

BEFORE THE
WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION)	DOCKETS UE-190334,
)	UG-190335, and UE-190222
Complainant,)	(<i>Consolidated</i>)
)	
v.)	
)	
AVISTA CORPORATION d/b/a)	
AVISTA UTILITIES)	
)	
Respondent.)	
_____)	

EXHIBIT BGM-4
GAS SERVICE REVENUE REQUIREMENT CALCULATIONS

Gas Revenue Requirement Summary (\$000)

Line	Adj. No.	Description	Company Filing (Rev. Req. at AWEC ROR)			AWEC Proposed		
			Net Oper. Income	Rate Base	Rev. Req. Def. / (Suf.)	Net Oper. Income	Rate Base	Rev. Req. Def. / (Suf.)
1	1.00	Per Results Report	\$24,614	\$348,658	(737)	\$24,614	348,658	(737)
<i>Restating Adjustments:</i>								
2	1.01	Deferred FIT Rate Base	(7)	(1,247)	(105)	(7)	(1,247)	(105)
3	1.02	Deferred Debits and Credits	(8)	(7)	10	(8)	(7)	10
4	1.03	Working Capital	-	-	-	-	-	-
5	1.04	Remove AMI Rate Base	(34)	(6,038)	(507)	(34)	(6,038)	(507)
6	2.01	Eliminate B & O Taxes	(11)	-	15	(11)	-	15
7	2.02	Restate Property Tax	(2)	-	2	(2)	-	2
8	2.03	Uncollectible Expense	253	-	(335)	253	-	(335)
9	2.04	Regulatory Expense	40	-	(52)	40	-	(52)
10	2.05	Injuries & Damages	(43)	-	56	(43)	-	56
11	2.06	FIT / DFIT Expense	-	-	-	-	-	-
12	2.07	Office Space Charges to Non-Utility	13	-	(18)	13	-	(18)
13	2.08	Restate Excise Taxes	-	-	-	-	-	-
14	2.09	Net Gains & Losses	10	-	(14)	10	-	(14)
15	2.10	Weather Normalization / Gas Cost Adjust	5	-	(6)	5	-	(6)
16	2.11	Eliminate Adder Schedules	(0)	-	0	(0)	-	0
17	2.12	Misc. Restating Non-Util / Non- Recurring Expense	390	-	(517)	390	-	(517)
18	2.12G.A1	Hydro One	-	-	-	111	-	(147)
19	2.12G.A2	Director Expenses	-	-	-	24	-	(32)
20	2.12G.A3	Information Technology Allocation	-	-	-	242	-	(321)
21	2.13	Restating Incentives Expense	57	-	(75)	57	-	(75)
22	2.14	Restate Debt Interest	(176)	-	233	(176)	-	233
23	2.15	Restate 2018 AMA Rate Base to EOP	(1,060)	32,271	4,353	(1,060)	32,271	4,353
24		Restated Results	24,042	373,637	2,303	24,419	373,637	1,804
<i>Pro Forma Adjustments</i>								
25	3.01	Pro Forma Revenue Normalization	404	-	(535)	404	-	(535)
26	3.01G.A7	Production Factor	-	-	-	3,277	-	(4,339)
27	3.02	Pro Forma LEAP Deferral Amortization	(1,378)	95	1,834	(1,378)	95	1,834
28	3.03	Pro Forma Labor Non-Exec	(577)	-	764	(577)	-	764
29	3.04G.A9	AWEC Labor Escalation Adj.	-	-	-	25	-	(33)
30	3.04	Pro Forma Labor Exec	(81)	-	107	(81)	-	107
31	3.05	Pro Forma Employee Benefits	(632)	-	837	(632)	-	837
32	3.05G.A10	AWEC Pro Forma Benefits Adj	-	-	-	497	(335)	(689)
33	3.06	Pro Forma Insurance Expense	(9)	-	12	(9)	-	12
34	3.07	Pro Forma IS/IT Expense	(460)	-	609	(460)	-	609
35	3.08	Pro Forma Property Tax	(376)	-	498	(376)	-	498
36	3.09	Pro Forma Depreciation Expense	1,199	-	(1,588)	1,199	-	(1,588)
37	3.10	Pro Forma 2019 Major Capital Adds	(1,139)	25,258	3,816	(1,139)	25,258	3,816
38	3.10G.A11	AvistaUtilities.com	-	-	-	309	(2,030)	(595)
39	3.10G.A12	Retirements	-	-	-	285	-	(377)
40	3.10G.A13	Corporate Aircraft	-	-	-	24	-	(32)
41	3.10G.A14	Customer Advances	-	-	-	(5)	(977)	(82)
42	3.11	Pro Forma O&M Offsets	11	-	(15)	11	-	(15)
43	3.12	Pro Forma Fee Free Amortization	(685)	-	907	(685)	-	907
44		Pro Forma Results (Traditional Rev. Req.)	20,320	398,990	9,549	25,108	395,648	2,902
					Filed Deficiency: \$12,935		Calculated: \$2,902	
					ROR Impact: (3,386)		Check 0	

Gas Revenue Requirement Summary (\$000)

Line	Adj. No.	Description	Impact of AWEC Adjustments				AWEC Position
			Pre-Tax Net Oper. Income	Net Oper. Income	Rate Base	Rev. Req. Def. / (Suf.)	
1	1.00	Per Results Report					
<i>Restating Adjustments:</i>							
2	1.01	Deferred FIT Rate Base	-	-	-	-	Neutral
3	1.02	Deferred Debits and Credits	-	-	-	-	Neutral
4	1.03	Working Capital	-	-	-	-	Neutral
5	1.04	Remove AMI Rate Base	-	-	-	-	Neutral
6	2.01	Eliminate B & O Taxes	-	-	-	-	Neutral
7	2.02	Restate Property Tax	-	-	-	-	Neutral
8	2.03	Uncollectible Expense	-	-	-	-	Neutral
9	2.04	Regulatory Expense	-	-	-	-	Neutral
10	2.05	Injuries & Damages	-	-	-	-	Neutral
11	2.06	FIT / DFIT Expense	-	-	-	-	Neutral
12	2.07	Office Space Charges to Non-Utility	-	-	-	-	Neutral
13	2.08	Restate Excise Taxes	-	-	-	-	Neutral
14	2.09	Net Gains & Losses	-	-	-	-	Neutral
15	2.10	Weather Normalization / Gas Cost Adjust	-	-	-	-	Neutral
16	2.11	Eliminate Adder Schedules	-	-	-	-	Neutral
17	2.12	Misc. Restating Non-Util / Non- Recurring Expense	-	-	-	-	Oppose
18	2.12G.A1	Hydro One	140	111	-	(147)	AWEC Proposed
19	2.12G.A2	Director Expenses	31	24	-	(32)	AWEC Proposed
20	2.12G.A3	Information Technology Allocation	306	242	-	(321)	
21	2.13	Restating Incentives Expense	-	-	-	-	Neutral
22	2.14	Restate Debt Interest	-	-	-	-	Neutral
23	2.15	Restate 2018 AMA Rate Base to EOP	-	-	-	-	Neutral
24		Restated Results	477	377	-	(499)	
<i>Pro Forma Adjustments</i>							
25	3.01	Pro Forma Revenue Normalization	-	-	-	-	Neutral
26	3.01G.A7	Production Factor	4,148	3,277	-	(4,339)	AWEC Proposed
27	3.02	Pro Forma LEAP Deferral Amortization	-	-	-	-	Neutral
28	3.03	Pro Forma Labor Non-Exec	-	-	-	-	Oppose
29	3.04G.A9	AWEC Labor Escalation Adj.	32	25	-	(33)	AWEC Proposed
30	3.04	Pro Forma Labor Exec	-	-	-	-	Neutral
31	3.05	Pro Forma Employee Benefits	-	-	-	-	Oppose
32	3.05G.A10	AWEC Pro Forma Benefits Adj	631	497	(335)	(689)	AWEC Proposed
33	3.06	Pro Forma Insurance Expense	-	-	-	-	Neutral
34	3.07	Pro Forma IS/IT Expense	-	-	-	-	Neutral
35	3.08	Pro Forma Property Tax	-	-	-	-	Neutral
36	3.09	Pro Forma Depreciation Expense	-	-	-	-	Neutral
37	3.10	Pro Forma 2019 Major Capital Adds	-	-	-	-	Neutral
38	3.10G.A11	AvistaUtilities.com	406	309	(2,030)	(595)	AWEC Proposed
39	3.10G.A12	Retirements	361	285	-	(377)	AWEC Proposed
40	3.10G.A13	Corporate Aircraft	30	24	-	(32)	AWEC Proposed
41	3.10G.A14	Customer Advances	-	(5)	(977)	(82)	AWEC Proposed
42	3.11	Pro Forma O&M Offsets	-	-	-	-	Neutral
43	3.12	Pro Forma Fee Free Amortization	-	-	-	-	Neutral
44		Pro Forma Results (Traditional Rev. Req.)	6,085	4,788	(3,342)	(6,647)	

AVISTA 2020 WASHINGTON GRC - AWEC REPLY
WASHINGTON NATURAL GAS
TWELVE MONTHS ENDED DECEMBER 31, 2018
(000'S OF DOLLARS)

		April 1, 2020				
		WITH PRESENT RATES			WITH 04.01.2020 PROPOSED RATES	
Line No.	DESCRIPTION	Actual Per Results Report	Total Adjustments	04.2020 Adjusted Total	Proposed Revenues & Related Exp	04.01.2020 Proposed Total
	a	b	c	d	e	f
REVENUES						
1	Total General Business	\$140,625	\$ (47,534)	\$93,091	\$2,902.00	\$95,993
2	Total Transportation	5,088	(133)	4,955		4,955
3	Other Revenues	50,681	(50,348)	333		333
4	Total Gas Revenues	196,394	(98,015)	98,379	2,902	101,281
EXPENSES						
Production Expenses						
5	City Gate Purchases	90,669	(90,669)	-		-
6	Purchased Gas Expense	955	44	999		999
7	Net Nat Gas Storage Trans	(292)	292	-		-
8	Total Production	91,332	(90,333)	999	-	999
Underground Storage						
9	Operating Expenses	1,532	-	1,532		1,532
10	Depreciation	627	(201)	426		426
11	Taxes	302	(49)	253		253
12	Total Underground Storage	2,461	(250)	2,211	-	2,211
Distribution						
13	Operating Expenses	12,316	682	12,998		12,998
14	Depreciation	11,642	170	11,812		11,812
15	Taxes	14,128	(6,287)	7,841	111	7,952
16	Total Distribution	38,086	(5,435)	32,651	111	32,762
17	Customer Accounting	7,234	(120)	7,114	11	7,125
18	Customer Service & Information	8,093	(6,834)	1,259		1,259
19	Sales Expenses	-	-	-		-
Administrative & General						
20	Operating Expenses	15,045	(546)	14,499	6	14,505
21	Depreciation/Amortization	8,492	895	9,387		9,387
22	Regulatory Amortizations	(1,559)	3,664	2,105		2,105
23	Taxes	-	-	-		-
24	Total Admin. & General	21,978	4,013	25,991	6	25,997
25	Total Gas Expense	169,184	(98,959)	70,225	128	70,353
26	OPERATING INCOME BEFORE FIT	27,210	944	28,154	2,774	30,928
FEDERAL INCOME TAX						
27	Current Accrual	2,557	374	2,931	583	3,514
28	Debt Interest	-	(263)	(263)	-	(263)
29	Deferred FIT	54	339	393		393
30	Amort ITC	(15)	-	(15)		(15)
31	NET OPERATING INCOME	24,614	495	25,109	2,191	27,300
RATE BASE: PLANT IN SERVICE						
32	Underground Storage	28,442	265	28,707		28,707
33	Distribution Plant	462,636	31,960	494,596		494,596
34	General Plant	114,053	21,854	135,907		135,907
35	Total Plant in Service	605,131	54,079	659,210	-	659,210
ACCUMULATED DEPREC/AMORT						
36	Underground Storage	(11,051)	(431)	(11,482)		(11,482)
37	Distribution Plant	(145,402)	(2,931)	(148,333)		(148,333)
38	General Plant	(32,354)	(2,835)	(35,189)		(35,189)
39	Total Accum. Depreciation/Amort.	(188,807)	(6,197)	(195,004)	-	(195,004)
40	NET PLANT	416,324	47,882	464,206	-	464,206
41	DEFERRED FIT	(88,908)	(980)	(89,888)		(89,888)
42	Net Plant After DFIT	327,416	46,902	374,318	-	374,318
43	GAS INVENTORY	8,355	-	8,355		8,355
44	GAIN ON SALE OF BUILDING	-	-	-		-
45	OTHER	5,338	88	5,426		5,426
46	WORKING CAPITAL	7,549	-	7,549		7,549
47	TOTAL RATE BASE	348,658	46,902	395,648	0	395,648
48	RATE OF RETURN	7.06%		6.35%		6.90%

**AVISTA 2020 WASHINGTON GRC - AWEC REPLY
CALCULATION OF REQUESTED GENERAL REVENUE REQUIREMENT
WASHINGTON NATURAL GAS
TWELVE MONTHS ENDED DECEMBER 31, 2018**

Line No.	Description	Requested Base Rate Change 4/1/2020 (000's of Dollars)
1	Pro Forma Rate Base	\$ 395,648
2	Proposed Rate of Return	<u>6.90%</u>
3	Net Operating Income Requirement	\$27,300
4	Pro Forma Net Operating Income	<u>\$ 25,109</u>
5	Net Operating Income Deficiency	\$2,191
6	Conversion Factor	0.755118
7	Revenue Requirement - 2020	\$2,902
8	Total Base Distribution Revenues*	\$ 98,046
9	Percentage Base Distribution Revenue Increase	<u><u>2.96%</u></u>
10	Total Present Billed Revenue	\$ 127,800
11	Percentage Billed Revenue Increase	<u><u>2.27%</u></u>

* Line 8 "Total General Business Revenues" includes special contract transportation revenues.

Revenue Growth Rate and Revenue Adjustment for Rate Year 2 (4/1/2021)

12	Revenue Growth Rate %	<u>1.24%</u> per Exh. BGM-10			
13	Delivery Related Revenues 4/1/2020 <i>(\$92,722 + \$12,935 = \$105,657)</i>	\$	<u>95,624</u>		
14	Rate Year 2: 4/1/2021 -3/31/2022	\$	<u>1,182.365</u>	Incremental % (Base) 1.17%	<u>0.90%</u> Incremental % (Billed)

* Current Delivery Related Revenues per Exh. EMA-x, pg x	\$	<u>92,722</u>
4/1/2020 Proposed Revenue Increase from line 7		<u>\$2,902</u>

AVISTA 2020 WASHINGTON GRC - AWEC REPLY COST OF CAPITAL WASHINGTON NATURAL GAS			
Proposed Capital Structure			
<u>Component</u>	<u>Capital Structure</u>	<u>Cost</u>	<u>Weighted Cost</u>
Debt	51.9%	5.15%	2.67%
Common	48.1%	8.80%	4.23%
Total	<u>100.00%</u>		<u>6.90%</u>

**AVISTA 2020 WASHINGTON GRC - AWEC REPLY
REVENUE CONVERSION FACTOR
WASHINGTON NATURAL GAS
TWELVE MONTHS ENDED DECEMBER 31, 2018**

Line No.	Description	Factor
1	Revenues	1.000000
	Expense:	
2	Uncollectibles	0.003781
3	Commission Fees	0.002000
4	Washington Excise Tax	0.038374
6	Total Expense	<u>0.044155</u>
7	Net Operating Income Before FIT	0.955845
8	Federal Income Tax @ 21%	0.200727
9	REVENUE CONVERSION FACTOR	0.755118

AVISTA 2020 WASHINGTON GRC - AWEC REPLY

WASHINGTON NATURAL GAS
TWELVE MONTHS ENDED DECEMBER 31, 2018
(000'S OF DOLLARS)

RESTATEMENT ADJUSTMENTS

ACTUAL
RESULTS

Line No.	DESCRIPTION	Per Results Report	Deferred FIT Rate Base	Deferred Debits and Credits	Working Capital	Remove AMI Rate Base	Eliminate B & O Taxes	Restate Property Tax	Uncollectible Expense	Regulatory Expense
	Adjustment Number	1.00	1.01	1.02	1.03	1.04	2.01	2.02	2.03	2.04
	Workpaper Reference	G-ROO	G-DFIT	G-DDC	G-WC	G-AMI	G-EBO	G-RPT	G-UE	G-RE
REVENUES										
1	Total General Business	\$ 140,625	\$ -	\$ -	\$ -	\$ -	\$ (5,070)	\$ -	\$ -	\$ -
2	Total Transportation	5,088	-	-	-	-	(128)	-	-	-
3	Other Revenues	50,681	-	-	-	-	-	-	-	-
4	Total Gas Revenues	196,394	-	-	-	-	(5,198)	-	-	-
EXPENSES										
Production Expenses										
5	City Gate Purchases	90,669	-	-	-	-	-	-	-	-
6	Purchased Gas Expense	955	-	-	-	-	-	-	-	-
7	Net Nat Gas Storage Trans	(292)	-	-	-	-	-	-	-	-
8	Total Production	91,332	-	-	-	-	-	-	-	-
Underground Storage										
9	Operating Expenses	1,532	-	-	-	-	-	-	-	-
10	Depreciation/Amortization	627	-	-	-	-	-	-	-	-
11	Taxes	302	-	-	-	-	-	(78)	-	-
12	Total Underground Storage	2,461	-	-	-	-	-	(78)	-	-
Distribution										
13	Operating Expenses	12,316	-	-	-	-	-	-	-	-
14	Depreciation/Amortization	11,642	-	-	-	-	-	-	-	-
15	Taxes	14,128	-	-	-	-	(5,184)	80	-	-
16	Total Distribution	38,086	-	-	-	-	(5,184)	80	-	-
17	Customer Accounting	7,234	-	10	-	-	-	-	(320)	-
18	Customer Service & Information	8,093	-	-	-	-	-	-	-	-
19	Sales Expenses	-	-	-	-	-	-	-	-	-
Administrative & General										
20	Operating Expenses	15,045	-	-	-	-	-	-	-	(50)
21	Depreciation/Amortization	8,492	-	-	-	-	-	-	-	-
22	Regulatory Amortizations	(1,559)	-	-	-	-	-	-	-	-
23	Taxes	-	-	-	-	-	-	-	-	-
24	Total Admin. & General	21,978	-	-	-	-	-	-	-	(50)
25	Total Gas Expense	169,184	-	10	-	-	(5,184)	2	(320)	(50)
26	OPERATING INCOME BEFORE FIT	27,210	-	(10)	-	-	(14)	(2)	320	50
FEDERAL INCOME TAX										
27	Current Accrual	2,557	-	(2)	-	-	(3)	(0)	67	11
28	Debt Interest	-	7	0	-	34	-	-	-	-
29	Deferred FIT	54	-	-	-	-	-	-	-	-
30	Amort ITC	(15)	-	-	-	-	-	-	-	-
31	NET OPERATING INCOME	\$ 24,614	\$ (7)	\$ (8)	\$ -	\$ (34)	\$ (11)	\$ (2)	\$ 253	\$ 40
RATE BASE										
PLANT IN SERVICE										
32	Underground Storage	\$ 28,442	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
33	Distribution Plant	462,636	-	-	-	(7,041)	-	-	-	-
34	General Plant	114,053	-	-	-	-	-	-	-	-
35	Total Plant in Service	605,131	-	-	-	(7,041)	-	-	-	-
ACCUMULATED DEPRECIATION/AMORT										
36	Underground Storage	(11,051)	-	-	-	-	-	-	-	-
37	Distribution Plant	(145,402)	-	-	-	433	-	-	-	-
38	General Plant	(32,354)	-	-	-	-	-	-	-	-
39	Total Accumulated Depreciation/Amortization	(188,807)	-	-	-	433	-	-	-	-
40	NET PLANT	416,324	-	-	-	(6,608)	-	-	-	-
41	DEFERRED TAXES	(88,908)	(1,247)	-	-	570	-	-	-	-
42	Net Plant After DFIT	327,416	(1,247)	-	-	(6,038)	-	-	-	-
43	GAS INVENTORY	8,355	-	-	-	-	-	-	-	-
44	GAIN ON SALE OF BUILDING	-	-	-	-	-	-	-	-	-
45	OTHER	5,338	-	(7)	-	-	-	-	-	-
46	WORKING CAPITAL	7,549	-	-	-	-	-	-	-	-
47	TOTAL RATE BASE	\$ 348,658	\$ (1,247)	\$ (7)	\$ -	\$ (6,038)	\$ -	\$ -	\$ -	\$ -
48	RATE OF RETURN	7.06%	-	-	-	-	-	-	-	-
50	REVENUE REQUIREMENT	-737	-105	10	0	-507	15	2	-335	-52

AVISTA 2020 WASHINGTON GRC - AWEC RE

WASHINGTON NATURAL GAS
TWELVE MONTHS ENDED DECEMBER 31, 2018
(000'S OF DOLLARS)

OPPOSE

Line No.	DESCRIPTION	Injuries & Damages 2.05 G-ID	FIT / DFIT Expense 2.06 G-FIT	Office Space Charges to Non-Utility 2.07 G-OSC	Restate Excise Taxes 2.08 G-RET	Net Gains & Losses 2.09 G-NGL	Weather Normalization / Gas Cost Adjust 2.10 G-WNGC	Eliminate Adder Schedules 2.11 G-EAS	Misc. Restating Non-Util / Non-Recurring Expense 2.12 G-MR
	Adjustment Number	2.05	2.06	2.07	2.08	2.09	2.10	2.11	2.12
	Workpaper Reference	G-ID	G-FIT	G-OSC	G-RET	G-NGL	G-WNGC	G-EAS	G-MR
	REVENUES								
1	Total General Business	\$ -	\$ -	\$ -	\$ -	\$ -	6,259	\$ 5,056	\$ -
2	Total Transportation	-	-	-	-	-	-	-	-
3	Other Revenues	-	-	-	-	-	(3,321)	(51,690)	114
4	Total Gas Revenues	-	-	-	-	-	2,938	(46,634)	114
	EXPENSES								
	Production Expenses								
5	City Gate Purchases	-	-	-	-	-	2,651	(41,801)	-
6	Purchased Gas Expense	-	-	-	-	-	4	-	-
7	Net Nat Gas Storage Trans	-	-	-	-	-	-	292	-
8	Total Production	-	-	-	-	-	2,655	(41,509)	-
	Underground Storage								
9	Operating Expenses	-	-	-	-	-	-	-	-
10	Depreciation/Amortization	-	-	-	-	-	-	-	-
11	Taxes	-	-	-	-	-	-	-	-
12	Total Underground Storage	-	-	-	-	-	-	-	-
	Distribution								
13	Operating Expenses	-	-	-	-	-	-	-	(8)
14	Depreciation/Amortization	-	-	-	-	(13)	-	-	-
15	Taxes	-	-	-	-	-	240	194	-
16	Total Distribution	-	-	-	-	(13)	240	194	(8)
17	Customer Accounting	-	-	-	-	-	24	19	-
18	Customer Service & Information	-	-	-	-	-	-	(6,860)	(1)
19	Sales Expenses	-	-	-	-	-	-	-	-
	Administrative & General								
20	Operating Expenses	54	-	(17)	-	-	13	10	(848)
21	Depreciation/Amortization	-	-	-	-	-	-	-	-
22	Regulatory Amortizations	-	-	-	-	-	-	1,083	-
23	Taxes	-	-	-	-	-	-	-	-
24	Total Admin. & General	54	-	(17)	-	-	13	1,093	(848)
25	Total Gas Expense	54	-	(17)	-	(13)	2,932	(47,063)	(857)
26	OPERATING INCOME BEFORE FIT	(54)	-	17	-	13	6	429	971
	FEDERAL INCOME TAX								
27	Current Accrual	(11)	-	4	-	3	1	90	204
28	Debt Interest	-	-	-	-	-	-	-	-
29	Deferred FIT	-	-	-	-	-	-	339	-
30	Amort ITC	-	-	-	-	-	-	-	-
31	NET OPERATING INCOME	\$ (43)	\$ -	\$ 13	\$ -	\$ 10	\$ 5	\$ (0)	\$ 767
	RATE BASE								
	PLANT IN SERVICE								
32	Underground Storage	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
33	Distribution Plant	-	-	-	-	-	-	-	-
34	General Plant	-	-	-	-	-	-	-	-
35	Total Plant in Service	-	-	-	-	-	-	-	-
	ACCUMULATED DEPRECIATION/AMORT								
36	Underground Storage	-	-	-	-	-	-	-	-
37	Distribution Plant	-	-	-	-	-	-	-	-
38	General Plant	-	-	-	-	-	-	-	-
39	Total Accumulated Depreciation/Amortization	-	-	-	-	-	-	-	-
40	NET PLANT	-	-	-	-	-	-	-	-
41	DEFERRED TAXES	-	-	-	-	-	-	-	-
42	Net Plant After DFIT	-	-	-	-	-	-	-	-
43	GAS INVENTORY	-	-	-	-	-	-	-	-
44	GAIN ON SALE OF BUILDING	-	-	-	-	-	-	-	-
45	OTHER	-	-	-	-	-	-	-	-
46	WORKING CAPITAL	-	-	-	-	-	-	-	-
47	TOTAL RATE BASE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
48	RATE OF RETURN								
50	REVENUE REQUIREMENT	56	0	-18	0	-14	-6	0	-1,016

AVISTA 2020 WASHINGTON GRC - AWEC RE
WASHINGTON NATURAL GAS
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(000'S OF DOLLARS)

Line No.	DESCRIPTION	Restating Incentives Expense 2.13	Restate Debt Interest 2.14	Restate 2018 AMA Rate Base to EOP 2.15	Restated TOTAL
	Adjustment Number Workpaper Reference	2.13 G-RI	2.14 G-DI	2.15 G-EOP18	R-Ttl
	REVENUES				
1	Total General Business	\$ -	\$ -	\$ -	146,870
2	Total Transportation	-	-	-	4,960
3	Other Revenues	-	-	-	(4,216)
4	Total Gas Revenues	-	-	-	147,614
	EXPENSES				
	Production Expenses				
5	City Gate Purchases	-	-	-	51,519
6	Purchased Gas Expense	-	-	-	959
7	Net Nat Gas Storage Trans	-	-	-	-
8	Total Production	-	-	-	52,478
	Underground Storage				
9	Operating Expenses	-	-	-	1,532
10	Depreciation/Amortization	-	-	43	670
11	Taxes	-	-	-	224
12	Total Underground Storage	-	-	43	2,426
	Distribution				
13	Operating Expenses	-	-	-	12,308
14	Depreciation/Amortization	-	-	567	12,196
15	Taxes	-	-	-	9,458
16	Total Distribution	-	-	567	33,962
17	Customer Accounting	-	-	-	6,967
18	Customer Service & Information	-	-	-	1,232
19	Sales Expenses	-	-	-	-
	Administrative & General				
20	Operating Expenses	(72)	-	-	14,135
21	Depreciation/Amortization	-	-	961	9,453
22	Regulatory Amortizations	-	-	-	(476)
23	Taxes	-	-	-	-
24	Total Admin. & General	(72)	-	961	23,112
25	Total Gas Expense	(72)	-	1,571	120,177
26	OPERATING INCOME BEFORE FIT	72	-	(1,571)	27,437
	FEDERAL INCOME TAX				
27	Current Accrual	15	176	(330)	2,781
28	Debt Interest	-	-	(181)	(140)
29	Deferred FIT	-	-	-	393
30	Amort ITC	-	-	-	(15)
31	NET OPERATING INCOME	\$ 57	\$ (176)	\$ (1,060)	\$ 24,419
	RATE BASE				
	PLANT IN SERVICE				
32	Underground Storage	\$ -	\$ -	600	29,042
33	Distribution Plant	-	-	24,409	480,004
34	General Plant	-	-	12,935	126,988
35	Total Plant in Service	-	-	37,944	636,034
	ACCUMULATED DEPRECIATION/AMORT				
36	Underground Storage	-	-	(431)	(11,482)
37	Distribution Plant	-	-	(3,208)	(148,177)
38	General Plant	-	-	(2,338)	(34,692)
39	Total Accumulated Depreciation/Amortization	-	-	(5,977)	(194,351)
40	NET PLANT	-	-	31,967	441,683
41	DEFERRED TAXES	-	-	304	(89,281)
42	Net Plant After DFIT	-	-	32,271	352,402
43	GAS INVENTORY	-	-	-	8,355
44	GAIN ON SALE OF BUILDING	-	-	-	-
45	OTHER	-	-	-	5,331
46	WORKING CAPITAL	-	-	-	7,549
47	TOTAL RATE BASE	\$ -	\$ -	32,271	\$ 373,637
48	RATE OF RETURN				(1)
50	REVENUE REQUIREMENT	-75	233	4,353	1,804

(1) The Restated TOTAL column does not represent 12/31/2018 Test Period Commission Basis results of operation on a normalized basis (CBR basis). Differences exists due to inclusion of proposed cost of debt (pro forma versus CBR actual cost of debt) impacting Adjustment 2.14 above, and the inclusion of Restate 2018 AMA Rate base to EOP adjustment 2.15.

AVISTA 2020 WASHINGTON GRC - AWEC RE

WASHINGTON NATURAL GAS
TWELVE MONTHS ENDED DECEMBER 31, 2018
(000'S OF DOLLARS)

PRO FORMA ADJUSTMENTS

Line No.	DESCRIPTION	OPPOSE		OPPOSE		OPPOSE		Pro Forma IS/IT Expense
		Pro Forma Revenue Normalization	Pro Forma LEAP Deferral Amortization	Pro Forma Labor Non-Exec	Pro Forma Labor Exec	Pro Forma Employee Benefits	Pro Forma Insurance Expense	
		3.01	3.02	3.03	3.04	3.05	3.06	3.07
		G-PREV	G-PLEAP	G-PLN	G-PLE	G-PEB	G-PINS	G-PIT
	Adjustment Number	3.01	3.02	3.03	3.04	3.05	3.06	3.07
	Workpaper Reference	G-PREV	G-PLEAP	G-PLN	G-PLE	G-PEB	G-PINS	G-PIT
	REVENUES							
1	Total General Business	\$ (53,779)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2	Total Transportation	(5)	-	-	-	-	-	-
3	Other Revenues	4,549	-	-	-	-	-	-
4	Total Gas Revenues	(49,235)	-	-	-	-	-	-
	EXPENSES							
	Production Expenses							
5	City Gate Purchases	(51,519)	-	-	-	-	-	-
6	Purchased Gas Expense	-	-	16	-	24	-	-
7	Net Nat Gas Storage Trans	-	-	-	-	-	-	-
8	Total Production	(51,519)	-	16	-	24	-	-
	Underground Storage							
9	Operating Expenses	-	-	-	-	-	-	-
10	Depreciation/Amortization	-	-	-	-	-	-	-
11	Taxes	-	-	-	-	-	-	-
12	Total Underground Storage	-	-	-	-	-	-	-
	Distribution							
13	Operating Expenses	-	-	362	-	328	-	-
14	Depreciation/Amortization	-	-	-	-	-	-	-
15	Taxes	(2,064)	-	-	-	-	-	-
16	Total Distribution	(2,064)	-	362	-	328	-	-
17	Customer Accounting	(203)	-	143	-	176	-	-
18	Customer Service & Information	-	-	11	-	16	-	-
19	Sales Expenses	-	-	-	-	-	-	-
	Administrative & General							
20	Operating Expenses	(108)	-	166	102	(375)	11	582
21	Depreciation/Amortization	-	-	-	-	-	-	-
22	Regulatory Amortizations	-	1,745	-	-	-	-	-
23	Taxes	-	-	-	-	-	-	-
24	Total Admin. & General	(108)	1,745	166	102	(375)	11	582
25	Total Gas Expense	(53,894)	1,745	698	102	169	11	582
26	OPERATING INCOME BEFORE FIT	4,659	(1,745)	(698)	(102)	(169)	(11)	(582)
	FEDERAL INCOME TAX							
27	Current Accrual	978	(366)	(147)	(21)	(35)	(2)	(122)
28	Debt Interest	-	(1)	-	-	2	-	-
29	Deferred FIT	-	-	-	-	-	-	-
30	Amort ITC	-	-	-	-	-	-	-
31	NET OPERATING INCOME	\$ 3,681	\$ (1,378)	\$ (552)	\$ (81)	\$ (135)	\$ (9)	\$ (460)
	RATE BASE							
	PLANT IN SERVICE							
32	Underground Storage	\$ -	\$ -	\$ -	\$ -	\$ (335)	\$ -	\$ -
33	Distribution Plant	-	-	-	-	-	-	-
34	General Plant	-	-	-	-	-	-	-
35	Total Plant in Service	-	-	-	-	(335)	-	-
	ACCUMULATED DEPRECIATION/AMORT							
36	Underground Storage	-	-	-	-	-	-	-
37	Distribution Plant	-	-	-	-	-	-	-
38	General Plant	-	-	-	-	-	-	-
39	Total Accumulated Depreciation/Amortization	-	-	-	-	-	-	-
40	NET PLANT	-	-	-	-	(335)	-	-
41	DEFERRED TAXES	-	-	-	-	-	-	-
42	Net Plant After DFIT	-	-	-	-	(335)	-	-
43	GAS INVENTORY	-	-	-	-	-	-	-
44	GAIN ON SALE OF BUILDING	-	-	-	-	-	-	-
45	OTHER	-	95	-	-	-	-	-
46	WORKING CAPITAL	-	-	-	-	-	-	-
47	TOTAL RATE BASE	\$ -	\$ 95	\$ -	\$ -	\$ (335)	\$ -	\$ -
48	RATE OF RETURN							
50	REVENUE REQUIREMENT	-4,874	1,834	731	107	148	12	609

AVISTA 2020 WASHINGTON GRC - AWEC RE

WASHINGTON NATURAL GAS
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(000'S OF DOLLARS)

OPPOSE

Line No.	DESCRIPTION	Pro Forma Property Tax 3.08	Pro Forma Depreciation Expense 3.09	Pro Forma 2019 Major Capital Adds 3.10	Pro Forma O&M Offsets 3.11	Pro Forma Fee Free Amortization 3.12	Pro Forma Total PF-STtl
		G-PPT	G-PDEP	G-PCAP	G-POFF	G-PFEE	
	Adjustment Number	3.08	3.09	3.10	3.11	3.12	
	Workpaper Reference	G-PPT	G-PDEP	G-PCAP	G-POFF	G-PFEE	PF-STtl
	REVENUES						
1	Total General Business	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 93,091
2	Total Transportation	-	-	-	-	-	4,955
3	Other Revenues	-	-	-	-	-	333
4	Total Gas Revenues	-	-	-	-	-	98,379
	EXPENSES						
	Production Expenses						
5	City Gate Purchases	-	-	-	-	-	-
6	Purchased Gas Expense	-	-	-	-	-	999
7	Net Nat Gas Storage Trans	-	-	-	-	-	-
8	Total Production	-	-	-	-	-	999
	Underground Storage						
9	Operating Expenses	-	-	-	-	-	1,532
10	Depreciation/Amortization	-	(244)	-	-	-	426
11	Taxes	29	-	-	-	-	253
12	Total Underground Storage	29	(244)	-	-	-	2,211
	Distribution						
13	Operating Expenses	-	-	-	-	-	12,998
14	Depreciation/Amortization	-	(731)	347	-	-	11,812
15	Taxes	447	-	-	-	-	7,841
16	Total Distribution	447	(731)	347	-	-	32,651
17	Customer Accounting	-	-	-	-	31	7,114
18	Customer Service & Information	-	-	-	-	-	1,259
19	Sales Expenses	-	-	-	-	-	-
	Administrative & General						
20	Operating Expenses	-	-	-	(14)	-	14,499
21	Depreciation/Amortization	-	(543)	477	-	-	9,387
22	Regulatory Amortizations	-	-	-	-	836	2,105
23	Taxes	-	-	-	-	-	-
24	Total Admin. & General	-	(543)	477	(14)	836	25,991
25	Total Gas Expense	476	(1,518)	824	(14)	867	70,225
26	OPERATING INCOME BEFORE FIT	(476)	1,518	(824)	14	(867)	28,154
	FEDERAL INCOME TAX						
27	Current Accrual	(100)	319	(173)	3	(182)	2,931
28	Debt Interest	-	-	(125)	-	-	(263)
29	Deferred FIT	-	-	-	-	-	393
30	Amort ITC	-	-	-	-	-	(15)
31	NET OPERATING INCOME	\$ (376)	\$ 1,199	\$ (526)	\$ 11	\$ (685)	\$ 25,109
	RATE BASE						
	PLANT IN SERVICE						
32	Underground Storage	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 28,707
33	Distribution Plant	-	-	14,592	-	-	494,596
34	General Plant	-	-	8,919	-	-	135,907
35	Total Plant in Service	-	-	23,511	-	-	659,210
	ACCUMULATED DEPRECIATION/AMORT						
36	Underground Storage	-	-	-	-	-	(11,482)
37	Distribution Plant	-	-	(156)	-	-	(148,333)
38	General Plant	-	-	(497)	-	-	(35,189)
39	Total Accumulated Depreciation/Amortization	-	-	(653)	-	-	(195,004)
40	NET PLANT	-	-	22,858	-	-	464,206
41	DEFERRED TAXES	-	-	(607)	-	-	(89,888)
42	Net Plant After DFIT	-	-	22,251	-	-	374,318
43	GAS INVENTORY	-	-	-	-	-	8,355
44	GAIN ON SALE OF BUILDING	-	-	-	-	-	-
45	OTHER	-	-	-	-	-	5,426
46	WORKING CAPITAL	-	-	-	-	-	7,549
47	TOTAL RATE BASE	\$ -	\$ -	\$ 22,251	\$ -	\$ -	\$ 395,648
48	RATE OF RETURN						
50	REVENUE REQUIREMENT	498	-1,588	2,730	-15	907	2,902