



Bob Ferguson
ATTORNEY GENERAL OF WASHINGTON

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July 16, 2021

SENT VIA WEB PORTAL

Mark L. Johnson
Executive Director and Secretary
Washington Utilities and Transportation Commission
621 Woodland Square Loop SE
Lacey, Washington 98503

Re: *WUTC v. Avista Corp.*, 2020 General Rate Case
Dockets UE-200900 and UG-200901

Dear Mr. Johnson:

Enclosed please find Public Counsel's response to Bench Request No. 4, including a revised final issues matrix and an explanation, provided below, of updates to Andrea Crane's revenue requirement models. Andrea Crane's revised models accompany this letter in excel and pdf format for 2nd Revised Exhibits ACC-3r2 through ACC-8r2. Exhibits ACC-3r2 and ACC-4r2 originate from the excel file "Crane 2020 Schedules Electric UPDATED FOR REBUTTAL.xlsx" and Exhibits ACC-6r2 and ACC-7r2 originate from the excel file "Crane 2020 Schedules Gas UPDATED FOR REBUTTAL.xlsx"; Exhibits ACC-5r2 and ACC-8r2 have their own individual excel files that they originate from.

See the list below for explanations of revisions to Andrea Crane's exhibits:

Electric:

- 2.04** Regulatory Expense – Reflects Avista Rebuttal update
- 3.01** Pro Forma Revenue Normalization – Reflects Avista Rebuttal update
- 3.07** Pro Forma Insurance Expense – Reflects Avista Rebuttal update for Directors and Officers Insurance but still includes Public Counsel's recommendation to disallow 50% of D&O insurance.
- 3.09** Pro Forma Property Tax – Reflects Avista Rebuttal update
- 3.18** Pro Forma EIM Expenditure – Reflects multi-party settlement at Public Counsel's recommended return on equity
- 3.2** Pro Forma Normalize CS2/Colstrip Major Maintenance – Reflects Avista Rebuttal Update

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State Of WASH.
UTIL. AND TRANSP.
COMMISSION

To: Mark L. Johnson, WUTC
RE: Dockets UE-200900 and UG-200901 (*Consolidated*)
July 16, 2021
Page 2 of 2

Gas:

- 2.04** Regulatory Expense – Reflects Avista Rebuttal update
- 3.07** Pro Forma Insurance Expense – Reflects Avista Rebuttal update for Directors and Officers Insurance but still includes Public Counsel’s recommendation to disallow 50% of D&O insurance.
- 3.09** Pro Forma Property Tax – Reflects Avista Rebuttal update

Sincerely,

/s/ 

NINA SUETAKE, WSBA NO. 53574
Assistant Attorney General
Public Counsel
(206) 389-2055

NMS/KMB

Enclosures

cc: Service List (E-mail)

CERTIFICATE OF SERVICE

**DOCKET UE-200900 & UG-200901 (Consolidated)
WUTC v. Avista Corp. (2020 General Rate Case)**

I HEREBY CERTIFY that I have this day served *Response to Bench Request No. 4 on behalf of Public Counsel* upon all parties of record in this proceeding, by electronic transmission to the email address(es) or by mailing a true and correct copy, postage prepaid, to each party or party representative listed in the Commission's master service list for this docket.

HC = Receives Highly Confidential; C = Receives Confidential; NC = Receives Non-Confidential

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Dated at Seattle, Washington this 16th day of July, 2021.

/s/ 
KEVIN BURDET
Legal Assistant
Public Counsel Unit

**BEFORE THE WASHINGTON
UTILITIES & TRANSPORTATION COMMISSION**

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION,

Complainant,

v.

AVISTA CORPORATION d/b/a AVISTA UTILITIES,

Respondent.

DOCKET NOS. UE-200900 and UG-200901 (*Consolidated*)

ANDREA C. CRANE

**ON BEHALF OF THE
WASHINGTON STATE OFFICE OF THE ATTORNEY GENERAL
PUBLIC COUNSEL UNIT**

EXHIBIT ACC-5r2

Summary of Recommended Washington Electric Revenue Requirement Adjustments

April 21, 2021

**SECOND REVISED
JULY 16, 2021**

SUMMARY OF RECOMMENDED ELECTRIC ADJUSTMENTS

<u>Adjustments Due to Cost of Capital/Capital Structure:</u>	<u>Recommended</u>	<u>Company</u>	<u>Difference</u>
1.00 Results of Operation	\$4,438	\$15,941	(\$11,503)
1.03 Working Capital	(317)	(343)	26
1.04 Remove AMI Rate Base	(4,082)	(4,417)	335
2.14 Restate Debt Interest	870	1,237	(367)
2.19 Restate AMA Rate Base to EOP	4,589	4,729	(140)
3.02 Def. Debits, Credits, and Reg. Amort.	(2,593)	(2,598)	5
3.11 2020 Customer At Center	3,005	3,076	(71)
3.12 2020 Large and Distinct	1,770	1,896	(126)
3.13 2020 Programmatic	4,901	5,230	(329)
3.14 2020 Mandatory & Compliance	3,813	4,068	(255)
3.15 2020 Short Lived	2,871	2,942	(71)
3.18 EIM	4,621	4,707	(86)
3.21 Restate 2019 ADIT	(2,582)	(2,794)	212
<u>Other Revenue Requirement Adjustments:</u>			
2.05 Injuries and Damages Expense	25	53	(28)
2.13 Restating Incentives	(1,335)	788	(2,123)
3.04 Labor - Non-Executive Expense	1,838	3,417	(1,579)
3.07 Insurance Expense	2,353	2,569	(216)
3.08 IS/IT Expense	1,105	2,105	(1,000)
3.16 AMI Capital	11,513	18,080	(6,567)
3.17 Wildfire Resiliency Plan	4,434	5,564	(1,130)
3.19 Colstrip Plant and Amort.	(2,477)	(2,511)	34
SmartBurn	(329)	0	(329)
Substation Rebuilds	(1,255)	0	(1,255)
Grid Modernization	(1,310)	0	(1,310)
Total Adjustments			(\$27,873)
Company Claim			40,155
Recommended Base Revenue Increase			<u>\$12,282</u>

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Complainant,

v.

AVISTA CORPORATION d/b/a AVISTA UTILITIES,

Respondent.

DOCKET NOS. UE-200900 and UG-200901 (*Consolidated*)

ANDREA C. CRANE

**ON BEHALF OF THE
WASHINGTON STATE OFFICE OF THE ATTORNEY GENERAL
PUBLIC COUNSEL UNIT**

EXHIBIT ACC-6r2

Calculation of Recommended General Revenue Requirement — Washington Gas
Operations

April 21, 2021

**SECOND REVISED
JULY 16, 2021**

AVISTA UTILITIES
CALCULATION OF RECOMMENDED GENERAL REVENUE REQUIREMENT
WASHINGTON NATURAL GAS
TWELVE MONTHS ENDED DECEMBER 31, 2019

Line No.	Description	Recommended Base Rate Change		Overall Bill Impact
		10/1/2021 (000's of Dollars)	Tariff Schedule 176	
1	Pro Forma Rate Base	\$ 416,198		
2	Proposed Rate of Return	6.92%		
3	Net Operating Income Requirement	\$28,809		
4	Pro Forma Net Operating Income	\$ 25,804		
5	Net Operating Income Deficiency	\$3,005		
6	Conversion Factor	0.755463		
7	Revenue Requirement	\$3,978	\$ (3,978)	\$ -
8	Total Base Distribution Revenues*	\$ 105,173		
9	Percentage Base Distribution Revenue Increase	3.78%	-3.78%	0.0%
10	Total Present Billed Revenue	\$ 161,345		
11	Percentage Billed Revenue Increase	2.47%	-2.47%	0.0%

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

**AVISTA UTILITIES
RECOMMENDED COST OF CAPITAL
WASHINGTON NATURAL GAS**

Recommended Capital Structure

Component	Capital Structure	Cost	Weighted Cost
Debt	51.5%	4.97%	2.56%
Common	48.5%	9.00%	4.37%
Total	<u>100.00%</u>		<u>6.92%</u>

**BEFORE THE WASHINGTON
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WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION,

Complainant,

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AVISTA CORPORATION d/b/a AVISTA UTILITIES,

Respondent.

DOCKET NOS. UE-200900 and UG-200901 (*Consolidated*)

ANDREA C. CRANE

**ON BEHALF OF THE
WASHINGTON STATE OFFICE OF THE ATTORNEY GENERAL
PUBLIC COUNSEL UNIT**

EXHIBIT ACC-7r2

Details of Washington Gas Revenue Requirement Adjustments

April 21, 2021

<p>SECOND REVISED JULY 16, 2021</p>
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AVISTA UTILITIES
WASHINGTON NATURAL GAS
TWELVE MONTHS ENDED DECEMBER 31, 2019
(000'S OF DOLLARS)

Actual **RESTATEMENT ADJUSTMENTS**
Results

Line No.	DESCRIPTION	ROR												
		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	Injuries & Damages	FIT / DFIT Expense	Office Space Charges to Non-Utility	
		1.00	1.01	1.02	1.03	1.04	2.01	2.02	2.03	2.04	2.05	2.06	2.07	
		G-ROO	G-DFIT	G-DDC	G-WC	G-AMI	G-EBO	G-RPT	I	G-RE	G-ID	G-FIT	G-OSC	
	Adjustment Number													
	Worksheet Reference													
	REVENUES													
1	Total General Business	\$ 142,552	\$ -	\$ -	\$ -	\$ -	\$ (5,116)	\$ -	\$ 0	\$ 0	\$ -	\$ -	\$ -	
2	Total Transportation	5,183	-	-	-	-	(131)	-	-	-	-	-	-	
3	Other Revenues	60,090	-	-	-	-	-	-	-	-	-	-	-	
4	Total Gas Revenues	207,825	-	-	-	-	(5,247)	-	-	-	-	-	-	
	EXPENSES													
	Production Expenses													
5	City Gate Purchases	100,541	-	-	-	-	-	-	-	-	-	-	-	
6	Purchased Gas Expense	959	-	-	-	-	-	-	-	-	-	-	-	
7	Net Nat Gas Storage Trans	(1,928)	-	-	-	-	-	-	-	-	-	-	-	
8	Total Production	99,572	-	-	-	-	-	-	-	-	-	-	-	
	Underground Storage													
9	Operating Expenses	1,883	-	-	-	-	-	-	-	-	-	-	-	
10	Depreciation/Amortization	494	-	-	-	-	-	-	-	-	-	-	-	
11	Taxes	323	-	-	-	-	-	(66)	-	-	-	-	-	
12	Total Underground Storage	2,700	-	-	-	-	-	(66)	-	-	-	-	-	
	Distribution													
13	Operating Expenses	13,669	-	-	-	-	-	-	-	-	-	-	-	
14	Depreciation/Amortization	12,469	-	-	-	-	-	-	-	-	-	-	-	
15	Taxes	13,739	-	-	-	-	(5,235)	305	-	-	-	-	-	
16	Total Distribution	39,877	-	-	-	-	(5,235)	305	-	-	-	-	-	
17	Customer Accounting	6,398	-	15	-	-	-	-	166	-	-	-	-	
18	Customer Service & Information	9,664	-	-	-	-	-	-	-	-	-	-	-	
19	Sales Expenses	-	-	-	-	-	-	-	-	-	-	-	-	
	Administrative & General													
20	Operating Expenses	15,696	-	-	-	-	-	-	-	4	(9)	-	(16)	
21	Depreciation/Amortization	10,678	-	-	-	-	-	-	-	-	-	-	-	
22	Regulatory Amortizations	(3,003)	-	-	-	-	-	-	-	-	-	-	-	
23	Taxes	-	-	-	-	-	-	-	-	-	-	-	-	
24	Total Admin. & General	23,371	-	-	-	-	-	-	-	4	(9)	-	(16)	
25	Total Gas Expense	181,582	-	15	-	-	(5,235)	239	166	4	(9)	-	(16)	
26	OPERATING INCOME BEFORE FIT	26,243	-	(15)	-	-	(12)	(239)	(166)	(4)	9	-	16	
	FEDERAL INCOME TAX													
27	Current Accrual	(4,720)	-	(3)	-	-	(3)	(50)	(35)	(1)	2	-	3	
28	Debt Interest	-	5	0	6	99	-	-	-	-	-	-	-	
29	Deferred FIT	6,501	-	-	-	-	-	-	-	-	-	53	-	
30	Amort ITC	(12)	-	-	-	-	-	-	-	-	-	-	-	
31	NET OPERATING INCOME	\$ 24,474	\$ (5)	\$ (12)	\$ (6)	\$ (99)	\$ (9)	\$ (189)	\$ (131)	\$ (3)	\$ 7	\$ (53)	\$ 13	
	RATE BASE													
	PLANT IN SERVICE													
32	Underground Storage	\$ 29,714	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
33	Distribution Plant	505,864	-	-	-	(10,036)	-	-	-	-	-	-	-	
34	General Plant	141,661	-	-	-	(11,292)	-	-	-	-	-	-	-	
35	Total Plant in Service	677,239	-	-	-	(21,328)	-	-	-	-	-	-	-	
	ACCUMULATED DEPRECIATION/AMORT													
36	Underground Storage	(11,566)	-	-	-	-	-	-	-	-	-	-	-	
37	Distribution Plant	(151,240)	-	-	-	301	-	-	-	-	-	-	-	
38	General Plant	(38,750)	-	-	-	1,658	-	-	-	-	-	-	-	
39	Total Accumulated Depreciation/Amortization	(201,556)	-	-	-	1,959	-	-	-	-	-	-	-	
40	NET PLANT	475,683	-	-	-	(19,369)	-	-	-	-	-	-	-	
41	DEFERRED TAXES	(91,014)	(994)	-	-	1,019	-	-	-	-	-	-	-	
42	Net Plant After DFIT	384,669	(994)	-	-	(18,350)	-	-	-	-	-	-	-	
43	GAS INVENTORY	10,411	-	-	-	-	-	-	-	-	-	-	-	
44	GAIN ON SALE OF BUILDING	-	-	-	-	-	-	-	-	-	-	-	-	
45	OTHER	7,359	-	(1)	-	(53)	-	-	-	-	-	-	-	
46	WORKING CAPITAL	3,494	-	-	(1,144)	-	-	-	-	-	-	-	-	
47	TOTAL RATE BASE	\$ 405,933	\$ (994)	\$ (1)	\$ (1,144)	\$ (18,403)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
48	RATE OF RETURN	6.03%												
50	REVENUE REQUIREMENT	4,798	-84	16	-97	-1,555	13	250	174	4	-9	70	-17	

AVISTA UTILITIES
WASHINGTON NATURAL GAS
TWELVE MONTHS ENDED DECEMBER 31, 2019
(000'S OF DOLLARS)

Line No.	DESCRIPTION	Adjustment						ROR	ROR
		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	Restating Incentives Expense 2.13 G-RI	Restate Debt Interest 2.14 G-DI	Restate 2019 AMA Rate Base to EOP 2.15 G-EOP19
	Adjustment Number								
	Workpaper Reference								
	REVENUES								
1	Total General Business	\$ -	\$ -	\$ (3,931)	\$ 8,060	\$ -	\$ -	\$ -	
2	Total Transportation	-	-	-	-	-	-	-	
3	Other Revenues	-	-	2,095	(59,974)	(444)	-	-	
4	Total Gas Revenues	-	-	(1,836)	(51,914)	(444)	-	-	
	EXPENSES								
	Production Expenses								
5	City Gate Purchases	-	-	(1,655)	(47,738)	-	-	-	
6	Purchased Gas Expense	-	-	(3)	-	-	-	-	
7	Net Nat Gas Storage Trans	-	-	-	1,928	-	-	-	
8	Total Production	-	-	(1,658)	(45,810)	-	-	-	
	Underground Storage								
9	Operating Expenses	-	-	-	-	-	-	-	
10	Depreciation/Amortization	-	-	-	-	-	-	(164)	
11	Taxes	-	-	-	-	-	-	-	
12	Total Underground Storage	-	-	-	-	-	-	(164)	
	Distribution								
13	Operating Expenses	-	-	-	-	(2)	-	-	
14	Depreciation/Amortization	-	(11)	-	-	-	-	(112)	
15	Taxes	1	-	(151)	309	-	-	-	
16	Total Distribution	1	(11)	(151)	309	(2)	-	(112)	
17	Customer Accounting	-	-	(13)	27	-	-	-	
18	Customer Service & Information	-	-	-	(8,485)	1	-	-	
19	Sales Expenses	-	-	-	-	-	-	-	
	Administrative & General								
20	Operating Expenses	-	-	(8)	16	(399)	(371)	-	
21	Depreciation/Amortization	-	-	-	-	-	-	14	
22	Regulatory Amortizations	-	-	-	1,205	-	-	-	
23	Taxes	-	-	-	-	-	-	-	
24	Total Admin. & General	-	-	(8)	1,221	(399)	(371)	14	
25	Total Gas Expense	1	(11)	(1,830)	(52,738)	(400)	(371)	(262)	
26	OPERATING INCOME BEFORE FIT	(1)	11	(6)	824	(44)	371	262	
	FEDERAL INCOME TAX								
27	Current Accrual	(0)	2	(1)	173	(9)	78	55	
28	Debt Interest	-	-	-	-	-	-	(68)	
29	Deferred FIT	-	-	-	651	-	-	-	
30	Amort ITC	-	-	-	-	-	-	-	
31	NET OPERATING INCOME	\$ (1)	\$ 9	\$ (5)	\$ (0)	\$ (35)	\$ 293	\$ (156)	\$ 275
	RATE BASE								
	PLANT IN SERVICE								
32	Underground Storage	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	700
33	Distribution Plant	-	-	-	-	-	-	-	4,409
34	General Plant	-	-	-	-	-	-	-	8,492
35	Total Plant in Service	-	-	-	-	-	-	-	13,601
	ACCUMULATED DEPRECIATION/AMORT								
36	Underground Storage	-	-	-	-	-	-	-	(223)
37	Distribution Plant	-	-	-	-	-	-	-	2,029
38	General Plant	-	-	-	-	-	-	-	(2,799)
39	Total Accumulated Depreciation/Amortization	-	-	-	-	-	-	-	(994)
40	NET PLANT	-	-	-	-	-	-	-	12,608
41	DEFERRED TAXES	-	-	-	-	-	-	-	123
42	Net Plant After DFIT	-	-	-	-	-	-	-	12,731
43	GAS INVENTORY	-	-	-	-	-	-	-	-
44	GAIN ON SALE OF BUILDING	-	-	-	-	-	-	-	-
45	OTHER	-	-	-	-	-	-	-	-
46	WORKING CAPITAL	-	-	-	-	-	-	-	-
47	TOTAL RATE BASE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	12,731
48	RATE OF RETURN								
50	REVENUE REQUIREMENT	1	-12	6	0	46	-388	206	802

(1) The Restated TOTAL column does not represent 12/31/2019 Tes on a normalized basis (CBR basis). Differences exists due to inclusions CBR actual cost of debt) impacting Adjustment 2.14 above, and the

AVISTA UTILITIES
WASHINGTON NATURAL GAS
TWELVE MONTHS ENDED DECEMBER 31, 2019
(000'S OF DOLLARS)

PRO FORMA ADJUSTMENTS

Line No.	DESCRIPTION	Restated TOTAL	Adjustment								
			Pro Forma Revenue Normalization	Pro Forma Def. Debits, Credits & Regulatory Amorts	Pro Forma ARAM DFIT	Pro Forma Labor Non-Exec	Pro Forma Labor Exec	Pro Forma Employee Benefits			
			3.01 G-PREV	3.02 G-PRA	3.03 G-ARAM	3.04 G-PLN	3.05 G-PLE	3.06 G-PEB			
	Adjustment Number										
	Workpaper Reference	R-Ttl									
	REVENUES										
1	Total General Business	\$ 141,565	\$ (41,734)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2	Total Transportation	5,052	290	-	-	-	-	-	-	-	-
3	Other Revenues	1,767	(1,153)	-	-	-	-	-	-	-	-
4	Total Gas Revenues	148,384	(42,597)	-	-	-	-	-	-	-	-
	EXPENSES										
	Production Expenses										
5	City Gate Purchases	51,148	(51,148)	-	-	-	-	-	-	-	-
6	Purchased Gas Expense	956	-	-	-	-	16	-	-	-	11
7	Net Nat Gas Storage Trans	-	-	-	-	-	-	-	-	-	-
8	Total Production	52,104	(51,148)	-	-	-	16	-	-	-	11
	Underground Storage										
9	Operating Expenses	1,883	-	-	-	-	-	-	-	-	-
10	Depreciation/Amortization	330	-	-	-	-	-	-	-	-	-
11	Taxes	257	-	-	-	-	-	-	-	-	-
12	Total Underground Storage	2,470	-	-	-	-	-	-	-	-	-
	Distribution										
13	Operating Expenses	13,667	-	-	-	-	230	-	-	-	167
14	Depreciation/Amortization	12,346	-	-	-	-	-	-	-	-	-
15	Taxes	8,968	(1,591)	-	-	-	-	-	-	-	-
16	Total Distribution	34,981	(1,591)	-	-	-	230	-	-	-	167
17	Customer Accounting	6,593	(138)	-	-	-	109	-	-	-	78
18	Customer Service & Information	1,180	-	-	-	-	10	-	-	-	8
19	Sales Expenses	-	-	-	-	-	-	-	-	-	-
	Administrative & General										
20	Operating Expenses	14,913	(83)	-	-	-	161	(97)	-	-	108
21	Depreciation/Amortization	10,692	-	-	-	-	-	-	-	-	-
22	Regulatory Amortizations	(1,798)	-	(230)	-	-	-	-	-	-	-
23	Taxes	-	-	-	-	-	-	-	-	-	-
24	Total Admin. & General	23,807	(83)	(230)	-	-	161	(97)	-	-	108
25	Total Gas Expense	121,135	(52,960)	(230)	-	-	526	(97)	-	-	372
26	OPERATING INCOME BEFORE FIT	27,249	10,363	230	-	-	(526)	97	-	-	(372)
	FEDERAL INCOME TAX										
27	Current Accrual	(4,353)	2,176	48	-	-	(110)	20	-	-	(78)
28	Debt Interest	42	-	-	-	-	-	-	-	-	-
29	Deferred FIT	7,205	-	-	(5)	-	-	-	-	-	-
30	Amort ITC	(12)	-	-	-	-	-	-	-	-	-
31	NET OPERATING INCOME	\$ 24,367	\$ 8,187	\$ 182	\$ -	\$ -	\$ (416)	\$ 77	\$ -	\$ -	\$ (294)
	RATE BASE										
	PLANT IN SERVICE										
32	Underground Storage	\$ 30,414	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
33	Distribution Plant	500,237	-	-	-	-	-	-	-	-	-
34	General Plant	138,861	-	-	-	-	-	-	-	-	-
35	Total Plant in Service	669,512	-	-	-	-	-	-	-	-	-
	ACCUMULATED DEPRECIATION/AMORT										
36	Underground Storage	(11,789)	-	-	-	-	-	-	-	-	-
37	Distribution Plant	(148,910)	-	-	-	-	-	-	-	-	-
38	General Plant	(39,891)	-	-	-	-	-	-	-	-	-
39	Total Accumulated Depreciation/Amortization	(200,591)	-	-	-	-	-	-	-	-	-
40	NET PLANT	468,922	-	-	-	-	-	-	-	-	-
41	DEFERRED TAXES	(90,866)	-	-	-	-	-	-	-	-	-
42	Net Plant After DFIT	378,056	-	-	-	-	-	-	-	-	-
43	GAS INVENTORY	10,411	-	-	-	-	-	-	-	-	-
44	GAIN ON SALE OF BUILDING	-	-	-	-	-	-	-	-	-	-
45	OTHER	7,305	-	-	-	-	-	-	-	-	-
46	WORKING CAPITAL	2,350	-	-	-	-	-	-	-	-	-
47	TOTAL RATE BASE	\$ 398,122	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
48	RATE OF RETURN	(1)									
50	REVENUE REQUIREMENT	4,224	-10,837	-241	-7	550	-101	389			

: Period Commission Basis results of operation
of proposed cost of debt (pro forma versus
nclusion of Restate 2019 AMA Rate base to

AVISTA UTILITIES
WASHINGTON NATURAL GAS
TWELVE MONTHS ENDED DECEMBER 31, 2019
(000'S OF DOLLARS)

Line No.	DESCRIPTION	Adjustment	Adjustment	ROR		ROR		ROR		ROR	
		Pro Forma Insurance Expense 3.07	Pro Forma IS/IT Expense 3.08	Pro Forma Property Tax 3.09	Pro Forma Fee Free Amortization 3.10	Pro Forma 2020 Customer At Center 3.11	Pro Forma 2020 Large & Distinct 3.12	Pro Forma 2020 Programmatic 3.13	Pro Forma 2020 Mandatory & Compliance 3.14	Pro Forma 2020 Short Lived 3.15	
	Adjustment Number	3.07	3.08	3.09	3.10	3.11	3.12	3.13	3.14	3.15	
	Workpaper Reference	G-PINS	G-PIT	G-PPT	G-PFEE	G-PCAP1	G-PCAP2	G-PCAP3	G-PCAP4	G-PCAP5	
	REVENUES										
1	Total General Business	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
2	Total Transportation	-	-	-	-	-	-	-	-	-	
3	Other Revenues	-	-	-	-	-	-	-	-	-	
4	Total Gas Revenues	-	-	-	-	-	-	-	-	-	
	EXPENSES										
	Production Expenses										
5	City Gate Purchases	-	-	-	-	-	-	-	-	-	
6	Purchased Gas Expense	-	-	-	-	-	-	-	-	-	
7	Net Nat Gas Storage Trans	-	-	-	-	-	-	-	-	-	
8	Total Production	-	-	-	-	-	-	-	-	-	
	Underground Storage										
9	Operating Expenses	-	-	-	-	-	-	-	-	-	
10	Depreciation/Amortization	-	-	-	-	-	21	-	-	-	
11	Taxes	-	-	9	-	-	-	-	-	-	
12	Total Underground Storage	-	-	9	-	-	21	-	-	-	
	Distribution										
13	Operating Expenses	-	-	-	-	-	-	-	-	-	
14	Depreciation/Amortization	-	-	-	-	-	94	88	204	-	
15	Taxes	-	-	116	-	-	-	-	-	-	
16	Total Distribution	-	-	116	-	-	94	88	204	-	
17	Customer Accounting	-	-	-	67	-	-	-	-	-	
18	Customer Service & Information	-	-	-	-	-	-	-	-	-	
19	Sales Expenses	-	-	-	-	-	-	-	-	-	
	Administrative & General										
20	Operating Expenses	217	333	-	-	-	-	-	-	-	
21	Depreciation/Amortization	-	-	-	-	588	3	56	(4)	557	
22	Regulatory Amortizations	-	-	-	805	-	-	-	-	-	
23	Taxes	-	-	-	-	-	-	-	-	-	
24	Total Admin. & General	217	333	-	805	588	3	56	(4)	557	
25	Total Gas Expense	217	333	125	872	588	118	144	200	557	
26	OPERATING INCOME BEFORE FIT	(217)	(333)	(125)	(872)	(588)	(118)	(144)	(200)	(557)	
	FEDERAL INCOME TAX										
27	Current Accrual	(46)	(70)	(26)	(183)	(123)	(25)	(30)	(42)	(117)	
28	Debt Interest	-	-	-	-	(16)	(39)	(36)	(56)	(16)	
29	Deferred FIT	-	-	-	-	-	-	-	-	-	
30	Amort ITC	-	-	-	-	-	-	-	-	-	
31	NET OPERATING INCOME	\$ (171)	\$ (263)	\$ (99)	\$ (689)	\$ (448)	\$ (54)	\$ (78)	\$ (102)	\$ (424)	
	RATE BASE										
	PLANT IN SERVICE										
32	Underground Storage	\$ -	\$ -	\$ -	\$ -	\$ -	1,464	\$ -	\$ -	\$ -	
33	Distribution Plant	-	-	-	-	-	3,821	3,579	8,342	-	
34	General Plant	-	-	-	-	2,368	410	1,116	27	1,871	
35	Total Plant in Service	-	-	-	-	2,368	5,695	4,695	8,369	1,871	
	ACCUMULATED DEPRECIATION/AMORT										
36	Underground Storage	-	-	-	-	-	(9)	-	-	-	
37	Distribution Plant	-	-	-	-	-	965	914	2,140	-	
38	General Plant	-	-	-	-	692	764	1,213	244	1,155	
39	Total Accumulated Depreciation/Amortization	-	-	-	-	692	1,720	2,127	2,384	1,155	
40	NET PLANT	-	-	-	-	3,060	7,415	6,822	10,753	3,026	
41	DEFERRED TAXES	-	-	-	-	(66)	(164)	(192)	(284)	(60)	
42	Net Plant After DFIT	-	-	-	-	2,994	7,251	6,630	10,469	2,966	
43	GAS INVENTORY	-	-	-	-	-	-	-	-	-	
44	GAIN ON SALE OF BUILDING	-	-	-	-	-	-	-	-	-	
45	OTHER	-	-	-	-	-	-	-	-	-	
46	WORKING CAPITAL	-	-	-	-	-	-	-	-	-	
47	TOTAL RATE BASE	\$ -	\$ -	\$ -	\$ -	\$ 2,994	\$ 7,251	\$ 6,630	\$ 10,469	\$ 2,966	
48	RATE OF RETURN										
50	REVENUE REQUIREMENT	227	348	131	912	868	736	711	1,094	833	

AVISTA UTILITIES
WASHINGTON NATURAL GAS
TWELVE MONTHS ENDED DECEMBER 31, 2019
(000'S OF DOLLARS)

Revised to Reflect
Filed 2019 Tax Ret

Line No.	DESCRIPTION	Adjustment			Pro Forma Total
		Pro Forma AMI Capital Adds	ROR LEAP Deferral Amortization	ROR Restate 2019 ADFIT	
	Adjustment Number	3.16	3.17	3.18	
	Workpaper Reference	G-PAMI	G-PLEAP	G-RDFIT	PF-STd
	REVENUES				
1	Total General Business	\$ -	\$ -	\$ -	\$ 99,831
2	Total Transportation	-	-	-	\$ 5,342
3	Other Revenues	-	-	-	614
4	Total Gas Revenues	-	-	-	105,787
	EXPENSES				
	Production Expenses				
5	City Gate Purchases	-	-	-	-
6	Purchased Gas Expense	-	-	-	983
7	Net Nat Gas Storage Trans	-	-	-	-
8	Total Production	-	-	-	983
	Underground Storage				
9	Operating Expenses	-	-	-	1,883
10	Depreciation/Amortization	-	-	-	351
11	Taxes	-	-	-	266
12	Total Underground Storage	-	-	-	2,500
	Distribution				
13	Operating Expenses	(944)	-	-	13,120
14	Depreciation/Amortization	776	-	-	13,508
15	Taxes	-	-	-	7,493
16	Total Distribution	(168)	-	-	34,121
17	Customer Accounting	-	-	-	6,709
18	Customer Service & Information	-	-	-	1,198
19	Sales Expenses	-	-	-	-
	Administrative & General				
20	Operating Expenses	-	-	-	15,552
21	Depreciation/Amortization	75	-	-	11,967
22	Regulatory Amortizations	3,491	1,550	-	3,818
23	Taxes	-	-	-	-
24	Total Admin. & General	3,566	1,550	-	31,337
25	Total Gas Expense	3,398	1,550	-	76,848
26	OPERATING INCOME BEFORE FIT	(3,398)	(1,550)	-	28,939
	FEDERAL INCOME TAX				
27	Current Accrual	(714)	(326)	-	(3,998)
28	Debt Interest	(37)	21	82	(55)
29	Deferred FIT	-	-	-	7,200
30	Amort ITC	-	-	-	(12)
31	NET OPERATING INCOME	\$ (2,647)	\$ (1,246)	\$ (82)	\$ 25,804
	RATE BASE				
	PLANT IN SERVICE				
32	Underground Storage	\$ -	\$ -	\$ -	\$ 31,878
33	Distribution Plant	(5,268)	-	-	510,711
34	General Plant	-	-	-	144,653
35	Total Plant in Service	(5,268)	-	-	687,242
	ACCUMULATED DEPRECIATION/AMORT				
36	Underground Storage	-	-	-	(11,798)
37	Distribution Plant	867	-	-	(144,024)
38	General Plant	-	-	-	(35,823)
39	Total Accumulated Dcpreciation/Amortization	867	-	-	(191,646)
40	NET PLANT	(4,401)	-	-	495,597
41	DEFERRED TAXES	(4,222)	-	(15,228)	(111,082)
42	Net Plant After DFIT	(8,623)	-	(15,228)	384,515
43	GAS INVENTORY	-	-	-	10,411
44	GAIN ON SALE OF BUILDING	-	-	-	-
45	OTHER	15,576	(3,959)	-	18,922
46	WORKING CAPITAL	-	-	-	2,350
47	TOTAL RATE BASE	\$ 6,953	\$ (3,959)	\$ (15,228)	\$ 416,198
48	RATE OF RETURN				
50	REVENUE REQUIREMENT	4,141	1,286	-1,287	0 3,978

**BEFORE THE WASHINGTON
UTILITIES & TRANSPORTATION COMMISSION**

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION,

Complainant,

v.

AVISTA CORPORATION d/b/a AVISTA UTILITIES,

Respondent.

DOCKET NOS. UE-200900 and UG-200901 (*Consolidated*)

ANDREA C. CRANE

**ON BEHALF OF THE
WASHINGTON STATE OFFICE OF THE ATTORNEY GENERAL
PUBLIC COUNSEL UNIT**

EXHIBIT ACC-8r2

Summary of Recommended Washington Gas Revenue Requirement Adjustments

April 21, 2021

**SECOND REVISED
JULY 16, 2021**

SUMMARY OF RECOMMENDED GAS ADJUSTMENTS

<u>Adjustments Due to Cost of Capital/Capital Structure:</u>	<u>Recommended</u>	<u>Company</u>	<u>Difference</u>
1.00 Results of Operation	\$4,798	\$7,528	(\$2,730)
1.01 Deferred FIT	(84)	(91)	7
1.03 Working Capital	(97)	(105)	8
1.04 Remove AMI Rate Base	(1,555)	(1,683)	128
2.14 Restate Debt Interest	206	294	(88)
2.15 Restate AMA Rate Base to EOP	802	890	(88)
3.11 2020 Customer At Center	868	889	(21)
3.12 2020 Large and Distinct	736	787	(51)
3.13 2020 Programmatic	711	757	(46)
3.14 2020 Mandatory & Compliance	1,094	1,167	(73)
3.15 2020 Short Lived	833	854	(21)
3.17 LEAP Deferral Amortization	1,286	1,259	27
3.18G Restate 2019 ADIT	(1,287)	(1,393)	106
<u>Other Revenue Requirement Adjustments:</u>			
2.13 Restating Incentives	(388)	229	(617)
3.04 Labor - Non-Executive Expense	550	1,022	(472)
3.07 Insurance Expense	227	292	(65)
3.08 IS/IT Expense	348	653	(305)
3.16 AMI Capital	4,141	6,579	(2,438)
Total Adjustments			(\$6,739)
Company Claim			10,714
Recommended Base Revenue Increase			<u>\$3,975</u>

**BEFORE THE WASHINGTON
UTILITIES & TRANSPORTATION COMMISSION**

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION,

Complainant,

v.

AVISTA CORPORATION d/b/a AVISTA UTILITIES,

Respondent.

DOCKET NOS. UE-200900 and UG-200901 (*Consolidated*)

ANDREA C. CRANE

**ON BEHALF OF THE
WASHINGTON STATE OFFICE OF THE ATTORNEY GENERAL
PUBLIC COUNSEL UNIT**

EXHIBIT ACC-4r2

Details of Washington Electric Revenue Requirement Adjustments

April 21, 2021

**SECOND REVISED
JULY 16, 2021**

AVISTA UTILITIES
WASHINGTON ELECTRIC RESULTS
TWELVE MONTHS ENDED DECEMBER 31, 2019
(000'S OF DOLLARS)

Line No.	DESCRIPTION	Actual Results									
		Restatement Adjustments									
		ROR		ROR			ROR				
		Results of Operations	Deferred FIT Rate Base	Deferred Debits and Credits	Working Capital	Remove AMI Rate Base	Eliminate B & O Taxes	Restate Property Tax	Uncollect. 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		E-ROO	E-DFIT	E-DDC	E-WC	E-AMI	E-EBO	E-RPT	0.52	E-RE	
REVENUES											
48.50% 9%											
1	Total General Business	\$546,549	\$0	\$0	\$0	\$0	(\$18,871)	\$0	\$0	\$0	
2	Interdepartmental Sales	1,228	-	-	-	-	-	-	-	-	
3	Sales for Resale	53,430	-	-	-	-	-	-	-	-	
4	Total Sales of Electricity	601,207	-	-	-	-	(18,871)	-	-	-	
5	Other Revenue	60,250	-	-	-	-	(14)	-	-	-	
6	Total Electric Revenue	661,457	-	-	-	-	(18,885)	-	-	-	
EXPENSES											
Production and Transmission											
7	Operating Expenses	170,553	-	5	-	-	-	-	-	-	
8	Purchased Power	89,083	-	-	-	-	-	-	-	-	
9	Depreciation/Amortization	32,447	-	-	-	-	-	-	-	0	
10	Regulatory Amortization	(712)	-	-	-	-	-	-	-	-	
11	Taxes	16,489	-	-	-	-	-	351	-	-	
12	Total Production & Transmission	307,860	-	5	-	-	-	351	-	-	
Distribution											
13	Operating Expenses	26,747	-	-	-	-	-	-	-	-	
14	Depreciation/Amortization	31,132	-	-	-	-	-	-	-	-	
	Regulatory Amortization	0	-	-	-	-	-	-	-	-	
15	Taxes	47,422	-	-	-	-	(18,805)	650	-	-	
16	Total Distribution	105,301	-	-	-	-	(18,805)	650	-	-	
17	Customer Accounting	9,916	-	52	-	-	-	-	1,437	-	
18	Customer Service & Information	28,425	-	-	-	-	-	-	-	-	
19	Sales Expenses	0	-	-	-	-	-	-	-	-	
Administrative & General											
20	Operating Expenses	55,880	-	-	-	-	-	-	-	37	
21	Depreciation/Amortization	35,595	-	-	-	-	-	-	-	-	
22	Regulatory Deferrals/Amortization	(9,018)	-	-	-	-	-	-	-	-	
23	Taxes	0	-	-	-	-	-	-	-	-	
24	Total Admin. & General	82,457	-	-	-	-	-	-	-	37	
25	Total Electric Expenses	533,959	-	57	-	-	(18,805)	1,001	1,437	37	
26	OPERATING INCOME BEFORE FIT	127,498	-	(57)	-	-	(80)	(1,001)	(1,437)	(37)	
FEDERAL INCOME TAX											
27	Current Accrual	4,963	-	(12)	-	-	(17)	(210)	(302)	(8)	
28	Debt Interest	0	(0)	(0)	20	259	-	-	-	-	
29	Deferred Income Taxes	7,830	-	-	-	-	-	-	-	-	
30	Amortized ITC - Noxon	(318)	-	-	-	-	-	-	-	-	
31	NET OPERATING INCOME	\$115,023	\$0	(\$45)	(\$20)	(\$259)	(\$63)	(\$791)	(\$1,135)	(\$29)	
RATE BASE											
PLANT IN SERVICE											
32	Intangible	211,035	\$0	\$0	\$0	(\$30,225)	\$0	\$0	\$0	\$0	
33	Production	930,160	-	-	-	-	-	-	-	-	
34	Transmission	509,897	-	-	-	-	-	-	-	-	
35	Distribution	1,194,477	-	-	-	(19,146)	-	-	-	-	
36	General	279,556	-	-	-	(8,297)	-	-	-	-	
37	Total Plant in Service	3,125,125	-	-	-	(57,668)	-	-	-	-	
ACCUMULATED DEPRECIATION/AMORT											
38	Intangible	(57,078)	-	-	-	4,432	-	-	-	-	
39	Production	(382,437)	-	-	-	-	-	-	-	-	
40	Transmission	(147,016)	-	-	-	-	-	-	-	-	
41	Distribution	(358,989)	-	-	-	546	-	-	-	-	
42	General	(92,865)	-	-	-	1,200	-	-	-	-	
43	Total Accumulated Depreciation	(1,038,385)	-	-	-	6,178	-	-	-	-	
44	NET PLANT	2,086,740	-	-	-	(51,490)	-	-	-	-	
45	DEFERRED TAXES	(418,971)	47	-	-	3,384	-	-	-	-	
46	Net Plant After DFIT	1,667,769	47	-	-	(48,106)	-	-	-	-	
47	DEFERRED DEBITS AND CREDITS & OTHER	(2,096)	-	1	-	(182)	-	-	-	-	
48	WORKING CAPITAL	44,462	-	-	(3,752)	-	-	-	-	-	
49	TOTAL RATE BASE	1,710,135	\$47	\$1	(\$3,752)	(\$48,288)	\$0	\$0	\$0	\$0	
50	RATE OF RETURN	6.73%									
51	REVENUE REQUIREMENT	4,438	4	60	(317)	(4,082)	84	1,047	1,503	39	

AVISTA UTILITIES
WASHINGTON ELECTRIC RESULTS
TWELVE MONTHS ENDED DECEMBER 31, 2019
(000'S OF DOLLARS)

Adjustment

Line No.	DESCRIPTION	Injuries and Damages	FIT/DFIT/ ITC Expense	Office Space Charges to Non-Utility	Restate Excise Taxes	Net Gains & Losses	Weather Normalization	Eliminate Adder Schedules	Misc. Restating Non-Util / Non-Recurring Expenses
		2.05	2.06	2.07	2.08	2.09	2.10	2.11	2.12
		E-ID	E-FIT	E-OSC	E-RET	E-NGL	E-WN	E-EAS	E-MR
	Adjustment Number								
	Workpaper Reference								
	REVENUES								
1	Total General Business	\$0	\$0	\$0	\$0	\$0	(\$3,836)	(\$21,727)	\$0
2	Interdepartmental Sales	-	-	-	-	-	-	-	-
3	Sales for Resale	-	-	-	-	-	-	-	-
4	Total Sales of Electricity	-	-	-	-	-	(3,836)	(21,727)	-
5	Other Revenue	-	-	-	-	-	2,883	(213)	-
6	Total Electric Revenue	-	-	-	-	-	(953)	(21,940)	-
	EXPENSES								
	Production and Transmission								
7	Operating Expenses	-	-	-	-	-	-	-	-
8	Purchased Power	-	-	-	-	-	-	-	-
9	Depreciation/Amortization	-	-	-	-	-	-	-	-
10	Regulatory Amortization	-	-	-	-	-	-	3,332	-
11	Taxes	-	-	-	-	-	-	-	-
12	Total Production & Transmission	-	-	-	-	-	-	3,332	-
	Distribution								
13	Operating Expenses	-	-	-	-	-	-	-	-
14	Depreciation/Amortization	-	-	-	-	(58)	-	-	-
	Regulatory Amortization								
15	Taxes	-	-	-	34	-	(148)	(839)	-
16	Total Distribution	-	-	-	34	(58)	(148)	(839)	-
17	Customer Accounting	-	-	-	-	-	(13)	(72)	-
18	Customer Service & Information	-	-	-	-	-	-	(26,835)	8
19	Sales Expenses	-	-	-	-	-	-	-	-
	Administrative & General								
20	Operating Expenses	24	-	(52)	-	-	(8)	(43)	(1,232)
21	Depreciation/Amortization	-	-	-	-	-	-	-	-
22	Regulatory Deferrals/Amortization	-	-	-	-	-	-	3,914	-
23	Taxes	-	-	-	-	-	-	-	-
24	Total Admin. & General	24	-	(52)	-	-	(8)	3,871	(1,232)
25	Total Electric Expenses	24	-	(52)	34	(58)	(169)	(20,543)	(1,224)
26	OPERATING INCOME BEFORE FIT	(24)	-	52	(34)	58	(784)	(1,397)	1,224
	FEDERAL INCOME TAX								
27	Current Accrual	(5)	1	11	(7)	12	(165)	(293)	257
28	Debt Interest	-	-	-	-	-	-	-	-
29	Deferred Income Taxes	-	(4)	-	-	-	-	-	-
30	Amortized ITC - Noxon	-	-	-	-	-	-	-	-
31	NET OPERATING INCOME	(\$19)	\$3	\$41	(\$27)	\$46	(\$619)	(\$1,104)	\$967
	RATE BASE								
	PLANT IN SERVICE								
32	Intangible	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
33	Production	-	-	-	-	-	-	-	-
34	Transmission	-	-	-	-	-	-	-	-
35	Distribution	-	-	-	-	-	-	-	-
36	General	-	-	-	-	-	-	-	-
37	Total Plant in Service	-	-	-	-	-	-	-	-
	ACCUMULATED DEPRECIATION/AMORT								
38	Intangible	-	-	-	-	-	-	-	-
39	Production	-	-	-	-	-	-	-	-
40	Transmission	-	-	-	-	-	-	-	-
41	Distribution	-	-	-	-	-	-	-	-
42	General	-	-	-	-	-	-	-	-
43	Total Accumulated Depreciation	-	-	-	-	-	-	-	-
44	NET PLANT	-	-	-	-	-	-	-	-
45	DEFERRED TAXES	-	-	-	-	-	-	-	-
46	Net Plant After DFIT	-	-	-	-	-	-	-	-
47	DEFERRED DEBITS AND CREDITS & OTHER	-	-	-	-	-	-	-	-
48	WORKING CAPITAL	-	-	-	-	-	-	-	-
49	TOTAL RATE BASE	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
50	RATE OF RETURN								
51	REVENUE REQUIREMENT	25	(4)	(54)	36	(61)	820	1,461	(1,280)

AVISTA UTILITIES
WASHINGTON ELECTRIC RESULTS
TWELVE MONTHS ENDED DECEMBER 31, 2019
(000'S OF DOLLARS)

Line No.	DESCRIPTION	ROR							Restated TOTAL
		Adjustment Restating Incentives	ROR Restate Debt Interest	Eliminate WA Power Cost Defer	Nez Perce Settlement Adjustment	Normalize CS2/Colstrip Major Maint	Authorized Power Supply	ROR Restate 2019 AMA Rate Base to EOP	
		2.13 E-RI	2.14 E-RDI	2.15 E-EWPC	2.16 E-NPS	2.17 E-PMM	2.18 E-APS	2.19 E-EOP19	R-Ttl
	Adjustment Number Workpaper Reference								
	REVENUES								
1	Total General Business	\$0	\$0	\$1,740	\$0	\$0	\$0	\$0	\$503,855
2	Interdepartmental Sales	-	-	-	-	-	-	-	1,228
3	Sales for Resale	-	-	-	-	-	(17,144)	-	36,286
4	Total Sales of Electricity	-	-	1,740	-	-	(17,144)	-	541,369
5	Other Revenue	-	-	-	-	-	(39,208)	-	23,698
6	Total Electric Revenue	-	-	1,740	-	-	(56,352)	-	565,067
	EXPENSES								
	Production and Transmission								
7	Operating Expenses	-	-	300	(5)	(926)	(35,686)	913	135,154
8	Purchased Power	-	-	-	-	-	(14,801)	-	74,282
9	Depreciation/Amortization	-	-	-	-	-	-	3,567	36,014
10	Regulatory Amortization	-	-	-	-	-	-	-	2,620
11	Taxes	-	-	-	-	-	-	-	16,840
12	Total Production & Transmission	-	-	300	(5)	(926)	(50,487)	4,480	264,910
	Distribution								
13	Operating Expenses	-	-	-	-	-	-	-	26,747
14	Depreciation/Amortization	-	-	-	-	-	-	(1,373)	29,701
	Regulatory Amortization	-	-	-	-	-	-	-	-
15	Taxes	-	-	67	-	-	-	-	28,381
16	Total Distribution	-	-	67	-	-	-	(1,373)	84,829
17	Customer Accounting	-	-	11	-	-	-	-	11,331
18	Customer Service & Information	-	-	-	-	-	-	-	1,598
19	Sales Expenses	-	-	-	-	-	-	-	-
	Administrative & General								
20	Operating Expenses	(1,276)	-	3	-	-	-	-	53,333
21	Depreciation/Amortization	-	-	-	-	-	-	(348)	35,247
22	Regulatory Deferrals/Amortization	-	-	-	-	-	-	-	(5,104)
23	Taxes	-	-	-	-	-	-	-	-
24	Total Admin. & General	(1,276)	-	3	-	-	-	(348)	83,476
25	Total Electric Expenses	(1,276)	-	381	(5)	(926)	(50,487)	2,759	446,144
26	OPERATING INCOME BEFORE FIT	1,276	-	1,359	5	926	(5,865)	(2,759)	118,923
	FEDERAL INCOME TAX								
27	Current Accrual	268	657	348	1	194	(1,232)	(579)	3,883
28	Debt Interest	-	-	-	-	-	-	(108)	171
29	Deferred Income Taxes	-	-	(63)	-	-	-	-	7,763
30	Amortized ITC - Noxon	-	-	-	-	-	-	-	(318)
31	NET OPERATING INCOME	1,008	(657)	\$1,074	\$4	732	(\$4,633)	(\$2,071)	107,424
	RATE BASE								
	PLANT IN SERVICE								
32	Intangible	\$0	\$0	\$0	\$0	\$0	\$0	\$2,079	\$182,889
33	Production	-	-	-	-	-	-	3,979	934,139
34	Transmission	-	-	-	-	-	-	17,967	527,864
35	Distribution	-	-	-	-	-	-	6,849	1,182,180
36	General	-	-	-	-	-	-	5,613	276,872
37	Total Plant in Service	-	-	-	-	-	-	36,487	3,103,944
	ACCUMULATED DEPRECIATION/AMORT								
38	Intangible	-	-	-	-	-	-	(5,314)	(57,960)
39	Production	-	-	-	-	-	-	(8,174)	(390,611)
40	Transmission	-	-	-	-	-	-	(3,771)	(150,787)
41	Distribution	-	-	-	-	-	-	316	(358,127)
42	General	-	-	-	-	-	-	1,118	(90,547)
43	Total Accumulated Depreciation	-	-	-	-	-	-	(15,824)	(1,048,031)
44	NET PLANT	-	-	-	-	-	-	20,663	2,055,913
45	DEFERRED TAXES	-	-	-	-	-	-	(517)	(416,057)
46	Net Plant After DFIT	-	-	-	-	-	-	20,146	1,639,856
47	DEFERRED DEBITS AND CREDITS & OTHER	-	-	-	-	-	-	-	(2,277)
48	WORKING CAPITAL	-	-	-	-	-	-	-	40,710
49	TOTAL RATE BASE	\$0	\$0	\$0	\$0	\$0	\$0	20,146	\$1,678,289
50	RATE OF RETURN								(1)
51	REVENUE REQUIREMENT	(1,335)	870	(1,422)	(5)	(969)	6,134	4,589	11,580

(1) The Restated TOTAL column does not represent 12/31/2019 Test Period Commission Basis results of operation on a normalized basis (CBR basis). Differences exist due to: 1) inclusion of proposed (Pro Forma) cost of debt (pro forma versus CBR actual cost of debt) impacting Adj. 2.14; 2) restating power supply expenses to annualized authorized Power Supply amounts in Adj 2.18 (revenue associated with the approved annual authorized level is included in Adj. 3.01 Pro Forma Normalization); and 3) the inclusion of Restate 2019 AMA Rate base to EOP adjustment 2.19.

AVISTA UTILITIES
WASHINGTON ELECTRIC RESULTS
TWELVE MONTHS ENDED DECEMBER 31, 2019
(000'S OF DOLLARS)

Pro Forma Adjustments

Line No.	DESCRIPTION	ROR						Adjustment	
		Pro Forma Power Supply	Pro Forma Transmission Revenue/Expense	Pro Forma Revenue Normalization	Pro Forma Def. Debits, Credits & Regulatory Amorts	Pro Forma ARAM DFIT	Pro Forma Labor Non-Exec	Pro Forma Labor Exec	Pro Forma Employee Benefits
		3.00P	3.00T	3.01	3.02	3.03	3.04	3.05	3.06
		E-PPS	E-PTRAN	E-PREV	E-PRA	E-ARAM	E-PLN	E-PLE	E-PEB
	Adjustment Number								
	Workpaper Reference								
	REVENUES								
1	Total General Business	\$0	\$0	\$25,496	\$0	\$0	\$0	\$0	\$0
2	Interdepartmental Sales	-	-	-	-	-	-	-	-
3	Sales for Resale	19,404	-	-	-	-	-	-	-
4	Total Sales of Electricity	19,404	-	25,496	-	-	-	-	-
5	Other Revenue	3,133	658	(10,608)	-	-	-	-	-
6	Total Electric Revenue	22,537	658	14,888	-	-	-	-	-
	EXPENSES								
	Production and Transmission								
7	Operating Expenses	9,006	(447)	-	231	-	630	-	427
8	Purchased Power	(3,499)	-	-	-	-	-	-	-
9	Depreciation/Amortization	-	-	-	-	-	-	-	-
10	Regulatory Amortization	-	-	-	(1,869)	-	-	-	-
11	Taxes	-	-	-	-	-	-	-	-
12	Total Production & Transmission	5,507	(447)	-	(1,638)	-	631	-	427
	Distribution								
13	Operating Expenses	-	-	-	-	-	386	-	268
14	Depreciation/Amortization	-	-	-	-	-	-	-	-
	Regulatory Amortization								
15	Taxes	-	-	984	-	-	-	-	-
16	Total Distribution	-	-	984	-	-	386	-	268
17	Customer Accounting	-	-	85	-	-	169	-	122
18	Customer Service & Information	-	-	-	-	-	13	-	12
19	Sales Expenses	-	-	-	-	-	-	-	-
	Administrative & General								
20	Operating Expenses	-	-	51	-	-	558	(318)	390
21	Depreciation/Amortization	-	-	-	-	-	-	-	-
22	Regulatory Deferrals/Amortization	-	-	-	(779)	-	-	-	-
23	Taxes	-	-	-	-	-	-	-	-
24	Total Admin. & General	-	-	51	(779)	-	558	(318)	390
25	Total Electric Expenses	5,507	(447)	1,120	(2,417)	-	1,757	(318)	1,219
26	OPERATING INCOME BEFORE FIT	17,030	1,105	13,768	2,417	-	(1,757)	318	(1,219)
	FEDERAL INCOME TAX								
27	Current Accrual	3,576	232	2,891	508	-	(369)	67	(256)
28	Debt Interest	-	-	-	4	-	-	-	-
29	Deferred Income Taxes	-	-	-	-	(485)	-	-	-
30	Amortized ITC - Noxon	-	-	-	-	-	-	-	-
31	NET OPERATING INCOME	13,454	873	10,877	\$1,905	\$485	(\$1,388)	\$251	(\$963)
	RATE BASE								
	PLANT IN SERVICE								
32	Intangible	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
33	Production	-	-	-	-	-	-	-	-
34	Transmission	-	-	-	-	-	-	-	-
35	Distribution	-	-	-	-	-	-	-	-
36	General	-	-	-	-	-	-	-	-
37	Total Plant in Service	-	-	-	-	-	-	-	-
	ACCUMULATED DEPRECIATION/AMORT								
38	Intangible	-	-	-	-	-	-	-	-
39	Production	-	-	-	-	-	-	-	-
40	Transmission	-	-	-	-	-	-	-	-
41	Distribution	-	-	-	-	-	-	-	-
42	General	-	-	-	-	-	-	-	-
43	Total Accumulated Depreciation	-	-	-	-	-	-	-	-
44	NET PLANT	-	-	-	-	-	-	-	-
45	DEFERRED TAXES	-	-	-	-	-	-	-	-
46	Net Plant After DFIT	-	-	-	-	-	-	-	-
47	DEFERRED DEBITS AND CREDITS & OTHER	-	-	-	(766)	-	-	-	-
48	WORKING CAPITAL	-	-	-	-	-	-	-	-
49	TOTAL RATE BASE	\$0	\$0	\$0	(766)	-	\$0	\$0	\$0
50	RATE OF RETURN								
51	REVENUE REQUIREMENT	(17,813)	(1,156)	(14,401)	(2,593)	(642)	1,838	(333)	1,275

AVISTA UTILITIES
WASHINGTON ELECTRIC RESULTS
TWELVE MONTHS ENDED DECEMBER 31, 2019
(000'S OF DOLLARS)

Line No.	DESCRIPTION	Adjustment	Adjustment	ROR			ROR	ROR	ROR
		Pro Forma Insurance Expense	Pro Forma IS/IT Expense	Pro Forma Property Tax	Pro Forma Fee Free Amortization	Pro Forma 2020 Customer At Center	Pro Forma 2020 Large & Distinct	Pro Forma 2020 Programmatic	Pro Forma 2020 Mandatory & Compliance
		3.07	3.08	3.09	3.10	3.11	3.12	3.13	3.14
		E-PINS	E-PIT	E-PPT	E-PFEE	E-PCAPI	E-CAP2	E-CAP3	E-CAP4
	Adjustment Number								
	Workpaper Reference								
	REVENUES								
1	Total General Business	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2	Interdepartmental Sales	-	-	-	-	-	-	-	-
3	Sales for Resale	-	-	-	-	-	-	-	-
4	Total Sales of Electricity	-	-	-	-	-	-	-	-
5	Other Revenue	-	-	-	-	-	-	-	-
6	Total Electric Revenue	-	-	-	-	-	-	-	-
	EXPENSES								
	Production and Transmission								
7	Operating Expenses	-	-	-	-	-	-	-	-
8	Purchased Power	-	-	-	-	-	-	-	-
9	Depreciation/Amortization	-	-	-	-	-	201	193	541
10	Regulatory Amortization	-	-	-	-	-	-	-	-
11	Taxes	-	-	435	-	-	-	-	-
12	Total Production & Transmission	-	-	435	-	-	201	193	541
	Distribution								
13	Operating Expenses	-	-	-	-	-	-	(206)	-
14	Depreciation/Amortization	-	-	-	-	-	47	731	155
	Regulatory Amortization	-	-	-	-	-	-	-	-
15	Taxes	-	-	199	-	-	-	-	-
16	Total Distribution	-	-	199	-	-	47	525	155
17	Customer Accounting	-	-	-	97	-	-	-	-
18	Customer Service & Information	-	-	-	-	-	-	-	-
19	Sales Expenses	-	-	-	-	-	-	-	-
	Administrative & General								
20	Operating Expenses	2,250	1,056	-	-	-	-	-	-
21	Depreciation/Amortization	-	-	-	-	2,042	(11)	130	(27)
22	Regulatory Deferrals/Amortization	-	-	-	1,235	-	-	-	-
23	Taxes	-	-	-	-	-	-	-	-
24	Total Admin. & General	2,250	1,056	-	1,235	2,042	(11)	130	(27)
25	Total Electric Expenses	2,250	1,056	634	1,332	2,042	237	848	669
26	OPERATING INCOME BEFORE FIT	(2,250)	(1,056)	(634)	(1,332)	(2,042)	(237)	(848)	(669)
	FEDERAL INCOME TAX								
27	Current Accrual	(473)	(222)	(133)	(280)	(429)	(50)	(178)	(140)
28	Debt Interest	-	-	-	-	(55)	(97)	(255)	(198)
29	Deferred Income Taxes	-	-	-	-	-	-	-	-
30	Amortized ITC - Noxon	-	-	-	-	-	-	-	-
31	NET OPERATING INCOME	(1,778)	(\$834)	(\$501)	(1,052)	(1,558)	(\$91)	(\$415)	(\$331)
	RATE BASE								
	PLANT IN SERVICE								
32	Intangible	\$0	\$0	\$0	\$0	\$8,504		\$649	\$41
33	Production	-	-	-	-	-	1,704	1,831	1,150
34	Transmission	-	-	-	-	-	7,977	6,737	24,579
35	Distribution	-	-	-	-	-	1,761	21,415	5,735
36	General	-	-	-	-	(9)	865	1,403	(71)
37	Total Plant in Service	-	-	-	-	8,495	12,307	32,035	31,434
	ACCUMULATED DEPRECIATION/AMORT								
38	Intangible	-	-	-	-	1,866		190	8
39	Production	-	-	-	-	-	1,332	129	263
40	Transmission	-	-	-	-	-	617	536	2,019
41	Distribution	-	-	-	-	-	841	10,046	2,715
42	General	-	-	-	-	150	3,429	6,492	1,575
43	Total Accumulated Depreciation	-	-	-	-	2,016	6,219	17,393	6,580
44	NET PLANT	-	-	-	-	10,511	18,526	49,428	38,014
45	DEFERRED TAXES	-	-	-	-	(232)	(520)	(1,949)	(1,187)
46	Net Plant After DFIT	-	-	-	-	10,279	18,006	47,479	36,827
47	DEFERRED DEBITS AND CREDITS & OTHER	-	-	-	-	-	-	-	-
48	WORKING CAPITAL	-	-	-	-	-	-	-	-
49	TOTAL RATE BASE	\$0	\$0	\$0	\$0	\$10,279	\$18,006	\$47,479	\$36,827
50	RATE OF RETURN								
51	REVENUE REQUIREMENT	2,353	1,105	663	1,393	3,005	1,770	4,901	3,813

AVISTA UTILITIES

WASHINGTON ELECTRIC RESULTS

TWELVE MONTHS ENDED DECEMBER 31, 2019
(000'S OF DOLLARS)

Revised to Reflect

Filed 2019 Tax Retu

Line No.	DESCRIPTION	ROR	Adjustment	Adjustment	ROR	Adjustment	PF Normalize CS2/Colstrip Major Maint	Restate
		Pro Forma 2020 Short Lived	Pro Forma AMI Capital	Pro Forma WildFire Plan	Pro Forma EIM Expenditures	Pro Forma Colstrip Cap & Amortization		3.20
		3.15	3.16	3.17	3.18	3.19	3.20	3.21
		E-CAP5	E-AMI	E-WF	E-PEIM	E-PCOL	E-PMM	E-RDFIT
	Adjustment Number							
	Workpaper Reference							
	REVENUES							
1	Total General Business	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2	Interdepartmental Sales	-	-	-	-	-	-	-
3	Sales for Resale	-	-	-	-	-	-	-
4	Total Sales of Electricity	-	-	-	-	-	-	-
5	Other Revenue	-	-	-	-	-	-	-
6	Total Electric Revenue	-	-	-	-	-	-	-
	EXPENSES							
	Production and Transmission							
7	Operating Expenses	-	-	995	1,691	-	33	-
8	Purchased Power	-	-	-	-	-	-	-
9	Depreciation/Amortization	-	-	10	117	1,878	-	-
10	Regulatory Amortization	-	-	-	-	(2,534)	-	-
11	Taxes	-	-	-	-	-	-	-
12	Total Production & Transmission	-	-	1,005	1,808	(656)	33	-
	Distribution							
13	Operating Expenses	-	-	3,030	-	-	-	-
14	Depreciation/Amortization	-	1,870	24	5	-	-	-
	Regulatory Amortization	-	-	-	-	-	-	-
15	Taxes	-	-	-	-	-	-	-
16	Total Distribution	-	1,870	3,054	5	-	-	-
17	Customer Accounting	-	-	-	-	-	-	-
18	Customer Service & Information	-	-	-	-	-	-	-
19	Sales Expenses	-	-	-	-	-	-	-
	Administrative & General							
20	Operating Expenses	-	(2,833)	-	-	-	-	-
21	Depreciation/Amortization	1,922	456	48	1,587	-	-	-
22	Regulatory Deferrals/Amortization	-	10,133	-	-	-	-	-
23	Taxes	-	-	-	-	-	-	-
24	Total Admin. & General	1,922	7,756	48	1,587	-	-	-
25	Total Electric Expenses	1,922	9,626	4,107	3,400	(656)	33	-
26	OPERATING INCOME BEFORE FIT	(1,922)	(9,626)	(4,107)	(3,400)	656	(33)	-
	FEDERAL INCOME TAX							
27	Current Accrual	(404)	(2,021)	(862)	(714)	138	(7)	-
28	Debt Interest	(55)	(92)	(9)	(66)	114	-	164
29	Deferred Income Taxes	-	-	-	-	-	-	-
30	Amortized ITC - Noxon	-	-	-	-	-	-	-
31	NET OPERATING INCOME	(\$1,464)	(\$7,513)	(\$3,236)	(2,620)	404	(26)	(164)
	RATE BASE							
	PLANT IN SERVICE							
32	Intangible	\$6,445	-	\$242	\$7,753	\$0	\$0	-
33	Production	-	-	-	3,637	5,769	-	-
34	Transmission	-	-	495	1,503	-	-	-
35	Distribution	-	(24,366)	989	187	-	-	-
36	General	(140)	-	-	828	-	-	-
37	Total Plant in Service	6,305	(24,366)	1,726	13,908	5,769	-	-
	ACCUMULATED DEPRECIATION/AMORT							
38	Intangible	1,310	-	(42)	(967)	-	-	-
39	Production	-	-	-	(92)	(24,654)	-	-
40	Transmission	-	-	(6)	(30)	-	-	-
41	Distribution	-	2,632	(20)	(4)	-	-	-
42	General	2,773	-	-	(57)	-	-	-
43	Total Accumulated Depreciation	4,083	2,632	(68)	(1,150)	(24,654)	-	-
44	NET PLANT	10,388	(21,734)	1,658	12,758	(18,885)	-	-
45	DEFERRED TAXES	(208)	(14,330)	(17)	(181)	1,965	-	(30,542)
46	Net Plant After DFIT	10,180	(36,064)	1,641	12,577	(16,920)	-	(30,542)
47	DEFERRED DEBITS AND CREDITS & OTHER	-	53,155	-	-	(4,266)	-	-
48	WORKING CAPITAL	-	-	-	-	-	-	-
49	TOTAL RATE BASE	\$10,180	17,091	\$1,641	\$12,577	(\$21,186)	\$0	(\$30,542)
50	RATE OF RETURN							
51	REVENUE REQUIREMENT	2,871	11,513	4,434	4,621	(2,477)	35	(2,582)

AVISTA UTILITIES

WASHINGTON ELECTRIC RESULTS

TWELVE MONTHS ENDED DECEMBER 31, 2019
(000'S OF DOLLARS)

rn
Adjustment Adjustment Adjustment

Line No.	DESCRIPTION	Smart Burn	Substation Rebuilds	Grid Modern.	Base Pro Forma Total			
	Adjustment Number Workpaper Reference				PF-SubTtl			
	REVENUES							
1	Total General Business	\$0		\$0	\$529,351			
2	Interdepartmental Sales	-		-	1,228			
3	Sales for Resale	-		-	55,690			
4	Total Sales of Electricity	-		-	586,269			
5	Other Revenue	-		-	16,881			
6	Total Electric Revenue	-		-	603,150			
	EXPENSES							
	Production and Transmission				-			
7	Operating Expenses	-		-	147,720			
8	Purchased Power	-		-	70,783			
9	Depreciation/Amortization	(122)	(101)	-	38,731			
10	Regulatory Amortization	-		-	(1,783)			
11	Taxes	-		-	17,275			
12	Total Production & Transmission	(122)	(101)	-	272,727			
	Distribution				-			
13	Operating Expenses	-		-	30,225			
14	Depreciation/Amortization	-	(129)	(265)	32,139			
	Regulatory Amortization							
15	Taxes	-		-	29,564			
16	Total Distribution	-	(129)	(265)	91,928			
17	Customer Accounting	-		-	11,804			
18	Customer Service & Information	-		-	1,623			
19	Sales Expenses	-		-	-			
	Administrative & General							
20	Operating Expenses	-		-	54,487			
21	Depreciation/Amortization	-	(13)	-	41,381			
22	Regulatory Deferrals/Amortization	-		-	5,485			
23	Taxes	-		-	-			
24	Total Admin. & General	-	(13)	-	101,353			
25	Total Electric Expenses	(122)	(243)	(265)	479,435			
26	OPERATING INCOME BEFORE FIT	122	243	265	123,715			
	FEDERAL INCOME TAX							
27	Current Accrual	26	51	56	4,889			
28	Debt Interest	13	64	-	(297)			
29	Deferred Income Taxes	-		-	7,278			
30	Amortized ITC - Noxon	-		-	(318)			
31	NET OPERATING INCOME	84	128	\$209	112,162			
	RATE BASE							
	PLANT IN SERVICE							
32	Intangible				\$206,523			
33	Production	(2,736)			945,494			
34	Transmission	-	(5,876)		563,279			
35	Distribution	-	(6,411)	(12,261)	1,169,229			
36	General	-	(376)		279,372			
37	Total Plant in Service	(2,736)	(\$12,663)	(12,261)	3,163,897			
	ACCUMULATED DEPRECIATION/AMORT							
38	Intangible	-			(55,595)			
39	Production	359			(\$413,274)			
40	Transmission	-	131		(147,520)			
41	Distribution	-	150	372	(341,395)			
42	General	-	14		(76,171)			
43	Total Accumulated Depreciation	359	\$295	372	(1,033,954)			
44	NET PLANT	(2,377)	(12,368)	(11,889)	2,129,943			
45	DEFERRED TAXES		528	615	(462,115)			
46	Net Plant After DFIT	(2,377)	(11,840)	(11,274)	1,667,828			
47	DEFERRED DEBITS AND CREDITS & OTHER				45,846			
48	WORKING CAPITAL				40,710			
49	TOTAL RATE BASE	(\$2,377)	(\$11,840)	(\$11,274)	1,754,384			
50	RATE OF RETURN							
51	REVENUE REQUIREMENT	(329)	(1,255)	(1,310)	12,281			