



Avista Corp.

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February 22, 2017

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

On February 14, 2017, Avista provided its Natural Gas Decoupling Mechanism Quarterly Report for 4th quarter 2016 confidentially as the Company had not at that time released its earnings for 2016. The Company's 2016 earnings have since been released and the 4th quarter Natural Gas Decoupling Mechanism Quarterly Report is no longer confidential. Please supplement the February 14 filing with this unrestricted version.

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 October, November and December 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 4th 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 "Patrick Ehrbar", is written over a horizontal line. The signature is fluid and cursive, with a long, sweeping tail that extends to the right.

Patrick Ehrbar
Senior Manager, Rates and Tariffs
Enc.

Avista Corporation Decoupling Mechanism
Oregon Jurisdiction
Quarterly Report for 4th 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	Oct-16	Nov-16	Dec-16	Q4 Total
(a)	(b)	(l)	(m)	(n)	
Residential Group					
1	Rate Year Allowed Customers	Appendix 5, Page 3	86,866	87,585	88,200
2	Total Actual Billed Customers	Revenue Reports	87,434	88,202	88,640
3	Total Actual Usage (Therms)	Revenue Reports	3,168,968	4,966,685	9,269,970
4	Total Actual Base Rate Revenue	Revenue Reports	\$ 2,724,721	\$ 3,708,712	\$ 6,147,539
5	Total Actual Fixed Charge Revenue	Revenue Reports	\$ 790,287	\$ 796,678	\$ 801,793
7	New Hook-up Customers Billed	Revenue Reports	1,109	1,326	1,448
8	New Hook-up Usage (Therms)	Revenue Reports	14,443	37,822	89,047
9	New Hook-up Base Rate Revenue	Revenue Reports	\$ 17,542	\$ 33,051	\$ 64,140
10	New Hook-up Fixed Charge Revenue	Revenue Reports	\$ 9,155	\$ 11,090	\$ 12,437
11	Actual Customers	Rate Year Adjusted	86,866	87,585	88,200
12	Monthly Decoupled Revenue per Customer	Appendix 5, Page 3	\$18.60	\$36.67	\$53.55
13	Decoupled Revenue	(11) x (12)	\$ 1,615,934	\$ 3,211,322	\$ 4,722,886
14	Actual Base Rate Revenue (Excludes Gas Costs)	Rate Year Adjusted	\$ 2,715,731	\$ 3,693,323	\$ 6,128,055
15	Actual Fixed Charge Revenue	Rate Year Adjusted	\$ 785,595	\$ 791,515	\$ 798,015
16	Customer Decoupled Payments	(14) - (15)	\$ 1,930,136	\$ 2,901,809	\$ 5,330,040
17	Residential Revenue Per Customer Received		\$22.22	\$33.13	\$60.43
18	Deferral - Surcharge (Rebate)	(13) - (16)	\$ (314,202)	\$ 309,513	\$ (607,155)
19	Deferral - Revenue Related Expenses	Rev Conv Factor	\$ 9,711	\$ (9,566)	\$ 18,765
20		Authorized ROR	7.46%	7.46%	7.46%
21	Interest on Deferral	Avg Balance Calc	\$ 9,535	\$ 9,581	\$ 8,744
22	Monthly Residential Deferral Totals		\$ (294,955)	\$ 309,528	\$ (579,646)
23	Cumulative Deferral Balance	Σ((18) ~ (21))	\$ 1,391,554	\$ 1,701,082	\$ 1,121,436
24	Weather Related Deferred Revenue		\$ (13,662)	\$ 675,256	\$ (395,098)
25	Revenue Related Expenses		\$ 422	\$ (20,869)	\$ 12,211
26	Interest		\$ 8,307	\$ 10,351	\$ 11,259
27	Total Residential Weather Related Deferral Surcharge (Rebate)		\$ (4,933)	\$ 664,737	\$ (371,628)
28	Cumulative Weather Related Deferral Balance		\$ 1,338,257	\$ 2,002,994	\$ 1,631,365
29	Conservation (Non-Weather) Related Deferred Revenue		\$ (300,539)	\$ (365,743)	\$ (212,057)
30	Revenue Related Expenses		\$ 9,288	\$ 11,304	\$ 6,554
31	Interest		\$ 1,229	\$ (770)	\$ (2,515)
32	Total Residential Conservation (Non-Weather) Related Deferral Surcharge (Rebate)		\$ (290,022)	\$ (355,209)	\$ (208,018)
33	Cumulative Conservation (Non-Weather) Related Deferral Balance		\$ 53,298	\$ (301,912)	\$ (509,930)
34	Residential Cumulative Deferral Surcharge (Rebate) Balance		\$ 1,391,554	\$ 1,701,082	\$ 1,121,436

Avista Corporation Decoupling Mechanism
Oregon Jurisdiction
Quarterly Report for 4th 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	Oct-16	Nov-16	Dec-16	Q4 Total
(a)	(b)	(l)	(m)	(n)	
Non-Residential Group					
1	Rate Year Allowed Customers	Appendix 5, Page 3	11,431	11,511	11,588
2	Total Actual Billed Customers	Revenue Reports	11,664	11,718	11,792
3	Total Actual Usage (Therms)	Revenue Reports	2,474,028	3,089,029	5,501,142
4	Total Actual Base Rate Revenue	Revenue Reports	\$ 1,173,201	\$ 1,423,957	\$ 2,545,661
5	Total Actual Fixed Charge Revenue	Revenue Reports	\$ 201,050	\$ 201,928	\$ 203,440
7	New Hook-up Customers Billed	Revenue Reports	145	168	189
8	New Hook-up Usage (Therms)	Revenue Reports	16,098	26,757	66,972
9	New Hook-up Base Rate Revenue	Revenue Reports	\$ 8,251	\$ 13,341	\$ 32,502
10	New Hook-up Fixed Charge Revenue	Revenue Reports	\$ 2,407	\$ 2,773	\$ 3,010
11	Actual Customers	Rate Year Adjusted	11,431	11,511	11,588
12	Monthly Decoupled Revenue per Customer	Appendix 5, Page 3	\$97.49	\$134.01	\$172.56
13	Decoupled Revenue	(11) x (12)	\$ 1,114,446	\$ 1,542,577	\$ 1,999,678
14	Actual Base Rate Revenue (Excludes Gas Costs)	Rate Year Adjusted	\$ 1,159,962	\$ 1,407,515	\$ 2,510,624
15	Actual Fixed Charge Revenue	Rate Year Adjusted	\$ 197,187	\$ 198,511	\$ 200,195
16	Customer Decoupled Payments	(14) - (15)	\$ 962,775	\$ 1,209,005	\$ 2,310,428
17	Non-Residential Revenue Per Customer Received		\$84.22	\$105.03	\$199.38
18	Deferral - Surcharge (Rebate)	(13) - (16)	\$ 151,672	\$ 333,572	\$ (310,750)
19	Deferral - Revenue Related Expenses	Rev Conv Factor	\$ (4,688)	\$ (10,309)	\$ 9,604
20	Interest Rate	Authorized ROR	7.46%	7.46%	7.46%
21	Interest on Deferral	Avg Balance Calc	\$ 4,935	\$ 6,427.37	\$ 6,536
22	Monthly Non-Residential Deferral Totals		\$ 151,920	\$ 329,690	\$ (294,610)
23	Cumulative Deferral Balance	$\Sigma((18) \sim (21))$	\$ 872,540	\$ 1,202,230	\$ 907,619
24	Weather Related Deferred Revenue		\$ 969	\$ 285,746	\$ (182,322)
25	Revenue Related Expenses		\$ (30)	\$ (8,831)	\$ 5,635
26	Interest		\$ 3,470	\$ 4,355	\$ 4,693
27	Total Non-Residential Weather Related Deferral Surcharge (Rebate)		\$ 4,409	\$ 281,269	\$ (171,994)
28	Cumulative Weather Related Deferral Balance		\$ 562,223	\$ 843,492	\$ 671,498
29	Conservation (Non-Weather) Related Deferred Revenue		\$ 150,703	\$ 47,827	\$ (128,429)
30	Revenue Related Expenses		\$ (4,658)	\$ (1,478)	\$ 3,969
31	Interest		\$ 1,466	\$ 2,073	\$ 1,843
32	Total Non-Residential Conservation (Non-Weather) Related Deferral Surcharge (Rebate)		\$ 147,511	\$ 48,421	\$ (122,617)
33	Cumulative Conservation (Non-Weather) Related Deferral Balance		\$ 310,317	\$ 358,738	\$ 236,121
34	Non-Residential Cumulative Deferral Surcharge (Rebate) Balance		\$ 872,540	\$ 1,202,230	\$ 907,619
35	Total Oregon Cumulative Deferral Balance Residential (34) + Non-Residential (34)		\$ 2,264,094	\$ 2,903,312	\$ 2,029,055

Avista Corporation Decoupling Mechanism
Oregon Jurisdiction
Quarterly Report for 4th 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 : '201610, 201611, 201612'

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	201610	1,686,508.56	-294,955.47	1,391,553.09
	REG ASSET-DECOUPLING DEFERRED	GD	201611	1,391,553.09	309,527.60	1,701,080.69
	REG ASSET-DECOUPLING DEFERRED	GD	201612	1,701,080.69	-579,646.11	1,121,434.58
FERC Acct 186328				Sum:	-565,073.98	
186338	REG ASSET NON-RES DECOUPLING D	GD	201610	720,579.27	151,905.15	872,484.42
	REG ASSET NON-RES DECOUPLING D	GD	201611	872,484.42	329,675.56	1,202,159.98
	REG ASSET NON-RES DECOUPLING D	GD	201612	1,202,159.98	-294,538.64	907,621.34
FERC Acct 186338				Sum:	187,042.07	
				Sum:	-378,031.91	

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	201610	-842,480.73	50,067.62	-792,413.11
	ADFIT DECOUPLING DEFERRED REV	GD	201611	-792,413.11	-148,096.60	-940,509.71
	ADFIT DECOUPLING DEFERRED REV	GD	201612	-940,509.71	233,181.81	-707,327.90
FERC Acct 283328				Sum:	135,152.83	

Deferred Revenue - Income Statement

Ferc Acct	Ferc Acct Desc	Service	Accounting Period	Beginning Balance	Monthly Activity	Ending Balance
495328	RESIDENTIAL DECOUPLING DEFERRE	GD	201610	-1,636,676.94	304,490.92	-1,332,186.02
	RESIDENTIAL DECOUPLING DEFERRE	GD	201611	-1,332,186.02	-299,947.01	-1,632,133.03
	RESIDENTIAL DECOUPLING DEFERRE	GD	201612	-1,632,133.03	588,389.90	-1,043,743.13
FERC Acct 495328				Sum:	592,933.81	
495338	NON-RES DECOUPLING DEFERRED RE	GD	201610	-707,269.18	-146,984.15	-854,253.33
	NON-RES DECOUPLING DEFERRED RE	GD	201611	-854,253.33	-323,262.68	-1,177,516.01
	NON-RES DECOUPLING DEFERRED RE	GD	201612	-1,177,516.01	301,146.34	-876,369.67
FERC Acct 495338				Sum:	-169,100.49	
				Sum:	423,833.32	

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	201610	-70,679.21	-15,365.47	-86,044.68
	INT INC ON OTH DEFERRALS-IV FU	GD	201611	-86,044.68	-16,186.49	-102,231.17
	INT INC ON OTH DEFERRALS-IV FU	GD	201612	-102,231.17	-15,697.69	-117,928.86
FERC Acct 419605				Sum:	-47,249.65	
431605	INT EXP ON OTH DEFERRALS-IV FU	GD	201610	39.55	0.00	39.55
	INT EXP ON OTH DEFERRALS-IV FU	GD	201611	39.55	0.00	39.55
	INT EXP ON OTH DEFERRALS-IV FU	GD	201612	39.55	0.00	39.55
FERC Acct 431605				Sum:	0.00	
				Sum:	-47,249.65	

Reconciliation of Account 419605 for Q3 2016

Balance Sheet Account	October	November	December	
191723 Res Intervenor funding Amort	17.90	6.77	133.70	
191724 Ind/Trans Intervenor funding Amort	(7.97)	69.43	62.32	\$75.13
191720 Intervenor Citizen Utility Board	226.85	5.59	5.62	interest
191721 Matching Grant Intervenor Funding	72.30	61.75	62.14	correction
191722 Other Issues Funding	599.94	49.48	82.42	made in Dec
186328 Decoupling Deferred Revenue (residential)	9,535.45	9,580.59	8,742.19	2016
186338 Decoupling Deferred Revenue (non-res)	4,921.00	6,412.88	6,534.17	
Total	15,365.47	16,186.49	15,622.56	

Avista Corporation Decoupling Mechanism
Oregon Jurisdiction
Quarterly Report for 4th Quarter 2016

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

		Oct-16	Nov-16	Dec-16	Q4 Total	Source	
Medford	Actual DDH	308	459	870	1,637		Gas Supply
Roseburg	Actual DDH	244	379	786	1,409		Gas Supply
Klammath Falls	Actual DDH	597	720	1131	2,448		Gas Supply
La Grande	Actual DDH	452	568	1272	2,292		Gas Supply
Medford	Normal DDH	296	606	807	1,709	IRP	Gas Supply
Roseburg	Normal DDH	283	532	693	1,508	IRP	Gas Supply
Klammath Falls	Normal DDH	552	865	1,086	2,503	IRP	Gas Supply
La Grande	Normal DDH	512	784	1,027	2,323	IRP	Gas Supply
Medford	DDH from Normal	(12)	147	(63)	72		
Roseburg	DDH from Normal	39	153	(93)	99		
Klammath Falls	DDH from Normal	(45)	145	(45)	55		
La Grande	DDH from Normal	60	216	(245)	31		
Q4 Average							
Medford	410 Cust	53,255	53,722	53,973	53,650	Rate Year Adj	Revenue Reports
Roseburg	410 Cust	13,300	13,380	13,481	13,387	Actuals	Revenue Reports
Klammath Falls	410 Cust	14,303	14,461	14,534	14,433	Actuals	Revenue Reports
La Grande	410 Cust	6,560	6,624	6,637	6,607	Actuals	Revenue Reports
Medford	420 Cust	6,781	6,832	6,862	6,825	Rate Year Adj	Revenue Reports
Roseburg	420 Cust	2,118	2,124	2,151	2,131	Actuals	Revenue Reports
Klammath Falls	420 Cust	1,716	1,722	1,736	1,725	Actuals	Revenue Reports
La Grande	420 Cust	923	920	923	922	Actuals	Revenue Reports
Medford	424 Cust	40	40	40	40	Actuals	Revenue Reports
Roseburg	424 Cust	23	23	23	23	Actuals	Revenue Reports
Klammath Falls	424 Cust	15	14	15	15	Actuals	Revenue Reports
La Grande	424 Cust	2	2	2	2	Actuals	Revenue Reports
Weather-Sensitive Coefficients							
		Oct-16	Nov-16	Dec-16			
Medford	Schedule 410	0.07392	0.09451	0.10665		IRP	Appendix 2.3
Roseburg	Schedule 410	0.0626	0.07701	0.10748		IRP	Appendix 2.3
Klammath Falls	Schedule 410	0.0477	0.06925	0.07151		IRP	Appendix 2.3
La Grande	Schedule 410	0.05574	0.07952	0.08383		IRP	Appendix 2.3
Medford	Schedule 420	0.30094	0.36756	0.43289		IRP	Appendix 2.3
Roseburg	Schedule 420	0.32359	0.299985	0.45113		IRP	Appendix 2.3
Klammath Falls	Schedule 420	0.17109	0.25669	0.26212		IRP	Appendix 2.3
La Grande	Schedule 420	0.19711	0.31028	0.3561		IRP	Appendix 2.3
Medford	Schedule 424	0.85234	0.56711	0.79292		IRP	Appendix 2.3
Roseburg	Schedule 424	7.651	1.54081	1.02736		IRP	Appendix 2.3
Klammath Falls	Schedule 424	0.43722	0.29335	0.5369		IRP	Appendix 2.3
La Grande	Schedule 424	8.39843	0.2555	0.07093		IRP	Appendix 2.3
Adjustment to Normal							
					Q4 Total		
Medford	Schedule 410	(47,239)	746,358	(362,642)	336,477		
Roseburg	Schedule 410	32,471	157,650	(134,751)	55,370		
Klammath Falls	Schedule 410	(30,701)	145,207	(46,770)	67,735		
La Grande	Schedule 410	21,939	113,776	(136,313)	(598)		
Total Schedule 410		(23,531)	1,162,991	(680,476)	458,984		
Medford	Schedule 420	(24,488)	369,142	(187,141)	157,513		
Roseburg	Schedule 420	26,729	97,487	(90,245)	33,971		
Klammath Falls	Schedule 420	(13,212)	64,093	(20,477)	30,405		
La Grande	Schedule 420	10,916	61,659	(80,527)	(7,952)		
Total Schedule 420		(55)	592,380	(378,390)	213,936		
Medford	Schedule 424	(409)	3,335	(1,998)	927		
Roseburg	Schedule 424	6,863	5,422	(2,198)	10,088		
Klammath Falls	Schedule 424	(295)	596	(362)	(62)		
La Grande	Schedule 424	1,008	110	(35)	1,083		
Total Schedule 424		7,167	9,463	(4,593)	12,036		
Total Oregon Usage Adjustment		(16,419)	1,764,834	(1,063,459)	684,957		

AVISTA UTILITIES
OREGON JURISDICTION

Avista Corporation Decoupling Mechanism
Oregon Jurisdiction
Quarterly Report for 4th Quarter 2016

MONTHLY WEATHER CORRECTION
Twelve Months Ended December 2016

	Oct-16	Nov-16	Dec-16	Q4 Total
Schedule 410 Usage Adjustment	(23,531)	1,162,991	(680,476)	458,984
Schedule 420 Usage Adjustment	(55)	592,380	(378,390)	213,936
Schedule 424 Usage Adjustment	7,167	9,463	(4,593)	12,036
	(16,419)	1,764,834	(1,063,459)	684,957
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	(13,662)	675,256	(395,098)	\$ 266,495
Schedule 420 Revenue Adjustment	(26)	284,431	(181,684)	\$ 102,721
Schedule 424 Revenue Adjustment	995	1,314	(638)	\$ 1,671
Total Revenue Adjustment	\$ (12,693)	\$ 961,001	\$ (577,420)	\$ 370,888

DECOUPLING USAGE PER CUSTOMER STATISTICS

Actual per Books			
Residential Customers	87,434	88,202	88,640
Residential Usage	3,168,968	4,966,685	9,269,970
Residential Use/Customer	36.2	56.3	104.6
2016 New Hookup Billed			
Residential Customers	1,109	1,326	1,448
Residential Usage	14,443	37,822	89,047
Residential Use/Customer	13.0	28.5	61.5
Rate Year Adjusted Actual			
Residential Customers	86,866	87,585	88,200
Residential Usage	3,161,566	4,949,075	9,242,921
Residential Use/Customer	36.4	56.5	104.8
Rate Year Adjusted Weather Normalized			
Residential Customers	86,866	87,585	88,200
Residential Usage	3,138,035	6,112,066	8,562,445
Residential Use/Customer	36.1	69.8	97.1
UG-288 Rate Year			
Residential Customers	86,866	87,585	88,200
Residential Usage	2,796,347	5,511,521	8,049,216
Residential Use/Customer	32.2	62.9	91.3
Actual per Books			
Non-Residential Customers	11,664	11,718	11,792
Non-Residential Usage	2,474,028	3,089,029	5,501,142
Non-Residential Use/Customer	212.1	263.6	466.5
2016 New Hookup Billed			
Non-Residential Customers	145	168	189
Non-Residential Usage	16,098	26,757	66,972
Non-Residential Use/Customer	111.0	159.3	354.3
Rate Year Adjusted Actual			
Non-Residential Customers	11,431	11,511	11,588
Non-Residential Usage	2,448,200	3,056,051	5,428,945
Non-Residential Use/Customer	214.2	265.5	468.5
Rate Year Adjusted Weather Normalized			
Non-Residential Customers	11,431	11,511	11,588
Non-Residential Usage	2,449,169	3,341,797	5,246,624
Non-Residential Use/Customer	214.3	290.3	452.8
UG-288 Rate Year			
Non-Residential Customers	11,431	11,511	11,588
Non-Residential Usage	2842902.298	3907838.121	5032022.948
Non-Residential Use/Customer	248.7	339.5	434.2