

Exhibit \_\_\_\_ (JH-1)  
Docket Nos. UE-991606, UG-991607  
Witness: Joanna Huang

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

WASHINGTON UTILITIES AND )  
TRANSPORTATION COMMISSION, )  
 )  
Complainant, )  
 )  
v. )  
 )  
AVISTA CORPORATION, )  
 )  
Respondent. )  
\_\_\_\_\_ )

DOCKET NOS. UE-991606, UG-991607

EXHIBIT  
OF  
JOANNA HUANG  
STAFF OF  
WASHINGTON UTILITIES AND  
TRANSPORTATION COMMISSION

May 5, 2000

WUTC		
DOCKET NO. <u>UE-991606</u>		
EXHIBIT # <u>571</u>		
ADMIT	W/D	REJECT
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**Avista Utilites**  
**Proforma Labor/Benefit - Summary**  
 Twelve months ended 12-31-98

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	Non-Officer Labor/Benefit Adjustment	Officer Comp Proforma djustment	Total Labor/Benefit Adjustment
<u>Washington Electric</u>			
1 Total Production	284,145		284,145
2 Total Transmission	55,288		55,288
3 Total Production & Transmission	339,433	0	339,433
4 Total Distribution	268,637		268,637
5 Customer Accounts	118,680		118,680
6 Cust Service & Info	4,637		4,637
7 Sales & Marketing	3,752		3,752
8 Total Admin & General	276,243	(883,659)	(607,416)
9 Total Electric Expenses	1,011,382	(883,659)	127,723

**Avista Utilites**  
**Pro Forma Labor/Benefit - Summary**  
 Twelve months ended 12-31-98

	Non-Officer Labor/Benefit Adjustment	Officer Comp Adjustment	Total Labor/Benefit Adjustment
<u>Washington Gas</u>			
10 Total Production	3,579		3,579
11 Total Underground Storage	410	0	410
12 Total Distribution	120,247		120,247
13 Customer Accounts	62,660		62,660
14 Cust Service & Info	3,320		3,320
15 Sales & Marketing	4,930		4,930
16 Total Admin & General	76,528	(222,175)	(145,647)
17 Total Gas Expense	271,674	(222,175)	49,499

**Avista Utilities**

Proforma Officer Compensation  
(with Adjustments)

Twelve Months Ended December 31, 1998

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	Total Company	Total Regulated	El Note 9 81.975%		Gas Note 9 18.025%	
			El Note 7 73.656%	Gas Note 7 17.314%	WA 63.973%	ID 36.027%
1	\$ 239,135	\$ 125,068	58,932	33,188	14,817	6,837
2 Remove portion of Mr. Matthews's salary	(82,385)	(49,431)	(23,292)	(13,117)	(5,856)	(2,702)
3 Remove officer's salary to non-regulated operati	(280,228)	(280,228)	(132,043)	(74,361)	(33,199)	(15,319)
4 Remove signing bonuses	(1,250,000)	(790,000)	(372,248)	(209,635)	(93,593)	(43,187)
5 Remove restricted stock & dividend paid	(221,275)	(134,146)	(63,210)	(35,597)	(15,893)	(7,333)
6 Remove Severence Paid 7920	(218,600)	(218,600)	(103,004)	(58,008)	(25,898)	(11,950)
7 Remove Severence Accrual 7920	(360,000)	(360,000)	(169,632)	(95,530)	(42,650)	(19,680)
8 Proforma impact on 7923 (for 00365)	(240,000)	(168,000)	(79,162)	(44,581)	(19,903)	(9,184)
9 <b>Total Proforma Impact</b>			<b>(883,659)</b>	<b>(497,641)</b>	<b>(222,175)</b>	<b>(102,518)</b>
10 Breakout Account 923			(79,162)	(44,581)	(19,903)	(9,184)
11 Breakout Account 920			(804,497)	(453,060)	(202,272)	(93,334)
12 <b>Total</b>			<b>(883,659)</b>	<b>(497,641)</b>	<b>(222,175)</b>	<b>(102,518)</b>

**Avista Utilities**

**Adjustments to Officer Compensation**

Twelve months ended 12-31-98

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**1998 Officer Salary**

Employee (1)	1998 Per book	Restating Adjustment			1998 Restated salary	Target salary level	
		Eliminate portion of Matthews's salary	Eliminate Signing Bonus	Eliminate Restricted St & Div		Regulated	Non-regulated
1	10300				179,553		
2	11290				0		
3	21269				199,631		
4	21720				184,275		
5	26355				173,309		
6	00252	1,553,857	(82,385)	(1,000,000)	(210,588)	260,884	
7	57704	136,944				136,944	
8	00365	270,568		(200,000)	(9,645)	60,923	
9	68605	102,269				102,269	
10	68942	141,984				141,984	
11	71860	216,222				216,222	
12	85105	95,057				95,057	
13	00375	93,965		(50,000)	(1,042)	42,923	
14	94440	96,794				96,794	
15 Total	3,444,428	(82,385)	(1,250,000)	(221,275)	1,890,768	988,872	901,896

Employee	1999 Salary	Target salary level	
		Regulated	Non-regulated
16	10300		0
17	11290		115,000
18	21269		206,019
19	21720		190,172
20	26355		178,854
21	00252		570,000
22	57704		141,326
23	00365		240,000
24	68605		105,542
25	68942		0
26	71860		0
27	85105		98,099
28	00375		185,000
29	94440		99,891
30 Total	2,129,903	1,113,939	1,015,964

**Proforma Adjustment**      \$ 239,135      \$ 125,068      \$ 114,067

**Avista Utilites**  
**Adjustments to Officer Compensation**  
 Twelve months ended 12-31-98

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**1998 Officer Salary**

Employee (1)	1998 Per book	Restating Adjustment			1998 Restated salary	1999 Salary	Percentage Increase	Targeted Increase	Targeted Salary
		Eliminate portion of Matthews's salary	Eliminate Signing Bonus	Eliminate Restricted St & Div					
1	10300				179,553	0		0	
2	11290				0	115,000		115,000	
3	21269				199,631	237,600	19%	3.2%	206,019
4	21720				184,275	275,000	49%	3.2%	190,172
5	26355				173,309	192,820	11%	3.2%	178,854
6	00252	1,553,857	(82,385)	(1,000,000)	(210,588)	260,884	570,000		570,000
7	57704				136,944	168,700	23%	3.2%	141,326
8	00365				270,568	240,000			240,000
9	68605				102,269	130,000	27%	3.2%	105,542
10	68942				141,984	0			0
11	71860				216,222	0			0
12	85105				95,057	106,600	12%	3.2%	98,099
13	00375				93,965	185,000			185,000
14	94440				96,794	130,000	34%	3.2%	99,891
15	<b>Total</b>	<b>3,444,428</b>	<b>(82,385)</b>	<b>(1,250,000)</b>	<b>(221,275)</b>	<b>1,890,768</b>	<b>2,350,720</b>		<b>2,129,903</b>