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BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

DOCKET NO. UE - 01 \_\_\_\_\_

EXHIBIT T-\_\_\_\_  
DIRECT TESTIMONY OF BRIAN J. HIRSCHKORN  
REPRESENTING THE AVISTA CORPORATION

Exhibit T-\_\_\_\_ (BJH-T)

1  
2 Q. Please state your name, business address and present position with Avista  
3 Corporation?

4 A. My name is Brian J. Hirschhorn and my business address is East 1411  
5 Mission Avenue, Spokane, Washington. I am presently assigned to the Rates Department  
6 as a Senior Rate Accountant.

7 Q. Would you briefly describe your duties?

8 A. My primary areas of responsibility include electric and gas rate design,  
9 customer usage and revenue analysis, and tariff administration.

10 Q. Would you briefly describe your educational background?

11 A. I graduated from Washington State University in 1978 with Bachelor  
12 degrees in Business Administration and Accounting.

13 Q. Have you previously testified before the Commission?

14 A. Yes. I have testified before this Commission in several prior rate  
15 proceedings as a revenue and rate design witness.

16 Q. What is the scope of your testimony in this proceeding?

17 A. The majority of my testimony in this proceeding will cover the spread of  
18 the following proposed annual revenue changes among the Company's general service  
19 schedules: 1) the proposed interim revenue increase of \$29.3 million, 2) the proposed  
20 total annual general increase (including interim revenue) of \$53.2 million, and 3) the  
21 proposed annual revenue associated with the Power Cost Surcharge of \$35.3 million. My  
22 testimony will also address the design of the proposed rates within each of the schedules  
23 for the proposed increases. I am also responsible for the revenue normalization  
24 adjustment, which I will briefly discuss. Lastly, I will address the reasoning behind the

1  
2 adjustments made for Potlatch Corp. in this case.

3 Q. Are you sponsoring any exhibits to be introduced in this proceeding?

4 A. Yes. I am sponsoring Exhibit Nos. \_\_ (BJH-1), \_\_ (BJH-2), and \_\_ (BJH-3),  
5 which I will discuss in detail later in my testimony.

6  
7 **Revenue Normalization**

8 Q. Would you please describe the "revenue normalization adjustment" which  
9 you have referred to?

10 A. The revenue normalization adjustment represents the difference between  
11 the company's actual recorded retail revenues during the test period and retail revenues  
12 on a forward-looking basis based on known and measurable changes (pro forma). The  
13 total revenue normalization adjustment decreases Washington revenues by \$28,048,000  
14 and net operating income by \$17,478,000 as shown in column PF1 on page 8 of Exhibit  
15 No. \_\_ (DMF-1). The majority of the adjustment results from the elimination of \$24.2  
16 million of revenue received from Potlatch Corp. that has been allocated to Washington,  
17 which is offset by a reduction in power supply costs. I will discuss the basis of this  
18 adjustment later in my testimony. The remaining portion of the adjustment consists of  
19 three components: 1) repricing customer usage (adjusted for known and measurable  
20 changes) at present base tariff rates in effect, 2) adjusting customer loads and revenue to a  
21 calendar-year basis (unbilled revenue adjustment), and 3) weather normalizing customer  
22 usage and revenue. The net amount of these three components is a decrease in actual  
23 revenue of \$3.8 million.

1  
2 Q. Is the calculation of the revenue adjustment associated with the three  
3 components listed above the same as was used in the Company's last general case?

4 A. Yes, it is.

5 Q. Other than the adjustments associated with unbilled revenue and weather  
6 normalization, have you made any pro forma adjustments to actual 2000 customer usage  
7 used in this case?

8 A. No. The Company did see one of its largest customers (Northwest Alloys)  
9 permanently close during 2001, resulting in the reduction of approximately 7 average  
10 megawatts of retail load. However, another large customer (Inland Empire Paper)  
11 increased their load requirements by approximately the same amount.

12 Q. Haven't recent conservation efforts reduced the amount of retail load  
13 served by the Company?

14 A. Yes. However, our Company's chief forecaster informs me that the  
15 projected amount of retail load growth caused by the addition of new customers between  
16 2000 and 2002 is similar to the estimated amount of "permanent" retail load reduction  
17 created by recent conservation efforts. Therefore, the Company chose not to make a  
18 retail load adjustment associated with conservation.

19  
20 **Potlatch Adjustment**

21 Q. Could you please explain the reasoning behind the "Potlatch Adjustment"  
22 proposed by the Company in this case?

23 A. Potlatch Corporation's plant in Lewiston, Idaho is the largest retail  
24 customer served by the Company. Potlatch also owns four thermal electric generating

1  
2 units at the plant. Since 1992, the Company has operated under a special agreement with  
3 Potlatch whereby 1) the Company purchases approximately 55 average megawatts of  
4 Potlatch's generation from the plant and 2) the Company serves Potlatch's entire load  
5 requirement at the plant. Both the purchase and sale of energy are at rates set forth in the  
6 agreement. Under normal ratemaking, the cost of a power purchase made by the  
7 Company is allocated between Washington and Idaho based on the jurisdictional  
8 production/transmission formula, and the revenue received from a retail customer is  
9 directly assigned based on location. Normal ratemaking treatment of the current special  
10 contract with Potlatch would have resulted in a significant rate reduction for the  
11 Company's other Idaho customers and a significant increase for the Company's  
12 Washington customers. As a result of this potential disparity, as part of the contract  
13 approval process before the Idaho Commission, the Company requested that it be allowed  
14 to allocate an amount of revenue received from Potlatch to Washington, similar to the  
15 allocation of the power purchased from Potlatch. The Idaho Commission approved the  
16 proposed allocation of revenue.

17 The present agreement between the Company and Potlatch expires at the end of  
18 2001. The Company and Potlatch are presently negotiating a new service agreement,  
19 whereby the Company has agreed to serve up to 100 average megawatts of Potlatch's  
20 load requirements at the plant at Idaho Schedule 25 rates. It is our understanding that  
21 Potlatch has not made a decision as to the future disposition of their generation, which  
22 may include generating into their own load or selling all or a portion of their generation.  
23 In order to maintain the current revenue/cost relationship between Washington and Idaho,  
24 either a portion of the revenue must continue to be allocated or a portion of the cost to

1  
2 serve Potlatch's load must be directly assigned to Idaho. Rather than propose a continued  
3 allocation of revenue received from Potlatch under the new agreement, the Company  
4 plans to propose to the Idaho Commission that the cost of serving Potlatch's incremental  
5 system load requirement be directly assigned to Idaho. This incremental system load  
6 requirement is approximately 25 average megawatts if Potlatch generates into their own  
7 load and 75 average megawatts if Potlatch sells their generation. For purposes of this  
8 filing, the Company has assumed that Potlatch will generate into their own load in 2002,  
9 thus the amount of energy and associated cost directly assigned to Idaho is assumed to be  
10 25 megawatts in this case<sup>1</sup>. Thus, the Company has eliminated the present allocation of  
11 revenue received from Potlatch as part of the revenue normalization adjustment, and  
12 made an adjustment to power supply costs to 1) directly assign 25 megawatts associated  
13 with Potlatch's load requirements to Idaho and 2) eliminate the purchase of Potlatch's  
14 generation under the present agreement. The adjustment to power supply costs is shown  
15 on Page 1 of Exhibit No. \_\_ (WGJ-1), and is discussed in Company witness Johnson's  
16 testimony.

17 Q. Will the proposed direct assignment of power costs under the new  
18 agreement create the need for a rate increase to Washington customers compared to the  
19 allocation of revenue under the present agreement?

20 A. The primary goal in developing the proposed jurisdictional treatment was  
21 to minimize the potential impact on Washington customers. Our best estimate at this  
22

23 \_\_\_\_\_  
24 <sup>1</sup> This assumption is not intended to predetermine in any way what Potlatch may choose to do with their  
generation. The net effect of this adjustment is to maintain a similar revenue/cost relationship between  
Washington and Idaho regarding this contract.

1  
2 time is that the proposed jurisdictional treatment of a new agreement with Potlatch will  
3 not create the need for a rate increase for Washington customers.

4 Q. Has this proposed jurisdictional treatment for Potlatch been approved by  
5 the Idaho Commission?

6 A. No. At this point, it has only been discussed generally with the Idaho  
7 Commission staff.

8  
9 **RATE SPREAD & RATE DESIGN**

10 Q. Would you please explain what is contained in Exhibit No. \_\_ (BJH-1)?

11 A. Exhibit No. \_\_ (BJH-1) is a copy of the Company's present rates governing  
12 electric service in the State of Washington, which are on file with this Commission as a  
13 part of the Company's tariff, WN U-28.

14 Q. Turning now to Exhibit No. \_\_ (BJH-2), would you please state what is  
15 contained in that Exhibit?

16 A. Exhibit No. \_\_ (BJH-2) contains the proposed electric rates and schedules  
17 which are being filed with the Commission as a part of our revised tariff, WN U-28.  
18 Included in Exhibit No. \_\_ (BJH-2) are the proposed general service tariffs and the  
19 proposed Schedule 93 – Power Cost Surcharge, to become effective at the estimated  
20 conclusion of this case (November 1, 2002). Also included in this Exhibit is the  
21 proposed Schedule 94 – Interim Rate Adjustment, which is proposed to become effective  
22 March 15, 2002, and remain in effect until the proposed general service tariffs in this case  
23 become effective.

24 Q. Could you please explain what is contained in Exhibit No. \_\_ (BJH-3)?

1  
2 A. Exhibit No. \_\_ (BJH-3) contains information regarding the proposed rate  
3 spread and rate design of the various proposed revenue components in this case. Page 1  
4 shows the proposed revenue and percentage increase of the various components  
5 compared to the present revenue under base rates (excluding present power cost  
6 surcharge Schedule 93). Page 2 shows the proposed revenue and percentage increase  
7 (decrease) of the various components compared to revenue under present billing rates  
8 (including present power cost surcharge Schedule 93). Page 3 shows the present billing  
9 rates under each of the schedules (column a), the proposed rate changes for each of the  
10 proposed revenue components, and the proposed rates after application of each of the  
11 components. These pages, as well as the other pages contained in Exhibit No. \_\_ (BJH-  
12 3), will be referred to later in my testimony.

13 Q. Why do you compare the proposed revenue increases to both present  
14 revenue under base rates (Page 1) and revenue under present billing rates (Page 2)?

15 A. Typically proposed rate spread and rate design information presented in a  
16 general case is shown as compared to revenue and rates under base rates, which exclude  
17 any temporary rate adjustments such as the Company's present Schedule 93 power cost  
18 surcharge. However, all of the proposed revenue changes in this case will occur during  
19 the effective period of the present Schedule 93, which represents an increase of 25% over  
20 base rates. Therefore, the changes that customers will see on their bills resulting from the  
21 Company's proposed changes in this case will be based on their bills under present rates  
22 including the present Schedule 93 surcharge. Because of the magnitude of the existing  
23 Schedule 93 surcharge and the timing of the proposed changes in this case, the Company  
24



1  
2 felt that it was important to also provide the information as it will ultimately affect  
3 customer bills.

4 Q. Is there a general statement you can make about the proposed spread of  
5 the various overall revenue components in this case?

6 A. Yes. All of the proposed revenue components in this case are applied to  
7 the Company's general service schedules on a uniform percentage basis. Those revenue  
8 components include the interim rate adjustment (effective March 15, 2002), the general  
9 revenue increase, and the proposed power cost surcharge (to be effective at the  
10 conclusion of the general case).

11 Q. Would you please describe the Company's present rate schedules and the  
12 types of electric service offered under each?

13 A. Yes. The Company presently provides electric service under Residential  
14 Service Schedule 1, General Service Schedules 11 and 12, Large General Service  
15 Schedules 21 and 22, Extra Large General Service Schedule 25, and Pumping Service  
16 Schedules 31 and 32. Additionally, the Company provides Street Lighting Service under  
17 Schedules 41-46, and Area Lighting Service under Schedule 47 and 48. Schedules 12,  
18 22, 32, and 48 exist for residential and farm service customers who qualify for the  
19 Bonneville Power Administration "Residential Exchange" program. The rates for these  
20 schedules are identical to the rates for Schedules 11, 21, 31, and 47, respectively, except  
21 for the present Residential Exchange rate credit of 0.350 cents per kwh, set forth under  
22 Schedule 59 of the Company's tariff. The following table shows the type of customer  
23 and the number of customers served (as of October 2001) under each of the schedules  
24 (except street and area lighting):

<u>Schedule</u>	<u>Type of Customer</u>	<u>No. of Customers</u>
Residential Sch. 1	Residential	181,000
General Sch. 11&12	Small Commercial / less than 50 kw	23,700
Lge. General Sch. 21&22	Med. - Lge. Comm. & Industrial / over 50 kw	3,100
Ex. Lge. General Sch. 25	Lge. Comm. & Industrial / over 3,000 kw	21
Pumping Sch. 31&32	Agriculture & other water pumping	1,900

### Interim Rate Adjustment

Q. Could you describe how the Company proposes to spread the proposed interim revenue increase of \$29,344,000 among its general service schedules?

A. The Company proposes to spread the interim revenue increase on a uniform percentage basis to all general service schedules. This results in an overall revenue increase of 12.6% to the base rates of all schedules, as shown in column (e) of Page 1, Exhibit No. \_\_ (BJH-3). The proposed interim increase results in a 10.0% increase in the present billing revenue (including present surcharge) under each of the schedules, as shown in column (e) of Page 2, Exhibit No. \_\_ (BJH-3).

Q. How does the Company propose to spread the resulting revenue increase for each schedule to the various rates contained in each of the schedules?

A. For all general service schedules, the Company proposes to apply the revenue increase only to the energy charge(s) within each schedule. For schedules with more than one energy block (Residential Schedule 1 and Pumping Service Schedule 31), the increase is applied to energy rates within the schedule on an equal cents per kwh basis. For street and area light schedules, the Company proposes to increase the base

1  
2 rates contained in those schedules by a uniform percentage. The proposed rates for the  
3 interim rate increase are shown on the proposed tariff, Interim Rate Adjustment –  
4 Schedule 94, contained in Exhibit No. \_\_ (BJH-2), and are shown in column (b) of Page  
5 3, Exhibit No. \_\_ (BJH-3).

6 Q. If the proposed interim rate increase is approved by the Commission, will  
7 the revenues collected under the tariff be subject to refund based on the Commission's  
8 final order in this case?

9 A. Yes. This "subject to refund" language is included in the tariff.

10  
11 **General Rate Increase**

12 Q. How does the Company propose to implement the proposed annual  
13 general revenue increase request of \$53,247,000?

14 A. The annual proposed revenue increase is reflected in the proposed general  
15 service tariffs contained in Exhibit No. \_\_ (BJH-2). At the time revised general service  
16 tariffs reflecting the Commission's final order in this case are implemented, the proposed  
17 Schedule 93 – Interim Rate Adjustment would be withdrawn.

18 Q. How does the Company propose to spread the general revenue increase  
19 request among its various service schedules?

20 A. The Company proposes to spread the general revenue increase on a  
21 uniform percentage basis to all general service schedules. This results in a total general  
22 revenue increase of approximately 22.7% increase to the base revenue of all schedules, as  
23 shown in column (i) of Page 1, Exhibit No. \_\_ (BJH-3). The proposed total general  
24 increase results in an approximate increase of 18% in the present billing revenue

1  
2 (including present surcharge) under each of the schedules, as shown in column (i) of Page  
3 2, Exhibit No. \_\_ (BJH-3). As the interim rate increase of \$29,344,000 is proposed to  
4 become effective March 15, 2002, Pages 1 and 2 of Exhibit No. \_\_ (BJH-3) show the  
5 spread of the total general increase (columns h and i), as well as the spread of the  
6 “remaining” or “additional” general revenue increase of \$23,903,000 (columns f and g),  
7 which is the total proposed general increase of \$53,247,000 less the proposed interim  
8 increase of \$29,344,000. It should be noted at this time, that following the  
9 implementation of the proposed interim increase March 15, 2002, the net effect of the  
10 proposed additional general increase and the net reduction in Schedule 93 surcharge rates  
11 to be implemented at the conclusion of this case results in no overall change in annual  
12 revenue collected by the Company, as shown on line 9, columns (l) and (m) of Page 2,  
13 Exhibit No. \_\_ (BJH-3).

14 Q. Have you examined how the spread of the proposed general increase on a  
15 uniform percentage basis affects the rates of return for the various service?

16 A. Yes. The table on the top of the following page shows the relative rates of  
17 return by schedule before and after the proposed increases are applied. The relative rate  
18 of return is determined by dividing the rate of return for each schedule by the overall rate  
19 of return for the Company's Washington electric operations. This information is also  
20 shown on Page 4 of Exhibit No. \_\_ (BJH-3).

1  
2 Relative Rates of Return by Rate Schedule

3

	<u>Before Increase</u>	<u>After Increase</u>
4 Residential Service Schedule 1	0.78	0.83
5 General Service Schedule 11	1.57	1.43
6 Large General Service Schedule 21	1.31	1.23
7 Extra Large General Service Schedule 25	0.76	0.84
8 Pumping Service Schedule 31	0.93	0.94
9 Street & Area Lighting Schedules 41-48	0.97	1.00

10

11 As shown, the relative rates of return for all of the service schedules move  
12 significantly closer to unity (1.00) after application of the total proposed general revenue  
13 increase by schedule.

14 Q. Why isn't the Company proposing to spread the general increase so that  
15 the resulting rates of return by schedule move even more toward unity?

16 A. Given the complexity of this case and the Company's goal of minimizing  
17 the overall rate change to customers beyond implementation of the interim increase  
18 (March 15), the Company believes that the movement toward unity resulting from a  
19 uniform percentage spread of the general increase is reasonable under the circumstances.

20 Q. Where in Exhibit No. \_\_ (BJH-3) are the proposed changes in rates  
21 reflecting the total general increase shown?

22 A. The total change in rates reflecting the proposed general increase are  
23 derived by adding the amounts shown in columns (b) and (d) of Page 3, Exhibit No.  
24 \_\_ (BJH-3). The rate changes shown in these columns reflect the proposed interim

1  
2 adjustment (March 2002) and the additional proposed general rate increase to be  
3 implemented at the end of this case (on or before November 2002).

4 Q. How does the Company propose to spread the applicable general revenue  
5 increase to the rates within Residential Service Schedule 1?

6 A. The Company proposes to spread the increase applicable to Schedule 1 on  
7 a uniform cents per kwh basis to the existing three rate blocks under the Schedule. This  
8 application results in a total general increase of 1.05 cents per kwh to the present rates  
9 under the Schedule. The total general increase is comprised of the proposed interim  
10 adjustment of 0.583 cents/kwh, shown in column (b) of Page 3, Exhibit No. \_\_ (BJH-3),  
11 and the additional general increase of 0.467 cents/kwh shown in column (d) of that same  
12 page.

13 Q. Is the Company proposing to increase the present basic charge of \$5.00  
14 under the Schedule?

15 A. No, it is not.

16 Q. How does the Company propose to spread the applicable general revenue  
17 increase to the rates within General Service Schedule 11?

18 A. The Company is proposing to add an additional energy rate block to  
19 General Service Schedule 11 as part of this case. The additional block would provide a  
20 lower energy rate for usage in excess of 3,650 kwhs per month than for usage below that  
21 amount. The present rates under the Schedule contain a single energy charge for all kwh  
22 usage and a demand charge for monthly peak demand in excess of 20 kw. The present  
23 rates result in a higher average kwh charge for customers in excess of 20 kw than for  
24 customers below 20 kw, regardless of their load factor. The present rate design under the

1  
2 Schedule is not reasonable when compared to the cost of providing service, as well the  
3 rates under the Company's other general service schedules 21 and 25. Generally, larger  
4 customers cost less to serve than smaller customers on a per kwh basis and customers  
5 with reasonable load factors cost less to serve than customers with poor load factors. The  
6 Company's rates under Schedules 21 and 25 have a monthly minimum charge that  
7 provides for a lower average kwh rate for a larger-use customer as compared with a  
8 smaller-use customer with the same load factor. The present rates under Schedule 11  
9 actually result in a higher average kwh charge to larger-use customers than smaller-use  
10 customers with the same load factor, as well as a higher rate per kwh for a customer  
11 whose peak demand exceeds 20 kw than the rate for a customer whose demand is less  
12 than 20 kw, regardless of their load factors.

13           Page 5 of Exhibit No. \_\_ (BJH-3) shows the average rate per kwh to several  
14 different customers. Column (e) shows the average rate per kwh under present rates and  
15 column (g) shows the average rate under the proposed rates, with the addition of the rate  
16 block for usage in excess of 3,650 kwhs. Lines 1-3 show three customers with different  
17 usage levels resulting in a 25% load factor. Lines 4-6 show three customers with  
18 different usage levels resulting in a 50% load factor. As shown in column (e), a higher-  
19 use customer always pays a higher average rate than a smaller-use customer with a  
20 similar load factor, and a customer with a peak demand in excess of 20 kw always pays a  
21 higher rate than a customer with less than 20 kw, regardless of load factor. As shown in  
22 column (g), the proposed rates will result in a slightly lower rate as usage increases, given  
23 similar load factors. Comparing column (g) to column (e) , the proposed rates will also  
24 provide a more reasonable incentive for customers to improve their load factor. The

1  
2 addition of the proposed energy rate block under Schedule 11 is a reasonable way to  
3 provide rates that are more consistent with the cost of providing service and the rates  
4 under the Company's other general service schedules.

5 Q. What is the resulting proposed general rate change under General Service  
6 Schedule 11 for usage above and below 3,650 kwhs per month?

7 A. The proposed rate change compared to the present energy rate under the  
8 Schedule is an increase of 1.847 cents/kwh for usage below 3,650 kwhs per month and a  
9 decrease of 0.051 cents/kwh for usage above 3,650 kwhs per month. These rates are  
10 derived by combining the proposed interim rate increase and the additional general rate  
11 change, shown in columns (b) and (d) respectively, on Page 3 of Exhibit No. \_\_ (BJH-3).

12 Q. Could you please describe the proposed change in the rates to Large  
13 General Service Schedule 21 resulting from the application of the general increase?

14 A. The present rates under the Schedule contain a monthly minimum demand  
15 charge of \$225.00 for the first 50 kw or less, an additional demand charge of \$2.75 per  
16 kw for demand in excess of 50 kw, and a flat rate per kwh for all energy usage under the  
17 Schedule. The Company is proposing to increase the demand charge from \$2.75 to \$3.00  
18 per kw for demand in excess of 50 kw, which will provide additional incentive for most  
19 customers under the Schedule to reduce their peak demand. The majority of the increase  
20 applicable to the Schedule has been applied to the energy charge, resulting in a total  
21 increase of 1.073 cents/kwh. The total increase in the energy charge is shown on Page 3  
22 of Exhibit No. \_\_ (BJH-3) by combining the interim increase of 0.620 cents/kwh shown in  
23 column (b), and the additional general increase of 0.453 cents/kwh shown in column (d).



1  
2 Q. Could you please describe the proposed change in the rates to Extra Large  
3 General Service Schedule 25 resulting from the application of the general increase?

4 A. The present rates under Schedule 25 include a monthly minimum charge  
5 of \$7,500 for the first 3,000 kva of demand or less, an additional demand charge of \$2.25  
6 per kva in excess of 3,000, and a flat kwh rate for all energy usage. The Schedule also  
7 contains an annual minimum charge of \$392,280, which is based on twelve times the  
8 monthly minimum charge plus 11 million kwhs times the energy charge. The Company  
9 is proposing to increase the monthly minimum charge from \$7,500 to \$9,000. The  
10 increase in the monthly minimum charge results in an effective demand charge of \$3.00  
11 per kva for the first 3,000 kva of demand, compared to the present effective charge of  
12 \$2.50 per kva. The increase in the monthly minimum charge will not unduly affect  
13 customers presently served under the Schedule and will serve to generally maintain the  
14 present "breakeven" usage level between Schedules 21 and 25. The Company is also  
15 proposing to increase the demand charge for usage in excess of 3,000 kva, from \$2.25 per  
16 kva to \$2.50 per kva, which will provide an additional incentive for customers to reduce  
17 their peak demand. The resulting increase in the energy charge under the Schedule is  
18 0.651 cents per kwh, which is shown on Page 3 of Exhibit No. \_\_ (BJH-3) by combining  
19 the interim increase of 0.403 cents/kwh shown in column (b), and the additional general  
20 increase of 0.248 cents/kwh shown in column (d).

21 Q. Could you please describe the proposed change in the rates to Pumping  
22 Service Schedule 31 resulting from the application of the general increase?

23 A. The proposed general increase applicable to Pumping Service Schedule 31  
24 is spread on an equal cents per kwh basis to the present energy blocks in the Schedule.

1  
2 This results in a total general increase of 0.942 cents per kwh for all energy usage under  
3 the Schedule, which is shown on Page 3 of Exhibit No. \_\_ (BJH-3) by combining the  
4 interim increase of 0.542 cents/kwh shown in column (b), and the additional general  
5 increase of 0.418 cents/kwh shown in column (d).

6 Q. How is the Company proposing to spread the general increase applicable  
7 to street and area lights to the rates contained in those schedules (Schedules 41-47)?

8 A. The Company proposes to increase all present street and area light rates on  
9 an equal percentage basis. The resulting rates are shown in the proposed tariffs for those  
10 Schedules, contained in Exhibit No. \_\_ (BJH-2).

11  
12 **Proposed Schedule 93 – Power Cost Surcharge**

13 Q. Could you describe how the Company proposes to spread the proposed  
14 annual power cost surcharge of \$35,339,000 among its general service schedules?

15 A. The Company proposes to spread the annual power cost surcharge on a  
16 uniform percentage basis to all general service schedules. This results in an increase of  
17 approximately 15% over the present base rates for each of the schedules, as shown in  
18 column (k), Page 1 of Exhibit No. \_\_ (BJH-3). However, when compared to the revenue  
19 being collected through the present Schedule 93 in effect, the change in Schedule 93 rates  
20 result in an annual revenue decrease of \$23,903,000 or 8.1%, as shown on line 9,  
21 columns (j) and (k), Page 2 of Exhibit No. \_\_ (BJH-3).

22 Q. Why is it important to examine the net change in the rates for Power Cost  
23 Surcharge Schedule 93, as shown in columns (j) and (k) of Page 2?

1  
2 A. The Company is proposing that the proposed Schedule 93 be implemented  
3 and the present Schedule 93 be withdrawn simultaneously, so that the net effect  
4 customers will see on their bills is the difference between the present and proposed rates  
5 under the tariff.

6 Q. You stated that the Company is proposing to spread the proposed annual  
7 surcharge amount on a uniform percentage basis to its general service schedules. Was  
8 that the method approved by the Commission in determining the rates under the present  
9 Schedule 93?

10 A. Yes.

11 Q. Given that both the present and proposed annual surcharge amounts are  
12 spread on a uniform percentage basis to the Company's rate schedules, why isn't the net  
13 Schedule 93 percentage change the same for all rate schedules, as shown in column (k),  
14 Page 2 of Exhibit No. \_\_ (BJH-3)?

15 A. The present surcharge rates under Schedule 93 were derived using a  
16 different base revenue amount than the proposed rates. The net change between the  
17 present and proposed annual surcharge revenue by rate schedule is shown in column (j),  
18 Page 2, Exhibit No. \_\_ (BJH-3). This net revenue change by rate schedule is divided by  
19 the base billing revenue in this case, shown in column (c), which results in slightly  
20 different percentages by rate schedule, shown in column (k).

21 Q. How does the Company propose to spread the proposed surcharge revenue  
22 for each schedule to the various rates contained in each of the schedules?

23 A. For all general service schedules, the Company proposes to apply the  
24 revenue increase only to the energy charge(s) within each schedule. For schedules with

1  
2 more than on energy block (Residential Schedule 1 and Pumping Service Schedule 31),  
3 the increase is applied to energy rates within the schedule on an equal cents per kwh  
4 basis. For street and area light schedules, the Company proposes to increase the base  
5 rates contained in those schedules by a uniform percentage. The proposed surcharge  
6 rates are shown on the proposed tariff, Power Cost Surcharge, contained in Exhibit  
7 No. \_\_ (BJH-2). The net change between the present and proposed surcharge rates is  
8 shown in column (e) on Page 3 of Exhibit No. \_\_ (BJH-3).

9 Q. Looking at the net change in the surcharge rates for Residential Schedule 1  
10 shown in column (e), why is there a difference in the net rate change for the different rate  
11 blocks under that Schedule?

12 A. The present surcharge rate adjustment to Schedule 1 was based on a  
13 uniform percentage increase applied to the rate blocks under the Schedule resulting in a  
14 different surcharge rate for each block. The proposed surcharge rates for Schedule 1 are  
15 based on an equal cents per kwh application to all rate blocks, thus the net change  
16 between the present and proposed surcharge rate for each rate block is different.

17 Q. You stated previously that, assuming implementation of the proposed  
18 interim increase, the net effect of the proposed additional general increase and the net  
19 reduction in Schedule 93 surcharge rates, proposed to be implemented at the conclusion  
20 of this case, results in no overall change in annual revenue collected by the Company, as  
21 shown on line 9, columns (l) and (m) on Page 2, Exhibit No. \_\_ (BJH-3). Based on the  
22 proposed changes in rates previously discussed, what is the net change compared to the  
23 present rates within each of the schedules at the conclusion of this case?

1  
2 A. The net percentage change in total revenue for each of the schedules at the  
3 conclusion of this case is shown in column (m) on Page 2. The difference in the  
4 percentage change for each of the schedules is primarily due to the difference in base  
5 revenues used to determine the present and proposed surcharge rates, as previously  
6 discussed. The net change in the various rates within each of the schedules is shown in  
7 column (f) on Page 3 of Exhibit No. \_\_ (BJH-3).

8 Q. Have you examined the effect of the proposed rate changes in this case on  
9 residential customers served under Schedule 1?

10 A. Yes. Page 6 of Exhibit No. \_\_ (BJH-3) shows the effect of the various  
11 changes proposed in this case on a residential customer using 600, 1,000, and 1,400  
12 kwhs. Column (a) shows the bill under present rates at these usage levels. Columns (c)  
13 and (d) show the increase that would result from the proposed interim rate adjustment.  
14 Columns (f) and (g) show the net change resulting from the subsequent proposed changes  
15 (additional general increase and net surcharge reduction). As shown in columns (h) and  
16 (i), the total proposed change would range from an increase of \$4.38, or 13.9% for a  
17 customer using 600 kwhs per month, to \$8.36, or 11.1% for a customer using 1,400 kwhs  
18 per month.

19 Q. Does that conclude your pre-filed direct testimony in this proceeding?

20 A. Yes it does.

BEFORE THE WASHINGTON UTILITIES AND  
TRANSPORTATION COMMISSION

DOCKET NO. UE-01\_\_\_\_\_

EXHIBIT NO. \_\_\_\_ (BJH-1)  
PRESENT ELECTRIC TARIFFS

WITNESS: BRIAN J. HIRSCHKORN, AVISTA CORP.

AVISTA CORPORATION  
dba Avista Utilities

## SCHEDULE 1

### RESIDENTIAL SERVICE - WASHINGTON

(Single phase & available voltage)

#### AVAILABLE:

To Customers in the State of Washington where Company has electric service available.

#### APPLICABLE:

To service for domestic purposes in each individual residence, apartment, mobile home, or other living unit when all such service used on the premises is supplied through a single meter.

Where a portion of a dwelling is used regularly for; either (a) the conduct of business, (b) where a portion of the electricity supplied is used for other than domestic purposes, or (c) when two or more living units are served through a single meter, the appropriate general service schedule is applicable. However, if the wiring is so arranged that the service for all domestic purposes can be metered separately, this schedule will be applied to such service.

#### MONTHLY RATE:

\$5.00 Basic Charge, plus  
 First 600 Kwh 3.614¢ per Kwh  
 Next 700 Kwh 4.353¢ per Kwh  
 All over 1300 Kwh 5.258¢ per Kwh

Minimum Charge: \$5.00

#### SPECIAL TERMS AND CONDITIONS:

Service under this schedule is subject to the Rules and Regulations contained in this tariff.

The above Monthly Rate is subject to the provisions of Tax Adjustment Schedule 58, Energy Efficiency Rider Adjustment Schedule 91, Residential and Farm Energy Rate Adjustment Schedule 59, and Temporary Power Cost Surcharge Schedule 93.

Issued September 25, 2001

Effective October 1, 2001  
Per WUTC 6<sup>th</sup> Supp. Order in Docket UE-010395

Issued by Avista Corporation

By

*Thomas D. Dukich*

Thomas D. Dukich

, Director, Rates & Regulation Department

AVISTA CORPORATION  
dba Avista Utilities

## SCHEDULE 11

### GENERAL SERVICE - WASHINGTON

(Available phase and voltage)

#### AVAILABLE:

To Customers in the State of Washington where Company has electric service available.

#### APPLICABLE:

To general service supplied for lighting and power purposes when all such service taken on the premises is supplied through one kilowatt-hour meter, except that water heating service separately metered prior to January 28, 1984 may continue to be billed separately.

#### MONTHLY RATE:

The sum of the following demand and energy charges:

##### Energy Charge:

\$5.75 Basic Charge, plus  
6.011¢ per Kwh

##### Demand Charge:

No charge for the first 20 kw of demand.  
\$3.50 per kw for each additional kw of demand.

##### Minimum:

\$5.75 for single phase service and \$13.10 for three phase service; unless a higher minimum is required under contract to cover special conditions.

#### DEMAND:

The average kw supplied during the 15-minute period of maximum use during the month as determined by a demand meter.

#### SPECIAL TERMS AND CONDITIONS:

Service under this schedule is subject to the Rules and Regulations contained in this tariff.

The above Monthly Rate is subject to the provisions of Tax Adjustment Schedule 58, Energy Efficiency Rider Adjustment Schedule 91, and Temporary Power Cost Surcharge Schedule 93.

Issued September 25, 2001

Effective October 1, 2001  
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By

Thomas D. Dukich

, Director, Rates & Regulation Department

*Thomas D. Dukich*



AVISTA CORPORATION  
dba Avista Utilities

## SCHEDULE 21

LARGE GENERAL SERVICE - WASHINGTON  
(Available phase and voltage)

## AVAILABLE:

To Customers in the State of Washington where Company has electric service available.

## APPLICABLE:

To general service supplied for all power requirements when all such service taken on the premises is supplied through one meter installation. Customer shall provide and maintain all transformers and other necessary equipment on his side of the point of delivery and enter into a written contract for five (5) years or longer.

## MONTHLY RATE:

The sum of the following demand and energy charges:

## Energy Charge:

3.860¢ per Kwh

## Demand Charge:

\$225.00 for the first 50 kw of demand or less.

\$2.75 per kw for each additional kw of demand.

## Primary Voltage Discount:

If Customer takes service at 11 kv (wye grounded) or higher, he will be allowed a primary voltage discount of 20¢ per kw of demand per month.

## Minimum:

The demand charge unless a higher minimum is required under contract to cover special conditions.

## ANNUAL MINIMUM:

The current 12-month billing including any charges for power factor correction shall be not less than \$11.50 per kw of the highest demand established during the current 12-month period provided that such highest demand shall be adjusted by the elimination of any demand occasioned by an operation totally abandoned during such 12-month period.

## DEMAND:

The average kw supplied during the 15-minute period of maximum use during the month as determined by a demand meter.

## SPECIAL TERMS AND CONDITIONS:

Service under this schedule is subject to the Rules and Regulations contained in this tariff.

The above Monthly Rate is subject to the provisions of Tax Adjustment Schedule 58, Energy Efficiency Rider Adjustment Schedule 91, and Temporary Power Cost Surcharge Schedule 93.

Issued September 25, 2001

Effective October 1, 2001

Per WUTC 6<sup>th</sup> Supp. Order in Docket UE-010395

Issued by Avista Corporation

By

Thomas D. Dukich

, Director, Rates & Regulation Department

*Thomas D. Dukich*

AVISTA CORPORATION  
dba Avista Utilities

SCHEDULE 25  
EXTRA LARGE GENERAL SERVICE - WASHINGTON  
(Three phase, available voltage)

**AVAILABLE:**

To Customers in the State of Washington where Company has electric service available.

**APPLICABLE:**

To general service supplied for all power requirements when all such service taken on the premises is supplied through one meter installation for a demand of not less than 3,000 Kva. Customer shall provide and maintain all transformers and other necessary equipment on his side of the point of delivery and enter into a written contract for five (5) years or longer. The written contract will specify a limit on both firm energy and demand.

**MONTHLY RATE:**

The sum of the following demand and energy charges:

**Energy Charge:**

2.748¢ per Kwh

**Demand Charge:**

\$7,500.00 for the first 3,000 Kva of demand or less.

\$2.25 per Kva for each additional Kva of demand.

**Primary Voltage Discount:**

If Customer takes service at 11 kv (wye grounded) or higher, he will be allowed a primary voltage discount of 20¢ per Kva of demand per month.

**Minimum:**

The demand charge unless a higher minimum is required under contract to cover special conditions.

**ANNUAL MINIMUM: \$392,280**

Any annual minimum deficiency will be determined during the April billing cycle for the previous 12-month period. For a customer who has taken service on this schedule for less than 12 months, the annual minimum will be prorated based on the actual months of service.

**DEMAND:**

The average Kva supplied during the 30-minute period of maximum use during the current month as measured by Company's metering equipment.

**SPECIAL TERMS AND CONDITIONS:**

Service under this schedule is subject to the Rules and Regulations contained in this tariff.

The above Monthly Rate is subject to the provisions of Tax Adjustment Schedule 58, Energy Efficiency Rider Adjustment Schedule 91, and Temporary Power Cost Surcharge Schedule 93.

Issued September 25, 2001

Effective October 1, 2001  
Per WUTC 6<sup>th</sup> Supp. Order in Docket UE-010395

Issued by Avista Corporation

By

*Thomas D. Dukich*

Thomas D. Dukich

, Director, Rates & Regulation Department

AVISTA CORPORATION  
dba Avista Utilities

SCHEDULE 31  
PUMPING SERVICE - WASHINGTON  
(Available phase and voltage)

AVAILABLE:

To Customers in the State of Washington where Company has electric service available.

APPLICABLE:

To service through one meter for pumping water or water effluents, including incidental power used for other equipment and lighting essential to the pumping operation. For such incidental service, Customer will furnish any transformers and other necessary equipment. Customer will enter into a written contract for five (5) years or longer and will have service available on a continuous basis unless there is a change in ownership or control of property served.

MONTHLY RATE:

The sum of the following charges:

\$6.00 Basic Charge, plus

Energy Charge:

First	85 Kwh per kw of demand	5.294¢ per Kwh
-------	-------------------------	----------------

Next	80 Kwh per kw of demand but not more than 3,000 Kwh	5.294¢ per Kwh
------	--	----------------

All additional Kwh		3.548¢ per Kwh
--------------------	--	----------------

Annual Minimum:

\$10.00 per kw of the highest demand established in the current year ending with the November billing cycle. If no demand occurred in the current year, the annual minimum will be based on the highest demand in the latest previous year having a demand.

Demand:

The average kw supplied during the 15-minute period of maximum use during the month determined, at the option of Company, by a demand meter or nameplate input rating of pump motor.

SPECIAL TERMS AND CONDITIONS:

If Customer requests the account to be closed by reason of change in ownership or control of property, the unbilled service and any applicable annual minimum will be prorated to the date of closing.

Customers who commercially produce one or more irrigated agricultural crops, who use at least 150,000 Kwhs annually, have a peak demand of 100+ kw, and who use no more than 1,000 Kwhs per month between November 1 and February 28 shall not be subject to the first two rate blocks of this tariff.

Service under this schedule is subject to the Rules and Regulations contained in this tariff.

The above Monthly Rate is subject to the provisions of Tax Adjustment Schedule 58, Energy Efficiency Rider Adjustment Schedule 91, and Temporary Power Cost Surcharge Schedule 93.

Issued September 25, 2001

Effective October 1, 2001

Per WUTC 6<sup>th</sup> Supp. Order in Docket UE-010395

Issued by Avista Corporation

By

*Thomas D. Dukich*

Thomas D. Dukich

, Director, Rates & Regulation Department

AVISTA CORPORATION  
 dba Avista Utilities

SCHEDULE 41

COMPANY OWNED STREET LIGHT SERVICE - WASHINGTON  
 (Single phase and available voltage)

AVAILABLE:

To agencies of local, state, or federal governments in all territory served by Company. Closed to new installations as of December 18, 1981, except where Company and customer agree mercury vapor lamps may be installed to provide compatibility with existing light sources.

APPLICABLE:

To annual operation of dusk-to-dawn lighting for public streets and thoroughfares upon receipt of an authorized application.

MONTHLY RATE:

Fixture & Size (Lumens)	No Pole Code Rate		Pole Facility					
			Wood Pole		Metal Standard			
			Code	Rate	Pedestal Base	Direct Burial	Developer Contributed	
	Code	Rate	Code	Rate	Code	Rate	Code	Rate
Single Mercury Vapor								
4000						214#	\$ 7.35	
7000			411	7.97				
10000			511	9.74				
20000			611	13.80				

\*Not available to new customers accounts, or locations.  
 #Decorative Curb

Issued November 14, 2000

Effective December 1, 2000

Issued by Avista Corporation  
 By

*Thomas D. Durbin*

, Manager, Rates & Tariff Administration

AVISTA CORPORATION  
dba Avista Utilities

SCHEDULE 42  
COMPANY OWNED STREET LIGHT SERVICE - WASHINGTON  
HIGH-PRESSURE SODIUM VAPOR  
(Single phase and available voltage)

AVAILABLE:

To agencies of local, state, or federal governments in all Washington territory served by Company.

APPLICABLE:

To annual operation of dusk-to-dawn lighting for public streets and thoroughfares upon receipt of an authorized application.

MONTHLY RATE:

Fixture & Size	Pole Facility										
	No Pole		Wood Pole		Metal Standard						
					Pedestal Base		Direct Burial		Developer Contributed		
Code	Rate	Code	Rate	Code	Rate	Code	Rate	Code	Rate		
<u>Single High-Pressure Sodium Vapor</u> (Nominal Rating in Watts)											
50W								234#	\$ 6.89		
100W	435	\$ 6.99	431	\$ 7.38	432	\$13.09	433	13.09	436	\$ 7.38	
100W			421*	13.09			434#	7.38			
200W	535	11.42	531	11.83	532	17.52	533	17.52	536	11.83	
200W					522*	29.67					
250W			631	13.94	632	19.64	633	19.64	636	13.94	
400W	835	17.20	831	20.49	832	26.19			836	20.49	

Double High-Pressure Sodium Vapor  
(Nominal Rating in Watts)

100W			441	14.38	442	20.37			446	14.38
200W			541	23.67	542	29.67				
400W					842	46.30				

#Decorative Curb

\*Underground Installation

SPECIAL TERMS AND CONDITIONS:

Company will install, own, and maintain the facilities for supplying street lighting service using facilities utilizing Company's design.

Issued November 14, 2000

Effective December 1, 2000

Issued by Avista Corporation

By

*Thomas D. Durick*

, Manager, Rates & Tariff Administration

AVISTA CORPORATION  
dba Avista Utilities

**SCHEDULE 44**  
**CUSTOMER OWNED STREET LIGHT ENERGY AND MAINTENANCE SERVICE -**  
**WASHINGTON**  
**HIGH-PRESSURE SODIUM VAPOR**  
(Single phase and available voltage)

**AVAILABLE:**

To agencies of local, state, or federal governments in all Washington territory served by Company.

**APPLICABLE:**

To annual operation of dusk-to-dawn lighting for public streets and thoroughfares upon receipt of an authorized application.

**MONTHLY RATE:**

Fixture & Size	Pole Facility								
	No Pole		Wood Pole		Metal Standard				
					Pedestal Base		Direct Burial		
	Code	Rate	Code	Rate	Code	Rate	Code	Rate	
<u>Single High-Pressure Sodium Vapor</u> (Nominal Rating in Watts)									
100W	435	\$ 3.76	431	\$ 3.76	432	\$ 3.76	433	\$ 3.76	
200W	535	5.86	531	5.86	532	5.86	533	5.86	
250W	635	6.07	631	6.07	632	6.07	633	6.07	
310W	735	7.97	731	7.97	732	7.97	733	7.97	
400W	835	10.24	831	10.24	832	10.24	833	10.24	
<u>Double High-Pressure Sodium Vapor</u> (Nominal Rating in Watts)									
100W			441	6.58	442	6.58	443	6.58	
200W					542	10.76	543	10.76	
250W					642	12.03			
310W					742	15.01			
400W	835	19.18							

**SPECIAL TERMS AND CONDITIONS:**

Customer is responsible for financing, installing and owning standards, luminaires and necessary circuitry and related facilities to connect with Company designated points of delivery. All such facilities will conform to Company's design, standards and specifications. Customer is also responsible for painting (if desired) and replacing damaged pole facilities.

Issued November 14, 2000

Effective December 1, 2000

Issued by Avista Corporation

By

*Thomas D. Durick*

Manager Rates & Tariff Administration

AVISTA CORPORATION  
dba Avista Utilities

**SCHEDULE 45**  
**CUSTOMER OWNED STREET LIGHT ENERGY SERVICE - WASHINGTON**  
(Single phase and available voltage)

**AVAILABLE:**

To agencies of local, state, or federal governments in all territory served by Company. Closed to new installations as of December 18, 1981, except where Company and customer agree, mercury vapor lamps may be installed to provide compatibility with existing light sources.

**APPLICABLE:**

To annual operation of lighting for public streets and thoroughfares upon receipt of an authorized application.

**MONTHLY RATE:**

Fixture & Size (Lumens)	Per Luminaire			
	Dusk to Dawn Service		Dusk to 1:00 a.m. Service	
	Code	Rate	Code	Rate
<u>Mercury Vapor</u>				
7000	415	\$ 3.50		
10000	515	4.83		
20000#	615	7.46		
35000	715	12.11		
55000#	815	17.25	819	\$11.48

#Also includes Metal Halide.

**SPECIAL TERMS AND CONDITIONS:**

Customer is responsible for financing, installing, owning, maintaining and replacing all standards, luminaires, and necessary circuitry and related facilities to connect with Company designated points of delivery. Customer will also provide a light sensitive relay and/or time switch in order to control the hours that energy will be provided.

Company is responsible only for the furnishing of energy to the point of delivery and the billing and accounting related thereto.

Service under this schedule is subject to the Rules and Regulations contained in this tariff.

The above Monthly Rates are subject to increases as set forth in Tax Adjustment Schedule 58, Energy Efficiency Rider Adjustment Schedule 91, and Temporary Power Cost Surcharge Schedule 93.

Issued September 25, 2001

Effective October 1, 2001  
Per WUTC 6<sup>th</sup> Supp. Order in Docket UE-010395

Issued by Avista Corporation

By

*Thomas D. Dukich*

Thomas D. Dukich

Director, Rates & Regulation Department

AVISTA CORPORATION  
dba Avista Utilities

**SCHEDULE 46**  
**CUSTOMER OWNED STREET LIGHT ENERGY SERVICE - WASHINGTON**  
**HIGH-PRESSURE SODIUM VAPOR**  
(Single phase and available voltage)

**AVAILABLE:**

To agencies of local, state, or federal governments in all Washington territory served by Company.

**APPLICABLE:**

To annual operation of lighting for public streets and thoroughfares upon receipt of an authorized application.

**MONTHLY RATE:**

Fixture & Size (Lumens)	Per Luminaire			
	Dusk to Dawn Service		Dusk to 1:00 a.m. Service	
	Code	Rate	Code	Rate
<u>High-Pressure Sodium Vapor</u> (Nominal Rating in Watts)				
70W	335	\$1.78		
100W	435	2.52	439	\$1.95
150W	935	3.45		
200W	535	4.62	539	3.46
250W	635	5.56	639	4.28
310W	735	6.72	739	5.14
400W	835	8.53	839	6.43

**SPECIAL TERMS AND CONDITIONS:**

Customer is responsible for financing, installing, owning, maintaining and replacing all standards, luminaires, and necessary circuitry and related facilities to connect with Company designated points of delivery. Customer will also provide a light sensitive relay and/or time switch in order to control the hours that energy will be provided.

Company is responsible only for the furnishing of energy to the point of delivery and the billing and accounting related thereto.

Service under this schedule is subject to the Rules and Regulations contained in this tariff.

The above Monthly Rates are subject to increases as set forth in Tax Adjustment Schedule 58, Energy Efficiency Rider Adjustment Schedule 91, and Temporary Power Cost Surcharge Schedule 93.

Issued September 25, 2001

Effective October 1, 2001

Per WUTC 6<sup>th</sup> Supp. Order in Docket UE-010395

Issued by Avista Corporation

By *Thomas D. Dukich*

Thomas D. Dukich

, Director, Rates & Regulation Department



WN U-28

AVISTA CORPORATION  
dba Avista Utilities

## SCHEDULE 47

AREA LIGHTING - MERCURY VAPOR - WASHINGTON  
(Single phase and available voltage)

## AVAILABLE:

In all territory served by Company where existing secondary distribution facilities are of adequate capacity, phase, and voltage.

## APPLICABLE:

To annual operation of dusk-to-dawn area lighting with mercury vapor lamps upon receipt of a Customer contract for five (5) years or more. Dusk-to-dawn mercury vapor area lighting is limited to those locations receiving such service as of December 4, 1981.

## MONTHLY RATE:

	Charge per Unit (Nominal Lumens)		
	<u>7,000</u>	<u>10,000</u>	<u>20,000</u>
<u>Mercury Vapor</u>			
Luminaire (on existing standard)	\$ 8.12	\$ 9.74	\$13.85
Luminaire and Standard:			
30-foot wood pole	10.15	11.78	15.89
Galvanized steel standards:			
25 foot	13.22	14.86	18.97
30 foot	13.87	15.50	19.61
Aluminum standards:*			
25 foot	14.31	15.95	20.05

\*Not available to new customers, accounts, or locations.

Issued November 14, 2000

Effective December 1, 2000

Issued by Avista Corporation  
By

*Thomas D. Dursich*

Manager, Rates & Tariff Administration

AVISTA CORPORATION  
dba Avista Utilities

SCHEDULE 47A - Continued

<u>High-Pressure Sodium Vapor</u> (Nominal Rating in Watts)	<u>Charge per Unit</u>		
	<u>100</u>	<u>200</u>	<u>400</u>
Luminaire (on existing standard)	\$9.88	\$10.03	\$13.86
20 foot fiberglass pole	13.16		
30 foot wood pole	13.16	13.94	17.82
25 foot steel pole		15.17	
30 foot steel pole		17.52	
30 foot steel pole w/2 arms		29.67	

**SPECIAL TERMS AND CONDITIONS:**

Company will install, own, and maintain the facilities for supplying dusk-to-dawn area lighting service using overhead circuits. At the request of Customer, Company will install underground cable for such service, provided Customer, in advance of construction, pays Company the excess cost of such installation.

The Company will furnish the necessary energy, repairs and maintenance work including lamp and glassware replacement. Repairs and maintenance work will be performed by Company during regularly scheduled working hours. Individual lamps will be replaced on burnout as soon as reasonably possible after notification by Customer and subject to Company's operating schedules and requirements.

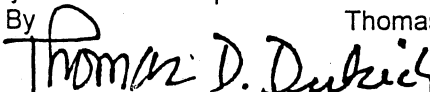
Service under this schedule is subject to the Rules and Regulations contained in this tariff.

The above Monthly Rates are subject to increases as set forth in Tax Adjustment Schedule 58, Energy Efficiency Rider Adjustment Schedule 91, and Temporary Power Cost Surcharge Schedule 93.

Issued September 25, 2001

Effective October 1, 2001  
Per WUTC 6<sup>th</sup> Supp. Order in Docket UE-010395

Issued by Avista Corporation

By  Thomas D. Dukich, Director, Rates & Regulation Department

AVISTA CORPORATION  
d/b/a Avista Utilities

SCHEDULE 93

TEMPORARY POWER COST SURCHARGE - WASHINGTON

APPLICABLE:

To Customers in the State of Washington where the Company has electric service available. This Temporary Power Cost Surcharge shall be applicable to all retail customers for charges for electric energy sold and to the flat rate charges for Company-owned or Customer-owned Street Lighting and Area Lighting Service. This Surcharge is designed to recover extraordinary power costs incurred by the Company, as ordered by the Washington Utilities and Transportation Commission. The revenues collected from customers under this Schedule are subject to refund based on a final determination by the Commission. The rates under this Schedule shall be effective beginning October 1, 2001 and shall terminate December 31, 2002.

MONTHLY RATE:

The energy charges of the individual rate schedules are to be increased by the following amounts:

Schedule 1	
0 – 600 kwhs	1.022¢ per kwh
601 – 1,300 kwhs	1.224¢ per kwh
over 1,300 kwhs	1.471¢ per kwh
Schedules 11 & 12	1.662¢ per kwh
Schedules 21 & 22	1.205¢ per kwh
Schedules 25	0.778¢ per kwh
Schedules 31 & 32	1.039¢ per kwh

Flat rate charges for Company-owned or Customer-owned Street Lighting and Area Lighting Service under Schedules 41 – 48 are to be increased by 25.0%.

SPECIAL TERMS AND CONDITIONS:

Service under this schedule is subject to the Rules and Regulations contained in this tariff.

The above Rate is subject to increases as set forth in Tax Adjustment Schedule 58.

Issued September 25, 2001\*

Effective October 1, 2001\*

\* As authorized by WUTC Sixth Supplemental Order in Docket No. UE-010395

Issued by Avista Utilities

By  
*Thomas D. Dukich*

Thomas D. Dukich, Director of Rates & Regulatory Affairs

BEFORE THE WASHINGTON UTILITIES AND  
TRANSPORTATION COMMISSION

DOCKET NO. UE-01\_\_\_\_\_

EXHIBIT NO. \_\_\_\_ (BJH-2)  
PROPOSED ELECTRIC TARIFFS

WITNESS: BRIAN J. HIRSCHKORN, AVISTA CORP.

AVISTA CORPORATION  
dba Avista Utilities

SCHEDULE 1

RESIDENTIAL SERVICE - WASHINGTON

(Single phase & available voltage)

AVAILABLE:

To Customers in the State of Washington where Company has electric service available.

APPLICABLE:

To service for domestic purposes in each individual residence, apartment, mobile home, or other living unit when all such service used on the premises is supplied through a single meter.

Where a portion of a dwelling is used regularly for; either (a) the conduct of business, (b) where a portion of the electricity supplied is used for other than domestic purposes, or (c) when two or more living units are served through a single meter, the appropriate general service schedule is applicable. However, if the wiring is so arranged that the service for all domestic purposes can be metered separately, this schedule will be applied to such service.

MONTHLY RATE:

\$5.00 Basic Charge, plus			
First	600 Kwh	4.664¢ per Kwh	( I )
Next	700 Kwh	5.403¢ per Kwh	( I )
All over	1300 Kwh	6.308¢ per Kwh	( I )

Minimum Charge: \$5.00

SPECIAL TERMS AND CONDITIONS:

Service under this schedule is subject to the Rules and Regulations contained in this tariff.

The above Monthly Rate is subject to the provisions of Tax Adjustment Schedule 58, Energy Efficiency Rider Adjustment Schedule 91, Residential and Farm Energy Rate Adjustment Schedule 59, and Temporary Power Cost Surcharge Schedule 93.

Issued November 30, 2001

Effective January 15, 2002

Issued by Avista Corporation

By  Kelly Norwood, Vice President, Avista Corp.

AVISTA CORPORATION  
dba Avista Utilities

SCHEDULE 11

GENERAL SERVICE - WASHINGTON

(Available phase and voltage)

AVAILABLE:

To Customers in the State of Washington where Company has electric service available.

APPLICABLE:

To general service supplied for lighting and power purposes when all such service taken on the premises is supplied through one kilowatt-hour meter, except that water heating service separately metered prior to January 28, 1984 may continue to be billed separately.

MONTHLY RATE:

The sum of the following demand and energy charges:

Energy Charge:

\$5.75 Basic Charge, plus

First 3,650 Kwh	7.858¢ per Kwh	(N)(I)
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All over 3,650 Kwh	5.960¢ per Kwh	(N)(R)
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Demand Charge:

No charge for the first 20 kw of demand.

\$3.50 per kw for each additional kw of demand.

Minimum:

\$5.75 for single phase service and \$13.10 for three phase service; unless a higher minimum is required under contract to cover special conditions.

DEMAND:

The average kw supplied during the 15-minute period of maximum use during the month as determined by a demand meter.

SPECIAL TERMS AND CONDITIONS:

Service under this schedule is subject to the Rules and Regulations contained in this tariff.

The above Monthly Rate is subject to the provisions of Tax Adjustment Schedule 58, Energy Efficiency Rider Adjustment Schedule 91, and Temporary Power Cost Surcharge Schedule 93.

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Effective January 15, 2002

Issued by Avista Corporation

By

*Kelly Norwood*

Kelly Norwood, Vice President, Avista Corp.

AVISTA CORPORATION  
dba Avista Utilities

SCHEDULE 21

LARGE GENERAL SERVICE - WASHINGTON  
(Available phase and voltage)

AVAILABLE:

To Customers in the State of Washington where Company has electric service available.

APPLICABLE:

To general service supplied for all power requirements when all such service taken on the premises is supplied through one meter installation. Customer shall provide and maintain all transformers and other necessary equipment on his side of the point of delivery and enter into a written contract for five (5) years or longer.

MONTHLY RATE:

The sum of the following demand and energy charges:

Energy Charge:

4.933¢ per Kwh

( I )

Demand Charge:

\$225.00 for the first 50 kw of demand or less.

\$3.00 per kw for each additional kw of demand.

( I )

Primary Voltage Discount:

If Customer takes service at 11 kv (wye grounded) or higher, he will be allowed a primary voltage discount of 20¢ per kw of demand per month.

Minimum:

The demand charge unless a higher minimum is required under contract to cover special conditions.

ANNUAL MINIMUM:

The current 12-month billing including any charges for power factor correction shall be not less than \$11.50 per kw of the highest demand established during the current 12-month period provided that such highest demand shall be adjusted by the elimination of any demand occasioned by an operation totally abandoned during such 12-month period.

DEMAND:

The average kw supplied during the 15-minute period of maximum use during the month as determined by a demand meter.

SPECIAL TERMS AND CONDITIONS:

Service under this schedule is subject to the Rules and Regulations contained in this tariff.

The above Monthly Rate is subject to the provisions of Tax Adjustment Schedule 58, Energy Efficiency Rider Adjustment Schedule 91, and Temporary Power Cost Surcharge Schedule 93.

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SCHEDULE 25  
EXTRA LARGE GENERAL SERVICE - WASHINGTON  
(Three phase, available voltage)

AVAILABLE:

To Customers in the State of Washington where Company has electric service available.

APPLICABLE:

To general service supplied for all power requirements when all such service taken on the premises is supplied through one meter installation for a demand of not less than 3,000 Kva. Customer shall provide and maintain all transformers and other necessary equipment on his side of the point of delivery and enter into a written contract for five (5) years or longer. The written contract will specify a limit on both firm energy and demand.

MONTHLY RATE:

The sum of the following demand and energy charges:

Energy Charge:

3.399¢ per Kwh ( I )

Demand Charge:

\$9,000.00 for the first 3,000 Kva of demand or less. ( I )

\$2.50 per Kva for each additional Kva of demand. ( I )

Primary Voltage Discount:

If Customer takes service at 11 kv (wye grounded) or higher, he will be allowed a primary voltage discount of 20¢ per Kva of demand per month.

Minimum:

The demand charge unless a higher minimum is required under contract to cover special conditions.

ANNUAL MINIMUM: \$481,890 ( I )

Any annual minimum deficiency will be determined during the April billing cycle for the previous 12-month period. For a customer who has taken service on this schedule for less than 12 months, the annual minimum will be prorated based on the actual months of service.

DEMAND:

The average Kva supplied during the 30-minute period of maximum use during the current month as measured by Company's metering equipment.

SPECIAL TERMS AND CONDITIONS:

Service under this schedule is subject to the Rules and Regulations contained in this tariff.

The above Monthly Rate is subject to the provisions of Tax Adjustment Schedule 58, Energy Efficiency Rider Adjustment Schedule 91, and Temporary Power Cost Surcharge Schedule 93.

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**SCHEDULE 31**  
**PUMPING SERVICE - WASHINGTON**  
(Available phase and voltage)

**AVAILABLE:**

To Customers in the State of Washington where Company has electric service available.

**APPLICABLE:**

To service through one meter for pumping water or water effluents, including incidental power used for other equipment and lighting essential to the pumping operation. For such incidental service, Customer will furnish any transformers and other necessary equipment. Customer will enter into a written contract for five (5) years or longer and will have service available on a continuous basis unless there is a change in ownership or control of property served.

**MONTHLY RATE:**

The sum of the following charges:

\$6.00 Basic Charge, plus

Energy Charge:

First	85 Kwh per kw of demand	6.236¢ per Kwh	( I )
Next	80 Kwh per kw of demand but not more than 3,000 Kwh	6.236¢ per Kwh	( I )
	All additional Kwh	4.490¢ per Kwh	( I )

**Annual Minimum:**

\$10.00 per kw of the highest demand established in the current year ending with the November billing cycle. If no demand occurred in the current year, the annual minimum will be based on the highest demand in the latest previous year having a demand.

**Demand:**

The average kw supplied during the 15-minute period of maximum use during the month determined, at the option of Company, by a demand meter or nameplate input rating of pump motor.

**SPECIAL TERMS AND CONDITIONS:**

If Customer requests the account to be closed by reason of change in ownership or control of property, the unbilled service and any applicable annual minimum will be prorated to the date of closing.

Customers who commercially produce one or more irrigated agricultural crops, who use at least 150,000 Kwhs annually, have a peak demand of 100+ kw, and who use no more than 1,000 Kwhs per month between November 1 and February 28 shall not be subject to the first two rate blocks of this tariff.

Service under this schedule is subject to the Rules and Regulations contained in this tariff.

The above Monthly Rate is subject to the provisions of Tax Adjustment Schedule 58, Energy Efficiency Rider Adjustment Schedule 91, and Temporary Power Cost Surcharge Schedule 93.

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SCHEDULE 41

COMPANY OWNED STREET LIGHT SERVICE - WASHINGTON  
 (Single phase and available voltage)

AVAILABLE:

To agencies of local, state, or federal governments in all territory served by Company. Closed to new installations as of December 18, 1981, except where Company and customer agree mercury vapor lamps may be installed to provide compatibility with existing light sources.

APPLICABLE:

To annual operation of dusk-to-dawn lighting for public streets and thoroughfares upon receipt of an authorized application.

MONTHLY RATE:

Fixture & Size (Lumens)	Pole Facility									
	No Pole		Wood Pole		Metal Standard				Developer Contributed	
					Pedestal Base		Direct Burial			
Code	Rate	Code	Rate	Code	Rate	Code	Rate	Code	Rate	
<u>Single Mercury Vapor</u>										
4000						214#	\$ 9.02			( I )
7000			411	9.78						( I )
10000			511	11.95						( I )
20000			611	16.93						( I )

\*Not available to new customers accounts, or locations.  
 #Decorative Curb

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By *Kelly Norwood*

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SCHEDULE 42  
COMPANY OWNED STREET LIGHT SERVICE - WASHINGTON  
HIGH-PRESSURE SODIUM VAPOR  
(Single phase and available voltage)

AVAILABLE:

To agencies of local, state, or federal governments in all Washington territory served by Company.

APPLICABLE:

To annual operation of dusk-to-dawn lighting for public streets and thoroughfares upon receipt of an authorized application.

MONTHLY RATE:

Fixture & Size	Pole Facility									
	No Pole		Wood Pole		Pedestal Base		Metal Standard		Developer Contributed	
							Direct Burial	Rate		
	Code	Rate	Code	Rate	Code	Rate	Code	Rate	Code	Rate
<u>Single High-Pressure Sodium Vapor</u> (Nominal Rating in Watts)										
50W							234#	\$ 8.45		( I )
100W	435	\$ 8.57	431	\$ 9.05	432	\$ 16.06	433	16.06	436	\$ 9.04
100W			421*	16.06			434#	9.05		
200W	535	14.01	531	14.51	532	21.49	533	21.49	536	14.51
200W					522*	36.39				
250W			631	17.10	632	24.09	633	24.09	636	17.10
400W	835	21.10	831	25.13	832	32.13			836	25.13 ( I )
<u>Decorative Sodium Vapor with 16 foot Fiberglass Pole</u>										
100W Granville							474	15.77		( N )
100W Post Top							484	15.03		( N )
<u>Double High-Pressure Sodium Vapor</u> (Nominal Rating in Watts)										
100W			441	17.64	442	24.99			446	17.64 ( I )
200W			541	29.04	542	36.39				( I )
400W					842	56.79				( I )

#Decorative Curb

\*Underground Installation

SPECIAL TERMS AND CONDITIONS:

Company will install, own, and maintain the facilities for supplying street lighting service using facilities utilizing Company's design.

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By

Kelly Norwood, Vice President, Avista Corp.



AVISTA CORPORATION  
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**SCHEDULE 44**  
**CUSTOMER OWNED STREET LIGHT ENERGY AND MAINTENANCE SERVICE –**  
**WASHINGTON**  
**HIGH-PRESSURE SODIUM VAPOR**  
(Single phase and available voltage)

**AVAILABLE:**

To agencies of local, state, or federal governments in all Washington territory served by Company.

**APPLICABLE:**

To annual operation of dusk-to-dawn lighting for public streets and thoroughfares upon receipt of an authorized application.

**MONTHLY RATE:**

Fixture & Size	Pole Facility								
	No Pole		Wood Pole		Metal Standard				
					Pedestal Base		Direct Burial		
	Code	Rate	Code	Rate	Code	Rate	Code	Rate	
<u>Single High-Pressure Sodium Vapor</u> (Nominal Rating in Watts)									
100W	435	\$ 4.61	431	\$ 4.61	432	\$ 4.61	433	\$ 4.61	( I )
200W	535	7.19	531	7.19	532	7.19	533	7.19	
250W	635	7.45	631	7.45	632	7.45	633	7.45	
310W	735	9.78	731	9.78	732	9.78	733	9.78	
400W	835	12.56	831	12.56	832	12.56	833	12.56	( I )
<u>Double High-Pressure Sodium Vapor</u> (Nominal Rating in Watts)									
100W			441	8.07	442	8.07	443	8.07	( I )
200W					542	13.20	543	13.20	
250W					642	14.76			
310W					742	18.41			( I )
400W	835	23.53							

**SPECIAL TERMS AND CONDITIONS:**

Customer is responsible for financing, installing and owning standards, luminaires and necessary circuitry and related facilities to connect with Company designated points of delivery. All such facilities will conform to Company's design, standards and specifications. Customer is also responsible for painting (if desired) and replacing damaged pole facilities.

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AVISTA CORPORATION  
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**SCHEDULE 45**  
**CUSTOMER OWNED STREET LIGHT ENERGY SERVICE - WASHINGTON**  
 (Single phase and available voltage)

**AVAILABLE:**

To agencies of local, state, or federal governments in all territory served by Company. Closed to new installations as of December 18, 1981, except where Company and customer agree, mercury vapor lamps may be installed to provide compatibility with existing light sources.

**APPLICABLE:**

To annual operation of lighting for public streets and thoroughfares upon receipt of an authorized application.

**MONTHLY RATE:**

Fixture & Size (Lumens)	Per Luminaire				
	Dusk to Dawn Service		Dusk to 1:00 a.m. Service		
	Code	Rate	Code	Rate	
<u>Mercury Vapor</u>					
7000	415	\$ 4.29			( I )
10000	515	5.92			
20000#	615	9.15			
35000	715	14.85			
55000#	815	21.16	819	\$14.08	( I )

#Also includes Metal Halide.

**SPECIAL TERMS AND CONDITIONS:**

Customer is responsible for financing, installing, owning, maintaining and replacing all standards, luminaires, and necessary circuitry and related facilities to connect with Company designated points of delivery. Customer will also provide a light sensitive relay and/or time switch in order to control the hours that energy will be provided.

Company is responsible only for the furnishing of energy to the point of delivery and the billing and accounting related thereto.

Service under this schedule is subject to the Rules and Regulations contained in this tariff.

The above Monthly Rates are subject to increases as set forth in Tax Adjustment Schedule 58, Energy Efficiency Rider Adjustment Schedule 91, and Temporary Power Cost Surcharge Schedule 93.

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By *Kelly Norwood*

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**SCHEDULE 46**  
**CUSTOMER OWNED STREET LIGHT ENERGY SERVICE - WASHINGTON**  
**HIGH-PRESSURE SODIUM VAPOR**  
(Single phase and available voltage)

**AVAILABLE:**

To agencies of local, state, or federal governments in all Washington territory served by Company.

**APPLICABLE:**

To annual operation of lighting for public streets and thoroughfares upon receipt of an authorized application.

**MONTHLY RATE:**

Fixture & Size (Lumens)	Per Luminaire			
	Dusk to Dawn Service		Dusk to 1:00 a.m. Service	
	<u>Code</u>	<u>Rate</u>	<u>Code</u>	<u>Rate</u>
<u>High-Pressure Sodium Vapor</u> (Nominal Rating in Watts)				
70W	335	\$2.18		( I )
100W	435	3.09	439	\$2.39
150W	935	4.23		
200W	535	5.67	539	4.24
250W	635	6.82	639	5.25
310W	735	8.24	739	6.31
400W	835	10.46	839	7.89

**SPECIAL TERMS AND CONDITIONS:**

Customer is responsible for financing, installing, owning, maintaining and replacing all standards, luminaires, and necessary circuitry and related facilities to connect with Company designated points of delivery. Customer will also provide a light sensitive relay and/or time switch in order to control the hours that energy will be provided.

Company is responsible only for the furnishing of energy to the point of delivery and the billing and accounting related thereto.

Service under this schedule is subject to the Rules and Regulations contained in this tariff.

The above Monthly Rates are subject to increases as set forth in Tax Adjustment Schedule 58, Energy Efficiency Rider Adjustment Schedule 91, and Temporary Power Cost Surcharge Schedule 93.

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SCHEDULE 47

AREA LIGHTING - MERCURY VAPOR - WASHINGTON  
(Single phase and available voltage)

AVAILABLE:

In all territory served by Company where existing secondary distribution facilities are of adequate capacity, phase, and voltage.

APPLICABLE:

To annual operation of dusk-to-dawn area lighting with mercury vapor lamps upon receipt of a Customer contract for five (5) years or more. Dusk-to-dawn mercury vapor area lighting is limited to those locations receiving such service as of December 4, 1981.

MONTHLY RATE:

	Charge per Unit (Nominal Lumens)			
	<u>7,000</u>	<u>10,000</u>	<u>20,000</u>	
<u>Mercury Vapor</u>				
Luminaire (on existing standard)	\$ 9.96	\$ 11.95	\$16.99	( I )
Luminaire and Standard:				
30-foot wood pole	12.45	14.45	19.49	
Galvanized steel standards:				
25 foot	16.22	18.23	23.27	
30 foot	17.01	19.01	24.05	
Aluminum standards:*				
25 foot	17.55	19.57	24.59	( I )

\*Not available to new customers, accounts, or locations.

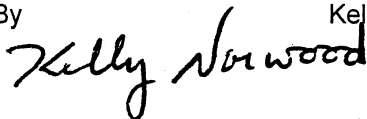
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SCHEDULE 47A - Continued

<u>High-Pressure Sodium Vapor</u> (Nominal Rating in Watts)	<u>Charge per Unit</u>			
	<u>100</u>	<u>200</u>	<u>400</u>	
Luminaire (on existing standard)	\$12.12	\$12.30	\$17.00	( I )
20 foot fiberglass pole	16.14			
30 foot wood pole	16.14	17.10	21.86	
25 foot steel pole		18.61		
30 foot steel pole		21.49		
30 foot steel pole w/2 arms		36.39		( I )
<u>Decorative Sodium Vapor with 16 foot Fiberglass Pole</u>				
100W Granville	\$18.92			( N )
100W Post Top	18.03			( N )

SPECIAL TERMS AND CONDITIONS:

Company will install, own, and maintain the facilities for supplying dusk-to-dawn area lighting service using overhead circuits. At the request of Customer, Company will install underground cable for such service, provided Customer, in advance of construction, pays Company the excess cost of such installation.

The Company will furnish the necessary energy, repairs and maintenance work including lamp and glassware replacement. Repairs and maintenance work will be performed by Company during regularly scheduled working hours. Individual lamps will be replaced on burnout as soon as reasonably possible after notification by Customer and subject to Company's operating schedules and requirements.

Service under this schedule is subject to the Rules and Regulations contained in this tariff.

The above Monthly Rates are subject to increases as set forth in Tax Adjustment Schedule 58, Energy Efficiency Rider Adjustment Schedule 91, and Temporary Power Cost Surcharge Schedule 93.

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SCHEDULE 93

POWER COST SURCHARGE - WASHINGTON

APPLICABLE:

To Customers in the State of Washington where the Company has electric service available. This Power Cost Surcharge shall be applicable to all retail customers for charges for electric energy sold and to the flat rate charges for Company-owned or Customer-owned Street Lighting and Area Lighting Service. This Surcharge is designed to recover extraordinary power costs incurred by the Company, as ordered by the Washington Utilities and Transportation Commission. The rates under this Schedule shall be effective beginning November 1, 2002 and shall terminate December 31, 2007.

MONTHLY RATE:

The energy charges of the individual rate schedules are to be increased by the following amounts:

Schedule 1	0.702¢ per kwh	(R)
Schedules 11 & 12	0.997¢ per kwh	
Schedules 21 & 22	0.746¢ per kwh	
Schedules 25	0.486¢ per kwh	
Schedules 31 & 32	0.629¢ per kwh	

Flat rate charges for Company-owned or Customer-owned Street Lighting and Area Lighting Service under Schedules 41 – 48 are to be increased by 15.16%. (R)

SPECIAL TERMS AND CONDITIONS:

The rates set forth under this Schedule are subject to periodic review and adjustment by the WUTC based on the actual balance of deferred power costs.

Service under this schedule is subject to the Rules and Regulations contained in this tariff.

The above Rate is subject to increases as set forth in Tax Adjustment Schedule 58.

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Effective November 1, 2002

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By



Kelly Norwood, Vice President, Avista Corp.

AVISTA CORPORATION  
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## SCHEDULE 94

(N)

## INTERIM RATE ADJUSTMENT - WASHINGTON

## APPLICABLE:

To Customers in the State of Washington where the Company has electric service available. This Interim Rate Adjustment shall be applicable to all retail customers for charges for electric energy sold and to the flat rate charges for Company-owned or Customer-owned Street Lighting and Area Lighting Service. This Rate Adjustment is designed to recover increased costs experienced by the Company associated with the provision of electric service. The revenues collected from customers under this Schedule are subject to refund based on a final determination by the Washington Utilities and Transportation Commission. The rates under this Schedule shall be effective beginning March 15, 2002 and shall terminate October 31, 2002, or on the date ordered by the Commission.

## MONTHLY RATE:

The energy charges of the individual rate schedules are to be increased by the following amounts:

Schedule 1	0.583¢ per kwh
Schedules 11 & 12	0.826¢ per kwh
Schedules 21 & 22	0.620¢ per kwh
Schedules 25	0.403¢ per kwh
Schedules 31 & 32	0.524¢ per kwh

Flat rate charges for Company-owned or Customer-owned Street Lighting and Area Lighting Service under Schedules 41 – 48 are to be increased by 12.58%.

## SPECIAL TERMS AND CONDITIONS:

Service under this schedule is subject to the Rules and Regulations contained in this tariff.

The above Rate is subject to increases as set forth in Tax Adjustment Schedule 58.

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By

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AVISTA CORPORATION  
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WASHINGTON  
RULES AND REGULATIONS - continued

11. PAYMENTS:

A. One bill will be rendered, for each monthly billing period, listing charges for electric, gas, water service or other charges, to a Customer receiving one or more of such services from the Company at one premises.

B. Monthly bills for services rendered and other charges are due and payable in full within 15 days from their date and if not so paid shall be in default. A Customer may request an extension of the payment date, in writing, to adjust billing cycle to parallel receipt of income.

C. In the event the Customer tenders a payment of less than the full amount of the monthly bill for services and/or other charges, the Company, unless otherwise directed by the Customer when payment is made, will apply said payment pro rata first to the charges in default and the remainder, if any, to the current monthly charges.

D. Checks remitted by Customers in payment of bills are accepted conditionally. A charge of \$15.00 will be assessed the Customer for handling checks upon which payment ( I ) has been refused by the bank.

E. Payments not received by the next month's bill date will be considered late. A late ( N ) payment charge will be applied to the delinquent amount and will be computed at the rate of 12 percent per annum or one percent per month. The late payment charge will not be applied to time-payment or equal payment accounts that are current. ( N )

12. ESTABLISHMENT OF CREDIT/DEPOSITS:

A. Establishment of Credit

(1) Residential. An applicant may establish credit by demonstrating to the Company any one of the following factors. However a deposit may still be requested under the criteria outlined in subsection B (1) below.

(a) Prior service with the Company during the next previous 12 months for at least six consecutive months during which service was rendered and was not disconnected for failure to pay, and no more than one delinquency notice was served upon the Customer.

(b) Prior service with a utility of the same type as that of which service is sought with a satisfactory payment record as demonstrated in (a) above, provided that the reference may be quickly and easily checked, and the necessary information is provided.

(c) Consecutive employment during the entire 12 months next previous to the application for service, with no more than two employers, and the applicant is currently employed or has a stable source of income.

(d) Applicant owns or is purchasing the premises to be served.

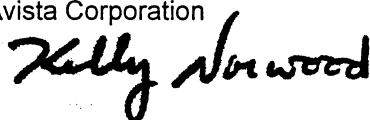
(e) Furnishing of a satisfactory guarantor to secure payment of bills for service requested in a specified amount not to exceed the amount of cash deposit which may be required.

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WASHINGTON  
RULES AND REGULATIONS - continued

13. DISCONTINUANCE OF SERVICE: - continued

H. Restrictions on Termination

Except in case of danger to life or property, no disconnection will be accomplished on Saturdays, Sundays, legal holidays or on any other day on which the Company cannot reestablish service on the same or following day.

Service shall not be terminated pending resolutions of complaints filed with the Commission, provided any amounts not in dispute are paid when due.

I. Restoration of Service

The Company will restore service when the causes of discontinuance have been removed and payment of all proper charges due from the Customer including any proper deposit and the reconnection charge set forth in this tariff has been made.

J. Disconnection Visits. A personal visit performed by a Company representative to a service address subsequent to satisfying the provisions under Section 13-C shall be deemed a disconnection visit. A \$15.00 fee will be assessed ( I ) for disconnection visits that have one of two results: 1) collection of payment from the Customer, and 2) the Customer makes representation of payment. The Customer will receive one free disconnection visit on a 12-month rolling basis.

14. RECONNECTION CHARGE:

All applicable charges shall be paid before service is restored. Customer payments may be made to authorized Company employees or at a designated payment agency.

14.1 Reconnection Charge:

When service has been discontinued for failure of the Customer to comply with the Company's rules and regulations under this tariff including default (nonpayment), a charge shall be made for reconnection. The charge for reconnection shall be:

\$25.00, provided satisfactory arrangements for payment of all proper ( I ) charges have been made during the hours of 8:00 a.m. through 4:00 p.m. Monday through Friday, except holidays; or

\$50.00 if such arrangements are made during hours of 4:00 p.m. through ( I ) 7:00 p.m. Monday through Friday, except holidays.

If such arrangements are made during hours other than the above, the reconnection shall be completed on the following day except for medical emergencies or a customer disconnected in error. Any reconnection completed on a weekend or holiday will be charged \$50.00. ( I )

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WASHINGTON  
RULES AND REGULATIONS - continued

14. RECONNECTION CHARGE: - continued

14.2 Electric Reestablishment Charge

When service has been discontinued at the Customer's request and then reestablished within a twelve-month period, the Customer shall be required to pay the monthly minimum charges that would have been billed had service not been discontinued, as well as a reestablishment charge. The charge for reestablishment shall be:

\$25.00, provided satisfactory arrangements for payment of all proper charges have been made during the hours of 8:00 a.m. through 4:00 p.m. ( I )  
Monday through Friday, except holidays; or

\$50.00 if such arrangements are made during the hours of 4:00 p.m. ( I )  
through 7:00 p.m. Monday through Friday, except holidays.

If such arrangements are made during hours other than the above, the reestablishment shall be completed on the following day except for medical emergencies. Any reconnection completed on a weekend or holiday will be charged \$50.00.

( I )

14.3 Additional Meters at the Same Premises

Where the Company also furnishes other regulated service to the Customer at the same premises and such other service also has been discontinued at the charge will be increased by \$4.00 for each additional service reconnected at the same time.

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BEFORE THE WASHINGTON UTILITIES AND  
TRANSPORTATION COMMISSION

DOCKET NO. UE-01\_\_\_\_\_

EXHIBIT NO. \_\_\_\_ (BJH-3)  
SUPPORTING INFORMATION

WITNESS: BRIAN J. HIRSCHKORN, AVISTA CORP.

Avista Corp.  
**Proposed Revenue Increases over Base Rates by Schedule**  
 Washington - Electric  
 12 Months Ended December 31, 2000  
 (000s of Dollars)

Line No.	Type of Service (a)	Schedule Number (b)	Revenue Under Pres. Rates(1) (c)	March 15, 2002		November 1, 2002		November 1, 2002		November 1, 2002		Total Increase over Base Rates			
				Proposed Revenue Increase (d)	Interim Percent Increase (e)	Remaining General Revenue Increase (f)	General Percent Increase (g)	Total Revenue Increase (h)	General Percent Increase (i)	Schedule 93 Surcharge Increase (j)	Schedule 93 Percent Increase (k)	Total Revenue Increase (l)	Total Percent Increase (m)	Revenue (o)	Percent (p)
1	Residential	1	\$99,768	\$12,571	12.6%	\$10,070	10.1%	\$22,641	22.7%	\$15,137	15.2%	\$25,207	25.3%	\$ 37,778	37.9%
2	General Service	11	\$24,725	\$3,108	12.6%	\$2,491	10.1%	\$5,599	22.6%	\$3,752	15.2%	\$6,243	25.2%	\$ 9,351	37.8%
3	Large General Service	21	\$73,421	\$9,250	12.6%	\$7,400	10.1%	\$16,650	22.7%	\$11,129	15.2%	\$18,529	25.2%	\$ 27,779	37.8%
4	Extra Large General Service	25	\$27,399	\$3,451	12.6%	\$2,762	10.1%	\$6,213	22.7%	\$4,162	15.2%	\$6,924	25.3%	\$ 10,375	37.9%
5	Pumping Service	31	\$4,141	\$522	12.6%	\$417	10.1%	\$939	22.7%	\$627	15.1%	\$1,044	25.2%	\$ 1,566	37.8%
6	Street & Area Lights	41-49	\$3,512	\$442	12.6%	\$353	10.1%	\$795	22.6%	\$532	15.1%	\$885	25.2%	\$ 1,327	37.8%
7	City of Spokane-Sp. Contract	-	\$201	\$0	0.0%	\$0	0.0%	\$0	0.0%	\$0	0.0%	\$0	0.0%	\$0	0.0%
8	Other Revenue(2)	-	\$4,102	\$0	-	\$410	10.0%	\$410	10.0%	-	-	\$410	10.0%	\$ 410	10.0%
9	Total		\$237,269	\$29,344	12.4%	\$23,903	10.1%	\$53,247	22.4%	\$35,339	14.9%	\$59,242	25.0%	\$88,586	37.3%

12.4%	+	10.1%	+	14.9%	=	37.3%
Interim Increase + Remaining General Increase +			Surcharge			Total Proposed Increase

(1) Excludes present Schedule 93 - Power Cost Surcharge revenue.  
 (2) Includes Schedule 91 DSM Rider revenue & misc. revenue.

Avista Corp.  
**Proposed Revenue Increases over Present Rates by Schedule**  
 Washington - Electric  
 12 Months Ended December 31, 2000  
 (000s of Dollars)

Line No.	Type of Service (a)	Schedule Number (b)	Revenue Under Pres. Rates(1) (c)	March 15, 2002		November 1, 2002		November 1, 2002		November 1, 2002		November 1, 2002			
				Proposed Interim Revenue Increase (d)	Proposed Interim Percent Increase (e)	Remaining General Revenue Increase (f)	Remaining General Percent Increase (g)	Total General Revenue Increase (h)	Total General Percent Increase (i)	Schedule 93 Surcharge Decrease (j)	Schedule 93 Surcharge Percent Decrease(3) (k)	Net Change Revenue Change (l)	Net Change Percent Change(3) (m)	Total Increase over Present Rates Revenue Percent(3) (o)	Total Increase over Present Rates Percent(3) (p)
1	Residential	1	\$125,208	\$12,571	10.0%	\$10,070	8.0%	\$22,641	18.1%	(\$10,304)	-8.2%	(\$234)	-0.2%	\$12,337	9.9%
2	General Service	11	\$31,055	\$3,108	10.0%	\$2,491	8.0%	\$5,599	18.0%	(\$2,578)	-8.3%	(\$87)	-0.3%	\$3,021	9.7%
3	Large General Service	21	\$92,296	\$9,250	10.0%	\$7,400	8.0%	\$16,650	18.0%	(\$7,746)	-8.4%	(\$346)	-0.4%	\$8,904	9.6%
4	Extra Large General Service	25	\$33,996	\$3,451	10.2%	\$2,762	8.1%	\$6,213	18.3%	(\$2,435)	-7.2%	\$327	1.0%	\$3,778	11.1%
5	Pumping Service	31	\$5,220	\$522	10.0%	\$417	8.0%	\$939	18.0%	(\$452)	-7.7%	(\$35)	-0.7%	\$487	9.3%
6	Street & Area Lights	41-49	\$4,432	\$442	10.0%	\$353	8.0%	\$795	17.9%	(\$388)	-8.8%	(\$35)	-0.8%	\$407	9.2%
7	City of Spokane-Sp. Contract	-	\$201	\$0	0.0%	\$0	0.0%	\$0	0.0%	\$0	0.0%	\$0	0.0%	\$0	0.0%
8	Other Revenue(2)	-	\$4,102	\$0	-	\$410	10.0%	\$410	10.0%	-	-	\$410	10.0%	\$410	10.0%
9	Total		\$296,510	\$29,344	9.9%	\$23,903	8.1%	\$53,247	18.0%	(\$23,903)	-8.1%	\$0	0.0%	\$29,344	9.9%

9.9%	+	8.1%	+	-8.1%	=	9.9%		
<b>Interim Increase + Remaining General Increase</b>			<b>+</b>	<b>Surcharge Decrease</b>		<b>=</b>	<b>Total Proposed Increase</b>	

(1) Includes present Schedule 93 - Power Cost Surcharge revenue.  
 (2) Includes Schedule 91 DSM Rider revenue & misc. revenue.  
 (3) Net percentage change for Power Cost Surcharge - Schedule 93 is slightly different by schedule because different 2000 base revenue amounts were used to spread the present surcharge amount over as compared to 2000 pro kWhs used in this case.



**Avista Corp.**  
**Present and Proposed Electric Rates**  
**Washington - Electric**

Present Rates including Surcharge (a)	March-02 Proposed Interim Adj. (b)	November-02 Schedule 93		Proposed Rates @ 11/1/02 (g)
		Additional General Rate Increase (d)	Net Rate Change (f)	
<b>Residential Service - Schedule 1</b>				
Basic Charge	\$5.00	\$5.00		\$5.00
Energy Charge:				
First 600 kwhs	0.583¢/kwh	4.996¢/kwh	-0.320¢/kwh	0.147¢/kwh
Next 700 kwhs	0.583¢/kwh	5.937¢/kwh	-0.522¢/kwh	-0.055¢/kwh
All over 1,300 kwhs	0.583¢/kwh	7.089¢/kwh	-0.769¢/kwh	-0.302¢/kwh
				Basic Charge
				Energy Charge:
				First 600 kwhs
				Next 700 kwhs
				All over 1,300 kwhs
<b>General Service - Schedule 11</b>				
Basic Charge	\$5.75	\$5.75		\$5.75
Energy Charge:				
1st 3,650 kwhs	0.826¢/kwh	8.679¢/kwh	-0.665¢/kwh	0.366¢/kwh
over 3,650 kwhs			-0.665¢/kwh	-1.542¢/kwh
Demand Charge:				
20 kw or less	no charge	no charge		no charge
Over 20 kw	\$3.50/kw	\$3.50/kw		\$3.50/kw
				Basic Charge
				Energy Charge:
				1st 3,650 kwhs
				over 3,650 kwhs
				Demand Charge:
				20 kw or less
				Over 20 kw
<b>Large General Service - Schedule 21</b>				
Energy Charge	5.198¢/kwh	5.818¢/kwh	-0.459¢/kwh	-0.006¢/kwh
Demand Charge:				
50 kw or less	\$225.00	\$225.00		\$225.00
Over 50 kw	\$2.75/kw	\$2.75/kw		\$3.00/kw
Primary Volt. Discount	20¢/kw	20¢/kw		20¢/kw
				Energy Charge
				Demand Charge:
				50 kw or less
				Over 50 kw
				Primary Volt. Discount
<b>Extra Large General Service - Schedule 25</b>				
Energy Charge	3.613¢/kwh	4.016¢/kwh	-0.248¢/kwh	-0.044¢/kwh
Demand Charge:				
3,000 kva or less	\$7,500	\$7,500		\$9,000
Over 3,000 kva	\$2.25/kva	\$2.25/kva		\$2.50/kva
Primary Volt. Discount	20¢/kva	20¢/kva		20¢/kva
Annual Minimum	\$392,280	\$392,280		\$481,890
plus 0.865¢/kwh	0.403¢/kwh	1.268¢/kwh	-0.403¢/kwh	plus 0.573¢/kwh
				Basic Charge
				Energy Charge:
				First 85 kwh/kw
				Next 80 kwh/kw
				All additional kwhs
<b>Pumping Service - Schedule 31</b>				
Basic Charge	\$6.00	\$6.00		\$6.00
Energy Charge:				
First 85 kwh/kw	6.450¢/kwh	6.974¢/kwh	-0.410¢/kwh	0.008¢/kwh
Next 80 kwh/kw	6.450¢/kwh	6.974¢/kwh	-0.410¢/kwh	0.008¢/kwh
All additional kwhs	4.704¢/kwh	5.228¢/kwh	-0.410¢/kwh	0.008¢/kwh

Note: Present Rates include Schedule 93 - Power Cost Surcharge & Schedule 91 - Energy Efficiency Rider Adjustment; Sch. 1 also includes BPA credit(Sch. 59)

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**Avista Corp.**  
**Rates of Return by Schedule - Proposed General Increase**  
**Washington - Electric**  
**12 Months Ended December 31, 2000**

Line No.	Schedule	Sch. No.	Pro Forma Revenue At Present Rates		Pro Forma Revenue At Proposed Rates	
			Rate of Return	Relative Rate of Return	Rate of Return	Relative Rate of Return
	(a)	(b)	(c)	(d)	(e)	(f)
1	Residential	1	4.49%	0.78	8.64%	0.83
2	General Service	11	9.00%	1.57	14.81%	1.43
3	Large General Service	21	7.55%	1.31	12.72%	1.23
4	Extra Large General Service	25	4.39%	0.76	8.68%	0.84
5	Pumping Service	31	5.34%	0.93	9.74%	0.94
6	Street & Area Lights	41-49	5.59%	0.97	10.32%	1.00
7	Total		5.75%	1.00	10.35%	1.00

**Avista Corp.**  
**General Service Schedule 11**  
**Average Rate per kwh under Present & Proposed Rates(1)**  
**Washington - Electric**

Line No.	kw Demand (a)	Load Factor (b)	kwhs ©	Present Rates		Proposed Rates	
				Bill under Pres. Rates (d)	Eff. Rate per kwh (e)	Bill under Prop. Rates (f)	Eff. Rate per kwh (g)
1	20	25%	3,650	\$ 225.15	\$ 0.0617	\$ 292.57	\$ 0.0802
2	30	25%	5,475	\$ 369.85	\$ 0.0676	\$ 436.34	\$ 0.0797
3	40	25%	7,300	\$ 514.55	\$ 0.0705	\$ 580.11	\$ 0.0795
4	20	50%	7,300	\$ 444.55	\$ 0.0609	\$ 510.11	\$ 0.0699
5	30	50%	10,950	\$ 698.95	\$ 0.0638	\$ 762.65	\$ 0.0696
6	40	50%	14,600	\$ 953.36	\$ 0.0653	\$ 1,015.19	\$ 0.0695

(1) Based on Schedule 11 base tariff rates.

**Avista Corp.**  
**Residential Bill Examples Under Present & Proposed Rates**  
**Washington - Electric**

	<u>Present Rates(1)</u>	<u>March-02 Rates with Interim Adj.</u>	<u>Proposed November-02 Rates(2)</u>	<u>Nov '01 - Nov '02 Total Increase</u>	<u>% Increase</u>
Basic Charge	\$5.00	\$5.00	\$5.00		
Energy Charge:					
First 600 kwhs	4.413¢/kwh	4.996¢/kwh	5.143¢/kwh		
Next 700 kwhs	5.354¢/kwh	5.937¢/kwh	5.882¢/kwh		
All over 1,300 kwhs	6.506¢/kwh	7.089¢/kwh	6.787¢/kwh		
	<u>Bill Under Present Rates</u>	<u>Bill with Prop. Interim Adj.</u>	<u>Bill with Prop. Nov '02 Adj.</u>	<u>Total Increase</u>	<u>% Increase</u>
Bill for 600 kwhs	\$31.48	\$34.98	\$35.86	\$4.38	13.9%
Bill for 1,000 kwhs	\$52.89	\$58.72	\$59.39	\$6.49	12.3%
Bill for 1,400 kwhs	\$75.46	\$83.62	\$83.82	\$8.36	11.1%

(1) Present Rates include Sch. 93 - Power Cost Surcharge & Sch. 91 - Energy Efficiency Rider Adjustment and Sch. 59 - BPA credit  
(2) Includes remaining proposed general increase and net surcharge decrease.