

Exhibit No. ____ (DPK-5)
Docket UE-090134/UG-090135
and UG-060518 (consolidated)
Witness: Danny P. Kermode

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

WASHINGTON UTILITIES AND)	DOCKETS UE-090134
TRANSPORTATION COMMISSION,)	and UG-090135
)	(consolidated)
Complainant,)	
)	
v.)	
)	
AVISTA CORPORATION, d/b/a)	
AVISTA UTILITIES,)	
)	
Respondent.)	
.....)	
)	
In the Matter of the Petition of)	DOCKET UG-060518
)	(consolidated)
AVISTA CORPORATION, d/b/a)	
AVISTA UTILITIES,)	
)	
For an Order Authorizing)	
Implementation of a Natural Gas)	
Decoupling Mechanism and to Record)	
Accounting Entries Associated With)	
the Mechanism.)	
.....)	

EXHIBIT TO TESTIMONY OF

DANNY P. KERMODE

**STAFF OF WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION**

Gas – Pro Forma Interest Adjustment (Schedule 5)

August 17, 2009

Avista Corporation
Gas Operations
Pro Forma Interest Adjustment (Schedule 5)
Twelve Months Ended September 30, 2008
(000's of Dollars)

**Restating Adjustment R-19
Pro Forma Interest Adjustment**

Line No.	(A)	(B)	(C)
	Description	Amount	Adjustment
1			
2			
3			
4	Total Pro Forma Rate Base	\$170,105	
5			
6	Weighted Cost of Debt	3.59%	
7			
8	Pro Forma Interest Expense	<u>6,107</u>	6,107
9			
10			<u> </u>
11	Total Interest Deducted		6,107
12			
13			
14	Interest Expense Per Books		<u>5,724</u>
15			
16	Adjustment to Interest Expense		<u>383</u>
17			
18	Income Tax Effect		<u>(134)</u>
19			
20			
21			
22			
23			
24			
25			
26			
27			
28			
29			