

**BEFORE THE  
WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION,	)	
	)	
Complainant,	)	
	)	Docket No. UE-140188
v.	)	Docket No. UG-140189
	)	
AVISTA CORPORATION d/b/a	)	<i>(consolidated)</i>
AVISTA UTILITIES,	)	
	)	
Respondent.	)	
_____	)	

**EXHIBIT NO.\_\_\_\_(BGM-7)**

**PRO FORMA CROSS CHECK STUDY ADJUSTMENT CALCULATION FOR LOST  
ENERGY EFFICIENCY MARGINS**

**July 22, 2014**

EXHIBIT NO. \_\_\_(BGM-7)  
ICNU REVENUE REQUIREMENT ADJUSTMENTS 4 - LOST DSM REVENUES  
PRO FORMA CROSS CHECK STUDY  
TWELVE MONTHS ENDED JUNE 30, 2013  
(000'S OF DOLLARS)

		ICNU-4: LOST DSM REVENUES				
Line No.	DESCRIPTION	ICNU-3 Results of Operations	Remove DSM Adjustment	Adjusted Results	Rev. Req. Increase / (Decrease)	ICNU-4 Results of Operations
REVENUES						
1	Total General Business	\$458,348	\$0	\$458,348	(5,353)	\$452,995
2	Interdepartmental Sales	849	-	849	-	849
3	Sales for Resale	43,789	-	43,789	-	43,789
4	Total Sales of Electricity	\$502,986	\$0	\$502,986	(\$5,353)	\$497,633
5	Other Revenue	14,218	-	14,218	-	14,218
6	Total Electric Revenue	\$517,204	\$0	\$517,204	(\$5,353)	\$511,851
EXPENSES						
Production and Transmission						
7	Operating Expenses	135,895	-	135,895	-	135,895
8	Purchased Power	75,846	-	75,846	-	75,846
9	Depreciation/Amortization	23,110	-	23,110	-	23,110
10	Regulatory Amortization	6,646	-	6,646	-	6,646
11	Taxes	14,242	-	14,242	-	14,242
12	Total Production & Transmission	255,739	-	255,739	-	255,739
Distribution						
13	Operating Expenses	20,883	-	20,883	-	20,883
14	Depreciation/Amortization	22,356	-	22,356	-	22,356
15	Taxes	23,520	-	23,520	(206)	23,314
16	Total Distribution	66,759	-	66,759	(206)	66,553
17	Customer Accounting	10,572	-	10,572	(24)	10,548
18	Customer Service & Information	6,717	(5,112)	1,605	-	1,605
19	Sales Expenses	8	-	8	-	8
Administrative & General						
20	Operating Expenses	45,107	-	45,107	(11)	45,097
21	Depreciation/Amortization	14,567	-	14,567	-	14,567
22	Taxes	-	-	-	-	-
23	Total Admin. & General	59,674	-	59,674	(11)	59,664
24	Total Electric Expenses	399,469	(5,112)	394,357	(241)	394,116
25	OPERATING INCOME BEFORE FIT	117,735	5,112	122,847	(5,112)	117,735
FEDERAL INCOME TAX						
26	Current Accrual	19,110	1,789	20,900	(1,789)	19,111
27	Debt Interest	(384)	-	(384)	-	(384)
28	Deferred Income Taxes	10,942	-	10,942	-	10,942
29	Amortized Investment Tax Credit	(167)	-	(167)	-	(167)
30	NET OPERATING INCOME	88,233	3,323	91,556	(3,323)	88,233

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ICNU REVENUE REQUIREMENT ADJUSTMENTS 4 - LOST DSM REVENUES

PRO FORMA CROSS CHECK STUDY

TWELVE MONTHS ENDED JUNE 30, 2013

(000'S OF DOLLARS)

Line No.	DESCRIPTION	ICNU-4: LOST DSM REVENUES				
		ICNU-3 Results of Operations	Remove DSM Adjustment	Adjusted Results	Rev. Req. Increase / (Decrease)	ICNU-4 Results of Operations
	RATE BASE					
	PLANT IN SERVICE					
31	Intangible	\$89,588	\$0	\$89,588	\$0	\$89,588
32	Production	741,332	-	741,332	-	741,332
33	Transmission	357,517	-	357,517	-	357,517
34	Distribution	794,659	-	794,659	-	794,659
35	General	178,611	-	178,611	-	178,611
36	Total Plant in Service	\$2,161,707	\$0	\$2,161,707	\$0	\$2,161,707
	ACCUMULATED DEPRECIATION					
37	Intangible	(17,951)	-	(17,951)	-	(17,951)
38	Production	(313,324)	-	(313,324)	-	(313,324)
39	Transmission	(121,740)	-	(121,740)	-	(121,740)
40	Distribution	(237,132)	-	(237,132)	-	(237,132)
41	General	(59,122)	-	(59,122)	-	(59,122)
42	Total Accumulated Depreciation	(749,269)	-	(749,269)	-	(749,269)
43	NET PLANT BEFORE DFIT	1,412,438	-	1,412,438	-	1,412,438
44	DEFERRED TAXES	(220,200)	-	(220,200)	-	(220,200)
45	NET PLANT AFTER DFIT	1,192,238	-	1,192,238	-	1,192,238
46	DEFERRED DEBITS AND CREDITS	4,382	-	4,382	-	4,382
47	WORKING CAPITAL	33,968	-	33,968	-	33,968
48	TOTAL RATE BASE	1,230,588	-	1,230,588	-	1,230,588
49	RATE OF RETURN	7.17%	7.17%	7.17%	7.17%	7.17%
	REQUIRED RETURN ON RATE BASE	88,233	-	88,233	-	88,233
	Over / (under) collection	(0)		3,323		(0)
	Revenue Req to Cover	0		(5,353)		0
	% of 2014 Rates	0.00%		-1.11%		0.00%