

AVISTA CORP.
WASHINGTON - GAS
REVENUE INCREASE @ PROPOSED RATE OF RETURN
FOR THE YEAR ENDED DECEMBER 31, 1998

	TOTALS	SCH 101 GEN SVC	SCH 111 LG GEN SVC	SCH 121 EX LG GEN	SCH 131 INTERRUPT.	SCH 146 TRANSPORT	SCH 148 TRANSPORT
TOTAL RATE BASE	120,469,000	87,768,840	21,406,008	2,541,445	117,985	5,676,728	2,957,994
TOTAL OPERATING REVENUES	82,127,242	56,707,456	18,619,012	3,012,696	188,880	2,276,198	1,323,000
TOTAL OPERATING EXPENSES	65,645,459	44,779,492	15,534,124	2,687,829	171,943	1,467,176	1,004,895
TOTAL FIT	4,518,373	3,364,026	785,881	100,908	3,169	197,591	66,800
TOTAL OPERATING INCOME	11,963,410	8,563,938	2,299,007	223,960	13,768	611,431	251,305
RATES OF RETURN	9.93%	9.76%	10.74%	8.81%	11.67%	10.77%	8.50%
RATES OF RETURN (INDEX)		0.983	1.081	0.887	1.175	1.085	0.856
REVENUE INCREASE(1)	4,899,242	3,832,797	759,851	128,076	0	178,518	0
REVENUE @ PRESENT RATES(2)	75,036,000	51,441,000	17,240,000	2,772,000	182,000	2,078,000	1,323,000
OTHER REVENUES(3)	<u>2,192,000</u>	<u>1,433,659</u>	<u>619,161</u>	<u>112,620</u>	<u>6,880</u>	<u>19,680</u>	<u>0</u>
TOTAL REVENUES	82,127,242	56,707,456	18,619,012	3,012,696	188,880	2,276,198	1,323,000
INCREMENTAL FIT	1,626,374	1,272,353	252,244	42,517	0	59,262	0
FIT @ PRESENT RATES (3)	<u>2,891,999</u>	<u>2,091,673</u>	<u>533,637</u>	<u>58,391</u>	<u>3,169</u>	<u>138,329</u>	<u>66,800</u>
Total FIT	4,518,373	3,364,026	785,881	100,908	3,169	197,591	66,800
INCREMENTAL OPER. EXP.(4)	252,458	197,504	39,155	6,600	0	9,199	0
OPER. EXP. @ PRES. RATES(3)	<u>65,393,001</u>	<u>44,581,988</u>	<u>15,494,969</u>	<u>2,681,229</u>	<u>171,943</u>	<u>1,457,977</u>	<u>1,004,895</u>
Total OPER. EXP.	65,645,459	44,779,492	15,534,124	2,687,829	171,943	1,467,176	1,004,895

(1) from worksheet 4

(2) from worksheet 3

(3) from worksheet 22

(4) Incremental revenue-related expenses of 5.153%