

Avista Corporation
Electric Operations
 Pro Forma adjustment PF-2
 (000's of Dollars)

Exhibit ____ (DPK-5)
 Docket UE-070804 UG-070805

**Pro Forma adjustment PF-2
 Production Property Adjustment Calculation**

		Production/Transmission		
Column	Description of Adjustment	Revenue	Expense	Rate Base
Sum (a) thru (y)	Per Results Report adjusted for Transmission and Production Items	155,015	320,205	599,305
R-1	Deferred FIT Rate Base			(80,867)
R-2	Deferred Gain on Office Building			
R-3	Colstrip 3 AFUDC Elimination		(216)	(2,255)
R-4	Colstrip Common AFUDC			492
R-5	Kettle Falls Disallow.			(993)
R-6	Customer Advances			
R-7	PGE Monetization		(1,332)	(324)
R-8	Settlement Exchange Power			22,441
R-9	Eliminate B & O Taxes			
R-10	Property Tax		25	
R-11	Uncollect. Expense			
R-12	Regulatory Expense			
R-13	Injuries and Damages			
R-14	FIT			
R-15	Eliminate WA Power Cost Defer		(30,675)	
R-16	Nez Perce Settlement Adjustment		18	
R-17	Eliminate A/R Expenses			
R-18	Office Space Charges to Subsidiaries			
R-19	Restate Excise Taxes			
R-20	Net Gains/losses			
R-21	Revenue Normalization		10,109	
R-22	Incentive & Other		614	
R-23	Restate Debt Interest			
R-24	Adjust Sec-199 Deduction			
Restated Total		155,015	298,748	537,799
PF 1	Pro Forma Power Supply	(112,470)	(82,687)	-
PF 2	Pro Forma Prod Property Adj			
PF 3	Pro Forma Labor NonExec	-	717	-
PF 4	Pro Forma Labor Exec	-	(14)	-
PF 5	Pro Forma Transmission Rev/Exp	(903)	416	-
PF 6	Pro Forma Transmission Capital Add	-	1,658	40,274
PF 7	Pro Forma Generation Capital Add	-	556	11,739
PF 8	Pro Forma Depreciation Study	-	(2,671)	868
PF 9	Pro Forma Wood Pole Test & Treat	-	183	-
Pro Forma Total		41,642	216,906	\$590,680
2008 WA Retail Load in Power Supply		5,692,181		
2006 WA Normalized Retail Load		5,414,826		
Production Factor		0.95127		
2006 Production/Transmission Costs		\$39,613	\$206,338	\$561,899
Production Property Adjustment		(\$2,029)	(\$10,568)	(\$28,781)