

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

DOCKET NO. UE-13\_\_\_\_\_

PETITION OF AVISTA CORPORATION

ATTACHMENT B

Avista Corporation  
Washington Energy Recovery Mechanism (ERM)  
Proposed Sharing of Washington Portion of BPA Settlement  
Between Customers and the Company  
Years 2005-2012

Line No.	Description (a)	2005* UE-060493 (b)	2006 UE-070623 (c)	2007 UE-080559 (d)	2008 UE-090452 (e)	2009 UE-100513 (f)	2010 UE-110313 (g)	2011 UE-120432 (h)	2012 UE-13---- (i)	Total (j)
<u>BPA Settlement - Washington Allocated Share</u>										
1	BPA settlement by year	(\$696,185)	(\$660,407)	(\$615,633)	(\$600,242)	(\$783,533)	(\$2,488,000)	(\$2,656,000)	(\$3,192,000)	(\$11,692,000)
2	Washington allocation	66.29%	65.16%	65.16%	65.83%	64.59%	64.59%	64.87%	65.16%	
3	Washington allocated share of settlement	(\$461,501)	(\$430,321)	(\$401,146)	(\$395,139)	(\$506,084)	(\$1,606,999)	(\$1,722,947)	(\$2,079,907)	<b>(\$7,604,044)</b>
<u>ERM Amounts Actually Absorbed by Company</u>										
4	Actual net power cost increase (decrease)	\$13,588,374	(\$2,601,664)	\$24,826,407	\$14,498,426	(\$3,037,637)	(\$12,375,435)	(\$19,208,401)	(\$14,582,892)	
5	\$4 million deadband	\$9,000,000	(\$2,601,664)	\$4,000,000	\$4,000,000	(\$3,037,637)	(Note 1)	(\$4,000,000)	(\$4,000,000)	
6	50% of next \$6 million (25% of -\$6 million)	0	0	3,000,000	3,000,000	0	(Note 1)	(1,500,000)	(1,500,000)	
7	10% of amount above \$10 million	458,837	0	1,482,641	449,843	0	(Note 1)	(920,840)	(458,289)	
8	Actual amount absorbed by the Company	\$9,458,837	(\$2,601,664)	\$8,482,641	\$7,449,843	(\$3,037,637)	(Note 1)	(\$6,420,840)	(\$5,958,289)	
9	Actual amount deferred to customers	\$4,129,537	\$0	\$16,343,766	\$7,048,583	\$0	(Note 1)	(\$12,787,561)	(\$8,624,603)	
<u>ERM Amounts Restated for BPA Settlement</u>										
10	Line 4 adjusted for BPA settlement	\$13,126,873	(\$3,031,985)	\$24,425,261	\$14,103,287	(\$3,543,721)	(\$13,982,434)	(\$20,931,348)	(\$16,662,799)	
11	\$4 million deadband	\$9,000,000	(\$3,031,985)	\$4,000,000	\$4,000,000	(\$3,543,721)	(Note 1)	(\$4,000,000)	(\$4,000,000)	
12	50% of next \$6 million (25% of -\$6 million)	0	0	3,000,000	3,000,000	0	(Note 1)	(1,500,000)	(1,500,000)	
13	10% of amount above \$10 million	412,687	0	1,442,526	410,329	0	(Note 1)	(1,093,135)	(666,280)	
14	Absorbed amount adjusted for BPA settlement	\$9,412,687	(\$3,031,985)	\$8,442,526	\$7,410,329	(\$3,543,721)	(Note 1)	(\$6,593,135)	(\$6,166,280)	
15	Restated amount deferred to customers	\$3,714,186	\$0	\$15,982,735	\$6,692,958	\$0	(Note 1)	(\$14,338,213)	(\$10,496,519)	
<u>BPA Settlement due Customers/Company</u>										
16	Portion of BPA settlement due customers	(415,351)	0	(361,031)	(355,625)	0	0	(1,550,652)	(1,871,916)	<b>(\$4,554,575)</b>
17	Portion of BPA settlement due Co. (In 14 - In 8)	(\$46,150)	(\$430,321)	(\$40,115)	(\$39,514)	(\$506,084)	(\$1,606,999)	(\$172,295)	(\$207,991)	<b>(\$3,049,469)</b>
18	Total Washington portion	(\$461,501)	(\$430,321)	(\$401,146)	(\$395,139)	(\$506,084)	(\$1,606,999)	(\$1,722,947)	(\$2,079,907)	<b>(\$7,604,044)</b>

\*In 2005 there was a \$9,000,000 deadband with a 90/10 sharing above the deadband.

Note 1: Per the Settlement Stipulation in Dockets UE-100467 and UG-100468 the Company absorbed Lancaster costs in excess of \$6.8 million and took the risk on any changes in ERM-related power supply costs for 2010.