



PUBLIC UTILITY COMMISSION OF OREGON  
 PO BOX 1088, SALEM, OR 97308-1088  
[PUC.FilingCenter@puc.oregon.gov](mailto:PUC.FilingCenter@puc.oregon.gov)

## GAS UTILITY NEW CONSTRUCTION BUDGET FOR 2022

### GENERAL INSTRUCTIONS

- Each energy utility operating within the State of Oregon and having gross operating revenues of \$50,000 or more per year is required to file a New Construction Budget annually on or before March 31<sup>st</sup> and report information on new construction, extensions, and new additions to property of the utility in accordance with Oregon Administrative Rule 860-027-0015.

The New Construction Budget report should be completed and filed with the Public Utility Commission of Oregon Filing Center. Complete the e-Filing Report Cover Sheet found at <https://www.oregon.gov/puc/forms/Pages/default.aspx?wp6900=se:%22Report+Cover+Sheet%22>. Email both the report and cover sheet to [PUC.FilingCenter@puc.oregon.gov](mailto:PUC.FilingCenter@puc.oregon.gov) no later than March 31<sup>st</sup>.

For major projects (total project cost greater than \$1,000,000) a narrative supplying the following information is required:

### PROJECT NARRATIVE

- Project Description:** Include a brief technical specification of the project, ownership, if jointly owned, operating date, stage of construction, and other relevant information.
- Need for the Project:** Attach all prepared information documenting the need for the project, including the specific need the project is intended to fill. Economic comparisons with alternatives are to be provided. All the underlying assumptions of the economic analyses are to be specified.
- Contingencies:** Provide a listing of existing or potential future problems which might impact the final cost or successful completion and operation of the project, such as licensing problems, labor difficulties, litigation, etc.
- Reconciliation with Prior Budget:** Each successive year's budget can be expected to reflect differing estimates of project costs as the project progresses. For each major project, prepare a reconciliation with the prior budget's estimates and provide specific reasons for the changes.

In addition, please attach copies of prepared documentation or plans describing transmission, distribution, and general plant projects located in Oregon exceeding \$100,000 in total cost and for which construction will commence in the budget year. Information submitted should contain a brief project description, location, and total budgeted cost.

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#### FULL NAME OF GAS UTILITY

Avista Corporation

#### ADDRESS: PO BOX OR STREET NUMBER

PO Box 3727

#### CITY

Spokane

#### STATE

WA

#### ZIP CODE

99202-3727

#### CERTIFICATION: I CERTIFY THAT THE INFORMATION REPORTED IS TRUE AND COMPLETE TO THE BEST OF MY KNOWLEDGE.

SIGNATURE - DocuSigned by:

4926269205784F2...

TITLE

Executive VP, CFO, and Treasurer

DATE

Mar-24-2022 | 4:20 P

Schedule B: Gas Utility New Construction Budget (System)	COMPANY: Avista Corporation	BUDGET YEAR: 2022
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**INSTRUCTIONS**

1. Report percent ownership, scheduled operating dates, and expenditures required to complete project for major production, transmission, and general plant projects.
2. Major projects are defined as those projects having a total estimated cost to completion exceeding \$1,000,000.
3. Under "Distribution," report specific line item expenditures for the budget year only. All expenditures for distribution following the budget year should be aggregated for the year and only total distribution expenditures reported for the period.
4. Non-major project expenditures within each category should be aggregated and only the totals reported.
5. Report all expenditures in thousands of dollars.

DESCRIPTION	PERCENT OWNERSHIP %	SCHEDULED OPERATING DATE (MO / YR)	EXPENDITURES (B.Y. = BUDGET YEAR; B.Y.+ 1 = THE FIRST YEAR AFTER THE BUDGET YEAR, ETC.)							REQUIRED TO COMPLETE	TOTAL
			PRIOR TO B.Y.	B.Y.	B.Y. + 1	B.Y. + 2	B.Y. + 3	B.Y. + 4			
<b>Major Production and Storage Projects:</b>											
Non-Major Production and Storage Projects											
<b>Total Production and Storage Projects</b>				49,521	54,926	36,830	37,744	45,976		224,997	
<b>Major Transmission Projects:</b>											
Non-Major Transmission Projects											
<b>Total Transmission Projects</b>				61,672	44,767	54,137	56,940	65,595		283,111	
<b>Distribution (See Instruction 3):</b>											
Mains											
Measuring & Reg. Sta. Equipment											
Compressor Station Equipment											
Services											
Meters and Regulators											
Meter Installations											
Other (Land, Equipment, Structures)											
<b>Total Distribution</b>				232,301	234,822	245,641	257,759	243,233		1,213,756	
<b>Major General Plant Projects:</b>											
Non-Major General Plant Projects											
<b>Total General Plant Projects</b>				101,506	110,485	108,392	92,557	90,196		503,136	
<b>Total New Construction Budget</b>				445,000	445,000	445,000	445,000	445,000		2,225,000	

Schedule C: Gas Utility New Construction Budget (Oregon)

COMPANY: Avista Corporation

BUDGET YEAR: 2022

**INSTRUCTIONS**

1. Report percent ownership, scheduled operating dates, and expenditures required to complete project for major production, transmission, and general plant projects.
2. Major projects are defined as those projects having a total estimated cost to completion exceeding \$1,000,000.
3. Under "Distribution," report specific line item expenditures for the budget year only. All expenditures for distribution following the budget year should be aggregated for the year and only total distribution expenditures reported for the period.
4. Non-major project expenditures within each category should be aggregated and only the totals reported.
5. Report all expenditures in thousands of dollars

DESCRIPTION	PERCENT OWNERSHIP %	SCHEDULED OPERATING DATE (MO / YR)	EXPENDITURES (B.Y. = BUDGET YEAR; B.Y.+ 1 = THE FIRST YEAR AFTER THE BUDGET YEAR, ETC.)							REQUIRED TO COMPLETE	TOTAL
			PRIOR TO B.Y.	B.Y.	B.Y. + 1	B.Y. + 2	B.Y. + 3	B.Y. + 4			
Major Production and Storage Projects:											
Non-Major Production and Storage Projects											
<b>Total Production and Storage Projects</b>				230	229	233	233	233		1,158	
Major Transmission Projects:											
Non-Major Transmission Projects											
<b>Total Transmission Projects</b>											
Distribution (See Instruction 3):											
Mains				16,192							
Measuring & Reg. Sta. Equipment				267							
Compressor Station Equipment				7,621							
Services				2,759							
Meters and Regulators											
Meter Installations											
Other (Land, Equipment, Structures)											
<b>Total Distribution</b>				26,839	26,146	24,410	24,943	25,020		127,358	
Major General Plant Projects:											
Non-Major General Plant Projects											
<b>Total General Plant Projects</b>				5,857	6,616	6,033	4,990	5,266		28,762	
<b>Total New Construction Budget</b>				32,926	32,991	30,676	30,166	30,519		157,278	

## **Avista Utilities Oregon Large Project Summary – 2022 Capital Plan**

No large projects to report.



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## BUDGET OF EXPENDITURES REPORT FOR THE YEAR 2022

### GENERAL INSTRUCTIONS

1. A Budget of Expenditures Report must be submitted by all utilities operating within the State of Oregon in accordance with Oregon Revised Statute 757.105.
2. The Budget of Expenditures Report should be completed and filed with the Public Utility Commission of Oregon Filing Center. Complete the e-Filing Report Cover Sheet found at: <https://www.oregon.gov/puc/forms/Forms%20and%20Reports/efiling-report-cover-sheet-FM050.pdf>. Email both the report and cover sheet to [PUC.FilingCenter@puc.oregon.gov](mailto:PUC.FilingCenter@puc.oregon.gov) no later than March 31<sup>st</sup>.
3. Each section should be completed fully and accurately. Where the words "None" or "Not Applicable" truly and completely state the fact, they should be given as the answer.
4. Any additional statements or explanatory remarks should be included in the email as an attachment in Microsoft Word document format or text-searchable PDF.
5. Expenditures should be referenced by the applicable account number of the Uniform System of Accounts, adopted by the Commission, and to which the utility is subject.
6. All entries should be typewritten or made with permanent ink.
7. Report all amounts in whole dollars only, omit cents.

FULL NAME OF UTILITY Avista Corporation			
ADDRESS OF PRINCIPAL OFFICE <b>1411 E Mission Ave</b>	CITY Spokane	STATE WA	ZIP CODE 99202
ADDRESS OF PRINCIPAL OFFICE IN OREGON (IF OTHER THAN ABOVE) <b>580 Business Park Drive</b>	CITY Medford	STATE OR	ZIP CODE 97504
STATE OF INCORPORATION <b>Washington</b>	DATE OF INCORPORATION March 15, 1889	TYPE OF ORGANIZATION IF NOT INCORPORATED	DATE ORGANIZED
STATE THE CLASSES OF UTILITY AND OTHER SERVICES FURNISHED BY THE UTILITY IN EACH STATE IN WHICH THE UTILITY OPERATES			

Washington: Electric, Natural Gas  
 Idaho: Electric, Natural Gas  
 Oregon: Natural Gas

DIRECTORS AT DATE OF BUDGET			
NAME OF DIRECTOR	CITY AND STATE OF RESIDENCE	LENGTH OF TERM	TERM EXPIRES
Julie A. Bentz	<b>Scio, OR</b>	<b>7 Months</b>	<b>May 12, 2022</b>
Kristianne Blake	<b>Spokane, WA</b>	<b>1 Year</b>	<b>May 12, 2022</b>
Donald C. Burke	<b>Langhorne, PA</b>	<b>1 Year</b>	<b>May 12, 2022</b>
Rebecca A. Klein	<b>Austin, TX</b>	<b>1 Year</b>	<b>May 12, 2022</b>
Sena M. Kwawu	<b>Bellevue, WA</b>	<b>1 Year</b>	<b>May 12, 2022</b>
Scott H. Maw	<b>Seattle, WA</b>	<b>1 Year</b>	<b>May 12, 2022</b>
Scott L. Morris	<b>Spokane, WA</b>	<b>1 Year</b>	<b>May 12, 2022</b>
Jeffry L. Philipps	<b>Spokane, WA</b>	<b>1 Year</b>	<b>May 12, 2022</b>
Heidi B. Stanley	<b>Spokane, WA</b>	<b>1 Year</b>	<b>May 12, 2022</b>
Dennis P. Vermillion	<b>Spokane, WA</b>	<b>1 Year</b>	<b>May 12, 2022</b>
Janet D. Widmann	<b>Lafayette, CA</b>	<b>1 Year</b>	<b>May 12, 2022</b>

## DONATIONS AND MEMBERSHIPS

2022

**INSTRUCTIONS:** List all donations and membership expenditures proposed to be made by the utility during the coming year and the accounts to be charged. Give the name of each organization to whom a payment is to be made except that items less than \$1000 may be consolidated by category stating the number of organizations included. Group expenditures under headings such as:

1. Contributions to and memberships in charitable organizations
2. Organizations of the utility industry
3. Technical and professional organizations
4. Commercial and trade organizations
5. All other organizations and kinds of donations and contributions

List by type and group the accounts charged. Report whole dollars only. Provide a total for each group.

NAME OF ORGANIZATION, CITY AND STATE	ACCOUNT NUMBER	TOTAL AMOUNT	AMOUNT ASSIGNED TO OREGON
<u>2022 Estimated Donations</u>			
<u>Charitable Organizations</u>			
SOUTHERN OREGON UNIVERSITY	426	1,000	1,000
CASA OF JACKSON COUNTY INC		1,000	1,000
ROGUE COMMUNITY HEALTH		1,000	1,000
BENEFIT FOR THE BASIN		1,000	1,000
RECLAIMING LIVES		1,000	1,000
SUTHERLIN ROTARY CLUB		1,000	1,000
OREGON TECH FOUNDATION		1,000	1,000
MERCY FOUNDATION		1,000	1,000
SOUTHERN OREGON UNIVERSITY FOUNDATION		1,500	1,500
GOSPEL MISSION		1,000	1,000
MORROW COUNTY SCHOOL DISTRICT		1,000	1,000
FRIENDS OF THE CHILDREN		1,000	1,000
UCAN FOOD BANK		1,500	1,500
GOLDEN RULE REENTRY		1,000	1,000
COMPASS HOUSE INC		1,000	1,000
MAGDALENE HOME		1,000	1,000
Organizations (19) less than \$1000 ea	426	7,400	7,400
Subtotal		24,400	24,400
<u>Other Donations/Contributions</u>			
ASHLAND CHAMBER OF COMMERCE	426	3,500	3,500
SORED		5,500	5,500
THE CHAMBER OF MEDFORD / JACKSON COUNTY		2,975	2,975
BOARDMAN CHAMBER OF COMMERCE		1,450	1,450
SOUTHERN OREGON LAND CONSERVANCY		1,000	1,000
BUILDERS ASSOCIATION SOUTHERN OREGON		3,000	3,000
CHAMBER OF COMMERCE		1,000	1,000
CITY OF GRANTS PASS		1,000	1,000
CITY OF WINSTON		1,000	1,000
PEAR BLOSSOM RUN		1,000	1,000
RIVERBEND LIVE		1,000	1,000
CRATERIAN PERFORMANCES		4,000	4,000
TIGER BOOSTERS		1,000	1,000
UNION FAIR JR AUCTION		1,500	1,500
THE CHAMBER OF MEDFORD / JACKSON COUNTY	930	3,600	3,600
Organizations (12) less than \$1000 ea	426	4,900	4,900
Subtotal		37,425	37,425
<b>TOTAL</b>		<b>61,825</b>	<b>61,825</b>
<u>2022 Estimated Dues</u>			
<u>Utility Organizations:</u>			
Western Energy Institute	930	30,000	2,723
Subtotal		30,000	2,723
<u>Technical/Professional Organizations:</u>			
Northwest Gas Assn.	930	72,150	6,549
Northwest Gas Assn. Transportation Coalition		10,000	908
American Gas Assn		257,840	23,404
Subtotal		339,990	30,861
<u>Other Organizations:</u>			
SORED	426/930	2,500	2,500
KCEDA		5,000	5,000
UMPQUA ECONOMIC DEVELOPMENT PARTNERSHIP		5,000	5,000
Organizations (14) less than \$1000 each	426	3,852	3,852
Organizations (3) less than \$1000 each	880	780	780
Organizations (13) less than \$1000 each	930	3,372	1,554
Subtotal		20,504	18,686
<b>TOTAL</b>		<b>390,494</b>	<b>52,270</b>

**EXPENDITURES FOR PENSIONS OR A TRUST TO PROVIDE PENSIONS**

**INSTRUCTIONS:** List all proposed payments to persons or trusts to provide pensions for employees and officers. Show all administrative and actuarial costs for formal pension plan. Give a brief description of the plan and show charges for current service costs, past service costs, and future service costs. Report whole dollars only.

PENSION FUND PAYMENTS MADE TO	ACCOUNT NUMBER	TOTAL AMOUNT	AMOUNT ASSIGNED TO OREGON
<p>2022 Pension, Pension Administration and Actuarial Costs:</p> <p>An audited copy of the Trustee's Financial Statements for the Plan Year ended 12/31/20 is attached. Contributions to the plan for 2022 have not yet been determined. All administrative and actuarial costs will be paid directly from the pension fund. The details of administrative and actuarial costs for 2022 are not yet available.</p>			

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## POLITICAL ADVERTISING

**INSTRUCTIONS:** List all proposed payments for advertising the purpose of which is to aid or defeat any measure before the people or to promote or prevent the enactment of any national, state, district, or municipal legislation. Give the specific purpose of such advertising, when and where to be placed, and the account or accounts to be charged. Report who dollars only.

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None

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## POLITICAL CONTRIBUTIONS

**INSTRUCTIONS:** List all proposed payments or contributions to persons and organizations for the purpose of aiding or defeating any measure before the people or to promote or prevent the enactment of any national, state, district, or municipal legislation. The purpose of all contributions or payments should be clearly explained. Report whole dollars only.

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2022 Budgeted Contract Lobbyist Fees/Expenses

- \$584,750 (Oregon's Portion \$72,000)

2022 Budgeted Political Contributions

- \$295,000 (Oregon's Portion \$40,000)



**EXPENDITURES AND MAJOR CONTRACTS FOR THE PURCHASE OR SALE OF EQUIPMENT**

**INSTRUCTIONS:** List all proposed expenditures and major contracts for the purchase or sale of equipment. Give the name and address of the person or organization with whom it is proposed to have such dealings and the account or accounts charged. Describe fully the equipment to be purchased or sold. Do not report estimates of routine construction projects. Limit the report to major contracts and expenditures. Report whole dollars only.

NAME AND ADDRESS OF PERSON OR ORGANIZATION, DESCRIPTION OF EQUIPMENT	ACCOUNT NUMBER	TOTAL AMOUNT	AMOUNT ASSIGNED TO OREGON
None			

**EXPENDITURES TO ANY PERSON OR ORGANIZATION HAVING AN AFFILIATED INTEREST FOR SERVICES, ETC.**


**INSTRUCTIONS:** Report all proposed expenditures to any person or organization having an affiliated interest for service. Advice, auditing, association, sponsoring, engineering, managing, operating, financial, legal or other services. See Oregon Revised Statutes 757.015 and 759.010 for definition of "Affiliated Interest." Give reference if such proposed expenditures have in the past been approved by the Commission. Describe the services to be received and the account or accounts to be charged. Report whole dollars only.

NAME AND ADDRESS OF PERSON OR ORGANIZATION. DESCRIPTION OF SERVICES	ACCOUNT NUMBER	TOTAL AMOUNT	AMOUNT ASSIGNED TO OREGON
None			

**CERTIFICATION**

The foregoing report must be certified by an Officer of the reporting company.

I certify that this Budget of Expenditures Report has been prepared under my direction, that I have carefully examined the report and declare it to be a complete and correct estimate of company expenditures for the coming year, to the best of my knowledge, information, and belief.

<p>SIGNATURE OF OFFICER DocuSigned by: </p>	<p>DATE Mar-24-2022   4:20 PM PDT</p>
<p>4928289205784F2... Mark T. Thies</p>	<p>DATE</p>

**THE RETIREMENT PLAN FOR EMPLOYEES  
OF AVISTA CORPORATION**

**FINANCIAL STATEMENTS AND  
SUPPLEMENTAL INFORMATION**

**YEARS ENDED DECEMBER 31, 2020 AND 2019**



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**THE RETIREMENT PLAN FOR EMPLOYEES OF AVISTA CORPORATION  
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## INDEPENDENT AUDITORS' REPORT

Compensation and Organization Committee  
The Retirement Plan for Employees of Avista Corporation  
Spokane, Washington

### **Report on the Financial Statements**

We have audited the accompanying financial statements of The Retirement Plan for Employees of Avista Corporation (the Plan), which comprise the statements of net assets available for benefits—modified cash basis as of December 31, 2020 and 2019, and the related statements of changes in net assets available for benefits—modified cash basis for the years then ended, and the related notes to the financial statements.

### ***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the modified cash basis of accounting described in Note 2; this includes determining that the modified cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### ***Auditors' Responsibility***

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Plan's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



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Compensation and Organization Committee  
The Retirement Plan for Employees of Avista Corporation

***Opinion***

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial status of the Plan as of December 31, 2020 and 2019, and the changes in financial status for the years then ended, in accordance with the modified cash basis of accounting.

***Basis of Accounting***

We draw attention to Note 2 to the financial statements which describes the basis of accounting. The financial statements were prepared on the modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified in respect to this matter.

**Report on Supplementary Information**

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The supplemental schedule of assets (held at end of year) as of December 31, 2020 and schedule of reportable transactions for the year then ended are presented for the purpose of additional analysis and are not a required part of the financial statements but are supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. Such information is the responsibility of the Plan's management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

*CliftonLarsonAllen LLP*

**CliftonLarsonAllen LLP**

Spokane, Washington  
October 12, 2021

**THE RETIREMENT PLAN FOR EMPLOYEES OF AVISTA CORPORATION  
STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS—MODIFIED CASH BASIS  
DECEMBER 31, 2020 AND 2019**

<b>ASSETS</b>	<u>2020</u>	<u>2019</u>
<b>INVESTMENTS</b> (at Fair Value)		
Cash Equivalents and Temporary Investments	\$ 3,351,813	\$ 2,848,856
Bonds	349,787,333	301,171,495
Mutual Funds	254,325,928	236,407,472
Partnerships/Closely Held Interests	81,908,443	67,746,384
Collective Trusts	<u>29,228,476</u>	<u>31,007,616</u>
<b>NET ASSETS AVAILABLE FOR BENEFITS</b>	<u><u>\$ 718,601,993</u></u>	<u><u>\$ 639,181,823</u></u>

See accompanying Notes to Financial Statements.



**THE RETIREMENT PLAN FOR EMPLOYEES OF AVISTA CORPORATION**  
**STATEMENTS OF CHANGES IN NET ASSETS**  
**AVAILABLE FOR BENEFITS—MODIFIED CASH BASIS**  
**YEARS ENDED DECEMBER 31, 2020 AND 2019**

	<u>2020</u>	<u>2019</u>
<b>ADDITIONS TO (DEDUCTIONS FROM) NET ASSETS AVAILABLE FOR BENEFITS ATTRIBUTED TO:</b>		
<b>INVESTMENT INCOME</b>		
Interest and Dividends	\$ 18,313,035	\$ 19,064,498
Net Appreciation in Fair Value of Investments	78,445,562	91,193,902
Total Investment Income	<u>96,758,597</u>	<u>110,258,400</u>
<b>COMPANY CONTRIBUTIONS</b>	22,000,000	22,000,000
<b>BENEFITS PAID TO PARTICIPANTS</b>	(38,629,784)	(33,930,106)
<b>ADMINISTRATIVE FEES</b>	<u>(708,643)</u>	<u>(694,505)</u>
<b>NET INCREASE</b>	79,420,170	97,633,789
<b>NET ASSETS AVAILABLE FOR BENEFITS</b>		
Beginning of Year	<u>639,181,823</u>	<u>541,548,034</u>
End of Year	<u><u>\$ 718,601,993</u></u>	<u><u>\$ 639,181,823</u></u>

See accompanying Notes to Financial Statements.

**THE RETIREMENT PLAN FOR EMPLOYEES OF AVISTA CORPORATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2020 AND 2019**

**NOTE 1 DESCRIPTION OF PLAN**

The following description of The Retirement Plan for Employees of Avista Corporation (the Plan) provides only general information. Participants should refer to the Plan document for a more complete description of the Plan's provisions.

**General**

The Plan is a defined benefit plan established by Avista Corporation (the Company) for the benefit of the employees of the Company. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA) and all statutory revisions thereto. The Plan was originally effective March 1, 1948, and has most recently been restated effective January 1, 2016 and most recently amended effective July 5, 2021. Employees become participants in the Plan after completing one year of continuous service in which at least 1,000 hours of service are credited. The Plan excludes leased employees, nonresident aliens, and employees covered by a collective bargaining agreement.

The Plan is administered by the Company's Benefit Plan Administrative Committee (BPAC). The Committee has overall responsibility for the operation and administration of the Plan. The Committee determines the appropriateness of the Plan's investment offerings, monitors investment performance, and reports to the Company's Board of Directors (compensation and organization committee).

**Pension Benefits**

The Plan provides for normal annual retirement benefits equal to 1.5% or 1.2% of the member's final average earnings (as defined) multiplied by the participant's years of benefit service (as defined). Earnings taken into consideration in the calculation of benefits are limited to amounts allowed by federal statute. Early retirement options, subject to Plan provisions, are available as early as age 55. Benefits are paid under several options specified in the Plan. Employees become fully vested after attaining five years of service with the Company.

Effective January 1, 2006, the annual retirement benefits formula changed to 1.2% of the member's final average earnings (as defined) for nonbargained newly hired employees and rehired employees. Also, included in this change are the newly hired and rehired employees of Local 659. Effective January 1, 2011, Local 77 agreed to this formula for newly hired and rehired employees.

As a pension plan subject to Internal Revenue Code (IRC) Section 412, participants receive their accrued vested benefits in the form of a lump sum payment, Life Annuity, or a qualified Joint and Survivor Annuity depending on traditional or cash balance participant. Under the terms of the Plan, a Qualified Joint and Survivor Annuity is a joint and 50% survivor annuity.

**THE RETIREMENT PLAN FOR EMPLOYEES OF AVISTA CORPORATION  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2020 AND 2019**

**NOTE 1 DESCRIPTION OF PLAN (CONTINUED)**

**Pension Benefits (Continued)**

As defined by the Plan, participants become fully vested in the Plan upon their normal retirement date or early retirement date. Normal retirement date is defined as the later date on which a participant attains age 65 or the fifth anniversary of their employment. A participant's early retirement date is the first day of the month on which the participant ceases to be an employee and has attained age 55 and completed 15 years of vesting service.

**Death and Disability Benefits**

The Plan provides a death benefit if a member has completed at least five years of vesting service and if there is an eligible spouse or eligible child (children). A disability (as defined) retirement benefit is available to a member who has five or more years of vesting service and becomes disabled.

**Funding Policy**

The Company's funding policy is to contribute at least the minimum amounts that are required to be funded under ERISA, but not more than the maximum amounts that are currently deductible for income tax purposes. Under the projected unit credit cost method, which was used to value all benefits (including ancillary benefits), the Plan's benefit obligations to participants for past services are computed on a present value basis using actual service as of the valuation date and projected future compensation. All contributions to the Plan, which are made by the Company only, are determined based on recommendations by an independent actuary. The Company contributions for the years ended December 31, 2020 and 2019, met the minimum funding requirements of ERISA.

Although it has not expressed an intention to do so, the Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to provisions set forth in ERISA.

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Basis of Accounting**

The accompanying financial statements of the Plan have been prepared on the modified cash basis of accounting. Under the modified cash basis of accounting, securities transactions are recorded on the trade date at fair value, investment income is recorded when received, contributions are recorded when received, and claims and expenses are recorded when paid.

**Use of Estimates**

The preparation of financial statements requires the Plan administrator to make estimates and assumptions that affect the reported amounts of assets and liabilities and changes therein, disclosure of contingent assets and liabilities, and the actuarial present value of accumulated plan benefits at the date of the financial statements. Actual results could differ from those estimates.

**THE RETIREMENT PLAN FOR EMPLOYEES OF AVISTA CORPORATION  
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**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Investment Valuation and Income Recognition**

Investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. See Note 4 for discussion of fair value measurements.

Purchases and sales of securities are recorded on a trade-date basis. Investment income is recorded when received. Net appreciation (depreciation) includes the Plan's gains and losses on investments bought and sold as well as held during the year.

**Payment of Benefits**

Benefit payments to participants are recorded upon distribution.

**Administrative Expenses**

Certain administrative functions are performed by officers or employees of the Company (BPAC) appointed by the Company's Board of Directors (compensation and organization committee). No such officer or employee receives compensation from the Plan. Substantially all administrative expenses (consisting of actuarial, audit, and trust administration fees) are ordinarily borne by the Plan.

**Subsequent Events**

In preparing these financial statements, the Plan has evaluated events and transactions for potential recognition or disclosure through October 12, 2021, the date the financial statements were available to be issued.

**NOTE 3 ACTUARIAL PRESENT VALUE OF ACCUMULATED PLAN BENEFITS**

Accumulated plan benefits are those future periodic payments, including lump sum distributions that are attributable under the Plan's provisions to the service employees have rendered. Accumulated plan benefits include benefits expected to be paid to:

- a) retired or terminated employees or their beneficiaries,
- b) beneficiaries of employees who have died, and
- c) present employees or their beneficiaries.

Benefits under the Plan are accumulated based on the employees' highest five consecutive complete credited years of compensation out of the last 10 latest years prior to the normal retirement date. The accumulated plan benefits for active employees are based on their highest five consecutive complete credited years of compensation ending on the date as of which the benefit information is presented (the valuation date).

**THE RETIREMENT PLAN FOR EMPLOYEES OF AVISTA CORPORATION**  
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**NOTE 3 ACTUARIAL PRESENT VALUE OF ACCUMULATED PLAN BENEFITS (CONTINUED)**

Benefits payable under all circumstances--retirement, death, and termination of employment--are included, to the extent they are deemed attributable to employee service rendered to the valuation date. Benefits to be provided through annuity contracts are excluded from Plan assets and are also excluded from accumulated plan benefits. The actuarial present value of accumulated plan benefits is determined by an independent actuary and is that amount that results from applying actuarial assumptions to adjust the accumulated plan benefits to reflect the time value of money (through discounts for interest) and the probability of payment (by means of decrements such as for death, disability, withdrawal or retirement) between the valuation date and the expected date of payment.

The following is a summary of actuarial present value of accumulated plan benefits as of December 31:

	<u>2020</u>	<u>2019</u>
Actuarial Present Value of Accumulated Plan Benefits:		
Vested Benefits:		
Participants Currently Receiving Payments	\$ 297,759,020	\$ 288,669,891
Other Participants	<u>233,356,865</u>	<u>221,165,870</u>
Total Vested Benefits	531,115,885	509,835,761
Nonvested Benefits	<u>10,757,281</u>	<u>11,516,483</u>
Total Actuarial Present Value of Accumulated Plan Benefits	<u>\$ 541,873,166</u>	<u>\$ 521,352,244</u>

The changes in the actuarial present value of accumulated plan benefits are summarized as follows for the years ended December 31:

	<u>2020</u>	<u>2019</u>
Actuarial Present Value of Accumulated Plan Benefits - Beginning of Year	\$ 521,352,244	\$ 480,446,196
Increase (Decrease) During the Year Attributable to:		
Change in Actuarial Assumptions	10,922,920	28,322,499
Actuary Losses	2,072,808	2,665,181
Benefits Accumulated	17,576,231	15,583,651
Change in Discount Period	28,578,747	28,264,823
Benefits Paid	<u>(38,629,784)</u>	<u>(33,930,106)</u>
Actuarial Present Value of Accumulated Plan Benefits - End of Year	<u>\$ 541,873,166</u>	<u>\$ 521,352,244</u>

**THE RETIREMENT PLAN FOR EMPLOYEES OF AVISTA CORPORATION**  
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**NOTE 3 ACTUARIAL PRESENT VALUE OF ACCUMULATED PLAN BENEFITS (CONTINUED)**

Significant assumptions underlying the actuarial computations relating to accumulated plan benefits as of December 31, 2020 and 2019 are as follows:

Discount Rate:	2020	5.40%
	2019	5.50%
Salary Increase:	2020	4.91% weighted average
	2019	4.89% weighted average
Mortality Basis:	2020 and 2019	Pri-2012 IRS-prescribed static Annuitant and Non-Annuitant tables for males and females

Termination Rates:	Rates at various ages:	2020 & 2019
	<u>Attained Age</u>	<u>Rate</u>
	Less than 25	13.0%
	25-29	8.5
	30-34	4.5
	35-39	3.5
	40-44	2
	45-49	1.5
	50-54	2
	55-59	4
	60-64	9.5
	65 and Over	9.5

Retirement Rates:	Age	2020 & 2019
	<u>Age</u>	<u>Rate</u>
	55	4%
	56	4
	57	5
	58	11
	59	9
	60	13
	61	25
	62	30
	63	20
	64	35
	65	25
	66	35
	67-69	50
	70	100

**THE RETIREMENT PLAN FOR EMPLOYEES OF AVISTA CORPORATION  
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**NOTE 3 ACTUARIAL PRESENT VALUE OF ACCUMULATED PLAN BENEFITS (CONTINUED)**

Disability Rates: Rates of disability incidence are based on experience from 1976 to 1980 under group long-term disability insurance plans as reported under the transactions of the Society of Actuaries

Spouse Benefit: It is assumed 85% of eligible male participants and 70% of eligible female participants are married. Wives are assumed to be three years younger than husbands.

Form of Payment: 2020 and 2019 50% of nonunion and Local 659 choosing lump sum  
5% of Local 77 choosing lump sum

The foregoing actuarial assumptions are based on the presumption that the Plan will continue. If the Plan were to terminate, different actuarial assumptions and other factors might be applicable in determining the actuarial present value of accumulated plan benefits.

**NOTE 4 FAIR VALUE OF INVESTMENTS**

The framework for measuring fair value provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are described as follows:

*Level 1* – Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access.

*Level 2* – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly, such as:

- quoted prices for similar assets or liabilities in active markets;
- quoted prices for identical or similar assets or liabilities in inactive markets;
- inputs other than quoted prices that are observable for the asset or liability;
- inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

*Level 3* – Inputs to the valuation methodology are unobservable and significant to the fair market value measurement.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques maximize the use of relevant observable inputs and minimize the use of unobservable inputs.

**THE RETIREMENT PLAN FOR EMPLOYEES OF AVISTA CORPORATION**  
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**NOTE 4 FAIR VALUE OF INVESTMENTS (CONTINUED)**

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the valuation methodologies used at December 31, 2020 and 2019.

*Cash Equivalents and Temporary Investments:* Investments in cash and cash equivalents are valued based on cost, which approximates fair value in a noninflationary economy.

*Mutual Funds:* Valued at the daily closing price as reported by the fund. Mutual funds held by the Plan are open-end mutual funds that are registered with the Securities and Exchange Commission. These funds are required to publish their daily net asset value (NAV) and to transact at that price. The mutual funds held by the Plan are deemed to be actively traded.

*Collective Trusts:* A collective fund that is composed primarily of real estate investments is valued at the NAV of units of the bank collective trust. The NAV is used as a practical expedient to estimate fair value. This practical expedient would not be used if it is determined to be probable that the fund will sell the investment for an amount different from the reported NAV. Participant transactions (purchases and sales) may occur daily. If the Plan initiates a full redemption of the collective trust, the issuer reserves the right to temporarily delay withdrawal from the trust in order to ensure that securities liquidations will be carried out in an orderly business manner.

*Closely Held Investments and Partnership Interests:* Investments in these investments are valued based on the NAV per unit (or its equivalent) based upon the fair value of the underlying investments. NAV is used as a practical expedient to estimate fair value.

*Real Estate Investments:* Included in the “collective trust funds” and “closely held investments and partnership interests” categories above are various real estate holdings. The market-related value of Plan assets invested in real estate was determined by the investment manager based on three basic approaches:

- a) Current cost of reproducing a property less deterioration and functional economic obsolescence,
- b) Capitalization of the property’s net earnings power, and
- c) Value indicated by recent sales of comparable properties in the market.

*Government, Agency, and Corporate Obligations:* Valued using methodologies that utilize actual market transactions, broker-dealer supplied valuations, or other formula-driven valuation techniques. These techniques generally consider such factors as yields or prices of bonds of comparable quality, type of issue, coupon, maturity, ratings, and general market conditions.



**THE RETIREMENT PLAN FOR EMPLOYEES OF AVISTA CORPORATION**  
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**NOTE 4 FAIR VALUE OF INVESTMENTS (CONTINUED)**

The following tables set forth by level, within the fair value hierarchy, the Plan's assets at fair value as of December 31:

	2020			Total
	Level 1	Level 2	Level 3	
Cash Equivalents and				
Temporary Investments	\$ -	\$ 3,351,813	\$ -	\$ 3,351,813
Bonds	-	349,787,333	-	349,787,333
Mutual Funds	254,325,928	-	-	254,325,928
Total Investments in the				
Fair Value Hierarchy	<u>\$ 254,325,928</u>	<u>\$ 353,139,146</u>	<u>\$ -</u>	607,465,074
Investments Measured at				
Net Asset Value				111,136,919
Total Investments at Fair Value				<u>\$ 718,601,993</u>
	2019			Total
	Level 1	Level 2	Level 3	
Cash Equivalents and				
Temporary Investments	\$ -	2,848,856	\$ -	\$ 2,848,856
Bonds	-	301,171,495	-	301,171,495
Mutual Funds	236,407,472	-	-	236,407,472
Total Investments in the				
Fair Value Hierarchy	<u>\$ 236,407,472</u>	<u>\$ 304,020,351</u>	<u>\$ -</u>	540,427,823
Investments Measured at				
Net Asset Value				98,754,000
Total Investments at Fair Value				<u>\$ 639,181,823</u>

The following tables set forth additional disclosures for the fair value measurement of investments in certain entities that calculate NAV (or its equivalent) as of December 31:

Investment Type	2020			
	Fair Value	Unfunded Commitments	Redemption Frequency	Redemption Notice Period
Partnership / Closely Held				
Interests:				
BPIF Nontaxable LP	\$ 34,147,522	\$ -	Semi-annual	95 days
Oaktree RE Opp Fund VI LP	2,962,961	-	Monthly	75 days
AQR Delta XN Offshore LP	363,124	-	Quarterly	60 Days
TT Emerging	26,760,336	-	Monthly	30 days
Aetos Capital Growth Port	12,676,803	-	Quarterly	90 Days
PGIM Real Estate U.S. Debt Fund LP	4,997,697	-	Quarterly	90 Days
Collective Trusts:				
UBS Trumbull Property Fund	13,951,257	-	Quarterly	60 Days
JPMCB Strategic Property Fund	15,277,219	-	Quarterly	45 Days

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**NOTE 4 FAIR VALUE OF INVESTMENTS (CONTINUED)**

Investment Type	2019			
	Fair Value	Unfunded Commitments	Redemption Frequency	Redemption Notice Period
Partnership/Closely Held				
Interests:				
BPIF Non-Taxable LP	\$ 26,352,637	\$ -	Semi-annual	90 days
Oaktree RE Opp Fund VI LP	3,477,909	-	Monthly	75 days
AQR Delta XN Offshore LP	363,124	-	Quarterly	60 Days
TT Emerging	20,610,667	-	Monthly	30 Days
Aetos Capital Growth Port	11,933,748	-	Quarterly	90 Days
PGIM Real Estate U.S. Debt Fund LP	5,008,299	-	Quarterly	90 Days
Collective Trusts:				
UBS Trumbull Property Fund	15,793,907	-	Quarterly	60 Days
JPMCB Strategic Property Fund	15,213,709	-	Quarterly	45 Days

**Partnership Interests/Closely Held Investments**

**Absolute Return**

BPIF Nontaxable LP uses nontraditional investment strategies focusing on market inefficiencies and valuation discrepancies. The fair value is determined based upon quoted market prices for marketable securities and estimated fair value for nonmarketable securities. Generally, a limited partner may, on each June 30 and December 31, request a withdrawal of all or part of its capital account, with a minimum of 95 days' notice. Gates may be put in place if a certain percentage of assets are being requested for redemption by investors.

The closely held investment included in the table above is the Aetos Capital Growth Portfolio, LLC (the Portfolio). The Portfolio is designed to provide U.S. and offshore investors a consistent absolute return with lower volatility versus traditional markets. The Portfolio incorporates a fundamentally based investment process with a disciplined approach to strategy allocation, manager selection, and portfolio monitoring. The fair value is determined based upon quoted market prices for marketable securities and estimated fair value for nonmarketable securities. The Portfolio allows for quarterly redemption with a minimum of 60 days written notice. Up to 10% of the Plan's assets could be held until the Portfolio's yearly audit is complete. The Portfolio may suspend redemptions at any time.

The AQR Delta SN Offshore Fund, L.P.'s stated investment objective is to seek to efficiently capture a diversified set of classic hedge fund strategies and deliver them to investors in a transparent and liquid vehicle with little or no correlation to traditional assets classes. Using a bottom-up, clearly defined investment process, the Fund seeks to provide exposure to more than 60 "hedge fund risk premiums" across nine broad strategy groups with a dynamic and disciplined investment process that aims to provide risk-balanced exposure to the underlying strategies. The result is a high risk-adjusted expected return stream with low correlation to traditional asset classes. The Fund also allows for redemptions on the 15th of every month and with 75 calendar days' notice may make a full withdrawal from the Fund.

**THE RETIREMENT PLAN FOR EMPLOYEES OF AVISTA CORPORATION**  
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**NOTE 4 FAIR VALUE OF INVESTMENTS (CONTINUED)**

**Partnership Interests/Closely Held Investments (Continued)**

Absolute Return (Continued)

TT Emerging Markets Opportunities Fund's investment objective is to produce long-term capital growth. The Fund will seek to achieve its investment objective by primarily investing in a diversified portfolio of equity securities and equity-related securities which are, or for which the underlying securities are, traded in Emerging Markets (as defined by reference to the MSCI Emerging Markets Index).

Private Equity

Euclid Partners SR LTD typically invest in nonmarketable fixed income and equity securities. The general partners determine the fair value of the investments based upon the sales price of recent transactions in similar securities, restrictions on transfer, recent trading volume, the current financial position of the issuer, significant recent events affecting the issuer, and any other factors affecting value.

Real Estate

The primary objective of the Oaktree Real Estate Opportunities Fund VI, L.P. is to achieve superior risk-adjusted returns without subjecting principal to undue risk of loss primarily through investments in real estate and real estate-related debt, companies, securities and other assets on a global basis, with an emphasis on investments in the United States.

JPMCB Strategic Property and UBS Trumbull Property Fund invest in office, retail, residential, and industrial real estate. The properties are externally appraised on an annual basis by independent appraisers. Additional appraisals may be performed as warranted by specific asset or market conditions. Property valuations are reviewed quarterly and adjusted as necessary. Loans are reflected at fair value.

PGIM Real Estate U.S. Debt Fund invest in real estate loans secured by institutional quality income-producing commercial real estate related assets. The estimated fair of mortgages and other loans receivable are valued on the amount at which the Partnership would pay to transfer the debt at the reporting date taking into consideration the effect of nonperformance risk, including the Partnership's own credit risk. The fair value of debt is generally determined using the discounted cash flow method, which applies certain key assumptions including the contractual terms of the agreement, market interest rates, interest spreads, credit risk, liquidity, and other factors.

**NOTE 5 PLAN TERMINATION**

In the event the Plan terminates, the net assets of the Plan will be allocated, as prescribed by ERISA and its related regulations, generally to provide the following benefits in the order indicated:

**THE RETIREMENT PLAN FOR EMPLOYEES OF AVISTA CORPORATION  
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**NOTE 5 PLAN TERMINATION (CONTINUED)**

1. Annuity benefits former employees or their beneficiaries have been receiving for at least three years, or that employees eligible to retire for that three-year period would have been receiving if they had retired with benefits in the normal form of annuity under the Plan. The priority amount is limited to the lowest benefit that was payable (or would have been payable) during those three years. The amount is further limited to the lowest benefit that would be payable under Plan provisions in effect at any time during the five years preceding Plan termination.
2. Other vested benefits insured by the Pension Benefit Guaranty Corporation (PBGC) (a U.S. governmental agency) up to the applicable limitations (discussed subsequently).
3. All other vested benefits (that is, vested benefits not insured by the PBGC).
4. All nonvested benefits.

Certain benefits under the Plan are insured by the PBGC if the Plan terminates. Generally, the PBGC guarantees most vested normal age retirement benefits, early retirement benefits and certain disability and survivor's pensions. However, the PBGC does not guarantee all types of benefits under the Plan, and the amount of benefit protection is subject to certain limitations. Vested benefits under the Plan are guaranteed at the level in effect on the date of the Plan's termination.

Whether all participants receive their benefits should the Plan terminate at some future time will depend on the sufficiency, at that time, of the Plan's net assets to provide for accumulated benefit obligations and may also depend on the financial level of benefits guaranteed by the PBGC.

**NOTE 6 PLAN TAX STATUS**

The Internal Revenue Service (IRS) has determined and informed the Company by a letter dated June 30, 2017, that the Plan and related trust are designed in accordance with the applicable requirements of the IRC.

Accounting principles generally accepted in the United States of America require Plan management to evaluate tax positions taken by the Plan and recognize a tax liability (or asset) if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by the IRS. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

**THE RETIREMENT PLAN FOR EMPLOYEES OF AVISTA CORPORATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2020 AND 2019**

**NOTE 7 RISKS AND UNCERTAINTIES**

The Plan invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of the investment securities will occur in the near term and that such changes could materially affect the amounts reported in the statements of net assets available for benefits.

Plan contributions are made and the actuarial present value of accumulated plan benefits are reported based on certain assumptions pertaining to interest rates, inflation rates, and employee demographics, all of which are subject to change. Due to uncertainties inherent in the estimations and assumptions process, it is at least reasonably possible that changes in these estimates and assumptions in the near term would be material to the financial statements.

**NOTE 8 PARTY-IN-INTEREST TRANSACTIONS**

The Plan pays certain investment managers' fees and custodial fees, which are netted against investment income. These fees are considered party-in-interest transactions.

**NOTE 9 RECONCILIATION OF FINANCIAL STATEMENTS TO FORM 5500**

Assets invested in TT Emerging Markets Opportunities Fund II Limited qualify as Plan assets under regulation 29 CFR 2510.3 – 101 of ERISA, as qualified employee benefit plan ownership in the fund exceeds 25% of the total ownership. As a result, the Plan is required to allocate the underlying assets of the fund on schedule H of Form 5500. The following table provides a comparison of the disclosures as presented in the statements of net assets available for benefits and schedule H of Form 5500:

	2020	
	Financial Statements	Form 5500
Limited Partnership	\$ 26,760,336	\$ -
Cash	-	438,190
Securities	-	26,495,227
Receivables and Other Assets	-	288,398
Operating Payables	-	(461,479)
Net Investment	\$ 26,760,336	\$ 26,760,336

**THE RETIREMENT PLAN FOR EMPLOYEES OF AVISTA CORPORATION**  
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**DECEMBER 31, 2020 AND 2019**

**NOTE 9 RECONCILIATION OF FINANCIAL STATEMENTS TO FORM 5500 (CONTINUED)**

The following is a reconciliation of net assets available for benefits per the financial statements to Form 5500 as of December 31:

	<u>2020</u>	<u>2019</u>
Net Assets Available for Benefits per the Financial Statements	\$ 718,601,993	\$ 639,181,823
Company Contributions Receivable	<u>42,000,000</u>	<u>22,000,000</u>
Net Assets Available for Benefits per Form 5500	<u>\$ 760,601,993</u>	<u>\$ 661,181,823</u>

The following is a reconciliation of net increase in net assets available for benefits per the financial statements to net increase per Form 5500 for the years ended December 31:

	<u>2020</u>	<u>2019</u>
Net Increase (Decrease) per the Financial Statements	\$ 79,420,170	\$ 97,633,789
Prior Year Contributions Receivable	(22,000,000)	(22,000,000)
Current Year Contributions Receivable	<u>42,000,000</u>	<u>22,000,000</u>
Net Increase (Decrease) per Form 5500	<u>\$ 99,420,170</u>	<u>\$ 97,633,789</u>

**THE RETIREMENT PLAN FOR EMPLOYEES OF AVISTA CORPORATION**  
**E.I.N. 91-04262470 PLAN NO. 001**  
**SCHEDULE H, LINE 4i—SCHEDULE OF ASSETS (HELD AT END OF YEAR)**  
**DECEMBER 31, 2020**

(a)	(b)	(c)	(d)	(e)
Identity of Issue	Description of Investment	Cost	Current Value	Value
	<b><u>Cash:</u></b>			
First Am Govt	Cash	\$ 2,344,583	\$ 2,344,583	
Morgan Stanley	Collateral Cash Held	592,230	592,230	
JP Morgan	Collateral Cash Held	415,000	415,000	
		<u>3,351,813</u>	<u>3,351,813</u>	
	<b><u>Mutual Funds:</u></b>			
Baillie Gifford	Baillie Gifford The Eafe Pure Fund	36,471,572	48,054,643	
Dodge & Cox	Dodge & Cox Stock Fund	9,328,426	12,618,563	
T. Rowe Price	T. Rowe Price Institutional Large Cap Growth Fund	4,463,375	11,804,108	
Vanguard	Vanguard Developed Markets Index Fund	35,884,696	48,256,186	
Vanguard	Vanguard Institutional Index Fund	59,321,429	95,668,893	
Vanguard	Vanguard Small Cap Index	16,496,739	26,283,675	
PIMCO	PIMCO All Asset	10,643,472	11,639,860	
	Total Mutual Funds	<u>172,609,709</u>	<u>254,325,928</u>	
	<b><u>Bonds:</u></b>			
US Government Issues	See Attached Schedule	10,060,339	10,959,072	
Corporate Issues	See Attached Schedule	245,458,884	277,400,203	
Foreign Issues	See Attached Schedule	34,860,193	39,223,735	
Municipal Issues	See Attached Schedule	19,749,686	22,204,323	
	Total Bonds	<u>310,129,102</u>	<u>349,787,333</u>	
	<b><u>Partnership/Closely Held Interests:</u></b>			
Aetos Alternatives Management LLC	Aetos Capital Growth Portfolio LLC	7,703,726	12,676,803	
Private Equity Partnership	PGIM Real Estate U.S. Debt Fund LP	265,530	4,997,697	
Private Equity Partnership	BPIF Non-Taxable LP	27,000,000	34,147,522	
Private Equity Partnership	Oaktree RE Opportunities Fund VI LP	2,962,961	2,962,961	
Private Equity Partnership	AQR Delta XN Offshore LP	4,208,742	363,124	
TT	TT Emerging Markets Opportunity Fund	17,480,598	26,760,336	
	Total Partnership Interests	<u>59,621,557</u>	<u>81,908,443</u>	
	<b><u>Collective Trusts:</u></b>			
JP Morgan	JPMCB Strategic Property Fund	12,281,326	15,277,219	
UBS	UBS Trumbull Property Fund	13,463,216	13,951,257	
	Total Collective Trusts	<u>12,281,326</u>	<u>29,228,476</u>	
		<u>\$ 557,993,507</u>	<u>\$ 718,601,993</u>	

**THE RETIREMENT PLAN FOR EMPLOYEES OF AVISTA CORPORATION**  
**E.I.N. 91-04262470 PLAN NO. 001**  
**SCHEDULE H, LINE 4j—SCHEDULE OF REPORTABLE TRANSACTIONS**  
**YEAR ENDED DECEMBER 31, 2020**

(a) Identity of Party Involved	(b) Description of Asset	(c) Purchase Price	(d) Selling Price	(g) Cost	(h) Current Value	(i) Net Gain (Loss)
<b>Category (ii) - A Series of Transactions with Same Broker Exceeds 5% of Value</b>						
Citigroup Global Markets Inc.			\$ 46,556,294	\$ 44,768,859	\$ 46,556,294	\$ 1,787,435
Morgan Stanley & Co. LLC			38,808,043	38,014,883	38,808,043	793,160
<b>Category (iii) - A Series of Transactions in Excess of 5% of Plan Assets</b>						
First Amer Govt Oblig Fd CI	565 purchases	\$ 204,119,806	-	-	204,119,806	
First Amer Govt Oblig Fd CI	519 sales	-	203,272,523	203,272,523	203,272,523	-
Vanguard Instl idx Ins	3 purchases	11,800,000	-	-	11,800,000	
Vanguard Instl idx Ins	4 reinvestments	3,054,268	-	-	3,054,268	
Vanguard Instl idx Ins	26 sales	-	22,746,776	15,935,568	22,746,776	6,811,208

*Columns (e) and (f) are omitted as they are not applicable.*

*There were no category (i) or (iv) transactions during the year ended December 31, 2020.*



