

Before the
Washington Utilities and Transportation Commission

Avista Corporation

Docket Nos. UE-991606 & UG-991607

Summary Electric Pro forma Results of Operation
For the 12 Months Ended December 31, 1998

Robert L. C. Damron - Consultant
On Behalf of Public Counsel

May, 2000

WUTC		
DOCKET NO. <u>UE-991606</u>		
EXHIBIT # <u>705</u>		
ADMIT	W/D	REJECT
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

AVISTA UTILITIES - ELECTRIC RESULTS OF OPERATIONS
SUMMARY PRO FORMA INCOME STATEMENT - WASHINGTON
FOR THE 12 MONTHS ENDED DECEMBER 31, 1998
(DOLLARS IN THOUSANDS)

Docket No. UE-991606
Page 1 of 1

Line No.	(A)	Net Operating Income (B)	Rate Base (C)	Revenue (Excess) Or Deficiency At 8.82% (D)	Rate of Return (E)	Impact On Rate of Return (F)
1	ACTUAL RESULTS OF OPERATIONS	\$61,733	\$736,129		8.39%	
	RESTATING ADJUSTMENTS					
2	RA-01 Deferred FIT Rate Base	0	(100,720)			1.09%
3	RA-02 Deferred Gain on Office Building	0	(1,150)			0.01%
4	RA-03 Colstrip 3 AFUDC Elimination	208	(3,736)			0.06%
5	RA-04 Colstrip Common AFUDC	0	746			-0.01%
6	RA-05 Kettle Falls Disallowance	108	(1,841)			0.03%
7	RA-06 Clearwater Hydro	0	28			-0.00%
8	RA-07 Washington and DSM Investment	0	26,551			-0.24%
9	RA-08 Customer Advances	0	(1,361)			0.01%
10	RA-09 Settlement Exchange Power	(4,332)	0			-0.48%
11	RA-10 Eliminate B&O Taxes	(38)	0			-0.00%
12	RA-11 Pro Forma Property Tax	83	0			0.01%
13	RA-12 Uncollectible Expense	(21)	0			-0.00%
14	RA-13 Regulatory Expense	(80)	0			-0.01%
15	RA-14 Injuries and Damages	(1,514)	0			-0.17%
16	RA-15 FIT	(3,230)	0			-0.36%
17	RA-16 Pro Forma Restated Debt Interest	(808)	0			-0.09%
18	RA-17 Eliminate A/R Expenses	973	0			0.11%
19	RA-18 Office Space Charges to Subsidiaries	16	0			0.00%
20	RA-19 Reclassify DADs/MOPs Revenues	0	0			0.00%
	PUBLIC COUNSEL ADJUSTMENTS					
21	RA-PC-01 Admin. & General Adjustment	2,702	0			0.30%
22	RA-PC-02 Franchise Fees for Use of Corp. Name	1,450	0			0.16%
23	RA-PC-03 Production Depreciation Expense	1,776	410			0.19%
24	RA-PC-05 Meter Reading & Billing	993	4,249			0.07%
25	RA-PC-06 Remove Name Change Amortization	69	0			0.01%
26	TOTAL RESTATING ADJUSTMENTS	(\$1,646)	(\$76,824)			0.69%
27	RESTATED RESULTS OF OPERATIONS	\$60,087	\$659,305		9.11%	
	PRO FORMA ADJUSTMENTS					
28	P-01 Pro Forma Power Supply 7/00-6/01	(450)	0			-0.05%
29	P-02 Pro Forma Potlatch 7/00-6/01	683	0			0.08%
30	P-PC-03 Pro Forma Depreciation Adj.	(679)	(157)			-0.07%
31	P-04 Pro Forma Hydro Rel Adj.	(954)	9,277			-0.19%
32	P-05 Pro Forma Comm Trade Adj.	199	0			0.02%
33	P-06 Pro Forma Nez Perce Adj.	(380)	0			-0.04%
34	P-07 Pro Forma Labor/Benefit Adj.	(386)	0			-0.04%
35	P-08 Pro Forma Revenue Adj.	1,555	0			0.17%
36	P-09 Pro Forma Miscel. Adj.	679	0			0.08%
37	P-10 Pro Forma MOPS	(92)	351			-0.01%
38	TOTAL PRO FORMA ADJUSTMENTS	\$177	\$9,471			-0.07%
39	PRO FORMA RESULTS OF OPERATIONS	\$60,264	\$668,777		9.01%	0.62%
40	NOI & REV. (EXCESS) OR DEFICIENCY	(\$1,278)	\$0	(\$2,058)		
41	RESULTS AT PROPOSED RATES	\$58,986	\$668,777		8.82%	