

**AVISTA CORP.
WASHINGTON - ELECTRIC
PRO FORMA REVENUE UNDER PRESENT PROPOSED RATES
YEAR ENDED 12/31/98**

WORK PAPER REFERENCE	TOTAL	RESIDENTIAL SCHEDULE 1	GENERAL SVC. SCH. 11,12	LG. GEN. SVC. SCH. 21,22	EX LG GEN SVC SCHEDULE 25	SP. CONTRACT SCH. 28	PUMPING SCH. 30, 31, 32	ST & AREA LTG SCH. 41-48
PRESENT BILL DETERMINANTS								
KILOWATT HOURS (KWHS)								
6,20	BLOCK 1	3,740,408,699	1,093,476,907	371,999,297	1,449,929,542	801,489,044	152,160	23,361,749
6,20	BLOCK 2	728,754,349	649,899,038					78,855,311
6,20	BLOCK 3	386,120,941	386,120,941					
	BLOCK 4							
10A	STREET & AREA LIGHTS							27,426,524
								0
	SUBTOTAL	4,882,710,513	2,129,496,886	371,999,297	1,449,929,542	801,489,044	152,160	102,217,060
97	NET SHIFTING ADJUSTMENT			(3,110,015)	3,110,015			
	SUBTOTAL	4,882,710,513	2,129,496,886	368,889,282	1,453,039,557	801,489,044	152,160	102,217,060
6	ADJUSTMENT TO ACTUAL	12,980,355	11,857,476	0	0	0	0	1,122,879
	SUBTOTAL	4,895,690,868	2,141,354,362	368,889,282	1,453,039,557	801,489,044	152,160	103,339,939
3	WEATHER & UNBILLED ADJ. KWHS	34,466,153	36,286,902	(2,644,538)	1,021,821	-	-	(198,032)
	TOTAL PROFORMA KWHS	4,930,157,021	2,177,641,264	366,244,744	1,454,061,378	801,489,044	152,160	103,141,907
6,20	TOTAL BILLS		2,105,588	262,640	36,773	252	12	12,829
	MINIMUM BILLS							
6,20,75	EXCESS DEMAND			145,494	2,467,389	997,546	2,502	
PROPOSED BILL DETERMINANTS								
KILOWATT HOURS (KWHS)								
	BLOCK 1	3,740,408,699	1,093,476,907	371,999,297	1,449,929,542	801,489,044	152,160	23,361,749
	BLOCK 2	1,114,875,290	1,036,019,979					78,855,311
	BLOCK 3	0						
	BLOCK 4	0						
	STREET & AREA LIGHTS	27,426,524						27,426,524
	SUBTOTAL	4,882,710,513	2,129,496,886	371,999,297	1,449,929,542	801,489,044	152,160	102,217,060
	NET SHIFTING ADJUSTMENT			(3,110,015)	3,110,015			
	SUBTOTAL	4,882,710,513	2,129,496,886	368,889,282	1,453,039,557	801,489,044	152,160	102,217,060
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	WEATHER & UNBILLED ADJ. KWHS	34,466,153	36,286,902	(2,644,538)	1,021,821	-	-	(198,032)
	TOTAL PROFORMA KWHS	4,930,157,021	2,177,641,264	366,244,744	1,454,061,378	801,489,044	152,160	103,141,907
	TOTAL BILLS		2,105,588	262,640	36,773	252	12	12,829
	MINIMUM BILLS							
	EXCESS DEMAND			145,494	2,467,389	997,546	2,502	

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YEAR ENDED 12/31/98**

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<u>PRESENT RATES</u>								
BASIC CHARGE		\$3.00	\$3.85					
MONTHLY MINIMUM								
BLOCK 1 PER KWH		3.892¢	6.360¢	4.191¢	3.015¢	5.270¢	5.526¢	
BLOCK 2 PER KWH		4.673¢					3.722¢	
BLOCK 3 PER KWH		5.628¢						
BLOCK 4 PER KWH								
ADJUST TO ACTUAL PER KWH		4.742¢	6.759¢	5.057¢	3.303¢	na	4.162¢	
DEMAND BLOCK 1				\$190.00	\$5,500.00	\$12,940.00		
DEMAND BLOCK 2			\$3.30	\$2.20	\$1.10	\$2.63		
<u>PROPOSED RATES</u>								
BASIC CHARGE		\$5.00	\$5.75				\$6.00	
MONTHLY MINIMUM								
BLOCK 1 PER KWH		4.365¢	6.693¢	4.409¢	3.248¢	5.270¢	5.937¢	
BLOCK 2 PER KWH		5.501¢					4.133¢	
BLOCK 3 PER KWH								
BLOCK 4 PER KWH								
ADJUST TO ACTUAL PER KWH		5.412¢	7.233¢	5.456¢	3.720¢	na	4.663¢	
DEMAND BLOCK 1				\$225.00	\$7,500.00	\$12,940.00		
DEMAND BLOCK 2			\$3.50	\$2.75	\$2.25	\$2.63		

Note: Rates include Energy Efficiency Rider Adjustment Schedule 91

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PRESENT REVENUE									
BILLING REVENUE									
	BASIC CHARGE	\$7,327,928	\$6,316,764	\$1,011,164					
	MONTHLY MINIMUM	\$0							
	BLOCK 1	\$152,447,707	\$42,558,121	\$23,659,155	\$60,766,547	\$24,164,895	\$8,019	\$1,290,970	
	BLOCK 2	\$33,304,777	\$30,369,782					\$2,934,995	
	BLOCK 3	\$21,730,887	\$21,730,887						
	BLOCK 4	\$0							
	DEMAND BLOCK 1	\$8,528,150			\$6,986,870	\$1,386,000	\$155,280		
	DEMAND BLOCK 2	\$7,012,267		\$480,130	\$5,428,256	\$1,097,301	\$6,580		
19	POWER FACTOR ADJUSTMENT	\$154,376	\$2,887		\$144,426			\$7,063	
18,20	PRIMARY VOLTAGE DISCOUNT	(\$192,727)			(\$18,923)				
	ANNUAL MINIMUM ADJUSTMENT	\$21,718					\$21,718		
81	STREET & AREA LIGHT REVENUE	\$3,566,964						\$3,566,964	
	SUBTOTAL	\$233,902,047	\$100,975,554	\$25,153,336	\$73,307,176	\$26,474,391	\$169,879	\$4,254,746	\$3,566,964
	NET SHIFTING ADJUSTMENT			(\$220,731)	\$176,339				
	SUBTOTAL	\$233,857,655	\$100,975,554	\$24,932,605	\$73,483,515	\$26,474,391	\$169,879	\$4,254,746	\$3,566,964
	ADJUST TO ACTUAL	\$608,992	\$562,253	\$0	\$0	\$0	\$0	\$46,739	\$0
	TOTAL BILLING REVENUE	\$234,466,647	\$101,537,806	\$24,932,605	\$73,483,515	\$26,474,391	\$169,879	\$4,301,485	\$3,566,964
	ADJUSTMENT REVENUE								
	UNBILLED REVENUE ADJUSTMENT								
157	BASE LOAD KWHS	(1,186,479)	(1,562,229)	(161,550)	735,332		0	(198,032)	0
5	BASE LOAD RATE		<u>3.991¢</u>	<u>6.360¢</u>	<u>4.191¢</u>			<u>4.162¢</u>	
	BASE LOAD REVENUE	(\$50,054)	(\$62,354)	(\$10,275)	\$30,818	\$0		(\$8,243)	
157	WEATHER-SENSITIVE KWHS	2,163,931	1,902,160	284,134	(22,363)	-	-	-	-
5	WEATHER-SENSITIVE RATE		<u>5.094¢</u>	<u>6.360¢</u>	<u>4.191¢</u>				
	WEATHER-SENSITIVE REVENUE	\$114,022	\$96,889	\$18,071	(\$937)	\$0		\$0	
157	TOTAL UNBILLED KWH ADJUST	977,452	339,931	122,584	712,969	0		(198,032)	0
	TOTAL UNBILLED REVENUE ADJ	\$63,969	\$34,535	\$7,796	\$29,881	\$0		(\$8,243)	\$0
	WEATHER NORMALIZATION ADJ								
155	WEATHER-SENSITIVE KWHS	33,488,701	35,946,971	(2,767,122)	308,852	-	-	-	-
5	WEATHER-SENSITIVE RATE		<u>5.094¢</u>	<u>6.360¢</u>	<u>4.191¢</u>				
	WEATHER-SENSITIVE REVENUE	\$1,667,957	\$1,831,002	(\$175,989)	\$12,944				
	OTHER ADJUSTMENTS								
	TOTAL ADJUSTMENT REVENUE	\$1,731,926	\$1,865,537	(\$168,193)	\$42,825	\$0	\$0	(\$8,243)	\$0
	TOTAL BILLING REVENUE	\$234,466,647	\$101,537,806	\$24,932,605	\$73,483,515	\$26,474,391	\$169,879	\$4,301,485	\$3,566,964
	TOTAL PRESENT REVENUE	\$236,198,572	\$103,403,343	\$24,764,413	\$73,526,339	\$26,474,391	\$169,879	\$4,293,242	\$3,566,964

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PROPOSED REVENUE									
BILLING REVENUE									
	BASIC CHARGE	\$12,115,094	\$10,527,940	\$1,510,180			\$76,974		
	MONTHLY MINIMUM	\$0	\$0						
	BLOCK 1	\$163,982,943	\$47,730,267	\$24,897,913	\$63,927,394	\$26,032,364	\$8,019	\$1,386,987	
	BLOCK 2	\$60,250,549	\$56,991,459					\$3,259,090	
	BLOCK 3	\$0	\$0						
	BLOCK 4	\$0	\$0						
	DEMAND BLOCK 1	\$10,319,205			\$8,273,925	\$1,890,000	\$155,280		
	DEMAND BLOCK 2	\$9,545,608		\$509,229	\$6,785,320	\$2,244,479	\$6,580		
19	POWER FACTOR ADJUSTMENT	\$154,376		\$2,887	\$144,426			\$7,063	
18,20	PRIMARY VOLTAGE DISCOUNT	(\$385,454)			(\$37,846)				
	ANNUAL MINIMUM ADJUSTMENT	\$36,197						\$36,197	
81	STREET & AREA LIGHT REVENUE	\$3,916,968						\$3,916,968	
	SUBTOTAL	\$259,935,486	\$115,249,666	\$26,920,209	\$79,093,218	\$29,819,235	\$169,879	\$4,766,311	\$3,916,968
	NET SHIFTING ADJUSTMENT			(\$238,327)	\$189,801				
	SUBTOTAL	\$259,886,959	\$115,249,666	\$26,681,881	\$79,283,019	\$29,819,235	\$169,879	\$4,766,311	\$3,916,968
	ADJUST TO ACTUAL	<u>\$694,093</u>	<u>\$641,734</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$52,359</u>	<u>\$0</u>
	TOTAL BILLING REVENUE	\$260,581,052	\$115,891,400	\$26,681,881	\$79,283,019	\$29,819,235	\$169,879	\$4,818,670	\$3,916,968
	ADJUSTMENT REVENUE								
	UNBILLED REVENUE ADJUSTMENT								
157	BASE LOAD KWHS	(1,186,479)	(1,562,229)	(161,550)	735,332	-	-	(198,032)	-
5	BASE LOAD RATE		<u>4.509¢</u>	<u>6.693¢</u>	<u>4.409¢</u>	<u>3.248¢</u>		<u>4.663¢</u>	
	BASE LOAD REVENUE	(\$58,074)	(\$70,449)	(\$10,813)	\$32,421	\$0		(\$9,234)	
157	WEATHER-SENSITIVE KWHS	2,163,931	1,902,160	284,134	(22,363)	-	-	-	-
5	WEATHER-SENSITIVE RATE		<u>5.501¢</u>	<u>6.693¢</u>	<u>4.409¢</u>				
	WEATHER-SENSITIVE REVENUE	\$122,669	\$104,638	\$19,017	(\$986)	\$0		\$0	
157	TOTAL UNBILLED KWH ADJUST	977,452	339,931	122,584	712,969	0	0	(\$198,032)	0
	TOTAL UNBILLED REVENUE ADJ	\$64,595	\$34,189	\$8,205	\$31,435	\$0		(\$9,234)	\$0
	WEATHER NORMALIZATION ADJ								
155	WEATHER-SENSITIVE KWHS	33,488,701	35,946,971	(2,767,122)	308,852	-	-	-	-
	WEATHER-SENSITIVE RATE		<u>5.501¢</u>	<u>6.693¢</u>	<u>4.409¢</u>				
	WEATHER-SENSITIVE REVENUE	\$1,805,857	\$1,977,443	(\$185,203)	\$13,617				
	OTHER ADJUSTMENTS								
	TOTAL ADJUSTMENT REVENUE	\$1,870,451	\$2,011,632	(\$176,999)	\$45,052	\$0	\$0	(\$9,234)	\$0
	TOTAL BILLING REVENUE	\$260,581,052	\$115,891,400	\$26,681,881	\$79,283,019	\$29,819,235	\$169,879	\$4,818,670	\$3,916,968
	TOTAL PROPOSED REVENUE	\$262,451,503	\$117,903,032	\$26,504,883	\$79,328,071	\$29,819,235	\$169,879	\$4,809,436	\$3,916,968
	TOTAL PRESENT REVENUE	<u>\$236,198,572</u>	<u>\$103,403,343</u>	<u>\$24,764,413</u>	<u>\$73,526,339</u>	<u>\$26,474,391</u>	<u>\$169,879</u>	<u>\$4,293,242</u>	<u>\$3,566,964</u>
	TOTAL REVENUE INCREASE	\$26,252,931	\$14,499,689	\$1,740,470	\$5,801,732	\$3,344,843	\$0	\$516,193	\$350,004
	PERCENT REVENUE INCREASE	11.11%	14.02%	7.03%	7.89%	12.63%	0.00%	12.02%	9.81%

**AVISTA CORP.
WASHINGTON - ELECTRIC
PRO FORMA REVENUE UNDER PRESENT PROPOSED RATES
YEAR ENDED 12/31/98**

WORK PAPER REFERENCE	RATES	TOTAL KWHs	TOTAL REVENUE	BASELOAD KWHs	BASELOAD REVENUE	WTHR-SENSITIVE KWHs	WTHR-SENSITIVE REVENUE
PRESENT BASELOAD AND WEATHER-SENSITIVE RATES							
SCHEDULE 1							
0-600 KWHs	3.892¢	1,093,476,907	\$42,558,121	1,093,476,907	\$42,558,121	0	\$0
601-1300 KWHs	4.673¢	649,899,038	\$30,369,782	159,347,953	\$7,446,330	490,551,085	\$22,923,452
OVER 1300 KWHs	5.628¢	<u>386,120,941</u>	<u>\$21,730,887</u>	0	<u>\$0</u>	<u>386,120,941</u>	<u>\$21,730,887</u>
TOTAL		2,129,496,886	\$94,658,790	1,252,824,860	\$50,004,451	876,672,026	\$44,654,339
AVERAGE RATE					3.991¢		5.094¢
PROPOSED BASELOAD AND WEATHER-SENSITIVE RATES							
SCHEDULE 1							
0-600 KWHs	4.365¢	1,093,476,907	\$47,730,267	1,093,476,907	\$47,730,267	0	\$0
601-1300 KWHs	5.501¢	649,899,038	\$35,750,946	159,347,953	\$8,765,731	490,551,085	\$26,985,215
OVER 1300 KWHs	5.501¢	<u>386,120,941</u>	<u>\$21,240,513</u>	0	<u>\$0</u>	<u>386,120,941</u>	<u>\$21,240,513</u>
TOTAL		2,129,496,886	\$104,721,726	1,252,824,860	\$56,495,998	876,672,026	\$48,225,728
AVERAGE RATE					4.509¢		5.501¢