

Joint Position on Natural Gas Rate Spread

Scenario 1: Avista-Proposed Increase

CLASS		Present Revenue	Cost of Gas	Margin	Therms	Increase \$	Increase Per Therm	Margin Increase %
Residential/Commercial	101	\$51,441	\$25,647	\$25,794	115,059	\$ 3,671	\$0.03190	14.23%
Medium General Service	111	\$17,240	\$11,258	\$5,982	50,781	\$ 851	\$0.01677	14.23%
Large General Service	121	\$2,772	\$2,105	\$667	9,590	\$ 95	\$0.00990	14.23%
Interruptible	131	\$182	\$138	\$44	644	\$ -	\$0.00000	0.00%
Transportation	146	\$2,078	\$98	\$1,980	43,902	\$ 282	\$0.00642	14.23%
Special Contract	148	\$1,323	\$0	\$1,323	45,341	\$ -	\$0.00000	0.00%
Total:		\$75,036	\$39,245	\$35,791	265,317	\$ 4,899	\$0.01846	13.69%
Total Subject to Increase:				\$34,424				

Source of Data: Hirsch Korn, Ex. 496; Knox, Ex. 467, Part 4, Page 1, Line 35 (gas cost).

Scenario 2: 8% Overall Increase in Margin

CLASS		Present Revenue	Cost of Gas	Margin	Therms	Increase \$	Increase Per Therm	Margin Increase %
Residential/Commercial	101	\$51,441	\$25,647	\$25,794	115,059	\$ 2,145	\$0.01865	8.32%
Medium General Service	111	\$17,240	\$11,258	\$5,982	50,781	\$ 498	\$0.00980	8.32%
Large General Service	121	\$2,772	\$2,105	\$667	9,590	\$ 56	\$0.00579	8.32%
Interruptible	131	\$182	\$138	\$44	644	\$ -	\$0.00000	0.00%
Transportation	146	\$2,078	\$98	\$1,980	43,902	\$ 165	\$0.00375	8.32%
Special Contract	148	\$1,323	\$0	\$1,323	45,341	\$ -	\$0.00000	0.00%
Total:		\$75,036	\$39,245	\$35,791	265,317	\$ 2,863	\$0.01079	8.00%
Total Subject to Increase:				\$34,424				

<input checked="" type="checkbox"/>	ADMIT
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<input type="checkbox"/>	REJECT

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Scenario 2: 4% Overall Increase in Margin

CLASS		Present Revenue	Cost of Gas	Margin	Therms	Increase \$	Increase Per Therm	Margin Increase %
Residential/Commercial	101	\$51,441	\$25,647	\$25,794	115,059	\$ 1,073	\$0.00932	4.16%
Medium General Service	111	\$17,240	\$11,258	\$5,982	50,781	\$ 249	\$0.00490	4.16%
Large General Service	121	\$2,772	\$2,105	\$667	9,590	\$ 28	\$0.00289	4.16%
Interruptible	131	\$182	\$138	\$44	644	\$ -	\$0.00000	0.00%
Transportation	146	\$2,078	\$98	\$1,980	43,902	\$ 82	\$0.00188	4.16%
Special Contract	148	\$1,323	\$0	\$1,323	45,341	\$ -	\$0.00000	0.00%
Total:		\$75,036	\$39,245	\$35,791	265,317	\$ 1,432	\$0.00540	4.00%
Total Subject to Increase:				\$34,424				

Scenario 4: 0% Overall Increase in Margin

CLASS		Present Revenue	Cost of Gas	Margin	Therms	Increase \$	Increase Per Therm	Margin Increase %
Residential/Commercial	101	\$51,441	\$25,647	\$25,794	115,059	\$ -	\$0.00000	0.00%
Medium General Service	111	\$17,240	\$11,258	\$5,982	50,781	\$ -	\$0.00000	0.00%
Large General Service	121	\$2,772	\$2,105	\$667	9,590	\$ -	\$0.00000	0.00%
Interruptible	131	\$182	\$138	\$44	644	\$ -	\$0.00000	0.00%
Transportation	146	\$2,078	\$98	\$1,980	43,902	\$ -	\$0.00000	0.00%
Special Contract	148	\$1,323	\$0	\$1,323	45,341	\$ -	\$0.00000	0.00%
Total:		\$75,036	\$39,245	\$35,791	265,317	\$ -	\$0.00000	0.00%
Total Subject to Increase:				\$34,424				



Scenario 5: 4% Overall Decrease in Margin

CLASS		Present Revenue	Cost of Gas	Margin	Therms	Increase \$	Increase Per Therm	Margin Increase %
Residential/Commercial	101	\$51,441	\$25,647	\$25,794	115,059	\$ (1,073)	(\$0.00932)	-4.16%
Medium General Service	111	\$17,240	\$11,258	\$5,982	50,781	\$ (249)	(\$0.00490)	-4.16%
Large General Service	121	\$2,772	\$2,105	\$667	9,590	\$ (28)	(\$0.00289)	-4.16%
Interruptible	131	\$182	\$138	\$44	644	\$ -	\$0.00000	0.00%
Transportation	146	\$2,078	\$98	\$1,980	43,902	\$ (82)	(\$0.00188)	-4.16%
Special Contract	148	\$1,323	\$0	\$1,323	45,341	\$ -	\$0.00000	0.00%
Total:		\$75,036	\$39,245	\$35,791	265,317	\$ (1,432)	(\$0.00540)	-4.00%
Total Subject to Increase:				\$34,424				

Scenario 6: 8% Overall Decrease in Margin

CLASS		Present Revenue	Cost of Gas	Margin	Therms	Increase \$	Increase Per Therm	Margin Increase %
Residential/Commercial	101	\$51,441	\$25,647	\$25,794	115,059	\$ (2,145)	(\$0.01865)	-8.32%
Medium General Service	111	\$17,240	\$11,258	\$5,982	50,781	\$ (498)	(\$0.00980)	-8.32%
Large General Service	121	\$2,772	\$2,105	\$667	9,590	\$ (56)	(\$0.00579)	-8.32%
Interruptible	131	\$182	\$138	\$44	644	\$ -	\$0.00000	0.00%
Transportation	146	\$2,078	\$98	\$1,980	43,902	\$ (165)	(\$0.00375)	-8.32%
Special Contract	148	\$1,323	\$0	\$1,323	45,341	\$ -	\$0.00000	0.00%
Total:		\$75,036	\$39,245	\$35,791	265,317	\$ (2,863)	(\$0.01079)	-8.00%
Total Subject to Increase:				\$34,424				

Scenario 7: 13.73% Overall Decrease in Margin

CLASS		Present Revenue	Cost of Gas	Margin	Therms	Increase \$	Increase Per Therm	Margin Increase %
Residential/Commercial	101	\$51,441	\$25,647	\$25,794	115,059	\$ (3,683)	(\$0.03201)	-14.28%
Medium General Service	111	\$17,240	\$11,258	\$5,982	50,781	\$ (854)	(\$0.01682)	-14.28%
Large General Service	121	\$2,772	\$2,105	\$667	9,590	\$ (95)	(\$0.00994)	-14.28%
Interruptible	131	\$182	\$138	\$44	644	\$ -	\$0.00000	0.00%
Transportation	146	\$2,078	\$98	\$1,980	43,902	\$ (283)	(\$0.00644)	-14.28%
Special Contract	148	\$1,323	\$0	\$1,323	45,341	\$ -	\$0.00000	0.00%
Total:		\$75,036	\$39,245	\$35,791	265,317	\$ (4,915)	(\$0.01853)	-13.73%
Total Subject to Increase:				\$34,424				