

**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-6

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

AUGUST 17, 2016

Sumcost Scenario: Company Base Case UE-16 _____ Load Factor 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 (Peak Credit)						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	447,807,657	95,895,904	222,515,511	165,708,941	23,115,040	3,795,947
2	Transmission Plant			454,215,000	204,860,285	46,022,287	109,222,302	81,302,612	11,193,883	1,613,630
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	95,311,837	21,286,204	44,327,466	25,623,969	5,205,966	2,881,557
5	General Plant			240,775,000	131,711,754	27,514,251	47,667,442	23,283,826	6,177,474	4,420,253
6	Total Plant In Service			2,849,814,000	1,410,964,456	313,121,649	658,687,487	328,212,923	79,579,377	59,248,109
Accum Depreciation										
7	Production Plant			(429,370,000)	(200,529,154)	(42,942,375)	(99,642,886)	(74,204,791)	(10,350,961)	(1,699,833)
8	Transmission Plant			(137,051,000)	(61,812,813)	(13,886,377)	(32,955,815)	(24,531,564)	(3,377,548)	(486,883)
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)	(26,260,629)	(5,831,303)	(12,192,937)	(6,453,325)	(1,457,839)	(978,967)
11	General Plant			(79,036,000)	(43,140,690)	(8,918,278)	(15,763,136)	(7,726,011)	(2,020,830)	(1,467,054)
12	Total Accumulated Depreciation			(1,020,296,000)	(501,625,734)	(110,168,148)	(233,836,054)	(123,072,557)	(27,789,195)	(23,804,312)
13	Net Plant			1,829,518,000	909,338,722	202,953,501	424,851,433	205,140,366	51,790,181	35,443,797
14	Accumulated Deferred FIT			(391,202,000)	(195,030,251)	(43,419,683)	(89,328,834)	(44,559,608)	(10,886,425)	(7,977,198)
15	Miscellaneous Rate Base			37,156,000	19,656,871	6,116,426	6,780,055	2,889,383	1,189,409	523,856
16	Total Rate Base			1,475,472,000	733,965,342	165,650,244	342,302,654	163,470,140	42,093,165	27,990,455
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	24,054,847	5,231,080	12,005,844	8,400,310	1,279,699	360,219
19	Total Revenues			546,396,000	235,124,847	76,206,080	141,110,844	72,850,810	13,790,199	7,313,219
Operating Expenses										
20	Production Expenses			184,166,000	86,011,254	18,418,906	42,738,970	31,828,026	4,439,749	729,095
21	Transmission Expenses			19,905,000	8,977,563	2,016,828	4,786,434	3,562,913	490,548	70,714
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	26,365,957	5,637,983	9,997,031	5,418,674	1,251,530	804,825
27	Total O&M Expenses			290,577,000	144,086,208	31,061,818	63,446,108	42,102,171	7,155,529	2,725,166
28	Taxes Other Than Income Taxes			43,353,000	19,901,121	5,387,846	10,688,295	5,499,150	1,151,710	724,878
29	Other Income Related Items Depreciation Expense			2,465,000	1,394,401	405,025	364,487	233,150	66,967	969
30	Production Plant Depreciation			21,484,000	10,033,697	2,148,669	4,985,741	3,712,918	517,922	85,053
31	Transmission Plant Depreciation			8,211,000	3,703,329	831,961	1,974,449	1,469,735	202,356	29,170
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	17,299,663	3,886,992	6,809,421	3,295,230	891,371	617,322
34	Amortization Expense			2,132,000	1,003,157	216,892	495,949	348,614	52,872	14,516
35	Total Depreciation Expense			93,897,000	47,726,750	10,792,992	20,945,314	9,756,790	2,652,634	2,022,520
36	Income Tax			27,285,000	430,947	8,771,523	13,217,727	3,904,071	576,553	384,178
37	Total Operating Expenses			457,577,000	213,539,427	56,419,204	108,661,931	61,495,332	11,603,393	5,857,712
38	Net Income			88,819,000	21,585,419	19,786,876	32,448,913	11,355,478	2,186,805	1,455,508
39	Rate of Return			6.02%	2.94%	11.94%	9.48%	6.95%	5.20%	5.20%
40	Return Ratio			1.00	0.49	1.98	1.57	1.15	0.86	0.86
41	Interest Expense			41,903,000	20,844,414	4,704,421	9,721,301	4,642,507	1,195,434	794,921
42	Revenue Related Expenses			23,898,000	10,188,886	3,426,144	6,232,227	3,111,190	603,914	335,639