



Avista Corp.

1411 East Mission P.O. Box 3727
Spokane, Washington 99220-0500
Telephone 509-489-0500
Toll Free 800-727-9170

November 14, 2016

Filing Center
Public Utility Commission of Oregon
201 High Street, SE Suite 100
Salem, OR 97301-3612

Attention Filing Center:

RE: Docket No. UG-288
Natural Gas Decoupling Mechanism
Quarterly Report

Attached for filing with the Commission is an electronic copy of Avista's Natural Gas Decoupling Mechanism Quarterly Report.

The report consists of spreadsheets showing the monthly revenue deferral calculations for July, August and September 2016, including use-per-customer data for existing and new customers. Also included in the report are the monthly general ledger balances resulting from the deferral and amortization activity during the 3rd quarter of 2016.

Questions regarding this filing should be directed to Tara Knox at (509) 495-4325.

Sincerely,

A handwritten signature in black ink, appearing to read "Tara Knox", is positioned above the typed name and title.

Tara Knox on behalf of
Patrick Ehrbar
Senior Manager, Rates and Tariffs
Enc.

Avista Corporation Decoupling Mechanism
Oregon Jurisdiction
Quarterly Report for 3rd Quarter 2016

Avista Utilities

Natural Gas Decoupling Mechanism (Oregon)

Development of OR Natural Gas Deferrals (Calendar Year 2016)

Docket No. UG-288 Rates Effective March 1, 2016

Line No.	Source	Jul-16	Aug-16	Sep-16	Q3 Total	
(a)	(b)	(i)	(j)	(k)		
Residential Group						
1	Rate Year Allowed Customers	Appendix 5, Page 3	86,666	86,389	86,337	
2	Total Actual Billed Customers	Revenue Reports	87,117	87,013	87,018	
3	Total Actual Usage (Therms)	Revenue Reports	1,136,363	1,109,449	1,173,686	
4	Total Actual Base Rate Revenue	Revenue Reports	\$ 1,448,021	\$ 1,511,211	\$ 1,457,557	
5	Total Actual Fixed Charge Revenue	Revenue Reports	\$ 790,076	\$ 790,287	\$ 790,209	
7	New Hook-up Customers Billed	Revenue Reports	799	877	996	
8	New Hook-up Usage (Therms)	Revenue Reports	5,209	4,867	7,809	
9	New Hook-up Base Rate Revenue	Revenue Reports	\$ 9,589	\$ 10,175	\$ 12,879	
10	New Hook-up Fixed Charge Revenue	Revenue Reports	\$ 6,563	\$ 7,349	\$ 8,344	
11	Actual Customers	Rate Year Adjusted	86,666	86,389	86,337	
12	Monthly Decoupled Revenue per Customer	Appendix 5, Page 3	\$8.81	\$8.07	\$8.20	
13	Decoupled Revenue	(11) x (12)	\$ 763,780	\$ 697,387	\$ 707,918	
14	Actual Base Rate Revenue (Excludes Gas Costs)	Rate Year Adjusted	\$ 1,442,605	\$ 1,503,968	\$ 1,448,748	
15	Actual Fixed Charge Revenue	Rate Year Adjusted	\$ 786,369	\$ 785,055	\$ 784,502	
16	Customer Decoupled Payments	(14) - (15)	\$ 656,236	\$ 718,912	\$ 664,246	
17	Residential Revenue Per Customer Received		\$7.57	\$8.32	\$7.69	
18	Deferral - Surcharge (Rebate)	(13) - (16)	\$ 107,544	\$ (21,526)	\$ 43,672	\$ 129,690
19	Deferral - Revenue Related Expenses	Rev Conv Factor	\$ (3,324)	\$ 665	\$ (1,350)	\$ (4,008)
20		Authorized ROR	7.46%	7.46%	7.46%	
21	Interest on Deferral	Avg Balance Calc	\$ 9,836	\$ 10,156	\$ 10,286	\$ 30,279
22	Monthly Residential Deferral Totals		\$ 114,056	\$ (10,704)	\$ 52,608	\$ 155,960
23	Cumulative Deferral Balance	$\Sigma((18) \sim (21))$	\$ 1,644,605	\$ 1,633,901	\$ 1,686,510	
24	Weather Related Deferred Revenue		\$ (580)	\$ 884	\$ 9,583	
25	Revenue Related Expenses		\$ 18	\$ (27)	\$ (296)	
26	Interest		\$ 8,134	\$ 8,185	\$ 8,268	
27	Total Residential Weather Related Deferral Surcharge (Rebate)		\$ 7,572	\$ 9,042	\$ 17,554	
28	Cumulative Weather Related Deferral Balance		\$ 1,316,594	\$ 1,325,636	\$ 1,343,190	
29	Conservation (Non-Weather) Related Deferred Revenue		\$ 108,123	\$ (22,409)	\$ 34,089	
30	Revenue Related Expenses		\$ (3,342)	\$ 693	\$ (1,054)	
31	Interest		\$ 1,702	\$ 1,971	\$ 2,019	
32	Total Residential Conservation (Non-Weather) Related Deferral Surcharge (Rebate)		\$ 106,484	\$ (19,745)	\$ 35,054	
33	Cumulative Conservation (Non-Weather) Related Deferral Balance		\$ 328,011	\$ 308,266	\$ 343,320	
34	Residential Cumulative Deferral Surcharge (Rebate) Balance		\$ 1,644,605	\$ 1,633,901	\$ 1,686,510	

Avista Corporation Decoupling Mechanism
Oregon Jurisdiction
Quarterly Report for 3rd Quarter 2016

Avista Utilities
Natural Gas Decoupling Mechanism (Oregon)
Development of OR Natural Gas Deferrals (Calendar Year 2016)
Docket No. UG-288 Rates Effective March 1, 2016

Line No.	Source	Jul-16	Aug-16	Sep-16	Q3 Total	
(a)	(b)	(i)	(j)	(k)		
Non-Residential Group						
1	Rate Year Allowed Customers	Appendix 5, Page 3	11,453	11,420	11,413	
2	Total Actual Billed Customers	Revenue Reports	11,659	11,671	11,651	
3	Total Actual Usage (Therms)	Revenue Reports	1,293,484	1,507,309	1,632,097	
4	Total Actual Base Rate Revenue	Revenue Reports	\$ 671,422	\$ 742,125	\$ 722,185	
5	Total Actual Fixed Charge Revenue	Revenue Reports	\$ 201,143	\$ 201,338	\$ 200,833	
7	New Hook-up Customers Billed	Revenue Reports	107	113	132	
8	New Hook-up Usage (Therms)	Revenue Reports	8,527	22,673	12,380	
9	New Hook-up Base Rate Revenue	Revenue Reports	\$ 4,205	\$ 10,688	\$ 5,939	
10	New Hook-up Fixed Charge Revenue	Revenue Reports	\$ 1,750	\$ 1,880	\$ 2,176	
11	Actual Customers	Rate Year Adjusted	11,453	11,420	11,413	
12	Monthly Decoupled Revenue per Customer	Appendix 5, Page 3	\$48.54	\$52.37	\$63.02	
13	Decoupled Revenue	(11) x (12)	\$ 555,989	\$ 598,087	\$ 719,226	
14	Actual Base Rate Revenue (Excludes Gas Costs)	Rate Year Adjusted	\$ 663,343	\$ 718,363	\$ 711,476	
15	Actual Fixed Charge Revenue	Rate Year Adjusted	\$ 197,781	\$ 197,158	\$ 196,909	
16	Customer Decoupled Payments	(14) - (15)	\$ 465,562	\$ 521,205	\$ 514,567	
17	Non-Residential Revenue Per Customer Received		\$40.65	\$45.64	\$45.09	
18	Deferral - Surcharge (Rebate)	(13) - (16)	\$ 90,427	\$ 76,882	\$ 204,659	\$ 371,967
19	Deferral - Revenue Related Expenses	Rev Conv Factor	\$ (2,795)	\$ (2,376)	\$ (6,325)	\$ (11,496)
20	Interest Rate	Authorized ROR	7.46%	7.46%	7.46%	
21	Interest on Deferral	Avg Balance Calc	\$ 2,453	\$ 2,972	\$ 3,838	\$ 9,264
22	Monthly Non-Residential Deferral Totals		\$ 90,085	\$ 77,478	\$ 202,172	\$ 369,735
23	Cumulative Deferral Balance	$\Sigma((18) \sim (21))$	\$ 440,970	\$ 518,448	\$ 720,620	
24	Weather Related Deferred Revenue		\$ (1,186)	\$ 2,746	\$ 6,930	
25	Revenue Related Expenses		\$ 37	\$ (85)	\$ (214)	
26	Interest		\$ 3,349	\$ 3,375	\$ 3,425	
27	Total Non-Residential Weather Related Deferral Surcharge (Rebate)		\$ 2,200	\$ 6,035	\$ 10,140	
28	Cumulative Weather Related Deferral Balance		\$ 541,639	\$ 547,674	\$ 557,814	
29	Conservation (Non-Weather) Related Deferred Revenue		\$ 91,613	\$ 74,136	\$ 197,729	
30	Revenue Related Expenses		\$ (2,831)	\$ (2,291)	\$ (6,111)	
31	Interest		\$ (896)	\$ (402)	\$ 414	
32	Total Non-Residential Conservation (Non-Weather) Related Deferral Surcharge (Rebate)		\$ 87,885	\$ 71,443	\$ 192,032	
33	Cumulative Conservation (Non-Weather) Related Deferral Balance		\$ (100,669)	\$ (29,226)	\$ 162,806	
34	Non-Residential Cumulative Deferral Surcharge (Rebate) Balance		\$ 440,970	\$ 518,448	\$ 720,620	
35	Total Oregon Cumulative Deferral Balance Residential (34) + Non-Residential (34)		\$ 2,085,575	\$ 2,152,349	\$ 2,407,130	

Avista Corporation Decoupling Mechanism
Oregon Jurisdiction
Quarterly Report for 3rd Quarter 2016

Avista Utilities
Natural Gas Decoupling Mechanism (Oregon)
OR Natural Gas Journal Entries (Calendar Year 2016)
Docket No. UG-288 Rates Effective March 1, 2016

GL Account Balance Accounting Period : '201607, 201608, 201609'
Jurisdiction:OR

Deferred Revenue - Balance Sheet

Ferc Acct	Ferc Acct Desc	Service	Accounting Period	Beginning Balance	Quarterly Activity	Ending Balance
186328	REG ASSET-DECOUPLING DEFERRED	GD	201607	1,530,548.43	114,055.59	1,644,604.02
	REG ASSET-DECOUPLING DEFERRED	GD	201608	1,644,604.02	-10,703.73	1,633,900.29
	REG ASSET-DECOUPLING DEFERRED	GD	201609	1,633,900.29	52,608.27	1,686,508.56
FERC Acct 186328				Sum:	155,960.13	
186338	REG ASSET NON-RES DECOUPLING D	GD	201607	350,885.64	90,070.94	440,956.58
	REG ASSET NON-RES DECOUPLING D	GD	201608	440,956.58	77,464.44	518,421.02
	REG ASSET NON-RES DECOUPLING D	GD	201609	518,421.02	202,158.25	720,579.27
FERC Acct 186338				Sum:	369,693.63	
				Sum:	525,653.76	

Interest calculation error of \$40 to be corrected in Nov 2016.

Accumulated Deferred Taxes - Balance Sheet

Ferc Acct	Ferc Acct Desc	Service	Accounting Period	Beginning Balance	Monthly Activity	Ending Balance
283328	ADFIT DECOUPLING DEFERRED REV	GD	201607	-658,501.92	-71,444.29	-729,946.21
	ADFIT DECOUPLING DEFERRED REV	GD	201608	-729,946.21	-23,366.24	-753,312.45
	ADFIT DECOUPLING DEFERRED REV	GD	201609	-753,312.45	-89,168.28	-842,480.73
FERC Acct 283328				Sum:	-183,978.81	

Deferred Revenue - Income Statement

Ferc Acct	Ferc Acct Desc	Service	Accounting Period	Beginning Balance	Monthly Activity	Ending Balance
495328	RESIDENTIAL DECOUPLING DEFERRE	GD	201607	-1,510,995.63	-104,219.37	-1,615,215.00
	RESIDENTIAL DECOUPLING DEFERRE	GD	201608	-1,615,215.00	20,860.12	-1,594,354.88
	RESIDENTIAL DECOUPLING DEFERRE	GD	201609	-1,594,354.88	-42,322.06	-1,636,676.94
FERC Acct 495328				Sum:	-125,681.31	
495338	NON-RES DECOUPLING DEFERRED RE	GD	201607	-346,796.55	-87,632.02	-434,428.57
	NON-RES DECOUPLING DEFERRED RE	GD	201608	-434,428.57	-74,506.52	-508,935.09
	NON-RES DECOUPLING DEFERRED RE	GD	201609	-508,935.09	-198,334.09	-707,269.18
FERC Acct 495338				Sum:	-360,472.63	
				Sum:	-486,153.94	

Interest Income or Expense - Income Statement

Ferc Acct	Ferc Acct Desc	Service	Accounting Period	Beginning Balance	Monthly Activity	Ending Balance
419605	INT INC ON OTH DEFERRALS-IV FU	GD	201607	-28,114.81	-13,131.91	-41,246.72
	INT INC ON OTH DEFERRALS-IV FU	GD	201608	-41,246.72	-14,413.61	-55,660.33
	INT INC ON OTH DEFERRALS-IV FU	GD	201609	-55,660.33	-15,018.88	-70,679.21
FERC Acct 419605				Sum:	-42,564.40	
431605	INT EXP ON OTH DEFERRALS-IV FU	GD	201607	39.55	0.00	39.55
	INT EXP ON OTH DEFERRALS-IV FU	GD	201608	39.55	0.00	39.55
	INT EXP ON OTH DEFERRALS-IV FU	GD	201609	39.55	0.00	39.55
FERC Acct 431605				Sum:	0.00	
				Sum:	-42,564.40	

Reconciliation of Account 419605 for Q3 2016

Balance Sheet Account	July	August	September
191723 Res Intervenor funding Amort	30.46	27.30	24.07
191724 Ind/Trans Intervenor funding Amort	3.75	(143.92)	(9.10)
191720 Intervenor Citizen Utility Board	222.67	224.06	225.45
191721 Matching Grant Intervenor Funding	11.00	599.31	71.86
191722 Other Issues Funding	588.89	592.55	596.23
186328 Decoupling Deferred Revenue (residential)	9,836.23	10,156.40	10,286.21
186328 Decoupling Deferred Revenue (non-res)	2,438.92	2,957.92	3,824.16
Total	13,131.92	14,413.62	15,018.88

Interest calculation error of \$40 to be corrected in Nov 2016.

Avista Corporation Decoupling Mechanism
Oregon Jurisdiction
Quarterly Report for 3rd Quarter 2016

AVISTA UTILITIES
OREGON JURISDICTION
MONTHLY WEATHER CORRECTION
Twelve Months Ended December 2016

		Jul-16	Aug-16	Sep-16	Q3 Total	Source	
Medford	Actual DDH	2	0	39	41		Gas Supply
Roseburg	Actual DDH	4	0	40	44		Gas Supply
Klamath Falls	Actual DDH	74	23	272	369		Gas Supply
La Grande	Actual DDH	30	40	190	260		Gas Supply
Medford	Normal DDH	2	2	50	54	IRP	Gas Supply
Roseburg	Normal DDH	4	3	54	61	IRP	Gas Supply
Klamath Falls	Normal DDH	42	61	219	322	IRP	Gas Supply
La Grande	Normal DDH	25	39	192	256	IRP	Gas Supply
Medford	DDH from Normal	-	2	11	13		
Roseburg	DDH from Normal	-	3	14	17		
Klamath Falls	DDH from Normal	(32)	38	(53)	(47)		
La Grande	DDH from Normal	(5)	(1)	2	(4)		
Medford	410 Cust	53,011	53,050	53,050	53,037	Rate Year Adj	Revenue Reports
Roseburg	410 Cust	13,368	13,223	13,274	13,288	Actuals	Revenue Reports
Klamath Falls	410 Cust	14,211	14,205	14,176	14,197	Actuals	Revenue Reports
La Grande	410 Cust	6,527	6,531	6,513	6,524	Actuals	Revenue Reports
Medford	420 Cust	6,748	6,786	6,780	6,771	Rate Year Adj	Revenue Reports
Roseburg	420 Cust	2,160	2,132	2,122	2,138	Actuals	Revenue Reports
Klamath Falls	420 Cust	1,721	1,711	1,706	1,713	Actuals	Revenue Reports
La Grande	420 Cust	916	922	919	919	Actuals	Revenue Reports
Medford	424 Cust	40	40	40	40	Actuals	Revenue Reports
Roseburg	424 Cust	23	23	23	23	Actuals	Revenue Reports
Klamath Falls	424 Cust	15	15	15	15	Actuals	Revenue Reports
La Grande	424 Cust	2	2	2	2	Actuals	Revenue Reports
Weather-Sensitive Coefficients		Jul-16	Aug-16	Sep-16			
Medford	Schedule 410	0	0.00229	0.03441		IRP	Appendix 2.3
Roseburg	Schedule 410	0.01486	0.03424	0.02799		IRP	Appendix 2.3
Klamath Falls	Schedule 410	0.00125	0.00024	0.01179		IRP	Appendix 2.3
La Grande	Schedule 410	0.01318	0.032	0.00622		IRP	Appendix 2.3
Medford	Schedule 420	0	0.01982	0.21539		IRP	Appendix 2.3
Roseburg	Schedule 420	0.10073	0.30308	0.16645		IRP	Appendix 2.3
Klamath Falls	Schedule 420	0.03716	0.05496	0.09214		IRP	Appendix 2.3
La Grande	Schedule 420	0.07462	0.3606	0.05256		IRP	Appendix 2.3
Medford	Schedule 424	0	0	3.18489		IRP	Appendix 2.3
Roseburg	Schedule 424	8.71099	14.58261	15.72231		IRP	Appendix 2.3
Klamath Falls	Schedule 424	0.43124	0.50675	1.116683		IRP	Appendix 2.3
La Grande	Schedule 424	7.62568	180.64739	39.36633		IRP	Appendix 2.3
Adjustment to Normal					Q3 Total		
Medford	Schedule 410	-	243	20,080	20,323		
Roseburg	Schedule 410	-	1,358	5,202	6,560		
Klamath Falls	Schedule 410	(568)	130	(8,858)	(9,297)		
La Grande	Schedule 410	(430)	(209)	81	(558)		
Total Schedule 410		(999)	1,522	16,504	17,028		
Medford	Schedule 420	-	269	16,064	16,333		
Roseburg	Schedule 420	-	1,938	4,945	6,883		
Klamath Falls	Schedule 420	(2,046)	3,573	(8,331)	(6,804)		
La Grande	Schedule 420	(342)	(332)	97	(578)		
Total Schedule 420		(2,388)	5,448	12,774	15,834		
Medford	Schedule 424	-	-	1,401	1,401		
Roseburg	Schedule 424	-	1,006	5,063	6,069		
Klamath Falls	Schedule 424	(207)	289	(888)	(806)		
La Grande	Schedule 424	(76)	(361)	157	(280)		
Total Schedule 424		(283)	934	5,734	6,384		
Total Oregon Usage Adjustment		(3,670)	7,904	35,012	39,246		

Avista Corporation Decoupling Mechanism
Oregon Jurisdiction
Quarterly Report for 3rd Quarter 2016

AVISTA UTILITIES
OREGON JURISDICTION
MONTHLY WEATHER CORRECTION
Twelve Months Ended December 2016

	Jul-16	Aug-16	Sep-16	Q3 Total
Schedule 410 Usage Adjustment	(999)	1,522	16,504	17,028
Schedule 420 Usage Adjustment	(2,388)	5,448	12,774	15,834
Schedule 424 Usage Adjustment	(283)	934	5,734	6,384
	(3,670)	7,904	35,012	39,246
Schedule 410 Base Rate	0.58062	0.58062	0.58062	Tariff Schedule 410
Schedule 420 Base Rate	0.48015	0.48015	0.48015	Tariff Schedule 420
Schedule 424 Base Rate	0.13887	0.13887	0.13887	Tariff Schedule 424
Schedule 410 Revenue Adjustment	(580)	884	9,583	\$ 9,887
Schedule 420 Revenue Adjustment	(1,147)	2,616	6,134	\$ 7,603
Schedule 424 Revenue Adjustment	(39)	130	796	\$ 887
Total Revenue Adjustment	\$ (1,766)	\$ 3,629	\$ 16,513	\$ 18,376

DECOUPLING USAGE PER CUSTOMER STATISTICS

Actual per Books			
Residential Customers	87,117	87,013	87,018
Residential Usage	1,136,363	1,109,449	1,173,686
Residential Use/Customer	13.0	12.8	13.5

2016 New Hookup Billed			
Residential Customers	799	877	996
Residential Usage	5,209	4,867	7,809
Residential Use/Customer	6.5	5.5	7.8

Rate Year Adjusted Actual			
Residential Customers	86,666	86,389	86,337
Residential Usage	1,133,421	1,105,984	1,168,345
Residential Use/Customer	13.1	12.8	13.5

Rate Year Adjusted Weather Normalized			
Residential Customers	86,666	86,389	86,337
Residential Usage	1,132,422	1,107,506	1,184,849
Residential Use/Customer	13.1	12.8	13.7

UG-288 Rate Year			
Residential Customers	86,666	86,389	86,337
Residential Usage	1,324,758	1,213,479	1,232,544
Residential Use/Customer	15.3	14.0	14.3

Actual per Books			
Non-Residential Customers	11,659	11,671	11,651
Non-Residential Usage	1,293,484	1,507,309	1,632,097
Non-Residential Use/Customer	110.9	129.1	140.1

2016 New Hookup Billed			
Non-Residential Customers	107	113	132
Non-Residential Usage	8,527	22,673	12,380
Non-Residential Use/Customer	79.7	200.6	93.8

Rate Year Adjusted Actual			
Non-Residential Customers	11,453	11,420	11,413
Non-Residential Usage	1,277,102	1,456,902	1,609,774
Non-Residential Use/Customer	111.5	127.6	141.0

Rate Year Adjusted Weather Normalized			
Non-Residential Customers	11,453	11,420	11,413
Non-Residential Usage	1,275,916	1,459,648	1,616,703
Non-Residential Use/Customer	111.4	127.8	141.7

UG-288 Rate Year			
Non-Residential Customers	11,453	11,420	11,413
Non-Residential Usage	1,415,569	1,527,240	1,837,667
Non-Residential Use/Customer	123.6	133.7	161.0