

Exh. JH-2r
Dockets UE-200900, UG-200901,
UE-200894
Witness: Joanna Huang

**BEFORE THE WASHINGTON
UTILITIES AND TRANSPORTATION COMMISSION**

**WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION,**

Complainant,

v.

**AVISTA CORPORATION, d/b/a
AVISTA UTILITIES,**

Respondent.

**DOCKETS UE-200900, UG-200901,
UE-200894 (*Consolidated*)**

**EXHIBIT TO
TESTIMONY OF**

Joanna Huang

**STAFF OF
WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION**

Electric Revenue Requirement Analysis

April 21, 2021
Revised July 2, 2021

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	(\$17,198)	\$529,351	\$10,554	\$539,905
2	Interdepartmental Sales	1,228	-	1,228		1,228
3	Sales for Resale	53,430	2,260	55,690		55,690
4	Total Sales of Electricity	601,207	(14,938)	586,269	10,554	596,823
5	Other Revenue	60,250	(43,369)	16,881		16,881
6	Total Electric Revenue	661,457	(58,307)	603,150	10,554	613,704
EXPENSES						
Production and Transmission						
7	Operating Expenses	170,553	(23,975)	146,578		146,578
8	Purchased Power	89,083	(18,300)	70,783		70,783
9	Depreciation/Amortization	32,447	4,604	37,051		37,051
10	Regulatory Deferrals/Amortization	(712)	(1,071)	(1,783)		(1,783)
11	Taxes	16,489	913	17,402		17,402
12	Total Production & Transmission	307,860	(37,829)	270,031	-	270,031
Distribution						
13	Operating Expenses	26,747	1,207	27,954		27,954
14	Depreciation/Amortization	31,132	685	31,817		31,817
15	Taxes	47,422	(17,624)	29,798	407	30,205
16	Total Distribution	105,301	(15,732)	89,569	407	89,976
17	Customer Accounting	9,916	1,980	11,896	35	11,931
18	Customer Service & Information	28,425	(26,790)	1,635		1,635
19	Sales Expenses	-	-	-		-
Administrative & General						
20	Operating Expenses	55,880	(2,605)	53,275	21	53,296
21	Depreciation/Amortization	35,595	4,331	39,926		39,926
22	Regulatory Deferrals/Amortization	(9,018)	14,504	5,486		5,486
23	Taxes	-	-	-		-
24	Total Admin. & General	82,457	16,230	98,687	21	98,708
25	Total Electric Expenses	533,959	(62,141)	471,818	463	472,281
26	OPERATING INCOME BEFORE FIT	127,498	3,834	131,332	10,091	141,422
FEDERAL INCOME TAX						
27	Current Accrual	4,963	1,464	6,427	2,119	8,546
28	Debt Interest	-	(412)	(412)	(94)	(506)
29	Deferred Income Taxes	7,830	(552)	7,278		7,278
30	Amortized Investment Tax Credit	(318)	-	(318)		(318)
31	NET OPERATING INCOME	\$115,023	\$3,334	\$118,357	8,066	\$126,422
RATE BASE						
PLANT IN SERVICE						
32	Intangible	\$211,035	\$20,263	\$231,298		\$231,298
33	Production	930,160	6,057	936,217		936,217
34	Transmission	509,897	40,976	550,873		550,873
35	Distribution	1,194,477	30,312	1,224,789		1,224,789
36	General	279,556	1,439	280,995		280,995
37	Total Plant in Service	3,125,125	99,047	3,224,172	-	3,224,172
ACCUMULATED DEPRECIATION						
38	Intangible	(57,078)	(14,610)	(71,688)		(71,688)
39	Production	(382,437)	(29,968)	(412,405)		(412,405)
40	Transmission	(147,016)	(430)	(147,446)		(147,446)
41	Distribution	(358,989)	8,101	(350,888)		(350,888)
42	General	(92,865)	12,233	(80,632)		(80,632)
43	Total Accumulated Depreciation	(1,038,385)	(24,673)	(1,063,058)	-	(1,063,058)
44	NET PLANT BEFORE DFIT	2,086,740	74,374	2,161,114	-	2,161,114
45	DEFERRED TAXES	(418,971)	(41,896)	(460,867)		(460,867)
46	NET PLANT AFTER DFIT	1,667,769	32,478	1,700,247	-	1,700,247
47	DEFERRED DEBITS AND CREDITS	(2,096)	47,942	45,846		45,846
48	WORKING CAPITAL	44,462	(3,752)	40,710		40,710
50	TOTAL RATE BASE	\$1,710,135	\$76,668	\$1,786,803	\$0	\$1,786,803
51	RATE OF RETURN	6.73%		6.62%		7.08%

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

Line No.	Description	Requested Base Rate Change 10/1/2021 (000's of Dollars)	Tariff Schedule 76	Overall Bill Impact
1	Pro Forma Rate Base	\$ 1,786,803		
2	Proposed Rate of Return	7.07%		
3	Net Operating Income Requirement	\$126,327		
4	Pro Forma Net Operating Income	118,356		
5	Net Operating Income Deficiency	\$7,971		
6	Conversion Factor	0.755294		
7	Revenue Requirement	\$10,554	\$ (44,183)	\$ -
8	Total General Business Revenues	\$530,579		
9	Percentage Revenue Increase	1.99%	-8.33%	0.0%
10	Total <u>Billed</u> General Business Revenues	\$530,123		
11	Percentage Revenue Increase	1.99%	-8.74%	0.0%

AVISTA UTILITIES PROPOSED COST OF CAPITAL WASHINGTON ELECTRIC			
Proposed Capital Structure			
Component	Capital Structure	Cost	Weighted Cost
Short-Term Debt	2.48%	3.26%	0.08%
Long-Term Debt	49.02%	5.05%	2.48%
Common	48.50%	9.30%	4.51%
Total	<u>100.00%</u>		<u>7.07%</u>

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

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

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

Actual Results	Restatement Adjustments
	ok ok

Line No.	DESCRIPTION	Results of Operations 1.00 E-ROO	Deferred FIT Rate Base 1.01 E-DFIT	Deferred Debits and Credits 1.02 E-DDC	Working Capital 1.03 E-WC	Remove AMI Rate Base 1.04 E-AMI	Eliminate B & O Taxes 2.01 E-EBO	Restate Property Tax 2.02 E-RPT	Uncollect. Expense 2.03 E-UE	Regulatory Expense 2.04 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	260	-	-	-	-
29	Deferred Income Taxes	7,830	-	-	-	-	-	-	-	-
30	Amortized ITC - Noxon	(318)	-	-	-	-	-	-	-	-
31	NET OPERATING INCOME	\$115,023	\$0	(\$45)	(\$20)	(\$260)	(\$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	7,790	4	60	(325)	(4,176)	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	Restating Incentives 2.13 E-RI
	Adjustment Number Workpaper Reference									
	REVENUES									
1	Total General Business	\$0	\$0	\$0	\$0	\$0	(\$3,836)	(\$21,727)	\$0	\$0
2	Interdepartmental Sales	0.0000%	-	-	-	-	-	-	-	-
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)	-	-	-	-
15	Regulatory Amortization	-	-	-	-	-	-	-	-	-
16	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)	753
21	Depreciation/Amortization	-	-	-	-	-	-	-	-	-
22	Regulatory Deferrals/Amortization	-	-	-	-	-	-	3,914	-	-
23	Taxes	-	-	-	-	-	-	-	-	-
24	Total Admin. & General	51	-	(52)	-	-	(8)	3,871	(1,232)	753
25	Total Electric Expenses	51	-	(52)	34	(58)	(169)	(20,543)	(1,224)	753
26	OPERATING INCOME BEFORE FIT	(51)	-	52	(34)	58	(784)	(1,397)	1,224	(753)
	FEDERAL INCOME TAX									
27	Current Accrual	(11)	1	11	(7)	12	(165)	(293)	257	(158)
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	(\$95)
	RATE BASE									
	PLANT IN SERVICE									
32	Intangible	\$0	\$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	\$0
50	RATE OF RETURN									
51	REVENUE REQUIREMENT	53	(4)	(54)	36	(61)	820	1,461	(1,280)	788

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

Line No.	DESCRIPTION	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 Workpaper Reference	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
REVENUES								
1	Total General Business	\$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	-	3	-	-	-	-	54,980
21	Depreciation/Amortization	-	-	-	-	-	(348)	35,247
22	Regulatory Deferrals/Amortization	-	-	-	-	-	-	(5,104)
23	Taxes	-	-	-	-	-	-	-
24	Total Admin. & General	-	3	-	-	-	(348)	85,123
25	Total Electric Expenses	-	381	(5)	(926)	(50,487)	1,856	446,888
26	OPERATING INCOME BEFORE FIT	-	1,359	5	926	(5,865)	(1,856)	118,179
FEDERAL INCOME TAX								
27	Current Accrual	646	348	1	194	(1,232)	(390)	3,716
28	Debt Interest	-	-	-	-	-	(113)	166
29	Deferred Income Taxes	-	(63)	-	-	-	-	7,763
30	Amortized ITC - Noxon	-	-	-	-	-	-	(318)
31	NET OPERATING INCOME	(646)	\$1,074	\$4	732	(\$4,633)	(\$1,353)	106,852
RATE BASE								
PLANT IN SERVICE								
32	Intangible	\$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
DEFERRED TAXES								
45	Net Plant After DFIT	-	-	-	-	-	(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	21,049	\$1,679,192
50	RATE OF RETURN							(1)
51	REVENUE REQUIREMENT	855	(1,422)	(5)	(969)	6,134	3,762	15,712

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

Pro Forma Adjustments
Bench Request 2
Agreed to per Settlement
Update PS and Trans with 60-Day
Update on or before 08.01.2021

Agreed to **Agreed to**
AVA Original **AVA 2020**
proposed **actual amount**

Line No.	DESCRIPTION	Pro Forma Power Supply 3.00P E-PPS	Pro Forma Transmission Revenue/Expense 3.00T E-PTRAN	Pro Forma Revenue Normalization 3.01 E-PREV	Pro Forma Def. Debits, Credits & Regulatory Amorts 3.02 E-PRA	Pro Forma ARAM DFIT 3.03 E-ARAM	Pro Forma Labor Non-Exec 3.04 E-PLN	Pro Forma Labor Exec 3.05 E-PLE	Pro Forma Employee Benefits 3.06 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)	(226)	231	-	886	-	427
8	Purchased Power	(3,499)	-	-	-	-	-	-	-
9	Depreciation/Amortization	-	-	-	-	-	-	-	-
10	Regulatory Amortization	-	-	-	(1,869)	-	-	-	-
11	Taxes	-	-	-	-	-	-	-	-
12	Total Production & Transmission	5,508	(447)	(226)	(1,638)	-	886	-	427
	Distribution								
13	Operating Expenses	-	-	-	-	-	482	-	268
14	Depreciation/Amortization	-	-	-	-	-	-	-	-
15	Regulatory Amortization	-	-	-	-	-	-	-	-
16	Taxes	-	-	984	-	-	-	-	-
16	Total Distribution	-	-	984	-	-	482	-	268
17	Customer Accounting	-	-	85	-	-	261	-	122
18	Customer Service & Information	-	-	-	-	-	25	-	12
19	Sales Expenses	-	-	-	-	-	-	-	-
	Administrative & General								
20	Operating Expenses	-	-	51	-	-	1,005	(318)	390
21	Depreciation/Amortization	-	-	-	-	-	-	-	-
22	Regulatory Deferrals/Amortization	-	-	-	(779)	-	-	-	-
23	Taxes	-	-	-	-	-	-	-	-
24	Total Admin. & General	-	-	51	(779)	-	1,005	(318)	390
25	Total Electric Expenses	5,508	(447)	894	(2,417)	-	2,659	(318)	1,219
26	OPERATING INCOME BEFORE FIT	17,029	1,105	13,994	2,417	-	(2,659)	318	(1,219)
	FEDERAL INCOME TAX								
27	Current Accrual	3,576	232	2,939	508	-	(558)	67	(256)
28	Debt Interest	-	-	-	4	-	-	-	-
29	Deferred Income Taxes	-	-	-	-	(485)	-	-	-
30	Amortized ITC - Noxon	-	-	-	-	-	-	-	-
31	NET OPERATING INCOME	13,453	873	11,055	\$1,905	\$485	(\$2,101)	\$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	-	-	-	-	-	-	-	-
	DEFERRED TAXES								
45	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	(17,811)	(1,156)	(14,637)	(2,594)	(642)	2,781	(333)	1,275

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

Line No.	DESCRIPTION	Pro Forma Insurance Expense 3.07 E-PINS	Pro Forma IS/IT Expense 3.08 E-PIT	Pro Forma Property Tax 3.09 E-PPT	Pro Forma Fee Free Amortization 3.10 E-PFEE	Pro Forma 2020 Customer At Center 3.11 E-PCAPI	Pro Forma 2020 Large & Distinct 3.12 E-CAP2	Pro Forma 2020 Programmatic 3.13 E-CAP3	Pro Forma 2020 Mandatory & Compliance 3.14 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	-	-	-	-	-	68	17	313
10	Regulatory Amortization	-	-	-	-	-	-	-	-
11	Taxes	-	-	562	-	-	-	-	-
12	Total Production & Transmission	-	-	562	-	-	68	17	313
	Distribution								
13	Operating Expenses	-	-	-	-	-	-	(106)	-
14	Depreciation/Amortization	-	-	-	-	-	(16)	171	76
15	Taxes	-	-	433	-	-	-	-	-
16	Total Distribution	-	-	433	-	-	(16)	65	76
17	Customer Accounting	-	-	-	97	-	-	-	-
18	Customer Service & Information	-	-	-	-	-	-	-	-
19	Sales Expenses	-	-	-	-	-	-	-	-
	Administrative & General								
20	Operating Expenses	-	-	-	-	-	-	-	-
21	Depreciation/Amortization	-	-	-	-	1,563	(161)	(323)	(28)
22	Regulatory Deferrals/Amortization	-	-	-	1,235	-	-	-	-
23	Taxes	-	-	-	-	-	-	-	-
24	Total Admin. & General	-	-	-	1,235	1,563	(161)	(323)	(28)
25	Total Electric Expenses	-	-	995	1,332	1,563	(109)	(241)	361
26	OPERATING INCOME BEFORE FIT	-	-	(995)	(1,332)	(1,563)	109	241	(361)
	FEDERAL INCOME TAX								
27	Current Accrual	-	-	(209)	(280)	(328)	23	-	(76)
28	Debt Interest	-	-	-	-	(43)	(33)	(87)	(127)
29	Deferred Income Taxes	-	-	-	-	-	-	-	-
30	Amortized ITC - Noxon	-	-	-	-	-	-	-	-
31	NET OPERATING INCOME	\$0	\$0	(\$786)	(1,052)	(1,192)	\$119	\$328	(\$158)
	RATE BASE								
	PLANT IN SERVICE								
32	Intangible	\$0	\$0	\$0	\$0	\$6,108	\$0	(\$198)	(\$13)
33	Production	-	-	-	-	-	(1,379)	(\$154)	(277)
34	Transmission	-	-	-	-	-	4,945	\$1,009	15,503
35	Distribution	-	-	-	-	-	(836)	\$4,755	2,502
36	General	-	-	-	-	(9)	(2,845)	(\$6,403)	(73)
37	Total Plant in Service	-	-	-	-	6,099	(115)	(991)	\$17,643
	ACCUMULATED DEPRECIATION/AMORT								
38	Intangible	-	-	-	-	1,886	-	198	13
39	Production	-	-	-	-	-	1,379	155	277
40	Transmission	-	-	-	-	-	645	587	2,139
41	Distribution	-	-	-	-	-	858	10,218	2,759
42	General	-	-	-	-	150	3,501	6,681	1,575
43	Total Accumulated Depreciation	-	-	-	-	2,036	6,383	17,838	6,762
44	NET PLANT	-	-	-	-	8,135	6,268	16,848	\$24,404
45	DEFERRED TAXES	-	-	-	-	(153)	(164)	(737)	(780)
46	Net Plant After DFIT	-	-	-	-	7,982	6,104	16,111	23,624
47	DEFERRED DEBITS AND CREDITS & OTHER	-	-	-	-	-	-	-	-
48	WORKING CAPITAL	-	-	-	-	-	-	-	-
49	TOTAL RATE BASE	\$0	\$0	\$0	\$0	\$7,982	\$6,104	\$16,111	\$23,624
50	RATE OF RETURN								
51	REVENUE REQUIREMENT	-	-	1,041	1,393	2,325	414	1,074	2,421

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

Bench Request 2
Agreed to per Settlement
EIM Capital and Expense in Base Rates
(originally in 1 Adj)

Line No.	DESCRIPTION	Pro Forma 2020 Short Lived	Pro Forma AMI Capital	Pro Forma WildFire Plan	Pro Forma EIM Expenditures	Provisional EIM Expenditures	Pro Forma Colstrip Cap & Amortization	PF Normalize CS2/Colstrip Major Maint
	Adjustment Number Workpaper Reference	3.15 E-CAP5	3.16 E-AMI	3.17 E-WF	3.18 E-PEIM	3.18PV E-PEIMp	3.19 E-PCOL	3.20 E-PMM
REVENUES								
1	Total General Business	\$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	-	-	785	1,691		-	(16)
8	Purchased Power	-	-	-	-		-	-
9	Depreciation/Amortization	-	-	-	117		522	-
10	Regulatory Amortization	-	-	-	-		(2,534)	-
11	Taxes	-	-	-	-		-	-
12	Total Production & Transmission	-	-	785	1,808		(2,012)	(16)
Distribution								
13	Operating Expenses	-	-	563	-		-	-
14	Depreciation/Amortization	-	1,870	-	5		-	-
	Regulatory Amortization	-	-	-	-		-	-
15	Taxes	-	-	-	-		-	-
16	Total Distribution	-	1,870	563	5		-	-
17	Customer Accounting	-	-	-	-		-	-
18	Customer Service & Information	-	-	-	-		-	-
19	Sales Expenses	-	-	-	-		-	-
Administrative & General								
20	Operating Expenses	-	(2,833)	-	-		-	-
21	Depreciation/Amortization	1,584	456	-	768	820	-	-
22	Regulatory Deferrals/Amortization	-	10,134	-	-	-	-	-
23	Taxes	-	-	-	-	-	-	-
24	Total Admin. & General	1,584	7,757	-	768	820	-	-
25	Total Electric Expenses	1,584	9,627	1,348	2,581	820	(2,012)	(16)
26	OPERATING INCOME BEFORE FIT	(1,584)	(9,627)	(1,348)	(2,581)	(820)	2,012	16
FEDERAL INCOME TAX								
27	Current Accrual	(333)	(2,022)	(283)	(542)	(172)	423	3
28	Debt Interest	(46)	(471)	(8)	(47)	(21)	135	-
29	Deferred Income Taxes	-	-	-	-	-	-	-
30	Amortized ITC - Noxon	-	-	-	-	-	-	-
31	NET OPERATING INCOME	(\$1,205)	(\$7,134)	(\$1,057)	(1,992)	(627)	1,454	13
RATE BASE								
PLANT IN SERVICE								
32	Intangible	\$4,775	\$29,982	\$0	\$3,656	\$4,099	\$0	\$0
33	Production	-	-	-	\$3,637	-	251	-
34	Transmission	-	-	49	1,503	-	-	-
35	Distribution	-	33,815	1,525	187	-	-	-
36	General	(157)	12,782	-	828	-	-	-
37	Total Plant in Service	4,618	76,579	1,574	\$9,810	\$4,099	251	-
ACCUMULATED DEPRECIATION/AMORT								
38	Intangible	1,423	(16,281)	-	(752)	(215)	-	-
39	Production	-	-	-	(92)	-	(23,513)	-
40	Transmission	-	-	-	(30)	-	-	-
41	Distribution	-	(6,831)	(3)	(4)	-	-	-
42	General	2,772	(4,707)	-	(57)	-	-	-
43	Total Accumulated Depreciation	4,195	(27,819)	(3)	(935)	(215)	(23,513)	-
44	NET PLANT	8,813	48,760	1,571	8,875	3,884	(23,262)	-
45	DEFERRED TAXES	(173)	(14,330)	(80)	(148)	(33)	2,330	-
46	Net Plant After DFIT	8,640	34,430	1,492	8,726	3,851	(20,932)	-
47	DEFERRED DEBITS AND CREDITS & OTHER	-	53,155	-	-	-	(4,266)	-
48	WORKING CAPITAL	-	-	-	-	-	-	-
49	TOTAL RATE BASE	\$8,640	87,585	\$1,492	\$8,726	\$3,851	(\$25,198)	\$0
50	RATE OF RETURN							
51	REVENUE REQUIREMENT	2,404	17,644	1,540	3,454	1,191	(4,284)	(17)

AVISTA UTILITIES

WASHINGTON ELECTRIC RESULTS

TWELVE MONTHS ENDED DECEMBER 31, 2019

(000'S OF DOLLARS)

Revised to Reflect

Filed 2019

Tax Return

INFORMATIONAL

TARIFF

#76

Line No.	DESCRIPTION	Restate 2019 ADFIT	Base Pro Forma Total	Tax Customer Credit Tariff #76	Billed Net Total After Tariff
	Adjustment Number	3.21	PF-SubTtl	4.00T	Net Billed Total
	Workpaper Reference	E-RDFIT		E-Tax	
	REVENUES				
1	Total General Business	\$0	\$529,351		\$529,351
2	Interdepartmental Sales	-	1,228	-	1,228
3	Sales for Resale	-	55,690	-	55,690
4	Total Sales of Electricity	-	586,269	-	586,269
5	Other Revenue	-	16,881	-	16,881
6	Total Electric Revenue	-	603,150	-	603,150
	EXPENSES				
	Production and Transmission				
7	Operating Expenses	-	146,578	-	146,578
8	Purchased Power	-	70,783	-	70,783
9	Depreciation/Amortization	-	37,051	-	37,051
10	Regulatory Amortization	-	(1,783)	-	(1,783)
11	Taxes	-	17,402	-	17,402
12	Total Production & Transmission	-	270,032	-	270,032
	Distribution				
13	Operating Expenses	-	27,954	-	27,954
14	Depreciation/Amortization	-	31,817	-	31,817
	Regulatory Amortization	-	-	-	-
15	Taxes	-	29,798	-	29,798
16	Total Distribution	-	89,569	-	89,569
17	Customer Accounting	-	11,896	-	11,896
18	Customer Service & Information	-	1,635	-	1,635
19	Sales Expenses	-	-	-	-
	Administrative & General				
20	Operating Expenses	-	53,275	-	53,275
21	Depreciation/Amortization	-	39,926	-	39,926
22	Regulatory Deferrals/Amortization	-	5,486	(43,704)	(38,218)
23	Taxes	-	-	-	-
24	Total Admin. & General	-	98,687	(43,704)	54,983
25	Total Electric Expenses	-	471,819	(43,704)	428,115
26	OPERATING INCOME BEFORE FIT	-	131,331	43,704	175,035
	FEDERAL INCOME TAX				
27	Current Accrual	-	6,427	9,178	15,605
28	Debt Interest	164	(412)	(95)	(507)
29	Deferred Income Taxes	-	7,278	-	7,278
30	Amortized ITC - Noxon	-	(318)	-	(318)
31	NET OPERATING INCOME	(164)	118,356	34,621	152,977
	RATE BASE				
	PLANT IN SERVICE				
32	Intangible	-	\$231,298	-	\$231,298
33	Production	-	936,217	-	936,217
34	Transmission	-	550,873	-	550,873
35	Distribution	-	1,224,789	-	1,224,789
36	General	-	280,995	-	280,995
37	Total Plant in Service	-	3,224,172	-	3,224,172
	ACCUMULATED DEPRECIATION/AMORT				
38	Intangible	-	(71,688)	-	(71,688)
39	Production	-	(\$412,405)	-	(\$412,405)
40	Transmission	-	(147,446)	-	(147,446)
41	Distribution	-	(350,888)	-	(350,888)
42	General	-	(80,632)	-	(80,632)
43	Total Accumulated Depreciation	-	(1,063,060)	-	(1,063,060)
44	NET PLANT	-	2,161,112	-	2,161,112
45	DEFERRED TAXES	(30,542)	(460,867)	17,681	(443,186)
46	Net Plant After DFIT	(30,542)	1,700,245	17,681	1,717,926
47	DEFERRED DEBITS AND CREDITS & OTHER	-	45,846	-	45,846
48	WORKING CAPITAL	-	40,710	-	40,710
49	TOTAL RATE BASE	(\$30,542)	1,786,803	\$17,681	1,804,482
50	RATE OF RETURN				
51	REVENUE REQUIREMENT	(2,642)	10,554	(44,183)	(33,630)

ELECTRIC
AVISTA UTILITIES
Comparison of Revenue Requirement Adjustments
(000's of Dollars)

Column	Description	AVISTA			STAFF			Difference	
		NOI	Rate Base	Revenue Requirement @	NOI	Rate Base	Revenue Requirement @		
				7.43%			7.07%	7.43%	
1.00	Results of Operations	115,023	1,710,135	15,941	\$115,023	1,710,135	7,790	15,941	-
1.01	Deferred FIT Rate Base	0	47	4	0	47	4	4	-
1.02	Deferred Debits and Credits	(45)	1	60	(45)	1	60	60	-
1.03	Working Capital	(20)	(3,752)	(343)	(20)	(3,752)	(325)	(342)	1
1.04	Remove AMI Rate Base	(251)	(48,288)	(4,417)	(260)	(48,288)	(4,176)	(4,406)	11
	Actual	114,707	1,658,143	11,245	114,698	1,658,143	3,353	11,257	12
2.01	Eliminate B & O Taxes	(63)	0	84	(63)	0	84	84	-
2.02	Restate Property Tax	(791)	0	1,047	(791)	0	1,047	1,047	-
2.03	Uncollect. Expense	(1,135)	0	1,503	(1,135)	0	1,503	1,503	-
2.04	Regulatory Expense	294	0	(389)	294	0	(389)	(389)	-
2.05	Injuries and Damages	(40)	0	53	(40)	0	53	53	-
2.06	FIT/DFIT/ ITC Expense	3	0	(4)	3	0	(4)	(4)	-
2.07	Office Space Charges to Non-Utility	41	0	(54)	41	0	(54)	(54)	-
2.08	Restate Excise Taxes	(27)	0	36	(27)	0	36	36	-
2.09	Net Gains & Losses	46	0	(61)	46	0	(61)	(61)	-
2.10	Weather Normalization	(619)	0	820	(619)	0	820	820	-
2.11	Eliminate Adder Schedules	(1,104)	0	1,461	(1,104)	0	1,461	1,461	-
2.12	Misc. Restating Non-Util / Non- Recurring Expense	967	0	(1,280)	967	0	(1,280)	(1,280)	-
2.13	Restating Incentives	(595)	0	788	(595)	0	788	788	-
2.14	Restate Debt Interest	(934)	0	1,237	(646)	0	855	855	(382)
2.15	Eliminate WA Power Cost Defer	1,074	0	(1,422)	1,074	0	(1,422)	(1,422)	-
2.16	Nez Perce Settlement Adjustment	4	0	(5)	4	0	(5)	(5)	-
2.17	Normalize CS2/Colstrip Major Maint	732	0	(969)	732	0	(969)	(969)	-
2.18	Authorized Power Supply	(4,633)	0	6,134	(4,633)	0	6,134	6,134	-
2.19	Restate 2019 AMA Rate Base to EOP	(1,357)	21,049	3,867	(1,353)	21,049	3,762	3,862	(5)
	Restated Total	\$106,569	\$1,679,192	\$24,091	\$106,852	\$1,679,192	\$15,712	\$23,716	(\$375)
Pro Forma Adjustments									
3.00P	Pro Forma Power Supply	11,521	0	(15,253)	13,453	0	(17,811)	(17,811)	(2,558)
3.00T	Pro Forma Transmission Revenue/Expense	873	0	(1,156)	873	0	(1,156)	(1,156)	-
3.01	Pro Forma Revenue Normalization	11,740	0	(15,544)	11,055	0	(14,637)	(14,637)	907
3.02	Pro Forma Def. Debits, Credits & Regulatory Amort	1,905	(766)	(2,598)	1,905	(766)	(2,594)	(2,598)	-
3.03	Pro Forma ARAM DFIT	500	0	(662)	485	0	(642)	(642)	20
3.04	Pro Forma Labor Non-Exec	(2,581)	0	3,417	(2,101)	0	2,781	2,781	(636)
3.05	Pro Forma Labor Exec	251	0	(333)	251	0	(333)	(333)	-
3.06	Pro Forma Employee Benefits	(885)	0	1,171	(963)	0	1,275	1,275	104
3.07	Pro Forma Insurance Expense	(2,796)	0	3,702	0	0	-	0	(3,702)
3.08	Pro Forma IS/IT Expense	(1,590)	0	2,105	0	0	-	0	(2,105)
3.09	Pro Forma Property Tax	(1,349)	0	1,786	(786)	0	1,041	1,041	(745)
3.10	Pro Forma Fee Free Amortization	(1,052)	0	1,393	(1,052)	0	1,393	1,393	-
3.11	Pro Forma 2020 Customer At Center	(1,404)	9,316	2,775	(1,192)	7,982	2,325	2,363	(412)
3.12	Pro Forma 2020 Large & Distinct	(238)	23,308	2,608	119	6,104	414	443	(2,165)
3.13	Pro Forma 2020 Programmatic	(749)	51,538	6,062	328	16,111	1,074	1,151	(4,911)
3.14	Pro Forma 2020 Mandatory & Compliance	(375)	35,584	3,997	(158)	23,624	2,421	2,533	(1,464)
3.15	Pro Forma 2020 Short Lived	(1,496)	10,886	3,052	(1,205)	8,640	2,404	2,445	(607)
3.16	Pro Forma AMI Capital	(7,153)	92,163	18,537	(7,134)	87,585	17,644	18,062	(475)
3.17	Pro Forma WildFire Plan	(3,359)	13,126	5,738	(1,057)	1,492	1,539	1,546	(4,192)
3.18	Pro Forma EIM Expenditures	(2,160)	9,358	3,781	(1,992)	8,726	3,454	3,496	(285)
3.19	Pro Forma Colstrip Cap & Amortization	105	(15,605)	(1,674)	1,454	(25,198)	(4,284)	(4,404)	(2,730)
3.20	PF Normalize CS2/Colstrip Major Maint	13	0	(17)	13	0	(17)	(17)	-
3.21	Restate 2019 ADFIT	(159)	(30,542)	(2,794)	(164)	(30,542)	(2,642)	(2,787)	7
3.18PV	Pro Forma EIM Expenditures				(627)	3,851	1,191	1,209	1,209
	Pro Forma Total	\$106,131	\$1,877,557	\$44,183	\$118,356	\$1,786,801	\$10,553	\$19,069	(\$25,115)

Avista Proposed	44,183
Difference	(\$25,115)
ROR impact	(8,516)
Staff Position	10,553