



Avista Corp.

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

April 9, 2019

Public Utility Commission of Oregon
Attn: Filing Center
201 High St. SE, Suite 100
Salem, OR 97301

RE: Annual Affiliated Interest Report pursuant to OAR 860-27-0100

Pursuant to OAR 860-27-0100, Avista Corporation (“Avista” or “Company”) hereby electronically files with the Commission its 2018 Affiliate Interest and Subsidiary Transaction Report. This report contains summaries of all transactions or agreements between Avista and its subsidiaries over the preceding year ending December 31, 2018. The Company will provide via overnight mail one copy of its report as it is over 100 pages. Please also find enclosed one original and two copies of Avista Corporation’s Confidential Attachments to the Affiliated Interest Report for 2018.

Included within the confidential portion of the report are the financial statements of certain Company subsidiaries. The filed statements are prepared for internal use only and are unaudited. We have also included unaudited financial statements, statement of work and addendum to master software and licensing agreement with one of our affiliates, and a professional services agreements with one of our affiliates that we are requesting to be kept confidential for contractual terms and pricing reasons. Please assure these financial statements and statement of work, and professional services agreements, stamped CONFIDENTIAL, and are treated confidentially in accordance with ORS 192.345 and 192.355.

Please direct any questions on this matter to Jennifer Smith at (509) 495-2098.

Sincerely,

A handwritten signature in black ink, appearing to read "Patrick Ehrbar", is written over the word "Sincerely,". The signature is fluid and cursive, extending to the right across the page.

Patrick Ehrbar
Director of Regulatory Affairs
pat.ehrbar@avistacorp.com

enclosure

STATE OF OREGON

AFFILIATED INTEREST REPORT

OF

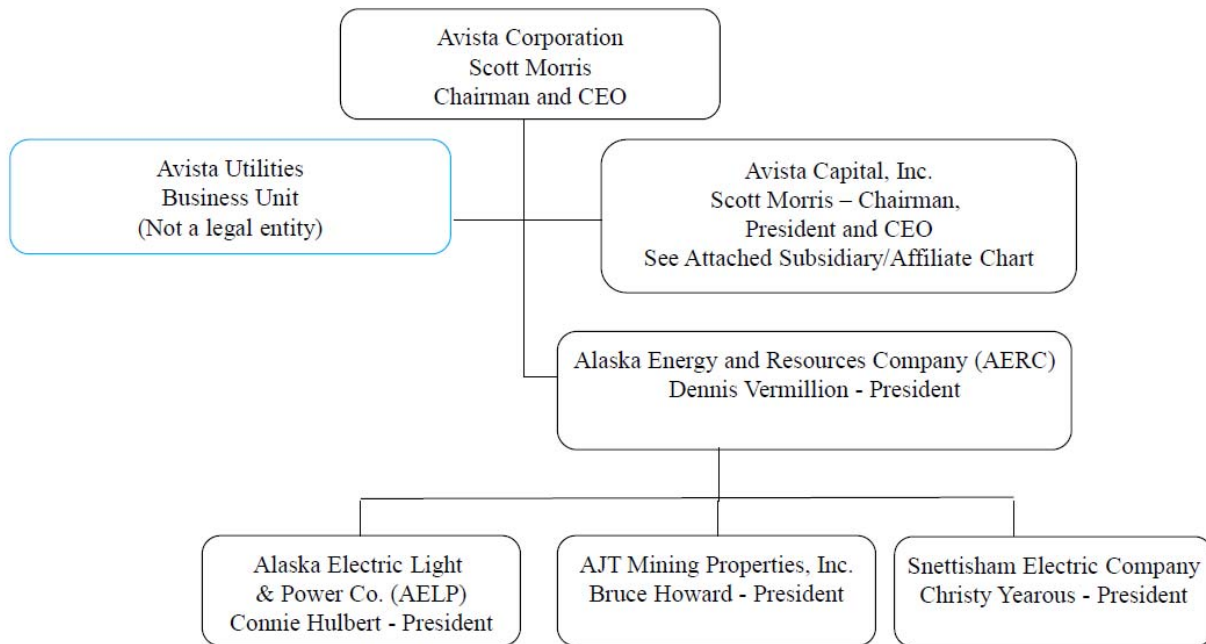
AVISTA CORPORATION

d/b/a AVISTA UTILITIES

FOR THE YEAR ENDED DECEMBER 31, 2018

On May 16, 1991, through Order 91-671, the Public Utility Commission of Oregon approved the sale of the natural gas utility assets and transfer of the allocated service territory of the CP National Corporation to The Washington Water Power Company (WWP). WWP began official operation of these properties on September 30, 1991 under the name of "WP Natural Gas, a division of The Washington Water Power Company." On January 1, 1999, the Company changed its corporate name from The Washington Water Power Company to Avista Corporation (hereinafter Avista or Company). The Company now operates in its utility service territories as Avista Utilities. Total transactions being reported herein are for the twelve-month period ending December 31, 2018.

I. Organizational Chart



Included in **Attachment 1** is additional detail of Avista Capital subsidiaries.

A. Directors and/or Officers

See **Attachment 2** for Officer and Director listings for Avista Corporation and all wholly-owned subsidiaries.

B. Ownership Changes:

There were no ownership changes during 2018.

C. Narrative Descriptions

Avista Utilities is a combination utility that provides service to approximately 388,000 electric customers and 355,000 natural gas customers in a 30,000-square-mile area in eastern Washington, northern Idaho, and parts of southern and eastern Oregon.. The largest community served in the area is Spokane, Washington, which is the location of its main offices.

Descriptions of subsidiaries of Avista Corporation follows:

Avista Capital, Inc., is a wholly-owned subsidiary of Avista Corp. and is the parent corporation of Avista Corporation's non-regulated subsidiary investments and operations. As of December 31, 2018, Avista Capital had the following non-utility subsidiary investments:

- **Avista Energy, Inc. and Avista Energy Canada, Ltd.** (100% ownership–Inactive), were energy marketing and resource management companies. On June 30, 2007, Avista completed the sale of the operations of Avista Energy to Coral Energy Holding, L.P., and certain of its subsidiaries, a subsidiary of Shell (Coral).
- **Avista Development, Inc.** (100% ownership-no employees, passive income) was established to manage real estate investments including:
 - * **Steam Plant Square, LLC** (100% ownership) Manages and operates the Steam Plant Square in Spokane, Washington.
 - **Steam Plant Brew Pub, LLC** (100% ownership) Manages and operates the Steam Plant Grill in Spokane, Washington.
 - * **Court Yard Office Center, LP** (100% ownership) Owns and operates commercial office space rentals.
- **Pentzer Corporation** is a wholly-owned private investment company that serves as parent of the non-utility businesses listed below (100% ownership-no employees, passive income):
 - * **Advanced Manufacturing and Development, Inc., dba METALfx**, (89.2% ownership), located in Willits, California, is a manufacturer and turnkey assembler of

electronic enclosures, parts, and systems primarily for the computer and instrumentation industries. This company is held by **Bay Area Manufacturing, Inc.** (100% ownership).

- * **Pentzer Venture Holdings II, Inc.** (100% ownership) Holding company for an inactive sewage treatment plant near Spokane Industrial Park.
- **Avista Northwest Resources, LLC** (100% ownership) was formed for the purpose of holding unregulated investments in the energy industry.
- **Salix, Inc.** (100% ownership) was formed October 8, 2013, for the purpose of exploring business opportunities.

Alaska Energy & Resources Company (AERC), a wholly-owned subsidiary of Avista Corp, based in Juneau, Alaska and its subsidiaries were purchased July 1, 2014.

- **Alaska Electric Light & Power Co. (AEL&P)**, a wholly-owned subsidiary of AERC, which is a vertically integrated electric utility providing electric service to the City and Borough of Juneau, Alaska, and is regulated by the Regulatory Commission of Alaska (RCA).
- **AJT Mining Properties, Inc.**, a wholly-owned subsidiary of AERC which is an inactive mining company holding certain properties.
- **Snettisham Electric Company**, a non-operating subsidiary of AERC, has the option to purchase the Snettisham project at any time for the principal amount of the bonds outstanding at that time. The Snettisham hydroelectric project is AEL&P's primary generation facility and the main power source for Juneau, supplying approximately two-thirds of the area's electricity.

Descriptions of affiliates of Avista Corporation follows:

As of December 31, 2018, Avista Capital had the following affiliates:

- **Avista Development** (100% ownership by Avista Capital)
- **Trove** (26.8% ownership by Avista Development, Inc.)
- **Mind to Market, LLC** (36% ownership by Avista Development, Inc.)

- **Pivotal Investment Partners I, L.P.** (30.37% ownership by Avista Northwest Resources, LLC)
- **Lumen BioScience, Inc.** (24.85% ownership by Avista Development, Inc.)
- **Open Energy Solutions, Inc.** (24.19% ownership by Avista Development, Inc.)
- **The Dragon Group, LLC** (10% ownership by Avista Development, Inc.)
- **Omnidian, Inc.** (8.41% ownership by Avista Development, Inc.)
- **Toolbox, LLC** (9.52% ownership by Avista Development, Inc.)
- **Kick Start II LLC** (7.68% ownership by Avista Development, Inc.)
- **Kick Start III LLC** (5.68% ownership by Avista Development, Inc.)
- **Safeguard Equipment, Inc.** (5.32% ownership by Avista Development, Inc.)
- **Energy Impact Fund** (4.71% ownership by Avista Development, Inc.)
- **LevelTen Energy, Inc.** (2.5% ownership by Avista Development, Inc.)
- **EnerTech II** (2.24% ownership by Avista Development, Inc.)
- **Spirae** (.9% ownership by Avista Development, Inc.)
- **Rohinni** (0.87% ownership by Avista Development, Inc.)

As of December 31, 2018, Salix had the following affiliates:

- **Plum Energy** (24.80% ownership by Salix, Inc.)

D. Financial Statements

Balance Sheet and Income Statement for affiliates with affiliated operating service transactions in excess of \$25,000 for payments TO and FROM Avista Corporation are included as **Attachment 3**. Please note that Attachment 3 is CONFIDENTIAL PER ORS 192.501 and 192.502.

II. Services Rendered Between Avista Corporation and Affiliates

Description of Services – by Affiliates

SERVICE PAYMENTS BY THE UTILITY TO THE AFFILIATE			
<u>NAME</u>	<u>ACCOUNT</u>	<u>TOTAL COMPANY</u>	<u>TOTAL OREGON</u>
<u>DESCRIPTION</u>			
Steam Plant Square	107 CWIP (1)(2)	\$29,700	\$0
Steam Plant Square	931 Rents (1)(2)	\$67,925	\$6,328
Safeguard Business Systems	921 Office Supplies (1)(2)	\$253	\$24
Steam Plant Grill	107 CWIP (1)(2)	\$29,700	\$0
Steam Plant Kitchen & Brewery	921 Office Supplies (1)(2)	\$2,123	\$198
Steam Plant Kitchen & Brewery	930 Miscellaneous (1)(2)	\$2,425	\$226
Spirae, LLC	107 CWIP (3)	\$563,616	\$0
Cost of Service		(1)	
Margin of Charges Over Costs		(1)	
Assets Allocable to Services		(1)	
Overall Rate of Return		(1)	

Description of Basis for Pricing of Transactions

- (1) Services are provided at cost. Any charges allocated to Oregon are allocated based on the Company’s four-factor allocation methodology. (Please refer to Attachment 4 for the allocation factors.)
- (2) The capital investment is a system project that will be used by all ratepayers in all jurisdictions; therefore, Oregon will be allocated the plant cost and associated depreciation expense.
- (3) All of the costs were for electric service, therefore, none were allocated to Oregon.
- (4) All of the costs were for recorded to non-utility, therefore, none were allocated to Oregon.

Description of Services – by Avista Utilities

The following transactions are for electric and natural gas services provided by the Utility to its affiliates at approved tariff rates.

SERVICE PAYMENTS BY THE AFFILIATE TO THE UTILITY			
Avista Development			
<u>ACCOUNT</u>	<u>DESCRIPTION</u>	<u>TOTAL COMPANY</u>	<u>TOTAL OREGON</u>
400 & 1400	Revenue - electric & gas	(1) \$237,587	\$0
(Above accounts are WA electric/gas and do not relate to Oregon)			
Cost of Service		(1)	
Margin of Charges Over Costs		(1)	

Assets Allocable to Services (1)
 Overall Rate of Return (1)

(1) Description of Basis for Pricing

Electricity and natural gas sales are priced according to approved tariffs. See <https://www.myavista.com/about-us/our-rates-and-tariffs> for current tariffs used to price services provided to Avista Development, Inc.

III. Inter-Company Loans

Avista Corp / Avista Capital Note Payable / Receivable

During 2018, Avista Corp. recorded short-term note receivable to Avista Capital, Inc. The year-end note receivable amount at December 31, 2018 was \$31,659,207. The maximum note payable amount outstanding during the year, due to Avista Capital, was \$0. Total interest expense due from Avista Capital in 2018 was \$1,079,981. The balances of the short-term notes payable at month-end during 2018 follow:

<u>Accounting Period</u>	<u>Ending Balance</u>
January-18	\$ 13,920,204
February-18	\$ 15,706,846
March-18	\$ 19,049,337
April-18	\$ 19,524,385
May-18	\$ 19,601,720
June-18	\$ 23,483,652
July-18	\$ 25,086,254
August-18	\$ 25,192,785
September-18	\$ 25,291,350
October-18	\$ 26,505,877
November-18	\$ 28,521,244
December-18	\$ 31,659,207

According to the Cash Management Guidelines and Procedures filed with the Commission in August of 2018, investment/borrowing rates between Avista Corporation and Avista Capital that were in effect during 2018 were:

- a. Upon receiving appropriate approvals, excess Avista Capital cash may be invested with (loaned to) Avista Corp. at a rate equal to Avista Corp.’s avoided short-term borrowing cost, which is the short-term borrowing rate related to Avista Corp.’s credit facility (currently estimated at the one month LIBOR plus 77.5 basis points). The rate will be reset monthly with the LIBOR rate in effect on the second business day of each month.

At times Avista Corp may have no outstanding borrowings under the credit facility. If there are no outstanding borrowings under the credit facility, excess cash should be utilized to pay down borrowings on other short-term borrowing instruments (if any) and the borrowing rate should be adjusted to the avoided short-term borrowing rate applicable to the borrowings that were re-paid.

At times, Avista Corp may have no outstanding cash borrowings on the credit facility or other short-term borrowing facilities. If there are no cash borrowings under any facility, excess cash should be invested until the funds can be utilized.

- b. Avista Capital may borrow from Avista Corp. up to \$40MM, subject to board-approved limits, at a rate equal to at least the Alternate Base Rate (as defined in the credit facility), currently estimated at the Prime rate. This rate will be reset at such time as the Agent bank on the Avista Corp. credit agreement changes the Prime rate or the margin is changed per the credit facility pricing grid.

A copy of the updated Cash Management Guidelines and Procedures is provided as **Attachment 5**.

IV. Parent Guaranteed Debt

Avista Corporation does not guarantee any debt of any of its affiliates. See Section V, Non-Service Transactions: Miscellaneous Agreements, page 10.

V. Non-Service Transactions

Description of Avista Corporation Corporate Services

On a regular basis, general office employees of Avista Corporation spend time on corporate service support, such as accounting, federal income tax filing, planning, supplies, postage, legal, graphic services, etc. for subsidiaries. Their time is charged to suspense accounts (Deferred Debit Account No. 186), are loaded for benefits, and then established as a receivable (FERC Account No. 146) when billed to the subsidiary. If other resources are expended during the course of this work, such as travel or consulting services, these costs are also charged to suspense accounts and billed to the subsidiary.

All corporate services provided, and costs incurred, are direct billed to subsidiaries at cost. No additional margin or profit is included and no assets are allocated. Suspense and

capture of Avista Corporation employee costs, which are then billed back to the subsidiary at cost, serve to reduce the utility expenses.

OTHER PAYMENTS BY THE AFFILIATE TO THE UTILITY			
ACCOUNT	DESCRIPTION	TOTAL COMPANY	TOTAL OREGON
146	A/R Avista Capital	\$102,190	\$0
146	A/R Avista Development	\$109,789	\$0
146	A/R Alaska Electric Light & Power	\$864,031	\$0
146	AR Alaska Energy & Resources Company	\$617	\$0
146	A/R Salix	\$424,757	\$0
	Total	\$1,501,384	\$0

Cost of Service	(1)
Margin of Charges Over Costs	(1)
Assets Allocable to Services	(1)
Overall Rate of Return	(1)

(1) Description of Basis for Pricing
Services are provided at cost.

Description of Avista Capital II (Trust) Expenses

In 1997, the Company issued Floating Rate Junior Subordinated Deferrable Interest Debentures, Series B, with principle amount of \$51.5 million to Avista Capital II, an affiliated business trust formed by the Company. Avista Capital II then issued to investors \$50.0 million of Preferred Trust Securities and also issued \$1.5 million of Common Trust Securities to the Company. In December 2000, the Company purchased \$10.0 million of the Preferred Trust Securities. In the end, customers are paying for the \$40.0 million (\$51.5 - \$1.5 -\$10.0) of Floating Rate Junior Subordinated Deferrable Interest Debentures (debt). The current interest rate on this debit is 2.062% and matures June 1, 2037. The associated interest charges for the trust carried on Avista's books for 2018 totaled \$1,221,268 and were recorded in FERC Account No. 427670 (interest expense). There are no other costs associated with this trust.

Description of Steam Plant Square, LLC Lease

Avista Utilities leases office space (two leases under separate Multi-Tenant Lease Agreements) from Steam Plant Square, LLC. For the first lease (suite 201/202), Avista Corporation assumed a lease in May 2003 from Avista Capital, Inc. that was renewed May 1, 2010. The basic terms of this lease (i.e. square footage, monthly rents, etc.) remained the same. A copy of the lease agreement was provided in Docket No. UI 306 (Order No. 11-071).

The second space was leased in August 2010. A copy of the lease agreement was provided in Docket No. UI 305 (Order No. 11-043). Lease payments in 2018 totaled \$109,200 (\$29,700 recorded in FERC Account No. 107 (CWIP), \$67,925 recorded in FERC Account No. 931 (Rents)), Oregon's share of this expense is \$6,328.

Description of Spirae, LLC

In April of 2016, Avista Capital, a wholly-owned subsidiary of Avista Corp., and the parent corporation of Avista's non-regulated subsidiary investments and operations, made an investment in Spirae, resulting in Avista Development's 10% ownership of Spirae.

Spirae is a technology company that provides software, hardware, and services to connect distributed energy resources to a utility distribution system to maximize customer benefits while ensuring effective operation of the utility distribution system. Spirae was awarded a Professional Services Agreement to deploy their "Wave" product hardware and software, to allow Avista to operate the Turner Energy Storage Project in a microgrid, as well as determine the optimal economic application of that asset. None of the costs from this transaction have been recorded to Oregon, as this is for Electric services only.

The offerings of Spirae provide for the effective operation of a microgrid, a subset of a utility distribution system, in the event of a utility system disturbance or isolation from the larger grid. Spirae assists utilities in delivering new services to customers as well as to operate more efficiently. With new Distributed Energy Resources (DER) technologies becoming both technically and financially viable, the ability to manage a dynamic portfolio of distributed resources for utility, customer, and market applications will be critical for both utilities and consumers. This capability improves reliability for customers and improves resiliency of the grid. Spirae's business focus and business model relate to the development of new products, services, and technologies, and how those items can help integrate DER into the traditional grid.

Miscellaneous Agreements and Transactions

During 2018 there were no Miscellaneous Agreements or Transactions to report.

VI. Employee Transfers

Avista Corporation no longer provides payroll services to its affiliates and therefore does not track employee transfers between affiliates.

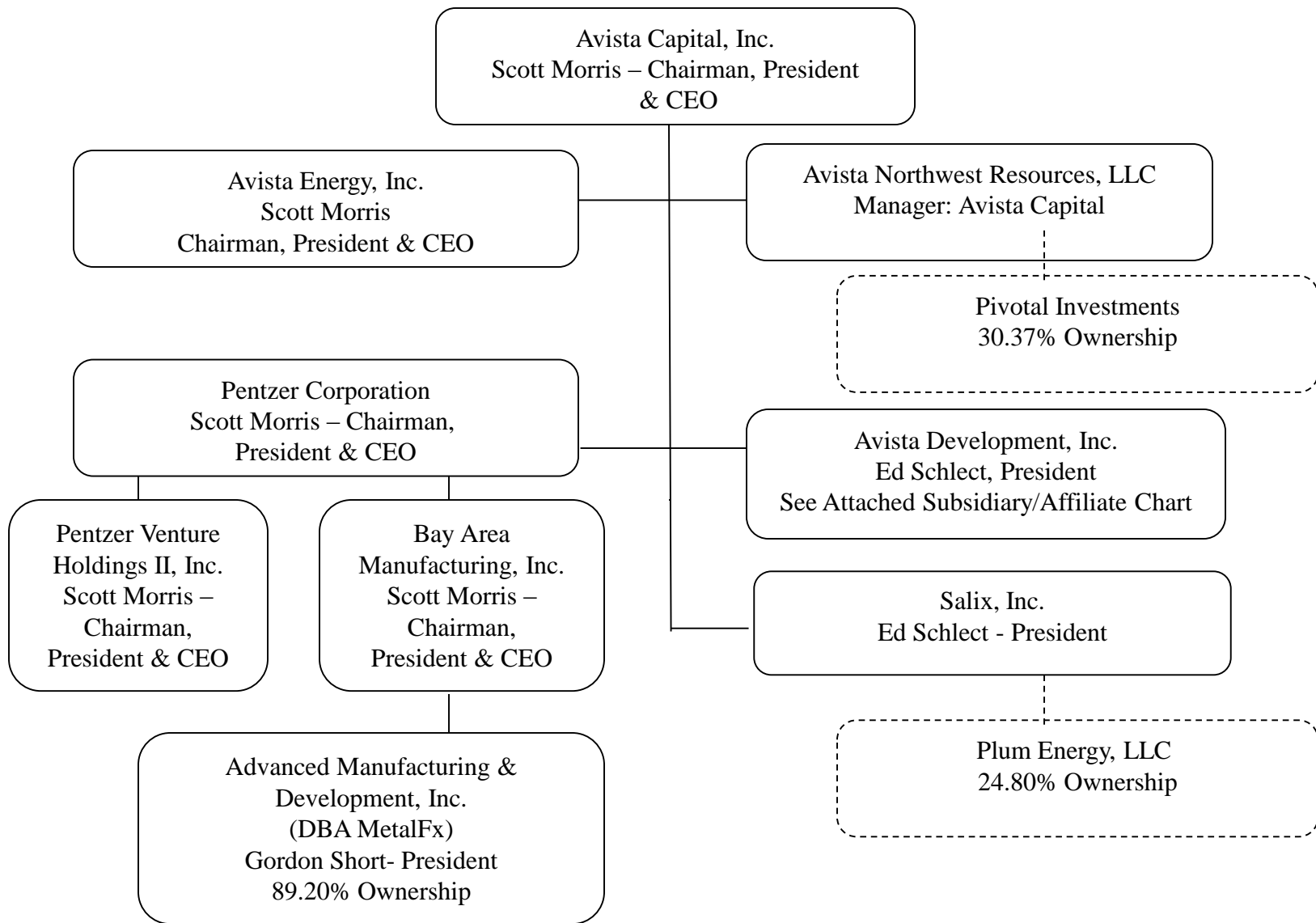
VII. Intra-Company Cost Allocation Procedures

See V. above. Avista Corporation charges all costs incurred by its affiliates directly to the respective affiliate.

VIII. Cost Allocation Manual

Pursuant to OAR 860-027-0048 (6), attached as **Attachment 6** is Avista Corp.'s Cost Allocation Manual.

ATTACHMENT 1



Companies are wholly owned unless otherwise indicated. Companies in dotted lines are affiliates in which we own greater than 5% non-controlling interest. This chart does not include limited partnership investment funds.

Avista Development, Inc.
Ed Schlect, President

Courtyard Office Center, LLC
100% Ownership
Member: Avista Development
Manager: Latisha Hill

Steam Plant Square, LLC
100% Ownership
Members: Avista Development
Manager: Latisha Hill

South Landing Building A, LLC
32% Ownership
Members: Avista Development and
South Landing Investors, LLC

Steam Plant Brew Pub LLC (DBA Steam Plant
Kitchen and Brewery) 100% Ownership
Member: Avista Development
Manager: Latisha Hill

The Dragon Group, LLC (DBA Dragon Jacket)
10% Ownership

Safeguard Equipment, Inc.
5.32% Ownership

Lumen Bioscience, Inc.
24.85% Ownership

Kick Start II, LLC
7.68% Ownership

Trove Predictive Data Science, LLC
26.8% Ownership

Kick Start III, LLC
5.68% Ownership

Omnidian, Inc.
8.41% Ownership

Mind to Market, LLC
36% Ownership

Toolbox, LLC
9.52% Ownership

Open Energy Solutions, Inc.
24.19% Ownership

Companies in dotted lines are affiliates in which we own greater than 5% non-controlling interest. This chart does not include limited partnership investment funds, but does include companies within the funds where Avista's direct and indirect ownership exceeds 5%.

ATTACHMENT 2



Corporate Secretary Department
Current as of December 1, 2018

Annual Meeting Held in May of Each Year

Directors:

Erik J. Anderson	Scott H. Maw	R. John Taylor
Kristianne Blake	Scott L. Morris	Dennis P. Vermillion
Donald C. Burke	Marc F. Racicot	Janet D. Widmann
Rebecca (Becky) A. Klein	Heidi B. Stanley	

Officers:

Scott L. Morris	Chairman of the Board & Chief Executive Officer
Dennis P. Vermillion	President
Mark T. Thies	Senior Vice President, Chief Financial Officer & Treasurer
Marian M. Durkin	Senior Vice President, General Counsel, Corporate Secretary and Chief Compliance Officer
Karen S. Feltes	Senior Vice President & Chief HR Officer
Jason R. Thackston	Senior Vice President, Energy Resources & Environmental Compliance Officer
Bryan A. Cox	Vice President, Safety & HR Shared Services
Kevin J. Christie	Vice President, External Affairs & Chief Customer Officer
James M. Kensok	Vice President, Chief Information Officer & Chief Security Officer
Ryan L. Krasselt	Vice President, Controller & Principal Accounting Officer
David J. Meyer	Vice President & Chief Counsel for Regulatory & Governmental Affairs
Heather L. Rosentrater	Vice President, Energy Delivery
Edward D. Schlect Jr.	Vice President & Chief Strategy Officer
Don M. Falkner	Assistant Treasurer
Patrice K. Gorton	Assistant Treasurer
Jason Lang	Assistant Treasurer
Susan Y. Fleming	Assistant Corporate Secretary

**Corporate Governance/
Nominating Committee**

Donald C. Burke
R. John Taylor
Janet D. Widmann
Kristianne Blake – Chair

**Compensation & Organization
Committee**

Rebecca A. Klein
Scott H. Maw
R. John Taylor – Chair

Executive Committee

Kristianne Blake
Heidi B. Stanley
R. John Taylor
Scott L. Morris – Chair

Finance Committee

Scott H. Maw
Marc F. Racicot
Janet D. Widmann
Erik J. Anderson – Chair

Audit Committee

Kristianne Blake
Heidi B. Stanley
Donald C. Burke (financial expert) – Chair

**Environmental, Technology &
Operations Committee**

Erik J. Anderson
Marc F. Racicot
Heidi B. Stanley
Rebecca A. Klein – Chair

All Committees are comprised of independent Board members as defined under the rules of the NYSE, with the exception of the Executive Committee (not required to be independent). The Company was formed as The Washington Water Power Company in 1889 and changed its name to Avista Corp. on January 1, 1999.

ADVANCED MANUFACTURING & DEVELOPMENT, INC.

Doing business as METAL_{fx}

(A Subsidiary of Bay Area Manufacturing, Inc.)

(A California Corporation)

200 North Lenore Ave.

Willits, CA 95490

(707) 459-9451

Directors:

Marian M. Durkin

Scott L. Morris

Mark T. Thies

Officers:

Scott L. Morris

Gordon B. Short

Ryan L. Krasselt

Mark T. Thies

Marian M. Durkin

Henry Moss

Susan Y. Fleming

Jill Porterfield

Chairman of the Board

President & Chief Executive Officer

Vice President & Treasurer

Senior Vice President & Chief Financial Officer

Senior Vice President & Corporate Secretary

Senior Vice President

Assistant Corporate Secretary

Assistant Corporate Secretary

AJT MINING PROPERTIES, INC.

(A Subsidiary of Alaska Energy and Resources Company)

5601 Tongard Ct.

Juneau, AK 99801

(907) 790-2222

Directors:

Marian M. Durkin

Karen S. Feltes

Mark T. Thies

Dennis P. Vermillion

Officers:

Dennis P. Vermillion

Chairman of the Board

Bruce Howard

President

Connie Hulbert

Treasurer and Assistant Corporate Secretary

Christy Yearous

Vice President and Generation Engineer

Debbie Driscoll

Corporate Secretary

ALASKA ELECTRIC LIGHT AND POWER COMPANY

(A Subsidiary of Alaska Energy and Resources Company)

5601 Tonsgard Ct.
Juneau, AK 99801
(907) 790-2222

Directors:

Marian M. Durkin
Karen S. Feltes
Connie Hulbert
Mark T. Thies
Dennis P. Vermillion

Officers:

Dennis P. Vermillion	Chairman of the Board
Connie Hulbert	President, General Manager
Brandon Cullum	Vice President, Chief Financial Officer and Treasurer
Christy Yearous	Vice President, Generation Engineer
Debbie Driscoll	Vice President, Director of Consumer Affairs and Corporate Secretary
Eric Eriksen	Vice President, Transmission and Distribution Engineer
Rod Ahlbrandt	Vice President, Director of Information Technology and Revenue Metering
Alec Mesdag	Vice President, Director of Energy Services
Oksana Midgett	Assistant Treasurer, Controller
Steve Vorderbruggen	Assistant Treasurer, Assistant Generation Engineer – Electrical
Bryan Farrell	Assistant Treasurer, Assistant Generation Engineer – Mechanical
Darrell Wetherall	Assistant Corporate Secretary, Assistant Transmission and Distribution Engineer
Stuart Stephens	Assistant Corporate Secretary, Assistant Director of Information Technology and Revenue Metering

ALASKA ENERGY AND RESOURCES COMPANY

(A Subsidiary of Avista Corp.)

5601 Tonsgard Ct.

Juneau, AK 99801

(907) 790-2222

Directors:

Marian M. Durkin

Karen S. Feltes

Scott L. Morris

Mark T. Thies

Dennis P. Vermillion

Officers:

Scott L. Morris

Chairman of the Board

Dennis P. Vermillion

President

Connie Hulbert

Vice President

Brandon Cullum

Treasurer

Marian M. Durkin

Corporate Secretary

Susan Y. Fleming

Assistant Corporate Secretary

Debbie Driscoll

Assistant Corporate Secretary

Current as of May 8, 2018

AVISTA CAPITAL, INC.

(A Subsidiary of Avista Corporation)

1411 E. Mission Ave.

Spokane, WA 99202

(509) 489-0500

Directors:

Marian M. Durkin

Scott L. Morris

Mark T. Thies

Officers:

Scott L. Morris

Mark T. Thies

Marian M. Durkin

Ryan L. Krasselt

Susan Y. Fleming

Don M. Falkner

Chairman of the Board, President & CEO

Senior Vice President, Chief Financial Officer & Treasurer

Senior Vice President & Corporate Secretary

Vice President

Assistant Corporate Secretary

Assistant Treasurer

The Company was formed as Avista Corp. before changing its name to Avista Capital on August 17, 1998.

AVISTA DEVELOPMENT, INC.

(A Subsidiary of Avista Capital, Inc.)

1411 E. Mission Ave.

Spokane, WA 99202

(509) 489-0500

Directors:

Marian M. Durkin

Scott L. Morris

Mark T. Thies

Officers:

Scott L. Morris

Chairman of the Board and CEO

Edward D. Schlect Jr.

President

Mark T. Thies

Senior Vice President, Chief Financial Officer & Treasurer

Marian M. Durkin

Senior Vice President & Corporate Secretary

Dennis P. Vermillion

Senior Vice President & Environmental Compliance Officer

Latisha Hill

Senior Vice President

Susan Y. Fleming

Assistant Corporate Secretary

Don M. Falkner

Assistant Treasurer

The Company was formed as WP Finance Co. before changing its name to Avista Development. Pentzer Development, Inc. and Washington Irrigation & Development Company merged with and into Avista Development in October 1998.

AVISTA ENERGY, INC. (This Company is scheduled to be dissolved after August 2019)

(A Subsidiary of Avista Capital, Inc.)

1411 E. Mission Ave.

Spokane WA 99202

(509) 489-0500

Directors:

Marian M. Durkin

Scott L. Morris

Mark T. Thies

Officers:

Scott L. Morris

Chairman of the Board, President & CEO

Mark T. Thies

Senior Vice President, Chief Financial Officer & Treasurer

Marian M. Durkin

Senior Vice President & Corporate Secretary

Tracy Van Orden

Controller

Susan Y. Fleming

Assistant Corporate Secretary

Don M. Falkner

Assistant Treasurer

The Company was formed as WWP Resource Services, Inc., before becoming Avista Energy.

AVISTA NORTHWEST RESOURCES, LLC

(An Affiliate of Avista Capital)

1411 E. Mission Ave.

Spokane, WA 99202

(509) 489-0500

Member:

Avista Capital

Officers (Managers):

Scott L. Morris

President & Chief Executive Officer

Mark T. Thies

Senior Vice President & Chief Financial Officer

Ryan L. Krasselt

Vice President & Treasurer

Marian M. Durkin

Senior Vice President & Corporate Secretary

Susan Y. Fleming

Assistant Corporate Secretary

Most of our LLC's do not have officers. This particular one was formed with officers as the managers.

Current as of May 8, 2018

BAY AREA MANUFACTURING, INC.

(A Subsidiary of Pentzer Corporation)

1411 E. Mission Ave.

Spokane, WA 99202

(509) 489-0500

Directors:

Marian M. Durkin

Scott L. Morris

Mark T. Thies

Officers:

Scott L. Morris

Mark T. Thies

Marian M. Durkin

Susan Y. Fleming

Don M. Falkner

Chairman, President & Chief Executive Officer

Senior Vice President, Chief Financial Officer & Treasurer

Senior Vice President & Corporate Secretary

Assistant Corporate Secretary

Assistant Treasurer

Current as of August 1, 2016

COURTYARD OFFICE CENTER, LLC

(An Affiliate of Avista Capital, Inc.)

1411 E. Mission Ave.

Spokane, WA 99202

(509) 489-0500

Member:

Avista Development, Inc.

Manager

Latisha Hill

PENTZER CORPORATION

(A Subsidiary of Avista Capital, Inc.)

1411 E. Mission Ave.

Spokane, WA 99202

(509) 489-0500

Directors:

Scott L. Morris

Mark T. Thies

Jason Thackston

Officers:

Scott L. Morris

Mark T. Thies

Marian M. Durkin

Susan Y. Fleming

Don M. Falkner

Chairman, President & Chief Executive Officer

Senior Vice President, Chief Financial Officer & Treasurer

Senior Vice President & Corporate Secretary

Assistant Corporate Secretary

Assistant Treasurer

PENTZER VENTURE HOLDINGS II

(A Subsidiary of Pentzer Corporation)

1411 E. Mission Ave.

Spokane, WA 99202

(509) 489-0500

Directors:

Scott L. Morris

Mark T. Thies

Jason R. Thackston

Officers:

Scott L. Morris

Mark T. Thies

Marian M. Durkin

Susan Y. Fleming

Don M. Falkner

Chairman, President & Chief Executive Officer

Senior Vice President, Chief Financial Officer & Treasurer

Senior Vice President & Corporate Secretary

Assistant Corporate Secretary

Assistant Treasurer

SALIX, INC.

(A Subsidiary of Avista Capital)

1411 E. Mission Ave.

Spokane, WA 99202

(509) 489-0500

Directors:

Marian M. Durkin

Scott L. Morris

Edward D. Schlect Jr

Mark T. Thies

Dennis P. Vermillion

Officers:

Edward D. Schlect Jr.

President

Mark T. Thies

Treasurer

Marian M. Durkin

Corporate Secretary

Susan Y. Fleming

Assistant Corporate Secretary

SNETTISHAM ELECTRIC COMPANY

(A Subsidiary of Alaska Energy and Resources Company)

5601 Tonsgard Ct.

Juneau, AK 99801

(907) 780-2222

Directors:

Eric Eriksen

Connie Hulbert

Jason Thackston

Officers:

Christy Yearous

President

Connie Hulbert

Vice President

Eric Eriksen

Treasurer

Debbie Driscoll

Corporate Secretary

Current as of February 6, 2018

SOUTH LANDING BUILDING A, LLC

(An Affiliate of Avista Development, Inc. – 68% ownership)

1411 E. Mission Ave.

Spokane, WA 99202

(509) 489-0500

Members:

Avista Development, Inc.

South Landing Investors, LLC

Development Manager

South Landing Investors, LLC

Current as of November 30, 2017

STEAM PLANT BREW PUB, LLC
Doing Business as Steam Plant Grill
(An Affiliate of Steam Plant Square, LLC)
1411 E. Mission Ave.
Spokane, WA 99202
(509) 489-0500

Members:

Avista Development, Inc.

Manager

Latisha Hill

STEAM PLANT SQUARE, LLC
(An Affiliate of Avista Capital, Inc.)
1411 E. Mission Ave.
Spokane, WA 99202
(509) 489-0500

Members:
Avista Development, Inc.

Manager
Latisha Hill

ATTACHMENT 3

(CONFIDENTIAL per ORS 192.345 and 192.355)

REDACTED



**Subsidiary Balance Sheets
December 31, 2018**

Cash and Cash Equivalents:

Cash
Temporary Cash Investments
Total Cash and Cash Equivalents

Accounts and Notes Receivable:

Notes Receivable / (Payable) - Related Companies
Accounts Receivable / (Payable) - Corp. w/o
Accounts Receivable / (Payable) - Sub Interco.
Accounts Receivable / (Payable) - Affiliate LOC
Notes Receivable
Prepaid/Earnest Money
Total Accounts and Notes Receivable

Deferred Income Taxes - Current
Income Taxes Receivable / (Payable)
Other Misc. Current Assets
Suspense Orders
Total Current Assets

Property, Plant and Equipment
Investment in Subsidiaries
Investment in LLCs (SPS & CYOC)
Goodwill
Long Term Notes Receivable
Deposits with Counterparties
Other Venture Fund Investments

Total Assets

Misc. Accrual
Note Payable, Current
SIP WWTP Accrual
OSR Accrual
Property Tax Accrual
Total Current Liabilities

Long Term Deferred Income Taxes:

Long Term Deferred Income Tax - (Asset)
Long Term Deferred Income Tax - Liability
Total Long Term Deferred Income Taxes

Other Long Term Liabilities

Stockholders Equity:

Common Stock
Capital Stock Expense and Paid in Capital
Minority Interest
Retained Earnings
YTD Earnings
Total Stockholders Equity

Total Liabilities and Stockholders Equity

AVISTA CAPITAL	PENTZER CORP.	AVISTA DEVELOPMENT	AVISTA ENERGY	NORTHWEST RESOURCES, LLC	SALIX INC.



**Subsidiary Income Statements - YTD
201812**

	AVISTA CAPITAL	PENTZER CORP.	AVISTA DEVELOPMENT	AVISTA ENERGY	NORTHWEST RESOURCES, LLC	SALIX INC.
Operating Revenue						
Operating Expenses:						
Depreciation and Amortization						
Operating and Maintenance						
Administrative and General						
Taxes Other Than Income Taxes						
Total Operating Expenses						
Income / (Loss) from Operations						
Interest Income / (Expense):						
Interest Income						
Interest Income - Intercompany						
Interest Expense						
Interest Expense - Intercompany						
Total Interest Income / Expense						
Subsidiary Income / (Loss)						
LLC Income / (Loss) - SPS/SPBP/CYOC						
Gain/(Loss) on Investments/Venture Fur						
Gain on Sale						
Miscellaneous Income / (Expense)						
Income Before Income Taxes						
Income Tax (Income) / Expense						
Net Income / (Loss)						
<i>Stand-alone Net Income / (Loss)</i>						



ALASKA Balance Sheets
December 31, 2018

	SEC 530	AJT Mining 520	AERC 500	AEL&P 510
Cash				
Working Funds				
Temporary Cash Investments				
Total Cash and Cash Equivalents				
Accounts Receivable / Notes Receivable				
Notes Receivable / (Payable) - Corp LOC				
Accounts Receivable / (Payable) - Sub Interco				
Total Accounts and Notes Receivable				
Deferred Income Taxes - Current				
Income Taxes Receivable / (Payable)				
Fuel Stock				
Materials and Supplies				
Prepayments				
Other Misc. Current Assets				
Total Current Assets				
Utility Plant in Service				
CWIP				
Accumulated Depreciation				
Total Net Utility Plant				
Investment in Subsidiaries				
Goodwill				
Non-Utility Property				
Other Investments				
Other Regulatory Assets				
Deferred Power Costs				
Other Deferred Charges				
Total Assets				
Accounts Payable				
Current Portion LT Debt				
Interest Accrued				
Taxes Accrued				
Misc. Accrued Liabilities				
Total Current Liabilities				
LT Debt Bonds				
LT Line of Credit/Other Long-Term Debt				
Unamortized Premium / Discount				
Long-Term Debt Expense				
LT Capital Lease Obligation				
LT Deferred Income Tax - (Asset)				
LT Deferred Income Tax - Liability				
Total LT Deferred Income Taxes				
Misc. Deferred Credits				
Total Liabilities				
Stockholders Equity:				
Common Stock				
Capital Stock Expense and Paid in Capital				
Retained Earnings				
YTD Earnings				
Total Stockholders Equity				
Total Liabilities and Stockholders Equity				



**ALASKA Income Statements - YTD
201812**

	<i>SEC</i>	<i>AJT Mining</i>	<i>AERC</i>	<i>AEL&P</i>
Operating Revenue	<i>530</i>	<i>520</i>	<i>500</i>	<i>510</i>
Resource Costs				
Operating and Maintenance				
Administrative and General				
Depreciation and Amortization				
Taxes Other Than Income Taxes				
Total Operating Expenses				
Income / (Loss) from Operations				
Interest Expense				
Capitalized Interest				
Interest Income				
AFUDC Equity				
Miscellaneous Income / (Expense)				
Other Subs Income				
Income Before Income Taxes				
Taxes other than income taxes Income/(Expense)				
Income Tax (Income) / Expense				
Net Income / (Loss)				
<i>Stand Alone Net Income / (Loss)</i>				



Subsidiary Balance Sheets
December 31, 2018

AM&D dba MetalsFX	COURTYARD OFFICE CENTER, LLC	STEAM PLANT SQUARE, LLC	STEAM PLANT BREW PUB, LLC
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Cash and Cash Equivalents:
Cash
Temporary Cash Investments
Total Cash and Cash Equivalents

Accounts and Notes Receivable:
Notes Receivable / (Payable) - Corp LOC
Accounts Receivable / Notes Receivable
Accounts Receivable - Affiliate LOC
Total Accounts and Notes Receivable

Funds Held for Customers
Materials and Supplies
Deferred Income Taxes - Current
Income Taxes Receivable / (Payable)
Other Misc. Current Assets

Total Current Assets

Investment in Subsidiaries
Goodwill
Intangibles
Property, Plant and Equipment
Other Investments
Prepaid
Total Assets

Accounts Payable
Customer Fund Obligations
Current Portion of Long Term Debt
Misc. Accrued Liabilities

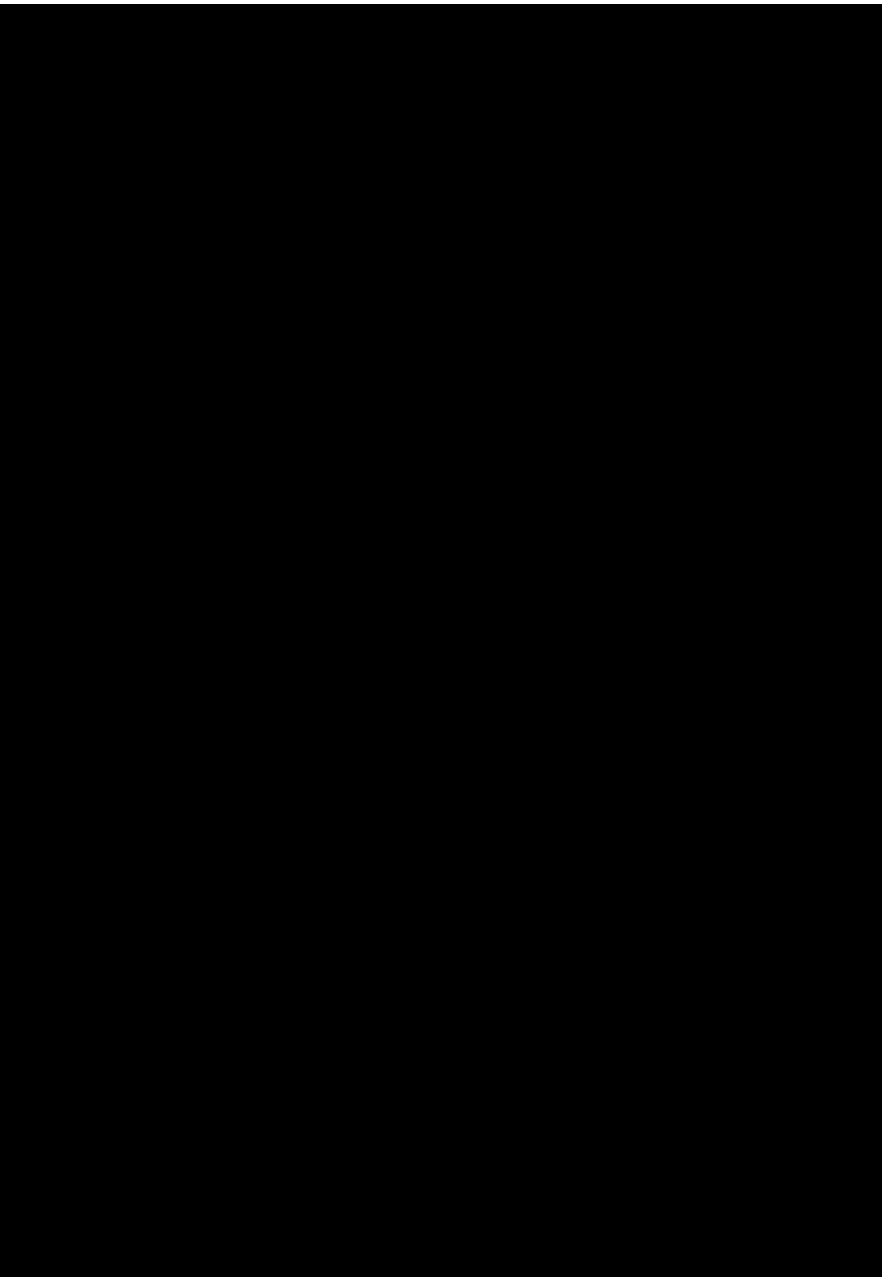
Total Current Liabilities

Long Term Deferred Income Taxes:
Long Term Deferred Income Tax - (Asset)
Long Term Deferred Income Tax - Liability
Total Long Term Deferred Income Taxes

Long Term Capital Lease Obligation
Long Term Line of Credit
Other Long Term Liabilities

Stockholders Equity:
Common Stock
Capital Stock Expense and Paid in Capital
Minority Interest
OCI
Retained Earnings
YTD Earnings
Total Stockholders Equity

Total Liabilities and Stockholders Equity



**Subsidiary Income Statements - YTD
201812**

	<i>AM&D dba MetalsFX</i>	<i>COURTYARD OFFICE CENTER, LLC</i>	<i>STEAM PLANT SQUARE, LLC</i>	<i>STEAM PLANT BREW PUB, LLC</i>
Operating Revenue				
Operating Expenses:				
Depreciation and Amortization				
Operating and Maintenance				
Administrative and General				
Taxes Other Than Income Taxes				
Total Operating Expenses				
Income / (Loss) from Operations				
Interest Income / Expense:				
Interest Income				
Interest Income - Intercompany				
Interest Expense				
Interest Expense - Intercompany				
Total Interest Income / Expense				
Subsidiary Income / (Loss)				
LLC Income / (Loss)				
Investments in Partnerships				
Gain / (Loss) on Disposition of Prop				
Miscellaneous Income / (Expense)				
Income Before Income Taxes				
Income Tax (Income) / Expense				
Noncontrolling Interest				
Net Income / (Loss)				

Dec 31, 18

ASSETS

Current Assets

Checking/Savings

1000 · Checking 50374

1050 · Security Deposits 50382

Total Checking/Savings

Accounts Receivable

1100 · Account Receivables

Total Accounts Receivable

Total Current Assets

Fixed Assets

Fixed Assets

3005 · Commercial Property

3020 · Equipment 7 YL

3025 · Furniture & Fixtures 7 YL

3045 · Leasehold Improvements 40 YL

3050 · Leasehold Improvement 15 YL

3053 · CWIP 2018 Add & Replacements

3075 · Parking Lot Land

3080 · Parking Lot Improvements 20 YL

3180 · Leasehold Improvemnt Impairmnt

Accumulated Depreciation

3010 · Accum. Depreciation.

Total Accumulated Depreciation

Total Fixed Assets

Total Fixed Assets

Other Assets

1300 · Investment Steam Plant Brew Pub

1310 · Solar Panels

Total Other Assets

TOTAL ASSETS

LIABILITIES & EQUITY

Liabilities

Current Liabilities

Accounts Payable

2000 · Accounts Payable - Avista

Total Accounts Payable

Other Current Liabilities

2010 · Property Taxes Accrued

Total Other Current Liabilities

Total Current Liabilities

Long Term Liabilities

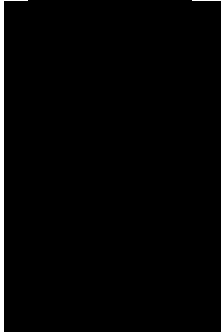
2100 · Security Deposits

2105 · Avista Development Loan

Total Long Term Liabilities

Dec 31, 18

Total Liabilities
Equity
 2500 · Contributed Capital
 2540 · Profit/Loss
 2550 · Retained Earnings
 Net Income
Total Equity
TOTAL LIABILITIES & EQUITY



	Jan 18	Feb 18	Mar 18	Apr 18	May 18	Jun 18	Jul 18	Aug 18	Sep 18	Oct 18	Nov 18	Dec 18	TOTAL
Ordinary Income/Expense													
Income													
4000 - Rental Income													
4010 - Rent Loss-Other													
4020 - Parking Income													
4025 - Historic Book Project Income													
4026 - Steam Plant Posters Income													
4040 - Event Center Revenue													
Total Income													
Gross Profit													
Expense													
66900 - Reconciliation Discrepancies													
5000 - Bank Fees													
5005 - Event Center Expense													
5025 - Accounting Fees													
5015 - Consulting Fee													
5020 - Dues & Subscriptions													
5020.01 - SH Dues & Subscriptions													
5085 - HVAC/Plumbing/Electrical													
5086 - HVAC													
5086.01 - SH HVAC													
5087 - Plumbing													
5087.01 - SH Plumbing													
5088 - Electrical													
Total 5085 - HVAC/Plumbing/Electrical													
5050 - Janitorial Services/Supplies													
5050.01 - SH Janitorial Services/Supplies													
5060 - Leasing Fees - BNSF													
5065 - Legal													
5070 - Licenses & Permits													
5070.01 - SH License and Permits													
5080 - Maintenance & Repair - General													
5080.01 - SH Maint & Rpr - General													
5090 - Maintenance & Repair - Elevator													
5090.01 - SH Maint & Rpr - Elevator													
5100 - Marketing													
5101 - Marketing													
5101.01 - SH Marketing													
Total 5100 - Marketing													
5110 - Meals													
5125 - Moving & Storage Fees													
5125.01 - SH- Moving & Storage Fees													
5130 - Office Supplies													
5140 - Parking Lot Expense													
5150 - Payroll Expenses													
5170 - Security													
5171 - Security Service													
5171.01 - SH Security Service													
5172 - Security System Internet													
Total 5170 - Security													

	Jan 18	Feb 18	Mar 18	Apr 18	May 18	Jun 18	Jul 18	Aug 18	Sep 18	Oct 18	Nov 18	Dec 18	TOTAL
5180 - Taxes - Business													
5190 - Taxes - Property													
5200 - Telephone - Elevator/Fire Alarm													
5200.01 - SH Phone - Elevator/Fire Alarm													
5210 - Travel - Conferences													
5300 - Utilities													
5310 - Electricity													
5310.01 - SH Electricity													
5320 - Gas													
5320.01 - SH Gas													
5325 - Wind Power													
Total 5300 - Utilities													
5330 - Water/Sewer/Refuse													
5331 - Water													
5331.01 - SH Water													
5332 - Sewer													
5332.01 - SH Sewer													
5333 - Refuse													
5333.01 - SH Refuse													
Total 5330 - Water/Sewer/Refuse													
4800 - Solar Panel Amort													
8490 - Bad Debt Expense													
Total Expense													
Net Ordinary Income													
Other Income/Expense													
Other Income													
4900 - Earnings for Subsidiary (SPBP)													
9010 - Gain/Loss Dispose of Fix Asset													
Total Other Income													
Other Expense													
5900 - Depreciation Expense													
Total Other Expense													
Net Other Income													
Net Income													

Dec 31, 18

ASSETS

Current Assets

Checking/Savings

1000 · Checking 50390

1050 · Security Deposits 50408

Total Checking/Savings

Accounts Receivable

1100 · Account Receivables

1110 · Due from Associated Companies

Total Accounts Receivable

Other Current Assets

1210 · Prepaid Rents

Total Other Current Assets

Total Current Assets

Fixed Assets

Fixed Assets

3000 · Artwork & Decoration

3005 · Building

3010 · Building Renovation

3015 · Capital Improvements

3016 · Parking Lot Equipment

3040 · Furniture & Fixtures

3045 · Contrib in excess of FMV

3050 · Contrib in excess - Wells & Ptn

3055 · Trash Compactor

3065 · Elevator Retrofit Project

3075 · Signage & Security

3085 · Tenant Improvements

Accumulated Depreciation

3060 · Accum. Depreciation

3060.01 · Hallway & Common Area Depr

3070 · Elevator Retrofit Accum. Dep.

3080 · Signage & Securiry Accum. Dep.

3090 · Tenant Improv. AD

Total Accumulated Depreciation

Total Fixed Assets

Total Fixed Assets

Other Assets

3095 · Solar Panels

1320 · Note Rec. - A. Development

Total Other Assets

TOTAL ASSETS

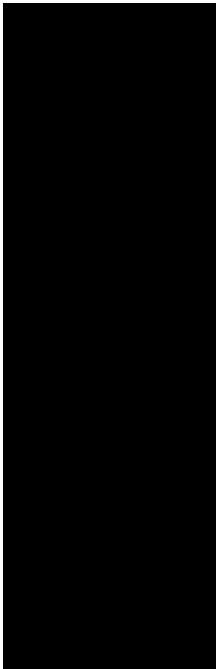
LIABILITIES & EQUITY

Liabilities

Current Liabilities

Dec 31, 18

Accounts Payable
 2000 - Accounts Payable - Avista
Total Accounts Payable
Other Current Liabilities
 2010 - Property Tax Accrued
Total Other Current Liabilities
Total Current Liabilities
Long Term Liabilities
 2100 - Security Deposits
Total Long Term Liabilities
Total Liabilities
Equity
 2525 - Partner Capital - Avista
 2550 - Retained Earnings
Net Income
Total Equity
TOTAL LIABILITIES & EQUITY



	Jan 18	Feb 18	Mar 18	Apr 18	May 18	Jun 18	Jul 18	Aug 18	Sep 18	Oct 18	Nov 18	Dec 18	TOTAL
Ordinary Income/Expense													
Income													
4000 - Rental Income													
4005 - In-Kind Rent													
4010 - Rent Loss Other													
4020 - Parking Income													
Total Income													
Gross Profit													
Expense													
6810 - Accounting Fees													
5000 - Bank Fees													
6905 - Bad Debt Expense													
5020 - Dues & Subscriptions													
5085 - HVAC/Plumbing/Electrical													
5086 - HVAC													
5087 - Plumbing													
5088 - Electrical													
Total 5085 - HVAC/Plumbing/Electrical													
5050 - Janitorial Services/Supplies													
5065 - Legal													
5070 - Licenses & Permits													
5080 - Maintenance & Repair - General													
5090 - Maintenance & Repair - Elevator													
5100 - Marketing													
5110 - Meals													
5140 - Parking Lot Expense													
5150 - Payroll Expenses													
5170 - Security Service													
5180 - Taxes - Business													
5190 - Taxes - Property													
5200 - Telephone - Elevator/Fire Alarm													
5211 - Telephone- Internet													
5205 - Tenant Improvements													
5300 - Utilities													
5310 - Electricity													
5320 - Gas													
Total 5300 - Utilities													
5330 - Water/Sewer/Refuse													
5331 - Water													
5332 - Sewer													
5333 - Refuse													
Total 5330 - Water/Sewer/Refuse													
5400 - Solar Panel Amort													
Total Expense													
Net Ordinary Income													
Other Income/Expense													
Other Expense													
5900 - Depreciation Expense													
Total Other Expense													
Net Other Income													
Net Income													

**MetalFx
Balance Sheet
Fiscal Year 2018**

	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Dec-18
Cash							
Accounts Receivable							
Inventory							
Prepaid							
Other Current Assets							
Total Current Assets							
Machinery & Equipment							
Depreciation							
Net Fixed Assets							
Goodwill							
Federal Tax Long Term							
Total Assets							
Trade Accounts Payable							
Accrued Liabilities							
Current Portion-Leases							
Unearned Income							
Deferred Income Tax Current							
Total Current Liabilities							
Avista Note							
Capital Leases-LT							
Federal Income Tax Due							
State Income Tax Due							
Deferred Income Tax LT							
Long Term Liability							
Common Stock							
Preferred Stock							
Retained Earnings							
Total Liabilities/Equity							

**Metalix
Income Statement
Fiscal Year 2018**

	January	February	March	April	May	June	July	August	September	October	November	December	Total
Revenues													
Cost of sales													
Gross profit													
General & administrative expenses:													
Salaries & benefits													
Facilities costs													
Outside professional services													
Travel & entertainment													
Other													
Total G&A													
Sales and marketing expenses:													
Salaries & benefits													
Travel & entertainment													
Other													
Total S&M													
Total operating expenses													
EBITDA													
Depreciation & amortization													
Interest expense													
Interest & investment income													
Goodwill Impairment													
Gain or (Loss) on Sale of Fixed Ass													
Litigation Settlement													
Other nonoperating income (exp)													
Income tax provision													
State Income Tax provision													
Net income													

ATTACHMENT 4

RESULTS OF OPERATIONS	Report ID: E-ALL-12A
ELECTRIC ALLOCATION PERCENTAGES For Twelve Months Ended December 31, 2018 Average of Monthly Averages Basis	

AVISTA UTILITIES

Basis	Ref	Description	Based on Data from:	System	Washington	Idaho
1	Input	Production/Transmission Ratio	01-01-2018 thru 12-31-2018	100.000%	65.390%	34.610%
2	Input	Number of Customers - AMA Percent	01-01-2018 thru 12-31-2018	384,977 100.000%	252,697 65.640%	132,280 34.360%
3	E-OPS	Direct Distribution Operating Expense Percent	01-01-2018 thru 12-31-2018	24,820,767 100.000%	16,820,039 67.766%	8,000,728 32.234%
	Input	Jurisdictional 4-Factor Ratio	01-01-2018 thru 12-31-2018			
		Direct O & M Accts 500 - 598		21,128,556	14,368,281	6,760,275
		Direct O & M Accts 901 - 935		40,962,685	29,200,598	11,762,087
		Total		62,091,241	43,568,879	18,522,362
		Percentage		100.000%	70.169%	29.831%
		Direct Labor Accts 500 - 598		12,666,479	8,320,223	4,346,256
		Direct Labor Accts 901 - 935		5,338,345	4,391,871	946,474
		Total		18,004,824	12,712,094	5,292,730
		Percentage		100.000%	70.604%	29.396%
		Number of Customers		387,662	254,232	133,430
		Percentage		100.000%	65.581%	34.419%
		Net Direct Plant		1,184,491,252	805,771,597	378,719,655
		Percentage		100.000%	68.027%	31.973%
4		Total Percentages		400.000%	274.381%	125.619%
		Percent		100.000%	68.595%	31.405%

RESULTS OF OPERATIONS	Report ID: E-ALL-12A
ELECTRIC ALLOCATION PERCENTAGES For Twelve Months Ended December 31, 2018 Average of Monthly Averages Basis	

AVISTA UTILITIES

Basis	Ref	Description	Based on Data from:	System	Washington	Idaho	
Input		Elec/Gas North/Oregon 4-Factor	01-01-2017 thru 12-31-2017	Total	Electric	Gas North	Oregon Gas
		Direct O & M Accts 500 - 894		74,561,528	62,492,356	8,088,844	3,980,328
		Direct O & M Accts 901 - 935		51,344,851	35,523,672	10,602,829	5,218,350
		Direct O & M Accts 901 - 905 Utility 9 Only		5,153,393	3,464,837	1,688,556	0
		Adjustments		0	0	0	0
		Total		131,059,772	101,480,865	20,380,229	9,198,678
		Percentage		100.000%	77.431%	15.550%	7.019%
		Direct Labor Accts 500 - 894		74,226,505	55,932,706	12,828,428	5,465,371
		Direct Labor Accts 901 - 935		6,185,979	3,809,731	197,120	2,179,128
		Direct Labor Accts 901 - 905 Utility 9 Only		11,137,496	7,407,915	3,729,581	0
		Total		91,549,980	67,150,352	16,755,129	7,644,499
		Percentage		100.000%	73.348%	18.302%	8.350%
		Number of Customers at		729,596	382,273	245,616	101,707
		Percentage		100.000%	52.395%	33.665%	13.940%
		Net Direct Plant		3,427,085,391	2,651,455,641	503,067,746	272,562,004
		Percentage		100.000%	77.368%	14.679%	7.953%
		Total Percentages		400.000%	280.542%	82.196%	37.262%
		Average (CD AA)		100.000%	70.135%	20.549%	9.316%

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RESULTS OF OPERATIONS	Report ID: E-ALL-12A
ELECTRIC ALLOCATION PERCENTAGES For Twelve Months Ended December 31, 2018 Average of Monthly Averages Basis	

AVISTA UTILITIES

Basis	Ref	Description	Based on Data from:	System	Washington	Idaho
Input		Gas North/Oregon 4-Factor	01-01-2017 thru 12-31-2017	Total	Electric	Gas North Oregon Gas
		Direct O & M Accts 500 - 894		11,502,745	0	7,709,221 3,793,524
		Direct O & M Accts 901 - 935		15,449,456	0	10,353,713 5,095,743
		Direct O & M Accts 901 - 905 Utility 9 Only		1,688,556	0	1,688,556 0
		Total		28,640,757	0	19,751,490 8,889,267
		Percentage		100.000%	0.000%	68.963% 31.037%
		Direct Labor Accts 500 - 894		13,255,885	0	9,295,618 3,960,267
		Direct Labor Accts 901 - 935		1,818,322	0	150,838 1,667,484
		Direct Labor Accts 901 - 905 Utility 9 Only		3,729,581	0	3,729,581 0
		Total		18,803,788	0	13,176,037 5,627,751
		Percentage		100.000%	0.000%	70.071% 29.929%
		Number of Customers at		347,323	0	245,616 101,707
		Percentage		100.000%	0.000%	70.717% 29.283%
		Net Direct Plant		764,182,162	0	492,888,057 271,294,105
		Percentage		100.000%	0.000%	64.499% 35.501%
		Total Percentages		400.000%	0.000%	274.250% 125.750%
8		Average (GD AA)		100.000%	0.000%	68.562% 31.438%

RESULTS OF OPERATIONS	Report ID: E-ALL-12A
ELECTRIC ALLOCATION PERCENTAGES For Twelve Months Ended December 31, 2018 Average of Monthly Averages Basis	

AVISTA UTILITIES

Basis	Ref	Description	Based on Data from:	System	Washington	Idaho	Oregon Gas
Input		Elec/Gas North 4-Factor	01-01-2017 thru 12-31-2017	Total	Electric	Gas North	Oregon Gas
		Direct O & M Accts 500 - 894		70,589,908	62,492,356	8,097,552	0
		Direct O & M Accts 901 - 935		46,132,231	35,523,672	10,608,559	0
		Adjustments		0	0	0	0
		Total		116,722,139	98,016,028	18,706,111	0
		Percentage		100.000%	83.974%	16.026%	0.000%
		Direct Labor Accts 500 - 894		68,682,217	55,932,706	12,749,511	0
		Direct Labor Accts 901 - 935		4,343,072	3,809,731	533,341	0
		Total		73,025,289	59,742,437	13,282,852	0
		Percentage		100.000%	81.811%	18.189%	0.000%
		Number of Customers at Percentage		627,889	382,273	245,616	0
				100.000%	60.882%	39.118%	0.000%
		Net Direct Plant Percentage		3,118,486,683	2,625,598,626	492,888,057	0
				100.000%	84.195%	15.805%	0.000%
		Total Percentages		400.000%	310.861%	89.139%	0.000%
9		Average (CD AN/ID/WA)		100.000%	77.714%	22.286%	0.000%
10	E-PLT	Net Electric Distribution Plant - AMA Percent	12-01-2017 thru 12-31-2018	1,143,752,552	772,446,387	371,306,165	
				100.000%	67.536%	32.464%	
11		Book Depreciation Percent	01-01-2018 thru 12-31-2018	112,657,259	73,741,128	38,916,131	
				100.000%	65.456%	34.544%	

RESULTS OF OPERATIONS	Report ID: E-ALL-12A
ELECTRIC ALLOCATION PERCENTAGES	
For Twelve Months Ended December 31, 2018 Average of Monthly Averages Basis	

AVISTA UTILITIES

Basis	Ref	Description	Based on Data from:	System	Washington	Idaho
12		Net Electric Plant (before ADFIT) - AMA Percent	12-01-2017 thru 12-31-2018	2,949,850,105 100.000%	1,962,509,211 66.529%	987,340,894 33.471%
13	E-PLT	Net Electric General Plant - AMA Percent	12-01-2017 thru 12-31-2018	250,799,916 100.000%	167,491,612 66.783%	83,308,304 33.217%
14		Net Allocated Schedule M's - AMA Percent	01-01-2018 thru 12-31-2018	-98,667,256 100.000%	-63,455,966 64.313%	-35,211,290 35.687%
99	Input	Not Allocated		0.000%	0.000%	0.000%

ATTACHMENT 5

August 2018

Avista Corp. Cash Management Guidelines and Procedures

In order to efficiently manage cash at the corporate and subsidiary levels, minimize borrowing costs and maximize investment returns, the following procedures should be followed regarding cash management activity between Avista Corp, Avista Capital and Avista Capital Subsidiaries (AERC and its subsidiaries are excluded from these guidelines.)

I. Investment/Borrowing Policies

All excess subsidiary company cash will be managed at the Avista Corp. level. Cash will be transferred to the subsidiaries through Avista Capital to cover payables according to the guidelines set below. (Note: A Master Promissory Note in effect for any Subsidiary will supersede these guidelines.)

1. Avista Capital may maintain a money market account with a maximum balance of \$1,000,000, unless known payments are occurring within 30 days. This account may be used to fund subsidiary payables. Avista Capital cash balances over \$1,000,000 and up to the outstanding loan balance will be transferred to Avista Corp as a payment against the outstanding borrowings on the loan between Avista Corp and Avista Capital.
2. Avista Capital may borrow from Avista Corp., up to \$40MM, to cover subsidiary company cash needs in accordance with board-approved limits. Avista Capital may loan excess funds to Avista Corp upon receipt of appropriate approvals. Regulatory restrictions should be considered prior to transferring funds between the utility and non-regulated subsidiaries. The current guidance in Washington is WAC 480-100-244 and in Oregon it is Order No. 07-297.
3. Unless specifically stated in a master promissory note, all loans between companies are unsecured.
4. Subsidiaries with cash deficits may borrow from Avista Capital. Borrowings will be in accordance with each company's board-approved limits. Subsidiaries will repay or loan excess funds to Avista Capital.
5. Investment/Borrowing Rates Between Avista Corp. and Avista Capital:
 - a) Upon receiving appropriate approvals, excess Avista Capital cash may be invested with (loaned to) Avista Corp. at a rate equal to Avista Corp.'s avoided short-term borrowing cost, which is the short-term borrowing rate related to Avista Corp.'s credit facility (currently estimated at the one-month LIBOR plus 77.5 basis points). The rate will be reset monthly with the LIBOR rate in effect on the second business day of each month.

At times Avista Corp may have no outstanding borrowings under the credit facility. If there are no outstanding borrowings under the credit facility, excess cash should be utilized to pay down borrowings on other short-term borrowing instruments (if any) and the borrowing rate should be adjusted to the avoided short-term borrowing rate applicable to the borrowings that were re-paid.

At times, Avista Corp may have no outstanding cash borrowings on the credit facility or other short-term borrowing facilities. If there are no cash borrowings under any facility, excess cash should be invested until the funds can be utilized.

- b) Avista Capital may borrow from Avista Corp. up to \$40MM, subject to board-approved limits, at a rate equal to at least the Alternate Base Rate (as defined in the credit facility), currently estimated at the Prime rate. This rate will be reset at such time as the Agent bank on the Avista Corp. credit agreement changes the Prime rate or the margin is changed per the credit facility pricing grid.

6. Investment/Borrowing Rates Between Avista Capital and Subsidiary Companies:
Subsidiaries of Avista Capital which are wholly-owned and are not expected to seek outside investors within the next two years will not be charged interest on borrowings or receive interest on invested funds with Avista Capital. The following interest rate guidelines apply to all other subsidiaries:
 - a) Subsidiary companies will borrow from Avista Capital at a rate equal to at least the Alternate Base Rate (as defined in the credit facility), currently estimated at the Prime rate. This rate will be reset at such time as the Prime rate is changed by the Agent bank on the Avista Corp. credit agreement changes the Prime rate or the margin is changed per the credit facility pricing grid.
 - b) Subsidiary company cash invested with (loaned to) Avista Capital will be at a rate equal to Avista Corp.'s avoided short-term borrowing cost, which is the short-term borrowing rate related to Avista Corp.'s credit facility (currently estimated at the one-month LIBOR plus 77.5 basis points). The rate will be reset monthly with the LIBOR rate in effect on the second business day of each month.
7. The Avista Corp. subsidiary accountant will maintain daily interest schedules of all borrowings and repayments between all subsidiary companies. Documentation will include the date and amount of the borrowing or repayment, the maturity date, if any, the applicable interest rate, and daily balances of all outstanding loans.

II. Subsidiary Cash Management Guidelines

1. Cash Balances

Subsidiary companies will keep a maximum of \$50,000 cash balance per book in their checking accounts at any time. Accurate up-to-date balances must be maintained and deposit information should be updated when funds are received. This information is available currently via Wells Fargo Commercial Electronic Office reports or through the Cash Manager for Avista Corp. Excess balances resulting from large deposits should be transferred to Avista Capital for investment or to pay down loan balances. Transfers of excess cash to Avista Capital may be incorporated in the weekly funding request for payables. Please contact the Avista Corp. Subsidiary Accountant for details.

2. Funding Requests from Avista Capital

Funding requests for ACH, in-bank transfers or wires must be sent to Accounts Payable and the Treasury team by 9:00 a.m. for that day's funding for wires and next day for ACH. For cost minimization, ACH or in-bank transfers are preferred. Vouchers, wires and ACH must be approved by an authorized approver for funding from Avista Capital. Funds will not be transferred without proper signatures.

Please note: For funding requests over \$500K please notify the Avista Corp. cash manager of the due date as far in advance as possible.

3. Emergency Funding

Emergency funding is generally initiated in the form of a wire. If a request is needed after 9:00 am but before 3:00 pm, this would be considered emergency and a phone call is necessary to Accounts Payable to request the funding. In addition an email with appropriate approvals should be sent to Accounts Payable and Treasury. Same day transfer of funds over \$50,000 may be accommodated but cannot be guaranteed. Contact should be made with the Subsidiary Accountant or Cash Manager for availability of same day funds.

All funding requests from subsidiaries, whose accounting function is not done at the corporate offices, must be approved by an authorized person at the subsidiary.

4. Intercompany payments

Intercompany payments between Avista Corp, Avista Capital and all Subsidiaries should be made electronically. (Electronically may encompass transfers between accounts when the accounts are at the same banking institution.) This includes payments for work orders, payroll and taxes.

These cash management guidelines and procedures will be reviewed at least annually, and at the time the Avista Corp. bank credit agreement is renewed.

Approved:

By: _____

CFO, Treasurer – Avista Corp.

ATTACHMENT 6

COST ALLOCATION MANUAL
OF
AVISTA CORPORATION
d/b/a AVISTA UTILITIES

Avista Corp. dba Avista Utilities
Cost Allocation Manual
For the year 2018

This report is provided pursuant to OAR 860-027-0048, Section 5.

I.) Overview/Introduction

The purpose of Avista Utilities Cost Allocation Manual is to describe the methodologies for allocating direct, indirect and shared service costs between the Utility and its nonregulated affiliated activities.

All corporate support provided and costs incurred, including labor costs loaded for benefits, are billed directly to affiliates at cost. No allocation of expenses occurs.

II.) Narrative Description of Avista's Nonregulated Activities and Affiliates

a. List of utility Non-Regulated Activities:

Not applicable.

b. List of utility Affiliates & Subsidiaries that meet the requirements of ORS 757.15:

Please see the Oregon Affiliated Interest Report filed with the Oregon Commission on or before June 1 annually, Section I.C., pages 2-4.

III.) Description of Methods for Calculation and Allocation of Costs

a. Service Transactions

Electricity and natural gas sales are priced according to approved tariffs. See <https://www.myavista.com/about-us/our-rates-and-tariffs> for current tariffs used to price services provided.

b. Non-Service Transactions

Avista Corporation Corporate Support –

On a regular basis, general office employees, of Avista Corporation spend time on corporate service support, such as accounting, federal income tax filing, planning, graphic services, etc. for affiliates. Their time is charged directly to suspense accounts (Deferred Debit 186), loaded for benefits and then established as a receivable (Account 146) when billed to the affiliate. If other resources are expended during the course of this work such as travel or consulting services, these costs are also charged to suspense accounts and billed to the affiliate.

All corporate support provided, and costs incurred, are billed to affiliates at cost. No additional margin or profit is included and no assets are allocated. Suspense and capture of Avista Corporation employee costs, which are then billed back to the affiliates at cost, serve to reduce the expenses that must be borne by the utility.

IV.) **Labor Allocation Methods**

a. **Payroll Loadings and Overheads**

The Company's payroll loadings and overhead billing rates are reviewed monthly and adjusted as necessary, to reflect changes in costs and usage. The following rates are the 2018 Budgeted rates.

DESCRIPTION	2018 BUDGET RATES
Labor Related:	
Payroll Benefits	58.19%
Paid Time Off	16.00%
Payroll Taxes	8.00%

b. **Service Provider and Administrative Allocations**

As described in section III.) b. above, all corporate support provided, and costs incurred, are direct billed to affiliates at cost. No allocations occur.

V.) **Organization Chart**

Please see the Oregon Affiliated Interest Report filed with the Oregon Commission on or before June 1 annually, Section I., page 1. A full size (8 ½ x 11) copy is also provided as Attachment 1 to that report.