

Exhibit No. ____ (MDF-3C)
Dockets UE-120436, et al.
Witness: Michael Foisy
REDACTED VERSION

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION,

Complainant,

v.

AVISTA CORPORATION, d/b/a
AVISTA UTILITIES,

Respondent.

DOCKETS UE-120436/UG-120437
(consolidated)

WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION,

Complainant,

v.

AVISTA CORPORATION d/b/a AVISTA
UTILITIES,

Respondent.

DOCKETS UE-110876/UG-110877
(consolidated)

EXHIBIT TO TESTIMONY OF

Michael Foisy

STAFF OF
WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION

Property Tax

September 19, 2012

CONFIDENTIAL PER PROTECTIVE ORDER IN DOCKET UE-120436, ET AL.

AVISTA CORP.
RESPONSE TO REQUEST FOR INFORMATION

JURISDICTION: WASHINGTON DATE PREPARED: 7/17/2012

CASE NO: UE-120436 & UG-120437 WITNESS: Elizabeth Andrews
 REQUESTER: WUTC Staff - Foisy RESPONDER: Annette Brandon
 TYPE: Data Request DEPT: State & Federal Regulation
 REQUEST NO.: Staff - 333 TELEPHONE: (509) 495-4324
 EMAIL: annette.brandon@avistacorp.com

REQUEST:

Re: Andrews, Exhibit No. ____ (EMA-1T) - Adj. 3.06 Property Tax (Elec.), and 3.04 Property Tax (Gas)

Using the most current known levy rate and most current assessed value as of June 30, 2012, please re-calculate the property tax adjustment. Please provide the total jurisdictional property tax for both gas and electric operations, and the adjustments to per books operations for each.

RESPONSE:

Please see Avista's CONFIDENTIAL response to data request no. Staff - 333C. Please note that Avista's response to Staff - 333C is Confidential per Protective Order in UTC Dockets UE-120436 and UG-120437.

Please see Staff_DR_333C Confidential Attachment A for the pro-forma property tax adjustment updated with new levy rates. Please note there has been no change in assessed value. The impact to the revenue requirement is summarized below:

Summary of Changes:

		<u>Original</u>	<u>Revised</u>	<u>Change</u>	<u>Revenue Requirement</u>
Washington Electric:	\$	(1,303,346) \$	(1,331,947) \$	(28,601) \$	(29,945)
Washington Gas	\$	(182,274) \$	(221,952) \$	(39,678) \$	(41,534)

Summary of Changes:

	<u>Original</u>	<u>Revised</u>	<u>Change</u>	<u>Revenue Requirement</u>
Washington Electric	\$ (1,303,346)	\$ (1,331,947)	\$ (28,601)	\$ (29,945.10)
Washington Gas	\$ (182,274)	\$ (221,952)	\$ (39,678)	\$ (41,534.26)

AVISTA UTILITIES

WASHINGTON ELECTRIC RESULTS

(000'S OF DOLLARS)

Line No.	DESCRIPTION	Staff
		Property Tax
	Adjustment Number	3.06
	Workpaper Reference	
	REVENUES	
1	Total General Business	0
2	Interdepartmental Sales	
3	Sales for Resale	
4	Total Sales of Electricity	
5	Other Revenue	
6	Total Electric Revenue	
	EXPENSES	
	Production and Transmission	
7	Operating Expenses	
8	Purchased Power	
9	Depreciation/Amortization	
10	Regulatory Amortization	
11	Taxes	15
12	Total Production & Transmission	15
	Distribution	
13	Operating Expenses	
14	Depreciation/Amortization	
15	Taxes	28
16	Total Distribution	28
17	Customer Accounting	
18	Customer Service & Information	
19	Sales Expenses	
	Administrative & General	
20	Operating Expenses	
21	Depreciation/Amortization	
22	Taxes	1
23	Total Admin. & General	1
24	Total Electric Expenses	44
25	OPERATING INCOME BEFORE FIT	(44)
	FEDERAL INCOME TAX	
26	Current Accrual	(15)
27	Debt Interest	
28	Deferred Income Taxes	
29	Amortized ITC - Noxon	

30	NET OPERATING INCOME	<u>(29)</u>
	RATE BASE	
	PLANT IN SERVICE	
31	Intangible	
32	Production	
33	Transmission	
34	Distribution	
35	General	
36	Total Plant in Service	<u> </u>
	ACCUMULATED DEPRECIATION/AMORT	
37	Intangible	
38	Production	
39	Transmission	
40	Distribution	
41	General	
42	Total Accumulated Depreciation	<u> </u>
43	NET PLANT	
44	DEFERRED TAXES	
45	Net Plant After DFIT	<u> </u>
46	DEFERRED DEBITS AND CREDITS	
47	WORKING CAPITAL	<u> </u>
48	TOTAL RATE BASE	0

AVISTA UTILITIES

WASHINGTON GAS RESULTS

TWELVE MONTHS ENDED DECEMBER 31, 2011

(000'S OF DOLLARS)

Line No.	DESCRIPTION	Staff
		Property Tax
	Adjustment Number	3.06
	Workpaper Reference	
	REVENUES	
1	Total General Business	0
2	Total Transportation	
3	Other Revenue	
4	Total Gas Revenue	
	EXPENSES	
	Production Expenses	
5	City gate Purchases	
6	Purchased Gas Expense	
7	Net Nat gas Storage Trans	
8	Total Production	
	Underground Storage	
9	Operating Expenses	
10	Depreciation/Amortization	
11	Taxes	3
12	Total Underground Storage	3
	Distribution	
13	Operating Expenses	
14	Depreciation/Amortization	
15	Taxes	57
16	Total Distribution	57
17	Customer Accounting	
18	Customer Service & Information	
19	Sales Expenses	
	Administrative & General	
20	Operating Expenses	
21	Depreciation/Amortization	
22	Regulatory Amortizations	
23	Taxes	1
24	Total Admin. & General	1
25	Total Gas Expenses	61
26	OPERATING INCOME BEFORE FIT	(61)
	FEDERAL INCOME TAX	
27	Current Accrual	(22)
28	Debt Interest	

29	Deferred Income Taxes		
30	Amortized ITC - Noxon		
31	NET OPERATING INCOME		<u>(40)</u>
	RATE BASE		
	PLANT IN SERVICE		
32	Underground Storage	\$	-
33	Distribution Plant		-
34	General Plant		-
35	Total Plant in Service		<u>-</u>
	ACCUMULATED DEPRECIATION/AMORT		
36	Underground Storage		-
37	Distribution Plant		-
38	General Plant		-
39	Total Accumulated Depreciation/Amortization		<u>-</u>
40	NET PLANT		-
41	DEFERED TAXES		-
42	NET PLANT AFTER DFIT		-
43	GAS INVENTORY		-
44	GAIN ON SALE OF BUILDING		-
45	OTHER		-
46	WORKING CAPITAL		<u>-</u>
47	TOTAL RATE BASE	\$	<u>-</u>

AVISTA UTILITIES

Property Tax Adjustment-Electric
For the Twelve Months Ended December 31, 2011

		System	Washington	Idaho
<hr/>				
Property Tax Adjustment				
Prod/Trans		2,081,376	1,356,225	725,151
Distribution		1,025,068	679,212	345,856
General		20,653	13,712	6,941
Idaho SIT	0.015093	-16,269		-16,269
<hr/>				
Total expenses		3,110,828	2,049,149	1,061,679
<hr/>				
Operating income before FIT		-3,110,828	-2,049,149	-1,061,679
FIT	0.350	-1,088,790	-717,202	-371,588
<hr/>				
Net operating income		-2,022,038	-1,331,947	-690,091

AVISTA UTILITIES

Property Tax Adjustment-Electric
For the Twelve Months Ended December 31, 2011

Functionalization based on Plant Balances at 12/31/2009

	System	Washington	Idaho	Montana	Oregon
Production	1,544,846	292,061	142,666	1,025,970	84,149
Transmission	536,530	261,861	143,057	127,043	4,569
Distribution	1,025,068	679,212	345,382	474	0
General	20,653	10,634	10,019	0	0
Total	C-PT-1 3,127,096	1,243,767	641,122	1,153,488	88,718

Allocation Percentages

Production	23.482%	22.252%	88.945%	94.850%
Transmission	21.054%	22.313%	11.014%	5.150%
Distribution	54.609%	53.871%	0.041%	0.000%
General	0.855%	1.563%	0.000%	0.000%
Total	100.000%	100.000%	100.000%	100.000%

Allocate to each state based on function:

		System	Washington	Idaho
WA Property Tax Adjustment				
Prod/Trans	1	553,922	360,936	192,986
Distribution	99	679,212	679,212	0
General	4	10,634	7,060	3,574
Total		1,243,768	1,047,208	196,560
ID Property Tax Adjustment				
Prod/Trans	1	285,723	186,177	99,546
Distribution	99	345,382	0	345,382
General	4	10,019	6,652	3,367
Total		641,124	192,829	448,295
MT Property Tax Adjustment				
Prod/Trans	1	1,153,013	751,303	401,710
Distribution	99	474	0	474
General	4	0	0	0
Total		1,153,487	751,303	402,184
OR Property Tax Adjustment				
Prod/Trans	1	88,718	57,809	30,909
Distribution	99	0	0	0
General	4	0	0	0
Total		88,718	57,809	30,909
Prod/Trans Total		2,081,376	1,356,225	725,151
Distribution Total		1,025,068	679,212	345,856
General Total		20,653	13,712	6,941
Total Adjustment		3,127,097	2,049,149	1,077,948

Allocation Notes

Prod/Trans Alloc Ratio	1	100.000%	65.160%	34.840%
Jurisdictional 4 Factor Ratio	4	100.000%	66.390%	33.610%
Direct	99	0.000%	0.000%	0.000%

AVISTA UTILITIES

Property Tax Adjustment-Gas
For the Twelve Months Ended December 31, 2011

		System	Washington	Idaho
Property Tax Adjustment				
Underground Storage		32,291	22,410	9,881
Distribution		457,103	314,378	142,725
Administrative and General		6,825	4,676	2,149
Idaho SIT	0.015093	-2,336		-2,336
Total expenses		493,883	341,464	152,419
Operating income before FIT		-493,883	-341,464	-152,419
FIT	0.350	-172,859	-119,512	-53,347
Net operating income		-321,024	-221,952	-99,073

AVISTA UTILITIES

Property Tax Adjustment-Gas
For the Twelve Months Ended December 31, 2011

Functionalization based on Plant Balances at 12/31/2009

		System	Washington	Idaho
Underground Storage		32,291	23,618	8,673
Distribution		457,103	314,378	142,725
General		6,825	4,183	2,642
Total	C-PT-1	496,219	342,179	154,040
Allocation Percentages				
Underground Storage			6.902%	5.630%
Distribution			91.875%	92.655%
General			1.223%	1.715%
Total			100.000%	100.000%

	Alloc.	System	Washington	Idaho
WA Property Tax Adjustment				
Underground Storage	1C	23,618	16,391	7,227
Distribution	99	314,378	314,378	0
General	4	4,183	2,866	1,317
Total		342,179	333,635	8,544
ID Property Tax Adjustment				
Underground Storage	1C	8,673	6,019	2,654
Distribution	99	142,725	0	142,725
General	4	2,642	1,810	832
Total		154,040	7,829	146,211
Underground Storage Total		32,291	22,410	9,881
Distribution Total		457,103	314,378	142,725
General Total		6,825	4,676	2,149
Total Adjustment		496,219	341,464	154,755

Allocation Notes

System Contract Demand--SGS-1	1C	100.000%	69.400%	30.600%
Jurisdictional 4 Factor	4	100.000%	68.518%	31.482%
Direct	99	0.000%	0.000%	0.000%

AVISTA UTILITIES

Property Tax Adjustment
For the Twelve Months Ended December 31, 2011

		<u>Electric</u>	<u>Gas</u>
<u>Washington</u>			
Current Period Expense	HPA-1	8,976,767	2,242,116
Accrual per Results by State (Situs)	E-PT-2	7,733,000	1,899,937
Adjustment		<u>1,243,767</u>	<u>342,179</u>
<u>Idaho</u>			
Current Period Expense	HPA-1	4,974,478	1,010,130
Accrual per Results by State (Situs)	E-PT-3	4,333,356	856,090
Adjustment		<u>641,122</u>	<u>154,040</u>
<u>Montana</u>			
Current Period Expense	HPA-1	8,068,699	
Accrual per Results by State (Situs)	E-PT-4	6,915,210	
Adjustment		<u>1,153,488</u>	
<u>Oregon</u>			
Current Period Expense	HPA-1	8,633	
Cyote Springs Expense for 2010	HPA-1	2,031,000	
Subtotal Expense		<u>2,039,633</u>	
Accrual per Results by State (Situs)		1,950,915	
Adjustment		<u>88,718</u>	
<u>Colstrip Indirect (Note 1)</u>			
Current Period Expense	HPA-1	2,963	
Accrual per Results	E-PT-5	3,129	
Adjustment		<u>-166</u>	
Total		<u>3,126,930</u>	<u>496,219</u>
Remove Colstrip Indirect		166	
Total		<u>3,127,096</u>	<u>496,219</u>
<u>Total</u>			
Current Period Expense		24,062,540	3,252,246
Amount reflected in results (E-OTX-12A & G-OTX-12A)		20,935,610	2,756,027
Adjustment		<u>3,126,930</u>	<u>496,219</u>

This amount is related to property tax that we are paying to PacifiCore for our portion **Note 1** of a indirect property tax.

This amount does not fluctuate and is immaterial to the total property tax adjustment.

Note 2 The purpose of the property tax adjustment is to look at future expense that we think will be paid. In this case we looked at what should be accrued/paid in 2011.

Book Value as of Accrual year	2006 2007	2007 2008	2008 2009	2009 2010
Electric				
Washington				
Beginning Balance	545,355	531,430	472,846	426,215
Changes	(13,925)	(58,584)	(46,631)	127,085
Tax Basis	531,430	472,846	426,215	553,300
Tax Rate	0.011147	0.010995	0.01144	0.012009
Total Actual Taxes Paid	\$ 5,924	\$ 5,199	\$ 4,876	\$ 6,645
Results	\$ 8,322	\$ 6,259	\$ 5,406	\$ 6,148
Prior Period	\$ (1,356)	\$ (2,398)	\$ (1,060)	\$ (530)
Total Accrual	\$ 6,966	\$ 3,861	\$ 4,346	\$ 5,618
Idaho				
Beginning Balance	345,887	353,389	368,713	369,567
Changes	7,502	15,324	854	25,358
Tax Basis	353,389	368,713	369,567	394,925
Tax Rate	0.00755	0.008022	0.00863	0.009698
Total Actual Taxes Paid	\$ 2,668	\$ 2,958	\$ 3,189	\$ 3,830
Results	\$ 2,670	\$ 3,030	\$ 3,206	\$ 3,826
Prior Period	\$ 5	\$ 3	\$ (71)	\$ 3
Total Accrual	\$ 2,675	\$ 3,033	\$ 3,135	\$ 3,829
Montana				
Beginning Balance	18,695	19,364	20,874	19,902
Changes	669	1,510	(972)	988
Tax Basis	19,364	20,874	19,902	20,890
Tax Rate	0.31885	0.31948	0.3097	0.316660
Total Actual Taxes Paid	\$ 6,174	\$ 6,669	\$ 6,164	\$ 6,615
Results	\$ 6,177	\$ 6,676	\$ 6,164	\$ 6,615
Prior Period	\$ (35)	\$ (16)	\$ (18)	\$ (4)
Total Accrual	\$ 6,142	\$ 6,660	\$ 6,146	\$ 6,611
Oregon				
(imnaha transmission line)				
Beginning Balance	1,420	1,412	1,354	666
Changes	(8)	(58)	(688)	175
Tax Basis	1,412	1,354	666	841
Tax Rate	0.00958	0.00985	0.00951	0.009750
Total Actual Taxes Paid	\$ 17	\$ 13	\$ 10	\$ 8
(coyote springs)				
Beginning Balance	-	176,588	170,000	107,734
Changes	176,588	(6,588)	(62,266)	(3,375)
Coyote	\$ 176,588	\$ 170,000	\$ 107,734	\$ 104,359
Tax Rate	0.000810	0.000812	0.017228	0.017631
Coyote	\$ 143	\$ 138	\$ 1,856	\$ 1,840
Beginning Balance	158	156	151	1,008
Changes	(1)	(5)	857	840
Results	\$ 156	\$ 151	\$ 1,008	\$ 1,848
Prior Period	\$ -	\$ (159)	\$ 10	\$ -

Book Value as of Accrual year	2006 2007	2007 2008	2008 2009	2009 2010
Electric				
Total Accrual	\$ 156	\$ (8)	\$ 1,018	\$ 1,848
Total Electric System				
Estimate	\$ 17,325	\$ 16,116	\$ 15,784	\$ 18,437
Prior Period	\$ (1,386)	\$ (2,570)	\$ (1,139)	\$ (531)
Total Accrual	\$ 15,939	\$ 13,546	\$ 14,645	\$ 17,906
Total Results	\$ 17,325	\$ 16,116	\$ 15,784	\$ 18,437
Total Accrual	\$ 21,419	\$ 21,420	\$ 21,421	\$ 21,422
	\$ 4,094	\$ 5,304	\$ 5,637	\$ 2,985

Book Value as of Accrual year	2006 2007	2007 2008	2008 2009	2009 2010
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Electric

Tax Basis

Book Value as of Accrual year	2006 2007	2007 2008	2008 2009	2009 2010
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Gas**Washington**

Beginning Balance	139,724	136,844	109,173	124,410
Changes	(2,880)	(27,671)	15,237	23,611
Tax Basis	136,844	109,173	124,410	148,021
Tax Rate	0.011362	0.011123	0.01152	0.012448
Total Taxes Paid	\$ 1,555	\$ 1,214	\$ 1,433	\$ 1,843
Results	\$ 2,308	\$ 1,477	\$ 1,645	\$ 1,843
Prior Period	\$ (438)	\$ (778)	\$ (262)	\$ (211)
Total Accrual	\$ 1,870	\$ 699	\$ 1,383	\$ 1,632

Idaho

Beginning Balance	56,308	58,570	57,277	66,700
Changes	2,262	(1,293)	9,423	3,264
Tax Basis	58,570	57,277	66,700	69,964
Tax Rate	0.01039	0.010829	0.01082	0.011470
Total Taxes Paid	\$ 609	\$ 620	\$ 722	\$ 802
Results	\$ 609	\$ 620	\$ 722	\$ 803
Prior Period	\$ (18)	\$ 86	\$ (100)	\$ (1)
Total Accrual	\$ 591	\$ 706	\$ 622	\$ 802

Oregon

Beginning Balance	121,745	122,500	138,200	129,725
Changes	755	15,700	(8,475)	741
Tax Basis	122,500	138,200	129,725	130,466
Tax Rate	0.01284	0.01273	0.01271	0.012656
Total Taxes Paid	\$ 1,573	\$ 1,759	\$ 1,649	\$ 1,651
Results	\$ 1,573	\$ 1,759	\$ 1,750	\$ 1,649
Prior Period	\$ (74)	\$ (95)	\$ -	\$ -
Total Accrual	\$ 1,499	\$ 1,664	\$ 1,750	\$ 1,649

Total Gas System

Results	\$ 4,490	\$ 3,856	\$ 4,117	\$ 4,295
Prior Period	\$ (530)	\$ (787)	\$ (362)	\$ (212)
Total Accrual	\$ 3,960	\$ 3,069	\$ 3,755	\$ 4,083
Total Results	\$ 4,490	\$ 3,856	\$ 4,117	\$ 4,295
Total Accrual	\$ 3,960	\$ 3,069	\$ 3,755	\$ 4,083
	\$ (530)	\$ (787)	\$ (362)	\$ (212)

Book Value as of	2010	2011	2012
Accrual year	2011	2012	2013

Electric

ADJUSTMENT

Washington

Beginning Balance	553,300
Changes	92,193
Tax Basis	645,493
Tax Rate	0.012202
Total Actual Taxes Paid	\$ 7,876
Results	\$ 7,733
Prior Period	\$ 487
Total Accrual	\$ 8,220

Idaho

Beginning Balance	394,925
Changes	11,581
Tax Basis	406,506
Tax Rate	0.010664
Total Actual Taxes Paid	\$ 4,335
Results	\$ 4,333
Prior Period	\$ -
Total Accrual	\$ 4,333

Montana

Beginning Balance	20,890
Changes	718
Tax Basis	21,608
Tax Rate	0.320670
Total Actual Taxes Paid	\$ 6,929
Results	\$ 6,915
Prior Period	\$ -
Total Accrual	\$ 6,915

Oregon

Beginning Balance	841
Changes	84
Tax Basis	925
Tax Rate	0.009330
Total Actual Taxes Paid	\$ 9

Beginning Balance	104,359
Changes	11,341
Coyote	\$ 115,700
Tax Rate	0.017545
Coyote	\$ 2,030

Beginning Balance	1,848
Changes	102
Results	\$ 1,950
Prior Period	\$ -

Book Value as of	2010	2011	2012
Accrual year	2011	2012	2013

Electric

		ADJUSTMENT	
Total Accrual	\$	1,950	
Total Electric System		Tax Basis	
Estimate	\$	20,931	
Prior Period	\$	487	
Total Accrual	\$	21,418	
Total Results	\$	20,931	Total Results
Total Accrual	\$	21,423	Total Estimate
	\$	492	

Book Value as of	2010	2011	2012
Accrual year	2011	2012	2013

Electric

ADJUSTMENT

\$ 1,190,232

Book Value as of	2010	2011	2012
Accrual year	2011	2012	2013

Gas

ADJUSTMENT

Washington

Beginning Balance	148,021
Changes	4,510
Tax Basis	152,531
Tax Rate	0.012720
Total Taxes Paid	\$ 1,940

[REDACTED]

Results	\$ 1,934
Prior Period	\$ (14)
Total Accrual	\$ 1,920

Idaho

Beginning Balance	69,964
Changes	(1,244)
Tax Basis	68,720
Tax Rate	0.012460
Total Taxes Paid	\$ 856

[REDACTED]

Per Results Adjustment

Results	\$ 856
Prior Period	\$ 9
Total Accrual	\$ 865

Oregon

Beginning Balance	130,466
Changes	11,934
Tax Basis	142,400
Tax Rate	0.012577
Total Taxes Paid	\$ 1,791

[REDACTED]

Per Results Adjustment

Results	\$ 1,726
Prior Period	\$ 3
Total Accrual	\$ 1,729

Total Gas System

Results	\$ 4,516
Prior Period	\$ (2)
Total Accrual	\$ 4,514

Total Results	\$ 4,516
Total Accrual	\$ 4,514
	\$ (2)

Total Results
 Total Estimate

[REDACTED]

BOOK VALUE @ DEC YEAR ASSESSED YEAR TAX ACCRUED
YEAR TAX PAYABLE (oregon & california)
WASHINGTON - ELECTRIC
HIST COST INDICATOR
ESTIMATED SYSTEM VALUE
ADD : NET ADDITIONS TO PLANT
LESS: Intangibles Other
ADD : Smart Grid CIAC
LESS : Vehicles
LESS : DEPR EST
TAXABLE PERCENTAGE
STATE ALLOCATION %
ALLOCATED VALUE
add:adjustments
GROSS ASSESSED VALUE
equalization factor
ASSESSED VALUE
OTHER
TAX RATE
TAX

As of June 25, 2012	
in thousands	
	2010 2011 2011
	2011-2012
	2011 Actual
	1,689,492
	214,313
	-17,878
	6,512
	-7,674
	-72,500
	97.0000%
	46.5000%
	817,422
	0
	817,422
	0.900
	735,680
	0
	735,680
	0.01201
	8,835

IDAHO - ELECTRIC
HIST COST INDICATOR
ESTIMATED SYSTEM VALUE
ADD : NET ADDITIONS TO PLANT
LESS: Intangibles Other
ADD : Smart Grid CIAC
LESS : Vehicles
LESS : DEPR EST
LESS : OTHER
TAXABLE PERCENTAGE
STATE ALLOCATION %
ALLOCATED VALUE
add:adjustments
GROSS ASSESSED VALUE
RATIO
ASSESSED VALUE
TAX RATE
TAX

2011 Actual	
	1,699,083
	100.0000%
	24.714743%
	419,924
	-13,418
	406,506
	1.00
	406,506
	0.01066
	4,335

<u>MONTANA - ELECTRIC</u>	
HIST COST INDICATOR - <u>after</u> IPP reduction	
ADD : NET ADDITIONS TO PLANT - E & G	
ADD : Smart Grid CIAC	
LESS : DEPR EST	
LESS : INTANGIBLE EST	
TAXABLE PERCENTAGE	100.0000%
STATE ALLOCATION %	15.7455%
ALLOCATED VALUE	328,765
add: adjustments	-264
EQUALIZATION FACTOR	1.00
GROSS MARKET VALUE	328,501
RATIO	0.065777
taxable VALUE	21,608
adjustments	0
taxable value	21,608
TAX RATE	0.32067
TAX	6,929

2011 Actual	
(combine E & G)	
	2,320,000
	2,088,000
	2,088,000
	100.0000%
	15.7455%
	328,765
	-264
	1.00
	328,501
	0.065777
	21,608
	0
	21,608
	0.32067
	6,929

<u>OREGON - ELECTRIC</u>	
HIST COST INDICATOR	
ESTIMATED SYSTEM VALUE	
ADD : LOLO-OXBOW TRANSMISSION LINE - LOCATION	
640 (ptn in ID, ptn in OR)	
LESS : DEPR EST	
TAXABLE PERCENTAGE	100.0000%
STATE ALLOCATION %	100.0000%
ALLOCATED VALUE	925
add: adjustments	
EQUALIZATION FACTOR	1.00
GROSS MARKET VALUE	925
RATIO	1.0000
taxable VALUE	925
ADD: POLL CONTROL EQUIP	
taxable value	925
TAX RATE	0.00933
TAX	9

11/12 Actual	
(Imnaha transmission line)	
	925
	0
	0
	100.0000%
	100.0000%
	925
	1.00
	925
	1.0000
	925
	0
	925
	0.00933
	9

OREGON - ELECTRIC	
HIST COST INDICATOR	
ADD : NET ADDITIONS TO PLANT	
LESS : DEPR	
STATE ALLOCATION %	
Other Misc property taxes	
Levy rate	
% ownership of plant	
Tax due from Avista Corp	

11/12 Actual	
Coyote Springs II & misc	
	115,700
na	
	0
	0.01754
	100%
	2,030

WASHINGTON - GAS	
HIST COST INDICATOR	
ESTIMATED SYSTEM VALUE	
ADD : NET ADDITIONS TO PLANT	
LESS : DEPR EST	
TAXABLE PERCENTAGE	
STATE ALLOCATION %	
ALLOCATED VALUE	
add: adjustments	
GROSS ASSESSED VALUE	
RATIO	
ASSESSED VALUE	
TAX RATE	
TAX	

2011 Actual	
	370,000
	96.7724%
	47.1639%
	168,874
	168,874
	90.3227%
	152,531
	0.01272
	1,940

IDAHO - GAS
HIST COST INDICATOR
ESTIMATED SYSTEM VALUE
ADD : NET ADDITIONS TO PLANT
LESS : DEPR EST
TAXABLE PERCENTAGE
STATE ALLOCATION %
ALLOCATED VALUE
add: adjustments
GROSS ASSESSED VALUE
RATIO
ASSESSED VALUE
TAX RATE
TAX

2011 Actual	
	369,406
	100.0000%
	18.8536%
	69,646
	-926
	68,720
	1.00
	68,720
	0.01246
	856

OREGON - GAS
HIST COST OREGON
ESTIMATED STATE VALUE
ADD : NET ADDITIONS TO PLANT
LESS : DEPR EST
TAXABLE PERCENTAGE
STATE ALLOCATION %
STATE VALUE
Adjustments:
GROSS ASSESSED VALUE
RATIO
ASSESSED VALUE
TAX RATE
TAX

11/12 Actual	
	142,400
	100.0000%
	100.0000%
	142,400
	100.00%
	142,400
	1.000
	142,400
	0.012577
	1,791

SUMMARY:	Actual 2011
ELECTRIC:	
WASHINGTON	8,835
EST ADJ TO WASH	
IDAHO	4,335
MONTANA	6,929
OREGON - Transm line only	9
OREGON - Coyote Springs II	2,030
SUBTOTAL	22,137
GAS:	
WASHINGTON	1,940
IDAHO	856
OREGON	1,791
OTHER	0
SUBTOTAL	4,587
TOTAL EST TAX	26,724