

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

MICHAEL P. PARVINEN

STAFF OF  
WASHINGTON UTILITIES AND  
TRANSPORTATION COMMISSION

May 5, 2000

<b>WUTC</b>		
DOCKET NO. <u>UE-991606</u>		
EXHIBIT # <u>609</u>		
ADMIT	W/D	REJECT
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

AVISTA UTILITIES  
ELECTRIC RESULTS OF OPERATION  
WASHINGTON RESTATED RESULTS  
TWELVE MONTHS ENDED DECEMBER 31, 1998  
(000'S OF DOLLARS)

Exhibit \_\_\_\_\_ (MPP-1)  
Docket UE-991606, UG-991607  
Page 1 of 3

Line No.	Description (a)	Per Results Reports (b)	Deferred FIT Rate Base (c)	Deferred Gain on Office Building (d)	Colstrip 3 AFUDC Elimination (e)	Colstrip Common AFUDC (f)	Kettle Falls Disallow. (g)	Clearwater Hydro (h)	Weatherization and DSM Investment (i)	Customer Advances (j)	Settlement Exchange Power (k)	Eliminate B&O Taxes (l)	Proforma Property Tax (m)	Uncollect. Expense (n)	Regulatory Expense (o)	Injuries and Damages (p)
<b>REVENUES</b>																
1	Total General Business	\$253,536	0	0	0	0	0	0	0	0	0	(7,998)	0	0	0	0
2	Interdepartmental Sales	\$640	0	0	0	0	0	0	0	0	0	0	0	0	0	0
3	Sales for Resale	\$306,373	0	0	0	0	0	0	0	0	0	0	0	0	0	0
4	Total Sales of Electricity	\$560,549	0	0	0	0	0	0	0	0	0	(7,998)	0	0	0	0
5	Other Revenue	\$16,217	0	0	0	0	0	0	0	0	0	(42)	0	0	0	0
6	Total Electric Revenue	\$576,766	0	0	0	0	0	0	0	0	0	(8,040)	0	0	0	0
<b>EXPENSES</b>																
<b>Production and Transmission</b>																
7	Operating Expenses	\$64,520	0	0	0	0	0	0	0	0	0	0	0	0	0	0
8	Purchased Power	\$315,272	0	0	0	0	0	0	0	0	0	0	0	0	0	0
9	Depreciation and Amortization	\$17,857	0	0	(208)	0	(164)	0	0	0	(2,532)	0	0	0	0	0
10	Taxes	\$10,517	0	0	0	0	0	0	0	0	0	0	(50)	0	0	0
11	Total Production & Transmission	\$408,166	0	0	(208)	0	(164)	0	0	0	(2,532)	0	(50)	0	0	0
<b>Distribution</b>																
12	Operating Expenses	\$10,621	0	0	0	0	0	0	0	0	0	0	0	0	0	0
13	Depreciation	\$8,188	0	0	0	0	0	0	0	0	0	0	0	0	0	0
14	Taxes	\$22,389	0	0	0	0	0	0	0	0	0	(7,982)	(76)	0	0	0
15	Total Distribution	\$41,198	0	0	0	0	0	0	0	0	0	(7,982)	(76)	0	0	0
16	Customer Accounting	\$7,227	0	0	0	0	0	0	0	0	0	0	0	32	0	0
17	Customer Service & Information	\$6,630	0	0	0	0	0	0	0	0	0	0	0	0	0	0
18	Sales Expenses	\$383	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Administrative &amp; General</b>																
19	Operating Expenses	\$33,046	0	0	0	0	0	0	0	0	0	0	0	0	123	49
20	Depreciation	\$2,686	0	0	0	0	0	0	0	0	0	0	0	0	0	0
21	Taxes	\$75	0	0	0	0	0	0	0	0	0	0	(1)	0	0	0
22	Total Admin. & General	\$35,807	0	0	0	0	0	0	0	0	0	0	(1)	0	123	49
23	Total Electric Expenses	\$499,411	0	0	(208)	0	(164)	0	0	0	(2,532)	(7,982)	(127)	32	123	49
24	OPERATING INCOME BEFORE FIT	\$77,355	0	0	208	0	164	0	0	0	2,532	(58)	127	(32)	(123)	(49)
<b>FEDERAL INCOME TAX</b>																
25	Current Accrual	\$12,948	0	0	0	0	0	0	0	0	0	(20)	44	(11)	(43)	(17)
26	Deferred Income Taxes	\$2,700	0	0	0	0	56	0	0	0	455	0	0	0	0	0
27	Amortized Investment Tax Credit	(\$26)	0	0	0	0	0	0	0	0	0	0	0	0	0	0
28	SETTLEMENT EXCHANGE POWER	\$0	0	0	0	0	0	0	0	0	5,411	0	0	0	0	0
29	NET OPERATING INCOME	\$61,733	0	0	208	0	108	0	0	0	(3,334)	(38)	83	(21)	(80)	(32)
<b>RATE BASE</b>																
30	PLANT IN SERVICE	\$1,072,193	0	0	(6,916)	746	(5,248)	0	21,408	(1,361)	0	0	0	0	0	0
31	ACCUMULATED DEPRECIATION	\$334,480	0	0	(3,180)	0	(2,291)	0	0	0	0	0	0	0	0	0
32	ACCUM. PROVISION FOR AMORT.	\$1,584	0	0	0	0	0	0	0	0	0	0	0	0	0	0
33	Total Accum. Depreciation & Amort.	\$336,064	0	0	(3,180)	0	(2,291)	0	0	0	0	0	0	0	0	0
34	GAIN ON SALE OF BUILDING	\$0	0	(1,768)	0	0	0	0	0	0	0	0	0	0	0	0
35	DEFERRED TAXES	\$0	(100,419)	618	0	0	1,116	0	0	0	0	0	0	0	0	0
36	TOTAL RATE BASE	\$736,129	(100,419)	(1,150)	(3,736)	746	(1,841)	0	21,408	(1,361)	0	0	0	0	0	0
37	RATE OF RETURN	8.39%														

AVISTA UTILITIES  
ELECTRIC RESULTS OF OPERATION  
WASHINGTON RESTATED RESULTS  
TWELVE MONTHS ENDED DECEMBER 31, 1999  
(000'S OF DOLLARS)

Exhibit \_\_\_\_\_ (MPP-1)  
Docket UE-991606, UG-991607  
Page 2 of 3  
(REVISED 7/7/2000)  
(Revisions in Bold)

Line No.	Description (a)	FIT (q)	Proforma Restate Debt Interest (r)	Eliminate A/R Expenses (s)	Office Space Charges to Subs. (t)	Reclass DADS/MOPS Revenues (u)	Restate Excise/Franchise Taxes (v)	Bonuses Adjustment (w)	Staff Misc Restating (x)	Lease Expense Adjustment (y)	Relocation Expense Adjustment (z)	Restated Total (aa)	Proforma Power Supply 7/00-6/01 (bb)	Proforma Potlatch 7/00-6/01 (cc)
<b>REVENUES</b>														
1	Total General Business	0	0	0	0	1,941	0	0	0	0	0	\$247,479	0	649
2	Interdepartmental Sales	0	0	0	0	0	0	0	0	0	0	\$640	0	0
3	Sales for Resale	0	0	0	0	0	0	0	0	0	0	\$306,373	(218,568)	0
4	Total Sales of Electricity	0	0	0	0	1,941	0	0	0	0	0	\$554,492	(218,568)	649
5	Other Revenue	0	0	0	0	(1,941)	0	0	0	0	0	\$14,234	(1,039)	0
6	Total Electric Revenue	0	0	0	0	0	0	0	0	0	0	\$568,726	(219,607)	649
<b>EXPENSES</b>														
<b>Production and Transmission</b>														
7	Operating Expenses	0	0	0	0	0	0	(510)	0	0	0	\$64,010	(8,776)	0
8	Purchased Power	0	0	0	0	0	0	0	0	0	0	\$315,272	(219,271)	0
9	Depreciation and Amortization	0	0	0	0	0	0	0	0	0	0	\$14,953	0	0
10	Taxes	0	0	0	0	0	0	0	0	0	0	\$10,467	0	0
11	Total Production & Transmission	0	0	0	0	0	0	(510)	0	0	0	\$404,702	(228,047)	0
<b>Distribution</b>														
12	Operating Expenses	0	0	0	0	0	0	(3)	0	0	0	\$10,618	0	0
13	Depreciation	0	0	0	0	0	0	0	0	0	0	\$8,188	0	0
14	Taxes	0	0	0	0	0	(682)	0	0	0	0	\$13,649	0	25
15	Total Distribution	0	0	0	0	0	(682)	(3)	0	0	0	\$32,455	0	25
16	Customer Accounting	0	0	(1,497)	0	0	0	0	0	0	0	\$5,762	0	0
17	Customer Service & Information	0	0	0	0	0	0	0	0	0	0	\$6,630	0	0
18	Sales Expenses	0	0	0	0	0	0	0	(77)	0	0	\$306	0	0
<b>Administrative &amp; General</b>														
19	Operating Expenses	0	0	0	(24)	0	(161)	(1,695)	(493)	(81)	(166)	\$30,598	0	1
20	Depreciation	0	0	0	0	0	0	0	0	0	0	\$2,686	0	0
21	Taxes	0	0	0	0	0	0	0	0	0	0	\$74	0	0
22	Total Admin. & General	0	0	0	(24)	0	(161)	(1,695)	(493)	(81)	(166)	\$33,358	0	1
23	Total Electric Expenses	0	0	(1,497)	(24)	0	(843)	(2,208)	(570)	(81)	(166)	\$483,213	(228,047)	26
24	OPERATING INCOME BEFORE FIT	0	0	1,497	24	0	843	2,208	570	81	166	\$85,513	8,439	623
<b>FEDERAL INCOME TAX</b>														
25	Current Accrual	3,321	3,519	524	8	0	295	773	200	28	58	\$21,627	2,954	218
26	Deferred Income Taxes	(91)	0	0	0	0	0	0	0	0	0	\$3,120	0	0
27	Amortized Investment Tax Credit	0	0	0	0	0	0	0	0	0	0	(\$26)	0	0
28	SETTLEMENT EXCHANGE POWER	0	0	0	0	0	0	0	0	0	0	\$5,411	0	0
29	NET OPERATING INCOME	(3,230)	(3,519)	973	16	0	548	1,435	370	53	108	\$55,381	5,485	405
<b>RATE BASE</b>														
30	PLANT IN SERVICE	0	0	0	0	0	0	0	0	0	0	\$1,080,822	0	0
31	ACCUMULATED DEPRECIATION	0	0	0	0	0	0	0	0	0	0	\$329,009	0	0
32	ACCUM. PROVISION FOR AMORT.	0	0	0	0	0	0	0	0	0	0	\$1,584	0	0
33	Total Accum. Depreciation & Amort.	0	0	0	0	0	0	0	0	0	0	\$330,593	0	0
34	GAIN ON SALE OF BUILDING	0	0	0	0	0	0	0	0	0	0	(\$1,768)	0	0
35	DEFERRED TAXES	0	0	0	0	0	0	0	0	0	0	(\$98,685)	0	0
36	TOTAL RATE BASE	0	0	0	0	0	0	0	0	0	0	\$649,776	0	0
37	RATE OF RETURN													8.52%

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Page 3 of 3  
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Line No.	Description (a)	Proforma Depr. Adj. (dd)	Proforma Hydro Rel Adj. (ee)	Proforma Comm Trade Adj. (ff)	Proforma Nez Perce Adj. (gg)	Proforma Labor/Benefit Adj. (hh)	Proforma Revenue Adj. (ii)	Proforma Misc. Adj. (jj)	Proforma MOPS Adj. (kk)	Proforma Lost Revenue Fuel Efficiency (ll)	Proforma Centralia Sale (mm)	Proforma PGE Contract Restructure (nn)	Proforma Total (oo)	Recommended Revenue Inc/(Dec) (pp)	Revenue Requirement @ Revised Rates (qq)
<b>REVENUES</b>															
1	Total General Business	0	0	0	0	0	2,544	0	0	0	0	0	\$250,672	(\$17,613)	\$233,059
2	Interdepartmental Sales	0	0	0	0	0	0	0	0	0	0	0	\$640		\$640
3	Sales for Resale	0	0	0	0	0	0	0	0	0	0	0	\$87,805		\$87,805
4	Total Sales of Electricity	0	0	0	0	0	2,544	0	0	0	0	0	\$339,117	(\$17,613)	\$321,503
5	Other Revenue	0	0	0	0	0	0	0	0	(1,067)	0	0	\$12,128		\$12,128
6	Total Electric Revenue	0	0	0	0	0	2,544	0	0	(1,067)	0	0	\$351,245	(\$17,613)	\$333,631
<b>EXPENSES</b>															
<b>Production and Transmission</b>															
7	Operating Expenses	0	850	0	525	339	0	0	0	0	0	0	\$56,948		\$56,948
8	Purchased Power	0	0	0	0	0	0	0	0	0	0	0	\$96,001		\$96,001
9	Depreciation and Amortization	350	220	0	0	0	0	0	0	0	0	(1,662)	\$13,860		\$13,860
10	Taxes	0	0	0	0	0	0	0	0	0	0	0	\$10,467		\$10,467
11	Total Production & Transmission	350	1,070	0	525	339	0	0	0	0	0	(1,662)	\$177,277	\$0	\$177,277
<b>Distribution</b>															
12	Operating Expenses	0	0	0	0	268	0	0	0	0	0	0	\$10,886		\$10,886
13	Depreciation	(368)	0	0	0	0	0	0	0	0	0	0	\$7,820		\$7,820
14	Taxes	0	0	0	0	0	98	0	0	(41)	0	0	\$13,731	(\$680)	\$13,051
15	Total Distribution	(368)	0	0	0	268	98	0	0	(41)	0	0	\$32,437	(\$680)	\$31,757
16	Customer Accounting	0	0	0	0	119	9	0	0	(4)	0	0	\$5,886	(\$62)	\$5,824
17	Customer Service & Information	0	0	0	0	5	37	0	0	0	0	(2,939)	\$3,733		\$3,733
18	Sales Expenses	0	0	0	0	4	0	0	0	0	0	0	\$310		\$310
<b>Administrative &amp; General</b>															
19	Operating Expenses	0	0	0	0	(608)	5	(1,306)	141	(2)	0	0	\$28,829	(\$35)	\$28,794
20	Depreciation	1,063	0	0	0	0	0	0	0	0	0	0	\$3,749		\$3,749
21	Taxes	0	0	0	0	0	0	0	0	0	0	0	\$74		\$74
22	Total Admin. & General	1,063	0	0	0	(608)	5	(1,306)	141	(2)	0	0	\$32,652	(\$35)	\$32,617
23	Total Electric Expenses	1,044	1,070	0	525	127	149	(1,306)	141	(47)	0	(4,601)	\$252,294	(\$777)	\$251,517
24	OPERATING INCOME BEFORE FIT	(1,044)	(1,070)	0	(525)	(127)	2,395	1,306	(141)	(1,020)	0	4,601	\$98,950	(\$16,837)	\$82,114
<b>FEDERAL INCOME TAX</b>															
25	Current Accrual	0	(375)	0	(184)	(44)	838	457	(49)	(357)	0	1,611	\$26,696	(\$5,893)	\$20,804
26	Deferred Income Taxes	(365)	0	0	0	0	0	0	0	0	0	0	\$2,755		\$2,755
27	Amortized Investment Tax Credit	0	0	0	0	0	0	0	0	0	0	0	(\$26)		(\$26)
28	SETTLEMENT EXCHANGE POWER	0	0	0	0	0	0	0	0	0	0	0	\$5,411		\$5,411
29	NET OPERATING INCOME	(679)	(695)	0	(341)	(83)	1,557	849	(92)	(663)	0	2,990	\$64,114	(\$10,944)	\$53,170
<b>RATE BASE</b>															
30	PLANT IN SERVICE	0	9,387	0	0	0	0	0	351	0	0	(48,008)	\$1,042,552	\$0	\$1,042,552
31	ACCUMULATED DEPRECIATION	522	0	0	0	0	0	0	0	0	0	0	\$329,531		\$329,531
32	ACCUM. PROVISION FOR AMORT.	0	110	0	0	0	0	0	0	0	0	(4,156)	(\$2,462)		(\$2,462)
33	Total Accum. Depreciation & Amort.	522	110	0	0	0	0	0	0	0	0	(4,156)	\$327,069	\$0	\$327,069
34	GAIN ON SALE OF BUILDING	0	0	0	0	0	0	0	0	0	0	0	(\$1,768)		(\$1,768)
35	DEFERRED TAXES	365	0	0	0	0	0	0	0	0	0	0	(\$98,320)		(\$98,320)
36	TOTAL RATE BASE	(157)	9,277	0	0	0	0	0	351	0	0	(43,851)	\$615,396	\$0	\$615,396
37	RATE OF RETURN												10.42%		8.64%