

Exhibit No. \_\_ (EJK-4)  
Dockets UE-120436, et al.  
Witness: Edward J. Keating

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

Edward J. Keating

STAFF OF  
WASHINGTON UTILITIES AND  
TRANSPORTATION COMMISSION

*Electric - Interest Adjustment*

September 19, 2012

(000's of Dollars)

Line No.	Description	Amount	Adjustment
1	<b>Interest Adjustment</b>		
2	<b>Electric Restating Adjustment 2.17</b>		
3			
4			
5			
6			
7			
8			
9	Total Test Period Rate Base	1,123,911	
10			
11	Weighted Cost of Debt	3.08%	
12			
13	Pro Forma Interest Expense	34,616	34,616
14	Add: AFUDC interest deducted for taxes		
15			
16			34,616
17			
18			
19			33,020
20			
21			1,596
22			
23			(559)
24			
25			
26			

AVISTA UTILITIES

Restate Debt Interest

Washington - Electric

TWELVE MONTHS ENDED DECEMBER 31, 2011

(000's)

Exhibit No. \_ (EJK-4)

Dockets UE-120436 & UG-120437

2 of 2

Adjustment Description	Restate Debt Interest		
	2.17 Adjustment ROO	All other Adjustments	TOTAL
Results of Operations	1,123,911		1,123,911
1.01 Deferred FIT Rate Base		285	285
1.02 Deferred Debits and Credits		(7,013)	(7,013)
1.03 Working Capital		3,744	3,744
2.01 Eliminate B & O Taxes		-	0
3.06 Pro Forma Property Tax		-	0
2.02 Uncollect. Expense		-	0
2.03 Regulatory Expense		-	0
2.04 Injuries and Damages		-	0
2.05 FIT/DFIT/ ITC/PTC Expense		-	0
2.06 Eliminate WA Power Cost Defer		-	0
2.07 Nez Perce Settlement Adjustment		-	0
2.08 Eliminate A/R Expenses		-	0
2.09 Office Space Charges to Subsidiaries		-	0
2.10 Restate Excise Taxes		-	0
2.11 Net Gains / Losses		-	0
2.12 Revenue Normalization		-	0
2.13 Misc Restating		-	0
2.14 PCB Transformer Restating		-	0
2.15 Restate Incentives		-	0
2.16 Colstrip / CS2 Maintenance		-	0
2.17 Restate Debt Interest		-	0
3.00 Pro Forma Power Supply		-	0
3.01 Pro Forma Transmission Rev/Exp		-	0
3.02 Pro Forma Labor Non-Exec		-	0
3.03 Pro Forma Labor Exec		-	0
3.04 Pro Forma Employee Benefits		-	0
3.05 Pro Forma Insurance		-	0
3.06 Pro Forma Property Tax		-	0
3.07 Restate 2011 Capital			0
4.00 Planned Capital Add 2012			0
4.01 Planned Capital Add 2013 AMA			0
3.08 Pro Forma Capital Additions		5,173	5,173
4.04 Retail Revenue Credit		-	0
4.05 Depreciation Study		-	0
4.06 O&M Offsets		-	0
Totals	1,123,911	2,189	1,126,100
Weighted Average Cost of Debt	3.08%	3.08%	
Restated Debt Interest	34,616	67	34,684
Interest Per Results (E-FIT-12A)	33,020		33,020
Increase (Decrease) in Interest Expense	1,596	67	1,664
FIT Rate	0.35	0.35	
Increase (Decrease) in FIT	(559)	(24)	(583)
	2.17 Adjustment		