

REDACTED

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

DOCKET NO. UE-10 _____

EXHIBIT NO._____(SJK-6)

SCOTT J. KINNEY

REPRESENTING AVISTA CORPORATION

**AVISTA UTILITIES
2010 CAPITAL PROJECTS**

ER No.: 1006

ER Name: Power Transformer Purchases - Distribution

Pro Forma Amount: \$4,740,000

Expended to date: \$0

2010 Transfer to Plant Date: Transfers occur throughout 2010

Project Description:

These transformers are being purchased to replace existing spares that will be installed in 2010 as either replacements or new installations. Transformers are transferred to plant upon receiving them. The purchased transformers will either remain as system spares or placed into service as part of proposed 2011 projects. There are no offsets or savings associated with the purchase of the transformers until they are actually placed in service. There are potential future loss savings but the amount cannot be determined until the location of the transformers is determined.

The Company purchased \$2.6 million in 2008 and \$3.0 million in 2009.

The Company originally planned to purchase a mobile substation for approximately \$2.0 Million in 2010, and therefore was included in the budget. Recently, the Company decided to purchase a less expensive solution. Therefore, the actual capital costs for ER 1006 is approximately \$2.4 Million. This decision was made after the final revenue requirement was completed.

Offsets:

Offsets to O&M costs were computed on this distribution plant investment by applying a load adjustment factor to the investment, which adjusts rate year costs to match test year loads

Timeline:

The transformers will be ordered in March 2010 with expected deliveries in late summer and fall.

Additional Information:

- Listing of planned transformer purchases in 2010 pg. 2
- History of costs for 2005 through 2010 pg. 3

Note:

During the course of Avista's pending general rate case, updated information will be available for audit.

Planned transformer purchases for 2010

<u>Description</u>	<u>Qty</u>	<u>Est.Cost</u>	<u>Reason</u>	<u>Additional Comments</u>
115 - 13.8kV, 30MVA	1	\$ 500,000	Spare	No unassigned spares presently.
230-13.8kV, 5MVA	1	\$ 600,000	Spare	Existing spare condition unacceptable.
115 - 24.9x13.8kV, 3.75MVA	1	\$ 325,000	Spare	No spare presently at 24.9kV and existing 13kV spare without bushings.
115 - 13.8kV, 20MVA	1	\$ 400,000	Spare	One unassigned spare for 72 in service.
115-24.9x21.9kV, 7.5MVA	1	\$ 375,000	Spare	No spare presently for either voltage. This could be used at Orofino in the future; requiring another spare order.
Trailer for existing 115-24.9x21.9kV, 20MVA		\$175,000		The proposed \$2M mobile for Sandpoint area could never be used for other than an emergency and due to the voltage, 21.8kV, affords no tap options at 13.8kV. This trailer would enable the present spare for to be stored in a ready to go condition, in Idaho; thus reducing the mobilization and restoration time.
	Total	\$ 2,375,000		

AVISTA UTILITIES
 ER 1006
 COST HISTORY 2005 Through March 12, 2010

				2005	2006	2007	2008	2009	2010
				Transaction Amt	Transaction Amt	Transaction Amt	Transaction Amt	Transaction Amt	Transaction Amt
Er	Jurisdiction	Expenditure Category	Expenditure Type						
1006	AN	Labor	345 Regular Payroll - Union	-	3,060.00	-	-	-	-
		Overhead	505 Capital Overhead - A & G	-	13.01	-	-	-	-
			506 Cap Overhead - Functional	-	519.90	-	-	-	-
			510 Payroll Benefits loading	-	1,224.00	-	-	-	-
			515 Payroll Tax loading	-	260.10	-	-	-	-
			520 Payroll Time Off loading	-	550.80	-	-	-	-
			525 Small Tools loading	-	104.04	-	-	-	-
		Sum			5,731.85				
ID		Contractor	020 Professional Services	-	7,150.75	1,857.00	-	7,627.49	-
		Overhead	530 Stores/Material Loading	-	25,859.32	3,452.87	-	-	-
		Voucher	880 Materials & Equipment	-	324,895.20	43,468.48	-	-	-
			882 Materials - Large Purchase	-	-	-	201,169.04	783,818.70	-
		Sum			357,905.27	48,778.35	201,169.04	791,446.19	
WA		Contractor	015 Construction Services	626.05	760.58	-	-	-	-
			020 Professional Services	8,968.77	18,536.86	-	20,979.66	29,926.74	-
		Contributions	115 Misc Bills	(1,100.00)	-	-	-	-	(655.00)
		Overhead	530 Stores/Material Loading	-	42,168.80	-	-	148,577.98	-
		Voucher	880 Materials & Equipment	255,550.05	767,032.31	-	-	1,522,332.62	-
			882 Materials - Large Purchase	-	-	160,428.26	2,390,258.40	494,199.96	-
		Sum		264,044.87	828,498.55	160,428.26	2,411,238.06	2,195,037.30	(655.00)
Sum				264,044.87	1,192,135.67	209,206.61	2,612,407.10	2,986,483.49	(655.00)

**AVISTA UTILITIES
2010 CAPITAL PROJECTS**

ER No.:	2336
ER Name:	Chewelah & Othello Transformers
Pro Forma Amount:	\$950,000
Expended to date:	\$321,606
2010 Transfer to Plant Date:	
May 2010:	\$400,000
July 2010:	\$550,000

Project Description:

Othello and Chewelah Transformer Replacements (\$0.950 million) – Since the transformers were purchased and received in 2009, the transformer costs have already been transferred to plant. The costs shown here are all labor costs to install the new transformers at each location. One of the existing transformers at the Othello substation needs to be replaced because of concerns that if it fails it could have an impact on the environment. The transformer at Chewelah Substation is at the end of its useful life and is near capacity. In order to increase the capacity, a 115 kV Circuit Switcher and Air Switch needs to be installed requiring relaying and SCADA to be added to the station. Replacing Chewelah transformer #1 will save \$80,500 per year in energy savings due to the inefficiencies of the current transformer. By replacing this transformer, the load losses will be reduced. The 2011 O&M offset of \$80,500 has been included to offset the cost of this project.

Offsets:

This transmission plant investment is included in the production property adjustment, which adjusts rate year costs to match test year loads. The 2010 offset of \$80,500 has been pro formed in this case.

Timeline:

The Othello Transformer #2 replacement project has been transmitted for construction and is presently planned for Q2. Depending on resource availability and irrigation and refrigeration loading in the Othello area, this may have to be delayed until Q4. The Chewelah Transformer replacement is scheduled for Q3.

**AVISTA UTILITIES
2010 CAPITAL PROJECTS**

Attachment Index:

- Costs pg. 3
- Othello Capital Project Request (CPR) Forms, including all attachments
(Scope of Work and Transformer #2 Replacement Drawings) pg. 4-14
- Chewelah Capital Project Request (CPR) Forms, including all attachments
(Scope of Work and Preliminary 2010 Construction Schedule) pg. 15-18

Note:

During the course of Avista's pending general rate case, updated information will be available for audit.

AVISTA UTILITIES
ER 2336
COSTS THROUGH MARCH 15, 2010

Er	Project Number	Project Desc	Expenditure Category	2009	2010
				Transaction Amt	Transaction Amt
2336	02805327	Othello 115kv xfmr 2 repl	AFUDC	930.66	590.19
			Employee Expenses	75.69	-
			Labor	15,600.33	1,097.19
			Material	255.00	10,641.64
			Overhead	14,046.76	4,863.85
			Vehicle	49.71	-
			Voucher	4,713.50	8,907.93
		Sum		<u>35,671.65</u>	<u>26,100.80</u>
	02805378	Chewelah Replace transformer	AFUDC	1,312.01	1,322.47
			Contractor	532.00	-
			Employee Expenses	316.68	-
			Labor	15,889.69	4,719.85
			Material	1,371.89	(449.82)
			Overhead	31,399.80	4,977.65
			Transportation	8,766.25	-
			Voucher	34,582.50	32,543.99
		Sum		<u>94,170.82</u>	<u>43,114.14</u>
	02805403	Othello 115kv xfmr 2 repl tran	AFUDC	173.98	331.22
			Labor	-	640.18
			Material	8,876.19	-
			Overhead	5,131.24	3,570.77
			Voucher	5,991.54	9,066.10
		Sum		<u>20,172.95</u>	<u>13,608.27</u>
	09805254	Chewelah replace Transformer	AFUDC	10.33	63.40
			Contractor	-	503.91
			Labor	1,249.00	2,303.26
			Overhead	1,116.35	2,110.74
			Voucher	-	2,160.95
		Sum		<u>2,375.68</u>	<u>7,142.26</u>
	29905079	CHW New xfmr tx integration	AFUDC	-	208.89
			Employee Expenses	-	21.69
			Labor	-	874.64
			Material	-	14,207.97
			Overhead	-	5,814.57
			Transportation	-	303.50
		Sum		<u>-</u>	<u>21,431.26</u>
	96005083	Chewelah Replace Transformer	AFUDC	221.81	521.74
			Labor	1,909.30	-
			Material	8,793.04	-
			Overhead	7,687.99	1,464.61
			Voucher	15,989.88	14,921.80
		Sum		<u>34,602.02</u>	<u>16,908.15</u>
	96005091	CHW sub Rebuild Dx Switching	AFUDC	-	64.38
			Material	-	5,174.91
			Overhead	-	1,068.27
		Sum		<u>-</u>	<u>6,307.56</u>
	Sum			<u>186,993.12</u>	<u>134,612.44</u>
					321,605.56



CAPITAL PROJECT REQUEST FORM (CPR)

Exhibit No. (SJK 67 Schedule 2 1)

Request Type Preliminary	PROJECT OTH09A
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ER 2336	Budget Cat 5	SERVICE CODE ED	PROJECT TITLE (30 CHARS) Othello 115kV-Xfmr 2 Repl.	PROJECT NO. 26	LOCATION 028
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PROJECT DESCRIPTION (250 CHARS)

Replace #2 transformer at Othello with 115/13 kV, 12/16/20 MVA transformer.

APPROVED BUDGET X	ORGANIZATION M08	B/I NUMBER AMS27	WMS (Y OR N) N	RATE JURISDICTION AN
BILLING	BILLING CONTACT		PROJECT START DATE 1/12/2009	

LONG NAME (INCLUDE PURPOSE AND NECESSITY - 240 CHARS)

This project will replace the existing transformer at Othello with a new unit. The existing unit has an issue with oil leaks. A new concrete foundation will be constructed which will replace the existing timbers.

CONSTRUCTION			
	FERC 3XXXXX	ESTIMATED AMOUNT BY FERC NUMBER	AS BUILT AMOUNT BY FERC NUMBER
	300100	\$5,000	
	362000	\$18,500	
GROSS ADDITIONS		\$23,500	
NET SALVAGE BY FERC (3XXXXX)			
	300100 362000	\$1,000	
NET SALVAGE		\$1,000	
on Standard Work Breakdown Structure needed (Optional)			
Date Prepared:		1/9/2009	
TOTAL COST OF PROJECT		\$24,500	

Total Construction Cost \$24,500

NOT REQUIRED	
BUDGET AUTHORIZATION	
PREVIOUSLY APPROVED	
THIS AFE	
TOTAL TO DATE	
BALANCE NOT APPROVED	

APPROVALS

SIGNATURE	DATE
Mike Magruder <i>M. Magruder</i>	1-9-09

Project Contact Rob Selby x2560 *Rob Selby*
APPROVAL SIGNATURE(S) REQUIRED

- To: \$99,999 - Director
- \$100,000-\$499,999 - VP or GM/Utility
- \$500,000-\$1,999,999 - Sr. Vice President
- \$2,000,000-\$2,999,999 - CFO
- \$3,000,000-\$4,999,999 - President/COO
- \$5,000,000-\$9,999,999 - CEO
- Over \$10,000,000 - Board Chair
- Out-of-Budget - Capital Budget Committee

THE BUDGET ITEM SPONSOR IS RESPONSIBLE FOR CLOSING THIS WORK ORDER IMMEDIATELY UPON COMPLETION OF WORK. SIGN THIS FORM COMPLETE AS BUILT INFO AND FORWARD TO PLANT ACCOUNTING.

Date Work Completed	
Foreman/Supervisor	



Interoffice Memorandum
Engineering & System Operations
SUBSTATION DESIGN

DATE: January 8, 2010
TO: Distribution
FROM: Rob Selby
SUBJECT: Othello 115kV / 13 kV Transformer #2 Replacement – Drawings

This drawing package is for the construction of the transformer #2 replacement at Othello Substation. The existing transformer has an issue with oil leaks. A new system spare transformer will be installed on the pad for a CT project which was never completed.

Schedule:

The work will require an outage of Transformer 2 and the 502 and 503 feeders. During this time, load will be shifted to Transformer 1 and Lee and Reynolds Substation. The work will need to be complete by late spring before load picks up.

Scope:

Mechanical Work

- Remove uptake structure foundations (2)
- Remove (cut) anchor bolts from CT foundation pads. Add gravel flush with CT foundations. (The idea is to provide support for a crane to drive over the old yard, so the new transformer can be set.)
- Remove interior fence.
- Install trenway section outside of panel house. Use caution around telephone and lighting cables in area.
- Erect new A-frame deadend structure.

Electrical Work

- Add 115 kV Strain Bus.
- Add 115 kV disconnect switch on dead-end structure.
- Add new 115 kV Circuit Switcher
- Add new 115 / 13 kV 20 MVA Transformer
- Add Bridges disconnect switch
- Remove existing Panel 2 (Transformer 2 protection rack)
- Add Transformer Protection Panel 2.
- Add new 115 kV MTC.
- Install new PT. Install new PT disconnection switches.
- Remove CT's for old Transformer 2 metering.
- Remove old bus tie switch.

- Remove old transformer 2. Will need to be skidded out, due to clearances.
- Remove A-42 Circuit Switcher.
- Install new hand holes. (3x)
- Wire new panel and transducers into existing RTU.

Line Work

- Install new poles for transformer 2 double deadend, bus tie deadend, and bus tie switch.
- Install new bus tie switch. (S&C erection drawing ED-152R3)
- Frame Transformer 2 Double Deadend Structure – (spec DO2.342)
- Frame Bus Tie Deadend (spec DO2.343)
- Install connection to 115 kV line.

Other Info:

- Please verify grounding conductors with plan.
- This job calls out for a single section of trenway to be installed outside the panelhouse. This setup will allow trenway to be added for the eventual Transformer 1 rebuild.
- The circuit switcher pad is being reused. The anchor bolt locations are the same as the old design, however the control is in a different location. Flex conduit will be needed to adapt to the new location.

Budget Info / Charge Numbers:

E.R. No: **2336**
Job No: **AMS27**

		Task No:	Additions	Removal
Transmission Project No:	02805403		107300	108000
Distribution Project No:	02805327	Task No:	107110	108000

Materials:

Purchase Orders:

PO 72847 S&C Aldutirupter Switch (Bus Tie)
PO 71999 USCO 115 kV, 1200 Amp Air Switch
PO 73647 Master Termination Cabinet
PO 73646 Panelboard Materials (Racks and Plate Fabrications)
PO 73636 Cable Entrance Hood
PO 73629 DMC Cable Connectors for 556 AAC

Non-Stock (Direct Billed)

None

Yard Stock Materials (Oracle Orders):

12678 Transmission Stock Materials
12679 Distribution Stock Materials
12680 Grounding Stock Materials
12702 Line Dept. Stock Materials

Substation Transmittal List

Stamp Codes

C = Construction

N= New Print & Construction Print (2 stamps)

R = Revised Print (destroy previous revisions)

C-33357	1 / C	DC & Station Service One Line Diagram (schem)
E-13689	10 / C	Station Wiring Diagram
E-22687	9 / C	One Line Diagram
E-25294	3 / C	FDR 503 Wiring and Schematic Diagram
E-25295	3 / C	FDR 501 Wiring and Schematic Diagram
E-25296	3 / C	FDR 502 Wiring and Schematic Diagram
E-31450, Sht. 1	3 / C	SNW Supv. Cabinet 1C Wiring Diagram
E-31450, Sht. 2	5 / C	SNW Supv. Cabinet 1C Wiring Diagram
E-31457	5 / C	Supervisory Indication Schematic Diagram
E-33335	8 / C	General Plan (physical)
E-33336	6 / C	Ground Plan (physical)
E-33337	5 / C	Grounding Plan (physical)
E-33338	5 / C	Cable Location Plan (physical)
E-33339	5 / C	115 kV Elevations and Sections (physical)
E-33341	1 / C	LV Switch Structure Plans and Elevations (phy)
E-33344	2 / C	Panelhouse Plan and Sections (physical)
E-33345	1 / C	13 kV Bus Tie (physical)
E-33346	1 / C	Elevation X-X and Details (physical)
E-33349	3 / C	Panelhouse Temp. Control and AC / DC Wiring
E-33351	4 / C	Panel 1 Wiring Diagram
E-33356	4 / C	CT & PT Schematic Diagram
E-37071, Sht. 107A	N / C	Grounding Details (physical)
E-37071, Sht. 107B	N / C	Grounding Details (physical)
E-37072, Sht. 1B	N / C	Station One Line Diagram – Transformer 2
E-37072, Sht. 5B	N / C	115 – 13 kV Transformer 2 CT & PT Schematic
E-37072, Sht. 41	N / C	Circuit Switcher A-40 Schematic Diagram
E-37072, Sht. 100B	N / C	Station Wiring Diagram – Transformer 2
E-37072, Sht: 141	N / C	Circuit Switcher A-40 Wiring Diagram
E-37072, Sht. 166	N / C	Transformer 2 Wiring and Schematic Diag.
E-37072, Sht. 194	N / C	Master Termination Cabinet Wiring Diagram
E-37072, Sht. 200	N / C	Panels, Front Views (physical)
E-37072, Sht. 202A	N / C	Panel 2 Wiring Diagram
E-37072, Sht. 202B	N / C	Panel 2 Wiring Diagram
M-25148	3 / C	Combustion Turbine Grounding (physical)
M-25149	2 / C	Combustion Turbine Ground Plan (physical)
ED-152R3	Ref	Alduti-rupter Mounting Arrangement (pole top)

L-12848

Material List

L-25784

Cable List

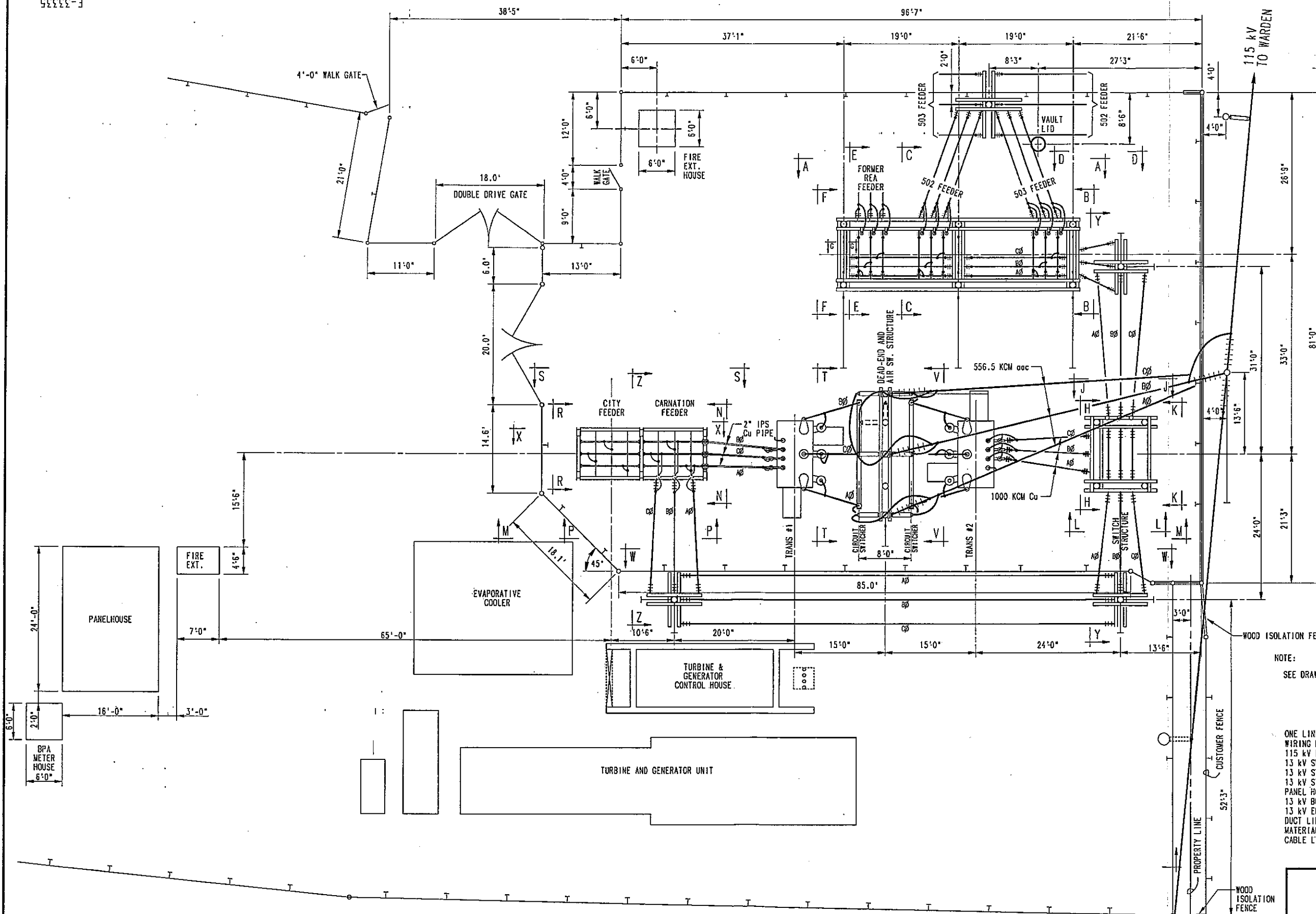
Note: * denotes revised drawings

DISTRIBUTION **

<u>c/with drawings</u>	<u>c/without drawings:</u>
Greg Lancaster (Electric Shop)	Sara Koeff (GPSS)
Electric Foreman (Electric Shop)	Tina Hertlein (Relay Shop)
Jeff Marsh (Relay Shop)	Mike Magruder (Sub Design)
Randy Pierce (Mechanical Shop)	
Mike Diedesch (Protection)	
Brad Calbick (SCADA)	
Craig Figart (SCADA)	
Larry Hager (Telecomm)	
Jacob Reidt (Telecomm)	
Bill Pickett (Othello) physical prints only	
<u>c/with One Lines and Schematics</u>	<u>c/with One Line Diagrams Only</u>
Randy Spacek (Protection)	System Operator
<u>c/with Material List Only</u>	
Craig Soberg (Electric Shop)	

**** Copies to be made in accord with "transmittal by drawing type" memo, latest edition)**

E-33335



NOTE:
SEE DRAWING M-25149 FOR FULL FENCE DETAIL.

REFERENCE DRAWINGS

- ONE LINE DIAGRAM.....E-22687
- WIRING DIAGRAM.....E-13689
- 115 kV ELEVATIONS.....E-33339
- 13 kV SWITCH STRUCTURE PLAN & ELEVATIONS.....E-33341
- 13 kV STRUCTURE #1 PLAN & ELEVATIONS.....E-33340
- 13 kV STRUCTURE #2 PLAN & ELEVATIONS.....E-13688
- PANEL HOUSE LAYOUT PLAN.....E-33344
- 13 kV BUS TIE.....E-33345
- 13 kV ELEVATION X-X & DETAILS.....E-33346
- DUCT LINE PLAN & SECTIONS.....E-33347
- MATERIAL LIST.....L-12848
- CABLE LIST.....L-25784

115 kV SUBSTATION
OTHELLO - OTHELLO, WASHINGTON
GENERAL PLAN

AVISTA CORP
SPOKANE, WASHINGTON

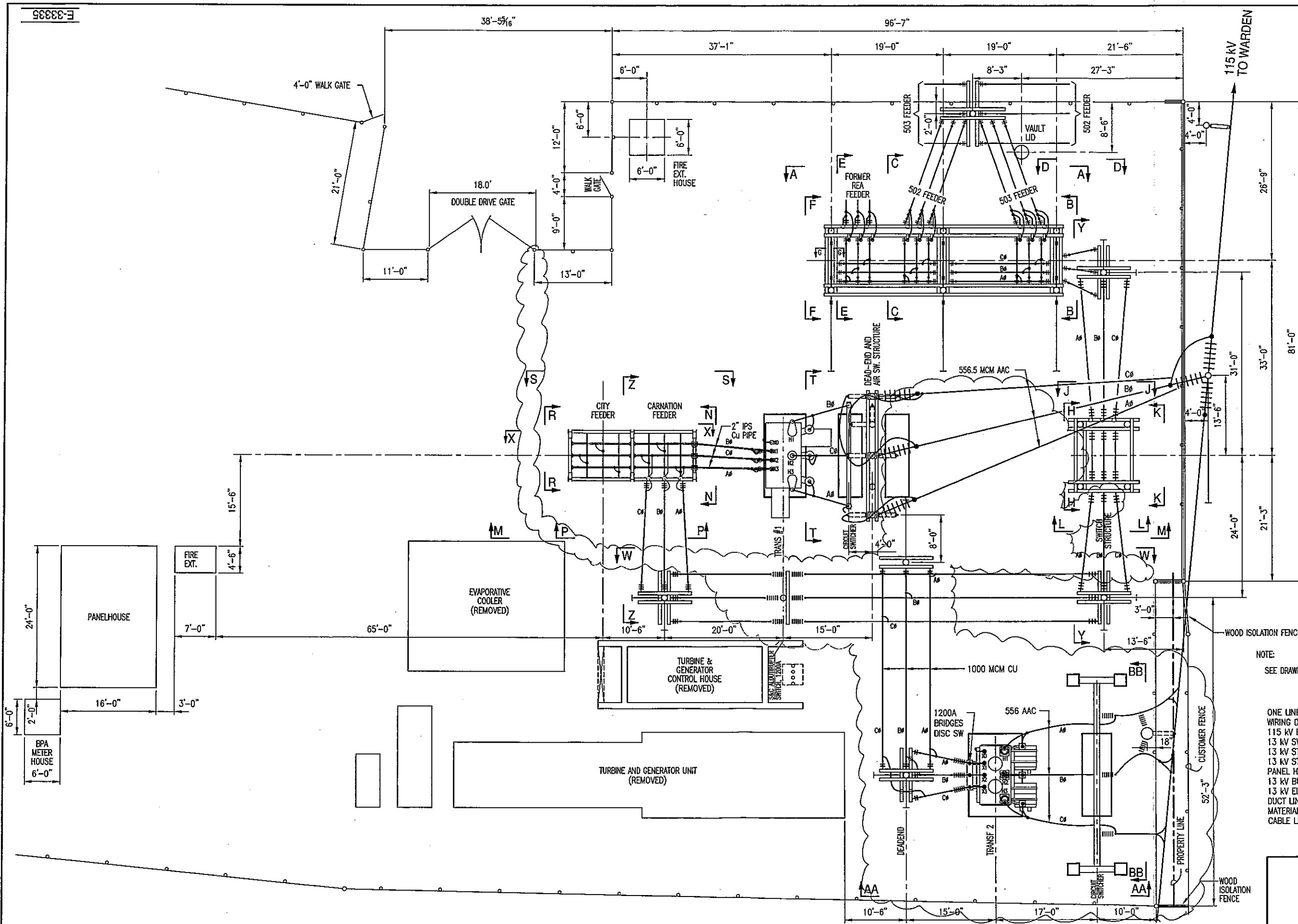
5	11-29-80	REVISE 115 & 13 kV POLE LOCATIONS	CL	WT
4	7-20-93	REPLACE BPA METERHOUSE	PLP	WT
3	1-4-93	RELOCATED A-131 SW. STR.	PLP	WT
2	9-29-92	ADDED 115 kV WARDEN LINE	PLP	WT
1	11-3-89	RELOCATE FENCE	RP	WT
6	5-14-01	ADD COMBUSTION TURBINE 115-13 kV SUB	CL	PM

1/8" = 1'-0"	09-15-87	APPROVED
SCALE	DATE	<i>Michael J. Newby</i>
DESIGN PIERCE	CHECKED P.L.P.	DATE 9-21-87
DRAWN MORGAN	NOTED	DATE
BY CKD	CHECKED	NOTED JW

7	6-25-01	REMOVE CT SUB & RECONFIGURE 115 kV TAP	CL	PM	1	11-3-89	RELOCATE FENCE	RP	WT
6	5-14-01	ADD COMBUSTION TURBINE 115-13 kV SUB	CL	PM	NO	DATE	REVISION	BY	CKD

E-33335.7.01.01.S.070.115.1

E-333335



CONSTRUCTION DWG
 JAN 08 2010
 JOB # AMS27

NOTE:
 SEE DRAWING M-25149 FOR FULL FENCE DETAIL.

REFERENCE DRAWINGS

ONE LINE DIAGRAM	E-22687
WIRING DIAGRAM	E-13689
115 kV ELEVATIONS	E-33339
13 kV SWITCH STRUCTURE PLAN & ELEVATIONS	E-33341
13 kV STRUCTURE #1 PLAN & ELEVATIONS	E-33340
13 kV STRUCTURE #2 PLAN & ELEVATIONS	E-13688
PANEL HOUSE LAYOUT PLAN	E-33344
13 kV BUS TIE	E-33345
13 kV ELEVATION X-X & DETAILS	E-33346
DUCT LINE PLAN & SECTIONS	E-33347
MATERIAL LIST	L-12848
CABLE LIST	L-25784

115 kV SUBSTATION
 OTHELLO - OTHELLO, WASHINGTON
 GENERAL PLAN

AVISTA CORP
 SPOKANE, WASHINGTON

NO	DATE	REVISION	BY	CHKD	CL	WT
5	11-29-00	REVISE 115 & 13 kV POLE LOCATIONS	CL	WT		
4	7-20-93	REPLACE BPA METERHOUSE	TLB	WT		
3	1-4-93	RELOCATED A-131 SW STR	TLB			
2	9-29-92	ADDED 115 kV WARDEN LINE	TLB	PLP		
1	11-3-89	RELOCATE FENCE	RP	TLB		
8	9-5-09	XFMR #2 RELOCATION	RLB	TRD		
7	6-25-01	REMOVE CT SUB & RECONFIGURE 115 kV TAP	CL	PM		
6	5-14-01	ADD COMBUSTION TURBINE 115-13 kV SUB	CL	PM		

1/8" = 1'-0"
 SCALE
 9-15-87
 DATE
 APPROVED
Michael J. Nesley
 9-21-87
 DATE
 DRAWN MORGAN
 CHECKED PLP
 NOTED
 NOTED JW
 SHT 1 OF 1
 E-333335
 Page 11 of 16
 AUTOCAD DWG

E-333335-001.r08.dwg



Interoffice Memorandum
Engineering & System Operations
SUBSTATION ENGINEERING

TO: Distribution

FROM: Rob Selby

DATE: March 9, 2010

SUBJECT: Othello Sub - Construction Kick-Off Meeting

Purpose:

- Replace transformer #2 due to oil leaks.

Mechanical Work:

- Add Gravel to existing foundation level (enough to support crane for placing transformer)
- Remove (2) uptake structure foundations
- Cut off protruding anchor bolts
- Remove fence / gate between yards.

Grounding:

- Need to intercept existing grounding conductors. The previous job was never constructed (CT installation), therefore it is difficult to tell what is installed. Please verify field connections.

Cables:

- Direct buried cables used to avoid trenway interfering with transformer access on narrow site. Be careful of 13 kV power cable running under CT foundation.

Trenway:

- Single 10' section of trenway used near panelhouse for future construction. Locate telephone cable before placing trench.

Dead-End:

- V Switch mounted on top, front end of deadend.

Circuit Switcher:

- Conduit stub thru foundation (designed for Siemens CS) does not line up with S&C control cabinet.

Transformer connection

- Center transformer on pad.
- Design is for swaged 556 AAC connections, (I can order 2" pipe and fittings if desired.)
- Should already have DMC swage head.

Transformer Double Deadend:

- Make sure guying is clear of transformer access.

Bus Tie Deadend

- Height of structure will need to be tall enough to clear existing bus tie. Tensioning and guying will determine clearance.

Bus Tie Switch

- Install new 25 kV Aldutirupter switch. (use S&C installation drawing)

PT Work

- New B phase PT will need to be added to low voltage structure. A new bracket has been fabricated for the mounting. A new PT can and disconnects will be added.

Wood Structures:

- Materials have been staged at Othello office. Bolts may be short (designed for class III poles).

Panelhouse:

- New MTC to be placed in corner of building. (Will overlap window by a few inches)
- Points from CT and Xfmr replace existing points. New points added to end.

Schedule:

Initial Work:

Mechanical Work (gravel, removing existing foundations.)

Remove Fence

Set Dead End Structure

Install trenway section

Install cables

Install grounding

Install Circuit Switcher

Install Transformer

Install Transformer double deadend pole

Install MTC

Install new Panel 2 (transformer protection panel)

Bus Tie Outage Work:

Install new bus tie switch.

Install new bus tie deadend.

Install new bus tie conductors and jumpers.

Distribution Outage Work: (needs to be complete before summer load picks up)

Remove old bus tie switch

Rewire low voltage structure (remove old bus tie and CT's)

Add new bus PT.

Wire SCADA points.

Post Outage Work

Remove old Transformer 2.



CAPITAL PROJECT REQUEST FORM

Request Type Preliminary		Project(s)	
ER 2336	Budget Category 5-Maintenance	Service Code ED-Electric Direct	Project Title (30 Characters) Chewelah - Replace Transformer
Long Project Name (100 Characters) Chewelah 115 kV Substation - Replace Transformer, Add Ckt. Swr., Install SCADA			'Parent' Code CHW09B
Approved Budget X	Will This Project Include Retirement of Materials or Equipment? Yes	ER Sponsor M08	BI Number AMS33
Billing	WMS Job # 299	Rate Jurisdiction WA-Washington	
Billing Contact		Location 028-Washington	
		Project Start Date 6/8/2009	

Project Description (Include Purpose and Necessity - 240 Characters)
 Install new transformer, circuit switcher, panel house, and line deadend at Chewelah 115 kV Substation. Old transformer will be retired. SCADA will be added to the substation as part of this project.

CONSTRUCTION		Budget Authorized:		\$350,000
Office Use only	Task	Estimated Amount By FERC Number	As Built Amount By FERC Number	Date
	300100			
	107110	362000 960	96005083 \$50,000	Station Equip
	107300	352000 660	02805378 \$50,000	Structure
	107300	353000 628	\$150,000	Station Equip
	107628	397000 698	09805254 \$50,000	Comm. Equip

APPROVALS		SIGNATURE	DATE
GROSS ADDITIONS	\$330,000	Signature: <i>Michael A. Magruder</i>	6-9-09
Cost of Removal By FERC (3XXXXX)		Print Name: Mike Magruder	
108000	353000	Signature: <i>Rick Vermeers</i>	6-9-09
		Print Name: Rick Vermeers	
		Signature: <i>Don Kopczynski</i>	
		Print Name: Don Kopczynski	
		Signature:	
		Print Name:	
Total Removal	\$40,000		
Salvage By FERC (3XXXXX)			
353000	(\$20,000)		
Total Salvage	(\$20,000)		
Total Removal Less Salvage	\$20,000		

Non Standard Work Breakdown Structure Needed (Optional)

Peer Task		Project Contact & Extension	Brian Chain x2148
Sub Task		APPROVAL SIGNATURE(S) REQUIRED	
		To \$99,999 - Director	
		\$100,000-\$499,999 - VP or GM Utility	
		\$500,000-\$2,999,999 - Sr Vice President/CFO	
		\$3,000,000-\$9,999,999 - President/CEO/COO	
		Over \$10,000,000 - Board Chair	
		Out of Budget - Capital Budget Committee	

Date Prepared: 06/08/09

THE PROJECT SPONSOR IS RESPONSIBLE FOR CLOSING THIS JOB IMMEDIATELY UPON COMPLETION OF WORK SIGN THIS FORM COMPLETE AS BUILT INFO AND FORWARD TO UTILITY ACCOUNTING

TOTAL COST OF PROJECT	\$350,000	Date Work Completed	
Questions: contact Project and Fixed Asset Accounting (Sue ext-4472 or Howard ext-2936)		Foreman/Supervisor	

Handwritten: D&E Trans - Cap Specific removed sheet.



*Interoffice Memorandum
Engineering & System Operations
SUBSTATION ENGINEERING*

TO: Distribution **DATE:** February 8, 2010
FROM: Jim Farby
SUBJECT: Chewelah – Scope of Work and Preliminary 2010 Construction Schedule

Overview:

Last year, construction at Chewelah Substation concluded with the energization of 12F4, 12/23/09. A new 12/16/20 MVA transformer was placed upon its foundation, new 115 kV air-switch and 115kV dead-end tower installed. The 115 kV Circuit Switcher originally purchased for Chewelah was required for the unscheduled replacement at Lee & Reynolds. The next phase of this project will be the replacement of the existing 5 MVA single-phase units with the new three-phase 12/16/20 MVA transformer. This work will include the new circuit switcher, associated relaying, panel house, station battery, control cabling and SCADA package.

Additional work, not covered in the original scope definition will be undertaken this year. Integrating the legacy ES-type feeder reclosers on 12F1, 12F2 & 12F3 into a new SCADA package, based upon experience, has proven to be problematic and inefficient at other locations (most recently Milan). Also, System Operations has voiced concern over the age and condition of the insulators on the 12F2/12F3 feeder structure. Replacement of the insulators & switches on the 12F1 feeder structure would also be prudent.

The new transformer lineup will be energized from the new 115 kV tap. The new tap will allow this work to be completed without the installation of a mobile substation, which is a substantial savings. The legacy transformer will remain in service to supply 12F1 during the feeder refurbishment. It is important to note that the transformers should not be paralleled during the feeder refurbishment work. The legacy transformer is 115/13.8 kV while the new transformer is 115/13.2 kV. The 13 kV bus-tie switch will be opened during this work and feeder load redistributed as needed.

Representatives from Avista, BPA and the City of Chewelah met at Chewelah City Hall on January 29, 2010 to discuss the project. The meeting was an opportunity to discuss the planned work, any transmission right of way issues, metering & communications issues and the benefits for the City of Chewelah 12.47 kV service. BPA and City of Chewelah to be informed about the time and anticipated duration of outages on Feeder 12F1 in order to coordinate work and estimate metering data.

Scope:

- CXT 11' x 17' Panel House is delivered to the Electric Shop early March, 2010 to be fitted out by Rod Beal's Crew. Transported to the Chewelah site April/May.

- Relay & SCADA design completed by the Protection Group March, 2010. Engineering prints & materials available to build Panels 1 & 1C and energize new 20 MVA Transformer May/June 2010.
- New 115kV Transmission Tap constructed and ready May 2010. Electric Crew install cables, conduit for telephone circuits, wire transformer & circuit switcher ready for energization May/June 2010.
- Century Tel telephone circuit installed June, 2010.
- Open 13kV Bus-Tie, (Old) 3 x 5 MVA Transformer feeds 12F1 and (New) 20 MVA Transformer feeds 12F2/12F3/12F4. Transformer tapped at 121000 per Will Stone. June/July 2010.
- Replace 13 kV Breakers on 12F1, 12F2 & 12F3 August 2010.
- Distributions primary concern is the outage window which is somewhat weather dependant. The September 2010 date is still very tentative and requires further review.
- Distribution transfer load on 12F2 to 12F1 and 12F3 to 12F4. Drop load on 12F4 to allow Electric Crew to cut jumpers between Feeder Structure #2 and #3. Feeder Structure #2 can then be refurbished. September, 2010.
- Drop load on 12F4 to allow Electric Crew to re-jumper between Feeder Structure #2 and #3. Distribution re-establish load on 12F4 & 12F3 and move load from 12F1 to 12F2. Feeder Structure #1 can then be refurbished. September, 2010.
- Remove PT's and SS Transformer #1 from Feeder Structure #1 and de-energized (Old) 3 x 5 MVA Transformer. September, 2010.
- BPA Meter Shack will remain. BPA cell phone based metering will remain. New station service from SS Transformer #2 with safety switch on Feeder Structure #2. New PT circuit from PT Fuse box mounted on Feeder Structure #3. Transition to new circuits once PT & SS on Feeder Structure #1 are de-commissioned. September 2010.
- Once refurbishment of Feeder Structure #1 is complete. Close 13kV Bus-Tie. Distribution re-establish load on 12F1.
- Decommission existing single-phase 5 MVA transformers and fuse structure

Schedule:

The following tentative construction dates will float depending on crew availability:

Design Work

Electrical Design Transmittal (Panel House Layout)	March 2010
Relay/Integration Design Due (Transformer, 115 kV Circuit Switcher, 13 kV Breakers & SCADA)	March 2010
Electrical Design Transmittal (Transformer, 115 kV Circuit Switcher, 13 kV Breakers & SCADA)	April-May 2010
Electrical Design Transmittal (Refurbish 12F2/12F3 and 12F1 Feeder Bays)	May-June 2010

Electrical Construction

New Panel House in Electric Shop	March 2010
New Transformer, Panel House & SCADA	April-July 2010
Replace 13kV Breakers 12F2/12F3	August 2010
Replace 13kV Breakers 12F1 (By-Pass 12F1 Breaker independent of Regulator)	August 2010
Refurbish 12F2/12F3 Feeder Bay	September 2010 (1 week)
Refurbish 12F1 Feeder Bay	September 2010 (1-2 weeks)
Removal & Salvage	TBD

Communications Design & Construction

New Telephone Circuits (Century Tel) June 2010

Line Construction

Transmission: New 115 kV Tap

May 2010

Distribution: Transfer 12F2/12F3

Align with "Refurbish 12F2/12F3 Feeder Bay"

Distribution: Transfer 12F1

Align with "Refurbish 12F1 Feeder Bay"

Distribution:

Marshall Law
Randy Spacek
Garth Brandon
Mike Magruder
Dave James
Will Stone
Greg Lancaster
Jeff Marsh
Andy Vickers
Clint Hess
Dick Schatzka
Rod Beal

**AVISTA UTILITIES
2010 CAPITAL PROJECTS**

ER No.: 2296

ER Name: Northeast Sub – Increase Capacity

Pro Forma Amount: \$900,000

Expended to date: \$505,760

2010 Transfer to Plant Date: December 2010

Project Description:

Northeast Substation - Northeast Substation is being rebuilt to eliminate high fault duty issues caused by the present substation configuration where the two parallel 20 MVA transformers feed the 4-feeder bay switchgear. This project also rebuilds the distribution structures to Avista's present outdoor substation feeder standards, eliminating old metalclad switchgear. The station rebuild is being done to eliminate the risk of equipment failure. We have not experienced any increased maintenance at this substation so we do not anticipate any additional offsets or savings associated with this project.

Offsets:

Offsets to O&M costs were computed on this distribution plant investment by applying a load adjustment factor to the investment, which adjusts rate year costs to match test year loads. There are no other identifiable O&M cost reductions for 2010 investments.

Timeline:

This project should be completed by November 2010. Construction must begin during the summer of 2010 and coordinate with required transformer shutdown in fall of 2010. Most materials have been ordered and received. Project should be completed by mid to end of November 2010.

Additional Information:

- ER Cost Summary pg. 2
- Capital Project Request (CPR) Forms, including orig. w/ all revisions/updates pg. 3-6
- Scoping document pg. 7-9

Note:

During the course of Avista's pending general rate case, updated information will be available for audit.

AVISTA UTILITIES
 ER 2296
 COSTS THROUGH MARCH 15, 2010

				2006	2007	2008	2009	2010	
				Transaction Amt	Transaction Amt	Transaction Amt	Transaction Amt	Transaction Amt	
2296									
Er	Project Number	Project Desc	Expenditure Category						
	02805172	Northeast Split 13kV Bus	AFUDC	4.43	9,381.54	7,678.39	24,241.49	6,079.00	
			Centralized Assets	-	1,104.95	-	-	-	
			Contractor	-	16,900.00	32,625.00	-	-	
			Employee Expenses	-	75.00	-	-	-	
			Labor	702.74	68,322.77	7,605.64	32,811.43	3,745.95	
			Material	-	9,370.58	1,977.70	(13,783.32)	-	
			Overhead	462.06	68,587.17	10,741.60	25,394.14	2,754.05	
			Transportation	-	1,645.75	-	-	336.00	
			Vehicle	-	128.61	46.18	-	-	
			Voucher	-	94,058.29	33,820.72	4,506.74	-	
		Sum		1,169.23	269,574.66	94,495.23	73,170.48	12,915.00	
	02805234	Northeast update 13kv bus comm	AFUDC	-	226.65	357.14	-	-	
			Labor	-	-	-	-	259.62	
			Material	-	11,036.06	-	-	-	
			Overhead	-	906.72	87.58	-	226.52	
			Voucher	-	-	1,347.50	-	-	
		Sum		-	12,169.43	1,792.22	-	486.14	
	02805286	NE sub increase capacity	AFUDC	-	-	-	1,332.61	297.82	
			Employee Expenses	-	-	-	177.10	90.00	
			Labor	-	-	-	10,142.23	1,846.56	
			Material	-	-	-	2,995.87	263.36	
			Overhead	-	-	-	12,308.45	1,596.91	
			Transportation	-	-	-	1,094.00	-	
			Voucher	-	-	-	7,842.72	-	
		Sum		-	-	-	35,892.98	4,094.65	
	Sum			1,169.23	281,744.09	96,287.45	109,063.46	17,495.79	
								Costs to date - 3.15.2010	505,760.02

10/19/09



CAPITAL PROJECT REQUEST FORM

Request Type				Project(s)	
Revised				02805172	
Project Title Count				02805234	
Project Title: 25					
Parent Code: NE07					
ER	Budget Category	Service Code	Project Title (30 Characters)		
2296	S-Maintenance	ED-Electric Direct	Northeast-Update 13kV Bus		
Long Project Name (100 Characters)					
Redesign the 13 kV system to remove the paralleled secondary of the two 20MVA transformers. Also increase capacity of the 13 kV system to accommodate 30 MVA transformers. Revised to include SMP SCADA, new bus relaying & new NECT line relaying.					
Approved Budget	Will This Project Include Retirement of Materials or Equipment?	Revenue Type	ER Sponsor	BI Number	WMS Job #
X	Yes	NA-Not Applicable	M08	SS302	
Billing	Billing Contact			Location	
				028-Washington	
				Project Start Date	
				3/28/2007	

Project Description (Include Purpose and Necessity - 240 Characters)
 Removing the parallel connection between the two transformers will reduce the fault current on the distribution system. This CPR has been revised to include LTD construction costs and the added cost of new SMP SCADA, new Bus Relaying & new NECT Line Relaying. Project Scope has changed. Panel house upgrades are required for the new 115 Bus and N.E.C.T. Line relaying. This work will also facilitate other 115 kV Line relay upgrades (Beacon Line - project #02805401). The panel house upgrades will be required now or in the near future. This project fits well.

CONSTRUCTION			
Office Use only	FERC	Estimated Amount	As Built Amount
Task	3XXXXX	By FERC Number	By FERC Number
	300100		\$125,000
	361000		\$25,000
	362000		\$650,000
	397000		\$100,000
GROSS ADDITIONS			\$900,000
Cost of Removal By FERC (3XXXXX)			
	361000		\$10,000
	362000		\$10,000
Total Removal			\$20,000
Salvage By FERC (3XXXXX)			
Total Salvage			\$20,000
Total Removal Less Salvage			\$20,000

Budget Authorized: \$920,000

Office Use Only

Project Set Up By: _____ Date: _____

Approved By: _____ Date: _____

APPROVALS	
SIGNATURE	DATE
Signature: Paul C. Mason	10-13-09
Signature: Michael A. Magruder	10-13-09
Signature: Rick Vermears	10-13-09
Signature: Don Kopczynski	
Signature: Dennis Vermillion	10/29/09

Non Standard Work Breakdown Structure Needed (Optional)

Peer Task		
Sub Task		
Date Prepared:	9/30/2009	

Project Contact & Extension: Shirley Grant

APPROVAL SIGNATURE(S) REQUIRED

To \$99,999 - Director
 \$100,000-\$499,999 - VP or GM Utility
 \$500,000-\$2,999,999 - Sr Vice President/CFO
 \$3,000,000-\$9,999,999 - President/CEO/COO
 Over \$10,000,000 - Board Chair
 Out-of-Budget - Capital Budget Committee

TOTAL COST OF PROJECT \$920,000

THE PROJECT SPONSOR IS RESPONSIBLE FOR CLOSING THIS JOB IMMEDIATELY UPON COMPLETION OF WORK SIGN THIS FORM COMPLETE AS BUILT INFO AND FORWARD TO UTILITY ACCOUNTING

Date Work Completed

Foreman/ Supervisor

Questions: contact Project and Fixed Asset Accounting (Sue ext-4472 or Howard ext-2936)



CAPITAL PROJECT REQUEST FORM (CPR)

Exhibit No. (SJK-6) Schedule 3
02805172

Request Type Revised	PROJECT NE07
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ER 2296	Budget Cat 5	SERVICE CODE ED	PROJECT TITLE (30 CHARS) Northeast - Update 13kV bus	LOCATION 028
------------	-----------------	--------------------	--	-----------------

PROJECT DESCRIPTION (250 CHARS)

Redesign the 13kV system to remove the paralleled secondary of the two 20MVA transformers. Also increase capacity of the 13kV system to accommodate 30MVA transformers. Revised to include upgrades to SCADA with a SMP 16.

APPROVED BUDGET X	ORGANIZATION MOB	B/I NUMBER SS302	WMS (Y OR N) N	RATE JURISDICTION WA
BILLING	BILLING CONTACT		PROJECT START DATE 03-28-2007	

LONG NAME (INCLUDE PURPOSE AND NECESSITY - 240 CHARS)

Removing the parallel connection between the two transformers will reduce the fault current on the distribution system. This CPR is revised to account for the added cost of installing the SMP 16 and associated equipment.

CONSTRUCTION			
	FERC 3XXXXX	ESTIMATED AMOUNT BY FERC NUMBER	AS BUILT AMOUNT BY FERC NUMBER
900100	300100	5,000	5,000
107110	362000	265,000	265,000
	397000	15,000	15,000
GROSS ADDITIONS		\$314,000	
NET SALVAGE BY FERC (3XXXXX)			
108000	362000	1,500	1,500
	No 397000		
NET SALVAGE		\$1,500	
Non Standard Work Breakdown Structure needed (Optional)			

Total Construction Cost	\$315,500
NOT REQUIRED	
BUDGET AUTHORIZATION	292.0
PREVIOUSLY APPROVED	268.5
THIS YEAR	315.5
TOTAL TO DATE	
BALANCE NOT APPROVED	29.0

APPROVALS	
SIGNATURE	DATE
Mike Magruder <i>M. Magruder</i>	8-8-07
Dennis L. Howey <i>Dennis L. Howey</i>	8/8/07
Randall Cloward	
Don Kopzynski <i>Don Kopzynski</i>	8/9/07

Project Contact: **Michael Busby**

APPROVAL SIGNATURE(S) REQUIRED
<ul style="list-style-type: none"> To: \$99,999 - Director \$100,000-\$999,999 - VP/Gen Mgr/Utility \$500,000-\$1,999,999 - Sr. Vice President \$2,000,000-\$2,999,999 - CEO \$3,000,000-\$4,999,999 - President/COO \$5,000,000-\$9,999,999 - CEO Over \$10,000,000 - Board Chair Out of Budget - Capital Budget Committee

THE BUDGET ITEM SPONSOR IS RESPONSIBLE FOR CLOSING THIS WORK ORDER IMMEDIATELY UPON COMPLETION OF WORK. SIGN THIS FORM COMPLETE AS BUILT INFO AND FORWARD TO PLAN ACCOUNTING.

Date Prepared: **08-08-2007**

Date Work Completed	
Foreman/Supervisor	

TOTAL COST OF PROJECT **\$315,500**



Approved
Corp. 11/15/06
[Signature]

CAPITAL PROJECT REQUEST FORM

Exhibit No. (SJK-6) Schedule 3
028517Z

Request Type Preliminary	PROJECT NE 07				
ER 2296	Budget Cat 5	SERVICE CODE ED	PROJECT TITLE (30 CHARS) Northeast - Split 13kV Bus	PROJECT CHARS 26	LOCATION 028

PROJECT DESCRIPTION (250 CHARS)

To update the 13kV bus to a standard 3 Bay distribution structure, and remove the old Metalclad Switchgear.

APPROVED BUDGET X	ORGANIZATION MOB	B/I NUMBER SS302	WMS (Y OR N) N	RATE JURISDICTION WA
BILLING	BILLING CONTACT	PROJECT START DATE 11-15-2006		

LONG NAME (INCLUDE PURPOSE AND NECESSITY - 240 CHARS)

This CPR is for the preliminary engineering work to determine how much of the Metalclad can be remove. This CPR also includes some of the material for the 3 bay RE structure the second transformer.

CONSTRUCTION			
	FERC 3XXXXX	ESTIMATED AMOUNT BY FERC NUMBER	AS BUILT AMOUNT BY FERC NUMBER
	300100	\$37,000	
	362000	\$62,000	
ADDITIONS		\$99,000	
NET SALVAGE BY FERC (3XXXXX)			
on Standard Work Breakdown Structure needed (Optional)			
TAL COST OF PROJECT \$99,000			

Total Construction Cost	\$99,000
NOT REQUIRED	
BUDGET AUTHORIZATION	
PREVIOUSLY APPROVED	
THIS AFE	
TOTAL TO DATE	
BALANCE NOT APPROVED	

APPROVALS	
SIGNATURE	DATE
Mike Nissley [Signature]	11.15.16
Dennis Howey [Signature]	11/16/06
Randy Cloward [Signature]	11/16/06

Project Contact Michael Busby

APPROVAL SIGNATURE(S) REQUIRED	
To \$99,999 - Director	
\$100,000-\$499,999 - VP or GM/Utility	
\$500,000-\$1,999,999 - Sr. Vice President	
\$2,000,000-\$9,999,999 - CEO	
Over \$10,000,000 - Board Chair	
Out-of-Budget - Capital Budget Committee	

THE BUDGET ITEM SPONSOR IS RESPONSIBLE FOR CLOSING THIS WORK ORDER IMMEDIATELY UPON COMPLETION OF WORK. SIGN THIS FORM, COMPLETE AS BUILT INFO AND FORWARD TO PLANT ACCOUNTING.

Date Work Completed	
Foreman/ Supervisor	



**Interoffice Memorandum
Engineering & System Operations
Substation Design**

DATE: March 9, 2009

TO: Distribution

FROM: Paul Mason

SUBJECT: Northeast 115 kV Substation – Split 13 kV Bus
Northeast 115 kV Substation – Upgrade 115 kV Beacon Line Relaying
Scoping Document

Overview:

Redesign the 13 kV System to remove the parallel secondary of the two 20MVA Transformers. Also increase the capacity of the 13 kV system to accommodate 30 MVA transformers. SCADA will also be upgraded.

Upgrade the Beacon Line relaying to the standard SEL Relaying package. This is a separately budgeted but related project that will also be included at this time.

Schedule:

Construction prior to shutting down Transformer #2 will begin in late Spring / Summer 2009. Fall 2009 with allowable loading on Transformer # 1, Transformer #2 will be shutdown and remainder of the construction completed.

Budget:

This project has a one year budget:

2009 \$650k for Substation Additions
2009 \$ 0k for Distribution Additions

Outages:

Fall 2009 – An outage will be needed on 13kV Bus #1 & 13 kV Bus # 2 (Feeders 12F1, 12F2, 12F3 & 12F4) to cut free the 13 kV Bus Tie cable.

Fall 2009 – OCB A-252 will need to be opened (Beacon Line) to allow replacement of the 115 kV Beacon Line relaying.

Short distribution outages may also be needed to integrate the new feeder connections.

Attachments:

Power point Project One Line Representation:

Northeast 1.ppt
Northeast 2.ppt
Northeast 3.ppt
Northeast 4.ppt

Scope: Substation Engineering responsibilities – Split 13 kV Bus Project
--

Construction - Spring / Summer 2009

- Install a new 3-bay steel RE Structure for Transformer # 2, with 3 complete feeder positions, two underground (12F1 & 12F2) and one overhead construction (new 12F5).
- Install a new 13 kV UG Bus Tie (1500 kCM EPR cable) with a Morgan 2000A disconnect on the new 3-bay RE.
- Interface the new UG 13 kV Bus Tie to Transformer # 1 switchgear bus with a new 1-bay steel RE Structure adjacent the switchgear #1 lineup.
- Install a new 4" FRE duct bank for both feeders 12F1 & 12F2 from the substation 3-bay RE structure to a new distribution vault to be located just outside the SW corner of the substation fence.
- Install new 1000 kCM aluminum EPR cable for feeders 12F1 & 12F2 from the 13 kV Structure to the new distribution vault.
- Install a new Pole & O.H. conductor from the 1-bay steel RE Structure to 13 kV Transfer Bus.

Scope: Distribution Engineering responsibilities

Construction - Spring / Summer 2009

- Reconfigure jumpers on 13 kV Transfer Bus to swap upper circuit 12F2 with lower circuit 12F4. (This will allow connection of the new riser for feeder 12F2 to the bottom circuit.)
- Install a new Vault for new U.G. feeders 12F1 & 12F2. The new vault will be located just outside the SW corner of the substation fence.
- Install PVC duct bank and 1000 kCM Aluminum EPR cable North to riser pole for feeder 12F2.
- Install PVC duct bank and 1000 kCM Aluminum EPR cable South to riser pole for feeder 12F1.
- Install poles and new O.H. construction for new feeder 12F5 running East from substation RE Structure to intersect existing feeder on Regal St.

Scope: Substation Engineering responsibilities – Split 13 kV Bus Project
--

Construction – Fall 2009

- With all Spring/Summer construction in place, shutdown Transformer #1 & Transformer # 2 to cut free existing 13 kV Bus Tie Cable from 13 kV Bus # 1.
- Modify Switchgear ACBs 12F1 & 12F2 (blocked closed and tripping disabled) for use as 13 kV Bus Tie Breakers.
- Leave Transformer #2 de-energized and serve 13 kV Feeders 12F1 & 12F2 from Transformer #1 via both Bus Tie ACBs, 13 kV Transfer Bus, new 1 bay 13 kV L.V. Structure, new 13 kV UG Bus Tie, new 13 kV 3 bay L.V. Structure with VCBs & S.V. Regs (Old 12F1 & 12F2 S.V. Regs, bypassed & removed) and new 13kV U.G. Distribution duct banks.
- Remove existing Transformer # 2 Switchgear (Units 11 & 12).
- Install new Transformer Throat connection to Outdoor Bushing adapter (supplied by ABB).
- Connect Transformer # 2 to new 13 kV L.V. Disc. Switch on new 3 bay 13 kV L.V. Structure #2
- Install a new Transformer # 2 Modular Panel complete with standard SEL relaying.
- Install new DNP SCADA Integration Rack – connect Transformer # 2 & Feeders 12F1 & 12F2 directly to new Integration, move over 115 kV OCBs, Transformer # 1, Feeders 12F3 & 12F4 & station alarms later (point by point).
- Remove old SNW RTU.
- Replace existing 48 VDC Fuse Panel with new 48 VDC Breaker Panel.
- Cut over new feeders 12F1 & 12F2 to Transformer #2 via via new outdoor VCBs and Regs.
- Energize new feeder 12F5 from Transformer #2 via new outdoor VCBs and Regs.

13 kV Split Bus Construction complete:

Scope: Substation Engineering responsibilities – Upgrade 115 kV Beacon Line Relaying

Construction – Fall 2009

- Install a new Beacon Line Modular Panel with standard SEL Line relaying and interface with new DNP SCADA Integration System.

**AVISTA UTILITIES
2010 CAPITAL PROJECTS**

ER No.: 2514

ER Name: Distribution Spokane North and West

Pro Forma Amount: \$1,890,000

Expended to date: \$ 315,901

2010 Transfer to Plant Date: Throughout 2010

Project Description:

Distribution – Spokane North & West (\$1.890 million) – Nine Distribution feeder upgrade/reconductor projects were identified by Distribution Planning as being thermally constrained. A listing of the projects follows:

Project Number	Description	Amount
95505052	Millwood 12F4	60,000
95605349	NE 12F2	250,000
96005094	Orin 12F3	150,000
96050093	Colville 12F2	250,000
95605352	Colbert 12F1	400,000
-	3HT 12F2 Waste	150,000
-	Monroe St.	100,000
-	SE 12F2	250,000
-	Orin 12F3	250,000
-	Fort Wright 12F4	30,000
Total		1,890,000

Distribution planning is responsible for identifying projects to reinforce the electric distribution system and to satisfy Avista Urban Feeder Plan otherwise known as the 500 Amp feeder plan or Feeder and One-Half plan. This plan has been in existence at Avista since 1960 and was recently updated in 2005.

This is an annual, ongoing program and includes ERs 2514 (Spokane North & West - 100% WA), ER 2515 (Coeur d'Alene North and East 100% Idaho) and ER 2516 (Palouse & L/C Valley – WA/ID combination).

Offsets:

The expected annual loss savings associated with these various reconductor projects is \$42,769 (see attached Excel spreadsheet). When overhead cables are replaced, the incremental change in conductor resistance produces real power loss savings over the life of the project. There are no other identifiable O&M cost reductions for 2010 investments. These loss savings were summarized after the revenue requirement was completed and therefore have not been included in this original filing.

**AVISTA UTILITIES
2010 CAPITAL PROJECTS**

Timeline:

This is an annual, ongoing project to increase capacity and reinforce feeder ties of various electric distribution feeder lines as identified as “thermally constrained” by Distribution Planning.

Additional Information:

- ER Cost Detail through 3/15 pg. 3-4
- Loss Savings Calculation pg. 5
- Capital Project Request (CPR) Forms pg. 6-10
- Example of details available for each project (not all sub- projects are included) pg. 11-14

Note:

During the course of Avista’s pending general rate case, updated information will be available for audit.

AVISTA UTILITIES
ER 2514
COSTS THROUGH MARCH 15, 2010

					2009	2010
Er	Project Number	Jurisdiction	Expenditure Category	Expenditure Type	Transaction Amt	Transaction Amt
2514	95505052	WA	AFUDC	535 AFUDC - Debt	3.69	50.01
				540 AFUDC - Equity	4.55	63.96
			Labor	325 Overtime Pay - Union	-	488.62
				340 Regular Payroll - NU	846.34	846.34
				345 Regular Payroll - Union	-	21,221.50
			Material	415 Material Issues	-	8,721.84
			Overhead	505 Capital Overhead - A & G	-	368.03
				506 Cap Overhead - Functional	-	5,887.39
				508 Cap Overhd - Safety Clthng	-	88.56
				510 Payroll Benefits loading	490.88	13,240.70
				515 Payroll Tax loading	74.06	1,973.76
				520 Payroll Time Off loading	148.11	3,915.43
				525 Small Tools loading	-	1,591.66
				530 Stores/Material Loading	-	523.32
				532 Materials Tax/Fght Loading	-	87.23
			Transportation	560 Road Vehicles	-	633.00
				565 Small Vehicles	-	3.20
				570 Work Vehicles	-	11,238.00
			Sum		<u>1,567.63</u>	<u>70,942.55</u>
	95605349	WA	AFUDC	535 AFUDC - Debt	9.48	32.25
				540 AFUDC - Equity	11.70	41.25
			Employee Expenses	210 Employee Auto Mileage	88.00	103.50
			Labor	340 Regular Payroll - NU	1,769.62	2,000.44
			Overhead	505 Capital Overhead - A & G	-	4.51
				506 Cap Overhead - Functional	-	72.10
				508 Cap Overhd - Safety Clthng	-	6.01
				510 Payroll Benefits loading	1,026.38	1,200.26
				515 Payroll Tax loading	154.84	175.04
				520 Payroll Time Off loading	309.69	354.70
			Voucher	840 Freight Costs	-	600.80
			Sum		<u>3,369.71</u>	<u>4,590.86</u>
	95605352	WA	AFUDC	535 AFUDC - Debt	-	639.31
				540 AFUDC - Equity	-	817.69

AVISTA UTILITIES
 ER 2514 Loss Savings
 \$/MWh
 Load Factor

100
 0.5

Project	BI	Old conductor	Ohm/mi	New Conductor	ohm/mi	Distance	Peak Load	Losses Before(W)	Losses after(W)	Wh per year saved	\$/yr
Monroe St Reconductor	SD002	500CU	X	500CU	X	X	X	X	X	0	0
Millwood 12F4 - Recond 0.5 mi	SD003	336ACSR	0.303	556AAC	0.186	0.32	410	4074.744	2501.328	8307636.48	830.763648
Colbert 12F1 - Recond 4/0ACSR	SD004	4/0ACSR	1.053	556 AAC	0.186	2.56	265	47326.032	8359.584	205742845.4	20574.2845
Orin 12F3 - Recond 2.4 mi	WD004	1/0ACSR	1.555	556AAC	0.186	2.44	220	45909.82	5491.464	213408919.7	21340.892
Colville 12F2 - Recond 2 mi	WD009	2ACSR	2.177	556AAC	0.186	1.82	7	48.536215	4.14687	234375.7416	23.4375742
total										\$	42,769

95505052



CAPITAL PROJECT REQUEST FORM

Corp.		Use Tab Key		(CPR)		Request Type	Project(s)
ER 514	Budget Category 5-Maintenance	Service Code ED-Electric Direct	Project Title (30 Characters) Millwood 12F4 Reconductor			New	95505052
Long Project Name (100 Characters) Reconductor 1650Ft MIL12F4 on Locust St. 336ACSR to 556AAC						Project Title Count 25	'Parent' Code
Approved Budget X	Will This Project Include Retirement of Materials or Equipment? Yes	Long Project Name Count 58	ER Sponsor C51	BI Number SD003	WMS Job # 687249327	Rate Jurisdiction WA-Washington	
Billing	Billing Contact				Location 955-Valley Spokane Cnty		Project Start Date 11-02-2009

Project Description (Include Purpose and Necessity - 240 Characters)
 Replace 1650Ft 336 ACSR with 556AAC from Millwood Substation south along Locust St. This will provide increased capacity and emergency load transfer capabilities.

Long Name Count 163

CONSTRUCTION				Budget Authorized: \$60,000	
Office Use only	FERC	Estimated Amount	As Built Amount		
Task	3XXXXX	By FERC Number	By FERC Number	Office Use Only	Date
107110	364000	\$10,000		Project Set Up By	
↓	365000	\$42,000		Approved By	11/10/09
300100	300100	\$3,000			

APPROVALS			
		SIGNATURE	DATE
GROSS ADDITIONS		\$55,000	
Cost of Removal By FERC (3XXXXX)			
365000	365000	\$5,000	
Total Removal		\$5,000	
Salvage By FERC (3XXXXX)			
Total Salvage			
Total Removal Less Salvage		\$5,000	
Signature		Tom Burke	11/4/09
Signature		John McClain	11/4/09
Signature		Al Fisher	11/5/09
Print Name			
Signature			
Print Name			

Non Standard Work Breakdown Structure Needed (Optional)

Peer Task _____ Project Contact & Extension Tom Burke 2305

APPROVAL SIGNATURE(S) REQUIRED	
Sub Task	To \$99,999 - Director
	\$100,000-\$499,999 - VP or GM Utility
	\$500,000-\$2,999,999 - Sr Vice President/CFO
	\$3,000,000-\$9,999,999 - President/CEO/COO
	Over \$10,000,000 - Board Chair
	Out-of-Budget - Capital Budget Committee

THE PROJECT SPONSOR IS RESPONSIBLE FOR CLOSING THIS JOB. IMMEDIATELY UPON COMPLETION OF WORK, SIGN THIS FORM, COMPLETE AS BUILT INFO AND FORWARD TO UTILITY ACCOUNTING.

Date Prepared: 11-02-09

COST OF PROJECT \$60,000

Date Work Completed _____
 Foreman/Supervisor _____

Questions: contact Project and Fixed Asset Accounting (Sue ext-4472 or Howard ext-2936)



CAPITAL PROJECT REQUEST FORM

Request Type New			Project(s) 95605349	
ER 514	Budget Category 5-Maintenance	Service Code ED-Electric Direct	Project Title (30 Characters) NE 12F2 TIE TO NE 12F4	
Project Title Count 22			'Parent' Code	
Long Project Name (100 Characters) CONSTRUCT 3/4 MILE 600AMP FEEDER TO TIE NE12F2 AND NE12F4 ON HAWTHORNE WEST OF MARKET.				
Approved Budget X	Will This Project Include Retirement of Materials or Equipment? No	Long Project Name Count 85	ER Sponsor C51	BI Number SD005
Billing		Revenue Type NA- Not Applicable	WMS Job # 197249329	
Billing Contact			Rate Jurisdiction WA-Washington	
			Location 956-Central Spokane Cnty	
			Project Start Date 11-06-2009	

Project Description (Include Purpose and Necessity - 240 Characters)
 CONSTRUCT 3/4 MILE 600AMP FEEDER TO TIE NE12F2 AND NE12F4 ON HAWTHORNE WEST OF MARKET TO HANDLE FURURE LOADING AND LOAD TRANSFERS.

Long Name Count
130

CONSTRUCTION				Budget Authorized: \$250,000	
Office Use only	FERC	Estimated Amount	As Built Amount		
Task	3XXXXX	By FERC Number	By FERC Number	Office Use Only	Date
107110	364000		\$25,000	Project Set Up By	
↓	365000		\$25,000	Approved By	11/10/09
107120	366000		\$60,000		
↓	367000		\$120,000		
300100	300100		\$20,000		

				APPROVALS	
				SIGNATURE	DATE
GROSS ADDITIONS		\$250,000		Signature	
Cost of Removal By FERC (3XXXXX)				<i>Tom Burke</i>	11/5/09
				Tom Burke	
				Signature	
				<i>John McClain</i>	11/5/09
				John McClain	
				Signature	
Total Removal				<i>Al Fisher</i>	11/5/09
Salvage By FERC (3XXXXX)				Al Fisher	
				Signature	
				<i>Don Kopczynski</i>	
Total Salvage				Don Kopczynski	
Total Removal Less Salvage				Signature	
				Print Name	

Non Standard Work Breakdown Structure Needed (Optional)

Peer Task		Project Contact & Extension	Tom Burke 2305
Sub Task		APPROVAL SIGNATURE(S) REQUIRED	
		To \$99,999 - Director	
		\$100,000-\$499,999 - VP or GM Utility	
		\$500,000-\$2,999,999 - Sr Vice President/CFO	
		\$3,000,000-\$9,999,999 - President/CEO/COO	
		Over \$10,000,000 - Board Chair	
		Out-of-Budget - Capital Budget Committee	

THE PROJECT SPONSOR IS RESPONSIBLE FOR CLOSING THIS JOB. IMMEDIATELY UPON COMPLETION OF WORK, SIGN THIS FORM, COMPLETE AS BUILT INFO AND FORWARD TO UTILITY ACCOUNTING.

Date Prepared:	11-05-09	L COST OF PROJECT	\$250,000
		Date Work Completed	
		Foreman/ Supervisor	

Questions: contact Project and Fixed Asset Accounting (Sue ext-4472 or Howard ext-2936)



CAPITAL PROJECT REQUEST FORM (CPR)

Request Type Preliminary	PROJECT 96005094
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ER 2414	Budget Cat 5	SERVICE CODE ED	PROJECT TITLE (30 CHARS) ORI12F3 Reconductor	Project Chars 19	LOCATION 960
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2514

PROJECT DESCRIPTION (250 CHARS)

This project will reconductor 2.4 miles of line beginning just outside the sub

APPROVED BUDGET X	Description Chars Count 78	ORGANIZATION G50	B/I NUMBER WD201	WMS (Y OR N) Y	RATE JURISDICTION WA
BILLING	BILLING CONTACT ✓ D004		PROJECT START DATE 01-01-2010		

LONG NAME (INCLUDE PURPOSE AND NECESSITY - 240 CHARS)

Orin 12F3 reconductor. This project will reconductor 2.4 miles of existing 1/0ACSR with 556AAC. This will help alleviate low voltage at peak loading on this feeder and will increase fault duty to better protect this line.

Long Name Count
223

CONSTRUCTION

	FERC 3XXXXX	ESTIMATED AMOUNT BY FERC NUMBER	AS BUILT AMOUNT BY FERC NUMBER
	300100	\$8,000	
	364000	\$10,000	
	365000	\$5,000	
	367200	\$119,000	
	366200	\$15,000	
GROSS ADDITIONS		\$157,000	
NET SALVAGE BY FERC (3XXXXX)			
	365000	(\$3,000)	
	364000	(\$4,000)	
NET SALVAGE		(\$7,000)	
Non Standard Work Breakdown Structure needed (Optional)			

Total Construction Cost	\$150,000
NOT REQUIRED	
BUDGET AUTHORIZATION	
PREVIOUSLY APPROVED	
THIS AFE	
TOTAL TO DATE	
BALANCE NOT APPROVED	

APPROVALS	
SIGNATURE	DATE
William Stone	
David James	
Rick Vermeers	
Don Kopczynski	

Project Contact: Will Stone x2539

APPROVAL SIGNATURE(S) REQUIRED

- To \$99,999 - Director
- \$100,000-\$499,999 - VP or GM Utility
- \$500,000-\$1,999,999 - Sr Vice President
- \$2,000,000-\$2,999,999 - CFO
- \$3,000,000-\$4,999,999 - President/COO
- \$5,000,000-\$9,999,999 - CEO
- Over \$10,000,000 - Board Chair
- Out-of-Budget - Capital Budget Committee

THE BUDGET ITEM SPONSOR IS RESPONSIBLE FOR CLOSING THIS WORK ORDER. IMMEDIATELY UPON COMPLETION OF WORK, SIGN THIS FORM, COMPLETE AS BUILT INFO AND FORWARD TO PLANT ACCOUNTING.

Date Work Completed	
Foreman/ Supervisor	

Date Prepared: 12-18-2009

TOTAL COST OF PROJECT **\$150,000**



CAPITAL PROJECT REQUEST FORM (CPR)

Request Type Preliminary	PROJECT 9605093
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ER 2514	Budget Cat 5	SERVICE CODE ED	PROJECT TITLE (30 CHARS) ORI12F1-CLV12F2 Tie/Recond	Project Chars 26	LOCATION 960
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PROJECT DESCRIPTION (250 CHARS)

This project will build a tie between ORI12F1 and CLV12F2, and will reconductor approximately 0.25 miles of line.

APPROVED BUDGET X	Description Chars Count 113	ORGANIZATION G50	B/I NUMBER WD009	WMS (Y OR N) Y	RATE JURISDICTION WA
BILLING	BILLING CONTACT		PROJECT START DATE 01-01-2010		

LONG NAME (INCLUDE PURPOSE AND NECESSITY - 240 CHARS)

ORI12F1-CLV12F2 Tie/Reconductor. This project will build a tie between ORI12F1 and CLV12F2, as well as reconductor 1/4 a mile of line. It may also be used to add an airswitch as a tie between ORI12F1 and ORI12F3.

Long Name Count
214

CONSTRUCTION			
	FERC 3XXXXX	ESTIMATED AMOUNT BY FERC NUMBER	AS BUILT AMOUNT BY FERC NUMBER
	300100	\$8,000	
	364000	\$170,000	
	365000	\$80,000	
GROSS ADDITIONS		\$258,000	
NET SALVAGE BY FERC (3XXXXX)			
	365000	(\$4,000)	
	364000	(\$4,000)	
NET SALVAGE		(\$8,000)	
Non Standard Work Breakdown Structure needed (Optional)			
Date Prepared:		12-30-2009	
TOTAL COST OF PROJECT		\$250,000	

Total Construction Cost	\$250,000
NOT REQUIRED	
BUDGET AUTHORIZATION	
PREVIOUSLY APPROVED	
THIS AFE	
TOTAL TO DATE	
BALANCE NOT APPROVED	

APPROVALS	
SIGNATURE	DATE
William Stone	
David James	
Rick Vermeers	
Don Kopczynski	

Project Contact | Will Stone x2539

APPROVAL SIGNATURE(S) REQUIRED
To \$99,999 - Director
\$100,000-\$499,999 - VP or GM Utility
\$500,000-\$1,999,999 - Sr Vice President
\$2,000,000-\$2,999,999 - CFO
\$3,000,000-\$4,999,999 - President/COO
\$5,000,000-\$9,999,999 - CEO
Over \$10,000,000 - Board Chair
Out-of-Budget - Capital Budget Committee

THE BUDGET ITEM SPONSOR IS RESPONSIBLE FOR CLOSING THIS WORK ORDER. IMMEDIATELY UPON COMPLETION OF WORK, SIGN THIS FORM, COMPLETE AS BUILT INFO AND FORWARD TO PLANT ACCOUNTING.

Date Work Completed	
Foreman/ Supervisor	



CAPITAL PROJECT REQUEST FORM

ER 514		Budget Category 5-Maintenance		Use Tab Key Service Code ED-Electric Direct		Project Title (30 Characters) Colbert 12F1 Reconductor		Request Type New		Project(s) 95605352	
Long Project Name (100 Characters) Reconductor 2.5 miles Colbert 12F1 from 4/0ACSR to 556AAC								Project Title Count 24		'Parent' Code	
Approved Budget X		Will This Project Include Retirement of Materials or Equipment? Yes		Long Project Name Count 58		ER Sponsor C51		BI Number SD004		WMS Job # 197249329	
Billing		Revenue Type NA- Not Applicable		Billing Contact		Rate Jurisdiction WA-Washington		Location 956-Central Spokane Cnty		Project Start Date 11-05-2009	

Project Description (Include Purpose and Necessity - 240 Characters)
 Replace 2.5 miles 4/0 ACSR with 556AAC. This will provide increased capacity and emergency load transfer capabilities.

Long Name Count 119

CONSTRUCTION				Budget Authorized: \$400,000	
Office Use only	FERC	Estimated Amount	As Built Amount		
Task	3XXXXX	By FERC Number	By FERC Number	Office Use Only	Date
107110	364000	\$50,000		Project Set Up By	
300100	365000	\$260,000		Approved By	11/10/09
	300100	\$10,000			

				APPROVALS	
				SIGNATURE	DATE
GROSS ADDITIONS		\$320,000		Signature	
Cost of Removal By FERC (3XXXXX)				Kelly Donohue	11/10/09
	8000	365000	\$80,000	Signature	
				John McClain	11/10/09
				Signature	
				Al Fisher	11/10/09
Total Removal		\$80,000		Signature	
Salvage By FERC (3XXXXX)				Signature	
				Don Kopczynski	11/10/09
Total Salvage				Signature	
Total Removal Less Salvage		\$80,000		Print Name	

Non Standard Work Breakdown Structure Needed (Optional)

Peer Task	Project Contact & Extension Kelly Donohue 4889
Sub Task	<p>APPROVAL SIGNATURE(S) REQUIRED</p> <p>To \$99,999 - Director \$100,000-\$499,999 - VP or GM Utility \$500,000-\$2,999,999 - Sr Vice President/CFO \$3,000,000-\$9,999,999 - President/CEO/COO Over \$10,000,000 - Board Chair Out-of-Budget - Capital Budget Committee</p>

Date Prepared: 11-04-09

THE PROJECT SPONSOR IS RESPONSIBLE FOR CLOSING THIS JOB. IMMEDIATELY UPON COMPLETION OF WORK, SIGN THIS FORM, COMPLETE AS BUILT INFO AND FORWARD TO UTILITY ACCOUNTING.

COST OF PROJECT	\$400,000	Date Work Completed
Questions: contact Project and Fixed Asset Accounting (Sue ext-4472 or Howard ext-2936)		Foreman/Supervisor

3HT12F2 Recond for WWTP on BEA12F3

ER 2514

BT 5000

Priority Crew Time

2 weeks

Cost Estimate

\$150,000

Reliability High-2010

Project Description

The intent of this project is to reconductor a 1/2 mile section of 3HT12F2 in order to transfer approximately 150A from BEA12F3. This transfer will make room for the initial 3MW load of the waste water treatment plant that is under construction and scheduled to be energized within two years. The waste water treatment plant is slated to be 6.6MW at full construction within 5-10 years. To accommodate the full 6.6MW additional capacity will have to be added in the area.

Area: Spokane

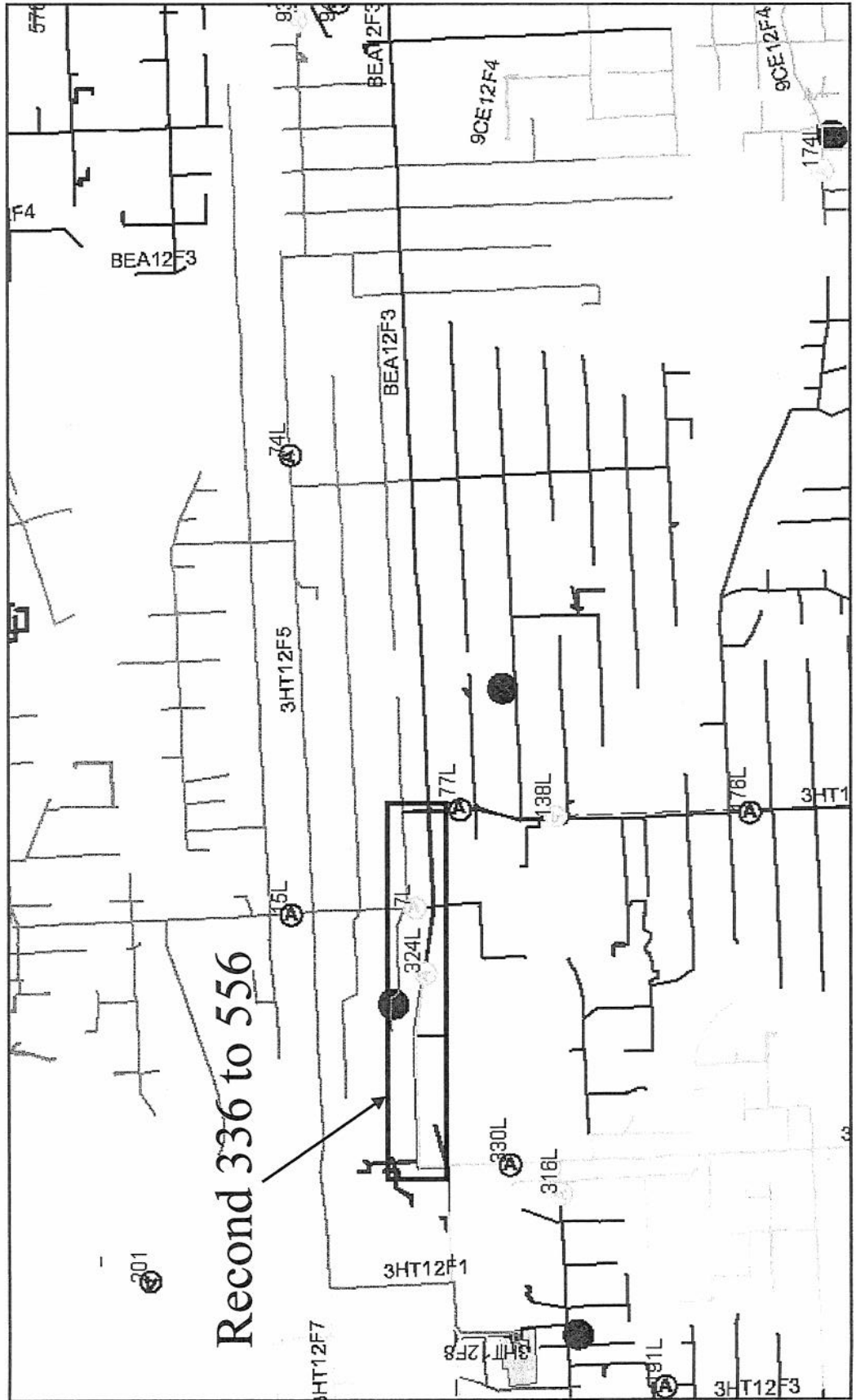


Map

Cost Estimate
\$150,000

Priority
Reliability High—2010

Crew Time



Recond 336 to 556

Northeast 12F2 to Northeast 12F4 New Tie - ER2407

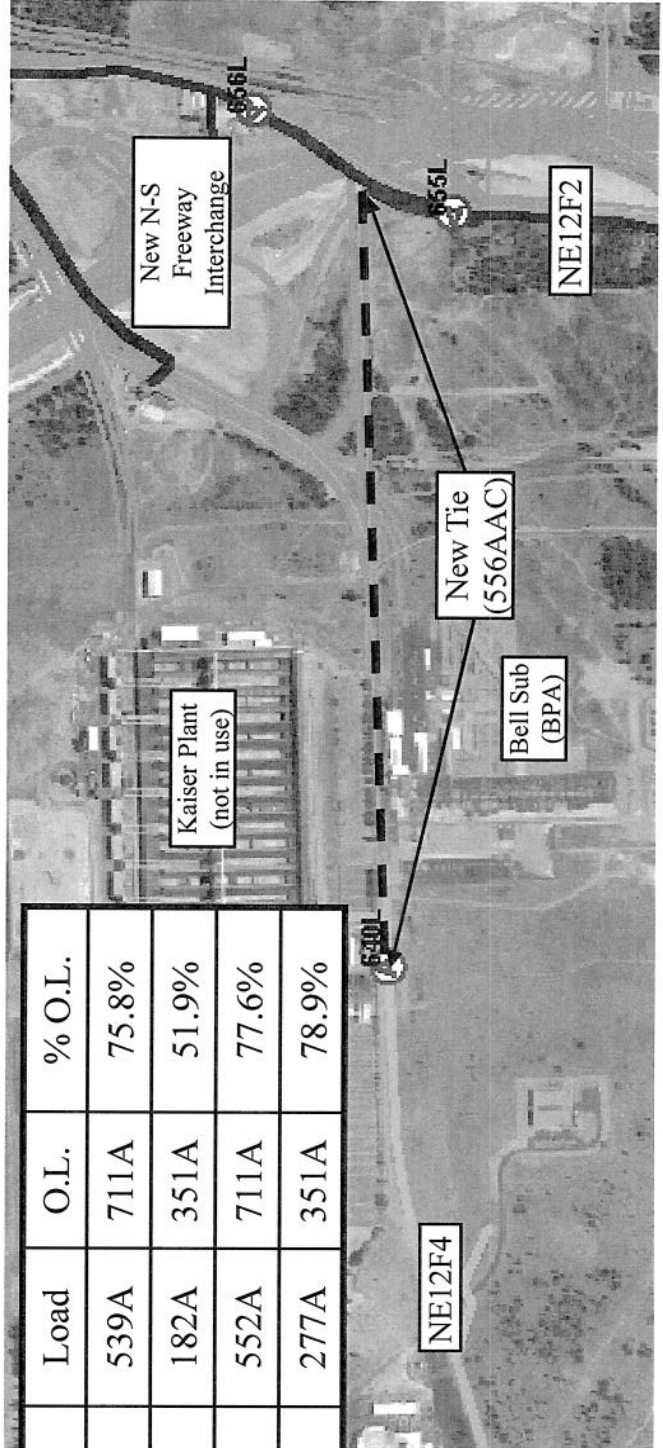
Priority: Reliability Low - 2011
 Cost Estimate: ER2407 - \$200,000
 2514 SD 005

Project Description

Add a 3/4 of a mile new tie between NE12F4 and NE12F2. Presently, both sides are 556AAC. If a tie was installed, each feeder would have the conductor capacity to pick up 200A from the other, in the event of temporary switching. This area will also have a large interchange for the N/S Freeway, and this reconductoring will be good support to new load.

NE12F2 backs up MEA12F2 (556AAC). NE12F4 backs up L&S12F3 (556AAC), L&S12F4 (2/0ACSR), WAK12F3 (556AAC) and WAK12F2 (336AAC).

	Load	O.L.	% O.L.
NE#1	539A	711A	75.8%
NE12F2	182A	351A	51.9%
NE#2	552A	711A	77.6%
NE12F4	277A	351A	78.9%



Fort Wright 12F4 Reconductor 900' - ER2300

2574

BT 50500

Cost Estimate
ER2300 - \$30,000

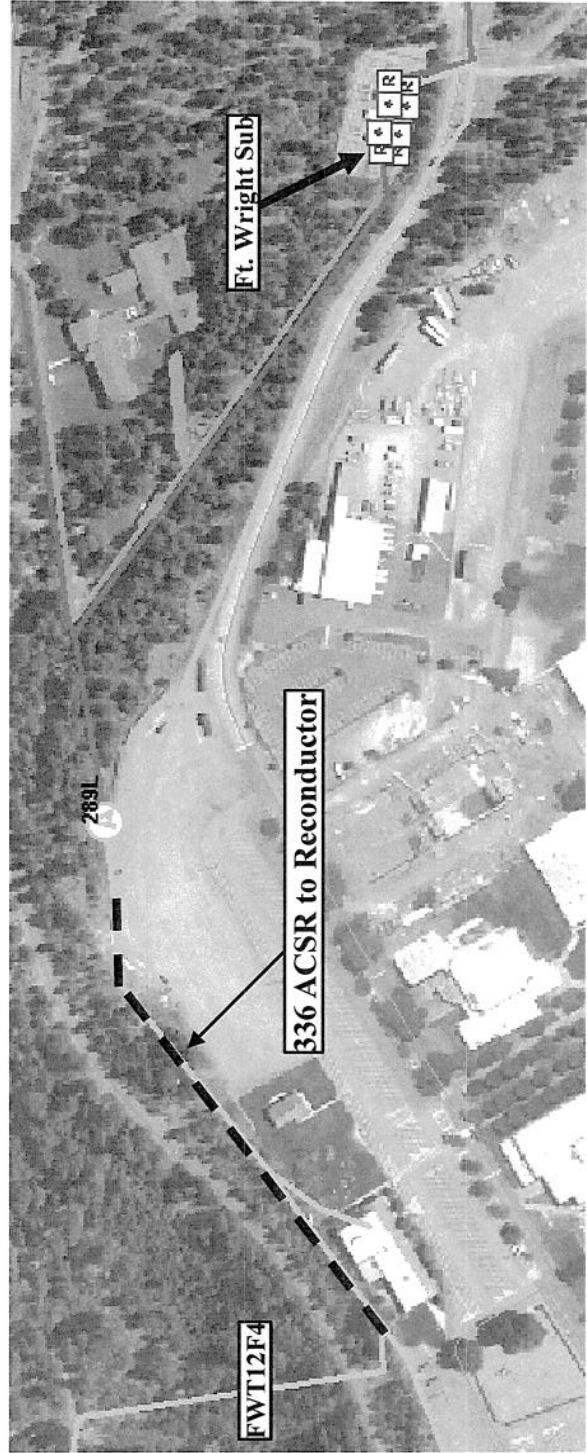
Priority
Reliability Low - 2008

Crew Time
2 weeks

Project Description

Reconductor 900' of Fort Wright 12F4 from 336ACSR (CAP:S-451A) to 556AAC (CAP:S-610A) . The rest of the main trunk is already 556AAC except this 900ft section. FWT12F4 reached 203A in 2007 (64.4% of O.L.).

This feeder backs up C&W12F5 (4/0ACSR), SUN12F4 (556AAC) and FW12F1(336ACSR). When FWT12F4 picks up 200A from C&W12F5 or SUN12F4, this section of conductor will be over 70% of its capacity.



**AVISTA UTILITIES
2010 CAPITAL PROJECTS**

ER No.: 2414

ER Name: System Distribution Reliability – Improve Worst Feeders

Pro Forma Amount: \$1,150,004

Expended to Date: \$177,216

2010 Transfer to Plant Date: July through November, 2010

Project Description:

These projects are necessary to meet capacity needs of the system, improve reliability and rebuild aging distribution substations and feeders. Based on a combination of reliability statistics, including CAIDI, SAIFI, and CEMI (Customers Experiencing Multiple Interruptions), several feeders have been selected for reliability improvement work. This work will improve the reliability of these feeders and overall service to customers in these areas. The projects were selected on poor reliability performance, not on cost savings. Our system for tracking maintenance charges does not have the granularity to report maintenance costs for a particular unit or substation; therefore, we are unable to determine the exact future avoided cost savings.

This program covers the entire Avista electric distribution system and is generally associated with rural-land feeder lines that significantly under-perform the shorter, urban feeders with respect to momentary and sustained forced outages. Avista tracks various reliability indices including the frequency of momentary outages (Maifi), sustained outages (Saifi), and the time to restore customer power (Caidi). In 2010, the target values are:

Maifi - 4.8 average # of momentary interruptions per customer (< 5 minutes)

Saifi – 1.42 average # of sustained interruptions per customer (>5 minutes)

Caidi – 129 minutes – average time to restore customer service (all outages)

Saidi – 175 minutes – average time to restore customer service (sustained outages only)

Feeders that consistently underperform in these three reliability indices are generally rural, high-exposure (long), feeder and lateral systems. For example, in the Colville area, some of the feeder lines are 70-100 miles long and the sheer exposure on those circuits increase the frequency of outages to all customers. The project goal is to systematically identify and remediate the “worst performing feeders” and to improve reliability performance through a variety of measures included related vegetation management treatment. Specific to this ER, treatment includes the installation of wildlife guards, crossarm and pole replacements, replacement and addition fuselink devices, and the inspection and maintenance of pole ground systems.

**AVISTA UTILITIES
2010 CAPITAL PROJECTS**

Offsets:

Offsets to O&M costs were computed on this distribution plant investment by applying a load adjustment factor to the investment, which adjusts rate year costs to match test year loads. In addition, this project is expected to reduce the annual cost of restoration and repair by \$11,000.

Timeline:

These projects will be completed throughout 2010.

Additional Information:

- ER 2010 Cost Detail pg. 3
- ER History of costs pg. 4
- Capital Project Request (CPR) Forms, and supporting documentation pg. 5-12

Note:

During the course of Avista's pending general rate case, updated information will be available for audit.

AVISTA UTILITIES
ER 2414
2010 CAPITAL INVESTMENT COSTS DETAIL

	Sandpoint	Clark Fork	Clark Fork (Split FDR)	Saint Maries	Wallace	Dry Gulch	East Colfax	Gifford 34F2	Gifford 34F1	Colville	Colville	TOTAL
Loaded Labor	40,396	38,018	94,106	46,595	71,426	40,819	47,393	19,301	19,301	15,216	1,968	434,539
Transportation	3,635	3,421	4,705	4,193	4,999	2,040	3,317	1,351	1,351	1,065	137	30,214
Other Costs	9,725	14,677	15,520	29,844	49,787	5,241	8,140	8,754	8,754	5,483	9,830	165,755
Salvage	(2,000)	(1,500)		(2,000)	(4,000)	(500)	(500)					(10,500)
Materials	38,150	34,978	109,775	100,590	145,998	40,010	33,994	140,320	140,320	48,440	162,040	994,615
Contract Costs	-	-	-	-	-	2,000	40,000	55,000	55,000	20,000	95,688	267,688
Job Overheads	9,440	9,407	23,531	18,818	28,162	9,409	13,896	23,596	23,596	9,471	28,314	197,640
Total	99,346	99,001	247,637	198,040	296,372	99,019	146,240	248,322	248,322	99,675	297,977	2,079,951

Total WA Costs	1,139,555
Total ID Costs	<u>940,396</u>
Total	<u>2,079,951</u>

The Company pro formed \$1,150,000 for WA.

AVISTA UTILITIES
 ER 2414
 HISTORY OF COSTS
 2009 Through March 12, 2010

Er	Jurisdiction	Expenditure Category	Expenditure Type	2009 Transaction Amt	2010 Transaction Amt
2414	WA	AFUDC	535 AFUDC - Debt	6,248.52	496.38
			540 AFUDC - Equity	7,708.72	634.86
		Contractor	010 General Services	32,856.65	-
			015 Construction Services	178,343.35	(5,220.82)
			035 Workforce - Contract	46,471.00	1,756.03
		Employee Expenses	210 Employee Auto Mileage	96.25	54.12
			215 Employee Business Meals	5,397.92	850.95
			230 Employee Lodging	8,620.94	4,065.12
			235 Employee Misc Expenses	36.30	-
		Labor	320 Overtime Pay - NU	132.44	-
			325 Overtime Pay - Union	35,525.01	7,111.80
			340 Regular Payroll - NU	6,262.62	157.69
			345 Regular Payroll - Union	106,639.19	18,962.06
		Labor Adjustments	356 Transfrmr First Instl-Labo	3,532.00	-
		Material	405 Inventory Returns	(10,172.85)	(2,210.85)
			415 Material Issues	181,076.98	85,256.06
			420 Salvage	-	(1,849.27)
		Overhead	505 Capital Overhead - A & G	4,775.08	1,090.63
			506 Cap Overhead - Functional	74,721.15	17,443.27
			508 Cap Overhd - Safety Clthng	2,677.68	181.16
			510 Payroll Benefits loading	66,974.28	11,471.90
			515 Payroll Tax loading	12,999.16	2,295.29
			520 Payroll Time Off loading	19,749.44	3,351.74
			525 Small Tools loading	7,032.55	1,422.19
			530 Stores/Material Loading	14,592.10	5,147.67
			532 Materials Tax/Fght Loading	2,291.37	830.44
		Transportation	560 Road Vehicles	7,976.00	1,553.00
			565 Small Vehicles	890.60	815.10
			570 Work Vehicles	16,799.50	7,142.00
		Vehicle	710 Rental Expense - Vehicle	7,847.84	3,934.84
		Voucher	880 Materials & Equipment	22,664.51	2,748.94
			885 Miscellaneous	1,095.86	-
			920 Rental Expense - Equipment	2,894.57	6,944.97
			926 Retention - Contractors	4,988.64	778.34
		Sum		879,745.37	177,215.61



CAPITAL PROJECT REQUEST FORM (CPR)

Exhibit No. ____ (SJK-6), Schedule 5

Request Type	PROJECT
Preliminary	96005093

ER 2414	Budget Cat 5	SERVICE CODE ED	PROJECT TITLE (30 CHARS) GIF34F1 Reliability Project	Project Chars 27	LOCATION 960
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PROJECT DESCRIPTION (250 CHARS)

This project will rebuild 4.5 miles of line as 2 phase to alleviate cold load pickup problems and better protect the line reducing loading where available fault current is low.

APPROVED BUDGET X	Description Chars Count 176	ORGANIZATION G50	B/I NUMBER WD006	WMS (Y OR N) Y	RATE JURISDICTION WA
BILLING			BILLING CONTACT		PROJECT START DATE 01-01-2010

LONG NAME (INCLUDE PURPOSE AND NECESSITY - 240 CHARS)

Gifford 34F1 Reliability increase. This feeder is highly unreliable; the Pleasant Valley lateral has been particularly problematic. Rebuilding this section of line will help our SAIDI/SAIFI/CAIFI numbers significantly.

Long Name Count
220

CONSTRUCTION

	FERC 3XXXXX	ESTIMATED AMOUNT BY FERC NUMBER	AS BUILT AMOUNT BY FERC NUMBER
	300100	\$8,000	
	364000	\$10,000	
	365000	\$5,000	
	367200	\$119,000	
	366200	\$15,000	
GROSS ADDITIONS		\$157,000	
SALVAGE BY FERC (3XXXXX)			
	365000	(\$3,000)	
	364000	(\$4,000)	
NET SALVAGE		(\$7,000)	
Non Standard Work Breakdown Structure needed (Optional)			
Date Prepared:		12-18-2009	
TOTAL COST OF PROJECT		\$150,000	

Total Construction Cost	\$150,000
NOT REQUIRED	
BUDGET AUTHORIZATION	
PREVIOUSLY APPROVED	
THIS AFE	
TOTAL TO DATE	
BALANCE NOT APPROVED	

APPROVALS

SIGNATURE	DATE
William Stone	
David James	
Rick Vermeers	
Don Kopczynski	

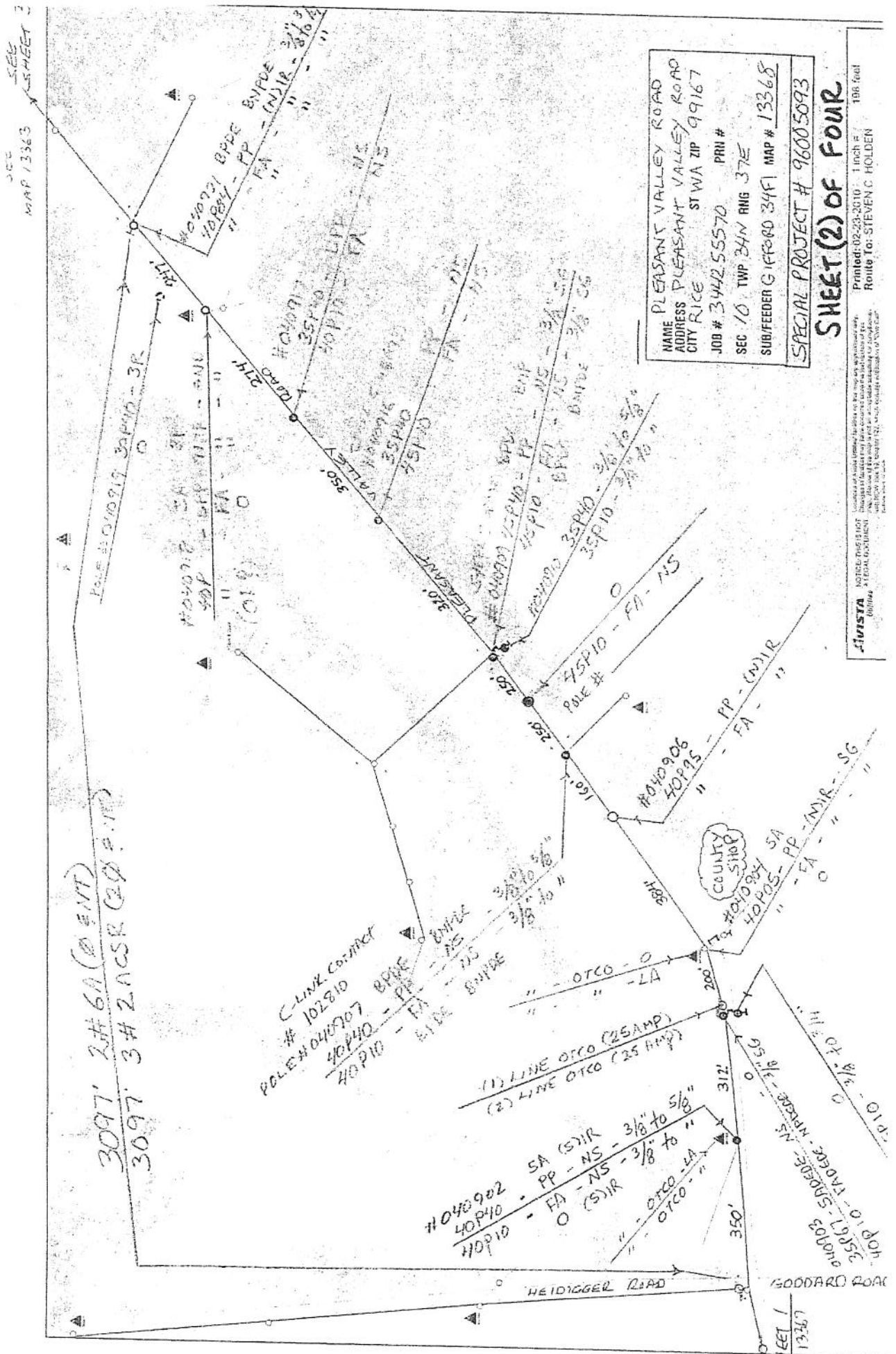
Project Contact	Will Stone x2539
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APPROVAL SIGNATURE(S) REQUIRED

To \$99,999 - Director
\$100,000-\$499,999 - VP or GM Utility
\$500,000-\$1,999,999 - Sr Vice President
\$2,000,000-\$2,999,999 - CFO
\$3,000,000-\$4,999,999 - President/COO
\$5,000,000-\$9,999,999 - CEO
Over \$10,000,000 - Board Chair
Out-of-Budget - Capital Budget Committee

THE BUDGET ITEM SPONSOR IS RESPONSIBLE FOR CLOSING THIS WORK ORDER. IMMEDIATELY UPON COMPLETION OF WORK, SIGN THIS FORM, COMPLETE AS BUILT INFO AND FORWARD TO PLANT ACCOUNTING.

Date Work Completed	
Foreman/ Supervisor	

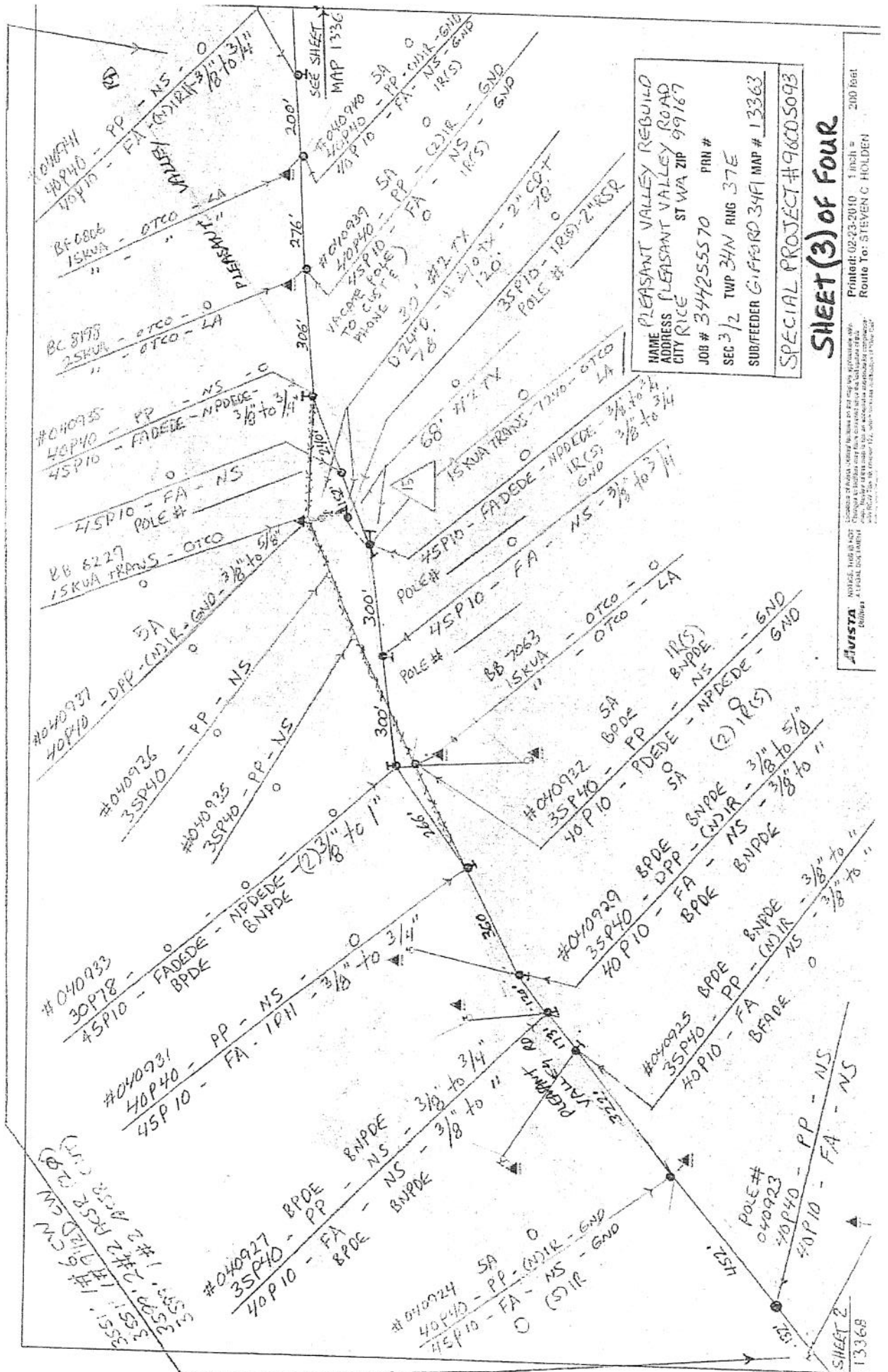


NAME PLEASANT VALLEY ROAD
 ADDRESS PLEASANT VALLEY ROAD
 CITY RICE ST WA ZIP 99167
 JOB # 344255570 PRN #
 SEC 10 TWP 34N R1G 37E
 SUBFEEDER G I F E R O 34F1 MAP # 13368
 SPECIAL PROJECT # 96005093

SHEET (2) OF FOUR

Printed: 02-25-2010 1 inch = 100 feet
 Route To: STEVEN C. HOLDEN

NOTICE: THIS IS NOT A FINAL DOCUMENT. It is for informational purposes only. The utility company reserves the right to change the design or construction of the project without notice. The utility company is not responsible for any errors or omissions on this drawing. © 2010 S&B Utility Software, Inc.



NAME PLEASANT VALLEY REBUILD
 ADDRESS PLEASANT VALLEY ROAD
 CITY RICE ST WA ZIP 99167
 JOB # 344255570 PRN #
 SEC 3/2 TWP 34N RANG 37E
 SUB/FEDER: G1/F4/RD 34/F1 MAP # 13363
 SPECIAL PROJECT # 96005093

SHEET (3) of FOUR

Printed: 02-23-2010 1 inch = 200 feet
 Route To: STEVEN C. HOLDEN

AUSTRIA
 Utilities
 NOTICE: THIS IS NOT A CONTRACT DOCUMENT. IT IS FOR INFORMATION ONLY. ANY CHANGES TO THIS DOCUMENT SHALL BE MADE TO THE CONTRACT DOCUMENTS.



CAPITAL PROJECT REQUEST FORM (CPR)

Request Type Preliminary	PROJECT 96005096
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ER 2414	Budget Cat 5	SERVICE CODE ED	PROJECT TITLE (30 CHARS) VAL12F1 Reliability Projects	Project Chars 28	LOCATION 960
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PROJECT DESCRIPTION (250 CHARS)

This project will underground a three phase line along Jepsen Rd for 3.2 miles and reconfigure several taps. The line runs through heavily treed areas and is inaccessible, particularly in winter.

APPROVED BUDGET X	Description Chars Count 195	ORGANIZATION G50	B/I NUMBER WD900	WMS (Y OR N) Y	RATE JURISDICTION WA
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BILLING	BILLING CONTACT	PROJECT START DATE 01-01-2010
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LONG NAME (INCLUDE PURPOSE AND NECESSITY - 240 CHARS)

Valley 12F1 Reliability increase. VAL12F1 is near the top of the list for our worst reliable feeders. Undergrounding this section of line will help our SAIDI/SAIFI/CAIFI numbers significantly.

Long Name Count 194

CONSTRUCTION

	FERC 3XXXXX	ESTIMATED AMOUNT BY FERC NUMBER	AS BUILT AMOUNT BY FERC NUMBER
	300100	\$8,000	
	364000	\$10,000	
	365000	\$5,000	
	367200	\$119,000	
	366200	\$15,000	
GROSS ADDITIONS		\$157,000	
NET SALVAGE BY FERC (3XXXXX)			
	365000	(\$3,000)	
	364000	(\$4,000)	
NET SALVAGE		(\$7,000)	
Non Standard Work Breakdown Structure needed (Optional)			
Date Prepared:	12-18-2009		
TOTAL COST OF PROJECT		\$150,000	

Total Construction Cost	\$150,000
NOT REQUIRED	
BUDGET AUTHORIZATION	
PREVIOUSLY APPROVED	
THIS AFE	
TOTAL TO DATE	
BALANCE NOT APPROVED	

APPROVALS	
SIGNATURE	DATE
William Stone	
David James	
Rick Vermeers	
Don Kopczynski	

Project Contact	Will Stone x2539
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APPROVAL SIGNATURE(S) REQUIRED

To \$99,999 - Director
\$100,000-\$499,999 - VP or GM Utility
\$500,000-\$1,999,999 - Sr Vice President
\$2,000,000-\$2,999,999 - CFO
\$3,000,000-\$4,999,999 - President/COO
\$5,000,000-\$9,999,999 - CEO
Over \$10,000,000 - Board Chair
Out-of-Budget - Capital Budget Committee

THE BUDGET ITEM SPONSOR IS RESPONSIBLE FOR CLOSING THIS WORK ORDER. IMMEDIATELY UPON COMPLETION OF WORK, SIGN THIS FORM, COMPLETE AS BUILT INFO AND FORWARD TO PLANT ACCOUNTING.

Date Work Completed	
Foreman/ Supervisor	

**AVISTA UTILITIES
2010 CAPITAL PROJECTS**

ER No.: 2055

ER Name: Electric Distribution Minor Blanket

Pro Forma Amount: \$7,000,000

Expended to date: \$1,773,878

2010 Transfer to Plant Date: \$583,000 Monthly

Project Description:

This project includes the replacement of poles and cross-arms on distribution lines in 2010 as required, due to storm damage, wind, fires or obsolescence. The Company spent \$9.22 million in 2009 for these projects. These events which occur are outside of our control, and the damage has to be fixed in order to provide service to our load customers. The Company cannot predict when a car will hit a pole or when weather will damage equipment, and the replaced equipment may be 30 years old or just installed.

The Company has spent on average \$7.118 million per year over the past 5 years.

Offsets:

Offsets to O&M costs were computed on this distribution plant investment by applying a load adjustment factor to the investment, which adjusts rate year costs to match test year loads. There are no other identifiable O&M cost reductions for 2010 investments.

Timeline:

This project will begin in January 2010 and end December 2010.

Additional Information:

- Summary of 2010 Costs pg. 2
- History of Costs for 2005 through March 12, 2010 pg. 3-6

Note:

During the course of Avista's pending general rate case, updated information will be available for audit.

AVISTA UTILITIES
ER 2055
2010 CAPITAL INVESTMENT COSTS DETAIL

	Spokane	Othello	Davenport	Colville	CDA	Kellogg	Sandpoint	Lewiston	Dist.	Palouse	TOTAL
Loaded Labor	2,230,031	205,214	141,286	446,472	484,979	247,635	267,112	568,594	15,659	364,674	4,971,656
Transportation	223,003	26,677	36,734	80,364	67,897	49,527	61,435	113,718	1,879	105,755	766,989
Materials	93,438	91,360	77,558	107,140	185,514	62,349	183,963	133,523	12,944	150,319	1,098,108
Contract Costs	87,775	178,499	-	-	-	99,039	61,625	-	10,986	34,592	472,516
Job Overheads	276,596	52,684	26,836	66,568	77,531	48,147	60,285	85,663	4,354	68,811	767,475
Total	2,910,843	554,434	282,414	700,544	815,921	506,697	634,420	901,498	45,822	724,151	8,076,744
CIAC	(673,454)	(71,898)	(21,161)	(26,944)	(154,185)	(13,321)	(33,643)	(46,998)	-	(35,140)	(1,076,744)
Total	2,237,389	482,536	261,253	673,600	661,736	493,376	600,777	854,500	45,822	689,011	7,000,000

Total WA Costs	4,343,789
Total ID Costs	2,656,211
Total	<u>7,000,000</u>

The Company pro formed \$4,270,000 for WA.

AVISTA UTILITIES
 ER 2055
 HISTORY OF COSTS
 2005 Through March 12, 2010

				2005	2006	2007	2008	2009	2010		
				Transaction Amt	Transaction Amt	Transaction Amt	Transaction Amt	Transaction Amt	Transaction Amt		
Er	Jurisdiction	Expenditure Category	Expenditure Type								
2055	AN	AFUDC	535 AFUDC - Debt	420.83	98.38	-	-	-	-		
			540 AFUDC - Equity	569.71	79.45	-	-	-	-		
		Employee Expenses	215 Employee Business Meals	79.12	80.69	-	-	-	-		
			230 Employee Lodging	-	152.16	-	-	-	-		
			235 Employee Misc Expenses	100.00	-	-	-	-	-		
			Labor	325 Overtime Pay - Union	1,632.20	72.78	-	-	-	-	
			345 Regular Payroll - Union	1,544.30	2,219.65	-	-	-	-		
		Material	415 Material Issues	9,451.00	3,608.94	-	-	-	-		
			420 Salvage	(10,790.00)	(3,468.00)	-	-	-	-		
		Overhead	505 Capital Overhead - A & G	31.48	25.79	0.11	-	-	-		
			506 Cap Overhead - Functional	822.52	1,047.91	1.58	-	-	-		
			510 Payroll Benefits loading	583.91	897.41	-	-	-	-		
			515 Payroll Tax loading	280.88	195.65	-	-	-	-		
			520 Payroll Time Off loading	277.95	399.54	-	-	-	-		
			525 Small Tools loading	50.54	75.47	-	-	-	-		
			530 Stores/Material Loading	850.54	304.37	-	-	-	-		
			532 Materials Tax/Fght Loading	283.53	54.13	-	-	-	-		
			Transportation	560 Road Vehicles	-	1,429.70	-	-	-	-	
				565 Small Vehicles	43.45	-	52.80	-	-	-	
		570 Work Vehicles		-	600.00	-	-	-	-		
		Voucher	835 Non Vehicle Equip Repair	-	377.33	-	-	-	-		
			880 Materials & Equipment	-	195.80	-	-	-	-		
			885 Miscellaneous	(151.76)	-	-	-	-	-		
		Sum				6,080.20	8,447.15	54.49			
		ID	AFUDC	535 AFUDC - Debt	954.82	74.01	-	-	673.22	-	
540 AFUDC - Equity	1,292.40			59.76	-	-	830.54	-			
Contractor	015 Construction Services		83,745.22	58,397.86	171,841.59	248,880.20	94,810.05	9,140.94			
	025 Temporary Labor		260.00	-	-	218.10	-	-			
Contributions	035 Workforce - Contract		25,849.06	321,983.78	524,389.81	303,964.03	45,256.28	9,634.63			
	105 CIAC Consumer		(401,065.90)	(435,729.98)	(591,504.82)	(181,964.48)	(148,806.10)	(2,813.91)			
	115 Misc Bills		(277,187.32)	(89,055.78)	(113,713.15)	(123,948.91)	(92,285.63)	(3,238.65)			
Employee Expenses	116 Misc Bills - Damage Claims		(232,972.67)	(205,450.96)	(199,506.92)	(212,888.62)	(118,238.64)	(290.47)			
	210 Employee Auto Mileage		644.46	3,214.27	4,289.76	4,421.26	2,987.55	309.40			
	215 Employee Business Meals		7,188.23	4,047.43	6,813.55	9,482.87	5,755.47	927.17			
	230 Employee Lodging		4,260.65	-	2,354.56	2,953.96	1,845.00	-			
	235 Employee Misc Expenses		20.32	-	35.04	-	-	-			
Labor	315 Non Benefit Labor - Union		1,544.94	12,770.30	202.51	-	-	-			
	320 Overtime Pay - NU		63.33	33.05	741.40	-	-	-			
	325 Overtime Pay - Union		106,919.36	116,028.08	173,794.50	134,684.36	125,900.12	12,280.45			
	335 Paid Time Off - Union	-	-	-	-	-	39.90				
	340 Regular Payroll - NU	112,980.18	114,352.96	124,727.44	87,885.23	70,862.87	6,321.15				
	345 Regular Payroll - Union	638,089.78	459,815.80	739,868.46	747,822.45	605,122.68	119,690.82				
Labor Adjustments	356 Transfrmr First Instl-Labo	-	35,723.90	114,890.50	266,519.70	212,800.95	47,717.00				
Material	405 Inventory Returns	(51,274.80)	(95,427.26)	(56,529.30)	(73,114.64)	(102,287.69)	(19,134.80)				
	415 Material Issues	704,071.70	544,566.10	974,153.62	869,262.74	861,485.01	166,653.78				
	420 Salvage	(18,616.18)	(39,482.17)	(78,082.55)	(65,558.26)	(61,423.90)	(7,834.51)				

AVISTA UTILITIES
 ER 2055
 HISTORY OF COSTS
 2005 Through March 12, 2010

Er	Jurisdiction	Expenditure Category	Expenditure Type	2005	2006	2007	2008	2009	2010
				Transaction Amt	Transaction Amt	Transaction Amt	Transaction Amt	Transaction Amt	Transaction Amt
		Overhead	505 Capital Overhead - A & G	4,475.28	4,684.44	11,183.24	10,675.30	16,322.53	3,415.14
			506 Cap Overhead - Functional	256,559.02	142,656.88	264,577.59	309,651.86	269,603.91	54,623.44
			508 Cap Overhd - Safety Clthng	-	-	-	-	5,891.29	1,019.43
			510 Payroll Benefits loading	326,002.04	240,478.09	337,999.49	358,126.49	396,243.31	75,607.27
			515 Payroll Tax loading	81,097.38	61,027.66	88,388.53	84,165.35	70,166.13	12,100.86
			520 Payroll Time Off loading	135,194.10	101,915.46	143,798.09	141,208.98	116,419.42	22,361.46
			525 Small Tools loading	23,967.74	17,743.07	40,890.79	36,493.72	38,460.05	8,977.04
			530 Stores/Material Loading	62,307.70	42,483.67	64,878.46	70,079.31	68,940.33	7,879.71
			532 Materials Tax/Fght Loading	18,806.41	6,775.45	12,124.57	10,047.75	12,197.65	1,299.96
		Transportation	555 Misc Vehicles	6,560.00	13,550.00	17,140.00	15,360.00	16,000.00	2,320.00
			560 Road Vehicles	47,448.15	37,778.70	53,945.85	66,104.20	65,510.05	10,692.75
			565 Small Vehicles	10,375.03	10,971.50	9,184.35	5,949.00	8,892.35	1,526.40
			570 Work Vehicles	234,208.80	183,805.50	304,398.15	447,508.20	282,728.00	75,382.50
		Vehicle	710 Rental Expense - Vehicle	4,164.22	211.37	2,135.48	18,313.40	33,065.78	2,164.62
			715 Vehicle - Other	-	-	-	90.01	3,831.49	-
			720 Vehicle Fuel Gasoline	93.85	39.54	509.29	128.76	-	-
			721 Vehicle Fuel Diesel	-	1,120.14	3,713.62	805.95	-	-
			727 Vehcile Repair - External	-	-	-	-	53.74	-
			728 Vehicle Repair - Ext Labor	-	-	-	-	114.24	-
		Voucher	833 First Install Transformer	22,669.40	64,894.44	-	-	-	-
			835 Non Vehicle Equip Repair	-	-	621.83	-	213.00	-
			880 Materials & Equipment	62,394.35	69,072.41	13,904.91	64,675.73	12,935.83	2,391.14
			882 Materials - Large Purchase	-	24.37	-	-	-	-
			885 Miscellaneous	8,652.39	59,737.37	58,049.85	87,584.43	57,917.41	(46,105.05)
			890 Office Supplies	-	-	15.98	-	-	-
			905 Permits	300.00	2,158.64	330.00	1,465.61	100.00	50.00
			915 Printing	-	-	-	-	11.66	-
			920 Rental Expense - Equipment	1,061.53	11,477.91	38,681.71	33,618.09	20,654.86	394.52
			925 Rental Expense - Other	90.00	-	588.60	938.37	-	210.00
			930 Right-of-Way Easements	486.75	450.00	-	-	-	-
			933 Small Tools	-	-	-	99.77	-	-
		Sum		2,013,681.72	1,878,977.76	3,265,826.38	3,781,710.27	3,001,560.81	575,714.09
WA		AFUDC	535 AFUDC - Debt	982.36	142.30	(69.12)	923.53	-	-
			540 AFUDC - Equity	1,329.57	114.90	(55.82)	1,134.32	-	-
		Contractor	005 Legal Services	25.00	-	-	1,936.56	-	-
			010 General Services	125.00	25.00	521.28	-	35.57	50.00
			012 Combo Goods & Services	2,711.66	-	-	12,050.54	-	-
			015 Construction Services	39,896.40	85,609.19	153,209.37	739,224.78	661,865.26	101,833.69
			020 Professional Services	-	3,318.79	-	-	2,214.00	-
			035 Workforce - Contract	163,555.81	287,692.59	450,382.57	496,443.75	456,652.34	147,590.80
		Contributions	105 CIAC Consumer	(228,772.76)	(166,802.27)	(76,274.47)	(372,884.68)	(169,555.55)	(19,171.38)
			115 Misc Bills	(228,785.98)	(289,968.94)	(339,823.24)	(290,488.36)	(196,215.60)	1,886.37
			116 Misc Bills - Damage Claims	(396,438.22)	(470,636.72)	(455,925.90)	(733,039.81)	(297,629.25)	(130,165.49)
		Employee Expenses	205 Airfare	-	117.90	-	252.86	-	-
			210 Employee Auto Mileage	4,108.28	7,817.44	3,434.32	8,543.48	8,586.27	891.35
			215 Employee Business Meals	7,757.49	6,117.45	6,365.46	6,589.91	10,009.02	1,582.15

AVISTA UTILITIES
 ER 2055
 HISTORY OF COSTS
 2005 Through March 12, 2010

Er	Jurisdiction	Expenditure Category	Expenditure Type	2005	2006	2007	2008	2009	2010
				Transaction Amt	Transaction Amt	Transaction Amt	Transaction Amt	Transaction Amt	Transaction Amt
			230 Employee Lodging	930.40	1,183.56	3,338.85	266.88	6,617.11	206.93
			235 Employee Misc Expenses	10.00	-	105.00	106.05	23.28	-
			240 Employee Relocation	-	-	-	-	129.07	-
		Labor	305 Incentive/Bonus Pay	2,588.00	1,500.00	-	2,550.00	-	-
			315 Non Benefit Labor - Union	250.74	3,422.09	4,218.14	-	-	-
			320 Overtime Pay - NU	-	-	1,742.30	3,991.02	662.30	6.72
			325 Overtime Pay - Union	166,884.05	257,129.19	264,270.73	321,898.94	233,981.50	43,268.49
			340 Regular Payroll - NU	134,406.79	136,196.13	156,103.05	131,930.01	123,936.18	24,045.21
			345 Regular Payroll - Union	996,944.80	859,217.80	985,276.16	1,087,381.85	942,880.21	175,674.21
		Labor Adjustments	356 Transfrmr First Instl-Labo	-	51,373.90	122,697.00	372,339.25	902,874.00	172,639.00
		Material	405 Inventory Returns	(162,981.84)	(185,431.68)	(2,984,205.77)	(449,372.73)	(3,724,585.97)	(45,243.90)
			415 Material Issues	989,439.11	1,039,648.44	3,852,048.47	1,285,358.67	4,800,000.14	330,766.23
			420 Salvage	(331,309.65)	(556,472.54)	(657,842.66)	(708,226.67)	(594,841.93)	(89,970.93)
			430 Bin Stock Issues	-	-	-	335,379.03	400,872.64	83,696.20
		Overhead	505 Capital Overhead - A & G	7,244.71	8,260.30	15,158.37	14,779.78	32,270.38	7,704.11
			506 Cap Overhead - Functional	424,292.49	249,590.57	322,127.37	485,599.49	530,982.78	123,230.78
			508 Cap Overhd - Safety Clthng	-	-	-	-	22,837.52	4,114.45
			510 Payroll Benefits loading	504,289.41	415,154.09	446,680.77	521,876.11	628,294.08	119,831.55
			515 Payroll Tax loading	123,996.94	108,923.92	120,482.44	134,244.84	113,879.76	21,262.56
			520 Payroll Time Off loading	203,645.48	176,596.85	190,637.59	206,337.21	184,150.84	35,427.38
			525 Small Tools loading	37,717.72	32,955.53	57,024.94	52,151.29	59,836.79	13,176.07
			530 Stores/Material Loading	72,964.90	72,643.52	68,969.89	75,215.22	100,134.03	16,571.90
			532 Materials Tax/Fght Loading	23,832.53	12,806.60	11,593.26	10,383.38	15,081.51	2,725.18
		Transportation	555 Misc Vehicles	2,640.00	5,610.00	7,470.00	6,720.00	7,035.00	2,220.00
			560 Road Vehicles	77,431.90	78,351.10	81,872.05	113,295.45	106,505.60	17,596.95
			565 Small Vehicles	10,995.48	9,043.10	4,440.45	7,959.90	4,713.20	507.95
			570 Work Vehicles	406,693.35	346,981.60	455,266.30	673,579.80	506,906.20	112,247.00
		Vehicle	705 Lease Expense - Vehicle	-	1,720.45	840.34	7,815.53	10,428.88	-
			710 Rental Expense - Vehicle	36.90	-	4,291.85	31,963.16	74,011.87	5,457.07
			715 Vehicle - Other	491.40	605.64	-	61.54	-	-
			720 Vehicle Fuel Gasoline	74.97	135.65	451.25	41.77	1,977.00	-
			721 Vehicle Fuel Diesel	171.70	508.37	2,257.22	543.10	-	-
			725 Vehicle Parts & Supplies	11.17	-	-	-	2,356.58	310.74
			727 Vehcile Repair - External	-	-	27.15	-	-	-
			729 Vehicle Repr - Rent Vehcls	-	-	-	-	2,990.48	-
			735 Vehicle Tires	-	247.59	-	-	-	-
		Voucher	810 Advertising Expenses	-	-	-	-	75.00	-
			833 First Install Transformer	30,918.60	64,187.77	-	-	-	-
			834 Inventory Adjustment	(222.89)	(1,200.16)	(13,911.76)	1,896.71	114.77	(35.86)
			835 Non Vehicle Equip Repair	-	609.10	-	-	-	-
			840 Freight Costs	-	495.00	-	-	-	-
			880 Materials & Equipment	11,852.19	33,160.24	87,416.42	120,548.89	136,040.28	4,768.71
			885 Miscellaneous	132,762.68	442,862.13	622,355.38	254,602.57	91,522.89	(89,001.53)
			890 Office Supplies	-	-	271.71	-	53.74	-
			905 Permits	1,958.70	5,302.54	7,503.47	1,358.01	2,026.00	463.59
			915 Printing	-	-	-	-	4.35	-

AVISTA UTILITIES
 ER 2055
 HISTORY OF COSTS
 2005 Through March 12, 2010

Er	Jurisdiction	Expenditure Category	Expenditure Type	2005	2006	2007	2008	2009	2010
				Transaction Amt	Transaction Amt	Transaction Amt	Transaction Amt	Transaction Amt	Transaction Amt
			920 Rental Expense - Equipment	6,656.95	3,716.09	52,141.10	15,321.22	14,832.92	-
			925 Rental Expense - Other	75.17	28.54	-	-	-	-
			930 Right-of-Way Easements	4,000.00	720.00	-	-	3,664.38	-
			933 Small Tools	-	-	-	876.17	347.39	-
		Sum		<u>3,248,189.46</u>	<u>3,141,330.65</u>	<u>4,034,883.28</u>	<u>4,991,460.32</u>	<u>6,221,584.81</u>	<u>1,198,164.25</u>
Sum				<u>5,267,951.38</u>	<u>5,028,755.56</u>	<u>7,300,764.15</u>	<u>8,773,170.59</u>	<u>9,223,145.62</u>	<u>1,773,878.34</u>
							5-year average	<u>7,118,757.46</u>	

**AVISTA UTILITIES
2010 CAPITAL PROJECTS**

ER No.: 2060

ER Name: Wood Pole Replacement Program and Capital Distribution Feeder Repair

Pro Forma Amount: \$6,883,996

Expended to date: \$990,597 (Through March 15, 2010)

2010 Transfer to Plant Date: Monthly during 2010

Project Description:

Wood Pole Replacement Program and Capital Distribution Feeder Repair (\$6.884 million): The distribution wood-pole management program is a strength evaluation of a certain percentage of the pole population each year. Depending on the test results for a given pole, that pole is either considered satisfactory, reinforced with a steel stub, or replaced. As feeders are inspected as part of the wood-pole management program, issues are identified unrelated to the condition of the pole. This project also funds the work required to resolve those issues (i.e. leaking transformers, transformers older than 1964, failed arrestors, missing grounds, damaged cutouts). Since the pre-World War II buildup wood poles have reached their end of life, Avista's Wood Pole Management program was put into place to prevent the Pole-Rotten events and Crossarm – Rotten events in the Outage Management Tool from increasing. So far, the Wood Pole Management Program has helped keep Pole-Rotten and Crossarm-Rotten events in check. The Company has projected savings from the Wood Pole Management, which came from reducing the growth in failures related to poles and crossarms. Looking at 2007 to 2009 data, Crossarm-Rotten Events went from 46 events to 23 events, however, Pole-Rotten events climbed from 25 events to 44 events in 2008 and 2009. Thus, no offsets are anticipated from the Wood Pole Management program.

Offsets:

Offsets to O&M costs were computed on this distribution plant investment by applying a load adjustment factor to the investment, which adjusts rate year costs to match test year loads. There are no other identifiable O&M cost reductions for 2010 investments.

Timeline:

This is an annual, ongoing program with capital investments commensurate to achieve a 20-year cycle of inspection, reinforcement, and replacement program. The average age of Avista wood poles on the electric distribution system is nearly 50 years. The assumed end-of-life for utility poles is 50 years.

Additional Information:

- ER Cost Detail through March 15, 2010. pg. 3-5
- Budget Detail for 2010 pg. 6-7
- Construction Services Agreement and amendments – contract #0-4316 pg. 8-63

**AVISTA UTILITIES
2010 CAPITAL PROJECTS**

- Construction Services Agreement and amendments – contract #0-5507 pg. 64-113
- Construction Services Agreement and amendments – contract #0-0663 pg. 114-220

Note:

During the course of Avista’s pending general rate case, updated information will be available for audit.

Budget Line Entry - Capital Projects

YEAR	2010				
ER	2060	ER Title	Wood Pole Mgmt	ER Description	To support the capital costs associated with an
BI	YV001	BI Title	Pole Test and Treat Replacement Blanket	BI Description	To support the capital costs associated with an
Job Type	Electric Distribution	Capital Spend Not in Service		\$0	
CIAC		\$0 Retirements		\$0	
AFUDC	N				

Save

LABOR							
Org	Exp Type	Labor Type	Rate	Man Days	Labor Status	Unloaded Amount	Loaded Amount
S50	WE	CNST - Construction Design	\$286	474	Approved	\$135,564	\$223,830
C51	WE	ENGR - Distribution	\$298	15	Approved	\$4,470	\$7,380
B53	WE	CNST - Overhead Crew	\$288	248.28	Approved	\$71,505	\$118,062
B50	WE	CNST - Overhead Crew	\$288	116.68	Approved	\$33,604	\$55,484
L53	WE	CNST - Electric Crew	\$292	753.42	Approved	\$219,999	\$363,240
M51	WE	CNST - Construction Design	\$286	476.68	Approved	\$136,330	\$225,094
D53	WE	ENGR - Transmission	\$357	147.29	Approved	\$52,583	\$86,820
J53	WE	CNST - Overhead Crew	\$288	173.61	Approved	\$50,000	\$82,555
Labor Subtotal						\$704,055	\$1,162,465
Transportation % (Up to 2 decimals)			17.8	Transportation Load		\$125,321	\$206,918
Labor Total						\$829,376	\$1,369,383
Approved Labor Requests						\$704,055	\$1,162,465
Pending Labor Requests						\$0	\$0
Denied Labor Requests						\$0	\$0

OTHER EXPENSES				
Org	Exp Type	Load Factor	Unloaded Amount	Loaded Amount
C51	MT	8%	\$1,100,000	\$1,188,000
C51	WC	0%	\$476,286	\$476,286
M51	EE	0%	\$77,266	\$77,266
M51	MT	7%	\$671,896	\$718,929
M51	WC	0%	\$2,400,000	\$2,400,000
Subtotal			\$4,725,448	\$4,860,481

TOTAL LABOR AND OTHER EXPENSES		
	Unloaded Amount	Loaded Amount
Subtotal	\$5,554,824	\$6,229,864
Job Type Overheads		\$654,135
Total Labor and Other Expenses		\$6,884,000

This may not be the ER total. Click on Next to calculate AFUDC and determine monthly spreads.

AVISTA UTILITIES
 ER 2060
 HISTORY OF COSTS
 2005 Through March 12, 2010

				2005	2006	2007	2008	2009	2010
				Transaction Amt	Transaction Amt	Transaction Amt	Transaction Amt	Transaction Amt	Transaction Amt
Er	Jurisdiction	Expenditure Category	Expenditure Type						
2060	ID	AFUDC	535 AFUDC - Debt	-	-	-	1,618.75	-	-
			540 AFUDC - Equity	-	-	-	1,988.23	-	-
		Contractor	012 Combo Goods & Services	-	-	9,133.17	-	-	-
			015 Construction Services	490.00	-	870.58	29,648.70	9,461.00	7,610.06
			035 Workforce - Contract	45.15	57,021.28	595,869.28	962,297.77	1,994,202.83	148,440.63
		Contributions	115 Misc Bills	-	-	(37,500.00)	-	-	(100.00)
			Employee Expenses	210 Employee Auto Mileage	-	32.04	-	191.18	2,105.75
		215 Employee Business Meals		3,500.00	350.00	3,519.28	3,532.70	7,243.94	71.43
		230 Employee Lodging		3,405.85	351.74	4,670.49	4,716.36	9,906.05	-
		235 Employee Misc Expenses		3.56	-	-	-	261.93	-
		325 Overtime Pay - Union		1,223.08	2,069.28	26,250.56	33,660.61	81,168.07	5,690.13
		Labor	340 Regular Payroll - NU	-	-	-	13,288.08	38,569.62	8,986.48
			345 Regular Payroll - Union	31,179.88	7,977.62	51,972.47	113,537.61	307,888.89	102,185.37
		Labor Adjustments	354 Regular Pay Adjustment	-	-	-	-	-	-
			356 Transfrmr First Instl-Labo	-	-	-	-	46,328.00	24,796.00
		Material	405 Inventory Returns	(2,087.42)	(237.21)	(4,172.02)	(31,203.40)	(35,880.16)	(13,863.76)
			415 Material Issues	35,708.40	23,450.90	227,359.11	404,383.18	697,829.09	198,965.48
			417 Material Issues Non Burdn	-	-	-	-	-	694.70
			420 Salvage	-	-	(70.49)	(3,388.22)	(4,144.65)	(4,122.55)
		Overhead	505 Capital Overhead - A & G	221.23	166.84	3,489.32	4,028.38	20,649.54	4,450.49
			506 Cap Overhead - Functional	14,476.48	4,263.86	69,918.38	140,078.48	319,821.15	71,190.57
			508 Cap Overhd - Safety Clthng	-	-	-	-	17,534.86	2,265.77
			510 Payroll Benefits loading	15,058.10	3,382.34	20,424.95	53,229.60	202,640.39	66,703.12
			515 Payroll Tax loading	3,179.71	873.59	6,736.82	13,880.50	37,250.34	10,225.45
			520 Payroll Time Off loading	5,612.38	1,400.35	8,750.32	21,550.69	59,644.75	19,702.04
			525 Small Tools loading	1,233.65	328.21	2,887.30	4,881.78	20,765.59	7,664.02
			530 Stores/Material Loading	2,839.70	1,987.71	16,248.40	28,267.35	60,388.31	10,822.23
			532 Materials Tax/Fght Loading	956.99	348.23	3,076.62	4,190.98	10,664.52	1,803.68
			Transportation	560 Road Vehicles	8,373.00	365.80	1,402.40	5,993.00	18,218.50
		565 Small Vehicles		1,988.60	1,011.50	4,453.40	6,924.10	14,564.35	540.00
		570 Work Vehicles		436.50	2,486.40	10,101.55	58,211.50	127,766.00	53,554.50
		Vehicle	710 Rental Expense - Vehicle	-	-	-	572.40	188.95	-
			720 Vehicle Fuel Gasoline	-	-	-	171.14	-	-
		Voucher	870 Lease Expense - Other	-	-	325.68	-	-	-
			880 Materials & Equipment	39.21	-	484.36	-	34,713.86	-
			885 Miscellaneous	-	-	-	3,115.98	80.96	-
			920 Rental Expense - Equipment	-	-	-	500.00	24,157.51	-
			930 Right-of-Way Easements	-	-	-	-	200.00	-
			Sum	127,884.05	107,630.48	1,026,201.93	1,879,867.43	4,124,189.94	737,898.04
		MT	Contractor	035 Workforce - Contract	-	-	-	1,434.25	-
Employee Expenses	215 Employee Business Meals			-	-	-	115.91	-	-
Labor	325 Overtime Pay - Union		-	-	-	2,831.36	-	-	
	340 Regular Payroll - NU		-	-	-	702.69	-	-	
	345 Regular Payroll - Union		-	-	-	8,961.49	-	-	
Material	415 Material Issues		-	-	-	7,226.93	-	-	
Overhead	505 Capital Overhead - A & G	-	-	-	149.02	-	-		

AVISTA UTILITIES
 ER 2060
 HISTORY OF COSTS
 2005 Through March 12, 2010

Er	Jurisdiction	Expenditure Category	Expenditure Type	2005	2006	2007	2008	2009	2010
				Transaction Amt	Transaction Amt	Transaction Amt	Transaction Amt	Transaction Amt	Transaction Amt
			506 Cap Overhead - Functional	-	-	-	4,422.74	-	-
			510 Payroll Benefits loading	-	-	-	4,252.24	-	-
			515 Payroll Tax loading	-	-	-	1,062.13	-	-
			520 Payroll Time Off loading	-	-	-	1,691.24	-	-
			525 Small Tools loading	-	-	-	358.44	-	-
			530 Stores/Material Loading	-	-	-	578.18	-	-
			532 Materials Tax/Fght Loading	-	-	-	72.32	-	-
		Transportation	560 Road Vehicles	-	-	-	1,809.50	-	-
			570 Work Vehicles	-	-	-	7,513.00	-	-
		Vehicle	710 Rental Expense - Vehicle	-	-	-	4,907.80	-	-
		Sum					48,089.24		
WA		AFUDC	535 AFUDC - Debt	1,824.21	2,854.03	477.20	2,161.86	-	-
			540 AFUDC - Equity	2,469.10	2,304.72	395.76	2,655.34	-	-
		Contractor	015 Construction Services	3,323.62	9,243.91	2,326.73	-	4,872.23	508.90
			035 Workforce - Contract	457,233.22	542,764.08	626,682.89	1,921,990.97	1,951,388.32	143,125.70
		Contributions	105 CIAC Consumer	-	-	-	-	(90.00)	-
			115 Misc Bills	(5,500.00)	-	-	(500.00)	-	-
		Employee Expenses	210 Employee Auto Mileage	-	31.15	-	-	295.35	-
			215 Employee Business Meals	9,870.00	4,600.00	3,130.97	3,420.68	1,031.59	583.45
			230 Employee Lodging	12,374.63	6,250.34	3,611.94	4,442.73	680.04	281.20
			235 Employee Misc Expenses	81.83	-	25.21	-	-	-
		Labor	320 Overtime Pay - NU	-	-	-	-	27.55	-
			325 Overtime Pay - Union	17,016.79	24,408.52	15,563.28	28,349.21	28,105.00	9,682.14
			340 Regular Payroll - NU	-	20.88	-	28,029.31	45,137.87	4,771.60
			345 Regular Payroll - Union	108,026.37	60,836.00	30,458.46	36,111.74	111,039.93	27,828.17
		Labor Adjustments	356 Transfrmr First Instl-Labo	-	-	-	-	17,287.00	4,650.00
		Material	405 Inventory Returns	(11,848.82)	(148,585,860.08)	(9,297.71)	(26,193.89)	(56,324.74)	(37,731.63)
			415 Material Issues	180,640.85	148,776,430.73	159,017.90	522,633.39	691,763.35	42,011.96
			417 Material Issues Non Burdn	-	-	-	-	-	2,661.03
			420 Salvage	(832.67)	(2,393.33)	(894.78)	(3,357.77)	(629.41)	(12,184.78)
		Overhead	505 Capital Overhead - A & G	1,775.47	1,769.67	2,257.05	5,865.94	16,686.35	1,391.76
			506 Cap Overhead - Functional	105,701.17	48,829.62	51,951.28	192,117.53	273,388.05	22,267.62
			508 Cap Overhd - Safety Clthng	-	-	-	-	22,456.88	1,426.99
			510 Payroll Benefits loading	48,372.85	25,340.37	11,974.18	27,388.62	90,917.21	19,559.87
			515 Payroll Tax loading	11,938.16	7,394.13	3,925.87	8,009.90	16,127.41	3,699.72
			520 Payroll Time Off loading	19,444.82	10,842.54	5,078.79	10,882.55	26,929.84	5,740.66
			525 Small Tools loading	4,090.90	2,304.13	1,738.23	1,757.77	7,170.42	2,087.15
			530 Stores/Material Loading	15,455.27	15,588.92	11,926.91	38,462.57	50,447.21	264.11
			532 Materials Tax/Fght Loading	4,424.23	2,858.58	2,051.98	5,865.67	8,768.69	43.94
		Transportation	560 Road Vehicles	13,173.05	7,663.15	234.00	288.60	5,529.35	262.50
			565 Small Vehicles	9,644.40	7,348.45	4,433.80	7,175.70	6,870.60	1,968.00
			570 Work Vehicles	13,493.50	4,957.05	2,652.25	5,030.00	45,099.50	5,587.50
		Vehicle	710 Rental Expense - Vehicle	-	-	-	-	4,185.43	2,174.00
			720 Vehicle Fuel Gasoline	-	68.82	-	-	-	-
		Voucher	870 Lease Expense - Other	2,303.98	1,319.17	419.38	-	-	-
			880 Materials & Equipment	12,538.36	-	12,023.49	-	16.15	-

AVISTA UTILITIES
 ER 2060
 HISTORY OF COSTS
 2005 Through March 12, 2010

Er	Jurisdiction	Expenditure Category	Expenditure Type	2005	2006	2007	2008	2009	2010
				Transaction Amt	Transaction Amt	Transaction Amt	Transaction Amt	Transaction Amt	Transaction Amt
			885 Miscellaneous	(36,500.00)	-	-	27.83	100.00	-
			915 Printing	-	-	-	-	1.63	-
			920 Rental Expense - Equipment	-	-	-	-	1,100.00	37.28
			925 Rental Expense - Other	-	-	69.94	-	-	-
		Sum		<u>1,000,535.29</u>	<u>977,775.55</u>	<u>942,235.00</u>	<u>2,822,616.25</u>	<u>3,370,378.80</u>	<u>252,698.84</u>
Sum				<u>1,128,419.34</u>	<u>1,085,406.03</u>	<u>1,968,436.93</u>	<u>4,750,572.92</u>	<u>7,494,568.74</u>	<u>990,596.88</u>

CONFIDENTIAL per WAC 480-07-160

Construction Services Agreement and Amendments - Contract #0-4316

Construction Services Agreement and Amendments - Contract #0-5507

Construction Services Agreement and Amendments - Contract #0-0663

Pages 8 through 220

**AVISTA UTILITIES
2010 CAPITAL PROJECTS**

ER No.: 2054

ER Name: Electric Underground Replacement

Pro Forma Amount: \$4,000,000

Expended to date: \$180,170

2010 Transfer to Plant Date: \$333,000 Monthly

Project Description:

This project involves replacing the first generation of Underground Residential District (URD) cable, which has been ongoing for the past several years. This project focuses on replacing a vintage and type of cable that has reached its end of life and contributes significantly to URD cable failures. The Company spent \$3.69 million in 2009. The incremental savings in Operation and Maintenance expenses seen in 2009 compared to 2008 was \$120,000 due to reduced number of URD Primary Cable fault reductions. In 2011, we anticipate that we will see the same incremental savings as 2009, which has been included as an offset for the Electric Underground Replacement project.

The Company has spent on average \$3.3 million per year over the past 3 years. Approximately \$1.3 million of these costs were for contract services (contract is provided.)

Offsets:

This transmission plant investment is included in the production property adjustment, which adjusts rate year costs to match test year loads. In addition, this project will result in \$120,000 in savings.

Timeline:

The project costs pro formed in this case will be incurred and transferred to plant between January 2010 and December 2010.

Additional Information:

- Summary of 2010 Costs pg. 2
- History of Costs for 2005 through March 12, 2010 pg. 3-4
- Contract with Cascade Cable pg. 5-87

Note:

During the course of Avista's pending general rate case, updated information will be available for audit.

AVISTA UTILITIES

ER 2054

2010 CAPITAL INVESTMENT COSTS DETAIL

	Spokane	Othello	Colville	CDA	Kellogg	Sandpoint	Lewiston	Palouse	TOTAL
Loaded Labor	478,439	5,632	132,915	99,480	22,217	33,682	59,438	64,064	895,867
Transportation	98,079	782	19,538	31,236	3,354	2,997	2,318	12,172	170,476
Materials	281,597	11,680	247,932	52,279	29,665	37,317	53,739	42,800	757,009
Contract Costs	1,159,080	31,680	233,100	43,250	49,741	107,000	110,750	61,960	1,796,561
Job Overheads	211,805	5,226	66,515	23,755	11,023	19,004	23,755	19,004	380,087
Total	2,229,000	55,000	700,000	250,000	116,000	200,000	250,000	200,000	4,000,000

Total WA Costs	3,184,000
Total ID Costs	816,000
Total	4,000,000

The Company pro formed \$3,080,000 for WA.

AVISTA UTILITIES
 ER 2054
 HISTORY OF COSTS
 2005 Through March 12, 2010

Er	Jurisdiction	Expenditure Category	Expenditure Type	2005	2006	2007	2008	2009	2010	
				Transaction Amt	Transaction Amt	Transaction Amt	Transaction Amt	Transaction Amt	Transaction Amt	
2054	ID	AFUDC	535 AFUDC - Debt	2,612.33	-	-	1,173.74	2,664.12	-	
			540 AFUDC - Equity	3,535.77	-	-	1,441.65	3,286.74	-	
		Contractor	010 General Services	-	-	-	68.20	159.20	-	
			015 Construction Services	23,491.96	54,376.07	128,665.14	43,333.22	222,330.07	6,203.75	
			035 Workforce - Contract	1,287.32	46,873.23	188,472.39	198,697.60	151,155.94	-	
		Contributions	105 CIAC Consumer	-	-	-	-	(690.80)	(1,261.00)	
			115 Misc Bills	-	-	-	(18,516.97)	-	-	
		Employee Expenses	210 Employee Auto Mileage	29.16	-	436.51	445.78	1,813.35	-	
			215 Employee Business Meals	494.84	272.67	162.20	408.06	281.69	-	
			230 Employee Lodging	384.12	-	1,144.67	135.00	-	-	
		Labor	315 Non Benefit Labor - Union	232.83	-	-	-	-	-	
			325 Overtime Pay - Union	4,311.85	5,424.06	6,686.00	7,820.91	15,536.74	380.01	
			340 Regular Payroll - NU	148.75	255.61	786.12	-	11,154.38	-	
			345 Regular Payroll - Union	38,608.30	24,150.72	56,105.36	73,917.76	171,644.28	14,606.41	
		Labor Adjustments	356 Transfrmr First Instl-Labo	-	-	-	-	9,132.00	-	
			405 Inventory Returns	(281.14)	(67.66)	-	(6,975.37)	(4,573.12)	(17.07)	
		Material	415 Material Issues	20,939.30	67,651.30	116,404.46	121,261.01	107,861.65	2,324.17	
			505 Capital Overhead - A & G	311.85	439.10	2,537.41	1,827.35	6,604.48	331.73	
		Overhead	506 Cap Overhead - Functional	16,991.22	10,710.10	51,240.35	57,062.49	104,996.70	5,307.34	
			508 Cap Overhd - Safety Clthng	-	-	-	-	9,033.74	139.11	
			510 Payroll Benefits loading	16,851.97	10,372.31	21,854.48	31,922.20	109,381.51	8,763.86	
			515 Payroll Tax loading	4,057.06	2,601.58	5,336.93	7,030.10	17,354.49	1,311.32	
			520 Payroll Time Off loading	6,976.33	4,223.01	9,361.12	12,672.29	31,763.23	2,573.67	
			525 Small Tools loading	1,424.65	1,110.01	3,252.08	3,094.57	10,006.39	1,095.52	
			530 Stores/Material Loading	1,854.21	6,254.15	8,027.66	10,111.04	8,403.05	171.42	
			532 Materials Tax/Fght Loading	494.17	1,000.29	1,501.45	1,506.69	1,452.78	20.55	
			Transportation	560 Road Vehicles	2,888.45	2,967.10	5,681.40	8,934.00	27,838.55	1,673.25
				565 Small Vehicles	178.77	237.70	481.65	140.70	3,953.30	3.60
				570 Work Vehicles	9,177.85	7,170.50	15,641.25	23,401.30	66,895.50	6,344.50
			Vehicle	710 Rental Expense - Vehicle	-	-	-	3,418.50	2,226.00	-
		720 Vehicle Fuel Gasoline		-	-	-	50.88	15.64	-	
		721 Vehicle Fuel Diesel		15.37	-	-	325.70	-	-	
		Voucher	833 First Install Transformer	-	136.70	-	-	-	-	
			880 Materials & Equipment	556.34	3,942.57	481.14	867.61	1,034.11	799.38	
			885 Miscellaneous	290.30	50.05	121.41	11,088.36	53.50	-	
			905 Permits	50.00	-	-	-	-	-	
			915 Printing	-	-	-	2.12	-	-	
			920 Rental Expense - Equipment	33.92	1,590.00	-	4,443.96	-	-	
			925 Rental Expense - Other	-	-	-	586.40	-	-	
			933 Small Tools	5.60	-	-	-	-	-	
			Sum	157,953.45	251,741.17	624,381.18	601,696.85	1,092,769.21	50,771.52	
		WA	AFUDC	535 AFUDC - Debt	122.32	-	-	-	-	-
				540 AFUDC - Equity	165.56	-	-	-	-	-
			Contractor	010 General Services	-	730.34	-	-	25.00	52.86
				012 Combo Goods & Services	7,728.20	1,623.82	16,919.24	849.60	-	-
015 Construction Services	39,310.01			99,328.93	906,308.98	1,391,930.49	1,169,369.17	36,632.81		
	035 Workforce - Contract		4,535.08	43,542.90	108,634.47	31,253.39	2,524.45	316.34		
Contributions	105 CIAC Consumer		(1,266.25)	(5,000.00)	(3,807.40)	(870.27)	(2,536.64)	-		
	115 Misc Bills		(972.81)	(5,875.37)	(3,750.37)	(17,250.53)	-	-		
	116 Misc Bills - Damage Claims		-	(711.10)	-	-	-	(1,024.48)		

AVISTA UTILITIES
 ER 2054
 HISTORY OF COSTS
 2005 Through March 12, 2010

Er	Jurisdiction	Expenditure Category	Expenditure Type	2005	2006	2007	2008	2009	2010
				Transaction Amt	Transaction Amt	Transaction Amt	Transaction Amt	Transaction Amt	Transaction Amt
		Employee Expenses	205 Airfare	-	-	-	-	-	289.40
			210 Employee Auto Mileage	492.49	885.59	896.77	243.99	-	-
			215 Employee Business Meals	436.02	488.14	1,339.69	783.43	1,478.05	13.19
			230 Employee Lodging	261.56	-	998.02	41.65	-	-
			235 Employee Misc Expenses	20.00	-	7.00	6.81	5.00	122.00
	Labor		315 Non Benefit Labor - Union	14.43	899.62	3,683.38	-	-	-
			320 Overtime Pay - NU	-	-	-	-	27.55	-
			325 Overtime Pay - Union	10,946.27	24,991.12	29,031.75	29,128.89	28,229.40	571.86
			340 Regular Payroll - NU	173.33	3,192.91	1,215.09	4,885.77	4,236.84	-
			345 Regular Payroll - Union	145,514.99	186,814.03	332,366.52	285,754.39	302,796.59	30,286.38
	Labor Adjustments		356 Transfrmr First Instl-Labo	-	-	-	-	6,540.00	700.00
	Material		405 Inventory Returns	(4,144.20)	(2,941.17)	588.75	(6,225.51)	(15,336.83)	(192.42)
			415 Material Issues	68,439.58	157,604.57	259,858.55	230,822.46	336,509.28	9,719.40
	Overhead		505 Capital Overhead - A & G	1,008.44	1,677.36	5,037.66	6,918.40	16,000.33	520.81
			506 Cap Overhead - Functional	59,167.44	43,671.18	178,161.34	240,543.72	235,176.66	8,331.41
			508 Cap Overhd - Safety Clthng	-	-	-	-	22,280.60	236.79
			510 Payroll Benefits loading	64,362.35	80,414.93	130,968.19	123,898.53	181,747.19	18,171.82
			515 Payroll Tax loading	14,890.41	18,828.27	31,385.86	27,665.88	29,338.07	2,700.06
			520 Payroll Time Off loading	26,224.09	33,464.43	55,844.60	49,239.75	53,337.82	5,444.50
			525 Small Tools loading	5,453.49	7,679.90	18,551.96	12,795.91	18,424.43	2,271.50
			530 Stores/Material Loading	5,990.39	13,100.51	28,900.21	28,801.20	33,101.90	498.91
			532 Materials Tax/Fght Loading	1,835.46	2,319.94	3,773.73	2,524.54	5,280.23	82.45
	Transportation		560 Road Vehicles	18,388.00	24,826.00	48,880.50	38,334.65	50,777.60	5,369.10
			565 Small Vehicles	2,272.35	5,298.10	3,861.00	5,659.25	7,284.60	1,045.20
			570 Work Vehicles	24,253.85	40,792.50	44,374.70	56,891.40	44,676.50	4,977.00
	Vehicle		705 Lease Expense - Vehicle	-	-	-	-	244.58	-
			710 Rental Expense - Vehicle	-	-	1,482.39	545.17	478.28	-
			715 Vehicle - Other	37.38	-	57.47	-	-	-
			720 Vehicle Fuel Gasoline	-	-	312.48	3.53	1.24	-
			721 Vehicle Fuel Diesel	65.58	21.74	515.04	69.85	-	-
	Voucher		835 Non Vehicle Equip Repair	(165.78)	-	-	-	-	-
			855 Land and Land Rights	-	-	-	200.00	-	-
			880 Materials & Equipment	5,965.80	4,110.28	119,828.79	138,591.06	52,577.30	1,983.70
			885 Miscellaneous	-	24.22	25,289.69	(16,250.97)	2,077.38	278.31
			890 Office Supplies	-	-	-	43.43	13.02	-
			905 Permits	12,500.00	15,205.00	21,591.50	20.00	3,356.30	-
			920 Rental Expense - Equipment	100.71	9,715.32	17,803.22	3,784.12	4,116.84	-
			925 Rental Expense - Other	-	42.90	-	94.64	22.00	-
			933 Small Tools	-	841.82	-	88.24	-	-
			934 Tools	-	-	-	14,645.98	-	-
			955 Uniforms - Employees	-	-	15,305.91	7,846.14	-	-
			956 Write off - Less than \$3	-	-	1,237.88	-	-	-
	Sum			514,126.54	807,608.73	2,407,454.56	2,694,308.98	2,594,180.73	129,398.90
Sum				672,079.99	1,059,349.90	3,031,835.74	3,296,005.83	3,686,949.94	180,170.42

CONFIDENTIAL per WAC 480-07-160

**Contract with Cascade Cable
Pages 6 through 87**

**AVISTA UTILITIES
2010 CAPITAL PROJECTS**

ER No.: 2056

ER Name: Transmission & Distribution Line Relocation

Pro Forma Amount: \$2,348,000

Expended to date: \$272,594

2010 Transfer to Plant Date: \$196,000 Monthly

Project Description:

This project involves relocation of transmission and distribution lines as required, due to road moves requested by State, County or City governments. The Company spent \$2.13 million in 2009 on line relocations associated with road moves. The Company has spent on average \$2.2 million per year over the past 5 years.

Offsets:

Offsets to O&M costs were computed on the distribution plant investment by applying a load adjustment factor to the investment, which adjusts rate year costs to match test year loads. There are no other identifiable O&M cost reductions for 2010 investments.

Timeline:

The project costs pro formed in this case will be incurred and transferred to plant between January 2010 and December 2010.

Additional Information:

- Summary of 2010 Costs pg. 2
- History of Costs for 2005 through March 12, 2010 pg. 3-6

Note:

During the course of Avista's pending general rate case, updated information will be available for audit.

AVISTA UTILITIES
ER 2056
2010 CAPITAL INVESTMENT COSTS DETAIL

	Spokane	Othello	Davenport	Colville	CDA	Kellogg	Sandpoint	Lewiston	Palouse	TOTAL
Loaded Labor	706,461	1,166	551	15,773	330,218	329	50,177	208,039	51,427	1,364,141
Transportation	219,002	198	165	3,627	75,950	70	5,017	20,803	14,399	339,231
Materials	362,591	-	-	9,918	66,973	-	5,651	-	22,178	467,311
Contract Costs	212,778	2,402	2,610	5,825	41,811	-	-	10,340	14,497	290,263
Job Overheads	157,587	395	349	3,689	54,069	42	6,389	25,115	10,764	258,399
Total	1,658,419	4,161	3,675	38,832	569,021	441	67,234	264,297	113,265	2,719,345
CIAC	(148,019)				(13,879)		(32,666)	(176,781)		(371,345)
	<u>1,510,400</u>	<u>4,161</u>	<u>3,675</u>	<u>38,832</u>	<u>555,142</u>	<u>441</u>	<u>34,568</u>	<u>87,516</u>	<u>113,265</u>	<u>2,348,000</u>
Total WA Costs	1,670,333									
Total ID Costs	<u>677,667</u>									
Total	<u>2,348,000</u>									

The Company pro formed \$1,362,000 for WA.

AVISTA UTILITIES
 ER 2056
 HISTORY OF COSTS
 2005 Through March 12, 2010

				2005	2006	2007	2008	2009	2010	
				Transaction Amt	Transaction Amt	Transaction Amt	Transaction Amt	Transaction Amt	Transaction Amt	
Er	Jurisdiction	Expenditure Category	Expenditure Type							
2056	AN	AFUDC	535 AFUDC - Debt	3,464.10	7,635.18	421.02	27.66	470.10	37.16	
			540 AFUDC - Equity	4,688.76	6,165.75	349.16	33.98	579.98	47.53	
		Contractor	015 Construction Services	344,349.66	2,951.88	(194,605.55)	7,189.20	5,638.78	-	
			035 Workforce - Contract	26,533.38	-	-	-	21,837.67	-	
		Contributions	115 Misc Bills	(626,329.05)	326,263.49	(21,938.15)	-	(8,245.01)	-	
			Employee Expenses	205 Airfare	-	-	-	869.40	-	
				210 Employee Auto Mileage	254.55	156.65	23.28	37.88	144.10	-
				215 Employee Business Meals	295.67	2,062.94	-	240.46	-	29.66
				235 Employee Misc Expenses	3.14	37.16	-	-	56.26	-
		Labor	305 Incentive/Bonus Pay	1,438.00	-	-	-	-	-	
			310 Non Benefit Labor - NU	31,536.34	(6,600.00)	-	-	-	-	
				315 Non Benefit Labor - Union	-	2,600.24	1,127.03	-	-	-
				320 Overtime Pay - NU	127.26	-	-	-	-	-
				325 Overtime Pay - Union	9,855.56	31,041.14	1,080.87	192.66	2,171.25	-
				340 Regular Payroll - NU	29,682.58	(4,777.46)	731.17	809.52	2,976.19	808.06
				345 Regular Payroll - Union	17,213.87	35,638.96	7,509.96	17,530.07	10,824.58	-
		Material	405 Inventory Returns	(8,496.99)	2,658.36	-	(2,961.98)	(7,100.40)	(411.34)	
			415 Material Issues	192,489.10	(15,778.21)	7,256.82	16,698.83	25,500.29	6,617.24	
				420 Salvage	(4,821.65)	2,026.30	-	-	(141.24)	(1,820.19)
		Overhead	505 Capital Overhead - A & G	2,136.28	(400.51)	55.33	249.53	644.67	61.21	
			506 Cap Overhead - Functional	50,030.74	(1,168.26)	2,879.97	8,517.02	19,100.83	2,040.31	
				508 Cap Overhd - Safety Clthng	-	-	-	-	45.23	2.04
				510 Payroll Benefits loading	21,335.95	12,493.50	3,312.28	8,061.32	8,393.15	484.84
				515 Payroll Tax loading	8,546.64	4,863.26	899.97	1,577.25	1,397.57	70.71
				520 Payroll Time Off loading	8,441.38	5,530.45	1,377.04	3,201.36	2,408.85	143.28
				525 Small Tools loading	638.16	1,226.69	300.38	701.21	697.03	-
				530 Stores/Material Loading	30,090.26	(4,661.72)	2,763.82	1,236.31	2,877.26	372.35
				532 Materials Tax/Fght Loading	4,802.18	(647.77)	108.85	206.06	346.24	62.06
		Transportation	560 Road Vehicles	1,563.80	2,666.15	14.70	1,300.00	882.75	222.00	
			565 Small Vehicles	7.15	44.85	-	22.40	-	-	
				570 Work Vehicles	9,692.20	19,776.55	7.80	6,873.50	3,422.50	3,090.00
		Vehicle Voucher	710 Rental Expense - Vehicle	73.80	4,468.25	-	-	2,976.48	-	
			840 Freight Costs	-	-	3,090.15	-	-	-	
				880 Materials & Equipment	170,105.18	54,371.26	(64,917.04)	-	16,045.07	6,173.44
				885 Miscellaneous	5,044.35	(3,980.66)	-	-	-	-
				890 Office Supplies	18.84	77.00	-	-	-	-
				920 Rental Expense - Equipment	58.59	-	-	-	1,753.24	-
		925 Rental Expense - Other	-	2,425.74	-	-	-	-		
		926 Retention - Contractors	-	-	-	-	-	-		
		930 Right-of-Way Easements	9,750.00	-	-	-	-	-		
		Sum	344,619.78	489,167.16	(248,151.14)	72,613.64	115,703.42	18,030.36		
ID	AFUDC	535 AFUDC - Debt	1,345.97	3,457.12	863.94	(863.94)	-	41.63		
			1,821.78	2,791.74	716.48	(716.48)	-	53.23		
		Contractor	015 Construction Services	35,348.32	50,885.54	70,191.07	42,586.66	91,426.41	2,138.00	
			035 Workforce - Contract	89,994.13	49,509.23	51,029.12	32,610.55	27,253.48	287.02	
		Contributions	105 CIAC Consumer	-	-	(57,288.85)	-	(35,986.30)	-	

AVISTA UTILITIES
 ER 2056
 HISTORY OF COSTS
 2005 Through March 12, 2010

Er	Jurisdiction	Expenditure Category	Expenditure Type	2005	2006	2007	2008	2009	2010
				Transaction Amt	Transaction Amt	Transaction Amt	Transaction Amt	Transaction Amt	Transaction Amt
			115 Misc Bills	(7,990.56)	(20,018.94)	(149,774.41)	(97,766.30)	(215,181.21)	-
		Employee Expenses	205 Airfare	-	602.20	-	-	-	-
			210 Employee Auto Mileage	3,246.91	5,288.79	4,929.63	-	2,395.25	212.40
			215 Employee Business Meals	1,101.46	1,912.29	1,404.86	125.87	7,596.58	697.76
			230 Employee Lodging	-	-	1,203.43	-	8,434.19	-
		Labor	235 Employee Misc Expenses	-	-	-	-	17.97	-
			305 Incentive/Bonus Pay	1,680.00	-	-	-	-	-
			315 Non Benefit Labor - Union	541.62	16,599.32	-	-	-	-
			320 Overtime Pay - NU	-	-	188.34	-	-	-
			325 Overtime Pay - Union	11,716.05	55,953.92	8,728.21	2.13	47,630.21	629.97
			340 Regular Payroll - NU	38,108.90	38,285.20	43,101.72	28,508.67	36,737.07	6,697.25
			345 Regular Payroll - Union	163,126.20	219,662.73	123,035.31	116,520.09	159,714.32	27,271.58
		Labor Adjustments	356 Transfrmr First Instl-Labo	-	-	-	-	8,400.00	3,969.00
		Material	405 Inventory Returns	(18,047.67)	(39,717.18)	(16,926.81)	(13,519.45)	(62,877.08)	(3,069.90)
			415 Material Issues	289,139.71	130,981.34	182,260.09	150,557.63	239,656.58	69,984.33
			420 Salvage	(3,024.62)	(4,038.02)	(3,652.63)	-	(931.68)	-
		Overhead	505 Capital Overhead - A & G	1,843.03	1,721.50	1,398.45	1,624.46	5,461.96	1,057.32
			506 Cap Overhead - Functional	109,887.62	56,789.70	46,805.94	52,625.44	82,739.71	16,909.67
			508 Cap Overhd - Safety Clthng	-	-	-	-	3,074.70	194.41
			510 Payroll Benefits loading	90,741.29	108,160.48	65,245.23	60,368.64	117,148.09	20,381.29
			515 Payroll Tax loading	20,698.01	28,660.36	15,066.20	12,605.12	21,357.45	3,027.41
			520 Payroll Time Off loading	36,222.31	46,304.27	27,918.56	24,410.83	34,082.14	6,148.00
			525 Small Tools loading	6,320.66	7,741.61	6,237.88	5,171.50	9,589.82	2,045.42
			530 Stores/Material Loading	24,395.32	7,510.31	14,049.24	18,104.61	16,641.69	3,815.53
			532 Materials Tax/Fght Loading	7,011.64	1,369.05	2,221.99	1,692.17	2,915.39	635.87
		Transportation	550 Company Aircraft	-	420.00	-	-	-	-
			560 Road Vehicles	11,027.50	17,128.70	9,842.40	9,218.55	16,423.85	1,672.50
			565 Small Vehicles	323.56	50.70	127.20	27.60	788.10	-
		Vehicle	570 Work Vehicles	74,272.70	89,096.20	42,528.20	64,805.50	84,425.00	16,664.00
			710 Rental Expense - Vehicle	9,197.48	4,229.81	-	-	18,111.05	2,000.00
			720 Vehicle Fuel Gasoline	-	122.45	-	16.77	2.62	-
			721 Vehicle Fuel Diesel	-	240.34	212.73	-	-	-
			725 Vehicle Parts & Supplies	-	-	-	-	9.84	-
		Voucher	810 Advertising Expenses	786.71	-	-	-	-	-
			880 Materials & Equipment	14,113.20	2,499.47	23,718.00	95,839.22	11,171.71	-
			885 Miscellaneous	186.30	2,571.01	-	-	186.38	-
			890 Office Supplies	-	70.00	-	-	-	-
			905 Permits	1,710.80	-	1,300.00	50.00	900.00	-
			915 Printing	-	-	-	-	4.24	23.32
			920 Rental Expense - Equipment	-	105.84	5,300.12	-	273.07	-
			925 Rental Expense - Other	7.51	1,619.46	356.00	1,314.88	(68.62)	-
			930 Right-of-Way Easements	750.00	2,000.00	-	-	-	-
		Sum		1,017,603.84	890,566.54	522,337.64	605,920.72	739,523.98	183,487.01
WA		AFUDC	535 AFUDC - Debt	8,554.63	8,309.51	6,184.75	994.24	-	-
			540 AFUDC - Equity	11,578.61	6,710.28	5,129.03	1,221.19	-	-
		Contractor	010 General Services	50.00	-	-	-	-	-

AVISTA UTILITIES
 ER 2056
 HISTORY OF COSTS
 2005 Through March 12, 2010

		2005	2006	2007	2008	2009	2010
Er	Jurisdiction	Expenditure Category	Expenditure Type	Transaction Amt	Transaction Amt	Transaction Amt	Transaction Amt
			012 Combo Goods & Services	-	-	-	5,129.29
			015 Construction Services	61,579.48	85,613.66	80,922.57	55,653.45
			020 Professional Services	1,500.00	-	-	-
			035 Workforce - Contract	69,800.53	177,762.19	52,418.07	58,249.60
		Contributions	105 CIAC Consumer	(49,776.41)	(2,985.43)	(21,260.20)	(3,582.00)
			115 Misc Bills	(233,815.00)	(68,218.94)	(43,293.87)	(42,836.50)
			116 Misc Bills - Damage Claims	(955.54)	-	(8,233.34)	-
		Employee Expenses	210 Employee Auto Mileage	2,732.30	3,216.07	2,348.03	1,566.45
			215 Employee Business Meals	273.46	1,879.53	1,620.04	3,444.59
			230 Employee Lodging	-	296.77	-	-
			235 Employee Misc Expenses	2.50	36.68	-	3.00
		Labor	315 Non Benefit Labor - Union	-	2,211.54	2,903.12	-
			320 Overtime Pay - NU	-	-	1,167.73	27.55
			325 Overtime Pay - Union	17,704.25	39,609.93	24,586.30	50,879.93
			335 Paid Time Off - Union	-	225.21	-	-
			340 Regular Payroll - NU	35,659.55	37,872.50	35,231.75	51,031.04
			345 Regular Payroll - Union	333,388.56	418,057.01	277,939.34	253,165.91
		Labor Adjustments	356 Transfrmr First Instl-Labo	-	-	-	716.00
		Material	405 Inventory Returns	(81,405.55)	(98,026.38)	(21,676.06)	(81,021.72)
			415 Material Issues	305,725.25	402,519.63	250,466.28	296,380.79
			420 Salvage	(7,577.21)	(15,424.36)	(6,222.74)	(1,554.48)
		Overhead	505 Capital Overhead - A & G	2,316.35	3,384.53	1,648.62	2,295.65
			506 Cap Overhead - Functional	145,231.70	110,313.93	64,269.21	88,398.09
			508 Cap Overhd - Safety Clthng	-	-	-	3,824.90
			510 Payroll Benefits loading	165,788.97	191,477.59	123,239.79	130,097.18
			515 Payroll Tax loading	36,891.09	43,175.89	29,676.36	30,742.57
			520 Payroll Time Off loading	66,428.90	81,656.10	52,985.20	51,318.15
			525 Small Tools loading	13,074.05	15,045.28	14,733.16	11,879.11
			530 Stores/Material Loading	21,304.97	24,507.16	19,982.21	19,231.31
			532 Materials Tax/Fght Loading	6,731.95	4,567.37	3,418.71	2,535.94
		Transportation	560 Road Vehicles	19,306.50	25,447.70	10,651.70	18,604.10
			565 Small Vehicles	408.80	2,002.95	484.80	53.20
			570 Work Vehicles	115,143.45	148,114.45	106,404.00	183,601.20
		Vehicle	710 Rental Expense - Vehicle	-	-	-	299.20
			715 Vehicle - Other	37.38	-	-	-
			720 Vehicle Fuel Gasoline	-	-	10.57	15.88
			725 Vehicle Parts & Supplies	-	-	42.65	-
		Voucher	840 Freight Costs	-	-	-	305.17
			855 Land and Land Rights	-	-	-	1,350.00
			880 Materials & Equipment	18,050.21	927.04	31,724.87	24,982.69
			885 Miscellaneous	2,962.69	2,159.73	(1,243.35)	779.63
			890 Office Supplies	378.67	-	-	725.00
			905 Permits	-	1,950.54	2,075.00	2,518.28
			920 Rental Expense - Equipment	753.93	-	5,430.29	-
			925 Rental Expense - Other	143.65	195.00	256.85	-
			930 Right-of-Way Easements	2,000.00	9,040.00	-	11,649.60
							1,966.00

AVISTA UTILITIES
 ER 2056
 HISTORY OF COSTS
 2005 Through March 12, 2010

Er	Jurisdiction	Expenditure Category	Expenditure Type	2005	2006	2007	2008	2009	2010
				Transaction Amt	Transaction Amt	Transaction Amt	Transaction Amt	Transaction Amt	Transaction Amt
			933 Small Tools	-	-	-	-	235.88	-
		Sum		1,091,972.67	1,663,630.66	1,106,021.44	1,232,947.85	1,272,867.70	71,076.52
	Sum			2,454,196.29	3,043,364.36	1,380,207.94	1,911,482.21	2,128,095.10	272,593.89

**AVISTA UTILITIES
2010 CAPITAL PROJECTS**

ER No.: 2059

ER Name: Failed Electric Plant

Proforma Amount: \$2,000,000

Expended to date: \$125,880

2010 Transfer to Plant Date: Monthly during 2010

Project Description:

Replacement of distribution equipment throughout the year as required due to equipment failure. The Company must replace the equipment to maintain customer load service. The Company spent \$3.44 million in 2009 and an average of \$2.1 million over the past 5 years.

Offsets:

Offsets to O&M costs were computed on the distribution plant investment by applying a load adjustment factor to the investment, which adjusts rate year costs to match test year loads. There are no other identifiable O&M cost reductions for 2010 investments.

Timeline:

The project costs pro formed in this case will be incurred and transferred to plant between January 2010 and December 2010.

Additional Information:

- Summary of 2010 Costs pg 2
- History of Costs for 2005 through March 12, 2010 pg 3-5

Note:

During the course of Avista's pending general rate case, updated information will be available for audit.

AVISTA UTILITIES
ER 2059
2010 CAPITAL INVESTMENT COSTS DETAIL

	Spokane	Othello	Davenport	Colville	CDA	Kellogg	Sandpoint	Lewiston	Palouse	TOTAL
Loaded Labor	394,398	15,174	77,585	38,935	96,553	97,542	153,306	98,323	189,175	1,160,991
Transportation	39,439	1,851	20,637	13,627	9,655	9,754	49,057	9,832	18,917	172,769
Materials	40,225	8,437	28,843	6,679	12,984	9,691	6,774	6,510	20,850	140,993
Contract Costs	-	15,312	170,427	149,978	-	-	3,055	-	6,179	344,951
Job Overheads	49,777	4,281	31,237	21,968	12,515	12,283	22,281	12,040	24,688	191,070
Total	523,839	45,055	328,729	231,187	131,707	129,270	234,473	126,705	259,809	2,010,774
CIAC	(10,774)				-		-	-		(10,774)
	<u>513,065</u>	<u>45,055</u>	<u>328,729</u>	<u>231,187</u>	<u>131,707</u>	<u>129,270</u>	<u>234,473</u>	<u>126,705</u>	<u>259,809</u>	<u>2,000,000</u>
Total WA Costs	1,377,845									
Total ID Costs	<u>622,155</u>									
Total	<u>2,000,000</u>									

The Company pro formed \$1,120,000 for WA.

AVISTA UTILITIES
 ER 2059
 HISTORY OF COSTS
 2005 Through March 12, 2010

				2005	2006	2007	2008	2009	2010
				Transaction Amt	Transaction Amt	Transaction Amt	Transaction Amt	Transaction Amt	Transaction Amt
Er	Jurisdiction	Expenditure Category	Expenditure Type						
2059	ID	Contractor	015 Construction Services	9,603.38	46,978.04	72,692.37	17,987.71	17,353.07	680.00
			035 Workforce - Contract	2,023.38	77,012.26	100,408.99	39,442.07	6,778.56	-
		Contributions	115 Misc Bills	-	(268.00)	-	-	(2,474.15)	-
			116 Misc Bills - Damage Claims	(1,338.82)	-	(3,471.58)	-	(2,891.80)	-
		Employee Expenses	210 Employee Auto Mileage	109.04	751.62	806.53	52.65	316.25	-
			215 Employee Business Meals	3,614.09	10,170.32	13,667.93	11,372.01	11,069.56	1,096.37
			230 Employee Lodging	280.65	1,233.20	1,533.66	-	605.11	-
			235 Employee Misc Expenses	-	-	1,225.08	-	-	-
		Labor	305 Incentive/Bonus Pay	-	11,900.00	2,000.00	-	-	-
			315 Non Benefit Labor - Union	-	6,944.64	1,445.29	-	-	-
			320 Overtime Pay - NU	-	561.71	403.05	918.19	-	-
			325 Overtime Pay - Union	117,500.07	391,582.53	191,874.94	253,576.31	215,225.89	20,376.73
			340 Regular Payroll - NU	1,267.61	5,995.74	1,268.84	4,024.19	2,279.70	281.28
			345 Regular Payroll - Union	53,590.42	148,836.21	100,163.05	138,180.61	125,539.42	13,338.34
		Labor Adjustments	356 Transfrmr First Instl-Labo	-	-	-	-	23,244.00	-
			358 Meter First Install-Labor	-	20,587.46	172,549.60	74,032.84	24,105.16	3,198.82
		Material	405 Inventory Returns	(19,423.83)	(21,147.45)	(16,675.73)	(5,020.90)	(2,400.49)	(4,425.97)
			415 Material Issues	60,948.24	177,466.41	107,437.81	86,858.54	65,961.94	9,563.48
			420 Salvage	-	-	-	-	-	(2,995.25)
		Overhead	505 Capital Overhead - A & G	883.46	2,076.68	2,162.66	2,587.70	4,043.64	479.89
			506 Cap Overhead - Functional	52,389.20	72,032.94	56,583.97	84,749.13	72,214.83	7,676.84
			508 Cap Overhd - Safety Clthng	-	-	-	-	1,156.85	152.89
			510 Payroll Benefits loading	23,971.71	63,885.44	39,735.61	65,002.24	74,147.38	8,171.79
			515 Payroll Tax loading	16,178.07	49,161.27	25,418.89	34,479.72	30,016.47	2,974.73
			520 Payroll Time Off loading	9,874.66	27,274.07	16,998.39	25,384.89	21,734.02	2,398.72
			525 Small Tools loading	2,046.92	6,184.94	6,083.87	7,624.17	8,083.88	1,000.40
			530 Stores/Material Loading	3,617.50	12,799.32	6,788.61	6,555.64	5,528.56	174.33
			532 Materials Tax/Fght Loading	1,189.43	2,344.95	1,259.38	959.06	1,003.70	29.10
		Transportation	555 Misc Vehicles	880.00	2,020.00	3,040.00	2,960.00	3,270.00	340.00
			560 Road Vehicles	6,764.30	16,616.45	7,927.55	17,164.85	8,880.70	1,398.00
			565 Small Vehicles	462.08	2,252.10	1,176.15	1,149.60	1,263.55	-
			570 Work Vehicles	40,858.55	126,929.45	65,221.80	275,398.00	95,876.00	12,682.00
		Vehicle	710 Rental Expense - Vehicle	-	510.30	2,298.00	7,166.00	-	-
			720 Vehicle Fuel Gasoline	-	168.24	30.56	180.00	9.83	-
			721 Vehicle Fuel Diesel	-	273.43	1,602.47	1,357.40	-	-
			727 Vehcile Repair - External	-	735.09	-	203.00	-	-
			728 Vehicle Repair - Ext Labor	-	-	261.50	710.20	-	-
		Voucher	832 First Install Meter	33,427.78	31,113.28	-	-	-	-
			865 Lease Expense - Equipment	61.30	-	-	-	-	-
			880 Materials & Equipment	450.05	131.11	867.37	4,107.76	-	-
			885 Miscellaneous	241.62	1,868.98	20,875.07	1,820.39	47.56	-
			905 Permits	-	50.00	-	-	-	-
			920 Rental Expense - Equipment	180.94	69.30	7,950.00	4,586.81	-	-
			925 Rental Expense - Other	303.75	429.08	480.00	210.00	-	-
		Sum		421,955.55	1,297,531.11	1,014,091.68	1,165,780.78	811,989.19	78,592.49
WA	AFUDC		535 AFUDC - Debt	-	1,372.12	(903.78)	-	-	-

AVISTA UTILITIES
 ER 2059
 HISTORY OF COSTS
 2005 Through March 12, 2010

Er	Jurisdiction	Expenditure Category	Expenditure Type	2005	2006	2007	2008	2009	2010
				Transaction Amt	Transaction Amt	Transaction Amt	Transaction Amt	Transaction Amt	Transaction Amt
			540 AFUDC - Equity	-	1,108.04	(729.84)	-	-	-
		Contractor	010 General Services	-	-	-	-	25.00	-
			012 Combo Goods & Services	2,296.72	-	-	-	-	-
			015 Construction Services	1,490.12	11,412.53	4,735.29	258,746.70	104,234.83	1,527.48
			035 Workforce - Contract	18,101.95	1,682.05	37,994.51	13,099.98	357,099.29	4,343.17
		Contributions	105 CIAC Consumer	-	-	-	(90.00)	-	-
			115 Misc Bills	-	-	(531.25)	-	-	-
			116 Misc Bills - Damage Claims	-	-	-	(14,244.16)	-	-
		Employee Expenses	210 Employee Auto Mileage	-	109.03	104.76	24.57	423.36	-
			215 Employee Business Meals	2,216.98	6,698.54	8,889.80	10,010.17	27,824.01	247.92
			230 Employee Lodging	-	398.70	1,796.74	4,313.00	11,497.57	-
			235 Employee Misc Expenses	-	-	-	173.21	1,121.29	-
		Labor	305 Incentive/Bonus Pay	-	13,250.00	-	-	11,500.00	-
			315 Non Benefit Labor - Union	-	2,213.01	1,379.40	-	-	-
			320 Overtime Pay - NU	9.50	62.93	3,188.02	3,205.77	149.90	3.70
			325 Overtime Pay - Union	91,907.58	305,714.01	128,503.26	246,191.49	670,632.19	8,528.77
			340 Regular Payroll - NU	4,575.61	5,648.83	6,414.19	1,176.83	6,942.63	-
			345 Regular Payroll - Union	55,277.14	99,886.70	52,484.33	82,646.84	189,554.18	4,224.70
		Labor Adjustments	356 Transfrmr First Instl-Labo	-	-	-	-	17,628.00	-
			358 Meter First Install-Labor	-	24,021.70	74,786.84	56,848.79	178,257.89	10,682.53
		Material	405 Inventory Returns	(1,659.67)	(32,784.02)	(7,020.22)	(10,348.83)	(39,001.96)	-
			415 Material Issues	50,949.00	170,950.36	86,771.89	129,520.14	248,830.24	2,960.35
			420 Salvage	-	(494.01)	-	(756.52)	(74.55)	-
		Overhead	505 Capital Overhead - A & G	921.12	1,574.58	1,141.00	3,214.58	10,484.18	233.06
			506 Cap Overhead - Functional	56,453.58	47,948.98	36,958.49	99,129.57	218,093.23	3,726.64
			508 Cap Overhd - Safety Clthng	-	-	-	-	2,881.47	116.02
			510 Payroll Benefits loading	26,164.08	44,007.03	23,191.99	37,635.21	113,167.11	2,534.81
			515 Payroll Tax loading	14,237.86	37,218.29	16,482.16	28,762.96	76,893.56	1,116.27
			520 Payroll Time Off loading	10,773.68	18,562.52	9,884.80	14,926.45	33,263.72	741.32
			525 Small Tools loading	2,125.76	4,176.40	3,003.04	4,141.23	12,351.60	316.87
			530 Stores/Material Loading	4,258.17	11,601.81	8,048.74	9,715.99	21,831.50	174.95
			532 Materials Tax/Fght Loading	1,456.08	2,072.61	1,089.09	1,455.49	3,759.43	29.16
		Transportation	555 Misc Vehicles	2,170.00	4,445.00	3,420.00	2,880.00	3,015.00	660.00
			560 Road Vehicles	6,818.70	19,099.35	6,992.85	19,963.95	47,850.45	844.50
			565 Small Vehicles	1,384.39	956.75	318.00	802.90	1,379.80	-
			570 Work Vehicles	37,093.55	113,566.80	52,081.25	200,718.50	287,617.00	4,275.50
		Vehicle	710 Rental Expense - Vehicle	-	-	95.29	1,417.18	2,111.45	-
			715 Vehicle - Other	-	322.49	-	-	-	-
			720 Vehicle Fuel Gasoline	-	-	110.66	67.59	2,439.37	-
			721 Vehicle Fuel Diesel	123.01	-	195.92	650.36	-	-
			735 Vehicle Tires	-	346.92	-	-	-	-
		Voucher	810 Advertising Expenses	-	-	-	-	75.00	-
			823 Customer billing refund	-	100.00	-	-	-	-
			832 First Install Meter	82,483.69	49,180.79	-	-	-	-
			880 Materials & Equipment	36.63	689.25	29,670.19	1,117.04	21.54	-
			885 Miscellaneous	-	454.39	25,648.97	315.02	963.69	-

AVISTA UTILITIES
 ER 2059
 HISTORY OF COSTS
 2005 Through March 12, 2010

Er	Jurisdiction	Expenditure Category	Expenditure Type	2005	2006	2007	2008	2009	2010
				Transaction Amt	Transaction Amt	Transaction Amt	Transaction Amt	Transaction Amt	Transaction Amt
			905 Permits	41.00	-	140.00	-	1,242.27	-
			920 Rental Expense - Equipment	-	7,545.11	3,014.79	561.81	1,956.68	-
		Sum		471,706.23	975,119.59	619,351.17	1,207,993.81	2,628,041.92	47,287.72
Sum				893,661.78	2,272,650.70	1,633,442.85	2,373,774.59	3,440,031.11	125,880.21

**AVISTA UTILITIES
2010 CAPITAL PROJECTS**

ER No.: 2058

ER Name: Spokane Electric Network Increase Capacity

Pro Forma Amount: \$1,355,500

Expended to date: \$269,352

2010 Transfer to Plant Date: Monthly during 2010

Project Description:

These projects are associated with the Downtown Spokane electric network. The projects involve the installation of vaults, cables, network transformers and protectors, as required, to maintain reliable service to existing customers by replacing overloaded and deteriorated equipment.

ER 2058 associated with Capital Projects in the Downtown Network Underground Distribution System. The project is divided into three subprojects:

Budget Item – XD902 - Vault Lids. Expected 2010 - \$250,000.

This project was identified by asset management group (R. Pickett) and is required to evaluate and replace deteriorating manhole roofs and vault roofs. There are approximately 650 manholes and 137 vaults most of which are located either in city roadways or sidewalk areas. It is imperative that these devices be inspected and maintained to promote public safety and maintain electric reliability. Much of the Spokane Network was constructed in the 1920's and is a legacy system. This is an ongoing, annual inspection and capital upgrade program.

Budget Item – ZV139 - Growth Expected 2010 - \$937,000.

This project is associated with service upgrades, remodeled buildings, and new buildings associated with the downtown Spokane area. For example, in 2010, we plan to construct a new vault at the intersection of First and Avenue to serve "Windows on Jefferson" and the estimated cost of this single project is \$100,000 for the vault construction. Service upgrades often require secondary cable upgrades to provide adequate capacity for new or upgraded loads. This is an ongoing, annual program.

Budget Item – ZV539 – Capital Replacement Expected 2010 - \$468,500.

This project associated with cable inspection and replacement and transformer upgrades in the downtown Spokane Network system. This program primary focused on the 7,620 volt primary system and the 208 volt secondary cable system. This is an ongoing, annual program.

Efficiencies -- New transformers and cables are inherently more efficient than legacy systems. New equipment is manufactured to DOE/ANSI standards and Avista's internal standards. In general, Avista's standards meet or exceed that of DOE/ANSI. For example, in a transformer there are power losses associated with the magnetic core and windings losses. Legacy systems were constructed when the wholesale costs of energy were much lower. Today, those costs are an inherent factor when purchasing a transformer unit.

**AVISTA UTILITIES
2010 CAPITAL PROJECTS**

The Company has spent on average \$1.6 million over the past 5 years. \$2.185 million was spent in 2009. Of the \$1.356 million that will be spent in 2010, approximately \$880,000 will be for labor and the remaining \$476,000 will be for materials, transportation and overhead costs.

The Company budgeted \$1,655,500 as listed above for Vault Lids, Growth and Capital Replacement. The Company also factored in \$300,000 worth of offsets for these amounts making the net budgeted amount \$1,355,500.

Offsets:

Offsets to O&M costs were computed on this distribution plant investment by applying a load adjustment factor to the investment, which adjusts rate year costs to match test year loads. There are no other identifiable O&M cost reductions for 2010 investments.

Timeline:

Avista employs two (2) full time cable crews and one (1) full time structural/mechanical crew to maintain the downtown Spokane UG Network system. Project resources are allocated on a month by month basis and often subject to permitting and owner construction timelines.

We expect to replace forty (40) manhole roofs and vault roofs. We expect to replace/install approximately 10,000 feet of 208 V secondary cable. We expect to replace/install approximately 3,000 feet of 7,620 V primary cable. We expect to replace/install approximately twelve (12) 7,620-208 V secondary network vault transformers and integrated network protectors.

These costs will be incurred throughout 2010 and will transfer to plant each month.

Additional Information:

- Summary of 2010 Costs pg. 3
- History of Costs for 2005 through 2009 pg. 4-5

Note:

During the course of Avista's pending general rate case, updated information will be available for audit.

AVISTA UTILITIES
ER 2058

Detail of ER 2058

2010 Capital Investment Costs

	Vault Lids	Maintain	Capacity	
	BI XD902	System	Enhancement	Total
		BI ZV539	BI ZV139	
Loaded Labor	150,448	234,879	494,009	879,336
Transportation	10,531	16,441	34,580	61,552
Salvage	-	(1,200)	(1,200)	(2,400)
Materials	65,265	173,862	320,575	559,702
Overheads	23,745	44,507	89,015	157,267
Retires	(100,000)	(100,000)	(100,000)	(300,000)
Net	149,989	368,489	836,979	1,355,457

AVISTA UTILITIES
 ER 2058
 HISTORY OF COSTS
 2005 THROUGH March 10, 2010

Er	Jurisdiction	Expenditure Category	Expenditure Type	2005		2006		2007		2008		2009		2010			
				Transaction Amt	SUM	Transaction Amt	SUM	Transaction Amt	SUM	Transaction Amt	SUM	Transaction Amt	SUM	Transaction Amt	SUM		
2058	AN	AFUDC	535 AFUDC - Debt	-	-	-	-	-	-	-	-	1,233.11	-	347.48			
			540 AFUDC - Equity	-	-	-	-	-	-	-	-	-	1,521.31	-	444.42		
			Contractor	035 Workforce - Contract	-	-	-	-	-	-	-	-	-	1,994.78	-	-	
			Labor	325 Overtime Pay - Union	-	-	-	-	-	-	-	-	-	688.90	-	-	
				340 Regular Payroll - NU	-	-	-	-	-	-	-	-	-	3,201.19	-	-	
				345 Regular Payroll - Union	-	-	-	-	-	-	-	-	-	10,260.19	-	-	
				415 Material Issues	-	-	-	-	-	-	-	-	-	12,525.75	-	-	
			Material Overhead	505 Capital Overhead - A & G	-	-	-	-	-	-	-	-	-	252.43	-	-	
				510 Payroll Benefits loading	-	-	-	-	-	-	-	-	-	8,047.83	-	-	
				515 Payroll Tax loading	-	-	-	-	-	-	-	-	-	1,238.14	-	-	
				520 Payroll Time Off loading	-	-	-	-	-	-	-	-	-	2,318.76	-	-	
				525 Small Tools loading	-	-	-	-	-	-	-	-	-	641.62	-	-	
				530 Stores/Material Loading	-	-	-	-	-	-	-	-	-	2,511.17	-	-	
				532 Materials Tax/Fght Loading	-	-	-	-	-	-	-	-	-	250.39	-	-	
				Transportation	565 Small Vehicles	-	-	-	-	-	-	-	-	-	35.00	-	-
				Voucher	880 Materials & Equipment	-	-	-	-	-	-	-	-	-	71.54	-	-
					940 Telecommunication Equip	-	-	-	-	-	-	-	-	-	10,802.05	-	-
				Sum										57,594.16	-	791.90	
			WA	AFUDC	535 AFUDC - Debt	11,793.88	19,569.75	7,470.51	-	3,221.60	23.01						
					540 AFUDC - Equity	15,963.09	15,803.33	6,195.46	-	3,974.47	29.44						
Contractor	010 General Services	4,040.84			-	-	-	977.21	-								
	012 Combo Goods & Services	123,447.54			16,261.35	24,704.65	16,667.99	14,654.77	3,337.85								
	015 Construction Services	229,840.93			218,974.65	216,432.08	29,771.84	218,641.55	5,166.72								
	020 Professional Services	1,907.75			1,457.50	1,096.00	6,885.47	19,809.02	3,303.90								
Contributions	035 Workforce - Contract	7,298.27			2,372.47	1,061.84	-	-	-								
	115 Misc Bills	-			(2,031.59)	(1,864.50)	(865.00)	(1,940.33)	-								
Employee Expenses	116 Misc Bills - Damage Claims	-			-	-	-	-	(3,389.48)								
	205 Airfare	-			-	375.04	623.93	796.30	-								
	210 Employee Auto Mileage	703.71			157.53	472.40	831.35	252.12	-								
	215 Employee Business Meals	570.37			1,475.64	3,898.29	1,697.69	1,717.84	116.57								
	220 Employee Car Rental	-			-	327.99	-	560.37	-								
	225 Conference Fees	-			-	239.60	-	-	-								
	230 Employee Lodging	586.08			999.64	525.98	1,350.80	1,364.03	-								
	235 Employee Misc Expenses	96.35			86.70	278.40	278.40	349.16	-								
	Labor	325 Overtime Pay - Union			14,454.69	19,115.45	30,548.83	30,983.25	9,980.79	811.84							
		335 Paid Time Off - Union			-	-	-	-	-	-							
Labor Adjustments	340 Regular Payroll - NU	124,384.33			115,023.29	133,866.61	139,559.82	95,032.37	11,117.47								
	345 Regular Payroll - Union	164,325.58			209,909.53	237,697.60	233,385.38	333,275.45	69,776.63								
Material	356 Transfrm First Instl-Labo	-	-	-	-	18,839.00	11,580.00										
	405 Inventory Returns	(1,654.72)	(23,085.19)	(9,813.93)	(68,373.83)	(29,208.04)	(44,555.04)										
	415 Material Issues	257,892.67	270,851.80	332,521.87	478,308.43	650,268.59	89,015.24										
	417 Material Issues Non Burdn	-	-	-	-	-	705.85										
Overhead	420 Salvage	(1,879.64)	-	(10,710.91)	(831.30)	(5,854.39)	-										
	505 Capital Overhead - A & G	3,041.20	1,963.54	3,463.22	3,324.53	10,522.68	1,372.10										
	506 Cap Overhead - Functional	173,121.74	59,061.32	88,023.14	101,150.81	177,098.17	22,007.11										
	508 Cap Overhd - Safety Clthng	-	-	-	-	6,553.09	126.81										
	510 Payroll Benefits loading	127,266.55	136,672.30	146,860.90	158,272.07	251,521.37	48,536.36										
	515 Payroll Tax loading	28,780.81	29,901.13	34,304.33	35,035.38	38,350.38	7,149.28										
	520 Payroll Time Off loading	51,967.77	57,387.12	62,045.98	62,845.09	73,533.99	14,388.54										
	525 Small Tools loading	6,270.61	8,543.99	12,233.05	11,057.15	21,409.70	5,233.27										
	530 Stores/Material Loading	42,854.79	24,228.33	29,656.65	42,367.14	62,413.35	3,566.84										

AVISTA UTILITIES
ER 2058
HISTORY OF COSTS
2005 THROUGH March 10, 2010

Er	Jurisdiction	Expenditure Category	Expenditure Type	2005		2006		2007		2008		2009		2010	
				Transaction Amt	SUM	Transaction Amt	SUM	Transaction Amt	SUM	Transaction Amt	SUM	Transaction Amt	SUM	Transaction Amt	SUM
			532 Materials Tax/Fght Loading	7,492.65		3,716.57		4,294.76		4,994.99		10,214.75		421.14	
		Transportation	555 Misc Vehicles	1,760.00		3,690.00		4,320.00		3,840.00		4,020.00		660.00	
			560 Road Vehicles	4,982.25		3,845.25		3,198.90		3,775.10		8,060.25		2,115.00	
			565 Small Vehicles	2,123.17		2,462.95		3,195.55		3,340.30		3,385.00		556.00	
			570 Work Vehicles	4,568.80		3,594.65		8,988.70		10,306.10		12,580.40		1,795.50	
		Vehicle	710 Rental Expense - Vehicle	632.46		2,605.50	-			5,633.06		30,990.22	-		
			715 Vehicle - Other	-		-		-		-		94.48	-		
			720 Vehicle Fuel Gasoline	-		-		-		89.49		116.94	-		
			721 Vehicle Fuel Diesel	-		120.21		537.44		180.98	-	-			
			727 Vehcile Repair - External	-		-		-		4.50	-	-			
		Voucher	840 Freight Costs	-		-		83.40	-	-		-			
			855 Land and Land Rights	-		-		-		-		(547.50)	-		
			880 Materials & Equipment	244,264.34		43,965.51		90,356.85		131,240.35		84,857.63		24,034.86	
			882 Materials - Large Purchase	4,822.83		-		-		-		-			
			885 Miscellaneous	310.47		25.69		1,800.11		2,560.00		153.82			
			890 Office Supplies	-		-		-		3.04		-			
			905 Permits	137.36		60.00		-		-		2,275.00		1,137.50	
			920 Rental Expense - Equipment	1,957.37		5,048.05		11,859.20		14,503.82		125.55			
			925 Rental Expense - Other	628.28		77.59		426.58		101.82		430.62			
			926 Retention - Contractors	11,176.58		(11,176.58)		-		-		-			
			932 Security Services	325.50		-		-		-		-			
			933 Small Tools	-		325.50		-		-		-			
		Sum		1,672,257.25		1,243,060.47		1,480,972.57		1,483,738.94		2,127,612.77		268,560.31	

**AVISTA UTILITIES
2010 CAPITAL PROJECTS**

ER No.: 2516

Project Name: Distribution Feeder Recond & Ties: Pullman and Lewis Clark Divisions

Pro Forma Amount: \$90,000

Expended to date: \$72,305 as of March 15, 2010

2010 Transfer to Plant Date: Throughout 2010

Project Description:

Distribution planning is responsible for identifying projects to reinforce the electric distribution system and to satisfy Avista Urban Feeder Plan otherwise known as the 500 Amp feeder plan or Feeder and One-Half plan. This plan has been in existence at Avista since 1960 and was recently updated in 2005.

This is an annual, on-going program and includes ERs 2514 (Spokane North & West - 100% WA), ER 2515 (Coeur d' Alene North and East 100% Idaho) and ER 2516 (Palouse & L/C Valley – WA/ID combination).

Specific to ER 2516, three (3) discrete projects are identified to reconductor thermally constrained portions of the feeder trunk lines. Two of the projects are located in Washington and make-up the \$90,000 expected spend in 2010. These projects are identified as Budget Items LD901 Critchfield 1210 Feeder and PD003 Ewan 241 Feeder.

Historically, ERs 2514, 2515, and 2516 were separated into project specific ERs. In an effort to provide better tracking and monitoring of project costs, Distribution Engineering decided to group all System Planning identified reinforcements into geographically based ERs (as above). History from 2009 and earlier was not financially mapped to these new ERs.

Timeline:

This is an annual, on-going project to increase capacity and reinforce feeder ties of various electric distribution feeder lines as identified as “thermally constrained” by Distribution Planning.

Additional Information:

- ER Cost Detail pg. 2
- Capital Project Request Form and support pg. 3

Note:

During the course of Avista’s pending general rate case, updated information will be available for audit.

AVISTA UTILITIES
ER 2516
COST DETAIL

					Accounting Year	2009	2010	
						Transaction Amt SUM	Transaction Amt SUM	
Er	Project Number	Jurisdiction	Expenditure Category	Expenditure Type				
2516	92205069	WA	AFUDC	535 AFUDC - Debt		94.02	119.18	
				540 AFUDC - Equity		115.98	152.43	
			Contractor	015 Construction Services		-	7,181.27	
				035 Workforce - Contract		-	373.74	
			Employee Expenses	215 Employee Business Meals		-	245.59	
			Labor	325 Overtime Pay - Union		-	845.04	
				345 Regular Payroll - Union		-	18,872.39	
			Labor Adjustments	356 Transfmr First Instl-Labo		-	3,160.00	
			Material	405 Inventory Returns		-	-3,262.41	
				415 Material Issues		16,941.30	9,035.48	
			Overhead	505 Capital Overhead - A & G		136.10	357.25	
				506 Cap Overhead - Functional		2,175.29	5,715.64	
				508 Cap Overhd - Safety Clthng		-	99.05	
				510 Payroll Benefits loading		-	11,323.41	
				515 Payroll Tax loading		-	1,725.24	
				520 Payroll Time Off loading		-	3,304.65	
				525 Small Tools loading		-	1,415.45	
				530 Stores/Material Loading		1,016.49	346.37	
				532 Materials Tax/Fght Loading		169.44	57.75	
				Transportation	560 Road Vehicles		-	814.50
			565 Small Vehicles			-	14.40	
			570 Work Vehicles			-	9,367.50	
			Vehicle	710 Rental Expense - Vehicle		-	1,041.00	
				Sum			20,648.62	72,304.92
				Sum			20,648.62	72,304.92
			Total				20,648.62	72,304.92

Interim
 3/1/10 (Sub Close)
 [Signature]



CAPITAL PROJECT REQUEST FORM

Corp.

Use Tab Key

(CPR)

ER 2491	Budget Category 5-Maintenance	Service Code ED-Electric Direct	Project Title (30 Characters) CFD 1210 Recond #6CU to 556AAC		Request Type Preliminary Project Title Count 30	Project(s) 92205069
Long Project Name (100 Characters) CFD 1210 Recond #6 CU to 556 AAC					'Parent' Code	
Approved Budget X	Will This Project Include Retirement of Materials or Equipment? Yes	Long Project Name Count 37 Revenue Type Select	ER Sponsor D53	BI Number LD901	WMS Job # 393236730	Rate Jurisdiction WA-Washington
Billing	Billing Contact			Location 922-Clarkston-Lewiston WA		Project Start Date 12-15-2009

Project Description (Include Purpose and Necessity - 240 Characters)
 CFD 1210 Recond #6 CU to 556 AAC - Upgrade overhead line for future feeder tie.

Project Description Count 84

CONSTRUCTION				Budget Authorized: \$93,000	
Office Use only	FERC	Estimated Amount	As Built Amount	Office Use Only	
Task	3XXXXX	By FERC Number	By FERC Number	Project Set Up By	Date
	300100		\$3,000	Approved By	Date
	364000		\$29,500		
	365000		\$47,300		
	366000		\$500		
	367000		\$500		
	368000		\$2,500		
	037300		\$500		
MISS ADDITIONS			\$83,800		

APPROVALS			
SIGNATURE		DATE	
Signature			
Print Name Bill Spears			
Signature			
Print Name Glenn Logsdon			
Signature			
Print Name Al Fisher			
Signature			
Print Name			
Signature			
Print Name			

Cost of Removal By FERC (3XXXXX)

	364000	\$3,700
	365000	\$5,500
Total Removal		\$9,200

Salvage By FERC (3XXXXX)

Total Salvage		
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Total Removal Less Salvage

Non Standard Work Breakdown Structure Needed (Optional)

Peer Task	Note: Cost of Transformers \$9400
Sub Task	

Date Prepared: November 9, 2009

TOTAL COST OF PROJECT \$93,000

Project Contact & Extension Bill Spears x1476

APPROVAL SIGNATURE(S) REQUIRED

To \$99,999 - Director
 \$100,000-\$499,999 - VP or GM Utility
 \$500,000-\$2,999,999 - Sr Vice President/CFO
 \$3,000,000-\$9,999,999 - President/CEO/COO
 Over \$10,000,000 - Board Chair
 Out-of-Budget - Capital Budget Committee

THE PROJECT SPONSOR IS RESPONSIBLE FOR CLOSING THIS JOB. IMMEDIATELY UPON COMPLETION OF WORK, SIGN THIS FORM, COMPLETE AS BUILT INFO AND FORWARD TO UTILITY ACCOUNTING.

Date Work Completed 2-26-10
 Foreman/ Supervisor COCHRAN / PARDON

Questions: contact Project and Fixed Asset Accounting (Sue ext-4472 or Howard ext-2936)

* SEE E-MAIL ON PG. 4

FINANCE COPY

**AVISTA UTILITIES
2010 CAPITAL PROJECTS**

ER No.: 6000

ER Name: PCB Disposal

Pro Forma Amount: \$100,000 (Revised estimate of \$500,000)

Expended to date: \$139,230

2010 Transfer to Plant Date: December 31, 2010

Project Description:

Avista is testing older, pre-1980 transformers for Polychlorinated Biphenyls (PCBs) which are chemicals that were widely used for many applications, especially as dielectric fluids in transformers, capacitors, and coolants. Due to PCB's toxicity and classification as a persistent organic pollutant, PCB production was banned by the United States Congress in 1979.

Avista, like most utilities, has thousands of older transformers in service with oil whose PCB contents are unknown. Avista is working to identify and remove those transformers containing regulated levels of PCBs (≥ 50 ppm, per the federal Toxic Substance Control Act). If PCBs are released to the environment, they are regulated to much lower levels for cleanup. In addition, changes to the federal rules are under consideration, which will increase the cost of managing these materials.

Avista has taken a proactive approach to remove PCB-containing, older equipment from service to minimize risk and potentially expensive cleanup costs in the case of accidents. We carry out this effort to make efficient use of staff resources and to accomplish system efficiency improvements at the same time. Much of this work is opportunistic, as testing reveals PCB-containing equipment. Therefore, our planned and executed effort, as reflected in budgets, has been somewhat inconsistent. In 2009, testing indicated a higher-than-expected occurrence of PCB-containing transformers, and given reduced growth in new service requests, we were able to remove a higher number of transformers than originally planned. That has also been the case for 2010 to date, a trend we expect to continue for much of the year. We plan to establish a broader plan and budget for ongoing PCB removal in upcoming budget cycles. Although we included \$100,000 for 2010 Transfer to Plant Additions for PCB removal in the pro forma adjustment, revised 2010 estimated spend indicates an amount in the range of \$500,000 or more.

Offsets:

This transmission plant investment is included in the production property adjustment, which adjusts rate year costs to match test year loads. There are no other identifiable O&M cost reductions for 2010 investments.

**AVISTA UTILITIES
2010 CAPITAL PROJECTS**

Timeline:

This project is ongoing throughout 12/31/2010

Attachment Index:

- Cost of PCB Disposal pg. 3

Note:

During the course of Avista's pending general rate case, updated information will be available for audit.

AVISTA UTILITIES
ER 6000
HISTORY OF COSTS
2005 - MARCH 15, 2010

Er	Project Number	Project Desc	Expenditure Category	Expenditure Type	2005	2006	2007	2008	2009	2010
					Transaction Amt	Transaction Amt	Transaction Amt	Transaction Amt	Transaction Amt	Transaction Amt
6000	02801380	PCB Disposal - Spokane	Contractor	010 General Services	20,423.94	630.00	-	-	-	-
				015 Construction Services	-	-	10,059.66	-	121,969.53	88,122.47
				020 Professional Services	42,935.64	50,624.97	159,880.48	325,313.64	857,640.20	(67,756.11)
				035 Workforce - Contract	-	-	-	46,500.00	(1,288.28)	35,596.32
			Contributions	116 Misc Bills - Damage Claims	-	-	(3,866.47)	-	-	-
			Employee Expenses	210 Employee Auto Mileage	-	-	92.15	-	-	43.50
				215 Employee Business Meals	-	-	73.64	-	-	-
			Labor	325 Overtime Pay - Union	-	-	-	-	7,029.88	2,877.05
				340 Regular Payroll - NU	425.15	121.47	-	265.62	1,018.95	-
				345 Regular Payroll - Union	-	-	-	525.54	25,482.91	22,736.13
			Labor Adjustments	356 Transfrmr First Instl-Labo	-	-	-	-	-	12,735.00
			Material	405 Inventory Returns	-	-	-	-	(3,367.96)	(1,366.37)
				415 Material Issues	-	-	-	-	6,426.03	901.09
			Overhead	505 Capital Overhead - A & G	53.75	(53.75)	-	-	-	-
				506 Cap Overhead - Functional	2,150.00	(2,150.00)	-	-	-	-
				510 Payroll Benefits loading	157.31	48.59	-	327.10	15,098.50	13,641.69
				515 Payroll Tax loading	37.20	10.32	-	68.17	2,934.07	2,241.16
				520 Payroll Time Off loading	76.53	21.86	-	135.83	4,490.47	4,050.84
				525 Small Tools loading	-	-	-	21.02	1,830.13	1,705.26
				530 Stores/Material Loading	-	-	-	322.01	186.37	(27.92)
				532 Materials Tax/Fght Loading	-	-	-	-	31.22	(4.65)
			Transportation	560 Road Vehicles	-	-	-	-	3,355.50	2,625.00
				565 Small Vehicles	-	-	-	-	-	227.40
				570 Work Vehicles	-	-	-	600.00	17,063.00	19,508.50
			Vehicle	710 Rental Expense - Vehicle	-	-	-	-	-	1,211.54
				720 Vehicle Fuel Gasoline	-	-	-	-	-	161.92
			Voucher	880 Materials & Equipment	-	-	-	2,683.38	-	-
				885 Miscellaneous	(12,473.50)	-	-	-	-	-
			Sum		53,786.02	49,253.46	166,239.46	376,762.31	1,059,900.52	139,229.82