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UTIL. AND TRANSP.
COMMISSION

26 February 2020

VIA ELECTRONIC FILING

Mark L. Johnson
Executive Director and Secretary
Washington Utilities & Transportation Commission
621 Woodland Square Loop SE
Lacey, WA 98503

Dear Mr. Johnson:

Enclosed is the 2020 Electric and Gas Budget of Expenditures for Avista Corporation, pursuant to WAC 480-140.

If you have any questions, or require additional information, please call me at (509) 495-2764.

Sincerely,

Jeremiah Webster
Financial Planning & Analysis

Enclosure

CC: Karen Schuh, Sr Regulatory Analyst, Avista

CLASS "A"

ELECTRIC UTILITIES

(Gross Revenue of \$2,500,000 or More)

BUDGET OF EXPENDITURES

OF

AVISTA CORPORATION

Exact Legal Name of Respondent

FOR THE

YEAR ENDED DECEMBER 31, 2020



Budgeted Annual Operations

Budget Year 2020

in 000's

Electric

Operating Revenues	932,257
Resource Expenses	<u>258,455</u>
Gross Margin	673,801

Non-Resource O&M Expense

Generation	64,635
Production	5,949
Transmission	11,151
Distribution	35,447
Sales and Service	12,210
A&G	<u>101,858</u>
Total Non-Resource O&M Expense	231,250

Taxes Other Than Income ¹	86,972
Depreciation & Amortization	163,957

Pre-Tax Electric Oper Income / (Loss) \$ 191,622

Gas

Operating Revenues	\$ 338,995
Resource Expenses	<u>116,310</u>
Gross Margin	222,685

Non-Resource O&M Expense

Underground Storage	3,012
Distribution	25,032
Sales and Service	11,237
A&G	<u>40,966</u>
Total Non-Resource O&M Expense	80,247

Taxes Other Than Income ¹	29,646
Depreciation & Amortization	46,007

Pre-Tax Gas Oper Income / (Loss) \$ 66,785

¹In prior filings, Payroll Taxes (408.1) were included in the Non-Resource O&M Expense categories

Avista Corporation
Total Estimated Capital Expenditures including AFUDC
For Budget Year 2020
in 000's

Function	Amount
Environmental Affairs	24,137
Gas	46,194
Generation	51,452
Growth	57,957
IS/IT	42,594
Other	28,943
Trans/Dist	153,724
Total	\$ 405,000

Avista Corporation
Major Construction Projects as defined in WAC 480-140-040
For Budget Year 2020

ER	ER Title	Description	2020
2204	Substation Rebuilds	This program replaces and/or rebuilds existing substations as they reach the end of their useful lives or where installed equipment that fails or is being replaced for capacity needs cannot be accommodated within the physical constraints of the small, older stations.	
2586	Washington AMI	This project will replace existing metering systems in Washington State with an advanced meter reading system. The replacement will install an AMI metering system that will include: meters, network, back off systems, and data repository.	
3008	Aldyl-A Pipe Replacement	The Company is continuing a 20-year program to systematically remove and replace select portions of the Aldyl-A medium density polyethylene pipe in its natural gas distribution system in the States of Oregon, Washington, and Idaho. None of the subject pipe is "high pressure main pipe," but rather, consists of distribution mains at maximum operating pressures of 60 psi and pipe diameters ranging from 1¼ to 4 inches.	
3311	Cheney HP Reinforcement	This project will increase the capacity of the gas system in Cheney, WA. The current system does not have the capacity to serve all firm customers on a design day. This project will also add an appropriate amount of capacity to the system to support further growth of new and existing customers.	
6110	Cabinet Gorge Fish Passage	The Clark Fork Settlement Agreement and License require Avista to implement a Native Salmonid Restoration Plan, which contemplates a step-wise approach to investigating, designing and implementing fish passage at the Clark Fork Project.	

ANNUAL BUDGET OF EXPENDITURES TO THE WASHINGTON
UTILITIES AND TRANSPORTATION COMMISSION

UTILITY NAME: AVISTA CORPORATION

BUDGET REPORT FOR THE YEAR
ENDED DECEMBER 31, 2020

VERIFICATION

The foregoing report must be verified by the oath of the officer having control of the accounting of the reporting company and by the oath of the president or other chief officer of the reporting company.

STATE OF WASHINGTON)
) ss.
County of Spokane)

We, the undersigned, the Executive VP CFO and Treasurer and
(Title of Officer)
VP and Controller of Avista Corporation
(Title of Officer) (Give exact name of company)

on our oath do severally say that the foregoing budget has been prepared, under our direction; that we have carefully examined the same and declare the same to be complete and correct estimate of the revenues and expenditures of said company, for the year ending December 31, 2019, to the best of our knowledge, information and belief.

[Signature]
Executive VP CFO and Treasurer
Ry L Kassest
VP and Controller

Subscribed and sworn to before me this 27 day of February, 2020



Patty L. Hanson
Notary Public in and for the State of Washington,
Residing at Spokane County