

Avista Utilities
UG 325
Twelve Months Ended 9.30.2018
(\$000)

	Company Filed 9.30.2018 Results at Proposed Return	Stipulated Adjustments	9.30.2018 Adjusted	Stipulated Revenue Increase	Results at Stipulated Return
	(1)	(2)	(3)	(4)	(5)
1 Operating Revenues					
2 General Business	\$ 63,760	\$ 355	\$ 55,576	\$ 3,500	\$ 59,076
3 Transportation	\$ 3,503	\$ -	\$ 3,503	\$ -	\$ 3,503
4 Other Revenues	\$ 98	\$ 26	\$ 124	\$ -	\$ 124
5 Total Operating Revenues	\$ 67,361	\$ 381	\$ 59,203	\$ 3,500	\$ 62,703
6 Operating Expenses					\$ -
7 Gas Purchased	\$ -	\$ -	\$ -	\$ -	\$ -
8 OPUC Fees	\$ 263	\$ (62)	\$ 178	\$ 11	\$ 188
9 Franchise Fees	\$ 1,480	\$ 38	\$ 1,326	\$ 78	\$ 1,405
10 Uncollectibles	\$ 652	\$ (183)	\$ 375	\$ 22	\$ 397
11 General Operations & Maintenance	\$ 13,789	\$ (323)	\$ 13,466	\$ -	\$ 13,466
12 Admin & General Expenses	\$ 9,204	\$ (988)	\$ 8,215	\$ -	\$ 8,215
13 Total Operation & Maintenance	\$ 25,387	\$ (1,517)	\$ 23,561	\$ 111	\$ 23,672
14 Depreciation	\$ 10,931	\$ -	\$ 10,931	\$ -	\$ 10,931
15 Amortization	\$ 1,830	\$ (39)	\$ 1,791	\$ -	\$ 1,791
16 Taxes Other than Income	\$ 3,220	\$ (75)	\$ 3,145	\$ -	\$ 3,145
17 Income Taxes	\$ 6,933	\$ 1,026	\$ 5,078	\$ 1,186	\$ 6,264
18 Total Operating Expenses	\$ 48,301	\$ (606)	\$ 44,506	\$ 1,297	\$ 45,803
19 Net Operating Revenues	\$ 19,060	\$ 987	\$ 14,697	\$ 2,203	\$ 16,900
20 Average Rate Base					
21 Utility Plant in Service	\$ 428,785	\$ (10,047)	\$ 418,738	\$ -	\$ 418,738
22 Less:					
23 Accumulated Depreciation & Amortization	\$ (123,966)	\$ 39	\$ (123,927)	\$ -	\$ (123,927)
24 Accumulated Deferred Income Taxes	\$ (69,805)	\$ -	\$ (69,805)	\$ -	\$ (69,805)
25 Accumulated Deferred Inv. Tax Credit	\$ -	\$ -	\$ -	\$ -	\$ -
26 Net Utility Plant	\$ 235,014	\$ (10,008)	\$ 225,006	\$ -	\$ 225,006
27 Plant Held for Future Use	\$ -	\$ -	\$ -	\$ -	\$ -
28 Acquisition Adjustments	\$ -	\$ -	\$ -	\$ -	\$ -
29 Working Capital	\$ 3,360	\$ (3,356)	\$ 4	\$ -	\$ 4
30 Fuel Stock	\$ 2,450	\$ -	\$ 2,450	\$ -	\$ 2,450
31 Materials & Supplies	\$ 2,600	\$ (128)	\$ 2,472	\$ -	\$ 2,472
32 Customer Advances for Construction	\$ -	\$ -	\$ -	\$ -	\$ -
33 Weatherization Loans	\$ -	\$ -	\$ -	\$ -	\$ -
34 Prepayments	\$ -	\$ -	\$ -	\$ -	\$ -
35 Misc. Deferred Debits & Credits	\$ -	\$ -	\$ -	\$ -	\$ -
36 Misc. Rate Base Additions/(Deductions)	\$ -	\$ -	\$ -	\$ -	\$ -
37 Total Average Rate Base	\$ 243,424	\$ (13,492)	\$ 229,932	\$ -	\$ 229,932
38 Rate of Return	7.8300%		6.3920%		7.35000%
39 Implied Return on Equity	9.9000%		7.484%		9.40000%

Attachment B

Avista Utilities
Proposed Revenue Increase by Schedule
Oregon - Natural Gas
Pro Forma 12 Months Ended September 30, 2018
(000s of Dollars)

Line No.	Type of Service	Schedule Number	Distribution Revenue Under Present Rates	Settlement GRC Increase	Distribution Revenue Under Proposed Rates	Therms (000s)	Distribution Revenue Percentage Increase	Billed Revenue Under Present Rates	Settlement GRC Increase	Billed Revenue Under Proposed Rates	Billed Revenue Percentage Increase
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)
1	Residential	410	\$39,110	\$1,693	\$40,803	50,644	4.3%	\$60,543	\$1,693	\$62,236	2.8%
2	General Service	420	\$15,314	\$1,807	\$17,121	26,929	11.8%	\$26,412	\$1,807	\$28,219	6.8%
3	Large General Service	424	\$643	\$0	\$643	4,260	0.0%	\$2,359	\$0	\$2,359	0.0%
4	Interruptible Service	440	\$502	\$0	\$502	4,308	0.0%	\$1,208	\$0	\$1,208	0.0%
5	Seasonal Service	444	\$45	\$0	\$45	265	0.0%	\$152	\$0	\$152	0.0%
6	Transportation Service	456	\$3,252	\$0	\$3,252	40,757	0.0%	\$3,302	\$0	\$3,302	0.0%
7	Special Contract	447	\$213	\$0	\$213	5,773	0.0%	\$213	\$0	\$213	0.0%
8	Total		\$59,079	\$3,500	\$62,579	132,935	5.9%	\$94,189	\$3,500	\$97,689	3.7%

Attachment C

Avista Utilities
Comparison of Present & Proposed Gas Rates
Oregon - Natural Gas

<u>Present Base Rates</u>	<u>Change</u>	<u>Proposed Base Rates</u>
Residential Service Schedule 410		
\$9.00 Customer Charge	\$1.00/month	\$10.00 Customer Charge
All Therms - \$0.58062/Therm	\$0.01214/therm	All Therms - \$0.59276/Therm
General Service Schedule 420		
\$17.00 Customer Charge	\$0.00/month	\$17.00 Customer Charge
All Therms - \$0.48015/Therm	\$0.06709/therm	All Therms - \$0.54724/Therm
Large General Service Schedule 424		
\$50.00 Customer Charge	\$0.00/month	\$50.00 Customer Charge
All Therms - \$0.13887/Therm	\$0.00000/therm	All Therms - \$0.13887/Therm
Interruptible Service Schedule 440		
All Therms - \$0.11652/Therm	\$0.00000/therm	All Therms - \$0.11652/Therm
Seasonal Service Schedule 444		
All Therms - \$0.17155/Therm	\$0.00000/therm	All Therms - \$0.17155/Therm
Transportation Service Schedule 456		
\$275.00 Customer Charge	\$0.00/month	\$275.00 Customer Charge
1st 10,000 Therms - \$0.14978/Therm	\$0.00000/therm	1st 10,000 Therms - \$0.14978/Therm
Next 20,000 Therms - \$0.09014/Therm	\$0.00000/therm	Next 20,000 Therms - \$0.09014/Therm
Next 20,000 Therms - \$0.07409/Therm	\$0.00000/therm	Next 20,000 Therms - \$0.07409/Therm
Next 200,000 Therms - \$0.05799/Therm	\$0.00000/therm	Next 200,000 Therms - \$0.05799/Therm
Over 250,000 Therms - \$0.02942/Therm	\$0.00000/therm	Over 250,000 Therms - \$0.02942/Therm

Schedule 456 Monthly Minimum Charge

18,750 @ \$0.09014 = \$1,690.13

Avista Utilities
Natural Gas Decoupling Mechanism (Oregon)
Development of Decoupled Revenue by Rate Schedule - Natural Gas
Docket No. UG-325 Rates Effective October 1, 2017

	TOTAL	RESIDENTIAL SCHEDULE 410	SM COMMERCIAL & INDUSTRIAL SCH. 420	LG COMMERCIAL & INDUSTRIAL SCH. 424	INTERRUPTIBLE SCH 440	INTERRUPTIBLE SCH 444	TRANSPORTATION SCH 456/447
1 Total Normalized 09.2018 Margin Revenue	\$ 59,079,000	\$ 39,110,000	\$ 15,314,000	\$ 643,000	\$ 502,000	\$ 45,000	\$ 3,465,000
2 Settlement Margin Revenue Increase	\$ 3,500,000	\$ 1,693,000	\$ 1,807,000	\$ -	\$ -	\$ -	\$ -
3 Total Delivery Revenue (09.2018 Test Year) (Ln 1 + Ln 2)	\$ 62,579,000	\$ 40,803,000	\$ 17,121,000	\$ 643,000	\$ 502,000	\$ 45,000	\$ 3,465,000
4 Customer Bills (09.2018 Test Year)	1,220,646	1,078,451	140,240	1,018	434	47	456
5 Proposed Basic Charges		\$10.00	\$17.00	\$50.00	\$0.00	\$0.00	\$275.00
6 Basic Charge Revenue (Ln 4 * Ln 5)	\$ 13,344,903	\$ 10,784,510	\$ 2,384,080	\$ 50,913	\$ -	\$ -	\$ 125,400
7 Decoupled Revenue (Ln 6 - Ln 3)	\$ 49,234,097	\$ 30,018,490	\$ 14,736,920	\$ 592,087	\$ 502,000	\$ 45,000	\$ 3,339,600
8 Normalized Therms (09.2018 Test Year)	133,601,929	50,643,606	26,929,384	4,260,059	4,307,537	264,821	47,196,523
9 Average Number of Customers (Line 8 / 12 mos.)		Residential 89,871	Non-Residential Group 11,812				Exempt from Decoupling Mechanism
10 Annual Therms		50,643,606	35,761,801				
11 Basic Charge Revenues	\$	\$ 10,784,510	\$ 2,434,993				
12 Customer Bills		1,078,451	141,739				
13 Average Basic Charge		\$10.00	\$17.18				

Avista Utilities
Natural Gas Decoupling Mechanism (Oregon)
Development of Decoupled Revenue Per Customer - Natural Gas
Docket No. UG-325 Rates Effective October 1, 2017

Line No.	Source	Residential	Non-Residential Schedules*
(a)	(b)	(c)	(d)
1	Decoupled Revenue	Page 1	\$ 30,018,490 \$ 15,876,007
2	Test Year Number of Customers 2017/2018	Revenue Data	89,871 11,812
3	Decoupled Revenue Per Customer	(1) / (2)	\$ 334.02 \$ 1,344.10

*Schedules 420, 424, 440, and 444

**Avista Utilities
Natural Gas Decoupling Mechanism (Oregon)
Development of Monthly Decoupled Revenue Per Customer - Natural Gas
Docket No. UG-325 Rates Effective October 1, 2017**

Line No.	Source	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	TOTAL	
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)	(n)	(o)	
1															
2	Natural Gas Delivery Volume														
3	<u>Residential</u>														
4	- Weather-Normalized Therm Delivery Volume	Monthly Rate Year	8,643,384	6,420,703	5,837,624	4,076,155	2,643,593	1,697,007	1,405,907	1,319,175	1,325,382	2,834,629	5,881,954	8,558,093	50,643,606
5	- % of Annual Total	% of Total	17.07%	12.68%	11.53%	8.05%	5.22%	3.35%	2.78%	2.60%	2.62%	5.60%	11.61%	16.90%	100.00%
6															
7	<u>Non-Residential Sales*</u>														
8	- Weather-Normalized Therm Delivery Volume	Monthly Rate Year	5,279,786	4,014,782	3,736,008	2,588,941	1,832,694	1,364,378	1,426,942	1,499,323	1,809,975	2,740,397	4,124,341	5,344,234	35,761,801
9	- % of Annual Total	% of Total	14.76%	11.23%	10.45%	7.24%	5.12%	3.82%	3.99%	4.19%	5.06%	7.66%	11.53%	14.94%	100.00%
10															
11	Monthly Decoupled Revenue Per Customer ("RPC")														
12	<u>Residential</u>														
13	- Decoupled Revenue per Customer	Page 2 - Decoupled RPC													\$ 334.02
14	- Monthly Decoupled Revenue per Customer	(5) x (13)	\$ 57.01	\$ 42.35	\$ 38.50	\$ 26.88	\$ 17.44	\$ 11.19	\$ 9.27	\$ 8.70	\$ 8.74	\$ 18.70	\$ 38.79	\$ 56.44	\$ 334.02
15	- Monthly Allowed Customers		90,463	90,463	90,455	90,379	90,208	89,906	89,583	89,345	89,344	88,757	89,449	90,099	
16	<u>Non-Residential Sales*</u>														
17	- Decoupled Revenue per Customer	Page 2 - Decoupled RPC													\$ 1,344.10
18	- Monthly Decoupled Revenue per Customer	(9) x (17)	\$ 198.44	\$ 150.89	\$ 140.42	\$ 97.30	\$ 68.88	\$ 51.28	\$ 53.63	\$ 56.35	\$ 68.03	\$ 103.00	\$ 155.01	\$ 200.86	\$ 1,344.10
19	- Monthly Allowed Customers		11,860	11,900	11,904	11,870	11,854	11,828	11,790	11,769	11,761	11,663	11,736	11,804	

20 *Schedules 420, 424, 440, and 444.