

Exhibit ____ (MPP-2)
Docket Nos. UE-991606, UG-991607
Witness: Michael P. Parvinen

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

WUTC		
DOCKET NO. <u>UE-991606</u>		
EXHIBIT # <u>610</u>		
ADMIT	W/D	REJECT
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

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

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Docket UE-991606, UG-991607
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(REVISED 7/7/2000)
(Revisions in Bold)

Line No.	Description (a)	Per Results Report (b)	Deferred FIT Rate Base (c)	Deferred Gain on Office Building (d)	Gas Inventory (e)	Weatherization and DSM Investment (f)	Customer Advances (g)	Eliminate B&O Taxes (h)	Proforma Property Taxes (i)	Uncollectible Expenses (j)	Regulatory Expense Adjustment (k)	Injuries and Damages (l)	FIT (m)	Proforma Restate Debt Interest (n)	Eliminate A/R Expenses (o)	Office Space Charges to Subs (p)
REVENUES																
1	Total General Business	\$67,226	0	0	0	0	0	(1,601)	0	0	0	0	0	0	0	0
2	Total Transportation	\$5,294	0	0	0	0	0	(76)	0	0	0	0	0	0	0	0
3	Other Revenues	\$12,629	0	0	0	0	0	0	0	0	0	0	0	0	0	0
4	Total Gas Revenues	\$85,149	0	0	0	0	0	(1,677)	0	0	0	0	0	0	0	0
EXPENSES																
5	Exploration and Development	\$0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Production																
6	City Gate Purchases	\$49,265	0	0	0	0	0	0	0	0	0	0	0	0	0	0
7	Purchase Gas Expense	\$117	0	0	0	0	0	0	0	0	0	0	0	0	0	0
8	Net Nat Gas Storage Trans	(\$1,017)	0	0	0	0	0	0	0	0	0	0	0	0	0	0
9	Total Production	\$48,365	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Underground Storage																
10	Operating Expenses	\$319	0	0	0	0	0	0	0	0	0	0	0	0	0	0
11	Depreciation	\$325	0	0	0	0	0	0	0	0	0	0	0	0	0	0
12	Taxes	\$103	0	0	0	0	0	0	(2)	0	0	0	0	0	0	0
13	Total Underground Storage	\$747	0	0	0	0	0	0	(2)	0	0	0	0	0	0	0
Distribution																
14	Operating Expenses	\$3,905	0	0	0	0	0	0	0	0	0	0	0	0	0	0
15	Depreciation	\$3,738	0	0	0	0	0	0	0	0	0	0	0	0	0	0
16	Taxes	\$4,956	0	0	0	0	0	(1,850)	(20)	0	0	0	0	0	0	0
17	Total Distribution	\$12,599	0	0	0	0	0	(1,850)	(20)	0	0	0	0	0	0	0
18	Customer Accounting	\$3,322	0	0	0	0	0	0	0	(226)	0	0	0	0	(245)	0
19	Customer service & Information	\$585	0	0	0	0	0	0	0	0	0	0	0	0	0	0
20	Sales Expense	\$474	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Administrative & General																
21	Operating Expenses	\$8,195	0	0	0	0	0	0	0	0	15	44	0	0	0	(6)
22	Depreciation	\$818	0	0	0	0	0	0	0	0	0	0	0	0	0	0
23	Taxes	\$15	0	0	0	0	0	0	0	0	0	0	0	0	0	0
24	Total Admin and General	\$9,028	0	0	0	0	0	0	0	0	15	44	0	0	0	(6)
25	Total Gas Expense	\$75,120	0	0	0	0	0	(1,850)	(22)	(226)	15	44	0	0	(245)	(6)
26	OPERATING INCOME BEFORE FIT	\$10,029	0	0	0	0	0	173	22	226	(15)	(44)	0	0	245	6
FEDERAL INCOME TAX																
27	Current Accrual	(\$651)	0	0	0	0	0	61	8	79	(5)	(15)	558	458	86	2
28	Deferred FIT	\$2,229	0	0	0	0	0	0	0	0	0	0	(136)	0	0	0
29	Amort ITC	(\$31)	0	0	0	0	0	0	0	0	0	0	0	0	0	0
30	NET OPERATING INCOME	\$8,482	0	0	0	0	0	112	14	147	(10)	(29)	(422)	(458)	159	4
RATE BASE:																
31	PLANT IN SERVICE	\$177,284	0	0	0	3,684	(99)	0	0	0	0	0	0	0	0	0
32	ACCUMULATED DEPRECIATION	\$51,743	0	0	0	0	0	0	0	0	0	0	0	0	0	0
33	DEFERRED FIT	\$0	(10,305)	215	0	0	0	0	0	0	0	0	0	0	0	0
34	GAS INVENTORY	\$0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
35	GAIN ON SALE OF BUILDING	\$0	0	(615)	0	0	0	0	0	0	0	0	0	0	0	0
36	TOTAL RATE BASE	\$125,541	(10,305)	(400)	0	3,684	(99)	0	0	0	0	0	0	0	0	0
37	RATE OF RETURN	6.76%														

AVISTA UTILITIES
GAS RESULTS OF OPERATION
WASHINGTON PROFORMA RESULTS
TWELVE MONTHS ENDED DECEMBER 31,
(000'S OF DOLLARS)

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(REVISED 7/7/2000)
(Revisions in Bold)

Line No.	Description (a)	Restate Franchise Taxes (q)	Excise Expense Adjustment (r)	Bonuses Adjustment (s)	Misc. Staff Restating (t)	Relocation Expense Adjustment (u)	Restated Total (v)	Profoma Depr Adjustment (w)	Profoma Labor/Benefits Adjustment (x)	Profoma Revenue Adjustment (y)	Profoma Miscellaneous Adjustment (z)	Hamilton St. Bridge Remed. Cost Adj (aa)	Profoma Total (bb)	Recommended Revenue Inc/(Dec) (cc)	Revenue Requirement @ Revised Rates (dd)			
REVENUES																		
1	Total General Business	0	0	0	0	0	\$65,625	0	0	6,010	0	0	\$71,635	\$569	\$72,204			
2	Total Transportation	0	0	0	0	0	\$5,218	0	0	(2,057)	0	0	\$3,161		\$3,161			
3	Other Revenues	0	0	0	0	0	\$12,629	0	0	(10,437)	0	0	\$2,192		\$2,192			
4	Total Gas Revenues	0	0	0	0	0	\$83,472	0	0	(6,484)	0	0	\$76,988	\$569	\$77,557			
EXPENSES																		
5	Exploration and Development Production	0	0	0	0	0	\$0	0	0	0	0	0	\$0		\$0			
6	City Gate Purchases	0	0	0	0	0	\$49,265	0	0	(10,020)	0	0	\$39,245		\$39,245			
7	Purchase Gas Expense	0	0	0	0	0	\$117	0	4	0	0	0	\$121		\$121			
8	Net Nat Gas Storage Trans	0	0	0	0	0	(\$1,017)	0	0	1,017	0	0	\$0		\$0			
9	Total Production	0	0	0	0	0	\$48,365	0	4	(9,003)	0	0	\$39,366	\$0	\$39,366			
Underground Storage																		
10	Operating Expenses	0	0	0	0	0	\$319	0	0	0	0	0	\$319		\$319			
11	Depreciation	0	0	0	0	0	\$325	(5)	0	0	0	0	\$320		\$320			
12	Taxes	0	0	0	0	0	\$101	0	0	0	0	0	\$101		\$101			
13	Total Underground Storage	0	0	0	0	0	\$745	(5)	0	0	0	0	\$740	\$0	\$740			
Distribution																		
14	Operating Expenses	0	0	0	0	0	\$3,905	0	120	0	0	0	\$4,025		\$4,025			
15	Depreciation	0	0	0	0	0	\$3,738	(72)	0	0	0	0	\$3,666		\$3,666			
16	Taxes	717	0	0	0	0	\$3,803	0	0	308	0	0	\$4,111	\$22	\$4,133			
17	Total Distribution	717	0	0	0	0	\$11,446	(72)	120	308	0	0	\$11,802	\$22	\$11,824			
18	Customer Accounting	0	0	0	0	0	\$2,851	0	63	28	0	0	\$2,942	\$2	\$2,944			
19	Customer service & Information	0	0	0	0	0	\$585	0	3	0	0	0	\$588		\$588			
20	Sales Expense	0	0	0	(177)	0	\$297	0	5	0	0	0	\$302		\$302			
Administrative & General																		
21	Operating Expenses	(605)	(20)	(434)	(109)	(42)	\$7,038	0	(146)	16	(329)	150	\$6,729	\$1	\$6,730			
22	Depreciation	0	0	0	0	0	\$818	156	0	0	0	0	\$974		\$974			
23	Taxes	0	0	0	0	0	\$15	0	0	0	0	0	\$15		\$15			
24	Total Admin and General	(605)	(20)	(434)	(109)	(42)	\$7,871	156	(146)	16	(329)	150	\$7,718	\$1	\$7,719			
25	Total Gas Expense	112	(20)	(434)	(286)	(42)	\$72,160	79	49	(8,651)	(329)	150	\$63,458	\$25	\$63,483			
26	OPERATING INCOME BEFORE FIT	(112)	20	434	286	42	\$11,312	(79)	(49)	2,167	329	(150)	\$13,530	\$544	\$14,074			
FEDERAL INCOME TAX																		
27	Current Accrual	(39)	7	152	100	15	\$816	0	(17)	758	115	(53)	\$1,619	\$190	\$1,809			
28	Deferred FIT	0	0	0	0	0	\$2,093	(28)	0	0	0	0	\$2,065		\$2,065			
29	Amort ITC	0	0	0	0	0	(\$31)	0	0	0	0	0	(\$31)		(\$31)			
30	NET OPERATING INCOME	(73)	13	282	186	27	\$8,434	(51)	(32)	1,409	214	(97)	\$9,877	\$353	\$10,231			
RATE BASE:																		
31	PLANT IN SERVICE	0	0	0	0	0	\$180,869	0	0	0	0	0	\$180,869	\$0	\$180,869			
32	ACCUMULATED DEPRECIATION	0	0	0	0	0	\$51,743	39	0	0	0	0	\$51,782	\$0	\$51,782			
33	DEFERRED FIT	0	0	0	0	0	(\$10,090)	28	0	0	0	0	(\$10,062)		(\$10,062)			
34	GAS INVENTORY	0	0	0	0	0	\$0	0	0	0	0	0	\$0		\$0			
35	GAIN ON SALE OF BUILDING	0	0	0	0	0	(\$615)	0	0	0	0	0	(\$615)		(\$615)			
36	TOTAL RATE BASE	0	0	0	0	0	\$118,421	(12)	0	0	0	0	\$118,409	\$0	\$118,409			
37	RATE OF RETURN															7.12%	8.34%	8.64%