

Exh. EMA-2

WUTC DOCKET: UE-200900 UG-200901 UE-200894

EXHIBIT: EMA-2

ADMIT W/D REJECT

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

DOCKET NO. UE-20 _____

DOCKET NO. UG-20 _____

EXH. EMA-2

ELIZABETH M. ANDREWS

REPRESENTING AVISTA CORPORATION

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

		October 1, 2021				
		WITH PRESENT RATES			WITH 10.2021 PROPOSED RATES	
Line No.	DESCRIPTION	Actual Per Results Report	Total Adjustments	10.2021 Adjusted Total (1)	Proposed Revenues & Related Exp	10.2021 Proposed Total
	<i>a</i>	<i>b</i>	<i>c</i>	<i>d</i>	<i>e</i>	<i>f</i>
REVENUES						
1	Total General Business	\$546,549	(\$16,055)	\$530,494	\$44,183	\$574,677
2	Interdepartmental Sales	1,228	-	1,228		1,228
3	Sales for Resale	53,430	39	53,469		53,469
4	Total Sales of Electricity	601,207	(16,016)	585,191	44,183	629,374
5	Other Revenue	60,250	(43,369)	16,881		16,881
6	Total Electric Revenue	661,457	(59,385)	602,072	44,183	646,255
EXPENSES						
Production and Transmission						
7	Operating Expenses	170,553	(23,370)	147,183		147,183
8	Purchased Power	89,083	(18,300)	70,783		70,783
9	Depreciation/Amortization	32,447	7,868	40,315		40,315
10	Regulatory Deferrals/Amortization	(712)	(1,071)	(1,783)		(1,783)
11	Taxes	16,489	1,507	17,996		17,996
12	Total Production & Transmission	307,860	(33,366)	274,494	-	274,494
Distribution						
13	Operating Expenses	26,747	3,824	30,571		30,571
14	Depreciation/Amortization	31,132	1,545	32,677		32,677
15	Taxes	47,422	(17,461)	29,961	1,706	31,667
16	Total Distribution	105,301	(12,092)	93,209	1,706	94,915
17	Customer Accounting	9,916	2,028	11,944	147	12,091
18	Customer Service & Information	28,425	(26,791)	1,634		1,634
19	Sales Expenses	-	-	-		-
Administrative & General						
20	Operating Expenses	55,880	2,804	58,684	88	58,772
21	Depreciation/Amortization	35,595	6,098	41,693		41,693
22	Regulatory Deferrals/Amortization	(9,018)	14,503	5,485		5,485
23	Taxes	-	-	-		-
24	Total Admin. & General	82,457	23,405	105,862	88	105,950
25	Total Electric Expenses	533,959	(46,816)	487,143	1,941	489,084
26	OPERATING INCOME BEFORE FIT	127,498	(12,569)	114,929	42,242	157,172
FEDERAL INCOME TAX						
27	Current Accrual	4,963	(1,642)	3,321	8,871	12,192
28	Debt Interest	-	(872)	(872)	(94)	(966)
29	Deferred Income Taxes	7,830	(1,163)	6,667		6,667
30	Amortized Investment Tax Credit	(318)	-	(318)		(318)
31	NET OPERATING INCOME	\$115,023	(\$8,892)	\$106,131	33,465	\$139,596
RATE BASE						
PLANT IN SERVICE						
32	Intangible	\$211,035	\$20,494	\$231,529		\$231,529
33	Production	930,160	24,152	954,312		954,312
34	Transmission	509,897	70,749	580,646		580,646
35	Distribution	1,194,477	65,475	1,259,952		1,259,952
36	General	279,556	16,602	296,158		296,158
37	Total Plant in Service	3,125,125	197,472	3,322,597	-	3,322,597
ACCUMULATED DEPRECIATION						
38	Intangible	(57,078)	(11,269)	(68,347)		(68,347)
39	Production	(382,437)	(30,414)	(412,851)		(412,851)
40	Transmission	(147,016)	1,637	(145,379)		(145,379)
41	Distribution	(358,989)	87	(358,902)		(358,902)
42	General	(92,865)	11,129	(81,736)		(81,736)
43	Total Accumulated Depreciation	(1,038,385)	(28,830)	(1,067,215)	-	(1,067,215)
44	NET PLANT BEFORE DFIT	2,086,740	168,642	2,255,382	-	2,255,382
45	DEFERRED TAXES	(418,971)	(45,600)	(464,571)		(464,571)
46	NET PLANT AFTER DFIT	1,667,769	123,042	1,790,811	-	1,790,811
47	DEFERRED DEBITS AND CREDITS	(2,096)	48,132	46,036		46,036
48	WORKING CAPITAL	44,462	(3,752)	40,710		40,710
50	TOTAL RATE BASE	\$1,710,135	\$167,422	\$1,877,557	\$0	\$1,877,557
51	RATE OF RETURN	6.73%		5.65%		7.43%

AVISTA UTILITIES
CALCULATION OF REQUESTED GENERAL REVENUE REQUIREMENT
WASHINGTON ELECTRIC
TWELVE MONTHS ENDED DECEMBER 31, 2019

Line No.	Description	Requested	Tariff	Overall Bill
		Base Rate Change 10/1/2021 (000's of Dollars)		
1	Pro Forma Rate Base	\$ 1,877,557		
2	Proposed Rate of Return	7.43%		
3	Net Operating Income Requirement	\$139,502		
4	Pro Forma Net Operating Income	106,131		
5	Net Operating Income Deficiency	\$33,372		
6	Conversion Factor	0.755294		
7	Revenue Requirement	\$44,183	\$ (44,183)	\$ -
8	Total General Business Revenues	\$531,722		
9	Percentage Revenue Increase	8.31%	-8.31%	0.0%
10	Total <u>Billed</u> General Business Revenues	\$530,123		
11	Percentage Revenue Increase	8.33%	-8.74%	0.0%

AVISTA UTILITIES PROPOSED COST OF CAPITAL WASHINGTON ELECTRIC			
Proposed Capital Structure			
Component	Capital Structure	Cost	Weighted Cost
Debt	50.0%	4.97%	2.48%
Common	50.0%	9.90%	4.95%
Total	<u>100.00%</u>		<u>7.43%</u>

**AVISTA UTILITIES
REVENUE CONVERSION FACTOR
WASHINGTON ELECTRIC
TWELVE MONTHS ENDED DECEMBER 31, 2019**

Line No.	Description	Factor
1	Revenues	1.000000
	Expense:	
2	Uncollectibles	0.003326
3	Commission Fees	0.002000
4	Washington Excise Tax	0.038605
6	Total Expense	<u>0.043931</u>
7	Net Operating Income Before FIT	0.956069
8	Federal Income Tax @ 21%	<u>0.200774</u>
9	REVENUE CONVERSION FACTOR	<u><u>0.755294</u></u>

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

Line No.	DESCRIPTION	Actual Results		Restatement Adjustments						
		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
		1.00	1.01	1.02	1.03	1.04	2.01	2.02	2.03	2.04
		E-ROO	E-DFIT	E-DDC	E-WC	E-AMI	E-EBO	E-RPT	E-UE	E-RE
	Adjustment Number									
	Workpaper Reference									
	REVENUES									
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	-	-	-	-	-	-	-	(372)
21	Depreciation/Amortization	35,595	-	-	-	-	-	-	-	-
22	Regulatory Deferrals/Amortization	(9,018)	-	-	-	-	-	-	-	-
23	Taxes	0	-	-	-	-	-	-	-	-
24	Total Admin. & General	82,457	-	-	-	-	-	-	-	(372)
25	Total Electric Expenses	533,959	-	57	-	-	(18,805)	1,001	1,437	(372)
26	OPERATING INCOME BEFORE FIT	127,498	-	(57)	-	-	(80)	(1,001)	(1,437)	372
	FEDERAL INCOME TAX									
27	Current Accrual	4,963	-	(12)	-	-	(17)	(210)	(302)	78
28	Debt Interest	0	(0)	(0)	20	251	-	-	-	-
29	Deferred Income Taxes	7,830	-	-	-	-	-	-	-	-
30	Amortized ITC - Noxon	(318)	-	-	-	-	-	-	-	-
31	NET OPERATING INCOME	\$115,023	\$0	(\$45)	(\$20)	(\$251)	(\$63)	(\$791)	(\$1,135)	\$294
	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	15,941	4	60	(343)	(4,417)	84	1,047	1,503	(389)

AVISTA UTILITIES

WASHINGTON ELECTRIC RESULTS

TWELVE MONTHS ENDED DECEMBER 31, 2019

(000'S OF DOLLARS)

Line No.	DESCRIPTION	Injuries and Damages 2.05 E-ID	FIT/DFIT/ITC Expense 2.06 E-FIT	Office Space Charges to Non-Utility 2.07 E-OSC	Restate Excise Taxes 2.08 E-RET	Net Gains & Losses 2.09 E-NGL	Weather Normalization 2.10 E-WN	Eliminate Adder Schedules 2.11 E-EAS	Misc. Restating Non-Util / Non-Recurring Expenses 2.12 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	51	-	(52)	-	-	(8)	(43)	(1,232)
21	Depreciation/Amortization	-	-	-	-	-	-	-	-
22	Regulatory Deferrals/Amortization	-	-	-	-	-	-	3,914	-
23	Taxes	-	-	-	-	-	-	-	-
24	Total Admin. & General	51	-	(52)	-	-	(8)	3,871	(1,232)
25	Total Electric Expenses	51	-	(52)	34	(58)	(169)	(20,543)	(1,224)
26	OPERATING INCOME BEFORE FIT	(51)	-	52	(34)	58	(784)	(1,397)	1,224
	FEDERAL INCOME TAX								
27	Current Accrual	(11)	1	11	(7)	12	(165)	(293)	257
28	Debt Interest	-	-	-	-	-	-	-	-
29	Deferred Income Taxes	-	(4)	-	-	-	-	-	-
30	Amortized ITC - Noxon	-	-	-	-	-	-	-	-
31	NET OPERATING INCOME	(\$40)	\$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	53	(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	Restating Incentives	Restate Debt Interest	Eliminate WA Power Cost Defer	Nez Perce Settlement Adjustment	Normalize CS2/Colstrip Major Maint	Authorized Power Supply	Restate 2019 AMA Rate Base to EOP	Restated TOTAL
	Adjustment Number	2.13	2.14	2.15	2.16	2.17	2.18	2.19	R-Ttl
	Workpaper Reference	E-RI	E-RDI	E-EWPC	E-NPS	E-PMM	E-APS	E-EOP19	
	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)	-	134,241
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)	3,567	263,997
	Distribution								
13	Operating Expenses	-	-	-	-	-	-	-	26,747
14	Depreciation/Amortization	-	-	-	-	-	-	(1,363)	29,711
	Regulatory Amortization	-	-	-	-	-	-	-	-
15	Taxes	-	-	67	-	-	-	-	28,381
16	Total Distribution	-	-	67	-	-	-	(1,363)	84,839
17	Customer Accounting	-	-	11	-	-	-	-	11,331
18	Customer Service & Information	-	-	-	-	-	-	-	1,598
19	Sales Expenses	-	-	-	-	-	-	-	-
	Administrative & General								
20	Operating Expenses	753	-	3	-	-	-	-	54,980
21	Depreciation/Amortization	-	-	-	-	-	-	(348)	35,247
22	Regulatory Deferrals/Amortization	-	-	-	-	-	-	-	(5,104)
23	Taxes	-	-	-	-	-	-	-	-
24	Total Admin. & General	753	-	3	-	-	-	(348)	85,123
25	Total Electric Expenses	753	-	381	(5)	(926)	(50,487)	1,856	446,888
26	OPERATING INCOME BEFORE FIT	(753)	-	1,359	5	926	(5,865)	(1,856)	118,179
	FEDERAL INCOME TAX								
27	Current Accrual	(158)	934	348	1	194	(1,232)	(390)	4,004
28	Debt Interest	-	-	-	-	-	-	(110)	161
29	Deferred Income Taxes	-	-	(63)	-	-	-	-	7,763
30	Amortized ITC - Noxon	-	-	-	-	-	-	-	(318)
31	NET OPERATING INCOME	(595)	(934)	\$1,074	\$4	732	(\$4,633)	(\$1,357)	106,569
	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	-	-	-	-	-	-	7,510	1,182,841
36	General	-	-	-	-	-	-	5,613	276,872
37	Total Plant in Service	-	-	-	-	-	-	37,148	3,104,605
	ACCUMULATED DEPRECIATION/AMORT								
38	Intangible	-	-	-	-	-	-	(5,314)	(57,960)
39	Production	-	-	-	-	-	-	(8,174)	(390,611)
40	Transmission	-	-	-	-	-	-	(3,771)	(150,787)
41	Distribution	-	-	-	-	-	-	558	(357,885)
42	General	-	-	-	-	-	-	1,118	(90,547)
43	Total Accumulated Depreciation	-	-	-	-	-	-	(15,582)	(1,047,789)
44	NET PLANT	-	-	-	-	-	-	21,566	2,056,816
45	DEFERRED TAXES	-	-	-	-	-	-	(517)	(416,057)
46	Net Plant After DFIT	-	-	-	-	-	-	21,049	1,640,759
47	DEFERRED DEBITS AND CREDITS & OTHER	-	-	-	-	-	-	-	(2,277)
48	WORKING CAPITAL	-	-	-	-	-	-	-	40,710
49	TOTAL RATE BASE	\$0	\$0	\$0	\$0	\$0	\$0	21,049	\$1,679,192
50	RATE OF RETURN								(1)
51	REVENUE REQUIREMENT	788	1,237	(1,422)	(5)	(969)	6,134	3,867	24,090

(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

Pro Forma Adjustments

WASHINGTON ELECTRIC RESULTS

TWELVE MONTHS ENDED DECEMBER 31, 2019

(000'S OF DOLLARS)

Line No.	DESCRIPTION	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
	Adjustment Number	3.00P	3.00T	3.01	3.02	3.03	3.04	3.05	3.06
	Workpaper Reference	E-PPS	E-PTRAN	E-PREV	E-PRA	E-ARAM	E-PLN	E-PLE	E-PEB
	REVENUES								
1	Total General Business	\$0	\$0	\$26,639	\$0	\$0	\$0	\$0	\$0
2	Interdepartmental Sales	-	-	-	-	-	-	-	-
3	Sales for Resale	17,183	-	-	-	-	-	-	-
4	Total Sales of Electricity	17,183	-	26,639	-	-	-	-	-
5	Other Revenue	3,133	658	(10,608)	-	-	-	-	-
6	Total Electric Revenue	20,316	658	16,031	-	-	-	-	-
	EXPENSES								
	Production and Transmission								
7	Operating Expenses	9,232	(447)	-	231	-	1,169	-	392
8	Purchased Power	(3,499)	-	-	-	-	-	-	-
9	Depreciation/Amortization	-	-	-	-	-	-	-	-
10	Regulatory Amortization	-	-	-	(1,869)	-	-	-	-
11	Taxes	-	-	-	-	-	-	-	-
12	Total Production & Transmission	5,733	(447)	-	(1,638)	-	1,169	-	392
	Distribution								
13	Operating Expenses	-	-	-	-	-	713	-	247
14	Depreciation/Amortization	-	-	-	-	-	-	-	-
	Regulatory Amortization								
15	Taxes	-	-	1,028	-	-	-	-	-
16	Total Distribution	-	-	1,028	-	-	713	-	247
17	Customer Accounting	-	-	89	-	-	315	-	112
18	Customer Service & Information	-	-	-	-	-	25	-	11
19	Sales Expenses	-	-	-	-	-	-	-	-
	Administrative & General								
20	Operating Expenses	-	-	53	-	-	1,045	(318)	358
21	Depreciation/Amortization	-	-	-	-	-	-	-	-
22	Regulatory Deferrals/Amortization	-	-	-	(779)	-	-	-	-
23	Taxes	-	-	-	-	-	-	-	-
24	Total Admin. & General	-	-	53	(779)	-	1,045	(318)	358
25	Total Electric Expenses	5,733	(447)	1,170	(2,417)	-	3,267	(318)	1,120
26	OPERATING INCOME BEFORE FIT	14,583	1,105	14,861	2,417	-	(3,267)	318	(1,120)
	FEDERAL INCOME TAX								
27	Current Accrual	3,062	232	3,121	508	-	(686)	67	(235)
28	Debt Interest	-	-	-	4	-	-	-	-
29	Deferred Income Taxes	-	-	-	-	(500)	-	-	-
30	Amortized ITC - Noxon	-	-	-	-	-	-	-	-
31	NET OPERATING INCOME	11,521	873	11,740	\$1,905	\$500	(\$2,581)	\$251	(\$885)
	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	(15,253)	(1,156)	(15,544)	(2,598)	(662)	3,417	(333)	1,171

AVISTA UTILITIES

WASHINGTON ELECTRIC RESULTS

TWELVE MONTHS ENDED DECEMBER 31, 2019

(000'S OF DOLLARS)

Line No.	DESCRIPTION	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
	Adjustment Number	E-PINS	E-PIT	E-PPT	E-PFEE	E-PCAPI	E-CAP2	E-CAP3	E-CAP4
	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	-	-	-	-	-	227	204	629
10	Regulatory Amortization	-	-	-	-	-	-	-	-
11	Taxes	-	-	1,156	-	-	-	-	-
12	Total Production & Transmission	-	-	1,156	-	-	227	204	629
	Distribution								
13	Operating Expenses	-	-	-	-	-	-	(166)	-
14	Depreciation/Amortization	-	-	-	-	-	34	702	81
15	Regulatory Amortization	-	-	-	-	-	-	-	-
15	Taxes	-	-	552	-	-	-	-	-
16	Total Distribution	-	-	552	-	-	34	536	81
17	Customer Accounting	-	-	-	97	-	-	-	-
18	Customer Service & Information	-	-	-	-	-	-	-	-
19	Sales Expenses	-	-	-	-	-	-	-	-
	Administrative & General								
20	Operating Expenses	3,539	2,013	-	-	-	-	-	-
21	Depreciation/Amortization	-	-	-	-	1,838	194	548	-
22	Regulatory Deferrals/Amortization	-	-	-	1,235	-	-	-	-
23	Taxes	-	-	-	-	-	-	-	-
24	Total Admin. & General	3,539	2,013	-	1,235	1,838	194	548	-
25	Total Electric Expenses	3,539	2,013	1,708	1,332	1,838	455	1,288	710
26	OPERATING INCOME BEFORE FIT	(3,539)	(2,013)	(1,708)	(1,332)	(1,838)	(455)	(1,288)	(710)
	FEDERAL INCOME TAX								
27	Current Accrual	(743)	(423)	(359)	(280)	(386)	(95)	(270)	(149)
28	Debt Interest	-	-	-	-	(49)	(121)	(268)	(185)
29	Deferred Income Taxes	-	-	-	-	-	-	-	-
30	Amortized ITC - Noxon	-	-	-	-	-	-	-	-
31	NET OPERATING INCOME	(2,796)	(\$1,590)	(\$1,349)	(1,052)	(1,404)	(\$238)	(\$749)	(\$375)
	RATE BASE								
	PLANT IN SERVICE								
32	Intangible	\$0	\$0	\$0	\$0	\$3,707	\$890	\$667	\$0
33	Production	-	-	-	-	-	893	2,151	1,686
34	Transmission	-	-	-	-	-	11,460	6,759	28,736
35	Distribution	-	-	-	-	-	1,395	28,821	3,315
36	General	-	-	-	-	19	995	4,921	-
37	Total Plant in Service	-	-	-	-	3,726	15,633	43,319	33,737
	ACCUMULATED DEPRECIATION/AMORT								
38	Intangible	-	-	-	-	6,156	(27)	(37)	-
39	Production	-	-	-	-	-	2,659	407	337
40	Transmission	-	-	-	-	-	2,685	760	2,084
41	Distribution	-	-	-	-	-	1,366	4,218	484
42	General	-	-	-	-	(2)	1,701	4,990	-
43	Total Accumulated Depreciation	-	-	-	-	6,154	8,385	10,338	2,905
44	NET PLANT	-	-	-	-	9,880	24,018	53,657	36,642
45	DEFERRED TAXES	-	-	-	-	(564)	(710)	(2,119)	(1,058)
46	Net Plant After DFIT	-	-	-	-	9,316	23,308	51,538	35,584
47	DEFERRED DEBITS AND CREDITS & OTHER	-	-	-	-	-	-	-	-
48	WORKING CAPITAL	-	-	-	-	-	-	-	-
49	TOTAL RATE BASE	\$0	\$0	\$0	\$0	\$9,316	\$23,308	\$51,538	\$35,584
50	RATE OF RETURN								
51	REVENUE REQUIREMENT	3,702	2,105	1,786	1,393	2,775	2,608	6,062	3,997

AVISTA UTILITIES

WASHINGTON ELECTRIC RESULTS

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

Revised to Reflect

Filed 2019
Tax Return

Line No.	DESCRIPTION	Pro Forma 2020 Short Lived	Pro Forma AMI Capital	Pro Forma WildFire Plan	Pro Forma EIM Expenditures	Pro Forma Colstrip Cap & Amortization	PF Normalize CS2/Colstrip Major Maint	Restate 2019 ADFIT
	Adjustment Number	3.15	3.16	3.17	3.18	3.19	3.20	3.21
	Workpaper Reference	E-CAP5	E-AMI	E-WF	E-PEIM	E-PCOL	E-PMM	E-RDFIT
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	1,386	-	(16)	-
8	Purchased Power	-	-	-	-	-	-	-
9	Depreciation/Amortization	-	-	97	91	3,053	-	-
10	Regulatory Amortization	-	-	-	-	(2,534)	-	-
11	Taxes	-	-	-	-	-	-	-
12	Total Production & Transmission	-	-	1,092	1,477	519	(16)	-
Distribution								
13	Operating Expenses	-	-	3,030	-	-	-	-
14	Depreciation/Amortization	-	1,934	216	-	-	-	-
15	Regulatory Amortization	-	-	-	-	-	-	-
15	Taxes	-	-	-	-	-	-	-
16	Total Distribution	-	1,934	3,246	-	-	-	-
17	Customer Accounting	-	-	-	-	-	-	-
18	Customer Service & Information	-	-	-	-	-	-	-
19	Sales Expenses	-	-	-	-	-	-	-
Administrative & General								
20	Operating Expenses	-	(2,986)	-	-	-	-	-
21	Depreciation/Amortization	1,966	581	-	1,319	-	-	-
22	Regulatory Deferrals/Amortization	-	10,133	-	-	-	-	-
23	Taxes	-	-	-	-	-	-	-
24	Total Admin. & General	1,966	7,728	-	1,319	-	-	-
25	Total Electric Expenses	1,966	9,662	4,338	2,796	519	(16)	-
26	OPERATING INCOME BEFORE FIT	(1,966)	(9,662)	(4,338)	(2,796)	(519)	16	-
FEDERAL INCOME TAX								
27	Current Accrual	(413)	(2,029)	(911)	(587)	(109)	3	-
28	Debt Interest	(57)	(480)	(68)	(49)	81	-	159
29	Deferred Income Taxes	-	-	-	-	(596)	-	-
30	Amortized ITC - Noxon	-	-	-	-	-	-	-
31	NET OPERATING INCOME	(\$1,496)	(\$7,153)	(\$3,359)	(2,160)	105	13	(159)
RATE BASE								
PLANT IN SERVICE								
32	Intangible	\$7,006	\$29,775	\$0	\$6,595	\$0	\$0	-
33	Production	-	-	-	3,082	12,361	-	-
34	Transmission	-	-	4,729	1,098	-	-	-
35	Distribution	-	34,773	8,807	-	-	-	-
36	General	(3,299)	16,649	-	-	-	-	-
37	Total Plant in Service	3,707	81,197	13,536	10,775	12,361	-	-
ACCUMULATED DEPRECIATION/AMORT								
38	Intangible	703	(16,192)	-	(990)	-	-	-
39	Production	-	-	-	(80)	(25,563)	-	-
40	Transmission	-	-	(92)	(30)	-	-	-
41	Distribution	-	(6,933)	(152)	-	-	-	-
42	General	7,007	(4,884)	-	-	-	-	-
43	Total Accumulated Depreciation	7,710	(28,009)	(244)	(1,100)	(25,563)	-	-
44	NET PLANT	11,417	53,188	13,292	9,675	(13,202)	-	-
45	DEFERRED TAXES	(531)	(14,370)	(166)	(317)	1,863	-	(30,542)
46	Net Plant After DFIT	10,886	38,818	13,126	9,358	(11,339)	-	(30,542)
47	DEFERRED DEBITS AND CREDITS & OTHER	-	53,345	-	-	(4,266)	-	-
48	WORKING CAPITAL	-	-	-	-	-	-	-
49	TOTAL RATE BASE	\$10,886	\$92,163	\$13,126	\$9,358	(\$15,605)	\$0	(\$30,542)
50	RATE OF RETURN							
51	REVENUE REQUIREMENT	3,052	18,537	5,738	3,781	(1,674)	(17)	(2,794)

AVISTA UTILITIES

WASHINGTON ELECTRIC RESULTS

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

INFORMATIONAL

TARIFF
#76

Line No.	DESCRIPTION	Base Pro Forma Total	Tax Customer Credit Tariff #76	Billed Net Total After Tariff
	Adjustment Number	PF-SubTtl	4.00T	Net Billed
	Workpaper Reference		E-Tax	Total
	REVENUES			
1	Total General Business	\$530,494		\$530,494
2	Interdepartmental Sales	1,228	-	1,228
3	Sales for Resale	53,469	-	53,469
4	Total Sales of Electricity	585,191	-	585,191
5	Other Revenue	16,881	-	16,881
6	Total Electric Revenue	602,072	-	602,072
	EXPENSES			
	Production and Transmission			
7	Operating Expenses	147,183	-	147,183
8	Purchased Power	70,783	-	70,783
9	Depreciation/Amortization	40,315	-	40,315
10	Regulatory Amortization	(1,783)	-	(1,783)
11	Taxes	17,996	-	17,996
12	Total Production & Transmission	274,494	-	274,494
	Distribution			
13	Operating Expenses	30,571	-	30,571
14	Depreciation/Amortization	32,677	-	32,677
	Regulatory Amortization			
15	Taxes	29,961	-	29,961
16	Total Distribution	93,209	-	93,209
17	Customer Accounting	11,944	-	11,944
18	Customer Service & Information	1,634	-	1,634
19	Sales Expenses	-	-	-
	Administrative & General			
20	Operating Expenses	58,684	-	58,684
21	Depreciation/Amortization	41,693	-	41,693
22	Regulatory Deferrals/Amortization	5,485	(43,788)	(38,303)
23	Taxes	-	-	-
24	Total Admin. & General	105,862	(43,788)	62,073
25	Total Electric Expenses	487,143	(43,788)	443,354
26	OPERATING INCOME BEFORE FIT	114,929	43,788	158,718
	FEDERAL INCOME TAX			
27	Current Accrual	3,321	9,196	12,517
28	Debt Interest	(872)	(92)	(964)
29	Deferred Income Taxes	6,667	-	6,667
30	Amortized ITC - Noxon	(318)	-	(318)
31	NET OPERATING INCOME	106,131	34,685	140,816
	RATE BASE			
	PLANT IN SERVICE			
32	Intangible	\$231,529		\$231,529
33	Production	954,312	-	954,312
34	Transmission	580,646	-	580,646
35	Distribution	1,259,952	-	1,259,952
36	General	296,158	-	296,158
37	Total Plant in Service	3,322,597	-	3,322,597
	ACCUMULATED DEPRECIATION/AMORT			
38	Intangible	(68,347)	-	(68,347)
39	Production	(\$412,851)	-	(\$412,851)
40	Transmission	(145,379)	-	(145,379)
41	Distribution	(358,902)	-	(358,902)
42	General	(81,736)	-	(81,736)
43	Total Accumulated Depreciation	(1,067,215)	-	(1,067,215)
44	NET PLANT	2,255,382	-	2,255,382
45	DEFERRED TAXES	(464,571)	17,681	(446,890)
46	Net Plant After DFIT	1,790,811	17,681	1,808,492
47	DEFERRED DEBITS AND CREDITS & OTHER	46,036	-	46,036
48	WORKING CAPITAL	40,710	-	40,710
49	TOTAL RATE BASE	1,877,557	\$17,681	1,895,238
50	RATE OF RETURN			
51	REVENUE REQUIREMENT	44,183	(44,183)	0

AVISTA UTILITIES
Restatement Summary
Washington Electric
TWELVE MONTHS ENDED DECEMBER 31, 2019

Column	WP Ref	Description of Adjustment	Washington Electric		
			NOI	Rate Base	ROR
Restating Adjustments					
1.00	E-ROO	Results of Operations	115,023	1,710,135	6.73%
1.01	E-DFIT	Deferred FIT Rate Base	0	47	
1.02	E-DDC	Deferred Debits and Credits	(45)	1	
1.03	E-WC	Working Capital	(20)	(3,752)	
1.04	E-AMI	Remove AMI Rate Base	(251)	(48,288)	
2.01	E-EBO	Eliminate B & O Taxes	(63)	-	
2.02	E-RPT	Restate Property Tax	(791)	-	
2.03	E-UE	Uncollect. Expense	(1,135)	-	
2.04	E-RE	Regulatory Expense	294	-	
2.05	E-ID	Injuries and Damages	(40)	-	
2.06	E-FIT	FIT/DFIT/ ITC Expense	3	-	
2.07	E-OSC	Office Space Charges to Non-Utility	41	-	
2.08	E-RET	Restate Excise Taxes	(27)	-	
2.09	E-NGL	Net Gains & Losses	46	-	
2.10	E-WN	Weather Normalization	(619)	-	
2.11	E-EAS	Eliminate Adder Schedules	(1,104)	-	
2.12	E-MR	Misc. Restating Non-Util / Non- Recurring Expenses	967	-	
2.13	E-RI	Restating Incentives	(595)	-	
2.14	E-RDI	Restate Debt Interest	(934)	-	
2.15	E-EWPC	Eliminate WA Power Cost Defer	1,074	-	
2.16	E-NPS	Nez Perce Settlement Adjustment	4	-	
2.17	E-PMM	Normalize CS2/Colstrip Major Maint	\$732	-	
2.18	E-APS	Authorized Power Supply	(4,633)	-	
2.19	E-EOP19	Restate 2019 AMA Rate Base to EOP	(1,357)	21,049	
		Restated Total	<u>106,569</u>	<u>1,679,192</u>	<u>6.35%</u>
Pro Forma Adjustments					
3.00P	E-PPS	Pro Forma Power Supply	11,521	-	
3.00T	E-PTRAN	Pro Forma Transmission Revenue/Expense	873	\$0	
3.01	E-PREV	Pro Forma Revenue Normalization	11,740	\$0	
3.02	E-PRA	Pro Forma Def. Debits, Credits & Regulatory Amorts	1,905	(766)	
3.03	E-ARAM	Pro Forma ARAM DFIT	\$500	-	
3.04	E-PLN	Pro Forma Labor Non-Exec	(2,581)	-	
3.05	E-PLE	Pro Forma Labor Exec	251	-	
3.06	E-PEB	Pro Forma Employee Benefits	(885)	-	
3.07	E-PINS	Pro Forma Insurance Expense	(2,796)	-	
3.08	E-PIT	Pro Forma IS/IT Expense	(1,590)	-	
3.09	E-PPT	Pro Forma Property Tax	(1,349)	-	
3.10	E-PFEE	Pro Forma Fee Free Amortization	(1,052)	-	
3.11	E-PCAP1	Pro Forma 2020 Customer At Center	(1,404)	9,316	
3.12	E-CAP2	Pro Forma 2020 Large & Distinct	(238)	23,308	
3.13	E-CAP3	Pro Forma 2020 Programmatic	(\$749)	\$51,538	
3.14	E-CAP4	Pro Forma 2020 Mandatory & Compliance	(\$375)	\$35,584	
3.15	E-CAP5	Pro Forma 2020 Short Lived	(\$1,496)	\$10,886	
3.16	E-AMI	Pro Forma AMI Capital	(\$7,153)	\$92,163	
3.17	E-WF	Pro Forma WildFire Plan	(\$3,359)	\$13,126	
3.18	E-PEIM	Pro Forma EIM Expenditures	(2,160)	\$9,358	
3.19	E-PCOL	Pro Forma Colstrip Cap & Amortization	105	(15,605)	
3.20	E-PMM	PF Normalize CS2/Colstrip Major Maint	13	-	
3.21	E-RDFIT	Restate 2019 ADFIT	(159)	(30,542)	
		Pro Forma Study	<u>106,131</u>	<u>1,877,557</u>	<u>5.65%</u>
Other	CF WA Elec	Conversion Factor			
<u>INFORMATIONAL ONLY</u>					
4.00T	E-Tax	Tax Customer Credit Tariff #76	34,685	\$17,681	
		After Tariff #76 Tax Customer Credit	<u>140,816</u>	<u>1,895,238</u>	<u>7.43%</u>