. It has been decided to replace some of the existing equipment to afford safe and reliable operation of the existing station while the new station is constructed.

#### **Capital Investment Business Case**

AVISTA

Resources Requirements:	(request forms an	d approvals attached)					
Internal Labor Availability: Contract Labor:	Low Probability VES	☑ Medium Probability ☐ NO	High Probability	Enterprise Tech: Facilities: Capital Tools; Fleet:	YES - attach form YES - attach form YES - attach form YES - attach form	✓ NO or Not Required ✓ NO or Not Required ✓ NO or Not Required ✓ NO or Not Required	Check the appropriate box. The internal and contract labor boxes should be checked to indicate if the resource owners have been contacted and to provide a general
Key Performance Indicato	r(s)			1			sense of how likely staff will be
Expected Performance Improve	ments						provided (this does not require a firm committment).
KPI Measure:	Complete React	or Yard/minor station	upgrades in 2015	5.	~		communication).
	Complete remai	nder of station as tim	e/budget allows.	Prepared	mha	grudes	Litte (SO))
				ricparco	Mik	Magruder/Ken Sweiga	nt, T&D Substations/Transmission
						9	
				Reviewed	Hu	R	
						Heather Rosen	trater, Director - ENSO
				Reviewed	Am	dal In	
						Andy Vicke	rs Director - GPSS





Above: recent picture of the Noxon HED and Switchyard Left: Pictures of Noxon Hed and Switchyard shortly after orginal construction - 1956

Planning and Design Scoping Documents are available upon request.

ionale for decision		Review Cycles 2012-2016
	Date	Template

# AVISTA UTILITIES 2013-2016 CAPITAL PROJECTS

Functional Group: Electric Transmission / Distribution

**Business Case Name:** Street Light Management

ER No: ER Name:

2584 Street Light Conversion to LED Fixtures

Approved Business Case Spend Amount 2013-2016 (\$000s - System): \$4,6401

#### Transfer to Plant Amounts (\$000s - System):

<b>Year</b> 2013	Total	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2014													
2015	2,320	193	193	193	193	193	193	193	193	193	193	193	193
2016	2,320	193	193	193	193	193	193	193	193	193	193	193	193

#### **Business Case Description:**

Street Light Maintenance Program. This program is a 5 year planned replacement of bulbs and 10 year planned replacement of photocells. This alternative has the starter boards running to failure.

#### Offsets:

The attached business case does not show O&M Offsets, however after further discussion, we anticipate there will be O&M savings in 2015 in the amount of \$488,000 (\$317,249 WA). The offsets occur due to converting 100 Watt street lights from High Pressure Sodium. The savings comes from eliminating the labor, equipment, material, and overhead costs associated with repairing older lights.

<sup>&</sup>lt;sup>1</sup> The business case amount reflects approved capital expenditures for the years indicated and not transfers to plant.

# AVISTA

### Capital Program Business Case

Investment Name:	Street Light Ma	nagement		٦									
Requested Amount	\$11,600,000	110-310-11		Ass	sessments:								
Duration/Timeframe	5 Years	2015		Fin	ancial:	8.46%							
Dept, Area:	Operations			Str	ategic:	Life-cycle asse	et m	anagement					
Owner:	Al Fisher			-	siness Risk:			duction >10 and	d <=	15			
Sponsor:	Don Kopczynski			Pro	gram Risk:			y around cost, s			urce	S	
Category:	Program												
Mandate/Reg. Reference:	n/a	3		Ass	sessment Score:	108	3	Annual Cos	t Sui	mmary - Increas	e/(D	ecrease)	
Recommend Program Des	cription:					Performance		Capital Cost		O&M Cost	1	Other Costs	Business Risk Score
Street Light Maintenance I planned replacement of pl	Program. This progr hotocells. This alter	am is a 5 year plan native has the start	ned replacement erboards running	of bu to fa	ulbs and 10 year ailure.	8.46%		2		\$ 1			4
								Annual Cost	Sur	nmary - Increas	e/(D	ecrease)	
Alternatives:						Performance		Capital Cost		O&M Cost		Other Costs	Business Risk Score
Unfunded Program: Continue maintaining the street lights as failures occur	to being noticed b	ently maintained by y an Avista employ nich can put us at ri issue to issue.	ee. Many street l	ights	are out for long	5.62%	\$	MF13. 71	\$	732,012	\$	729,141	16
Alternative 1:	replacement of 10 estimated 8,500 M \$540,000 per year		with LED Fixtures ergy and reduce (	s. Th D&M	is will save an spending by	8.46%	\$	2,320,000	\$	193,824	\$	(729,141)	4
Alternative 2:	Street Light Mainte replacement of bu of photocells. This	enance Program. T lbs and starterboar program retains th	ds and a 10 year p	olann	ned replacement	12.12%	\$		\$	1,030,000	-	(713,793)	
Alternative 3:					Kerang)							and the second	
Program Cash Flows				AV.		PROFES EL							
	Capital Cost	O&M Cost	Other Costs		Approved		Ass	ociated Ers (list	all a	pplicable):			
Previous		\$ -	\$ -	\$				2584					
2013	1.57	\$ -	\$ -	\$									
2014		\$ -	\$ -	\$	0								
2015	\$ 2,320,000	4.70 STORY STATE OF S		1115	2,320,000								
			A Jane sant	6	and the second of the second of				_		_		
2016	12/20/20/20/20/20/20/20/20/20/20/20/20/20			>	2,320,000								
	\$ 2,320,000	\$ 203,970			2,320,000								

## AVISTA

### Capital Program Business Case

ER	2013		2014		2015		2016		2017		Total	Mandate Excerpt (if applicable):
2584	\$ .	\$	2,320,000	\$	2,320,000	\$	2,320,000	\$	2,320,000	\$	9,280,000	
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	\$ .	\$	2,320,000	5	2,320,000	\$	2,320,000	\$	2,320,000	\$	9,280,000	V P-VI
Resources Requirements:	(request forms ar	d appro ☑м	edium Probability		High Probability	Enterp	orise Tech:		ES - attach form	18	☑NO or Not Requ	labor boxes should be checked to indicate it the
Resources Requirements:	(request forms a	d appro	edium Probability			Enterp Faciliti	orise Tech:	□ Y □ Y			✓NO or Not Requ ✓NO or Not Requ ✓NO or Not Requ ✓NO or Not Requ	labor boxes should be checked to indicate if the resource owners have been contacted and to provide a general sense of how likely staff will be provided
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This space is to be used for photographs, charts, or other data that may	y be useful in evaulating the Program
To be a second by Comitted Blooming Comm	
To be completed by Capital Planning Group Rationale for decision	Review Cycles 2012-2016

### Capital Program Business Case

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