

Before the
Washington Utilities and Transportation Commission

Avista Corporation

Docket Nos. UE-991606 & UG-991607

Summary Gas 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>707</u>		
ADMIT	W/D	REJECT
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AVISTA UTILITIES - GAS RESULTS OF OPERATIONS SUMMARY PRO FORMA INCOME STATEMENT -WASHINGTON FOR THE 12 MONTHS ENDED DECEMBER 31, 1998 (DOLLARS IN THOUSANDS)			Docket No. UG-991607 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	\$8,482	\$125,541		6.76%	
	RESTATING ADJUSTMENTS					
2	RA-01 Deferred FIT Rate Base	0	(10,295)			0.60%
3	RA-02 Deferred Gain on Office Building	0	(400)			0.02%
4	RA-03 Gas Inventory	0	1,458			-0.08%
5	RA-04 Weatherization and Investment	0	4,443			-0.23%
6	RA-05 Customer Advances	0	(99)			0.01%
7	RA-06 Eliminate B&O Taxes	112	0			0.09%
8	RA-07 Pro Forma Property Tax	14	0			0.01%
9	RA-08 Uncollectible Expense	147	0			0.12%
10	RA-09 Regulatory Expense	(10)	0			-0.01%
11	RA-10 Injuries and Damages	(29)	0			-0.02%
12	RA-11 FIT	(422)	0			-0.34%
13	RA-12 Pro Forma Restated Debt Interest	(31)	0			-0.02%
14	RA-13 Eliminate A/R Expenses	159	0			0.13%
15	RA-14 Office Space Charges to Subsidiaries	4	0			0.00%
16	RA-15 Restate Excise/Franchise Taxes	(459)	0			-0.37%
17	RA-16 Lease Expense Adjustment	13	0			0.01%
	PUBLIC COUNSEL ADJUSTMENTS					
18	RA-PC-01 Admin. & General Adjustment	924	0			0.74%
19	RA-PC-02 Franchise Fees for Use of Corp. Name	364	0			0.29%
20	RA-PC-05 Meter Reading & Billing	643	2,114			0.39%
21	RA-PC-06 Remove Name Change Amortization	17	0			0.01%
22	TOTAL RATEMAKING ADJUSTMENTS	\$1,448	(\$2,779)			1.36%
23	RESTATED RESULTS OF OPERATIONS	\$9,930	\$122,762		8.09%	
	PRO FORMA ADJUSTMENTS					
24	P-PC-01 Pro Forma Depreciation Adj.	(51)	(12)			-0.04%
25	P-02 Pro Forma Labor/Benefit Adj.	(108)	0			-0.09%
26	P-03 Pro Forma Revenue Adj.	1,516	0			1.21%
27	P-04 Pro Forma Miscel. Adj.	172	0			0.14%
28	TOTAL PRO FORMA ADJUSTMENTS	\$1,529	(\$12)			1.22%
29	PRO FORMA RESULTS OF OPERATIONS	\$11,459	\$122,750		9.34%	2.58%
30	NOI & REVENUES (EXCESS) OR DEFICIENCY	(\$632)	\$0	(\$1,026)		
31	RESULTS AT PROPOSED RATES	\$10,827	\$122,750		8.82%	