



**Avista Corp.**

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

April 25, 2018

Steven V. King  
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 2017 Affiliated Interest and Subsidiary Transactions Report

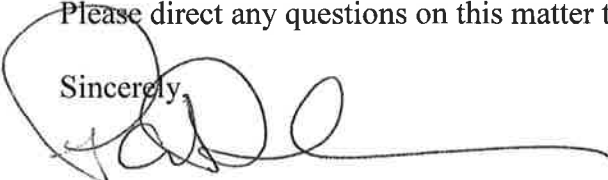
Dear Mr. King:

Pursuant to WAC 480-100-264 and WAC 480-90-264, the Company has electronically submitted the 2017 Affiliate Interest and Subsidiary Transaction Report. This report contains summaries of all transactions or agreements between Avista and its subsidiaries over the preceding year ending December 31, 2017.

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. We have also included unaudited financial statements, statement of work and addendum to master software and licensing agreement with one of our affiliates, and a professional services agreements with one of our affiliates that we are requesting to be kept confidential for contractual terms and pricing reasons. Therefore, we request these documents 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 Jennifer Smith at (509) 495-2098.

Sincerely,

  
Patrick Ehrbar  
Director, Regulatory Affairs

Enclosure

Received  
Records Management  
04/25/18 13:37  
State Of WASH.  
UTIL. AND TRANSP.  
COMMISSION

**STATE OF WASHINGTON**  
**AFFILIATED INTEREST AND SUBSIDIARY**  
**TRANSACTIONS REPORT**  
**OF**  
**AVISTA CORPORATION**  
**d/b/a AVISTA UTILITIES**

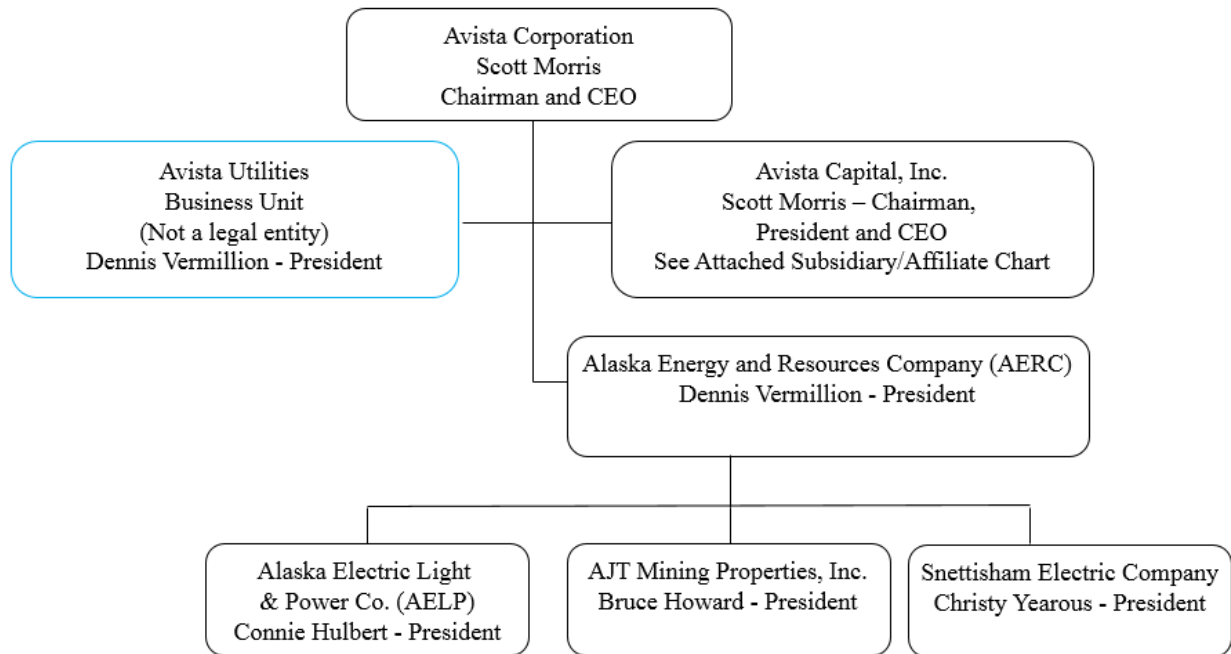
**FOR THE YEAR ENDED DECEMBER 31, 2017**

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 382,000 electric customers and 347,000 natural gas customers in a 30,000-square-mile area in eastern Washington, northern Idaho, and parts of southern and eastern Oregon, with a population of 1.6 million. The largest community served in the area is Spokane, Washington, which is the location of its main offices.

**I. ORGANIZATION INFORMATION**

**1. Organizational Chart**



Included in **Attachment 1** is additional detail of Avista Capital and Avista Development 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.<sup>1</sup> As of December 31, 2017, Avista Capital had the following non-utility subsidiary investments:

- **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** (100% 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

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<sup>1</sup> The only exceptions relate to Avista Receivables, Inc., a special purpose subsidiary formed in connection with the sale of accounts receivable, an entity directly owned by Avista Corp. In addition, Spokane Energy, LLC, was also a special purpose limited liability company formed for the purpose of implementing a long-term capacity contract between Avista Utilities and Portland General Electric Company until its dissolution in 2015. See page 3 for a further description of Spokane Energy, LLC.

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.
- **Salix, Inc.** (100% ownership) was formed October 8, 2013, for the purpose of exploring business opportunities.

**Alaska Energy & Resources Company (AERC)**, a wholly-owned subsidiary of Avista Corp, based in Juneau, Alaska and its subsidiaries were purchased July 1, 2014.

- **Alaska Electric Light & Power Co. (AEL&P)**, a wholly-owned subsidiary of AERC, which is a vertically integrated electric utility providing electric service to the City and Borough of Juneau, Alaska, and is regulated by the Regulatory Commission of Alaska (RCA).
- **AJT Mining Properties, Inc.**, a wholly-owned subsidiary of AERC which is an inactive mining company holding certain properties.
- **Snettisham Electric Company**, a non-operating subsidiary of AERC, has the option to purchase the Snettisham project at any time for the principal amount of the bonds outstanding at that time. The Snettisham hydroelectric project is AEL&P's primary generation facility and the main power source for Juneau, supplying approximately two-thirds of the area's electricity.

#### **4. Narrative Descriptions of Affiliates**

As of December 31, 2017, Avista Capital had the following affiliates:

- **Avista Development** (100% ownership by Avista Capital)
- **Trove (GridGlo)** (30.53% ownership by Avista Development, Inc.)
- **Pivotal Investment Partners I, L.P.** (30.34% ownership by Avista Northwest Resources, LLC)
- **Lumen BioScience, Inc.** (25% ownership by Avista Development, Inc.)
- **Spirae** (11.12% ownership by Avista Development, Inc.)
- **Dragon Jacket, LLC** (10% ownership by Avista Development, Inc.)

- **Omnidian, Inc.** (9.7% ownership by Avista Development, Inc.)
- **Toolbox, LLC** (9.52% ownership by Avista Development, Inc.)
- **Kick Start II LLC** (7.69% ownership by Avista Development, Inc.)
- **Kick Start III LLC** (6.4% ownership by Avista Development, Inc.)
- **Energy Impact Fund** (4.84% ownership by Avista Development, Inc.)
- **Safeguard Equipment, Inc.** (4.55% ownership by Avista Development, Inc.)
- **Woodside IV** (3.56% ownership by Avista Development, Inc.)
- **LevelTen Energy, Inc.** (2.5% ownership by Avista Development, Inc.)
- **EnerTech II** (2.24% ownership by Avista Development, Inc.)
- **Rohinni** (0.87% ownership by Avista Development, Inc.)

As of December 31, 2017, Salix had the following affiliates:

- **Plum Energy** (24.80% ownership by Salix, 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, 2017:**

<b>Subsidiary/Affiliate Name</b>	<b>Account No.</b>	<b>Acct. Description</b>	<b>System Amount</b>	<b>Washington Amount</b>
(5) Alaska Energy & Resources Company	146	Accts Rec.	\$ 100	\$ -
(5) Avista Capital, Inc	146	Accts Rec.	\$ 78,869	\$ -
(3) Trove	426	Misc. Deductions	\$ 24,000	\$ -
(5) Avista Energy, Inc.	146	Accts Rec.	\$ 6,319	\$ -

### **2. Transactions with subsidiaries and affiliates totaling or exceeding \$100,000 for the reporting period ended December 31, 2017:**

Subsidiary/Affiliate Name	Account No.	Acct. Description	System Amount	Washington Amount
(1) Avista Capital II (Trust)	427	Interest Exp.	\$ 1,070,364	\$ -
(5) Alaska Electric Light & Power	146	Accts Rec.	\$ 909,985	\$ -
(5) Salix	146	Accts Rec.	\$ 756,478	\$ -
(5) Avista Development	146	Accts Rec.	\$ 118,633	\$ -
(4) Spirae, LLC	107	CWIP	\$ 552,142	\$ 552,142
(2) Steam Plant Square, LLC	107	CWIP	\$ 35,100	\$ 23,963
(2) Steam Plant Square, LLC	931	Rents	\$ 74,100	\$ 52,113

See descriptions below, Section II. 2. (b), pages 5 through 8.

**(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 then issued to investors \$50.0 million of Preferred Trust Securities and also issued \$1.5 million of Common Trust Securities to the Company. In December 2000, the Company purchased \$10.0 million of the Preferred Trust Securities. In the end, customers are paying for the \$40.0 million (\$51.5 - \$1.5 -\$10.0) of Floating Rate Junior Subordinated Deferrable Interest Debentures (debt). The current interest rate on this debit is 2.062% and matures June 1, 2037. The associated interest charges for the trust carried on Avista's books for 2017 totaled \$1,070,364 and were recorded in FERC Account No. 427670 (interest expense). There are no other costs associated with this trust.

**(2) Steam Plant Square, LLC Lease**

Avista Utilities leases office space (two leases under separate Multi-Tenant Lease Agreements) from Steam Plant Square, LLC. For the first lease (suite 201/202), 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. Lease payments for this space during 2017 was recorded to FERC Account No. 931 (Rents) in the amount of \$74,100, Washington's share of this expense is \$52,113.

The second space was leased in August 2010 (suites 211). A copy of the lease agreement was provided to the Commission in Docket No. UE-101859. Payments associated with this lease were recorded in 2017 in the amount of \$35,100 in FERC Account No. 107 (CWIP), Washington's share of this expense is \$23,963. This lease was replaced effective January 1, 2016 by a new lease with essentially the same contract terms, but for a more limited space requirement<sup>2</sup>.

### **(3) Trove Predictive Data Analytics, LLC**

As discussed in prior Affiliated Interest and Subsidiary Transaction Reports filed with the Commission, in September 2012, Avista Development, Inc., a wholly-owned subsidiary of Avista, loaned funds to GridGlo, Inc., a predictive data science company based in Del Ray, FL. In addition to customary considerations for the secured loan, Avista Development received certain rights to discounted services from GridGlo, the benefit of which was assigned to Avista Utilities. Avista Utilities and GridGlo subsequently entered into a Master Software License and Services Agreement, effective on June 26, 2013.

GridGlo was unable to repay its loans when due in March 2014. Avista Development, GridGlo and another secured lender entered into a forbearance and temporary funding agreement for the purpose of exploring mutually satisfactory ways to restructure GridGlo in satisfaction of the debts. The parties agreed to a restructuring of GridGlo such that the lenders, joined by another investor, acquired all of the assets and select liabilities of GridGlo via new limited liability corporation named Trove Predictive Data Analytics, LLC ("Trove"). The GridGlo contract with Avista Utilities was among the assets transferred as of the date the transaction closed, October 28, 2014.

Trove is a Predictive Data Science business that develops software applications for the utility industry. The foundation of its technology is the application platform "Sunstone",

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<sup>2</sup> Avista filed a copy of the new lease with the Commission (Docket UG-160450). As stated in that filing, the only change between the old lease and the new lease a reduction in space and amount of rent.



which is a predictive data science and analytics platform. It utilizes utility and non-utility data fused with third party data (i.e., demographic, weather, etc) to produce actionable insights into how to improve efficiency in utility operations and customer service.

Since the restructuring transaction on October 28, 2014, Avista Development has made staged equity payments and held Class A equity units in Trove equal to 32.33% on a fully diluted basis as of December 31, 2017.

The rights to discounted services assigned to Avista Utilities upon the restructuring completed October 28, 2014, included a Statement of Work, signed June 17, 2014. This Statement of Work included the development, delivery and integration of a platform related to a load forecasting application.

The terms of this Statement of Work included a fixed fee for the integration of the product in the amount of \$300,000. This work was complete, and expensed, during 2014. Additionally, the agreement included payment of annual fees for maintenance and support for 2015 and 2016 for \$35,000 per year, and third party data access fees in the amount of \$25,000 for January 1, 2014 through June 30, 2015 and July 1, 2015 through December 31, 2017. Please refer to **Attachment 4** for the GridGlo Statement of Work.<sup>3</sup>

On October 13, 2016, the Company entered into to an addendum to the Master Software License and Services Agreement (MSLSA), between Avista Corporation and GridGlo, LLC, d/b/a TROVE. Under the terms of the Addendum, Avista has engaged Trove to upgrade the current platform and provide additional training, software development, software upgrades and data science consulting services. The data science consulting services will consist of software development by Trove Data Scientist to develop algorithms with their platform to analyze our data. Under the terms of the Addendum, Trove configured the 'Predictive Analytics' module of TROVE's Sunstone platform, which included a Customer Segmentation data. Please refer to **Attachment 5** for the Trove Addendum.

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<sup>3</sup> Prior to October 28, 2014, Avista Development had no ownership in GridGlo or Trove Predictive Data Analytics, LLC, and GridGlo and Trove were therefore not an Affiliate. This information was previously provided in Avista's Affiliated Interest and Subsidiary Transaction Report for the year ended December 31, 2014.

#### **(4) Spirae, LLC**

In April of 2016, Avista Capital, a wholly-owned subsidiary of Avista Corp., and the parent corporation of Avista's non-regulated subsidiary investments and operations, made an investment in Spirae, resulting in Avista Development's 10% ownership of Spirae.

Spirae is a technology company that provides software, hardware, and services to connect distributed energy resources to a utility distribution system to maximize customer benefits while ensuring effective operation of the utility distribution system. Spirae was awarded a Professional Services Agreement to deploy their "Wave" product hardware and software, to allow Avista to operate the Turner Energy Storage Project in a microgrid, as well as determine the optimal economic application of that asset. A copy of the Professional Services Agreement was provided to the Commission in Docket No. UE-161056. Please refer to **Attachment 6** for the Spirae Professional Services Agreement.<sup>4</sup>

The offerings of Spirae provide for the effective operation of a microgrid, a subset of a utility distribution system, in the event of a utility system disturbance or isolation from the larger grid. Spirae assists utilities in delivering new services to customers as well as to operate more efficiently. With new Distributed Energy Resources (DER) technologies becoming both technically and financially viable, the ability to manage a dynamic portfolio of distributed resources for utility, customer, and market applications will be critical for both utilities and consumers. This capability improves reliability for customers and improves resiliency of the grid. Spirae's business focus and business model relate to the development of new products, services, and technologies, and how those items can help integrate DER into the traditional grid.

#### **(5) Non-Service Transactions Related to Avista Capital, Avista Development, Avista Energy, Salix, AEL&P, and AERC**

*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

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<sup>4</sup> Prior to April 2016, Avista Development had no ownership in Spirae, LLC, and Spirae was therefore not an Affiliate.

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 5 through 8. 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 7** for the allocation factors.)

**(d) Inter-Company Loans:**

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

During 2016, Avista Corp. recorded short-term note payable to Avista Capital, Inc. The year-end note receivable amount at December 31, 2017 was \$11,659,191. The maximum note payable amount outstanding during the year, due to Avista Capital, was \$3,984,464 at January 31, 2017. Total interest expense in 2017 was \$14,274.

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 2017 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.

**(e) Description of Parent Guaranteed Debt:**

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

**(f) Description of Activities of Subsidiaries:**

See Section I. 3 on pages 2 through 3.

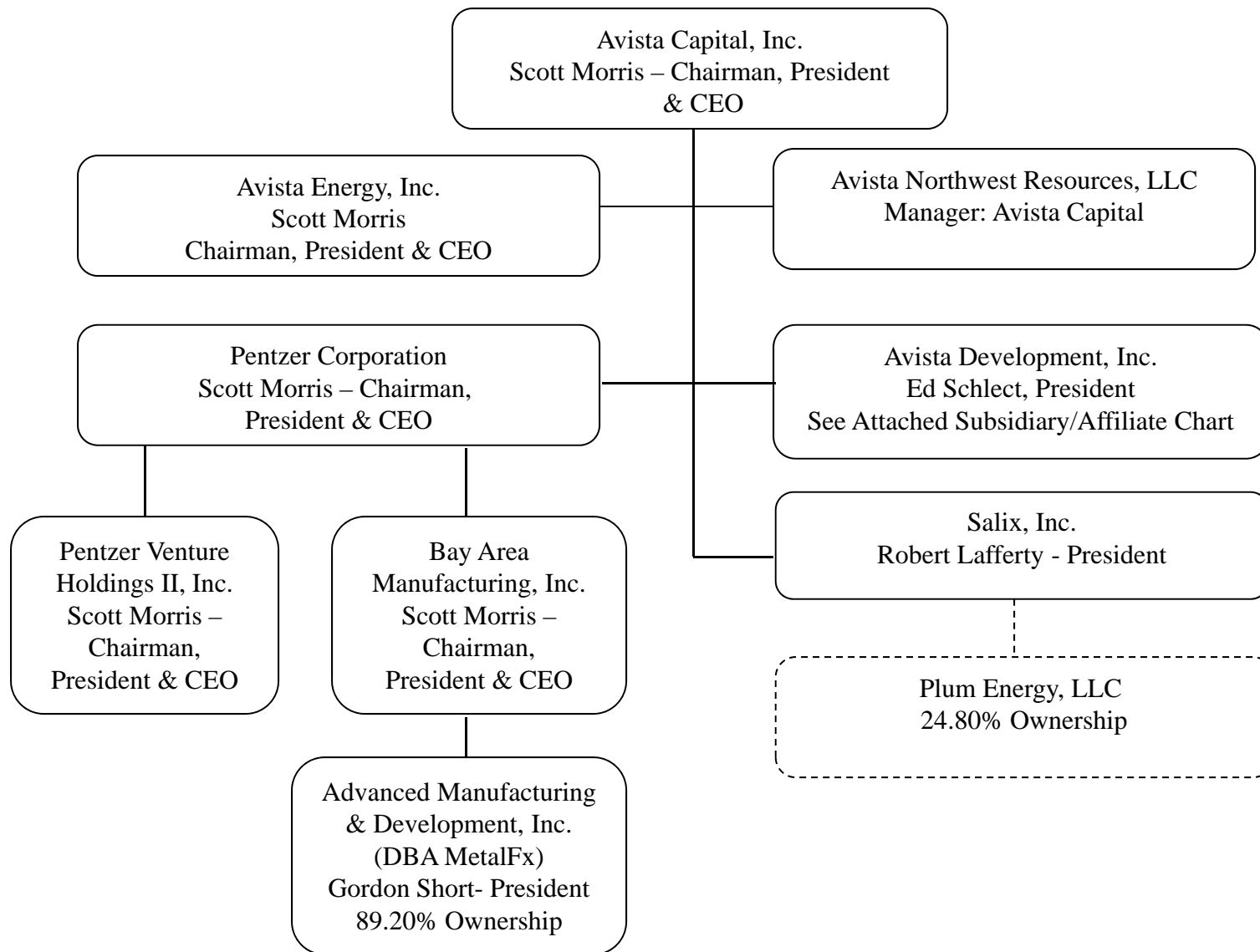
**(g) List of all common officers and directors:**

See Section I. 2 at page 1.

**III. MISCELLANEOUS AGREEMENTS AND TRANSACTIONS**

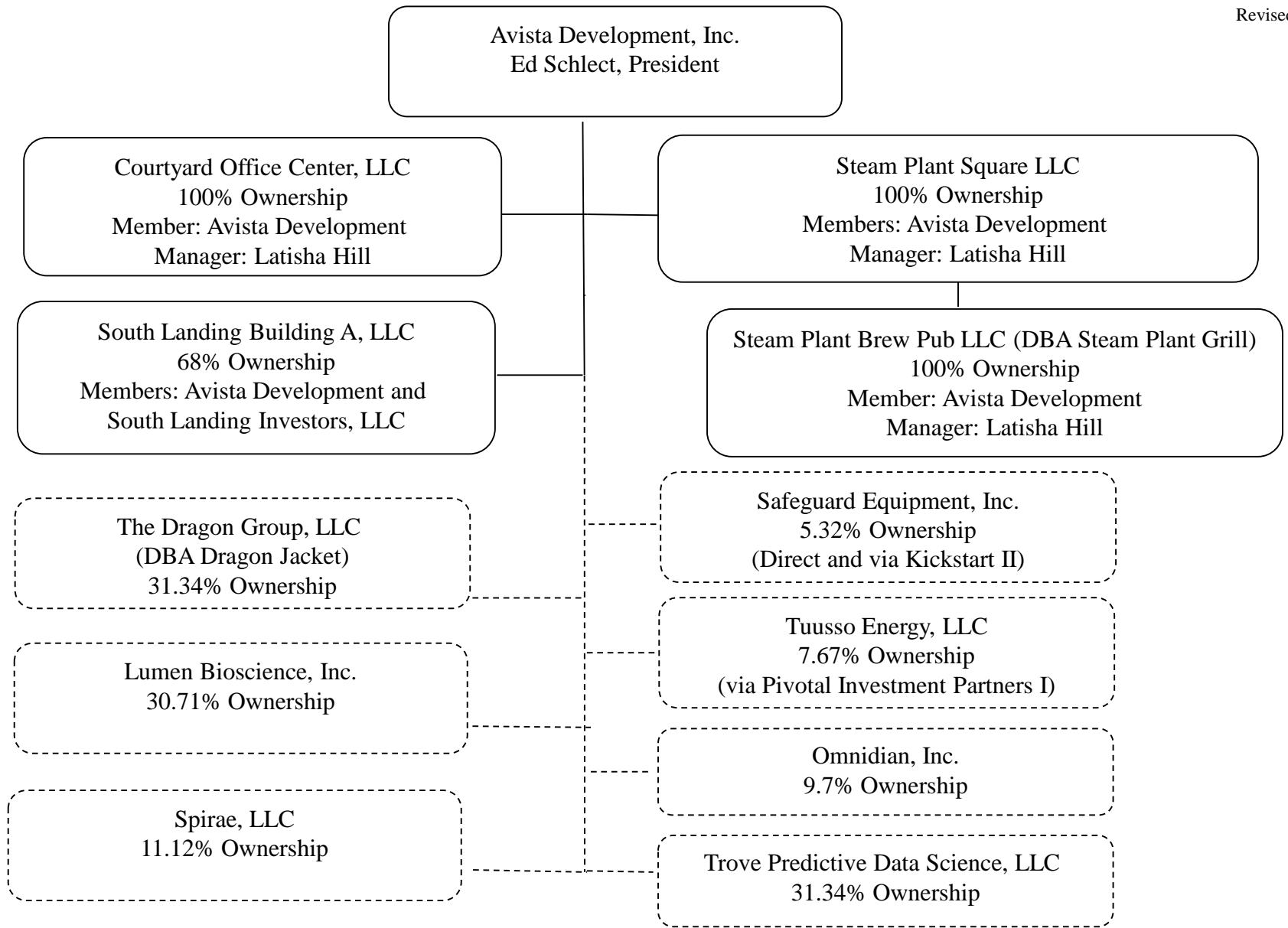
During 2017 there were no Miscellaneous Agreements or Transactions to report.

## **ATTACHMENT 1**



Companies are wholly owned unless otherwise indicated. Companies in dotted lines are affiliates in which we own greater than 5% non-controlling interest. This chart does not include limited partnership investment funds.

Revised 3/15/2017



Companies in dotted lines are affiliates in which we own greater than 5% non-controlling interest. This chart does not include limited partnership investment funds, but does include companies within the funds where Avista's direct and indirect ownership exceeds 5%.

**ATTACHMENT 2**





Corporate Secretary Department  
Current as of January 1, 2018

Annual Meeting Held in May of Each Year

**Directors:**

Erik J. Anderson	Scott H. Maw	R. John Taylor
Kristianne Blake	Scott L. Morris	Janet D. Widmann
Donald C. Burke	Marc F. Racicot	Dennis P. Vermillion
Rebecca (Becky) A. Klein	Heidi B. Stanley	

**Officers:**

Scott L. Morris	Chairman of the Board & Chief Executive Officer
Dennis P. Vermillion	President & Environmental Compliance Officer
Mark T. Thies	Senior Vice President, Chief Financial Officer & Treasurer
Marian M. Durkin	Senior Vice President, General Counsel, Corporate Secretary and Chief Compliance Officer
Karen S. Feltes	Senior Vice President & Chief HR Officer
Jason R. Thackston	Senior Vice President, Energy Resources
Bryan A. Cox	Vice President, Safety & HR Shared Services
Kevin J. Christie	Vice President, External Affairs & Chief Customer Officer
James M. Kensok	Vice President, Chief Information Officer & Chief Security Officer
Ryan L. Krasselt	Vice President, Controller & Principal Accounting Officer
David J. Meyer	Vice President & Chief Counsel for Regulatory & Governmental Affairs
Heather L. Rosentrater	Vice President, Energy Delivery
Edward D. Schlect Jr.	Vice President & Chief Strategy Officer
Don M. Falkner	Assistant Treasurer
Patrice K. Gorton	Assistant Treasurer
Susan Y. Fleming	Assistant Corporate Secretary

**Corporate Governance/**

**Nominating Committee**

Donald C. Burke  
R. John Taylor  
Janet D. Widmann  
Kristianne Blake – Chair

**Compensation & Organization Committee**

Rebecca A. Klein  
Scott H. Maw  
R. John Taylor – Chair

**Executive Committee**

Kristianne Blake  
Heidi B. Stanley  
R. John Taylor  
Scott L. Morris – Chair

**Finance Committee**

Scott H. Maw  
Marc F. Racicot  
Janet D. Widmann  
Erik J. Anderson – Chair

**Audit Committee**

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

**Environmental, Technology & Operations Committee**

Erik J. Anderson  
Marc F. Racicot  
Heidi B. Stanley  
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.

**ADVANCED MANUFACTURING & DEVELOPMENT, INC.**

**Doing business as METAL<sub>fx</sub>**

(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

Ryan L. Krasselt

Mark T. Thies

Marian M. Durkin

Susan Y. Fleming

Jill Porterfield

Chairman of the Board

President & Chief Executive Officer

Vice President & Treasurer

Senior Vice President & Chief Financial Officer

Senior Vice President & Corporate Secretary

Assistant Corporate Secretary

Assistant Corporate Secretary

**AJT MINING PROPERTIES, INC.**

(A Subsidiary of Alaska Energy and Resources Company)

5601 Tonsgard Ct.

Juneau, AK 99801

(907) 790-2222

**Directors:**

Marian M. Durkin

Karen S. Feltes

Mark T. Thies

Dennis P. Vermillion

**Officers:**

Dennis P. Vermillion      Chairman of the Board

Bruce Howard              President

Connie Hulbert             Treasurer and Assistant Corporate Secretary

Christy Yearous             Vice President and Generation Engineer

Debbie Driscoll             Corporate Secretary

**ALASKA ELECTRIC LIGHT AND POWER COMPANY**

(A Subsidiary of Alaska Energy and Resources Company)

5601 Tonsgard Ct.

Juneau, AK 99801

(907) 790-2222

**Directors:**

Marian M. Durkin

Karen S. Feltes

Connie Hulbert

Mark T. Thies

Dennis P. Vermillion

**Officers:**

Dennis P. Vermillion

Chairman of the Board

Connie Hulbert

President, General Manager & Treasurer

Christy Yearous

Vice President, Generation Engineer

Debbie Driscoll

Vice President, Director of Consumer Affairs and Corporate Secretary

Eric Eriksen

Vice President, Transmission and Distribution Engineer

Rod Ahlbrandt

Vice President, Director of Information Technology and Revenue Metering

Alec Mesdag

Vice President, Director of Energy Services

Oksana Midgett

Assistant Treasurer, Controller

Steve Vorderbruggen

Assistant Treasurer, Assistant Generation Engineer Electrical

Bryan Farrell

Assistant Treasurer, Assistant Generation Engineer Mechanical

Darrell Wetherall

Assistant Corporate Secretary, Assistant Transmission and Distribution Engineer

Stuart Stephens

Assistant Corporate Secretary, Assistant Director of Information Technology and Revenue Metering

**ALASKA ENERGY AND RESOURCES COMPANY**

(A Subsidiary of Avista Corp.)

5601 Tonsgard Ct.

Juneau, AK 99801

(907) 790-2222

**Directors:**

Marian M. Durkin

Karen S. Feltes

Scott L. Morris

Mark T. Thies

Dennis P. Vermillion

**Officers:**

Scott L. Morris

Chairman of the Board

Dennis P. Vermillion

President

Connie Hulbert

Vice President & Treasurer

Marian M. Durkin

Corporate Secretary

Susan Y. Fleming

Assistant Corporate Secretary

Debbie Driscoll

Assistant Corporate Secretary

Current as of May 11, 2017

**AVISTA CAPITAL, INC.**

(A Subsidiary of Avista Corporation)

1411 E. Mission Ave.

Spokane, WA 99202

(509) 489-0500

**Directors:**

Marian M. Durkin

Scott L. Morris

Mark T. Thies

**Officers:**

Scott L. Morris

Mark T. Thies

Marian M. Durkin

Ryan L. Krasselt

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.

**AVISTA DEVELOPMENT, INC.**

(A Subsidiary of Avista Capital, Inc.)

1411 E. Mission Ave.

Spokane, WA 99202

(509) 489-0500

**Directors:**

Marian M. Durkin

Scott L. Morris

Mark T. Thies

**Officers:**

Scott L. Morris

Chairman of the Board and CEO

Edward D. Schlect Jr.

President

Mark T. Thies

Senior Vice President, Chief Financial Officer & Treasurer

Marian M. Durkin

Senior Vice President & Corporate Secretary

Dennis P. Vermillion

Senior Vice President & Environmental Compliance Officer

Latisha Hill

Senior Vice President

Susan Y. Fleming

Assistant Corporate Secretary

Don M. Falkner

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.

**AVISTA ENERGY, INC.**

(A Subsidiary of Avista Capital, Inc.)

1411 E. Mission Ave.

Spokane WA 99202

(509) 489-0500

**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

Marian M. Durkin

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.



**AVISTA NORTHWEST RESOURCES, LLC**

(An Affiliate of Avista Capital)

1411 E. Mission Ave.

Spokane, WA 99202

(509) 489-0500

**Member:**

Avista Capital

**Officers (Managers):**

Scott L. Morris

President & Chief Executive Officer

Mark T. Thies

Senior Vice President & Chief Financial Officer

Ryan L. Krasselt

Vice President & Treasurer

Marian M. Durkin

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 May 11, 2017

**BAY AREA MANUFACTURING, INC.**

(A Subsidiary of Pentzer Corporation)

1411 E. Mission Ave.

Spokane, WA 99202

(509) 489-0500

**Directors:**

Marian M. Durkin

Scott L. Morris

Mark T. Thies

**Officers:**

Scott L. Morris

Mark T. Thies

Marian M. Durkin

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

**COURTYARD OFFICE CENTER, LLC**

(An Affiliate of Avista Capital, Inc.)

1411 E. Mission Ave.

Spokane, WA 99202

(509) 489-0500

**Member:**

Avista Development, Inc.

**Manager**

Latisha Hill

**PENTZER CORPORATION**

(A Subsidiary of Avista Capital, Inc.)

1411 E. Mission Ave.

Spokane, WA 99202

(509) 489-0500

**Directors:**

Scott L. Morris

Mark T. Thies

Jason Thackston

**Officers:**

Scott L. Morris

Mark T. Thies

Marian M. Durkin

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

**PENTZER VENTURE HOLDINGS II**

(A Subsidiary of Pentzer Corporation)

1411 E. Mission Ave.

Spokane, WA 99202

(509) 489-0500

**Directors:**

Scott L. Morris

Mark T. Thies

Jason R. Thackston

**Officers:**

Scott L. Morris

Mark T. Thies

Marian M. Durkin

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

**SALIX, INC.**

(A Subsidiary of Avista Capital)

1411 E. Mission Ave.

Spokane, WA 99202

(509) 489-0500

**Directors:**

Marian M. Durkin

Scott L. Morris

Edward D. Schlect Jr

Mark T. Thies

Dennis P. Vermillion

**Officers:**

Edward D. Schlect Jr.

President

Mark T. Thies

Treasurer

Marian M. Durkin

Corporate Secretary

Susan Y. Fleming

Assistant Corporate Secretary

**SNETTISHAM ELECTRIC COMPANY**

(A Subsidiary of Alaska Energy and Resources Company)

5601 Tonsgard Ct.

Juneau, AK 99801

(907) 780-2222

**Directors:**

Eric Eriksen

Connie Hulbert

Jason Thackston

**Officers:**

Christy Yearous

President

Connie Hulbert

Vice President

Eric Eriksen

Treasurer

Debbie Driscoll

Corporate Secretary

Current as of November 30, 2017

**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  
(509) 489-0500

**Members:**

Avista Development, Inc.

**Manager**

Latisha Hill



**STEAM PLANT SQUARE, LLC**  
(An Affiliate of Avista Capital, Inc.)  
1411 E. Mission Ave.  
Spokane, WA 99202  
(509) 489-0500

**Members:**  
Avista Development, Inc.

**Manager**  
Latisha Hill

**ATTACHMENT 3**

**REDACTED per WAC 480-07-160  
Entire document is confidential**

**ATTACHMENT 4**

**REDACTED per WAC 480-07-160**  
**Entire document is confidential**

**ATTACHMENT 5**

**REDACTED per WAC 480-07-160  
Entire document is confidential**

**ATTACHMENT 6**

**REDACTED per WAC 480-07-160**  
**Entire document is confidential**

## **ATTACHMENT 7**

**RESULTS OF OPERATIONS**  
**ELECTRIC ALLOCATION PERCENTAGES**  
For Twelve Months Ended December 31, 2017  
Average of Monthly Averages Basis

Report ID:  
**E-ALL-12A**

AVISTA UTILITIES

Basis	Ref	Description	Based on Data from:	System	Washington	Idaho
1	Input	Production/Transmission Ratio	01-01-2017 thru 12-31-2017	100.000%	65.350%	34.650%
2	Input	Number of Customers - AMA Percent	01-01-2017 thru 12-31-2017	379,027 100.000%	248,923 65.674%	130,104 34.326%
3	E-OPS	Direct Distribution Operating Expense Percent	01-01-2017 thru 12-31-2017	23,538,157 100.000%	15,384,526 65.360%	8,153,631 34.640%
	Input	Jurisdictional 4-Factor Ratio	01-01-2017 thru 12-31-2017			
		Direct O & M Accts 500 - 598		20,402,603	13,416,921	6,985,682
		Direct O & M Accts 901 - 935		32,942,978	24,062,431	8,880,547
		Total		53,345,581	37,479,352	15,866,229
		Percentage		100.000%	70.258%	29.742%
		Direct Labor Accts 500 - 598		12,213,628	7,920,911	4,292,717
		Direct Labor Accts 901 - 935		6,094,675	4,881,567	1,213,108
		Total		18,308,303	12,802,478	5,505,825
		Percentage		100.000%	69.927%	30.073%
		Number of Customers		382,273	250,848	131,425
		Percentage		100.000%	65.620%	34.380%
		Net Direct Plant		1,130,475,874	759,557,773	370,918,101
		Percentage		100.000%	67.189%	32.811%
4		Total Percentages Percent		400.000%	272.994%	127.006%
				100.000%	68.249%	31.751%

**RESULTS OF OPERATIONS**  
**ELECTRIC ALLOCATION PERCENTAGES**  
For Twelve Months Ended December 31, 2017  
Average of Monthly Averages Basis

Report ID:  
**E-ALL-12A**

AVISTA UTILITIES

Basis	Ref	Description	Based on Data from:	System	Washington	Idaho	
			01-01-2016 thru 12-31-2016	Total	Electric	Gas North	Oregon Gas
Input		Elec/Gas North/Oregon 4-Factor		72,715,941	61,020,528	7,373,519	4,321,894
		Direct O & M Accts 500 - 894		43,334,872	29,783,317	9,075,029	4,476,526
		Direct O & M Accts 901 - 935		4,567,936	3,141,860	1,426,076	0
		Direct O & M Accts 901 - 905 Utility 9 Only		0	0	0	0
		Adjustments		120,618,749	93,945,705	17,874,624	8,798,420
		Total		100.000%	77.887%	14.819%	7.294%
		Percentage					
		Direct Labor Accts 500 - 894		74,847,276	55,802,150	13,705,913	5,339,213
		Direct Labor Accts 901 - 935		5,876,743	3,640,911	291,467	1,944,365
		Direct Labor Accts 901 - 905 Utility 9 Only		11,494,963	7,690,233	3,804,730	0
		Total		92,218,982	67,133,294	17,802,110	7,283,578
		Percentage		100.000%	72.798%	19.304%	7.898%
		Number of Customers at		717,579	377,285	239,822	100,472
		Percentage		100.000%	52.577%	33.421%	14.002%
		Net Direct Plant		3,243,965,315	2,531,901,896	461,825,314	250,238,105
		Percentage		100.000%	78.050%	14.236%	7.714%
		Total Percentages		400.000%	281.311%	81.781%	36.908%
		Average (CD AA)		100.000%	70.328%	20.445%	9.227%

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**RESULTS OF OPERATIONS**  
**ELECTRIC ALLOCATION PERCENTAGES**  
For Twelve Months Ended December 31, 2017  
Average of Monthly Averages Basis

Report ID:  
**E-ALL-12A**

AVISTA UTILITIES

Basis	Ref	Description	Based on Data from:	System	Washington	Idaho	
			01-01-2016 thru 12-31-2016	Total	Electric	Gas North	Oregon Gas
Input		Gas North/Oregon 4-Factor		11,097,236	0	6,996,391	4,100,845
		Direct O & M Accts 500 - 894		13,037,852	0	8,731,019	4,306,833
		Direct O & M Accts 901 - 935		1,426,076	0	1,426,076	0
		Direct O & M Accts 901 - 905 Utility 9 Only		25,561,164	0	17,153,486	8,407,678
		Total		100.000%	0.000%	67.108%	32.892%
		Percentage					
		Direct Labor Accts 500 - 894		14,019,483	0	10,089,186	3,930,297
		Direct Labor Accts 901 - 935		1,733,128	0	225,934	1,507,194
		Direct Labor Accts 901 - 905 Utility 9 Only		3,804,730	0	3,804,730	0
		Total		19,557,341	0	14,119,850	5,437,491
		Percentage		100.000%	0.000%	72.197%	27.803%
		Number of Customers at		340,294	0	239,822	100,472
		Percentage		100.000%	0.000%	70.475%	29.525%
		Net Direct Plant		701,014,767	0	451,825,089	249,189,678
		Percentage		100.000%	0.000%	64.453%	35.547%
		Total Percentages		400.000%	0.000%	274.233%	125.767%
		Average (GD AA)		100.000%	0.000%	68.558%	31.442%

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**RESULTS OF OPERATIONS**  
**ELECTRIC ALLOCATION PERCENTAGES**  
For Twelve Months Ended December 31, 2017  
Average of Monthly Averages Basis

Report ID:  
**E-ALL-12A**

AVISTA UTILITIES

Basis	Ref	Description	Based on Data from:	System	Washington	Idaho	
		Input	01-01-2016 thru 12-31-2016	Total	Electric	Gas North	Oregon Gas
		Elec/Gas North 4-Factor		68,433,452	61,020,528	7,412,924	0
		Direct O & M Accts 500 - 894		38,872,048	29,783,317	9,088,731	0
		Direct O & M Accts 901 - 935		0	0	0	0
		Adjustments		107,305,500	90,803,845	16,501,655	0
		Total		100.000%	84.622%	15.378%	0.000%
		Percentage					
		Direct Labor Accts 500 - 894		69,390,893	55,802,150	13,588,743	0
		Direct Labor Accts 901 - 935		4,216,898	3,640,911	575,987	0
		Total		73,607,791	59,443,061	14,164,730	0
		Percentage		100.000%	80.756%	19.244%	0.000%
		Number of Customers at		617,107	377,285	239,822	0
		Percentage		100.000%	61.138%	38.862%	0.000%
		Net Direct Plant		2,956,680,102	2,504,855,013	451,825,089	0
		Percentage		100.000%	84.718%	15.282%	0.000%
		Total Percentages		400.000%	311.234%	88.766%	0.000%
9		Average (CD AN/ID/WA)		100.000%	77.808%	22.192%	0.000%
10	E-PLT	Net Electric Distribution Plant - AMA	12-01-2016 thru 12-31-2017	1,078,698,883	719,726,089	358,972,794	
		Percent		100.000%	66.722%	33.278%	
11		Book Depreciation	01-01-2017 thru 12-31-2017	106,741,234	69,453,410	37,287,824	
		Percent		100.000%	65.067%	34.933%	

**RESULTS OF OPERATIONS**  
**ELECTRIC ALLOCATION PERCENTAGES**  
 For Twelve Months Ended December 31, 2017  
 Average of Monthly Averages Basis

Report ID:  
**E-ALL-12A**

AVISTA UTILITIES

Basis	Ref	Description	Based on Data from:	System	Washington	Idaho
12		Net Electric Plant (before ADFIT) - AMA Percent	12-01-2016 thru 12-31-2017	2,796,398,446 100.000%	1,848,396,927 66.099%	948,001,519 33.901%
13	E-PLT	Net Electric General Plant - AMA Percent	12-01-2016 thru 12-31-2017	236,526,014 100.000%	157,060,575 66.403%	79,465,439 33.597%
14		Net Allocated Schedule M's - AMA Percent	01-01-2017 thru 12-31-2017	-187,542,751 100.000%	-120,675,545 64.346%	-66,867,206 35.654%
99	Input	Not Allocated		0.000%	0.000%	0.000%