



e-FILING REPORT COVER SHEET

COMPANY NAME: Avista Corporation

DOES REPORT CONTAIN CONFIDENTIAL INFORMATION? No Yes If yes, submit a redacted public version (or a cover letter) by email. Submit the confidential information as directed in OAR 860-001-0070 or the terms of an applicable protective order.

Select report type: RE (Electric) RG (Gas) RW (Water) RT (Telecommunications)
 RO (Other, for example, industry safety information)

Did you previously file a similar report? No Yes, report docket number:

Report is required by: OAR
 Statute ORS 757
 Order

Note: A one-time submission required by an order is a compliance filing and not a report (file compliance in the applicable docket)

Other
(For example, federal regulations, or requested by Staff)

Is this report associated with a specific docket/case? No Yes, docket number:

List Key Words for this report. We use these to improve search results.

Annual Reports for the year ending December 31, 2015 for Avista Corporation; Form 2; Oregon Supplement to Form 2

Send the completed Cover Sheet and the Report in an email addressed to PUC.FilingCenter@state.or.us

Send confidential information, voluminous reports, or energy utility Results of Operations Reports to PUC Filing Center, PO Box 1088, Salem, OR 97308-1088 or by delivery service to 3930 Fairview Industrial Drive SE, Salem, OR 97302.

Name of Respondent Avista Corp.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (M, D, Y) April 29, 2016	Year of Report Dec. 31, 2015
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STATE OF OREGON - STATEMENT OF OPERATING INCOME FOR THE YEAR

Line No.	Account (a)	(Ref.) Page No. (b)	TOTAL	
			Current Year (c)	Previous Year (d)
1	UTILITY OPERATING INCOME			
2	Operating Revenues (400)	2	\$166,153,077	\$201,089,425
3	Operating Expenses			
4	Operation Expenses (401)	4 - 9	133,310,156	172,468,482
5	Maintenance Expenses (402)	4 - 9	4,270,712	4,360,775
6	Depreciation Expense (403)	10	7,827,551	6,642,978
7	Amort. & Depl. of Utility Plant (404-405)	10	1,678,694	1,193,976
8	Amort. of Utility Plant Acq. Adj. (406)(See Note 1)	10		
9	Amort. of Property Losses, Unrecovered Plant and Regulatory Study Costs (407)			
10	Senate Bill 408 (407330/407408/407431)		(1,488)	(1,458)
11	Reg Credit Roseburg/Medford Deferral (407421)		0	0
12	Taxes Other Than Income Taxes (408.1)	11	6,034,708	5,742,604
13	Income Taxes - Federal (409.1)	12	(3,015,341)	(8,530,230)
14	- Other (409.1)	13	2,342	(416,386)
15	Provision for Deferred Income Taxes (410.1) (410.2)	14 - 21	6,053,499	11,297,751
16	(Less) Prov. for Def. Inc. Taxes-Cr. (411.1)	14 - 21	(25,796)	20,668
17	Investment Tax Credit Adj. - Net (411.4)	22		
18	(Less) Gains from Disp. of Utility Plant (411.7)			
19	Losses from Disp. of Utility Plant (411.7)			
20	TOTAL Utility Operating Expenses (Enter Total of Lines 4 thru 18)		156,186,629	192,737,824
21	Net Utility Operating Income (Enter Total of Line 2 less Line 19)		\$9,966,448	\$8,351,601

Note 1: Amortization of Gas Plant Acquisition Adjustment was charged to Account 425, Miscellaneous Amortization, classified as Other Income and Income Deductions.

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STATE OF OREGON - GAS OPERATING REVENUES (Account 400)

Line No.	Title of Account (a)	OPERATING REVENUES		THERMS OF GAS SOLD		AVG. NO. OF GAS CUST. PER MO.		Line No.
		Current Year (b)	Previous Year (c)	Current Year (d)	Previous Year (e)	Current Year (f)	Previous Year (g)	
1	GAS SERVICE REVENUES							1
2	(480) Residential Sales	56,956,101	53,046,117	43,212,830 *	42,042,810	87,590	85,798	2
3	(481) Commercial and Industrial Sales							3
4	Small (or Comm.) (See Instr. 6)	29,768,314	28,182,955	29,248,611 *	29,705,082	11,450	11,336	4
5	Large (or Ind.) (See Instr. 6)	1,203,247	1,057,007	1,866,020 **	1,708,752	38	41	5
6	(482) Other Sales to Public Authorities							6
7	(484) Interdepartmental Sales	14,042	16,308	12,113	15,978	11	11	7
8	TOTAL Sales to Ultimate Consumers	87,941,704 *	82,302,387	74,339,574 **	73,472,622	99,089	97,186	8
9	(483) Sales for Resale	74,772,059	115,399,902	294,158,980	274,168,380			9
10	TOTAL Nat. Gas Service Revenues	162,713,763	197,702,289	368,498,554	347,641,002	99,089	97,186	10
11	Revenues from Manufactured Gas			0	-	-	-	11
12	TOTAL Gas Service Revenues	162,713,763	197,702,289					12
13	OTHER OPERATING REVENUES							13
14	(485) Intracompany Transfers							14
15	(487) Forfeited Discounts							15
16	(488) Misc. Service Revenues	67,829	165,698					16
17	(489) Rev. from Trans. of Gas of Others	3,368,608 *	3,192,524					17
18	(490) Sales of Prod. Ext. from Nat. Gas							18
19	(491) Rev. from Nat. Gas Proc. by Others							19
20	(492) Incidental Gasoline and Oil Sales							20
21	(493) Rent from Gas Property	766	757					21
22	(494) Interdepartmental Rents							22
23	(495) Other Gas Revenues	2,111	28,157					23
24	TOTAL Other Operating Revenues	3,439,314	3,387,136					24
25	TOTAL Gas Operating Revenues	166,153,077	201,089,425					25
26	(Less) (496) Provision for Rate Refunds							26
27	TOTAL Gas Operating Revenues Net of Provision for Refunds	166,153,077						27
28	Dis. Type Sales by States (Incl. Main Line Sales to Resid. and Comm. Custrs.)	86,724,415		72,461,441				28
29	Main Line Industrial Sales (Incl. Main Line Sales to Pub. Authorities)	1,203,247		1,866,020				29
30	Sales for Resale	74,772,059		294,158,980				30
31	Other Sales to Pub. Auth. (Local Dist. Only)							31
32	Interdepartmental Sales	14,042		12,113				32
33	TOTAL (Same as Line 10, Columns (b) and (d))	162,713,763		368,498,554				33

Notes:
* Includes unbilled revenues.
** Includes unbilled therms.

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STATE OF OREGON - INTERDEPARTMENTAL SALES - NATURAL GAS (Account 484)

Report particulars concerning sales of natural gas included in Account 484.

Line No.	Department and Basis of Charges (a)	Point of Delivery (b)	Mcf (14.73 psia at 60 F) (c)	Revenue (d)
1	Natural gas supply for operation of Avista's facilities	Avista facility	1,188	14,042
2				
3				
4				
5				
6				
7				
8				
9				
10				
11				
12				
13				
14				
15				
16				
17				
18				
19				
20				
21	TOTAL		1,188	14,042

RENT FROM GAS PROPERTY AND INTERDEPARTMENTAL RENTS (Accounts 493 and 494)

- Report particulars concerning rents received included in Accounts 493 and 494.
- Minor rents may be entered at the total amount for each class of such rents.
- If rents are included which were arrived at under an arrangement for apportioning expenses of a joint facility, whereby the amount included in this account represents profit or return on property, depreciation, and taxes, give particulars and the basis of apportionment of such charges to Account 493 or 494.
- Provide a subheading and total for each account.

Line No.	Name of Lessee or Department (Designate associated companies) (a)	Description of property (b)	Amount of Revenue for Year	
			Natural Gas Property (c)	Manufactured Gas Property (d)
1	Other		766	
2				
3				
4				
5				
6				
7				
8				
9				
10				
11				
12				
13				
14				
15				
16				
17				
18				
19	TOTAL		766	

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STATE OF OREGON - ALLOCATED GAS OPERATION AND MAINTENANCE EXPENSES

If the amount for previous year is not derived from previously reported figures, explain in footnotes.

Line No.	Amount (a)	Amount for Current Year (b)	Amount for Previous Year (c)
1	1. PRODUCTION EXPENSES		
2	A. Manufactured Gas Production	-	-
3	Manufactured Gas Production (Submit Supplemental Statement)		
4	B. Natural Gas Production		
5	B1. Natural Gas Production and Gathering		
6	Operation	-	-
7	750 Operation Supervision and Engineering	-	-
8	751 Production Maps and Records	-	-
9	752 Gas Wells Expenses	-	-
10	753 Field Lines Expenses	-	-
11	754 Field Compressor Station Expenses	-	-
12	755 Field Compressor Station Fuel and Power	-	-
13	756 Field Measuring and Regulating Station Expenses	-	-
14	757 Purification Expenses	-	-
15	758 Gas Well Royalties	-	-
16	759 Other Expenses	-	-
17	760 Rents	-	-
18	TOTAL Operation (Enter Total of lines 7 thru 17)	-	-
19	Maintenance		
20	761 Maintenance Supervision and Engineering	-	-
21	762 Maintenance of Structures and Improvements	-	-
22	763 Maintenance of Producing Gas Wells	-	-
23	764 Maintenance of Field Lines	-	-
24	765 Maintenance of Field Compressor Station Equipment	-	-
25	766 Maintenance of Field Meas. and Reg. Sta. Equipment	-	-
26	767 Maintenance of Purification Equipment	-	-
27	768 Maintenance of Drilling and Cleaning Equipment	-	-
28	769 Maintenance of Other Equipment	-	-
29	TOTAL Maintenance (Enter Total of lines 20 thru 28)	-	-
30	TOTAL Natural Gas Production and Gathering (Total of lines 18 and 29)	-	-
31	B2. Products Extraction		
32	Operation		
33	770 Operation Supervision and Engineering	-	-
34	771 Operation Labor	-	-
35	772 Gas Shrinkage	-	-
36	773 Fuel	-	-
37	774 Power	-	-
38	775 Materials	-	-
39	776 Operation Supplies and Expenses	-	-
40	777 Gas Processed by Others	-	-
41	778 Royalties on Products Extracted	-	-
42	779 Marketing Expenses	-	-
43	780 Products Purchased for Resale	-	-
44	781 Variation in Products Inventory	-	-
45	(Less) 782 Extracted Products Used by the Utility-Credit	-	-
46	783 Rents	-	-
47	TOTAL Operation (Enter Total of Lines 33 thru 46)	-	-

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STATE OF OREGON - ALLOCATED GAS OPERATION AND MAINTENANCE EXPENSES

Line No.	Amount (a)	Amount for Current Year (b)	Amount for Previous Year (c)
	B2. Products Extraction (Continued)		
48	Maintenance		
49	784 Maintenance Supervision and Engineering	-	-
50	785 Maintenance of Structures and Improvements	-	-
51	786 Maintenance of Extraction and Refining Equipment	-	-
52	787 Maintenance of Pipe Lines	-	-
53	788 Maintenance of Extracted Products Storage Equipment	-	-
54	789 Maintenance of Compressor Equipment	-	-
55	790 Maintenance of Gas Measuring and Reg. Equipment	-	-
56	791 Maintenance of Other Equipment	-	-
57	TOTAL Maintenance (Enter Total of lines 49 thru 56)	-	-
58	TOTAL Products Extraction (Enter Total of lines 47 and 57)	-	-
59	C. Exploration and Development		
60	Operation		
61	795 Delay Rentals	-	-
62	796 Nonproductive Well Drilling	-	-
63	797 Abandoned Leases	-	-
64	798 Other Exploration	-	-
65	TOTAL Exploration and Development (Enter Total of lines 61 thru 64)	-	-
	D. Other Gas Supply Expenses		
66	Operation		
67	800 Natural Gas Well Head Purchases	-	-
68	800.1 Natural Gas Well Head Purchases, Intracompany Transfers	-	-
69	801 Natural Gas Field Line Purchases	-	-
70	802 Natural Gas Gasoline Plant Outlet Purchases	-	-
71	803 Natural Gas Transmission Line Purchases	-	-
72	804 Natural Gas City Gate Purchases	109,172,765	161,753,493
73	804.1 Liquefied Natural Gas Purchases	-	-
74	805 Other Gas Purchases	-	-
75	(Less) 805.1 Purchased Gas Cost Adjustments	3,897,152	(5,302,883)
76			
77	TOTAL Purchased Gas (Enter Total of lines 67 to 76)	113,069,917	156,450,610
78	806 Exchange Gas	-	-
79	Purchased Gas Expenses		
80	807.1 Well Expenses-Purchased Gas	-	-
81	807.2 Operation of Purchased Gas Measuring Stations	-	-
82	807.3 Maintenance of Purchased Gas Measuring Stations	-	-
83	807.4 Purchased Gas Calculations Expenses	-	-
84	807.5 Other Purchased Gas Expenses	-	-
85	TOTAL Purchased Gas Expenses (Enter Total of lines 80 thru 84)	-	-
86	808.1 Gas Withdrawn from Storage-Debit	4,601,394	2,486,165
87	(Less) 808.2 Gas Delivered to Storage-Credit	(3,053,999)	(4,152,610)
88	809.1 Withdrawals of Liquefied Natural Gas for Processing-Debit	-	-
89	(Less) 809.2 Deliveries of Natural Gas for Processing-Credit	-	-
90	Gas Used in Utility Operations-Credit		
91	810 Gas Used for Compressor Station Fuel-Credit	-	-
92	811 Gas Used for Products Extraction-Credit	(135,220)	(471,284)
93	812 Gas used for Other Utility Operations-Credit	-	-
94	TOTAL Gas Used in Utility Operations-Credit (Total of lines 91 thru 93)	(135,220)	(471,284)
95	813 Other Gas Supply Expenses	539,963	506,312
96	TOTAL Other Gas Supply Exp (Total of lines 77,78,85,86 thru 89,94,95)	115,022,055	154,819,193
97	TOTAL Production Expenses (Enter Total of lines 3,30,58,65, and 96)	115,022,055	154,819,193

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STATE OF OREGON - ALLOCATED GAS OPERATION AND MAINTENANCE EXPENSES

Line No.	Amount (a)	Amount for Current Year (b)	Amount for Previous Year (c)
98	2. NATURAL GAS STORAGE, TERMINALING AND PROCESSING EXPENSES		
99	A. Underground Storage Expenses		
100	Operation		
101	814 Operation Supervision and Engineering	-	-
102	815 Maps and Records	-	-
103	816 Wells Expenses	-	-
104	817 Lines Expense	-	-
105	818 Compressor Station Expenses	-	-
106	819 Compressor Station Fuel and Power	-	-
107	820 Measuring and Regulating Station Expenses	-	-
108	821 Purification Expenses	-	-
109	822 Exploration and Development	-	-
110	823 Gas Losses	-	-
111	824 Other Expenses	65,400	69,813
112	825 Storage Well Royalties	-	-
113	826 Rents	-	-
114	TOTAL Operation (Enter Total of lines 101 thru 113)	65,400	69,813
115	Maintenance		
116	830 Maintenance Supervision and Engineering	-	-
117	831 Maintenance of Structures and Improvements	-	-
118	832 Maintenance of Reservoirs and Wells	-	-
119	833 Maintenance of Lines	-	-
120	834 Maintenance of Compressor Station Equipment	-	-
121	835 Maintenance of Measuring and Regulating Station Equipment	-	-
122	836 Maintenance of Purification Equipment	-	-
123	837 Maintenance of Other Equipment	62,619	63,796
124	TOTAL Maintenance (Enter Total of lines 116 thru 123)	62,619	63,796
125	TOTAL Underground Storage Expenses (Total of lines 114 and 124)	128,019	133,609
126	B. Other Storage Expenses		
127	Operation		
128	840 Operation Supervision and Engineering	-	-
129	841 Operation Labor and Expenses	-	-
130	842 Rents	-	-
131	842.1 Fuel	-	-
132	842.2 Power	-	-
133	842.3 Gas Losses	-	-
134	TOTAL Operation (Enter Total of lines 128 thru 133)	-	-
135	Maintenance		
136	843.1 Maintenance Supervision and Engineering	-	-
137	843.2 Maintenance of Structures and Improvements	-	-
138	843.3 Maintenance of Gas Holders	-	-
139	843.4 Maintenance of Purification Equipment	-	-
140	843.5 Maintenance of Liquefaction Equipment	-	-
141	843.6 Maintenance of Vaporizing Equipment	-	-
142	843.7 Maintenance of Compressor Equipment	-	-
143	843.8 Maintenance of Measuring and Regulating Equipment	-	-
144	843.9 Maintenance of Other Equipment	-	-
145	TOTAL Maintenance (Enter Total of lines 136 thru 144)	-	-
146	TOTAL Other Storage Expenses (Enter Total of lines 134 and 145)	-	-

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STATE OF OREGON - ALLOCATED GAS OPERATION AND MAINTENANCE EXPENSES

Line No.	Amount (a)	Amount for Current Year (b)	Amount for Previous Year (c)
147	C. Liquefied Natural Gas Terminaling and Processing Expenses		
148	Operation		
149	844.1 Operation Supervision and Engineering	-	-
150	844.2 LNG Processing Terminal Labor and Expenses	-	-
151	844.3 Liquefaction Processing Labor and Expenses	-	-
152	844.4 Liquefaction Transportation Labor and Expenses	-	-
153	844.5 Measuring and Regulating Labor and Expenses	-	-
154	844.6 Compressor Station Labor and Expenses	-	-
155	844.7 Communication System Expenses	-	-
156	844.8 System Control and Load Dispatching	-	-
157	845.1 Fuel	-	-
158	845.2 Power	-	-
159	845.3 Rents	-	-
160	845.4 Demurrage Charges	-	-
161	(Less) 845.5 Wharfage Receipts-Credit	-	-
162	845.6 Processing Liquefied or Vaporized Gas by Others	-	-
163	846.1 Gas Losses	-	-
164	846.2 Other Expenses	-	-
165	TOTAL Operation (Enter Total of lines 149 thru 164)	-	-
166	Maintenance		
167	847.1 Maintenance Supervision and Engineering	-	-
168	847.2 Maintenance of Structures and Improvements	-	-
169	847.3 Maintenance of LNG Processing Terminal Equipment	-	-
170	847.4 Maintenance of LNG Transportation Equipment	-	-
171	847.5 Maintenance of Measuring and Regulating Equipment	-	-
172	847.6 Maintenance of Compressor Station Equipment	-	-
173	847.7 Maintenance of Communication Equipment	-	-
174	847.8 Maintenance of Other Equipment	-	-
175	TOTAL Maintenance (Enter Total of lines 167 thru 174)	-	-
176	TOTAL Liquefied Nat Gas Terminaling and Processing Exp (Lines 165 & 175)	-	-
177	TOTAL Natural Gas storage (Enter Total of lines 125, 146, and 176)	128,019	133,609
178	3. TRANSMISSION EXPENSES		
179	Operation		
180	850 Operation Supervision and Engineering	-	-
181	851 System Control and Load Dispatching	-	-
182	852 Communication System Expenses	-	-
183	853 Compressor Station Labor and Expenses	-	-
184	854 Gas for Compressor Station Fuel	-	-
185	855 Other Fuel and Power for Compressor Stations	-	-
186	856 Mains Expenses	-	-
187	857 Measuring and Regulating Station Expenses	-	-
188	858 Transmission and Compression of Gas by Others	-	-
189	859 Other Expenses	-	-
190	860 Rents	-	-
191	TOTAL Operation (Enter Total of lines 180 thru 190)	-	-

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Line No.	Amount (a)	Amount for Current Year (b)	Amount for Previous Year (c)
3. TRANSMISSION EXPENSES (Continued)			
192	Maintenance		
193	861 Maintenance Supervision and Engineering	-	-
194	862 Maintenance of Structures and Improvements	-	-
195	863 Maintenance of Mains	-	-
196	864 Maintenance of Compressor Station Equipment	-	-
197	865 Maintenance of Measuring and Reg. Station Equipment	-	-
198	866 Maintenance of Communication Equipment	-	-
199	867 Maintenance of Other Equipment	-	-
200	TOTAL Maintenance (Enter Total of Lines 193 thru 199)	-	-
201	TOTAL Transmission Expenses (Enter Total of Lines 191 and 200)	-	-
202	4. DISTRIBUTION EXPENSES		
203	Operation		
204	870 Operation Supervision and Engineering	712,485	692,079
205	871 Distribution Load Dispatching	-	-
206	872 Compressor Station Labor and Expenses	-	-
207	873 Compressor Station Fuel and Power	-	-
208	874 Mains and Services Expenses	1,700,596	1,499,813
209	875 Measuring and Regulating Station Expenses-General	77,066	119,680
210	876 Measuring and Regulating Station Expenses-Industrial	1,909	2,907
211	877 Measuring and Regulating Station Expenses-City Gate Check Station	4,672	5,744
212	878 Meter and House Regulator Expenses	47,875	136,307
213	879 Customer Installations Expenses	1,112,587	1,016,321
214	880 Other Expenses	1,040,781	906,960
215	881 Rents	16,214	16,887
216	TOTAL Operation (Enter Total of Lines 204 thru 215)	4,714,185	4,396,698
217	Maintenance		
218	885 Maintenance Supervision and Engineering	75,251	74,439
219	886 Maintenance of Structures and Improvements	-	-
220	887 Maintenance of Mains	1,281,396	1,430,203
221	888 Maintenance of Compressor Station Equipment	-	-
222	889 Maintenance of Meas. and Reg. Sta. Equip.-General	252,162	224,094
223	890 Maintenance of Meas. and Reg. Sta. Equip.-Industrial	12,174	26,812
224	891 Maintenance of Meas. and Reg. Sta. Equip.-City Gate Check Station	11,653	20,470
225	892 Maintenance of Services	836,188	728,580
226	893 Maintenance of Meters and House Regulators	479,067	588,766
227	894 Maintenance of Other Equipment	163,667	182,314
228	TOTAL Maintenance (Enter Total of Lines 218 thru 227)	3,111,558	3,275,678
229	TOTAL Distribution Expenses (Enter Total of Lines 216 and 228)	7,825,743	7,672,376
230	5. CUSTOMER ACCOUNTS EXPENSES		
231	Operation		
232	901 Supervision	88,168	86,173
233	902 Meter Reading Expenses	305,792	256,912
234	903 Customer Records and Collection Expenses	2,330,292	2,347,870
235	904 Uncollectible Accounts	806,667	732,316
236	905 Miscellaneous Customer Accounts Expenses	69,929	52,477
237	TOTAL Customer Accounts Expenses (Enter Total of Lines 232 thru 236)	3,600,848	3,475,748

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STATE OF OREGON - ALLOCATED GAS OPERATION AND MAINTENANCE EXPENSES				
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Line No.	Amount (a)	Amount for Current Year (b)	Amount for Previous Year (c)	
238	6. CUSTOMER SERVICE AND INFORMATIONAL EXPENSES			
239	Operation			
240	907 Supervision	-	-	
241	908 Customer Assistance Expenses	1,574,924	1,649,043	
242	909 Informational and Instructional Expenses	346,423	360,096	
243	910 Miscellaneous Customer Service and Informational Expenses	28,411	47,394	
244	TOTAL Customer Service and Information Expenses (Lines 240 thru 243)	1,949,758	2,056,533	
245	7. SALES EXPENSES			
246	Operation			
247	911 Supervision	-	-	
248	912 Demonstrating and Selling Expenses	-	-	
249	913 Advertising Expenses	-	-	
250	916 Miscellaneous Sales Expenses	-	-	
251	TOTAL Sales Expenses (Enter Total of lines 247 thru 250)	-	-	
252	8. ADMINISTRATIVE AND GENERAL EXPENSES			
253	Operation			
254	920 Administrative and General Salaries	3,615,208	2,886,475	
255	921 Office Supplies and Expenses	517,204	580,760	
256	(Less) (922) Administrative Expenses Transferred-Cr.	-	-	
257	923 Outside Services Employed	1,105,111	1,438,722	
258	924 Property Insurance	143,168	150,427	
259	925 Injuries and Damages	408,050	772,674	
260	926 Employee Pensions and Benefits	206,363	220,464	
261	927 Franchise Requirements	-	-	
262	928 Regulatory Commission Expenses	1,374,996	1,053,177	
263	(Less) (929) Duplicate Charges-Cr.	-	-	
264	930.1 General Advertising Expenses	268	-	
265	930.2 Miscellaneous General Expenses	499,033	472,640	
266	931 Rents	88,509	75,158	
267	TOTAL Operation (Enter Total of lines 254 thru 266)	7,957,910	7,650,497	
268	Maintenance			
269	935 Maintenance of General Plant	1,096,535	1,021,301	
270	TOTAL Administrative and General Exp (Total of lines 267 and 269)	9,054,445	8,671,798	
271	TOTAL Gas O. and M. Exp (Lines 97,177,201,229,237,244,251,and 270)	137,580,868	176,829,257	

NUMBER OF GAS DEPARTMENT EMPLOYEES

1. The data on number of employees should be reported for the payroll period ending nearest to October 31, or any payroll period ending 60 days before or after October 31.

2. If the respondent's payroll for the reporting period includes any special construction personnel, include such employees on line 3, and show the number of such special

construction employees in a footnote.

3. The number of employees assignable to the gas department from joint function of combination utilities may be determined by estimate, on the basis of employee equivalents. Show the estimated number of equivalent employees attributed to the gas department from joint functions.

1. Payroll Period Ended (Date) December 31, 2014

2. Total Regular Full-Time Employees

50

50

3. Total Part-Time and Temporary Employees allocation of General Employees

8

7

4. Total Employees

58

57

Name of Respondent Avista Corp.	This Report Is: <input checked="" type="checkbox"/> An Original <input type="checkbox"/> A Resubmission	Date of Report (M, D, Y) April 29, 2016	Year of Report Dec. 31, 2015
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STATE OF OREGON - ALLOCATED DEPRECIATION, DEPLETION AND AMORTIZATION OF GAS PLANT (ACCT 403, 404.1, 404.2, 404.3, 405)
(Except Amortization of Acquisition Adjustments)

Report the amounts of depreciation expense, depletion and amortization for the accounts indicated and classify according to the plant functional groups shown.

Line No.	Functional Classification (a)	Depreciation Expense (Account 403) (b)	Amortization and Depletion of Producing Natural Gas Land & Land Rights (Account 404.1) (c)	Amortization of Underground Storage Land and Land Rights (Account 404.2) (d)	Amortization of Other Limited-Term Gas Plant (Account 404.3) (e)	Amortization of Leasehold Improvements (Account 404.6) (f)	Amortization of Other Gas Plant (Account 405) (g)	Total (h)
1	Intangible plant				8,498			8,498
2	Production plant, manufactured gas							0
3	Production and gathering plant, natural gas							
4	Products extraction plant							
5	Underground gas storage plant	118,815						118,815
6	Other storage plant							
7	Base load LNG terminaling and processing plant							
8	Transmission plant							0
9	Distribution plant	5,988,447						5,988,447
10	General plant	208,972						208,972
11	Common plant-gas	1,671,420			1,383,845	126,248		3,181,513
12								
13								
14								
15								
16								
17								
18								
19	TOTAL	7,987,654	0	0	1,392,343	126,248	0	9,506,245

Name of Respondent Avista Corp.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (M, D, Y) April 29, 2016	Year of Report Dec. 31, 2015
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STATE OF OREGON - ALLOCATED TAXES, OTHER THAN INCOME TAXES (Account 408.1)

Line No.	Kind of Tax <i>(a)</i>	Amount <i>(b)</i>
1		
2		
3	Real and Personal Property Tax	2,497,933
4		
5	Municipal Occupation & License Tax	3,536,775
6		
7		
8		
9		
10		
11		
12		
13		
14		
15		
16		
17		
18		
19		
20		
21		
22		
23		
24		
25		
26		
27		
28		
29		
30		
31		
32		
33		
34		
35		
36		
37		
38		
39		
40		
41		
42		
43		
44		
45		
46		
47		
48	TOTAL (Must agree with page 1, line 11)	6,034,708

Name of Respondent Avista Corp.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (M, D, Y) April 29, 2016	Year of Report Dec. 31, 2015
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**STATE OF OREGON -
ALLOCATED CALCULATION OF CURRENT FEDERAL INCOME TAX EXPENSE (Account 409.1)**

1. Report amounts used to derive current Federal income tax expense, Account 409.1, for the reporting period. If amounts are shown in thousands, show (000) in the heading for column (b).
2. Show amounts increasing taxable income as positive values and amounts decreasing taxable income as negative.
3. Current tax expense on this schedule must match the amount reported on page 1, line 12 of this report. Separately identify adjustments arising from revisions of prior year accruals.
4. Minor amounts of other additions (subtractions) may be grouped.

Line No.	Particulars (Details) (a)	Amount (b)
1		
2	Operating Revenue	166,153,077
3	Operating & Maintenance Expense	(137,580,868)
4	Senate Bill 408 (net)	1,488
5	Book Depreciation & Amortization	(9,506,245)
6	Taxes Other than FIT	(6,037,050)
7		
8	Net Operating Income Before FIT	13,030,402
9		
10	Interest Expense	(5,421,712)
11	Schedule M Adjustments	(16,223,950)
12		
13	Taxable Net Operating Income	(8,615,260)
14		
15	Tax Rate	35%
16		
17	Total Federal Income Tax	(3,015,341)
18		
19	Deferred FIT	6,079,295
20		
21	Total FIT/Deferred FIT	3,063,954
22		
23		
24		
25		
26		
27	Federal Tax Net Income	(3,015,341)

28 Show computation of Tax:

The Federal Income Tax computation is from the Avista Corporation's Results of Operations System. As the "Results" system includes allocations of various indirect revenue and cost elements, the values in the allocation of Federal income taxes will not agree with certain supporting schedules.

Name of Respondent Avista Corp.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (M, D, Y) April 29, 2016	Year of Report Dec. 31, 2015
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**STATE OF OREGON -
ALLOCATED CALCULATION OF CURRENT STATE INCOME (EXCISE) TAX EXP. (Account 409.1)**

1. Report amounts used to derive current state income (excise) tax expense, Account 409.1, for the reporting period. If amounts are shown in thousands, show (000) in the heading for column (b).
2. Show amounts increasing taxable income as positive values and amounts decreasing taxable income as negative.
3. Current tax expense on this schedule must match the amount reported on page 1, line 13 of this report. Separately identify adjustments arising from revisions of prior year accruals.
4. Minor amounts of other additions (subtractions) may be grouped.

Line No.	Particulars (Details) (a)	Amount (b)
1	Gas Operating Revenue	166,153,077
2	Operations and Maintenance Expense	(137,580,868)
3	Taxes, Other than Income	(6,037,050)
4	Interest	(5,421,712)
5	State Income (Excise) Tax Depreciation	
6	Other Additions (Subtractions) to Derive Taxable Income	
7	Book Depreciation and Amortization	(9,506,245)
8		
9	Schedule "M" Adjustments	(16,223,950)
10	Senate Bill 408 (net)	1,488
11		
12		
13		
14		
15		
16		
17		
18		
19		
20		
21		
22		
23		
24		
25		
26		
27	State Tax Net Income	(8,615,260)
28	Show Computation of Tax: 2015 Oregon State Income Tax	 2,342

Name of Respondent Avista Corp.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (M, D, Y) April 29, 2016	Year of Report Dec. 31, 2015
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STATE OF OREGON - ALLOC. ACCUMULATED DEFERRED INCOME TAXES (Account 190)

1. Report the information called for below concerning the respondent's accounting for deferred income taxes.
2. In the space provided:
 - (a) Identify, by amount and classification, significant items for which deferred taxes are being provided.

Line No.	Account Subdivisions (a)	Balance at Beginning of Year (b)	CHANGES DURING YEAR	
			Amounts Debited to Account 410.1 (c)	Amounts Credited to Account 411.1 (d)
1	Electric			
2				
3				
4				
5				
6				
7	Other			
8	TOTAL ELECTRIC			
9	Gas Purchased Gas Adjustment			
10				
11	All Other			
12				
13				
14				
15	Other			
16	TOTAL GAS	N/A	6,053,499	25,796
17	Other (Specify)			
18	TOTAL (ACCOUNT 190)			
19	Classification of Totals			
20	Federal Income Tax	N/A	6,053,499	25,796
21	State Income Tax			
22	Local Income Tax			

Allocation to balance sheet accounts by state is not available. Total expense/credit to 410.1 and 411.1 is reflected in Account 190 for reporting purposes.

Name of Respondent Avista Corp.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) April 29, 2016	Year of Report Dec. 31, 2015
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STATE OF OREGON - ALLOC. ACCUM. DEF. INCOME TAXES (Acct. 190) (Con't.)

- (b) Indicate insignificant amounts under OTHER.
- 3. Beginning balance may be omitted if not readily available. Report gas utility deferred taxes only.
- 4. Use separate pages as required.

CHANGES DURING YEAR		ADJUSTMENTS				Balance at End of Year (k)	Line No.
Amounts Debited to Account 410.2 (e)	Amounts Credited to Account 411.2 (f)	Debits		Credits			
		Acct. No. (g)	Amount (h)	Acct. No. (i)	Amount (j)		
							1
							2
							3
							4
							5
							6
							7
							8
						0	9
							10
						0	11
							12
							13
							14
							15
						N/A	16
							17
							18
							19
						N/A	20
							21
							22

Name of Respondent Avista Corp.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (M, D, Y) April 29, 2016	Year of Report Dec. 31, 2015
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STATE OF OREGON - ALLOCATED ACCUMULATED DEFERRED INCOME TAXES

1. Report the information called for below concerning the respondent's accounting for deferred income taxes relating to amortizable property.
2. In the space provided furnish explanations, including the following in columnar order:

(a) State each certification number with a brief description of property.	(c) Date amortization for tax purposes commenced.
(b) Total and amortizable cost of such property.	(d) "Normal" depreciation rate used in computing the deferred tax.

Line No.	Account Subdivisions <i>(a)</i>	Balance at Beginning of Year <i>(b)</i>	CHANGES DURING YEAR	
			Amounts Debited to Account 410.1 <i>(c)</i>	Amounts Credited to Account 411.1 <i>(d)</i>
1	Accelerated Amortization (Account 281)			
2	Electric			
3	Defense Facilities			
4	Pollution Control Facilities			
5	Other			
6				
7				
8	TOTAL Electric (Total of lines 3 thru 7)	0		
9	Gas			
10	Defense Facilities			
11	Pollution Control Facilities			
12	Other			
13				
14				
15	Total Gas (Total of lines 10 thru 14)	0		
16	Other (Specify)			
17	Total (Acct 281) (Total of 8, 15 & 16)	0		
18	Classification of TOTAL			
19	Federal Income tax			
20	State Income Tax			
21	Local Income Tax			

Allocation to balance sheet accounts by state is not available. Total expense/credit to 410.1 and 411.1 is reflected in Account 190 for reporting purposes.

Name of Respondent Avista Corp.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (M, D, Y) April 29, 2016	Year of Report Dec. 31, 2015
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STATE OF OREGON - ALLOC. ACCELERATED AMORTIZATION PROPERTY (Acct. 281) Con't.

(e) Tax rate used to originally defer amounts and the tax rate used during the current year to amortize previous deferrals.
 3. Beginning balance may be omitted if not readily available. Report gas utility deferred taxes only.
 4. Use separate pages as required.

CHANGES DURING YEAR		ADJUSTMENTS				Balance at End of Year <i>(k)</i>	Line No.
Amounts Debited to Account 410.2 <i>(e)</i>	Amounts Credited to Account 411.2 <i>(f)</i>	Debits		Credits			
		Acct. No. <i>(g)</i>	Amount <i>(h)</i>	Acct. No. <i>(i)</i>	Amount <i>(j)</i>		
							1
							2
							3
							4
							5
							6
							7
						0	8
							9
							10
							11
							12
							13
							14
						0	15
							16
						0	17
							18
							19
							20
							21

Name of Respondent Avista Corp.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (M, D, Y) April 29, 2016	Year of Report Dec. 31, 2015
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STATE OF OREGON - ALLOC. ACCUM. DEFERRED INCOME TAXES (Account 282)

1. Report the information called for below concerning the respondent's accounting for deferred taxes related to property not subject to accelerated amortization.
2. In the space provided furnish explanations, including the following in columnar order:
 - (a) State the general method or methods of liberalized depreciation being used (sum-of-year digits, declining balance, etc.)
 - (b) Estimated lives (i.e. useful life, guideline life, guideline class life, etc.)
 - (c) Classes of plant to which each method is being applied and date method was adopted

Line No.	Account Subdivisions <i>(a)</i>	Balance at Beginning of Year <i>(b)</i>	CHANGES DURING YEAR	
			Amounts Debited to Account 410.1 <i>(c)</i>	Amounts Credited to Account 411.1 <i>(d)</i>
1	Account 282			
2	Electric			
3	Gas			
4	Other (Define)			
5	TOTAL (Lines 2 thru 4)			
6	Other (Specify)			
7	Acquisition Adjustment			
8				
9	TOTAL Account 282 (Lines 5 thru 8)	0	0	
10	Classification of TOTAL			
11	Federal Income Tax			
12	State Income Tax			
13	Local Income Tax			

Allocation to balance sheet accounts by state is not available. Total expense/credit to 410.1 and 411.1 is reflected in Account 190 for reporting purposes.

Name of Respondent Avista Corp.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) April 29, 2016	Year of Report Dec. 31, 2015
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STATE OF OREGON - ALLOCATED OTHER PROPERTY (Acct. 282) (Con't.)

3. Beginning balance may be omitted if not readily available. Report gas utility deferred taxes only.
4. Use separate pages as required.

CHANGES DURING YEAR		ADJUSTMENTS				Balance at End of Year <i>(k)</i>	Line No.
Amounts Debited to Account 410.2 <i>(e)</i>	Amounts Credited to Account 411.2 <i>(f)</i>	Debits		Credits			
		Acct. No. <i>(g)</i>	Amount <i>(h)</i>	Acct. No. <i>(i)</i>	Amount <i>(j)</i>		
							1
							2
						0	3
							4
						0	5
							6
						0	7
							8
0						0	9
							10
						0	11
						0	12
							13

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Name of Respondent Avista Corp.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (M, D, Y) April 29, 2016	Year of Report Dec. 31, 2015
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STATE OF OREGON - ALLOC. ACCUM. DEF. INCOME TAXES - OTHER (Account 283)

1. Report the information called for below concerning the respondent's accounting for deferred income taxes relating to amounts recorded in Account 283.
2. In the space provided below include amounts relating to insignificant items under Other.

Line No.	Account Subdivisions <i>(a)</i>	Balance at Beginning of Year <i>(b)</i>	CHANGES DURING YEAR	
			Amounts Debited to Account 410.1 <i>(c)</i>	Amounts Credited to Account 411.1 <i>(d)</i>
1	Account 283			
2	Electric			
3	Electric			
4				
5				
6				
7				
8	Other			
9	TOTAL Electric (Total Lines 3 thru 8)			
10	Gas			
11	Gas			
12				
13	Deferred Gas Estimate			
14				
15				
16	Other			
17	TOTAL Gas (Total Lines 11 thru 16)	0	0	
18	Other (Specify)			
19	TOTAL Account 283 (Enter Total lines 9, 17 and 18)	0	0	
20	Classification of TOTAL			
21	Federal Income Tax	0	0	
22	State Income Tax			
23	Local Income Tax			

Allocation to balance sheet accounts by state is not available. Total expense/credit to 410.1 and 411.1 is reflected in Account 190 for reporting purposes.

Name of Respondent Avista Corp.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (M, D, Y) April 29, 2016	Year of Report Dec. 31, 2015
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STATE OF OREGON - ALLOC. ACCUM. DEF. INCOME TAXES - OTHER (Acct. 283) (Con't)

3. Beginning balance may be omitted if not readily available. Report gas utility deferred taxes only.
4. Use separate pages as required.

CHANGES DURING YEAR		ADJUSTMENTS				Balance at End of Year (k)	Line No.
Amounts Debited to Account 410.2 (e)	Amounts Credited to Account 411.2 (f)	Debits		Credits			
		Acct. No. (g)	Amount (h)	Acct. No. (i)	Amount (j)		
							1
							2
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							5
							6
							7
							8
							9
							10
						0	11
							12
						0	13
							14
							15
						0	16
							17
							18
						0	19
							20
						0	21
							22
							23

Name of Respondent Avista Corp.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report ((M, D, Y) April 29, 2016	Year of Report Dec. 31, 2015
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STATE OF OREGON - ALLOCATED ACCUMULATED DEFERRED INVESTMENT TAX CREDITS (Account 255)

Report below information applicable to Account 255. Explain by footnote any correction adjustments to the account balance shown in column (g). Include in column (i) the average period over which the tax credits are amortized.

Line No.	Account Subdivisions (a)	Balance at Beginning of Year (b)	Deferred for Year		Allocations to Current Year's Income		Adjustments (g)	Balance at End of Year (h)	Average Period of Allocation to Income (i)
			Account No. (c)	Amount (d)	Account No. (e)	Amount (f)			
1									
2									
3									
4									
5									
6									
8									
9									
10									
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Name of Respondent Avista Corp.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report ((M, D, Y) April 29, 2016	Year of Report Dec. 31, 2015
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STATE OF OREGON - ALLOCATED ACCUMULATED DEFERRED INVESTMENT TAX CREDITS (Account 255)

Report below information applicable to Account 255. Explain by footnote any correction adjustments to the account balance shown in column (g). Include in column (i) the average period over which the tax credits are amortized.

Line No.	Account Subdivisions (a)	Balance at Beginning of Year (b)	Deferred for Year		Allocations to Current Year's Income		Adjustments (g)	Balance at End of Year (h)	Average Period of Allocation to Income (i)
			Account No. (c)	Amount (d)	Account No. (e)	Amount (f)			
1	Gas Utility								
2	3%								
3	4%								
4	7%								
5	10%								
6	TOTAL	0.00						0.00	
7	Other (List separately and show 3%, 4%, 7%, 10%, and TOTAL)								
8									
9									
10									
11									
12									
13									
14									
15									
16									
17									
18									
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31									

Name of Respondent Avista Corp.	This Report Is: <input checked="" type="checkbox"/> An Original <input type="checkbox"/> A Resubmission	Date of Report (M, D, Y) April 29, 2016	Year of Report Dec. 31, 2015
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**STATE OF OREGON - SITU UTILITY PLANT
SUMMARY OF UTILITY PLANT AND ACCUMULATED PROVISIONS FOR DEPRECIATION, AMORTIZATION AND DEPLETION**

Line No.	Item (a)	Total (b)	Electric (c)	Gas (d)	Other (Specify) (e)	Other (Specify) (f)	Common (g)
1	UTILITY PLANT						
2	In Service						
3	Plant In Service (Classified)	502,901,312	183,545,643	319,258,198			97,471
4	Property Under Capital Leases	0		0			
5	Plant Purchased or Sold						
6	Completed Construction not Classified						
7	Experimental Plant Unclassified						
8	TOTAL (Enter Total of Lines 3 thru 7)	502,901,312	183,545,643	319,258,198			97,471
9	Leased to Others						
10	Held for Future Use						
11	Construction Work in Progress	8,293,141		8,293,141			
12	Acquisition Adjustments	0					
13	TOTAL Utility Plant (Lines 8 thru 12)	511,194,453	183,545,643	327,551,339			97,471
14	Accum. Prov. for Depr., Amort., Depl.	143,090,138	40,563,625	102,526,513			0
15	Net Utility Plant (Line 13 less 14)	368,104,315	142,982,018	225,024,826			97,471
16	DETAIL OF ACCUMULATED PROVISIONS FOR DEPRECIATION, AMORTIZATION & DEPLETION						
17	In Service						
18	Depreciation	142,955,160	40,501,623	102,453,537			0
19	Amort. & Depl. of Producing Natural Gas Land & Land Rights						
20	Amort. of Underground Storage Land & Land Rights						
21	Amort. of Other Utility Plant	134,978	62,002	72,976			0
22	TOTAL in Service (Lines 18 thru 21)	143,090,138	40,563,625	102,526,513			0
23	Leased to Others						
24	Depreciation						
25	Amortization and Depletion						
26	TOTAL Leased to Others (Lines 24 & 25)	0	0	0			
27	Held for Future Use						
28	Depreciation						
29	Amortization						
30	TOTAL Held for Future Use (Lines 28 & 29)	0	0	0			
31	Abandonment of Leases (Natural Gas)						
32	Amort. of Plant Acquisition Adj.	0	0				
33	TOTAL Accumulated Provisions (Should agree with line 14) (Lines 22, 26, 30, 31 & 32)	143,090,138	40,563,625	102,526,513			0

NOTE: Electric plant represents the Coyote Springs 2 plant, which was placed in service on July 1, 2003. Electric depreciation expense is charged to the states of Washington and Idaho.

Name of Respondent Avista Corp.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (M, D, Y) April 29, 2016	Year of Report Dec. 31, 2015
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STATE OF OREGON - SITUS GAS PLANT IN SERVICE

- | | | |
|--|---|--|
| <p>1. Report below the original cost of gas plant in service according to the prescribed accounts.</p> <p>2. In addition to Account 101, Gas Plant in Service (Classified), this page and the next include Account 102, Gas Plant Purchased or Sold; Account 103, Experimental Gas Plant Unclassified; and Account 106, Completed Construction Not Classified-Gas.</p> <p>3. Include in column (c) or (d), as appropriate, corrections of additions and retirements for the current or preceding year.</p> | <p>4. Enclose in parentheses credit adjustments of plant accounts to indicate the negative effect of such accounts.</p> <p>5. Classify Account 106 according to prescribed accounts, on an estimated basis if necessary, and include the entries in column (c). Also to be included in column (c) are entries for reversals of tentative distributions of prior year reported in column (b). Likewise, if the respondent has a significant amount of plant retirements which have not been classified to primary accounts at the end of the year, include in column (d) a tentative distribution of such retirements, on an</p> | <p>estimated basis, with appropriate contra entry to the account for accumulated depreciation provision. Include also in column (d) reversals of tentative distributions of prior year unclassified retirements. Attach supplemental statement showing the account distributions of these tentative classifications in columns (c) and (d), including the reversals of the prior years tentative account distributions of these amounts. Careful observance of the above instructions and the texts of Accounts 101 and 106 will avoid serious omissions of the reported amount of respondent's plant actually in service at the end of the year. (Continued on page 25)</p> |
|--|---|--|

Line No.	Account (a)	Balance at Beginning of Year (b)	Additions (c)	Retirements (d)	Adjustments (e)	Transfers (f)	Balance at End of Year (g)		Line No.
1	1. Intangible Plant								1
2	301 Organization						0		301 2
3	302 Franchises and Consents								302 3
4	303 Miscellaneous Intangible Plant	427,354	563,270	1,231	2		989,395		303 4
5	TOTAL Intangible Plant	427,354	563,270	1,231	2	0	989,395		5
6	2. Production Plant								6
7	Natural Gas Production and Gathering Plant								7
8	325.1 Producing Lands	0					0		325.1 8
9	325.2 Producing Leaseholds								325.2 9
10	325.3 Gas Rights								325.3 10
11	325.4 Rights-of-Way								325.4 11
12	325.5 Other Land and Land Rights								325.5 12
13	326 Gas Well Structures								326 13
14	327 Field Compressor Station Structures								327 14
15	328 Field Meas. and Reg. Sta. Structures								328 15
16	329 Other Structures								329 16
17	330 Producing Gas Wells-Well Construction								330 17
18	331 Producing Gas Wells-Well Equipment								331 18
19	332 Field Lines								332 19
20	333 Field Compressor Station Equipment								333 20
21	334 Field Meas. and Reg. Sta. Equipment								334 21
22	335 Drilling and Clearing Equipment								335 22
23	336 Purification Equipment								336 23
24	337 Other Equipment								337 24
25	338 Unsuccessful Exploration & Devel. Costs								338 25
26	TOTAL Production and Gathering Plant	0	0	0	0	0	0		26
27	Products Extraction Plant								27
28	340 Land and Land Rights								340 28
29	341 Structures and Improvements								341 29
30	342 Extraction and Refining Equipment								342 30
31	343 Pipe Lines								343 31
32	344 Extracted Products Storage Equipment								344 32

Name of Respondent Avista Corp.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (M, D, Y) April 29, 2016	Year of Report Dec. 31, 2015
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STATE OF OREGON - SITUS GAS PLANT IN SERVICE

6. Show in column (f) reclassifications or transfers within utility plant accounts. Include also in column (f) the additions or reductions of primary account classifications arising from distribution of amounts initially recorded in Account 102. In showing the clearance of Account 102, include in column (e) the amounts with respect to accumulated provision for depreciation, acquisition adjustments, etc., and show in column (f) only the offset to the debits or credits distributed in column (f) to primary account classifications.

7. For Account 399, state the nature and use of plant included in this account and if substantial in amount, submit a supplementary statement showing subaccount classification of such plant conforming to the requirements of these pages.

8. For each amount comprising the reported balance and changes in Account 102, state the property purchased or sold, name of vendor or purchaser, and date of transaction. If proposed journal entries have been filed with the Commission as required by the Uniform System of Accounts, give also date of such filing.

Line No.	Account (a)	Balance at Beginning of Year (b)	Additions (c)	Retirements (d)	Adjustments (e)	Transfers (f)	Balance at End of Year (g)		Line No.
33	345 Compressor Equipment							345	33
34	346 Gas Meas. and Reg. Equipment							346	34
35	347 Other Equipment							347	35
36	TOTAL Products Extraction Plant	0	0	0	0	0	0		36
37	TOTAL Nat. Gas Production Plant	0	0	0	0	0	0		37
38	Mfd. Gas Prod. Plant (Submit Suppl. Statement)	7,628	0	0	0	0	7,628		38
39	TOTAL Production Plant	7,628	0	0	0	0	7,628		39
40	3. Natural Gas Storage and Processing Plant								40
41	Underground Storage Plant								41
42	350.1 Land							350.1	42
43	350.2 Rights-of-Way							350.2	43
44	351 Structures and Improvements							351	44
45	352 Wells							352	45
46	352.1 Storage Leaseholds and Rights							352.1	46
47	352.2 Reservoirs							352.2	47
48	352.3 Non-recoverable Natural Gas							352.3	48
49	353 Lines							353	49
50	354 Compressor Station Equipment							354	50
51	355 Measuring and Reg. Equipment							355	51
52	356 Purification Equipment							356	52
53	357 Other Equipment							357	53
54	TOTAL Underground Storage Plant	0	0	0	0	0	0		54
55	Other Storage Plant								55
56	360 Land and Land Rights							360	56
57	361 Structures and Improvements							361	57
58	362 Gas Holders							362	58
59	363 Purification Equipment							363	59
60	363.1 Liquefaction Equipment							363.1	60
61	363.2 Vaporizing Equipment							363.2	61
62	363.3 Compressor Equipment							363.3	62
63	363.4 Meas. and Reg. Equipment							363.4	63
64	363.5 Other Equipment							363.5	64
65	TOTAL Other Storage Plant	0	0	0	0	0	0		65

Name of Respondent Avista Corp.		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (M, D, Y) April 29, 2016	Year of Report Dec. 31, 2015			
STATE OF OREGON - SITUS GAS PLANT IN SERVICE								
Line No.	Account (a)	Balance at Beginning of Year (b)	Additions (c)	Retirements (d)	Adjustments (e)	Transfers (f)	Balance at End of Year (g)	Line No.
66	Base Load Liquefied Natural Gas Terminaling and Processing Plant							66
67	364.1 Land and Land Rights							364.1 67
68	364.2 Structures and Improvements							364.2 68
69	364.3 LNG Processing Terminal Equipment							364.3 69
70	364.4 LNG Transportation Equipment							364.4 70
71	364.5 Measuring and Regulating Equipment							364.5 71
72	364.6 Compressor Station Equipment							364.6 72
73	364.7 Communications Equipment							364.7 73
74	364.8 Other Equipment							364.8 74
75	TOTAL Base Load Liquefied Natural	0	0	0	0	0	0	75
76	Gas, Terminaling and Processing Plant							76
77	TOTAL Nat. Gas Storage and Proc. Plant	0	0	0	0	0	0	77
78	4. Transmission Plant							78
79	365.1 Land and Land Rights							365.1 79
80	365.2 Rights-of-Way							365.2 80
81	366 Structures and Improvements							366 81
82	367 Mains							367 82
83	368 Compressor Station Equipment							368 83
84	369 Measuring and Reg. Sta. Equipment							369 84
85	370 Communication Equipment							370 85
86	371 Other Equipment							371 86
87	TOTAL Transmission Plant	0	0	0	0	0	0	87
88	5. Distribution Plant							88
89	374 Land and Land Rights	593,985	17,796				611,781	374 89
90	375 Structures and Improvements	287,498	121,443		2		408,943	375 90
91	376 Mains	163,650,121	12,218,111	453,234	(1)		175,414,997	376 91
92	377 Compressor Station Equipment	0					0	377 92
93	378 Meas. and Reg. Sta. Equip. - General	4,869,409	173,197	789	1		5,041,818	378 93
94	379 Meas. and Reg. Sta. Equip. - City Gate	1,516,330	1,248,688	0	(2)		2,765,016	379 94
95	380 Services	75,807,298	8,380,478	208,301	(1)		83,979,474	380 95
96	381 Meters	36,445,432	1,820,692	94,746			38,171,378	381 96
97	382 Meter Installations	0					0	382 97
98	383 House Regulators	0					0	383 98
99	384 House Reg. Installations	0					0	384 99
100	385 Industrial Meas. and Reg. Sta. Equipment	1,416,216	121,082				1,537,298	385 100
101	386 Other Prop. on Customers' Premises	0					0	386 101
102	387 Other Equipment	539					539	387 102
103	TOTAL Distribution Plant	284,586,828	24,101,487	757,070	(1)	0	307,931,244	103

Name of Respondent Avista Corp.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (M, D, Y) April 29, 2016	Year of Report Dec. 31, 2015
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STATE OF OREGON - SITUS GAS PLANT IN SERVICE

Line No.	Account (a)	Balance at Beginning of Year (b)	Additions (c)	Retirements (d)	Adjustments (e)	Transfers (f)	Balance at End of Year (g)		Line No.
104	6. General Plant								104
105	389 Land and Land Rights	849,863		1,320	1		848,544	389	105
106	390 Structures and Improvements	3,526,518	79,258				3,605,776	390	106
107	391 Office Furniture and Equipment	0					0	391	107
108	392 Transportation Equipment	2,881,109	879,782	228,512	(2)		3,532,377	392	108
109	393 Stores Equipment	57,226					57,226	393	109
110	394 Tools, Shop, and Garage Equipment	966,779	19,060	20,747	(1)		965,091	394	110
111	395 Laboratory Equipment	111,503		61,326			50,177	395	111
112	396 Power Operated Equipment	43,834					43,834	396	112
113	397 Communication Equipment	1,230,831		6,291	(1)		1,224,539	397	113
114	398 Miscellaneous Equipment	2,367					2,367	398	114
115	Subtotal	9,670,030	978,100	318,196	(3)	0	10,329,931		115
116	399 Other Tangible Property							399	116
117	TOTAL General Plant	9,670,030	978,100	318,196	(3)	0	10,329,931		117
118	TOTAL (Accounts 101 and 106)	294,691,840	25,642,857	1,076,497	(2)	0	319,258,198		118
119	Gas Plant Purchased (See Instr. 8)								119
120	(Less) Gas Plant Sold (See Instr. 8)								120
121	Experimental Gas Plant Unclassified								121
122	TOTAL Gas Plant in Service	294,691,840	25,642,857	1,076,497	(2)	0	319,258,198		122

Name of Respondent Avista Corp.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (M, D, Y) April 29, 2016	Year of Report Dec. 31, 2015
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**STATE OF OREGON - SITUS GAS PLANT IN SERVICE
SUPPLEMENT TO PAGE 25**

Line No.	Account (a)	Balance at Beginning of Year (b)	Additions (c)	Retirements (d)	Adjustments (e)	Transfers (f)	Balance at End of Year (g)		Line No.
	304 Land and Land Rights	7,628					7,628		304
	305 Structures and Improvements						0		305
	311 Liquefied Petroleum Gas Equipment	0					0		311
38	Total Mfd. Gas Prod. Plant	7,628	0	0	0	0	7,628		38

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STATE OF OREGON - SITUS GAS PLANT HELD FOR FUTURE USE

1. Report separately each property held for future use at end of the year having an original cost of \$100,000 or more. Other items of property held for future use may be grouped provided that the number of properties so grouped is indicated.
2. For property having an original cost of \$100,000 or more previously used in utility operations, now held for future use, give, in addition to other required information, the date that utility use of such property was discontinued, and the date the original cost was transferred to Account 105.

Line No.	Description and Location of Property (a)	Date Originally Included In This Account (b)	Dated Expected To Be Used In Utility Service (c)	Balance at End of Year (d)
1				
2	NONE			
3				
4				
5				
6				
7				
8				
9				
10				
11				
12				
13				
14				
15				
16				
17				
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43				
44	TOTALS			

Name of Respondent Avista Corp.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (M, D, Y) April 29, 2016	Year of Report Dec. 31, 2015
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STATE OF OREGON - SITUS CONSTRUCTION WORK IN PROGRESS - (Account 107)

1. Report below descriptions and balances at end of year of project in process of construction (107).
2. Show items relating to "research, development, and demonstration" projects last, under a caption Research, Development, and Demonstration (see Account 107 of the Uniform System of Accounts).
3. Minor projects may be grouped.

Line No.	Description of Project (a)	Construction Work in Progress-Gas (Account 107) (b)	Estimated Additional Cost of Project (c)
1			
2			
3	East Medford Reinforcement	4,797,215	0
4	Gas revenue growth	1,266,496	0
5	Minor Projects Under \$1,000,000	2,229,430	30,044,040
9			
10			
11			
12			
13			
14			
15	Notes for the The Estimated Additional Cost of the Project		
16	(1) The East Medford project was completed and placed into		
17	service shortly after December 31, 2015.		
18	(2) Minor Projects Under \$1,000,000 represents mains and		
19	service replacements, regulator reliability programs, gas		
20	telemetry, etc. Some also relate to gas revenue growth; however,		
21	we are unable to separate the future costs for those projects		
22	until they get closer to completion.		
23	(3) Estimated additional cost amounts represent a five year		
24	buget total.		
25			
24			
25			
26			
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28			
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38	TOTALS	8,293,141	30,044,040

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STATE OF OREGON - SITUS ACC. PROV. FOR DEPR. OF GAS UTILITY PLANT (Acct. 108)

- | | |
|---|--|
| <p>1. Explain in a footnote any important adjustments during year.</p> <p>2. Explain in a footnote any difference between the amount for book cost of plant retired, line 11, column (c), and that reported for gas plant in service, pages 24-27, column (d), excluding retirements of non-depreciable property.</p> <p>3. The provisions of Account 108 of the Uniform System of Accounts require that retirements of depreciable plant be recorded when such plant is removed from service. If</p> | <p>the respondent has a significant amount of plant retired at year end which has not been recorded and/or classified to the various reserve functional classifications, make preliminary closing entries to tentatively functionalize the book cost of the plant retired. In addition, include all costs included in retirement work in progress at year end in the appropriate functional classifications.</p> <p>4. Show separately interest credits under a sinking fund or similar method of depreciation accounting.</p> |
|---|--|

Section A. Balances and Changes During Year

Line No.	Item (a)	Total (c+d+e) (b)	Gas Plant in Service (c)	Gas Plant Held for Future Use (d)	Gas Plant Leased to Others (e)
1	Balance Beginning of Year	97,149,628	97,149,628	0	0
2	Depreciation Provisions for Year, Charged to				
3	(403) Depreciation Expense	6,316,234	6,316,234		
4	(413) Exp. of Gas Plt. Leas. to Others				
5	Transportation Expenses-Clearing	264,594	264,594		
6	Other Clearing Accounts				
7	Other Accounts (Specify):	(57,486)	(57,486)		
8					
9	TOTAL Deprec. Prov. for Year (Enter Total of lines 3 thru 8)	6,523,342	6,523,342	0	0
10	Net Charges for Plant Retired:				
11	Book Cost of Plant Retired	(1,073,946)	(1,073,946)		
12	Cost of Removal	(51,546)	(51,546)		
13	Salvage (Credit)	1	1		
14	TOTAL Net Chrgs. for Plant Ret. (Enter Total of lines 11 thru 13)	(1,125,491)	(1,125,491)	0	0
15	Other Debit or Credit Items (Describe)	(93,942)	(93,942)		
16	Transfer of Intang Plt & Exclude Comm. Plt.				
17	Balance End of Year (Enter Total of lines 1, 9, 14, 15, and 16)	102,453,537	102,453,537	0	0

Section B. Balances at End of Year According to Functional Classifications

18	Production-Manufactured Gas				
19	Prod. and Gathering-Natural Gas				
20	Products Extraction-Natural Gas				
21	Underground Gas Storage	747,633	747,633		
22	Other Storage Plant				
23	Base Load LNG Term and Proc. Plt.				
24	Transmission				
25	Distribution	97,398,838	97,398,838		
26	General	4,307,066	4,307,066		
27	TOTAL (Enter Total of lines 18 thru 26)	102,453,537	102,453,537	0	0

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**STATE OF OREGON - ALLOCATED
SUMMARY OF UTILITY PLANT AND ACCUMULATED PROVISIONS FOR DEPRECIATION, AMORTIZATION AND DEPLETION**

Line No.	Item (a)	Total (b)	Electric (c)	Gas (d)	Other (Specify) (e)	Other (Specify) (f)	Common (g)
1	UTILITY PLANT						
2	In Service						
3	Plant In Service (Classified)	7,922,573		7,922,573			
4	Property Under Capital Leases						
5	Plant Purchased or Sold						
6	Completed Construction not Classified						
7	Experimental Plant Unclassified						
8	TOTAL (Enter Total of lines 3 thru 7)	7,922,573		7,922,573			
9	Leased to Others						
10	Held for Future Use						
11	Construction Work in Progress						
12	Acquisition Adjustments						
13	TOTAL Utility Plant (Lines 8 thru 12)	7,922,573		7,922,573			
14	Accum. Prov. for Depr., Amort., Depl.	4,206,602		7,563,388			
15	Net Utility Plant (Line 13 less 14)	3,715,971		359,185			
16	DETAIL OF ACCUMULATED PROVISIONS FOR DEPRECIATION, AMORTIZATION & DEPLETION						
17	In Service:						
18	Depreciation	4,329,999		4,329,999			
19	Amort. & Depl. of Producing Natural Gas Land & Land Rights						
20	Amort. of Underground Storage Land & Land Rights						
21	Amort. of Other Utility Plant	3,233,389		3,233,389			
22	TOTAL in Service (lines 18 thru 21)	7,563,388		7,563,388			
23	Leased to Others						
24	Depreciation						
25	Amortization and Depletion						
26	TOTAL Leased to Others (Lines 24 & 25)	0		0			
27	Held for Future Use						
28	Depreciation						
29	Amortization						
30	TOTAL Held for Future Use (Lines 28 & 29)	0		0			
31	Abandonment of Leases (Natural Gas)						
32	Amort. of Plant Acquisition Adj.						
33	TOTAL Accumulated Provisions (Should agree with line 14) (Lines 22, 26, 30, 31 & 32)	7,563,388		7,563,388			

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STATE OF OREGON - ALLOCATED GAS PLANT IN SERVICE

1. Report below the original cost of gas plant in service according to the prescribed accounts.
2. In addition to Account 101, Gas Plant in Service (Classified), this page and the next include Account 102, Gas Plant Purchased or Sold; Account 103, Experimental Gas Plant Unclassified; and Account 106, Completed Construction Not Classified-Gas.
3. Include in column (c) or (d), as appropriate, corrections of additions and retirements for the current or preceding year.
4. Enclose in parentheses credit adjustments of plant accounts to indicate the negative effect of such accounts.
5. Classify Account 106 according to prescribed accounts, on an estimated basis if necessary, and include the entries in column (c). Also to be included in column (c) are entries for reversals of tentative distributions of prior year reported in column (b). Likewise, if the respondent has a significant amount of plant retirements which have not been classified to primary accounts at the end of the year, include in column (d) a tentative distribution of such retirements, on an estimated basis, with appropriate contra entry to the account for accumulated depreciation provision. Include also in column (d) reversals of tentative distributions of prior year unclassified retirements. Attach supplemental statement showing the account distributions of these tentative classifications in columns (c) and (d), including the reversals of the prior years tentative account distributions of these amounts. Careful observance of the above instructions and the texts of Accounts 101 and 106 will avoid serious omissions of the reported amount of respondent's plant actually in service at the end of the year. (Continued on page 33)

Line No.	Account (a)	Balance at Beginning of Year (b)	Additions (c)	Retirements (d)	Adjustments (e)	Transfers (f)	Balance at End of Year (g)	Line No.
1	1. Intangible Plant							1
2	301 Organization						0	301 2
3	302 Franchises and Consents						0	302 3
4	303 Miscellaneous Intangible Plant	759,222			(240,192)		519,030	303 4
5	TOTAL Intangible Plant	759,222	0	0	(240,192)	0	519,030	5
6	2. Production Plant							6
7	Natural Gas Production and Gathering Plant							7
8	325.1 Producing Lands						0	325.1 8
9	325.2 Producing Leaseholds						0	325.2 9
10	325.3 Gas Rights						0	325.3 10
11	325.4 Rights-of-Way						0	325.4 11
12	325.5 Other Land and Land Rights						0	325.5 12
13	326 Gas Well Structures						0	326 13
14	327 Field Compressor Station Structures						0	327 14
15	328 Field Meas. and Reg. Sta. Structures						0	328 15
16	329 Other Structures						0	329 16
17	330 Producing Gas Wells-Well Construction						0	330 17
18	331 Producing Gas Wells-Well Equipment						0	331 18
19	332 Field Lines						0	332 19
20	333 Field Compressor Station Equipment						0	333 20
21	334 Field Meas. and Reg. Sta. Equipment						0	334 21
22	335 Drilling and Clearing Equipment						0	335 22
23	336 Purification Equipment						0	336 23
24	337 Other Equipment						0	337 24
25	338 Unsuccessful Exploration & Devel. Costs						0	338 25
26	TOTAL Production and Gathering Plant	0	0	0	0	0	0	26
27	Products Extraction Plant							27
28	340 Land and Land Rights						0	340 28
29	341 Structures and Improvements						0	341 29
30	342 Extraction and Refining Equipment						0	342 30
31	343 Pipe Lines						0	343 31
32	344 Extracted Products Storage Equipment						0	344 32

Name of Respondent Avista Corp.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (M, D, Y) April 29, 2016	Year of Report Dec. 31, 2015
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STATE OF OREGON - ALLOCATED GAS PLANT IN SERVICE

6. Show in column (f) reclassifications or transfers within utility plant accounts. Include also in column (f) the additions or reductions of primary account classifications arising from distribution of amounts initially recorded in Account 102. In showing the clearance of Account 102, include in column (e) the amounts with respect to accumulated provision for depreciation, acquisition adjustments, etc., and show in column (f) only the offset to the debits or credits distributed in column (f) to primary account classifications.
7. For Account 399, state the nature and use of plant included in this account and if substantial in amount, submit a supplementary statement showing subaccount classification of such plant conforming to the requirements of these pages.
8. For each amount comprising the reported balance and changes in Account 102, state the property purchased or sold, name of vendor or purchaser, and date of transaction. If proposed journal entries have been filed with the Commission as required by the Uniform System of Accounts, give also date of such filing.

Line No.	Account (a)	Balance at Beginning of Year (b)	Additions (c)	Retirements (d)	Adjustments (e)	Transfers (f)	Balance at End of Year (g)		Line No.
33	345 Compressor Equipment						0	345	33
34	346 Gas Meas. and Reg. Equipment						0	346	34
35	347 Other Equipment						0	347	35
36	TOTAL Products Extraction Plant	0	0	0	0	0	0		36
37	TOTAL Nat. Gas Production Plant	0	0	0	0	0	0		37
38	Mfd. Gas Prod. Plant (Submit Suppl. Statement)						0		38
39	TOTAL Production Plant	0	0	0	0	0	0		39
40	3. Natural Gas Storage and Processing Plant								40
41	Underground Storage Plant								41
42	350.1 Land	117					117	350.1	42
43	350.2 Rights-of-Way	0					0	350.2	43
44	351 Structures and Improvements	47,984			21,594		69,578	351	44
45	352 Wells	923,517			21,594		945,111	352	45
46	352.1 Storage Leaseholds and Rights	0					0	352.1	46
47	352.2 Reservoirs	1,464,162					1,464,162	352.2	47
48	352.3 Non-recoverable Natural Gas	450,620					450,620	352.3	48
49	353 Lines	62,304					62,304	353	49
50	354 Compressor Station Equipment	2,894,715			21,594		2,916,309	354	50
51	355 Measuring and Reg. Equipment	30,653			21,594		52,247	355	51
52	356 Purification Equipment	0					0	356	52
53	357 Other Equipment	36,271			21,594		57,865	357	53
54	TOTAL Underground Storage Plant	5,910,343	0	0	107,970	0	6,018,313		54
55	Other Storage Plant								55
56	360 Land and Land Rights						0	360	56
57	361 Structures and Improvements						0	361	57
58	362 Gas Holders						0	362	58
59	363 Purification Equipment						0	363	59
60	363.1 Liquefaction Equipment						0	363.1	60
61	363.2 Vaporizing Equipment						0	363.2	61
62	363.3 Compressor Equipment						0	363.3	62
63	363.4 Meas. and Reg. Equipment						0	363.4	63
64	363.5 Other Equipment						0	363.5	64
65	TOTAL Other Storage Plant	0	0	0	0	0	0		65

Name of Respondent	This Report Is:	Date of Report	Year of Report
Avista Corp.	(1) <input checked="" type="checkbox"/> An Original	(M, D, Y)	
	(2) <input type="checkbox"/> A Resubmission	April 29, 2016	Dec. 31, 2015

STATE OF OREGON - ALLOCATED GAS PLANT IN SERVICE

Line No.	Account (a)	Balance at Beginning of Year (b)	Additions (c)	Retirements (d)	Adjustments (e)	Transfers (f)	Balance at End of Year (g)		Line No.
66	Base Load Liquefied Natural Gas Terminating and Processing Plant								66
67	364.1 Land and Land Rights						0	364.1	67
68	364.2 Structures and Improvements						0	364.2	68
69	364.3 LNG Processing Terminal Equipment						0	364.3	69
70	364.4 LNG Transportation Equipment						0	364.4	70
71	364.5 Measuring and Regulating Equipment						0	364.5	71
72	364.6 Compressor Station Equipment						0	364.6	72
73	364.7 Communications Equipment						0	364.7	73
74	364.8 Other Equipment						0	364.8	74
75	TOTAL Base Load Liquefied Natural	0	0	0	0	0	0		75
76	Gas, Terminating and Processing Plant						0		76
77	TOTAL Nat. Gas Storage and Proc. Plant	5,910,343	0	0	107,970	0	6,018,313		77
78	4. Transmission Plant								78
79	365.1 Land and Land Rights						0	365.1	79
80	365.2 Rights-of-Way						0	365.2	80
81	366 Structures and Improvements						0	366	81
82	367 Mains						0	367	82
83	368 Compressor Station Equipment						0	368	83
84	369 Measuring and Reg. Sta. Equipment						0	369	84
85	370 Communication Equipment						0	370	85
86	371 Other Equipment						0	371	86
87	TOTAL Transmission Plant	0	0	0	0	0	0		87
88	5. Distribution Plant								88
89	374 Land and Land Rights				2		2	374	89
90	375 Structures and Improvements				(1)		(1)	375	90
91	376 Mains				1		1	376	91
92	377 Compressor Station Equipment						0	377	92
93	378 Meas. and Reg. Sta. Equip. - General						0	378	93
94	379 Meas. and Reg. Sta. Equip. - City Gate				1		1	379	94
95	380 Services				1		1	380	95
96	381 Meters						0	381	96
97	382 Meter Installations						0	382	97
98	383 House Regulators						0	383	98
99	384 House Reg. Installations						0	384	99
100	385 Industrial Meas. and Reg. Sta. Equipment						0	385	100
101	386 Other Prop. on Customers' Premises						0	386	101
102	387 Other Equipment						0	387	102
103	TOTAL Distribution Plant	0	0	0	4	0	4		103

Name of Respondent Avista Corp.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (M, D, Y) April 29, 2016	Year of Report Dec. 31, 2015
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STATE OF OREGON - ALLOCATED GAS PLANT IN SERVICE

Line No.	Account (a)	Balance at Beginning of Year (b)	Additions (c)	Retirements (d)	Adjustments (e)	Transfers (f)	Balance at End of Year (g)		Line No.
104	6. General Plant								104
105	389 Land and Land Rights	0			(1)		(1)	389	105
106	390 Structures and Improvements	0					0	390	106
107	391 Office Furniture and Equipment	193,233			834		194,067	391	107
108	392 Transportation Equipment	0					0	392	108
109	393 Stores Equipment	0					0	393	109
110	394 Tools, Shop, and Garage Equipment	712,583			97,072		809,655	394	110
111	395 Laboratory Equipment	73,732			778		74,510	395	111
112	396 Power Operated Equipment	0					0	396	112
113	397 Communication Equipment	310,470			(3,475)		306,995	397	113
114	398 Miscellaneous Equipment	0			0		0	398	114
115	Subtotal	1,290,018	0	0	95,208	0	1,385,226		115
116	399 Other Tangible Property	0					0	399	116
117	TOTAL General Plant	1,290,018	0	0	95,208	0	1,385,226		117
118	TOTAL (Accounts 101 and 106)	7,959,583	0	0	(37,010)	0	7,922,573		118
119	Gas Plant Purchased (See Instr. 8)								119
120	(Less) Gas Plant Sold (See Instr. 8)								120
121	Experimental Gas Plant Unclassified								121
122	TOTAL Gas Plant in Service	7,959,583	0	0	(37,010)	0	7,922,573		122

Name of Respondent Avista Corp.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (M, D, Y) April 29, 2016	Year of Report Dec. 31, 2015
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STATE OF OREGON - ALLOCATED GAS PLANT HELD FOR FUTURE USE (ACCOUNT 105)

- Report separately each property held for future use at end of the year having an original cost of \$100,000 or more. Other items of property held for future use may be grouped provided that the number of properties so grouped is indicated.
- For property having an original cost of \$100,000 or more previously used in utility operations, now held for future use, give, in addition to other required information, the date that utility use of such property was discontinued, and the date the original cost was transferred to Account 105.

Line No.	Description and Location of Property (a)	Date Originally Included In This Account (b)	Date Expected To Be Used In Utility Service (c)	Balance At End of Year (d)
1				
2	NONE			
3				
4				
5				
6				
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44	TOTALS			

Name of Respondent Avista Corp.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (M, D, Y) April 29, 2016	Year of Report Dec. 31, 2015
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STATE OF OREGON - ALLOCATED CONSTRUCTION WORK IN PROGRESS - (Account 107)

1. Report below descriptions and balances at end of year of projects in process of construction (107).
2. Show items relating to "research, development, and demonstration" projects last, under a caption Research, Development, and Demonstration (see Account 107 of the Uniform System of Accounts).
3. Minor projects may be grouped.

Line No.	Description of Project <i>(a)</i>	Construction Work in Progress-Gas (Account 107) <i>(b)</i>	Estimated Additional Cost of Project <i>(c)</i>
1	None		
2			
3			
4			
5			
6			
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43	TOTALS	0	0

Name of Respondent Avista Corp.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (M, D, Y) April 29, 2016	Year of Report Dec. 31, 2015
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STATE OF OREGON - ALLOC. ACC. PROV. FOR DEPR. OF GAS UTILITY PLANT (Acct. 119)

- | | |
|---|--|
| <p>1. Explain in a footnote any important adjustments during year.</p> <p>2. Explain in a footnote any difference between the amount for book cost of plant retired, line 11, column (c), and that reported for gas plant in service, pages 32-35, column (d), excluding retirements of non-depreciable property.</p> <p>3. The provisions of Account 119 in the Uniform System of Accounts require that retirements of depreciable plant be recorded when such plant is removed from service. If</p> | <p>the respondent has a significant amount of plant retired at year end which has not been recorded and/or classified to the various reserve functional classifications, make preliminary closing entries to tentatively functionalize the book cost of the plant retired. In addition, include all costs included in retirement work in progress at year end in the appropriate functional classifications.</p> <p>4. Show separately interest credits under a sinking fund or similar method of depreciation accounting.</p> |
|---|--|

Section A. Balances and Changes During Year

Line No.	Item (a)	Total (c+d+e) (b)	Gas Plant in Service (c)	Gas Plant Held for Future Use (d)	Gas Plant Leased to Others (e)
1	Balance Beginning of Year	3,418,614	3,418,614	0	0
2	Depreciation Provisions for Year, Charged to				
3	(403) Depreciation Expense	1,655,993	1,655,993		
4	(413) Exp. of Gas Plt. Leas. to Others				
5	Transportation Expenses-Clearing	5,609	5,609		
6	Other Clearing Accounts				
7	Other Accounts (Specify):	48,255	48,255		
8					
9	TOTAL Deprec. Prov. for Year (Enter Total of lines 3 thru 8)	1,709,857	1,709,857	0	0
10	Net Charges for Plant Retired:				
11	Book Cost of Plant Retired	(742,080)	(742,080)		
12	Cost of Removal	(962)	(962)		
13	Salvage (Credit)	0	0		
14	TOTAL Net Chrgs. for Plant Ret. (Enter Total of lines 11 thru 13)	(743,042)	(743,042)	0	0
15	Other Debit or Credit Items (Describe):	(55,430)	(55,430)		
16					
17	Balance End of Year (Enter Total of lines 1, 9, 14, 15, and 16)	4,329,999	4,329,999	0	0

Section B. Balances at End of Year According to Functional Classifications

18	Production-Manufactured Gas				
19	Prod. and Gathering-Natural Gas				
20	Products Extraction-Natural Gas				
21	Underground Gas Storage				
22	Other Storage Plant				
23	Base Load LNG Term and Proc. Plt.				
24	Transmission				
25	Distribution				
26	General	4,329,999	4,329,999		
27	TOTAL (Enter Total of lines 18 thru 26)	4,329,999	4,329,999	0	0

Name of Respondent Avista Corp.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (M,D,Y) April 29, 2016	Year of Report Dec. 31, 2015
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STATE OF OREGON - GAS STORED (117, 164.1, 164.2, AND 164.3)

- Report below the information called for concerning inventories of gas stored.
- The Uniform System of Accounts provides that inventory cost records be maintained on a consolidated basis for all storage projects with separate records showing the Mcf of inputs and withdrawals and balance for each project, except under specified circumstances. If the respondent's inventory cost records are not maintained on a consolidated basis for all storage projects, furnish an explanation of the accounting followed and reason for any deviation from the general basis provided by the Uniform System of Accounts. Separate schedules on this schedule form should be furnished for each group of storage projects for which separate inventory cost records are maintained.
- If during the year adjustment was made of the stored gas inventory, such as to correct for cumulative inaccuracies of gas measurements, furnish an explanation of the reason for the adjustment, the Mcf and dollar amount of adjustment and account charged or credited.
- Give a concise statement of the facts and the accounting performed with respect to any encroachment of withdrawals during the year, or restoration of previous encroachment, upon native gas constituting the "gas cushion" of any storage reservoir.
- If the respondent uses a "base stock" in connection with its inventory accounting, give a concise statement of the basis of establishing such "base stock" and the inventory basis and the accounting performed with respect to any encroachment of withdrawals on "base stock", or restoration of previous encroachment, including brief particulars of any such accounting during the year.
- If respondent has provided accumulated provision for stored gas which may not eventually be fully recovered from any storage project furnish a statement showing: (a) date of Commission authorization of such accumulated provision (b) explanation of circumstances requiring such provision (c) basis of provision and factors of calculation (d) estimated ultimate accumulated provision accumulation (e) a summary showing balance of accumulated provision and entries during year.
- Pressure base of gas volume reported in this schedule is 14.73 psia at 60° F.

Line No.	Description	Noncurrent (Account 117) (a)	Current (Account 164.1) (b)	LNG (Account 164.2) (c)	LNG (Account 164.3) (d)	Total (e)
1	Balance, beginning of year	1,261,012	3,080,112	0	0	4,341,124
2	Gas delivered to storage		3,053,999			3,053,999
3	(contra account)					
4	Gas withdrawn from storage		4,601,394			4,601,394
5	(contra account)					
6	Other debits and credits net		14,678			14,678
7						
8						
9						
10						
11						
12	Balance, end of year	1,261,012	1,547,395	0	0	2,808,407
13	Therm	2,259,880	6,665,420			8,925,300
14	Amount per Mcf	\$5.58	\$2.32			\$3.15

15	State basis of segregation of inventory between current and noncurrent portions.					
16	Current portion is gas expected to be sold within a 24-month period. All other gas is considered non-current.					
17	Gas delivered to storage:			Current	LNG	
18	Therm			13,285,010		
19	Amount per therm			\$2.30		
20	Cost basis of gas delivered to storage:					
21	Specify: Own production (give production area, see			<u>Average Cost</u>		
22	uniform system of accounts); average system purchases;					
23	specific purchases (state which purchases).					
24	Does cost of gas delivered to storage include any expenses					
25	for use of respondent's transmission, storage or other					
26	facilities? If so, give particulars and date of Commission			No		
27	approval of accounting.					
28						
29	Gas withdrawn from storage:					
30	Therm			14,564,780		
31	Amount per therm			\$3.16		
32	Cost basis of withdrawal					
33	Specify: average cost, lifo, fifo, (Explain any change in			<u>Average Cost</u>		
34	inventory basis during year and give date of Commission					
35	approval of the change or approval of an inventory basis					
36	different from that referred to in uniform system of accounts)					
37						
38						
39						
40						

Name of Respondent Avista Corp.		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (M, D, Y) April 29, 2016	Year of Report Dec. 31, 2015
STATE OF OREGON - GAS PURCHASES (Accounts 800, 801, 803, 804, 804.1 and 805)				
Line No.	Name of Seller (Designate Associated Companies) (a)	Name of Producing Field or Gasoline Plant (b)	Net Rate Effective December 31 (c)	
1	Refer to Note (1)			
2	Note (1) The following are the major gas suppliers for the State of Oregon:			
3	Aitken Creek Gas Storage ULC			
4	Anadarko Energy Services Company			
5	BP Canada Energy Group ULC			
6	BP Canada Energy Marketing Corp.			
7	BP Energy Company			
8	Cargill Limited			
9	Concord Energy, LLC			
10	ConocoPhillips Company			
11	EDF Trading North America, LLC			
12	Encana Marketing (USA) Inc.			
13	FortisBC Energy Inc.			
14	Iberdrola Energy Services, LLC			
15	Idaho Power Company			
16	IGI Resources Inc.			
17	J. Aron & Company			
18	J.P. Morgan Ventures Energy Corporation			
19	Koch Energy Services, LLC			
20	Macquarie Energy Canada Ltd			
21	Macquarie Energy LLC			
22	Mieco, Inc.			
23	Morgan Stanley Capital Group Inc.			
24	National Bank of Canada			
25	Natural Gas Exchange, Inc.			
26	Noble America Gas & Power Corp.			
27	Occidental Energy Marketing, Inc.			
28	Portland General Electric Company			
29	Powerex			
30	Puget Sound Energy, Inc.			
31	Sacramento Municipal Utility District			
32	Sequent Energy Management, L.P.			
33	Shell Energy North America (Canada) Inc.			
34	Shell Energy North America (US) L.P.			
35	Suncor Energy Marketing Inc.			
36	Tenaska Marketing Canada			
37	United Energy Trading LLC			
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Name of Respondent Avista Corp.				This Report is (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (M, D, Y) April 29, 2016	Year of Report Dec. 31, 2015			
STATE OF OREGON - GAS PURCHASES (Accounts 800, 801, 802, 803, 804, 804.1 and 805) (Con't)										
Seller Code (d)	State Code (e)	Count Code (f)	Schedule		Date of Contract (i)	Approx BTU Per CU FT (j)	Gas Purchased - Mcf (14.73 PSIA 60") (k)	Cost of Gas (l)	Cost Per Mcf (Dollars) (m)	Line No.
			No. (g)	Suffix (h)						
Refer to Note (1)					Various		43,185,891	\$109,172,764.74	\$2.53	1
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Name of Respondent Avista Corp.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (M, D, Y) April 29, 2016	Year of Report Dec. 31, 2015
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STATE OF OREGON - GAS USED IN UTILITY OPERATIONS - CREDIT (Accounts 810, 811, 812)

- Report below particulars of credits during the year to Accounts 810, 811 and 812, which offset charges to operating expenses or other accounts or the cost of gas from the respondent's own supply.
- Natural gas means either natural gas unmixed, or any mixture of natural and manufactured gas.
- If the reported MCF for any use is an estimated quantity, state such fact.
- If any natural gas was used by the respondent for which charge was not made to the appropriate operating expense or other account, list separately in column (c) the MCF of gas so used, omitting entries in columns (d) and (e).
- Pressure base of measurement, to be reported in columns (c) and (f) is 14.73 psia at 60° F.

Line No.	Purpose for Which Gas was Used (a)	Account Charged (b)	Natural Gas			Manufactured Gas	
			MCF of Gas Used (14.73 PSIA at 60°F) (c)	Amount of Credit (d)	Amount Per MCF (Cents) (e)	MCF of Gas Used (14.73 PSIA at 60°) (f)	Amount of Credit (g)
1	810 Gas used for Compressor Station Fuel - Credit						
2	811 Gas used for Products Extraction - Credit		13,522,000	\$135,220	\$0.01		
3	(a) Gas shrinkage & other usage in respondent's own processing						
4	(b) Gas shrinkage, etc. for respondent's gas processed by others						
5	812 Gas used for Other Utility Operations - Credit						
6	(Report separately for each principal use. Group minor uses.)						
7							
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Name of Respondent Avista Corp.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (M, D, Y) April 29, 2016	Year of Report Dec. 31, 2015
Year: 201212			

STATE OF OREGON - GAS ACCOUNT - NATURAL GAS

- The purpose of this schedule is to account for the quantity of natural gas received and delivered by the respondent taking into consideration differences in pressure bases used in measuring MCF of natural gas received and delivered.
- Natural gas means either natural gas unmixed or any mixture of natural and manufactured gas.
- Enter in column (c) the MCF as reported in the schedules indicated for the respective items of receipts and deliveries.

Line No.	Item (a)	Ref. Page No. (b)	Therms (c)
1	GAS RECEIVED		
2	Natural Gas Produced		
3	LPG Gas Produced and Mixed with Natural Gas		
4	Manufactured Gas Produced and Mixed with Natural Gas		
5	Purchased Gas		
6	Wellhead		
7	Field Lines		
8	Gasoline Plants		
9	Transmission Line		
10	City Gate Under FERC Rate Schedules		366,894,940
11	LNG		
12	Other (imbalances)		1,298,630
13	TOTAL GAS PURCHASED		368,193,570
14	Gas of Others Received for Transportation		44,730,653
15	Receipts of Respondents' Gas Transported or Compressed by Others		
16	Exchange Gas Received		
17	Gas Withdrawn from Underground Storage		14,564,780
18	Gas Received from LNG Storage		
19	Gas Received from LNG Processing		
20	Other Receipts (Specify): Storage Injections		
	TOTAL RECEIPTS		427,489,003

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STATE OF OREGON - GAS ACCOUNT - NATURAL GAS (Con't)

4. In a footnote report the volumes of gas from respondent's own production delivered to respondent's transmission system and included in natural gas sale.
5. If the respondent operates two or more systems which are not interconnected, separate schedules should be submitted. Insert pages should be used for this purpose.

Line No.	Item (a)	Ref. Page No. (b)	Amount of Therms (c)
	GAS DELIVERED		
22	Natural Gas Sales		
23	a. Field Sales		
24	(i) To Interstate Pipeline Companies for Resale		
25	Pursuant to FERC Rate Schedules		
26	(ii) Retail Industrial Sales		
27	(iii) Other Field Sales		
28	TOTAL FIELD SALES		0
29	b. Transmission Systems Sales		
30	(i) To Interstate Pipeline Co. for Resale Under FERC Rate Schedules		
31	(ii) To Intrastate Pipeline Co. and Gas Utilities for resale under		
32	FERC rate schedules		
33	(iii) Mainline Industrial Sales Under FERC Certification		
34	(iv) Other Mainline Industrial Sales		
35	(v) Other Transmission System Sales		
36	TOTAL TRANSMISSION SYSTEM SALES		0
37	c. Local Distribution by Respondent		
38	(i) Retail Industrial Sales		1,866,021
39	(ii) Other Distribution System Sales		72,461,441
40	TOTAL DISTRIBUTION SYSTEM SALES		74,327,462
41	d. Interdepartmental sales		12,113
42	TOTAL SALES		74,339,575
43			
44	Deliveries of Gas Transported or Compressed for:		
45	a. Other Interstate Pipeline Companies		
46	b. Others		44,730,653
47	TOTAL GAS TRANSPORTED OR COMPRESSED FOR OTHERS		44,730,653
48	Deliveries of Respondent's Gas for Trans. or Compression by Others		
49	Exchange Gas Delivered		
50	Natural Gas Used by Respondent		
51	Natural Gas Delivered to Underground Storage		13,285,010
52	Natural Gas Delivered to LNG Storage		
53	Natural Gas Delivered to LNG Processing		
54	Natural Gas for Franchise Requirements		
55	Other Deliveries (Specify): Sales for Resale		294,158,980
56	TOTAL SALES & OTHER DELIVERIES UNACCOUNTED FOR		426,514,218
57	Production System Losses		
58	Storage Losses		
59	Transmission System Losses		974,785
60	Distribution System Losses		
61	Other Losses (Specify in so far as possible):		
62	TOTAL UNACCOUNTED FOR		
63	TOTAL SALES, OTHER DELIVERIES, AND UNACCOUNTED FOR		427,489,003

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STATE OF OREGON - MISCELLANEOUS GENERAL EXPENSES (Account 930.2)

Report below the information called for concerning items included in miscellaneous general expenses.

Line No.	Items (a)	Total (b)	Amount Applicable to Oregon (c)	Amount Applicable to Other States (d)
1	Industry Association Dues	341,750	98,023	243,727
2	Experimental and General Research Expenses			
3	Publishing and Distributing Information and Reports to Stockholders; Trustee, Registrar and Transfer Agent Fees and Expenses, and Other Expenses of Servicing Outstanding Securities of the Respondent	142,773	43,665	99,108
4	Other Expenses (List items of \$5,000 or more in this column showing the (1) purpose, (2) recipient and (3) amount of such items, Group amounts of less than \$5,000 by classes if the number of items so grouped is shown)			
5				
6	Items less than \$5,000	289,618	84,290	205,328
7				
8				
9	Items greater than \$5,000			
10	Baker Botts LLP Professional Services	67,500	20,870	46,630
	Broadbridge ICS Misc.	31,735	9,706	22,029
11	Citibank NA Misc.	21,643	6,619	15,024
12	Corp Credit Card Misc.	77,222	30,794	46,429
	Desautel Hege Misc.	8,923	2,729	6,194
13	Gartner Inc Professional Services	21,650	6,621	15,029
	Guckenheimer Services Misc.	5,050	1,520	3,530
14	Hanna & Associates Inc Professional Services	15,915	4,868	11,048
15	KIundt Hosmer Design Professional Services	8,192	2,505	5,686
16	NYSE Market Professional Services	17,710	5,416	12,294
17	The Coeur D Alene Misc.	6,825	2,093	4,732
18	Union Bank Of California Misc.	14,568	4,455	10,113
19				
20				
21				
22	Community Relations	36,686	4,829	31,857
23				
24				
25	Director Fees and Expenses			
26	JANET WIDMANN	28,501	8,717	19,784
27	HEIDI B STANLEY	28,456	8,703	19,753
28	MARC F RACICOT	26,921	8,233	18,687
29	ERIK J ANDERSON	28,576	8,740	19,836
30	KRISTIANNE BLAKE	32,751	10,017	22,735
31	REBECCA A KLEIN	24,190	7,398	16,792
32	JOHN F KELLY	36,199	11,071	25,128
33	R JOHN TAYLOR	31,992	9,784	22,208
34	Morris, Scott L	7,269	2,121	5,148
35	DONALD C BURKE	28,886	8,834	20,052
36	Issuance of Stock to Directors	125,328	38,330	86,998
37				
38				
39	Educational - Informational	9,601	3,368	6,233
40	Rating Agency Fees	68,856	21,059	47,797
41	Aircraft Operations and Fees	77,157	23,656	53,502
42				
43				
44				
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51				
52	TOTAL	1,662,442	499,033	1,163,408

OREGON SUPPLEMENT

Name of Respondent Avista Corp.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (<i>M, D, Y</i>) April 29, 2016	Year of Report Dec. 31, 2015
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STATE OF OREGON - POLITICAL ADVERTISING

1. List all 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.
2. Give the specific purpose of such advertising, when and where placed, and the account or accounts charged.
3. Report whole dollars only. Provide a total for each account and a grand total.

Line No.	Description <i>(a)</i>	Account Charged <i>(b)</i>	Amount <i>(c)</i>
1	NONE		
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Name of Respondent Avista Corp.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (M, D, Y) April 29, 2016	Year of Report Dec. 31, 2015
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STATE OF OREGON - POLITICAL CONTRIBUTIONS

1. List all 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.
2. The purpose of all contributions or payments should be clearly explained.
3. Report whole dollars only. Provide a total for each account and a grand total.

Line No.	Description (a)	Account Charged (b)	Amount (c)
1	Kate Brown Committee	426.4	2,500
2	Friends of Ted Ferrioli	426.4	2,000
3	Committee to Elect Mike McLane	426.4	2,000
4	Friends of Mark Hass	426.4	1,000
5	Committee to Elect Betsy Johnson	426.4	1,000
6	Friends of Arnie Roblan	426.4	1,000
7	Committee to Elect Doug Whitsett	426.4	1,000
8	Barreto for HD 58	426.4	1,000
9	Cliff Bentz for State Representative Committee	426.4	1,000
10	Committee to Elect Sal Esquivel	426.4	1,000
11	Friends of Mark Johnson	426.4	1,000
12	Caddy McKeown for Representative	426.4	1,000
13	Citizens to Elect Carl Wilson	426.4	1,000
14	Brad Witt for State Representative	426.4	1,000
15	Grow Oregon Now	426.4	10,000
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42	TOTAL		27,500

Name of Respondent Avista Corp.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (M, D, Y) April 29, 2016	Year of Report Dec. 31, 2015
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**STATE OF OREGON - EXPENDITURES TO ANY PERSON OR ORGANIZATION
HAVING AN AFFILIATED INTEREST FOR SERVICES, ETC.**

1. Report all expenditures to any person or organization having an affiliated interest for service, advice, auditing, associating, sponsoring, engineering, managing, operating, financial, legal or other services. See Oregon Revised Statute 757.015 for definition of "affiliated interest."
2. Give reference if such expenditures have in the past been approved by the Commission. Describe the services received and the account or accounts charged. Report whole dollars only.

Line No.	Description <i>(a)</i>	Account Number <i>(b)</i>	Total Amount <i>(c)</i>	Amount Assigned to Oregon <i>(d)</i>
1	Please refer to the Annual Affiliated Interest Report pursuant to OAR 860-27-100.			
2				
3	This report will be filed with the Public Utility Commission of Oregon in June 2016.			
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Name of Respondent Avista Corp.	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> C A Resubmission	Date of Report (M, D, Y) April 29, 2016	Year of Report Dec. 31, 2015
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STATE OF OREGON - DONATIONS AND MEMBERSHIPS

1. List all donations and membership expenditures made by the utility during the year and the amounts charged (items less than \$1,000 may be consolidated by category stating the number of organizations included). Give the name, city and state of each organization to whom a donation has been made. Group donations under headings as:

a. Contributions to and memberships in charitable organizations	d. Commercial and trade organizations
b. Organizations of the utility industry	e. All other organizations and kinds of donations and contributions
c. Technical and professional organizations	
2. List donations by type and group by the accounts charged. Report whole dollars only. Provide a total for each group of donations.

Line No.	Description (a)	Account Number (b)	Total Amount (c)	Amount Assigned To Oregon (d)
1	CONTRIBUTIONS TO AND MEMBERSHIPS IN CHARITABLE ORGANIZATIONS			
2				
3				
4				
5				
6				
7				
8	Items less than \$1,000	426.1	1,845	1,845
9	Subtotal		1,845	1,845
10				
11	ORGANIZATIONS OF THE UTILITY INDUSTRY (see page 46)			
12	TECHNICAL AND PROFESSIONAL ORGANIZATIONS (see page 46)			
13	COMMERCIAL AND TRADE ORGANIZATIONS (see page 46)			
14	ALL OTHER ORGANIZATIONS AND KINDS OF DONATIONS AND CONTRIBUTIONS (None)			
15				
16				
17			1,845	1,845

Avista Corp.	This Report Is:	Date of Report	Year of Report
	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(M, D, Y) April 29, 2016	Dec. 31, 2015

STATE OF OREGON - OFFICERS' SALARIES

- Report below the name, title and salary for the year for each executive officer whose salary is \$50,000 or more. An "executive officer" of a respondent includes its president, secretary, treasurer, and vice president in charge of a principal business unit, division or function (such as sales, administration or finance) and any other person who performs similar policy making functions.
- If a change was made during the year in the incumbent of any position, show name and total remuneration of the previous incumbent and date change in incumbency was made.
- Utilities which are required to file similar data with the Securities and Exchange Commission, may substitute a copy of Item 4, Regulation S-K, identified as this schedule page. The substituted page(s) should be conformed to the size of this page.

Line No.	Title (a)	Name of Officer (b)	Salary for Year	
			Total (c)	Oregon (d)
1				
2	See the attached Executive Compensation Table from Avista Corp.'s			
3	Proxy Statement.			
4	EXECUTIVE COMPENSATION TABLES			
5	Summary Compensation Table—2015			
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Name and Principal Position	Year	Salary(1)	Bonus	Stock Awards (\$)(2)	Non-Equity Incentive Plan Compensation (\$)(3)	Change in Pension and Non-Qualified Deferred Compensation Earnings (\$)(4)	All Other Compensation (\$)(5)
Chairman,	2014	\$ 747,114	\$ 191,506	\$ 1,540,351	\$ 1,120,642	\$ 1,613,380	\$ 238,340
President & CEO	2013	\$ 723,461		\$ 1,305,334	\$ 813,894	\$ 0	\$ 53,255
M. T. Thies	2015	\$ 421,769		\$ 618,285	\$ 221,576	\$ 97,970	\$ 15,900
Sr. Vice President,	2014	\$ 396,462	\$ 153,127	\$ 489,648	\$ 356,806	\$ 211,017	\$ 61,474
CFO & Treasurer	2013	\$ 386,538		\$ 357,720	\$ 289,904	\$ 29,911	\$ 15,300
D. P. Vermillion	2015	\$ 387,520		\$ 629,821	\$ 203,583	\$ 162,606	\$ 14,850
Sr. Vice President	2014	\$ 357,251		\$ 395,289	\$ 321,517	\$ 671,920	\$ 14,850
& ECO	2013	\$ 344,309		\$ 371,974	\$ 258,231	\$ 0	\$ 14,429
M. M. Durkin	2015	\$ 356,155		\$ 483,169	\$ 187,106	\$ 144,278	\$ 11,925
Sr. Vice President,	2014	\$ 330,347	\$ 121,127	\$ 382,538	\$ 297,304	\$ 281,334	\$ 57,574
General Counsel & CCO	2013	\$ 314,037		\$ 357,720	\$ 235,528	\$ 46,781	\$ 11,475
K. S. Feltes	2015	\$ 320,845		\$ 493,205	\$ 168,556	\$ 170,254	\$ 11,925
Sr. Vice President, CHRO	2014	\$ 297,115	\$ 104,127	\$ 382,538	\$ 267,396	\$ 411,178	\$ 57,574
& Corporate Secretary	2013	\$ 282,308		\$ 357,720	\$ 211,731	\$ 20,422	\$ 11,475

Name of Respondent	This Report Is:	Date of Report	Year of Report
Avista Corp.	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(M, D, Y) April 29, 2016	Dec. 31, 2015

STATE OF OREGON - DONATIONS OR PAYMENTS FOR SERVICES RENDERED BY PERSONS OTHER THAN EMPLOYEES AND CHARGED TO OREGON OPERATING ACCOUNTS

1. Report for each service rendered (including materials furnished incidental to the service which are impracticable of separation) by recipient and in total the aggregate of all payments made during the year where the aggregate of such payments to a recipient was \$25,000 or more including fees, retainers, commissions, gifts, contributions, assessments, bonuses, subscriptions, allowances for expenses or any other form of payments for services, traffic settlements, amounts paid for general services and licenses, accruals paid to trustees of pension and other employee benefit funds, and amounts paid for construction or maintenance of plant to persons other than affiliates) to any one corporation, institution, association, firm, partnership, committee, or person (not an employee of the respondent). Indicate by an asterisk in column (c) each item that includes payments for materials furnished incidental to the service performed. Payments to a recipient by two or more companies within a single system under a cost sharing or other joint arrangement shall be considered a single item for reporting in this schedule and shall be shown in the report of the principal company in the joint arrangement (as measured by gross operating revenues) with references thereto in the reports of the other system companies in the joint arrangement.

2. If more convenient, this schedule may be filled out for a group of companies considered as one system and shown only in the report of the principal company in the system, with references thereto in the reports of the other companies.

Line No.	Name of Recipient (a)	Nature of Service (b)	Amount of Payment (c)
1	ABB ENT SOFTWARE INC	Consulting	293,054
2	AVTEC SYSTEMS INTEGRATOR	Consulting	432,852
3	BAKER CONSTRUCTION & DEVELOPMENT INC	construction	3,217,838
4	BLACK & VEATCH CORPORATION	construction	647,901
5	CIRRUS DESIGN INDUSTRIES INC	construction	405,115
6	COEUR D ALENE TRIBE	Consulting	825,508
7	DAVIS WRIGHT TREMAINE LLP	legal	393,607
8	ERNST & YOUNG LLP	Consulting	6,644,948
9	H2E INC	Consulting	319,876
10	HANNA & ASSOCIATES INC	Consulting	312,920
11	HAWORTH	Consulting	571,467
12	HDR ENGINEERING, INC.	Consulting	683,579
13	HELVETICKA INC	Consulting	253,574
14	HICKEY BROTHERS RESEARCH LLC	Consulting	331,483
15	HP ENTERPRISE SERVICES	Consulting	1,039,597
16	IBM CORPORATION	Consulting	4,735,761
17	IFACTOR CONSULTING	Consulting	327,790
18	INTERVOICE	Consulting	442,815
19	LANDAU ASSOCIATES	consulting	488,076
20	MAX J KUNEY COMPANY	consulting	427,882
21	MCKINSTRY ESSENTION LLC	construction	4,770,671
22	NEAL STRUCTURAL REPAIR LLC	construction	350,285
23	NORTHWEST POWER POOL	consulting	354,703
24	OPOWER INC	legal	257,662
25	PAINE HAMBLLEN LLP	legal	449,985
26	POWER CITY ELECTRIC	construction	434,032
27	PRO BUILDING SYSTEMS	construction	481,901
28	SAPERE CONSULTING INC	consulting	912,616
29	SENTURUS INC	consulting	322,861
30	STEELHEAD MECHANICAL LLC	consulting	324,074
31	STRATA	consulting	429,899
32	URS ENERGY & CONSTRUCTION INC	construction	2,450,856
33	UTILITIES INTERNATIONAL INC	consulting	270,128
34	WESTERN ELECTRICITY	consulting	944,249
35	Other		19,257,681
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48	Note: the above amounts are for the entire Company, as Oregon specific information is not available.		
49			54,807,245

Name of Respondent	This Report Is:	Date of Report (M, D, Y)	Year of Report
Avista Corp.	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	April 29, 2016	Dec. 31, 2015

In order to help us with production of our Oregon Utility Statistics publication, please indicate:

Oregon Production Statistics (therms)

Gas Produced	0
Gas Purchased	368,193,570
Total Receipts	<u>368,193,570</u>

Gas Sales	74,327,462
Gas Used by Company	12,113
Gas Delivered to Storage - Net	-1,279,770
Sales for Resale	294,158,980
Losses and billing delay	974,785
Total Disbursements	<u>368,193,570</u>

Oregon Revenue by Service Class

Residential Sales	56,956,101
Commercial and Industrial Sales	
Firm Sales	28,954,541
Interruptible Sales	2,017,020
Transportation	3,368,608
Total	<u>91,296,270</u>

Gas Delivered in Therms (Oregon)

Residential Sales	43,212,830
Commercial and Industrial Sales	
Firm	27,477,946
Interruptible	3,636,685
Transportation	44,730,653
Total	<u>119,058,114</u>

Average Number of Oregon Customers

Residential Sales	87,590
Commercial and Industrial	
Firm	11,455
Interruptible	33
Transportation	39
Total	<u>99,117</u>

THIS FILING IS

Item 1: An Initial (Original) Submission OR Resubmission No. _____

Form 2 Approved
OMB No. 1902-0028
(Expires 09/30/2017)

Form 3-Q Approved
OMB No. 1902-0205
(Expires 11/30/2016)



FERC FINANCIAL REPORT

FERC FORM No. 2: Annual Report of Major Natural Gas Companies and Supplemental Form 3-Q: Quarterly Financial Report

These reports are mandatory under the Natural Gas Act, Sections 10(a), and 16 and 18 CFR Parts 260.1 and 260.300. Failure to report may result in criminal fines, civil penalties, and other sanctions as provided by law. The Federal Energy Regulatory Commission does not consider these reports to be of a confidential nature.

Exact Legal Name of Respondent (Company)

Avista Corporation

Year/Period of Report

End of 2015/Q4

QUARTERLY/ANNUAL REPORT OF MAJOR NATURAL GAS COMPANIES

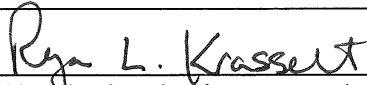
IDENTIFICATION

01 Exact Legal Name of Respondent Avista Corporation		Year/Period of Report End of <u>2015/Q4</u>	
03 Previous Name and Date of Change (If name changed during year)			
04 Address of Principal Office at End of Year (Street, City, State, Zip Code) 1411 East Mission Avenue, Spokane, WA 99207			
05 Name of Contact Person Ryan Krasselt		06 Title of Contact Person VP, Controller, Prin. Acctg Officer	
07 Address of Contact Person (Street, City, State, Zip Code) 1411 East Mission Avenue, Spokane, WA 99207			
08 Telephone of Contact Person, Including Area Code 509-495-2273		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	10 Date of Report (Mo, Da, Yr) 04/15/2016

ANNUAL CORPORATE OFFICER CERTIFICATION

The undersigned officer certifies that:

I have examined this report and to the best of my knowledge, information, and belief all statements of fact contained in this report are correct statements of the business affairs of the respondent and the financial statements, and other financial information contained in this report, conform in all material respects to the Uniform System of Accounts.

11 Name Ryan Krasselt		12 Title VP, Controller, Prin. Acctg Officer	
13 Signature Ryan Krasselt 		14 Date Signed 04/15/2016	

Title 18, U.S.C. 1001, makes it a crime for any person knowingly and willingly to make to any Agency or Department of the United States any false, fictitious or fraudulent statements as to any matter within its jurisdiction.

Name of Respondent Avista Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/15/2016	Year/Period of Report End of 2015/Q4
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List of Schedules (Natural Gas Company)

Enter in column (d) the terms "none," "not applicable," or "NA" as appropriate, where no information or amounts have been reported for certain pages. Omit pages where the responses are "none," "not applicable," or "NA."

Line No.	Title of Schedule (a)	Reference Page No. (b)	Date Revised (c)	Remarks (d)
	GENERAL CORPORATE INFORMATION AND FINANCIAL STATEMENTS			
1	General Information	101		
2	Control Over Respondent	102		
3	Corporations Controlled by Respondent	103		
4	Security Holders and Voting Powers	107		
5	Important Changes During the Year	108		
6	Comparative Balance Sheet	110-113		
7	Statement of Income for the Year	114-116		
8	Statement of Accumulated Comprehensive Income and Hedging Activities	117		
9	Statement of Retained Earnings for the Year	118-119		
10	Statements of Cash Flows	120-121		
11	Notes to Financial Statements	122		
	BALANCE SHEET SUPPORTING SCHEDULES (Assets and Other Debits)			
12	Summary of Utility Plant and Accumulated Provisions for Depreciation, Amortization, and Depletion	200-201		
13	Gas Plant in Service	204-209		
14	Gas Property and Capacity Leased from Others	212		
15	Gas Property and Capacity Leased to Others	213		
16	Gas Plant Held for Future Use	214		
17	Construction Work in Progress-Gas	216		
18	Non-Traditional Rate Treatment Afforded New Projects	217		
19	General Description of Construction Overhead Procedure	218		
20	Accumulated Provision for Depreciation of Gas Utility Plant	219		
21	Gas Stored	220		
22	Investments	222-223		
23	Investments in Subsidiary Companies	224-225		
24	Prepayments	230		
25	Extraordinary Property Losses	230		
26	Unrecovered Plant and Regulatory Study Costs	230		
27	Other Regulatory Assets	232		
28	Miscellaneous Deferred Debits	233		
29	Accumulated Deferred Income Taxes	234-235		
	BALANCE SHEET SUPPORTING SCHEDULES (Liabilities and Other Credits)			
30	Capital Stock	250-251		
31	Capital Stock Subscribed, Capital Stock Liability for Conversion, Premium on Capital Stock, and Installments Received on Capital Stock	252		
32	Other Paid-in Capital	253		
33	Discount on Capital Stock	254		
34	Capital Stock Expense	254		
35	Securities issued or Assumed and Securities Refunded or Retired During the Year	255		
36	Long-Term Debt	256-257		
37	Unamortized Debt Expense, Premium, and Discount on Long-Term Debt	258-259		

Name of Respondent Avista Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/15/2016	Year/Period of Report End of 2015/Q4
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List of Schedules (Natural Gas Company) (continued)

Enter in column (d) the terms "none," "not applicable," or "NA" as appropriate, where no information or amounts have been reported for certain pages. Omit pages where the responses are "none," "not applicable," or "NA."

Line No.	Title of Schedule (a)	Reference Page No. (b)	Date Revised (c)	Remarks (d)
38	Unamortized Loss and Gain on Reacquired Debt	260		
39	Reconciliation of Reported Net Income with Taxable Income for Federal Income Taxes	261		
40	Taxes Accrued, Prepaid, and Charged During Year	262-263		
41	Miscellaneous Current and Accrued Liabilities	268		
42	Other Deferred Credits	269		
43	Accumulated Deferred Income Taxes-Other Property	274-275		
44	Accumulated Deferred Income Taxes-Other	276-277		
45	Other Regulatory Liabilities	278		
	INCOME ACCOUNT SUPPORTING SCHEDULES			
46	Monthly Quantity & Revenue Data by Rate Schedule	299		
47	Gas Operating Revenues	300-301		
48	Revenues from Transportation of Gas of Others Through Gathering Facilities	302-303		
49	Revenues from Transportation of Gas of Others Through Transmission Facilities	304-305		
50	Revenues from Storage Gas of Others	306-307		
51	Other Gas Revenues	308		
52	Discounted Rate Services and Negotiated Rate Services	313		
53	Gas Operation and Maintenance Expenses	317-325		
54	Exchange and Imbalance Transactions	328		
55	Gas Used in Utility Operations	331		
56	Transmission and Compression of Gas by Others	332		
57	Other Gas Supply Expenses	334		
58	Miscellaneous General Expenses-Gas	335		
59	Depreciation, Depletion, and Amortization of Gas Plant	336-338		
60	Particulars Concerning Certain Income Deduction and Interest Charges Accounts	340		
	COMMON SECTION			
61	Regulatory Commission Expenses	350-351		
62	Employee Pensions and Benefits (Account 926)	352		
63	Distribution of Salaries and Wages	354-355		
64	Charges for Outside Professional and Other Consultative Services	357		
65	Transactions with Associated (Affiliated) Companies	358		
	GAS PLANT STATISTICAL DATA			
66	Compressor Stations	508-509		
67	Gas Storage Projects	512-513		
68	Transmission Lines	514		
69	Transmission System Peak Deliveries	518		
70	Auxiliary Peaking Facilities	519		
71	Gas Account-Natural Gas	520		
72	Shipper Supplied Gas for the Current Quarter	521		
73	System Map	522		
74	Footnote Reference	551		
75	Footnote Text	552		
76	Stockholder's Reports (check appropriate box)			
	<input type="checkbox"/> Four copies will be submitted <input type="checkbox"/> No annual report to stockholders is prepared			

Name of Respondent Avista Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/15/2016	Year/Period of Report End of <u>2015/Q4</u>
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General Information

1. Provide name and title of officer having custody of the general corporate books of account and address of office where the general corporate books are kept and address of office where any other corporate books of account are kept, if different from that where the general corporate books are kept.

Ryan Krasselt, Vice President and Controller, Principal Accounting Officer
1411 E Mission Avenue
Spokane, WA 99207

2. Provide the name of the State under the laws of which respondent is incorporated and date of incorporation. If incorporated under a special law, give reference to such law. If not incorporated, state that fact and give the type of organization and the date organized.

State of Washington, Incorporated March 15, 1889

3. If at any time during the year the property of respondent was held by a receiver or trustee, give (a) name of receiver or trustee, (b) date such receiver or trustee took possession, (c) the authority by which the receivership or trusteeship was created, and (d) date when possession by receiver or trustee ceased.

Not Applicable

4. State the classes of utility and other services furnished by respondent during the year in each State in which the respondent operated.

Electric service in the states of Washington, Idaho and Montana
Natural gas service in the states of Washington, Idaho and Oregon

5. Have you engaged as the principal accountant to audit your financial statements an accountant who is not the principal accountant for your previous year's certified financial statements?

- (1) Yes... Enter the date when such independent accountant was initially engaged:
(2) No

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Name of Respondent Avista Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/15/2016	Year/Period of Report End of 2015/Q4
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Corporations Controlled by Respondent

1. Report below the names of all corporations, business trusts, and similar organizations, controlled directly or indirectly by respondent at any time during the year. If control ceased prior to end of year, give particulars (details) in a footnote.
2. If control was by other means than a direct holding of voting rights, state in a footnote the manner in which control was held, naming any intermediaries involved.
3. If control was held jointly with one or more other interests, state the fact in a footnote and name the other interests.
4. In column (b) designate type of control of the respondent as "D" for direct, an "I" for indirect, or a "J" for joint control.

DEFINITIONS

1. See the Uniform System of Accounts for a definition of control.
2. Direct control is that which is exercised without interposition of an intermediary.
3. Indirect control is that which is exercised by the interposition of an intermediary that exercises direct control.
4. Joint control is that in which neither interest can effectively control or direct action without the consent of the other, as where the voting control is equally divided between two holders, or each party holds a veto power over the other. Joint control may exist by mutual agreement or understanding between two or more parties who together have control within the meaning of the definition of control in the Uniform System of Accounts, regardless of the relative voting rights of each party.

Line No.	Name of Company Controlled (a)	Type of Control (b)	Kind of Business (c)	Percent Voting Stock Owned (d)	Footnote Reference (e)
1	Avista Capital	D	Parent to the Company's	100	<i>Not used</i>
2			subsidiaries		
3	Avista Development	I	Maintains investment portfolio incl Real Estate.	100	<i>Not used</i>
4	Avista Energy	I	Inactive	100	<i>Not used</i>
5	Pentzer Corporation	I	Parent of Bay Area Mfg and Penture Venture Hldngs	100	<i>Not used</i>
6	Bay Area Manufacturing	I	Holding co of AM&D dba MetaFX	100	<i>Not used</i>
7	Advanced Manufacturing & Development	I	Custom mfg of electronic enclosures	83	<i>Not used</i>
8	dba MetaFX				<i>Not used</i>
9	Spokane Energy, LLC	D	Owns an elec. capacity contrt. See Footnote.	100	<i>Not used</i>
10	Avista Capital II	D	Affiliated business trust issue pref trust sec	100	<i>Not used</i>
11	Avista Northwest Resources, LLC	I	Owns an interest in a venture fund investment	100	<i>Not used</i>
12	Steam Plant Square, LLC	I	Commercial office and Retail leasing	85	<i>Not used</i>
13	Courtyard Office Center, LLC	I	Commercial office and retail leasing	100	<i>Not used</i>
14	Steam Plant Brew Pub, LLC	I	Restaurant Operations	85	<i>Not used</i>
15					
16	Alaska Energy and Resources Company	D	Parent company of Alaska operations	100	<i>Not used</i>
17	Alaska Electric Light and Power Company	I	Utility operations based in the city and borough	100	<i>Not used</i>
18			Of Juneau, AK		
19	AJT Mining Properties, Inc	I	Inactive mining company holding certain properties	100	<i>Not used</i>
20	Snettisham Electric Company	I	Holds certain rights to purchase the Snettisham	100	<i>Not used</i>
21			Hydroelectric project in the city & borough of		
22			Juneau, AK		
23	Salix, Inc	I	Liquefied Natural Gas Operations. See Footnote	100	<i>Not used</i>
24					
25					

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FOOTNOTE DATA			

Schedule Page: 103 Line No.: 9 Column: a

Spokane Energy was dissolved as of July, 23 2015. Notice of cancellation was sent to The State of Delaware.

Schedule Page: 103 Line No.: 23 Column: a

a subsidiary of Avista Capital, launched in 2014 to explore markets that could be served with liquefied natural gas (LNG), primarily in western North America.

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Security Holders and Voting Powers

1. Give the names and addresses of the 10 security holders of the respondent who, at the date of the latest closing of the stock book or compilation of list of stockholders of the respondent, prior to the end of the year, had the highest voting powers in the respondent, and state the number of votes that each could cast on that date if a meeting were held. If any such holder held in trust, give in a footnote the known particulars of the trust (whether voting trust, etc.), duration of trust, and principal holders of beneficiary interests in the trust. If the company did not close the stock book or did not compile a list of stockholders within one year prior to the end of the year, or if since it compiled the previous list of stockholders, some other class of security has become vested with voting rights, then show such 10 security holders as of the close of the year. Arrange the names of the security holders in the order of voting power, commencing with the highest. Show in column (a) the titles of officers and directors included in such list of 10 security holders.

2. If any security other than stock carries voting rights, explain in a supplemental statement how such security became vested with voting rights and give other important details concerning the voting rights of such security. State whether voting rights are actual or contingent; if contingent, describe the contingency.

3. If any class or issue of security has any special privileges in the election of directors, trustees or managers, or in the determination of corporate action by any method, explain briefly in a footnote.

4. Furnish details concerning any options, warrants, or rights outstanding at the end of the year for others to purchase securities of the respondent or any securities or other assets owned by the respondent, including prices, expiration dates, and other material information relating to exercise of the options, warrants, or rights. Specify the amount of such securities or assets any officer, director, associated company, or any of the 10 largest security holders is entitled to purchase. This instruction is inapplicable to convertible securities or to any securities substantially all of which are outstanding in the hands of the general public where the options, warrants,

1. Give date of the latest closing of the stock book prior to end of year, and, in a footnote, state the purpose of such closing: 11/19/2015	2. State the total number of votes cast at the latest general meeting prior to the end of year for election of directors of the respondent and number of such votes cast by proxy. Total: 54563176 By Proxy: 54563176	3. Give the date and place of such meeting: May 7, 2015 Spokane, Washington
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Line No.	Name (Title) and Address of Security Holder (a)	VOTING SECURITIES			
		Total Votes (b)	Common Stock (c)	Preferred Stock (d)	Other (e)
4. Number of votes as of (date): 11/19/2015					
5	TOTAL votes of all voting securities	62,358,017	62,358,017		
6	TOTAL number of security holders	8,819	8,819		
7	TOTAL votes of security holders listed below	1,031,786	1,031,786		
8	Computershare Trust Company NA as escrow agent for:				
9	George Barclay Corbus, Arvada, CO	343,168	343,168		
10	William A Corbus, Juneau, AK	300,000	300,000		
11	Malcolm A Menzies, Juneau, AK	113,301	113,301		
12	Gary Ely, Liberty Lake, WA	56,984	56,984		
13	Mark T Thies, Spokane, WA	40,594	40,594		
14	Marian Durkin, Spokane, WA	39,621	39,621		
15	Niels F Larsen & Wilhelmine J Larsen Jt Ten, Juneau, AK	39,312	39,312		
16	Jane N MacKinnon, Juneau, AK	37,347	37,347		
17	Dennis P Vermillion, Spokane, WA	29,381	29,381		
18					
19					
20					

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Schedule Page: 107 Line No.: 1 Column: 1

To pay the 12/15/2015 dividend.

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Give details concerning the matters indicated below. Make the statements explicit and precise, and number them in accordance with the inquiries. Answer each inquiry. Enter "none" or "not applicable" where applicable. If the answer is given elsewhere in the report, refer to the schedule in which it appears.

1. Changes in and important additions to franchise rights: Describe the actual consideration and state from whom the franchise rights were acquired. If the franchise rights were acquired without the payment of consideration, state that fact.
 2. Acquisition of ownership in other companies by reorganization, merger, or consolidation with other companies: Give names of companies involved, particulars concerning the transactions, name of the Commission authorizing the transaction, and reference to Commission authorization.
 3. Purchase or sale of an operating unit or system: Briefly describe the property, and the related transactions, and cite Commission authorization, if any was required. Give date journal entries called for by Uniform System of Accounts were submitted to the Commission.
 4. Important leaseholds (other than leaseholds for natural gas lands) that have been acquired or given, assigned or surrendered: Give effective dates, lengths of terms, names of parties, rents, and other conditions. State name of Commission authorizing lease and give reference to such authorization.
 5. Important extension or reduction of transmission or distribution system: State territory added or relinquished and date operations began or ceased and cite Commission authorization, if any was required. State also the approximate number of customers added or lost and approximate annual revenues of each class of service.
- Each natural gas company must also state major new continuing sources of gas made available to it from purchases, development, purchase contract or otherwise, giving location and approximate total gas volumes available, period of contracts, and other parties to any such arrangements, etc.
6. Obligations incurred or assumed by respondent as guarantor for the performance by another of any agreement or obligation, including ordinary commercial paper maturing on demand or not later than one year after date of issue: State on behalf of whom the obligation was assumed and amount of the obligation. Cite Commission authorization if any was required.
 7. Changes in articles of incorporation or amendments to charter: Explain the nature and purpose of such changes or amendments.
 8. State the estimated annual effect and nature of any important wage scale changes during the year.
 9. State briefly the status of any materially important legal proceedings pending at the end of the year, and the results of any such proceedings culminated during the year.
 10. Describe briefly any materially important transactions of the respondent not disclosed elsewhere in this report in which an officer, director, security holder, voting trustee, associated company or known associate of any of these persons was a party or in which any such person had a material interest.
 11. Estimated increase or decrease in annual revenues caused by important rate changes: State effective date and approximate amount of increase or decrease for each revenue classification. State the number of customers affected.
 12. Describe fully any changes in officers, directors, major security holders and voting powers of the respondent that may have occurred during the reporting period.
 13. In the event that the respondent participates in a cash management program(s) and its proprietary capital ratio is less than 30 percent please describe the significant events or transactions causing the proprietary capital ratio to be less than 30 percent, and the extent to which the respondent has amounts loaned or money advanced to its parent, subsidiary, or affiliated companies through a cash management program(s). Additionally, please describe plans, if any to regain at least a 30 percent proprietary ratio.

1. None
2. None
3. None
4. None
5. None

6. Avista Corp. has a committed line of credit with various financial institutions in the total amount of \$400.0 million that expires in April 2019.

Balances outstanding (including letters of credit) under the Company's revolving committed lines of credit were as follows as of December 31, 2015 and December 31, 2014 (dollars in thousands):

	December 31, 2015	December 31, 2014
Balance outstanding at end of period	\$105,000	\$105,000
Letters of credit outstanding at end of period	\$44,595	\$32,579

In December 2015, Avista Corp. issued \$100.0 million of first mortgage bonds to five institutional investors in a private placement transaction. The first mortgage bonds bear an interest rate of 4.37 percent and mature in 2045. The total net proceeds from the sale of the new bonds were used to repay a portion of the borrowings outstanding under the Company's \$400.0 million committed line of credit and for general corporate purposes. The debt issuance was approved

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by regulatory commissions as follows: WUTC (Docket No. U-111176 Order 02) IPUC (Case No. AVU-U-11-01 Order No. 32338) and the OPUC (Docket UF 4294 Order No. 15-305).

7. None

8. Average annual wage increases were 2.4% for non-exempt employees effective February 23, 2015. Average annual wage increases were 3.0% for exempt employees effective February 23, 2015. Officers received average increases of 3.3% effective February 23, 2015. Certain bargaining unit employees received increases of 3.0% effective March 26, 2015.

9. Reference is made to Note 16 of the Notes to Financial Statements.

10. None

11.

Washington General Rate Cases

2014 General Rate Cases

In November 2014, the UTC approved an all-party settlement agreement related to Avista Corp.'s electric and natural gas general rate cases filed in February 2014 and new rates became effective on January 1, 2015. The settlement was designed to increase annual electric base revenues by \$12.3 million, or 2.5 percent, inclusive of a \$5.3 million power supply update as required in the settlement agreement (explained below). The settlement was designed to increase annual natural gas base revenues by \$8.5 million, or 5.6 percent. The settlement agreement also included the implementation of decoupling mechanisms for electric and natural gas and a related after-the-fact earnings test, which are discussed in further detail in Note 17 of the Notes to Financial Statements.

Specific capital structure ratios and the cost of capital components were not agreed to in the settlement agreement. The revenue increases in the settlement were not tied to the 7.32 percent rate of return on rate base (ROR) used in conjunction with the after-the fact earnings test. The electric and natural gas revenue increases were negotiated numbers, with each party using its own set of assumptions underlying its agreement to the revenue increases. The parties agreed that the 7.32 percent ROR will be used to calculate the AFUDC and other purposes.

2015 General Rate Cases

In January 2016, the Company received an order (Order 05) that concluded its electric and natural gas general rate cases that were originally filed with the UTC in February 2015. New electric and natural gas rates were effective on January 11, 2016.

The UTC approved rates designed to provide a 1.6 percent, or \$8.1 million decrease in electric base revenue, and a 7.4 percent, or \$10.8 million increase in natural gas base revenue. The UTC also approved an ROR on rate base of 7.29 percent, with a common equity ratio of 48.5 percent and a 9.5 percent return on equity (ROE).

Throughout the rate case process, certain circumstances and costs changed, causing Avista Corp. to revise our overall proposed rate requests downward, especially for our electric operations. The Company's need for electric rate relief was reduced primarily due to the following:

- a decrease in power supply costs of approximately \$24.0 million caused by the continuing decline in the price of natural gas used to run the Company's natural gas-fired generation and lower contract costs associated with a new PPA from Chelan PUD,

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- updated information related to federal tax adjustments and state allocations,
- the delay in the expected completion date of the Nine Mile hydroelectric generation project upgrade from late 2015 to late 2016, and
- a delay of the start date to begin amortization of existing electric meters from 2016 to a future year, associated with Avista Corp.'s proposed AMI project.

The natural gas revenue increase approved by the UTC is related to the Company's ownership and operating costs to run the natural gas business. Changes in the commodity costs of natural gas for natural gas customers are reflected in Avista Corp.'s annual PGA, which is generally effective November 1st each year. On November 1, 2015 natural gas customers' bills were reduced approximately 15 percent related to the decline in the market price of natural gas.

In responsive testimony filed by the UTC Staff in July 2015 in the Company's electric and natural gas general rate cases, they recommended a disallowance of \$12.7 million (Washington's share) of the costs associated with the replacement of the Company's customer information and work management systems (Project Compass) primarily related to the delay in the completion of the project. In the January 6, 2016 UTC order, they approved the full recovery of Washington's portion of Project Compass costs.

UTC Issues Order Denying Industrial Customers of Northwest Utilities / Public Counsel Joint Motion for Clarification, UTC Staff Motion to Reconsider and UTC Staff Motion to Reopen Record

On February 19, 2016, the UTC issued an order (Order 06) denying the Motions summarized below and affirmed their original January 2016 order of an \$8.1 million decrease in electric base revenue, thus finalizing Avista Corp's 2015 electric and natural gas general rate cases.

On January 19, 2016, the Industrial Customers of Northwest Utilities (ICNU) and the Public Counsel Unit of the Washington State Office of the Attorney General (PC) filed a Joint Motion for Clarification with the UTC. In its Motion for Clarification, ICNU and PC requested that the UTC clarify the calculation of the electric attrition adjustment and the end-result revenue decrease of \$8.1 million. ICNU and PC provided their own calculations in their Motion, and suggested that the revenue decrease should have been \$19.8 million based on their reading of the UTC's Order.

On January 19, 2016, the UTC Staff, which is a separate party in the general rate case proceedings from the UTC Advisory Staff that supports the Commissioners, filed a Motion to Reconsider with the UTC. In its Motion to Reconsider, the Staff provided calculations and explanations that suggested that the electric revenue decrease should have been a revenue decrease of \$27.4 million instead of \$8.1 million, based on its reading of the UTC's Order. Further, on February 4, 2016, the UTC Staff filed a Motion to Reopen Record for the Limited Purpose of Receiving into Evidence Instruction on Use and Application of Staff's Attrition Model, and sought to supplement the record "to incorporate all aspects of the Company's Power Cost Update." Within this Motion, UTC Staff updated its suggested electric revenue decrease to \$19.6 million.

None of the parties in their Motions raised issues with the UTC's decision on the natural gas revenue increase of

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\$10.8 million.

PC Petition for Judicial Review

On March 18, 2016, PC filed in Thurston County Superior Court a Petition for Judicial Review of the UTC's January 2016 Order 05 and February 2016 Order 06. Order 05 approved new electric and natural gas rates that became effective on January 11, 2016.

In its March 2016 Petition for Judicial Review, PC seeks judicial review of five aspects of Order 05 and Order 06, alleging, among other things, that (1) the UTC exceeded its statutory authority by setting rates for Avista Corp.'s natural gas and electric services based on amounts for utility plant and facilities that are not "used and useful" in providing utility service to customers; (2) the UTC acted arbitrarily and capriciously in granting an attrition adjustment for Avista Corp.'s electric operations after finding that the Company did not meet the newly articulated standard regarding attrition adjustments; (3) the UTC erred in applying the "end results test" to set rates for Avista Corp.'s electric operations that are not supported by the record; (4) the UTC did not correct its calculation of Avista Corp.'s electric rates after significant errors were brought to its attention; and (5) the UTC's calculation of Avista Corp.'s electric rates lacks substantial evidence.

PC is requesting that the Court (1) vacate or set aside portions of the UTC's orders; (2) identify the errors contained in the UTC's orders; (3) find that the rates approved in Order 05 and reaffirmed in Order 06 are unlawful and not fair, just and reasonable; (4) remand the matter to the UTC for further proceedings consistent with these rulings, including a determination of Avista Corp.'s revenue requirement for electric and natural gas services; and (5) find the customers are entitled to a refund.

The new rates established by Order 05 will continue in effect while the Petition for Judicial Review is being considered. The Company believes the UTC's Order 05 and Order 06 finalizing the electric and natural gas general rate cases provide a reasonable end result for all parties. If the outcome of the judicial review were to result in an electric rate reduction greater than the decrease ordered by the UTC, it may not provide Avista Corp. with a reasonable opportunity to earn the rate of return authorized by the UTC.

2016 General Rate Cases

On February 19, 2016, Avista Corp. filed electric and natural gas general rates cases with the UTC. The Company's proposal includes an 18-month rate plan, with new rates taking effect on January 1, 2017 and January 1, 2018. Under this plan, the Company would not file a future rate case for new rates to be effective prior to July 1, 2018.

The 2017 increase, if approved, would increase overall base electric rates 7.8 percent (designed to increase annual electric revenues by \$38.6 million) and overall base natural gas rates 5.0 percent (designed to increase annual natural gas revenues by \$4.4 million).

In addition, the Company has requested a second step increase effective January 1, 2018, which would increase overall base electric rates by 3.9 percent (designed to increase annual electric revenues by \$10.3 million) and overall base natural

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gas rates by 1.8 percent (designed to increase annual natural gas revenues by \$0.9 million). Avista Corp. has proposed to offset the electric increase, for the period January through June 2018, with available ERM dollars. As a result, customers would not see an electric general rate case bill increase in 2018 prior to July 1, 2018.

The requests are based on a proposed ROR of 7.64 percent with a common equity ratio of 48.5 percent and a 9.9 percent ROE.

The UTC has up to 11 months to review the filings and issue a decision.

Idaho General Rate Cases

2014 Rate Plan Extension

Avista Corp. did not file new general rate cases in Idaho in 2014; instead, the Company developed an extension to the 2013 and 2014 rate plan and reached a settlement agreement with all interested parties.

In September 2014, the IPUC approved the settlement, which reflected agreement among all interested parties, for a one-year extension to the Company's current rate plan, which was set to expire on December 31, 2014. Under the approved extension, base retail rates remained unchanged through December 31, 2015.

The settlement provided an estimated \$3.7 million increase in pre-tax income by reducing planned expenses in 2015 for the Company's Idaho operations.

2015 General Rate Cases

In December 2015, the IPUC approved a settlement agreement between Avista Corp. and all interested parties related to its electric and natural gas general rate cases, which were originally filed with the IPUC on June 1, 2015. New rates were effective on January 1, 2016.

The settlement agreement is designed to increase annual electric base revenues by \$1.7 million or 0.7 percent and annual natural gas base revenues by \$2.5 million or 3.5 percent. The settlement is based on a ROR of 7.42 percent with a common equity ratio of 50 percent and a 9.5 percent ROE.

The settlement agreement also reflects the following:

- the discontinuation of the after-the-fact earnings test (provision for earnings sharing) that was originally agreed to as part of the settlement of our 2012 electric and natural gas general rate cases, and
- the implementation of electric and natural gas Fixed Cost Adjustment mechanisms, as discussed in Note 17 of the Notes to Financial Statements.

Oregon General Rate Cases

2014 General Rate Case

In January 2015, Avista Corp. filed an all-party settlement agreement with the OPUC related to our natural gas general rate case, which was originally filed in September 2014. On February 23, 2015, the OPUC issued an order rejecting the all-party settlement agreement. The OPUC expressed concerns related to, among other things, various rate design issues.

In March 2015, Avista Corp. filed an amended all-party settlement agreement with the OPUC which addressed the

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OPUC's concerns regarding the initial settlement agreement. The amended settlement agreement was designed to increase base natural gas revenues by \$5.3 million. Included in this base rate increase is \$0.3 million in base revenues that we are already receiving from customers through a separate rate adjustment. Therefore, the net increase in base revenues was \$5.0 million, or 4.9 percent on a billed basis. The parties requested that new retail rates become effective on April 16, 2015. On April 9, 2015, the OPUC issued an Order approving the amended settlement agreement as filed.

This settlement agreement provided for an overall authorized ROR of 7.516 percent with a common equity ratio of 51 percent and a 9.5 percent ROE.

2015 General Rate Case

On February 29, 2016, the OPUC issued an order concluding the Company's natural gas general rate case, which was originally filed with OPUC in May 2015. The OPUC order approved rates designed to increase overall billed natural gas rates by 4.9 percent (designed to increase annual natural gas revenues by \$4.5 million). New rates went into effect on March 1, 2016. The final OPUC order incorporated the two partial settlement agreements described in further detail below.

The OPUC order provides for an overall authorized ROR of 7.458 percent with a common equity ratio of 50 percent and a 9.4 percent ROE.

In November 2015, Avista Corp. and all parties to the natural gas general rate case reached agreement on certain issues, and a partial settlement agreement was filed with the OPUC on November 6, 2015. The partial settlement agreement reduced the requested natural gas revenue increase from \$8.6 million to \$6.7 million or 6.3 percent (on a billed basis). The partial settlement resolved a number of issues including the calculation of state income taxes for rate-making purposes, wages and salaries, the revenue forecast for the rate period, and working capital.

In addition, the November partial settlement agreement included a provision for the implementation of a decoupling mechanism, similar to the Washington and Idaho mechanisms described in Note 17 of the Notes to Financial Statements. The Decoupling Mechanism has an initial term concluding in September 2019.

On January 19, 2016, the Company entered into an additional all-party partial settlement to further reduce the revenue increase request to \$6.1 million or 5.7 percent (on a billed basis), related to updated information related to deferred taxes and its effect on rate base. These agreements did not resolve the remaining issues, such as, the appropriate ROE and capital structure, the appropriate level of additions to rate base, and medical and pension expenses.

In addition, the OPUC staff filed testimony which included a recommendation to disallow \$1.2 million (Oregon's share) of Project Compass costs primarily related to the delay in the full completion of the project. In the February 29, 2016 OPUC order, the OPUC approved the full recovery of Oregon's portion of Project Compass costs, as well as the capital investment included in the Company's case. The reductions to the Company's revenue requirement related to employee incentives, pension expense, and the reduction in the Company's proposed cost of capital.

12. Effective February 2015, Kevin J Christie was promoted to Vice President of Customer Solutions. He had previously held various other management and staff positions with the Company since 2005.

Effective October 1, 2015, Christy Burmeister-Smith, former Vice President, Controller and Principal Accounting Officer retired. Ryan Krasselt, formerly the Director of Risk Management was selected to fill Christy's role upon her retirement.

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Ryan has previously held various other finance and accounting management and staff positions with the Company for 14 years.

On September 8, 2015, Ed Schlect, was appointed Vice President and Chief Strategy Officer. Ed was the former Executive Vice President of Corporate Development at Ecova, Avista Corp.'s former unregulated subsidiary. Roger Woodworth, previously Vice President and Chief Strategy Officer was promoted to President of Avista Development, an Avista Corp. subsidiary, in support of economic development within the Company's utility service areas.

On December 1, 2015, Don Kopczynski, Vice President, Energy Delivery and Customer Service retired. Heather Rosentrater, formerly Avista's Director of Electrical Engineering and Grid Modernization, was selected to fill Don's role upon his retirement. Heather has previously held various other management and staff positions with the Company for 19 years.

13. Proprietary capital is not less than 30 percent.

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Comparative Balance Sheet (Assets and Other Debits)

Line No.	Title of Account (a)	Reference Page Number (b)	Current Year End of Quarter/Year Balance (c)	Prior Year End Balance 12/31 (d)
1	UTILITY PLANT			
2	Utility Plant (101-106, 114)	200-201	4,923,194,978	4,513,148,224
3	Construction Work in Progress (107)	200-201	190,108,665	223,330,993
4	TOTAL Utility Plant (Total of lines 2 and 3)	200-201	5,113,303,643	4,736,479,217
5	(Less) Accum. Provision for Depr., Amort., Depl. (108, 111, 115)		1,680,907,938	1,573,767,832
6	Net Utility Plant (Total of line 4 less 5)		3,432,395,705	3,162,711,385
7	Nuclear Fuel (120.1 thru 120.4, and 120.6)		0	0
8	(Less) Accum. Provision for Amort., of Nuclear Fuel Assemblies (120.5)		0	0
9	Nuclear Fuel (Total of line 7 less 8)		0	0
10	Net Utility Plant (Total of lines 6 and 9)		3,432,395,705	3,162,711,385
11	Utility Plant Adjustments (116)	122	0	0
12	Gas Stored-Base Gas (117.1)	220	6,992,076	6,992,076
13	System Balancing Gas (117.2)	220	0	0
14	Gas Stored in Reservoirs and Pipelines-Noncurrent (117.3)	220	0	0
15	Gas Owed to System Gas (117.4)	220	0	0
16	OTHER PROPERTY AND INVESTMENTS			
17	Nonutility Property (121)		2,740,379	5,288,635
18	(Less) Accum. Provision for Depreciation and Amortization (122)		201,768	194,911
19	Investments in Associated Companies (123)	222-223	11,547,000	12,047,000
20	Investments in Subsidiary Companies (123.1)	224-225	157,515,280	148,255,851
21	(For Cost of Account 123.1 See Footnote Page 224, line 40)			
22	Noncurrent Portion of Allowances		0	0
23	Other Investments (124)	222-223	23,760,324	11,525,386
24	Sinking Funds (125)		0	0
25	Depreciation Fund (126)		0	0
26	Amortization Fund - Federal (127)		0	0
27	Other Special Funds (128)		20,755,670	11,488,865
28	Long-Term Portion of Derivative Assets (175)		22,687	0
29	Long-Term Portion of Derivative Assets - Hedges (176)		0	0
30	TOTAL Other Property and Investments (Total of lines 17-20, 22-29)		216,139,572	188,410,826
31	CURRENT AND ACCRUED ASSETS			
32	Cash (131)		2,074,149	1,535,172
33	Special Deposits (132-134)		14,430,708	6,832,649
34	Working Funds (135)		691,896	971,206
35	Temporary Cash Investments (136)	222-223	204,231	15,508,864
36	Notes Receivable (141)		0	0
37	Customer Accounts Receivable (142)		160,488,098	163,095,696
38	Other Accounts Receivable (143)		5,500,743	5,091,552
39	(Less) Accum. Provision for Uncollectible Accounts - Credit (144)		4,469,344	4,828,572
40	Notes Receivable from Associated Companies (145)		0	0
41	Accounts Receivable from Associated Companies (146)		469,096	401,126
42	Fuel Stock (151)		3,293,585	4,116,727
43	Fuel Stock Expenses Undistributed (152)		0	0

Name of Respondent Avista Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/15/2016	Year/Period of Report End of 2015/Q4
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Comparative Balance Sheet (Liabilities and Other Credits)

Line No.	Title of Account (a)	Reference Page Number (b)	Current Year End of Quarter/Year Balance	Prior Year End Balance 12/31 (d)
1	PROPRIETARY CAPITAL			
2	Common Stock Issued (201)	250-251	984,603,843	984,400,740
3	Preferred Stock Issued (204)	250-251	0	0
4	Capital Stock Subscribed (202, 205)	252	0	0
5	Stock Liability for Conversion (203, 206)	252	0	0
6	Premium on Capital Stock (207)	252	0	0
7	Other Paid-In Capital (208-211)	253	(9,506,476)	(9,520,161)
8	Installments Received on Capital Stock (212)	252	0	0
9	(Less) Discount on Capital Stock (213)	254	0	0
10	(Less) Capital Stock Expense (214)	254	(29,238,213)	(25,079,123)
11	Retained Earnings (215, 215.1, 216)	118-119	536,821,476	507,257,161
12	Unappropriated Undistributed Subsidiary Earnings (216.1)	118-119	(5,881,619)	(15,658,553)
13	(Less) Reacquired Capital Stock (217)	250-251	0	0
14	Accumulated Other Comprehensive Income (219)	117	(6,649,771)	(7,887,881)
15	TOTAL Proprietary Capital (Total of lines 2 thru 14)		1,528,625,666	1,483,670,429
16	LONG TERM DEBT			
17	Bonds (221)	256-257	1,536,700,000	1,436,700,000
18	(Less) Reacquired Bonds (222)	256-257	83,700,000	83,700,000
19	Advances from Associated Companies (223)	256-257	51,547,000	51,547,000
20	Other Long-Term Debt (224)	256-257	0	0
21	Unamortized Premium on Long-Term Debt (225)	258-259	177,666	186,550
22	(Less) Unamortized Discount on Long-Term Debt-Dr (226)	258-259	1,134,563	1,308,604
23	(Less) Current Portion of Long-Term Debt		0	0
24	TOTAL Long-Term Debt (Total of lines 17 thru 23)		1,503,590,103	1,403,424,946
25	OTHER NONCURRENT LIABILITIES			
26	Obligations Under Capital Leases-Noncurrent (227)		3,274,583	0
27	Accumulated Provision for Property Insurance (228.1)		0	0
28	Accumulated Provision for Injuries and Damages (228.2)		239,910	240,000
29	Accumulated Provision for Pensions and Benefits (228.3)		201,453,549	189,489,100
30	Accumulated Miscellaneous Operating Provisions (228.4)		0	0
31	Accumulated Provision for Rate Refunds (229)		11,476,706	5,855,845

Name of Respondent Avista Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/15/2016	Year/Period of Report End of <u>2015/Q4</u>
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Comparative Balance Sheet (Liabilities and Other Credits)(continued)

Line No.	Title of Account (a)	Reference Page Number (b)	Current Year End of Quarter/Year Balance	Prior Year End Balance 12/31 (d)
32	Long-Term Portion of Derivative Instrument Liabilities		52,248,445	22,093,166
33	Long-Term Portion of Derivative Instrument Liabilities - Hedges		0	40,857,456
34	Asset Retirement Obligations (230)		15,996,704	3,028,391
35	TOTAL Other Noncurrent Liabilities (Total of lines 26 thru 34)		284,689,897	261,563,958
36	CURRENT AND ACCRUED LIABILITIES			
37	Current Portion of Long-Term Debt		0	0
38	Notes Payable (231)		105,000,000	105,000,000
39	Accounts Payable (232)		109,244,954	111,077,010
40	Notes Payable to Associated Companies (233)		22,177,680	9,934,843
41	Accounts Payable to Associated Companies (234)		18,798	714,039
42	Customer Deposits (235)		3,273,927	4,977,259
43	Taxes Accrued (236)	262-263	7,186,818	(10,725,297)
44	Interest Accrued (237)		14,179,517	13,595,667
45	Dividends Declared (238)		0	0
46	Matured Long-Term Debt (239)		0	0
47	Matured Interest (240)		0	0
48	Tax Collections Payable (241)		1,759,040	50,226
49	Miscellaneous Current and Accrued Liabilities (242)	268	57,577,117	57,483,998
50	Obligations Under Capital Leases-Current (243)		871,667	4,193,852
51	Derivative Instrument Liabilities (244)		85,797,553	40,138,121
52	(Less) Long-Term Portion of Derivative Instrument Liabilities		52,248,445	22,093,166
53	Derivative Instrument Liabilities - Hedges (245)		0	48,202,046
54	(Less) Long-Term Portion of Derivative Instrument Liabilities - Hedges		0	40,857,456
55	TOTAL Current and Accrued Liabilities (Total of lines 37 thru 54)		354,838,626	321,691,142
56	DEFERRED CREDITS			
57	Customer Advances for Construction (252)		2,161,687	1,864,508
58	Accumulated Deferred Investment Tax Credits (255)		12,639,187	12,157,507
59	Deferred Gains from Disposition of Utility Plant (256)		0	0
60	Other Deferred Credits (253)	269	39,790,303	21,269,740
61	Other Regulatory Liabilities (254)	278	40,976,484	48,834,355
62	Unamortized Gain on Reacquired Debt (257)	260	1,966,507	2,096,044
63	Accumulated Deferred Income Taxes - Accelerated Amortization (281)		0	0
64	Accumulated Deferred Income Taxes - Other Property (282)		646,870,366	582,721,352
65	Accumulated Deferred Income Taxes - Other (283)		227,810,639	224,853,787
66	TOTAL Deferred Credits (Total of lines 57 thru 65)		972,215,173	893,797,293
67	TOTAL Liabilities and Other Credits (Total of lines 15,24,35,55,and 66)		4,643,959,465	4,364,147,768

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Statement of Income

Quarterly

1. Enter in column (d) the balance for the reporting quarter and in column (e) the balance for the same three month period for the prior year.
2. Report in column (f) the quarter to date amounts for electric utility function; in column (h) the quarter to date amounts for gas utility, and in (j) the quarter to date amounts for other utility function for the current year quarter.
3. Report in column (g) the quarter to date amounts for electric utility function; in column (i) the quarter to date amounts for gas utility, and in (k) the quarter to date amounts for other utility function for the prior year quarter.
4. If additional columns are needed place them in a footnote.

Annual or Quarterly, if applicable

5. Do not report fourth quarter data in columns (e) and (f)
6. Report amounts for accounts 412 and 413, Revenues and Expenses from Utility Plant Leased to Others, in another utility column in a similar manner to a utility department. Spread the amount(s) over lines 2 thru 26 as appropriate. Include these amounts in columns (c) and (d) totals.
7. Report amounts in account 414, Other Utility Operating Income, in the same manner as accounts 412 and 413 above.
8. Report data for lines 8, 10 and 11 for Natural Gas companies using accounts 404.1, 404.2, 404.3, 407.1 and 407.2.
9. Use page 122 for important notes regarding the statement of income for any account thereof.
10. Give concise explanations concerning unsettled rate proceedings where a contingency exists such that refunds of a material amount may need to be made to the utility's customers or which may result in material refund to the utility with respect to power or gas purchases. State for each year effected the gross revenues or costs to which the contingency relates and the tax effects together with an explanation of the major factors which affect the rights of the utility to retain such revenues or recover amounts paid with respect to power or gas purchases.
11. Give concise explanations concerning significant amounts of any refunds made or received during the year resulting from settlement of any rate proceeding affecting revenues received or costs incurred for power or gas purchases, and a summary of the adjustments made to balance sheet, income, and expense accounts.
12. If any notes appearing in the report to stockholders are applicable to the Statement of Income, such notes may be included at page 122.
13. Enter on page 122 a concise explanation of only those changes in accounting methods made during the year which had an effect on net income, including the basis of allocations and apportionments from those used in the preceding year. Also, give the appropriate dollar effect of such changes.
14. Explain in a footnote if the previous year's/quarter's figures are different from that reported in prior reports.
15. If the columns are insufficient for reporting additional utility departments, supply the appropriate account titles report the information in a footnote to this schedule.

Line No.	Title of Account (a)	Reference Page Number (b)	Total Current Year to Date Balance for Quarter/Year (c)	Total Prior Year to Date Balance for Quarter/Year (d)	Current Three Months Ended Quarterly Only No Fourth Quarter (e)	Prior Three Months Ended Quarterly Only No Fourth Quarter (f)
1	UTILITY OPERATING INCOME					
2	Gas Operating Revenues (400)	300-301	1,530,543,739	1,572,976,141	0	0
3	Operating Expenses					
4	Operation Expenses (401)	317-325	980,245,446	1,034,794,124	0	0
5	Maintenance Expenses (402)	317-325	64,022,756	65,573,481	0	0
6	Depreciation Expense (403)	336-338	122,488,709	112,562,200	0	0
7	Depreciation Expense for Asset Retirement Costs (403.1)	336-338	0	0	0	0
8	Amortization and Depletion of Utility Plant (404-405)	336-338	21,544,004	16,874,247	0	0
9	Amortization of Utility Plant Acu. Adjustment (406)	336-338	99,047	-99,047	0	0
10	Amort. of Prop. Losses, Unrecovered Plant and Reg. Study Costs (407.1)		0	0	0	0
11	Amortization of Conversion Expenses (407.2)		0	0	0	0
12	Regulatory Debits (407.3)		1,619,427	1,871,414	0	0
13	(Less) Regulatory Credits (407.4)		12,818,909	10,536,841	0	0
14	Taxes Other than Income Taxes (408.1)	262-263	95,109,798	93,076,918	0	0
15	Income Taxes-Federal (409.1)	262-263	5,601,404	(55,133,870)	0	0
16	Income Taxes-Other (409.1)	262-263	919,149	(1,858,807)	0	0
17	Provision of Deferred Income Taxes (410.1)	234-235	65,371,809	135,547,906	0	0
18	(Less) Provision for Deferred Income Taxes-Credit (411.1)	234-235	2,423,024	4,060,583	0	0
19	Investment Tax Credit Adjustment-Net (411.4)		481,680	(229,524)	0	0
20	(Less) Gains from Disposition of Utility Plant (411.6)		0	0	0	0
21	Losses from Disposition of Utility Plant (411.7)		0	0	0	0
22	(Less) Gains from Disposition of Allowances (411.8)		0	0	0	0
23	Losses from Disposition of Allowances (411.9)		0	0	0	0
24	Accretion Expense (411.10)		0	0	0	0
25	TOTAL Utility Operating Expenses (Total of lines 4 thru 24)		1,342,261,296	1,388,579,712	0	0
26	Net Utility Operating Income (Total of lines 2 less 25) (Carry forward to page 116, line 27)		188,282,443	184,396,429	0	0

Statement of Income

Line No.	Elec. Utility Current Year to Date (in dollars) (g)	Elec. Utility Previous Year to Date (in dollars) (h)	Gas Utility Current Year to Date (in dollars) (i)	Gas Utility Previous Year to Date (in dollars) (j)	Other Utility Current Year to Date (in dollars) (k)	Other Utility Previous Year to Date (in dollars) (l)
1						
2	1,006,140,061	1,015,103,873	524,403,678	557,872,268	0	0
3						
4	567,238,063	584,239,618	413,007,383	450,554,506	0	0
5	50,148,482	51,160,378	13,874,274	14,413,103	0	0
6	95,895,130	89,097,411	26,593,579	23,464,789	0	0
7	0	0	0	0	0	0
8	16,519,997	13,008,487	5,024,007	3,865,760	0	0
9	99,047	99,047	0	0	0	0
10	0	0	0	0	0	0
11	0	0	0	0	0	0
12	2,650,525	1,535,950	(1,031,098)	335,464	0	0
13	12,146,367	10,108,656	672,542	428,185	0	0
14	72,133,173	69,580,534	22,976,625	23,496,384	0	0
15	10,884,847	(27,894,913)	(5,283,443)	(27,238,957)	0	0
16	936,622	(716,972)	(17,473)	(1,141,835)	0	0
17	54,107,931	94,097,395	11,263,878	41,450,511	0	0
18	2,599,365	4,203,362	(176,341)	(142,779)	0	0
19	511,740	(195,528)	(30,060)	(33,996)	0	0
20	0	0	0	0	0	0
21	0	0	0	0	0	0
22	0	0	0	0	0	0
23	0	0	0	0	0	0
24	0	0	0	0	0	0
25	856,379,825	859,699,389	485,881,471	528,880,323	0	0
26	149,760,236	155,404,484	38,522,207	28,991,945	0	0

Statement of Income(continued)

Line No.	Title of Account (a)	Reference Page Number (b)	Total Current Year to Date Balance for Quarter/Year (c)	Total Prior Year to Date Balance for Quarter/Year (d)	Current Three Months Ended Quarterly Only No Fourth Quarter (e)	Prior Three Months Ended Quarterly Only No Fourth Quarter (f)
27	Net Utility Operating Income (Carried forward from page 114)		188,282,443	184,396,429	0	0
28	OTHER INCOME AND DEDUCTIONS					
29	Other Income					
30	Nonutility Operating Income					
31	Revenues form Merchandising, Jobbing and Contract Work (415)		0	0	0	0
32	(Less) Costs and Expense of Merchandising, Job & Contract Work (416)		0	0	0	0
33	Revenues from Nonutility Operations (417)		0	(17,531)	0	0
34	(Less) Expenses of Nonutility Operations (417.1)		9,566,840	9,837,245	0	0
35	Nonoperating Rental Income (418)		(939)	(1,100)	0	0
36	Equity in Earnings of Subsidiary Companies (418.1)	119	11,164,785	82,361,715	0	0
37	Interest and Dividend Income (419)		645,403	1,845,367	0	0
38	Allowance for Other Funds Used During Construction (419.1)		7,961,552	8,678,360	0	0
39	Miscellaneous Nonoperating Income (421)		795,424	0	0	0
40	Gain on Disposition of Property (421.1)		142,552	290,479	0	0
41	TOTAL Other Income (Total of lines 31 thru 40)		11,141,937	83,320,045	0	0
42	Other Income Deductions					
43	Loss on Disposition of Property (421.2)		0	38,668	0	0
44	Miscellaneous Amortization (425)		0	0	0	0
45	Donations (426.1)	340	3,208,021	3,879,397	0	0
46	Life Insurance (426.2)		3,079,994	2,060,570	0	0
47	Penalties (426.3)		70,316	(24,718)	0	0
48	Expenditures for Certain Civic, Political and Related Activities (426.4)		1,625,650	1,679,329	0	0
49	Other Deductions (426.5)		1,386,500	3,295,162	0	0
50	TOTAL Other Income Deductions (Total of lines 43 thru 49)	340	9,370,481	10,928,408	0	0
51	Taxes Applic. to Other Income and Deductions					
52	Taxes Other than Income Taxes (408.2)	262-263	202,511	150,614	0	0
53	Income Taxes-Federal (409.2)	262-263	(715,329)	(314,356)	0	0
54	Income Taxes-Other (409.2)	262-263	(886,632)	2,579,615	0	0
55	Provision for Deferred Income Taxes (410.2)	234-235	1,006,935	(1,467,880)	0	0
56	(Less) Provision for Deferred Income Taxes-Credit (411.2)	234-235	5,704,734	6,039,386	0	0
57	Investment Tax Credit Adjustments-Net (411.5)		0	0	0	0
58	(Less) Investment Tax Credits (420)		0	0	0	0
59	TOTAL Taxes on Other Income and Deductions (Total of lines 52-58)		(6,097,249)	(5,091,393)	0	0
60	Net Other Income and Deductions (Total of lines 41, 50, 59)		7,868,705	77,483,030	0	0
61	INTEREST CHARGES					
62	Interest on Long-Term Debt (427)		69,747,769	67,341,170	0	0
63	Amortization of Debt Disc. and Expense (428)	258-259	419,914	424,830	0	0
64	Amortization of Loss on Reacquired Debt (428.1)		3,004,198	3,219,369	0	0
65	(Less) Amortization of Premium on Debt-Credit (429)	258-259	8,883	8,883	0	0
66	(Less) Amortization of Gain on Reacquired Debt-Credit (429.1)		0	0	0	0
67	Interest on Debt to Associated Companies (430)	340	605,274	0	0	0
68	Other Interest Expense (431)	340	2,636,227	2,037,957	0	0
69	(Less) Allowance for Borrowed Funds Used During Construction-Credit (432)		3,480,392	3,911,170	0	0
70	Net Interest Charges (Total of lines 62 thru 69)		72,924,107	69,103,273	0	0
71	Income Before Extraordinary Items (Total of lines 27,60 and 70)		123,227,041	192,776,186	0	0
72	EXTRAORDINARY ITEMS					
73	Extraordinary Income (434)		0	0	0	0
74	(Less) Extraordinary Deductions (435)		0	0	0	0
75	Net Extraordinary Items (Total of line 73 less line 74)		0	0	0	0
76	Income Taxes-Federal and Other (409.3)	262-263	0	0	0	0
77	Extraordinary Items after Taxes (Total of line 75 less line 76)		0	0	0	0
78	Net Income (Total of lines 71 and 77)		123,227,041	192,776,186	0	0

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Statement of Retained Earnings

1. Report all changes in appropriated retained earnings, unappropriated retained earnings, and unappropriated undistributed subsidiary earnings for the year.
2. Each credit and debit during the year should be identified as to the retained earnings account in which recorded (Accounts 433, 436-439 inclusive). Show the contra primary account affected in column (b).
3. State the purpose and amount for each reservation or appropriation of retained earnings.
4. List first Account 439, Adjustments to Retained Earnings, reflecting adjustments to the opening balance of retained earnings. Follow by credit, then debit items, in that order.
5. Show dividends for each class and series of capital stock.

Line No.	Item (a)	Contra Primary Account Affected (b)	Current Quarter Year to Date Balance (c)	Previous Quarter Year to Date Balance (d)
	UNAPPROPRIATED RETAINED EARNINGS			
1	Balance-Beginning of Period		492,987,406	403,295,872
2	Changes (Identify by prescribed retained earnings accounts)			
3	Adjustments to Retained Earnings (Account 439)			
4	TOTAL Credits to Retained Earnings (Account 439) (footnote details)		(1,488,991)	(39,369,910)
5	TOTAL Debits to Retained Earnings (Account 439) (footnote details)			
6	Balance Transferred from Income (Acct 433 less Acct 418.1)		112,062,256	109,678,973
7	Appropriations of Retained Earnings (Account 436)		(5,158,174)	(4,555,754)
8	TOTAL Appropriations of Retained Earnings (Account 436) (footnote details)			
9	Dividends Declared-Preferred Stock (Account 437)			
10	TOTAL Dividends Declared-Preferred Stock (Account 437) (footnote details)			
11	Dividends Declared-Common Stock (Account 438)			
12	TOTAL Dividends Declared-Common Stock (Account 438) (footnote details)		82,396,803	78,313,788
13	Transfers from Account 216.1, Unappropriated Undistributed Subsidiary Earnings		1,387,851	102,252,013
14	Balance-End of Period (Total of lines 1, 4, 5, 6, 8, 10, 12, and 13)		522,551,719	497,543,160
15	APPROPRIATED RETAINED EARNINGS (Account 215)			
16	TOTAL Appropriated Retained Earnings (Account 215) (footnote details)		19,427,931	14,269,755
17	APPROPRIATED RETAINED EARNINGS-AMORTIZATION RESERVE, FEDERAL (Account			
18	TOTAL Appropriated Retained Earnings-Amortization Reserve, Federal (Account		(5,158,174)	(4,555,754)
19	TOTAL Appropriated Retained Earnings (Accounts 215, 215.1) (Total of lines		14,269,757	9,714,001
20	TOTAL Retained Earnings (Accounts 215, 215.1, 216) (Total of lines 14 and 1		536,821,476	507,257,161
21	UNAPPROPRIATED UNDISTRIBUTED SUBSIDIARY EARNINGS (Account 216.1)			
	Report only on an Annual Basis no Quarterly			
22	Balance-Beginning of Year (Debit or Credit)		(15,658,553)	(5,918,024)
23	Equity in Earnings for Year (Credit) (Account 418.1)		11,164,785	82,361,715
24	(Less) Dividends Received (Debit)			
25	Other Changes (Explain)		(1,387,851)	(92,102,244)
26	Balance-End of Year		(5,881,619)	(15,658,553)

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Statement of Cash Flows

(1) Codes to be used:(a) Net Proceeds or Payments;(b)Bonds, debentures and other long-term debt; (c) Include commercial paper; and (d) Identify separately such items as investments, fixed assets, intangibles, etc.
(2) Information about noncash investing and financing activities must be provided in the Notes to the Financial statements. Also provide a reconciliation between "Cash and Cash Equivalents at End of Period" with related amounts on the Balance Sheet.
(3) Operating Activities - Other: Include gains and losses pertaining to operating activities only. Gains and losses pertaining to investing and financing activities should be reported in those activities. Show in the Notes to the Financials the amounts of interest paid (net of amount capitalized) and income taxes paid.
(4) Investing Activities: Include at Other (line 25) net cash outflow to acquire other companies. Provide a reconciliation of assets acquired with liabilities assumed in the Notes to the Financial Statements. Do not include on this statement the dollar amount of leases capitalized per the USofA General Instruction 20; instead provide a reconciliation of the dollar amount of leases capitalized with the plant cost.

Line No.	Description (See Instructions for explanation of codes) (a)	Current Year to Date Quarter/Year	Previous Year to Date Quarter/Year
1	Net Cash Flow from Operating Activities		
2	Net Income (Line 78(c) on page 116)	123,227,041	192,040,688
3	Noncash Charges (Credits) to Income:		
4	Depreciation and Depletion	138,235,780	126,986,417
5	Amortization of deferred power and gas costs, debt expense and exchange power	27,223,055	(8,525,668)
6	Deferred Income Taxes (Net)	53,931,102	123,968,809
7	Investment Tax Credit Adjustments (Net)	481,680	(229,524)
8	Net (Increase) Decrease in Receivables	(3,884,715)	17,645,850
9	Net (Increase) Decrease in Inventory	12,267,853	(19,413,226)
10	Net (Increase) Decrease in Allowances Inventory		
11	Net Increase (Decrease) in Payables and Accrued Expenses	6,880,544	(40,191,116)
12	Net (Increase) Decrease in Other Regulatory Assets	(4,114,779)	10,925,414
13	Net Increase (Decrease) in Other Regulatory Liabilities	2,007,784	4,616,847
14	(Less) Allowance for Other Funds Used During Construction	7,961,552	8,678,360
15	(Less) Undistributed Earnings from Subsidiary Companies	11,164,785	82,361,715
16	Other (footnote details):	16,024,447	(33,267,304)
17	Net Cash Provided by (Used in) Operating Activities		
18	(Total of Lines 2 thru 16)	353,153,455	283,517,112
19			
20	Cash Flows from Investment Activities:		
21	Construction and Acquisition of Plant (including land):		
22	Gross Additions to Utility Plant (less nuclear fuel)	(381,174,406)	(323,931,192)
23	Gross Additions to Nuclear Fuel		
24	Gross Additions to Common Utility Plant		
25	Gross Additions to Nonutility Plant		
26	(Less) Allowance for Other Funds Used During Construction		
27	Other (footnote details):		
28	Cash Outflows for Plant (Total of lines 22 thru 27)	(381,174,406)	(323,931,192)
29			
30	Acquisition of Other Noncurrent Assets (d)		
31	Proceeds from Disposal of Noncurrent Assets (d)	272,897	
32	Federal and state grant payments received	2,730,166	2,529,902
33	Investments in and Advances to Assoc. and Subsidiary Companies		
34	Contributions and Advances from Assoc. and Subsidiary Companies	14,185,571	212,444,378
35	Disposition of Investments in (and Advances to)		
36	Associated and Subsidiary Companies		
37	Cash paid for acquisition	(94,643)	(4,697,090)
38	Purchase of Investment Securities (a)		
39	Proceeds from Sales of Investment Securities (a)		

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Statement of Cash Flows (continued)

Line No.	Description (See Instructions for explanation of codes) (a)	Current Year to Date Quarter/Year	Previous Year to Date Quarter/Year
40	Loans Made or Purchased		
41	Collections on Loans		
42	Restricted cash	(62,284)	94,098
43	Net (Increase) Decrease in Receivables		
44	Net (Increase) Decrease in Inventory		
45	Net (Increase) Decrease in Allowances Held for Speculation		
46	Net Increase (Decrease) in Payables and Accrued Expenses		
47	Changes in other property and investments	(7,992,961)	(373,865)
48	Net Cash Provided by (Used in) Investing Activities		
49	(Total of lines 28 thru 47)	(372,135,660)	(113,933,769)
50			
51	Cash Flows from Financing Activities:		
52	Proceeds from Issuance of:		
53	Long-Term Debt (b)	100,000,000	60,000,000
54	Preferred Stock		
55	Common Stock	1,559,840	4,059,874
56	Other (footnote details):		
57	Net Increase in Short-term Debt (c)		
58	Cash received for settlement of interest rate swap agreements		5,429,000
59	Cash Provided by Outside Sources (Total of lines 53 thru 58)	101,559,840	69,488,874
60			
61	Payments for Retirement of:		
62	Long-Term Debt (b)	(734,802)	(297,339)
63	Preferred Stock		
64	Common Stock	(2,919,781)	(79,855,898)
65	Other	(11,571,217)	(1,403,511)
66	Net Decrease in Short-Term Debt (c)		(66,000,000)
67	Premium paid to repurchase long-term debt		
68	Dividends on Preferred Stock		
69	Dividends on Common Stock	(82,396,801)	(78,313,788)
70	Net Cash Provided by (Used in) Financing Activities		
71	(Total of lines 59 thru 69)	3,937,239	(156,381,662)
72			
73	Net Increase (Decrease) in Cash and Cash Equivalents		
74	(Total of line 18, 49 and 71)	(15,044,966)	13,201,681
75			
76	Cash and Cash Equivalents at Beginning of Period	18,015,242	4,813,561
77			
78	Cash and Cash Equivalents at End of Period	2,970,276	18,015,242

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FOOTNOTE DATA			

Schedule Page: 120 Line No.: 16 Column: c

Power and natural gas deferrals	1,104,752
Change in special deposits	(23,301,320)
Change in other current assets	(5,671,849)
Non-cash stock compensation	6,006,850
Cash paid for foreign currency hedges	20,692
Allowance for doubtful accounts	5,200,000
Change in other non-current assets and liabilities	(15,740,101)
Change in Coyote Springs 2 O&M LTSA	(1,082,230)
Prelim survey and investigation costs	709,287
Tax shortfalls from stock compensation	(513,385)

Schedule Page: 120 Line No.: 16 Column: b

Power and natural gas deferrals	1,121,287
Change in special deposits	(13,301,265)
Change in other current assets	2,856,640
Non-cash stock compensation	6,913,619
Other non-current assets and liabilities	5,891,691
Allowance for doubtful accounts	5,749,995
Amortization of Spokane Energy contract	9,499,494
Change in Coyote Springs 2 O&M LTSA	(2,260,661)
Preliminary survey and investigation costs	(301,214)
Gain on sale of property and equipment	(142,552)
Other	(2,587)

Schedule Page: 120 Line No.: 34 Column: c

Notes receivable from subsidiaries	15,444,378
Dividends received from subsidiaries	197,000,000

Schedule Page: 120 Line No.: 34 Column: b

Notes receivable from subsidiaries	12,185,571
Dividends received from subsidiaries	2,000,000

Schedule Page: 120 Line No.: 65 Column: b

Minimum tax withholdings for share based compensation	(1,831,678)
Cash paid for settlement of interest rate swap	(9,326,000)
Long-term debt issuance costs	(593,969)
Excess tax benefits	180,430

Schedule Page: 120 Line No.: 65 Column: c

Long-term debt issuance costs	(1,510,532)
Excess tax benefits	107,021

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1. Provide important disclosures regarding the Balance Sheet, Statement of Income for the Year, Statement of Retained Earnings for the Year, and Statement of Cash Flow, or any account thereof. Classify the disclosures according to each financial statement, providing a subheading for each statement except where a disclosure is applicable to more than one statement. The disclosures must be on the same subject matters and in the same level of detail that would be required if the respondent issued general purpose financial statements to the public or shareholders.
2. Furnish details as to any significant contingent assets or liabilities existing at year end, and briefly explain any action initiated by the Internal Revenue Service involving possible assessment of additional income taxes of material amount, or a claim for refund of income taxes of a material amount initiated by the utility. Also, briefly explain any dividends in arrears on cumulative preferred stock.
3. Furnish details on the respondent's pension plans, post-retirement benefits other than pensions (PBOP) plans, and post-employment benefit plans as required by instruction no. 1 and, in addition, disclose for each individual plan the current year's cash contributions. Furnish details on the accounting for the plans and any changes in the method of accounting for them. Include details on the accounting for transition obligations or assets, gains or losses, the amounts deferred and the expected recovery periods. Also, disclose any current year's plan or trust curtailments, terminations, transfers, or reversions of assets. Entities that participate in multiemployer postretirement benefit plans (e.g. parent company sponsored pension plans) disclose in addition to the required disclosures for the consolidated plan, (1) the amount of cost recognized in the respondent's financial statements for each plan for the period presented, and (2) the basis for determining the respondent's share of the total plan costs.
4. Furnish details on the respondent's asset retirement obligations (ARO) as required by instruction no. 1 and, in addition, disclose the amounts recovered through rates to settle such obligations. Identify any mechanism or account in which recovered funds are being placed (i.e. trust funds, insurance policies, surety bonds). Furnish details on the accounting for the asset retirement obligations and any changes in the measurement or method of accounting for the obligations. Include details on the accounting for settlement of the obligations and any gains or losses expected or incurred on the settlement.
5. Provide a list of all environmental credits received during the reporting period.
6. Provide a summary of revenues and expenses for each tracked cost and special surcharge.
7. Where Account 189, Unamortized Loss on Reacquired Debt, and 257, Unamortized Gain on Reacquired Debt, are not used, give an explanation, providing the rate treatment given these items. See General Instruction 17 of the Uniform System of Accounts.
8. Explain concisely any retained earnings restrictions and state the amount of retained earnings affected by such restrictions.
9. Disclose details on any significant financial changes during the reporting year to the respondent or the respondent's consolidated group that directly affect the respondent's gas pipeline operations, including: sales, transfers or mergers of affiliates, investments in new partnerships, sales of gas pipeline facilities or the sale of ownership interests in the gas pipeline to limited partnerships, investments in related industries (i.e., production, gathering), major pipeline investments, acquisitions by the parent corporation(s), and distributions of capital.
10. Explain concisely unsettled rate proceedings where a contingency exists such that the company may need to refund a material amount to the utility's customers or that the utility may receive a material refund with respect to power or gas purchases. State for each year affected the gross revenues or costs to which the contingency relates and the tax effects and explain the major factors that affect the rights of the utility to retain such revenues or to recover amounts paid with respect to power and gas purchases.
11. Explain concisely significant amounts of any refunds made or received during the year resulting from settlement of any rate proceeding affecting revenues received or costs incurred for power or gas purchases, and summarize the adjustments made to balance sheet, income, and expense accounts.
12. Explain concisely only those significant changes in accounting methods made during the year which had an effect on net income, including the basis of allocations and apportionments from those used in the preceding year. Also give the approximate dollar effect of such changes.
13. For the 3Q disclosures, respondent must provide in the notes sufficient disclosures so as to make the interim information not misleading. Disclosures which would substantially duplicate the disclosures contained in the most recent FERC Annual Report may be omitted.
14. For the 3Q disclosures, the disclosures shall be provided where events subsequent to the end of the most recent year have occurred which have a material effect on the respondent. Respondent must include in the notes significant changes since the most recently completed year in such items as: accounting principles and practices; estimates inherent in the preparation of the financial statements; status of long-term contracts; capitalization including significant new borrowings or modifications of existing financing agreements; and changes resulting from business combinations or dispositions. However were material contingencies exist, the disclosure of such matters shall be provided even though a significant change since year end may not have occurred.
15. Finally, if the notes to the financial statements relating to the respondent appearing in the annual report to the stockholders are applicable and furnish the data required by the above instructions, such notes may be included herein.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Business

Avista Corp. is primarily an electric and natural gas utility with certain other business ventures. Avista Corp. provides electric distribution and transmission, and natural gas distribution services in parts of eastern Washington and northern Idaho. Avista Corp. also provides natural gas distribution service in parts of northeastern and southwestern Oregon. Avista Corp. has electric generating facilities in Washington, Idaho, Oregon and Montana. Avista Corp. also supplies electricity to a small number of customers in Montana, most of whom are employees who operate Avista Corp.'s Noxon Rapids generating facility.

On July 1, 2014, Avista Corp. acquired AERC, and as of that date, AERC became a wholly-owned subsidiary of Avista Corp. The

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primary subsidiary of AERC is AEL&P, comprising regulated electric utility operations in Juneau, Alaska. There are no AERC earnings included in the overall results of Avista Corp. prior to July 1, 2014. See Note 3 for information regarding the acquisition of AERC.

Avista Capital, a wholly owned subsidiary of Avista Corp., is the parent company of all of the subsidiary companies except AERC. During the first half of 2014 and prior, Avista Capital's subsidiaries included Ecova, which was an 80.2 percent owned subsidiary prior to its disposition on June 30, 2014. Ecova was a provider of energy efficiency and other facility information and cost management programs and services for multi-site customers and utilities throughout North America. See Note 4 for information regarding the disposition of Ecova.

Basis of Reporting

The financial statements include the assets, liabilities, revenues and expenses of the Company and have been prepared in accordance with the accounting requirements of the Federal Energy Regulatory Commission (FERC) as set forth in its applicable Uniform System of Accounts and published accounting releases, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America (U.S. GAAP). As required by the FERC, the Company accounts for its investment in majority-owned subsidiaries on the equity method rather than consolidating the assets, liabilities, revenues, and expenses of these subsidiaries, as required by U.S. GAAP. The accompanying financial statements include the Company's proportionate share of utility plant and related operations resulting from its interests in jointly owned plants. In addition, under the requirements of the FERC, there are differences from U.S. GAAP in the presentation of (1) current portion of long-term debt (2) assets and liabilities for cost of removal of assets, (3) assets held for sale, (4) regulatory assets and liabilities, (5) deferred income taxes associated with accounts other than utility property, plant and equipment, (6) comprehensive income, (7) unamortized debt issuance costs and (8) operating revenues and resource costs associated with settled energy contracts that are "booked out" (not physically delivered).

Use of Estimates

The preparation of the financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the amounts reported for assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Significant estimates include:

- determining the market value of energy commodity derivative assets and liabilities,
- pension and other postretirement benefit plan obligations,
- contingent liabilities,
- goodwill impairment testing,
- recoverability of regulatory assets, and
- unbilled revenues.

Changes in these estimates and assumptions are considered reasonably possible and may have a material effect on the financial statements and thus actual results could differ from the amounts reported and disclosed herein.

System of Accounts

The accounting records of the Company's utility operations are maintained in accordance with the uniform system of accounts prescribed by the FERC and adopted by the state regulatory commissions in Washington, Idaho, Montana and Oregon.

Regulation

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The Company is subject to state regulation in Washington, Idaho, Montana and Oregon. The Company is also subject to federal regulation primarily by the FERC, as well as various other federal agencies with regulatory oversight of particular aspects of its operations.

Operating Revenues

Operating revenues related to the sale of energy are recorded when service is rendered or energy is delivered to customers. The determination of the energy sales to individual customers is based on the reading of their meters, which occurs on a systematic basis throughout the month. At the end of each calendar month, the amount of energy delivered to customers since the date of the last meter reading is estimated and the corresponding unbilled revenue is estimated and recorded. Our estimate of unbilled revenue is based on:

- the number of customers,
- current rates,
- meter reading dates,
- actual native load for electricity,
- actual throughput for natural gas, and
- electric line losses and natural gas system losses.

Any difference between actual and estimated revenue is automatically corrected in the following month when the actual meter reading and customer billing occurs.

Accounts receivable includes unbilled energy revenues of the following amounts as of December 31 (dollars in thousands):

	2015	2014
Unbilled accounts receivable	\$ 59,405	\$ 78,007

Depreciation

For utility operations, depreciation expense is estimated by a method of depreciation accounting utilizing composite rates for utility plant. Such rates are designed to provide for retirements of properties at the expiration of their service lives. For utility operations, the ratio of depreciation provisions to average depreciable property was as follows for the years ended December 31:

	2015	2014
Ratio of depreciation to average depreciable property	3.09%	2.97%

The average service lives for the following broad categories of utility plant in service are (in years):

	Avista Corp.
Electric thermal/other production	40
Hydroelectric production	79
Electric transmission	57
Electric distribution	36

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Natural gas distribution property

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Taxes Other Than Income Taxes

Taxes other than income taxes include state excise taxes, city occupational and franchise taxes, real and personal property taxes and certain other taxes not based on net income. These taxes are generally based on revenues or the value of property. Utility related taxes collected from customers (primarily state excise taxes and city utility taxes) are recorded as operating revenue and expense and totaled the following amounts for the years ended December 31 (dollars in thousands):

	2015	2014
Utility taxes	\$ 57,716	\$ 57,599

Allowance for Funds Used During Construction

The AFUDC represents the cost of both the debt and equity funds used to finance utility plant additions during the construction period. As prescribed by regulatory authorities, AFUDC is capitalized as a part of the cost of utility plant and the debt component is credited against total interest expense in the Statements of Income in the line item "capitalized interest." The equity component of AFUDC is included in the Statement of Income in the line item "other income-net." The Company is permitted, under established regulatory rate practices, to recover the capitalized AFUDC, and a reasonable return thereon, through its inclusion in rate base and the provision for depreciation after the related utility plant is placed in service. Cash inflow related to AFUDC does not occur until the related utility plant is placed in service and included in rate base. The effective AFUDC rate was the following for the years ended December 31:

	2015	2014
Effective AFUDC rate	7.32%	7.64%

Income Taxes

A deferred income tax asset or liability is determined based on the enacted tax rates that will be in effect when the differences between the financial statement carrying amounts and tax basis of existing assets and liabilities are expected to be reported in the Company's consolidated income tax returns. The deferred income tax expense for the period is equal to the net change in the deferred income tax asset and liability accounts from the beginning to the end of the period. The effect on deferred income taxes from a change in tax rates is recognized in income in the period that includes the enactment date. Deferred income tax liabilities and regulatory assets are established for income tax benefits flowed through to customers. The Company recognizes the effect of state tax credits, which are generated from utility plant, as they are utilized. The Company did not incur any penalties on income tax positions in 2015 or 2014. The Company would recognize interest accrued related to income tax positions as interest expense and any penalties incurred as other income deductions.

Stock-Based Compensation

The Company currently issues three types of stock-based compensation awards - restricted shares, market-based awards and performance-based awards. Historically, these stock compensation awards have not been material to the Company's overall financial results. Compensation cost relating to share-based payment transactions is recognized in the Company's financial statements based on the fair value of the equity or liability instruments issued and recorded over the requisite service period.

The Company recorded stock-based compensation expense (included in other operating expenses) and income tax benefits in the Statements of Income of the following amounts for the years ended December 31 (dollars in thousands):

2015	2014
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Stock-based compensation expense	\$ 6,914	\$ 6,007
Income tax benefits	2,420	2,102

Restricted share awards vest in equal thirds each year over a three-year period and are payable in Avista Corp. common stock at the end of each year if the service condition is met. In addition to the service condition, the Company must meet a return on equity target in order for the CEO's restricted shares to vest. Restricted stock is valued at the close of market of the Company's common stock on the grant date.

Total Shareholder Return (TSR) awards are market-based awards and Cumulative Earnings Per Share (CEPS) awards are performance awards. CEPS awards were first granted in 2014. Both types of awards vest after a period of three years and are payable in cash or Avista Corp. common stock at the end of the three-year period. The method of settlement is at the discretion of the Company and historically the Company has settled these awards through issuance of Avista Corp. common stock and intends to continue this practice. Both types of awards entitle the recipients to dividend equivalent rights, are subject to forfeiture under certain circumstances, and are subject to meeting specific market or performance conditions. Based on the level of attainment of the market or performance conditions, the amount of cash paid or common stock issued will range from 0 to 200 percent of the initial awards granted. Dividend equivalent rights are accumulated and paid out only on shares that eventually vest and have met the market and performance conditions.

For both the TSR awards and the CEPS awards, the Company accounts for them as equity awards and compensation cost for these awards is recognized over the requisite service period, provided that the requisite service period is rendered. For TSR awards, if the market-condition is not met at the end of the three-year service period, there will be no change in the cumulative amount of compensation cost recognized, since the awards are still considered vested even though the market metric was not met. For CEPS awards, at the end of the three-year service period, if the internal performance metric of cumulative earnings per share is not met, all compensation cost for these awards is reversed as these awards are not considered vested.

The fair value of each TSR award is estimated on the date of grant using a statistical model that incorporates the probability of meeting the market targets based on historical returns relative to a peer group. The estimated fair value of the equity component of CEPS awards was estimated on the date of grant as the share price of Avista Corp. common stock on the date of grant, less the net present value of the estimated dividends over the three-year period.

The following table summarizes the number of grants, vested and unvested shares, earned shares (based on market metrics), and other pertinent information related to the Company's stock compensation awards for the years ended December 31:

	2015	2014
Restricted Shares		
Shares granted during the year	58,302	62,075
Shares vested during the year	(60,379)	(52,899)
Unvested shares at end of year	106,091	112,042
Unrecognized compensation expense at end of year (in thousands)	\$ 1,705	\$ 1,349
TSR Awards		
TSR shares granted during the year	116,435	117,550
TSR shares vested during the year	(171,334)	(167,584)
TSR shares earned based on market metrics	222,734	97,199
Unvested TSR shares at end of year	223,697	287,834

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Unrecognized compensation expense (in thousands)	\$	3,219	\$	2,833
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CEPS Awards

CEPS shares granted during the year	58,259	59,025		
Unvested CEPS shares at end of year	111,887	58,017		
Unrecognized compensation expense (in thousands)	\$	1,840	\$	1,577

Outstanding TSR and CEPS share awards include a dividend component that is paid in cash. This component of the share grants is accounted for as a liability award. These liability awards are revalued on a quarterly basis taking into account the number of awards outstanding, historical dividend rate, the change in the value of the Company's common stock relative to an external benchmark (TSR awards only) and the amount of CEPS earned to-date compared to estimated CEPS over the performance period (CEPS awards only). Over the life of these awards, the cumulative amount of compensation expense recognized will match the actual cash paid. As of December 31, 2015 and 2014, the Company had recognized cumulative compensation expense and a liability of \$1.5 million and \$1.3 million, respectively, related to the dividend component on the outstanding and unvested share grants.

Cash and Cash Equivalents

For the purposes of the Statements of Cash Flows, the Company considers all temporary investments with a maturity of three months or less when purchased to be cash equivalents.

Allowance for Doubtful Accounts

The Company maintains an allowance for doubtful accounts to provide for estimated and potential losses on accounts receivable. The Company determines the allowance for utility and other customer accounts receivable based on historical write-offs as compared to accounts receivable and operating revenues. Additionally, the Company establishes specific allowances for certain individual accounts.

Utility Plant in Service

The cost of additions to utility plant in service, including an allowance for funds used during construction and replacements of units of property and improvements, is capitalized. The cost of depreciable units of property retired plus the cost of removal less salvage is charged to accumulated depreciation.

Asset Retirement Obligations

The Company records the fair value of a liability for an asset retirement obligation (ARO) in the period in which it is incurred. When the liability is initially recorded, the associated costs of the ARO are capitalized as part of the carrying amount of the related long-lived asset. The liability is accreted to its present value each period and the related capitalized costs are depreciated over the useful life of the related asset. In addition, if there are changes in the estimated timing or estimated costs of the AROs, adjustments are recorded during the period new information becomes available as an increase or decrease to the liability, with the offset recorded to the related long-lived asset. Upon retirement of the asset, the Company either settles the ARO for its recorded amount or incurs a gain or loss. The Company records regulatory assets and liabilities for the difference between asset retirement costs currently recovered in rates and AROs recorded since asset retirement costs are recovered through rates charged to customers (see Note 7 for further discussion of the Company's asset retirement obligations).

Derivative Assets and Liabilities

Derivatives are recorded as either assets or liabilities on the Balance Sheets measured at estimated fair value. In certain defined conditions, a derivative may be specifically designated as a hedge for a particular exposure. The accounting for a derivative depends

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on the intended use of such derivative and the resulting designation.

The UTC and the IPUC issued accounting orders authorizing Avista Corp. to offset energy commodity derivative assets or liabilities with a regulatory asset or liability. This accounting treatment is intended to defer the recognition of mark-to-market gains and losses on energy commodity transactions until the period of delivery. The orders provide for Avista Corp. to not recognize the unrealized gain or loss on utility derivative commodity instruments in the Statements of Income. Realized gains or losses are recognized in the periods of delivery, subject to approval for recovery through retail rates. Realized gains and losses, subject to regulatory approval, result in adjustments to retail rates through purchased gas cost adjustments, the ERM in Washington, the PCA mechanism in Idaho, and periodic general rates cases. Regulatory assets are assessed regularly and are probable for recovery through future rates.

Substantially all forward contracts to purchase or sell power and natural gas are recorded as derivative assets or liabilities at estimated fair value with an offsetting regulatory asset or liability. Contracts that are not considered derivatives are accounted for on the accrual basis until they are settled or realized, unless there is a decline in the fair value of the contract that is determined to be other-than-temporary.

For interest rate swap agreements, each period Avista Corp. records all mark-to-market gains and losses as assets and liabilities and records offsetting regulatory assets and liabilities, such that there is no income statement impact. Upon settlement of interest rate swaps, the regulatory asset or liability (included as part of long-term debt) is amortized as a component of interest expense over the term of the associated debt. While the Company has not received any formal accounting orders from the various state commissions allowing for the offset of interest rate swap assets and liabilities with regulatory assets and liabilities, the Company has deemed this accounting treatment appropriate and future recovery probable due to the regulatory precedents set in prior general rate cases and the fact that the state commissions view interest rate swap derivatives as risk management tools similar to energy commodity derivatives.

As of December 31, 2015, the Company has multiple master netting agreements with a variety of entities that allow for cross-commodity netting of derivative agreements with the same counterparty (i.e. power derivatives can be netted with natural gas derivatives) under ASC 815-10-45. The Company does not have any agreements which allow for cross-affiliate netting among multiple affiliated legal entities. The Company nets all derivative instruments when allowed by the agreement for presentation in the Balance Sheets.

Fair Value Measurements

Fair value represents the price that would be received when selling an asset or paid to transfer a liability (an exit price) in an orderly transaction between market participants at the measurement date. Energy commodity derivative assets and liabilities, deferred compensation assets, as well as derivatives related to interest rate swap agreements and foreign currency exchange contracts, are reported at estimated fair value on the Balance Sheets. See Note 14 for the Company's fair value disclosures.

Regulatory Deferred Charges and Credits

The Company prepares its financial statements in accordance with regulatory accounting practices because:

- rates for regulated services are established by or subject to approval by independent third-party regulators,
- the regulated rates are designed to recover the cost of providing the regulated services, and
- in view of demand for the regulated services and the level of competition, it is reasonable to assume that rates can be charged to and collected from customers at levels that will recover costs.

Regulatory accounting practices require that certain costs and/or obligations (such as incurred power and natural gas costs not currently included in rates, but expected to be recovered or refunded in the future), are reflected as deferred charges or credits on the Balance Sheets. These costs and/or obligations are not reflected in the Statements of Income until the period during which matching

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revenues are recognized. The Company also has decoupling revenue deferrals, which began in 2015. As opposed to cost deferrals which are not recognized in the Statements of Income until they are included in rates, decoupling revenue is recognized in the Statements of Income during the period it occurs (i.e. during the period of revenue shortfall or excess due to fluctuations in customer usage), subject to certain limitations, and a regulatory asset/liability is established which will be surcharged or rebated to customers in future periods. GAAP requires that for any alternative regulatory revenue program, like decoupling, the revenue must be collected from customers within 24 months of the deferral to qualify for recognition in the current period Statement of Income. Any amounts included in the Company's decoupling program that won't be collected from customers within 24 months are not recorded in the financial statements until the period in which revenue recognition criteria are met. This could ultimately result in more decoupling revenue being collected from customers over the life of the decoupling program than what is deferred and recognized in the current period financial statements.

If at some point in the future the Company determines that it no longer meets the criteria for continued application of regulatory accounting practices for all or a portion of its regulated operations, the Company could be:

- required to write off its regulatory assets, and
- precluded from the future deferral of costs or decoupled revenues not recovered through rates at the time such amounts are incurred, even if the Company expected to recover these amounts from customers in the future.

Investment in Exchange Power-Net

The investment in exchange power represents the Company's previous investment in Washington Public Power Supply System Project 3 (WNP-3), a nuclear project that was terminated prior to completion. Under a settlement agreement with the Bonneville Power Administration in 1985, Avista Corp. began receiving power in 1987, for a 32.5-year period, related to its investment in WNP-3. Through a settlement agreement with the UTC in the Washington jurisdiction, Avista Corp. is amortizing the recoverable portion of its investment in WNP-3 (recorded as investment in exchange power) over a 32.5-year period that began in 1987. For the Idaho jurisdiction, Avista Corp. fully amortized the recoverable portion of its investment in exchange power.

Unamortized Debt Expense

Unamortized debt expense includes debt issuance costs that are amortized over the life of the related debt.

Unamortized Loss on Reacquired Debt

For the Company's Washington regulatory jurisdiction and for any debt repurchases beginning in 2007 in all jurisdictions, premiums paid to repurchase debt are amortized over the remaining life of the original debt that was repurchased or, if new debt is issued in connection with the repurchase, these costs are amortized over the life of the new debt. In the Company's other regulatory jurisdictions, premiums paid to repurchase debt prior to 2007 are being amortized over the average remaining maturity of outstanding debt when no new debt was issued in connection with the debt repurchase. These costs are recovered through retail rates as a component of interest expense.

Appropriated Retained Earnings

In accordance with the hydroelectric licensing requirements of section 10(d) of the Federal Power Act (FPA), the Company maintains an appropriated retained earnings account for any earnings in excess of the specified rate of return on the Company's investment in the licenses for its various hydroelectric projects. Per section 10(d) of the FPA, the Company must maintain these excess earnings in an appropriated retained earnings account until the termination of the licensing agreements or apply them to reduce the net investment in the licenses of the hydroelectric projects at the discretion of the FERC. The Company typically calculates the earnings in excess of the specified rate of return on an annual basis, usually during the second quarter.

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The appropriated retained earnings amounts included in retained earnings were as follows as of December 31 (dollars in thousands):

	2015	2014
Appropriated retained earnings	\$ 19,428	\$ 14,270

Operating Leases

The Company has multiple lease arrangements involving various assets, with minimum terms ranging from 1 to 45 years. Future minimum lease payments required under operating leases having initial or remaining noncancelable lease terms in excess of one year were not material as of December 31, 2015.

Equity in Earnings of Subsidiaries

The Company records all the earnings from its subsidiaries under the equity method. The Company had the following equity in earnings of its subsidiaries for the years ended December 31 (dollars in thousands):

	2015	2014
Avista Capital	\$ 4,857	\$ 79,183
Alaska Energy and Resources Company	6,308	3,179
Total equity in earnings of subsidiary companies	\$ 11,165	\$ 82,362

Avista Capital, a wholly owned subsidiary of Avista Corp., is the parent company of all of the subsidiary companies, except AERC (and its subsidiaries). Avista Capital's subsidiaries and investments include sheet metal fabrication, venture fund investments, real estate investments, a company that explores markets that could be served with LNG and Ecova prior to its disposition on June 30, 2014.

AERC, a wholly-owned subsidiary of Avista Corp. acquired on July 1, 2014, is the parent company to all the Alaska subsidiary companies. The primary subsidiary of AERC is AEL&P, comprising the regulated utility operations in Alaska. Also, AERC owns AJT Mining Properties, Inc., an inactive mining company holding certain properties.

Subsequent Events

Management has evaluated the impact of events occurring after December 31, 2015 up to February 24, 2016, the date that Avista Corp.'s U.S. GAAP financial statements were issued and has updated such evaluation for disclosure purposes through April 15, 2016. These financial statements include all necessary adjustments and disclosures resulting from these evaluations.

Contingencies

The Company has unresolved regulatory, legal and tax issues which have inherently uncertain outcomes. The Company accrues a loss contingency if it is probable that a liability has been incurred and the amount of the loss or impairment can be reasonably estimated. The Company also discloses losses that do not meet these conditions for accrual, if there is a reasonable possibility that a material loss may be incurred. As of December 31, 2015, the Company has not recorded any significant amounts related to unresolved contingencies. See Note 16 for further discussion of the Company's commitments and contingencies.

NOTE 2. NEW ACCOUNTING STANDARDS

In April 2014, the FASB issued ASU No. 2014-08, "Presentation of Financial Statements (Topic 205) and Property, Plant, and

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Equipment (Topic 360): Reporting Discontinued Operations and Disclosures of Disposals of Components of an Entity." This ASU amends the definition of a discontinued operation and requires entities to provide additional disclosures about discontinued operations as well as disposal transactions that do not meet the discontinued-operations criteria. ASU 2014-08 makes it more difficult for a disposal transaction to qualify as a discontinued operation. In addition, the ASU requires entities to reclassify assets and liabilities of a discontinued operation for all comparative periods presented in the Balance Sheet rather than just the current period, and it requires additional disclosures on the face of the Statement of Cash Flows regarding discontinued operations. This ASU became effective for periods beginning on or after December 15, 2014; however, early adoption was permitted. The Company evaluated this standard and determined that it would not early adopt this standard. Since the disposition of Ecova occurred before the effective date of this standard, and the Company did not early adopt this standard, there is no impact on the Company's financial condition, results of operations and cash flows in the current year.

In May 2014, the FASB issued ASU No. 2014-09, "Revenue from Contracts with Customers (Topic 606)," which outlines a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers and supersedes most current revenue recognition guidance, including industry-specific guidance. The core principle of the revenue model is that an entity identifies the various performance obligations in a contract, allocates the transaction price among the performance obligations and recognizes revenue as the entity satisfies the performance obligations. This ASU was originally effective for periods beginning after December 15, 2016 and early adoption is not permitted. In August 2015, the FASB issued ASU 2015-14 Revenue from Contracts with Customers (Topic 606): Deferral of the Effective Date," which deferred the effective date of ASU 2014-09 for one year, with adoption as of the original date permitted. However, while this ASU is not effective until 2018, it will require retroactive application to all periods presented in the financial statements. As such, at adoption in 2018, amounts in 2016 and 2017 may have to be revised or a cumulative adjustment to opening retained earnings may have to be recorded. The Company is evaluating this standard and cannot, at this time, estimate the potential impact on its future financial condition, results of operations and cash flows.

In February 2015, the FASB issued ASU No. 2015-02, "Consolidation (Topic 810): Amendments to the Consolidation Analysis." This ASU significantly changes the consolidation analysis required under GAAP, including the identification of variable interest entities (VIE). The ASU also removes the deferral of the VIE analysis related to investments in certain investment funds, which will result in a different consolidation evaluation for these types of investments. This ASU is effective for periods beginning on or after December 15, 2015; however, early adoption is permitted. The Company evaluated this standard and determined that it will not early adopt this standard. The Company is evaluating this standard and cannot, at this time, estimate the potential impact on its future financial condition, results of operations and cash flows.

In April 2015, the FASB issued ASU No. 2015-05, "Intangibles - Goodwill and Other - Internal-Use Software (Subtopic 350-40): Customer's Accounting for Fees Paid in a Cloud Computing Arrangement." This ASU provides guidance on how organizations should account for fees paid in a cloud computing arrangement, including helping organizations understand whether their arrangement includes a software license. If the arrangement includes a software license, the software license would be accounted for in a manner consistent with internal-use software. If a cloud-computing arrangement does not include a software license, the customer is required to account for the arrangement as a service contract. This ASU is effective for periods beginning on or after December 15, 2015; however, early adoption is permitted. The Company evaluated this standard and determined that it will not early adopt this standard. Upon adoption, an entity can elect to apply this ASU prospectively or retroactively and disclose the method selected. The Company is evaluating this standard and cannot, at this time, estimate the potential impact on its future financial condition, results of operations and cash flows.

In May 2015, the FASB issued ASU No. 2015-07, "Fair Value Measurement (Topic 820): Disclosures for Investments in Certain Entities That Calculate Net Asset Value per Share (or Its Equivalent)." This ASU removes, from the fair value hierarchy, investments for which the practical expedient is used to measure fair value at net asset value (NAV). Instead, an entity is required to include those investments as a reconciling line item so that the total fair value amount of investments in the disclosure is consistent

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with the amount on the balance sheet. Further, entities must provide certain disclosures for investments for which they elect to use the NAV practical expedient to determine fair value. This ASU is effective for periods beginning on or after December 15, 2015 and early adoption is permitted. The Company evaluated this standard and determined that it will early adopt this standard as of December 31, 2015. As required, this ASU is being applied retrospectively to all periods presented. The adoption of this standard did not affect the Company's future financial condition, results of operations and cash flows; however, it did affect the Company's disclosures. See Note 8 and 14 for the expanded disclosures surrounding the adoption of this ASU.

In February 2016, the FASB issued ASU 2016-02 "Leases (Topic 842)." This ASU introduces a new lessee model that brings most leases on the balance sheet. The standard also aligns certain of the underlying principles of the new lessor model with those in ASC 606, the FASB's new revenue recognition standard. Furthermore, the ASU addresses other concerns related to the current leases model; for example, eliminating the required use of bright-line tests in current GAAP for determining lease classification (operating leases versus capital leases). This ASU also includes enhanced disclosures surrounding leases. This ASU is effective for periods beginning on or after December 15, 2018; however, early adoption is permitted. The Company evaluated this standard and determined that it will not early adopt this standard as of December 31, 2015. Upon adoption, this ASU must be applied using a modified retrospective approach. The modified retrospective approach includes a number of optional practical expedients that entities may elect to apply. The Company is evaluating this standard and cannot, at this time, estimate the potential impact on its future financial condition, results of operations and cash flows.

NOTE 3. BUSINESS ACQUISITIONS

Alaska Energy and Resources Company

On July 1, 2014, the Company acquired AERC, based in Juneau, Alaska, and as of that date, AERC became a wholly-owned subsidiary of Avista Corp.

The primary subsidiary of AERC is AEL&P, a regulated utility which provides electric services to approximately 17,000 customers in the City and Borough of Juneau (Juneau), Alaska as of December 31, 2015. In addition to the regulated utility, AERC owns AJT Mining, which is an inactive mining company holding certain properties.

The purpose of the acquisition was to expand and diversify Avista Corp.'s energy assets and deliver long-term value to its customers, communities and investors.

In connection with the closing, on July 1, 2014 Avista Corp. issued 4,500,014 new shares of common stock to the shareholders of AERC based on a contractual formula that resulted in a price of \$32.46 per share, reflecting a purchase price of \$170.0 million, plus acquired cash, less outstanding debt and other closing adjustments.

The \$32.46 price per share of Avista Corp. common stock was determined based on the average closing stock price of Avista Corp. common stock for the 10 consecutive trading days immediately preceding, but not including, the trading day prior to July 1, 2014. This value was used solely for determining the number of shares to issue based on the adjusted contract closing price (see reconciliation below). The fair value of the consideration transferred at the closing date was based on the closing stock price of Avista Corp. common stock on July 1, 2014, which was \$33.35 per share.

On October 1, 2014, a working capital adjustment was made in accordance with the agreement and plan of merger which resulted in Avista Corp. issuing an additional 1,427 shares of common stock to the shareholders of AERC. The number of shares issued on October 1, 2014 was based on the same contractual formula described above. The fair value of the new shares issued in October was \$30.71 per share, which was the closing stock price of Avista Corp. common stock on that date.

The contract acquisition price and the fair value of consideration transferred for AERC were as follows (in thousands, except "per share" and number of shares data):

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Contract acquisition price (using the calculated \$32.46 per share common stock price)

Gross contract price	\$	170,000
Acquired cash		19,704
Acquired debt (excluding capital lease obligation)		(38,832)
Other closing adjustments (including the working capital adjustment)		37
Total adjusted contract price	\$	<u>150,909</u>

Fair value of consideration transferred

Avista Corp. common stock (4,500,014 shares at \$33.35 per share)	\$	150,075
Avista Corp. common stock (1,427 shares at \$30.71 per share)		44
Cash		4,792
Fair value of total consideration transferred	\$	<u>154,911</u>

The assets acquired and liabilities assumed related to the AERC transaction are not included in the FERC Balance Sheets. The information below is presented for information purposes only. The fair value of assets acquired and liabilities assumed as of July 1, 2014 (after consideration of the working capital adjustment and the income tax true-ups during the second quarter of 2015) were as follows (in thousands):

	July 1, 2014
Assets acquired:	
Current Assets:	
Cash	\$ 19,704
Accounts receivable - gross totals \$3,928	3,851
Materials and supplies	2,017
Other current assets	999
Total current assets	<u>26,571</u>
Utility Property:	
Utility plant in service	113,964
Utility property under long-term capital lease	71,007
Construction work in progress	3,440
Total utility property	<u>188,411</u>
Other Non-current Assets:	
Non-utility property	6,660
Electric plant held for future use	3,711
Goodwill (1)	52,426
Other deferred charges and non-current assets	<u>5,368</u>

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Total other non-current assets	68,165
Total assets	\$ 283,147
Liabilities Assumed:	
Current Liabilities:	
Accounts payable	\$ 700
Current portion of long-term debt and capital lease obligations	3,773
Other current liabilities (1)	2,807
Total current liabilities	7,280
Long-term debt	37,227
Capital lease obligations	68,840
Other non-current liabilities and deferred credits (1)	14,889
Total liabilities	\$ 128,236
Total net assets acquired	\$ 154,911

(1) During the second quarter of 2015, AEL&P recorded a reduction to goodwill of approximately \$0.3 million due to income tax related adjustments. After consideration of the goodwill adjustment in the second quarter of 2015, the transaction resulted in a total amount of goodwill of \$52.4 million. The goodwill associated with this acquisition is not deductible for tax purposes.

The majority of AERC's operations are subject to the rate-setting authority of the RCA and are accounted for pursuant to GAAP, including the accounting guidance for regulated operations. The rate-setting and cost recovery provisions currently in place for AERC's regulated operations provide revenues derived from costs, including a return on investment, of assets and liabilities included in rate base. Due to this regulation, the fair values of AERC's assets and liabilities subject to these rate-setting provisions are assumed to approximate their carrying values. There were not any identifiable intangible assets associated with this acquisition. The excess of the purchase consideration over the estimated fair values of the assets acquired and liabilities assumed was recognized as goodwill at the acquisition date. The goodwill reflects the value paid for the expected continued growth of a rate-regulated business located in a defined service area with a constructive regulatory environment, the attractiveness of stable, growing cash flows, as well as providing a platform for potential future growth outside of the rate-regulated electric utility in Alaska and potential additional utility investment.

NOTE 4. DISCONTINUED OPERATIONS

On June 30, 2014, Avista Capital, completed the sale of its interest in Ecova to Cofely USA Inc., an indirect subsidiary of GDF SUEZ, a French multinational utility company, and an unrelated party to Avista Corp. The sales price was \$335.0 million in cash, less the payment of debt and other customary closing adjustments. At the closing of the transaction on June 30, 2014, Ecova became a wholly-owned subsidiary of Cofely USA Inc. and the Company has not had and will not have any further involvement with Ecova after such date.

The purchase price of \$335.0 million, as adjusted, was divided among the security holders of Ecova, including minority shareholders, option holders and a warrant holder, pro rata based on ownership. Approximately \$16.8 million (5 percent of the purchase price) was held in escrow for 15 months from the closing of the transaction to satisfy certain indemnification obligations under the merger agreement (Escrow). An additional \$1.0 million was held in escrow pending resolution of adjustments to working capital. The

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indemnification escrow and the working capital adjustment escrow amounts above represent the full amounts to be divided among all security holders pro rata based on ownership.

As expected, no claims were made against the Escrow as of September 30, 2015 (the end of the claims period) and accordingly, all Escrow amounts were released in October 2015 and the Company received its full portion of the Escrow proceeds together with the remainder of the working capital adjustment escrow for a total amount of \$13.8 million. After consideration of the escrow amounts received, the sales transaction provided cash proceeds to Avista Corp., net of debt, payment to option and minority holders, income taxes and transaction expenses, of \$143.7 million and resulted in a net gain of \$74.8 million. Almost all of the net gain was recognized in 2014 with some true-ups during 2015.

The summary of cash proceeds associated with the sales transaction are as follows (in thousands):

Reconciliation of Gross Proceeds

Contract price	\$	335,000
Closing adjustments		4,103
Litigation settlement at Ecova		588
Gross proceeds from sale (1)		<u>339,691</u>
Cash sold in the transaction		<u>(95,932)</u>
Gross proceeds from sale of Ecova, net of cash sold (2)	\$	<u>243,759</u>

Reconciliation of total net proceeds

Gross proceeds from sale (1)	\$	339,691
Repayment of long-term borrowings under committed line of credit		(40,000)
Payment to option holders and redeemable noncontrolling interests		(20,871)
Payment to noncontrolling interests		(54,179)
Transaction expenses withheld from proceeds		<u>(5,461)</u>
Net proceeds to Avista Capital (prior to tax payments) (2)		219,180
Tax payments made in 2014		(74,842)
Tax payments made in 2015		<u>(590)</u>
Total net proceeds related to sales transaction	\$	<u>143,748</u>

(1) Of this total amount, approximately \$16.8 million was held in escrow for 15 months from the transaction closing date for any indemnity claims and an additional \$1.0 million was held in escrow pending resolution of adjustments to working capital. Both of these escrow accounts were resolved during 2015.

(2) Of the total gross proceeds and total net proceeds received, approximately \$229.9 million and \$205.4 million was received in 2014, respectively, with the remainder being received in 2015.

NOTE 5. DERIVATIVES AND RISK MANAGEMENT

Energy Commodity Derivatives

Avista Corp. is exposed to market risks relating to changes in electricity and natural gas commodity prices and certain other fuel prices.

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Market risk is, in general, the risk of fluctuation in the market price of the commodity being traded and is influenced primarily by supply and demand. Market risk includes the fluctuation in the market price of associated derivative commodity instruments. Avista Corp. utilizes derivative instruments, such as forwards, futures, swaps and options in order to manage the various risks relating to these commodity price exposures. The Company has an energy resources risk policy and control procedures to manage these risks.

As part of the Company's resource procurement and management operations in the electric business, the Company engages in an ongoing process of resource optimization, which involves the economic selection from available energy resources to serve the Company's load obligations and the use of these resources to capture available economic value. The Company transacts in wholesale markets by selling and purchasing electric capacity and energy, fuel for electric generation, and derivative contracts related to capacity, energy and fuel. Such transactions are part of the process of matching resources with load obligations and hedging the related financial risks. These transactions range from terms of intra-hour up to multiple years.

As part of its resource procurement and management of its natural gas business, Avista Corp. makes continuing projections of its natural gas loads and assesses available natural gas resources including natural gas storage availability. Natural gas resource planning typically includes peak requirements, low and average monthly requirements and delivery constraints from natural gas supply locations to Avista Corp.'s distribution system. However, daily variations in natural gas demand can be significantly different than monthly demand projections. On the basis of these projections, Avista Corp. plans and executes a series of transactions to hedge a portion of its projected natural gas requirements through forward market transactions and derivative instruments. These transactions may extend as much as four natural gas operating years (November through October) into the future. Avista Corp. also leaves a significant portion of its natural gas supply requirements unhedged for purchase in short-term and spot markets.

The following table presents the underlying energy commodity derivative volumes as of December 31, 2015 that are expected to be settled in each respective year (in thousands of MWhs and mmBTUs):

Year	Purchases				Sales			
	Electric Derivatives		Gas Derivatives		Electric Derivatives		Gas Derivatives	
	Physical (1) MWh	Financial (1) MWh	Physical (1) mmBTUs	Financial (1) mmBTUs	Physical (1) MWh	Financial (1) MWh	Physical (1) mmBTUs	Financial (1) mmBTUs
2016	407	1,954	17,252	142,693	280	2,656	3,182	112,233
2017	397	97	675	49,200	255	483	1,360	26,965
2018	397	—	—	15,118	286	—	1,360	2,738
2019	235	—	305	6,935	158	—	1,345	—
2020	—	—	455	905	—	—	1,430	—
Thereafter	—	—	—	—	—	—	1,060	—

(1) Physical transactions represent commodity transactions in which Avista Corp. will take or make delivery of either electricity or natural gas; financial transactions represent derivative instruments with delivery of cash in the amount of gain or loss but with no physical delivery of the commodity, such as futures, swaps, options, or forward contracts.

The electric and natural gas derivative contracts above will be included in either power supply costs or natural gas supply costs during the period they are settled and will be included in the various recovery mechanisms (ERM, PCA, and PGAs), or in the general rate case process, and are expected to be collected through retail rates from customers.

Foreign Currency Exchange Contracts

A significant portion of Avista Corp.'s natural gas supply (including fuel for power generation) is obtained from Canadian sources.

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Most of those transactions are executed in U.S. dollars, which avoids foreign currency risk. A portion of Avista Corp.'s short-term natural gas transactions and long-term Canadian transportation contracts are committed based on Canadian currency prices and settled within 60 days with U.S. dollars. Avista Corp. hedges a portion of the foreign currency risk by purchasing Canadian currency exchange contracts when such commodity transactions are initiated. This risk has not had a material effect on the Company's financial condition, results of operations or cash flows and these differences in cost related to currency fluctuations were included with natural gas supply costs for ratemaking. The following table summarizes the foreign currency hedges that the Company has entered into as of December 31 (dollars in thousands):

	2015	2014
Number of contracts	24	18
Notional amount (in United States dollars)	\$ 1,463	\$ 5,474
Notional amount (in Canadian dollars)	2,002	6,198

Interest Rate Swap Agreements

Avista Corp. is affected by fluctuating interest rates related to a portion of its existing debt, and future borrowing requirements. The Company hedges a portion of its interest rate risk with financial derivative instruments, which may include interest rate swaps and U.S. Treasury lock agreements. These interest rate swaps and U.S. Treasury lock agreements are considered economic hedges against fluctuations in future cash flows associated with anticipated debt issuances.

The following table summarizes the interest rate swaps that the Company has outstanding as of the balance sheet date indicated below (dollars in thousands):

Balance Sheet Date	Number of Contracts	Notional Amount	Mandatory Cash Settlement Date
December 31, 2015	6	115,000	2016
	3	45,000	2017
	11	245,000	2018
	2	30,000	2019
	1	20,000	2022
December 31, 2014	5	75,000	2015
	5	95,000	2016
	3	45,000	2017
	9	205,000	2018

During the third quarter 2015, in connection with the execution of a purchase agreement for bonds that the Company issued in December 2015, the Company cash-settled five interest rate swap contracts (notional aggregate amount of \$75.0 million) and paid a total of \$9.3 million. The interest rate swap contracts were settled in connection with the pricing of \$100.0 million of Avista Corp. first mortgage bonds that were issued in December 2015 (see Note 12). Upon settlement of interest rate swaps, the regulatory asset or liability is amortized as a component of interest expense over the term of the associated debt.

The fair value of outstanding interest rate swaps can vary significantly from period to period depending on the total notional amount of swaps outstanding and fluctuations in market interest rates compared to the interest rates fixed by the swaps. The Company would be required to make cash payments to settle the interest rate swaps if the fixed rates are higher than prevailing market rates at the date of

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settlement. Conversely, the Company receives cash to settle its interest rate swaps when prevailing market rates at the time of settlement exceed the fixed swap rates.

Summary of Outstanding Derivative Instruments

The amounts recorded on the Balance Sheet as of December 31, 2015 and December 31, 2014 reflect the offsetting of derivative assets and liabilities where a legal right of offset exists.

The following table presents the fair values and locations of derivative instruments recorded on the Balance Sheet as of December 31, 2015 (in thousands):

Derivative	Balance Sheet Location	Fair Value			Net Asset (Liability) in Balance Sheet
		Gross	Gross	Collateral	
Foreign currency contracts	Derivative instrument liabilities current	\$ 2	\$ (19)	\$ —	\$ (17)
Interest rate contracts	Long-term portion of derivative assets	23	—	—	23
Interest rate contracts	Derivative instrument liabilities current	118	(23,262)	3,880	(19,264)
Interest rate contracts	Long-term portion of derivative instrument liabilities	1,407	(62,236)	30,150	(30,679)
Commodity contracts	Derivative instrument assets current	1,236	(553)	—	683
Commodity contracts	Derivative instrument liabilities current	67,466	(85,409)	3,675	(14,268)
Commodity contracts	Long-term portion of derivative liabilities	6,613	(39,033)	10,851	(21,569)
Total derivative instruments recorded on the balance sheet		\$ 76,865	\$ (210,512)	\$ 48,556	\$ (85,091)

The following table presents the fair values and locations of derivative instruments recorded on the Balance Sheet as of December 31, 2014 (in thousands):

Derivative	Balance Sheet Location	Fair Value			Net Asset (Liability) in Balance Sheet
		Gross	Gross	Collateral	
Foreign currency contracts	Derivative instrument liabilities –Hedges	\$ 1	\$ (21)	\$ —	\$ (20)
Interest rate contracts	Derivative instrument assets –Hedges	966	(506)	—	460

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Interest rate contracts	Derivative instrument liabilities –Hedges	—	(7,325)	—	(7,325)
Interest rate contracts	Long-term portion of derivative liabilities - Hedges	—	(69,737)	28,880	(40,857)
Commodity contracts	Derivative instrument assets current	2,063	(538)	—	1,525
Commodity contracts	Long-term portion of derivative assets	66,421	(97,586)	13,120	(18,045)
Commodity contracts	Long-term portion of derivative liabilities	29,594	(54,077)	2,390	(22,093)
Total derivative instruments recorded on the balance sheet		\$ 99,045	\$ (229,790)	\$ 44,390	\$ (86,355)

Exposure to Demands for Collateral

The Company's derivative contracts often require collateral (in the form of cash or letters of credit) or other credit enhancements, or reductions or terminations of a portion of the contract through cash settlement, in the event of a downgrade in the Company's credit ratings or changes in market prices. In periods of price volatility, the level of exposure can change significantly. As a result, sudden and significant demands may be made against the Company's credit facilities and cash. The Company actively monitors the exposure to possible collateral calls and takes steps to mitigate capital requirements.

The following table presents the Company's collateral outstanding related to its derivative instruments as of as of December 31 (in thousands):

	2015	2014
Energy commodity derivatives		
Cash collateral posted	\$ 28,716	\$ 20,565
Letters of credit outstanding	28,200	14,500
Balance sheet offsetting (cash collateral against net derivative positions)	14,526	15,510
Interest rate swaps		
Cash collateral posted	34,030	28,880
Letters of credit outstanding	9,600	10,900
Balance sheet offsetting (cash collateral against net derivative positions)	34,030	28,880

Certain of the Company's derivative instruments contain provisions that require the Company to maintain an "investment grade" credit rating from the major credit rating agencies. If the Company's credit ratings were to fall below "investment grade," it would be in violation of these provisions, and the counterparties to the derivative instruments could request immediate payment or demand immediate and ongoing collateralization on derivative instruments in net liability positions.

The following table presents the aggregate fair value of all derivative instruments with credit-risk-related contingent features that are in a liability position and the amount of additional collateral the Company could be required to post as of December 31 (in thousands):

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	2015	2014
Energy commodity derivatives		
Liabilities with credit-risk-related contingent features	\$ 7,090	\$ 12,911
Additional collateral to post	6,980	16,227
Interest rate swaps		
Liabilities with credit-risk-related contingent features	85,498	77,568
Additional collateral to post	18,750	19,404

Credit Risk

Credit risk relates to the potential losses that the Company would incur as a result of non-performance by counterparties of their contractual obligations to deliver energy or make financial settlements. The Company often extends credit to counterparties and customers and is exposed to the risk that it may not be able to collect amounts owed to the Company. Credit risk includes potential counterparty default due to circumstances:

- relating directly to it,
- caused by market price changes, and
- relating to other market participants that have a direct or indirect relationship with such counterparty.

Changes in market prices may dramatically alter the size of credit risk with counterparties, even when conservative credit limits are established. Should a counterparty fail to perform, the Company may be required to honor the underlying commitment or to replace existing contracts with contracts at then-current market prices.

The Company enters into bilateral transactions with various counterparties. The Company also transacts in energy and related derivative instruments through clearinghouse exchanges.

In addition, the Company has concentrations of credit risk related to geographic location as it operates in the western United States and western Canada. These concentrations of counterparties and concentrations of geographic location may impact the Company's overall exposure to credit risk because the counterparties may be similarly affected by changes in conditions.

The Company maintains credit support agreements with certain counterparties and margin calls are periodically made and/or received. Margin calls are triggered when exposures exceed contractual limits or when there are changes in a counterparty's creditworthiness. Price movements in electricity and natural gas can generate exposure levels in excess of these contractual limits. Negotiating for collateral in the form of cash, letters of credit, or performance guarantees is common industry practice.

NOTE 6. JOINTLY OWNED ELECTRIC FACILITIES

The Company has a 15 percent ownership interest in a twin-unit coal-fired generating facility, Colstrip, located in southeastern Montana, and provides financing for its ownership interest in the project. The Company's share of related fuel costs as well as operating expenses for plant in service are included in the corresponding accounts in the Statements of Income. The Company's share of utility plant in service for Colstrip and accumulated depreciation were as follows as of December 31 (dollars in thousands):

	2015	2014
Utility plant in service	\$ 362,199	\$ 350,518

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Accumulated depreciation (243,363) (239,845)

NOTE 7. ASSET RETIREMENT OBLIGATIONS

See Note 1 for a discussion of the Company's accounting policy associated with AROs.

Specifically, the Company has recorded liabilities for future AROs to:

- restore coal ash containment ponds at Colstrip,
- cap a landfill at the Kettle Falls Plant,
- remove plant and restore the land at the Coyote Springs 2 site at the termination of the land lease, and
- dispose of PCBs in certain transformers.

Due to an inability to estimate a range of settlement dates, the Company cannot estimate a liability for the:

- removal and disposal of certain transmission and distribution assets, and
- abandonment and decommissioning of certain hydroelectric generation and natural gas storage facilities.

On April 17, 2015, the EPA published a final rule regarding CCRs, also termed coal combustion byproducts or coal ash in the Federal Register and this rule became effective on October 15, 2015. Colstrip, of which Avista Corp. is a 15 percent owner of units 3 and 4, produces this byproduct. The rule establishes technical requirements for CCR landfills and surface impoundments under Subtitle D of the Resource Conservation and Recovery Act, the nation's primary law for regulating solid waste. The Company, in conjunction with the other Colstrip owners, is developing a multi-year compliance plan to strategically address the new CCR requirements and existing State obligations while maintaining operational stability. During the second quarter of 2015, the operator of Colstrip provided an initial cost estimate of the expected retirement costs associated with complying with the new CCR rule and this estimate was subsequently updated during the fourth quarter of 2015. Based on the initial assessments, Avista Corp. recorded an increase to its ARO of \$12.5 million during 2015 with a corresponding increase in the cost basis of the utility plant.

The actual asset retirement costs related to the new CCR rule requirements may vary substantially from the estimates used to record the increased obligation due to uncertainty about the compliance strategies that will be used and the preliminary nature of available data used to estimate costs, such as the quantity of coal ash present at certain sites and the volume of fill that will be needed to cap and cover certain impoundments. Avista Corp. will coordinate with the plant operator and continue to gather additional data in future periods to make decisions about compliance strategies and the timing of closure activities. As additional information becomes available, Avista Corp. will update the ARO for these changes in estimates, which could be material. The Company expects to seek recovery of any increased costs related to complying with the new rule through customer rates.

The following table documents the changes in the Company's asset retirement obligation during the years ended December 31 (dollars in thousands):

	2015	2014
Asset retirement obligation at beginning of year	\$ 3,028	\$ 2,859
Liabilities incurred	12,539	—
Liabilities settled	(29)	(41)
Accretion expense (income)	459	210
Asset retirement obligation at end of year	<u>\$ 15,997</u>	<u>\$ 3,028</u>

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NOTE 8. PENSION PLANS AND OTHER POSTRETIREMENT BENEFIT PLANS

The Company has a defined benefit pension plan covering the majority of all regular full-time employees at Avista Corp. that were hired prior to January 1, 2014. Individual benefits under this plan are based upon the employee's years of service, date of hire and average compensation as specified in the plan. Non-union employees hired on or after January 1, 2014 participate in a defined contribution 401(k) plan in lieu of a defined benefit pension plan. The Company's funding policy is to contribute at least the minimum amounts that are required to be funded under the Employee Retirement Income Security Act, but not more than the maximum amounts that are currently deductible for income tax purposes. The Company contributed \$12.0 million in cash to the pension plan in 2015, \$32.0 million in 2014 and \$44.3 million in 2013. The Company expects to contribute \$12.0 million in cash to the pension plan in 2016.

The Company also has a SERP that provides additional pension benefits to executive officers and certain key employees of the Company. The SERP is intended to provide benefits to individuals whose benefits under the defined benefit pension plan are reduced due to the application of Section 415 of the Internal Revenue Code of 1986 and the deferral of salary under deferred compensation plans. The liability and expense for this plan are included as pension benefits in the tables included in this Note.

The Company expects that benefit payments under the pension plan and the SERP will total (dollars in thousands):

	2016	2017	2018	2019	2020	Total 2021-2025
Expected benefit payments	\$ 29,182	\$ 30,260	\$ 31,332	\$ 32,804	\$ 34,430	\$ 189,919

The expected long-term rate of return on plan assets is based on past performance and economic forecasts for the types of investments held by the plan. In selecting a discount rate, the Company considers yield rates for highly rated corporate bond portfolios with maturities similar to that of the expected term of pension benefits.

The Company provides certain health care and life insurance benefits for eligible retired employees that were hired prior to January 1, 2014. The Company accrues the estimated cost of postretirement benefit obligations during the years that employees provide services. The liability and expense of this plan are included as other postretirement benefits. Non-union employees hired on or after January 1, 2014, will have access to the retiree medical plan upon retirement; however, Avista Corp. will no longer provide a contribution toward their medical premium.

The Company has a Health Reimbursement Arrangement (HRA) to provide employees with tax-advantaged funds to pay for allowable medical expenses upon retirement. The amount earned by the employee is fixed on the retirement date based on the employee's years of service and the ending salary. The liability and expense of the HRA are included as other postretirement benefits.

The Company provides death benefits to beneficiaries of executive officers who die during their term of office or after retirement. Under the plan, an executive officer's designated beneficiary will receive a payment equal to twice the executive officer's annual base salary at the time of death (or if death occurs after retirement, a payment equal to twice the executive officer's total annual pension benefit). The liability and expense for this plan are included as other postretirement benefits.

The Company expects that benefit payments under other postretirement benefit plans will total (dollars in thousands):

	2016	2017	2018	2019	2020	Total 2021-2025
Expected benefit payments	\$ 7,345	\$ 7,522	\$ 7,713	\$ 7,933	\$ 6,907	\$ 36,560

The Company expects to contribute \$7.3 million to other postretirement benefit plans in 2016, representing expected benefit payments to be paid during the year excluding the Medicare Part D subsidy. The Company uses a December 31 measurement date for its pension

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and other postretirement benefit plans.

The following table sets forth the pension and other postretirement benefit plan disclosures as of December 31, 2015 and 2014 and the components of net periodic benefit costs for the years ended December 31, 2015, 2014 and 2013 (dollars in thousands):

	Pension Benefits		Other Post-retirement Benefits	
	2015	2014	2015	2014
Change in benefit obligation:				
Benefit obligation as of beginning of year	\$ 634,674	\$ 527,004	\$ 127,989	\$ 108,249
Service cost	19,791	15,757	2,925	1,844
Interest cost	26,117	26,224	5,158	5,226
Actuarial (gain)/loss	(35,790)	97,128	12,668	18,714
Plan change	(228)	—	(1,000)	—
Transfer of accrued vacation	—	—	—	437
Cumulative adjustment to reclassify liability	—	—	(1,521)	—
Benefits paid	(31,061)	(31,439)	(7,424)	(6,481)
Benefit obligation as of end of year	\$ 613,503	\$ 634,674	\$ 138,795	\$ 127,989
Change in plan assets:				
Fair value of plan assets as of beginning of year	\$ 539,311	\$ 481,502	\$ 31,312	\$ 29,732
Actual return on plan assets	(4,305)	55,974	(444)	1,580
Employer contributions	12,000	32,000	—	—
Benefits paid	(29,772)	(30,165)	—	—
Fair value of plan assets as of end of year	\$ 517,234	\$ 539,311	\$ 30,868	\$ 31,312
Funded status	\$ (96,269)	\$ (95,363)	\$ (107,927)	\$ (96,677)
Unrecognized net actuarial loss	162,961	175,596	92,433	82,421
Unrecognized prior service cost	25	256	(10,180)	(10,379)
Prepaid (accrued) benefit cost	66,717	80,489	(25,674)	(24,635)
Additional liability	(162,986)	(175,852)	(82,253)	(72,042)
Accrued benefit liability	\$ (96,269)	\$ (95,363)	\$ (107,927)	\$ (96,677)
Accumulated pension benefit obligation	\$ 542,209	\$ 551,615	—	—

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	Pension Benefits		Other Post-retirement Benefits	
	2015	2014	2015	2014
Accumulated postretirement benefit obligation:				
For retirees			\$ 65,652	\$ 58,276
For fully eligible employees			\$ 34,498	\$ 31,843
For other participants			\$ 38,645	\$ 37,870
Included in accumulated other comprehensive loss (income) (net of tax):				
Unrecognized prior service cost	\$ 16	\$ 166	\$ (6,617)	\$ (6,747)
Unrecognized net actuarial loss	105,925	114,138	60,081	53,574
Total	105,941	114,304	53,464	46,827
Less regulatory asset	(99,414)	(106,484)	(53,341)	(46,759)
Accumulated other comprehensive loss (income) for unfunded benefit obligation for pensions and other postretirement benefit plans	\$ 6,527	\$ 7,820	\$ 123	\$ 68

	Pension Benefits		Other Post-retirement Benefits	
	2015	2014	2015	2014
Weighted average assumptions as of December 31:				
Discount rate for benefit obligation	4.57%	4.21%	4.57%	4.16%
Discount rate for annual expense	4.21%	5.10%	4.16%	5.02%
Expected long-term return on plan assets	5.30%	6.60%	6.36%	6.40%
Rate of compensation increase	4.87%	4.87%		
Medical cost trend pre-age 65 – initial			7.00%	7.00%
Medical cost trend pre-age 65 – ultimate			5.00%	5.00%
Ultimate medical cost trend year pre-age 65			2022	2021
Medical cost trend post-age 65 – initial			7.00%	7.00%
Medical cost trend post-age 65 – ultimate			5.00%	5.00%
Ultimate medical cost trend year post-age 65			2023	2022

Pension Benefits		Other Postretirement Benefits	
2015	2014	2015	2014

Components of net periodic benefit

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cost:

Service cost	\$ 19,791	\$ 15,757	\$ 2,925	\$ 1,844
Interest cost	26,117	26,224	5,158	5,226
Expected return on plan assets	(28,299)	(32,131)	(1,991)	(1,903)
Amortization of prior service cost	2	22	(1,199)	(1,116)
Net loss recognition	9,451	4,731	5,095	4,289
Net periodic benefit cost	<u>\$ 27,062</u>	<u>\$ 14,603</u>	<u>\$ 9,988</u>	<u>\$ 8,340</u>

Plan Assets

The Finance Committee of the Company's Board of Directors approves investment policies, objectives and strategies that seek an appropriate return for the pension plan and other postretirement benefit plans and reviews and approves changes to the investment and funding policies.

The Company has contracted with investment consultants who are responsible for managing/monitoring the individual investment managers. The investment managers' performance and related individual fund performance is periodically reviewed by an internal benefits committee and by the Finance Committee to monitor compliance with investment policy objectives and strategies.

Pension plan assets are invested in mutual funds, trusts and partnerships that hold marketable debt and equity securities, real estate, absolute return and commodity funds. In seeking to obtain the desired return to fund the pension plan, the investment consultant recommends allocation percentages by asset classes. These recommendations are reviewed by the internal benefits committee, which then recommends their adoption by the Finance Committee. The Finance Committee has established target investment allocation percentages by asset classes and also investment ranges for each asset class. The target investment allocation percentages are typically the midpoint of the established range. The target investment allocation percentages by asset classes are indicated in the table below:

	2015	2014
Equity securities	27%	27%
Debt securities	58%	58%
Real estate	6%	6%
Absolute return	9%	9%

The fair value of pension plan assets invested in debt and equity securities was based primarily on fair value (market prices). The fair value of investment securities traded on a national securities exchange is determined based on the reported last sales price; securities traded in the over-the-counter market are valued at the last reported bid price. Investment securities for which market prices are not readily available or for which market prices do not represent the value at the time of pricing, the investment manager estimates fair value based upon other inputs (including valuations of securities that are comparable in coupon, rating, maturity and industry). Investments in common/collective trust funds are presented at estimated fair value, which is determined based on the unit value of the fund. Unit value is determined by an independent trustee, which sponsors the fund, by dividing the fund's net assets by its units outstanding at the valuation date. The Company's investments in common/collective trusts have redemption limitations that permit quarterly redemptions following notice requirements of 45 to 60 days. The fair values of the closely held investments and partnership interests are based upon the allocated share of the fair value of the underlying assets as well as the allocated share of the undistributed profits and losses, including realized and unrealized gains and losses. Most of the Company's investments in closely held investments and partnership interests have redemption limitations that range from bi-monthly to semi-annually following redemption notice

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requirements of 60 to 90 days. One investment in a partnership has a lock-up for redemption currently expiring in 2022 and is subject to extension.

The fair value of pension plan assets invested in real estate was determined by the investment manager based on three basic approaches:

- 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, and
- loans are reflected at fair value.

The fair value of pension plan assets was determined as of December 31, 2015 and 2014.

Effective December 31, 2015, the Company adopted ASU No. 2015-07, "Fair Value Measurement (Topic 820): Disclosures for Investments in Certain Entities That Calculate Net Asset Value per Share (or Its Equivalent)," which removed from the fair value hierarchy, investments for which the practical expedient is used to measure fair value at net asset value (NAV). In prior years, the Company held investments fair valued using NAV and these amounts were included as level 3 items. This ASU was adopted retrospectively; therefore, the 2014 amounts have been reclassified to conform to the 2015 presentation. Also, since these amounts are no longer included in the fair value hierarchy as level 3 items, the level 3 reconciliations are no longer applicable and have been excluded from this footnote.

The following table discloses by level within the fair value hierarchy (see Note 14 for a description of the fair value hierarchy) of the pension plan's assets measured and reported as of December 31, 2015 at fair value (dollars in thousands):

	Level 1	Level 2	Level 3	Total
Cash equivalents	\$ 86	\$ 10,641	\$ —	\$ 10,727
Fixed income securities:				
U.S. government issues	—	47,845	—	47,845
Corporate issues	—	187,308	—	187,308
International issues	—	34,458	—	34,458
Municipal issues	—	22,416	—	22,416
Mutual funds:				
U.S. equity securities	87,678	—	—	87,678
International equity securities	40,343	—	—	40,343
Absolute return (1)	13,996	—	—	13,996
Plan assets measured at NAV (not subject to hierarchy disclosure)				
Common/collective trusts:				
Real estate	—	—	—	24,147
Partnership/closely held investments:				
Absolute return (1)	—	—	—	38,302
Private equity funds (2)	—	—	—	73

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Real estate	—	—	—	9,941
Total	\$ 142,103	\$ 302,668	\$ —	\$ 517,234

The following table discloses by level within the fair value hierarchy (see Note 14 for a description of the fair value hierarchy) of the pension plan's assets measured and reported as of December 31, 2014 at fair value (dollars in thousands):

	Level 1	Level 2	Level 3	Total
Cash equivalents	\$ —	\$ 3,138	\$ —	\$ 3,138
Fixed income securities:				
U.S. government issues	19,681	—	—	19,681
Corporate issues	104,959	—	—	104,959
International issues	19,935	—	—	19,935
Municipal issues	2,762	7,788	—	10,550
Mutual funds:				
Fixed income securities	157,415	8	—	157,423
U.S. equity securities	103,203	—	—	103,203
International equity securities	40,838	—	—	40,838
Absolute return (1)	15,334	—	—	15,334
Plan assets measured at NAV (not subject to hierarchy disclosure)				
Common/collective trusts:				
Real estate	—	—	—	21,303
Partnership/closely held investments:				
Absolute return (1)	—	—	—	36,114
Private equity funds (2)	—	—	—	73
Real estate	—	—	—	6,760
Total	\$ 464,127	\$ 10,934	\$ —	\$ 539,311

- (1) This category invests in multiple strategies to diversify risk and reduce volatility. The strategies include: (a) event driven, relative value, convertible, and fixed income arbitrage, (b) distressed investments, (c) long/short equity and fixed income, and (d) market neutral strategies.
- (2) This category includes private equity funds that invest primarily in U.S. companies.

The fair value of other postretirement plan assets invested in debt and equity securities was based primarily on market prices. The fair value of investment securities traded on a national securities exchange is determined based on the last reported sales price; securities traded in the over-the-counter market are valued at the last reported bid price. Investment securities for which market prices are not readily available or for which market prices do not represent the value at the time of pricing, are fair-valued by the investment manager based upon other inputs (including valuations of securities that are comparable in coupon, rating, maturity and industry). The target asset allocation was 60 percent equity securities and 40 percent debt securities in both 2015 and 2014.

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The fair value of other postretirement plan assets was determined as of December 31, 2015 and 2014.

The following table discloses by level within the fair value hierarchy (see Note 14 for a description of the fair value hierarchy) of other postretirement plan assets measured and reported as of December 31, 2015 at fair value (dollars in thousands):

	Level 1	Level 2	Level 3	Total
Cash equivalents	\$ —	\$ 9	\$ —	\$ 9
Mutual funds:				
Fixed income securities	12,000	—	—	12,000
U.S. equity securities	13,224	—	—	13,224
International equity securities	5,635	—	—	5,635
Total	\$ 30,859	\$ 9	\$ —	\$ 30,868

The following table discloses by level within the fair value hierarchy (see Note 14 for a description of the fair value hierarchy) of other postretirement plan assets measured and reported as of December 31, 2014 at fair value (dollars in thousands):

	Level 1	Level 2	Level 3	Total
Cash equivalents	\$ —	\$ 3	\$ —	\$ 3
Mutual funds:				
Fixed income securities	11,968	—	—	11,968
U.S. equity securities	13,210	—	—	13,210
International equity securities	6,131	—	—	6,131
Total	\$ 31,309	\$ 3	\$ —	\$ 31,312

Assumed health care cost trend rates have a significant effect on the amounts reported for the health care plans. A one-percentage-point increase in the assumed health care cost trend rate for each year would increase the accumulated postretirement benefit obligation as of December 31, 2015 by \$9.7 million and the service and interest cost by \$0.5 million. A one-percentage-point decrease in the assumed health care cost trend rate for each year would decrease the accumulated postretirement benefit obligation as of December 31, 2015 by \$7.5 million and the service and interest cost by \$0.4 million.

401(k) Plans and Executive Deferral Plan

Avista Corp. has a salary deferral 401(k) plans that is a defined contribution plans and cover substantially all employees. Employees can make contributions to their respective accounts in the plans on a pre-tax basis up to the maximum amount permitted by law. The Company matches a portion of the salary deferred by each participant according to the schedule in the respective plan.

Employer matching contributions were as follows for the years ended December 31 (dollars in thousands):

	2015	2014
Employer 401(k) matching contributions	\$ 7,875	\$ 6,741

The Company has an Executive Deferral Plan. This plan allows executive officers and other key employees the opportunity to defer

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until the earlier of their retirement, termination, disability or death, up to 75 percent of their base salary and/or up to 100 percent of their incentive payments. Deferred compensation funds are held by the Company in a Rabbi Trust.

There were deferred compensation assets and corresponding deferred compensation liabilities on the Balance Sheets of the following amounts as of December 31 (dollars in thousands):

	2015	2014
Deferred compensation assets and liabilities	\$ 8,093	\$ 8,677

NOTE 9. ACCOUNTING FOR INCOME TAXES

Deferred income taxes reflect the net tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes and tax credit carryforwards. The realization of deferred income tax assets is dependent upon the ability to generate taxable income in future periods. The Company evaluated available evidence supporting the realization of its deferred income tax assets and determined it is more likely than not that deferred income tax assets will be realized.

As of December 31, 2015, the Company had \$15.3 million of state tax credit carryforwards of which it is expected \$2.9 million will expire unused; the Company has reflected the net amount of \$12.4 million as an asset at December 31, 2015. State tax credits expire from 2019 to 2028.

The Company and its eligible subsidiaries file consolidated federal income tax returns. The Company also files state income tax returns in certain jurisdictions, including Idaho, Oregon and Montana. Subsidiaries are charged or credited with the tax effects of their operations on a stand-alone basis. The Internal Revenue Service (IRS) has completed its examination of all tax years through 2011 and all issues were resolved related to these years. The IRS has not completed an examination of the Company's 2012 and 2014 federal income tax returns. The Company believes that any open tax years for federal or state income taxes will not result in adjustments that would be significant to the financial statements.

The Company had net regulatory assets related to the probable recovery of certain deferred income tax liabilities from customers through future rates as of December 31 (dollars in thousands):

	2015	2014
Regulatory assets for deferred income taxes	\$ 101,240	\$ 100,412
Regulatory liabilities for deferred income taxes	17,609	14,534

NOTE 10. ENERGY PURCHASE CONTRACTS

Avista Corp. has contracts for the purchase of fuel for thermal generation, natural gas for resale and various agreements for the purchase or exchange of electric energy with other entities. The termination dates of the contracts range from one month to the year 2042. Total expenses for power purchased, natural gas purchased, fuel for generation and other fuel costs, which are included in utility resource costs in the Statements of Income, were as follows for the years ended December 31 (dollars in thousands):

	2015	2014
Utility power resources	\$ 511,937	\$ 556,915

The following table details Avista Corp.'s future contractual commitments for power resources (including transmission contracts) and

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natural gas resources (including transportation contracts) (dollars in thousands):

	2016	2017	2018	2019	2020	Thereafter	Total
Power resources	\$ 261,560	\$ 168,831	\$ 149,375	\$ 145,074	\$ 104,688	\$ 838,536	\$ 1,668,064
Natural gas resources	79,335	64,400	65,144	57,105	45,446	427,435	738,865
Total	\$ 340,895	\$ 233,231	\$ 214,519	\$ 202,179	\$ 150,134	\$ 1,265,971	\$ 2,406,929

These energy purchase contracts were entered into as part of Avista Corp.'s obligation to serve its retail electric and natural gas customers' energy requirements, including contracts entered into for resource optimization. As a result, these costs are recovered either through base retail rates or adjustments to retail rates as part of the power and natural gas cost deferral and recovery mechanisms.

The above future contractual commitments for power resources include fixed contractual amounts related to the Company's contracts with certain PUDs to purchase portions of the output of certain generating facilities. Although Avista Corp. has no investment in the PUD generating facilities, the fixed contracts obligate Avista Corp. to pay certain minimum amounts whether or not the facilities are operating. The cost of power obtained under the contracts, including payments made when a facility is not operating, is included in utility resource costs in the Statements of Income. The contractual amounts included above consist of Avista Corp.'s share of existing debt service cost and its proportionate share of the variable operating expenses of these projects. The minimum amounts payable under these contracts are based in part on the proportionate share of the debt service requirements of the PUD's revenue bonds for which the Company is indirectly responsible. The Company's total future debt service obligation associated with the revenue bonds outstanding at December 31, 2015 (principal and interest) was \$72.0 million.

In addition, Avista Corp. has operating agreements, settlements and other contractual obligations related to its generating facilities and transmission and distribution services. The following table details future contractual commitments under these agreements (dollars in thousands):

	2016	2017	2018	2019	2020	Thereafter	Total
Contractual obligations	\$ 33,694	\$ 31,134	\$ 26,405	\$ 31,117	\$ 31,811	\$ 192,295	\$ 346,456

NOTE 11. NOTES PAYABLE

Avista Corp.

Avista Corp. has a committed line of credit with various financial institutions in the total amount of \$400.0 million that expires in April 2019. The Company has the option to request an extension for an additional one or two years beyond April 2019, provided, 1) that no event of default has occurred and is continuing prior to the requested extension and 2) the remaining term of agreement, including the requested extension period, does not exceed five years. The committed line of credit is secured by non-transferable first mortgage bonds of the Company issued to the agent bank that would only become due and payable in the event, and then only to the extent, that the Company defaults on its obligations under the committed line of credit.

The committed line of credit agreement contains customary covenants and default provisions. The credit agreement has a covenant which does not permit the ratio of "consolidated total debt" to "consolidated total capitalization" of Avista Corp. to be greater than 65 percent at any time. As of December 31, 2015, the Company was in compliance with this covenant.

Balances outstanding and interest rates of borrowings (excluding letters of credit) under the Company's revolving committed lines of credit were as follows as of December 31 (dollars in thousands):

2015	2014
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Balance outstanding at end of period	\$ 105,000	\$ 105,000
Letters of credit outstanding at end of period	\$ 44,595	\$ 32,579
Average interest rate at end of period	1.18%	0.93%

As of December 31, 2015 and 2014, the borrowings outstanding under Avista Corp.'s committed line of credit were classified as short-term borrowings on the Balance Sheet.

NOTE 12. BONDS

The following details long-term debt outstanding as of December 31 (dollars in thousands):

Maturity Year	Description	Interest Rate	2015	2014
2016	First Mortgage Bonds	0.84%	\$ 90,000	\$ 90,000
2018	First Mortgage Bonds	5.95%	250,000	250,000
2018	Secured Medium-Term Notes	7.39%-7.45%	22,500	22,500
2019	First Mortgage Bonds	5.45%	90,000	90,000
2020	First Mortgage Bonds	3.89%	52,000	52,000
2022	First Mortgage Bonds	5.13%	250,000	250,000
2023	Secured Medium-Term Notes	7.18%-7.54%	13,500	13,500
2028	Secured Medium-Term Notes	6.37%	25,000	25,000
2032	Secured Pollution Control Bonds (1)	(1)	66,700	66,700
2034	Secured Pollution Control Bonds (1)	(1)	17,000	17,000
2035	First Mortgage Bonds	6.25%	150,000	150,000
2037	First Mortgage Bonds	5.70%	150,000	150,000
2040	First Mortgage Bonds	5.55%	35,000	35,000
2041	First Mortgage Bonds	4.45%	85,000	85,000
2044	First Mortgage Bonds	4.11%	60,000	60,000
2045	First Mortgage Bonds (2)	4.37%	100,000	—
2047	First Mortgage Bonds	4.23%	80,000	80,000
	Total secured bonds		1,536,700	1,436,700
	Secured Pollution Control Bonds held by Avista Corporation (1)		(83,700)	(83,700)
	Total long-term debt		\$ 1,453,000	\$ 1,353,000

(1) In December 2010, \$66.7 million and \$17.0 million of the City of Forsyth, Montana Pollution Control Revenue Refunding Bonds (Avista Corporation Colstrip Project) due in 2032 and 2034, respectively, which had been held by Avista Corp. since 2008 and 2009, respectively, were refunded by new bond issues (Series 2010A and Series 2010B). The new bonds were not

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offered to the public and were purchased by Avista Corp. due to market conditions. The Company expects that at a later date, subject to market conditions, these bonds may be remarketed to unaffiliated investors. So long as Avista Corp. is the holder of these bonds, the bonds will not be reflected as an asset or a liability on Avista Corp.'s Balance Sheets.

- (2) In December 2015, Avista Corp. issued \$100.0 million of first mortgage bonds to five institutional investors in a private placement transaction. The first mortgage bonds bear an interest rate of 4.37 percent and mature in 2045. The total net proceeds from the sale of the new bonds were used to repay a portion of the borrowings outstanding under the Company's \$400.0 million committed line of credit and for general corporate purposes.

The following table details future long-term debt maturities including advances from associated companies (see Note 13) (dollars in thousands):

	2016	2017	2018	2019	2020	Thereafter	Total
Debt maturities	\$ 90,000	\$ —	\$ 272,500	\$ 90,000	\$ 52,000	\$ 1,000,047	\$ 1,504,547

Substantially all utility properties owned by Avista Corp. are subject to the lien of the Avista Corp.'s mortgage indenture. Under the Mortgage and Deed of Trust securing the Company's First Mortgage Bonds (including Secured Medium-Term Notes), the Company may issue additional First Mortgage Bonds in an aggregate principal amount equal to the sum of: 1) 66-2/3 percent of the cost or fair value (whichever is lower) of property additions which have not previously been made the basis of any application under the Mortgage, or 2) an equal principal amount of retired First Mortgage Bonds which have not previously been made the basis of any application under the Mortgage, or 3) deposit of cash. However, the Company may not issue any additional First Mortgage Bonds (with certain exceptions in the case of bonds issued on the basis of retired bonds) unless the Company's "net earnings" (as defined in the Mortgage) for any period of 12 consecutive calendar months out of the preceding 18 calendar months were at least twice the annual interest requirements on all mortgage securities at the time outstanding, including the First Mortgage Bonds to be issued, and on all indebtedness of prior rank. As of December 31, 2015, property additions and retired bonds would have allowed, and the net earnings test would not have prohibited, the issuance of \$1.1 billion in aggregate principal amount of additional first mortgage bonds at Avista Corp.

See Note 11 for information regarding first mortgage bonds issued to secure the Company's obligations under its committed line of credit agreement.

NOTE 13. ADVANCES FROM ASSOCIATED COMPANIES

In 1997, the Company issued Floating Rate Junior Subordinated Deferrable Interest Debentures, Series B, with a principal amount of \$51.5 million to Avista Capital II, an affiliated business trust formed by the Company. Avista Capital II issued \$50.0 million of Preferred Trust Securities with a floating distribution rate of LIBOR plus 0.875 percent, calculated and reset quarterly. The distribution rates paid were as follows during the years ended December 31:

	2015	2014
Low distribution rate	1.11%	1.10%
High distribution rate	1.29%	1.11%
Distribution rate at the end of the year	1.29%	1.11%

Concurrent with the issuance of the Preferred Trust Securities, Avista Capital II issued \$1.5 million of Common Trust Securities to the Company. These debt securities may be redeemed at the option of Avista Capital II at any time and mature on June 1, 2037. In December 2000, the Company purchased \$10.0 million of these Preferred Trust Securities.

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The Company owns 100 percent of Avista Capital II and has solely and unconditionally guaranteed the payment of distributions on, and redemption price and liquidation amount for, the Preferred Trust Securities to the extent that Avista Capital II has funds available for such payments from the respective debt securities. Upon maturity or prior redemption of such debt securities, the Preferred Trust Securities will be mandatorily redeemed.

NOTE 14. FAIR VALUE

The carrying values of cash and cash equivalents, special deposits, accounts and notes receivable, accounts payable and notes payable are reasonable estimates of their fair values. Bonds and advances from associated companies are reported at carrying value on the Balance Sheets.

The fair value hierarchy prioritizes the inputs 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 measurement) and the lowest priority to unobservable inputs (Level 3 measurement).

The three levels of the fair value hierarchy are defined as follows:

Level 1 – Quoted prices are available in active markets for identical assets or liabilities. Active markets are those in which transactions for the asset or liability occur with sufficient frequency and volume to provide pricing information on an ongoing basis.

Level 2 – Pricing inputs are other than quoted prices in active markets included in Level 1, which are either directly or indirectly observable as of the reporting date. Level 2 includes those financial instruments that are valued using models or other valuation methodologies. These models are primarily industry-standard models that consider various assumptions, including quoted forward prices for commodities, time value, volatility factors, and current market and contractual prices for the underlying instruments, as well as other relevant economic measures. Substantially all of these assumptions are observable in the marketplace throughout the full term of the instrument, can be derived from observable data or are supported by observable levels at which transactions are executed in the marketplace.

Level 3 – Pricing inputs include significant inputs that are generally unobservable from objective sources. These inputs may be used with internally developed methodologies that result in management's best estimate of fair value.

Financial assets and liabilities are classified in their entirety based on the lowest level of input that is significant to the fair value measurement. The Company's assessment of the significance of a particular input to the fair value measurement requires judgment, and may affect the valuation of fair value assets and liabilities and their placement within the fair value hierarchy levels. The determination of the fair values incorporates various factors that not only include the credit standing of the counterparties involved and the impact of credit enhancements (such as cash deposits and letters of credit), but also the impact of Avista Corp.'s nonperformance risk on its liabilities.

The following table sets forth the carrying value and estimated fair value of the Company's financial instruments not reported at estimated fair value on the Balance Sheets as of December 31 (dollars in thousands):

	2015		2014	
	Carrying Value	Estimated Fair Value	Carrying Value	Estimated Fair Value
Bonds (Level 2)	\$ 951,000	\$ 1,055,797	\$ 951,000	\$ 1,118,972
Bonds (Level 3)	502,000	505,768	402,000	432,728
Advances from associated companies (Level 3)	51,547	36,083	51,547	38,582

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These estimates of fair value of long-term debt and long-term debt to affiliated trusts were primarily based on available market information, which generally consists of estimated market prices from third party brokers for debt with similar risk and terms. The price ranges obtained from the third party brokers consisted of par values of 70.00 to 119.70, where a par value of 100.00 represents the carrying value recorded on the Balance Sheets. Level 2 long-term debt represents publicly issued bonds with quoted market prices; however, due to their limited trading activity, they are classified as level 2 because brokers must generate quotes and make estimates if there is no trading activity near a period end. Level 3 long-term debt consists of private placement bonds and Advances from associated companies, which typically have no secondary trading activity. Fair values in Level 3 are estimated based on market prices from third party brokers using secondary market quotes for debt with similar risk and terms to generate quotes for Avista Corp. bonds.

The following table discloses by level within the fair value hierarchy the Company's assets and liabilities measured and reported on the Balance Sheets as of December 31, 2015 and 2014 at fair value on a recurring basis (dollars in thousands):

	Level 1	Level 2	Level 3	Counterparty and Cash Collateral Netting (1)	Total
December 31, 2015					
Assets:					
Energy commodity derivatives	\$ —	\$ 74,637	\$ —	\$ (73,954)	\$ 683
Level 3 energy commodity derivatives:					
Natural gas exchange agreements	—	—	678	(678)	—
Foreign currency derivatives	—	2	—	(2)	—
Interest rate swaps	—	1,548	—	—	1,548
Deferred compensation assets:					
Fixed income securities	1,727	—	—	—	1,727
Equity securities	5,761	—	—	—	5,761
Total	\$ 7,488	\$ 76,187	\$ 678	\$ (74,634)	\$ 9,719
Liabilities:					
Energy commodity derivatives	\$ —	\$ 97,193	\$ —	\$ (88,480)	\$ 8,713
Level 3 energy commodity derivatives:					
Natural gas exchange agreement	—	—	5,717	(678)	5,039
Power exchange agreement	—	—	21,961	—	21,961
Power option agreement	—	—	124	—	124
Interest rate swaps	—	85,498	—	—	85,498
Foreign currency derivatives	—	19	—	(2)	17
Total	\$ —	\$ 182,710	\$ 27,802	\$ (89,160)	\$ 121,352

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	Level 1	Level 2	Level 3	Counterparty and Cash Collateral Netting (1)	Total
December 31, 2014					
Assets:					
Energy commodity derivatives	\$ —	\$ 96,729	\$ —	\$ (95,204)	\$ 1,525
Level 3 energy commodity derivatives:					
Natural gas exchange agreement	—	—	1,349	(1,349)	—
Foreign currency derivatives	—	1	—	(1)	—
Interest rate swaps	—	966	—	(506)	460
Deferred compensation assets:					
Fixed income securities	1,793	—	—	—	1,793
Equity securities	6,074	—	—	—	6,074
Total	\$ 7,867	\$ 97,696	\$ 1,349	\$ (97,060)	\$ 9,852
Liabilities:					
Energy commodity derivatives	\$ —	\$ 127,094	\$ —	\$ (110,714)	\$ 16,380
Level 3 energy commodity derivatives:					
Natural gas exchange agreement	—	—	1,384	(1,349)	35
Power exchange agreement	—	—	23,299	—	23,299
Power option agreement	—	—	424	—	424
Foreign currency derivatives	—	21	—	(1)	20
Interest rate swaps	—	77,568	—	(29,386)	48,182
Total	\$ —	\$ 204,683	\$ 25,107	\$ (141,450)	\$ 88,340

- (1) The Company is permitted to net derivative assets and derivative liabilities with the same counterparty when a legally enforceable master netting agreement exists. In addition, the Company nets derivative assets and derivative liabilities against any payables and receivables for cash collateral held or placed with these same counterparties.

Avista Corp. enters into forward contracts to purchase or sell a specified amount of energy at a specified time, or during a specified period, in the future. These contracts are entered into as part of Avista Corp.'s management of loads and resources and certain contracts are considered derivative instruments. The difference between the amount of derivative assets and liabilities disclosed in respective levels and the amount of derivative assets and liabilities disclosed on the Balance Sheets is due to netting arrangements with certain counterparties. The Company uses quoted market prices and forward price curves to estimate the fair value of utility derivative commodity instruments included in Level 2. In particular, electric derivative valuations are performed using market quotes, adjusted for periods in between quotable periods. Natural gas derivative valuations are estimated using New York Mercantile Exchange (NYMEX) pricing for similar instruments, adjusted for basin differences, using market quotes. Where observable inputs are available for substantially the full term of the contract, the derivative asset or liability is included in Level 2.

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To establish fair values for interest rate swaps, the Company uses forward market curves for interest rates for the term of the swaps and discounts the cash flows back to present value using an appropriate discount rate. The discount rate is calculated by third party brokers according to the terms of the swap agreements and evaluated by the Company for reasonableness, with consideration given to the potential non-performance risk by the Company. Future cash flows of the interest rate swaps are equal to the fixed interest rate in the swap compared to the floating market interest rate multiplied by the notional amount for each period.

To establish fair value for foreign currency derivatives, the Company uses forward market curves for Canadian dollars against the US dollar and multiplies the difference between the locked-in price and the market price by the notional amount of the derivative. Forward foreign currency market curves are provided by third party brokers. The Company's credit spread is factored into the locked-in price of the foreign exchange contracts.

Deferred compensation assets and liabilities represent funds held by the Company in a Rabbi Trust for an executive deferral plan. These funds consist of actively traded equity and bond funds with quoted prices in active markets. The balance disclosed in the table above excludes cash and cash equivalents of \$0.6 million as of December 31, 2015 and \$0.8 million as of December 31, 2014.

Level 3 Fair Value

Under the power exchange agreement the Company purchases power at a price that is based on the on the average operating and maintenance (O&M) charges from three surrogate nuclear power plants around the country. To estimate the fair value of this agreement the Company estimates the difference between the purchase price based on the future O&M charges and forward prices for energy.

The Company compares the Level 2 brokered quotes and forward price curves described above to an internally developed forward price which is based on the average O&M charges from the three surrogate nuclear power plants for the current year. Because the nuclear power plant O&M charges are only known for one year, all forward years are estimated assuming an annual escalation. In addition to the forward price being estimated using unobservable inputs, the Company also estimates the volumes of the transactions that will take place in the future based on historical average transaction volumes per delivery year (November to April). Significant increases or decreases in any of these inputs in isolation would result in a significantly higher or lower fair value measurement. Generally, a change in the current year O&M charges for the surrogate plants is accompanied by a directionally similar change in O&M charges in future years. There is generally not a correlation between external market prices and the O&M charges used to develop the internal forward price.

For the power commodity option agreement, the Company uses the Black-Scholes-Merton valuation model to estimate the fair value, and this model includes significant inputs not observable or corroborated in the market. These inputs include: 1) the strike price (which is an internally derived price based on a combination of generation plant heat rate factors, natural gas market pricing, delivery and other O&M charges), 2) estimated delivery volumes, and 3) volatility rates for periods beyond January 2018. Significant increases or decreases in any of these inputs in isolation would result in a significantly higher or lower fair value measurement. Generally, changes in overall commodity market prices and volatility rates are accompanied by directionally similar changes in the strike price and volatility assumptions used in the calculation.

For the natural gas commodity exchange agreement, the Company uses the same Level 2 brokered quotes described above; however, the Company also estimates the purchase and sales volumes (within contractual limits) as well as the timing of those transactions. Changing the timing of volume estimates changes the timing of purchases and sales, impacting which brokered quote is used. Because the brokered quotes can vary significantly from period to period, the unobservable estimates of the timing and volume of transactions can have a significant impact on the calculated fair value. The Company currently estimates volumes and timing of transactions based on a most likely scenario using historical data. Historically, the timing and volume of transactions have not been highly correlated with market prices and market volatility.

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The following table presents the quantitative information which was used to estimate the fair values of the Level 3 assets and liabilities above as of December 31, 2015 (dollars in thousands):

	Fair Value (Net) at December 31, 2015	Valuation Technique	Unobservable Input	Range
Power exchange agreement	\$ (21,961)	Surrogate facility pricing	O&M charges	\$33.52-\$43.65/MWh (1)
			Escalation factor	3% - 2016 to 2019
			Transaction volumes	233,054 - 397,030 MWhs
Power option agreement	(124)	Black-Scholes-Merton	Strike price	\$35.43/MWh - 2016
				\$48.78/MWh - 2019
			Delivery volumes	157,517 - 285,979 MWhs
			Volatility rates	0.20 (2)
Natural gas exchange agreement	(5,039)	Internally derived weighted average cost of gas	Forward purchase prices	\$1.67 - \$2.84/mmBTU
			Forward sales prices	\$1.88 - \$3.68/mmBTU
			Purchase volumes	115,000 - 310,000 mmBTUs
			Sales volumes	30,000 - 310,000 mmBTUs

(1) The average O&M charges for the delivery year beginning in November 2015 were \$39.27 per MWh. For ratemaking purposes the average O&M charges to be included for recovery in retail rates vary slightly between regulatory jurisdictions. The average O&M charges for the delivery year beginning in 2015 are \$43.52 for Washington and \$39.27 for Idaho.

(2) The estimated volatility rate of 0.20 is compared to actual quoted volatility rates of 0.37 for 2016 to 0.24 in January 2018.

Avista Corp.'s risk management department and accounting department are responsible for developing the valuation methods described above and both groups report to the Chief Financial Officer. The valuation methods, significant inputs and resulting fair values described above are reviewed on at least a quarterly basis by the risk management department and the accounting department to ensure they provide a reasonable estimate of fair value each reporting period.

The following table presents activity for energy commodity derivative assets (liabilities) measured at fair value using significant unobservable inputs (Level 3) for the years ended December 31 (dollars in thousands):

Natural Gas Exchange Agreement	Power Exchange Agreement	Power Option Agreement	Total
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Year ended December 31, 2015:

Balance as of January 1, 2015	\$	(35)	\$	(23,299)	\$	(424)	\$	(23,758)
Total gains or losses (realized/unrealized):								
Included in regulatory assets/liabilities (1)		(6,008)		(6,198)		300		(11,906)
Settlements		1,004		7,536		—		8,540
Ending balance as of December 31, 2015 (2)	<u>\$</u>	<u>(5,039)</u>	<u>\$</u>	<u>(21,961)</u>	<u>\$</u>	<u>(124)</u>	<u>\$</u>	<u>(27,124)</u>

Year ended December 31, 2014:

Balance as of January 1, 2014	\$	(1,219)	\$	(14,441)	\$	(775)	\$	(16,435)
Total gains or losses (realized/unrealized):								
Included in regulatory assets/liabilities (1)		3,873		(10,002)		351		(5,778)
Settlements		(2,689)		1,144		—		(1,545)
Ending balance as of December 31, 2014 (2)	<u>\$</u>	<u>(35)</u>	<u>\$</u>	<u>(23,299)</u>	<u>\$</u>	<u>(424)</u>	<u>\$</u>	<u>(23,758)</u>

(1) All gains and losses are included in other regulatory assets and liabilities. There were no gains and losses included in either net income or other comprehensive income during any of the periods presented in the table above.

(2) There were no purchases, issuances or transfers from other categories of any derivatives instruments during the periods presented in the table above.

NOTE 15. COMMON STOCK

The Company had a Direct Stock Purchase and Dividend Reinvestment Plan under which the Company's shareholders could automatically reinvest their dividends and make optional cash payments for the purchase of the Company's common stock at current market value. This plan was terminated by the Company in 2014.

The payment of dividends on common stock could be limited by:

- certain covenants applicable to preferred stock (when outstanding) contained in the Company's Restated Articles of Incorporation, as amended (currently there are no preferred shares outstanding),
- certain covenants applicable to the Company's outstanding long-term debt and committed line of credit agreements,
- the hydroelectric licensing requirements of section 10(d) of the FPA (see Note 1), and,
- certain requirements under the Public Utility Commission of Oregon (OPUC) approval of the AERC acquisition. As of July 1, 2015 (one year following the acquisition date), the OPUC does not permit one-time or special dividends from AERC to Avista Corp. and does not permit Avista Corp.'s total equity to total capitalization to be less than 40 percent, without approval from the OPUC. However, the OPUC approval does allow for regular distributions of AERC earnings to Avista Corp. as long as AERC remains sufficiently capitalized and insured.

The Company declared the following dividends for the year ended December 31:

	2015	2014
Dividends paid per common share	\$ 1.32	\$ 1.27

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Under the covenant applicable to the Company's committed line of credit agreement, which does not permit the ratio of "consolidated total debt" to "consolidated total capitalization" to be greater than 65 percent at any time, the amount of retained earnings available for dividends at December 31, 2015 was limited to approximately \$385.3 million.

Under the requirements of the OPUC approval of the AERC acquisition as outlined above, the amount available for dividends at December 31, 2015 was limited to approximately \$231.0 million.

The Company has 10 million authorized shares of preferred stock. The Company did not have any preferred stock outstanding as of December 31, 2015 and 2014.

Stock Repurchase Programs

During 2014, Avista Corp.'s Board of Directors approved a program to repurchase up to 4 million shares of the Company's outstanding common stock (2014 program). Repurchases of common stock under this program began on July 7, 2014 and the program expired on December 31, 2014. Repurchases were made in the open market or in privately negotiated transactions. Under the 2014 program the Company repurchased 2,529,615 shares at a total cost of \$79.9 million and an average cost of \$31.57 per share. The Company did not make any repurchases under this program subsequent to October 2014.

Avista Corp. initiated a second stock repurchase program on January 2, 2015 that expired on March 31, 2015 for the repurchase of up to 800,000 shares of the Company's outstanding common stock (first quarter 2015 program). The number of shares repurchased through the first quarter 2015 program was in addition to the number of shares repurchased under the 2014 program, which expired on December 31, 2014. Under the first quarter 2015 program, the Company repurchased 89,400 shares at a total cost of \$2.9 million and an average cost of \$32.66 per share. All repurchased shares under the 2014 program and the first quarter 2015 program reverted to the status of authorized but unissued shares.

NOTE 16. COMMITMENTS AND CONTINGENCIES

In the course of its business, the Company becomes involved in various claims, controversies, disputes and other contingent matters, including the items described in this Note. Some of these claims, controversies, disputes and other contingent matters involve litigation or other contested proceedings. For all such matters, the Company intends to vigorously protect and defend its interests and pursue its rights. However, no assurance can be given as to the ultimate outcome of any particular matter because litigation and other contested proceedings are inherently subject to numerous uncertainties. For matters that affect Avista Corp.'s operations, the Company intends to seek, to the extent appropriate, recovery of incurred costs through the ratemaking process.

California Refund Proceeding

Recently, APX, a market maker in these proceedings in whose markets Avista Energy participated in the summer of 2000, has asserted that Avista Energy and its other customer/participants may be responsible for a share of the disgorgement penalty APX may be found to owe to the California parties. The penalty arises as a result of the FERC finding that APX committed violations in the California market in the summer of 2000. APX is making these assertions despite Avista Energy having been dismissed in FERC Opinion No. 536 from the on-going administrative proceeding at the FERC regarding potential wrongdoing in the California markets in the summer of 2000. APX has identified Avista Energy's share of APX's exposure to be as much as \$16.0 million even though no wrongdoing allegations are specifically attributable to Avista Energy. Avista Energy believes its settlement insulates it from any such liability and that as a dismissed party it cannot be drawn back into the litigation. Avista Energy intends to vigorously dispute APX's assertions of indirect liability, but cannot at this time predict the eventual outcome.

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Pacific Northwest Refund Proceeding

In July 2001, the FERC initiated a preliminary evidentiary hearing to develop a factual record as to whether prices for spot market sales of wholesale energy in the Pacific Northwest between December 25, 2000 and June 20, 2001 were just and reasonable. In June 2003, the FERC terminated the Pacific Northwest refund proceedings, after finding that the equities do not justify the imposition of refunds. In August 2007, the Ninth Circuit found that the FERC had failed to take into account new evidence of market manipulation and that such failure was arbitrary and capricious and, accordingly, remanded the case to the FERC, stating that the FERC's findings must be reevaluated in light of the new evidence. The Ninth Circuit expressly declined to direct the FERC to grant refunds. On October 3, 2011, the FERC issued an Order on Remand. On April 5, 2013, the FERC issued an Order on Rehearing expanding the temporal scope of the proceeding to permit parties to submit evidence on transactions during the period from January 1, 2000 through and including June 20, 2001. The Order on Remand established an evidentiary, trial-type hearing before an ALJ, and reopened the record to permit parties to present evidence of unlawful market activity. The Order on Remand stated that parties seeking refunds must submit evidence demonstrating that specific unlawful market activity occurred, and must demonstrate that such activity directly affected negotiations with respect to the specific contract rate about which they complain. Simply alleging a general link between the dysfunctional spot market in California and the Pacific Northwest spot market would not be sufficient to establish a causal connection between a particular seller's alleged unlawful activities and the specific contract negotiations at issue. The hearing was conducted in August through October 2013.

On July 11, 2012 and March 28, 2013, Avista Energy and Avista Corp. filed settlements of all issues in this docket with regard to the claims made by the City of Tacoma and the California AG (on behalf of CERS). The FERC has approved the settlements and they are final. The remaining direct claimant against Avista Corp. and Avista Energy in this proceeding is the City of Seattle, Washington (Seattle).

With regard to the Seattle claims, on March 28, 2014, the Presiding ALJ issued her Initial Decision finding that: 1) Seattle failed to demonstrate that either Avista Corp. or Avista Energy engaged in unlawful market activity and also failed to identify any specific contracts at issue; 2) Seattle failed to demonstrate that contracts with either Avista Corp. or Avista Energy imposed an excessive burden on consumers or seriously harmed the public interest; and that 3) Seattle failed to demonstrate that either Avista Corp. or Avista Energy engaged in any specific violations of substantive provisions of the FPA or any filed tariffs or rate schedules. Accordingly, the ALJ denied all of Seattle's claims under both section 206 and section 309 of the FPA. On May 22, 2015, the FERC issued its Order on Initial Decision in which it upheld the ALJ's Initial Decision denying all of Seattle's claims against Avista Corp. and Avista Energy. Seattle filed a Request for Rehearing of the FERC's Order on Initial Decision which was denied on December 31, 2015. Seattle appealed the FERC's decision to the Ninth Circuit. The Company does not expect that this matter will have a material adverse effect on its financial condition, results of operations or cash flows.

Sierra Club and Montana Environmental Information Center Complaint Against the Owners of Colstrip

On March 6, 2013, the Sierra Club and Montana Environmental Information Center (MEIC) (collectively "Plaintiffs"), filed a Complaint in the United States District Court for the District of Montana, Billings Division, against the Owners of the Colstrip Generating Project ("Colstrip"). Avista Corp. owns a 15 percent interest in Units 3 & 4 of Colstrip. The other Colstrip co-Owners are Talen (formerly PPL Montana), Puget Sound Energy, Portland General Electric Company, NorthWestern Energy and PacifiCorp. The Complaint alleges certain violations of the Clean Air Act, including the New Source Review, Title V and opacity requirements.

On September 27, 2013, the Plaintiffs filed an Amended Complaint. The Amended Complaint withdrew from the original Complaint fifteen claims related to seven pre-January 1, 2001 Colstrip maintenance projects, upgrade projects and work projects and claims alleging violations of Title V and opacity requirements. The Amended Complaint alleges certain violations of the Clean Air Act and the New Source Review and adds claims with respect to post-January 1, 2001 Colstrip projects.

On August 27, 2014, the Plaintiffs filed a Second Amended Complaint. The Second Amended Complaint withdraws from the

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Amended Complaint five claims and adds one new claim. The Second Amended Complaint alleges certain violations of the Clean Air Act and the New Source Review. The Plaintiffs request that the Court grant injunctive and declaratory relief, order remediation of alleged environmental damages, impose civil penalties, require a beneficial environmental project in the areas affected by the alleged air pollution and require payment of Plaintiffs' costs of litigation and attorney fees. The Plaintiffs have since indicated that they do not intend to pursue two of the seven projects, leaving a total of five projects remaining. A number of motions for summary judgment were filed by both the Plaintiffs and the defendants. The Court issued its rulings on these motions and, as a result, only two projects remain for trial. The Plaintiffs have filed objections to the order.

The case has been bifurcated into separate liability and remedy trials. The Court has set the liability trial date for May 31, 2016. No date has been set for the remedy trial.

Management believes that it is reasonably possible that this matter could result in a loss to the Company. However, due to uncertainties concerning this matter, Avista Corp. cannot predict the outcome or determine whether it would have a material impact on the Company.

Cabinet Gorge Total Dissolved Gas Abatement Plan

Dissolved atmospheric gas levels (referred to as "TDG") in the Clark Fork River exceed state of Idaho and federal water quality numeric standards downstream of Cabinet Gorge during periods when excess river flows must be diverted over the spillway. Under the terms of the Clark Fork Settlement Agreement as incorporated in Avista Corp.'s FERC license for the Clark Fork Project, Avista Corp. has worked in consultation with agencies, tribes and other stakeholders to address this issue. Under the terms of a gas supersaturation mitigation plan, Avista is reducing TDG by constructing spill crest modifications on spill gates at the dam, and the Company expects to continue spill crest modifications over the next several years, in ongoing consultation with key stakeholders. Avista Corp. cannot at this time predict the outcome or estimate a range of costs associated with this contingency; however, the Company will continue to seek recovery, through the ratemaking process, of all operating and capitalized costs related to this issue.

Fish Passage at Cabinet Gorge and Noxon Rapids

In 1999, the United States Fish and Wildlife Service (USFWS) listed bull trout as threatened under the Endangered Species Act. In 2010, the USFWS issued a revised designation of critical habitat for bull trout, which includes the lower Clark Fork River. The USFWS issued a final recovery plan in October 2015.

The Clark Fork Settlement Agreement describes programs intended to help restore bull trout populations in the project area. Using the concept of adaptive management and working closely with the USFWS, the Company evaluated the feasibility of fish passage at Cabinet Gorge and Noxon Rapids. The results of these studies led, in part, to the decision to move forward with development of permanent facilities, among other bull trout enhancement efforts. Fishway designs for Cabinet Gorge have been completed, and the Company is developing construction cost estimates currently. The Company believes its ongoing efforts through the Clark Fork Settlement Agreement continue to effectively address issues related to bull trout. Avista Corp. cannot at this time predict the outcome or estimate a range of costs associated with this contingency; however, the Company will continue to seek recovery, through the ratemaking process, of all operating and capitalized costs related to fish passage at Cabinet Gorge and Noxon Rapids.

Collective Bargaining Agreements

The Company's collective bargaining agreements with the IBEW represents approximately 45 percent of all of Avista Corp.'s employees. The agreement with the local union in Washington and Idaho representing the majority (approximately 90 percent) of the Avista Corp.'s bargaining unit employees expires in March 2016. In October 2015, a new collective bargaining agreement concerning wages over the three-year period 2016 through 2018 was approved by the local IBEW in Washington and Idaho. The new collective bargaining agreement will be effective in March 2016.

A three-year agreement in Oregon, which covers approximately 50 employees, expires in March 2017.

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There is a risk that if collective bargaining agreements expire and new agreements are not reached in each of our jurisdictions, employees could strike. Given the magnitude of employees that are covered by collective bargaining agreements, this could result in disruptions of our operations. However, the Company believes that the possibility of this occurring is remote.

Customer Information and Work Management Systems Project Cost Recovery

Over the past four years, Avista Corp. has invested significant capital into Project Compass. Project Compass was completed and went into service during the first quarter of 2015. As part of the Washington electric and natural gas general rate cases filed in February 2015 and the Oregon natural gas general rate case filed in May 2015, Avista Corp. requested the full recovery of the Washington and Oregon share of the costs associated with this project.

On July 27, 2015, the UTC Staff in the Company's electric and natural gas general rate cases filed responsive testimony. Included in their testimony was a recommendation to disallow \$12.7 million (Washington's share) of Project Compass costs primarily related to the delay in the completion of the project. In a UTC order received in January 2016, the UTC approved the full recovery of Washington's share of Project Compass costs with no disallowances.

In October 2015, the OPUC staff filed testimony in the Company's natural gas general rate case which included a recommendation to disallow \$1.2 million (Oregon's share) of Project Compass costs, similar to the initial recommendation in Washington. In an OPUC order received in February 2016, the OPUC approved the full recovery of Oregon's portion of Project Compass costs, with no disallowances.

Other Contingencies

In the normal course of business, the Company has various other legal claims and contingent matters outstanding. The Company believes that any ultimate liability arising from these actions will not have a material impact on its financial condition, results of operations or cash flows. It is possible that a change could occur in the Company's estimates of the probability or amount of a liability being incurred. Such a change, should it occur, could be significant.

The Company routinely assesses, based on studies, expert analyses and legal reviews, its contingencies, obligations and commitments for remediation of contaminated sites, including assessments of ranges and probabilities of recoveries from other responsible parties who either have or have not agreed to a settlement as well as recoveries from insurance carriers. The Company's policy is to accrue and charge to current expense identified exposures related to environmental remediation sites based on estimates of investigation, cleanup and monitoring costs to be incurred. For matters that affect Avista Corp.'s or AEL&P's operations, the Company seeks, to the extent appropriate, recovery of incurred costs through the ratemaking process.

The Company has potential liabilities under the Endangered Species Act for species of fish, plants and wildlife that have either already been added to the endangered species list, listed as "threatened" or petitioned for listing. Thus far, measures adopted and implemented have had minimal impact on the Company. However, the Company will continue to seek recovery, through the ratemaking process, of all operating and capitalized costs related to these issues.

Under the federal licenses for its hydroelectric projects, the Company is obligated to protect its property rights, including water rights. In addition, the company holds additional non-hydro water rights. The state of Montana is examining the status of all water right claims within state boundaries through a general adjudication. Claims within the Clark Fork River basin could adversely affect the energy production of the Company's Cabinet Gorge and Noxon Rapids hydroelectric facilities. The state of Idaho has initiated adjudication in northern Idaho, which will ultimately include the lower Clark Fork River, the Spokane River and the Coeur d'Alene basin. The Company is and will continue to be a participant in these and any other relevant adjudication processes. The complexity of such adjudications makes each unlikely to be concluded in the foreseeable future. As such, it is not possible for the Company to estimate the

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impact of any outcome at this time. The Company will continue to seek recovery, through the ratemaking process, of all operating and capitalized costs related to this issue.

NOTE 17. REGULATORY MATTERS

Power Cost Deferrals and Recovery Mechanisms

Deferred power supply costs are recorded as a deferred charge on the Balance Sheets for future prudence review and recovery through retail rates. The power supply costs deferred include certain differences between actual net power supply costs incurred by Avista Corp. and the costs included in base retail rates. This difference in net power supply costs primarily results from changes in:

- short-term wholesale market prices and sales and purchase volumes,
- the level and availability of hydroelectric generation,
- the level and availability of thermal generation (including changes in fuel prices), and
- retail loads.

In Washington, the ERM allows Avista Corp. to periodically increase or decrease electric rates with UTC approval to reflect changes in power supply costs. The ERM is an accounting method used to track certain differences between actual power supply costs, net of wholesale sales and sales of fuel, and the amount included in base retail rates for Washington customers. Total net deferred power costs under the ERM were a liability of \$18.0 million as of December 31, 2015 compared to a liability of \$14.2 million as of December 31, 2014, and these deferred power cost balances represent amounts due to customers.

Avista Corp. has a PCA mechanism in Idaho that allows it to modify electric rates on October 1 of each year with IPUC approval. Under the PCA mechanism, Avista Corp. defers 90 percent of the difference between certain actual net power supply expenses and the amount included in base retail rates for its Idaho customers. These annual October 1 rate adjustments recover or rebate power costs deferred during the preceding July-June twelve-month period. Total net power supply costs deferred under the PCA mechanism were a regulatory asset of \$0.2 million as of December 31, 2015 compared to a regulatory asset of \$8.3 million as of December 31, 2014.

Natural Gas Cost Deferrals and Recovery Mechanisms

Avista Corp. files a PGA in all three states it serves to adjust natural gas rates for: 1) estimated commodity and pipeline transportation costs to serve natural gas customers for the coming year, and 2) the difference between actual and estimated commodity and transportation costs for the prior year. Total net deferred natural gas costs to be refunded to customers were a liability of \$17.9 million as of December 31, 2015 compared to a liability of \$3.9 million as of December 31, 2014.

Decoupling and Earnings Sharing Mechanisms

Decoupling is a mechanism designed to sever the link between a utility's revenues and consumers' energy usage. The Company's actual revenue, based on kilowatt hour and therm sales will vary, up or down, from the level included in a general rate case, which could be caused by changes in weather, energy conservation or the economy. Generally, the Company's electric and natural gas revenues will be adjusted each month to be based on the number of customers, rather than kilowatt hour and therm sales. The difference between revenues based on sales and revenues based on the number of customers will be deferred and either surcharged or rebated to customers beginning in the following year.

Washington Decoupling and Earnings Sharing

In Washington, the UTC approved the Company's decoupling mechanisms for electric and natural gas for a five-year period that commenced January 1, 2015. Electric and natural gas decoupling surcharge rate adjustments to customers are limited to 3 percent on an annual basis, with any remaining surcharge balance carried forward for recovery in a future period. There is no limit on the level of

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rebate rate adjustments.

The decoupling mechanisms each include an after-the-fact earnings test. At the end of each calendar year, separate electric and natural gas earnings calculations will be made for the prior calendar year. These earnings tests will reflect actual decoupled revenues, normalized power supply costs and other normalizing adjustments.

As of December 31, 2015, the Company had a total net decoupling surcharge (asset) of \$10.9 million for Washington electric and natural gas customers and a liability (rebate to customers) for earnings sharing of \$3.4 million for Washington electric customers.

Idaho Fixed Cost Adjustment (FCA) and Earnings Sharing Mechanisms

In Idaho, the IPUC approved the implementation of FCAs for electric and natural gas (similar in operation and effect to the Washington decoupling mechanisms) for an initial term of three years, commencing on January 1, 2016.

For the period 2013 through 2015, the Company had an after-the-fact earnings test, such that if Avista Corp., on a consolidated basis for electric and natural gas operations in Idaho, earned more than a 9.8 percent ROE, the Company was required to share with customers 50 percent of any earnings above the 9.8 percent. There was no provision for a surcharge to customers if the Company's ROE was less than 9.8 percent. This after-the-fact earnings test was discontinued as part of the settlement of the Company's 2015 Idaho electric and natural gas general rates cases. As of December 31, 2015 and December 31, 2014, the Company had total cumulative earnings sharing liabilities (rebates to customers) of \$8.8 million and \$10.1 million, respectively for electric and natural gas customers.

NOTE 18. SUPPLEMENTAL CASH FLOW INFORMATION

	2015	2014
Cash paid for interest	\$72,405	\$69,693
Cash paid (received) for income taxes	\$(10,506)	\$41,154

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Summary of Utility Plant and Accumulated Provisions for Depreciation, Amortization and Depletion

Line No.	Item (a)	Total Company For the Current Quarter/Year
1	UTILITY PLANT	
2	In Service	
3	Plant in Service (Classified)	4,912,498,999
4	Property Under Capital Leases	6,729,064
5	Plant Purchased or Sold	
6	Completed Construction not Classified	
7	Experimental Plant Unclassified	
8	TOTAL Utility Plant (Total of lines 3 thru 7)	4,919,228,063
9	Leased to Others	
10	Held for Future Use	3,966,915
11	Construction Work in Progress	190,108,665
12	Acquisition Adjustments	
13	TOTAL Utility Plant (Total of lines 8 thru 12)	5,113,303,643
14	Accumulated Provisions for Depreciation, Amortization, & Depletion	1,680,907,938
15	Net Utility Plant (Total of lines 13 and 14)	3,432,395,705
16	DETAIL OF ACCUMULATED PROVISIONS FOR DEPRECIATION, AMORTIZATION AND DEPLETION	
17	In Service:	
18	Depreciation	1,626,086,020
19	Amortization and Depletion of Producing Natural Gas Land and Land Rights	
20	Amortization of Underground Storage Land and Land Rights	
21	Amortization of Other Utility Plant	54,821,918
22	TOTAL In Service (Total of lines 18 thru 21)	1,680,907,938
23	Leased to Others	
24	Depreciation	
25	Amortization and Depletion	
26	TOTAL Leased to Others (Total of lines 24 and 25)	
27	Held for Future Use	
28	Depreciation	
29	Amortization	
30	TOTAL Held for Future Use (Total of lines 28 and 29)	
31	Abandonment of Leases (Natural Gas)	
32	Amortization of Plant Acquisition Adjustment	
33	TOTAL Accum. Provisions (Should agree with line 14 above)(Total of lines 22, 26, 30, 31, and 32)	1,680,907,938

Summary of Utility Plant and Accumulated Provisions for Depreciation, Amortization and Depletion (continued)

Line No.	Electric (c)	Gas (d)	Other (specify) (e)	Common (f)
1				
2				
3	3,525,164,547	962,527,501		424,806,951
4	286,715	858,864		5,583,485
5				
6				
7				
8	3,525,451,262	963,386,365		430,390,436
9				
10	3,776,330	190,585		
11	152,073,992	13,516,794		24,517,879
12				
13	3,681,301,584	977,093,744		454,908,315
14	1,264,628,194	317,998,694		98,281,050
15	2,416,673,390	659,095,050		356,627,265
16				
17				
18	1,247,691,281	316,058,415		62,336,324
19				
20				
21	16,936,912	1,940,280		35,944,726
22	1,264,628,193	317,998,695		98,281,050
23				
24				
25				
26				
27				
28				
29				
30				
31				
32				
33	1,264,628,193	317,998,695		98,281,050

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Gas Plant in Service (Accounts 101, 102, 103, and 106)

- Report below the original cost of gas plant in service according to the prescribed accounts.
- In addition to Account 101, Gas Plant in Service (Classified), this page and the next include Account 102, Gas Plant Purchased or Sold, Account 103, Experimental Gas Plant Unclassified, and Account 106, Completed Construction Not Classified-Gas.
- Include in column (c) and (d), as appropriate corrections of additions and retirements for the current or preceding year.
- Enclose in parenthesis credit adjustments of plant accounts to indicate the negative effect of such accounts.
- Classify Account 106 according to prescribed accounts, on an estimated basis if necessary, and include the entries in column (c). Also to be included in column (c) are entries for reversals of tentative distributions of prior year reported in column (b). Likewise, if the respondent has a significant amount of plant retirements which have not been classified to primary accounts at the end of the year, include in column (d) a tentative distribution of such retirements, on an estimated basis, with appropriate contra entry to the account for accumulated depreciation provision. Include also in column (d) reversals of tentative distributions of prior year's unclassified retirements. Attach supplemental statement showing the account distributions of these tentative classifications in columns (c) and (d).

Line No.	Account (a)	Balance at Beginning of Year (b)	Additions (c)
1	INTANGIBLE PLANT		
2	301 Organization		
3	302 Franchises and Consents		
4	303 Miscellaneous Intangible Plant	4,070,621	1,342,257
5	TOTAL Intangible Plant (Enter Total of lines 2 thru 4)	4,070,621	1,342,257
6	PRODUCTION PLANT		
7	Natural Gas Production and Gathering Plant		
8	325.1 Producing Lands		
9	325.2 Producing Leaseholds		
10	325.3 Gas Rights		
11	325.4 Rights-of-Way		
12	325.5 Other Land and Land Rights		
13	326 Gas Well Structures		
14	327 Field Compressor Station Structures		
15	328 Field Measuring and Regulating Station Equipment		
16	329 Other Structures		
17	330 Producing Gas Wells-Well Construction		
18	331 Producing Gas Wells-Well Equipment		
19	332 Field Lines		
20	333 Field Compressor Station Equipment		
21	334 Field Measuring and Regulating Station Equipment		
22	335 Drilling and Cleaning Equipment		
23	336 Purification Equipment		
24	337 Other Equipment		
25	338 Unsuccessful Exploration and Development Costs		
26	339 Asset Retirement Costs for Natural Gas Production and		
27	TOTAL Production and Gathering Plant (Enter Total of lines 8		
28	PRODUCTS EXTRACTION PLANT		
29	340 Land and Land Rights		
30	341 Structures and Improvements		
31	342 Extraction and Refining Equipment		
32	343 Pipe Lines		
33	344 Extracted Products Storage Equipment		

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Gas Plant in Service (Accounts 101, 102, 103, and 106) (continued)

including the reversals of the prior years tentative account distributions of these amounts. Careful observance of the above instructions and the texts of Account 101 and 106 will avoid serious omissions of respondent's reported amount for plant actually in service at end of year.

6. Show in column (f) reclassifications or transfers within utility plant accounts. Include also in column (f) the additions or reductions of primary account classifications arising from distribution of amounts initially recorded in Account 102. In showing the clearance of Account 102, include in column (e) the amounts with respect to accumulated provision for depreciation, acquisition adjustments, etc., and show in column (f) only the offset to the debits or credits to primary account classifications.

7. For Account 399, state the nature and use of plant included in this account and if substantial in amount submit a supplementary statement showing subaccount classification of such plant conforming to the requirements of these pages.

8. For each amount comprising the reported balance and changes in Account 102, state the property purchased or sold, name of vendor or purchaser, and date of transaction. If proposed journal entries have been filed with the Commission as required by the Uniform System of Accounts, give date of such filing.

Line No.	Retirements (d)	Adjustments (e)	Transfers (f)	Balance at End of Year (g)
1				
2				
3				
4	942,550			4,470,328
5	942,550			4,470,328
6				
7				
8				
9				
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Gas Plant in Service (Accounts 101, 102, 103, and 106) (continued)

Line No.	Account (a)	Balance at Beginning of Year (b)	Additions (c)
34	345 Compressor Equipment		
35	346 Gas Measuring and Regulating Equipment		
36	347 Other Equipment		
37	348 Asset Retirement Costs for Products Extraction Plant		
38	TOTAL Products Extraction Plant (Enter Total of lines 29 thru 37)		
39	TOTAL Natural Gas Production Plant (Enter Total of lines 27 and		
40	Manufactured Gas Production Plant (Submit Supplementary	7,628	
41	TOTAL Production Plant (Enter Total of lines 39 and 40)	7,628	
42	NATURAL GAS STORAGE AND PROCESSING PLANT		
43	Underground Storage Plant		
44	350.1 Land	407,111	
45	350.2 Rights-of-Way	59,812	
46	351 Structures and Improvements	1,682,690	223,772
47	352 Wells	13,681,024	223,773
48	352.1 Storage Leaseholds and Rights	254,354	
49	352.2 Reservoirs	1,667,492	
50	352.3 Non-recoverable Natural Gas	5,810,311	
51	353 Lines	1,106,781	
52	354 Compressor Station Equipment	14,656,647	223,772
53	355 Other Equipment	458,185	223,773
54	356 Purification Equipment	403,712	
55	357 Other Equipment	1,774,986	223,772
56	358 Asset Retirement Costs for Underground Storage Plant		
57	TOTAL Underground Storage Plant (Enter Total of lines 44 thru	41,963,105	1,118,862
58	Other Storage Plant		
59	360 Land and Land Rights		
60	361 Structures and Improvements		
61	362 Gas Holders		
62	363 Purification Equipment		
63	363.1 Liquefaction Equipment		
64	363.2 Vaporizing Equipment		
65	363.3 Compressor Equipment		
66	363.4 Measuring and Regulating Equipment		
67	363.5 Other Equipment		
68	363.6 Asset Retirement Costs for Other Storage Plant		
69	TOTAL Other Storage Plant (Enter Total of lines 58 thru 68)		
70	Base Load Liquefied Natural Gas Terminating and Processing Plant		
71	364.1 Land and Land Rights		
72	364.2 Structures and Improvements		
73	364.3 LNG Processing Terminal Equipment		
74	364.4 LNG Transportation Equipment		
75	364.5 Measuring and Regulating Equipment		
76	364.6 Compressor Station Equipment		
77	364.7 Communications Equipment		
78	364.8 Other Equipment		
79	364.9 Asset Retirement Costs for Base Load Liquefied Natural Gas		
80	TOTAL Base Load Liquefied Nat'l Gas, Terminating and		

Gas Plant in Service (Accounts 101, 102, 103, and 106) (continued)

Line No.	Retirements (d)	Adjustments (e)	Transfers (f)	Balance at End of Year (g)
34				
35				
36				
37				
38				
39				
40				7,628
41				7,628
42				
43				
44				407,111
45				59,812
46	2,268	2,268		1,906,462
47				13,904,797
48				254,354
49				1,667,492
50				5,810,311
51				1,106,781
52		(3,711)		14,876,708
53		1,443		683,401
54				403,712
55				1,998,758
56				
57	2,268			43,079,699
58				
59				
60				
61				
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Gas Plant in Service (Accounts 101, 102, 103, and 106) (continued)

Line No.	Account (a)	Balance at Beginning of Year (b)	Additions (c)
81	TOTAL Nat'l Gas Storage and Processing Plant (Total of lines 57,	41,963,105	1,118,862
82	TRANSMISSION PLAN		
83	365.1 Land and Land Rights		
84	365.2 Rights-of-Way		
85	366 Structures and Improvements		
86	367 Mains		
87	368 Compressor Station Equipment		
88	369 Measuring and Regulating Station Equipment		
89	370 Communication Equipment		
90	371 Other Equipment		
91	372 Asset Retirement Costs for Transmission Plant		
92	TOTAL Transmission Plant (Enter Totals of lines 83 thru 91)		
93	DISTRIBUTION PLANT		
94	374 Land and Land Rights	855,317	31,457
95	375 Structures and Improvements	1,135,565	197,827
96	376 Mains	425,897,613	37,847,636
97	377 Compressor Station Equipment		
98	378 Measuring and Regulating Station Equipment-General	10,199,118	423,507
99	379 Measuring and Regulating Station Equipment-City Gate	7,880,758	1,651,797
100	380 Services	255,486,916	22,316,711
101	381 Meters	104,152,189	7,882,260
102	382 Meter Installations		
103	383 House Regulators		
104	384 House Regulator Installations		
105	385 Industrial Measuring and Regulating Station Equipment	4,688,395	244,495
106	386 Other Property on Customers' Premises		
107	387 Other Equipment	539	
108	388 Asset Retirement Costs for Distribution Plant		
109	TOTAL Distribution Plant (Enter Total of lines 94 thru 108)	810,296,410	70,595,690
110	GENERAL PLANT		
111	389 Land and Land Rights	1,327,029	
112	390 Structures and Improvements	5,761,699	86,765
113	391 Office Furniture and Equipment	624,640	20,269
114	392 Transportation Equipment	12,253,089	2,652,361
115	393 Stores Equipment	141,498	
116	394 Tools, Shop, and Garage Equipment	5,955,544	367,787
117	395 Laboratory Equipment	530,584	8,434
118	396 Power Operated Equipment	4,316,053	384,934
119	397 Communication Equipment	3,478,666	
120	398 Miscellaneous Equipment	2,367	
121	Subtotal (Enter Total of lines 111 thru 120)	34,391,169	3,520,550
122	399 Other Tangible Property		
123	399.1 Asset Retirement Costs for General Plant		
124	TOTAL General Plant (Enter Total of lines 121, 122 and 123)	34,391,169	3,520,550
125	TOTAL (Accounts 101 and 106)	890,728,933	76,577,359
126	Gas Plant Purchased (See Instruction 8)		
127	(Less) Gas Plant Sold (See Instruction 8)		
128	Experimental Gas Plant Unclassified		
129	TOTAL Gas Plant In Service (Enter Total of lines 125 thru 128)	890,728,933	76,577,359

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Gas Plant in Service (Accounts 101, 102, 103, and 106) (continued)

Line No.	Retirements (d)	Adjustments (e)	Transfers (f)	Balance at End of Year (g)
81	2,268			43,079,699
82				
83				
84				
85				
86				
87				
88				
89				
90				
91				
92				
93				
94				886,774
95	3,710			1,329,682
96	1,390,887		3,087	462,357,449
97				
98	38,780	131,898		10,715,743
99	43,527	(131,898)	(3,087)	9,354,043
100	456,588			277,347,039
101	166,372			111,868,077
102				
103				
104				
105				4,932,890
106				
107				539
108				
109	2,099,864			878,792,236
110				
111	1,320			1,325,709
112				5,848,464
113	10,577			634,332
114	687,878	1		14,217,573
115				141,498
116	58,314	2		6,265,019
117	107,604			431,414
118		(261)		4,700,726
119	9,552	258		3,469,372
120				2,367
121	875,245			37,036,474
122				
123				
124	875,245			37,036,474
125	3,919,927			963,386,365
126				
127				
128				
129	3,919,927			963,386,365

Name of Respondent Avista Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/15/2016	Year/Period of Report End of <u>2015/Q4</u>
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Gas Plant Held for Future Use (Account 105)

1. Report separately each property held for future use at end of the year having an original cost of \$1,000,000 or more. Group other items of property held for future use.
2. For property having an original cost of \$1,000,000 or more previously used in utility operations, now held for future use, give in column (a), in addition to other required information, the date that utility use of such property was discontinued, and the date the original cost was transferred to Account 105.

Line No.	Description and Location of Property (a)	Date Originally Included in this Account (b)	Date Expected to be Used in Utility Service (c)	Balance at End of Year (d)
1	Gas Distribution Mains and Services	03/01/2007		159,823
2	located in Coeur d'Alene, Idaho			
3	Gas Distribution Mains and Services	07/01/2011		30,762
4	located in Coeur d'Alene, Idaho			
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45	Total			190,585

Name of Respondent Avista Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/15/2016	Year/Period of Report End of 2015/Q4
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Construction Work in Progress-Gas (Account 107)

1. Report below descriptions and balances at end of year of projects in process of construction (Account 107).
2. Show items relating to "research, development, and demonstration" projects last, under a caption Research, Development, and Demonstration (see Account 107 of the Uniform System of Accounts).
3. Minor projects (less than \$1,000,000) may be grouped.

Line No.	Description of Project (a)	Construction Work in Progress-Gas (Account 107) (b)	Estimated Additional Cost of Project (c)
1	East Medford Reinforcement	4,797,215	
2	Gas Revenue Blanket	1,513,280	
3	Dollar Rd Service Center Addition and Remodel	1,210,047	
4	Spokane St Bridge Gas Main	1,030,101	
5	Minor Projects under \$1,000,000	4,966,151	97,500,000
6			
7			
8	Notes:		
9	Estimated additional cost amounts represent a five year		
10	budget total.		
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45	Total	13,516,794	97,500,000

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General Description of Construction Overhead Procedure			

1. For each construction overhead explain: (a) the nature and extent of work, etc., the overhead charges are intended to cover, (b) the general procedure for determining the amount capitalized, (c) the method of distribution to construction jobs, (d) whether different rates are applied to different types of construction, (e) basis of differentiation in rates for different types of construction, and (f) whether the overhead is directly or indirectly assigned.

2. Show below the computation of allowance for funds used during construction rates, in accordance with the provisions of Gas Plant Instructions 3 (17) of the Uniform System of Accounts.

3. Where a net-of-tax rate for borrowed funds is used, show the appropriate tax effect adjustment to the computations below in a manner that clearly indicates the amount of reduction in the gross rate for tax effects.

Construction costs with a direct relationship to new construction and capital replacement activities that cannot be clearly identified with specific projects are charged to overhead pools. The established pools are:

- Construction Overhead North Gas
- Construction Overhead South Gas

Pool costs are allocated monthly to gas construction projects on a percent rate applied to direct project costs, excluding AFUDC. Each pool's rate is calculated separately and applied only to the related gas construction projects for allocation.

Allowance for funds used during construction is calculated system wide using a rate that is equivalent to the allowed rate of return approved in the latest rate order from the company's primary state commission (Washington State). For 2015, Avista used a rate of 7.32%, which is the allowed Rate of Return contained in the Washington Utilities Transportation Commission Final Order 05 date August 18, 2014 for consolidated Dockets UE-140188 and UG-140189.

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General Description of Construction Overhead Procedure (continued)

COMPUTATION OF ALLOWANCE FOR FUNDS USED DURING CONSTRUCTION RATES

- For line (5), column (d) below, enter the rate granted in the last rate proceeding. If not available, use the average rate earned during the preceding 3 years.
- Identify, in a footnote, the specific entity used as the source for the capital structure figures.
- Indicate, in a footnote, if the reported rate of return is one that has been approved in a rate case, black-box settlement rate, or an actual three-year average rate.

1. Components of Formula (Derived from actual book balances and actual cost rates):

Line No.	Title (a)	Amount (b)	Capitalization Ratio (percent) (c)	Cost Rate Percentage (d)
(1)	Average Short-Term Debt	S		
(2)	Short-Term Interest			s
(3)	Long-Term Debt	D		d
(4)	Preferred Stock	P		p
(5)	Common Equity	C		c
(6)	Total Capitalization			
(7)	Average Construction Work In Progress Balance	W		

2. Gross Rate for Borrowed Funds $s(S/W) + d[(D/(D+P+C)) (1-(S/W))]$

3. Rate for Other Funds $[1-(S/W)] [p(P/(D+P+C)) + c(C/(D+P+C))]$

4. Weighted Average Rate Actually Used for the Year:

- | | |
|------------------------------|------|
| a. Rate for Borrowed Funds - | 2.58 |
| b. Rate for Other Funds - | 4.74 |

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Accumulated Provision for Depreciation of Gas Utility Plant (Account 108)

1. Explain in a footnote any important adjustments during year.
2. Explain in a footnote any difference between the amount for book cost of plant retired, line 10, column (c), and that reported for gas plant in service, page 204-209, column (d), excluding retirements of nondepreciable property.
3. The provisions of Account 108 in the Uniform System of Accounts require that retirements of depreciable plant be recorded when such plant is removed from service. If the respondent has a significant amount of plant retired at year end which has not been recorded and/or classified to the various reserve functional classifications, make preliminary closing entries to tentatively functionalize the book cost of the plant retired. In addition, include all costs included in retirement work in progress at year end in the appropriate functional classifications.
4. Show separately interest credits under a sinking fund or similar method of depreciation accounting.
5. At lines 7 and 14, add rows as necessary to report all data. Additional rows should be numbered in sequence, e.g., 7.01, 7.02, etc.

Line No.	Item (a)	Total (c+d+e) (b)	Gas Plant in Service (c)	Gas Plant Held for Future Use (d)	Gas Plant Leased to Others (e)
	Section A. BALANCES AND CHANGES DURING YEAR				
1	Balance Beginning of Year	296,850,488	296,850,488		
2	Depreciation Provisions for Year, Charged to				
3	(403) Depreciation Expense	21,139,340	21,139,340		
4	(403.1) Depreciation Expense for Asset Retirement Costs				
5	(413) Expense of Gas Plant Leased to Others				
6	Transportation Expenses - Clearing	1,833,710	1,833,710		
7	Other Clearing Accounts				
8	Other Clearing (Specify) (footnote details):	(808,214)	(808,214)		
9					
10	TOTAL Deprec. Prov. for Year (Total of lines 3 thru 8)	22,164,836	22,164,836		
11	Net Charges for Plant Retired:				
12	Book Cost of Plant Retired	(2,979,208)	(2,979,208)		
13	Cost of Removal	(215,490)	(215,490)		
14	Salvage (Credit)	(12)	(12)		
15	TOTAL Net Chrgs for Plant Ret. (Total of lines 12 thru 14)	(3,194,686)	(3,194,686)		
16	Other Debit or Credit Items (Describe) (footnote details):	(122,224)	(122,224)		
17					
18	Book Cost of Asset Retirement Costs				
19	Balance End of Year (Total of lines 1,10,15,16 and 18)	315,698,414	315,698,414		
	Section B. BALANCES AT END OF YEAR ACCORDING TO FUNCTIONAL CLASSIFICATIONS				
21	Productions-Manufactured Gas				
22	Production and Gathering-Natural Gas				
23	Products Extraction-Natural Gas				
24	Underground Gas Storage	14,482,360	14,482,360		
25	Other Storage Plant				
26	Base Load LNG Terminating and Processing Plant				
27	Transmission				
28	Distribution	286,927,353	286,927,353		
29	General	14,288,701	14,288,701		
30	TOTAL (Total of lines 21 thru 29)	315,698,414	315,698,414		

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FOOTNOTE DATA			

Schedule Page: 219 Line No.: 16 Column: c

Change in Removal Work in Progress \$-122,224

Schedule Page: 219 Line No.: 8 Column: c

Adjustment to beginning balance \$-448,214

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Gas Stored (Accounts 117.1, 117.2, 117.3, 117.4, 164.1, 164.2, and 164.3)

1. If during the year adjustments were made to the stored gas inventory reported in columns (d), (f), (g), and (h) (such as to correct cumulative inaccuracies of gas measurements), explain in a footnote the reason for the adjustments, the Dth and dollar amount of adjustment, and account charged or credited.
2. Report in column (e) all encroachments during the year upon the volumes designated as base gas, column (b), and system balancing gas, column (c), and gas property recordable in the plant accounts.
3. State in a footnote the basis of segregation of inventory between current and noncurrent portions. Also, state in a footnote the method used to report storage (i.e., fixed asset method or inventory method).

Line No.	Description (a)	(Account 117.1) (b)	(Account 117.2) (c)	Noncurrent (Account 117.3) (d)	(Account 117.4) (e)	Current (Account 164.1) (f)	LNG (Account 164.2) (g)	LNG (Account 164.3) (h)	Total (i)
1	Balance at Beginning of	6,992,076				28,731,498			35,723,574
2	Gas Delivered to Storage					29,241,183			29,241,183
3	Gas Withdrawn from					45,198,194			45,198,194
4	Other Debits and Credits								
5	Balance at End of Year	6,992,076				12,774,487			19,766,563
6	Dth	1,253,060				5,413,710			6,666,770
7	Amount Per Dth	5.5800				2.3597			2.9649

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Investments (Account 123, 124, and 136)

1. Report below investments in Accounts 123, Investments in Associated Companies, 124, Other Investments, and 136, Temporary Cash Investments.

2. Provide a subheading for each account and list thereunder the information called for:

(a) Investment in Securities-List and describe each security owned, giving name of issuer, date acquired and date of maturity. For bonds, also give principal amount, date of issue, maturity, and interest rate. For capital stock (including capital stock of respondent reacquired under a definite plan for resale pursuant to authorization by the Board of Directors, and included in Account 124, Other Investments) state number of shares, class, and series of stock. Minor investments may be grouped by classes. Investments included in Account 136, Temporary Cash Investments, also may be grouped by classes.

(b) Investment Advances-Report separately for each person or company the amounts of loans or investment advances that are properly includable in Account 123. Include advances subject to current repayment in Account 145 and 146. With respect to each advance, show whether the advance is a note or open account.

Line No.	Description of Investment (a)	*	Book Cost at Beginning of Year (If book cost is different from cost to respondent, give cost to respondent in a footnote and explain difference) (c)	Purchases or Additions During the Year (d)
1	Investment in Spokane Energy (123000)		500,000	
2	Investment in Avista Capital II (123010)		11,547,000	
3	Other Investment - WZN Loans Sandpoint (124350)		61,177	
4	Other Investment - Coli Cash Value (124600)		17,877,754	
5	Other Investment - Coli Borrowings (124610)		(17,877,754)	
6	Other Investment - WZN Loans Oregon (124680)		31,125	
7	Other Investment - WNP3 Exchange Power (124900)		79,626,000	
8	Other Investment - AMT WNP3 Exchange (124930)		(68,192,916)	
9	Temp Cash Investments (136000)		15,508,864	
10	Energy Commodity Contract (124020)			
11				
12				
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Investments (Account 123, 124, and 136) (continued)

List each note, giving date of issuance, maturity date, and specifying whether note is a renewal. Designate any advances due from officers, directors, stockholders, or employees.

3. Designate with an asterisk in column (b) any securities, notes or accounts that were pledged, and in a footnote state the name of pledges and purpose of the pledge.

4. If Commission approval was required for any advance made or security acquired, designate such fact in a footnote and cite Commission, date of authorization, and case or docket number.

5. Report in column (h) interest and dividend revenues from investments including such revenues from securities disposed of during the year.

6. In column (i) report for each investment disposed of during the year the gain or loss represented by the difference between cost of the investment (or the other amount at which carried in the books of account if different from cost) and the selling price thereof, not including any dividend or interest adjustment includible in column (h).

Line No.	Sales or Other Dispositions During Year (e)	Principal Amount or No. of Shares at End of Year (f)	Book Cost at End of Year (If book cost is different from cost to respondent, give cost to respondent in a footnote and explain difference) (g)	Revenues for Year (h)	Gain or Loss from Investment Disposed of (i)
1	500,000				
2			11,547,000		
3	1,822		59,355		
4	(1,839,750)		19,717,504		
5	1,839,750		(19,717,504)		
6	7,584		23,541		
7			79,626,000		
8	2,450,031		(70,642,947)		
9	15,304,632		204,232		
10	(14,694,374)		14,694,374		
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Investments in Subsidiary Companies (Account 123.1)

1. Report below investments in Account 123.1, Investments in Subsidiary Companies.
2. Provide a subheading for each company and list thereunder the information called for below. Sub-total by company and give a total in columns (e), (f), (g) and (h).
(a) Investment in Securities-List and describe each security owned. For bonds give also principal amount, date of issue, maturity, and interest rate.
(b) Investment Advances - Report separately the amounts of loans or investment advances which are subject to repayment, but which are not subject to current settlement. With respect to each advance show whether the advance is a note or open account. List each note giving date of issuance, maturity date, and specifying whether note is a renewal.
3. Report separately the equity in undistributed subsidiary earnings since acquisition. The total in column (e) should equal the amount entered for Account 418.1.

Line No.	Description of Investment (a)	Date Acquired (b)	Date of Maturity (c)	Amount of Investment at Beginning of Year (d)
1	Investment in Avista Capital	01/01/1997		206,138,971
2	Avista Capital - Equity in Earnings			(148,878,702)
3	Investment in AERC	07/01/2014		89,816,380
4	AERC- Equity in Earnings			1,179,202
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40	TOTAL Cost of Account 123.1 \$		TOTAL	148,255,851

Investments in Subsidiary Companies (Account 123.1) (continued)

4. Designate in a footnote, any securities, notes, or accounts that were pledged, and state the name of pledgee and purpose of the pledge.
5. If Commission approval was required for any advance made or security acquired, designate such fact in a footnote and give name of Commission, date of authorization, and case or docket number.
6. Report in column (f) interest and dividend revenues from investments, including such revenues from securities disposed of during the year.
7. In column (h) report for each investment disposed of during the year, the gain or loss represented by the difference between cost of the investment (or the other amount at which carried in the books of account if different from cost), and the selling price thereof, not including interest adjustments includible in column (f).
8. Report on Line 40, column (a) the total cost of Account 123.1.

Line No.	Equity in Subsidiary Earnings for Year (e)	Revenues for Year (f)	Amount of Investment at End of Year (g)	Gain or Loss from Investment Disposed of (h)
1			206,138,971	
2	4,856,990		(144,021,712)	
3			89,816,380	
4	6,307,795	1,905,356	5,581,641	
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40	11,164,785	1,905,356	157,515,280	

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Prepayments (Acct 165), Extraordinary Property Losses (Acct 182.1), Unrecovered Plant and Regulatory Study Costs (Acct 182.2)

PREPAYMENTS (ACCOUNT 165)

1. Report below the particulars (details) on each prepayment.

Line No.	Nature of Payment (a)	Balance at End of Year (in dollars) (b)
1	Prepaid Insurance	1,728,569
2	Prepaid Rents	10,740
3	Prepaid Taxes	
4	Prepaid Interest	
5	Miscellaneous Prepayments	8,841,625
6	TOTAL	10,580,934

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Other Regulatory Assets (Account 182.3)

1. Report below the details called for concerning other regulatory assets which are created through the ratemaking actions of regulatory agencies (and not includable in other accounts).
2. For regulatory assets being amortized, show period of amortization in column (a).
3. Minor items (5% of the Balance at End of Year for Account 182.3 or amounts less than \$250,000, whichever is less) may be grouped by classes.
4. Report separately any "Deferred Regulatory Commission Expenses" that are also reported on pages 350-351, Regulatory Commission Expenses.
5. Provide in a footnote, for each line item, the regulatory citation where authorization for the regulatory asset has been granted (e.g. Commission Order, state commission order, court decision).

Line No.	Description and Purpose of Other Regulatory Assets (a)	Balance at Beginning Current Quarter/Year (b)	Debits (c)	Written off During Quarter/Year Account Charged (d)	Written off During Period Amount Recovered (e)	Written off During Period Amount Deemed Unrecoverable (f)	Balance at End of Current Quarter/Year (g)
1	Reg Asset Post Ret Liab	235,758,103		283	749,255		235,008,848
2	Regulatory Asset FAS109 Utility Plant	44,773,122		283	2,668,880		42,104,242
3	Regulatory Asset Lancaster Generation	1,246,667		407	1,246,667		
4	Regulatory Asset FAS109 DSIT Non Plant	48,022,781	3,804,812				51,827,593
5	Regulatory Asset FAS109 DFIT State Tax Cr	4,238,612	413,509				4,652,121
6	Regulatory Asset FAS109 WNP3	3,441,373		283	737,482		2,703,891
7	Regulatory Asset-Spokane River Relicense	464,890		407	78,736		386,154
8	Regulatory Asset-Spokane River PM&E	429,262		557	73,312		355,950
9	Regulatory Asset-Lake CDA Fund	9,015,469		407	211,065		8,804,404
10	Regulatory Asset-Lake CDA IPA Fund	2,000,000					2,000,000
11	Reg Asset-Decoupling Surcharge	468,893					468,893
12	Regulatory Asset-Decoupling Surcharge	5,460	180				5,640
13	Regulatory Asset-Lake CDA Def Costs	1,277,422		407	32,719		1,244,703
14	Def CS2 & Colstrip	5,804,313		407	981,015		4,823,298
15	Reardan Wind Generation	170,529		407	170,529		
16	ID Wind Gen AFUDC	46,171		407	46,171		
17	Regulatory Asset Wartsila Units	153,156		407	153,156		
18	MTM ST Regulatory Asset	29,640,374		244	12,380,197		17,260,177
19	MTM LT Regulatory Asset	24,483,175	7,936,548				32,419,723
20	Regulatory Asset FAS 143 Asset Retirement Obligation	2,301,253	574,645				2,875,898
21	Reg Asset AN- CDA Lake Settlement	34,516,176		407	884,086		33,632,090
22	Reg Asset WA- CDA Lake Settlement	900,034		407	152,118		747,916
23	Regulatory Asset Workers Comp	2,194,343		407	146,511		2,047,832
24	Regulatory Asset ID PCA Deferral 1		932,887				932,887
25	Regulatory Asset ID PCA Deferral 2	6,211,802		557	6,211,802		
26	Regulatory Asset ID PCA Deferral 3	2,078,991		557	2,078,991		
27	Spokane River TDG	871,184		407	290,395		580,789
28	Settled Interest Rate Swap Asset	33,964,535	6,821,977				40,786,512
29	DSM Asset	4,603,415	3,167,519	407	4,603,415		3,167,519
30	Unsettled Interest Rate Swap Asset	77,062,517	6,910,260				83,972,777
31	Other Reg Assets	103,536	117,677				221,213
32							
33							
34							
35							
36							
37							
38							
39							
40	Total	576,247,558	30,680,014		33,896,502	0	573,031,070

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Miscellaneous Deferred Debits (Account 186)

1. Report below the details called for concerning miscellaneous deferred debits.
2. For any deferred debit being amortized, show period of amortization in column (a).
3. Minor items (less than \$250,000) may be grouped by classes.

Line No.	Description of Miscellaneous Deferred Debits (a)	Balance at Beginning of Year (b)	Debits (c)	Credits Account Charged (d)	Credits Amount (e)	Balance at End of Year (f)
1						
2	Colstrip Common Fac.	1,110,999		406		1,110,999
3	Regulatory Asset-Mt Lease Pymt	631,197		540	360,684	270,513
4	Regulatory Asset-Mt Lease Pymt	1,353,216		540	676,632	676,584
5	Colstrip Common Fac.	2,355,642				2,355,642
6	Prepaid Airplane Lease LT	24,528	417,438	931		441,966
7	Misc DD- Airplane Lease	21,692	493,708			515,400
8	Plant Alloc of Clearing Jrl	3,530,342			1,642,293	1,888,049
9	Misc Posting Suspense	43,137	72,158	VAR		115,295
10	Renewable Energy-Cert Fees	67,688		557	45,938	21,750
11	Nez Perce Settlement	150,325		557	5,212	145,113
12	Reg Asset ID-Lake CDA	178,106		506	30,975	147,131
13	Credit Union Labor & Expense	36,474	26,504			62,978
14	Misc Work Orders <\$50,000	(109,222)	23,130	VAR		(86,092)
15	Subsidiary Billings	433,608	38,043	VAR		471,651
16	Misc Deferred Debits (WA)		16,568			16,568
17	Regulatory Assets Conserv	1,878,235	276,346			2,154,581
18	Reg Asset-Decoupling deferred		13,305,979			13,305,979
19	Optional Wind Power	(215,056)	8,821	909		(206,235)
20	Gas Telemetry equip	6,503			1,680	4,823
21	Misc deferred debits/Res Acct	225,361			225,361	
22	Mutual Aid Response PGE	81,208			81,208	
23	Deferred Project Compass (ID)		3,346,902			3,346,902
24						
25						
26						
27						
28						
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31						
32						
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36						
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39	Miscellaneous Work in Progress					
40	Total	11,803,983	18,025,597		3,069,983	26,759,597

Name of Respondent Avista Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/15/2016	Year/Period of Report End of 2015/Q4
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Accumulated Deferred Income Taxes (Account 190)

1. Report the information called for below concerning the respondent's accounting for deferred income taxes.
2. At Other (Specify), include deferrals relating to other income and deductions.
3. Provide in a footnote a summary of the type and amount of deferred income taxes reported in the beginning-of-year and end-of-year balances for deferred income taxes that the respondent estimates could be included in the development of jurisdictional recourse rates.

Line No.	Account Subdivisions (a)	Balance at Beginning of Year (b)	Changes During Year	Changes During Year
			Amounts Debited to Account 410.1 (c)	Amounts Credited to Account 411.1 (d)
1	Account 190			
2	Electric	8,884,982	(1,688,218)	
3	Gas	1,147,644	397,117	
4	Other (Define) (footnote details)	113,228,848	(11,483,544)	
5	Total (Total of lines 2 thru 4)	123,261,474	(12,774,645)	
6	Other (Specify) (footnote details)			
7	TOTAL Account 190 (Total of lines 5 thru 6)	123,261,474	(12,774,645)	
8	Classification of TOTAL			
9	Federal Income Tax	123,261,474	(12,774,645)	
10	State Income Tax			
11	Local Income Tax			

Accumulated Deferred Income Taxes (Account 190) (continued)

Line No.	Changes During Year	Changes During Year	Adjustments	Adjustments	Adjustments	Adjustments	Balance at End of Year
	Amounts Debited to Account 410.2 (e)	Amounts Credited to Account 411.2 (f)	Debits Account No. (g)	Debits Amount (h)	Credits Account No. (i)	Credits Amount (j)	
1							
2							10,573,200
3							750,527
4							124,712,392
5							136,036,119
6							
7							136,036,119
8							
9							136,036,119
10							
11							

Name of Respondent Avista Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/15/2016	Year/Period of Report End of <u>2015/Q4</u>
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Capital Stock (Accounts 201 and 204)

1. Report below the details called for concerning common and preferred stock at end of year, distinguishing separate series of any general class. Show separate totals for common and preferred stock.
2. Entries in column (b) should represent the number of shares authorized by the articles of incorporation as amended to end of year.
3. Give details concerning shares of any class and series of stock authorized to be issued by a regulatory commission which have not yet been issued.

Line No.	Class and Series of Stock and Name of Stock Exchange (a)	Number of Shares Authorized by Charter (b)	Par or Stated Value per Share (c)	Call Price at End of Year (d)
1	Acct. 201 - Common Stock Issued:			
2	No Par Value	200,000,000		
3	Restricted shares			
4	TOTAL Common	200,000,000		
5				
6				
7	Account 204 - Preferred Stock Issued	10,000,000		
8				
9	Total Preferred	10,000,000		
10				
11				
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Capital Stock (Accounts 201 and 204)

4. The identification of each class of preferred stock should show the dividend rate and whether the dividends are cumulative or noncumulative.
 5. State in a footnote if any capital stock that has been nominally issued is nominally outstanding at end of year.
 6. Give particulars (details) in column (a) of any nominally issued capital stock, reacquired stock, or stock in sinking and other funds which is pledged, stating name of pledgee and purpose of pledge.

Line No.	Outstanding per Bal. Sheet (total amt outstanding without reduction for amts held by respondent) Shares (e)	Outstanding per Bal. Sheet Amount (f)	Held by Respondent As Reacquired Stock (Acct 217) Shares (g)	Held by Respondent As Reacquired Stock (Acct 217) Cost (h)	Held by Respondent In Sinking and Other Funds Shares (i)	Held by Respondent In Sinking and Other Funds Amount (j)
1						
2	62,312,651	984,603,843				
3						
4	62,312,651	984,603,843				
5						
6						
7						
8						
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Name of Respondent Avista Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/15/2016	Year/Period of Report End of 2015/Q4
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Other Paid-In Capital (Accounts 208-211)

1. Report below the balance at the end of the year and the information specified below for the respective other paid-in capital accounts. Provide a subheading for each account and show a total for the account, as well as a total of all accounts for reconciliation with the balance sheet, page 112. Explain changes made in any account during the year and give the accounting entries effecting such change.

- (a) Donations Received from Stockholders (Account 208) - State amount and briefly explain the origin and purpose of each donation.
- (b) Reduction in Par or Stated Value of Capital Stock (Account 209) - State amount and briefly explain the capital changes that gave rise to amounts reported under this caption including identification with the class and series of stock to which related.
- (c) Gain or Resale or Cancellation of Reacquired Capital Stock (Account 210) - Report balance at beginning of year, credits, debits, and balance at end of year with a designation of the nature of each credit and debit identified by the class and series of stock to which related.
- (d) Miscellaneous Paid-In Capital (Account 211) - Classify amounts included in this account according to captions that, together with brief explanations, disclose the general nature of the transactions that gave rise to the reported amounts.

Line No.	Item (a)	Amount (b)
1	Equity Transactions of Subsidiaries	(9,506,476)
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40	Total	(9,506,476)

Name of Respondent Avista Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/15/2016	Year/Period of Report End of 2015/Q4
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DISCOUNT ON CAPITAL STOCK (ACCOUNT 213)

1. Report the balance at end of year of discount on capital stock for each class and series of capital stock. Use as many rows as necessary to report all data.
2. If any change occurred during the year in the balance with respect to any class or series of stock, attach a statement giving details of the change. State the reason for any charge-off during the year and specify the account charged.

Line No.	Class and Series of Stock (a)	Balance at End of Year (b)
1		
2		
3		
4		
5		
6		
7		
8		
9		
10		
11		
12		
13		
14		
TOTAL		

CAPITAL STOCK EXPENSE (ACCOUNT 214)

1. Report the balance at end of year of capital stock expenses for each class and series of capital stock. Use as many rows as necessary to report all data. Number the rows in sequence starting from the last row number used for Discount on Capital Stock above.
2. If any change occurred during the year in the balance with respect to any class or series of stock, attach a statement giving details of the change. State the reason for any charge-off of capital stock expense and specify the account charged.

Line No.	Class and Series of Stock (a)	Balance at End of Year (b)
16	Common Stock- no par	(29,238,213)
17		
18		
19		
20		
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28		
TOTAL		(29,238,213)

Name of Respondent Avista Corporation	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/15/2016	Year/Period of Report 2015/Q4
FOOTNOTE DATA			

Schedule Page: 254 Line No.: 16 Column: b

Beginning Balance	\$	(25,079,123)
Issuance of Common Stock	\$	55,902
Repurchase and Retirement of Common Stock	\$	31,833
Tax Benefit-Options Exercised	\$	(51,358)
Excess Tax Benefits on stock compensation	\$	1,831,678
Stock Compensation Accrual	\$	(6,027,145)
Ending Balance	\$	<u>(29,238,213)</u>

During 2015, the Company executed a stock repurchase program. Through 12/31/15, the Company repurchased 89,400 shares. All repurchased shares under the program were retired and reverted to the status of authorized, but unissued shares. The amounts in account 214 applicable to the retired shares were written off due to the stock repurchase.

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Name of Respondent Avista Corporation	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/15/2016	Year/Period of Report 2015/Q4
Securities Issued or Assumed and Securities Refunded or Retired During the Year			

1. Furnish a supplemental statement briefly describing security financing and refinancing transactions during the year and the accounting for the securities, discounts, premiums, expenses, and related gains or losses. Identify as to Commission authorization numbers and dates.
2. Provide details showing the full accounting for the total principal amount, par value, or stated value of each class and series of security issued, assumed, retired, or refunded and the accounting for premiums, discounts, expenses, and gains or losses relating to the securities. Set forth the facts of the accounting clearly with regard to redemption premiums, unamortized discounts, expenses, and gain or losses relating to securities retired or refunded, including the accounting for such amounts carried in the respondent's accounts at the date of the refunding or refinancing transactions with respect to securities previously refunded or retired.
3. Include in the identification of each class and series of security, as appropriate, the interest or dividend rate, nominal date of issuance, maturity date, aggregate principal amount, par value or stated value, and number of shares. Give also the issuance of redemption price and name of the principal underwriting firm through which the security transactions were consummated.
4. Where the accounting for amounts relating to securities refunded or retired is other than that specified in General Instruction 17 of the Uniform System of Accounts, cite the Commission authorization for the different accounting and state the accounting method.
5. For securities assumed, give the name of the company for which the liability on the securities was assumed as well as details of the transactions whereby the respondent undertook to pay obligations of another company. If any unamortized discount, premiums, expenses, and gains or losses were taken over onto the respondent's books, furnish details of these amounts with amounts relating to refunded securities clearly earmarked.

In December 2015, Avista Corp. issued \$100.0 million of first mortgage bonds to three institutional investors in a private placement transaction. The first mortgage bonds bear an interest rate of 4.37 percent and mature in 2045. The total net proceeds from the sale of the new bonds were used to repay a portion of the borrowings outstanding under the Company's \$400.0 million committed line of credit and for general corporate purposes.

The new issuance is based on the following state commission orders:

1. Order of the Washington Utilities and Transportation Commission entered July 13, 2011, as amended on August 24, 2011 in Docket No. U-111176;
 2. Order of the Idaho Public Utilities Commission, Order No. 32338, entered August 25, 2011;
 3. Order of the Public Utility Commission of Oregon, Order No. 15305, entered October 6, 2015;
- Order of the Public Service Commission of the State of Montana, Default Order No. 4535

In 2015, we issued \$1.6 million of common stock under the employee stock ownership and long term incentive plans. During 2015, the Company executed a stock repurchase program. Through 12/31/15, the Company repurchased 89,400 shares. All repurchased shares under the program were retired and reverted to the status of authorized, but unissued shares. The amounts in account 214 applicable to the retired shares were written off due to the stock repurchase.

Name of Respondent Avista Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/15/2016	Year/Period of Report End of 2015/Q4
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Long-Term Debt (Accounts 221, 222, 223, and 224)

- Report by Balance Sheet Account the details concerning long-term debt included in Account 221, Bonds, 222, Reacquired Bonds, 223, Advances from Associated Companies, and 224, Other Long-Term Debt.
- For bonds assumed by the respondent, include in column (a) the name of the issuing company as well as a description of the bonds.
- For Advances from Associated Companies, report separately advances on notes and advances on open accounts. Designate demand notes as such. Include in column (a) names of associated companies from which advances were received.
- For receivers' certificates, show in column (a) the name of the court and date of court order under which such certificates were issued.

Line No.	Class and Series of Obligation and Name of Stock Exchange (a)	Nominal Date of Issue (b)	Date of Maturity (c)	Outstanding (Total amount outstanding without reduction for amts held by respondent) (d)
1	FMBS - SERIES A - 7.53% DUE 05/05/2023	05/06/1993	05/05/2023	5,500,000
2	FMBS - SERIES A - 7.54% DUE 5/05/2023	05/07/1993	05/05/2023	1,000,000
3	FMBS - SERIES A - 7.39% DUE 5/11/2018	05/11/1993	05/11/2018	7,000,000
4	FMBS - SERIES A - 7.45% DUE 6/11/2018	06/09/1993	06/11/2018	15,500,000
5	FMBS - SERIES A - 7.18% DUE 8/11/2023	08/12/1993	08/11/2023	7,000,000
6	ADVANCE ASSOCIATED-AVISTA CAPITAL II (ToPRS)	06/03/1997	06/01/2037	51,547,000
7	FMBS - 6.37% SERIES C	06/19/1998	06/19/2028	25,000,000
8	FMBS - 5.45% SERIES	11/18/2004	12/01/2019	90,000,000
9				
10	FMBS - 6.25% SERIES	11/17/2005	12/01/2035	150,000,000
11	FMBS - 5.70% SERIES	12/15/2006	07/01/2037	150,000,000
12	FMBS - 5.95% SERIES	04/02/2008	06/01/2018	250,000,000
13	FMBS - 5.125% SERIES	09/22/2009	04/01/2022	250,000,000
14	COLSTRIP 2010A PCRBs DUE 2032	12/15/2010	10/01/2032	66,700,000
15	COLSTRIP 2010B PCRBs DUE 2034	12/15/2010	03/01/2034	17,000,000
16	FMBS - 3.89% SERIES	12/20/2010	12/20/2020	52,000,000
17	FMBS - 5.55% SERIES	12/20/2010	12/20/2040	35,000,000
18	4.45% SERIES DUE 12-14-2041	12/14/2011	12/14/2041	85,000,000
19	4.23% SERIES DUE 11-29-2047	11/30/2012	11/29/2047	80,000,000
20	FMBS- 0.84% SERIES	08/14/2013	08/14/2016	90,000,000
21	FMBS- 4.11% SERIES	12/18/2014	12/01/2044	60,000,000
22	FMBS- 4.37% SERIES	12/16/2015	12/01/2045	100,000,000
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40	TOTAL			1,588,247,000

Name of Respondent Avista Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/15/2016	Year/Period of Report End of 2015/Q4
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Long-Term Debt (Accounts 221, 222, 223, and 224)

5. In a supplemental statement, give explanatory details for Accounts 223 and 224 of net changes during the year. With respect to long-term advances, show for each company: (a) principal advanced during year (b) interest added to principal amount, and (c) principal repaid during year. Give Commission authorization numbers and dates.
6. If the respondent has pledged any of its long-term debt securities, give particulars (details) in a footnote, including name of the pledgee and purpose of the pledge.
7. If the respondent has any long-term securities that have been nominally issued and are nominally outstanding at end of year, describe such securities in a footnote.
8. If interest expense was incurred during the year on any obligations retired or reacquired before end of year, include such interest expense in column (f). Explain in a footnote any difference between the total of column (f) and the total Account 427, Interest on Long-Term Debt and Account 430, Interest on Debt to Associated Companies.
9. Give details concerning any long-term debt authorized by a regulatory commission but not yet issued.

Line No.	Interest for Year Rate (in %) (e)	Interest for Year Amount (f)	Held by Respondent Reacquired Bonds (Acct 222) (g)	Held by Respondent Sinking and Other Funds (h)	Redemption Price per \$100 at End of Year (i)
1	7.530	414,150			
2	7.540	75,400			
3	7.390	517,300			
4	7.450	1,154,750			
5	7.180	502,600			
6	1.289	473,352			
7	6.370	1,592,500			
8	5.450	4,905,000			
9					
10	6.250	9,375,000			
11	5.700	8,550,000			
12	5.950	14,875,000			
13	5.125	12,812,500			
14	0.300	162,236	66,700,000		
15	0.300	41,349	17,000,000		
16	3.890	2,022,800			
17	5.550	1,942,500			
18	4.450	3,782,500			
19	4.230	3,384,000			
20	0.840	756,000			
21	4.110	2,466,000			
22	4.370	194,222			
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40		69,999,159	83,700,000		

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FOOTNOTE DATA			

Schedule Page: 256 Line No.: 14 Column: e

interest rate at 12/31

Schedule Page: 256 Line No.: 15 Column: e

interest rate at 12/31

Schedule Page: 256 Line No.: 6 Column: e

interest rate at 12/31

Schedule Page: 256 Line No.: 6 Column: f

Upon issuance Avista Capital II issued \$1.5 million of Common Trust Securities to the Company. In December 2000, the Company purchased \$10.0 million of these Preferred Trust Securities. The interest for the year disclosed in column (i) reflects the net amount owed to third parties.

Schedule Page: 256 Line No.: 6 Column: a

Upon issuance Avista Capital II issued \$1.5 million of Common Trust Securities to the Company. In December 2000, the Company purchased \$10.0 million of these Preferred Trust Securities. The interest for the year disclosed in column (i) reflects the net amount owed to third parties.

Schedule Page: 256 Line No.: 14 Column: a

The Company reacquired this debt in 2010. These bonds have not been retired or canceled; the Company plans, based on liquidity needs and market conditions, to remarket these bonds at a future date.

Schedule Page: 256 Line No.: 15 Column: a

The Company reacquired this debt in 2010. These bonds have not been retired or canceled; the Company plans, based on liquidity needs and market conditions, to remarket these bonds at a future date.

Schedule Page: 256 Line No.: 22 Column: a

The new issuance is based on the following state commission orders:

1. Order of the Washington Utilities and Transportation Commission entered July 13, 2011, as amended on August 24, 2011 in Docket No. U-111176;
2. Order of the Idaho Public Utilities Commission, Order No. 32338, entered August 25, 2011;
3. Order of the Public Utility Commission of Oregon, Order No. 15305, entered October 6, 2015;

Order of the Public Service Commission of the State of Montana, Default Order No. 4535

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Unamortized Debt Expense, Premium and Discount on Long-Term Debt (Accounts 181, 225, 226)

1. Report under separate subheadings for Unamortized Debt Expense, Unamortized Premium on Long-Term Debt and Unamortized Discount on Long-Term Debt, details of expense, premium or discount applicable to each class and series of long-term debt.
2. Show premium amounts by enclosing the figures in parentheses.
3. In column (b) show the principal amount of bonds or other long-term debt originally issued.
4. In column (c) show the expense, premium or discount with respect to the amount of bonds or other long-term debt originally issued.

Line No.	Designation of Long-Term Debt (a)	Principal Amount of Debt Issued (b)	Total Expense Premium or Discount (c)	Amortization Period	
				Date From (d)	Date To (e)
1	FMBS - SERIES A - 7.53% DUE 05/05/2023	5,500,000	42,712	05/06/1993	05/05/2023
2	FMBS - SERIES A - 7.54% DUE 5/05/2023	1,000,000	7,766	05/07/1993	05/05/2023
3	FMBS - SERIES A - 7.39% DUE 5/11/2018	7,000,000	54,364	05/11/1993	05/11/2018
4	FMBS - SERIES A - 7.45% DUE 6/11/2018	15,500,000	170,597	06/09/1993	06/11/2018
5	FMBS - SERIES A - 7.18% DUE 8/11/2023	7,000,000	54,364	08/12/1993	08/11/2023
6	ADVANCE ASSOCIATED-AVISTA CAPITAL II (ToPRS)	51,547,000	1,296,086	06/03/1197	06/01/2037
7	FMBS - 6.37% SERIES C	25,000,000	158,304	06/19/1998	06/19/2028
8	FMBS - 5.45% SERIES	90,000,000	1,432,081	11/18/2004	12/01/2019
9	FMBS - 6.25% SERIES	150,000,000	2,180,435	11/17/2005	12/01/2035
10	FMBS - 5.70% SERIES	150,000,000	4,924,304	12/15/2006	07/01/2037
11	FMBS - 5.95% SERIES	250,000,000	3,081,419	04/02/2008	06/01/2018
12	FMBS - 5.125% SERIES	250,000,000	2,859,788	09/22/2009	04/01/2022
13	FMBS - 3.89% SERIES	52,000,000	385,129	12/20/2010	12/20/2020
14	FMBS - 5.55% SERIES	35,000,000	258,834	12/20/2010	12/20/2040
15	Short-Term Credit Facility		3,959,449	12/14/2011	02/10/2017
16	4.45% SERIES DUE 12-14-2041	85,000,000	692,833	12/14/2011	12/14/2041
17	4.23% SERIES DUE 11-29-2047	80,000,000	730,833	11/30/2012	11/29/2047
18	0.84% Series Due 08-14-2016	90,000,000	515,369	08/14/2013	08/14/2016
19	4.11% Seires Due 12-1-2044	60,000,000	428,782	12/18/2014	12/01/2044
20	4.37% Series Due 12-1-2045	100,000,000	564,165	12/16/2015	12/01/2045
21	Rathrum 2005		71,646	09/30/2005	12/01/2035
22	Debt Strategies		56,760	08/01/2035	08/01/2005
23	WKSJ Shelf Registration Statement		16,064	03/01/2013	03/01/2018
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Unamortized Debt Expense, Premium and Discount on Long-Term Debt (Accounts 181, 225, 226)

5. Furnish in a footnote details regarding the treatment of unamortized debt expense, premium or discount associated with issues redeemed during the year. Also, give in a footnote the date of the Commission's authorization of treatment other than as specified by the Uniform System of Accounts.
6. Identify separately undisposed amounts applicable to issues which were redeemed in prior years.
7. Explain any debits and credits other than amortization debited to Account 428, Amortization of Debt Discount and Expense, or credited to Account 429, Amortization of Premium on Debt-Credit.

Line No.	Balance at Beginning of Year (f)	Debits During Year (g)	Credits During Year (h)	Balance at End of Year (i)
1	11,983		1,424	10,559
2	2,179		259	1,920
3	7,429		2,175	5,254
4	23,884		6,824	17,060
5	15,705		1,812	13,893
6	315,333		14,015	301,318
7	71,236		5,277	65,959
8	437,377		93,536	343,841
9	1,523,947		72,569	1,451,378
10	3,636,631		161,032	3,475,599
11	1,035,559		303,090	732,469
12	1,668,777		227,561	1,441,216
13	231,715		38,619	193,096
14	224,330		8,628	215,702
15	2,309,836		533,039	1,776,797
16	623,806		23,104	600,702
17	687,501		20,886	666,615
18	290,594		174,357	116,237
19	381,512	47,270	14,003	414,779
20		564,165		564,165
21	49,739		2,368	47,371
22	592		29	563
23	9,876		3,671	6,205
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Name of Respondent Avista Corporation	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/15/2016	Year/Period of Report 2015/Q4
FOOTNOTE DATA			

Schedule Page: 258 Line No.: 20 Column: c

Expenses may change as more invoices related to this issuance become known

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Unamortized Loss and Gain on Recquired Debt (Accounts 189, 257)

1. Report under separate subheadings for Unamortized Loss and Unamortized Gain on Recquired Debt, details of gain and loss, including maturity date, on reacquisition applicable to each class and series of long-term debt. If gain or loss resulted from a refunding transaction, include also the maturity date of the new issue.
2. In column (c) show the principal amount of bonds or other long-term debt reacquired.
3. In column (d) show the net gain or net loss realized on each debt reacquisition as computed in accordance with General Instruction 17 of the Uniform Systems of Accounts.
4. Show loss amounts by enclosing the figures in parentheses.
5. Explain in a footnote any debits and credits other than amortization debited to Account 428.1, Amortization of Loss on Recquired Debt, or credited to Account 429.1, Amortization of Gain on Recquired Debt-Credit.

Line No.	Designation of Long-Term Debt (a)	Date Reacquired (b)	Principal of Debt Reacquired (c)	Net Gain or Loss (d)	Balance at Beginning of Year (e)	Balance at End of Year (f)
1	Misc Debt Repurchases I	05/10/1993		(4,695,395)	(871,755)	(692,787)
2	ADVANCE ASSOCIATED-AVISTA CAPITAL II (ToPRS)	12/18/2000	10,000,000	1,769,125	1,094,011	1,045,207
3	Misc 2002 Repurchase	12/31/2002	10,000,000	2,228,153	672,851	620,760
4	Misc 2003 Repurchase	12/31/2003	25,330,000	315,274	106,861	99,861
5	Misc 2004 Repurchase	12/31/2004	36,590,000	(7,244,895)	(1,083,632)	(785,339)
6	Misc 2005 Repurchase	12/31/2005	26,000,000	(1,700,371)	(687,945)	(637,031)
7	Misc 2006 Repurchase	12/31/2006	6,875,000	(483,582)	(48,698)	(32,733)
8	Misc 2008 Repurchase Costs	12/31/2008		43,132	24,400	21,705
9	AVA Capital Trust III (2022)	04/01/2009	60,000,000	(2,875,817)	(1,681,347)	(1,452,072)
10	COLSTRIP 2010A PCRBs DUE 2032	12/14/2010	66,700,000	(3,709,174)	(2,776,075)	(2,620,408)
11	COLSTRIP 2010B PCRBs DUE 2034	12/14/2010	17,000,000	(1,916,297)	(1,584,463)	(1,501,969)
12	FMBS - 7.25% SERIES (2040)	12/20/2010	30,000,000	(5,263,822)	(4,561,979)	(4,386,518)
13	FMBS - 6.125% SERIES (2020)	12/20/2010	45,000,000	(6,273,664)	(3,764,199)	(3,136,832)
14	KETTLE FALLS P C REV BONDS DUE 14 (2047)	06/28/2012	4,100,000	(105,020)	(98,769)	(95,769)
15						
16						
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Name of Respondent Avista Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/15/2016	Year/Period of Report End of 2015/Q4
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Reconciliation of Reported Net Income with Taxable Income for Feder Income Taxes

1. Report the reconciliation of reported net income for the year with taxable income used in computing Federal Income Tax accruals and show computation of such tax accruals. Include in the reconciliation, as far as practicable, the same detail as furnished on Schedule M-1 of the tax return for the year. Submit a reconciliation even though there is no taxable income for the year. Indicate clearly the nature of each reconciling amount.

2. If the utility is a member of a group that files consolidated Federal tax return, reconcile reported net income with taxable net income as if a separate return were to be filed, indicating, however, intercompany amounts to be eliminated in such a consolidated return. State names of group members, tax assigned to each group member, and basis of allocation, assignments, or sharing of the consolidated tax among the group members.

Line No.	Details (a)	Amount (b)
1	Net Income for the Year (Page 116)	123,227,041
2	Reconciling Items for the Year	
3		
4	Taxable Income Not Reported on Books	
5		(293,458,641)
6		
7		
8	TOTAL	(293,458,641)
9	Deductions Recorded on Books Not Deducted for Return	
10		167,018,431
11		
12		
13	TOTAL	167,018,431
14	Income Recorded on Books Not Included in Return	
15		32,011,483
16		
17		
18	TOTAL	32,011,483
19	Deductions on Return Not Charged Against Book Income	
20		(50,133,967)
21		
22		
23		
24		
25		
26	TOTAL	(50,133,967)
27	Federal Tax Net Income	34,172,612
28	Show Computation of Tax:	
29	State Tax @ 2%	919,149
30	Federal Tax net income less state tax	35,091,761
31		
32	prior year true ups	(7,241,736)
33	cabinet gorge	(154,305)
34	Total Federal Expense	4,886,075
35		

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Taxes Accrued, Prepaid and Charged During Year, Distribution of Taxes Charged (Show utility dept where applicable and acct charged)

1. Give details of the combined prepaid and accrued tax accounts and show the total taxes charged to operations and other accounts during the year. Do not include gasoline and other sales taxes which have been charged to the accounts to which the taxed material was charged. If the actual or estimated amounts of such taxes are known, show the amounts in a footnote and designate whether estimated or actual amounts.
2. Include on this page, taxes paid during the year and charged direct to final accounts, (not charged to prepaid or accrued taxes). Enter the amounts in both columns (d) and (e). The balancing of this page is not affected by the inclusion of these taxes.
3. Include in column (d) taxes charged during the year, taxes charged to operations and other accounts through (a) accruals credited to taxes accrued, (b) amounts credited to the portion of prepaid taxes charged to current year, and (c) taxes paid and charged direct to operations or accounts other than accrued and prepaid tax accounts.
4. List the aggregate of each kind of tax in such manner that the total tax for each State and subdivision can readily be ascertained.

Line No.	Kind of Tax (See Instruction 5) (a)	Balance at Beg. of Year	Balance at Beg. of Year
		Taxes Accrued (b)	Prepaid Taxes (c)
1	FEDERAL:		
2	Income Tax 2010	1,078,764	
3	Income Tax 2011	(34,876)	
4	Income Tax 2012	2,014,544	
5	Income Tax 2013	(3,666,967)	
6	Income Tax 2014	(34,331,525)	
7	Income Tax (Current)		
8	Prior Retained Earnings (2012)	(2,124,050)	
9	Prior Retained Earnings (2013)	(483,257)	
10	Prior Retained Earnings (2014)	(470,244)	
11	Current Retained Earnings		
12	Total Federal	(38,017,611)	
13			
14	STATE OF WASHINGTON		
15	Property Tax (2014)	14,264,301	
16	Property Tax (2015)		
17	Excise Tax (2010)	(22,495)	
18	Excise Tax (2014)	2,768,507	
19	Excise Tax (2015)		
20	Natural Gas Use Tax	1,409	
21	Municipal Occupation Tax	2,953,568	
22	Community Solar		
23	Sales & Use Tax (2013)	1	
24	Sales & Use Tax (2014)	72,250	
25	Sales & Use Tax (2015)		
26	Total Washington	20,037,541	
27			
28	STATE OF IDAHO:		
29	Income Tax (2013)	41,220	
30	Income Tax (2014)	113,280	
31	Income Tax (2015)		
32	Property Tax (2013)	(719)	
33	Property Tax (2014)	3,397,575	
34	Property Tax (2015)		
35	Sales & Use Tax (2014)	5,617	
36	Sales & Use Tax (2015)		
37	KWH Tax (2012)	1	
38	KWH Tax (2014)	27,143	
39	KWH Tax (2015)		

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Taxes Accrued, Prepaid and Charged During Year, Distribution of Taxes Charged (Show utility dept where applicable and acct charged)
(continued)

5. If any tax (exclude Federal and State income taxes) covers more than one year, show the required information separately for each tax year, identifying the year in column (a).
6. Enter all adjustments of the accrued and prepaid tax accounts in column (f) and explain each adjustment in a footnote. Designate debit adjustments by parentheses.
7. Do not include on this page entries with respect to deferred income taxes or taxes collected through payroll deductions or otherwise pending transmittal of such taxes to the taxing authority.
8. Show in columns (i) thru (p) how the taxes accounts were distributed. Show both the utility department and number of account charged. For taxes charged to utility plant, show the number of the appropriate balance sheet plant account or subaccount.
9. For any tax apportioned to more than one utility department or account, state in a footnote the basis (necessity) of apportioning such tax.
10. Items under \$250,000 may be grouped.
11. Report in column (q) the applicable effective state income tax rate.

Line No.	Taxes Charged During Year (d)	Taxes Paid During Year (e)	Adjustments (f)	Balance at End of Year Taxes Accrued (Account 236) (g)	Balance at End of Year Prepaid Taxes (Included in Acct 165) (h)
1					
2			(1,078,764)		
3			34,876		
4	264,697		(2,279,241)		
5	123,858		4,349,313	806,204	
6	(4,319,636)	(37,000,000)	2,166,027	514,866	
7	11,039,712	24,130,403	(5,786,505)	(18,877,196)	
8			2,124,050		
9				(483,257)	
10			470,244		
11	(1,920,588)			(1,920,588)	
12	5,188,043	(12,869,597)		(19,959,971)	
13					
14					
15	(150,566)	14,117,079		(3,344)	
16	15,566,000	6,438		15,559,562	
17	22,495				
18	81,261	2,849,769		(1)	
19	26,045,762	23,339,258		2,706,504	
20	3,710	3,823	(759)	537	
21	23,837,695	23,888,611		2,902,651	
22	(105,669)			(105,669)	
23	(1)				
24		71,906		344	
25	1,085,002	957,174		127,828	
26	66,385,689	65,234,058	(759)	21,188,412	
27					
28					
29				41,220	
30	(255,482)			(142,202)	
31	497,695	555,000		(57,305)	
32	719				
33		3,345,172		52,403	
34	7,127,878	3,569,906		3,557,972	
35	1	5,617			
36	150,773	137,990		12,784	
37			(1)		
38	(5,049)	22,094			
39	393,696	369,501		24,195	

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Taxes Accrued, Prepaid and Charged During Year, Distribution of Taxes Charged (Show utility dept where applicable and acct charged)

1. Give details of the combined prepaid and accrued tax accounts and show the total taxes charged to operations and other accounts during the year. Do not include gasoline and other sales taxes which have been charged to the accounts to which the taxed material was charged. If the actual or estimated amounts of such taxes are known, show the amounts in a footnote and designate whether estimated or actual amounts.
2. Include on this page, taxes paid during the year and charged direct to final accounts, (not charged to prepaid or accrued taxes). Enter the amounts in both columns (d) and (e). The balancing of this page is not affected by the inclusion of these taxes.
3. Include in column (d) taxes charged during the year, taxes charged to operations and other accounts through (a) accruals credited to taxes accrued, (b) amounts credited to the portion of prepaid taxes charged to current year, and (c) taxes paid and charged direct to operations or accounts other than accrued and prepaid tax accounts.
4. List the aggregate of each kind of tax in such manner that the total tax for each State and subdivision can readily be ascertained.

DISTRIBUTION OF TAXES CHARGED (Show utility department where applicable and account charged.)

Line No.	Electric (Account 408.1, 409.1) (i)	Gas (Account 408.1, 409.1) (j)	Other Utility Dept. (Account 408.1, 409.1) (k)	Other Income and Deductions (Account 408.2, 409.2) (l)
1				
2				
3				
4				264,697
5				123,858
6	32			(4,121,044)
7	13,555,299	(4,221,438)		318,627
8				
9				
10				
11				(1,920,588)
12	13,555,331	(4,221,438)		(5,334,450)
13				
14				
15	(136,375)	(45,872)		31,682
16	12,373,000	3,157,000		36,000
17				22,495
18	(49,041)	(1,745)		14,727
19	20,166,813	5,795,040		83,909
20	3,710			
21	18,114,786	5,556,559		
22				
23	(1)			
24				
25				
26	50,472,892	14,460,982		188,813
27				
28				
29				
30	(204,386)	(51,096)		
31	1,013,154	96,506		
32	1			718
33				
34	5,717,716	1,396,809		13,353
35				
36				(8)
37				
38	(5,049)			
39	413,181			

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Taxes Accrued, Prepaid and Charged During Year, Distribution of Taxes Charged (Show utility dept where applicable and acct charged)
(continued)

5. If any tax (exclude Federal and State income taxes) covers more than one year, show the required information separately for each tax year, identifying the year in column (a).
6. Enter all adjustments of the accrued and prepaid tax accounts in column (f) and explain each adjustment in a footnote. Designate debit adjustments by parentheses.
7. Do not include on this page entries with respect to deferred income taxes or taxes collected through payroll deductions or otherwise pending transmittal of such taxes to the taxing authority.
8. Show in columns (j) thru (p) how the taxes accounts were distributed. Show both the utility department and number of account charged. For taxes charged to utility plant, show the number of the appropriate balance sheet plant account or subaccount.
9. For any tax apportioned to more than one utility department or account, state in a footnote the basis (necessity) of apportioning such tax.
10. Items under \$250,000 may be grouped.
11. Report in column (q) the applicable effective state income tax rate.

DISTRIBUTION OF TAXES CHARGED (Show utility department where applicable and account charged.)

Line No.	Extraordinary Items (Account 409.3) (m)	Other Utility Opn. Income (Account 408.1, 409.1) (n)	Adjustment to Ret. Earnings (Account 439) (o)	Other (p)	State/Local Income Tax Rate (q)
1					
2					
3					
4					
5					
6				(198,624)	
7				1,387,224	
8					
9					
10					
11					
12				1,188,600	
13					
14					
15					
16					
17					
18				117,320	
19					
20					
21				166,349	
22				(105,669)	
23					
24					
25				1,085,002	
26				1,263,002	
27					
28					
29					
30					
31				(611,965)	
32					
33					
34					
35				1	
36				150,781	
37					
38					
39				(19,485)	

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Taxes Accrued, Prepaid and Charged During Year, Distribution of Taxes Charged (Show utility dept where applicable and acct charged)
(continued)

Line No.	Kind of Tax (See Instruction 5) (a)	Balance at Beg. of Year	Balance at Beg. of Year
		Taxes Accrued (b)	Prepaid Taxes (c)
1	Franchise Tax (2013)	(3,128)	
2	Franchise Tax (2014)	1,650,689	
3	Franchise Tax (2015)		
4	Total Idaho	5,231,678	
5			
6	STATE OF MONTANA		
7	Income Tax (2011 & Prior)	22,865	
8	Income Tax (2014)	(423,731)	
9	Income Tax (2015)		
10	Property Tax (2014)	4,226,439	
11	Property Tax (2015)		
12	Colstrip Generatin Tax		
13	KWH Tax (2014)	263,479	
14	KWH Tax (2015)		
15	Consumer Council Tax	9	
16	Public Commission Tax	19	
17	Total Montana	4,089,080	
18			
19	STATE OF OREGON		
20	Income Tax (2012)	99,999	
21	Income Tax (2014)	(655,185)	
22	Income Tax (2015)		
23	Property Tax (2013)	(2,086,108)	
24	Property Tax (2014)	(86,548)	
25	Property Tax (2015)		
26	BETC Credit (2010)	(17,483)	
27	BETC Credit (2011)	(29,962)	
28	BETC Credit (2012)	(57,789)	
29	Glendate Regulatory Cr. 2009	(34,911)	
30	Franchise Tax (2014)	776,328	
31	Franchise Fee (2015)		
32	Total Oregon	(2,091,659)	
33			
34	STATE OF CALIFORNIA		
35	Income Tax (2011)	(800)	
36	Income Tax (2014)	(1,600)	
37	Total California	(2,400)	
38			
39	MISCELLANEOUS STATES:		

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Taxes Accrued, Prepaid and Charged During Year, Distribution of Taxes Charged (Show utility dept where applicable and acct charged)
(continued)

Line No.	Taxes Charged During Year (d)	Taxes Paid During Year (e)	Adjustments (f)	Balance at End of Year Taxes Accrued (Account 236) (g)	Balance at End of Year Prepaid Taxes (Included in Acct 165) (h)
1		(3,128)			
2		1,650,689			
3	4,611,505	3,084,524		1,526,981	
4	12,521,736	12,737,365	(1)	5,016,048	
5					
6					
7	(22,865)				
8	348,781			(74,950)	
9	(108,607)	305,000		(413,607)	
10		4,217,182		9,257	
11	8,484,422	4,250,729		4,233,693	
12	3,965	3,965			
13		263,479			
14	1,138,846	898,734		240,112	
15	75	61		23	
16	95	54		60	
17	9,844,712	9,939,204		3,994,588	
18					
19					
20	(300,000)	(200,000)	1		
21	555,185			(100,000)	
22	(378,037)			(378,037)	
23	2,086,108				
24	86,548				
25	2,722,850	5,445,699		(2,722,849)	
26				(17,483)	
27				(29,962)	
28				(57,789)	
29				(34,911)	
30		776,332	4		
31	3,552,644	2,632,302	(2)	920,340	
32	8,325,298	8,654,333	3	(2,420,691)	
33					
34					
35	800				
36	1,600				
37	2,400				
38					
39					

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Taxes Accrued, Prepaid and Charged During Year, Distribution of Taxes Charged (Show utility dept where applicable and acct charged)
(continued)

DISTRIBUTION OF TAXES CHARGED (Show utility department where applicable and account charged.)

Line No.	Electric (Account 408.1, 409.1) (i)	Gas (Account 408.1, 409.1) (j)	Other Utility Dept. (Account 408.1, 409.1) (k)	Other Income and Deductions (Account 408.2, 409.2) (l)
1				
2	(720)	(402)		
3	3,476,436	1,118,268		
4	10,410,333	2,560,085		14,063
5				
6				
7	(22,865)			
8	348,781			
9	125,077			
10				
11	8,484,422			
12	3,965			
13				
14	1,138,846			
15	89			
16	81			
17	10,078,396			
18				
19				
20		(300,000)		
21	138,796	416,389		
22	780	2,342		
23	910,347	1,175,761		
24	162,053	(75,505)		
25	1,358,914	1,363,936		
26				
27				
28				
29				
30		997		
31		3,535,778		
32	2,570,890	6,119,698		
33				
34				
35		800		
36		1,600		
37		2,400		
38				
39				

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Taxes Accrued, Prepaid and Charged During Year, Distribution of Taxes Charged (Show utility dept where applicable and acct charged)
(continued)

DISTRIBUTION OF TAXES CHARGED (Show utility department where applicable and account charged.)

Line No.	Extraordinary Items (Account 409.3) (m)	Other Utility Opn. Income (Account 408.1, 409.1) (n)	Adjustment to Ret. Earnings (Account 439) (o)	Other (p)	State/Local Income Tax Rate (q)
1					
2				1,122	
3				16,802	
4				(462,744)	
5					
6					
7					
8					
9				(233,684)	
10					
11					
12					
13					
14					
15				(14)	
16				14	
17				(233,684)	
18					
19					
20					
21					
22				(381,159)	
23					
24					
25					
26					
27					
28					
29					
30				(997)	
31				16,866	
32				(365,290)	
33					
34					
35					
36					
37					
38					
39					

Taxes Accrued, Prepaid and Charged During Year, Distribution of Taxes Charged (Show utility dept where applicable and acct charged)
(continued)

Line No.	Kind of Tax (See Instruction 5) (a)	Balance at Beg. of Year Taxes Accrued (b)	Balance at Beg. of Year Prepaid Taxes (c)
1	Income Tax (2013)	1	
2	Income Tax (2014)	28,632	
3	Income Tax (2015)		
4	Total Misc States	28,633	
5			
6	COUNTY & MUNICIPAL		
7	WA Renewable Energy	(561)	
8	Vehicle Excise Tax 2015		
9	Misc.	2	
10	Total County	(559)	
11			
12			
13			
14			
15			
16			
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19			
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39			
TOTAL		(10,725,297)	

Taxes Accrued, Prepaid and Charged During Year, Distribution of Taxes Charged (Show utility dept where applicable and acct charged)
(continued)

Line No.	Taxes Charged During Year (d)	Taxes Paid During Year (e)	Adjustments (f)	Balance at End of Year Taxes Accrued (Account 236) (g)	Balance at End of Year Prepaid Taxes (Included in Acct 165) (h)
1				1	
2				28,632	
3	(646,729)			(646,729)	
4	(646,729)			(618,096)	
5					
6					
7	(294,364)	(294,364)		(561)	
8		13,850		(13,850)	
9	65,975	65,800	759	939	
10	(228,389)	(214,714)	759	(13,472)	
11					
12					
13					
14					
15					
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39					
TOTAL	101,392,760	83,480,649	2	7,186,818	

Name of Respondent Avista Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/15/2016	Year/Period of Report End of 2015/Q4
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Taxes Accrued, Prepaid and Charged During Year, Distribution of Taxes Charged (Show utility dept where applicable and acct charged)
(continued).

DISTRIBUTION OF TAXES CHARGED (Show utility department where applicable and account charged.)

Line No.	Electric (Account 408.1, 409.1) (i)	Gas (Account 408.1, 409.1) (j)	Other Utility Dept. (Account 408.1, 409.1) (k)	Other Income and Deductions (Account 408.2, 409.2) (l)
1				
2				
3				176
4				176
5				
6				
7				
8				
9				(541)
10				(541)
11				
12				
13				
14				
15				
16				
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39				
TOTAL	87,087,842	18,921,727		(5,131,939)

Name of Respondent Avista Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/15/2016	Year/Period of Report End of 2015/Q4
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Taxes Accrued, Prepaid and Charged During Year, Distribution of Taxes Charged (Show utility dept where applicable and acct charged)

(continued)

DISTRIBUTION OF TAXES CHARGED (Show utility department where applicable and account charged.)

Line No.	Extraordinary Items (Account 409.3) (m)	Other Utility Opn. Income (Account 408.1, 409.1) (n)	Adjustment to Ret. Earnings (Account 439) (o)	Other (p)	State/Local Income Tax Rate (q)
1					
2					
3				(646,905)	
4				(646,905)	
5					
6					
7				(294,364)	
8					
9				66,516	
10				(227,848)	
11					
12					
13					
14					
15					
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19					
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39					
TOTAL				515,131	

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Miscellaneous Current and Accrued Liabilities (Account 242)

- Describe and report the amount of other current and accrued liabilities at the end of year.
- Minor items (less than \$250,000) may be grouped under appropriate title.

Line No.	Item (a)	Balance at End of Year (b)
1	MARGIN CALL DEPOSITS	470,000
2	FOREST USE PERMITS	3,196,122
3	MIRABEAU ACCRUED RENT	643
4		
5	FERC ADMIN FEE ACC	666,664
6	FERC ELEC ADMIN CHG	135,000
7	MT LEASE PAYMENTS	4,697,415
8	PAYROLL EQLZTN	18,822,859
9	LOW INCOME ENERGY ASSIST	2,560,045
10	AVISTA GRANTS ENG SUSTAIN WSU	116,612
11	MOBIUS	100,000
12	WORKERS COMP LIABILITY	2,047,832
13	ACCOUNTS PAYABLE EXPENSE ACCRUAL SC	4,190,040
14	CURRENT PORTION- BENEFIT LIAB	7,463,567
15	CLEARING ACCOUNT	512,042
16	PREPAYMENTS	158,208
17	CUSTOMER ACCOUNTS	9,670,215
18	CURRENT PORTION OF PENSION	2,769,853
19		
20		
21		
22		
23		
24		
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29		
30		
31		
32		
33		
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35		
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43		
44		
45	Total	57,577,117

Other Deferred Credits (Account 253)

1. Report below the details called for concerning other deferred credits.
2. For any deferred credit being amortized, show the period of amortization.
3. Minor items (less than \$250,000) may be grouped by classes.

Line No.	Description of Other Deferred Credits (a)	Balance at Beginning of Year (b)	Debit Contra Account (c)	Debit Amount (d)	Credits (e)	Balance at End of Year (f)
1	Defer Gas Exchange (253028)	1,124,990			10	1,125,000
2	Rathdrum Refund (253120)	171,932		33,822		138,110
3	NE Tank Spill (253130)	26,528		23,298		3,230
4	Bills Pole Rentals (253140)	311,640		127,239		184,401
5	CR-CS2 GE LTSA (253150)	1,164,668		1,164,668		
6	Credit Resource Actg	225,361		225,361		
7	DOC EECE Grant	177,282		159,364		17,918
8	Defer Comp Retired Execs (253900)	10,329		10,329		
9	Defer Comp Active Execs (253910)	8,676,886		583,106		8,093,780
10	Executive Incent Plan (253920)	140,000				140,000
11	Unbilled Revenue (253990)	674,258			174,476	848,734
12	WA Energy Recovery Mechanism	4,224,011			7,311,172	11,535,183
13	Misc Deferred Credits	3,677,156		903,718		2,773,438
14	REC Deferral					
15	Kettle Falls Diesel Leak	664,699		428,564		236,135
16	Energy Commodity (253020)				14,694,374	14,694,374
17						
18						
19						
20						
21						
22						
23						
24						
25						
26						
27						
28						
29						
30						
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43						
44						
45	Total	21,269,740		3,659,469	22,180,032	39,790,303

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Accumulated Deferred Income Taxes-Other Property (Account 282)

1. Report the information called for below concerning the respondent's accounting for deferred income taxes relating to property not subject to accelerated amortization.
2. At Other (Specify), include deferrals relating to other income and deductions.

Line No.	Account Subdivisions (a)	Balance at Beginning of Year (b)	Amounts Debited to Account 410.1 (c)	Amounts Credited to Account 411.1 (d)
1	Account 282			
2	Electric	389,834,132	53,938,541	
3	Gas	141,409,318	(5,797,368)	
4	Other (Define) (footnote details)	51,477,902	16,007,841	
5	Total (Enter Total of lines 2 thru 4)	582,721,352	64,149,014	
6	Other (Specify) (footnote details)			
7	TOTAL Account 282 (Enter Total of lines 5 thr	582,721,352	64,149,014	
8	Classification of TOTAL			
9	Federal Income Tax	568,018,213	62,428,794	
10	State Income Tax	14,703,139	1,720,220	
11	Local Income Tax			

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Accumulated Deferred Income Taxes-Other Property (Account 282) (continued)

3. Provide in a footnote a summary of the type and amount of deferred income taxes reported in the beginning-of-year and end-of-year balances for deferred income taxes that the respondent estimates could be included in the development of jurisdictional recourse rates.

Line No.	Changes during Year Amounts Debited to Account 410.2 (e)	Changes during Year Amounts Credited to Account 411.2 (f)	Adjustments Debits Acct. No. (g)	Adjustments Debits Amount (h)	Adjustments Credits Account No. (i)	Adjustments Credits Amount (j)	Balance at End of Year (k)
1							
2							443,772,673
3							135,611,950
4							67,485,743
5							646,870,366
6							
7							646,870,366
8							
9							630,447,007
10							16,423,359
11							

Name of Respondent Avista Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/15/2016	Year/Period of Report End of 2015/Q4
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Accumulated Deferred Income Taxes-Other (Account 283)

1. Report the information called for below concerning the respondent's accounting for deferred income taxes relating to amounts recorded in Account 283.
 2. At Other (Specify), include deferrals relating to other income and deductions.

Line No.	Account Subdivisions (a)	Balance at Beginning of Year (b)	Changes During Year Amounts Debited to Account 410.1 (c)	Changes During Year Amounts Credited to Account 411.1 (d)
1	Account 283			
2	Electric	17,343,593	(869,714)	
3	Gas	(708,828)	(2,628,563)	
4	Other (Define) (footnote details)	208,219,022	7,992,949	
5	Total (Total of lines 2 thru 4)	224,853,787	4,494,672	
6	Other (Specify) (footnote details)			
7	TOTAL Account 283 (Total of lines 5 thru 6)	224,853,787	4,494,672	
8	Classification of TOTAL			
9	Federal Income Tax	224,853,787	4,494,672	
10	State Income Tax			
11	Local Income Tax			

Name of Respondent Avista Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/15/2016	Year/Period of Report End of 2015/Q4
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Accumulated Deferred Income Taxes-Other (Account 283) (continued)

3. Provide in a footnote a summary of the type and amount of deferred income taxes reported in the beginning-of-year and end-of-year balances for deferred income taxes that the respondent estimates could be included in the development of jurisdictional recourse rates.

Line No.	Changes during Year Amounts Debited to Account 410.2 (e)	Changes during Year Amounts Credited to Account 411.2 (f)	Adjustments Debits Acct. No. (g)	Adjustments Debits Amount (h)	Adjustments Credits Account No. (i)	Adjustments Credits Amount (j)	Balance at End of Year (k)
1							
2				(106,469)			16,367,410
3				50,645			(3,286,746)
4	(5,173,655)			3,691,659			214,729,975
5	(5,173,655)			3,635,835			227,810,639
6							
7	(5,173,655)			3,635,835			227,810,639
8							
9	(5,173,655)			3,635,835			227,810,639
10							
11							

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Name of Respondent Avista Corporation		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 04/15/2016	Year/Period of Report End of 2015/Q4		
Other Regulatory Liabilities (Account 254)							
<p>1. Report below the details called for concerning other regulatory liabilities which are created through the ratemaking actions of regulatory agencies (and not includable in other amounts).</p> <p>2. For regulatory liabilities being amortized, show period of amortization in column (a).</p> <p>3. Minor items (5% of the Balance at End of Year for Account 254 or amounts less than \$250,000, whichever is less) may be grouped by classes.</p> <p>4. Provide in a footnote, for each line item, the regulatory citation where the respondent was directed to refund the regulatory liability (e.g. Commission Order, state commission order, court decision).</p>							
Line No.	Description and Purpose of Other Regulatory Liabilities (a)	Balance at Beginning of Current Quarter/Year (b)	Written off during Quarter/Period Account Credited (c)	Written off During Period Amount Refunded (d)	Written off During Period Amount Deemed Non-Refundable (e)	Credits (f)	Balance at End of Current Quarter/Year (g)
1	Idaho Investment Tax Credit (254005)	10,462,039				825,970	11,288,009
2	Oregon BETC Credit (254010)	831,138				268,734	1,099,872
3	Noxon ITC (254025)	3,241,231	190	52,632			3,188,599
4	Community Solar ITC (254035)					190,418	190,418
5	Settled Int Rate Swaps (254090)	16,423,552	428	2,152,005			14,271,547
6	Unsettled Int Rate Swaps (254100)	460,316	176	437,629			22,687
7	FAS 109 Invest Credit (254180)	63,900	190	16,188			47,712
8	Nez Perce (254220)	638,348	557	22,008			616,340
9	Idaho Earnings Test (254229)	4,275,418	407	3,515,350			760,068
10	BPA Parallel Capacity (254331)	808,136	407	808,136			
11	BPA Res Exchange (254345)	1,659,457	407	1,230,833			428,624
12	Other Regulatory Liabilities					1,841,650	1,841,650
13	WA ERM	9,962,091		9,962,091		6,457,271	6,457,271
14	ID PCA					754,958	754,958
15	Roseburg /Medford	8,729					8,729
16							
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44							
45	Total	48,834,355		18,196,872	0	10,339,001	40,976,484

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Gas Operating Revenues

1. Report below natural gas operating revenues for each prescribed account total. The amounts must be consistent with the detailed data on succeeding pages.
2. Revenues in columns (b) and (c) include transition costs from upstream pipelines.
3. Other Revenues in columns (f) and (g) include reservation charges received by the pipeline plus usage charges, less revenues reflected in columns (b) through (e). Include in columns (f) and (g) revenues for Accounts 480-495.

Line No.	Title of Account (a)	Revenues for Transition Costs and Take-or-Pay	Revenues for Transition Costs and Take-or-Pay	Revenues for GRI and ACA	Revenues for GRI and ACA
		Amount for Current Year (b)	Amount for Previous Year (c)	Amount for Current Year (d)	Amount for Previous Year (e)
1	480 Residential Sales				
2	481 Commercial and Industrial Sales				
3	482 Other Sales to Public Authorities				
4	483 Sales for Resale				
5	484 Interdepartmental Sales				
6	485 Intracompany Transfers				
7	487 Forfeited Discounts				
8	488 Miscellaneous Service Revenues				
9	489.1 Revenues from Transportation of Gas of Others Through Gathering Facilities				
10	489.2 Revenues from Transportation of Gas of Others Through Transmission Facilities				
11	489.3 Revenues from Transportation of Gas of Others Through Distribution Facilities				
12	489.4 Revenues from Storing Gas of Others				
13	490 Sales of Prod. Ext. from Natural Gas				
14	491 Revenues from Natural Gas Proc. by Others				
15	492 Incidental Gasoline and Oil Sales				
16	493 Rent from Gas Property				
17	494 Interdepartmental Rents				
18	495 Other Gas Revenues				
19	Subtotal:				
20	496 (Less) Provision for Rate Refunds				
21	TOTAL:				

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Gas Operating Revenues

4. If increases or decreases from previous year are not derived from previously reported figures, explain any inconsistencies in a footnote.
5. On Page 108, include information on major changes during the year, new service, and important rate increases or decreases.
6. Report the revenue from transportation services that are bundled with storage services as transportation service revenue.

Line No.	Other Revenues	Other Revenues	Total Operating Revenues	Total Operating Revenues	Dekatherm of Natural Gas	Dekatherm of Natural Gas
	Amount for Current Year (f)	Amount for Previous Year (g)	Amount for Current Year (h)	Amount for Previous Year (i)	Amount for Current Year (j)	Amount for Previous Year (k)
1	193,825,126	203,373,340	193,825,126	203,373,340	17,661,330	19,017,094
2	103,325,365	110,129,154	103,325,365	110,129,154	11,767,225	12,742,856
3						
4	208,128,979	230,997,169	208,128,978	230,997,169	83,131,135	56,068,962
5	281,994	337,273	281,994	337,273	33,451	41,051
6						
7						
8	80,331	188,455	80,331	188,455		
9						
10						
11	7,988,080	7,735,097	7,988,080	7,735,097	16,723,353	16,231,147
12						
13						
14						
15						
16	3,211	3,132	3,211	3,132		
17						
18	10,770,592	5,329,746	10,770,593	5,329,746		
19	524,403,678	558,093,366	524,403,678	558,093,366		
20		221,098		221,098		
21	524,403,678	557,872,268	524,403,678	557,872,268		

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Other Gas Revenues (Account 495)

Report below transactions of \$250,000 or more included in Account 495, Other Gas Revenues. Group all transactions below \$250,000 in one amount and provide the number of items.

Line No.	Description of Transaction (a)	Amount (in dollars) (b)
1	Commissions on Sale or Distribution of Gas of Others	
2	Compensation for Minor or Incidental Services Provided for Others	
3	Profit or Loss on Sale of Material and Supplies not Ordinarily Purchased for Resale	
4	Sales of Stream, Water, or Electricity, including Sales or Transfers to Other Departments	
5	Miscellaneous Royalties	
6	Revenues from Dehydration and Other Processing of Gas of Others except as provided for in the Instructions to Account 495	
7	Revenues for Right and/or Benefits Received from Others which are Realized Through Research, Development, and Demonstration Ventures	
8	Gains on Settlements of Imbalance Receivables and Payables	
9	Revenues from Penalties earned Pursuant to Tariff Provisions, including Penalties Associated with Cash-out Settlements	
10	Revenues from Shipper Supplied Gas	
11	Other revenues (Specify):	
12	Misc Bills	264,257
13	Deferred Exchange Revenue	4,500,000
14	Decoupling Deferred Revenue	6,004,224
15	DSM Lost Margin (Oregon)	2,111
16		
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Total	10,770,592
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Gas Operation and Maintenance Expenses

Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)
1	1. PRODUCTION EXPENSES		
2	A. Manufactured Gas Production		
3	Manufactured Gas Production (Submit Supplemental Statement)	0	0
4	B. Natural Gas Production		
5	B1. Natural Gas Production and Gathering		
6	Operation		
7	750 Operation Supervision and Engineering	0	0
8	751 Production Maps and Records	0	0
9	752 Gas Well Expenses	0	0
10	753 Field Lines Expenses	0	0
11	754 Field Compressor Station Expenses	0	0
12	755 Field Compressor Station Fuel and Power	0	0
13	756 Field Measuring and Regulating Station Expenses	0	0
14	757 Purification Expenses	0	0
15	758 Gas Well Royalties	0	0
16	759 Other Expenses	0	0
17	760 Rents	0	0
18	TOTAL Operation (Total of lines 7 thru 17)	0	0
19	Maintenance		
20	761 Maintenance Supervision and Engineering	0	0
21	762 Maintenance of Structures and Improvements	0	0
22	763 Maintenance of Producing Gas Wells	0	0
23	764 Maintenance of Field Lines	0	0
24	765 Maintenance of Field Compressor Station Equipment	0	0
25	766 Maintenance of Field Measuring and Regulating Station Equipment	0	0
26	767 Maintenance of Purification Equipment	0	0
27	768 Maintenance of Drilling and Cleaning Equipment	0	0
28	769 Maintenance of Other Equipment	0	0
29	TOTAL Maintenance (Total of lines 20 thru 28)	0	0
30	TOTAL Natural Gas Production and Gathering (Total of lines 18 and 29)	0	0

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Gas Operation and Maintenance Expenses(continued)

Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)
59	C. Exploration and Development		
60	Operation		
61	795 Delay Rentals	0	0
62	796 Nonproductive Well Drilling	0	0
63	797 Abandoned Leases	0	0
64	798 Other Exploration	0	0
65	TOTAL Exploration and Development (Total of lines 61 thru 64)	0	0
66	D. Other Gas Supply Expenses		
67	Operation		
68	800 Natural Gas Well Head Purchases	0	0
69	800.1 Natural Gas Well Head Purchases, Intracompany Transfers	0	0
70	801 Natural Gas Field Line Purchases	0	0
71	802 Natural Gas Gasoline Plant Outlet Purchases	0	0
72	803 Natural Gas Transmission Line Purchases	0	0
73	804 Natural Gas City Gate Purchases	319,282,550	416,037,120
74	804.1 Liquefied Natural Gas Purchases	0	0
75	805 Other Gas Purchases	0	0
76	(Less) 805.1 Purchases Gas Cost Adjustments	(13,720,762)	8,065,460
77	TOTAL Purchased Gas (Total of lines 68 thru 76)	333,003,312	407,971,660
78	806 Exchange Gas	0	0
79	Purchased Gas Expenses		
80	807.1 Well Expense-Purchased Gas	0	0
81	807.2 Operation of Purchased Gas Measuring Stations	0	0
82	807.3 Maintenance of Purchased Gas Measuring Stations	0	0
83	807.4 Purchased Gas Calculations Expenses	0	0
84	807.5 Other Purchased Gas Expenses	0	0
85	TOTAL Purchased Gas Expenses (Total of lines 80 thru 84)	0	0

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Gas Operation and Maintenance Expenses(continued)

Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)
86	808.1 Gas Withdrawn from Storage-Debit	45,198,194	23,222,085
87	(Less) 808.2 Gas Delivered to Storage-Credit	29,241,184	38,924,873
88	809.1 Withdrawals of Liquefied Natural Gas for Processing-Debit	0	0
89	(Less) 809.2 Deliveries of Natural Gas for Processing-Credit	0	0
90	Gas used in Utility Operation-Credit		
91	810 Gas Used for Compressor Station Fuel-Credit	0	0
92	811 Gas Used for Products Extraction-Credit	446,368	1,602,046
93	812 Gas Used for Other Utility Operations-Credit	0	0
94	TOTAL Gas Used in Utility Operations-Credit (Total of lines 91 thru 93)	446,368	1,602,046
95	813 Other Gas Supply Expenses	1,750,521	1,634,458
96	TOTAL Other Gas Supply Exp. (Total of lines 77,78,85,86 thru 89,94,95)	350,264,475	392,301,284
97	TOTAL Production Expenses (Total of lines 3, 30, 58, 65, and 96)	350,264,475	392,301,284
98	2. NATURAL GAS STORAGE, TERMINALING AND PROCESSING EXPENSES		
99	A. Underground Storage Expenses		
100	Operation		
101	814 Operation Supervision and Engineering	13,588	9,776
102	815 Maps and Records	0	0
103	816 Wells Expenses	0	0
104	817 Lines Expense	0	0
105	818 Compressor Station Expenses	0	0
106	819 Compressor Station Fuel and Power	0	0
107	820 Measuring and Regulating Station Expenses	0	0
108	821 Purification Expenses	0	0
109	822 Exploration and Development	0	0
110	823 Gas Losses	0	0
111	824 Other Expenses	677,721	723,454
112	825 Storage Well Royalties	0	0
113	826 Rents	0	0
114	TOTAL Operation (Total of lines of 101 thru 113)	691,309	733,230

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Gas Operation and Maintenance Expenses(continued)

Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)
115	Maintenance		
116	830 Maintenance Supervision and Engineering	0	0
117	831 Maintenance of Structures and Improvements	0	0
118	832 Maintenance of Reservoirs and Wells	0	0
119	833 Maintenance of Lines	0	0
120	834 Maintenance of Compressor Station Equipment	0	0
121	835 Maintenance of Measuring and Regulating Station Equipment	0	0
122	836 Maintenance of Purification Equipment	0	0
123	837 Maintenance of Other Equipment	648,898	661,095
124	TOTAL Maintenance (Total of lines 116 thru 123)	648,898	661,095
125	TOTAL Underground Storage Expenses (Total of lines 114 and 124)	1,340,207	1,394,325
126	B. Other Storage Expenses		
127	Operation		
128	840 Operation Supervision and Engineering	0	0
129	841 Operation Labor and Expenses	0	0
130	842 Rents	0	0
131	842.1 Fuel	0	0
132	842.2 Power	0	0
133	842.3 Gas Losses	0	0
134	TOTAL Operation (Total of lines 128 thru 133)	0	0
135	Maintenance		
136	843.1 Maintenance Supervision and Engineering	0	0
137	843.2 Maintenance of Structures	0	0
138	843.3 Maintenance of Gas Holders	0	0
139	843.4 Maintenance of Purification Equipment	0	0
140	843.5 Maintenance of Liquefaction Equipment	0	0
141	843.6 Maintenance of Vaporizing Equipment	0	0
142	843.7 Maintenance of Compressor Equipment	0	0
143	843.8 Maintenance of Measuring and Regulating Equipment	0	0
144	843.9 Maintenance of Other Equipment	0	0
145	TOTAL Maintenance (Total of lines 136 thru 144)	0	0
146	TOTAL Other Storage Expenses (Total of lines 134 and 145)	0	0

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Gas Operation and Maintenance Expenses(continued)

Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)
147	C. Liquefied Natural Gas Terminating and Processing Expenses		
148	Operation		
149	844.1 Operation Supervision and Engineering	0	0
150	844.2 LNG Processing Terminal Labor and Expenses	0	0
151	844.3 Liquefaction Processing Labor and Expenses	0	0
152	844.4 Liquefaction Transportation Labor and Expenses	0	0
153	844.5 Measuring and Regulating Labor and Expenses	0	0
154	844.6 Compressor Station Labor and Expenses	0	0
155	844.7 Communication System Expenses	0	0
156	844.8 System Control and Load Dispatching	0	0
157	845.1 Fuel	0	0
158	845.2 Power	0	0
159	845.3 Rents	0	0
160	845.4 Demurrage Charges	0	0
161	(less) 845.5 Wharfage Receipts-Credit	0	0
162	845.6 Processing Liquefied or Vaporized Gas by Others	0	0
163	846.1 Gas Losses	0	0
164	846.2 Other Expenses	0	0
165	TOTAL Operation (Total of lines 149 thru 164)	0	0
166	Maintenance		
167	847.1 Maintenance Supervision and Engineering	0	0
168	847.2 Maintenance of Structures and Improvements	0	0
169	847.3 Maintenance of LNG Processing Terminal Equipment	0	0
170	847.4 Maintenance of LNG Transportation Equipment	0	0
171	847.5 Maintenance of Measuring and Regulating Equipment	0	0
172	847.6 Maintenance of Compressor Station Equipment	0	0
173	847.7 Maintenance of Communication Equipment	0	0
174	847.8 Maintenance of Other Equipment	0	0
175	TOTAL Maintenance (Total of lines 167 thru 174)	0	0
176	TOTAL Liquefied Nat Gas Terminating and Proc Exp (Total of lines 165 and 175)	0	0
177	TOTAL Natural Gas Storage (Total of lines 125, 146, and 176)	1,340,207	1,394,325

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Gas Operation and Maintenance Expenses(continued)

Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)
178	3. TRANSMISSION EXPENSES		
179	Operation		
180	850 Operation Supervision and Engineering	0	0
181	851 System Control and Load Dispatching	0	0
182	852 Communication System Expenses	0	0
183	853 Compressor Station Labor and Expenses	0	0
184	854 Gas for Compressor Station Fuel	0	0
185	855 Other Fuel and Power for Compressor Stations	0	0
186	856 Mains Expenses	0	0
187	857 Measuring and Regulating Station Expenses	0	0
188	858 Transmission and Compression of Gas by Others	0	0
189	859 Other Expenses	0	0
190	860 Rents	0	0
191	TOTAL Operation (Total of lines 180 thru 190)	0	0
192	Maintenance		
193	861 Maintenance Supervision and Engineering	0	0
194	862 Maintenance of Structures and Improvements	0	0
195	863 Maintenance of Mains	0	0
196	864 Maintenance of Compressor Station Equipment	0	0
197	865 Maintenance of Measuring and Regulating Station Equipment	0	0
198	866 Maintenance of Communication Equipment	0	0
199	867 Maintenance of Other Equipment	0	0
200	TOTAL Maintenance (Total of lines 193 thru 199)	0	0
201	TOTAL Transmission Expenses (Total of lines 191 and 200)	0	0
202	4. DISTRIBUTION EXPENSES		
203	Operation		
204	870 Operation Supervision and Engineering	2,335,426	2,231,329
205	871 Distribution Load Dispatching	0	0
206	872 Compressor Station Labor and Expenses	0	0
207	873 Compressor Station Fuel and Power	0	0

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Gas Operation and Maintenance Expenses(continued)

Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)
208	874 Mains and Services Expenses	5,809,786	5,050,253
209	875 Measuring and Regulating Station Expenses-General	192,859	227,487
210	876 Measuring and Regulating Station Expenses-Industrial	8,087	6,093
211	877 Measuring and Regulating Station Expenses-City Gas Check Station	131,087	168,066
212	878 Meter and House Regulator Expenses	1,069,806	821,734
213	879 Customer Installations Expenses	3,226,050	2,770,677
214	880 Other Expenses	3,026,742	2,956,344
215	881 Rents	57,176	50,086
216	TOTAL Operation (Total of lines 204 thru 215)	15,857,019	14,282,069
217	Maintenance		
218	885 Maintenance Supervision and Engineering	179,467	202,495
219	886 Maintenance of Structures and Improvements	0	0
220	887 Maintenance of Mains	2,552,162	3,689,559
221	888 Maintenance of Compressor Station Equipment	0	0
222	889 Maintenance of Measuring and Regulating Station Equipment-General	531,220	408,967
223	890 Maintenance of Meas. and Reg. Station Equipment-Industrial	240,023	306,081
224	891 Maintenance of Meas. and Reg. Station Equip-City Gate Check Station	118,017	86,733
225	892 Maintenance of Services	2,688,703	2,624,504
226	893 Maintenance of Meters and House Regulators	2,739,937	2,473,195
227	894 Maintenance of Other Equipment	349,692	359,692
228	TOTAL Maintenance (Total of lines 218 thru 227)	9,399,221	10,151,226
229	TOTAL Distribution Expenses (Total of lines 216 and 228)	25,256,240	24,433,295
230	5. CUSTOMER ACCOUNTS EXPENSES		
231	Operation		
232	901 Supervision	310,965	288,098
233	902 Meter Reading Expenses	2,232,796	2,032,328
234	903 Customer Records and Collection Expenses	7,748,363	7,431,401

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Gas Operation and Maintenance Expenses(continued)

Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)
235	904 Uncollectible Accounts	2,708,708	2,448,316
236	905 Miscellaneous Customer Accounts Expenses	234,815	175,445
237	TOTAL Customer Accounts Expenses (Total of lines 232 thru 236)	13,235,647	12,375,588
238	6. CUSTOMER SERVICE AND INFORMATIONAL EXPENSES		
239	Operation		
240	907 Supervision	0	0
241	908 Customer Assistance Expenses	7,622,111	7,161,608
242	909 Informational and Instructional Expenses	886,365	920,194
243	910 Miscellaneous Customer Service and Informational Expenses	95,402	158,451
244	TOTAL Customer Service and Information Expenses (Total of lines 240 thru 243)	8,603,878	8,240,253
245	7. SALES EXPENSES		
246	Operation		
247	911 Supervision	0	0
248	912 Demonstrating and Selling Expenses	0	0
249	913 Advertising Expenses	0	0
250	916 Miscellaneous Sales Expenses	0	0
251	TOTAL Sales Expenses (Total of lines 247 thru 250)	0	0
252	8. ADMINISTRATIVE AND GENERAL EXPENSES		
253	Operation		
254	920 Administrative and General Salaries	12,117,128	9,505,163
255	921 Office Supplies and Expenses	1,634,570	1,766,312
256	(Less) 922 Administrative Expenses Transferred-Credit	18,378	20,731
257	923 Outside Services Employed	3,629,636	4,655,459
258	924 Property Insurance	467,995	485,783
259	925 Injuries and Damages	1,353,757	1,641,068
260	926 Employee Pensions and Benefits	671,836	719,807
261	927 Franchise Requirements	0	0
262	928 Regulatory Commission Expenses	2,481,480	2,081,530
263	(Less) 929 Duplicate Charges-Credit	0	0
264	930.1 General Advertising Expenses	878	73
265	930.2 Miscellaneous General Expenses	1,662,443	1,485,418
266	931 Rents	353,710	302,200
267	TOTAL Operation (Total of lines 254 thru 266)	24,355,055	22,622,082
268	Maintenance		
269	932 Maintenance of General Plant	3,826,155	3,600,782
270	TOTAL Administrative and General Expenses (Total of lines 267 and 269)	28,181,210	26,222,864
271	TOTAL Gas O&M Expenses (Total of lines 97,177,201,229,237,244,251, and 270)	426,881,657	464,967,609

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Gas Used in Utility Operations

- Report below details of credits during the year to Accounts 810, 811, and 812.
- If any natural gas was used by the respondent for which a charge was not made to the appropriate operating expense or other account, list separately in column (c) the Dth of gas used, omitting entries in column (d).

Line No.	Purpose for Which Gas Was Used (a)	Account Charged (b)	Natural Gas Gas Used Dth (c)	Natural Gas Amount of Credit (in dollars) (d)	Natural Gas Amount of Credit (in dollars) (d)	Natural Gas Amount of Credit (in dollars) (d)
1	810 Gas Used for Compressor Station Fuel - Credit	804	2,175,486	0		
2	811 Gas Used for Products Extraction - Credit	811	2,894,933	446,368		
3	Gas Shrinkage and Other Usage in Respondent's Own Processing					
4	Gas Shrinkage, etc. for Respondent's Gas Processed by Others					
5	812 Gas Used for Other Utility Operations - Credit (Report separately for each principal use. Group minor uses.)					
6						
7						
8						
9						
10						
11						
12						
13						
14						
15						
16						
17						
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19						
20						
21						
22						
23						
24						
25	Total		5,070,419	446,368		

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FOOTNOTE DATA			

Schedule Page: 331 Line No.: 1 Column: d

Dollar value related to compressor fuel are not seperately recorded. These dollars are included in total gas purchase costs.

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Other Gas Supply Expenses (Account 813)

1. Report other gas supply expenses by descriptive titles that clearly indicate the nature of such expenses. Show maintenance expenses, revaluation of monthly encroachments recorded in Account 117.4, and losses on settlements of imbalances and gas losses not associated with storage separately. Indicate the functional classification and purpose of property to which any expenses relate. List separately items of \$250,000 or more.

Line No.	Description (a)	Amount (in dollars) (b)
1	Gas Resource Management	
2	Labor	791,056
3	Labor Loading	667,312
4	Other Expenses (Professional Services, Travel, Transportation, Office Supplies, Training)	143,124
5		
6	Regulatory Affairs	
7	Labor	7,939
8	Labor Loading	6,781
9	Other Expenses (Travel, Transportation, Gas Technology Institute Payments)	134,309
10		
11		
12		
13		
14		
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18		
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20		
21		
22		
23		
24		
25	Total	1,750,521

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Miscellaneous General Expenses (Account 930.2)

- Provide the information requested below on miscellaneous general expenses.
- For Other Expenses, show the (a) purpose, (b) recipient and (c) amount of such items. List separately amounts of \$250,000 or more however, amounts less than \$250,000 may be grouped if the number of items of so grouped is shown.

Line No.	Description (a)	Amount (in dollars) (b)
1	Industry association dues.	341,750
2	Experimental and general research expenses.	
	a. Gas Research Institute (GRI)	
	b. Other	
3	Publishing and distributing information and reports to stockholders, trustee, registrar, and transfer agent fees and expenses, and other expenses of servicing outstanding securities of the respondent	142,773
4	Community Relations	36,686
5	Director Expenses	399,068
6	Education and information	9,602
7	Rating agency fees	68,856
8	Aircraft Operation Fees	77,157
9	Misc general expenses > 5k	296,932
10	Misc general expenses < 5k	289,619
11		
12		
13		
14		
15		
16		
17		
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19		
20		
21		
22		
23		
24		
25	Total	1,662,443

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Depreciation, Depletion and Amortization of Gas Plant (Accts 403, 404.1, 404.2, 404.3, 405) (Except Amortization of Acquisition Adjustments)

1. Report in Section A the amounts of depreciation expense, depletion and amortization for the accounts indicated and classified according to the plant functional groups shown.
 2. Report in Section B, column (b) all depreciable or amortizable plant balances to which rates are applied and show a composite total. (If more desirable, report by plant account, subaccount or functional classifications other than those pre-printed in column (a). Indicate in a footnote the manner in which column (b) balances are

Section A. Summary of Depreciation, Depletion, and Amortization Charges

Line No.	Functional Classification (a)	Depreciation Expense (Account 403) (b)	Amortization Expense for Asset Retirement Costs (Account 403.1) (c)	Amortization and Depletion of Producing Natural Gas Land and Land Rights (Account 404.1) (d)	Amortization of Underground Storage Land and Land Rights (Account 404.2) (e)
1	Intangible plant				227
2	Production plant, manufactured gas				
3	Production and gathering plant, natural gas				
4	Products extraction plant				
5	Underground gas storage plant	740,549			
6	Other storage plant				
7	Base load LNG terminaling and processing plant				
8	Transmission plant				
9	Distribution plant	19,667,183			
10	General plant	731,608			
11	Common plant-gas	5,454,239			7,737
12	TOTAL	26,593,579			7,964

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Depreciation, Depletion and Amortization of Gas Plant (Accts 403, 404.1, 404.2, 404.3, 405) (Except Amortization of Acquisition Adjustments) (continued)

obtained. If average balances are used, state the method of averaging used. For column (c) report available information for each plant functional classification listed in column (a). If composite depreciation accounting is used, report available information called for in columns (b) and (c) on this basis. Where the unit-of-production method is used to determine depreciation charges, show in a footnote any revisions made to estimated gas reserves.

3. If provisions for depreciation were made during the year in addition to depreciation provided by application of reported rates, state in a footnote the amounts and nature of the provisions and the plant items to which related.

Section A. Summary of Depreciation, Depletion, and Amortization Charges

Line No.	Amortization of Other Limited-term Gas Plant (Account 404.3) (f)	Amortization of Other Gas Plant (Account 405) (g)	Total (b to g) (h)	Functional Classification (a)
1	447,074		447,301	Intangible plant
2				Production plant, manufactured gas
3				Production and gathering plant, natural gas
4				Products extraction plant
5			740,549	Underground gas storage plant
6				Other storage plant
7				Base load LNG terminaling and processing plant
8				Transmission plant
9			19,667,183	Distribution plant
10	42,986		774,594	General plant
11	4,525,983		9,987,959	Common plant-gas
12	5,016,043		31,617,586	TOTAL

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Depreciation, Depletion and Amortization of Gas Plant (Accts 403, 404.1, 404.2, 404.3, 405) (Except Amortization of Acquisition Adjustments) (continued)

4. Add rows as necessary to completely report all data. Number the additional rows in sequence as 2.01, 2.02, 3.01, 3.02, etc.

Section B. Factors Used in Estimating Depreciation Charges

Line No.	Functional Classification (a)	Plant Bases (in thousands) (b)	Applied Depreciation or Amortization Rates (percent) (c)
1	Production and Gathering Plant		
2	Offshore (footnote details)		
3	Onshore (footnote details)		
4	Underground Gas Storage Plant (footnote details)		
5	Transmission Plant		
6	Offshore (footnote details)		
7	Onshore (footnote details)		
8	General Plant (footnote details)		
9			
10			
11			
12			
13			
14			
15			

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Particulars Concerning Certain Income Deductions and Interest Charges Accounts

Report the information specified below, in the order given, for the respective income deduction and interest charges accounts.

- (a) Miscellaneous Amortization (Account 425)-Describe the nature of items included in this account, the contra account charged, the total of amortization charges for the year, and the period of amortization.
- (b) Miscellaneous Income Deductions-Report the nature, payee, and amount of other income deductions for the year as required by Accounts 426.1, Donations; 426.2, Life Insurance; 426.3, Penalties; 426.4, Expenditures for Certain Civic, Political and Related Activities; and 426.5, Other Deductions, of the Uniform System of Accounts. Amounts of less than \$250,000 may be grouped by classes within the above accounts.
- (c) Interest on Debt to Associated Companies (Account 430)-For each associated company that incurred interest on debt during the year, indicate the amount and interest rate respectively for (a) advances on notes, (b) advances on open account, (c) notes payable, (d) accounts payable, and (e) other debt, and total interest. Explain the nature of other debt on which interest was incurred during the year.
- (d) Other Interest Expense (Account 431) - Report details including the amount and interest rate for other interest charges incurred during the year.

Line No.	Item (a)	Amount (b)
1	Acct. 425.00 - MISCELLANEOUS AMORTIZATIONS	
2	Items Under \$250,000	
3	Total - 425.00	
4	Acct. 426.10 - DONATIONS	
5	Rosaurers Supermarket Inc- Storm Gift Cards to customers	460,950
6	Items Under \$250,000	2,747,071
7	Total 426.10	3,208,021
8	Acct. 426.20 - LIFE INSURANCE	
9	Officers Life	162,742
10	SERP	2,796,424
11	Items Under \$250,000	120,828
12	Total 426.20	3,079,994
13	Acct. 426.30 - PENALTIES	
14	Items Under \$250,000	70,316
15	Total 426.30	70,316
16	Acct. 426.40 - EXPENDITURES FOR CERTAIN CIVIC, POLITICAL, AND RELATED ACTIVITIES	
17	Items Under \$250,000	1,625,650
18	Total 426.40	1,625,650
19	Acct. 426.50 - OTHER DEDUCTIONS	
20	Executive Deferred Compensation	146,861
21	Hanna & Associates Inc	285,872
22	Items Under \$250,000	953,767
23	Total 426.50	1,386,500
24	Acct. 430.00 - INTEREST ON DEBT TO ASSOC. COMPANIES	
25	Avista Capital II (long-term debt) (variable rate ranged from 1.11 to 1.29 perc)	473,352
26	Avista Capital, Inc.	131,922
27	Total 430.00	605,274
28	Acct. 431.00 - OTHER INTEREST EXPENSE	
29	Interest on electric deferrals	562,497
30	Interest on natural gas deferrals	339,979
31	Interest on committed line of credit	1,297,048
32	Other	436,703
33	Total 431.00	2,636,227
34		
35		

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Regulatory Commission Expenses (Account 928)

1. Report below details of regulatory commission expenses incurred during the current year (or in previous years, if being amortized) relating to formal cases before a regulatory body, or cases in which such a body was a party.
 2. In column (b) and (c), indicate whether the expenses were assessed by a regulatory body or were otherwise incurred by the utility.

Line No.	Description (Furnish name of regulatory commission or body, the docket number, and a description of the case.) (a)	Assessed by Regulatory Commission (b)	Expenses of Utility (c)	Total Expenses to Date (d)	Deferred in Account 182.3 at Beginning of Year (e)
1	Federal Energy Regulatory Commission				
2	Charges include annual fee and license fee				
3	for the Spokane River Project, the Cabinet				
4	Gorge Project and Noxon Rapids Project	2,210,963	86,315		
5					
6	Washington Utilities and Transportation Commission				
7	Includes annual fee and various other electric dockets	1,025,044	1,182,202		
8					
9	Includes annual fee and various other natural gas dockets	328,989	302,117		
10					
11	Idaho Public Utilities Commission				
12	Includes annual fee and various other electric dockets	619,966	259,840		
13					
14	Includes annual fee and various other natural gas dockets	177,604	88,152		
15					
16	Public Utility Commission of Oregon				
17	Includes annual fee and various other dockets	598,978	684,324		
18					
19	Not directly assigned electric		754,166		
20	Not directly assigned natural gas		301,317		
21					
22					
23					
24					
25	Total	4,961,544	3,658,433		

Name of Respondent Avista Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/15/2016	Year/Period of Report End of <u>2015/Q4</u>
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Regulatory Commission Expenses (Account 928)

3. Show in column (k) any expenses incurred in prior years that are being amortized. List in column (a) the period of amortization.
4. Identify separately all annual charge adjustments (ACA).
5. List in column (f), (g), and (h) expenses incurred during year which were charges currently to income, plant, or other accounts.
6. Minor items (less than \$250,000) may be grouped.

Line No.	Expenses Incurred During Year Charged Currently To Department (f)	Expenses Incurred During Year Charged Currently To Account No. (g)	Expenses Incurred During Year Charged Currently To Amount (h)	Expenses Incurred During Year Deferred to Account 182.3 (i)	Amortized During Year Contra Account (j)	Amortized During Year Amount (k)	Deferred in Account 182.3 End of Year (l)
1							
2							
3							
4	Electric	928	2,297,278				
5							
6							
7	Electric	928	2,207,246				
8							
9	Gas	928	631,106				
10							
11							
12	Electric	928	879,806				
13							
14	Gas	928	265,756				
15							
16							
17	Gas	928	1,283,302				
18							
19	Electric	928	754,166				
20	Gas	928	301,317				
21							
22							
23							
24							
25			8,619,977				

Name of Respondent Avista Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/15/2016	Year/Period of Report End of 2015/Q4
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Employee Pensions and Benefits (Account 926)

1. Report below the items contained in Account 926, Employee Pensions and Benefits.

Line No.	Expense (a)	Amount (b)
1	Pensions – defined benefit plans	671,836
2	Pensions – other	
3	Post-retirement benefits other than pensions (PBOP)	
4	Post-employment benefit plans	
5	Other (Specify)	
6		
7		
8		
9		
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Total	671,836
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Name of Respondent Avista Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/15/2016	Year/Period of Report End of <u>2015/Q4</u>
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Distribution of Salaries and Wages

Report below the distribution of total salaries and wages for the year. Segregate amounts originally charged to clearing accounts to Utility Departments, Construction, Plant Removals and Other Accounts, and enter such amounts in the appropriate lines and columns provided. Salaries and wages billed to the Respondent by an affiliated company must be assigned to the particular operating function(s) relating to the expenses.

In determining this segregation of salaries and wages originally charged to clearing accounts, a method of approximation giving substantially correct results may be used. When reporting detail of other accounts, enter as many rows as necessary numbered sequentially starting with 75.01, 75.02, etc.

Line No.	Classification (a)	Direct Payroll Distribution (b)	Payroll Billed by Affiliated Companies (c)	Allocation of Payroll Charged for Clearing Accounts (d)	Total (e)
1	Electric				
2	Operation				
3	Production	10,679,266			10,679,266
4	Transmission	2,940,353			2,940,353
5	Distribution	8,288,339			8,288,339
6	Customer Accounts	7,465,204			7,465,204
7	Customer Service and Informational	739,691			739,691
8	Sales				
9	Administrative and General	17,886,460			17,886,460
10	TOTAL Operation (Total of lines 3 thru 9)	47,999,313			47,999,313
11	Maintenance				
12	Production	3,327,489			3,327,489
13	Transmission	1,267,086			1,267,086
14	Distribution	5,715,670			5,715,670
15	Administrative and General			15,660,180	15,660,180
16	TOTAL Maintenance (Total of lines 12 thru 15)	10,310,245		15,660,180	25,970,425
17	Total Operation and Maintenance				
18	Production (Total of lines 3 and 12)	14,006,755			14,006,755
19	Transmission (Total of lines 4 and 13)	4,207,439			4,207,439
20	Distribution (Total of lines 5 and 14)	14,004,009			14,004,009
21	Customer Accounts (line 6)	7,465,204			7,465,204
22	Customer Service and Informational (line 7)	739,691			739,691
23	Sales (line 8)				
24	Administrative and General (Total of lines 9 and 15)	17,886,460		15,660,180	33,546,640
25	TOTAL Operation and Maintenance (Total of lines 18 thru 24)	58,309,558		15,660,180	73,969,738
26	Gas				
27	Operation				
28	Production - Manufactured Gas				
29	Production - Natural Gas(Including Exploration and Development)				
30	Other Gas Supply	798,995			798,995
31	Storage, LNG Terminating and Processing	6,496			6,496
32	Transmission				
33	Distribution	5,089,107			5,089,107
34	Customer Accounts	2,912,246			2,912,246
35	Customer Service and Informational	334,840			334,840
36	Sales				
37	Administrative and General	6,856,322			6,856,322
38	TOTAL Operation (Total of lines 28 thru 37)	15,998,006			15,998,006
39	Maintenance				
40	Production - Manufactured Gas				
41	Production - Natural Gas(Including Exploration and Development)				
42	Other Gas Supply				
43	Storage, LNG Terminating and Processing				
44	Transmission	1,142,631			1,142,631
45	Distribution	3,333,267			3,333,267

Name of Respondent Avista Corporation		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 04/15/2016	Year/Period of Report End of <u>2015/Q4</u>
Distribution of Salaries and Wages (continued)					
Line No.	Classification (a)	Direct Payroll Distribution (b)	Payroll Billed by Affiliated Companies (c)	Allocation of Payroll Charged for Clearing Accounts (d)	Total (e)
46	Administrative and General			5,526,662	5,526,662
47	TOTAL Maintenance (Total of lines 40 thru 46)	4,475,898		5,526,662	10,002,560
48	Gas (Continued)				
49	Total Operation and Maintenance				
50	Production - Manufactured Gas (Total of lines 28 and 40)				
51	Production - Natural Gas (Including Expl. and Dev.)(ll. 29 and 41)				
52	Other Gas Supply (Total of lines 30 and 42)	798,995			798,995
53	Storage, LNG Terminating and Processing (Total of ll. 31 and 43)	6,496			6,496
54	Transmission (Total of lines 32 and 44)	1,142,631			1,142,631
55	Distribution (Total of lines 33 and 45)	8,422,374			8,422,374
56	Customer Accounts (Total of line 34)	2,912,246			2,912,246
57	Customer Service and Informational (Total of line 35)	334,840			334,840
58	Sales (Total of line 36)				
59	Administrative and General (Total of lines 37 and 46)	6,856,322		5,526,662	12,382,984
60	Total Operation and Maintenance (Total of lines 50 thru 59)	20,473,904		5,526,662	26,000,566
61	Other Utility Departments				
62	Operation and Maintenance				
63	TOTAL ALL Utility Dept. (Total of lines 25, 60, and 62)	78,783,462		21,186,842	99,970,304
64	Utility Plant				
65	Construction (By Utility Departments)				
66	Electric Plant	41,185,936		15,544,342	56,730,278
67	Gas Plant	8,341,583		4,768,956	13,110,539
68	Other				
69	TOTAL Construction (Total of lines 66 thru 68)	49,527,519		20,313,298	69,840,817
70	Plant Removal (By Utility Departments)				
71	Electric Plant	1,974,884		520,972	2,495,856
72	Gas Plant	117,086		30,887	147,973
73	Other				
74	TOTAL Plant Removal (Total of lines 71 thru 73)	2,091,970		551,859	2,643,829
75	Other Accounts (Specify) (footnote details)	45,518,991		(42,052,019)	3,466,972
76	TOTAL Other Accounts	45,518,991		(42,052,019)	3,466,972
77	TOTAL SALARIES AND WAGES	175,921,942		(20)	175,921,922

Name of Respondent Avista Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/15/2016	Year/Period of Report End of <u>2015/Q4</u>
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Charges for Outside Professional and Other Consultative Services

1. Report the information specified below for all charges made during the year included in any account (including plant accounts) for outside consultative and other professional services. These services include rate, management, construction, engineering, research, financial, valuation, legal, accounting, purchasing, advertising, labor relations, and public relations, rendered for the respondent under written or oral arrangement, for which aggregate payments were made during the year to any corporation partnership, organization of any kind, or individual (other than for services as an employee or for payments made for medical and related services) amounting to more than \$250,000, including payments for legislative services, except those which should be reported in Account 426.4 Expenditures for Certain Civic, Political and Related Activities.

- (a) Name of person or organization rendering services.
 - (b) Total charges for the year.
2. Sum under a description "Other", all of the aforementioned services amounting to \$250,000 or less.
3. Total under a description "Total", the total of all of the aforementioned services.
4. Charges for outside professional and other consultative services provided by associated (affiliated) companies should be excluded from this schedule and be reported on Page 358, according to the instructions for that schedule.

Line No.	Description (a)	Amount (in dollars) (b)
1	ABB ENT SOFTWARE INC	293,054
2	AVTEC SYSTEMS INTEGRATOR	432,852
3	BAKER CONSTRUCTION & DEVELOPMENT	3,217,838
4	BLAKC & VEATCH CORP	647,901
5	CIRRUS DESIGN	405,115
6	COEUR D ALENE TRIBE	825,508
7	DAVIS WRIGHT TREMAINE LLP	393,607
8	ERNST & YOUNG	6,644,948
9	H2E INC	319,876
10	HANNA & ASSOCIATES	312,920
11	HAWORTH	571,467
12	HDR ENGINEERING	683,579
13	HELVETICKA	253,574
14	HICKY BROTHERS RESEARCH	331,483
15	HP ENTERPRISE SERVICES	1,039,597
16	IBM CORPORATION	4,735,761
17	IFACTOR CONSULTING	327,790
18	INTERVOICE	442,815
19	LANDAU ASSOCIATES	488,076
20	MAX J KUNEY COMPANY	427,883
21	MCKINSTRY ESSENTION LLC	4,770,671
22	NEAL STRUCTURAL REPAIR	350,285
23	NORTHWEST POWER POOL	354,703
24	OPOWER INC	257,662
25	PAINE HAMBLIN LLP	449,985
26	POWER CITY ELECTRIC	434,032
27	PRO BUILDING SYSTEM	481,901
28	SAPERE CONSULTING	912,616
29	SENTURUS INC	322,861
30	STEELHEAD MECHANICAL	324,074
31	STRATA	429,899
32	URS ENERGY CONSTRUCTION	2,450,856
33	UTILITIES INTERNATIONAL	270,128
34	WESTERN ELECTRICITY	944,249
35	OTHER	19,257,681

Transactions with Associated (Affiliated) Companies

1. Report below the information called for concerning all goods or services received from or provided to associated (affiliated) companies amounting to more than \$250,000.
2. Sum under a description "Other", all of the aforementioned goods and services amounting to \$250,000 or less.
3. Total under a description "Total", the total of all of the aforementioned goods and services.
4. Where amounts billed to or received from the associated (affiliated) company are based on an allocation process, explain in a footnote the basis of the allocation.

Line No.	Description of the Good or Service (a)	Name of Associated/Affiliated Company (b)	Account(s) Charged or Credited (c)	Amount Charged or Credited (d)
1	Goods or Services Provided by Affiliated Company			
2	Other	Steam Plant Square	931000	149,304
3	Other	Spokane Energy	456000	14,230
4				
5				
6				
7				
8				
9				
10				
11				
12				
13				
14				
15				
16				
17				
18				
19				
20	Goods or Services Provided for Affiliated Company			
21	Corporate Support	Salix	146000	737,375
22	Corporate Support	Avista Development	146000	292,333
23	Other	Avista Capital	146000	75,115
24	Other	AELP, Inc	146000	137,732
25	Other	Avista Energy	146000	879
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Name of Respondent Avista Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/15/2016	Year/Period of Report End of 2015/Q4
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Gas Storage Projects

1. Report injections and withdrawals of gas for all storage projects used by respondent.

Line No.	Item (a)	Gas Belonging to Respondent (Dth) (b)	Gas Belonging to Others (Dth) (c)	Total Amount (Dth) (d)
	STORAGE OPERATIONS (in Dth)			
1	Gas Delivered to Storage			
2	January	106,680		106,680
3	February	115,972		115,972
4	March	643,498		643,498
5	April	1,054,123		1,054,123
6	May	3,026,992		3,026,992
7	June	1,235,126		1,235,126
8	July	1,467,109		1,467,109
9	August	2,259,399		2,259,399
10	September	1,507,656		1,507,656
11	October	253,308		253,308
12	November	15,614		15,614
13	December	357,764		357,764
14	TOTAL (Total of lines 2 thru 13)	12,043,241		12,043,241
15	Gas Withdrawn from Storage			
16	January	3,083,016		3,083,016
17	February	2,208,427		2,208,427
18	March	1,459,725		1,459,725
19	April	667,428		667,428
20	May	72,619		72,619
21	June	1,950,700		1,950,700
22	July	803,153		803,153
23	August	7,301		7,301
24	September	164,506		164,506
25	October	107,138		107,138
26	November	1,569,433		1,569,433
27	December	1,928,213		1,928,213
28	TOTAL (Total of lines 16 thru 27)	14,021,659		14,021,659

Name of Respondent Avista Corporation	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/15/2016	Year/Period of Report End of 2015/Q4
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Gas Storage Projects

1. On line 4, enter the total storage capacity certificated by FERC.
 2. Report total amount in Dth or other unit, as applicable on lines 2, 3, 4, 7. If quantity is converted from Mcf to Dth, provide conversion factor in a footnote.

Line No.	Item (a)	Total Amount (b)
	STORAGE OPERATIONS	
1	Top or Working Gas End of Year	8,528,000
2	Cushion Gas (Including Native Gas)	7,730,668
3	Total Gas in Reservoir (Total of line 1 and 2)	16,258,668
4	Certificated Storage Capacity	16,258,668
5	Number of Injection - Withdrawal Wells	54
6	Number of Observation Wells	48
7	Maximum Days' Withdrawal from Storage	170,009
8	Date of Maximum Days' Withdrawal	11/30/2015
9	LNG Terminal Companies (in Dth)	
10	Number of Tanks	
11	Capacity of Tanks	
12	LNG Volume	
13	Received at "Ship Rail"	
14	Transferred to Tanks	
15	Withdrawn from Tanks	
16	"Boil Off" Vaporization Loss	

Name of Respondent Avista Corporation	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/15/2016	Year/Period of Report 2015/Q4
FOOTNOTE DATA			

Schedule Page: 513 Line No.: 7 Column: b

Mcf converted to Dth using a factor of 1.04

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Auxiliary Peaking Facilities

1. Report below auxiliary facilities of the respondent for meeting seasonal peak demands on the respondent's system, such as underground storage projects, liquefied petroleum gas installations, gas liquefaction plants, oil gas sets, etc.
2. For column (c), for underground storage projects, report the delivery capacity on February 1 of the heating season overlapping the year-end for which this report is submitted. For other facilities, report the rated maximum daily delivery capacities.
3. For column (d), include or exclude (as appropriate) the cost of any plant used jointly with another facility on the basis of predominant use, unless the auxiliary peaking facility is a separate plant as contemplated by general instruction 12 of the Uniform System of Accounts.

Line No.	Location of Facility (a)	Type of Facility (b)	Maximum Daily Delivery Capacity of Facility Dth (c)	Cost of Facility (in dollars) (d)	Was Facility Operated on Day of Highest Transmission Peak Delivery?
1					
2	Chehalis, Washington	Underground Natural Gas	346,667	37,061,388	Yes
3		Storage Field			
4		Washington & Idaho Supply			
5					
6	Chehalis, Washington	Underground Natural Gas	52,000	6,018,313	Yes
7		Storage Field			
8		Oregon Supply			
9					
10	Chehalis, Washington	Underground Natural Gas	2,623	(1)	No
11		Storage Field			
12		Oregon Supply			
13					
14	Rock Springs, Wyoming	Underground Natural Gas	186,125	(1)	Yes
15		Storage Field			
16		Washington & Idaho Supply			
17					
18	Rock Springs, Wyoming	Underground Natural Gas	63,875	(1)	Yes
19		Storage Field			
20		Oregon Supply			
21					
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FOOTNOTE DATA			

Schedule Page: 519 Line No.: 10 Column: d

Respondent is a participant in the facilities, not an owner and is charged a fee for demand deliverability and capacity.

Schedule Page: 519 Line No.: 14 Column: d

Respondent is a participant in the facilities, not an owner and is charged a fee for demand deliverability and capacity.

Schedule Page: 519 Line No.: 18 Column: d

Respondent is a participant in the facilities, not an owner and is charged a fee for demand deliverability and capacity.

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Gas Account - Natural Gas

1. The purpose of this schedule is to account for the quantity of natural gas received and delivered by the respondent.
2. Natural gas means either natural gas unmixed or any mixture of natural and manufactured gas.
3. Enter in column (c) the year to date Dth as reported in the schedules indicated for the items of receipts and deliveries.
4. Enter in column (d) the respective quarter's Dth as reported in the schedules indicated for the items of receipts and deliveries.
5. Indicate in a footnote the quantities of bundled sales and transportation gas and specify the line on which such quantities are listed.
6. If the respondent operates two or more systems which are not interconnected, submit separate pages for this purpose.
7. Indicate by footnote the quantities of gas not subject to Commission regulation which did not incur FERC regulatory costs by showing (1) the local distribution volumes another jurisdictional pipeline delivered to the local distribution company portion of the reporting pipeline (2) the quantities that the reporting pipeline transported or sold through its local distribution facilities or intrastate facilities and which the reporting pipeline received through gathering facilities or intrastate facilities, but not through any of the interstate portion of the reporting pipeline, and (3) the gathering line quantities that were not destined for interstate market or that were not transported through any interstate portion of the reporting pipeline.
8. Indicate in a footnote the specific gas purchase expense account(s) and related to which the aggregate volumes reported on line No. 3 relate.
9. Indicate in a footnote (1) the system supply quantities of gas that are stored by the reporting pipeline, during the reporting year and also reported as sales, transportation and compression volumes by the reporting pipeline during the same reporting year, (2) the system supply quantities of gas that are stored by the reporting pipeline during the reporting year which the reporting pipeline intends to sell or transport in a future reporting year, and (3) contract storage quantities.
10. Also indicate the volumes of pipeline production field sales that are included in both the company's total sales figure and the company's total transportation figure. Add additional information as necessary to the footnotes.

Line No.	Item (a)	Ref. Page No. of (FERC Form Nos. 2/2-A) (b)	Total Amount of Dth Year to Date (c)	Current Three Months Ended Amount of Dth Quarterly Only
01 Name of System:				
2	GAS RECEIVED			
3	Gas Purchases (Accounts 800-805)		112,733,321	26,490,639
4	Gas of Others Received for Gathering (Account 489.1)	303		
5	Gas of Others Received for Transmission (Account 489.2)	305		
6	Gas of Others Received for Distribution (Account 489.3)	301	16,467,897	4,535,635
7	Gas of Others Received for Contract Storage (Account 489.4)	307		
8	Gas of Others Received for Production/Extraction/Processing (Account 490 and 491)			
9	Exchanged Gas Received from Others (Account 806)	328		
10	Gas Received as Imbalances (Account 806)	328	69,423	(11,572)
11	Receipts of Respondent's Gas Transported by Others (Account 858)	332		
12	Other Gas Withdrawn from Storage (Explain)		1,965,882	2,956,092
13	Gas Received from Shippers as Compressor Station Fuel			
14	Gas Received from Shippers as Lost and Unaccounted for			
15	Other Receipts (Specify) (footnote details)			
16	Total Receipts (Total of lines 3 thru 15)		131,236,523	33,970,794
17	GAS DELIVERED			
18	Gas Sales (Accounts 480-484)		112,593,140	28,945,296
19	Deliveries of Gas Gathered for Others (Account 489.1)	303		
20	Deliveries of Gas Transported for Others (Account 489.2)	305		
21	Deliveries of Gas Distributed for Others (Account 489.3)	301	16,467,897	4,535,635
22	Deliveries of Contract Storage Gas (Account 489.4)	307		
23	Gas of Others Delivered for Production/Extraction/Processing (Account 490 and 491)			
24	Exchange Gas Delivered to Others (Account 806)	328		
25	Gas Delivered as Imbalances (Account 806)	328		
26	Deliveries of Gas to Others for Transportation (Account 858)	332		
27	Other Gas Delivered to Storage (Explain)			
28	Gas Used for Compressor Station Fuel	509	2,175,486	489,863
29	Other Deliveries and Gas Used for Other Operations			
30	Total Deliveries (Total of lines 18 thru 29)		131,236,523	33,970,794
31	GAS LOSSES AND GAS UNACCOUNTED FOR			
32	Gas Losses and Gas Unaccounted For			
33	TOTALS			
34	Total Deliveries, Gas Losses & Unaccounted For (Total of lines 30 and 32)		131,236,523	33,970,794