



Avista Corp.

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

May 24, 2018

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, the Company hereby electronically files with the Commission its 2017 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, 2017. 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 2017.

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 192.501 and 192.502.

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

Sincerely,

A handwritten signature in blue ink, appearing to read "Patrick Ehrbar", is written over the word "Sincerely,". The signature is fluid and cursive, with a long horizontal line extending to the right.

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

STATE OF OREGON

AFFILIATED INTEREST REPORT

OF

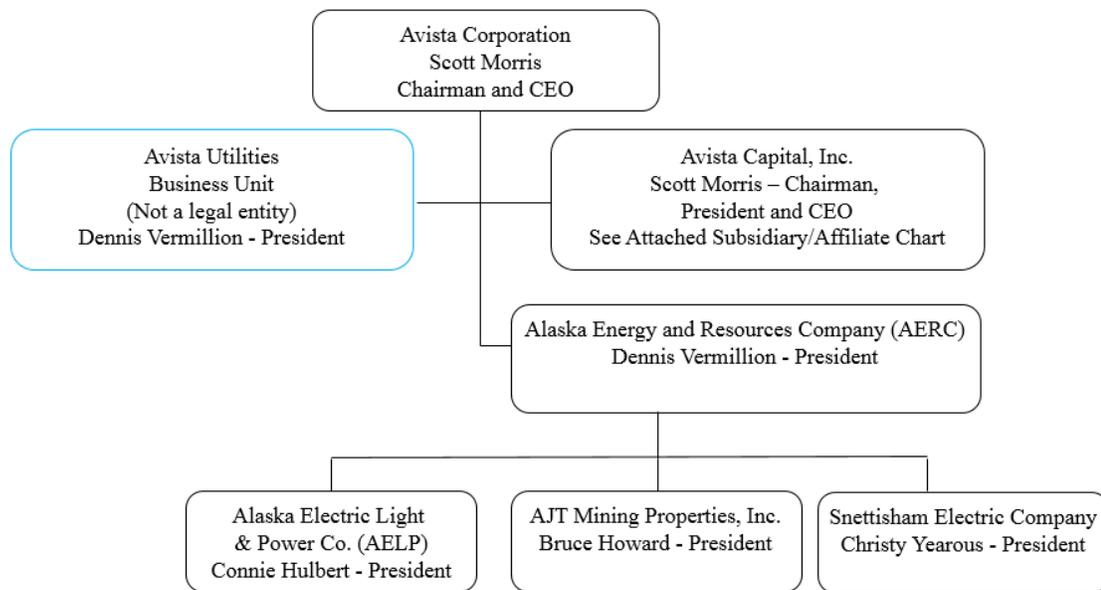
AVISTA CORPORATION

d/b/a AVISTA UTILITIES

FOR THE YEAR ENDED DECEMBER 31, 2017

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, 2017.

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 2017.

C. Narrative Descriptions

Avista Utilities is a combination utility that provides service to approximately 382,000 electric customers and 347,000 natural gas customers in a 30,000-square-mile area in eastern Washington, northern Idaho, and parts of southern and eastern Oregon, with a population of 1.6 million. 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.¹ As of December 31, 2017, 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.

¹ The only exceptions relate to Avista Receivables, Inc., a special purpose subsidiary formed in connection with the sale of accounts receivable, an entity directly owned by Avista Corp. In addition, Spokane Energy, LLC, was also a special purpose limited liability company formed for the purpose of implementing a long-term capacity contract between Avista Utilities and Portland General Electric Company until its dissolution in 2015. See page 3 for a further description of Spokane Energy, LLC.

- * **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, 2017, Avista Capital had the following affiliates:

- **Avista Development** (100% ownership by Avista Capital)
- **Trove (GridGlo)** (30.53% ownership by Avista Development, Inc.)
- **Pivotal Investment Partners I, L.P.** (30.34% ownership by Avista Northwest Resources, LLC)
- **Lumen BioScience, Inc.** (25% ownership by Avista Development, Inc.)
- **Spirae** (11.12% ownership by Avista Development, Inc.)
- **Dragon Jacket, LLC** (10% ownership by Avista Development, Inc.)
- **Omnidian, Inc.** (9.7% ownership by Avista Development, Inc.)
- **Toolbox, LLC** (9.52% ownership by Avista Development, Inc.)
- **Kick Start II LLC** (7.69% ownership by Avista Development, Inc.)
- **Kick Start III LLC** (6.4% ownership by Avista Development, Inc.)
- **Energy Impact Fund** (4.84% ownership by Avista Development, Inc.)
- **Safeguard Equipment, Inc.** (4.55% ownership by Avista Development, Inc.)
- **Woodside IV** (3.56% ownership by Avista Development, Inc.)
- **LevelTen Energy, Inc.** (2.5% ownership by Avista Development, Inc.)
- **EnerTech II** (2.24% ownership by Avista Development, Inc.)
- **Rohinni** (0.87% ownership by Avista Development, Inc.)

As of December 31, 2017, 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)	\$35,100	\$0
Steam Plant Square	931 Rents (1)(2)	\$74,100	\$6,837
Trove Predictive Data Analytics, LLC	426 Misc Deductions (4)	\$24,000	\$0
Spirae, LLC	107 CWIP (3)	\$552,142	\$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) \$173,201	\$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.avistautilities.com/services/energypricing/Pages/default.aspx> for current tariffs used to price services provided to Avista Development, Inc.

III. Inter-Company Loans

Avista Corp / Avista Capital Note Payable / Receivable

During 2017, Avista Corp. recorded short-term note payable / receivable to Avista Capital, Inc. The year-end note receivable amount at December 31, 2017 was \$11,659,191. The maximum note payable amount outstanding during the year, due to Avista Capital, was \$3,984,464 at January 31, 2017. Total interest expense in 2017 was \$14,274.

The balances of the short-term notes payable at month-end during 2017 follow:

<u>Accounting</u> <u>Period</u>	<u>Ending Balance</u>
January-17	\$ (3,984,464)
February-17	\$ (3,483,618)
March-17	\$ (2,912,649)
April-17	\$ 2,230,725
May-17	\$ 2,377,026
June-17	\$ 5,448,197
July-17	\$ 5,637,981
August-17	\$ 6,160,277
September-17	\$ 6,482,843
October-17	\$ 5,665,720
November-17	\$ 7,487,013
December-17	\$ 11,659,191

According to the Cash Management Guidelines and Procedures, investment/borrowing rates between Avista Corporation and Avista Capital that were in effect during 2017 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 currently estimated at the one-month LIBOR plus 130 basis points (this is the short-term borrowing rate related to Avista Corp.'s credit facility). 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 at the subsidiary until the funds can be utilized.

- b. Avista Capital may borrow from Avista Corp., subject to board-approved limits, at a rate equal to at least the Prime rate plus 30 basis points. 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. If an Alternate Base Rate (as defined in the credit facility) is in effect, the borrowing rate would be adjusted accordingly.

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	\$78,869	\$0
146	A/R Avista Development	\$118,633	\$0
146	A/R Avista Energy	\$6,319	\$0
146	A/R Alaska Electric Light & Power	\$909,985	\$0
146	AR Alaska Energy & Resources Company	(\$100)	\$0
146	A/R Salix	\$756,478	\$0
Total		\$1,667,956	\$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 2017 totaled \$1,070,364 and were recorded in FERC Account No. 427 (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 2017 totaled \$109,200 (\$35,100 recorded in FERC Account No. 107 (CWIP), \$74,100 recorded in FERC Account No. 931 (Rents)), Oregon's share of this expense is \$6,837.

Description of Trove Predictive Data Analytics, LLC

As discussed in prior Affiliated Interest and Subsidiary Transaction Reports filed with the Commission, in September 2012, Avista Development, Inc., a wholly-owned subsidiary of Avista, loaned funds to GridGlo, Inc., a predictive data science company based in Del Ray, FL. In addition to customary considerations for the secured loan, Avista Development received certain rights to discounted services from GridGlo, the benefit of which was assigned to Avista Utilities. Avista Utilities and GridGlo subsequently entered into a Master Software License and Services Agreement, effective on June 26, 2013.

GridGlo was unable to repay its loans when due in March 2014. Avista Development, GridGlo and another secured lender entered into a forbearance and temporary funding agreement for the purpose of exploring mutually satisfactory ways to restructure GridGlo in satisfaction of the debts. The parties agreed to a restructuring of GridGlo such that the lenders, joined by another investor, acquired all of the assets and select liabilities of GridGlo via new limited liability corporation named Trove Predictive Data Analytics, LLC ("Trove"). The GridGlo contract with Avista Utilities was among the assets transferred as of the date the transaction closed, October 28, 2014.

Trove is a Predictive Data Science business that develops software applications for the utility industry. The foundation of its technology is the application platform "Sunstone", which is a predictive data science and analytics platform. It utilizes utility and non-utility data fused with third party data (i.e., demographic, weather, etc) to produce actionable insights into how to improve efficiency in utility operations and customer service.

Since the restructuring transaction on October 28, 2014, Avista Development has made staged equity payments and held Class A equity units in Trove equal to 32.33% on a fully diluted basis as of December 31, 2017.

The rights to discounted services assigned to Avista Utilities upon the restructuring completed October 28, 2014, included a Statement of Work, signed June 17, 2014. This

Statement of Work included the development, delivery and integration of a platform related to a load forecasting application.

The terms of this Statement of Work included a fixed fee for the integration of the product in the amount of \$300,000. This work was complete, and expensed, during 2014. Additionally, the agreement included payment of annual fees for maintenance and support for 2015 and 2016 for \$35,000 per year, and third party data access fees in the amount of \$25,000 for January 1, 2014 through June 30, 2015 and July 1, 2015 through December 31, 2017. Please refer to **Attachment 6** for the GridGlo Statement of Work.²

On October 13, 2016, the Company entered into to an addendum to the Master Software License and Services Agreement (MSLSA), between Avista Corporation and GridGlo, LLC, d/b/a TROVE. Under the terms of the Addendum, Avista has engaged Trove to upgrade the current platform and provide additional training, software development, software upgrades and data science consulting services. The data science consulting services will consist of software development by Trove Data Scientist to develop algorithms with their platform to analyze our data. Under the terms of the Addendum, Trove configured the ‘Predictive Analytics’ module of TROVE’s Sunstone platform, which included a Customer Segmentation data. Please refer to **Attachment 9** for the Trove Addendum.

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. Please refer to **Attachment 8** for the Spirae Professional

² Prior to October 28, 2014, Avista Development had no ownership in GridGlo or Trove Predictive Data Analytics, LLC, and GridGlo and Trove were therefore not an Affiliate. This information was previously provided in Avista’s Affiliated Interest and Subsidiary Transaction Report for the year ended December 31, 2014.

Services Agreement.³ 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 2017 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

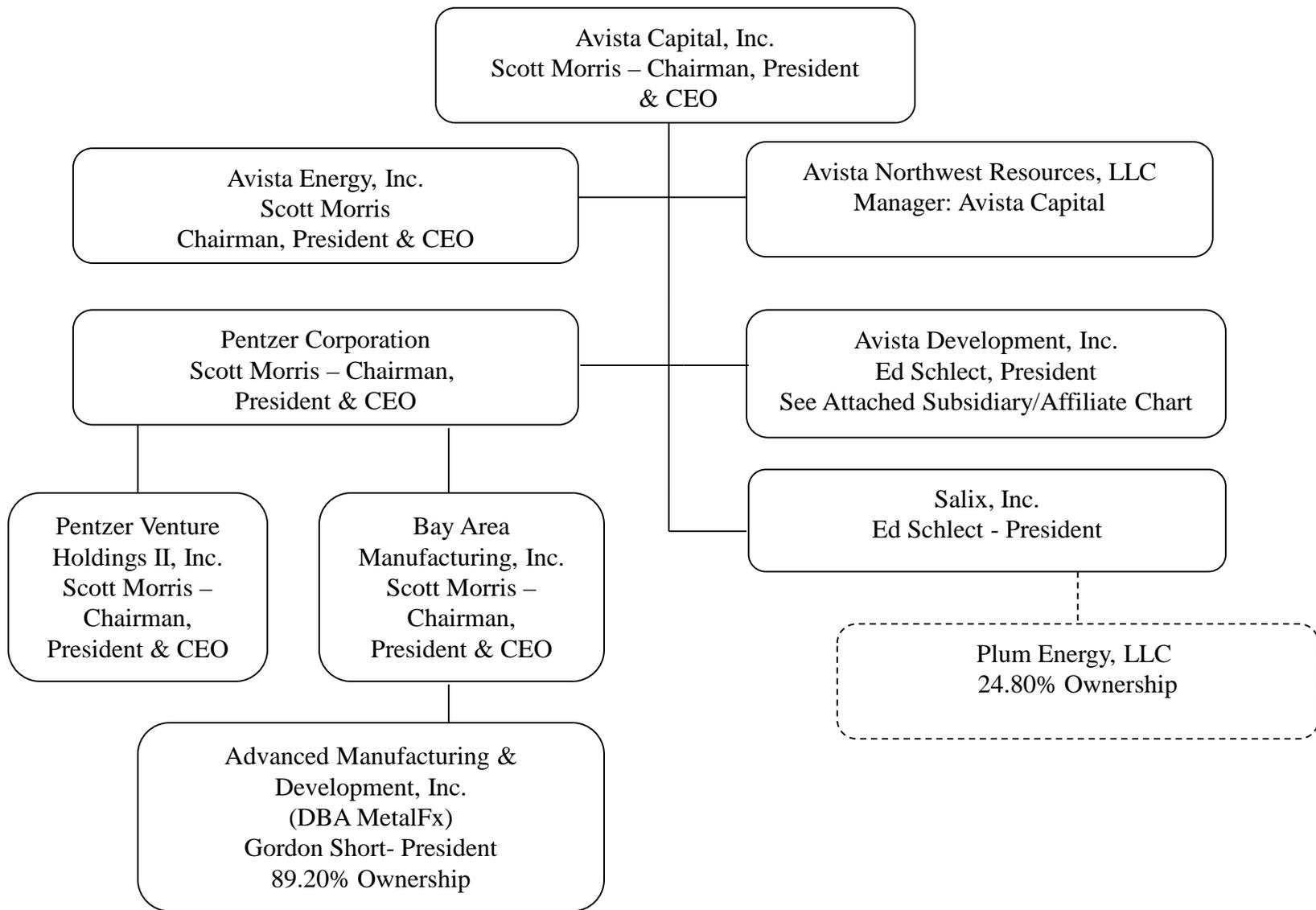
See V. above. Avista Corporation charges all costs incurred by its affiliates directly to the respective affiliate.

VIII. Cost Allocation Manual

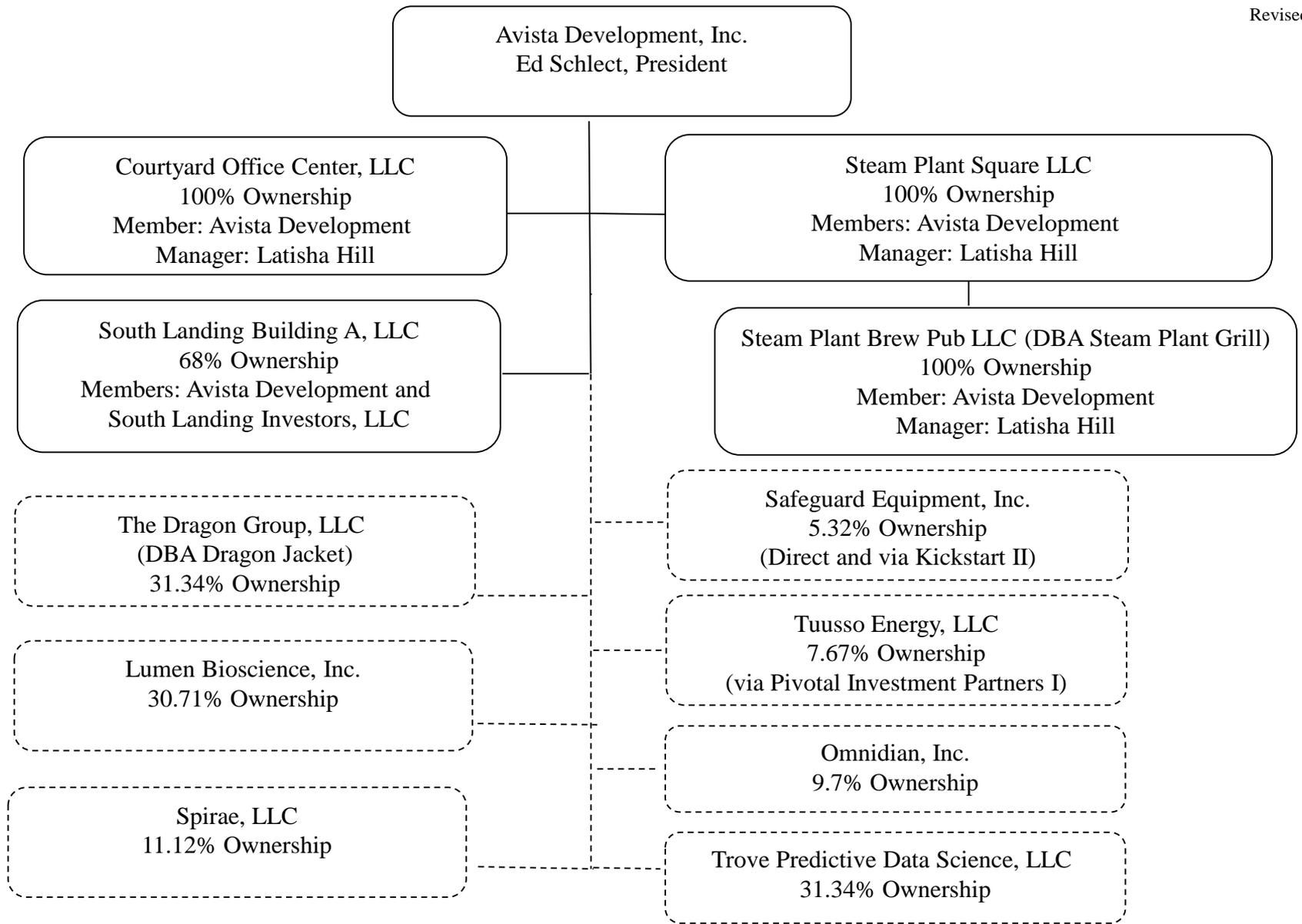
Pursuant to OAR 860-027-0048 (6), attached as **Attachment 7** is Avista Corp.'s Cost Allocation Manual.

³ Prior to April 2016, Avista Development had no ownership in Spirae, LLC, and Spirae was therefore not an Affiliate.

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.



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%.



Corporate Secretary Department
Current as of January 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	Janet D. Widmann
Donald C. Burke	Marc F. Racicot	Dennis P. Vermillion
Rebecca (Becky) A. Klein	Heidi B. Stanley	

Officers:

Scott L. Morris	Chairman of the Board & Chief Executive Officer
Dennis P. Vermillion	President & Environmental Compliance Officer
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
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
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

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

Assistant Corporate Secretary

Assistant Corporate Secretary

AJT MINING PROPERTIES, INC.

(A Subsidiary of Alaska Energy and Resources Company)

5601 Tonsgard 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 & 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 & Treasurer

Marian M. Durkin

Corporate Secretary

Susan Y. Fleming

Assistant Corporate Secretary

Debbie Driscoll

Assistant Corporate Secretary

Current as of May 11, 2017

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.

(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 11, 2017

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

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 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 192.501 and 192.502)

REDACTED



**Subsidiary Balance Sheets
December 31, 2017**

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.
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**Subsidiary Income Statements - YTD
201712**

	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 Fun						
Gain on Sale						
Miscellaneous Income / (Expense)						
Income Before Income Taxes						
Income Tax (Income) / Expense						
Net Income / (Loss)						
Stand-alone Net Income / (Loss)	(1,112,563.96)	(1,198,732.28)	(3,870,389.69)			



ALASKA Balance Sheets
December 31, 2017

	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 Interc				
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				
Unamortized Premium / Discount				
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
201712**

	SEC	AJT Mining	AERC	AEL&P
Operating Revenue	530	520	500	510
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>				

Steam Plant Square, LLC
Balance Sheet
(CONFIDENTIAL - Form 990, Schedule 192.502)
As of December 31, 2017

Dec 31, 17

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

3051 · CWIP - 2017 Event Center

3052 · CWIP - 2017 Kitchen & Dining Rm

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

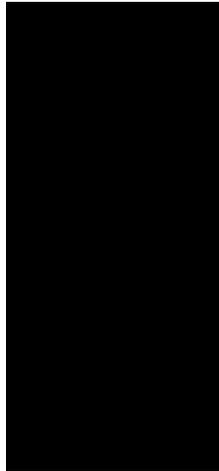
Total Other Current Liabilities

Total Current Liabilities

Steam Plant Square, LLC
Balance Sheet
(CONFIDENTIAL - PER 192.502)
As of December 31, 2017

Dec 31, 17

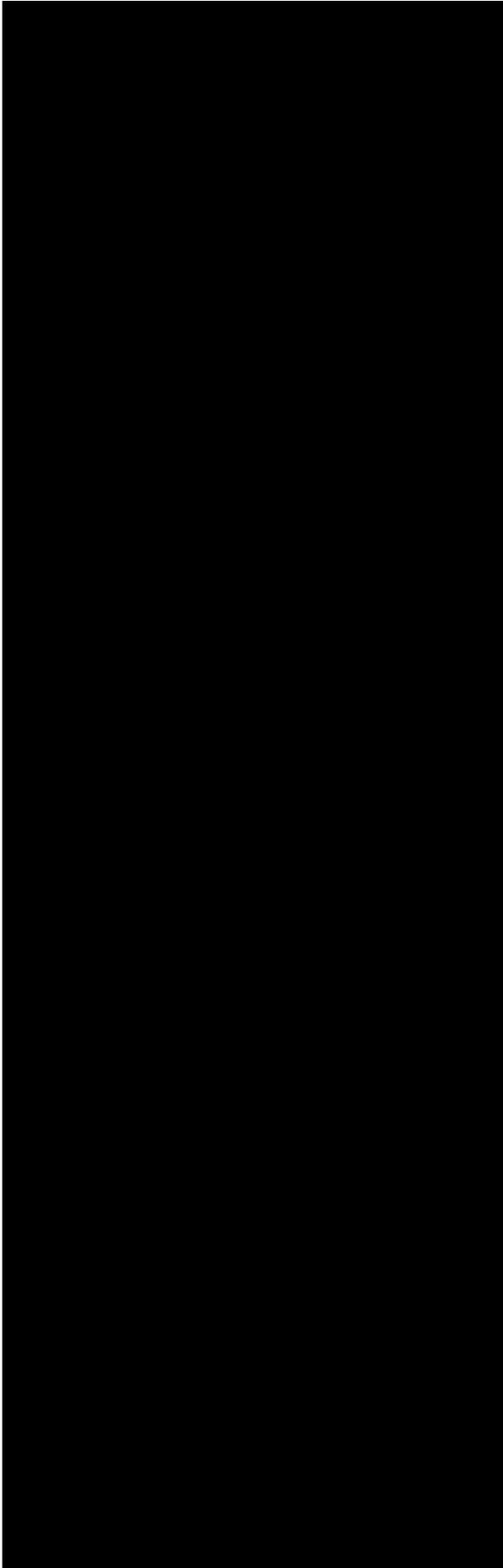
Long Term Liabilities
 2100 - Security Deposits
 2105 - Avista Development Loan
Total Long Term Liabilities
Total Liabilities
Equity
 2500 - Contributed Capital
 2540 - Profit/Loss
 2550 - Retained Earnings
Net Income
Total Equity
TOTAL LIABILITIES & EQUITY



Steam Plant Square, LLC
Profit & Loss
(CONFIDENTIAL per ORS 192.501 and 192.502)

Jan 17 Feb 17 Mar 17 Apr 17 May 17 Jun 17

Ordinary Income/Expense
Income
4000 - Rental Income
4010 - Rent Loss-Other
4020 - Parking Income
4025 - Historic Book Project Income
4040 - Event Center Revenue
Total Income
Gross Profit
Expense
5000 - Bank Fees
5005 - Event Center Expense
5025 - Accounting Fees
5015 - Consulting Fee
5015.01 - SH Consulting Fee
5020 - Dues & Subscriptions
5020.01 - SH Dues & Subscriptions
5085 - HVAC/Plumbing/Electrical
5086 - HVAC
5086.01 - SH HVAC
5087 - 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
6488 - Management Annual Incentive
5100 - Marketing
5101 - Marketing
5101.01 - SH Marketing
5102 - Marketing - Travel
5100 - Marketing - Other
Total 5100 - Marketing
5110 - Meals
5120 - Mileage
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
5180 - Taxes - Business
5190 - Taxes - Property
5200 - Telephone - Elevator/Fire Alarm
5200.01 - SH Phone - Elevator/Fire Alarm
5207 - Training
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
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
5905 - Interest Expense - Intercompany
Total Other Expense
Net Other Income
Net Income



Steam Plant Square, LLC
Profit & Loss
(CONFIDENTIAL per ORS 192.501 and 192.502)

	Jul 17	Aug 17	Sep 17	Oct 17	Nov 17	Dec 17	TOTAL
Ordinary Income/Expense							
Income							
4000 - Rental Income							
4010 - Rent Loss-Other							
4020 - Parking Income							
4025 - Historic Book Project Income							
4040 - Event Center Revenue							
Total Income							
Gross Profit							
Expense							
5000 - Bank Fees							
5005 - Event Center Expense							
5025 - Accounting Fees							
5015 - Consulting Fee							
5015.01 - SH Consulting Fee							
5020 - Dues & Subscriptions							
5020.01 - SH Dues & Subscriptions							
5085 - HVAC/Plumbing/Electrical							
5086 - HVAC							
5086.01 - SH HVAC							
5087 - 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							
6488 - Management Annual Incentive							
5100 - Marketing							
5101 - Marketing							
5101.01 - SH Marketing							
5102 - Marketing - Travel							
5100 - Marketing - Other							
Total 5100 - Marketing							
5110 - Meals							
5120 - Mileage							
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							
5180 - Taxes - Business							
5190 - Taxes - Property							
5200 - Telephone - Elevator/Fire Alarm							
5200.01 - SH Phone - Elevator/Fire Alarm							
5207 - Training							
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							
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							
5905 - Interest Expense - Intercompany							
Total Other Expense							
Net Other Income							
Net Income							

Courtyard Office Center, LLC
Balance Sheet
(CONFIDENTIAL - FD-152 (Rev. 10-19-2015) Id 192.502)
As of December 31, 2017

Dec 31, 17

ASSETS

Current Assets

Checking/Savings

1000 - Checking 50390

1050 - Security Deposits 50408

Total Checking/Savings

Accounts Receivable

1100 - Account Receivables

Total Accounts Receivable

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

3085 - Tenant Improvements

Accumulated Depreciation

3060 - Accum. Depreciation

3070 - Elevator Retrofit Accum. Dep.

3080 - Signage 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

Accounts Payable

2000 - Accounts Payable - Avista

Total Accounts Payable

Other Current Liabilities

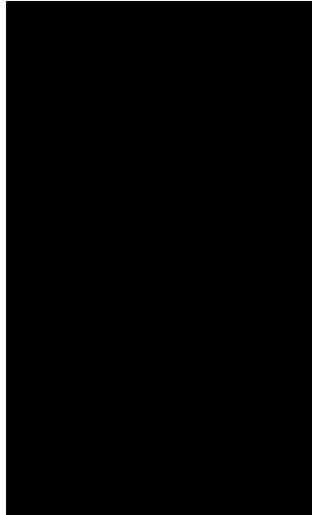
2061 - Incentive



Courtyard Office Center, LLC
Balance Sheet
(CONFIDENTIAL - PER 192.502)
As of December 31, 2017

Dec 31, 17

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



Courtyard Office Center, LLC
Profit & Loss
(CONFIDENTIAL) (Annual Report December 31, 2017) (192.502)

	Jan 17	Feb 17	Mar 17	Apr 17	May 17	Jun 17	Jul 17	Aug 17	Sep 17	Oct 17	Nov 17	Dec 17	TOTAL
Ordinary Income/Expense													
Income													
4000 - Rental Income													
4005 - Rent Loss													
4020 - Parking Income													
Total Income													
Gross Profit													
Expense													
6810 - Accounting Fees													
5000 - Bank Fees													
6800 - Consultant Fees													
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													
5130 - Office Supplies													
5140 - Parking Lot Expense													
5150 - Payroll Expenses													
5170 - Security Service													
5180 - Taxes - Business													
5190 - Taxes - Property													
5200 - Telephone - Elevator/Fire Alarm													
5211 - Telephone- Internet													
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													

Steam Plant Brew Pub LLC
(CONFIDENTIAL per ORS 192.501 and 192.502)
Profit & Loss

Dec 31, 17

ASSETS

Current Assets

Checking/Savings

500 · WF Main Acct

600 · WF House Acct

700 · WF Payroll Acct

800 · Cash on Hand/Safe

Total Checking/Savings

Other Current Assets

1200 · Prepaid Liability Ins.

1300 · Inventory

1320 · Beverage

1330 · Beer

1335 · Wine

1340 · Liquor

1350 · Raw Materials-Brewery

Total 1300 · Inventory

1610 · Security Deposit

Total Other Current Assets

Total Current Assets

Fixed Assets

1510 · Building Equip/Plumb/Water 10YL

1511 · Brewing Equipment 5 YL

1512 · Furniture & Fixtures 7 YL

1513 · Kitchen Appliances-Large 10 YL

1514 · Leasehold Improvements 15 YL

1515 · Machinery and Equipment 5 YL

1516 · Other Equip/Electronics 5 YL

1518 · Truck 5 YL

1520 · Leasehold Improvements 40 YL

1650 · Accum Depreciation FF&E

1652 · Accum Dep Leasehold Improvement

Total Fixed Assets

TOTAL ASSETS

LIABILITIES & EQUITY

Liabilities

Current Liabilities

Accounts Payable

2000 · Accounts Payable

2001 · Accounts Payable - Avista

Total Accounts Payable

Steam Plant Brew Pub LLC
(CONFIDENTIAL per ORS 192.501 and 192.502)
Profit & Loss

Dec 31, 17

Other Current Liabilities
2060 · Payroll Liabilities
2085 · FUTA
2090 · WA Unemployment
2095 · L & I
2096 · Garnishments Payable
2097 · Health Insurance
2060 · Payroll Liabilities - Other
Total 2060 · Payroll Liabilities
2100 · Guest Deposit Acct
2200 · Gift Cards
2500 · Excise Tax Accrual
Total Other Current Liabilities
Total Current Liabilities
Long Term Liabilities
2810 · Note Payable - Avista Dev.
Total Long Term Liabilities
Total Liabilities
Equity
30000 · Opening Balance Equity
32000 · Retained Earnings
Net Income
Total Equity
TOTAL LIABILITIES & EQUITY



Steam Plant Brew Pub LLC
(CONFIDENTIAL per ORS 192.501 and 192.502)
Profit & Loss

2017 YTD

Ordinary Income/Expense

Income

- 4010 · Food Sales
- 4020 · Beverage Sales
- 4030 · Beer Sales
- 4031 · Growler Sales
- 4035 · Wine Sales
- 4040 · Liquor Sales
- 4050 · Logo Retail
- 4060 · Game/Pool Income
- 4061 · Parking Income
- 4062 · Earned Discount
- 4065 · Grease Income
- 4070 · Keg Sales
- 4075 · Keg Cleaning Services
- 4080 · Room Charges/Corkerage Fees
- 4081 · Auto Gratuities
- 4082 · Event Revenue
- 4083 · Sales Adjustments
 - 4084 · Walk-Out Discount
 - 4085 · Employee Meal Discount
 - 4086 · Returns/Not Like Discount
 - 4087 · Returns/Server Error Discount
 - 4088 · Returns/Quality Discounts
 - 4089 · Meal Comps/Promo Discount
 - 4095 · Banquet Marketing
 - 4096 · Manager Meal
 - 4097 · Spillage Discount
 - 4090 · Mgr Promo/Jones Discount
 - 4091 · Mgr Promo/Denniston Discount
 - 4092 · Mgr Promo/Matthews Discount
 - 4093 · Mgr Promo/Knutson Discount
 - 4094 · Mgr Promo/Robinson Discount
 - 4098 · Mrg Promo/Quick Discount
 - 4099 · Mgr Promo/Martin Discount
 - 5000 · Mgr Promo/Larson Discount
 - 5001 · Mgr Promo/Urlacher Discount
 - 5002 · Mgr Promo/Fernandez Discount
 - 5003 · Mgr Promo/Event Coord Discount
 - 5004 · Mgr Promo/Norris Discount
- 4083 · Sales Adjustments - Other
- Total 4083 · Sales Adjustments

Total Income

Cost of Goods Sold

- 5005 · Food Cost
 - 5010 · Meat
 - 5020 · Poultry
 - 5030 · Seafood
 - 5040 · Produce
 - 5045 · Frozen Food
 - 5050 · Dairy
 - 5060 · Bread/Bakery
 - 5070 · Dry Goods
 - 5071 · Condiments
 - 5072 · Kitchen Liquor
- Total 5005 · Food Cost

- 5500 · Beverage COGS
- 5510 · Beer COGS
- 5530 · Keg Beer
- 5540 · Wine COGS
- 5570 · Soft Drinks
- 5575 · Liquor/Sidebar
- 5799 · Brewery Cost
 - 5800 · Grain/Malt
 - 5802 · Hops
 - 5803 · Yeast
 - 5804 · Flavorings

Steam Plant Brew Pub LLC
(CONFIDENTIAL per ORS 192.501 and 192.502)
Profit & Loss

2017 YTD

5805 - CO2
5806 - Brewery Supplies
Total 5799 - Brewery Cost

5820 - Logo Retail COGS
Total COGS

Gross Profit

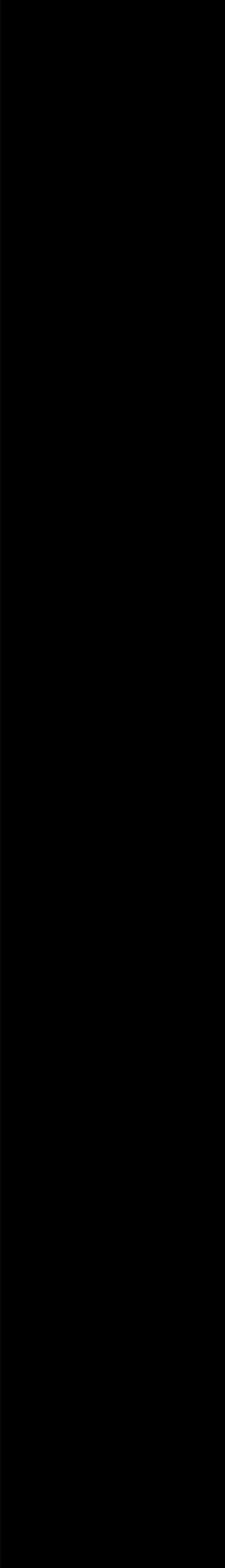
Expense
6000 - Operating Expense
6250 - Brewing Services Labor
6300 - Brewery Expenses
6301 - Brewery Equipment Lease
6305 - Brewery Chemicals
6310 - Brewery Repair & Maintenance
6315 - Brewery Small Equipment
6316 - Brewery Event Travel Expenses
6317 - Brewery Service Truck Expense
6318 - Brewery Event Fees
6300 - Brewery Expenses - Other
Total 6300 - Brewery Expenses

6382 - Event Space Expense
6410 - Uniforms
6415 - Linen
6420 - Glassware
6421 - Logo Glassware
6420 - Glassware - Other
Total 6420 - Glassware

6422 - China
6426 - Silverware
6459 - Paper Products
6460 - Menus
6462 - Kitchen/Bar Smallwares
6463 - Small Appliances
6466 - Chemicals
7095 - Guest Parking/Reimbursements
7105 - Flowers/Decorations
7137 - Rental Equipment- Kitchen
8190 - Cash Short & Over
Total 6000 - Operating Expense

6005 - Payroll Expense
6010 - Server Staff
6015 - Expo Staff
6020 - Host Staff
6025 - Event Coordinator
6030 - Bar Staff
6035 - Kitchen Staff
6040 - Brewery Staff
6043 - Shift Leader
6045 - Restaurant Management
8310 - Auto Gratuity Paid Out
8315 - Banquet Gratuity Paid Out
6210 - Payroll Taxes
6050 - Avista Payroll
6055 - Avista Facilities
6211 - L&I Company
6212 - Payroll Software Fees
66000 - Payroll Expenses
6005 - Payroll Expense - Other
Total 6005 - Payroll Expense

8000 - Admin. & General Expense
6249 - Employee Medical Insurance
6487 - Employee Incentive
7100 - In-House Promotions
8270 - Repair & Maintenance



2017 YTD

7135 - Oven/Equipment Repair
 6465 - Janitorial Services/Supplies
 6470 - Security Service
 6475 - Fuel Surcharge
 7112 - Music
 7130 - Computer POS Maint Ageement
 7115 - Cable TV/ Internet
 7140 - Copier Lease
 7118 - Telephone
 6505 - Advertising
 6485 - License & Permits
 6486 - Liability Insurance
 7120 - Bank & Merchant Fees
 7125 - NSF Checks
 6690 - Reconciliation Discrepancies
 7110 - Donations
 8160 - Dues & Subscriptions
 8120 - Office Supplies
 8125 - Transportation / Mileage
 8126 - Transportation / Meals
 8127 - Travel
 8150 - Training/Seminars
 8211 - HR Expense
 8210 - Accounting Fees
 8215 - Legal Services
 8220 - Design & Engineering
 8225 - Consulting Fees
 8300 - Rent Expense
Total 8000 - Admin. & General Expense

4000 - Taxes
 8335 - TTB Excise Tax
 8345 - WA Brewer's Tax
 8350 - WA B&O Tax
 8351 - WA Under/Over Collected WSST
 8352 - Tax Penalties
 8353 - Use/Sales Tax
 8550 - Personal Property Tax
Total 4000 - Taxes

Total Expense

Net Ordinary Income

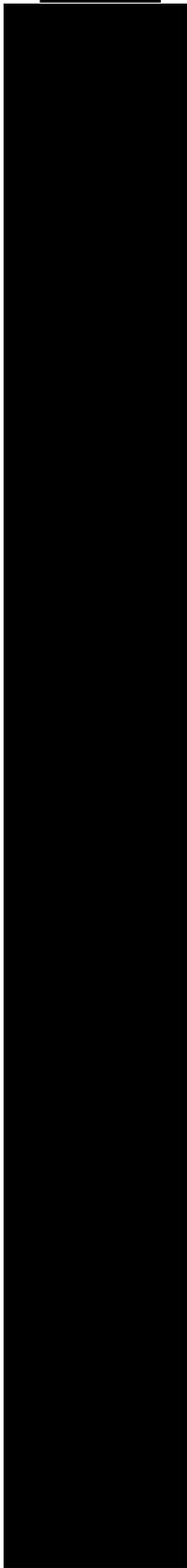
Other Income/Expense

Other Income
 8650 - Gain on Debt Forgiveness
 8651 - Gain/Loss Sale of Fixed Assets
 8652 - Gain/Loss Dispose of Fix Asset
 8653 - Gain/Loss of Sales
 8654 - Gain/Loss Perishable Inventory
 8643 - Interest Income
 8645 - WRA Distribution
Total Other Income

Other Expense
 8640 - Interest Expense
 8642 - Interest Expense - Intercompany
 9001 - Depreciation Expense
 8700 - Misc. Expense
Total Other Expense

Net Other Income

Net Income



ATTACHMENT 4

RESULTS OF OPERATIONS
ELECTRIC ALLOCATION PERCENTAGES
For Twelve Months Ended December 31, 2017
Average of Monthly Averages Basis

Report ID:
E-ALL-12A

AVISTA UTILITIES

Basis	Ref	Description	Based on Data from:	System	Washington	Idaho
1	Input	Production/Transmission Ratio	01-01-2017 thru 12-31-2017	100.000%	65.350%	34.650%
2	Input	Number of Customers - AMA Percent	01-01-2017 thru 12-31-2017	379,027 100.000%	248,923 65.674%	130,104 34.326%
3	E-OPS	Direct Distribution Operating Expense Percent	01-01-2017 thru 12-31-2017	23,538,157 100.000%	15,384,526 65.360%	8,153,631 34.640%
	Input	Jurisdictional 4-Factor Ratio	01-01-2017 thru 12-31-2017			
		Direct O & M Accts 500 - 598		20,402,603	13,416,921	6,985,682
		Direct O & M Accts 901 - 935		32,942,978	24,062,431	8,880,547
		Total		53,345,581	37,479,352	15,866,229
		Percentage		100.000%	70.258%	29.742%
		Direct Labor Accts 500 - 598		12,213,628	7,920,911	4,292,717
		Direct Labor Accts 901 - 935		6,094,675	4,881,567	1,213,108
		Total		18,308,303	12,802,478	5,505,825
		Percentage		100.000%	69.927%	30.073%
		Number of Customers		382,273	250,848	131,425
		Percentage		100.000%	65.620%	34.380%
		Net Direct Plant		1,130,475,874	759,557,773	370,918,101
		Percentage		100.000%	67.189%	32.811%
4		Total Percentages Percent		400.000%	272.994%	127.006%
				100.000%	68.249%	31.751%

RESULTS OF OPERATIONS
ELECTRIC ALLOCATION PERCENTAGES
For Twelve Months Ended December 31, 2017
Average of Monthly Averages Basis

Report ID:
E-ALL-12A

AVISTA UTILITIES

Basis	Ref	Description	Based on Data from:	System	Washington	Idaho	
			01-01-2016 thru 12-31-2016	Total	Electric	Gas North	Oregon Gas
Input		Elec/Gas North/Oregon 4-Factor		72,715,941	61,020,528	7,373,519	4,321,894
		Direct O & M Accts 500 - 894		43,334,872	29,783,317	9,075,029	4,476,526
		Direct O & M Accts 901 - 935		4,567,936	3,141,860	1,426,076	0
		Direct O & M Accts 901 - 905 Utility 9 Only		0	0	0	0
		Adjustments		120,618,749	93,945,705	17,874,624	8,798,420
Total				100.000%	77.887%	14.819%	7.294%
Percentage							
		Direct Labor Accts 500 - 894		74,847,276	55,802,150	13,705,913	5,339,213
		Direct Labor Accts 901 - 935		5,876,743	3,640,911	291,467	1,944,365
		Direct Labor Accts 901 - 905 Utility 9 Only		11,494,963	7,690,233	3,804,730	0
Total				92,218,982	67,133,294	17,802,110	7,283,578
Percentage				100.000%	72.798%	19.304%	7.898%
		Number of Customers at		717,579	377,285	239,822	100,472
Percentage				100.000%	52.577%	33.421%	14.002%
		Net Direct Plant		3,243,965,315	2,531,901,896	461,825,314	250,238,105
Percentage				100.000%	78.050%	14.236%	7.714%
Total Percentages				400.000%	281.311%	81.781%	36.908%
Average (CD AA)				100.000%	70.328%	20.445%	9.227%

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RESULTS OF OPERATIONS
ELECTRIC ALLOCATION PERCENTAGES
For Twelve Months Ended December 31, 2017
Average of Monthly Averages Basis

Report ID:
E-ALL-12A

AVISTA UTILITIES

Basis	Ref	Description	Based on Data from:	System	Washington	Idaho	
			01-01-2016 thru 12-31-2016	Total	Electric	Gas North	Oregon Gas
Input		Gas North/Oregon 4-Factor		11,097,236	0	6,996,391	4,100,845
		Direct O & M Accts 500 - 894		13,037,852	0	8,731,019	4,306,833
		Direct O & M Accts 901 - 935		1,426,076	0	1,426,076	0
		Direct O & M Accts 901 - 905 Utility 9 Only		25,561,164	0	17,153,486	8,407,678
		Total		100.000%	0.000%	67.108%	32.892%
		Percentage					
		Direct Labor Accts 500 - 894		14,019,483	0	10,089,186	3,930,297
		Direct Labor Accts 901 - 935		1,733,128	0	225,934	1,507,194
		Direct Labor Accts 901 - 905 Utility 9 Only		3,804,730	0	3,804,730	0
		Total		19,557,341	0	14,119,850	5,437,491
		Percentage		100.000%	0.000%	72.197%	27.803%
		Number of Customers at		340,294	0	239,822	100,472
		Percentage		100.000%	0.000%	70.475%	29.525%
		Net Direct Plant		701,014,767	0	451,825,089	249,189,678
		Percentage		100.000%	0.000%	64.453%	35.547%
		Total Percentages		400.000%	0.000%	274.233%	125.767%
		Average (GD AA)		100.000%	0.000%	68.558%	31.442%

8

RESULTS OF OPERATIONS
ELECTRIC ALLOCATION PERCENTAGES
For Twelve Months Ended December 31, 2017
Average of Monthly Averages Basis

Report ID:
E-ALL-12A

AVISTA UTILITIES

Basis	Ref	Description	Based on Data from:	System	Washington	Idaho	
		Input	01-01-2016 thru 12-31-2016	Total	Electric	Gas North	Oregon Gas
		Elec/Gas North 4-Factor		68,433,452	61,020,528	7,412,924	0
		Direct O & M Accts 500 - 894		38,872,048	29,783,317	9,088,731	0
		Direct O & M Accts 901 - 935		0	0	0	0
		Adjustments		107,305,500	90,803,845	16,501,655	0
		Total		100.000%	84.622%	15.378%	0.000%
		Percentage					
		Direct Labor Accts 500 - 894		69,390,893	55,802,150	13,588,743	0
		Direct Labor Accts 901 - 935		4,216,898	3,640,911	575,987	0
		Total		73,607,791	59,443,061	14,164,730	0
		Percentage		100.000%	80.756%	19.244%	0.000%
		Number of Customers at		617,107	377,285	239,822	0
		Percentage		100.000%	61.138%	38.862%	0.000%
		Net Direct Plant		2,956,680,102	2,504,855,013	451,825,089	0
		Percentage		100.000%	84.718%	15.282%	0.000%
		Total Percentages		400.000%	311.234%	88.766%	0.000%
9		Average (CD AN/ID/WA)		100.000%	77.808%	22.192%	0.000%
10	E-PLT	Net Electric Distribution Plant - AMA	12-01-2016 thru 12-31-2017	1,078,698,883	719,726,089	358,972,794	
		Percent		100.000%	66.722%	33.278%	
11		Book Depreciation	01-01-2017 thru 12-31-2017	106,741,234	69,453,410	37,287,824	
		Percent		100.000%	65.067%	34.933%	

RESULTS OF OPERATIONS
ELECTRIC ALLOCATION PERCENTAGES
For Twelve Months Ended December 31, 2017
Average of Monthly Averages Basis

Report ID:
E-ALL-12A

AVISTA UTILITIES

Basis	Ref	Description	Based on Data from:	System	Washington	Idaho
12		Net Electric Plant (before ADFIT) - AMA Percent	12-01-2016 thru 12-31-2017	2,796,398,446 100.000%	1,848,396,927 66.099%	948,001,519 33.901%
13	E-PLT	Net Electric General Plant - AMA Percent	12-01-2016 thru 12-31-2017	236,526,014 100.000%	157,060,575 66.403%	79,465,439 33.597%
14		Net Allocated Schedule M's - AMA Percent	01-01-2017 thru 12-31-2017	-187,542,751 100.000%	-120,675,545 64.346%	-66,867,206 35.654%
99	Input	Not Allocated		0.000%	0.000%	0.000%

ATTACHMENT 5

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 (excluding Advantage IQ who manages their cash in accordance with their cash management investment 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 supercede these guidelines.)

1. Avista Capital may maintain a money market account with a maximum balance of \$1,000,000. 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. 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 currently estimated at the one-month LIBOR plus 130 basis points (this is the short-term borrowing rate related to Avista Corp.'s credit facility). 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 at the subsidiary until the funds can be utilized.

- b) Avista Capital may borrow from Avista Corp., subject to board-approved limits, at a rate equal to at least the Prime rate plus 30 basis points. 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. If an Alternate Base Rate (as defined in the credit facility) is in effect, the borrowing rate would be adjusted accordingly.

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 Prime rate plus 30 basis points. 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. If an Alternate Base Rate (as defined in the credit facility) is in effect, the borrowing rate would be adjusted accordingly.
 - 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, currently estimated at the one-month LIBOR plus 130 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 "checkbook" 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. **Accounts Payable Check Runs**
Subsidiaries should normally plan to do one check run per week. Manual checks outside of the check run are discouraged except in emergency situations. To receive maximum float on our funds, checks should be mailed on Friday.
3. **Funding Requests from Avista Capital**
Estimated funding requests must be submitted by email to the Subsidiary Accountant by 3:00 pm Friday for funding the following Monday. (Please cc: to the Avista Corp. Cash Manager) The funding request should indicate what expenses are included in the request for funding.
Actual funding requests (based on that estimate) for check runs must be received by 9:00 am on Monday for checks mailed on the prior working day. Funding requests should be submitted by e-mail to the Subsidiary Accountant at Avista Corp. Voucher must be signed by an authorized subsidiary representative. Funds will not be transferred without proper signatures.

Please note: For funding requests over \$2 million, please notify the Avista Corp. cash manager of the due date as far in advance as possible.
4. **Emergency Checks Due Before Next Check Run**

Checks written outside of the normal check run should be funded one business day after they are mailed, or the same day as written if hand delivered. If funding for these checks is required from Avista Capital, the request for funds must be made by telephone to the Subsidiary Accountant, followed by a fax/e-mail request received by 3:00 p.m. the day before the funds transfer. Funding requests must be signed by an authorized subsidiary representative. Same day transfer of funds over \$50,000 may be accommodated but cannot be guaranteed. Please contact Subsidiary Accountant or Cash Manager for availability of same day funds.

5. Wire Transfers

Amounts payable over \$500,000 should be paid by electronic transfer on the due date. The Voucher request for wire payment and funding request (if needed) should be received by the Subsidiary Accountant by 3:00 p.m. on the day prior to the due date. These wire transfer amounts should be included in the weekly advance estimates due at 3:00 on Friday. (See item 3 above.) Voucher requests for wire transfers must be accompanied by an approved cash approval request.

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.

6. Intercompany payments

Intercompany payments between Avista Corp, Avista Capital and all Subsidiaries should be made electronically. 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:

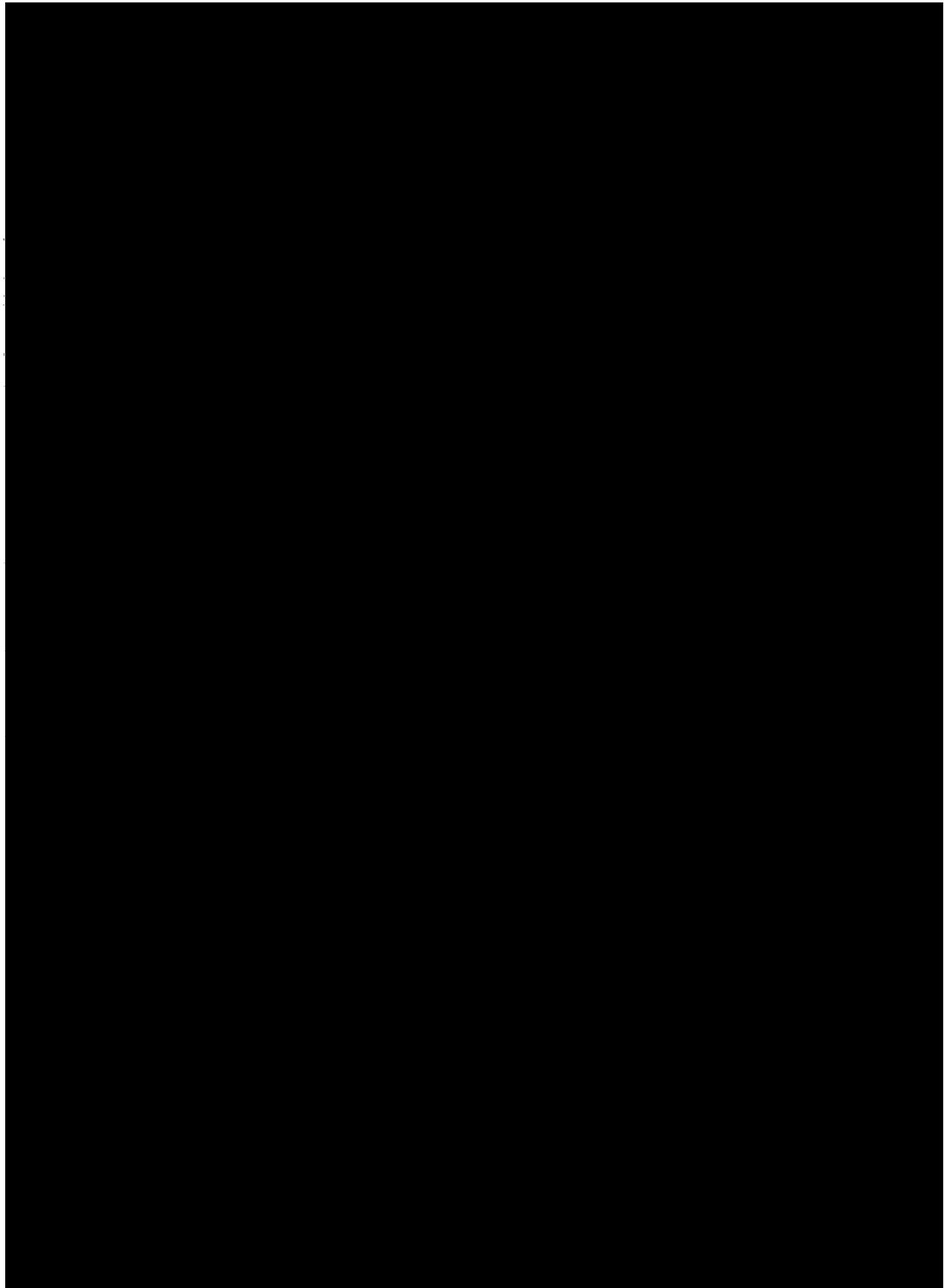
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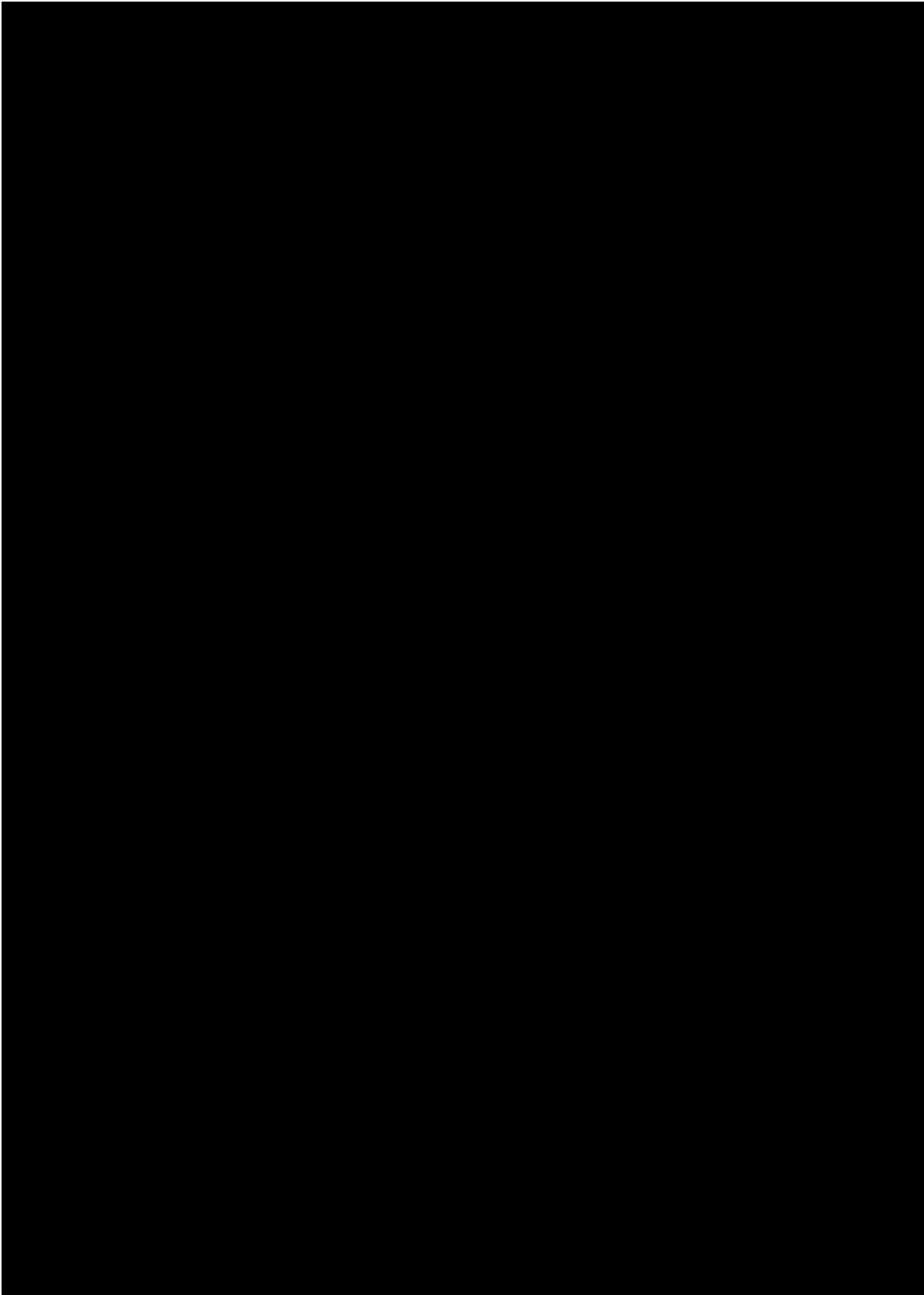
Treasurer – Avista Corp.

ATTACHMENT 6

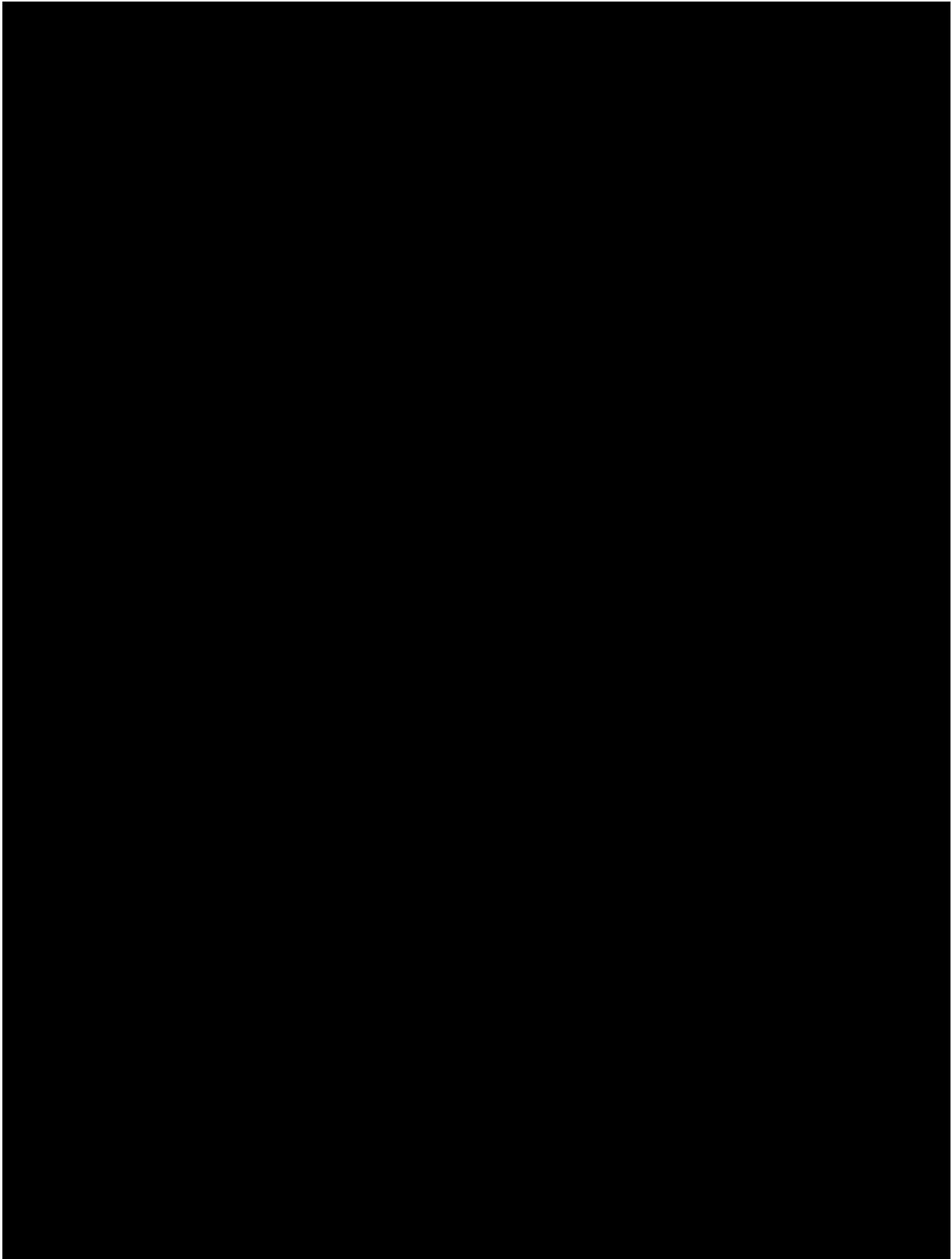
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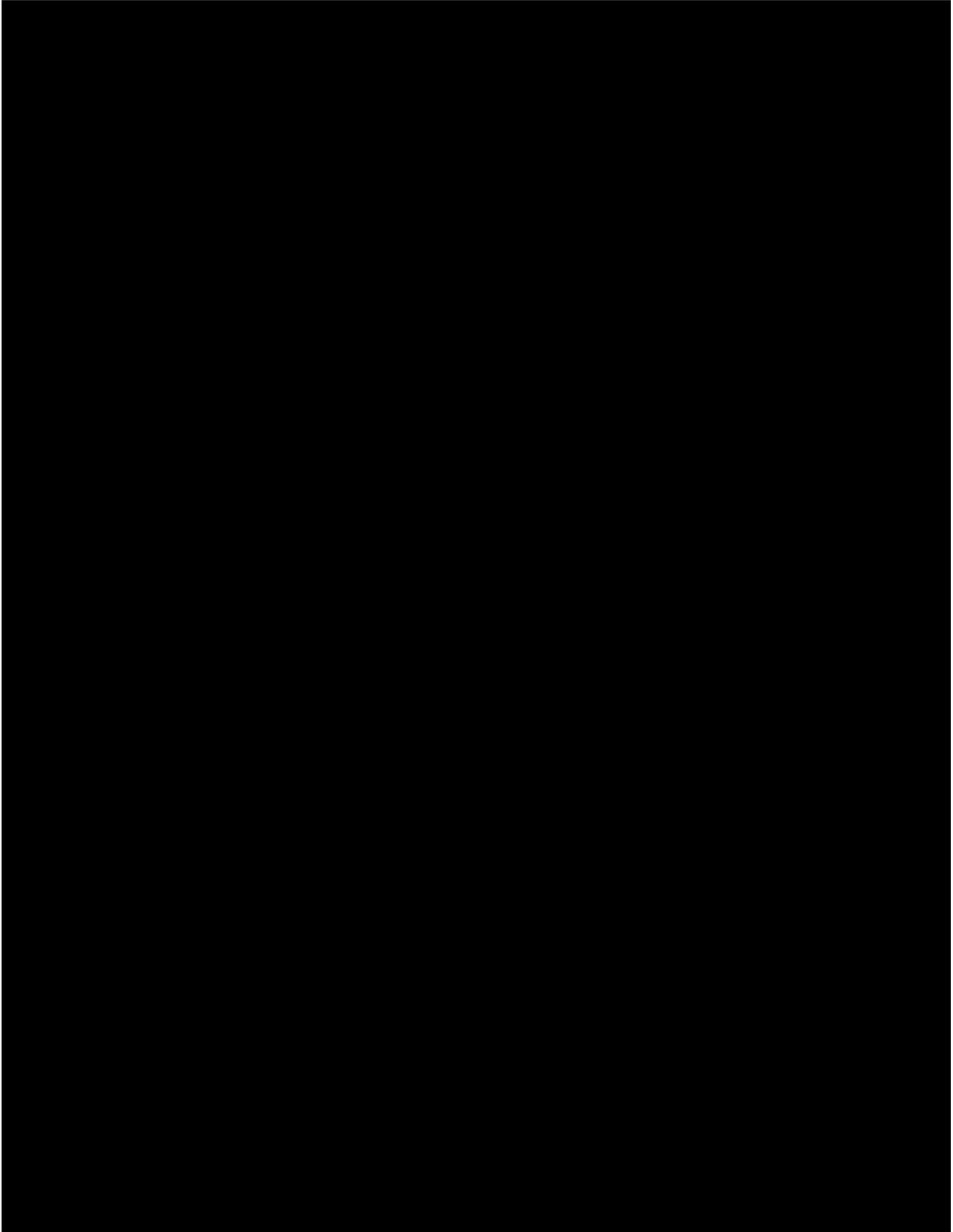
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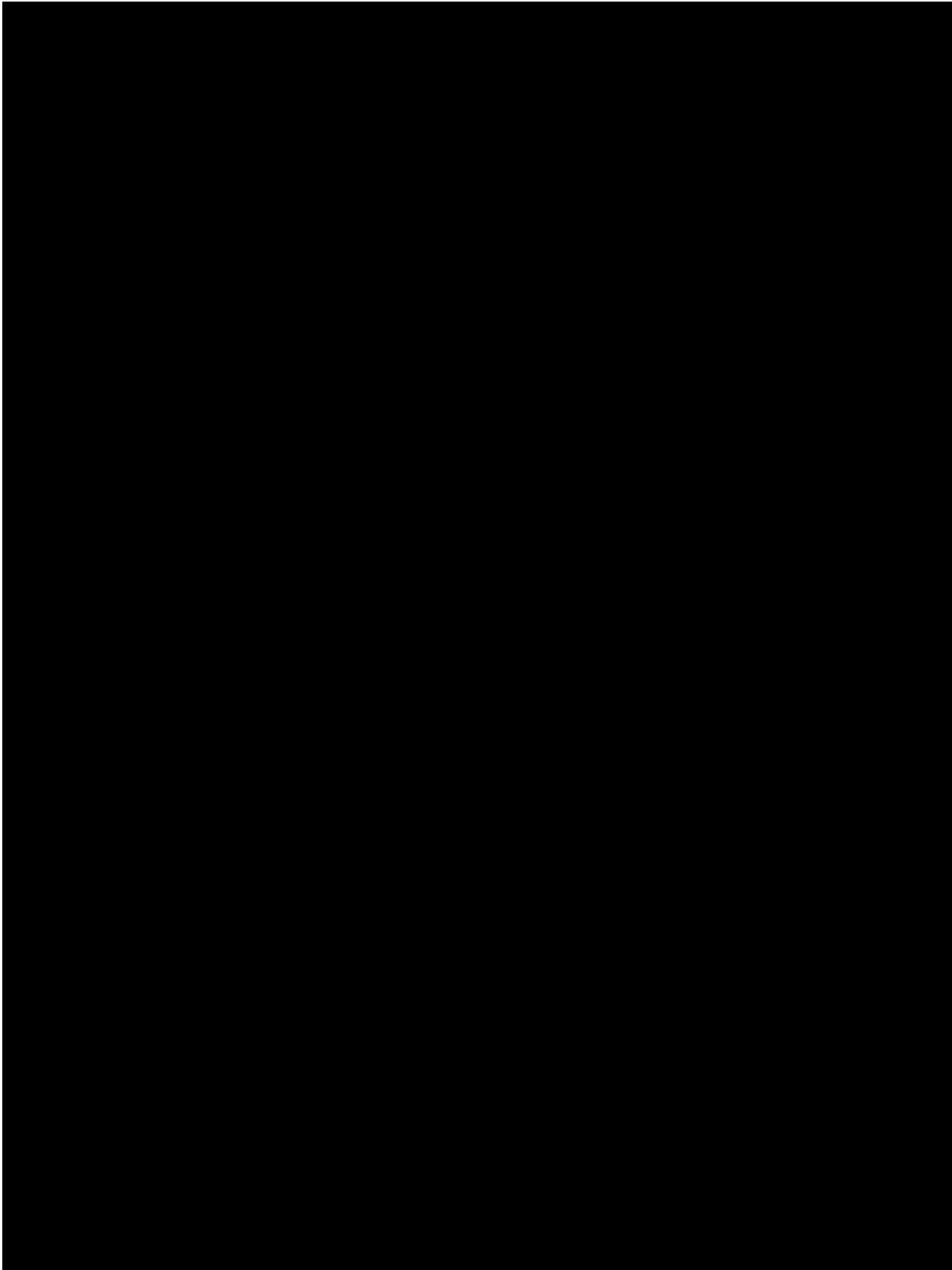


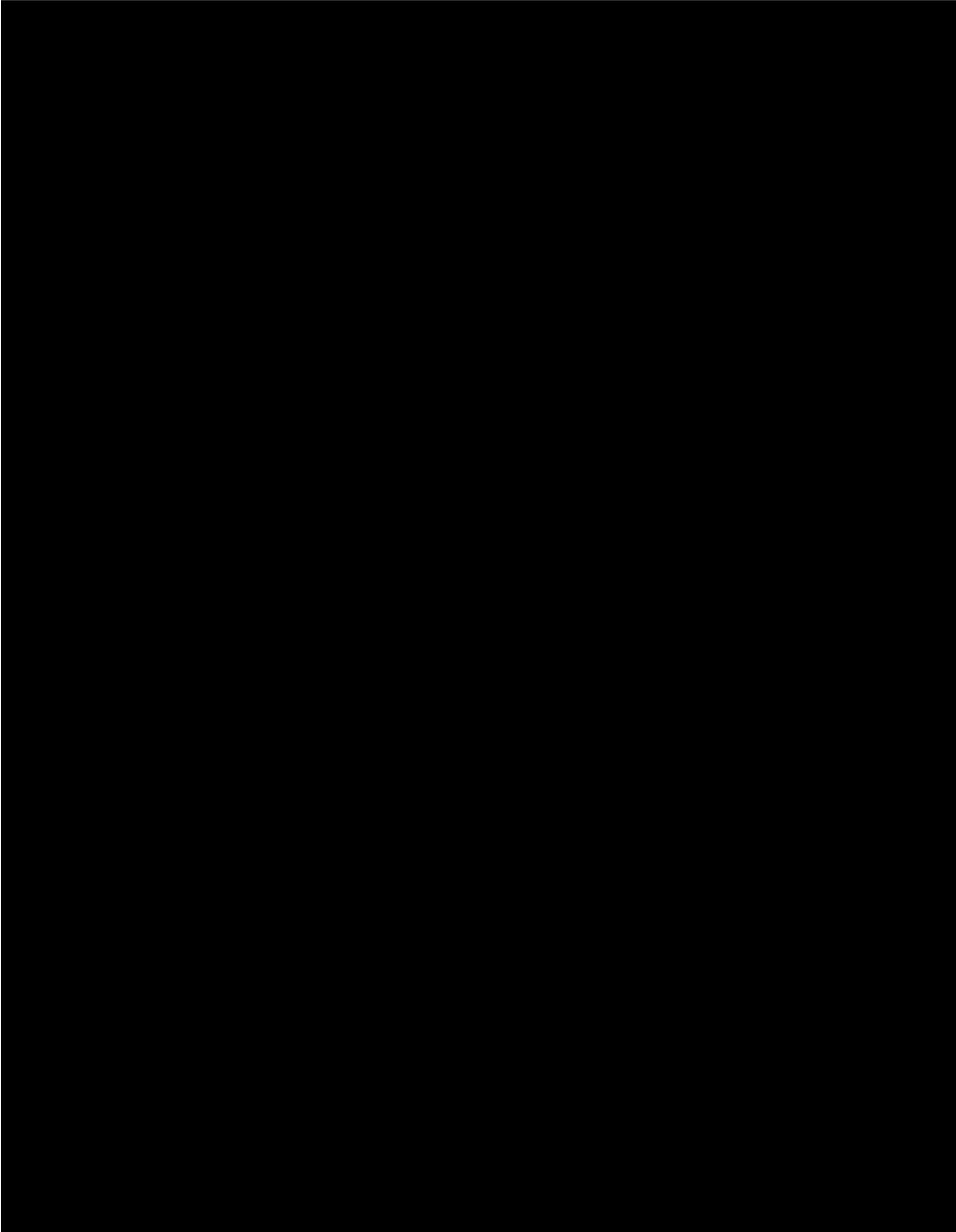


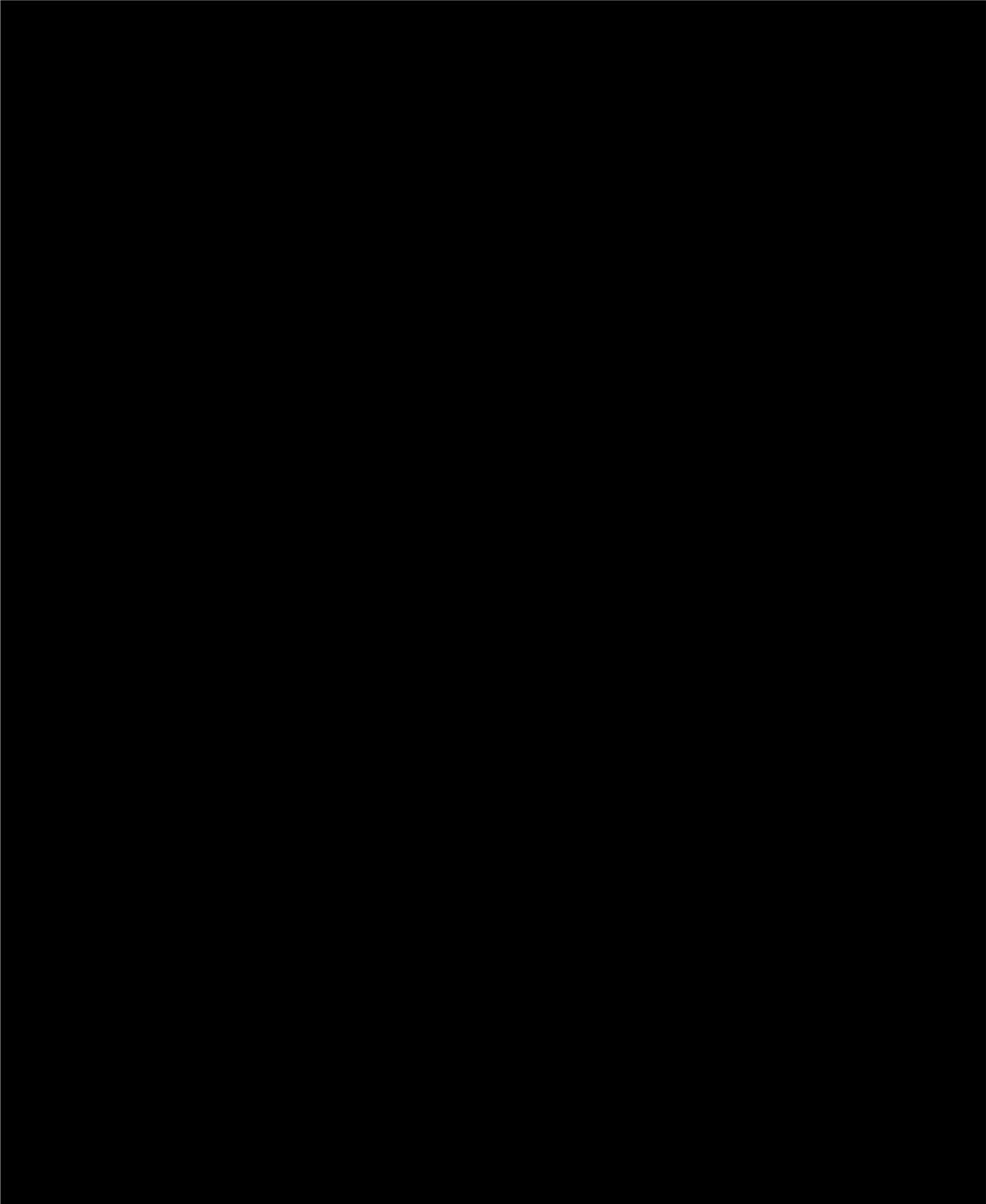
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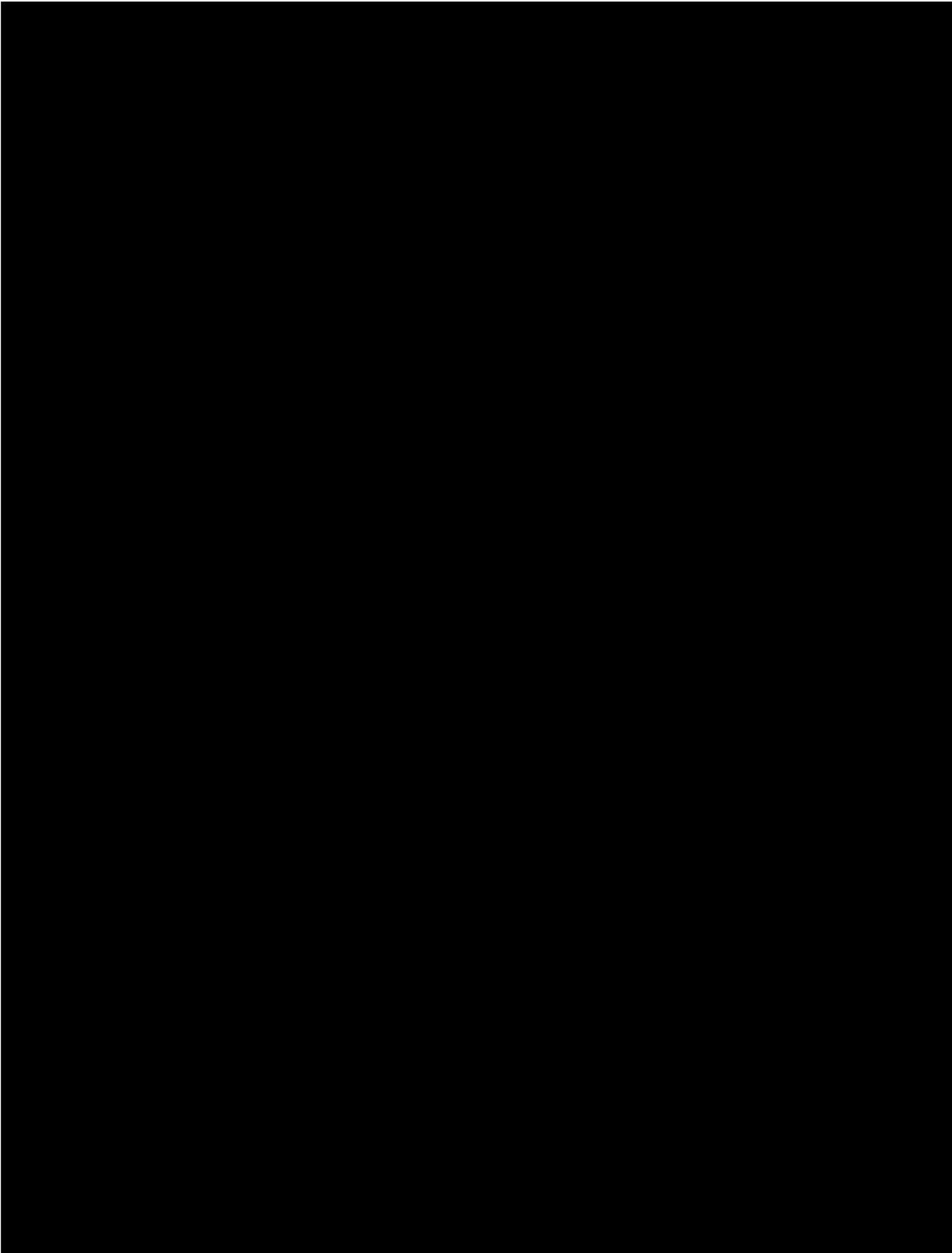


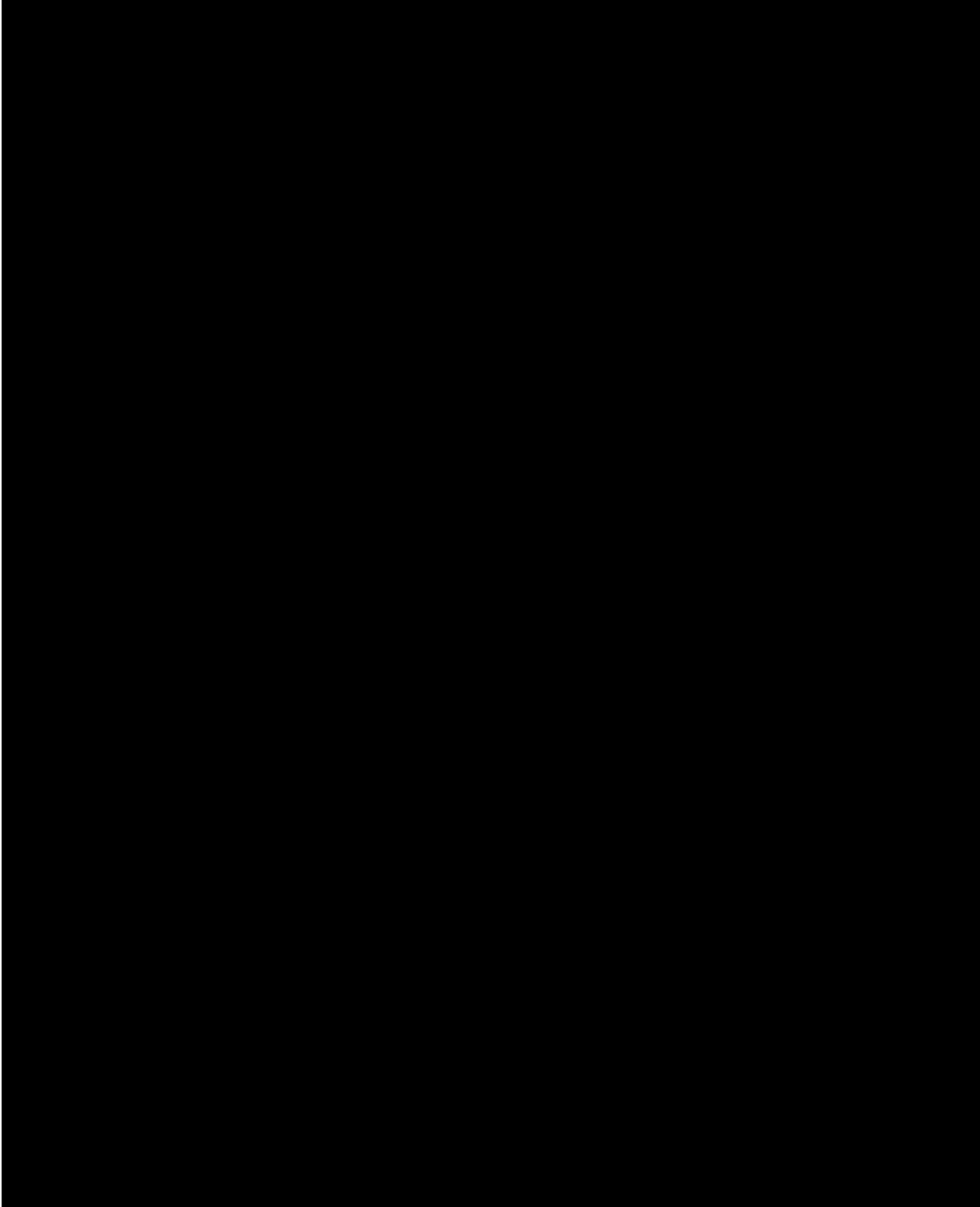


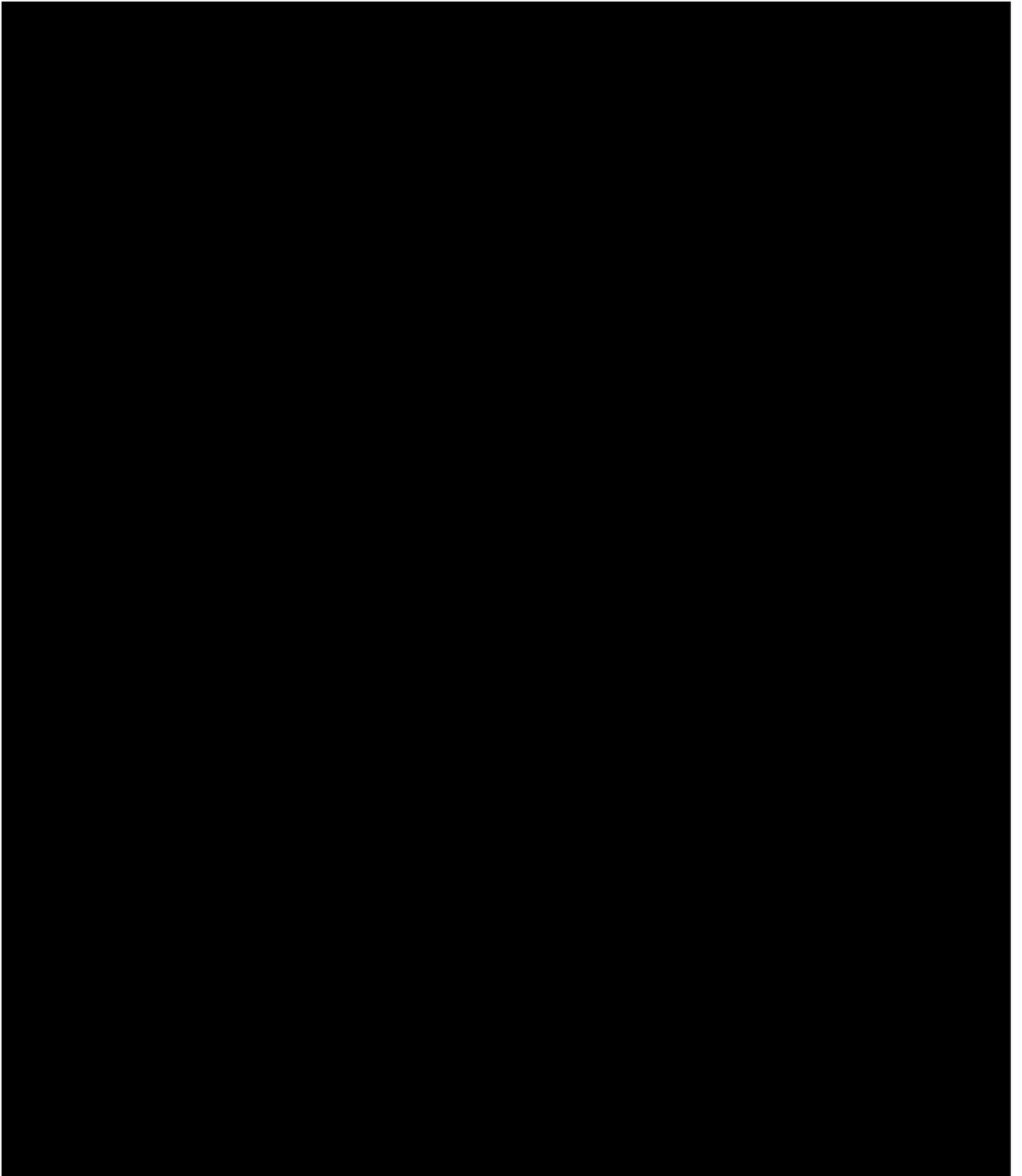


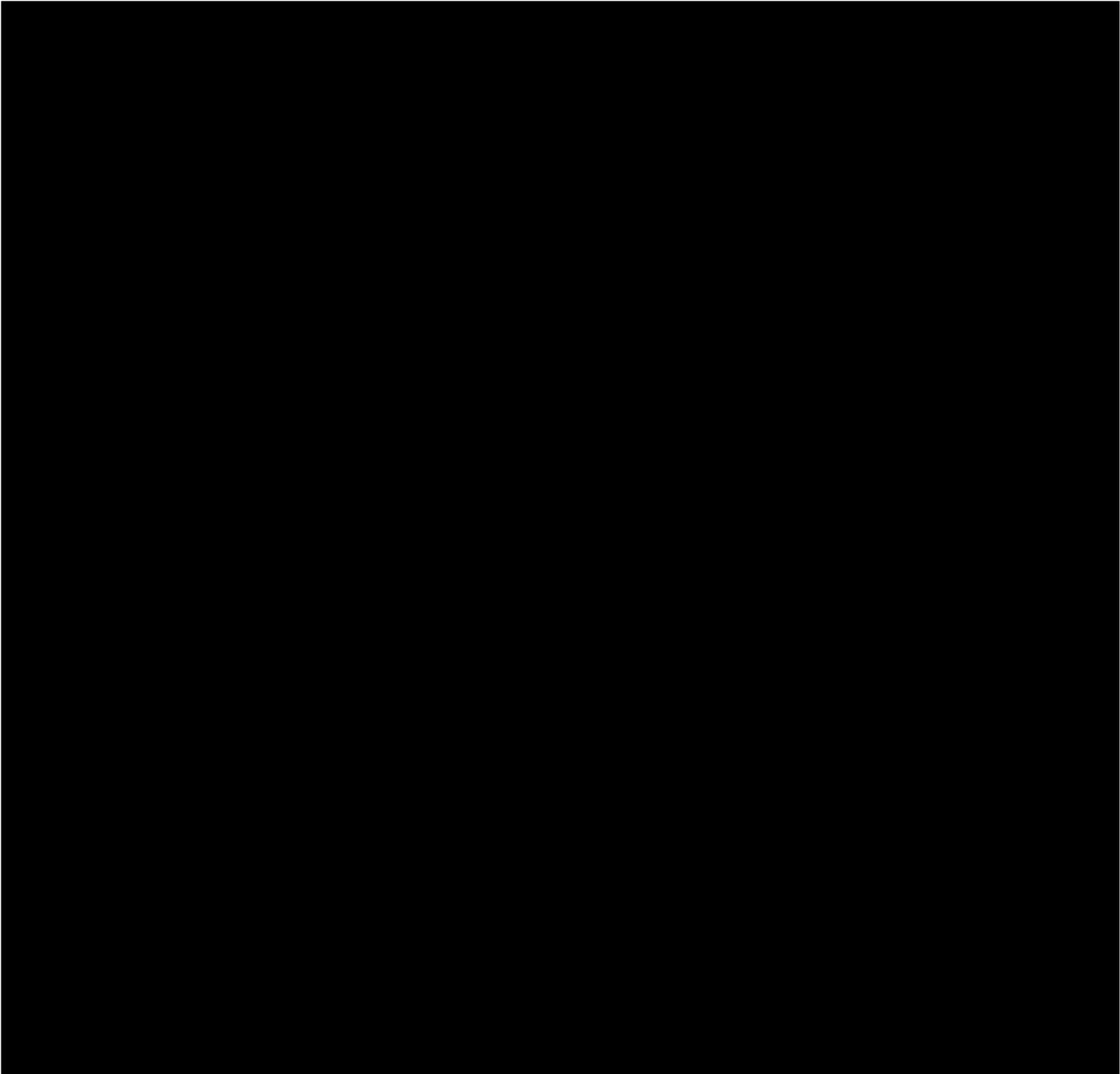


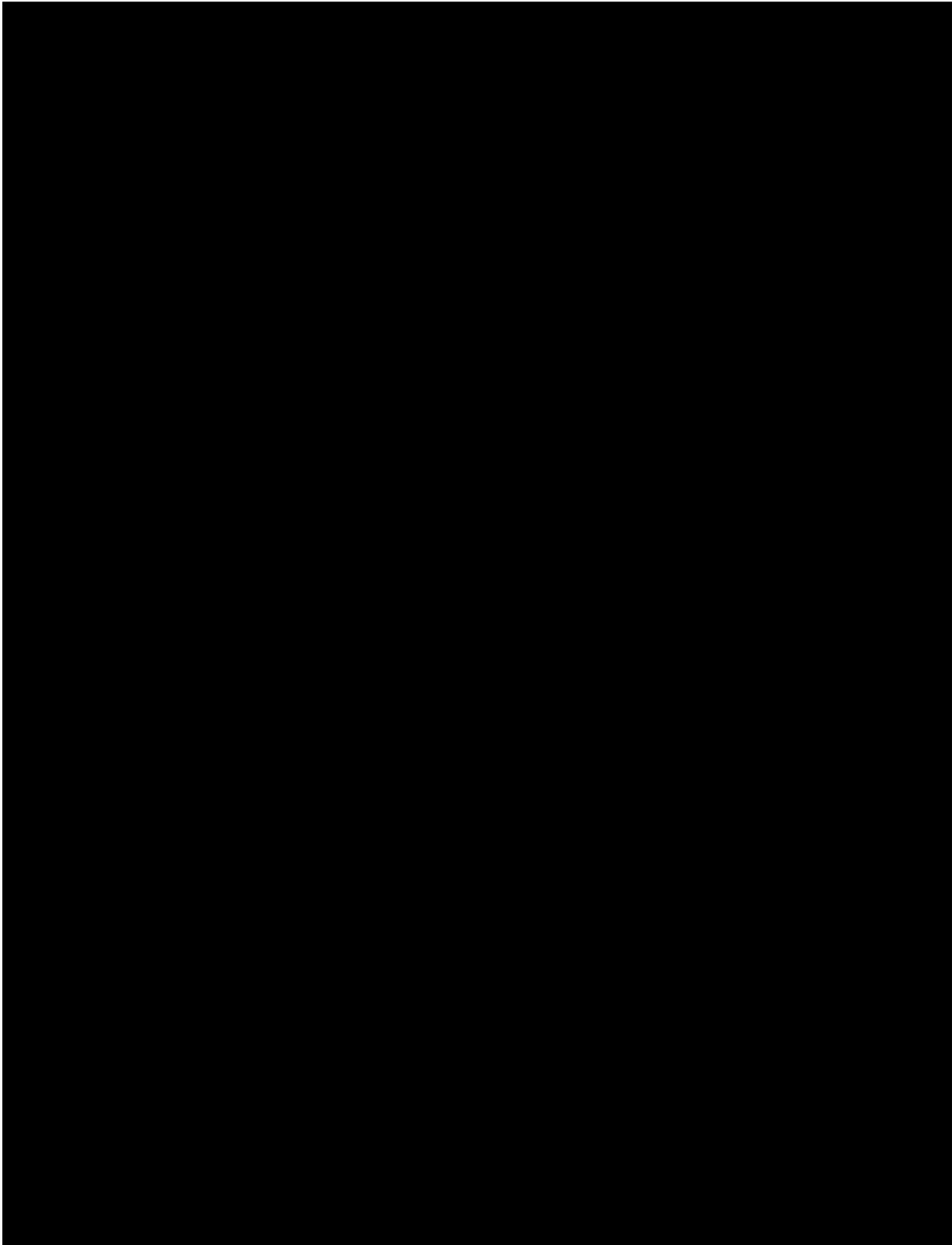


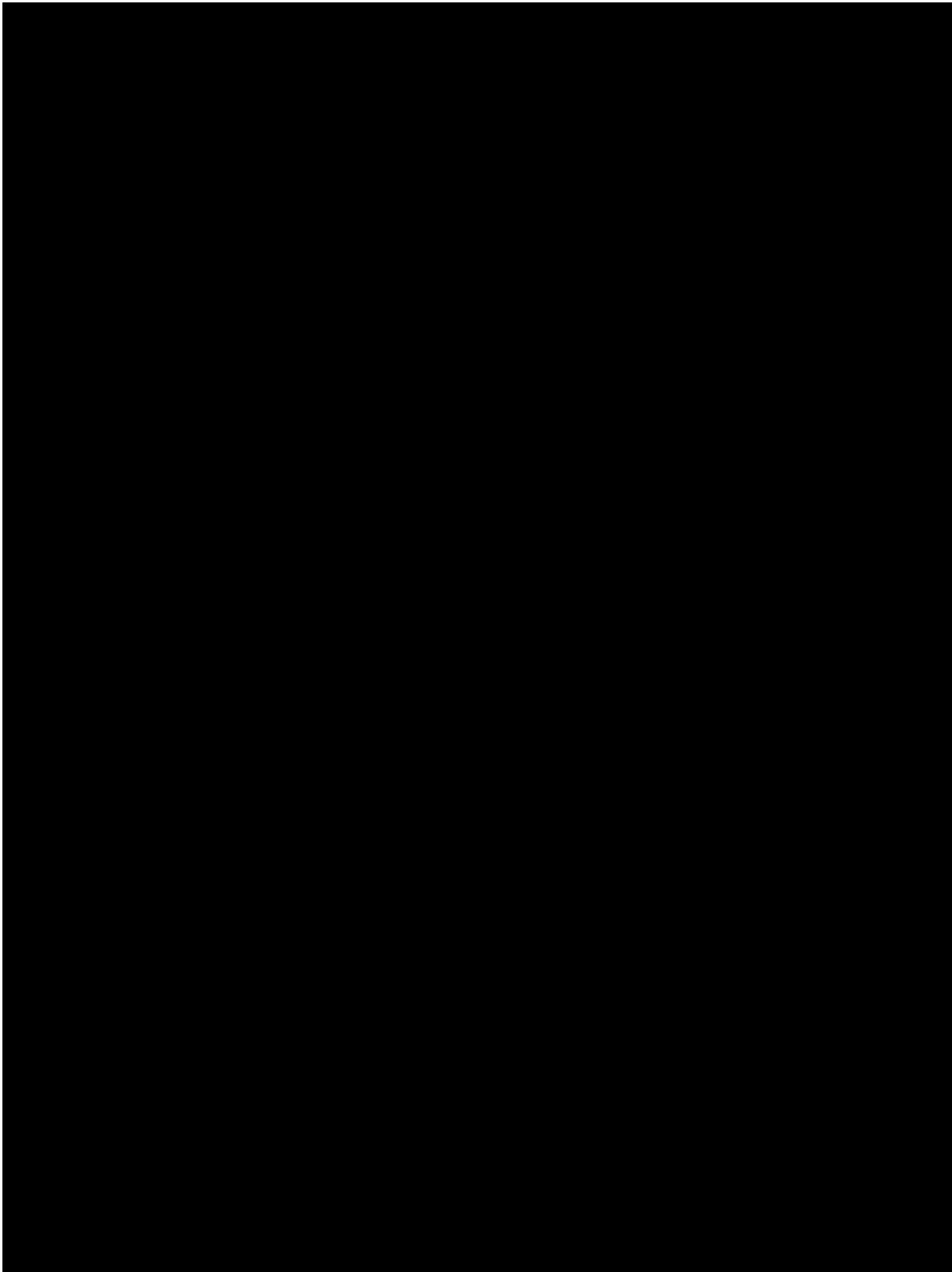


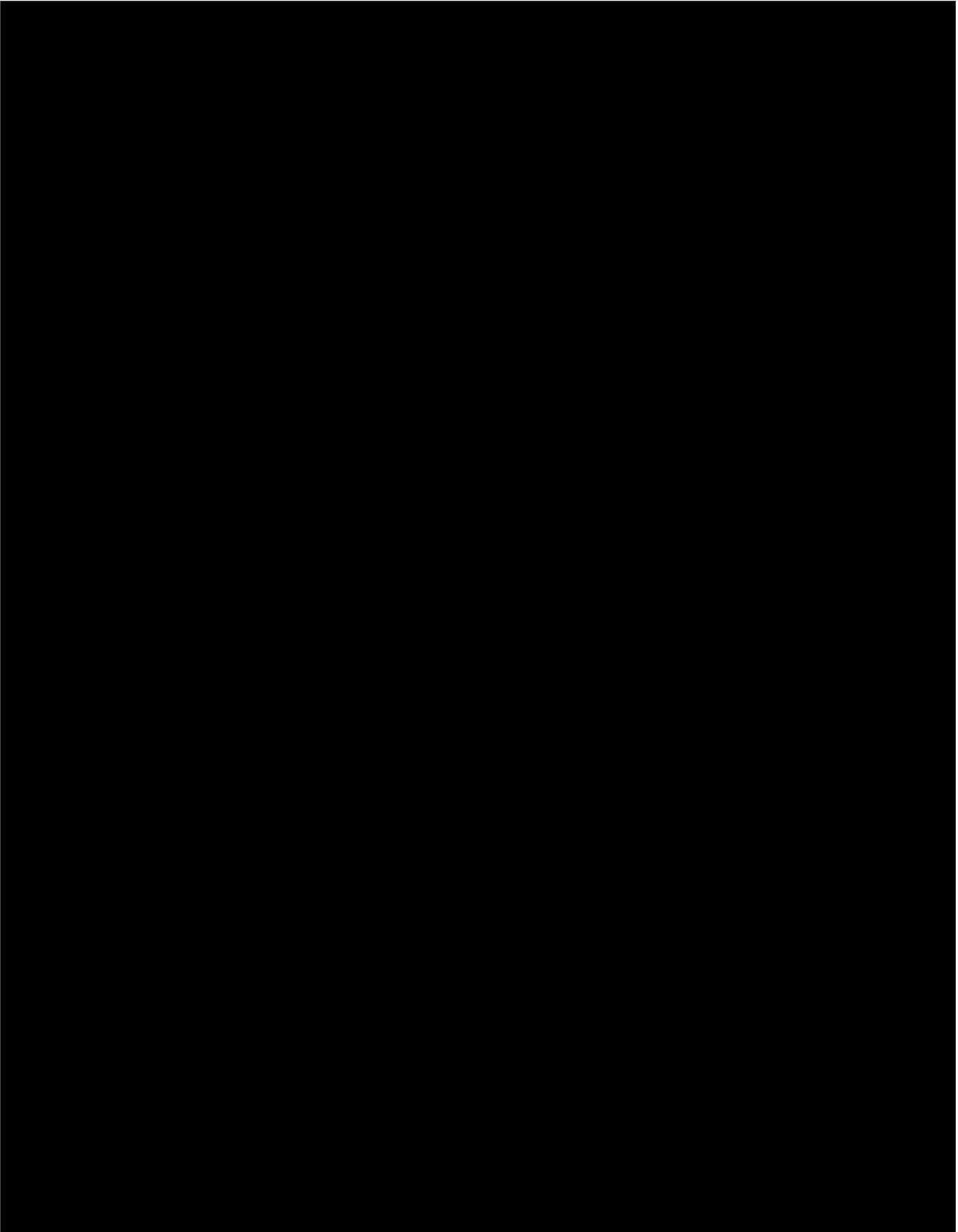




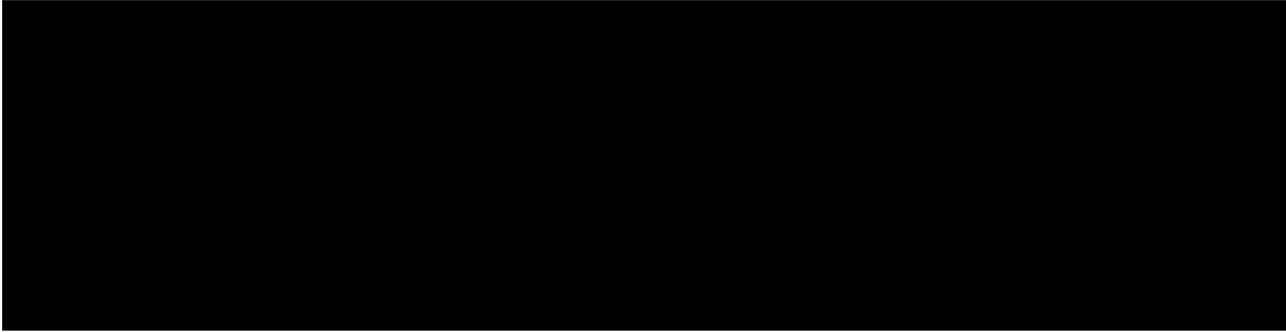








GridGlo | Statement of Work



Agreed to and accepted by:

Avista Corporation

Signature: _____

By: _____

Title: _____

Date: _____

GridGlo, LLC

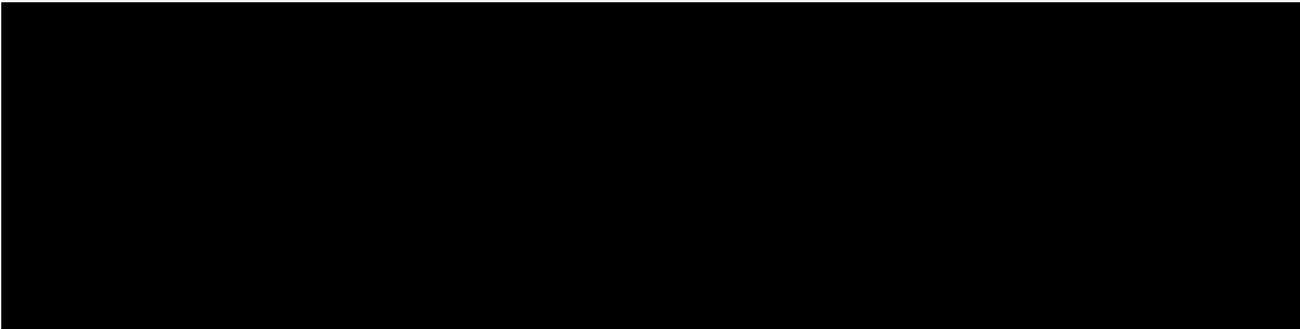
Signature: _____

By: ISAIAH SUDIT _____

Title: CEO _____

Date: 6/9/14 _____

| WPB_ACTIVE



Agreed to and accepted by:

Avista Corporation

Signature: James M Kewick
By: JAMES M KEWICK
Title: VP & CIO
Date: 6-17-2014

GridGlo, LLC

Signature: _____
By: _____
Title: _____
Date: _____

| WPB_ACTIVE 3

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

**Avista Corp. dba Avista Utilities
Cost Allocation Manual
For the year 2017**

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 <http://www.avistautilities.com/services/pages/default.aspx> for current tariffs used to price services provided (Schedules 11, 48 and 10).

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 2017 Budgeted rates.

DESCRIPTION	2017 BUDGET RATES
Labor Related:	
Payroll Benefits	62.88%
Paid Time Off	16.00%
Payroll Taxes	8.25%

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**

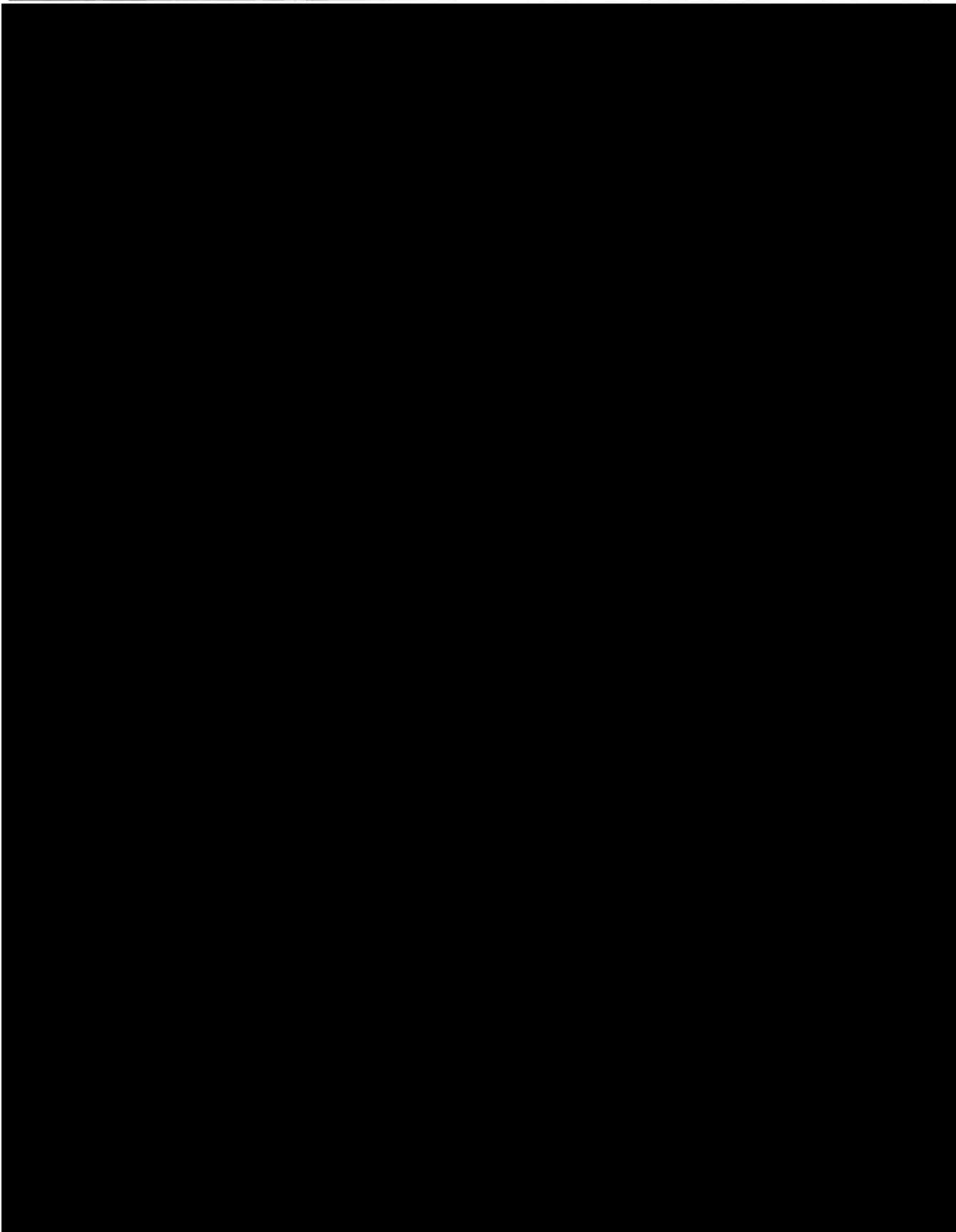
Please see the Oregon Affiliated Interest Report filed with the Oregon Commission on or before June 1 annually, Section I., page 1. A full size (8 ½ x 11) copy is also provided as Attachment 1 to that report.

ATTACHMENT 8

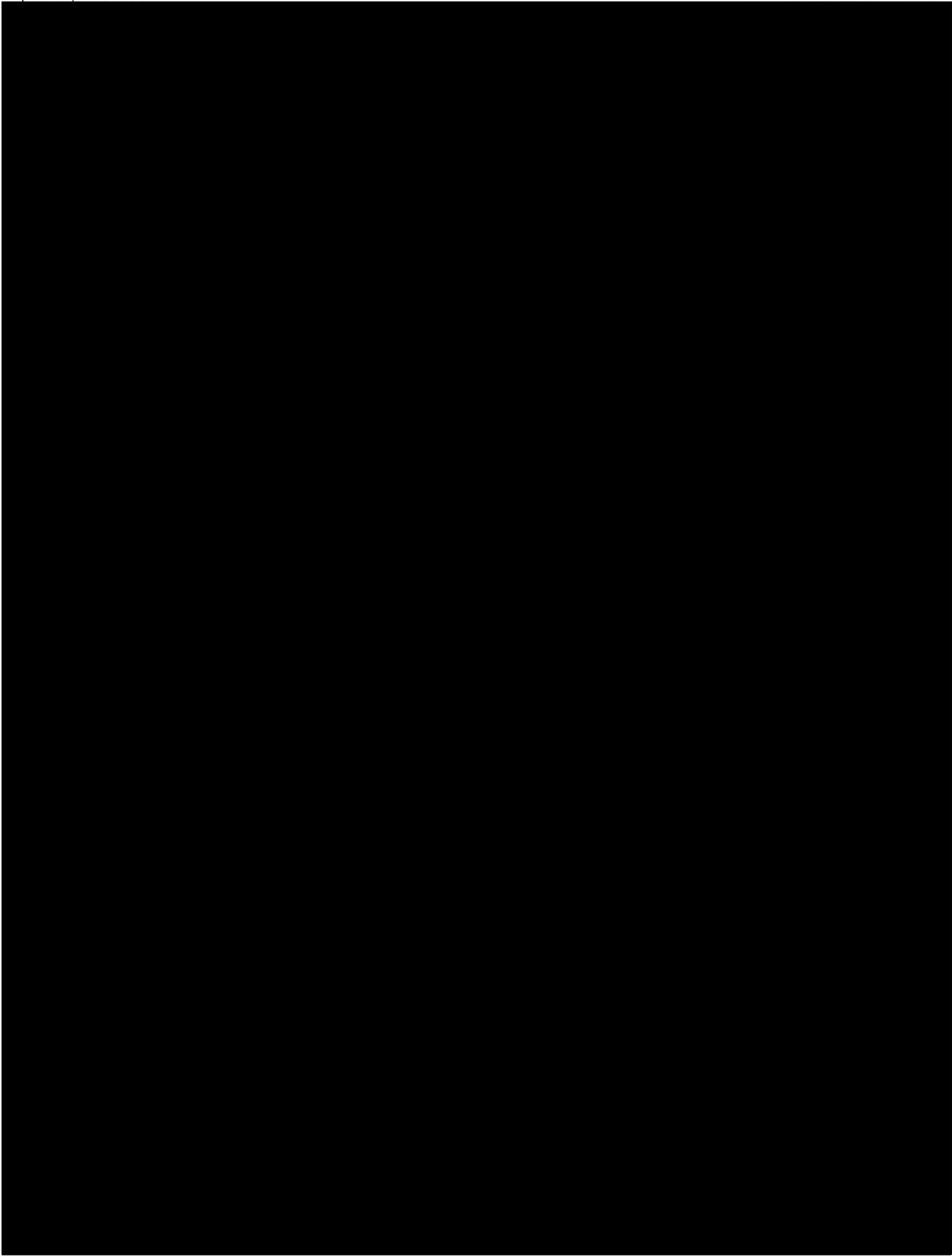
(CONFIDENTIAL per ORS 192.501 and 192.502)

REDACTED

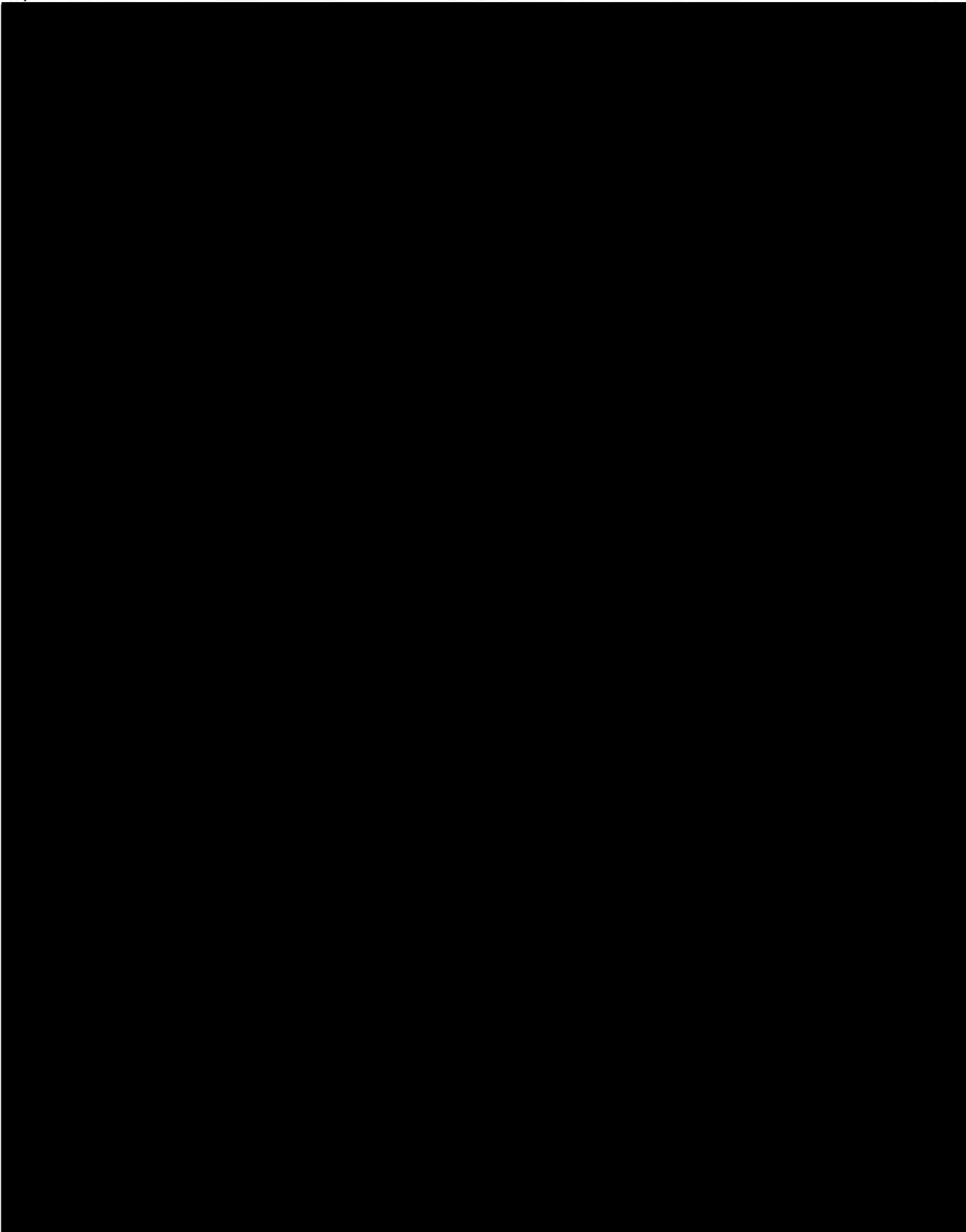
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East 1411 Mission Ave.
Spokane, WA 99220



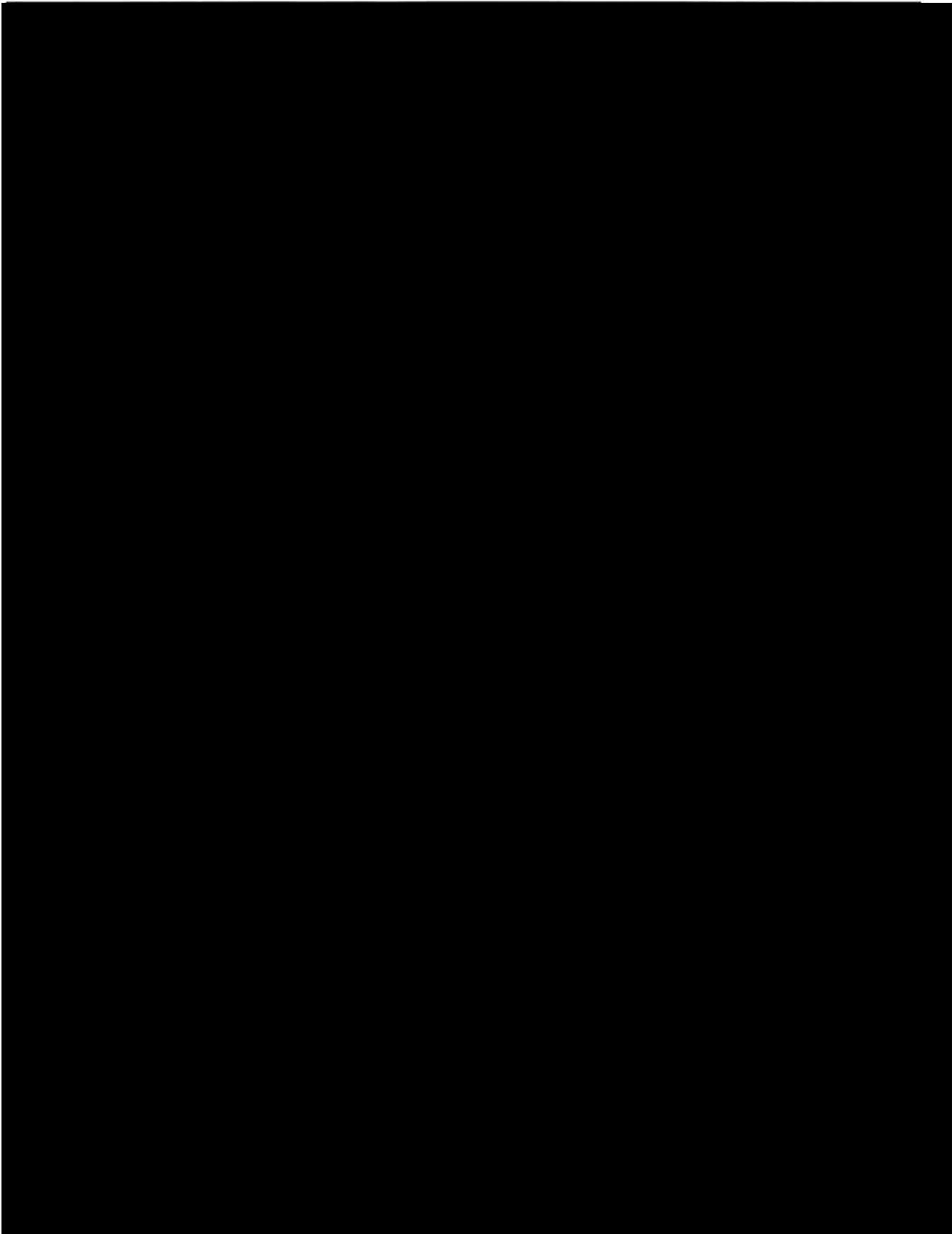
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East 1411 Mission Ave.
Spokane, WA 99220



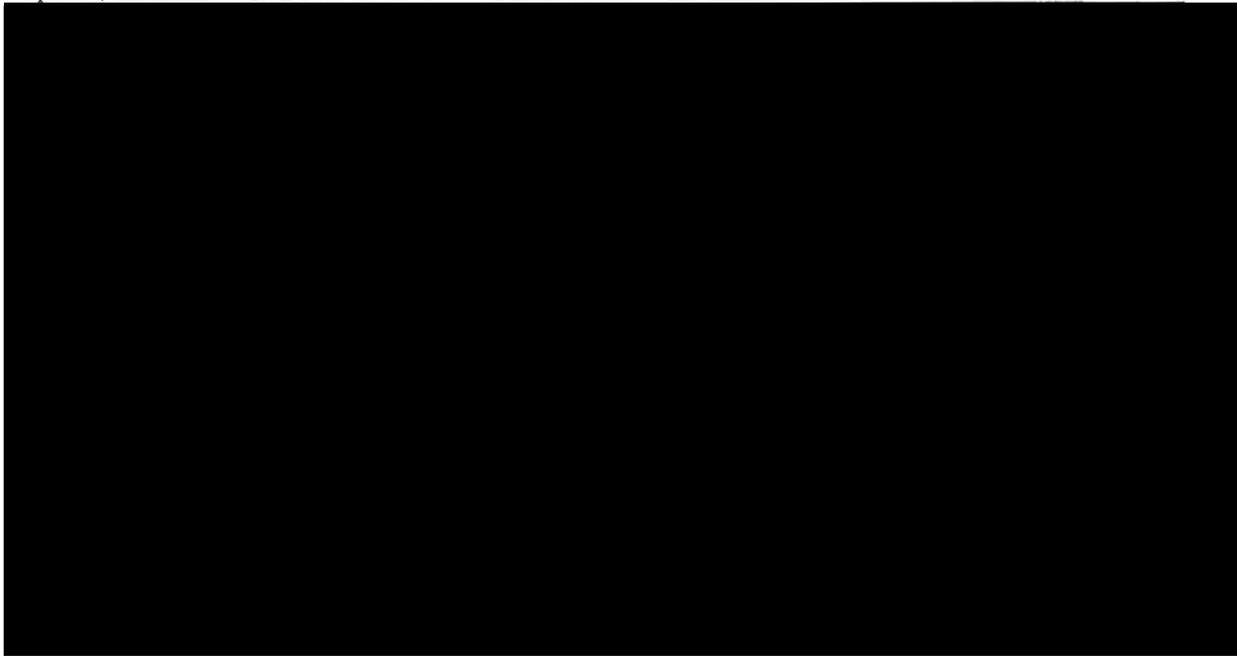
Avista Corp.
East 1411 Mission Ave.
Spokane, WA 99220



Avista Corp.
East 1411 Mission Ave.
Spokane, WA 99220



Avista Corp.
East 1411 Mission Ave.
Spokane, WA 99220



This Agreement has been signed by each Party's authorized representative on the date(s) set forth below.

Avista Corporation

Marian Durkin

(Signature)

MARIAN DURKIN

(Printed Name)

SVP General Counsel

(Title)

9/6/16

(Date Signed)

Spirae, LLC

Sunil Cherian

(Signature)

SUNIL CHERIAN

(Printed Name)

CEO

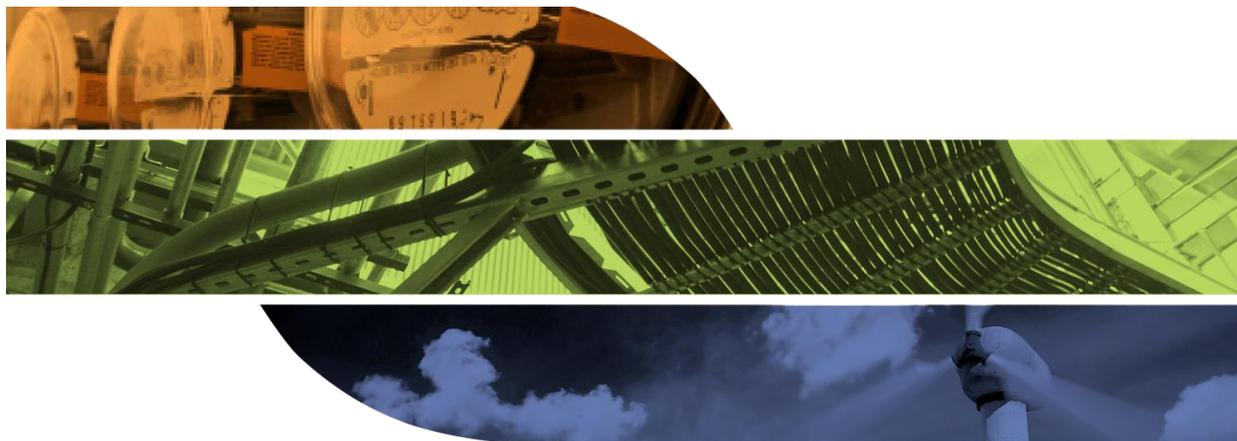
(Title)

9/2/16

(Date Signed)

Exhibit A: Statement of Work

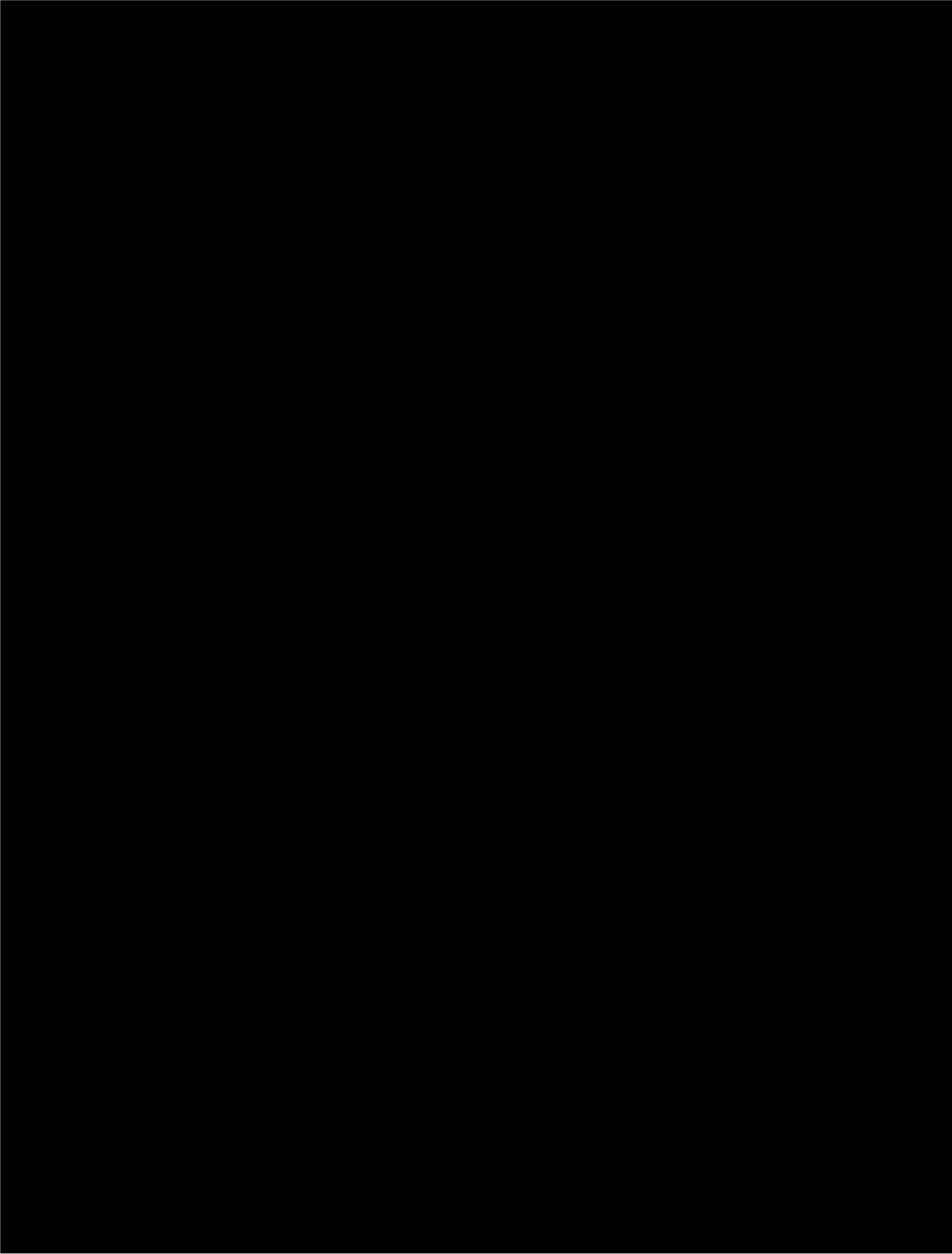
Avista – Turner Energy Storage Optimization - Phase 1

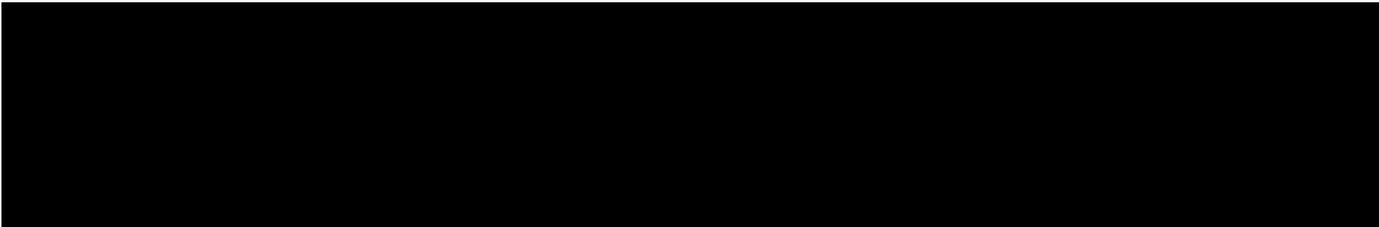


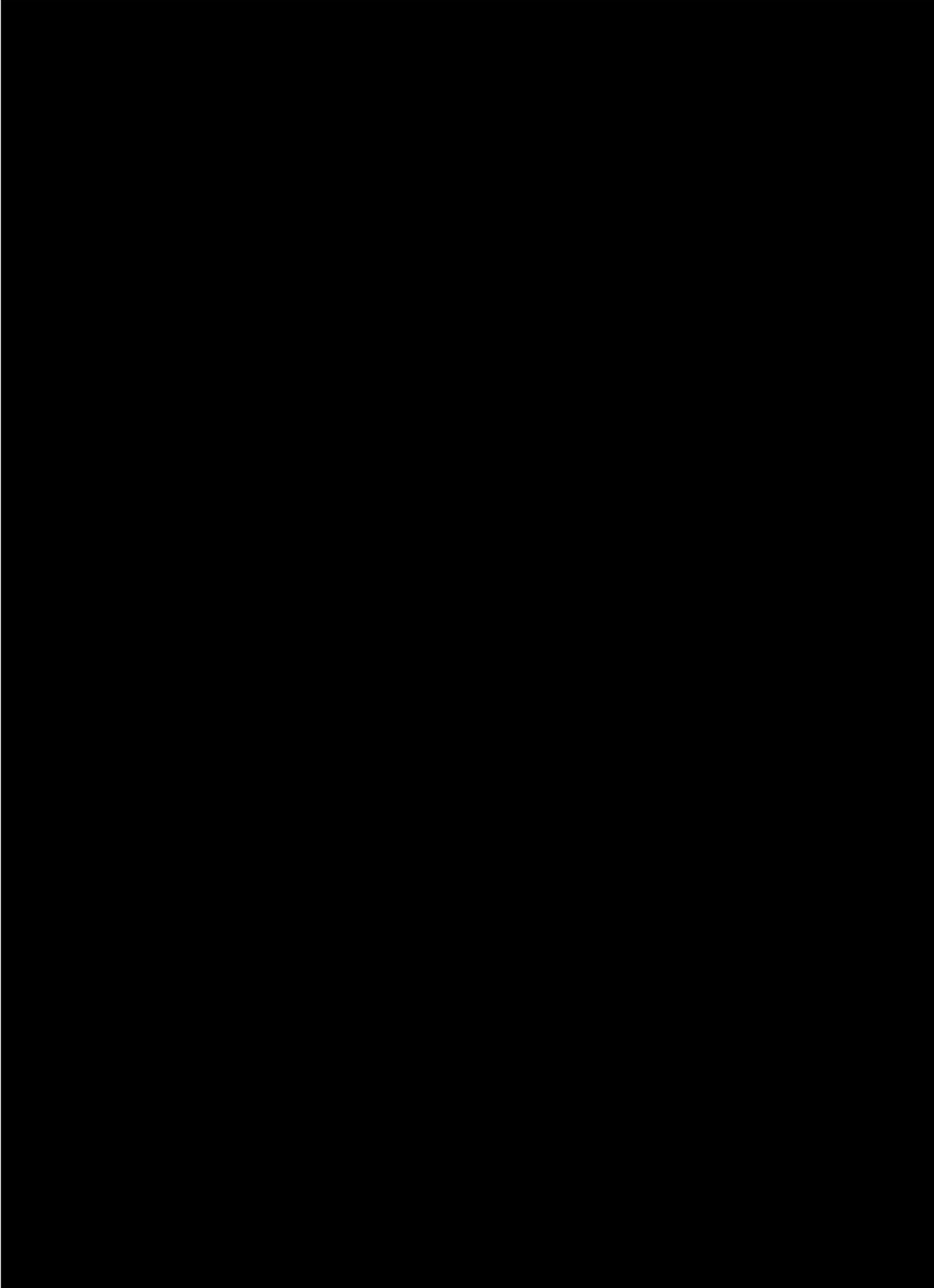
Customer: Avista Corporation

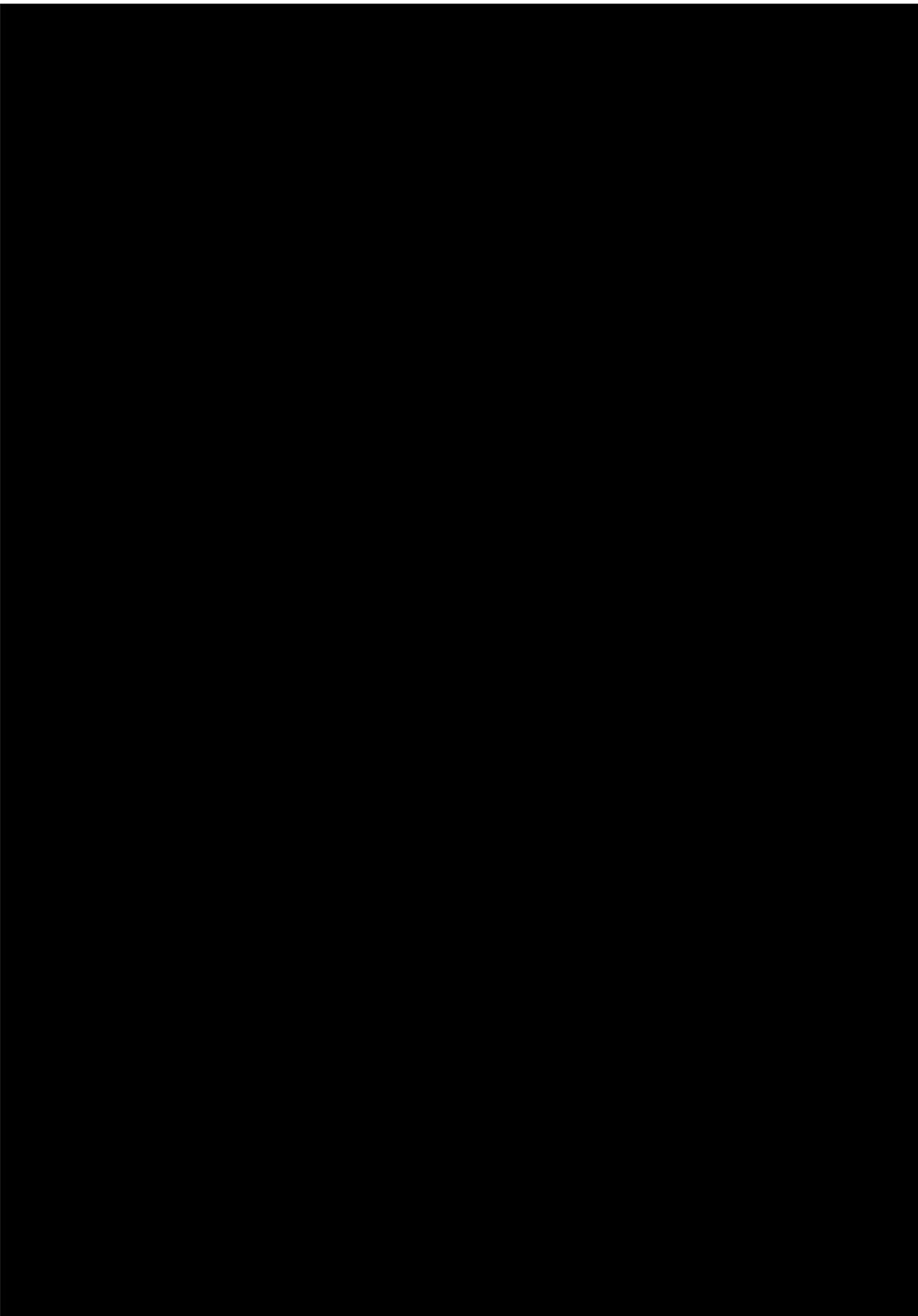
Project: Turner Energy Storage Optimization, Phase 1

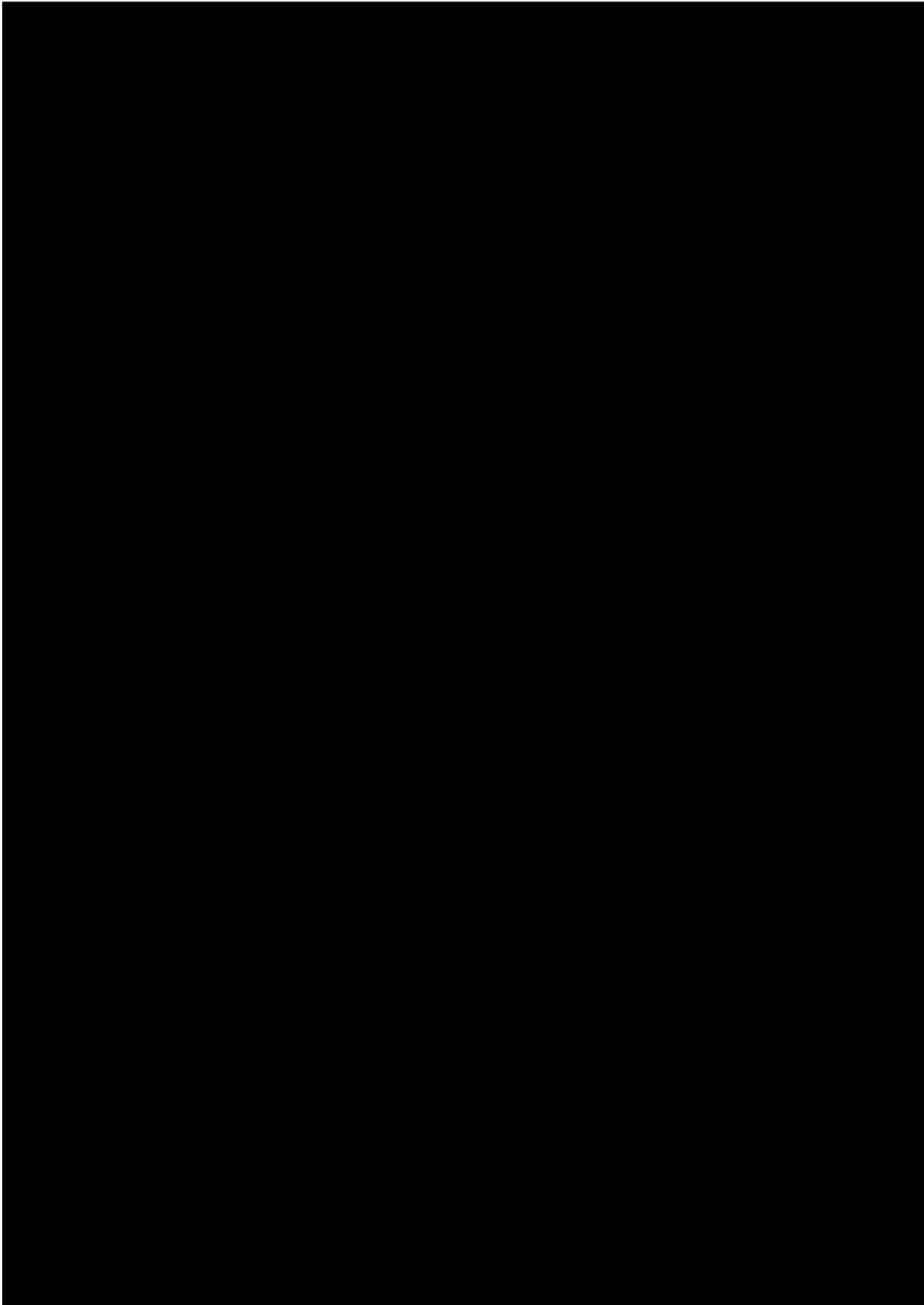


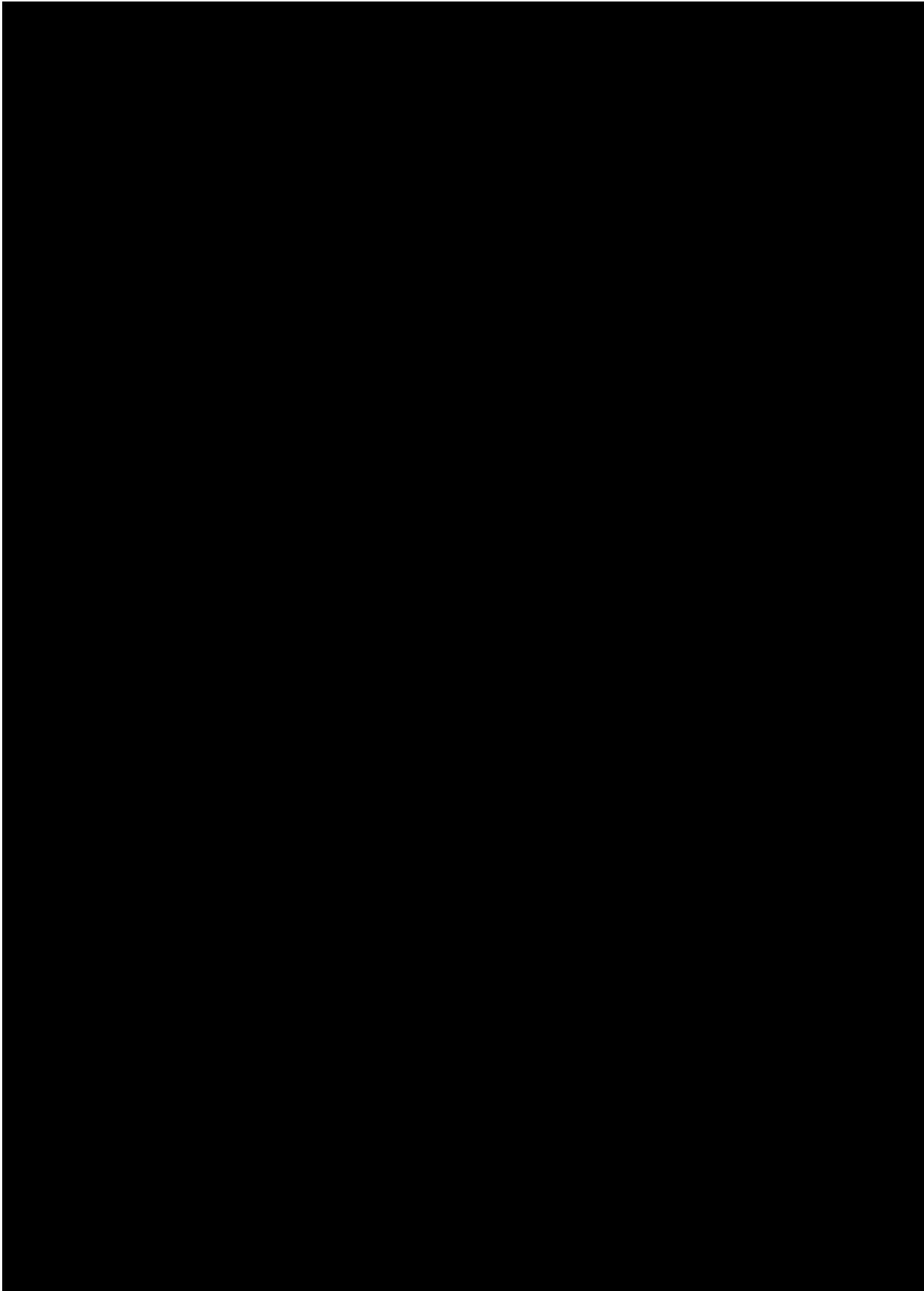


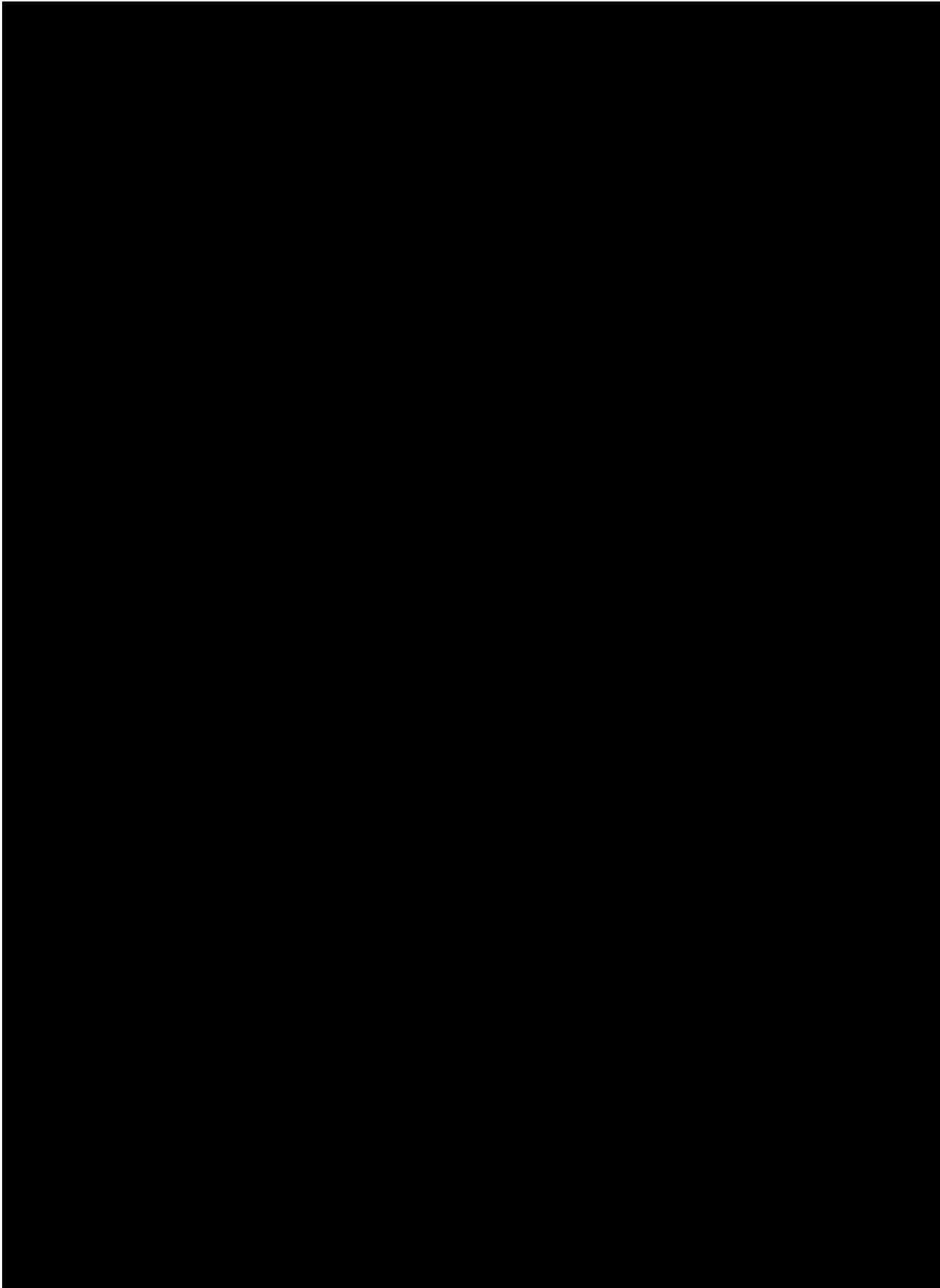


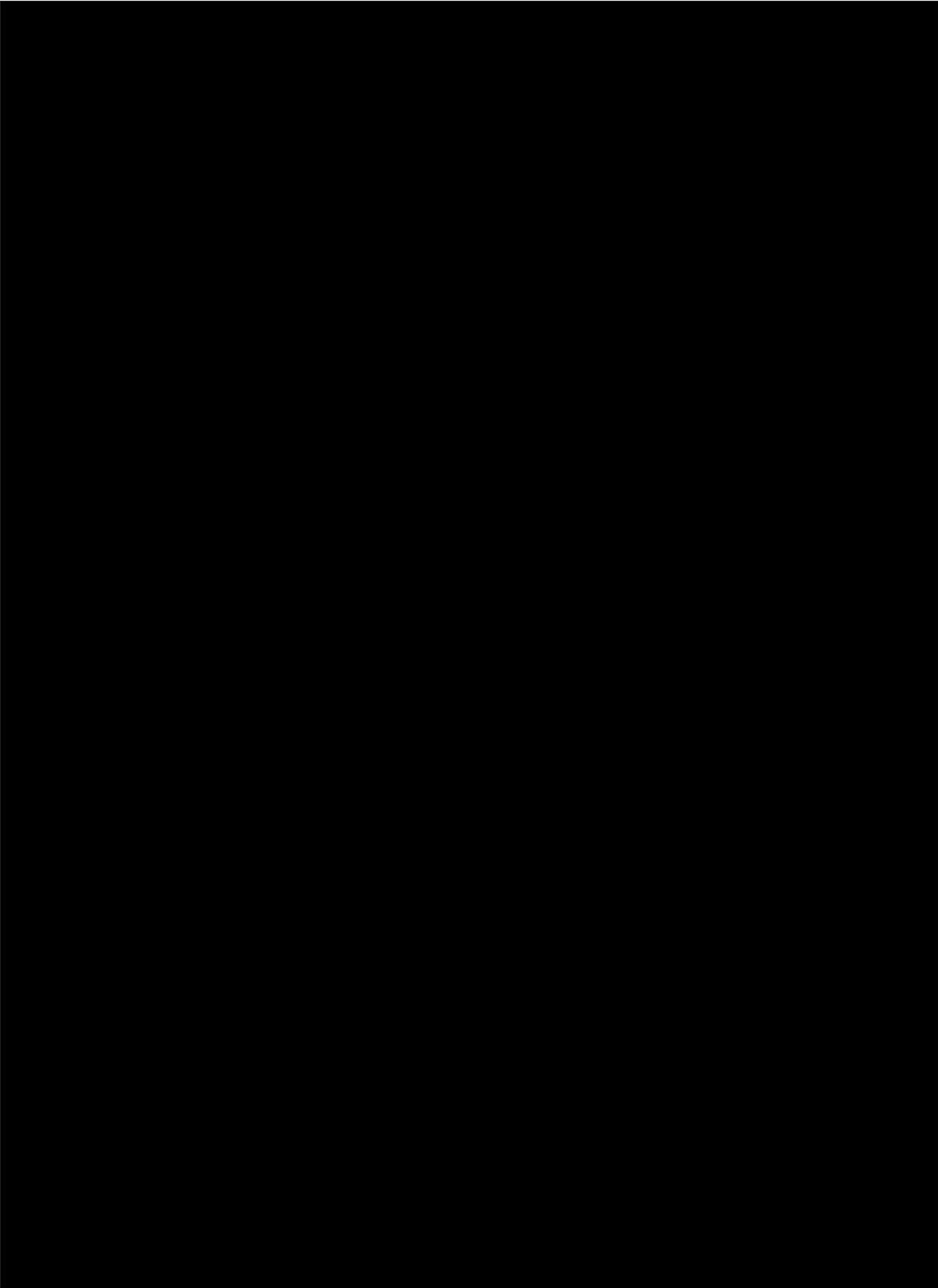


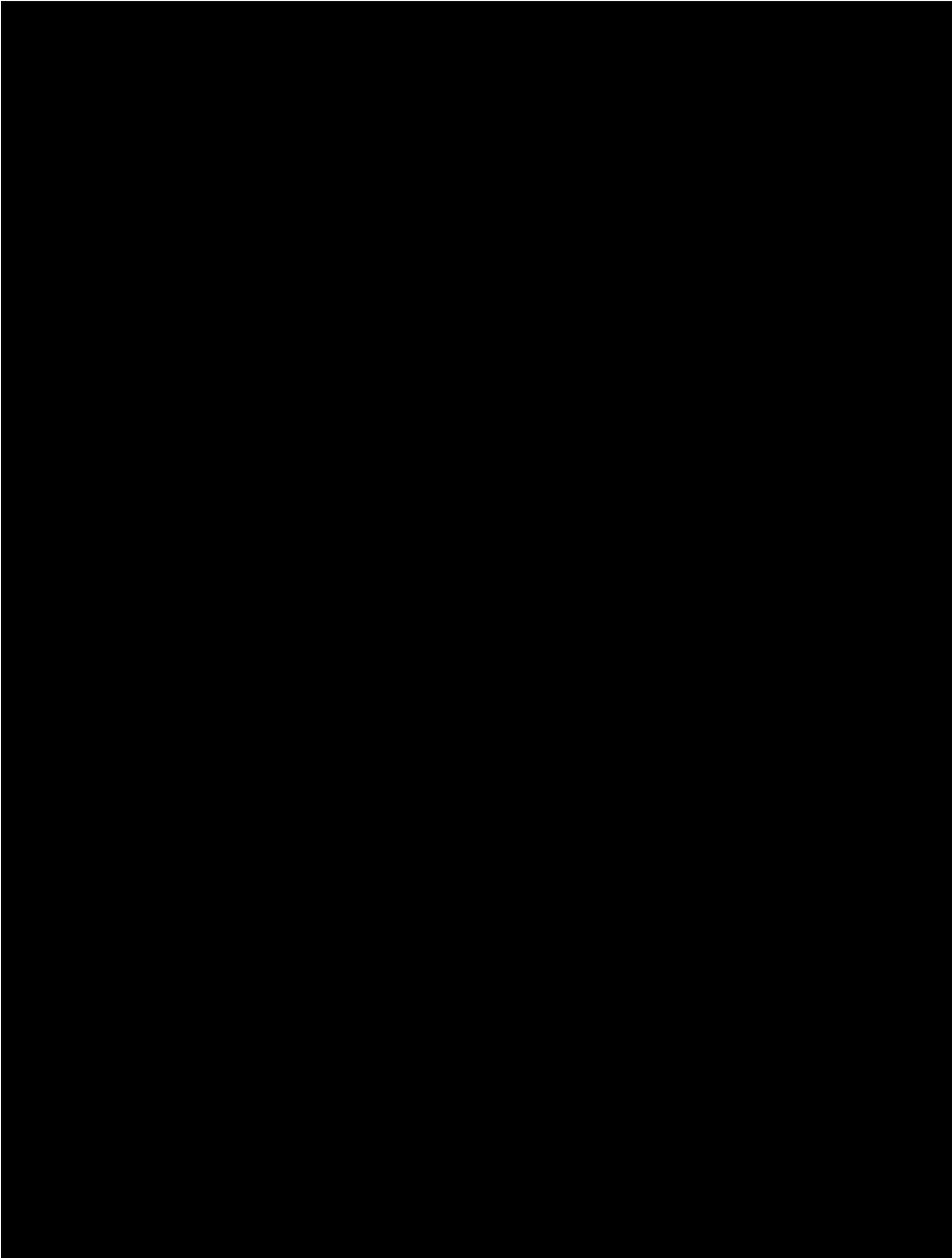


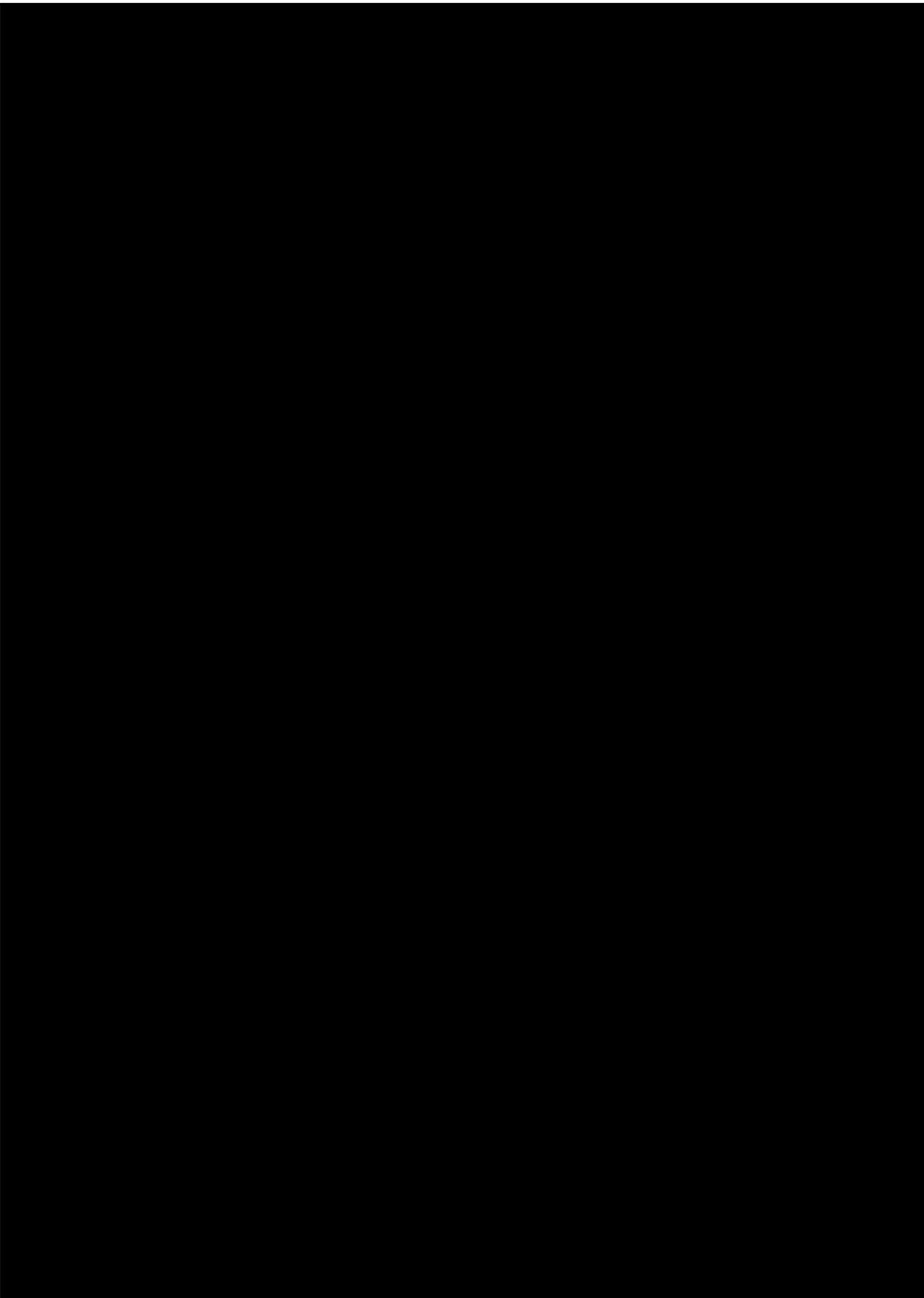


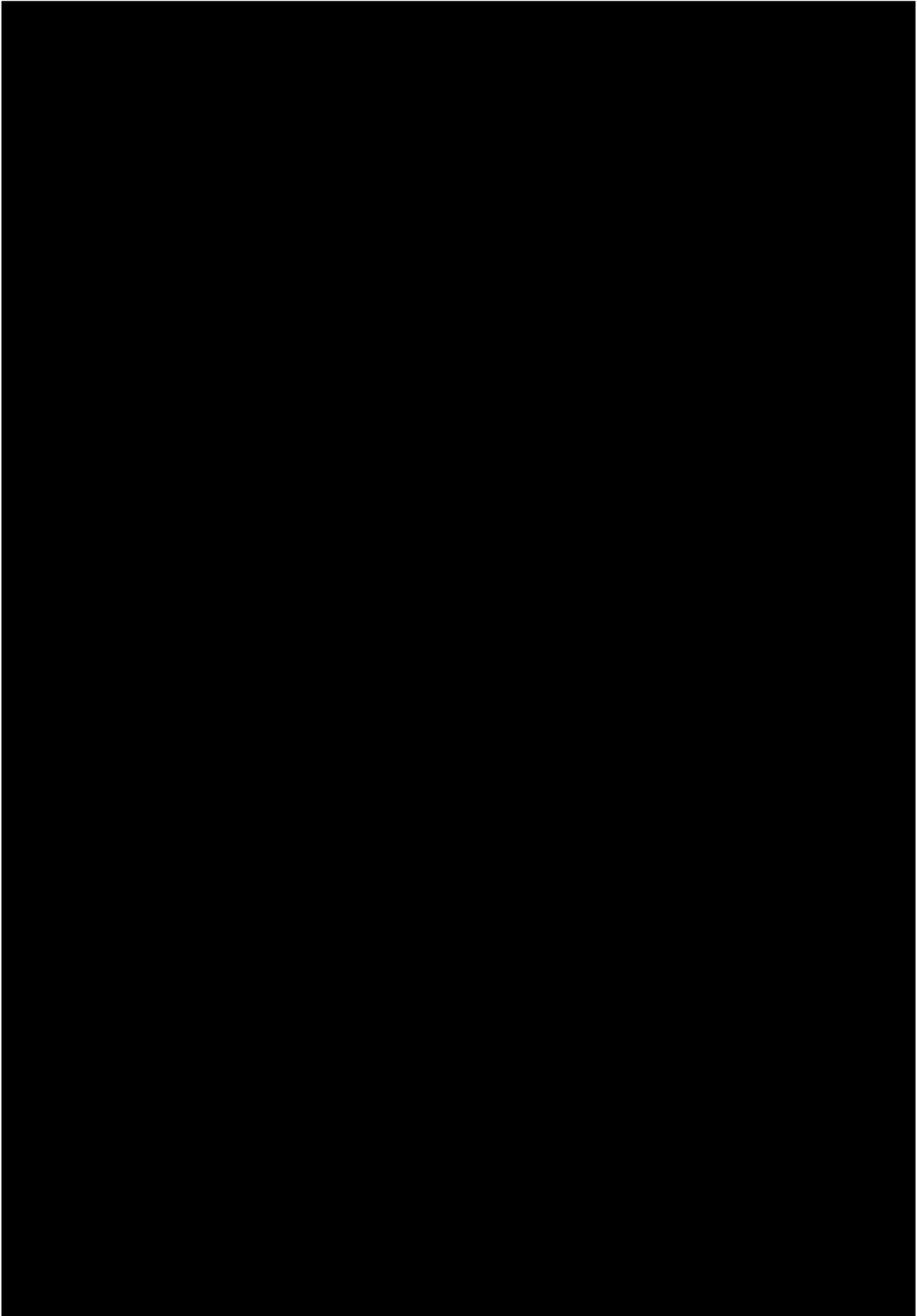


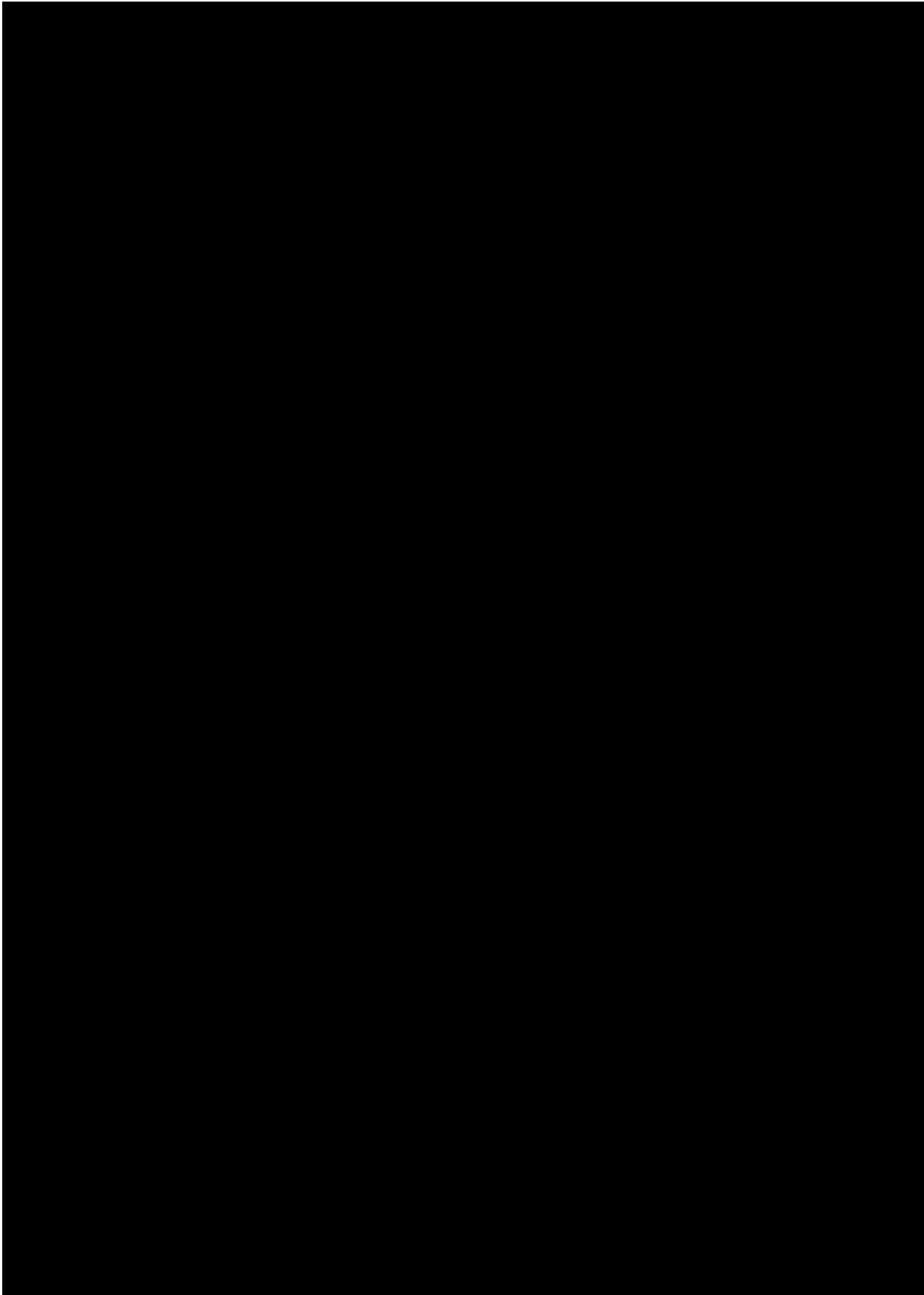


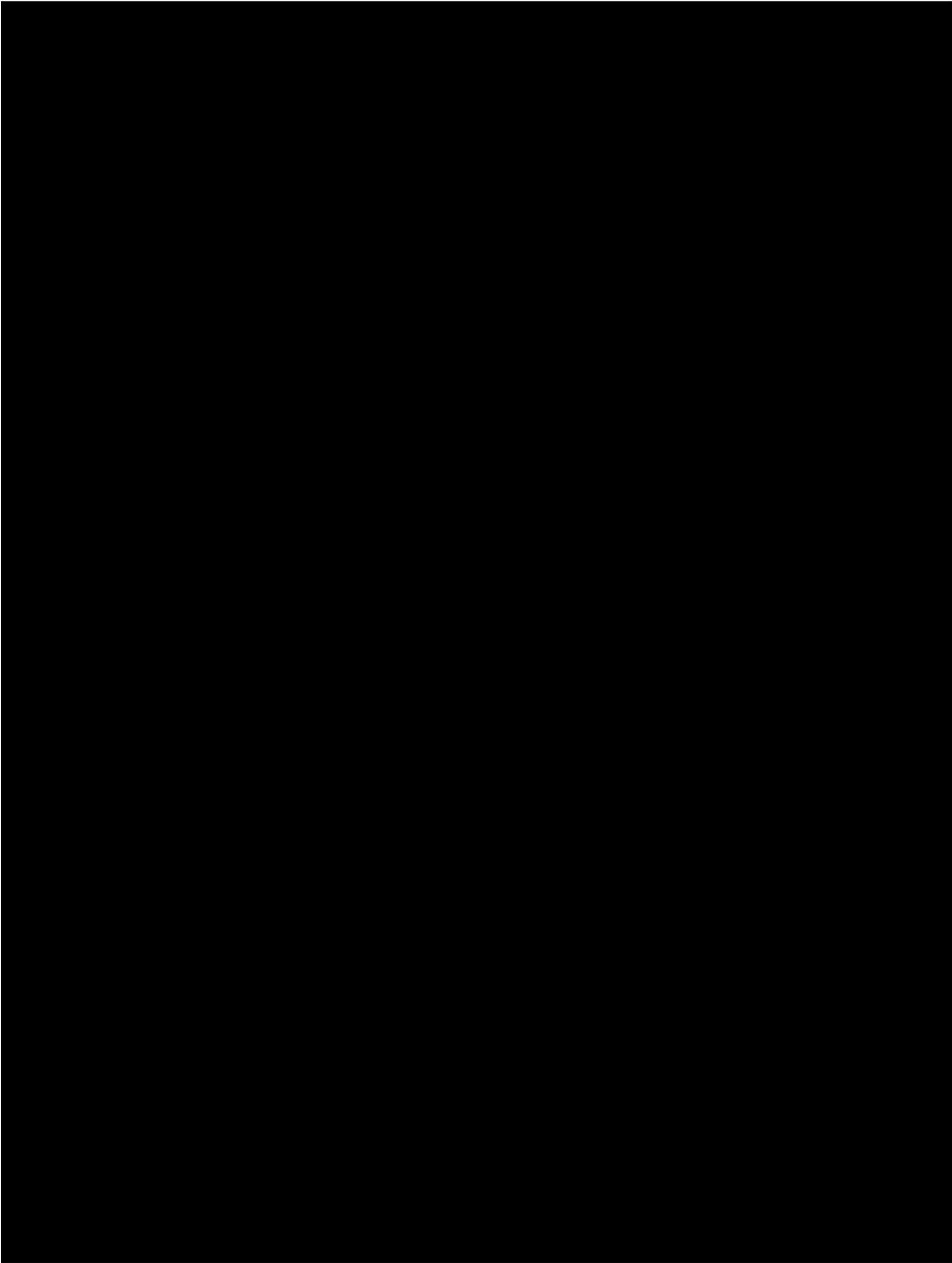


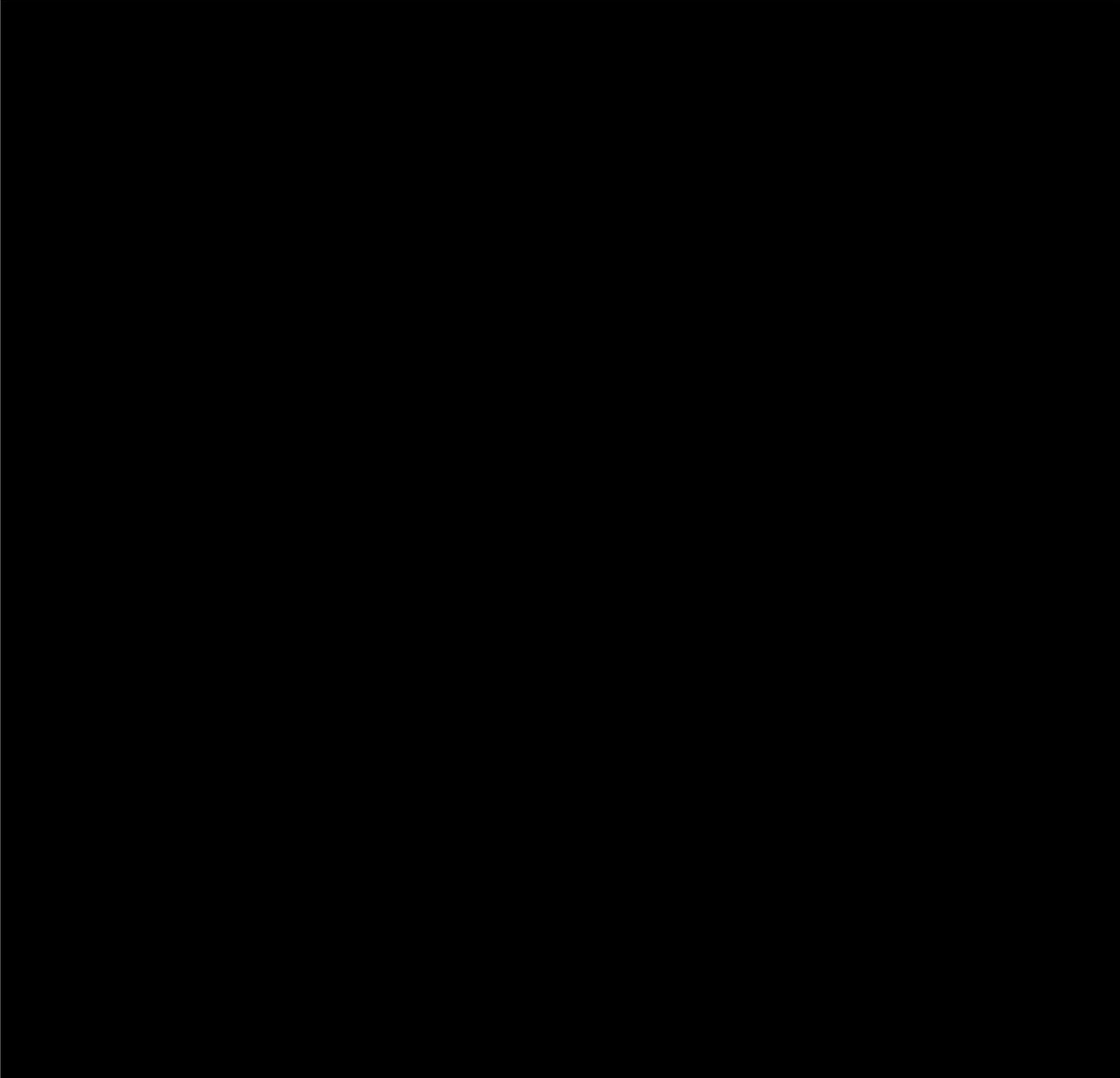




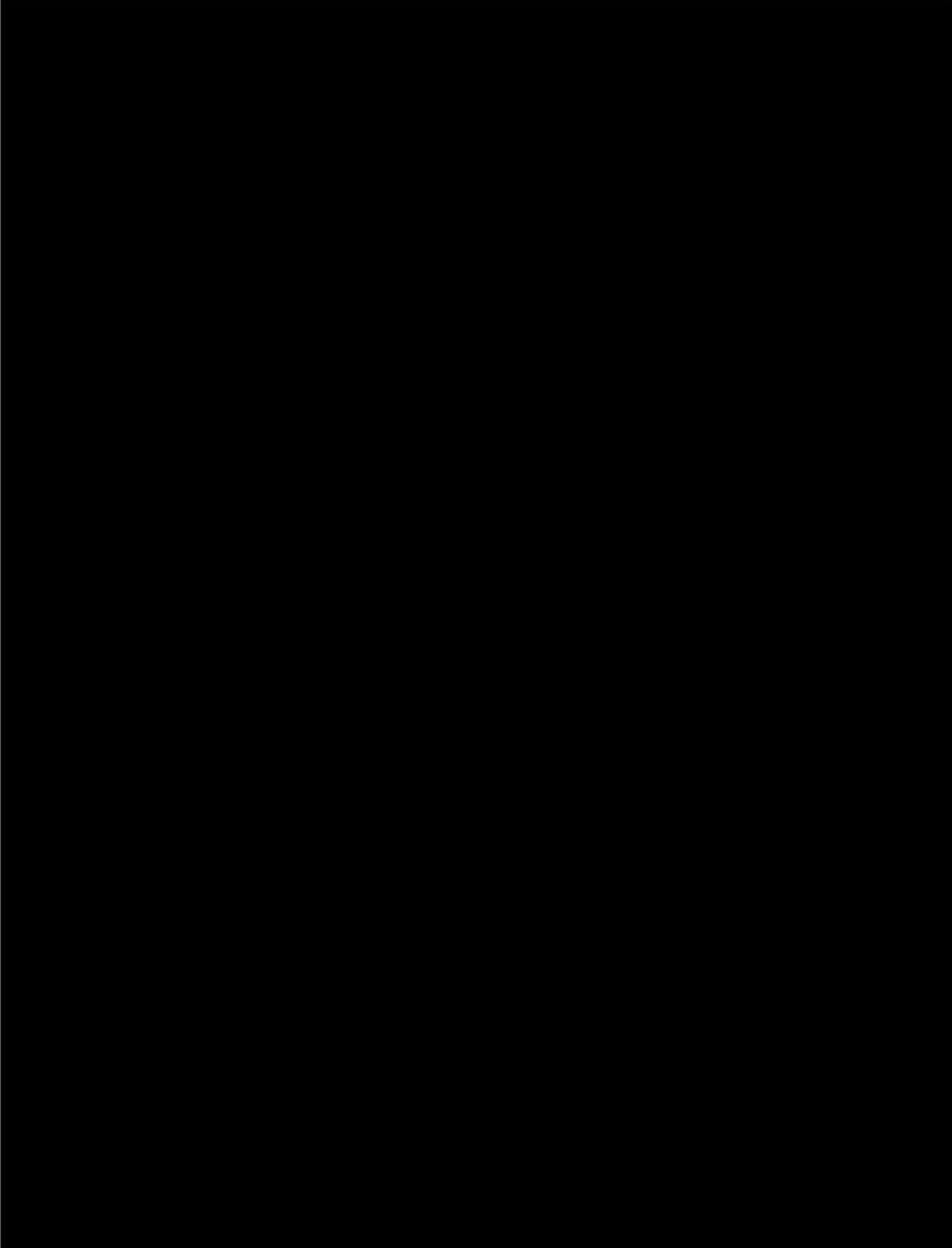


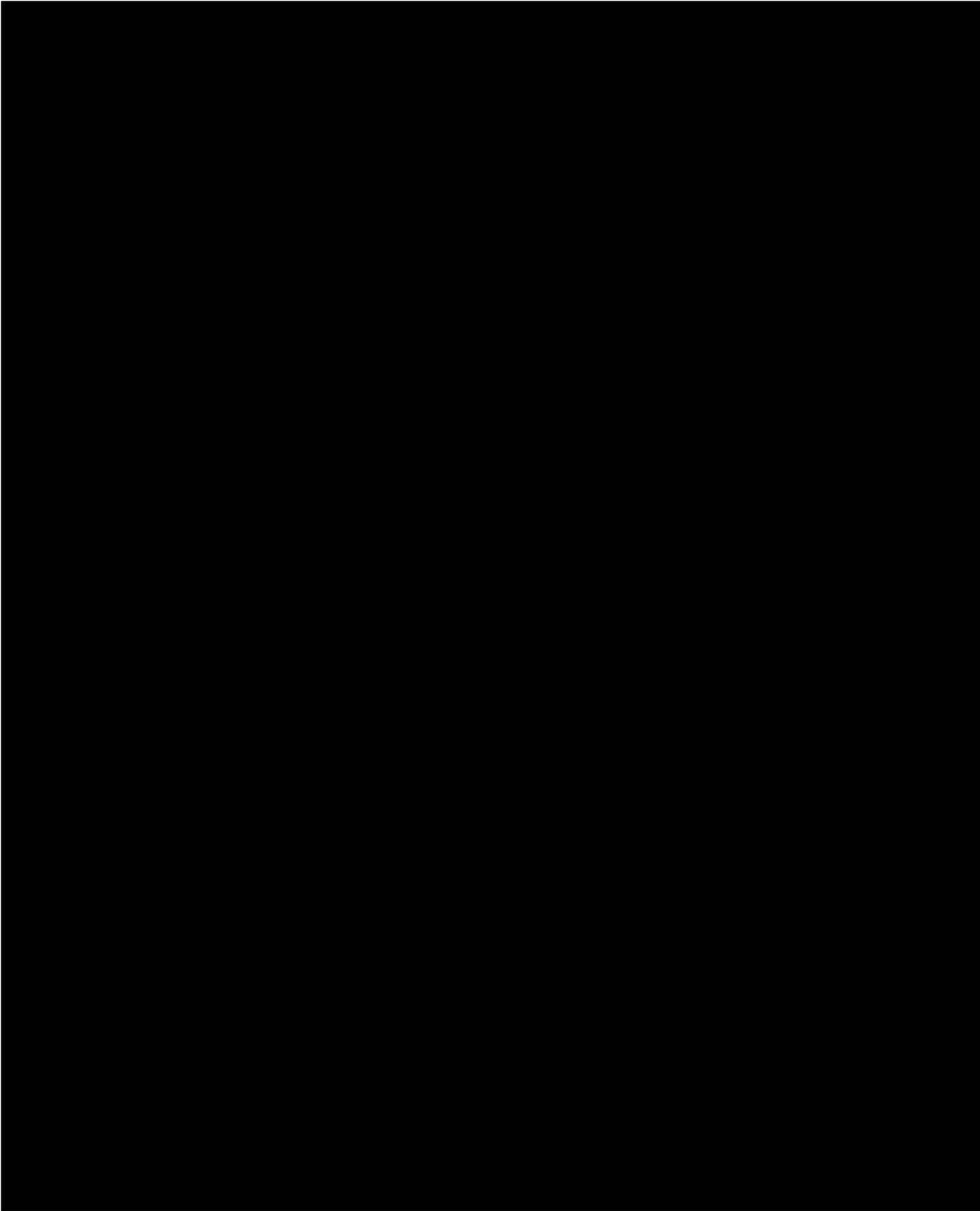


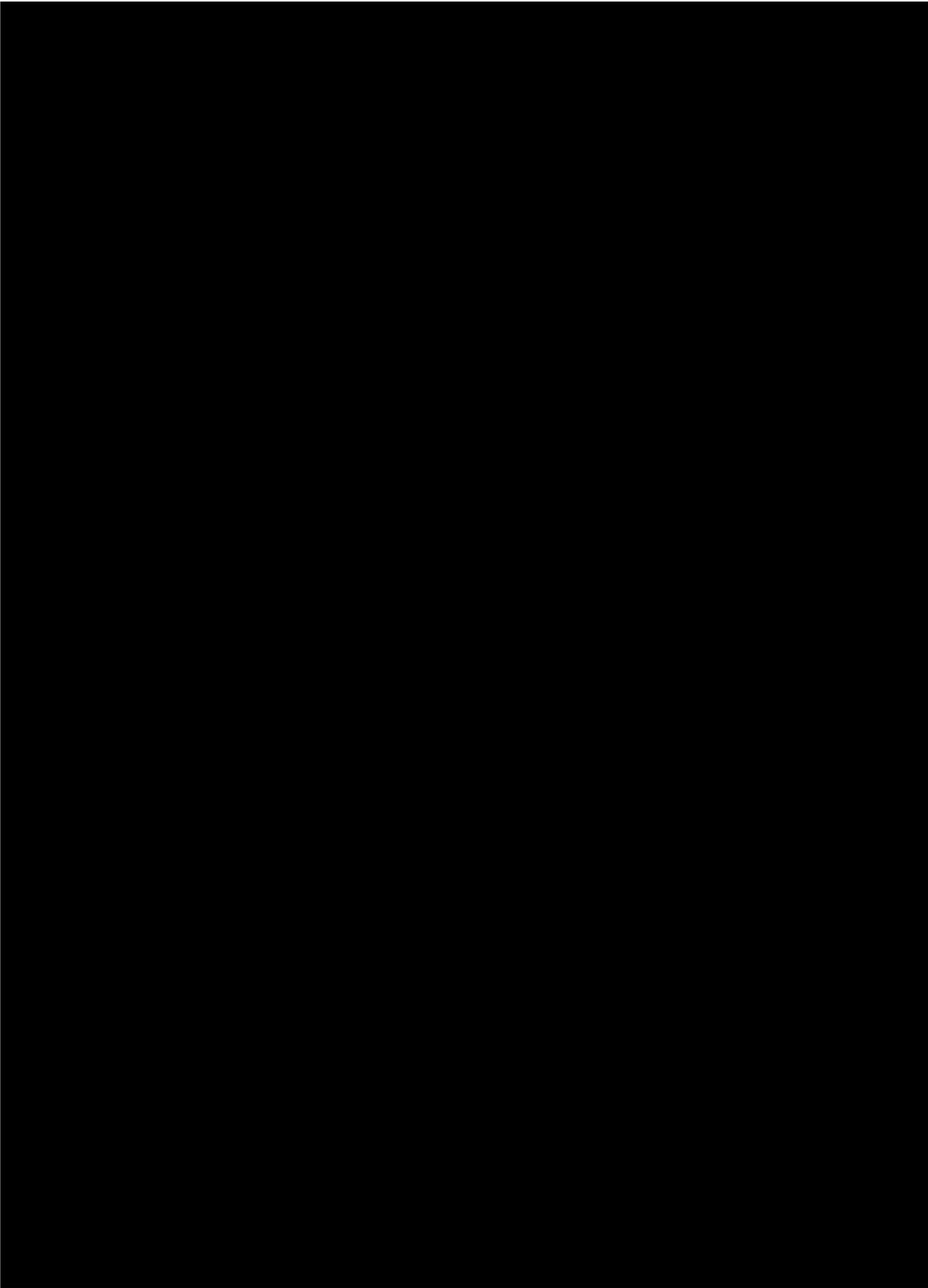


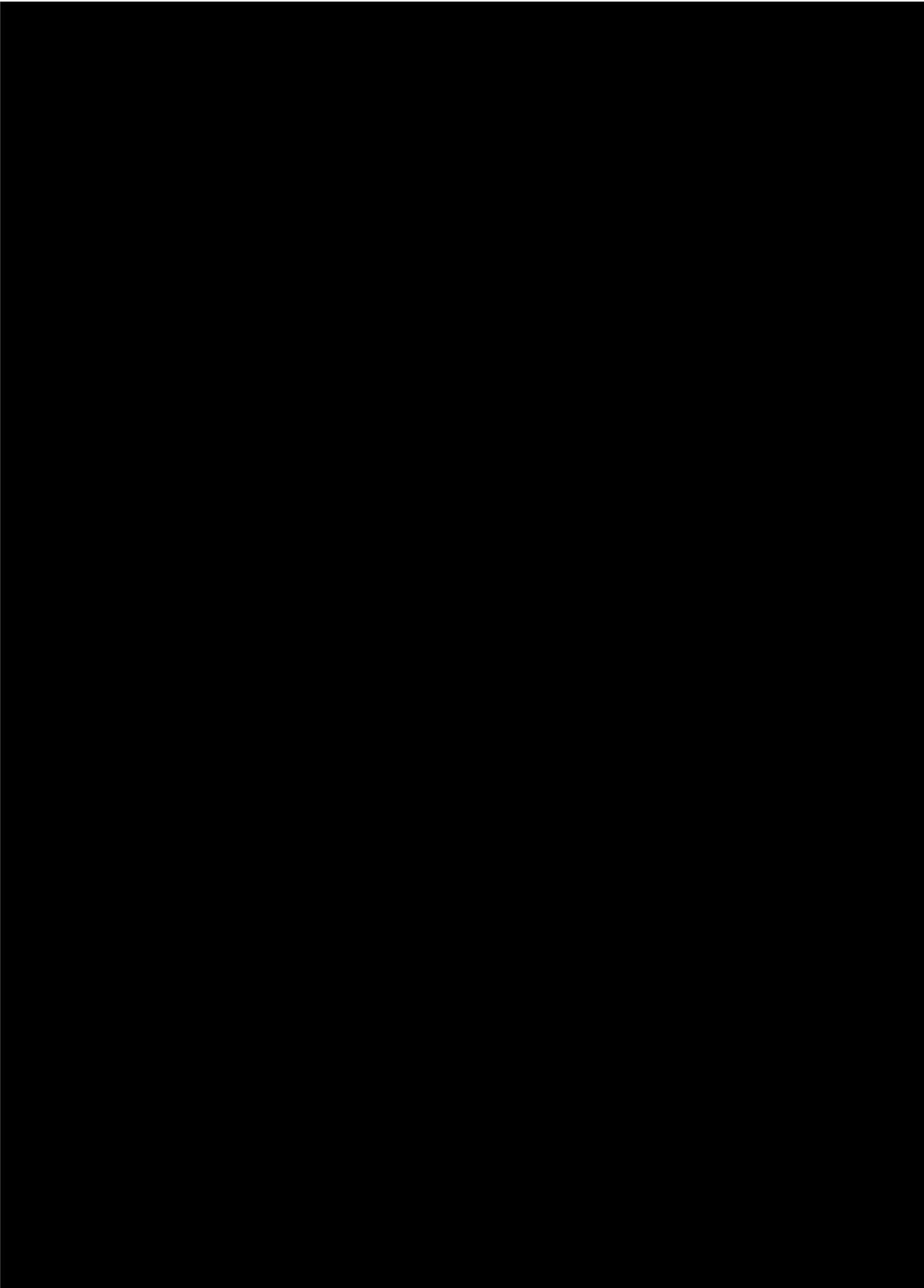


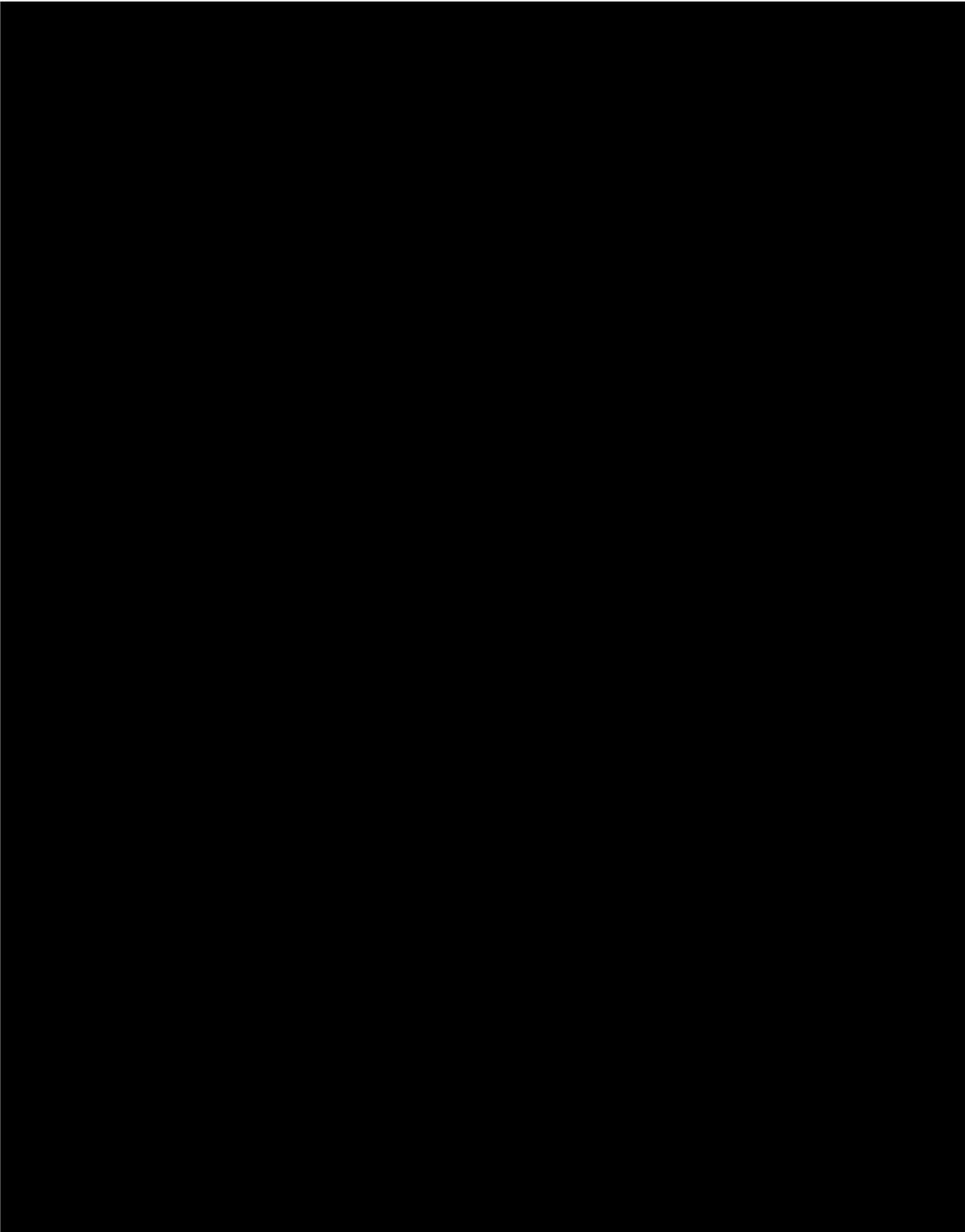


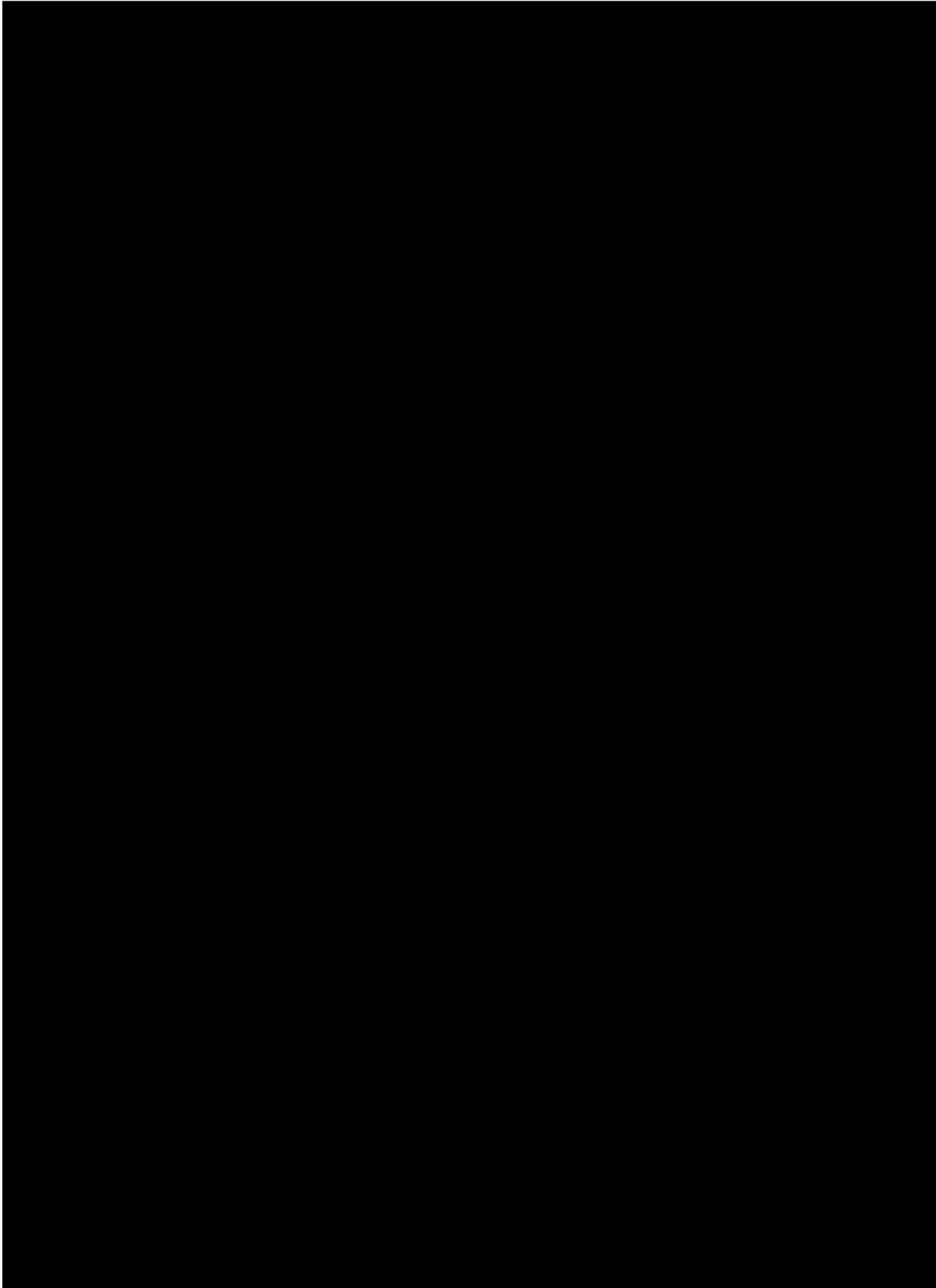


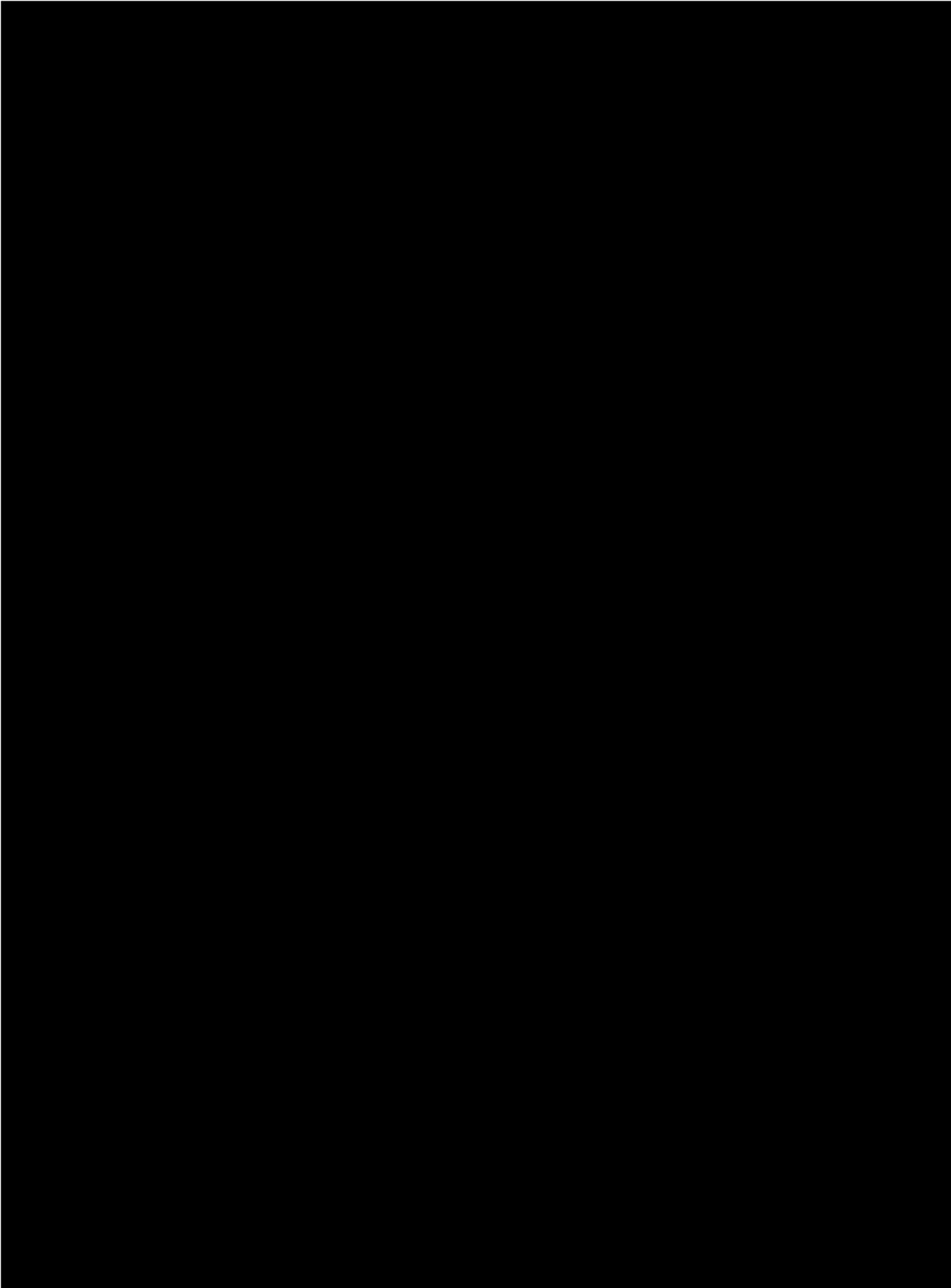


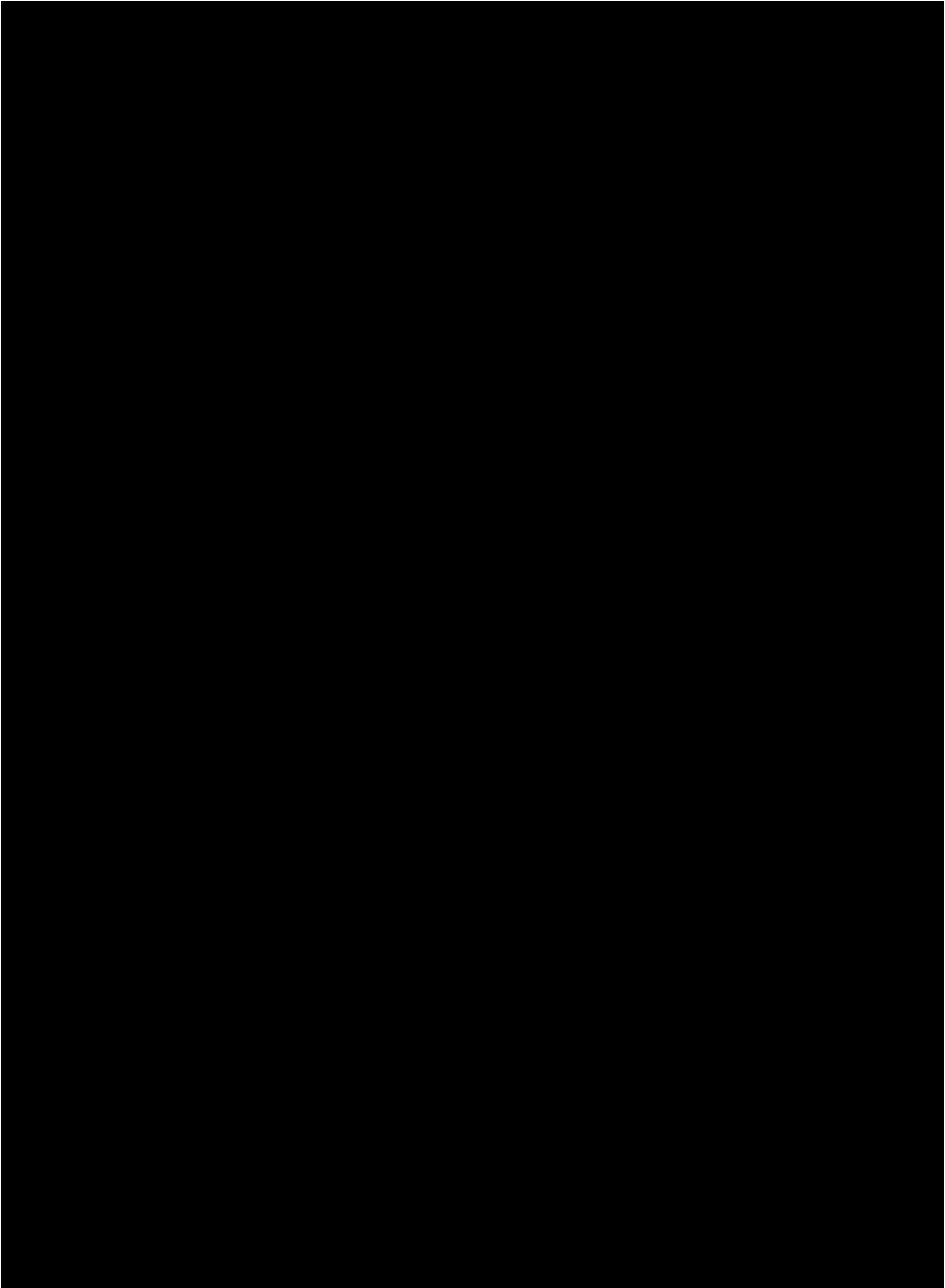


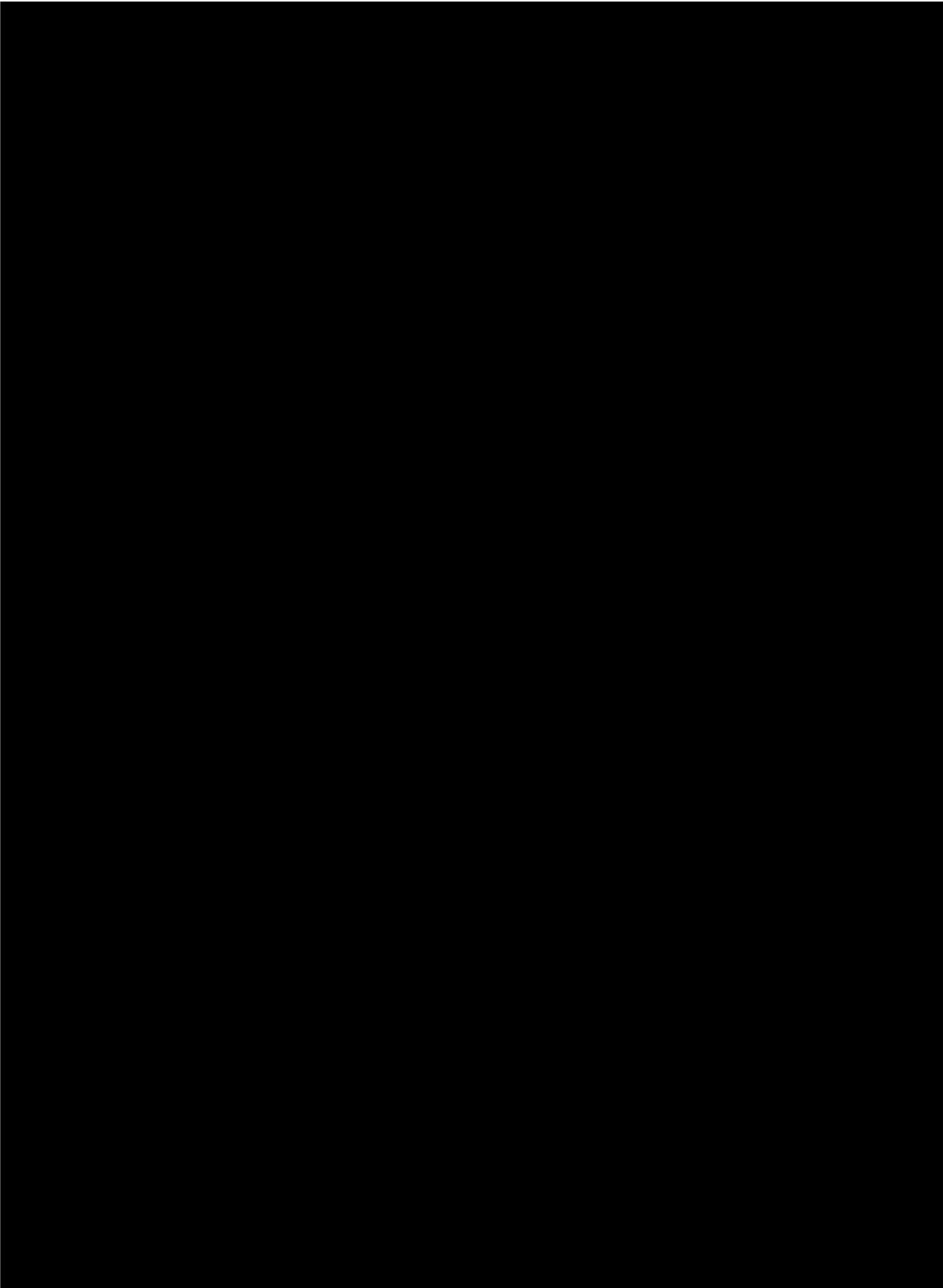


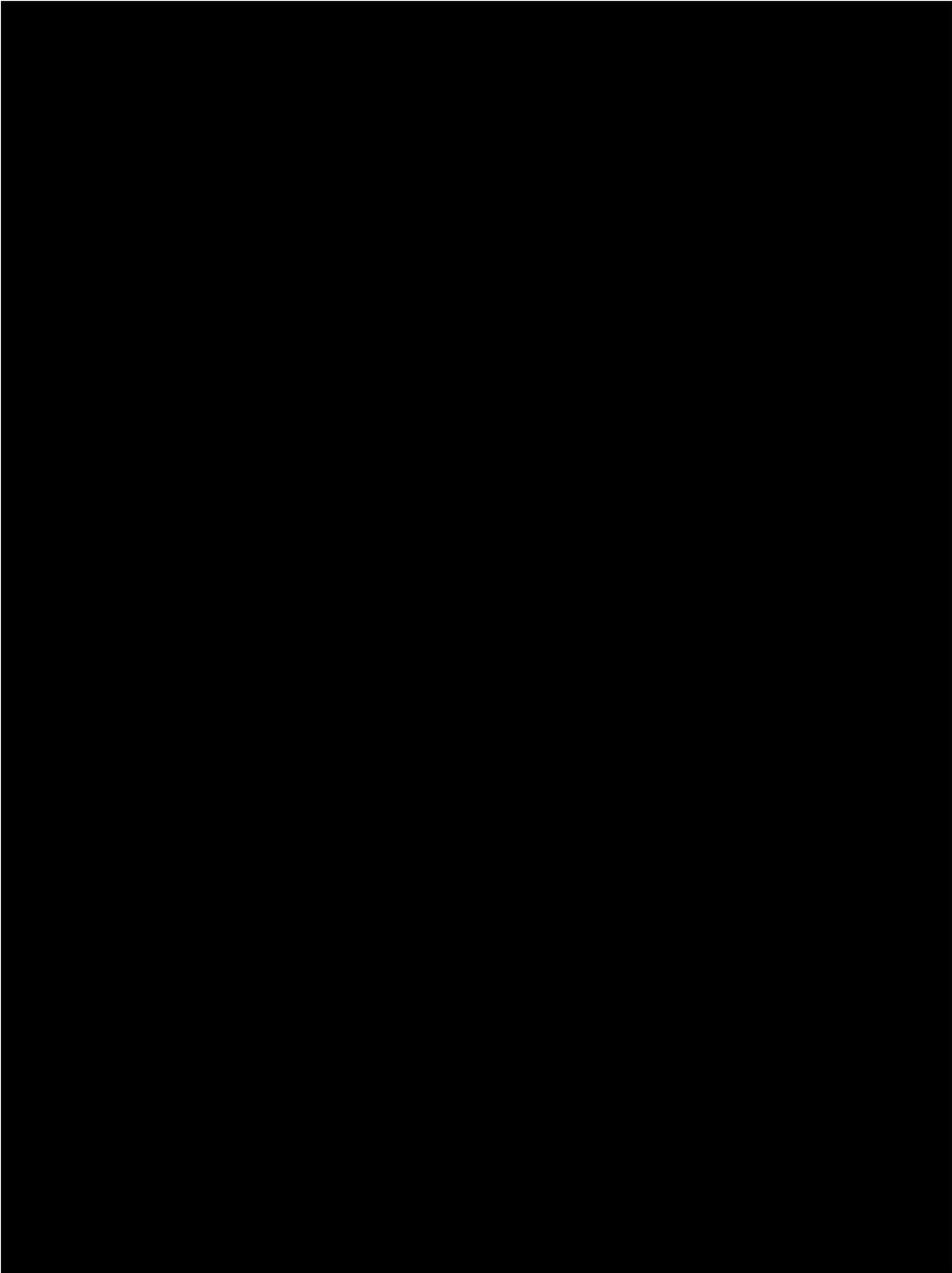


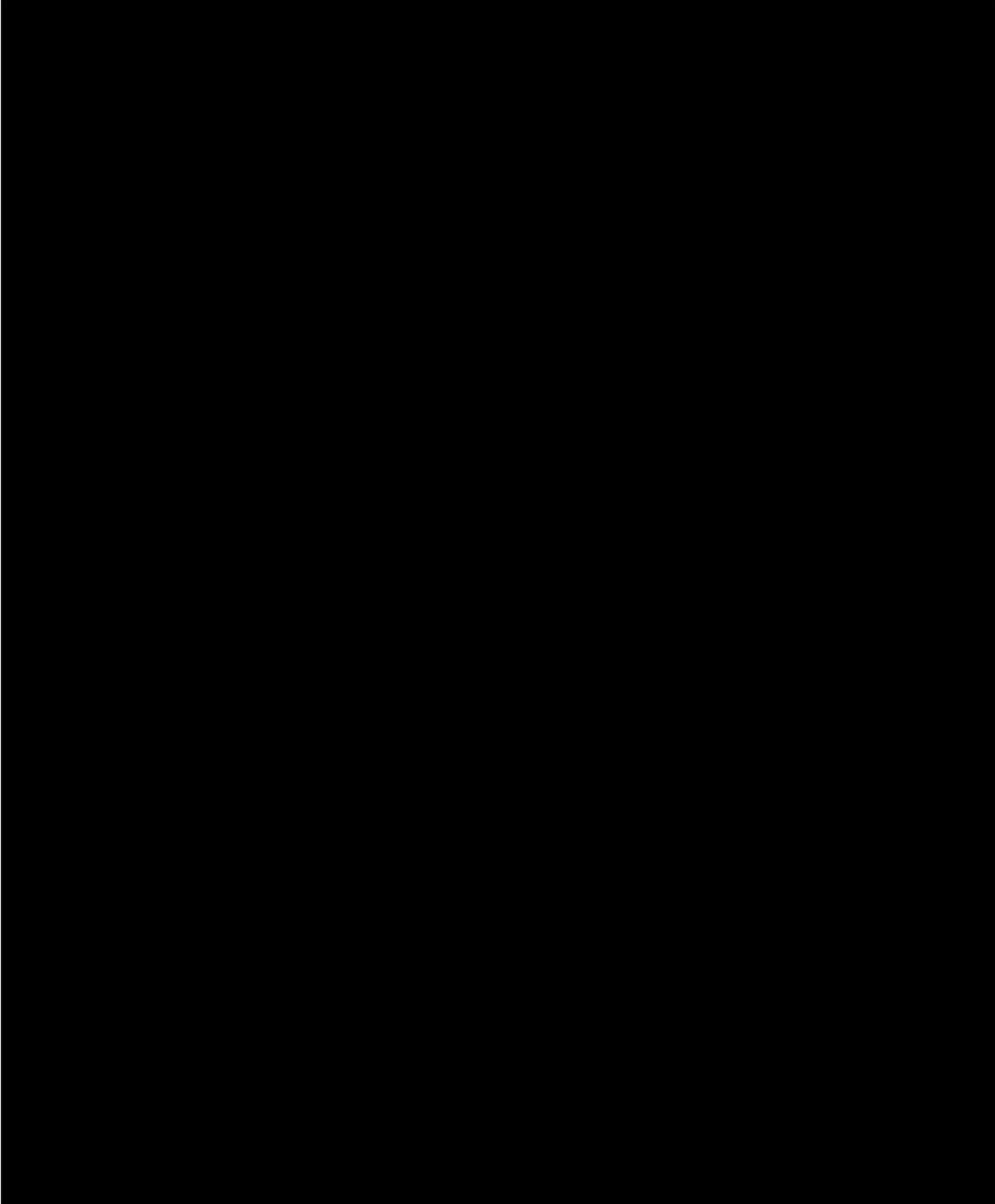


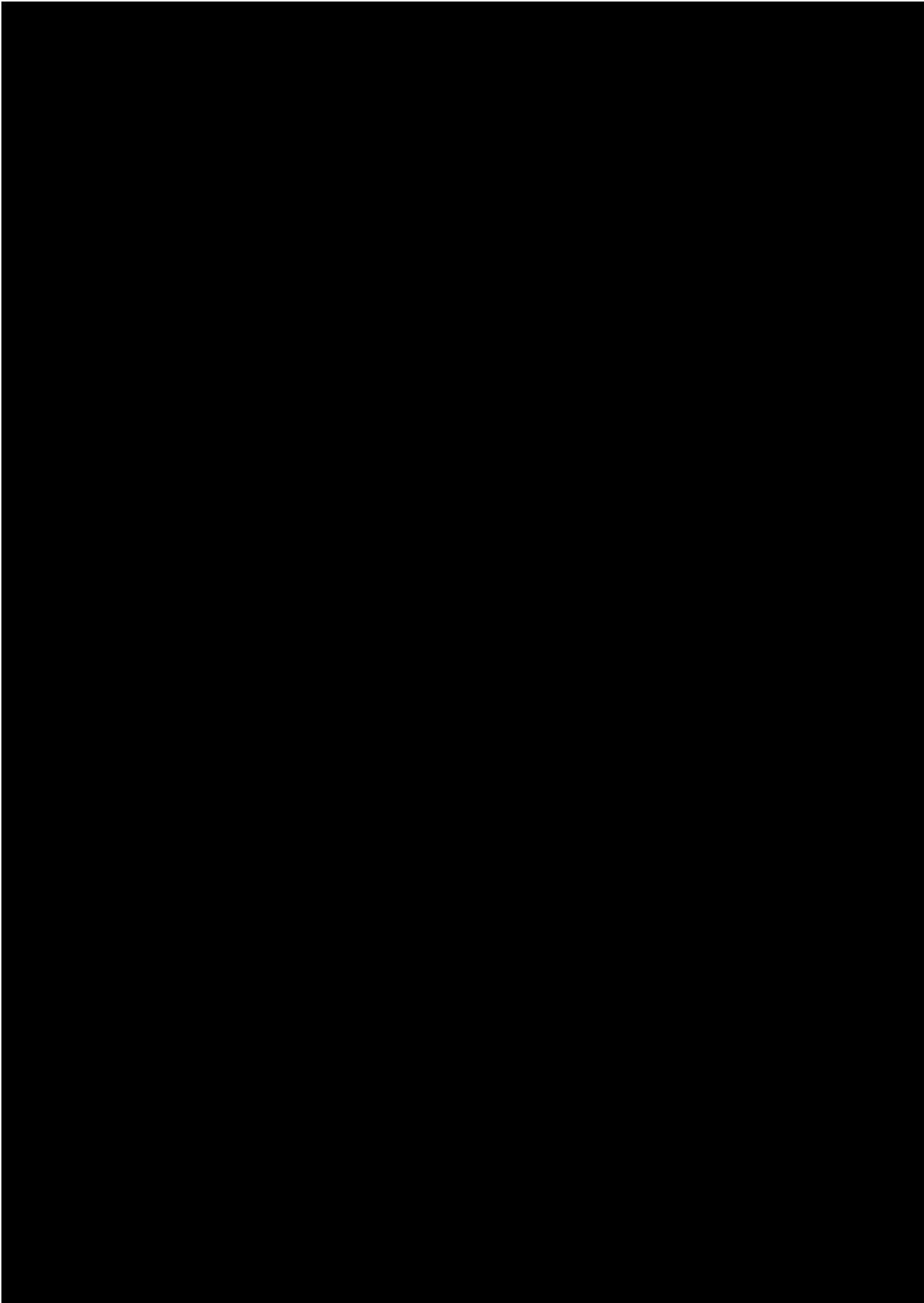


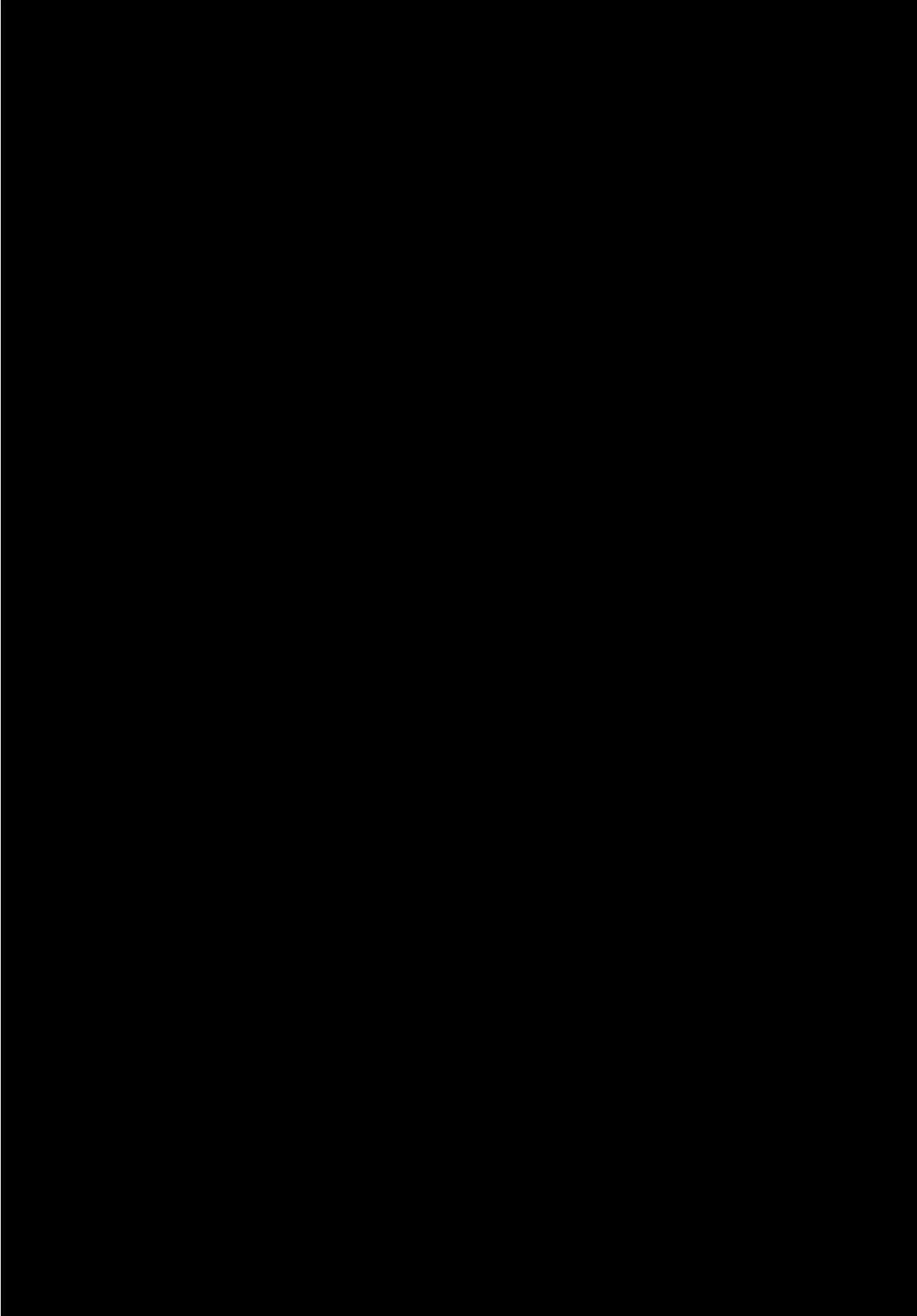


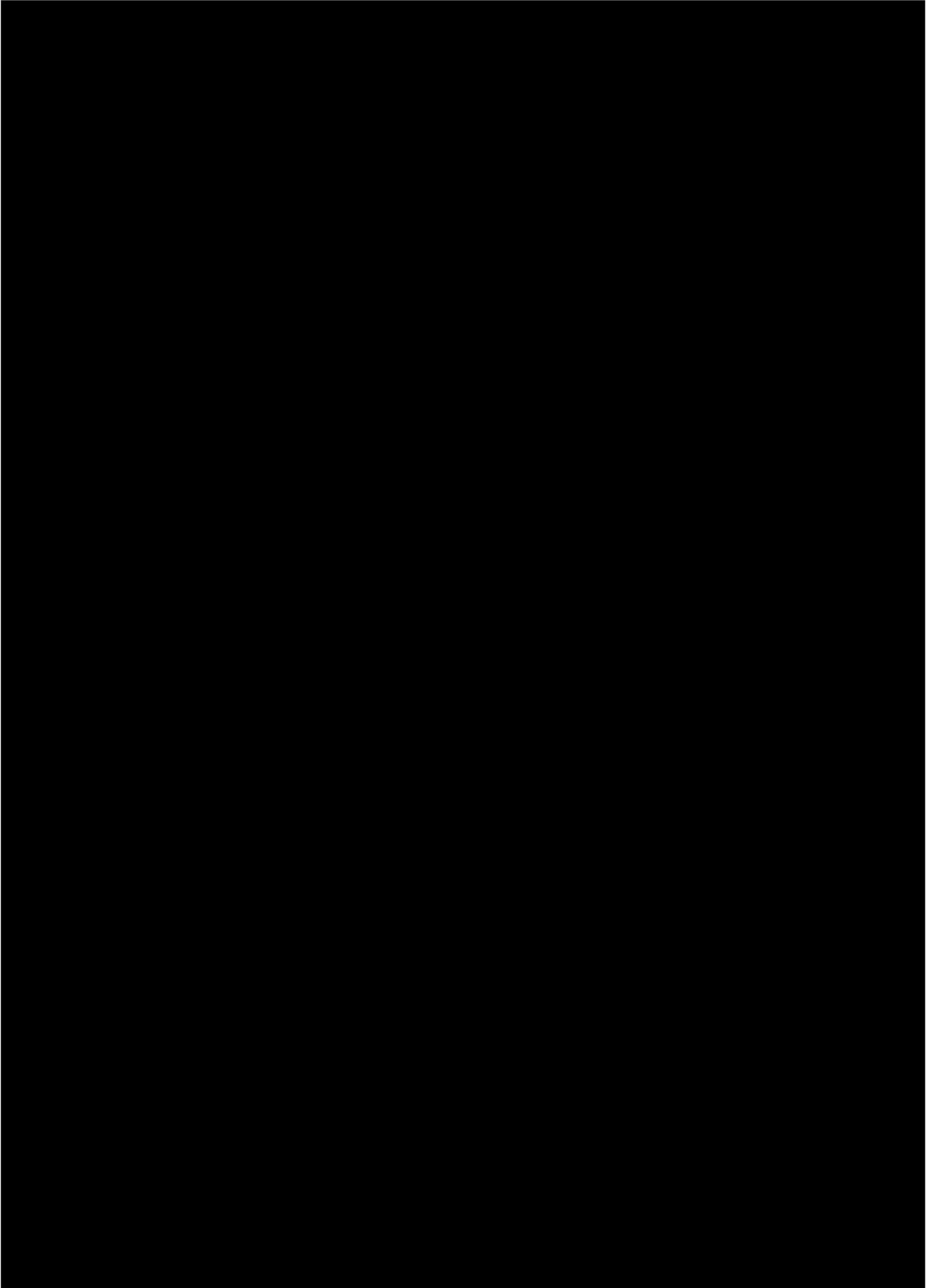


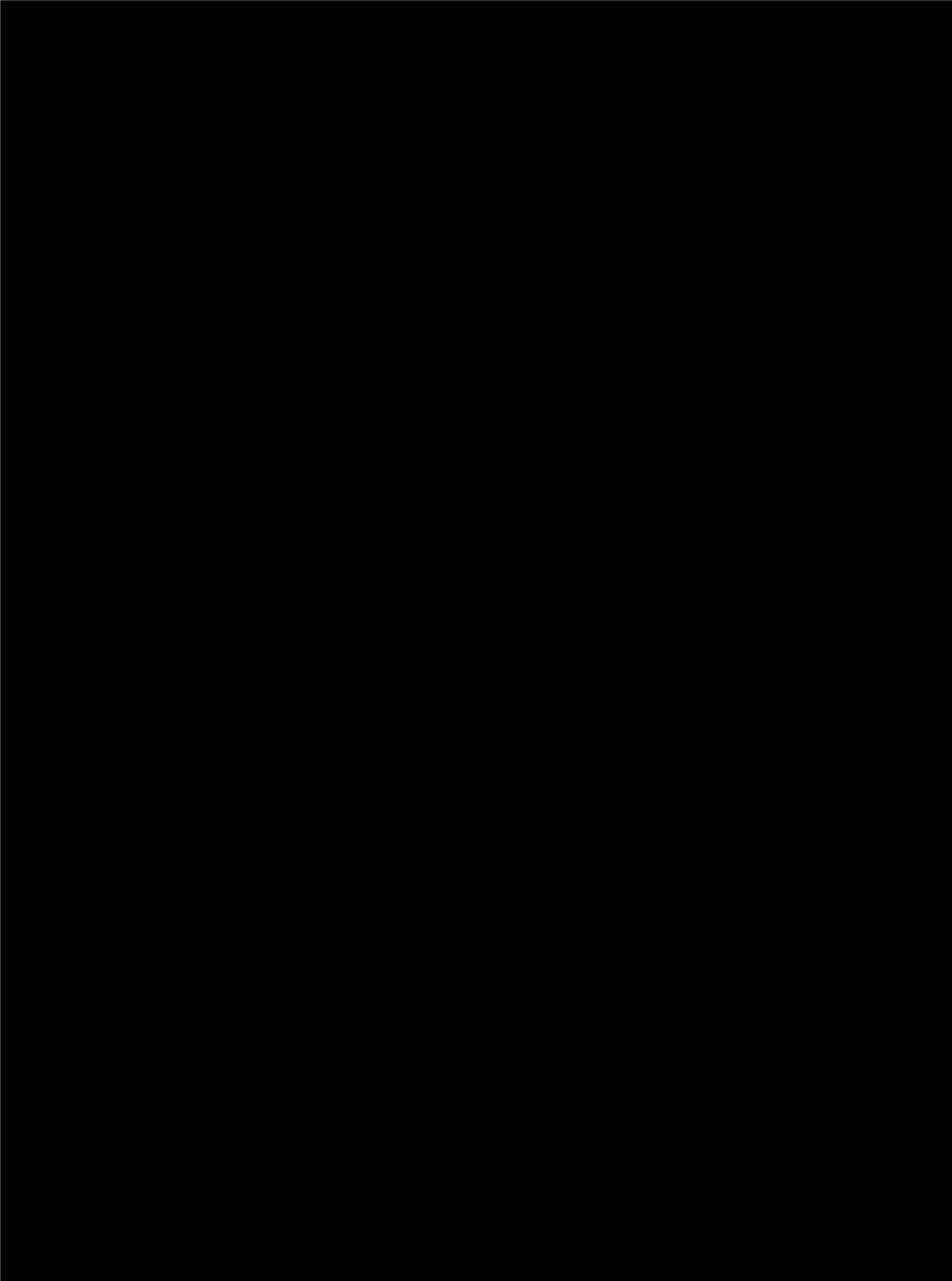


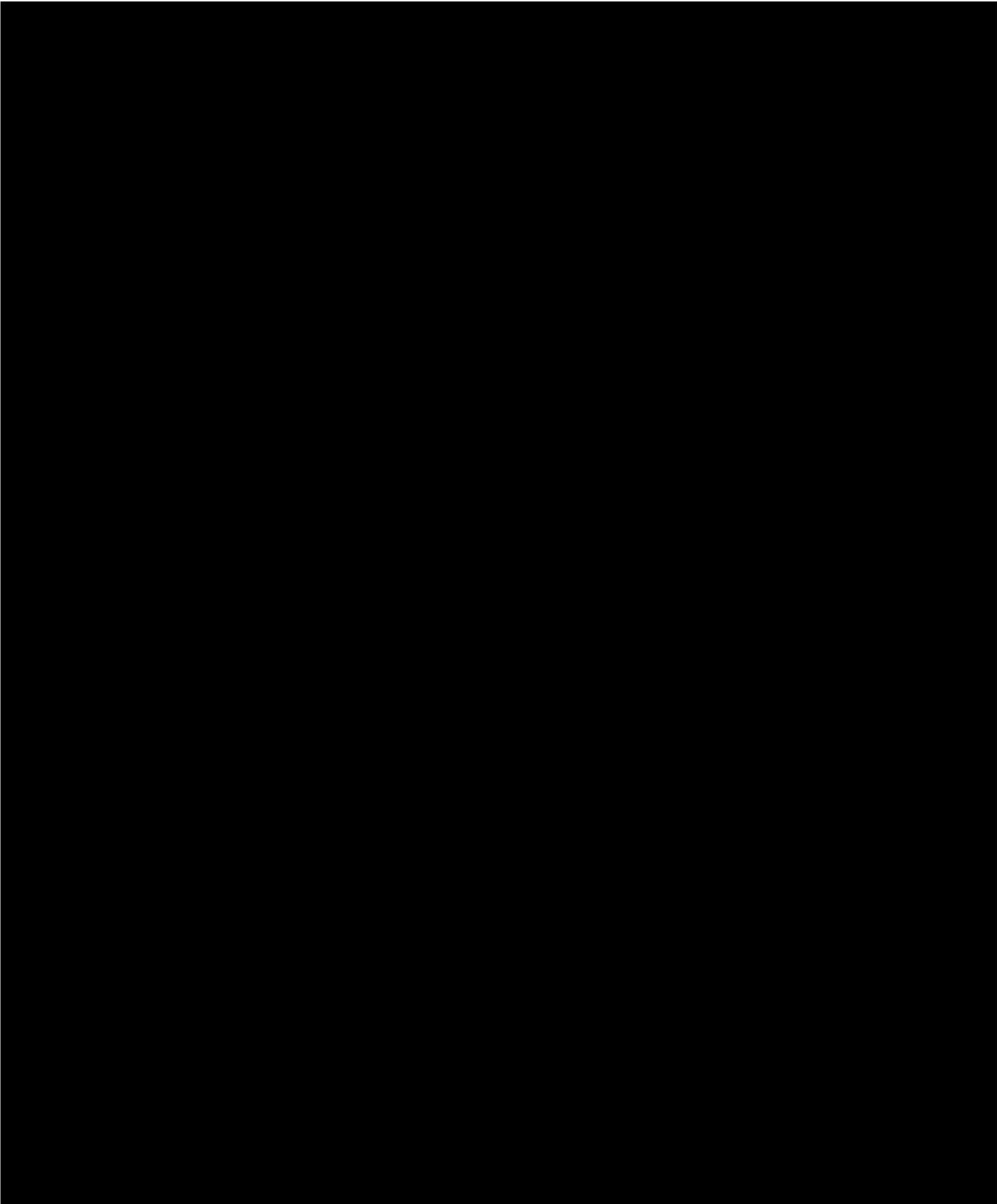


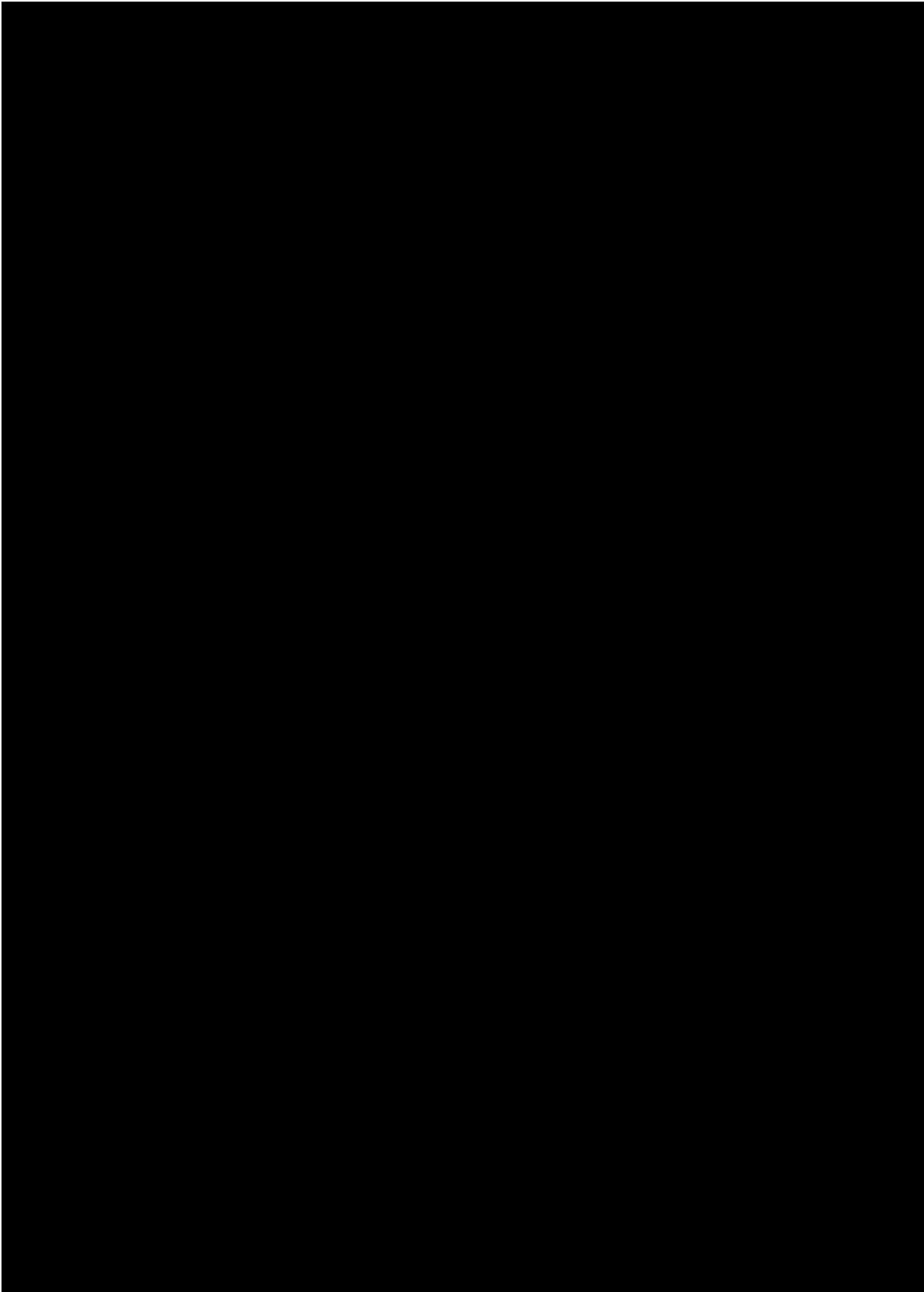


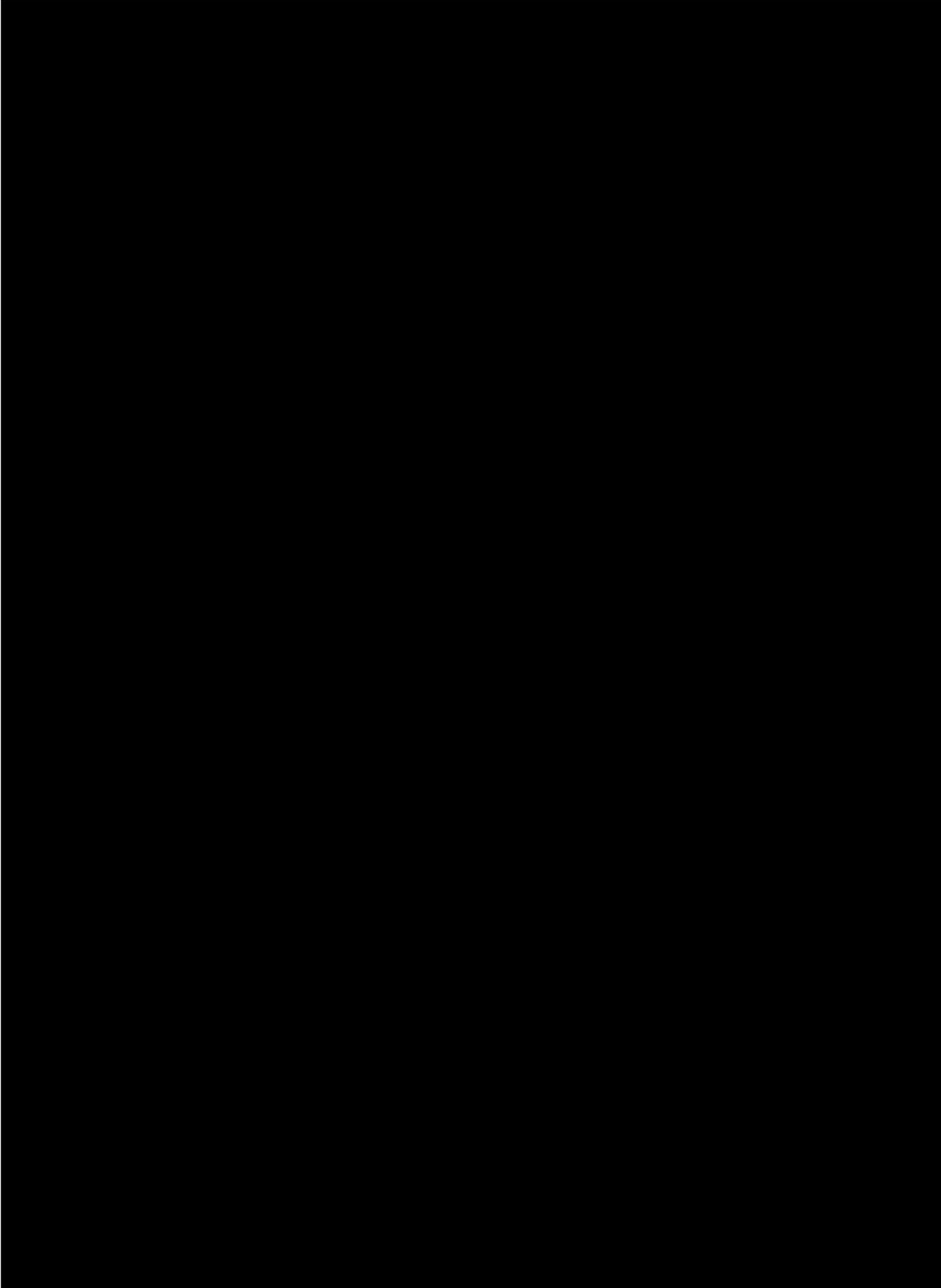


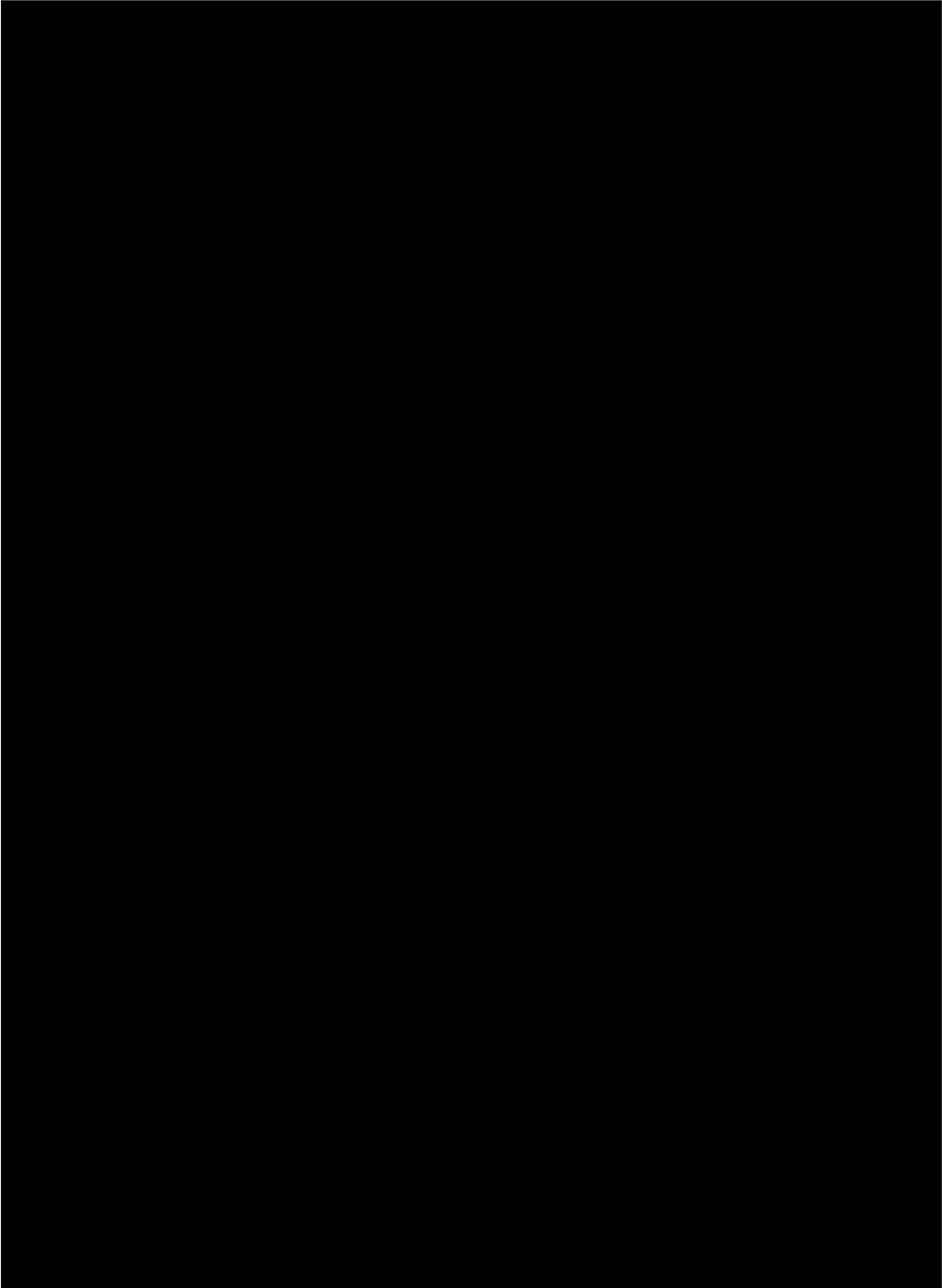




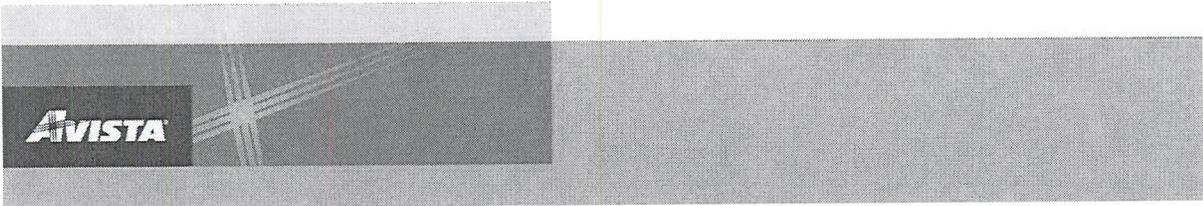






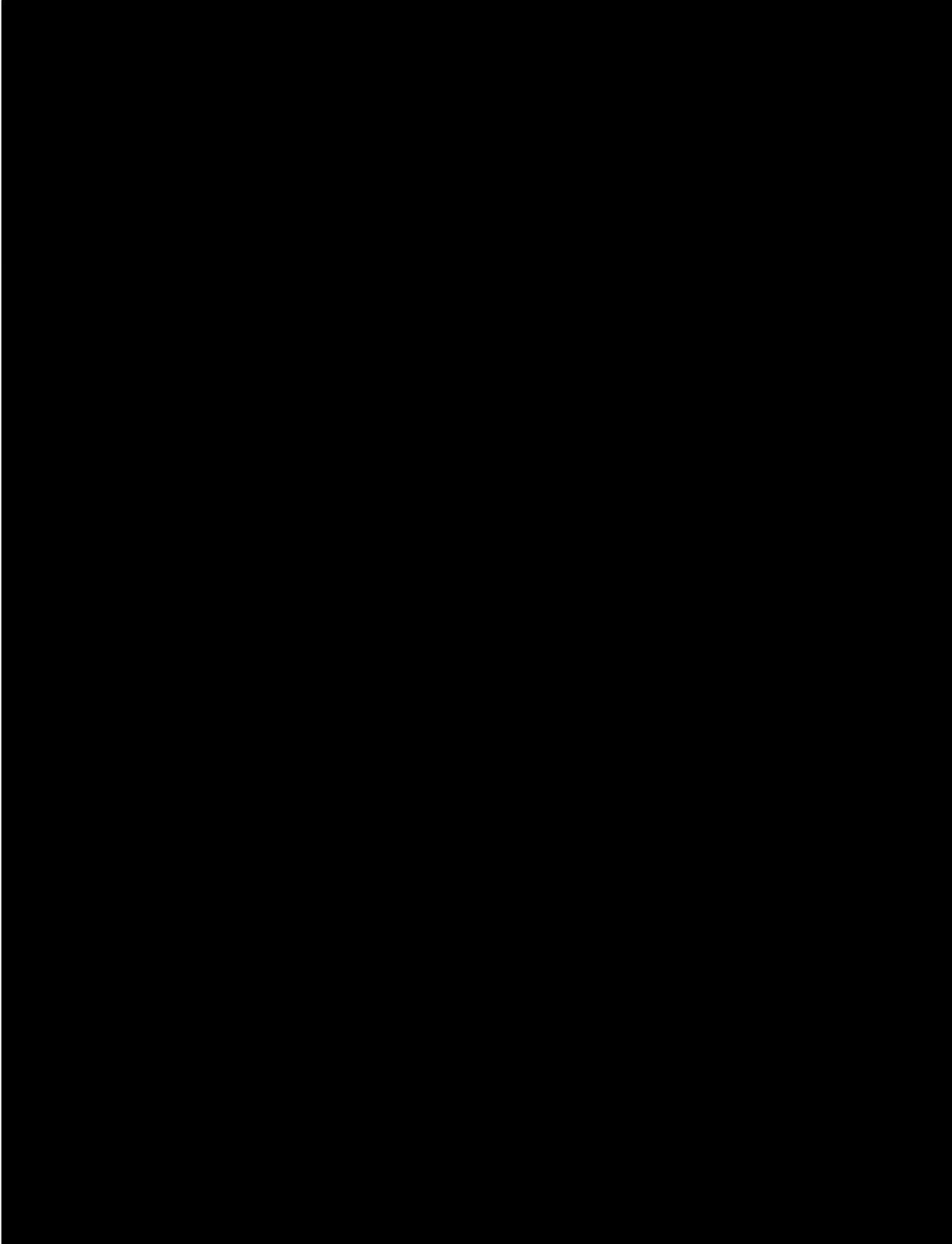


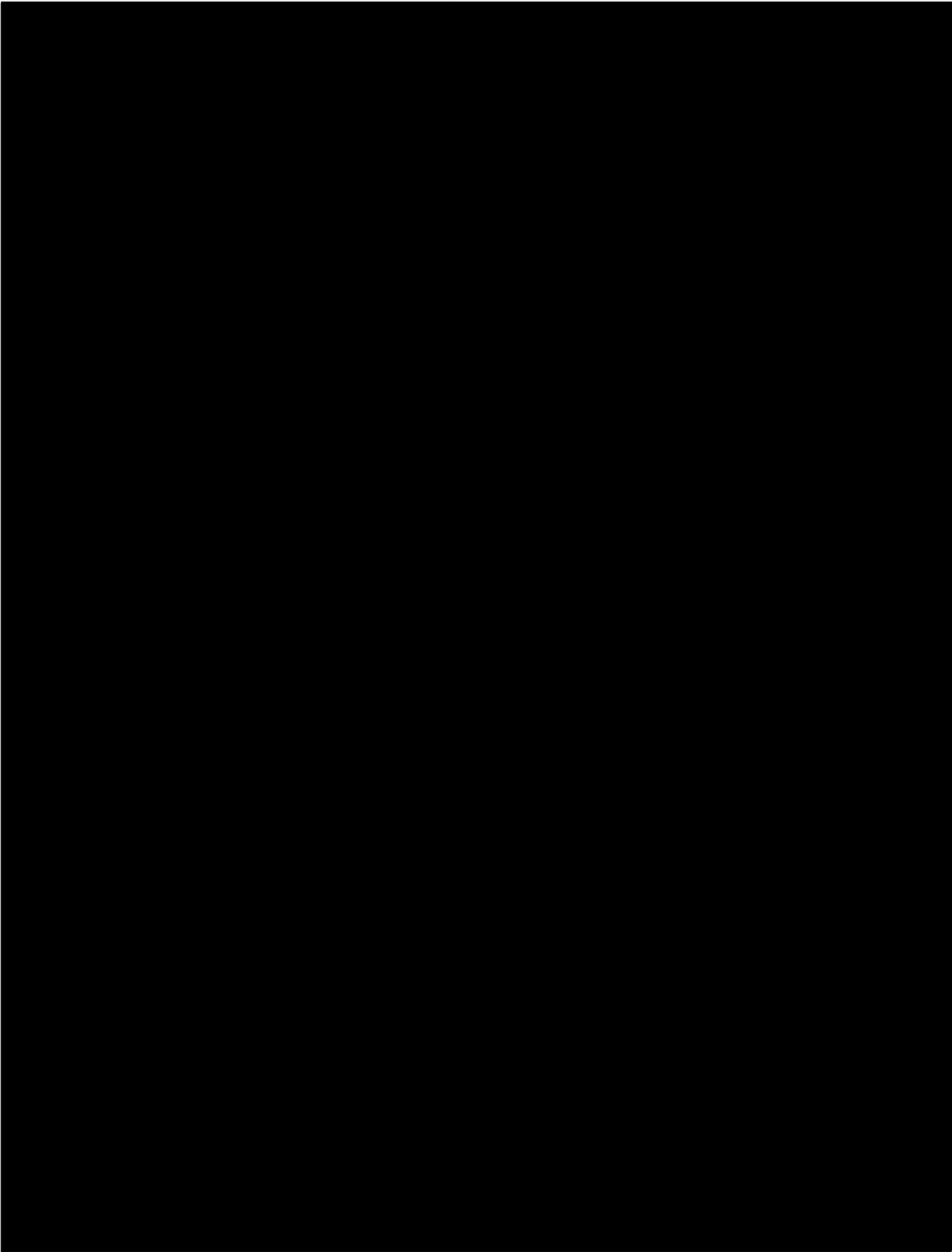
GENERAL CONDITIONS

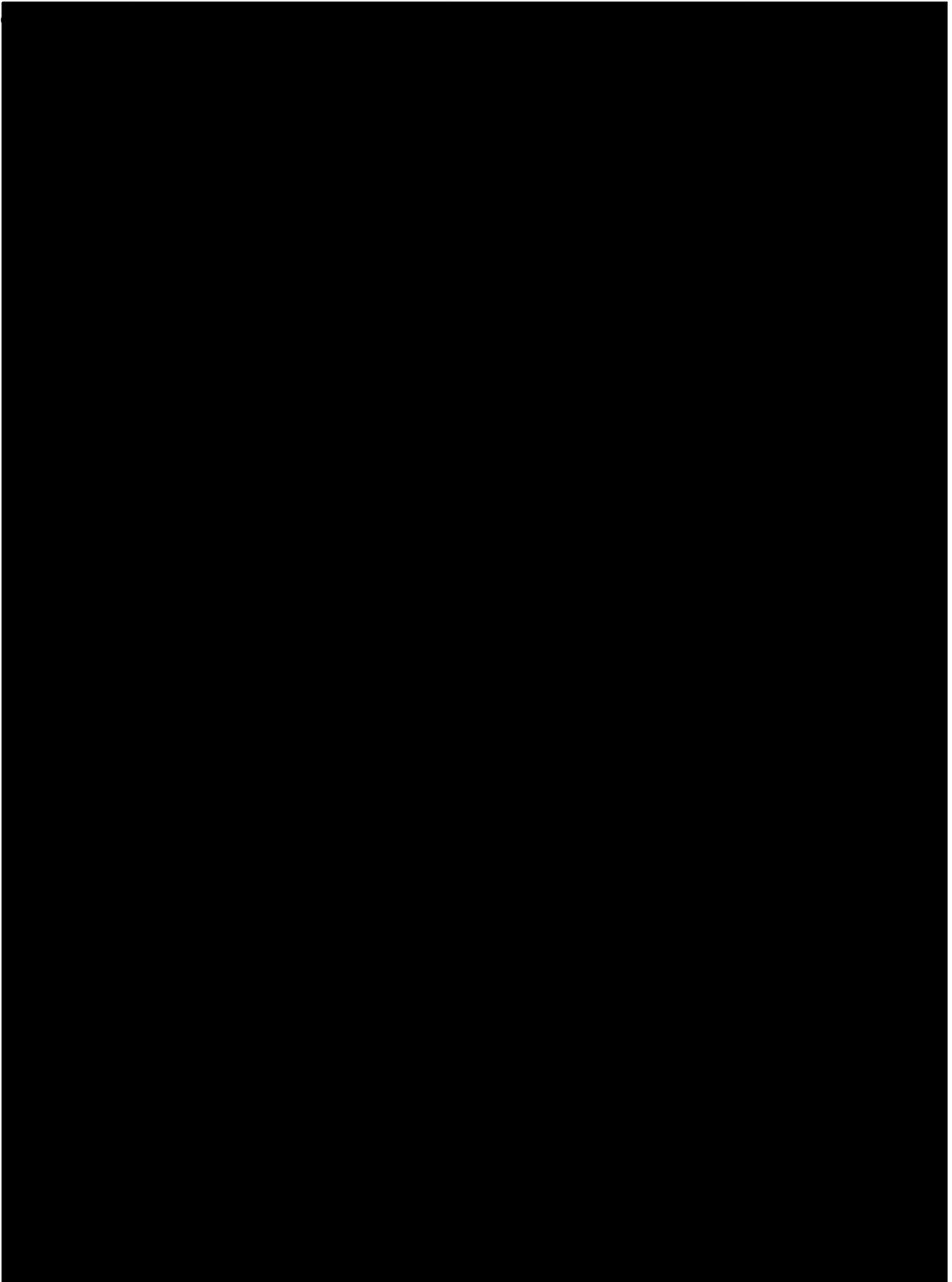


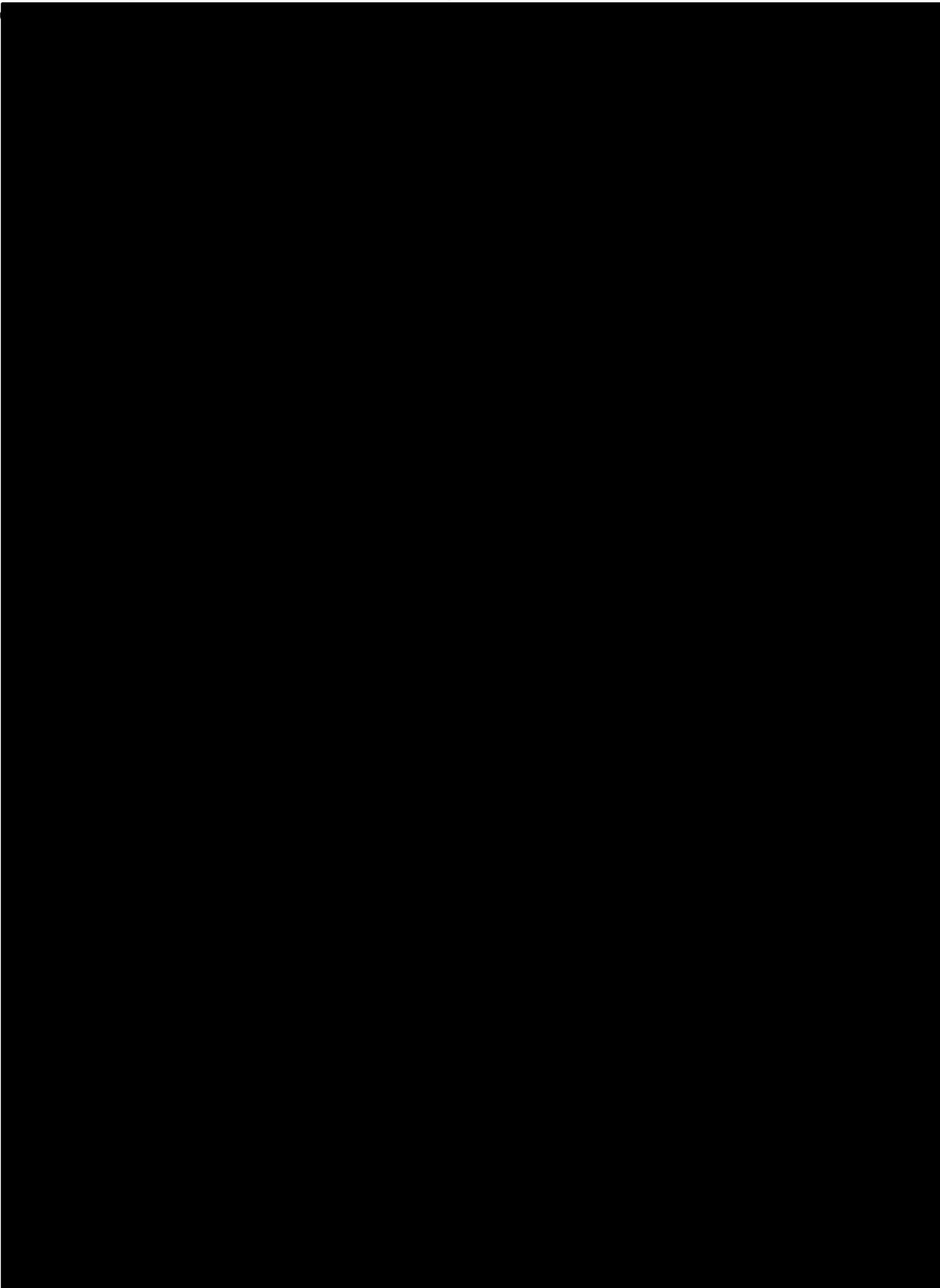
**GENERAL CONDITIONS FOR
SERVICES AGREEMENTS**

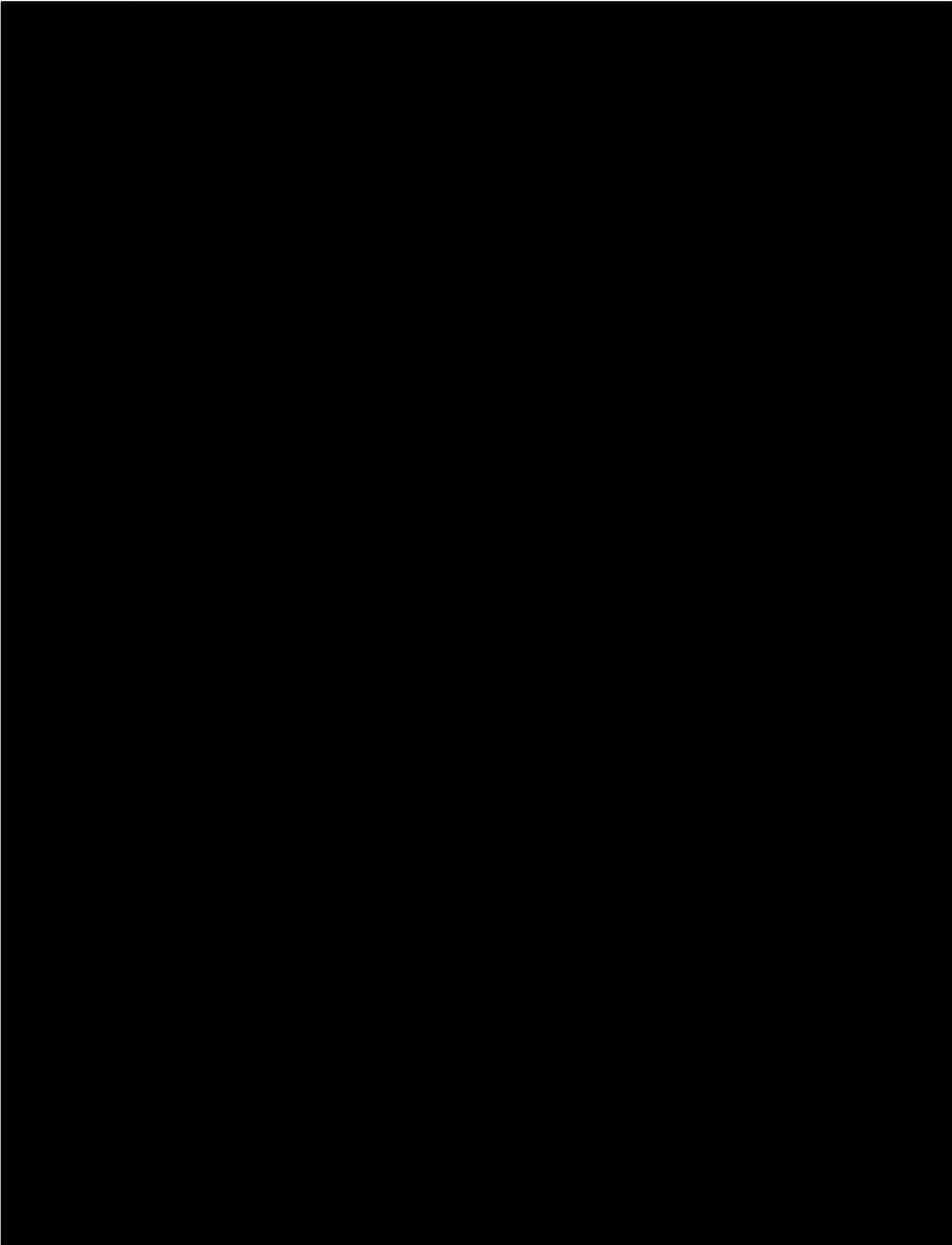
Avista Corporation
East 1411 Mission Avenue
PO Box 3727
Spokane, WA 99220-3727

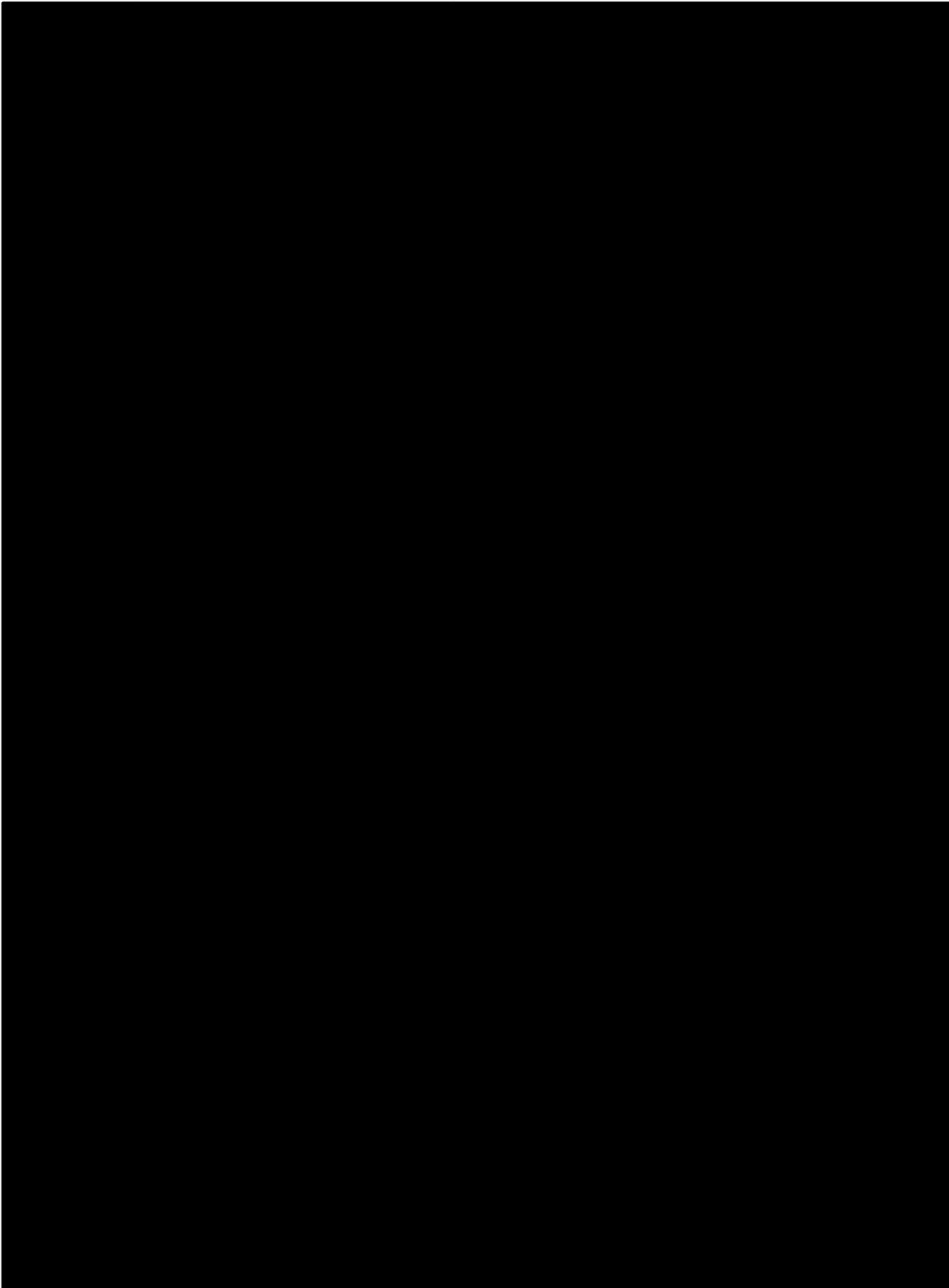


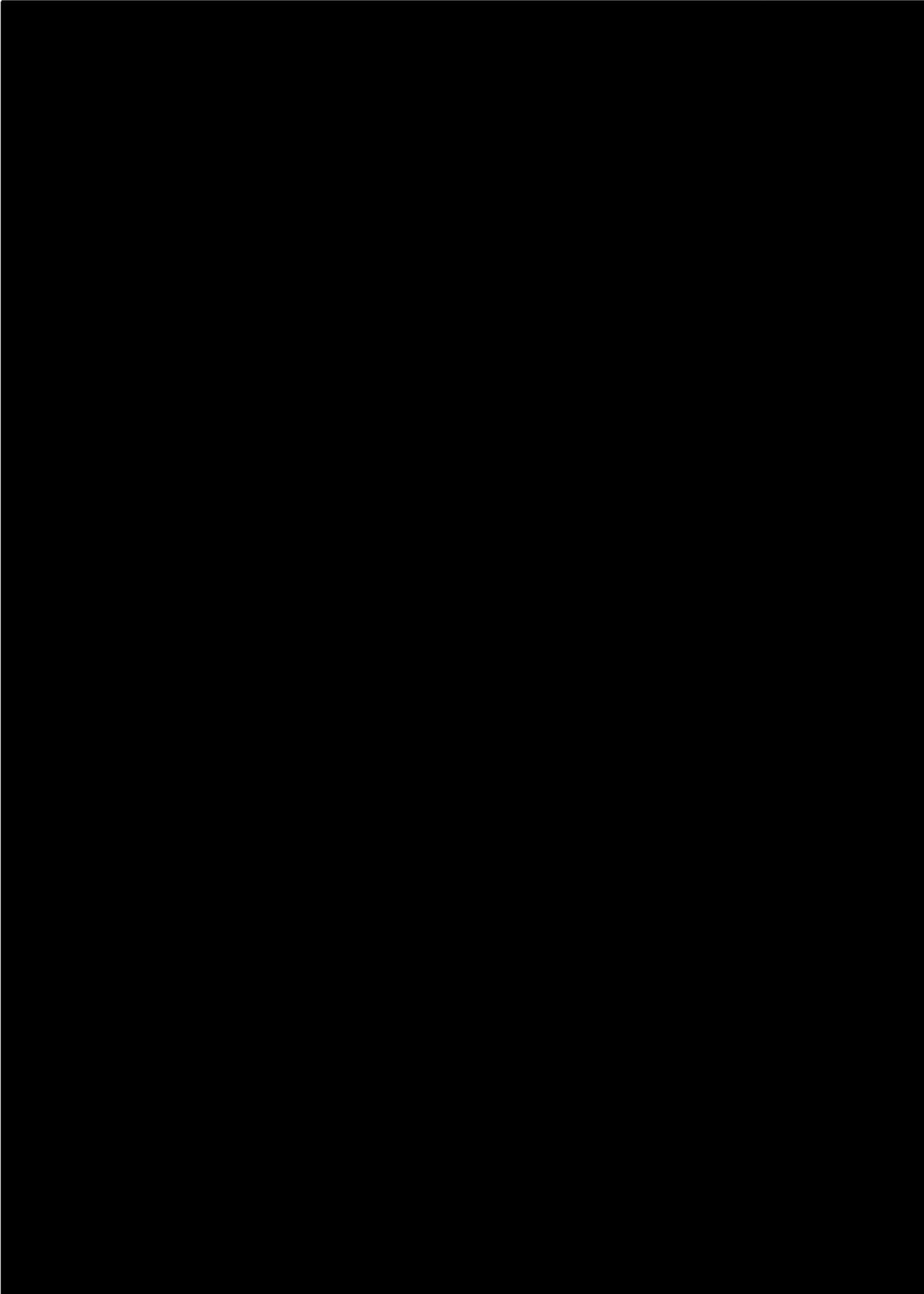


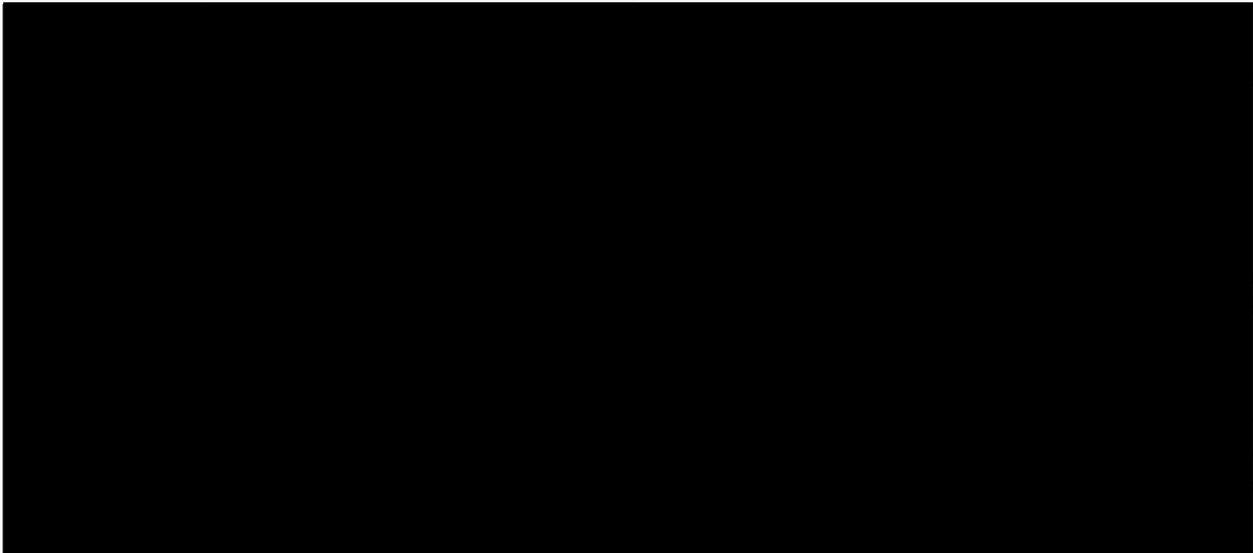












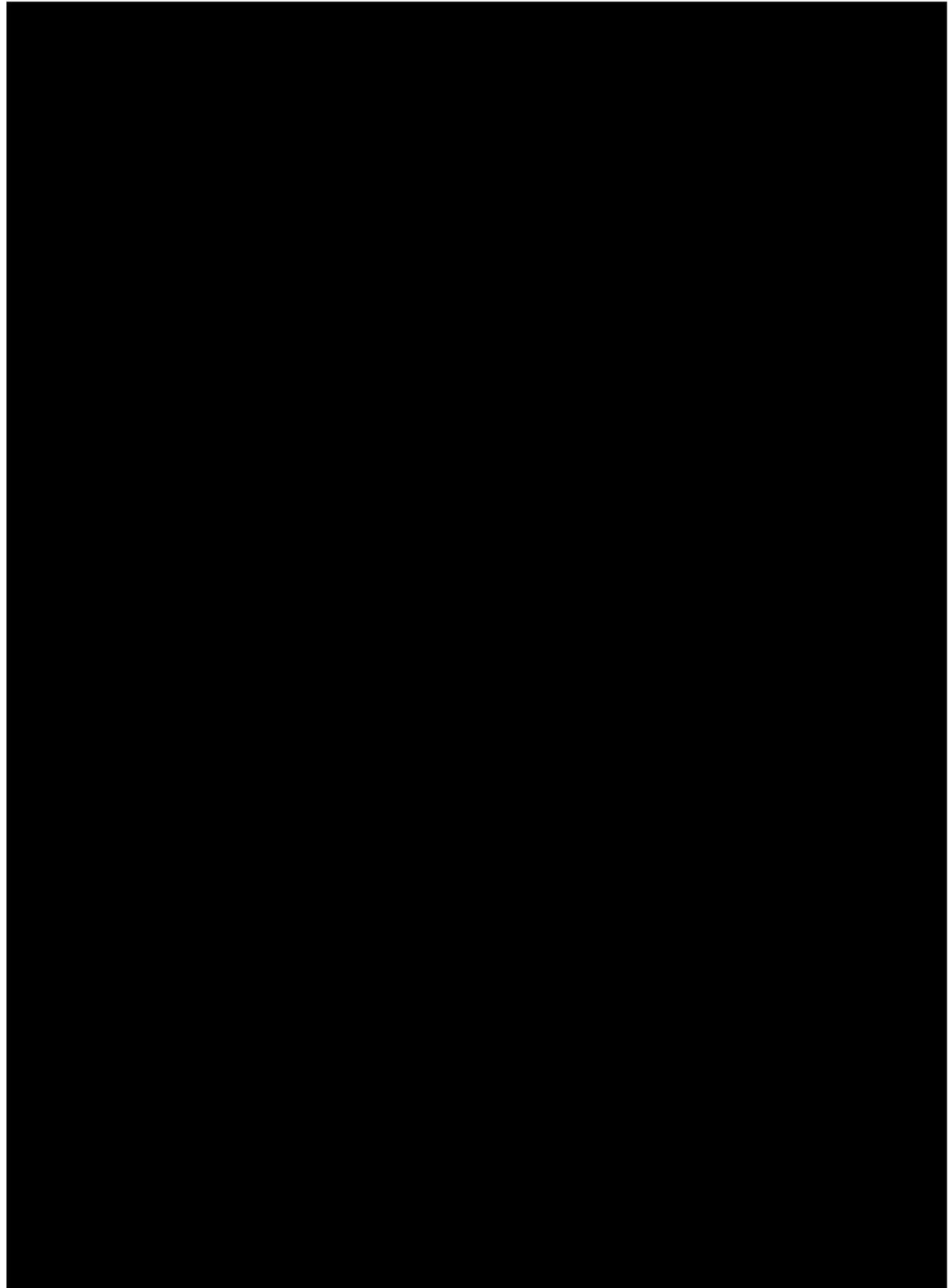
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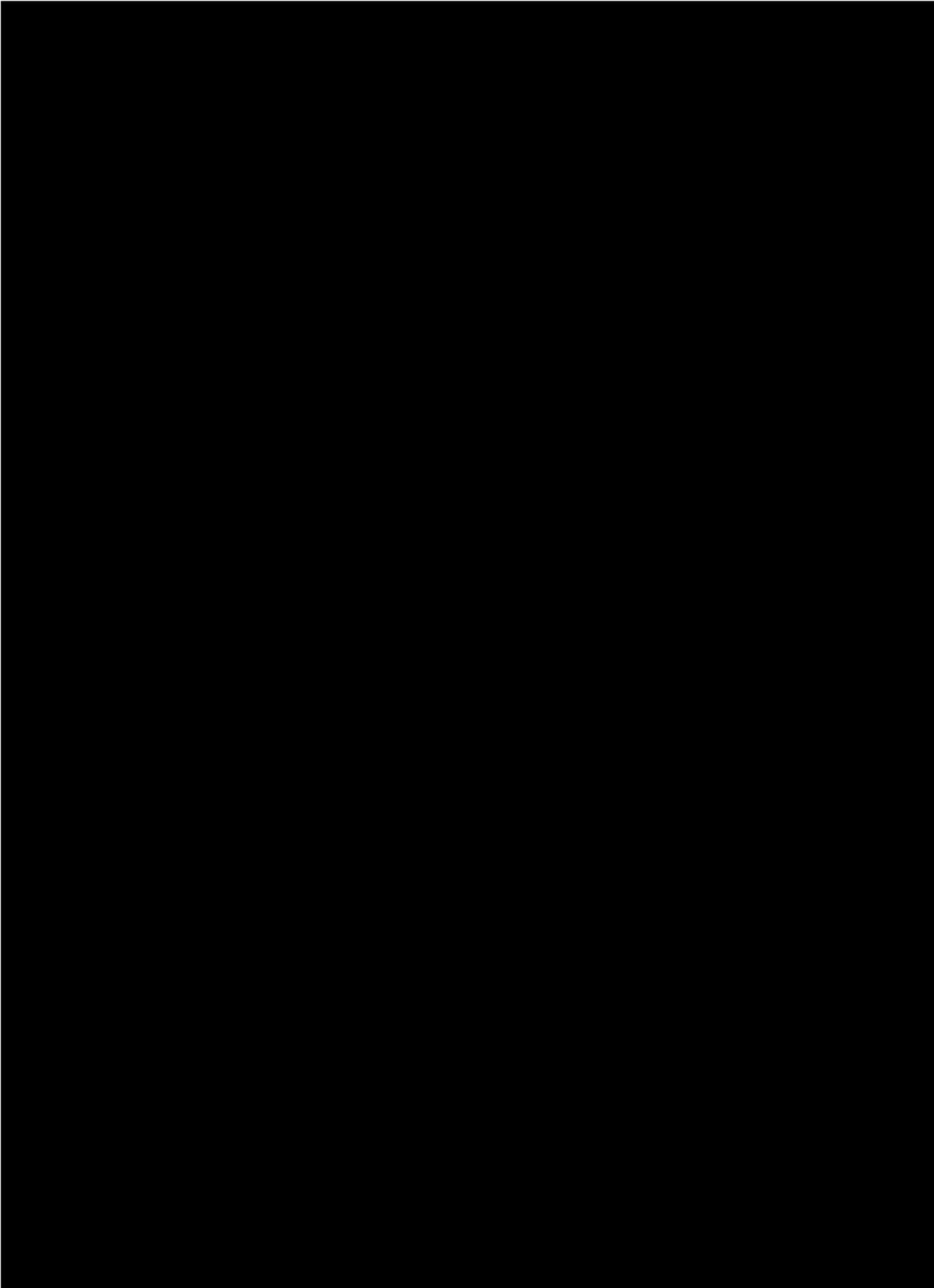
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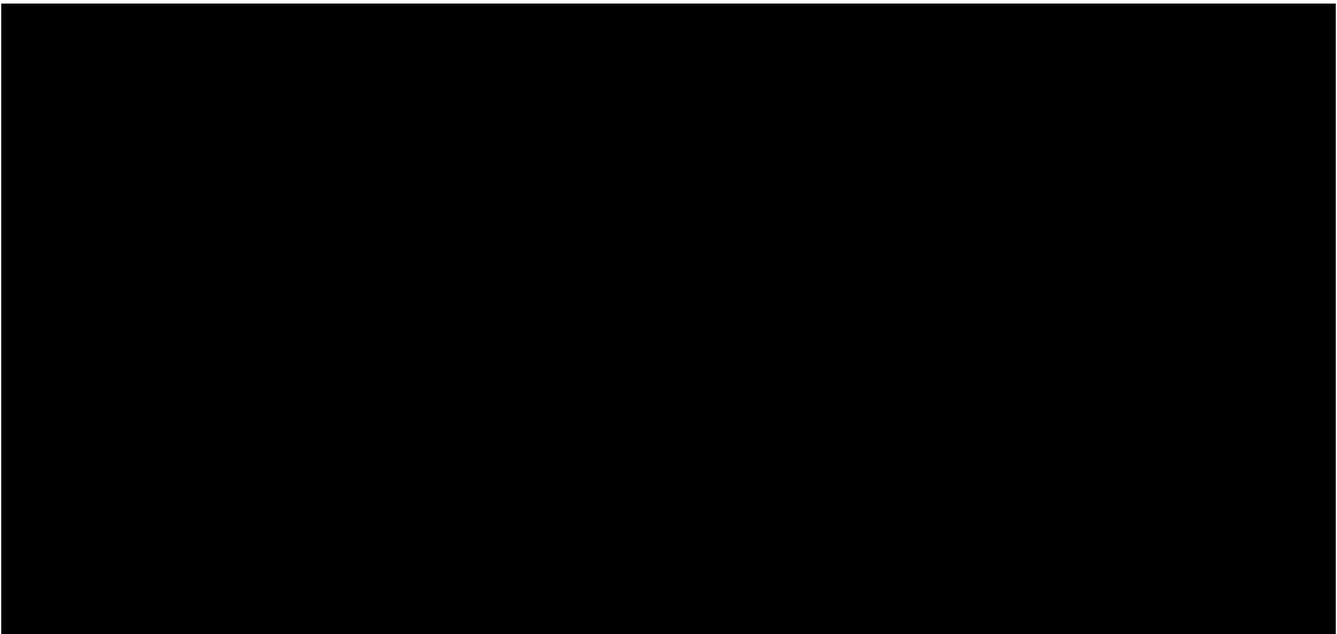
II.

III.

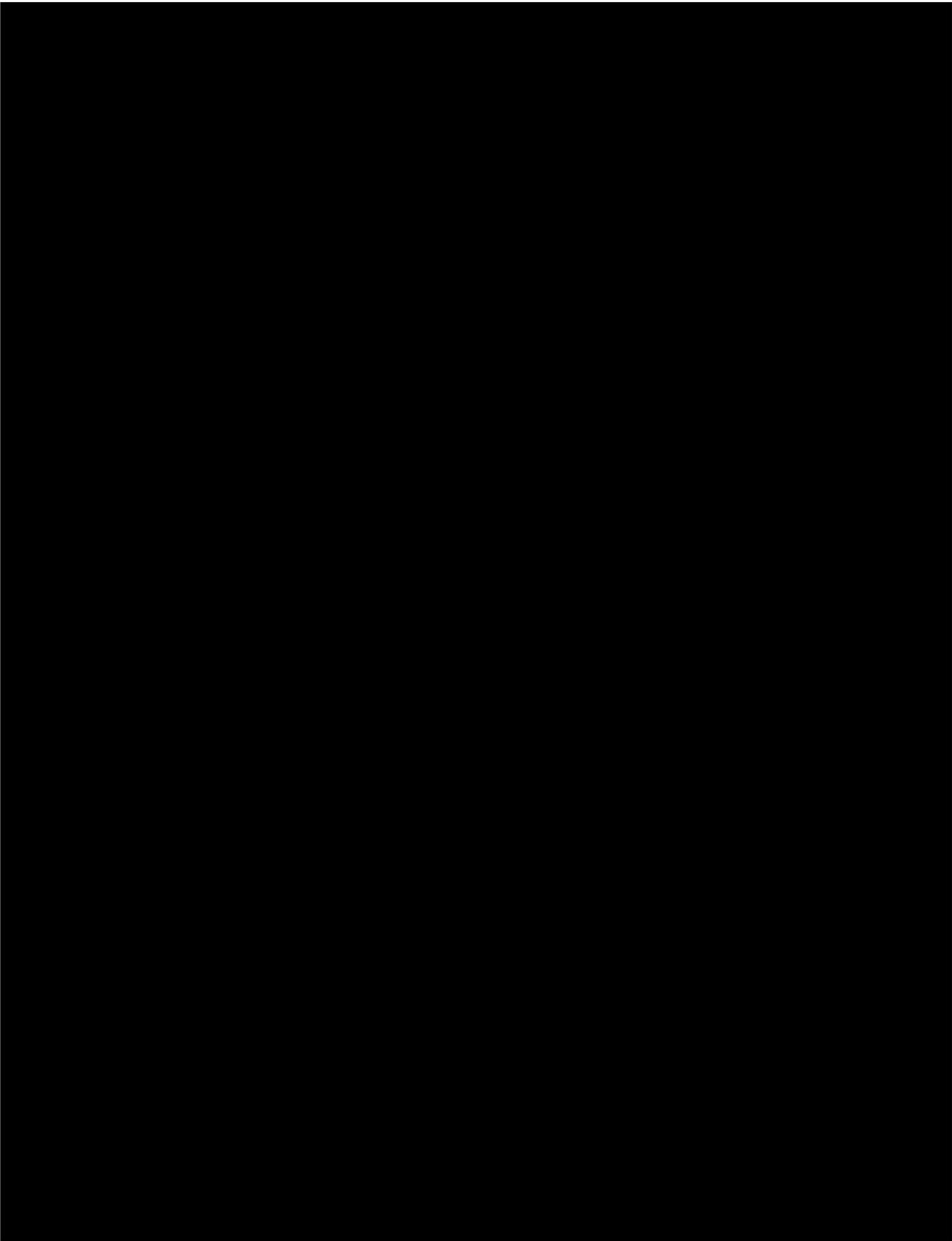
IV.

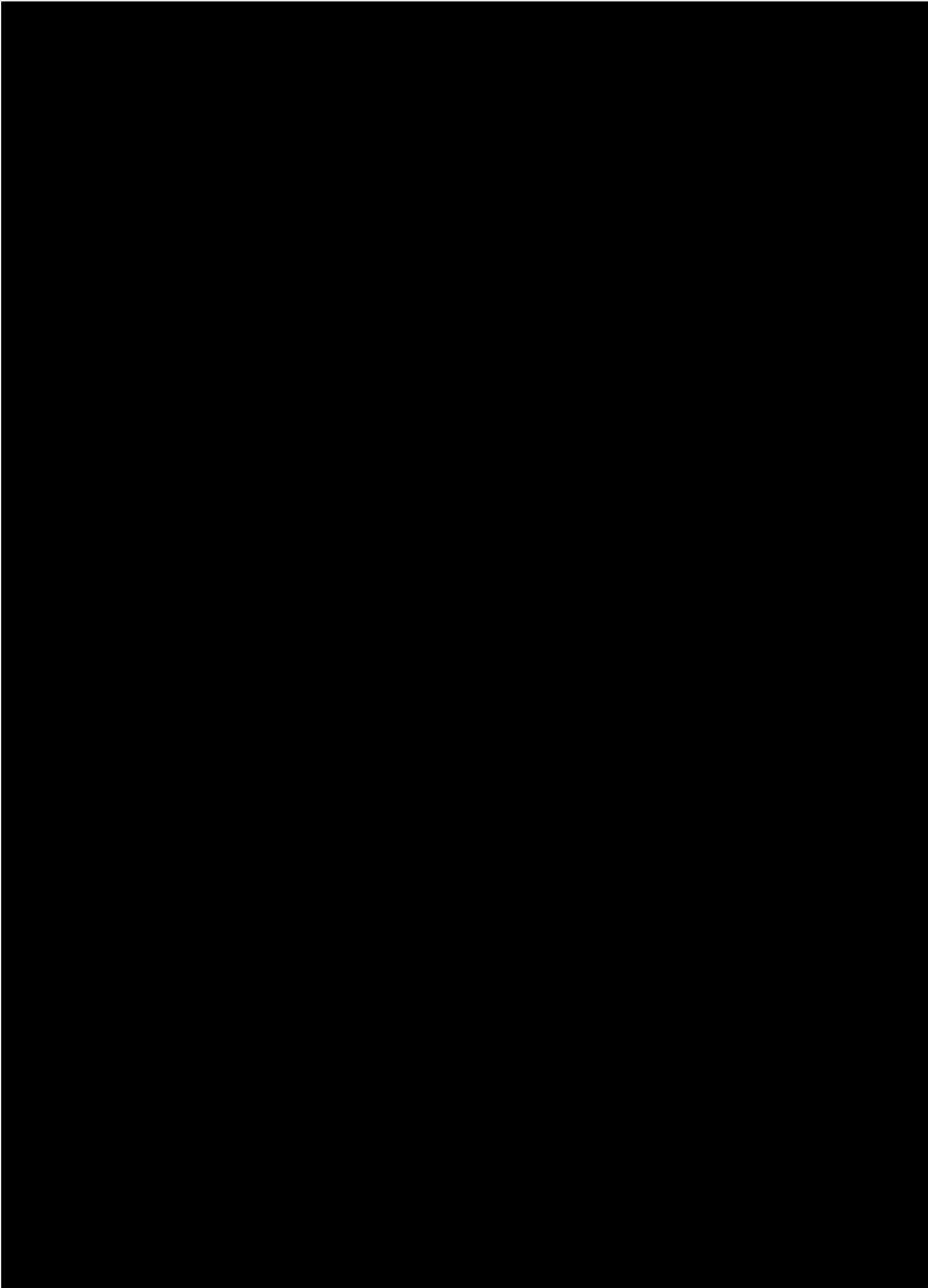






CONFIDENTIAL PER ORS 192.501 and 192.502
SCHEDULE A TO EXHIBIT D



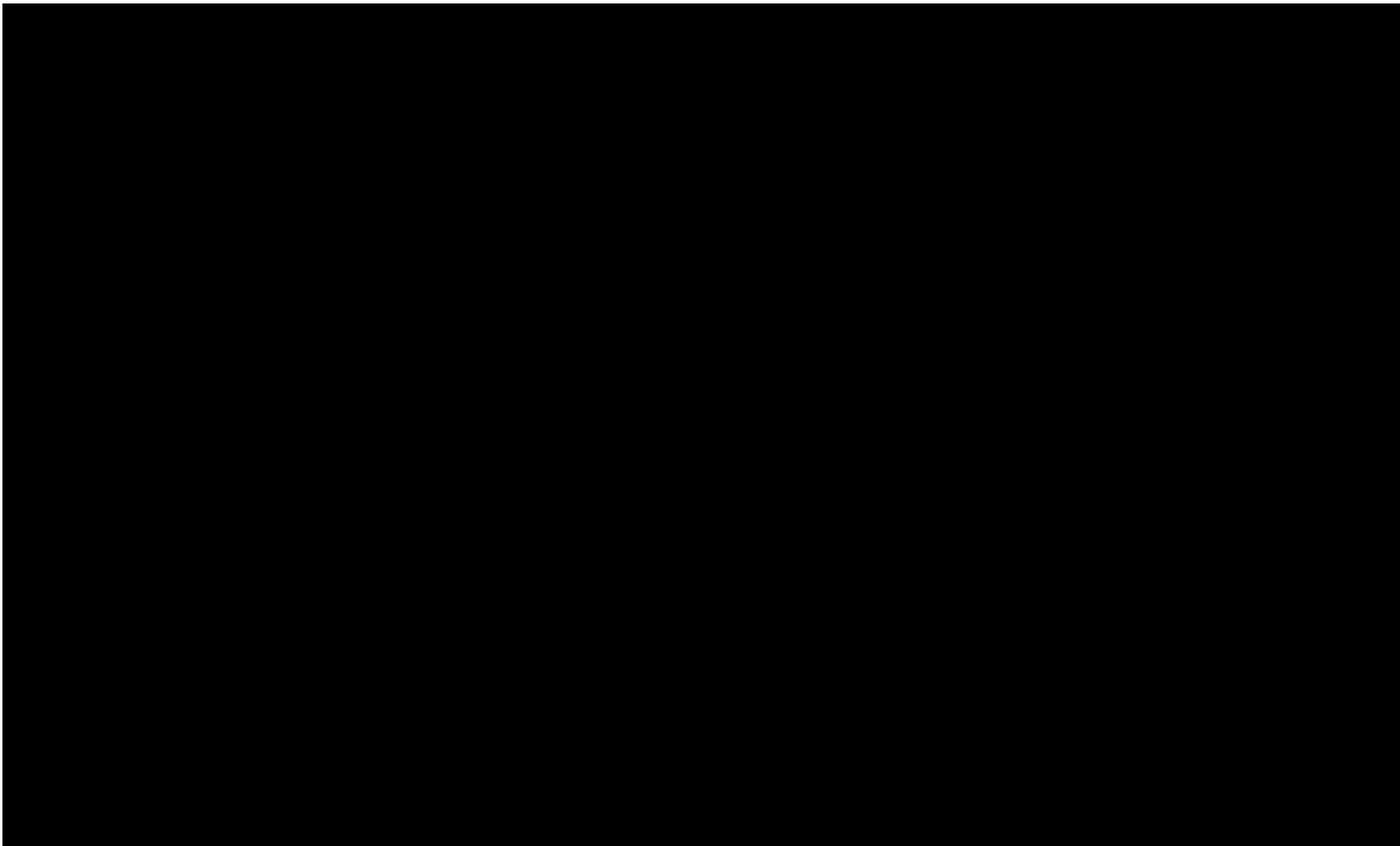


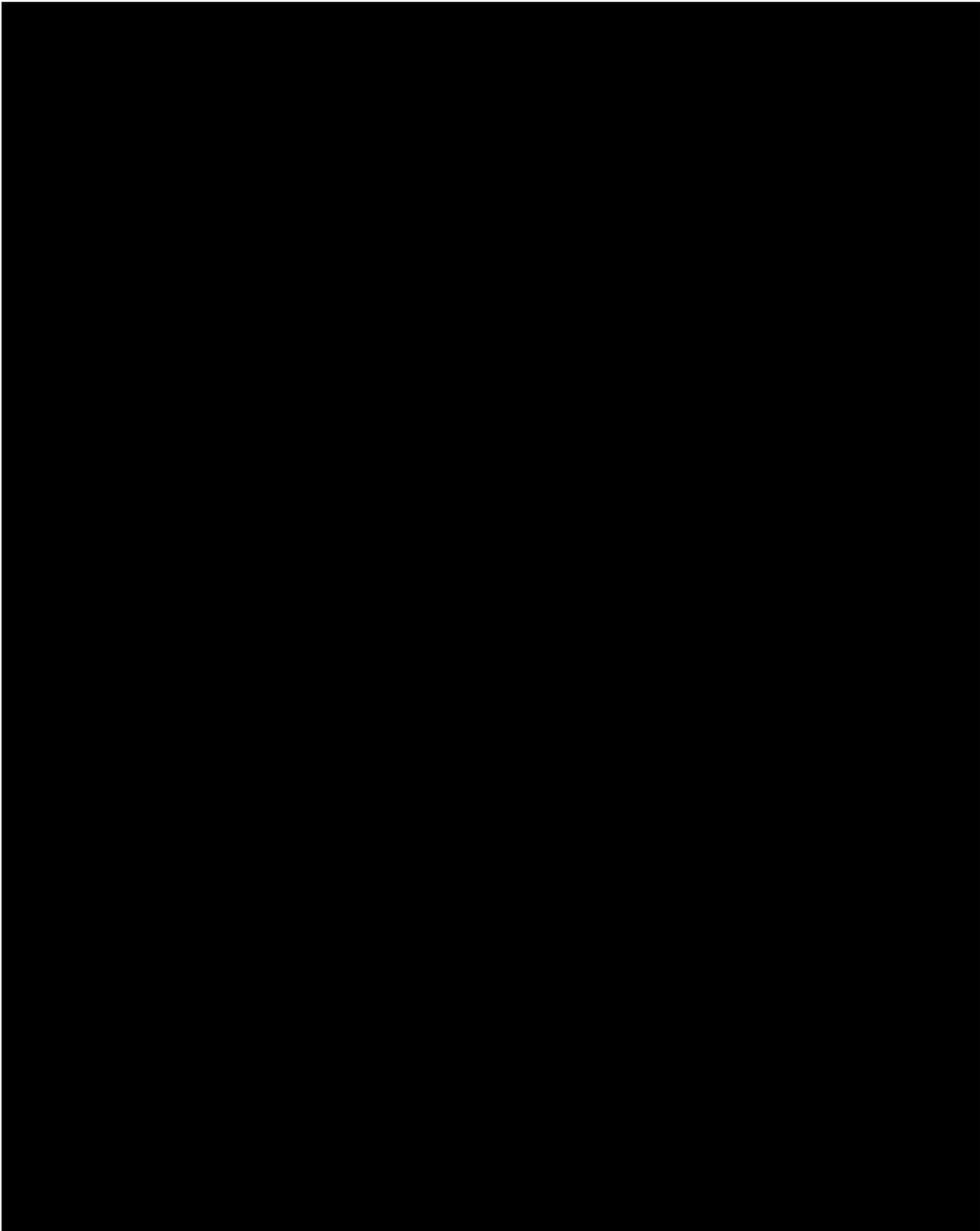
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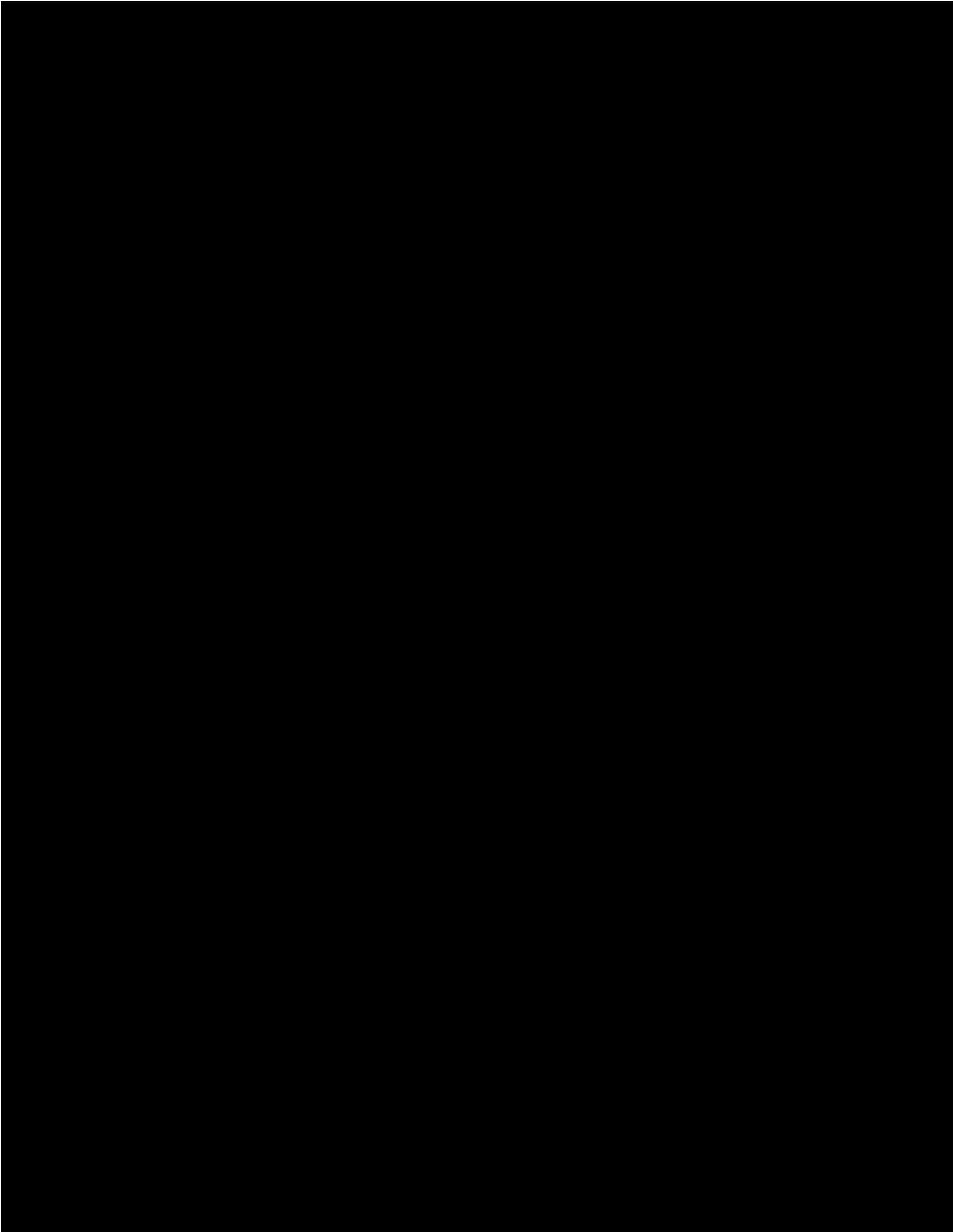
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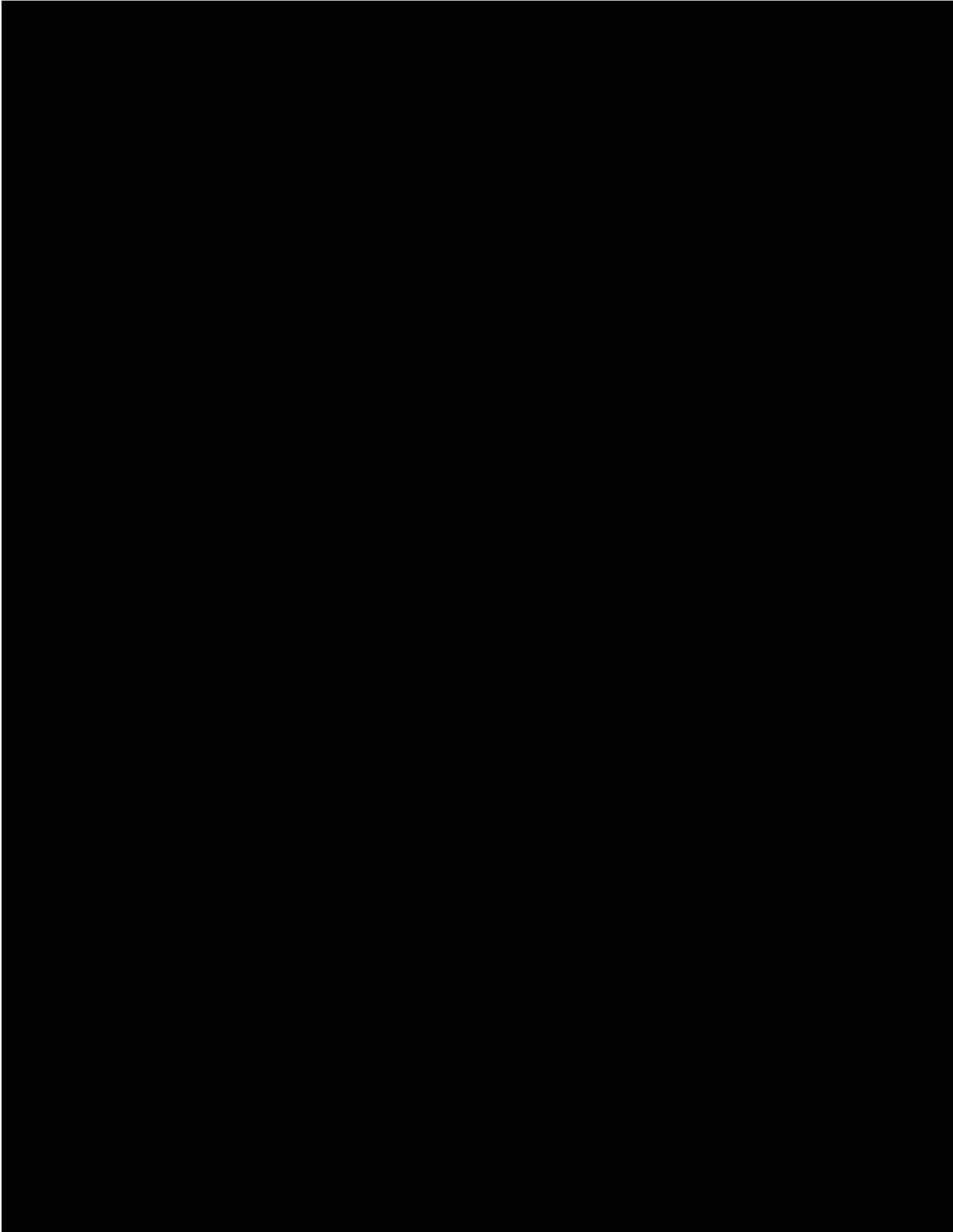
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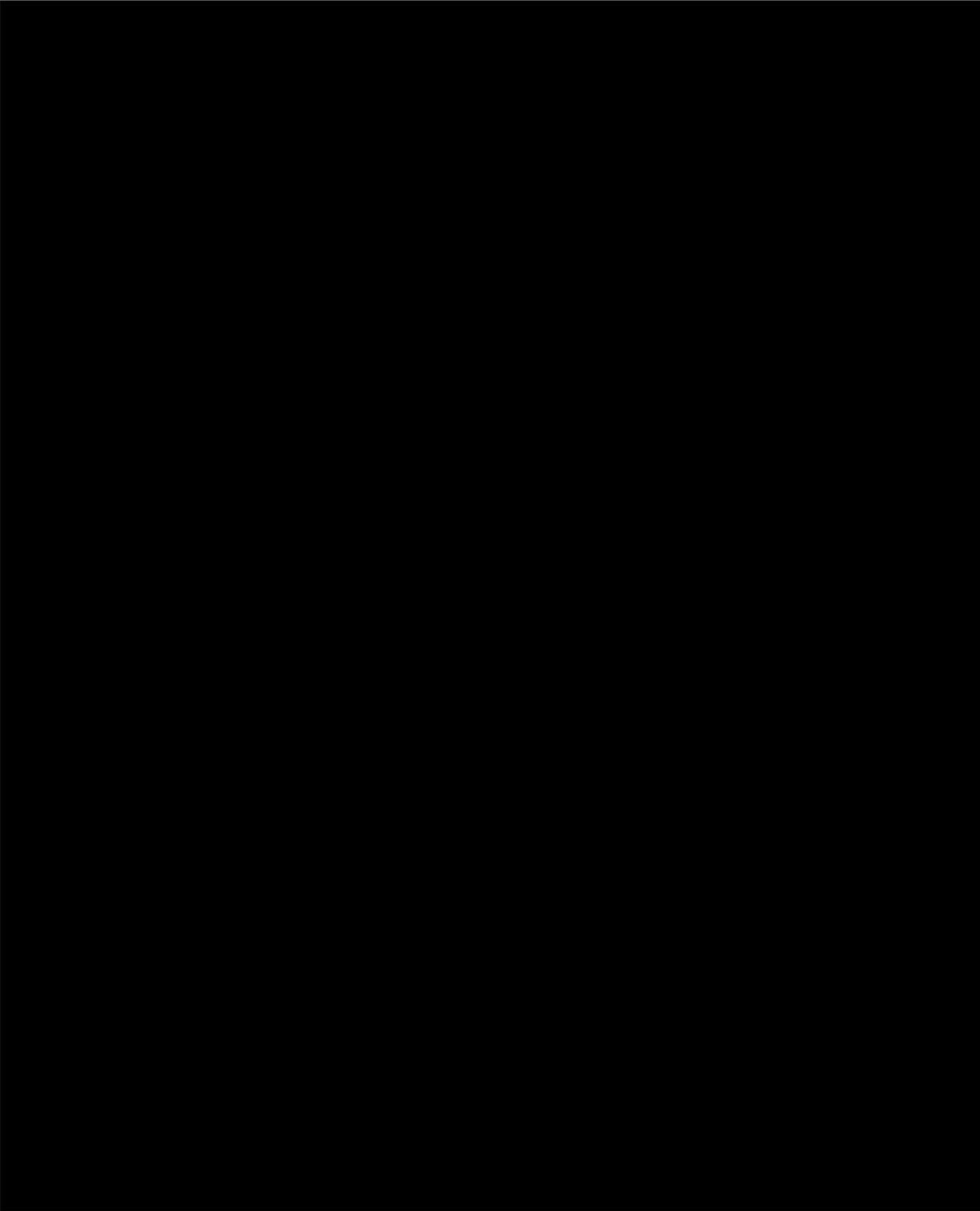


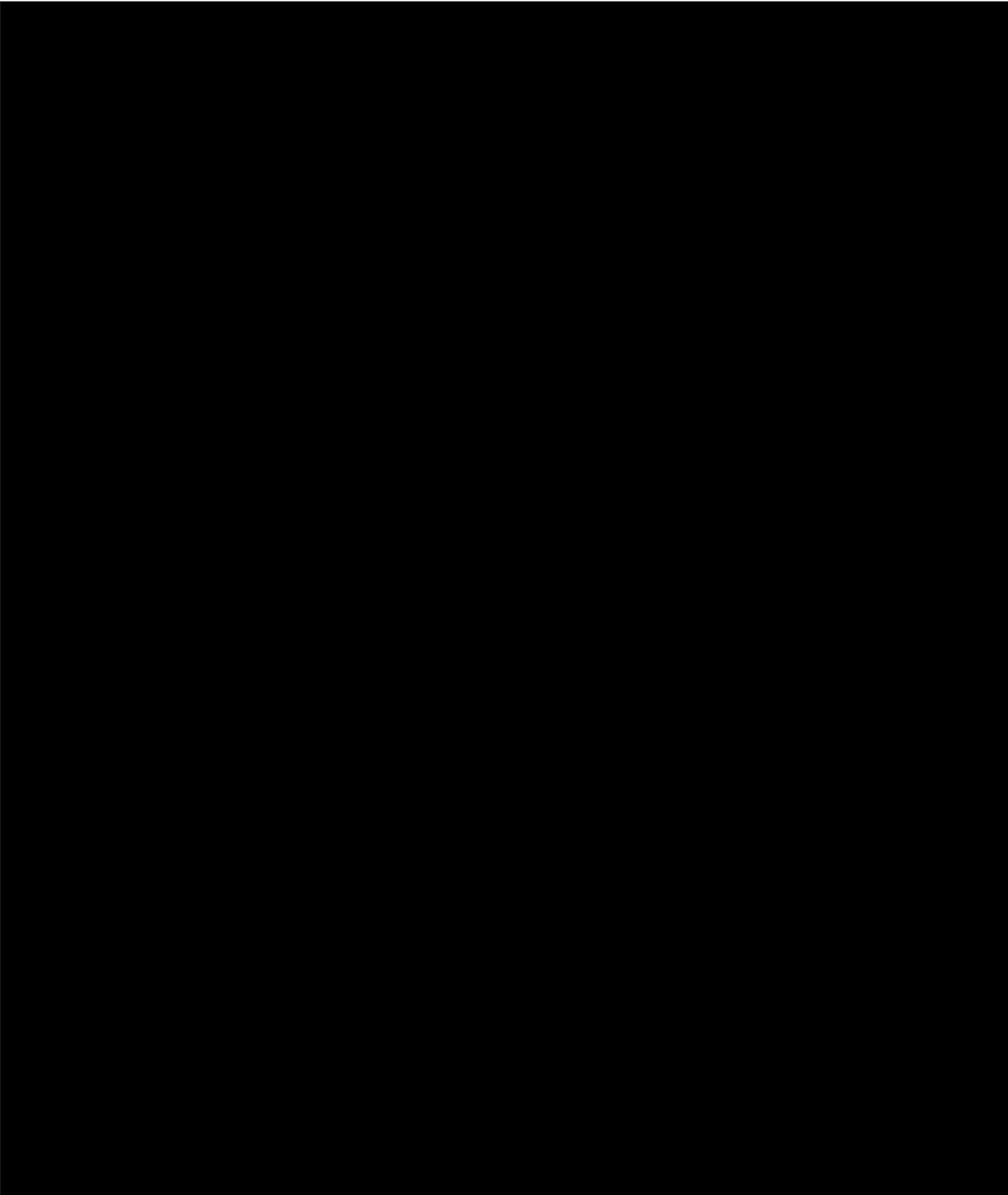


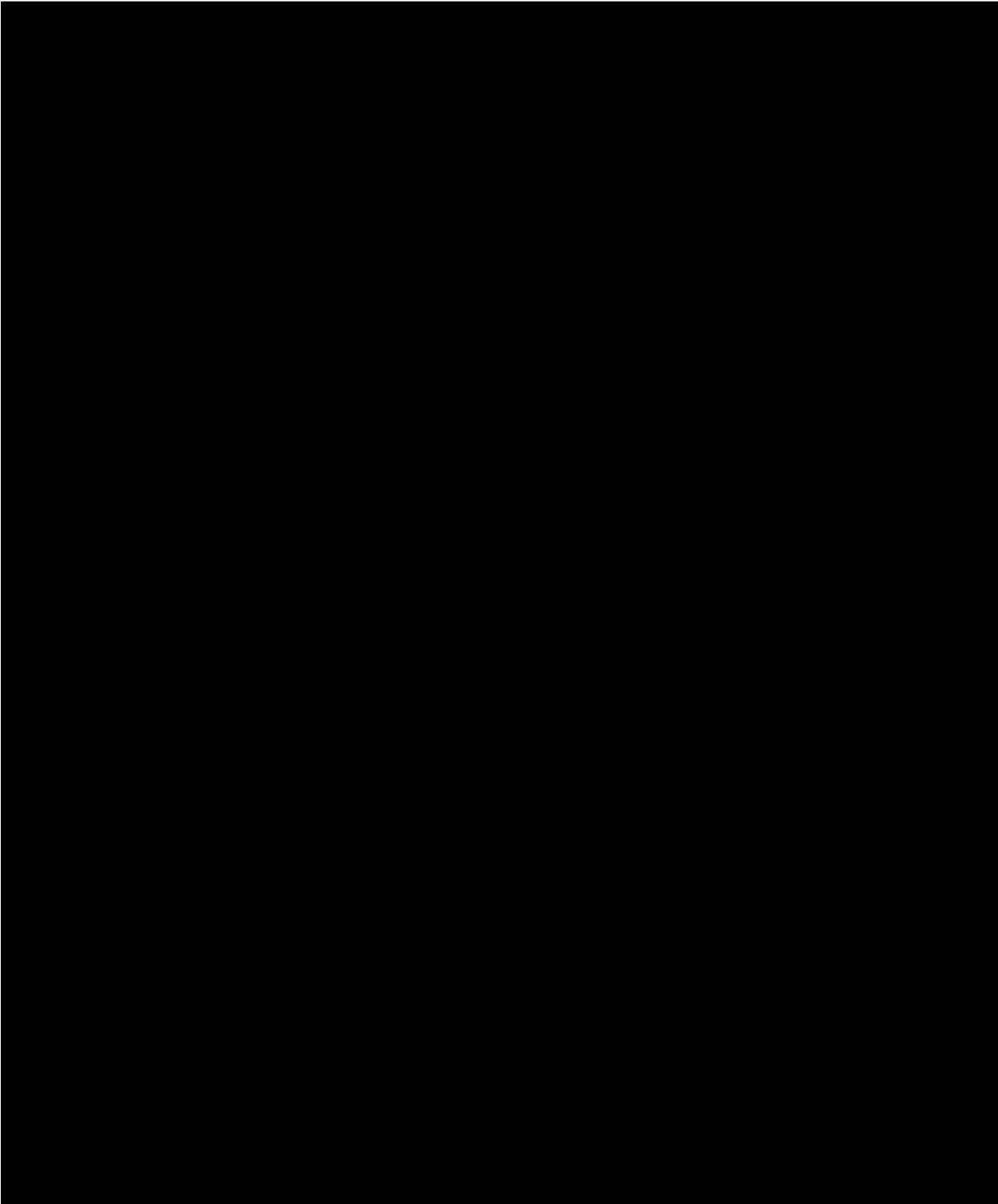


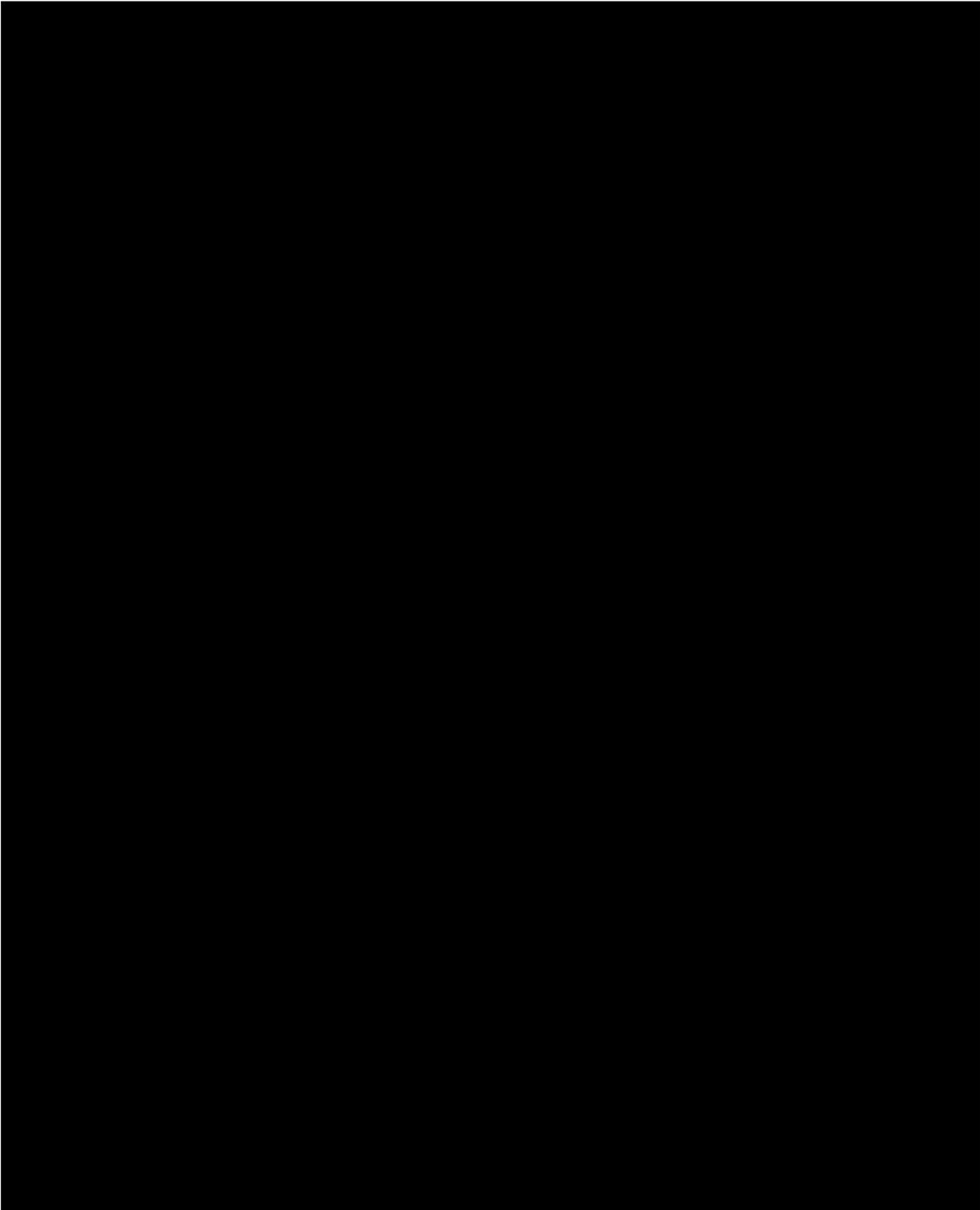


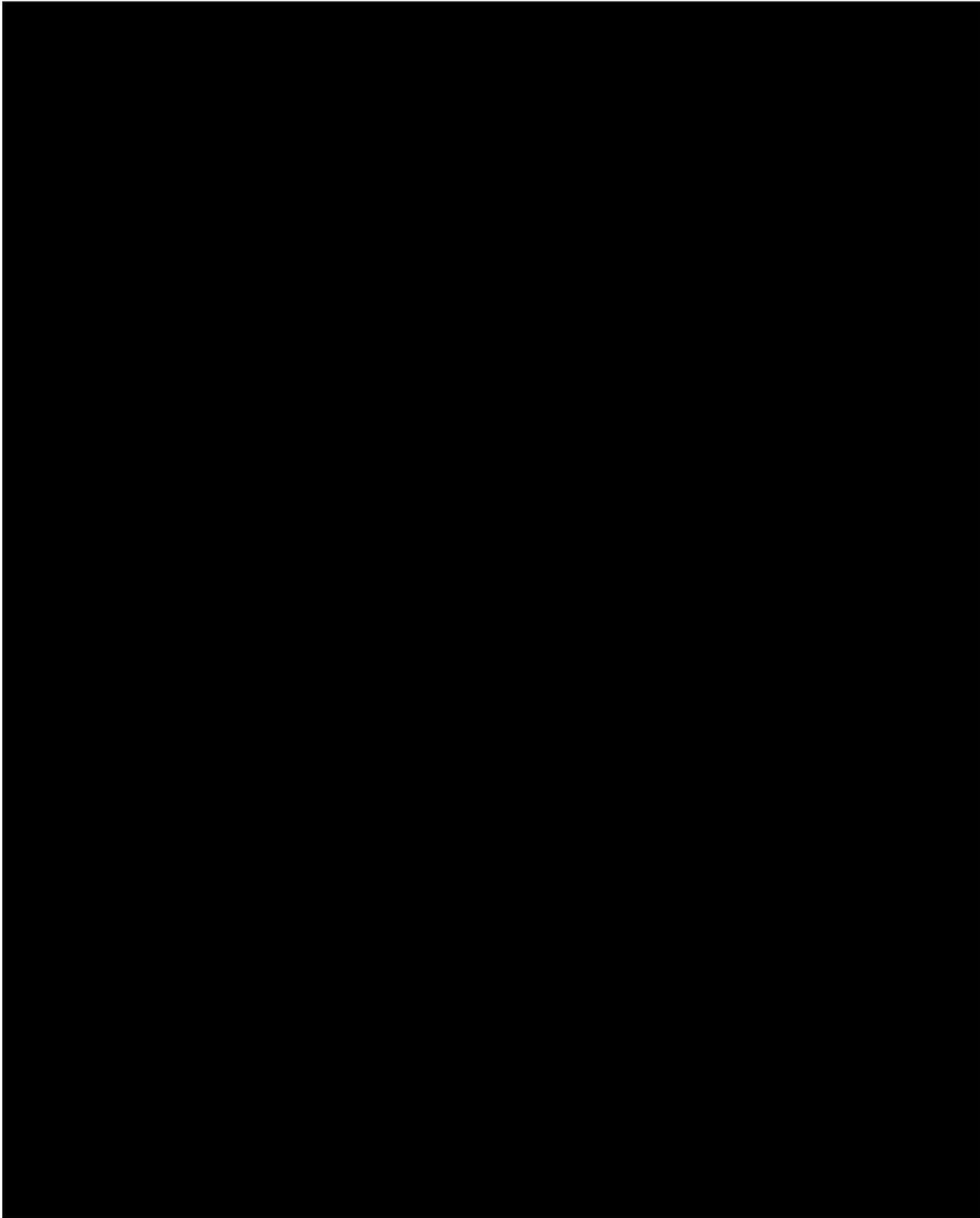


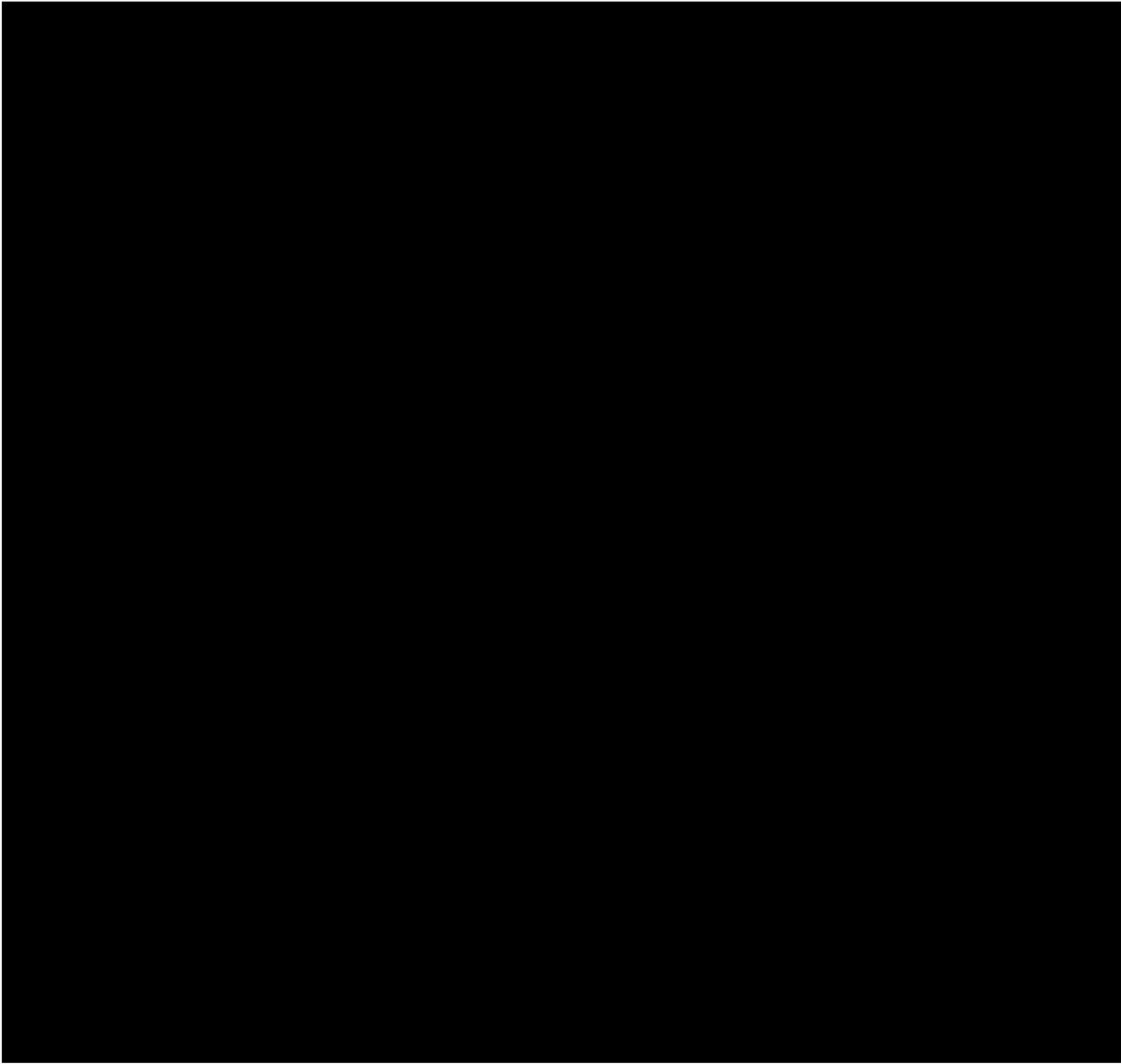






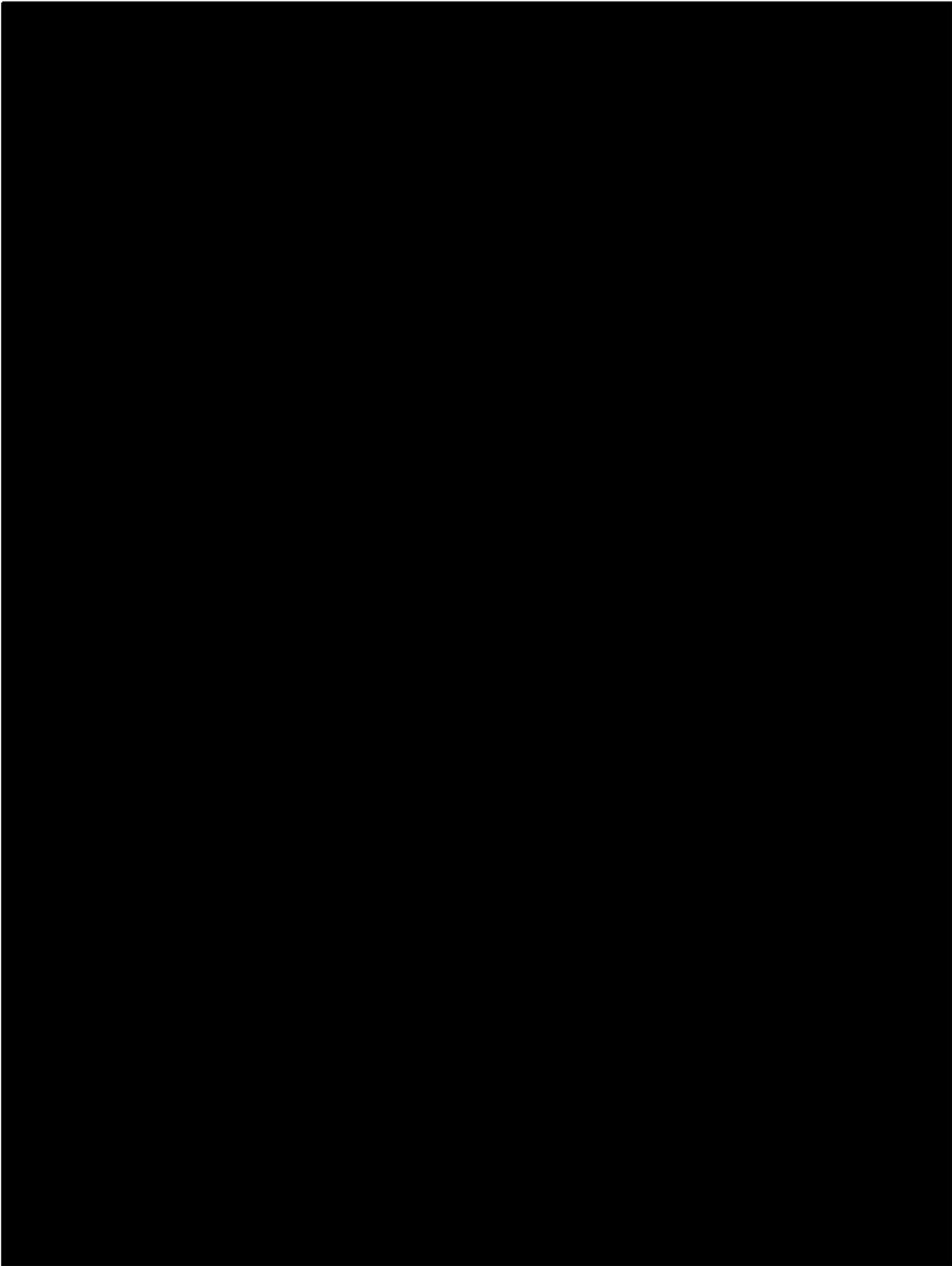




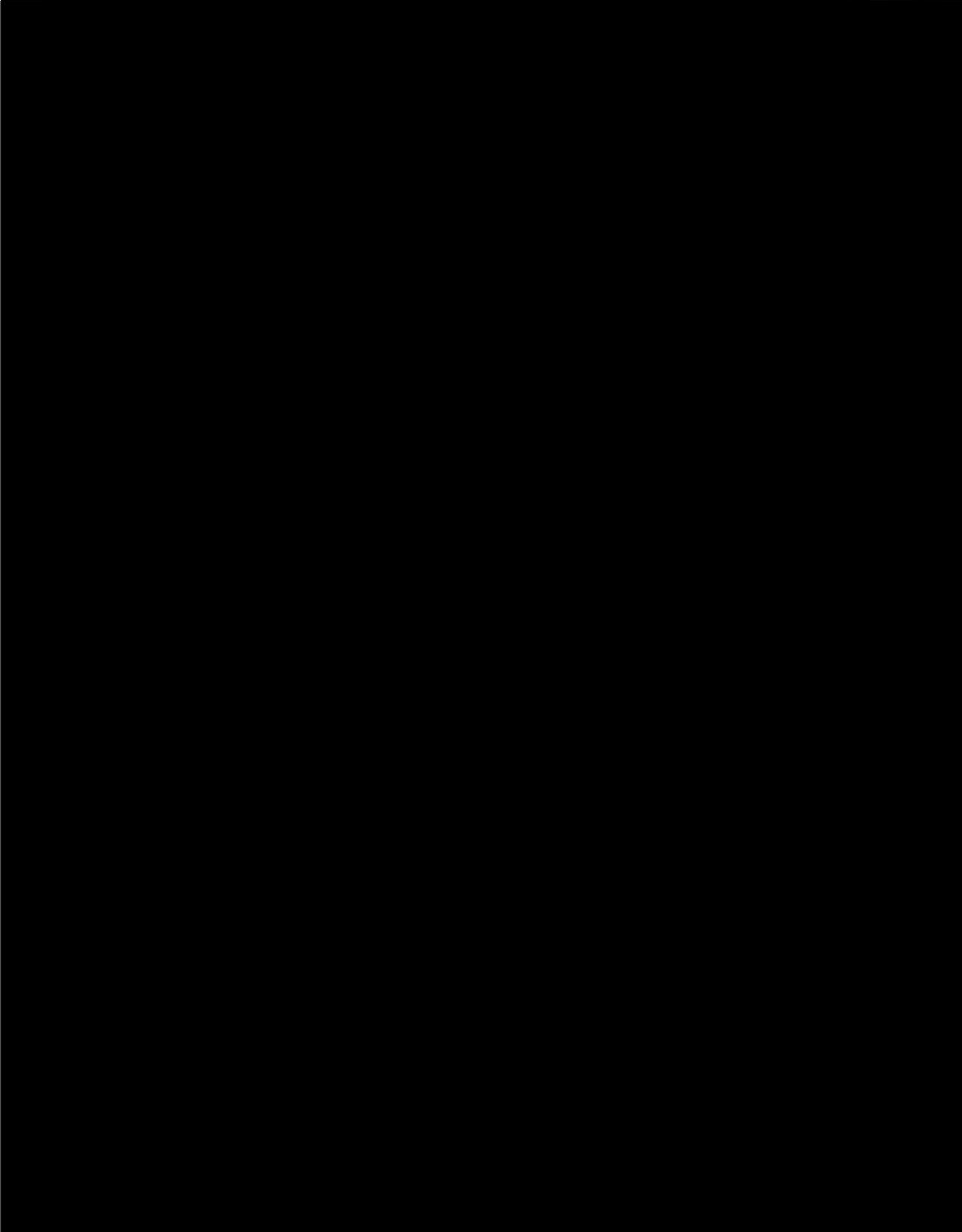


ATTACHMENT 9
(CONFIDENTIAL per ORS 192.501 and 192.502)
REDACTED

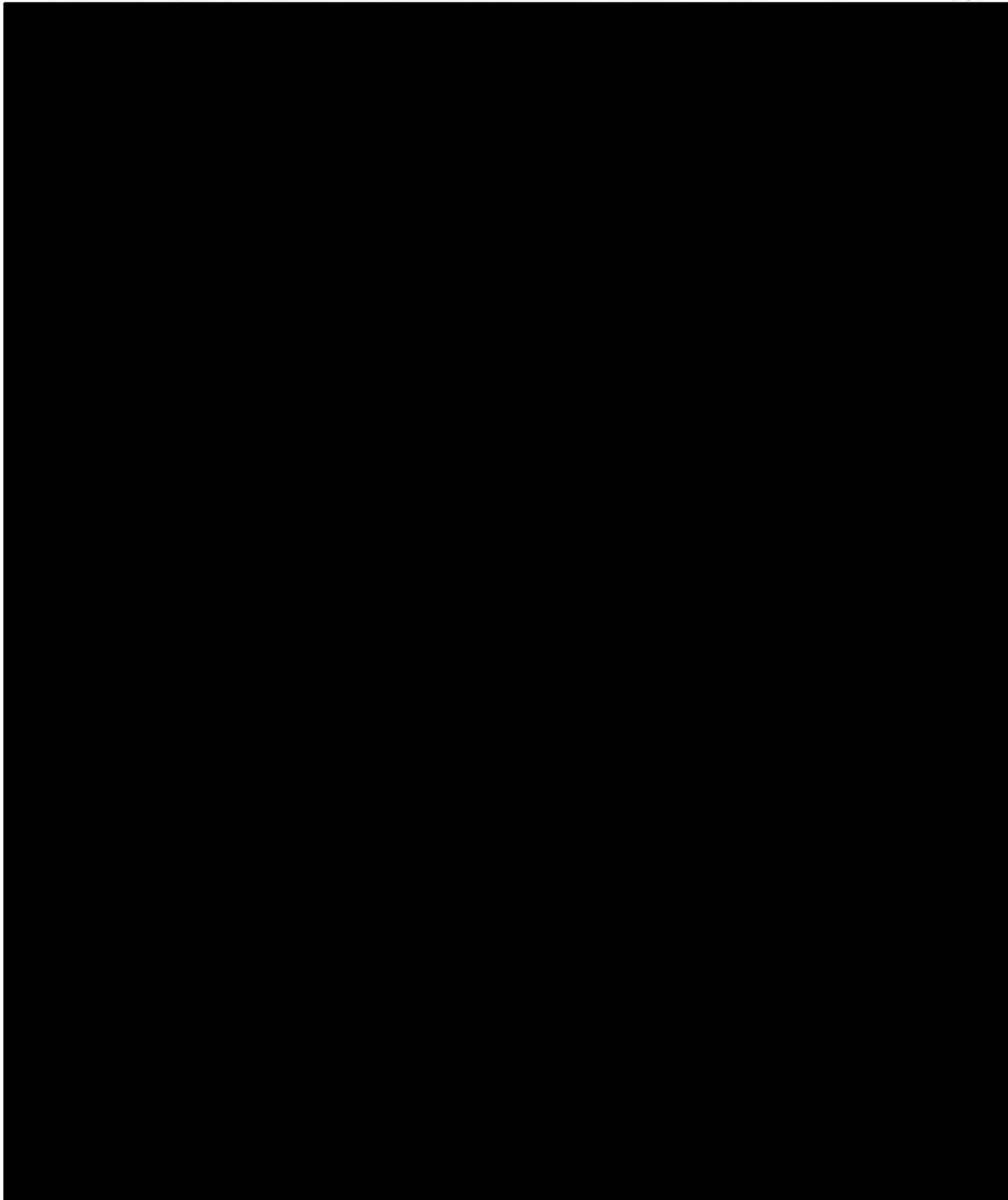
Avista Corporation
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Addendum No. 2

