

Exhibit No. ___ (JH-7)
Dockets UE-120436, et al.
Witness: Joanna Huang

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

Joanna Huang

STAFF OF
WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION

Depreciation Study Adjustment

September 19, 2012

AVISTA UTILITIES
WASHINGTON ELECTRIC RESULTS
TWELVE MONTHS ENDED DECEMBER 31, 2011
(000'S OF DOLLARS)

Line No.	DESCRIPTION	Depreciation Study
	Adjustment Number	4.05
	Workpaper Reference	E-DS
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	(3,242)
10	Regulatory Amortization	-
11	Taxes	-
12	Total Production & Transmission	(3,242)
Distribution		
13	Operating Expenses	-
14	Depreciation/Amortization	468
15	Taxes	-
16	Total Distribution	468
17	Customer Accounting	-
18	Customer Service & Information	-
19	Sales Expenses	-
Administrative & General		
20	Operating Expenses	-
21	Depreciation/Amortization	714
22	Taxes	-
23	Total Admin. & General	714
24	Total Electric Expenses	(2,060)
25	OPERATING INCOME BEFORE FIT	2,060
FEDERAL INCOME TAX		
26	Current Accrual	721
27	Debt Interest	-
28	Deferred Income Taxes	-
29	Amortized ITC - Noxon	-
30	NET OPERATING INCOME	1,339
RATE BASE		
PLANT IN SERVICE		
31	Intangible	\$0
32	Production	-
33	Transmission	-
34	Distribution	-
35	General	-
36	Total Plant in Service	-
ACCUMULATED DEPRECIATION/AMORT		
37	Intangible	-
38	Production	-
39	Transmission	-
40	Distribution	-
41	General	-
42	Total Accumulated Depreciation	-
43	NET PLANT	-
44	DEFERRED TAXES	-
45	Net Plant After DFIT	-
46	DEFERRED DEBITS AND CREDITS	-
47	WORKING CAPITAL	-
48	TOTAL RATE BASE	\$0

Revised Allowed Rate of Return - agreed to
Revenue Conversion Factor

NOI Requirement (1,339)

AVISTA UTILITIES
WASHINGTON NATURAL GAS RESULTS
TWELVE MONTHS ENDED DECEMBER 31, 2011
(000'S OF DOLLARS)

Line No.	DESCRIPTION	Depreciation Study
	Adjstment Number	4.02
	Workpaper Reference	G-DS
	REVENUES	
1	Total General Business	\$ -
2	Total Transportation	-
3	Other Revenues	-
4	Total Gas Revenues	-
	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	(63)
11	Taxes	-
12	Total Underground Storage	(63)
	Distribution	
13	Operating Expenses	-
14	Depreciation/Amortization	325
15	Taxes	-
16	Total Distribution	325
17	Customer Accounting	-
18	Customer Service & Information	-
19	Sales Expenses	-
	Administrative & General	
20	Operating Expenses	-
21	Depreciation/Amortization	581
22	Regulatory Amortizations	-
23	Taxes	-
24	Total Admin. & General	581
25	Total Gas Expense	843
26	OPERATING INCOME BEFORE FIT	(843)
	FEDERAL INCOME TAX	
27	Current Accrual	(295)
28	Debt Interest	-
29	Deferred FIT	-
30	Amort ITC	-
31	NET OPERATING INCOME	\$ (548)
	RATE BASE	
	PLANT IN SERVICE	
32	Underground Storage	\$ -
33	Distribution Plant	-
34	General Plant	-
35	Total Plant in Service	-
	ACCUMULATED DEPRECIATION/AMORT	
36	Underground Storage	-
37	Distribution Plant	-
38	General Plant	-
39	Total Accumulated Depreciation/Amortization	-
40	NET PLANT	-
41	DEFERRED TAXES	-
42	Net Plant After DFIT	-
43	GAS INVENTORY	-
44	GAIN ON SALE OF BUILDING	-
45	OTHER	-
46	WORKING CAPITAL	-
47	TOTAL RATE BASE	\$ -

	Originally Filed with Staff_DR_215 Attachment A	Transportation FERC A/C's 392000 & 396000	Subtotal: Originally Filed Less 392000 & 396000	ADJ #2 AMA W/New Rates	Total Adjustment
Production Plant:					
	DS-4 AMA New Rates				
Steam Production Plant	(2,040,703)	-	(2,040,703)	-	(2,040,703)
Hydraulic Production Plant	(827,664)	-	(827,664)	-	(827,664)
Other Production Plant	353,960	-	353,960	-	353,960
Total Production Plant	(2,514,407)	-	(2,514,407)	-	(2,514,407)
Transmission Plant	(727,446)	-	(727,446)	-	(727,446)
Distribution Plant:					
Washington	467,628	-	467,628	-	467,628
Idaho	-	-	-	-	-
	467,628	-	467,628	-	467,628
Common Electric Plant :					
Electric Direct Allocated North (ED AN)	(886,192)	(10,292)	(875,900)	137,240	(738,660)
Electric Direct Washington (ED WA)	(305,839)	(17,578)	(288,261)	468,319	180,058
Electric Direct Idaho (ED ID)	-	-	-	-	-
	(1,192,031)	(27,870)	(1,164,161)	605,559	(558,602)
Common Plant:					
Common Allocated All (CD AA)	1,010,880	(5,974)	1,016,854	12,726	1,029,581
Common Allocated North (CD AN)	70,189	(2,919)	73,108	11,946	85,054
Common Idaho (CD ID)	-	-	-	-	-
Common Washington (CD WA)	(1,722)	(10,972)	9,250	148,327	157,578
	1,079,347	(19,866)	1,099,213	172,999	1,272,212
TOTAL ELECTRIC PLANT	(2,886,909)	(47,736)	(2,839,173)	778,559	(2,060,615)

Note: Adjustment #1 above is listed in the restating 2011 capital adjustment. In preparing this data response the Company was asked to prepare this on an AMA level, therefore, there is no adjustment to EOP in the first column.

	Originally Filed with Staff_DR_215 Attachment A	Transportation FERC A/C's 392000 & 396000	Subtotal: Originally Filed Less 392000 & 396000	ADJ #2 AMA W/New Rates	Total Adjustment
Underground Storage Plant	(63,274)	-	(63,274)	-	(63,274)
Distribution Plant					
Allocated North:	10,232	-	10,232	-	10,232
Idaho	-	-	-	-	-
Washington	314,500	-	314,500	-	314,500
	<u>324,732</u>	<u>-</u>	<u>324,732</u>	<u>-</u>	<u>324,732</u>
Common Plant:					
Common Direct Allocated All (CD AA)	274,276	(1,621)	275,897	3,453	279,350
Comon Direct Allocated Norther (CD AN)	18,729	(779)	19,508	3,187	22,695
Common Direct Idaho	-	-	-	-	-
Common Direct Washington	(457)	(2,903)	2,446	39,251	41,697
	<u>292,548</u>	<u>(5,303)</u>	<u>297,851</u>	<u>45,891</u>	<u>343,742</u>
Common Gas Plant:					
Gas Direct Allocated North (GD AN)	(20,510)	(2,370)	(18,140)	10,288	(7,853)
Gas Direct Idaho (GD ID)	-	-	-	-	-
Gas Direct Washington (GD WA)	(57,192)	(63,156)	5,964	238,991	244,955
Gas Direct Allocated All (GD AA)	(10,404)	-	(10,404)	10,969	565
	<u>(88,106)</u>	<u>(65,526)</u>	<u>(22,580)</u>	<u>260,248</u>	<u>237,668</u>
TOTAL GAS PLANT	465,900	(70,829)	536,729	306,139	842,869

Note: Adjustment #1 above is listed in the restating 2011 capital adjustment.

In preparing this data response the Company was asked to prepare this on an AMA level, therefore, there is no adjustment to EOP in the first column.