

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

DOCKET NO. UE-090134

DOCKET NO. UG-090135

DOCKET NO. UG-060518

(consolidated)

EXHIBIT NO. \_\_\_\_ (EMA-5)

ELIZABETH M. ANDREWS

REPRESENTING AVISTA CORPORATION

Avista Utilities							
Docket Nos. UE-090134, UG-090135, and UG-060518							
ELECTRIC							
Revenue Requirement and Rate Base (000s of Dollars)							
		Staff (2)		Public Counsel (2)		Avista	
		Adjustments to Revenue Requirement	Rate Base	Adjustments to Revenue Requirement	Rate Base	Revised Litigation Position	Rate Base
	<b>Revenue Requirement As Filed by Avista</b>	\$ 69,762	\$ 1,007,076	\$ 69,762	\$ 1,007,076	\$ 69,762	\$ 1,007,076
	<b>Agreed Upon Adjustments: (1)</b>						
	Cost of Capital:						
	ROE = 10.2% Cost of Debt = 6.57%	(6,152)	0	(6,152)	0	(6,152)	0
	Common Equity = 46.5%	(815)	0	(815)	0	(815)	0
	Net Power Supply Adjustments	(27,537)	0	(27,537)	0	(27,537)	0
	Pro Forma O&M Generation	(2,372)	0	(2,372)		(2,372)	0
<b>Section</b>							
III	<b>Remaining Adjustments Not Agreed to:</b>						
A	Pro Forma labor - Non-Exec - 2009 adjust to actual	0	0	(219)	0	(219)	0
A	Pro Forma labor - Non-Exec - 2010	(1,300)	0	(1,300)	0	(409)	0
A	Pro Forma labor - Exec - 2009 adjust to ctual	(35)	0	(35)	0	(35)	0
A	Pro Forma labor - Exec - 2010	(55)	0	(192)	0	(15)	0
B	Pro Forma Incentives	(592)	0	(592)	0	0	0
C	Pro Forma Pension - Update expenses	552	0	0	0	551	0
D	Pro Forma Asset Management	(3,028)	0	(3,028)	0	0	0
E	Pro Forma Information Services	(1,831)	0	(1,831)	0	(717)	0
F	Pro Forma Colstrip Mercury Emission - Update expense	(675)	0	(659)	0	(978)	0
G	Pro Forma Insurance - adjust to actual	(68)	0	(68)	0	(68)	0
G	Directors & Officers Insurance	(300)	0	(426)	0	0	0
H	Directors Fees	0	0	(284)	0	0	0
H	Director Board Meeting expenses	(47)	0	(24)	0	0	0
I	Property Taxes - Update expenses	(1,306)	0	(1,510)	0	(1,306)	0
J	Customer Deposits	(314)	(2,473)	(226)	(2,473)	0	0
K	Injuries & Damages	0	0	(652)	(4,957)	0	0
L	Dues (EEI) - restate between services	0	0	0	0	42	0
M	Pro Forma Capital Additions	(6,455)	(14,515)	(10,807)	(41,340)	0	0
N	Production Property Adj (3)	5,685	1,999	2,006	936	8,003	6,574
O	Spokane River Relicensing - adjust to actual	0	0	0	0	194	(795)
P	CDA Tribe Settlement	0	0	(2,809)	(16,819)	0	0
Q	Lancaster Prudence	0	0	(12,348)	0	0	0
R	Restate Debt (3)	(491)	0	566	0	(454)	0
	<b>Adjusted Revenue Requirement</b>	(4)	\$ 992,087	(4)	\$ 942,423	\$ 37,475	\$ 1,012,855
	(1) See Partial Settlement agreed to by all parties, filed on September 4, 2009.						
	(2) The revenue requirement and rate base adjustments are Avista's understanding of these adjustments. Net revenue requirement amount may vary from results shown by Staff or PC's direct testimony due to the Rate of Return (ROR) used. For purposes shown here, the Company is using the agreed upon ROR of 8.25% agreed to within the Partial settlement. For both Staff and PC the ROR used is that from their direct testimonies of 8.13% and 8.18% respectively. Also used was the corrected electric conversion factor of 0.62195.						
	(3) Restate Debt and Production Property adjustments will change if there are further adjustments to rate base and/or certain expenses.						
	(4) The net result will vary from that filed in direct testimony due to the agreed upon adjustments described above, therefore this amount intentionally left blank.						

Avista Utilities							
Docket Nos. UE-090134, UG-090135, and UG-060518							
NATURAL GAS							
Revenue Requirement and Rate Base (000s of Dollars)							
		Staff (2)		Public Counsel (2)		Avista	
		Adjustments to Revenue Requirement	Rate Base	Adjustments to Revenue Requirement	Rate Base	Revised Litigation Position	Rate Base
<b>Revenue Requirement As Filed by Avista</b>		\$ 4,918	\$ 178,263	\$ 4,918	\$ 178,263	\$ 4,918	\$ 178,263
<b>Agreed Upon Adjustments: (1)</b>							
<b>Cost of Capital</b>							
ROE = 10.2% Cost of Debt = 6.57%		(1,088)	0	(1,088)	0	(1,088)	0
Common Equity = 46.5%		(145)	0	(145)	0	(145)	0
<b>Section</b>							
<b>III</b>	<b>Remaining Adjustments Not Agreed to:</b>						
A	Pro Forma labor - Non-Exec - 2009 adjust to actual	0	0	(59)	0	(59)	0
A	Pro Forma labor - Non-Exec - 2010	(344)	0	(344)	0	(108)	0
A	Pro Forma labor - Exec - 2009 adjust to ctual	(13)	0	(13)	0	(13)	0
A	Pro Forma labor - Exec - 2010	(16)	0	(51)	0	(4)	0
B	Pro Forma Incentives	(164)	0	(164)	0	0	0
C	Pro Forma Pension - Update expenses	146	0	0	0	146	0
D	Pro Forma Asset Management	(92)	0	(92)	0	0	0
E	Pro Forma Information Services	(469)	0	(469)	0	(182)	0
G	Pro Forma Insurance - adjust to actual	(19)	0	(19)	0	(19)	0
G	Directors & Officers Insurance	(82)	0	(114)	0	0	0
H	Directors Fees	0	0	(78)	0	0	0
H	Director Board Meeting expenses	(13)	0	(6)	0	0	0
I	Property Taxes - Update expenses	(471)	0	0	0	(471)	0
J	Customer Deposits	(171)	(1,353)	(123)	(1,353)	0	0
K	Injuries & Damages	0	0	(104)	(790)	0	0
L	Dues (EEI/AGA) - restate expenses	0	0	(22)	0	(66)	0
M	Pro Forma Capital Additions	(1,442)	(7,328)	(1,442)	(7,328)	0	0
R	Restate Debt (3)	35	0	60	0	(60)	0
<b>Adjusted Revenue Requirement</b>		(4)	\$ 169,582	(4)	\$ 168,792	\$ 2,849	\$ 178,263
<p>(1) See Partial Settlement agreed to by all parties, filed on September 4, 2009.</p> <p>(2) The revenue requirement and rate base adjustments are Avista's understanding of these adjustments. Net revenue requirement amount may vary from results shown by Staff or PC's direct testimony due to the Rate of Return (ROR) used. For purposes shown here, the Company is using the agreed upon ROR of 8.25% agreed to within the Partial settlement. For both Staff and PC the ROR used is that from their direct testimonies of 8.13% and 8.18% respectively. Also used was the corrected electric conversion factor of 0.62209.</p> <p>(3) Restate Debt adjustment will change if there are further adjustments to rate base.</p> <p>(4) The net result will vary from that filed in direct testimony due to the agreed upon adjustments described above, therefore this amount intentionally left blank.</p>							