

**BEFORE THE
WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION,)	
)	
Complainant,)	
)	
v.)	DOCKETS UE-160228 and UG-160229 (Consolidated)
)	
AVISTA CORPORATION, DBA AVISTA UTILITIES,)	
)	
Respondent.)	
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EXHIBIT NO. RRS-5

**PRODUCTION-RELATED COSTS ALLOCATED USING A SUMMER AND
WINTER PEAK METHOD**

AUGUST 17, 2016

Sumcost Scenario: Company Base Case UE-16 _____ No Peak Credit Method PROPOSED METHOD		AVISTA UTILITIES Cost of Service Basic Summary For the Twelve Months Ended September 30, 2015 Production-Related Costs Allocated Using a Summer and Winter Peak Method						Washington Jurisdiction Electric Utility		
(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)
Description				System Total	Residential Service Sch 1	General Service Sch 11-12	Large Gen Service Sch 21-22	Extra Large Gen Service Sch 25	Pumping Service Sch 31-32	Street & Area Lights Sch 41-49
Plant In Service										
1	Production Plant			958,839,000	522,283,568	87,552,084	192,121,898	135,939,708	18,026,387	2,915,355
2	Transmission Plant			454,215,000	228,239,951	43,043,551	101,065,304	71,789,164	9,182,571	894,458
3	Distribution Plant			1,001,348,000	531,272,922	122,403,002	234,954,766	32,293,575	33,887,012	46,536,723
4	Intangible Plant			194,637,000	105,262,713	20,148,818	40,353,369	21,635,887	4,500,093	2,736,120
5	General Plant			240,775,000	140,059,156	26,557,791	44,342,779	19,937,280	5,582,638	4,295,356
6	Total Plant In Service			2,849,814,000	1,527,118,310	299,705,246	612,838,116	281,595,614	71,178,702	57,378,012
Accum Depreciation										
7	Production Plant			(429,370,000)	(233,879,614)	(39,205,996)	(86,032,566)	(60,874,070)	(8,072,252)	(1,305,502)
8	Transmission Plant			(137,051,000)	(68,867,196)	(12,987,598)	(30,494,592)	(21,661,056)	(2,770,672)	(269,886)
9	Distribution Plant			(321,664,000)	(169,882,447)	(38,589,815)	(73,281,280)	(10,156,866)	(10,582,017)	(19,171,575)
10	Intangible Plant			(53,175,000)	(28,640,813)	(5,557,738)	(11,248,171)	(5,498,695)	(1,287,261)	(942,321)
11	General Plant			(79,036,000)	(45,910,921)	(8,600,869)	(14,659,754)	(6,615,406)	(1,823,434)	(1,425,616)
12	Total Accumulated Depreciation			(1,020,296,000)	(547,180,992)	(104,942,016)	(215,716,363)	(104,806,094)	(24,535,636)	(23,114,900)
13	Net Plant			1,829,518,000	979,937,318	194,763,230	397,121,753	176,789,520	46,643,066	34,263,112
14	Accumulated Deferred FIT			(391,202,000)	(210,845,964)	(41,593,938)	(83,081,838)	(38,212,608)	(9,743,790)	(7,723,863)
15	Miscellaneous Rate Base			37,156,000	20,641,696	6,001,561	6,395,600	2,493,612	1,116,902	506,630
16	Total Rate Base			1,475,472,000	789,733,051	159,170,853	320,435,515	141,070,525	38,016,178	27,045,879
17	Revenue From Retail Rates			495,064,000	211,070,000	70,975,000	129,105,000	64,450,500	12,510,500	6,953,000
18	Other Operating Revenues			51,332,000	27,486,830	4,838,702	10,635,600	7,024,803	1,036,131	309,934
19	Total Revenues			546,396,000	238,556,830	75,813,702	139,740,600	71,475,303	13,546,631	7,262,934
Operating Expenses										
20	Production Expenses			184,166,000	82,608,863	18,800,088	44,127,486	33,188,017	4,672,221	769,324
21	Transmission Expenses			19,905,000	10,002,127	1,886,291	4,428,971	3,146,006	402,407	39,198
22	Distribution Expenses			23,582,000	12,594,856	3,239,819	5,053,800	833,483	793,686	1,066,356
23	Customer Accounting Expenses			11,901,000	8,816,848	1,551,938	857,025	458,941	164,505	51,744
24	Customer Information Expenses			1,547,000	1,319,729	196,344	12,849	134	15,511	2,433
25	Sales Expenses			0	0	0	0	0	0	0
26	Admin & General Expenses			49,476,000	28,316,602	5,415,532	9,216,044	4,637,138	1,113,744	776,940
27	Total O&M Expenses			290,577,000	143,659,025	31,090,012	63,696,174	42,263,720	7,162,074	2,705,995
28	Taxes Other Than Income Taxes			43,353,000	20,966,542	5,265,121	10,266,446	5,071,710	1,075,042	708,139
29	Other Income Related Items Depreciation Expense			2,465,000	1,461,519	396,467	341,098	205,836	61,185	(1,104)
30	Production Plant Depreciation			21,484,000	11,702,424	1,961,715	4,304,734	3,045,901	403,904	65,322
31	Transmission Plant Depreciation			8,211,000	4,125,972	778,113	1,826,992	1,297,757	165,996	16,169
32	Distribution Plant Depreciation			29,270,000	15,686,904	3,708,478	6,679,754	930,292	988,114	1,276,458
33	General Plant Depreciation			32,800,000	18,463,223	3,752,883	6,349,019	2,828,381	807,550	598,944
34	Amortization Expense			2,132,000	1,151,683	200,087	435,971	289,169	42,533	12,557
35	Total Depreciation Expense			93,897,000	51,130,206	10,401,276	19,596,469	8,391,500	2,408,098	1,969,450
36	Income Tax			27,285,000	(400,321)	8,876,852	13,509,987	4,242,052	647,397	409,033
37	Total Operating Expenses			457,577,000	216,816,971	56,029,728	107,410,173	60,174,817	11,353,796	5,791,514
38	Net Income			88,819,000	21,739,859	19,783,974	32,330,427	11,300,486	2,192,835	1,471,420
39	Rate of Return			6.02%	2.75%	12.43%	10.09%	8.01%	5.77%	5.44%
40	Return Ratio			1.00	0.46	2.06	1.68	1.33	0.96	0.90
41	Interest Expense			41,903,000	22,428,202	4,520,409	9,100,281	4,006,364	1,079,649	768,096
42	Revenue Related Expenses			23,898,000	10,188,886	3,426,144	6,232,227	3,111,190	603,914	335,639