



Avista Corp.
1411 East Mission P.O. Box 3727
Spokane, Washington 99220-0500
Telephone 509-489-0500
Toll Free 800-727-9170

VIA ELECTRONIC MAIL

April 26, 2013

Steven V. King
Acting Executive Director and Secretary
Washington Utilities and Transportation Commission
1300 S. Evergreen Park Drive, S.W.
PO Box 47250
Olympia, WA 98504-7250

RE: Avista's 2012 Affiliated Interest and Subsidiary Transactions Report

Dear Mr. King:

Pursuant to WAC 480-100-264 and WAC 480-90-264, the Company submits an original and two copies of the attached 2012 Subsidiary Transaction Report. This report contains summaries of all transactions or agreements between Avista and its subsidiaries over the preceding year ending December 31, 2012.

Included within this report are the financial statements of certain Company subsidiaries. The filed statements are prepared for internal use only and are unaudited. Due to the consolidation process it may not be possible to reconcile line items to our publically issued financial statements. Therefore, we are asking that these financial statements be treated confidentially pursuant to WAC 480-07-160. These documents are stamped "CONFIDENTIAL per WAC 480-07-160."

Please direct any questions on this matter to Jen Smith at (509) 495-2098.

Sincerely,

A handwritten signature in cursive script that reads "Liz M. Andrews".

Liz Andrews
Manager, Revenue Requirements
Avista Utilities
liz.andrews@avistacorp

enclosure



Avista Corp.
1411 East Mission P.O. Box 3727
Spokane, Washington 99220-0500
Telephone 509-489-0500
Toll Free 800-727-9170

VIA ELECTRONIC MAIL

April 26, 2013

Public Utility Commission of Oregon
Ms. Vikie Bailey-Goggins
Administrator, Regulatory Operations
550 Capitol St. NE, Suite 215
Salem, OR 97301-2551

RE: Annual Affiliated Interest Report pursuant to OAR 860-27-0100

Dear Ms. Bailey-Goggins

Please find enclosed one original and two copies of Avista Corporation's Affiliated Interest Report for 2012. Included within this report are the financial statements of certain Company subsidiaries. The filed statements are prepared for internal use only and are unaudited. Due to the consolidation process it may not be possible to reconcile line items to our publically issued financial statements. Therefore, we are asking that these financial statements be treated confidentially under the Public Records Law in accordance with ORS 192.501 and 192.502. These documents are stamped CONFIDENTIAL.

Please direct any questions on this matter to Jen Smith at (509) 495-2098.

Sincerely,

A handwritten signature in cursive script that reads "Liz M. Andrews".

Liz Andrews
Manager, Revenue Requirements
Avista Utilities
liz.andrews@avistacorp

enclosure

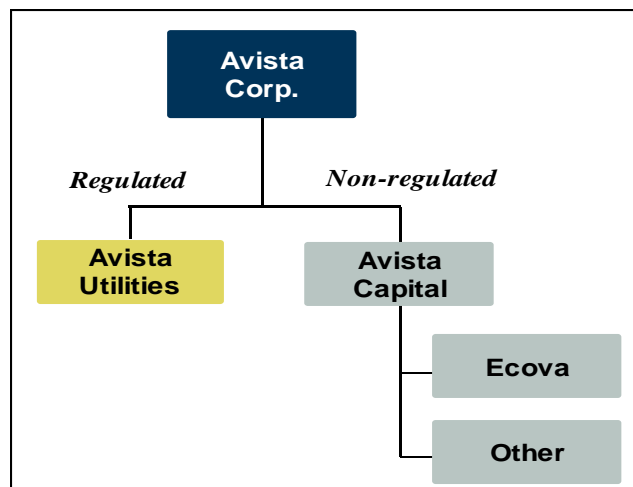
**AFFILIATED INTEREST AND SUBSIDIARY
TRANSACTIONS REPORT
OF
AVISTA CORPORATION
d/b/a AVISTA UTILITIES
FOR THE YEAR ENDED DECEMBER 31, 2012**

Pursuant to WAC 480-100-264 and WAC 480-90-264, “Affiliated Interest and Subsidiary Transactions Report”, the following report summarizes all transactions, except transactions provided at tariffed rates, that occurred between Avista Corporation (hereinafter Avista or Company) and its subsidiaries and affiliates. The Company operates in its service territories as Avista Utilities.

Avista Utilities is a combination utility that provides service to approximately 362,000 electric customers and 226,000 natural gas customers in a 26,000-square-mile area in eastern Washington and northern Idaho. Avista Utilities also serves approximately 96,000 natural gas customers in Oregon. The largest community served in the area is Spokane, Washington, which is the location of the corporate headquarters.

I. ORGANIZATION INFORMATION

1. Organizational Chart



Included in **Attachment 1** is additional detail of Avista Capital subsidiaries.

2. Directors and/or Officers

See **Attachment 2** for Officer and Director Listings for Avista Corporation and all wholly owned subsidiaries.

3. Narrative Descriptions of Subsidiaries

Avista Capital, Inc., is a wholly owned subsidiary of Avista Corp. and is the parent corporation of Avista Corporation's non-regulated subsidiary investments and operations.¹ As of December 31, 2012, Avista Capital had the following non-utility subsidiary investments:

- **Ecova, Inc.** (formerly Advantage IQ, Inc.) (79.57% ownership) Provides consolidated billing and resource accounting service and related services. Effective January 23, 2012, Prenova, Inc., merged with Ecova, Inc. Prenova is an energy management firm, which focuses on expense management and energy procurement solutions.
- **Avista Energy, Inc. and Avista Energy Canada, Ltd.** (100% ownership–Inactive), were energy marketing and resource management companies. On June 30, 2007, Avista completed the sale of the operations of Avista Energy to Coral Energy Holding, L.P., and certain of its subsidiaries, a subsidiary of Shell (Coral).
- **Avista Development, Inc.** (100% ownership-no employees, passive income) was established to manage real estate investments including:
 - * **Steam Plant Square, LLC** (85% ownership) Manages and operates the Steam Plant Square in Spokane, Washington.
 - **Steam Plant Brew Pub, LLC** (100% ownership) Manages and operates the Steam Plant Grill in Spokane, Washington.
 - * **Court Yard Office Center, LP** (100% ownership) Owns and operates commercial office space rentals.
- **Pentzer Corporation** is a wholly owned private investment company that serves as parent of the non-utility businesses listed below (100% ownership-no employees, passive income):
 - * **Advanced Manufacturing and Development, Inc., dba METALfx**, (89.2% ownership), located in Willits, California, is a manufacturer and turnkey assembler of electronic enclosures, parts, and systems primarily for the computer and instrumentation industries. This company is held by **Bay Area Manufacturing, Inc.** (100% ownership)
 - * **Pentzer Venture Holdings II, Inc.** (100% ownership) Holding company for an inactive sewage treatment plant near Spokane Industrial Park.
 - **Avista Northwest Resources, LLC** (100% ownership) was formed for the purpose of holding unregulated investments in the energy industry.

¹ The only exceptions relate to Avista Receivables, Inc., a special purpose subsidiary formed in connection with the sale of accounts receivable, and Spokane Energy, LLC, which was formed for the purpose of implementing a long-term capacity contract between Avista Utilities and Portland General Electric Company. At present, these entities are directly owned by Avista Corporation. See page 3 for a further description of Spokane Energy, LLC.

Spokane Energy, LLC (Spokane Energy) is a special purpose limited liability company and has 100% of its membership owned by Avista Corp. Spokane Energy was formed on December 30, 1998 to assume ownership of a fixed rate electric capacity contract between Avista and Portland General Electric Company (PGE). Under this contract, Peaker, LLC (Peaker) purchases capacity from Avista Utilities and sells capacity to Spokane Energy. Spokane Energy sells the related capacity to PGE. Peaker acts as an intermediary to fulfill certain regulatory requirements between Spokane Energy and Avista Corp. The transaction is structured such that Spokane Energy bears full recourse risk for a loan (balance of \$32.8 million as of December 31, 2012) that matures in January 2015. Avista has no recourse related to this loan. Peaker makes monthly payments of approximately \$150,000 to Avista for its capacity purchase.

The following entities were dissolved during 2012:

- **Avista Power, LLC**, which was created to develop and own generation assets in North America. In 2001, Avista Power ceased active development of additional non-regulated generation projects. Subsidiaries of Avista Power, LLC include:
 - **Avista Turbine Power, Inc.**, which was created to receive assignments of power purchase agreements (PPAs).
 - **Avista Ventures, Inc.** (no employees, passive income), which was formed to manage and market investments.

4. Narrative Descriptions of Affiliates

As of December 31, 2012, Avista Capital had the following affiliates:

- **Pivotal Investment Partners I, L.P.** (30.77% ownership by Avista Northwest Resources, LLC)
- **ReliOn, Inc.** (6.5% ownership by Avista Capital, Inc.)
- **EnerTech II** (2.29% ownership by Avista Development, Inc.)
- **Woodside IV** (4.16% ownership by Avista Development, Inc.)
- **Inland TechStart Fund, LLC** (14.93% ownership by Avista Development, Inc.)
- **Kick Start II** (9.62% ownership by Avista Development, Inc.)
- **Demand Energy Networks** (1.54% ownership by Avista Development, Inc.)

II. TRANSACTIONS BETWEEN AVISTA AND SUBSIDIARIES AND AFFILIATES

1. Transactions with subsidiaries and affiliates totaling less than \$100,000 for the reporting period ended December 31, 2012:

<u>Subsidiary Name</u>	<u>Account No. & Description</u>	<u>Amount</u>
(2) Spokane Energy, LLC	456 Other Electric Revenue	\$ 50,079
(4) Avista Development, Inc.	146 Accts Rec.	\$ 192
(4) Avista Energy, Inc.	146 Accts Rec.	\$ 22,139
(4) Ecova	146 Accts Rec.	\$ 89,095

See descriptions below, Section II.2. (b), (2) – (4), pages 5 through 6.

2. Transactions with subsidiaries and affiliates totaling or exceeding \$100,000 for the reporting period ended December 31, 2012:

<u>Subsidiary Name</u>	<u>Account No. & Description</u>	<u>Amount</u>
(1) Avista Capital II (Trust)	427 Interest Exp.	\$ 697,822
(4) Avista Capital, Inc.	146 Accts Rec.	\$ 111,071
(3) Steam Plant Square, LLC	107 CWIP	\$ 91,188
(3) Steam Plant Square, LLC	931 Rents	\$ 58,116

See descriptions below, Section II.2. (b), (1) – (4), pages 5 through 6.

(a) Financial Statements:

A Balance Sheet and Income Statement for the subsidiaries listed above whose transactions exceeded \$100,000 is included as **Attachment 3**. See descriptions below in section II.2 (b). Please note that Attachment 3 is CONFIDENTIAL PER WAC 480-07-160.

(b) Description of Services or Transactions:

(1) Avista Capital II (Trust) Expenses

In 1997, the Company issued Floating Rate Junior Subordinated Deferrable Interest Debentures, Series B, with principle amount of \$51.5 million to Avista Capital II, an affiliated business trust formed by the Company. Avista Capital II issued \$50.0 million of Preferred Trust Securities. The interest charges for the trust carried on Avista's books for

2012 totaled \$697,822 and were recorded in FERC Account No. 427 (interest expense). There are no other costs associated with this trust.

(2) Spokane Energy, LLC Transactions

Avista acts as the servicer of Spokane Energy's commodity contracts. Annual service fees paid by Spokane Energy to Avista were approximately \$50,079 in 2012.

Spokane Energy is required to maintain in trust \$1.6 million. All funds in excess of this amount are transferred to Avista for cash management purposes. During 2012, the amount transferred was \$0. At December 31, 2012 Avista has a liability of \$5,045 payable to Spokane Energy for these funds.

(3) Steam Plant Square, LLC Lease

Avista Utilities leases office space (two spaces under separate Multi-Tenant Lease Agreements) from Steam Plant Square, LLC. For the first space, Avista Corporation assumed a lease in May 2003 from Avista Capital, Inc. that was renewed May 1, 2010. The basic terms of this lease (i.e. square footage, monthly rents, etc.) remained the same. A copy of the lease agreement was provided to the Commission in Docket No. UE-110067. The second space was leased in August 2010. A copy of the lease agreement was provided to the Commission in Docket No. UE-101859.

Lease payments in 2012 totaled \$149,304 (\$91,188 recorded in FERC Account No. 107 (CWIP) and \$58,116 recorded in FERC Account No. 931 (Rents)).

(4) Non-Service Transactions Related to Ecova, Avista Capital, Avista Development, and Avista Energy

Avista Corporation Corporate Services:

On a regular basis, general office employees of Avista Corporation spend time on corporate service support, such as accounting, federal income tax filing, planning, supplies, postage, legal, graphic services, etc. for subsidiaries. Their time is charged to suspense accounts (Deferred Debit Account No. 186), are loaded for benefits, and then established as a receivable (FERC Account No. 146) when billed to the subsidiary. If other resources are

expended during the course of this work, such as travel or consulting services, these costs are also charged to suspense accounts and billed to the subsidiary.

All corporate services provided, and costs incurred, are direct billed to subsidiaries at cost. No additional margin or profit is included and no assets are allocated. Suspense and capture of Avista Corporation employee costs, which are then billed back to the subsidiary at cost, serve to reduce the utility expenses.

(c) Description of pricing basis or costing method for allocating costs, and amounts and accounts charged during the year:

Please see the individual descriptions in Section II.2, pages 4 through 6. Services are provided at cost. Any charges allocated to Washington are allocated based on the Company's four-factor allocation methodology. (Please refer to **Attachment 4** for the allocation factors.)

(d) Inter-Company Loans:

• **Avista Corp / Avista Capital Note Payable / Receivable**

During 2012, Avista Corp. recorded short-term note payables to Avista Capital, Inc. The year-end note receivable amount at December 31, 2012 was \$314,683. The maximum note payable amount outstanding during the year, owed to Avista Capital, was \$2,027,964 at February 1, 2012. Total interest expense in 2012 was \$9,168.

According to the Cash Management Guidelines and Procedures filed with the Commission in April of 2011, investment/borrowing rates between Avista Corporation and Avista Capital that were in effect during 2012 were:

- a. Upon receiving appropriate approvals, excess Avista Capital cash may be invested with (loaned to) Avista Corp. at a rate equal to Avista Corp.'s avoided short-term borrowing cost currently estimated at the one-month LIBOR plus 130 basis points (this is the short-term borrowing rate related to Avista Corp.'s credit facility). The rate will be reset monthly with the LIBOR rate in effect on the second business day of each month.

At times Avista Corp may have no outstanding borrowings under the credit facility. If there are no outstanding borrowings under the credit facility, excess cash should be utilized to pay down borrowings on other short-term borrowing instruments (if any) and the borrowing rate should be adjusted to the avoided short-term borrowing rate applicable to the borrowings that were re-paid.

At times, Avista Corp may have no outstanding cash borrowings on the credit facility or other short-term borrowing facilities. If there are no cash borrowings under any facility, excess cash should be invested at the subsidiary until the funds can be utilized.

- b. Avista Capital may borrow from Avista Corp., subject to board-approved limits, at a rate equal to at least the Prime rate plus 30 basis points. This rate will be reset at such time as the Agent bank on the Avista Corp. credit agreement changes the Prime rate or the margin is changed per the credit facility pricing grid. If an Alternate Base Rate (as defined in the credit facility) is in effect, the borrowing rate would be adjusted accordingly.

- **Avista Corp / Ecova Note Payable / Receivable**

On January 3, 2012, Avista Corp entered into a note agreement with Ecova. The note agreement is structured so that Avista Corporation would pay the same rate as would have been incurred under the credit facility (i.e. Avista Corporation's avoided short-term borrowing rate). Avista Corporation may borrow up to \$50 million in principal under the note agreement. Additionally, Avista Corporation will be required to retain liquidity under its credit facility to repay the outstanding principal balance in whole at any time. The Commission approved this transaction in Docket No. UG-111770 on November 10, 2011. The maximum note payable amount outstanding during the year, owed to Ecova, was \$50,053,433 at February 1, 2012. Total interest expense in 2012 was \$334,446. The note payable amount as of March 31, 2013 was \$0.

These revolving short-term cash borrowings between the parties help to reduce external cash requirements.

(e) Description of Parent Guaranteed Debt:

Avista Corporation does not guarantee debt of its subsidiaries. See Section III. Miscellaneous Agreements, page 8.

(f) Description of Activities of Subsidiaries:

See Section I.3 at pages 2 through 3.

(g) List of all common officers and directors:

See Section I.2 at page 1.

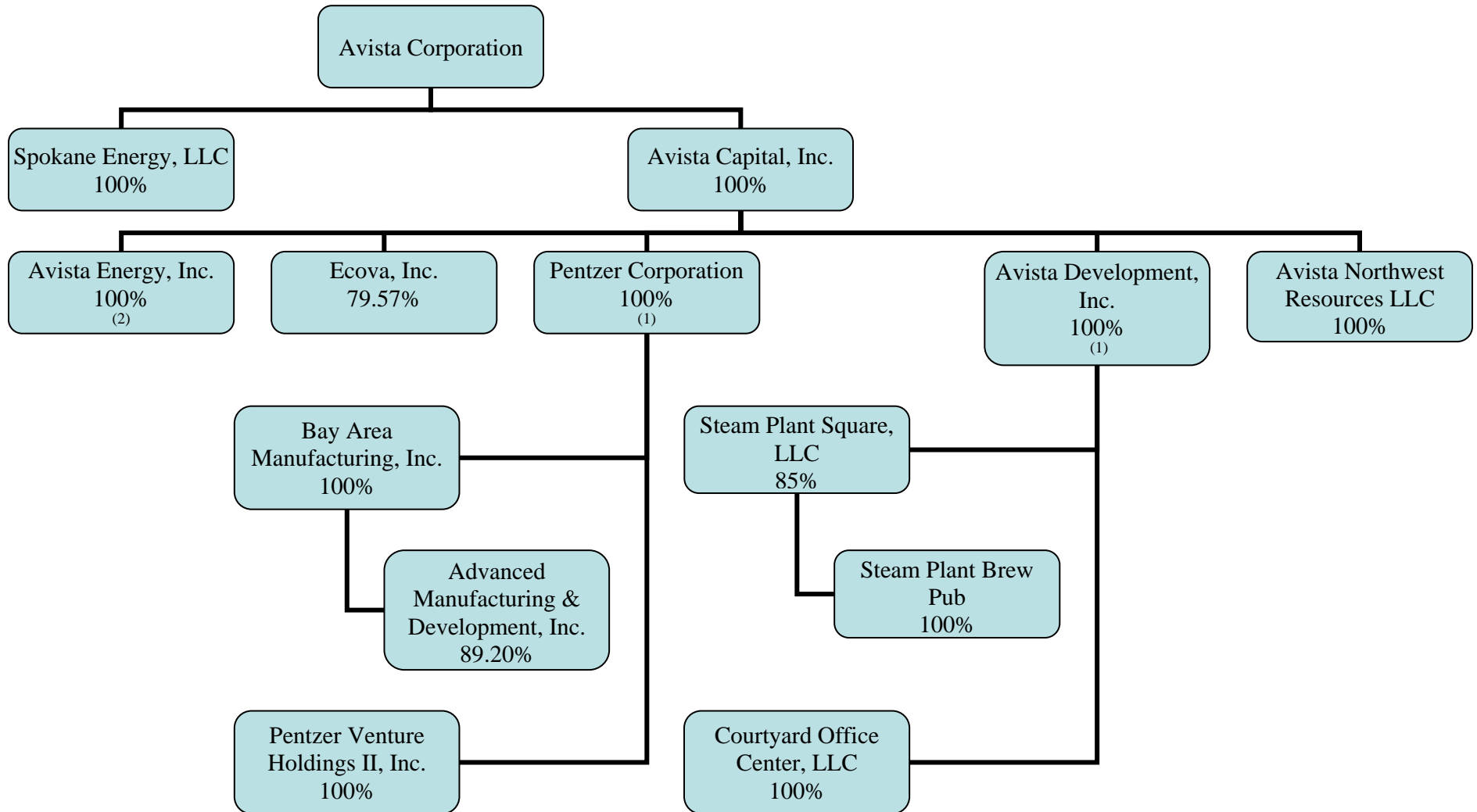
III. MISCELLANEOUS AGREEMENTS AND TRANSACTIONS

During 2012 there were no Miscellaneous Agreements or Transactions to report.

ATTACHMENT 1

Avista Corporation and Affiliates

December 2012



■ Denotes Affiliates

(1) No Employees, passive income

(2) These Company assets were sold in June 2007

ATTACHMENT 2



Corporate Secretary Department
Current as of January 1, 2013

Annual Meeting Held in May of Each Year

Directors:

Erik J. Anderson	Rebecca (Becky) A. Klein
Kristianne Blake	Scott L. Morris
Donald C. Burke	Michael L. Noël
Rick R. Holley	Marc F. Racicot
John F. Kelly	Heidi B. Stanley
	R. John Taylor

Officers:

Scott L. Morris	Chairman of the Board, President & Chief Executive Officer
Mark T. Thies	Senior Vice President, Chief Financial Officer & Treasurer
Marian M. Durkin	Senior Vice President, General Counsel & Chief Compliance Officer
Karen S. Feltes	Senior Vice President, Human Resources & Corporate Secretary
Dennis P. Vermillion	Senior Vice President & Environmental Compliance Officer and President, Avista Utilities
Christy M. Burmeister-Smith	Vice President, Controller & Principal Accounting Officer
James M. Kensok	Vice President & Chief Information Officer
Don F. Kopczyński	Vice President, Energy Delivery and Customer Service
David J. Meyer	Vice President & Chief Counsel for Regulatory & Governmental Affairs
Kelly O. Norwood	Vice President, State & Federal Regulations
Jason R. Thackston	Vice President, Energy Resources
Roger D. Woodworth	Vice President & Chief Strategy Officer
Don M. Falkner	Assistant Treasurer
Ryan L. Krasselt	Assistant Treasurer
Susan Y. Fleming	Assistant Corporate Secretary

Corporate Governance/

Nominating Committee

Kristianne Blake
Marc F. Racicot
R. John Taylor
John F. Kelly – Chair

Executive Committee

Kristianne Blake
John F. Kelly
R. John Taylor
Scott L. Morris – Chair

Audit Committee

Donald C. Burke
Michael L. Noël (financial expert)
Heidi B. Stanley
Kristianne Blake – Chair

**Compensation & Organization
Committee**

John F. Kelly
Rebecca A. Klein
Michael L. Noël
R. John Taylor – Chair

Finance Committee

Donald C. Burke
Rick R. Holley
Heidi B. Stanley
Erik J. Anderson – Chair

**Energy, Environmental, &
Operations Committee**

Erik J. Anderson
Rick R. Holley
Marc F. Racicot
Rebecca A. Klein – Chair

All Committees are comprised of independent Board members as defined under the rules of the NYSE, with the exception of the Executive Committee (not required to be independent). The Company was formed as The Washington Water Power Company in 1889 and changed its name to Avista Corp. on January 1, 1999.

Current as of May 18, 2012

ADVANCED MANUFACTURING & DEVELOPMENT, INC.

Doing business as METAL_{fx}

(A Subsidiary of Bay Area Manufacturing, Inc.)

(A California Corporation)

200 North Lenore Ave.

Willits, CA 95490

(707) 459-9451

Directors:

Marian M. Durkin

Scott L. Morris

Mark T. Thies

Officers:

Scott L. Morris

Gordon B. Short

Christy M. Burmeister-Smith

Karen S. Feltes

Susan Y. Fleming

Jill Porterfield

Chairman of the Board

President & Chief Executive Officer

Vice President & Treasurer

Senior Vice President & Corporate Secretary

Assistant Corporate Secretary

Assistant Corporate Secretary

Current as of January 1, 2013

AVISTA CAPITAL, INC.

(A Subsidiary of Avista Corporation)

1411 E. Mission Ave.

Spokane, WA 99202

Directors:

Marian M. Durkin

Scott L. Morris

Mark T. Thies

Officers:

Scott L. Morris

Mark T. Thies

Karen S. Feltes

Christy Burmeister-Smith

Susan Y. Fleming

Don M. Falkner

Chairman of the Board, President & CEO

Senior Vice President, Chief Financial Officer & Treasurer

Senior Vice President & Corporate Secretary

Vice President

Assistant Corporate Secretary

Assistant Treasurer

The Company was formed as Avista Corp. before changing its name to Avista Capital on August 17, 1998.

Current as of January 1, 2013

AVISTA DEVELOPMENT, INC.

(A Subsidiary of Avista Capital, Inc.)

1411 E. Mission Ave.

Spokane, WA 99202

Directors:

Marian M. Durkin

Scott L. Morris

Mark T. Thies

Officers:

Scott L. Morris

Mark T. Thies

Marian M. Durkin

Dennis P. Vermillion

Karen S. Feltes

Roger D. Woodworth

Susan Y. Fleming

Don M. Falkner

Chairman of the Board, President and CEO

Senior Vice President, Chief Financial Officer & Treasurer

Senior Vice President

Senior Vice President & Environmental Compliance Officer

Senior Vice President & Corporate Secretary

Vice President

Assistant Corporate Secretary

Assistant Treasurer

The Company was formed as WP Finance Co. before changing its name to Avista Development. Pentzer Development, Inc. and Washington Irrigation & Development Company merged with and into Avista Development in October 1998.

Current as of January 1, 2013

AVISTA ENERGY, INC.

(A Subsidiary of Avista Capital, Inc.)

1411 E. Mission Ave.

Spokane WA 99202

Directors:

Marian M. Durkin

Scott L. Morris

Mark T. Thies

Officers:

Scott L. Morris

Chairman of the Board, President & CEO

Mark T. Thies

Senior Vice President, Chief Financial Officer & Treasurer

Karen S. Feltes

Senior Vice President & Corporate Secretary

Tracy Van Orden

Controller

Susan Y. Fleming

Assistant Corporate Secretary

Don M. Falkner

Assistant Treasurer

The Company was formed as WWP Resource Services, Inc., before becoming Avista Energy.

Current as of January 1, 2013

AVISTA NORTHWEST RESOURCES, LLC

(An Affiliate of Avista Capital)

1411 E. Mission Ave.

Spokane, WA 99202

Member:

Avista Capital

Officers (Managers):

Scott L. Morris	President & Chief Executive Officer
Mark T. Thies	Senior Vice President & Chief Financial Officer
Christy Burmeister-Smith	Vice President & Treasurer
Karen S. Feltes	Senior Vice President & Corporate Secretary
Susan Y. Fleming	Assistant Corporate Secretary

Most of our LLC's do not have officers. This particular one was formed with officers as the managers.

Current as of January 1, 2013

BAY AREA MANUFACTURING, INC.

(A Subsidiary of Pentzer Corporation)

1411 E. Mission Ave.

Spokane, WA 99202

Directors:

Marian M. Durkin

Scott L. Morris

Mark T. Thies

Officers:

Scott L. Morris

Mark T. Thies

Karen S. Feltes

Susan Y. Fleming

Don M. Falkner

Chairman, President & Chief Executive Officer

Senior Vice President, Chief Financial Officer & Treasurer

Senior Vice President & Corporate Secretary

Assistant Corporate Secretary

Assistant Treasurer

Current as of March 31, 2009

COURTYARD OFFICE CENTER, LLC

(An Affiliate of Avista Capital, Inc.)

1411 E. Mission Ave.

Spokane, WA 99202

Member:

Avista Development, Inc.

Manager

Roger Woodworth

Current as of December 1, 2012

ECOVA, INC.

(A Subsidiary of Avista Capital, Inc.)

1313 N. Atlantic St., 5th Floor

Spokane, WA 99201

Directors:

Erik J. Anderson

Kristianne Blake

Donald C. Burke

Jeff Heggedahl

John F. Kelly

Craig Levinsohn

Jeff Lieberman

Scott L. Morris

Officers:

Scott L. Morris

Chairman of the Board

Jeff Heggedahl

President & Chief Executive Officer

Ed Schlect

Executive Vice President

Gene Lynes

Executive Vice President & Chief Financial Officer

Donato Capobianco

Sr. Vice President & General Counsel

Marian M. Durkin

Sr. Vice President

Mark T. Thies

Sr. Vice President

Karen S. Feltes

Sr. Vice President & Corporate Secretary

Julie Kearney

Sr. Vice President – Human Resources

Jana Schmidt

Sr. Vice President & General Manager – Sales & Operations

Seth Nesbitt

Sr. Vice President & General Manager – Marketing & Technology

Robert Zak

Sr. Vice President – Facility Solutions

Ted Schultz

Sr. Vice President – Utility Solutions

John Robison

Chief Investment Officer & Treasurer

Susan Y. Fleming

Assistant Corporate Secretary

Compensation and Organization

Audit and Finance Committee

Committee

Scott Morris – Chair

Kristianne Blake – Chair

John F. Kelly

Erik Anderson

Jeff Lieberman

Donald C. Burke

Craig Levinsohn

The Company was formed as Altus Energy Solutions, Inc. and then changed its name to WWP Energy Solutions, Inc. before becoming Avista Advantage. The name was changed to Advantage IQ on June 29, 2006. The name was changed to Ecova, Inc. on October 19, 2011. (Subsidiary Ecos IQ, Inc. was merged with and into Ecova on December 31, 2011.)

Current as of January 1, 2013

PENTZER CORPORATION

(A Subsidiary of Avista Capital, Inc.)

1411 E. Mission Ave.

Spokane, WA 99202

Directors:

Scott L. Morris

Mark T. Thies

Jason Thackston

Officers:

Scott L. Morris

Mark T. Thies

Karen S. Feltes

Susan Y. Fleming

Don M. Falkner

Chairman, President & Chief Executive Officer

Senior Vice President, Chief Financial Officer & Treasurer

Senior Vice President & Corporate Secretary

Assistant Corporate Secretary

Assistant Treasurer

Current as of January 1, 2013

PENTZER VENTURE HOLDINGS II

(A Subsidiary of Pentzer Corporation)

1411 E. Mission Ave.

Spokane, WA 99202

Directors:

Scott L. Morris

Mark T. Thies

Jason R. Thackston

Officers:

Scott L. Morris

Mark T. Thies

Karen S. Feltes

Susan Y. Fleming

Don M. Falkner

Chairman, President & Chief Executive Officer

Senior Vice President, Chief Financial Officer & Treasurer

Senior Vice President & Corporate Secretary

Assistant Corporate Secretary

Assistant Treasurer

Current as of December 21, 2011

SPOKANE ENERGY, LLC
(An Affiliate of Avista Corp.)
1411 E. Mission Ave.
Spokane, WA 99202

Member:
Avista Corp.

Managers:
Dennis Vermillion (Avista)
Malyn Malquist (Bella Vista Resources)

Current as of December 31, 2010

STEAM PLANT BREW PUB, LLC
Doing Business as Steam Plant Grill
(An Affiliate of Steam Plant Square, LLC)
1411 E. Mission Ave.
Spokane, WA 99202

Members:
Avista Development, Inc.
Wells & Co.

Manager
Roger Woodworth

Current as of December 31, 2010

STEAM PLANT SQUARE, LLC
(An Affiliate of Avista Capital, Inc.)
1411 E. Mission Ave.
Spokane, WA 99202

Members:

Avista Development, Inc.
Wells & Co.

Manager

Roger Woodworth

ATTACHMENT 3

REDACTED



Subsidiary Balance Sheets
December, 2012

AVISTA CAPITAL	PENTZER CORP.	AVISTA DEVELOPMENT	AVISTA ENERGY	NORTHWEST RESOURCES, LLC
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REDACTED



Subsidiary Income Statements - PTD

201212

<i>AVISTA CAPITAL</i>	<i>PENTZER CORP.</i>	<i>AVISTA DEVELOPMENT</i>	<i>AVISTA ENERGY</i>	<i>NORTHWEST RESOURCES, LLC</i>
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REDACTED



Subsidiary Income Statements - YTD

201212

<i>AVISTA CAPITAL</i>	<i>PENTZER CORP.</i>	<i>AVISTA DEVELOPMENT</i>	<i>AVISTA ENERGY</i>	<i>NORTHWEST RESOURCES, LLC</i>
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REDACTED

SPOKANE ENERGY, LLC
BALANCE SHEETS
AS OF DECEMBER 31, 2012 AND 2011

REDACTED

SPOKANE ENERGY, LLC
STATEMENTS OF INCOME AND RETAINED EARNINGS
FOR THE YEARS ENDED DECEMBER 31, 2012 AND 2011

REDACTED

REDACTED



CONSOLIDATED STATEMENTS OF INCOME
FOR THE MONTHS, QUARTERS AND YEARS ENDED DECEMBER 31, 2012 AND 2011

REDACTED

ATTACHMENT 4

RESULTS OF OPERATIONS		Report ID: E-ALL-12A
ELECTRIC ALLOCATION PERCENTAGES For Twelve Months Ended December 31, 2012 Average of Monthly Averages Basis		

AVISTA UTILITIES

Basis	Ref	Description	System	Washington	Idaho	
1	Input	Production/Transmission Ratio	12-31-2012	100.000%	65.010%	34.990%
2	Input	Number of Customers Percent	12-31-2012	360,553 100.000%	236,644 65.634%	123,909 34.366%
3	E-OPS	Direct Distribution Operating Expense Percent		23,571,739 100.000%	15,481,369 65.678%	8,090,370 34.322%
	Input	Jurisdictional 4-Factor Ratio	12-31-2012			
		Direct O & M Accts 500 - 598		20,221,960	13,135,421	7,086,539
		Direct O & M Accts 901 - 935		27,780,483	19,758,209	8,022,274
		Total		48,002,443	32,893,630	15,108,813
		Percentage		100.000%	68.525%	31.475%
		Direct Labor Accts 500 - 598		13,459,589	8,757,716	4,701,873
		Direct Labor Accts 901 - 935		6,280,527	4,982,574	1,297,953
		Total		19,740,116	13,740,290	5,999,826
		Percentage		100.000%	69.606%	30.394%
		Number of Customers		362,462	237,724	124,738
		Percentage		100.000%	65.586%	34.414%
		Net Direct Plant		865,560,849	556,413,691	309,147,158
		Percentage		100.000%	64.284%	35.716%
4		Total Percentages Percent		400.000%	268.000%	132.000%
				100.000%	67.000%	33.000%

RESULTS OF OPERATIONS		Report ID: E-ALL-12A
ELECTRIC ALLOCATION PERCENTAGES		
For Twelve Months Ended December 31, 2012 Average of Monthly Averages Basis		

AVISTA UTILITIES

Basis	Ref	Description	System	Washington	Idaho	
Input		Elec/Gas North/Oregon 4-Factor	Total	Electric	Gas North	Oregon Gas
	01-01-2012	Direct O & M Accts 500 - 894	66,341,282	58,626,203	5,247,466	2,467,613
		Direct O & M Accts 901 - 935	58,793,117	39,254,919	16,142,401	3,395,797
		Direct O & M Accts 901 - 905 Utility 9 Only	1,408,245	867,690	540,555	0
		Adjustments	0	0	0	0
		Total	126,542,644	98,748,812	21,930,422	5,863,410
		Percentage	100.000%	78.036%	17.330%	4.634%
		Direct Labor Accts 500 - 894	54,372,404	43,317,908	7,642,727	3,411,769
		Direct Labor Accts 901 - 935	4,295,024	3,049,259	223,754	1,022,011
		Direct Labor Accts 901 - 905 Utility 9 Only	5,547,864	3,418,316	2,129,548	0
		Total	64,215,292	49,785,483	9,996,029	4,433,780
		Percentage	100.000%	77.529%	15.566%	6.905%
		Number of Customers at	681,193	360,451	224,556	96,186
		Percentage	100.000%	52.915%	32.965%	14.120%
		Net Direct Plant	2,469,357,528	1,967,998,952	338,164,005	163,194,571
		Percentage	100.000%	79.697%	13.694%	6.609%
		Total Percentages	400.000%	288.176%	79.556%	32.267%
		Average (CD AA)	100.000%	72.044%	19.889%	8.067%

RESULTS OF OPERATIONS		Report ID: E-ALL-12A
ELECTRIC ALLOCATION PERCENTAGES		
For Twelve Months Ended December 31, 2012 Average of Monthly Averages Basis		

AVISTA UTILITIES

Basis	Ref	Description	System	Washington	Idaho	
Input		Gas North/Oregon 4-Factor	Total	Electric	Gas North	Oregon Gas
	01-01-2012	Direct O & M Accts 500 - 894	7,715,079	0	5,247,466	2,467,613
		Direct O & M Accts 901 - 935	19,538,198	0	16,142,401	3,395,797
		Direct O & M Accts 901 - 905 Utility 9 Only	540,555	0	540,555	0
		Total	27,793,832	0	21,930,422	5,863,410
		Percentage	100.000%	0.000%	78.904%	21.096%
		Direct Labor Accts 500 - 894	11,054,496	0	7,642,727	3,411,769
		Direct Labor Accts 901 - 935	1,245,765	0	223,754	1,022,011
		Direct Labor Accts 901 - 905 Utility 9 Only	2,129,548	0	2,129,548	0
		Total	14,429,809	0	9,996,029	4,433,780
		Percentage	100.000%	0.000%	69.273%	30.727%
		Number of Customers at	320,742	0	224,556	96,186
		Percentage	100.000%	0.000%	70.011%	29.989%
		Net Direct Plant	494,275,971	0	331,833,422	162,442,549
		Percentage	100.000%	0.000%	67.135%	32.865%
		Total Percentages	400.000%	0.000%	285.324%	114.676%
		Average (GD AA)	100.000%	0.000%	71.331%	28.669%

RESULTS OF OPERATIONS		Report ID: E-ALL-12A
ELECTRIC ALLOCATION PERCENTAGES		
For Twelve Months Ended December 31, 2012 Average of Monthly Averages Basis		

AVISTA UTILITIES

Basis	Ref	Description	System	Washington	Idaho	
		Input	Total	Electric	Gas North	Oregon Gas
		Elec/Gas North 4-Factor				
		Direct O & M Accts 500 - 894	63,873,669	58,626,203	5,247,466	0
		Direct O & M Accts 901 - 935	55,397,320	39,254,919	16,142,401	0
		Adjustments	0	0	0	0
		Total	119,270,989	97,881,122	21,389,867	0
		Percentage	100.000%	82.066%	17.934%	0.000%
		Direct Labor Accts 500 - 894	50,960,635	43,317,908	7,642,727	0
		Direct Labor Accts 901 - 935	3,273,013	3,049,259	223,754	0
		Total	54,233,648	46,367,167	7,866,481	0
		Percentage	100.000%	85.495%	14.505%	0.000%
		Number of Customers at	585,007	360,451	224,556	0
		Percentage	100.000%	61.615%	38.385%	0.000%
		Net Direct Plant	2,283,393,565	1,951,560,143	331,833,422	0
		Percentage	100.000%	85.468%	14.532%	0.000%
		Total Percentages	400.000%	314.644%	85.356%	0.000%
9		Average (CD AN/ID/WA)	100.000%	78.661%	21.339%	0.000%
10	E-PLT	Net Electric Distribution Plant	819,801,350	522,323,581	297,477,769	
		Percent	100.000%	63.713%	36.287%	
11		Book Depreciation	83,109,856	54,267,009	28,842,847	
		Percent	100.000%	65.296%	34.704%	

RESULTS OF OPERATIONS		Report ID: E-ALL-12A
ELECTRIC ALLOCATION PERCENTAGES		
For Twelve Months Ended December 31, 2012 Average of Monthly Averages Basis		

AVISTA UTILITIES

Basis	Ref	Description	System	Washington	Idaho
12		Net Electric Plant (before DFIT) Percent	2,073,749,814 100.000%	1,339,777,954 64.607%	733,971,860 35.393%
13	E-PLT	Net Electric General Plant Percent	157,670,452 100.000%	103,813,841 65.842%	53,856,611 34.158%
14		Net Allocated Schedule M's Percent	-94,155,622 100.000%	-61,314,984 65.121%	-32,840,638 34.879%
99	Input	Not Allocated	0.000%	0.000%	0.000%