Exhibit	(RLCD-3)
- ILANA NA V	

Before theWashington Utilities and Transportation Commission

Avista Corporation

Docket Nos. UE-991606 & UG-991607

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		
			=-991606
	EXHIBIT #	706	-
	ADMIT	W/D	REJECT

PRO	TA UTILITIES - ELECTRIC RESULTS OF OPERA' FORMA INCOME STATEMENT: WASHINGTON THE 12 MONTHS ENDED DECEMBER 31, 1998 (DOLLARS IN THOUSANDS)	TIONS			***************************************			Exhibit #_ Docket No. UE Summary Pag	(RLCD-03) -991606 e 1
Line No.	Description (A)	Source	As Recorded Results of Operations	Total Restating Adustments	Restated Results of Operations	Total Pro Forma Adjustments	Pro forma Results of Operations	Revenue (Excess) or Deficiency	Adjusted Pro Forma Results of Operations
	(4)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(1)
	REVENUES								
1	Total General Business	Input	\$253,536	(\$6,057)	\$247,479	\$3,640	\$251,119	(\$2,058)	\$249,061
2	Interdepartmental Sales	input	640	0	640	0	640	0	640
3	Sales for Resale	Input	306,373	0	306,373	(211,463)	94,910	0	94,910
5	Total Sales of Electricity Other Revenue	Ln 1+2+3 Input	560,549 16,217	(6,057) 247	554,492 16,464	(207,823)	346,669 15,425	(2,058) 0	344,611
ľ	Office (Veveride	mput	10,217	241	10,404	(1,039)	15,425	U	15,425
6	TOTAL ELECTRIC REVENUE	Ln 4+5	576,766	(5,810)	570,956	(208,862)	362,094	(2,058)	360,036
	EXPENSES Production and Transmission								
7	Operating Expenses	Input	64,520	0	64,520	(1,576)	62,944	0	62,944
8	Purchased Power	Input	315,272	0	315,272	(208,149)	107,123	0	107,123
9	Depreciation and Amortization	Input	17,857	(5,636)	12,221	452	12,673	U	12,673
10	Taxes	input	10,517	(50)	10,467	0	10,467	0	10,467
11	Total Production & Transmission	Ln 7+8+9+10	408,166	(5,686)	402,480	(209,273)	193,207	0	193,207
	5 1.11.41								
12	Distribution			_					
13	Operating Expenses Depreciation and Amortization	Input Input	10,621	0	10,621	268	10,889	0	10,889
14	Taxes	Input	8,188 22,389	(8,058)	8,188 14,331	(102) 140	8,086 14,471	(70)	8,086
15	Total Distribution	Ln 12+13+14	41,198	(8,058)	33,140	305	33,445	(79) (79)	14,392 33,366
		217 12 10 114	71,100	(0,000)	00,140	- 000	00,440	(13)	00,000
16	Customer Accounting	input	7,227	(2,993)	4,234	128	4,362	(7)	4,355
17	Customer Service & Information	Input	6,630	0	6,630	42	6,672	0	6,672
18	Sales Expenses	Input	383	0	383	4	387	0	387
1 1	Administrative & General								
19	Operating Expenses	Input	33,046	(1,834)	31,212	(1,035)	30,177	(5)	30,171
20	Depreciation and Amortization	Input	2,686	(1,001)	2,686	695	3,381	0	3,381
21	Taxes	Input	75	(1)	74	0	74	0	74
22	Total Admin. & General	Ln 19+20+21	35,807	(1,835)	33,972	(340)	33,631	(5)	33,626
23	TOTAL ELECTRIC EXPENSES	Ln 11+15+18+22	499,411	(18,572)	480,839	(209,134)	271,705	(92)	271,612
24	OPERATING INCOME BEFORE FIT	Ln 6-23	77,355	12,762	90,117	272	90,389	(1,966)	88,423
[]	or Elotimo moone bel one in	1 2110-20	77,000	12,702	30,117	212	30,303	(1,900)	00,423
	FEDERAL INCOME TAXES	1	1						
25	Current Accrual	From Ln 44 or 45	12,948	6,623	19,571	461	20,032	(688)	19,343
26	Deferred Income Taxes	Input	2,700	1,376	4,076	(365)	3,711	0	3,711
27 28	Amortized Investment Tax Credit TOTAL FIT, DEF FIT & AMT ITC	Input Ln 25+26+27	(26) 15.622	7,999	(26) 23,621	95	(26) 23,716	(688)	(26) 23,028
120	TOTALTH, DET THE WARRENCE	LII 25+20+21	10,022	7,000	23,621	70	23,716	(000)	23,028
29	SETTLEMENT EXCHANGE POWER	Input	0	6,409	6,409	0	6,409	0	6,409
30	TOTAL OPERATING EXPENSE. & FIT	Ln 23+28+29	515,033	(4,164)	510,869	(209,039)	301,830	(780)	301,050
31	NET OPERATING INCOME	Ln 6-30	\$61,733	(\$1,646)	\$60,087	\$177	\$60,264	(\$1,278)	
	DATE DAGE		2.000.000.000.000.000.000						
32	RATE BASE	Fram La Er	64 070 400	#40.015	#4 000 000	*0.700	64 005 7 10	••	04 005 740
33	Total Plant In Service Total Accumulated Depreciation & Amort.	From Ln 51 From Ln 54	\$1,072,193 336,064	\$13,815 (6,837)	\$1,086,008 329,227	\$9,738 632	\$1,095,746 329,859	\$0 0	\$1,095,746 329,859
34	Net Plant In Service	Ln 32-33	736,129	20,652	756,781	9,106	765,887	0	765,887
35	Gain on Sale of Operating Assets	From Ln 55	750,129	(1,768)	(1,768)		(1,768)		(1,768)
36	Total Accumulated Deferred Taxes	From Ln 56	Ö	(99,957)	(99,957)	365	(99,592)		(99,592)
37	Investor-Supplied Working Capital Allowance	From Ln 57	0	4,249	4,249	0	4,249	0	4,249
38	TOTAL RATE BASE	Ln 34+35+36+37	\$736,129	(\$76,824)	\$659,305	\$9,471	\$668,777	\$0	\$668,777
39	RATE OF RETURN ON RATE BASE- %	(Ln 31/38) x 100	8.39%		A 44A/		9.01%	1 19 H - 1 1 1 1 1 1 1	8.82%
29	RATE OF KETURN ON RATE BASE- %	(LII 3 1/36) X 100	8.39%	of a contract of the contract of	9.11%	ion can vocare e cas	9.01%		8.82%

PRO DETA FOR	ITA UTILITIES - ELECTRIC RESULTS OF OPERA FORMA INCOME STATEMENT: WASHINGTON AIL OF INCOME TAXES AND RATE BASE THE 12 MONTHS ENDED DECEMBER 31, 1998 (DOLLARS IN THOUSANDS)	RIONS						Exhibit #	
Line No.	Description	Source	As Recorded Results of Operations	Total Restating Adustments	Restated Results of Operations	Total Pro Forma Adustments	Pro forma Results of Operations	Revenue (Excess) or Deficiency	Adjusted Results of Operations
	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)
	• •	1 ''	, ,	` '	` '	***	, - ,	V7	,
. !	FEDERAL INCOME TAXES:								
40	Operating Income Before FIT:	From Ln 24	\$77,355	\$12,762	\$90,117	\$272	\$90,389	(\$1,966)	\$88,423
41	Other Operating Income	Input	0	0	0	0	0	0	0
	FIT - Net Deductions	Input	(40,360)	6,160	(34,200)	1,044	(33,156)	0	(33,156
43	Taxable income	Ln 40+41+42	36,995	18,922	55,917	1,317	57,234	(1,966)	55,268
44	Net Federal Income Tax	Ln 43 x (35.00%/100)	12,948	6,623	19,571	461	20,032	(688)	19,344
45	Federal Income Taxes - Direct Input	Input	12,948	6,623	19,571	461	20,032	(688)	19,343
	RATE BASE PLANT IN SERVICE							•	
46	Intangible	Input	\$3,318	\$0	\$3,318	\$9,738	\$13,056	\$0	\$13,056
47	Production	Input	473,394	15,176	488,570	0	488,570	0	488,570
48	Transmission	Input	176,604	0	176,604	0	176,604	0	176,604
49	Distribution	Input	364,352	(1,361)	362,991	0	362,991	0	362,991
50	General	Input	54,525	0	54,525	0	54,525	0	54,525
51	TOTAL PLANT IN SERVICE	Ln +46+50	1,072,193	13,815	1,086,008	9,738	1,095,746	0	1,095,746
52	ACCUMULATED DEPRECIATION	Input	333,117	(6,837)	326,280	522	326,802	0	326,802
53	ACCUM. PROVISION FOR AMORTIZATION	Input	2,947	0	2,947	110	3,057	0	3,057
54	TOTAL ACCUM. DEPR. & AMORT.	Ln 52+53	336,064	(6,837)	329,227	632	329,859	0	329,859
55	GAIN ON SALE OF OPER. ASSETS	. Input	0	(1,768)	(1,768)	0	(1,768)	0	(1,768
56	ACCUMULATED DEFERRED TAXES	Input	0	(99,957)	(99,957)	365	(99,592)	0	(99,592
57	INVESTOR SUPPLIED WORKING CAPITAL	Input	0	4,249	4,249	0	4,249	0	4,249
58			0	0	0	0	0	0	· c
59			0	0	0	0	0	0	C
60 61			0	0	0	0	0	0	C
62	NET RATE BASE	Ln 51-54+55+56+57	\$736,129	(\$76,824)	\$659,305	\$9,471	\$668,777	\$0	\$668,777

RES [*]	TA UTILITIES - ELECTRIC RESULTS OF OPERA' TATING ADJUSTMENTS TO INCOME THE 12 MONTHS ENDED DECEMBER 31, 1998 (DOLLARS IN THOUSANDS)	11043					Exhibit #	
Line No.	Description	Source	Total Restating Adustments	RA-1 Deferred FIT Rate Base	RA-2 Deferred Gain on Office Building	RA-3 Colstrip 3 AFUDC Elimination	RA-4 Colstrip Common AFUDC	RA-5 Kettle Falls Disallow.
	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)
	` '	\-'	\ '-'	1-7	\ <i>\</i>	V- /	(-)	(,
	REVENUES	1						
1	Total General Business	Input	(\$6,057)	\$0	\$0	\$0	\$0	\$0
2	Interdepartmental Sales	Input	0	0		0		0
3	Sales for Resale	Input	0	0		0		0
4	Total Sales of Electricity	Ln 1+2+3	(6,057)	0		0		0
5	Other Revenue	Input	247	0	0	0	0	0
6	TOTAL ELECTRIC REVENUE	Ln 4+5	(5,810)	0	. 0	0	0	0
	FVDFNOCO							
	EXPENSES Production and Transmission	1						
7	Production and Transmission Operating Expenses	Input	٥	0	. 0			_
8	Purchased Power	Input	0	0		0		0
9	Depreciation and Amortization	Input	(5,636)	0		(208		0
10	Taxes	Input	(5,030)	0		(200		(164 0
11	Total Production & Transmission	Ln 7+8+9+10	(5,686			(208		(164
``		2	(0,000			(200	,	(104
	Distribution		1					
12	Operating Expenses	Input	٥	0	0	0	0	0
13	Depreciation and Amortization	Input	0	0		0		Ö
14	Taxes	Input	(8,058)	0	0	0		0
15	Total Distribution	Ln 12+13+14	(8,058)	0	0	0	0	0
16	Customer Accounting	Input	(2,993)	0		0		0
17	Customer Service & Information	Input	0	0		0		0
18	Sales Expenses	Input	0	0	0	0	0	0
	Administrative & General							
19	Operating Expenses	Input	(1,834)	0	0	0	0	0
20	Depreciation and Amortization	Input	(1,034)	0		0		0
21	Taxes	Input	ű	0		ő		0
22	Total Admin. & General	Ln 19+20+21	(1,835)	0		0		0
1								
23	TOTAL ELECTRIC EXPENSES	Ln 11+15+18+22	(18,572)	0	0	(208) 0	(164
24	OPERATING INCOME BEFORE FIT	Ln 6-23	12,762	0	0	208	0	164
	FEDERAL INCOME TAXES							
25	Current Accrual	From Ln 43 or 44	6,623	0	0	0	0	0
26	Deferred Income Taxes	Input	1,376	ŏ		ő	-	56
27	Amortized Investment Tax Credit	Input	0	ō		ő		0
28	TOTAL FIT, DEF FIT & AMT ITC	Ln 25+26+27	7,999	0	0	0	0	56
29	SETTLEMENT EXCHANGE POWER	Input	6,409	0	0	0	0	0
			4,744		•	•	•	-
30	TOTAL OPERATING EXPENSE, & FIT	Ln 23+28+29	(4,164)	0	0	(208		(108
31	NET OPERATING INCOME	Ln 6-30	(\$1,646)	\$0	\$0	\$208	\$0	\$108
	RATE BASE							
32	Total Plant In Service	From Ln 50	13,815	\$0		(\$6,916		(\$5,248
33	Total Accumulated Depreciation & Amort.	From Ln 53	(6,837)			(3,180		(2,291
34 35	Net Plant In Service	Ln 32-33	20,652	C		(3,736		(2,957
35	Gain on Sale of Operating Assets Total Accumulated Deferred Taxes	From Ln 54 From Ln 55	(1,768)	(400.730		0		0
37	Investor-Supplied Working Capital Allowance	From Ln 55 From Ln 56	(99,957)	(100,720		0		1,116
31	mivestor-supplied vvolking Capital Allowance	FIOIII LII 50	4,249	· ·	0	0	0	,
38	TOTAL RATE BASE	Ln 34+35+36+37	(\$76,824)	(\$100,720) (\$1,150)	(\$3,736	\$746	(\$1,841
٠٠,								

E 12 MONTHS ENDED DECEMBER 31, 1991 LLARS IN THOUSANDS) Description (A) DERAL INCOME TAXES: trating Income Before FIT: er Operating Income - Net Deductions able Income	Source (B) From Ln 24 Input Input	Total Restating Adustments (C) \$12.762	RA-1 Deferred FIT Rate Base (D)	RA-2 Deferred Gain on Office Bullding (E)	RA-3 Colstrip 3 AFUDC Elimination	RA-4 Colstrip Common	RA-5 Kettle Falls
(A) DERAL INCOME TAXES: orating Income Before FIT: er Operating Income - Net Deductions	(B) From Ln 24 Input	Restating Adustments (C)	FIT Rate Base	on Office Building	AFUDC		
(A) DERAL INCOME TAXES: orating Income Before FIT: er Operating Income - Net Deductions	(B) From Ln 24 Input	Adustments (C)	Rate Base	Bullding		Continion	
DERAL INCOME TAXES: prating Income Before FIT: er Operating Income - Net Deductions	From Ln 24 Input		(D)			AFUDC	Disallow.
erating Income Before FIT: er Operating Income - Net Deductions	Input	\$12.762			(F)	(G)	(H)
erating Income Before FIT: er Operating Income - Net Deductions	Input	\$12.762			• •	, ,	` '
er Operating Income - Net Deductions	Input	\$12.762					
- Net Deductions		ψ12,702	\$0	\$0	\$208	\$0	\$164
	lanut	0	0	0	0	0	0
able income		6,160	0	0	(208)	0	(164)
	Ln 39+40+41	18,922	0	. 0	0	0	0
Federal Income Tax	Ln 42 x (35.00%/100)	6,623	0	0	0	0	0
*** OR *** eral Income Taxes - Direct Input	Input	6,623	0	0	0	0	0
re base	",					·	
NT IN SERVICE		1					
tangible	1	•	••	••	••	••	•
roduction	Input	\$0	\$0	\$0	\$0	\$0	\$0
ransmission	Input	15,176	0	0	(6,916)		(5,248)
stribution	Input	0	0	0	0	0	0
eneral	Input	(1,361)	-	0	0	0	U
TOTAL PLANT IN SERVICE	Input	13,815	0	0	0	0	U
TOTAL PLANT IN SERVICE	Ln +45+49	13,815	U	U	(6,916)	746	(5,248
CUMULATED DEPRECIATION	Input	(6,837)	0	0	(3,180)	0	(2,291)
CUM. PROVISION FOR AMORTIZATION	Input	` 0	0	0	, 0	Ö	(_,
TOTAL ACCUM. DEPR. & AMORT.	Ln 51+52	(6,837)	0	0	(3,180)	0	(2,291)
N ON SALE OF OPER. ASSETS	Input	(1,768)	0	(1,768)	0	0	0
CHMIII ATED DEFERRED TAYES	Input	(99,957)	(100,720)	618	0	0	1,116
SOURCE LED DEL FUILED INVEG	Input	4,249	0	0	0	0	0
ESTOR SUPPLIED WORKING CAPITAL	1 '	0	0	0	0	0	0
		0	0	0	0	0	0
		ما	0	0	0	0	0
		٧		•	•		
3	UMULATED DEFERRED TAXES STOR SUPPLIED WORKING CAPITAL		STOR SUPPLIED WORKING CAPITAL Input 4,249	STOR SUPPLIED WORKING CAPITAL Input 4,249 0 0 0 0 0 0	STOR SUPPLIED WORKING CAPITAL Input 4,249 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0	STOR SUPPLIED WORKING CAPITAL Input 4,249 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0	STOR SUPPLIED WORKING CAPITAL Input 4,249 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0

RES FOR	ITA UTILITIES - ELECTRIC RESULTS OF OPERA TATING ADJUSTMENTS TO INCOME THE 12 MONTHS ENDED DECEMBER 31, 1998 (DOLLARS IN THOUSANDS)	TIONS					Exhibit # Docket No. UE Restating Adj.	
Line	` . '		RA-6 Clearwater	RA-7 Weatherizn and DSM	RA-8 Customer	RA-9 Settlement Exchange	RA-10 Eilminate B&O	RA-11 Proforma Property
No.	Description (A)	Source (B)	Hydro (i)	Investmnet (J)	Advances (K)	Power (L)	Taxes (M)	Tax
	(~)	(0)	(1)	(5)	(14)	(L)	(141)	(N)
	REVENUES		l					
1	Total General Business	Input	\$0	\$0	\$0	\$0	(\$7,998)	\$0
2	Interdepartmental Sales	Input	0	0	0	0	0	0
3	Sales for Resale	Input	0	0	0	0		0
4	Total Sales of Electricity	Ln 1+2+3	0	0	0	0		0
5	Other Revenue	Input	0	0	0	0	(42)	0
6	TOTAL ELECTRIC REVENUE	Ln 4+5	0	0	0	0	(8,040)	0
	EXPENSES	1	1					
	Production and Transmission	1	I					
7	Operating Expenses	Input	0	0	0	0	0	0
8	Purchased Power	Input	ő	ŏ	ő	ŏ		n
9	Depreciation and Amortization	Input	ō	ō	ō	(2,532)		0
10	Taxes	Input	0	0	0	``` 0		(50
11	Total Production & Transmission	Ln 7+8+9+10	0	0	0	(2,532) 0	(50
	Distribution	1						
12	Operating Expenses	Input	0	0	0	0		0
13 14	Depreciation and Amortization Taxes	Input	0	0	0	0		. 0
15	Total Distribution	Input Ln 12+13+14	0	0	0	0		(76 (76
,,	Total Distribution	Lil 12+13+14	<u>_</u>	U	U	<u>U</u>	(7,982)	(76
16	Customer Accounting	Input	0	0	0	0	0	0
17	Customer Service & Information	Input	o	0	0	ō		0
18	Sales Expenses	Input	0	0	0	0	0	0
	Administrative & General							
19	Operating Expenses	Input	0	0	0	0	0	0
20	Depreciation and Amortization	Input	0	0	0	0		0
21	Taxes	Input	0	0	0	0		(1
22	Total Admin. & General	Ln 19+20+21	0	0	0	0	0	(1
23	TOTAL ELECTRIC EXPENSES	Ln 11+15+18+22	0	0	0	(2,532) (7,982)	(127
24	OPERATING INCOME BEFORE FIT	Ln 6-23	0	0	0	2,532	(58)	127
۱ ،	FEDERAL INCOME TAXES	50.11.10.11			_	_		
25 26	Current Accrual Deferred Income Taxes	From Ln 43 or 44	0	0	0	0		44
27	Amortized Investment Tax Credit	Input Input	0	0 0	0	455 0		0
28	TOTAL FIT, DEF FIT & AMT ITC	Ln 25+26+27	1 6	0	0	455		44
29	SETTLEMENT EXCHANGE POWER	Input	0	0	0			0
		1				6,409		
30 31	TOTAL OPERATING EXPENSE. & FIT NET OPERATING INCOME	Ln 23+28+29 Ln 6-30	0	0	0	4,332		(83
31	NET OPERATING INCOME	Ln 6-30	\$0	\$ 0	\$0	(\$4,332		\$83
	RATE BASE		I	and the second section of the second			or commercial control of the control	A Land of the Strategic Control
32	Total Plant In Service	From Ln 50	\$43	\$26,551	(\$1,361)			\$0
33	Total Accumulated Depreciation & Amort.	From Ln 53	0	0	0	0		0
34	Net Plant In Service	Ln 32-33	43	26,551	(1,361)			0
35 36	Gain on Sale of Operating Assets	From Ln 54	0 (15)	0	0	0		0
36	Total Accumulated Deferred Taxes Investor-Supplied Working Capital Allowance	From Ln 55 From Ln 56	(15)	0	0	0		0
	,, , , ,]						
38	TOTAL RATE BASE	Ln 34+35+36+37	\$28	\$26,551	(\$1,361)			\$0
38	TOTAL RATE BASE	Ln 34+35+36+37			(\$1,361)			

RES	STA UTILITIES - ELECTRIC RESULTS OF OPERA ITATING ADJUSTMENTS AIL OF ADJUSTMENTS TO TAXES AND RATE E I THE 12 MONTHS ENDED DECEMBER 31, 1998						Exhibit #	
Line	(DOLLARS IN THOUSANDS)		RA-6 Clearwater	RA-7 Weatherizn and DSM	RA-8 Customer	RA-9 Settlement Exchange	RA-10 Eliminate B&O	RA-11 Proforma Property
No.	Description	Source	Hydro	Investmnet	Advances	Power	Taxes	Tax
	(A)	(B)	(1)	(J)	(K)	(L)	(M)	(N)
	i ' '	` '	,,,	\- •	• •	.	····	V7
1	FEDERAL INCOME TAXES:							
39	Operating Income Before FIT:	From Ln 24	\$0	\$0	\$0	\$2,532	(\$58)	\$127
40	Other Operating Income	Input	0	0	0	0	0	0
41	FIT - Net Deductions	Input	0	0	0	(2,532)	0	0
42	Taxable Income	Ln 39+40+41	0	0	0	0	(58)	127
43	Net Federal Income Tax	Ln 42 x (35.00%/100)	0	0	0	0	(20)	44
1	*** OR ***							
44	Federal Income Taxes - Direct Input	Input	0	0	0	0	(20)	44
	RATE BASE							
1	PLANT IN SERVICE							
45	Intangible	Input	\$0	\$0	\$0	\$0	\$0	\$0
46	Production	Input	43	26,551	0	0	0	o
47	Transmission	Input	0	0	0	0	0	o
48	Distribution	Input	0	0	(1,361)	0	0	0
49	General	Input	0	0	0	0	0	0
50	TOTAL PLANT IN SERVICE	Ln +45+49	43	26,551	(1,361)	0	0	0
51	ACCUMULATED DEPRECIATION	Input	0	0	0	0	0	0
52	ACCUM. PROVISION FOR AMORTIZATION	Input	0	0	0	0	0	0
53	TOTAL ACCUM. DEPR. & AMORT.	Ln 51+52	0	0	0	0	0	0
54	GAIN ON SALE OF OPER. ASSETS	Input	0	0	0	0	0	0
55	ACCUMULATED DEFERRED TAXES	Input	(15)	0	0		0	0
56	INVESTOR SUPPLIED WORKING CAPITAL	Input	0	0	0	0	0	О
57		'	0	0	0	0	0	0
58			0	0	0	0	0	0
59 60			0	0	0	0	0	0
61	NET RATE BASE	Ln 50-53+54+55+56	\$28	\$26,551	(\$1,361)	\$0	\$0	\$0

REST FOR	TA UTILITIES - ELECTRIC RESULTS OF OPERA' TATING ADJUSTMENTS TO INCOME THE 12 MONTHS ENDED DECEMBER 31, 1998 (DOLLARS IN THOUSANDS)	TIONS					Exhibit # Docket No. UE Restating Adj.	
Line	DOLLARS IN THOUSANDS)		RA-12 Uncollect.	RA-13 Regulatory	RA-14 Injuries And	RA-15	RA-16 Proforma Restated Debt	RA-17 Eliminate A/R
No.	Description	Source	Expense	Expense	Damages	FIT	Interest	Expenses
	(A)	(B)	(P)	(P)	(Q)	(R)	(S)	(N)
	REVENUES			••	••			•
1 2	Total General Business Interdepartmental Sales	Input	\$0 0	\$0 0	\$0 0	\$0) \$0) 0	\$0 0
3	Sales for Resale	Input Input	0	0	0		0	0
4	Total Sales of Electricity	Ln 1+2+3	0	0	0		0	0
5	Other Revenue	Input	Ö	0	0		0	Ö
			-					
6	TOTAL ELECTRIC REVENUE	Ln 4+5	0	0	0	1	0	0
	EXPENSES							
	Production and Transmission							
7	Operating Expenses	Input	0	0	0	(0 0	0
8	Purchased Power	Input	0	0	0		0 0	0
9	Depreciation and Amortization	Input	0	0	0		0 0	0
10	Taxes	Input	0	0	0		0	0
11	Total Production & Transmission	Ln 7+8+9+10	0	0	0		0	0
	Distribution		_					
12	Operating Expenses	Input	0	0	0		0	0
13	Depreciation and Amortization Taxes	Input	0	0	0		0 0	0
14 15	Total Distribution	Input Ln 12+13+14	0	0	0		0 0	0
13	Total distribution	LII 12+13+14	0	<u> </u>			0	U
16	Customer Accounting	Input	32	0	0		0	(1,497)
17	Customer Service & Information	Input	0	0	0		0 0	0
18	Sales Expenses	, Input	0	0	0	•	0 0	0
	Administrative & General							
19	Operating Expenses	Input	0	123	2,329		0 0	0
20	Depreciation and Amortization	Input	0	0	0		0 0	0
21	Taxes	Input	0	0	0		0 0	0
22	Total Admin. & General	Ln 19+20+21	0	123	2,329		0 0	0
23	TOTAL ELECTRIC EXPENSES	Ln 11+15+18+22	32	123	2,329		0 0	(1,497)
24	OPERATING INCOME BEFORE FIT	Ln 6-23	(32)	(123)	(2,329)		0 0	1,497
25	FEDERAL INCOME TAXES Current Accrual	From Ln 43 or 44	(11)	(43)	(815)	3,32	1 808	524
26	Deferred Income Taxes	Input	(11)	(43)	(615)	3,32		0
27	Amortized Investment Tax Credit	Input	ŏ	ő	ő		o o	ő
28	TOTAL FIT, DEF FIT & AMT ITC	Ln 25+26+27	(11)	(43)	(815)	3,23		524
29	SETTLEMENT EXCHANGE POWER	Input	0	0	0		0 0	0
30	TOTAL OPERATING EXPENSE. & FIT	Ln 23+28+29	21	80	1,514	3,23	0 808	(973
31	NET OPERATING INCOME	Ln 6-30	(\$21)		(\$1,514)	(\$3,23		
			, same productions	FELERANDE.				
20	RATE BASE	F 1 = 50		••		_	0 \$0	**
32 33	Total Plant In Service Total Accumulated Depreciation & Amort.	From Ln 50 From Ln 53	\$0 0	\$0 0	\$0 0		0 \$0 0 0	\$0 0
34	Net Plant In Service	Ln 32-33	0	0	0		0 0	0
35	Gain on Sale of Operating Assets	From Ln 54	0	0	- 0		0 0	0
36	Total Accumulated Deferred Taxes	From Ln 55	ŏ	ő	ő		0 0	ō
37	Investor-Supplied Working Capital Allowance	From Ln 56	ŏ	Ö	ŏ		0 0	0
		1						
20	TOTAL DATE DASE	1 W 34TOE 100 102						
38	TOTAL RATE BASE	Ln 34+35+36+37	\$0	\$0	\$0		0 \$0	\$0

RES DET	STA UTILITIES - ELECTRIC RESULTS OF OPERA TATING ADJUSTMENTS AIL OF ADJUSTMENTS TO TAXES AND RATE BI THE 12 MONTHS ENDED DECEMBER 31, 1998						Exhibit # Docket No. UE Restating Adj.	
	(DOLLARS IN THOUSANDS)		RA-12	RA-13	RA-14 Injuries	RA-15	RA-16 Proforma	RA-17 Eliminate
Line No.	Description	0	Uncollect.	Regulatory	And		Restated Debt	A/R
NO.	(A)	Source (B)	Expense	Expense	Damages (Q)	FIT (R)	Interest (S)	Expenses
	(^)	(P)	(P)	(P)	(4)	(K)	(5)	(N)
	FEDERAL INCOME TAXES:							
39	Operating Income Before FIT:	From Ln 24	(\$32)	(\$123)	(\$2,329)	\$0	\$0	\$1,497
40	Other Operating Income	Input	0	(4.20,	0	0	-	41,407
41	FIT - Net Deductions	Input	Ö	ō	ō	9,489	-	Č
42	Taxable Income	Ln 39+40+41	(32)	(123)	(2,329)	9,489		1,497
43	Net Federal Income Tax	Ln 42 x (35.00%/100)	(11)	(43)	(815)	3,321	808	524
44	Federal Income Taxes - Direct Input	Input	(11)	(43)	(815)	3,321	808	524
	RATE BASE PLANT IN SERVICE							
45	Intangible	input	\$0	\$0	\$0	\$0	\$0	\$0
46	Production	Input	0	0	0	0	0	(
47	Transmission	Input	0	0	0	0	0	(
48	Distribution	input	0	0	0	0	0	(
49	General	Input	0	0	0	0	0	(
50	TOTAL PLANT IN SERVICE	Ln +45+49	0	0	0	0	0	(
51	ACCUMULATED DEPRECIATION	Input	0	0	0	0	0	(
52	ACCUM. PROVISION FOR AMORTIZATION	Input	0	0	0	0		0
53	TOTAL ACCUM. DEPR. & AMORT.	Ln 51+52	0	0	0	0		(
54	GAIN ON SALE OF OPER. ASSETS	Input	0	0	0	0		C
55	ACCUMULATED DEFERRED TAXES	Input	0	0	0	0	0	(
56	INVESTOR SUPPLIED WORKING CAPITAL	Input	0	0	0	0		(
57			0	0	0	0		C
58			0	0	0	0	-	C
59 60			0	0	0	0	0	(
	NET RATE BASE	Ln 50-53+54+55+56	\$0	\$0	\$0	\$0	\$0	\$0

Description (A) /ENUES tal General Business erdepartmental Sales les for Resale Total Sales of Electricity her Revenue OTAL ELECTRIC REVENUE PENSES oduction and Transmission Operating Expenses Purchased Power Depreciation and Amortization Total Production & Transmission Stribution Operating Expenses Depreciating Expenses Total Production & Transmission Stribution Operating Expenses Depreciation and Amortization Taxes Total Distribution	Source (B) Input Input Input Ln 1+2+3 Input Ln 4+5 Input In 12+13+14	Subs. (N) \$0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0	RA-19 Recall DADs/MOPs Revenues (Q) \$1,941 0 0 1,941 (1,941) 0 0 0 0 0 0 0	(R) \$0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0	(Z) \$0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0	(Y) \$0 0 0 0 0 0	(Z) \$00 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0
VENUES tal General Business erdepartmental Sales les for Resale Total Sales of Electricity her Revenue OTAL ELECTRIC REVENUE PENSES adduction and Transmission Operating Expenses Depreciation and Amortization Taxes Total Production & Transmission Stribution Operating Expenses Depreciation Expenses Depreciation and Amortization Total Production & Transmission Total Production & Transmission Stribution Operating Expenses Depreciation and Amortization Taxes	Input Input Input Input Ln 1+2+3 Input Ln 4+5 Input	\$0 0 0 0 0 0	\$1,941 0 0 1,941 (1,941) 0	\$0 0 0 0 0	\$0 0 0 0 0	\$0 0 0 0 0	\$0 0 0 0
tal General Business erdepartmental Sales les for Resale Total Sales of Electricity her Revenue OTAL ELECTRIC REVENUE PENSES oduction and Transmission Operating Expenses Purchased Power Depreciation and Amortization Total Production & Transmission Stribution Operating Expenses Depreciation and Amortization Stribution Operating Expenses	Input Input Input Ln 1+2+3 Input Ln 4+5 Input	0 0 0 0 0	0 1,941 (1,941) 0	0 0 0 0	0 0 0 0	0 0 0 0	0
tal General Business erdepartmental Sales les for Resale Total Sales of Electricity her Revenue OTAL ELECTRIC REVENUE PENSES oduction and Transmission Operating Expenses Purchased Power Depreciation and Amortization Total Production & Transmission Stribution Operating Expenses Depreciation and Amortization Stribution Operating Expenses	Input Input Input Ln 1+2+3 Input Ln 4+5 Input	0 0 0 0 0	0 1,941 (1,941) 0	0 0 0 0	0 0 0 0	0 0 0 0	0
les for Resale Total Sales of Electricity her Revenue OTAL ELECTRIC REVENUE PENSES oduction and Transmission Operating Expenses Purchased Power Depreciation and Amortization Total Production & Transmission stribution Operating Expenses Depreciation and Amortization axes	Input Input Input Ln 1+2+3 Input Ln 4+5 Input	0 0 0 0 0	0 1,941 (1,941) 0	0 0 0 0	0 0 0 0	0 0 0 0	0
Total Sales of Electricity her Revenue OTAL ELECTRIC REVENUE PENSES oduction and Transmission Operating Expenses Furchased Power Depreciation and Amortization Faxes Total Production & Transmission Stribution Operating Expenses Depreciation and Amortization axes	Ln 1+2+3 Input Ln 4+5 Input	0 0 0 0 0 0 0	1,941 (1,941) 0	0 0 0	0 0 0	0 0 0	0
PENSES Oduction and Transmission Departing Expenses Purchased Power Depreciation and Amortization Total Production & Transmission Stribution Departing Expenses Depreciation and Amortization axes Total Production & Transmission Stribution Departing Expenses Depreciation and Amortization axes	Input Ln 4+5 Input Input Input Input Input Input Ln 7+8+9+10 Input Input Input	0 0 0 0 0 0	0 0 0 0 0 0	0 0 0 0 0	0 0 0 0 0	0 0 0 0	0 0 0
PENSES Oduction and Transmission Operating Expenses Operating Expenses Operating Expenses Operation and Amortization Operation Operating Expenses Operating Expenses Operating Expenses Operation and Amortization Operating Operating Operation Operating Operation Opera	Input Input Input Input Input Input Input Input Ln 7+8+9+10 Input Input	0 0 0 0 0	0 0 0 0	0 0 0 0	0 0 0 0	0 0 0	0
PENSES reduction and Transmission Operating Expenses Purchased Power Depreciation and Amortization Faxes Total Production & Transmission Stribution Operating Expenses Depreciation and Amortization Faxes	Input Input Input Input Ln 7+8+9+10 Input Input Input	0 0 0 0	0 0 0 0	0 0 0 0	0 0 0 0	0 0 0	000
oduction and Transmission Derating Expenses Purchased Power Depreciation and Amortization axes Total Production & Transmission stribution Derating Expenses Depreciation and Amortization axes	Input Input Input Ln 7+8+9+10 Input Input Input	0 0 0 0	0 0 0	0 0 0	0 0 0	0 0	0
oduction and Transmission Derating Expenses Purchased Power Depreciation and Amortization axes Total Production & Transmission stribution Derating Expenses Depreciation and Amortization axes	Input Input Input Ln 7+8+9+10 Input Input Input	0 0 0 0	0 0 0	0 0 0	0 0 0	0 0	0
Operating Expenses Purchased Power Purchased Power Sepreciation and Amortization Faxes Total Production & Transmission Stribution Operating Expenses Depreciation and Amortization Faxes	Input Input Input Ln 7+8+9+10 Input Input Input	0 0 0 0	0 0 0	0 0 0	0 0 0	0 0	0
Purchased Power Depreciation and Amortization Faxes Total Production & Transmission Stribution Deprating Expenses Depreciation and Amortization Faxes	Input Input Input Ln 7+8+9+10 Input Input Input	0 0 0 0	0 0 0	0 0 0	0 0 0	0 0	0
axes Total Production & Transmission stribution perating Expenses Depreciation and Amortization axes	Input Input Ln 7+8+9+10 Input Input Input	0	0	0	0	0	0
Total Production & Transmission stribution Operating Expenses Depreciation and Amortization Taxes	Ln 7+8+9+10 Input Input Input	0				n	
stribution Operating Expenses Depreciation and Amortization Taxes	Input Input Input	0	0	0	^	U	0
Operating Expenses Depreciation and Amortization Taxes	Input Input				<u> </u>	0	0
Depreciation and Amortization axes	Input Input						
Depreciation and Amortization axes	Input	_	0	0	0	0	0
		0	ő	ő	Ö	ő	0
Total Distribution	10.40140144	0	0	Ō	Ō	ō	ō
	LII 12+13+14	0	0	0	0	0	0
stomer Accounting	Input	0	0	0	0	0	0
stomer Service & Information	Input	0	0	0	0	0	0
les Expenses	Input	Ö	0	0	0	0	0
ministrative & General							
Derating Expenses	lam.ut.			_	_	_	_
Depreciation and Amortization	Input Input	(24)	0	0	0	0	0
axes	Input	0	0	0	0	0	0
Total Admin. & General	Ln 19+20+21	(24)	0	0	0	0	0
AL ELECTRIC EXPENSES	Ln 11+15+18+22	(24)	0	0	0	0	0
ERATING INCOME BEFORE FIT	Ln 6-23	24	0	0	0	0	0
ERAL INCOME TAXES							
rrent Accrual	From Ln 43 or 44	8	0	0	0	0	0
	Input	0	0	0	0	0	0
				0	0	0	0
OTAL FIT, DEF FIT & AMT ITC	Ln 25+26+27	8	0	0	0	0	0
TLEMENT EXCHANGE POWER	Input	0	0	0	0	. 0	0
AL OPERATING EXPENSE. & FIT	Ln 23+28+29	(16)	0	0	0	0	0
OPERATING INCOME	Ln 6-30	\$16	\$0	\$0	\$0	\$0	\$0
E RASE			property of the fi	ALCOHOLOGY			
	From Ln 50	\$0	\$0	\$0	\$0	¢n.	\$0
							90
Net Plant In Service		0	0	0	0	0	0
ain on Sale of Operating Assets	From Ln 54	0	0	0	0	0	0
otal Accumulated Deferred Taxes	From Ln 55	0	0	0	0	0	0
vestor-Supplied Working Capital Allowance	From Ln 56	0	0	0	0	0	0
The state of the s	Ln 34+35+36+37	\$0	\$0	\$0	\$0	\$0	\$0
TAL RATE BASE	1						30
	RATING INCOME BEFORE FIT ERAL INCOME TAXES rent Accrual erred Income Taxes ortized Investment Tax Credit OTAL FIT, DEF FIT & AMT ITC TLEMENT EXCHANGE POWER AL OPERATING EXPENSE. & FIT OPERATING INCOME E BASE tial Plant In Service stal Accumulated Depreciation & Amort. Net Plant In Service ain on Sale of Operating Assets tal Accumulated Deferred Taxes vestor-Supplied Working Capital Allowance	RATING INCOME BEFORE FIT ERAL INCOME TAXES rent Accrual erred Income Taxes ortized Investment Tax Credit OTAL FIT, DEF FIT & AMT ITC TLEMENT EXCHANGE POWER AL OPERATING EXPENSE. & FIT OPERATING INCOME E BASE tal Plant In Service bital Accumulated Depreciation & Amort. Net Plant In Service ain on Sale of Operating Assets tal Accumulated Deferred Taxes vestor-Supplied Working Capital Allowance Ln 6-23 From Ln 43 or 44 Input Ln 25+26+27 Input Ln 25+26+27 Input Ln 23+28+29 Ln 6-30 From Ln 50 From Ln 50 From Ln 50 From Ln 55 From Ln 55 From Ln 55 From Ln 55	### RATING INCOME BEFORE FIT	### RATING INCOME BEFORE FIT	RATING INCOME BEFORE FIT Ln 6-23 24 0 0 ERAL INCOME TAXES rent Accrual rent Rent Rent Rent Rent Rent Rent Rent R	RATING INCOME BEFORE FIT	RATING INCOME BEFORE FIT

RES	5TA UTILITIES - ELECTRIC RESULTS OF OPERA TATING ADJUSTMENTS AIL OF ADJUSTMENTS TO TAXES AND RATE B THE 12 MONTHS ENDED DECEMBER 31, 1998						Exhibit # Docket No. UE Restating Adj.	
Line	(DOLLARS IN THOUSANDS)	Source	RA-18 Office Space Charges to Subs.	RA-19 Recall DADs/MOPs Revenues	RA-##	RA-##	RA-##	RA-##
	(A)	(B)	(N)	(Q)	(R)	(Z)	(Y)	(Z)
1	` '	(-,		(/	11.4	(-/	(1)	()
1	FEDERAL INCOME TAXES:							
39	Operating Income Before FIT:	From Ln 24	\$24	\$0	\$0	\$0	\$0	\$0
40	Other Operating Income	Input	0	0	0	0	0	0
	FIT - Net Deductions	Input	0	0	0	0	0	0
42	Taxable Income	Ln 39+40+41	24	0	0	0	0	0
43	Net Federal Income Tax *** OR ***	Ln 42 x (35.00%/100)	8	0	0	0	0	0
44	Federal Income Taxes - Direct Input	Input	8	0	0	0	0	0
	RATE BASE PLANT IN SERVICE							
45	Intangible	Input	\$0	\$0	\$0	\$0	\$0	\$0
46	Production	Input	0	0	0	0	0	0
47	Transmission	Input	0	0	0	0	0	0
48	Distribution	Input	0	0	0	0	0	0
49	General	Input	0	0	0	0	0	0
50	TOTAL PLANT IN SERVICE	Ln +45+49	0	0	0	0	0	0
51	ACCUMULATED DEPRECIATION	Input	0	0	0	0	0	0
52	ACCUM. PROVISION FOR AMORTIZATION	Input	0	0	0	0	0	0
53	TOTAL ACCUM, DEPR. & AMORT.	Ln 51+52	0	0	0	0	0	0
54	GAIN ON SALE OF OPER. ASSETS	Input	0	0	0	0	0	0
55	ACCUMULATED DEFERRED TAXES	input	0	0	0	0	0	0
56	INVESTOR SUPPLIED WORKING CAPITAL	Input	0	0	0	0	0	0
57		1	0	0	0	0	0	0
58		1	0	0	0	0	0	0
59 60			0	0	0	0	0	0
61	NET RATE BASE	Ln 50-53+54+55+56	\$0	\$0	\$0	\$0	\$0	\$0

REST FOR	TA UTILITIES - ELECTRIC RESULTS OF OPERAT ATING ADJUSTMENTS TO INCOME THE 12 MONTHS ENDED DECEMBER 31, 1998 DOLLARS IN THOUSANDS)	IONS					Exhibit #	
Line No.	DOLLARS IN THOUSANDS) Description	Source	RA-PC-01 Admin. & General Adjustment	RA-PC-02 Franchise Fees for Use Corp. Name	RA-PC-03 Production Depreciation Expense	RA-PC-05 Meter Reading and Billing	RA-PC-06 Remove Name Change Amortization	RA-##
\neg	(A)	(B)	(AA)	(AB)	(AC)	(AD)	(AE)	(AF)
- 1								
	REVENUES	formula.	\$0	\$0	\$0	\$0	\$0	\$0
1 2	Total General Business Interdepartmental Sales	input Input	0	\$0 0	\$U 0	20		\$ (
3	Sales for Resale	Input	ő	0	0	0		Č
4	Total Sales of Electricity	Ln 1+2+3	ő	0	0	ő		
5	Other Revenue	Input	0	2,230	0	ō		
6	•	,	0		0	0	0	
١	TOTAL ELECTRIC REVENUE	Ln 4+5	<u> </u>	2,230	<u> </u>			
. [EXPENSES		1					
_ 1	Production and Transmission			_	_	_	_	
7	Operating Expenses	Input	0	0	0	0		(
8	Purchased Power	Input	0	0	(0.730)	0		(
9 10	Depreciation and Amortization Taxes	Input Input	l ő	0	(2,732)	0		Ċ
11	Total Production & Transmission	Ln 7+8+9+10	0		(2,732)	0		
'			l ·		(2,702)			
I	Distribution							
12	Operating Expenses	Input	0		0	0		
13 14	Depreciation and Amortization Taxes	Input Input	0			0		,
15	Total Distribution	Ln 12+13+14	0			0		
13	Total Distribution	LII 12+13+14						
16	Customer Accounting	Input	0	0		(1,528		
17	Customer Service & Information	Input	0			0		
18	Sales Expenses	Input	0	0	0	0	0	•
	Administrative & General							
19	Operating Expenses	Input	(4,157			0		
20	Depreciation and Amortization	Input	0			0		
21	Taxes	Input	0			0		
22	Total Admin. & General	Ln 19+20+21	(4,157) 0	0	0	(106)	
23	TOTAL ELECTRIC EXPENSES	Ln 11+15+18+22	(4,157) 0	(2,732)	(1,528) (106)	
24	OPERATING INCOME BEFORE FIT	Ln 6-23	4,157	2,230	2,732	1,528	106	
- 1	FEDERAL INCOME TAXES							
25	Current Accrual	From Ln 43 or 44	1,455	781	0	535	37	
26	Deferred Income Taxes	Input	1,100			C		
27	Amortized Investment Tax Credit	Input	0			, C	0	
28	TOTAL FIT, DEF FIT & AMT ITC	Ln 25+26+27	1,455	781	956	535	37	
29	SETTLEMENT EXCHANGE POWER	Input	0	0	0	C	0	
30	TOTAL OPERATING EXPENSE. & FIT	Ln 23+28+29	(2,702) 781	(1,776)	(993		
31	NET OPERATING INCOME	Ln 6-30	\$2,702			\$993	\$69	\$
	RATE BASE		1					er i 1988 (v. 1994)
32	Total Plant In Service	From Ln 50	\$0			\$0		\$
33	Total Accumulated Depreciation & Amort.	From Ln 53	C			(
34	Net Plant In Service	Ln 32-33	C					
35	Gain on Sale of Operating Assets	From Ln 54	C			(
36	Total Accumulated Deferred Taxes	From Ln 55				4 240		
37	Investor-Supplied Working Capital Allowance	From Ln 56	C	0	0	4,249	, V	
1	TOTAL RATE BASE	Ln 34+35+36+37	\$0	\$0	\$410	\$4,249	\$0	\$
38								

	THE 12 MONTHS ENDED DECEMBER 31, 1998 (DOLLARS IN THOUSANDS)						Restating Adj. P	age 10
····	Description	Source	RA-PC-01 Admin. & General	RA-PC-02 Franchise Fees for Use Corp. Name	RA-PC-03 Production Depreciation Expense	RA-PC-05 Meter Reading and Billing	RA-PC-06 Remove Name Change Amortization	RA-##
	(A)	(B)	(AA)	(AB)	(AC)	(AD)	(AE)	(AF)
		` '		. ,	• •	` '	, ,	V /
39	FEDERAL INCOME TAXES: Operating Income Before FIT:	Fram. 1 = 04	64.457	***	40.700	*4 500	****	_
40	Other Operating Income	From Ln 24	\$4,157	\$2,230	\$2,732	\$1,528	\$106	\$0
	FIT - Net Deductions	Input Input	0	0	0 720	0	-	
42	Taxable Income	Ln 39+40+41	4,157	2,230	(2,732) 0	0 1,528	0 106	
43	Net Federal Income Tax	Ln 42 x (35.00%/100)	1,455	781	0	535	37	
44	Federal Income Taxes - Direct Input	Input	1,455	781	0	535	37	:
	RATE BASE PLANT IN SERVICE							
45	Intangible	Input	\$0	\$0	\$0	\$0	\$0	\$
46	Production	Input	0	0	0	0	0	
47	Transmission	Input	0	0	0	0	0	
48	Distribution	Input	0	0	0	0	-	
49	General	Input	0	0	0	0		
50	TOTAL PLANT IN SERVICE	Ln +45+49	0	0	0	0	0	
	ACCUMULATED DEPRECIATION	Input	0	0	(1,366)	0		
	ACCUM. PROVISION FOR AMORTIZATION	Input	. 0	0	0	0		
53	TOTAL ACCUM. DEPR. & AMORT.	Ln 51+52	0	0	(1,366)	0		
	GAIN ON SALE OF OPER. ASSETS	Input	0	0	0	0	•	
55	ACCUMULATED DEFERRED TAXES	Input	0	0	(956)	0	0	
6	INVESTOR SUPPLIED WORKING CAPITAL	Input	0	0	0	4,249	0	
57			0	0	0	0	•	
58			0	0	0	0		
59 60			0	0	0	0	0	
61	NET RATE BASE	Ln 50-53+54+55+56	\$0	\$0	\$410	\$4,249	\$0	

PRO	STA UTILITIES - ELECTRIC RESULTS OF OPERA FORMA ADJUSTMENTS TO INCOME THE 12 MONTHS ENDED DECEMBER 31, 1998	TIONS					Exhibit #(RLCD-03) Docket No. UE-991606 Proforma Adj. Page 1	
Line No.	(DOLLARS IN THOUSANDS) Description (A)	Source (B)	Total Proforma Adustments (C)	P-1 Proforma Power Supply 7/00-6/01 (D)	P-2 Proforma Potlatch 7/00-6/01	P-PC-03 Proforma Depr Adj	P-4 Proforma Hydro Rel Adj	P-5 Proforma Comm Trade Adj
	(4)	(B)	(C)	(0)	(E)	(F)	(G)	(H)
	REVENUES							
1 2	Total General Business	Input	\$3,640	\$0	\$1,096	\$0	\$0	\$0
3	Interdepartmental Sales Sales for Resale	Input Input	(211,463)	0 (211,463)	0	0	0	0
4	Total Sales of Electricity	Ln 1+2+3	(207,823)	(211,463)	1,096	0	0	0
5	Other Revenue	Input	(1,039)	(1,039)	0	0	Ö	
6	TOTAL ELECTRIC REVENUE	Ln 4+5	(208,862)	(212,502)	1,096	0	0	0
	EXPENSES							
	Production and Transmission							
7	Operating Expenses	Input	(1,576)	(3,660)	0	0	1,467	(306)
8	Purchased Power	Input	(208,149)	(208,149)	0	0	. 0	` 0
9	Depreciation and Amortization	Input	452	0	0	452	0	
10	Taxes	Input	0	0 (014,000)	0	0	0	0
11	Total Production & Transmission	Ln 7+8+9+10	(209,273)	(211,809)	0	452	1,467	(306)
	Distribution							
12	Operating Expenses	Input	268	0	0	0	0	0
13 14	Depreciation and Amortization Taxes	Input	(102)	0	0	(102)	0	
14 15	Total Distribution	Input Ln 12+13+14	140 305	0	42 42	(102)	0	
15	rotal Distribution	LII 12+15+14	303		42	(102)		. 0
16	Customer Accounting	Input	128	0	0	0	0	0
17	Customer Service & Information	Input	42	0	0	0	0	0
18	Sales Expenses	Input	4	0	0	0	0	0
	Administrative & General	·						
19	Operating Expenses	Input	(1,035)	0	3	0	0	0
20	Depreciation and Amortization	Input	695	0	0	695	0	_
21	Taxes	Input	0	0	0	0	0	0
22	Total Admin. & General	Ln 19+20+21	(340)	0	3	695	0	0
23	TOTAL ELECTRIC EXPENSES	Ln 11+15+18+22	(209,134	(211,809)	45	1,044	1,467	(306
24	OPERATING INCOME BEFORE FIT	Ln 6-23	272	(693)	1,051	(1,044)	(1,467) 306
	FEDERAL INCOME TAXES							
25	Current Accrual	From Ln 43 or 44	461	(243)	368	0	(513	
26 27	Deferred Income Taxes Amortized Investment Tax Credit	Input	(365	0	0	(365)	0	
28	TOTAL FIT, DEF FIT & AMT ITC	Input Ln 25+26+27	95	(243)	0 368	(365)	0 (513	
29	SETTLEMENT EXCHANGE POWER	Input	0	0	0	0	0	
							_	
30 31	TOTAL OPERATING EXPENSE. & FIT NET OPERATING INCOME	Ln 23+28+29 Ln 6-30	(209,039 \$177	(212,052) (\$450)	413 \$683	679 (\$679)	954 (\$ 954	
31	NET OF EIGHTING MOOME	Lii 0-30	3 177	(\$450)	\$ 003) 3199
	RATE BASE							
32	Total Plant In Service	From Ln 50	9,738	\$0	\$0	\$0	\$9,387	\$0
33 34	Total Accumulated Depreciation & Amort.	From Ln 53	632	0	0	522	110	
35	Net Plant In Service Gain on Sale of Operating Assets	Ln 32-33 From Ln 54	9,106 0	0	0	(522) 0	9,277 0	0
36	Total Accumulated Deferred Taxes	From Ln 55	365	. 0	0	365	0	
37	Investor-Supplied Working Capital Allowance	From Ln 56	0	ŏ	ő	0	Ö	
38	TOTAL RATE BASE	Ln 34+35+36+37	\$9,471	\$0	\$0	(\$157)	\$9,277	\$0
-	. W. C.	2.104.00.00.01	90,471					

PRO DET	TA UTILITIES - ELECTRIC RESULTS OF OPERAT FORMA ADJUSTMENTS AIL OF ADJUSTMENTS TO TAXES AND RATE BA THE 12 MONTHS ENDED DECEMBER 31, 1998						Exhibit #_ Docket No. Ui Proforma Adj.	
	(DOLLARS IN THOUSANDS)			P-1	P-2	P-PC-03	P-4	P-5
	(202211011111000711100)		Total	Proforma	Proforma	Proforma	Proforma	Proforma
Line			Proforma	Power Supply	Potlatch	Depr	Hydro Rel	Comm Trade
No.	Description	Source	Adustments	7/00-6/01	7/00-6/01	Adj	Adj	Comm Trade
-	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)
	V 7	\-'	(-,	\-,	\ - /		(-)	()
	FEDERAL INCOME TAXES:							
39	Operating Income Before FIT:	From Ln 24	\$272	(\$693)	\$1,051	(\$1,044)	(\$1,467)	\$306
40	Other Operating Income	Input	0	```o`	0	0	(,,,,,,	0
41	FIT - Net Deductions	Input	1.044	0	ō	1,044	0	ō
42	Taxable Income	Ln 39+40+41	1,317	(693)	1,051	0	(1,467)	306
43	Net Federal Income Tax	Ln 42 x (35.00%/100)	461	(243)	368	0	(513)	107
	*** OR ***	1 1						
44	Federal Income Taxes - Direct Input	Input	461	(243)	368	0	(513)	107
	RATE BASE							
	PLANT IN SERVICE							
45	Intangible	Input	\$9,738	\$0	\$0	\$0	\$9,387	\$0
46	Production	Input	0	0	0	0	0	0
47	Transmission	Input	0	0	0	0	0	0
48	Distribution	Input	0	0	0	0	0	0
49	General	Input	0	0	0	0	0	0
50	TOTAL PLANT IN SERVICE	Ln +45+49	9,738	0	0	0	9,387	0
51	ACCUMULATED DEPRECIATION	Input	522	0	0	522	0	0
52	ACCUM. PROVISION FOR AMORTIZATION	Input	110	0	0	0	110	0
53	TOTAL ACCUM, DEPR. & AMORT.	Ln 51+52	632	0	0	522	110	0
54	GAIN ON SALE OF OPER. ASSETS	Input	0	0	0	0	0	0
55	ACCUMULATED DEFERRED TAXES	Input	365	0	0	365	0	0
56	INVESTOR SUPPLIED WORKING CAPITAL	input	0	0	0	0	0	0
57			0	0	0	. 0	0	0
58			0	0	0	0	0	0
59 60			. 0	0	0	0	0	0
61	NET RATE BASE	Ln 50-53+54+55+56	\$9,471	\$0	\$0	(\$157)	\$9,277	\$0
								<u>-</u>

PRO	ITA UTILITIES - ELECTRIC RESULTS OF OPERAT FORMA ADJUSTMENTS TO INCOME THE 12 MONTHS ENDED DECEMBER 31, 1998 (DOLLARS IN THOUSANDS)	rions					Exhibit #_ Docket No. UE Proforma Adj.	
Line No.	Description	Source	P-6 Proforma Nez Perce Adj	P-7 Proforma Labor/Benefit Adi	P-8 Proforma Revenue Adj	P-9 Proforma Miscel. Adj	P-10 Proforma MOPS Adj	P-##
	(A)	(B)	(1)	(J)	(K)	(L)	(M)	(N)
	REVENUES							
1	Total General Business	Inpút	\$0	\$0	\$2,544	\$0	\$0	\$0
2	Interdepartmental Sales	Input	o		0	ō	ō	ő
3	Sales for Resale	Input	0		0	0	0	0
4 5	Total Sales of Electricity Other Revenue	Ln 1+2+3	0		2,544	0	0	0
ľ	Other Revenue	Input	٥	0	0	0	0	0
6	TOTAL ELECTRIC REVENUE	Ln 4+5	0	0	2,544	0	0	0
	EXPENSES							
١, ١	Production and Transmission					_		
7 8	Operating Expenses Purchased Power	Input Input	584 0		0	0	0	0 0
9	Depreciation and Amortization	Input	0		0	0	0	0
10	Taxes	Input	ŏ		ő	ő	ő	ŏ
11	Total Production & Transmission	Ln 7+8+9+10	584	339	0	0	0	0
	Distribution							
12	Operating Expenses	Input	0	268	0	0	0	0
13	Depreciation and Amortization	Input	0		0	0	0	0
14 15	Taxes Total Distribution	Input Ln 12+13+14	0		98	0	0	0
'"	Total Distribution	LII 12+13+14	U	208	98	U	0	0
16	Customer Accounting	Input	o		9	0	0	o
17	Customer Service & Information	Input	0		37	0	0	0
18	Sales Expenses	Input	0	4	0	0	0	0
	Administrative & General							
19	Operating Expenses	Input	0	(141)	7	(1,045)	141	o
20	Depreciation and Amortization	input	0		0	0	0	0
21 22	Taxes Total Admin. & General	Input Ln 19+20+21	0		<u>0</u> 7	(1,045)	0	0
**	Total Admin. & General	Lii 19+20+21	U	(141)		(1,045)	141	U
23	TOTAL ELECTRIC EXPENSES	Ln 11+15+18+22	584	594	151	(1,045)	141	0
24	OPERATING INCOME BEFORE FIT	Ln 6-23	(584) (594)	2,393	1,045	(141)	0
	FEDERAL INCOME TAXES							
25	Current Accrual	From Ln 43 or 44	(204		838	366	(49)	0
26 27	Deferred Income Taxes Amortized Investment Tax Credit	Input	0		0	0	0	0
28	TOTAL FIT, DEF FIT & AMT ITC	Input Ln 25+26+27	(204		0 838	0 366	(49)	0
29	SETTLEMENT EXCHANGE POWER	Input	0		0	0	0	0
		· ·				_	-	
30 31	TOTAL OPERATING EXPENSE. & FIT NET OPERATING INCOME	Ln 23+28+29 Ln 6-30	380		989 \$1,555	(679) \$679		0 \$0
J"	NET OFERATING INCOME	L11 0-30	(\$380		\$1,000		(\$92)	\$ U
	RATE BASE							· ·
32	Total Plant In Service	From Ln 50	\$0		\$0	\$0	\$351	\$0
33 34	Total Accumulated Depreciation & Amort. Net Plant In Service	From Ln 53 Ln 32-33	0		0	0	0 351	0
35	Gain on Sale of Operating Assets	From Ln 54	0		0	0	351	0
36	Total Accumulated Deferred Taxes	From Ln 55	Ö		ŏ	0	ő	0
37	Investor-Supplied Working Capital Allowance	From Ln 56	0	0	0	0	0	0
38	TOTAL RATE BASE	Ln 34+35+36+37	\$0		\$0	\$0	\$ 351	\$0
<u> </u>								

PRO DET/	TA UTILITIES - ELECTRIC RESULTS OF OPERA FORMA ADJUSTMENTS AIL OF ADJUSTMENTS TO TAXES AND RATE E						Exhibit # Docket No. UE- Proforma Adj.	
	THE 12 MONTHS ENDED DECEMBER 31, 1998 (DOLLARS IN THOUSANDS) Description	Source	P-6 Proforma Nez Perce Adj	P-7 Proforma Labor/Benefit Adj	P-8 Proforma Revenue Adj	P-9 Proforma Miscel. Adi	P-10 Proforma MOPS Adj	P-##
110.	(A)	(B)	(I)	(J)	(K)	(L)	(M)	(N)
	• •	\-'	.,,	(-)	V-7	\ - /		V-7
	FEDERAL INCOME TAXES:							
	Operating Income Before FIT:	From Ln 24	(\$584)	(\$594)	\$2,393	\$1,045	(\$141)	\$0
	Other Operating Income	Input	0	0	0	0	0	(
	FIT - Net Deductions	Input	0	0	0	0	0	(
42	Taxable Income	Ln 39+40+41	(584)	(594)	2,393	1,045	(141)	(
43	Net Federal Income Tax	Ln 42 x (35.00%/100)	(204)	(208)	838	366	(49)	(
44	Federal Income Taxes - Direct Input	Input	(204	(208)	838	366	(49)	(
	RATE BASE PLANT IN SERVICE							
45	Intangible	Input	\$0	\$0	\$0	\$0	\$351	\$0
46	Production	Input	0	0	0	0	0	
47	Transmission	Input	0	0	0	0	0	
48	Distribution	input	0	0	0	0	0	
49	General	Input	0	0	0	0	0	
50	TOTAL PLANT IN SERVICE	Ln +45+49	0	0	0	0	351	
51	ACCUMULATED DEPRECIATION	Input	0	0	0	0	0	
	ACCUM. PROVISION FOR AMORTIZATION	Input	0	0	0	0	0	
53	TOTAL ACCUM. DEPR. & AMORT.	Ln 51+52	0	0	0	0	0	
54	GAIN ON SALE OF OPER. ASSETS	Input	0	0	0	0	0	(
55	ACCUMULATED DEFERRED TAXES	Input	0	0	0	0	0	
56	INVESTOR SUPPLIED WORKING CAPITAL	Input	0	0	0	0	0	
57		1 ' 1	0	0	0	0	0	(
58		1	0	0	0	0	0	
59			0	0	0	0	0	
60 61	NET RATE BASE	Ln 50-53+54+55+56	\$0	\$0	\$0	\$0	\$351	\$

REV	ITA UTILITIES - ELECTRIC RESULTS OF OPERATIONS EW OF COST OF CAPITAL THE 12 MONTHS ENDED DECEMBER 31, 1998 (DOLLARS IN THOUSANDS)			Exhibit # Docket No. UE	(RLCD-03) E-991606
Ln#	,	AMOUNT (\$000) [See Note]	CAPITAL STRUCTURE (%)	COST RATES (%)	WEIGHTED COST RATES (%)
	(A)	(B)	(C)	(D)	(E)
1	LONG-TERM DEBT	\$638,933	46.03%	7.45%	3.43%
2	SHORT-TERM DEBT	63,167	4.55%	6.67%	0.30%
3	PREFERRED STOCK	35,000	2.52%	8.15%	0.21%
4	PREFERRED SECURITIES	110,000	7.93%	8.11%	0.64%
5	COMMON EQUITY	540,833	38.97%	10.88%	4.24%
6	TOTALS	\$1,387,933	100.00%	-	8.82%

PRO CAL FOR	TA UTILITIES - ELECTRIC RESULTS OF OPERA FORMA INCOME STATEMENT: WASHINGTON CULATION OF PRO FORMA DEBT ADJUSTMEN THE 12 MONTHS ENDED DECEMBER 31, 1998 (DOLLARS IN THOUSANDS)		-		Exhibit #_ Docket No. UB	(RLCD-03) E-991606
LINE			FEDERAL	OTHER	TOTAL	
NO.	DESCRIPTION	SOURCE	AMOUNT	AMOUNT	AMOUNT	
	(A)	(B)	(C)	(D)	(E)	
1 1	TOTAL PRO FORMA RATE BASE	PRO FORMA PG1	\$668,777	\$0		
2	ADDED CWIP	INPUT	0	ō	1	
3	TOTAL RATE BASE & CWIP	Ln 1 + Ln 2	\$668,777	\$0]	
4 5 6 7	WEIGHTED COST OF DEBT PRO FORMA INTEREST EXPENSE ACTUAL INTEREST EXPENSE CHANGE IN INTEREST EXPENSE	RECOMMENDED Ln 3 x Ln 4 PER BOOKS Ln 5 - Ln 6	4.37% \$29,226 31,533 (\$2,307)	4.37% \$0 0		
8	FEDERAL/OTHER INC. TAX RATE	CURRENT RATE	35.00%	0.00%		
9	FED./OTHER INCOME TAX EFFECT	Ln 7 x Ln 8	\$808	\$0	\$808	
10	LESS DEDUCTION FOR "OTHER"	OTHER x FIT RATE	0	0	0	
11	NET OPERATING INCOME EFFECT	- Ln 9 + Ln 10	(\$808)	\$0	(\$808)	

GRO	TA UTILITIES - ELECTRIC RESULTS OF OPERATIONS SS REVENUE CONVERSION FACTOR THE 12 MONTHS ENDED DECEMBER 31, 1998			Exhibit # Docket No. UE Page 1 of 1	
Ln#	DESCRIPTION	SOURCE	REVENUE SENSITIVE RATES	STATUTORY TAX RATE	
l	(A)	(B)	(C)	(D)	
1	REVENUES	Constant		1.000000	
2 3 4 5 6 7	EXPENSES: LESS: PROVISION FOR UNCOLLECTIBLES COMMISSION FEES WASHINGTON EXCISE TAX FRANCHISE FEES OTHER FEES OR TA XES TOTAL REVENUE SENSITIVE EXPENSES	Input Input Input Input Input + Ln 2Ln 6	0.3513% 0.2000% 3.8594% 0.0632% 0.0000%	0.002000 0.038594 0.000632	
8	TAXABLE INCOME BEFORE FIT	Ln 1 - Ln 7		0.955261	
9	LESS: FEDERAL INCOME TAX	Input	35.0000%	0.334341	
10	NET OPERATING INCOME	Ln8-Ln9		0.620919	
11	GROSS REVENUE CONVERSION FACTOR - MULTIPLIER	1/Ln 9		1.610515	

CAL(TA UTILITIES - ELECTRIC RESULTS OF OPERA SULATION OF REVENUE REQUIREMENT THE 12 MONTHS ENDED DECEMBER 31, 1998 DOLLARS IN THOUSANDS)	D	xhlbit #(RLCD-03) locket No. UE-991606 lage 1 of 1
LN#	DESCRIPTION	SOURCE	AMOUNT
	(A)	· (B)	(C)
١. ا	Day Farman Data Dana	Input	\$668,777
1 2	Pro Forma Rate Base Kettle Falls Rate Base	Input	26,858
3	Pro Forma Rate Base excluding Kettle Falls	Ln 1 + Ln 2	\$641,919
4	Proposed Rate of Return	Input	8.820%
	, reposed reals of research		
5	Net Operating Income Requirement (Part 1)	Ln 3 x (Ln 4/100)	\$56,617
6	Kettle Falls Rate Base	From Ln 2	\$26,858
7	Remove Proposed 2% Equity Incentive	P-PC-04	8.820%
8	Net Operating Income Requirement (Part 2)	Ln 6 x (Ln 7/100)	\$2,369
9	Total Net Operating Income Requirement	Ln 5 + Ln 8	\$58,986
10	Pro Forma Net Operating Income	Input	\$60,264
11	Net Operating Income Deficiency or (Excess)	Ln 9 - Ln 10	(\$1,278)
12	Conversion Factor	Input	0.620919
13	Total Revenue Deficiency or (Excess)	Ln 11 / Ln 12	(\$2,058)
14	Total General Business Revenues	Input	\$251,759
15	Percentage Revenue Increase or (Decrease)	(Ln 13/Ln 14) x 100	-0.82%
l I	Kettle Falls Rate Base Calculation		
ΙI	1997 Balances		
16	Plant Accounts	Input	\$91,666
17	Accumulated Depreciation	Input	34,152 \$57,514
18 19	Net Plant	Ln 16 - Ln 17 Input	(15,741)
20	Accumulated Deferred FIT Net Disallowance	Input	(1,949)
21	Net Kettle Falls Rate Base 1997	Ln 18 + Ln 19 + Ln 20	\$39,824
]	1998 Balances	lac. t	\$90,176
22 23	Plant Accounts Accumulated Depreciation	Input Input	33,506
24	Net Plant	Ln 22 - Ln 23	\$56,670
25	Accumulated Deferred FIT	Input	(14,470)
26	Net Disallowance	Input	(1,851)
27	Net Kettle Falls Rate Base 1998	Ln 24 + Ln 25 + Ln 26	\$40,349
28	Average Net Kettle Falls Rate Base	(Ln 21 + Ln 27)/2	\$40,087
29	Washington Prod/Trans Ratio	Input	66.900%
30	Washington Average Kettle Falls Rate Base	Ln 28 x (Ln 29/100)	\$26,818
	Note: "Input" means obtained from analysis separate from this page.		