



**Avista Corp.**

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February 14, 2018

Filing Center  
Public Utility Commission of Oregon  
201 High Street, SE Suite 100  
Salem, OR 97301-3612

Attention Filing Center:

RE: CONFIDENTIAL Docket No. UG-288  
Natural Gas Decoupling Mechanism  
Quarterly Report

Attached for filing with the Commission is a CONFIDENTIAL electronic copy of Avista's Natural Gas Decoupling Mechanism Quarterly Report.

The report consists of spreadsheets showing the monthly revenue deferral calculations for October, November and December 2017, including use-per-customer data for existing and new customers. Also included in the report are the monthly general ledger balances resulting from the deferral and amortization activity during the 4th quarter of 2017.

The Company has not released its earnings for 2017, therefore, we are asking that the financial information contained in these reports be treated as CONFIDENTIAL.

Questions regarding this filing should be directed to Tara Knox at (509) 495-4325.

Sincerely,

A handwritten signature in black ink, appearing to read "Patrick Ehrbar". The signature is written in a cursive, flowing style.

Patrick Ehrbar  
Director, Regulatory Affairs  
Enc.

Avista Corporation Decoupling Mechanism  
Oregon Jurisdiction  
Quarterly Report for 4th Quarter 2017

**Avista Utilities**  
**Natural Gas Decoupling Mechanism (Oregon)**  
**Development of OR Natural Gas Deferrals (Calendar Year 2017)**  
**Docket No. UG-288 Rates Effective March 1, 2016, Docket No. UG-325 Rates Eff. October 1, 2017 and November 1, 2017**

Line No.	Source	Oct-17	Nov-17	Dec-17	Q1 Total	Q2 Total	Q3 Total	Q4 Total	YTD Total
(a)	(b)	(l)	(m)	(n)					(o)
<b>Residential Group</b>									
1	Rate Year Allowed Customers	Page 3							
2	Total Actual Billed Customers	Revenue Reports							
3	Total Actual Usage (Therms)	Revenue Reports							
4	Total Actual Base Rate Revenue	Revenue Reports							
5	Total Actual Fixed Charge Revenue	Revenue Reports							
6	New Hook-up Customers Billed	Revenue Reports							
7	New Hook-up Usage (Therms)	Revenue Reports							
8	New Hook-up Base Rate Revenue	Revenue Reports							
9	New Hook-up Fixed Charge Revenue	Revenue Reports							
10	<b>Actual Customers</b>	<b>Rate Year Adjusted</b>							
11	Monthly Decoupled Revenue per Customer	Appendix 5, Page 3							
12	<b>Decoupled Revenue</b>	<b>(10) x (11)</b>							
13	Actual Base Rate Revenue (Excludes Gas Costs)	Rate Year Adjusted							
14	Actual Fixed Charge Revenue	Rate Year Adjusted							
15	<b>Customer Decoupled Payments</b>	<b>(13) - (14)</b>							
16	Residential Revenue Per Customer Received								
17	Deferral - Surcharge (Rebate)	(12) - (15)							
18	Deferral - Revenue Related Expenses	Rev Conv Factor							
19		Authorized ROR	7.35%	7.35%	7.35%				
20	Interest on Deferral	Avg Balance Calc							
21	<b>Monthly Residential Deferral Totals</b>								
22	Cumulative Deferral Balance	$\Sigma((17) + (20))$							
23	Weather Related Deferred Revenue								
24	Revenue Related Expenses								
25	Interest								
26	<b>Total Residential Weather Related Deferral Surcharge (Rebate)</b>								
27	Cumulative Weather Related Deferral Balance								
28	Conservation (Non-Weather) Related Deferred Revenue								
29	Revenue Related Expenses								
30	Interest								
31	<b>Total Residential Conservation (Non-Weather) Related Deferral Surcharge (Rebate)</b>								
32	Cumulative Conservation (Non-Weather) Related Deferral Balance								
33	<b>Residential Cumulative Deferral Surcharge (Rebate) Balance</b>								

Avista Corporation Decoupling Mechanism  
Oregon Jurisdiction  
Quarterly Report for 4th Quarter 2017

Avista Utilities

Natural Gas Decoupling Mechanism (Oregon)

Development of OR Natural Gas Deferrals (Calendar Year 2017)

Docket No. UG-288 Rates Effective March 1, 2016, Docket No. UG-325 Rates Eff. October 1, 2017 and November 1, 2017

Line No.	Source	Oct-17	Nov-17	Dec-17	Q1 Total	Q2 Total	Q3 Total	Q4 Total	YTD Total
(a)	(b)	(l)	(m)	(n)					(o)
<b>Non-Residential Group</b>									
1	Rate Year Allowed Customers	Page 3							
2	Total Actual Billed Customers	Revenue Reports							
3	Total Actual Usage (Therms)	Revenue Reports							
4	Total Actual Base Rate Revenue	Revenue Reports							
5	Total Actual Fixed Charge Revenue	Revenue Reports							
6	New Hook-up Customers Billed	Revenue Reports							
7	New Hook-up Usage (Therms)	Revenue Reports							
8	New Hook-up Base Rate Revenue	Revenue Reports							
9	New Hook-up Fixed Charge Revenue	Revenue Reports							
10	<b>Actual Customers</b>	<b>Rate Year Adjusted</b>							
11	Monthly Decoupled Revenue per Customer	Appendix 5, Page 3							
12	<b>Decoupled Revenue</b>	<b>(10) x (11)</b>							
13	Actual Base Rate Revenue (Excludes Gas Costs)	Rate Year Adjusted							
14	Actual Fixed Charge Revenue	Rate Year Adjusted							
15	<b>Customer Decoupled Payments</b>	<b>(13) - (14)</b>							
16	Non-Residential Revenue Per Customer Received								
17	Deferral - Surcharge (Rebate)	(12) - (15)							
18	Deferral - Revenue Related Expenses	Rev Conv Factor							
19		7.35%	7.35%	7.35%					
20	Interest on Deferral	Avg Balance Calc							
21	<b>Monthly Non-Residential Deferral Totals</b>								
22	Cumulative Deferral (Rebate) Balance	$\Sigma((17) + (20))$							
23	Weather Related Deferred Revenue								
24	Revenue Related Expenses								
25	Interest								
26	<b>Total Non-Residential Weather Related Deferral Surcharge (Rebate)</b>								
27	Cumulative Weather Related Deferral Balance								
28	Conservation (Non-Weather) Related Deferred Revenue								
29	Revenue Related Expenses								
30	Interest								
31	<b>Total Non-Residential Conservation (Non-Weather) Related Deferral Surcharge (Rebate)</b>								
32	Cumulative Conservation (Non-Weather) Related Deferral Balance								
33	<b>Non-Residential Cumulative Deferral Surcharge (Rebate) Balance</b>								
34	<b>Total Oregon Cumulative Deferral Balance Surcharge (Rebate)</b>	<b>Residential (33) + Non-Residential (33)</b>							

Avista Corporation Decoupling Mechanism  
Oregon Jurisdiction  
Quarterly Report for 4th Quarter 2017

Avista Utilities  
Natural Gas Decoupling Mechanism (Oregon)  
OR Natural Gas Journal Entries (Calendar Year 2017)  
Docket No. UG-288 Rates Effective March 1, 2016

Jurisdiction:OR

**Deferred Revenue - Balance Sheet**

Ferc Acct	Ferc Acct Desc	Service	Accounting Period	Beginning Balance	Quarterly Activity	Ending Balance
186328	REG ASSET-DECOUPLING DEFERRED	GD	201710			
	REG ASSET-DECOUPLING DEFERRED		201711			
	REG ASSET-DECOUPLING DEFERRED		201712			
<b>FERC Acct 186328</b>				<b>Sum:</b>	<b>0.00</b>	
186338	REG ASSET NON-RES DECOUPLING D	GD	201710			
	REG ASSET NON-RES DECOUPLING D		201711			
	REG ASSET NON-RES DECOUPLING D		201712			
<b>FERC Acct 186338</b>				<b>Sum:</b>	<b>0.00</b>	
				<b>Sum:</b>	<b>0.00</b>	

**Prior Period Deferred Revenue Pending Approval - Balance Sheet**

Ferc Acct	Ferc Acct Desc	Service	Accounting Period	Beginning Balance	Monthly Activity	Ending Balance
182329	REG ASSET- DECOUPLING PRIOR YE	GD	201710			
	REG ASSET- DECOUPLING PRIOR YE		201711			
	REG ASSET- DECOUPLING PRIOR YE		201712			
<b>FERC Acct 182329</b>				<b>Sum:</b>	<b>0.00</b>	
182339	REG ASSET - NON RES DECOUPLING	GD	201710			
	REG ASSET - NON RES DECOUPLING		201711			
	REG ASSET - NON RES DECOUPLING		201712			
<b>FERC Acct 182339</b>				<b>Sum:</b>	<b>0.00</b>	
				<b>Sum:</b>	<b>0.00</b>	

**Decoupling Surcharge Approved for Recovery - Balance Sheet**

Ferc Acct	Ferc Acct Desc	Service	Accounting Period	Beginning Balance	Monthly Activity	Ending Balance
182328	REG ASSET- DECOUPLING SURCHARG	GD	201710			
	REG ASSET- DECOUPLING SURCHARG		201711			
	REG ASSET- DECOUPLING SURCHARG		201712			
<b>FERC Acct 495328</b>				<b>Sum:</b>	<b>0.00</b>	
182338	REG ASSET - NON RES DECOUPLING	GD	201710			
	REG ASSET - NON RES DECOUPLING		201711			
	REG ASSET - NON RES DECOUPLING		201712			
<b>FERC Acct 495338</b>				<b>Sum:</b>	<b>0.00</b>	
				<b>Sum:</b>	<b>0.00</b>	

**Accumulated Deferred Taxes - Balance Sheet**

Ferc Acct	Ferc Acct Desc	Service	Accounting Period	Beginning Balance	Monthly Activity	Ending Balance
283328	ADFIT DECOUPLING DEFERRED REV	GD	201710			
	ADFIT DECOUPLING DEFERRED REV		201711			
	ADFIT DECOUPLING DEFERRED REV		201712			
<b>FERC Acct 283328</b>				<b>Sum:</b>	<b>0.00</b>	

December 2017 Accumulated Deferred Income Tax Balances were adjusted to the Tax Cuts and Jobs Act (TCJA) rate of 21%. The difference between the 35% rate and the 21% rate associated with Decoupling account 283328 transferred to Excess Deferred Federal Income Tax Regulatory Liability Account 254 December 2017. Oregon jurisdictional balances in this liability account will be provided to the Oregon Public Utilities Commission in the Staff workshop process regarding the TCJA.

Avista Corporation Decoupling Mechanism  
Oregon Jurisdiction  
Quarterly Report for 4th Quarter 2017

**Deferred Revenue - Income Statement**

Ferc Acct	Ferc Acct Desc	Service	Accounting Period	Beginning Balance	Monthly Activity	Ending Balance
495328	RESIDENTIAL DECOUPLING DEFERRE	GD	201710			
	RESIDENTIAL DECOUPLING DEFERRE		201711			
	RESIDENTIAL DECOUPLING DEFERRE		201712			
	<b>FERC Acct 495328</b>			<b>Sum:</b>	0.00	
495338	NON-RES DECOUPLING DEFERRED RE	GD	201710			
	NON-RES DECOUPLING DEFERRED RE		201711			
	NON-RES DECOUPLING DEFERRED RE		201712			
	<b>FERC Acct 495338</b>			<b>Sum:</b>	0.00	
				<b>Sum:</b>	0.00	

**Decoupling Amortization - Income Statement**

Ferc Acct	Ferc Acct Desc	Service	Accounting Period	Beginning Balance	Monthly Activity	Ending Balance
495329	AMORTIZATION RES DECOUPLING DE	GD	201710			
	AMORTIZATION RES DECOUPLING DE		201711			
	AMORTIZATION RES DECOUPLING DE		201712			
	<b>FERC Acct 495328</b>			<b>Sum:</b>	0.00	
495339	AMORTIZATION NON-RES DECOUPLIN	GD	201710			
	AMORTIZATION NON-RES DECOUPLIN		201711			
	AMORTIZATION NON-RES DECOUPLIN		201712			
	<b>FERC Acct 495338</b>			<b>Sum:</b>	0.00	
				<b>Sum:</b>	0.00	

**Interest Income or Expense - Income Statement**

Ferc Acct	Ferc Acct Desc	Service	Accounting Period	Beginning Balance	Monthly Activity	Ending Balance
419605	INT INC ON OTH DEFERRALS-IV FU	GD	201710			
	INT INC ON OTH DEFERRALS-IV FU		201711			
	INT INC ON OTH DEFERRALS-IV FU		201712			
	<b>FERC Acct 419605</b>			<b>Sum:</b>	0.00	
431605	INT EXP ON OTH DEFERRALS-IV FU	GD	201710			
	INT EXP ON OTH DEFERRALS-IV FU		201711			
	INT EXP ON OTH DEFERRALS-IV FU		201712			
	<b>FERC Acct 431605</b>			<b>Sum:</b>	0.00	
				<b>Sum:</b>	0.00	

Reconciliation of Account 419605 for Q4 2017

<u>Balance Sheet Account</u>	October	November	December
191723 Res Intervenor funding Amort	\$ (4.50)	\$ (20.96)	\$ 124.66
191724 Ind/Trans Intervenor funding Amort	\$ 4.87	\$ 17.60	\$ 15.68
191720 Intervenor Citizen Utility Board	\$ 229.33	\$ 5.63	\$ 5.66
191721 Matching Grant Intervenor Funding	\$ 14.33	\$ 0.35	\$ 0.35
191722 Other Issues Funding	\$ 517.57	\$ 219.78	\$ 221.13
186328 Decoupling Deferred Revenue (residential)	\$ (8,140.85)	\$ (10,025.75)	\$ (10,936.84)
186338 Decoupling Deferred Revenue (non-res)	\$ (4,425.34)	\$ (3,825.42)	\$ (4,338.25)
182329 Prior Year Decoupling Res Def Rev Pending Approval	\$ -	\$ -	\$ -
182339 Prior Year Decoupling Non-Res Def Rev Pending Approval	\$ -	\$ -	\$ -
182328 Res Decoupling Surcharge/Rebate	\$ -	\$ -	\$ -
182338 Non-Res Decoupling Surcharge/Rebate	\$ -	\$ -	\$ -
Total	\$ (11,804.59)	\$ (13,628.77)	\$ (14,907.62)

Avista Corporation Decoupling Mechanism  
Oregon Jurisdiction  
Quarterly Report for 4th Quarter 2017

AVISTA UTILITIES  
OREGON JURISDICTION  
MONTHLY WEATHER CORRECTION  
Twelve Months Ended December 2017

		Oct-17	Nov-17	Dec-17	Q1 Total	Q2 Total	Q3 Total	Q4 Total	YTD Total	Source	
Medford	Actual DDH	315	583	840	1,916	585	79	1,738	4,318		Gas Supply
Roseburg	Actual DDH	328	500	779	1,799	639	71	1,607	4,116		Gas Supply
Klamath Falls	Actual DDH	598	775	1094	2,516	1,228	253	2,467	6,464		Gas Supply
La Grande	Actual DDH	579	739	1138	2,662	1,019	231	2,456	6,368		Gas Supply
Medford	Normal DDH	296	606	807	1,914	647	54	1,709	2,561	IRP	Gas Supply
Roseburg	Normal DDH	283	532	693	1,736	668	61	1,508	2,404	IRP	Gas Supply
Klamath Falls	Normal DDH	552	865	1,086	2,716	1,328	322	2,503	4,044	IRP	Gas Supply
La Grande	Normal DDH	512	784	1,027	2,560	1,071	256	2,323	3,631	IRP	Gas Supply
Medford	DDH from Norm:	(19)	23	(33)	(2)	62	(25)	(29)	60		
Roseburg	DDH from Norm:	(45)	32	(86)	(63)	29	(10)	(99)	(34)		
Klamath Falls	DDH from Norm:	(46)	90	(8)	200	100	69	36	300		
La Grande	DDH from Norm:	(67)	45	(111)	(102)	52	25	(133)	(50)		
					<b>Q1 Average</b>	<b>Q2 Average</b>	<b>Q3 Average</b>	<b>Q4 Average</b>	<b>YTD Average</b>		
Medford	410 Cust	54,217	54,614	54,810	54,172	54,136	53,896	54,547	54,188	Rate Year Adj	Revenue Rep.
Roseburg	410 Cust	13,415	13,540	13,578	13,504	13,428	13,332	13,511	13,444	Actuals	Revenue Rep.
Klamath Falls	410 Cust	14,516	14,656	14,741	14,620	14,573	14,377	14,638	14,552	Actuals	Revenue Rep.
La Grande	410 Cust	6,577	6,662	6,692	6,680	6,645	6,563	6,644	6,633	Actuals	Revenue Rep.
Medford	420 Cust	6,856	6,873	6,894	6,898	6,887	6,834	6,874	6,874	Rate Year Adj	Revenue Rep.
Roseburg	420 Cust	2,119	2,131	2,145	2,159	2,148	2,118	2,132	2,139	Actuals	Revenue Rep.
Klamath Falls	420 Cust	1,742	1,758	1,764	1,764	1,764	1,750	1,755	1,758	Actuals	Revenue Rep.
La Grande	420 Cust	918	919	921	927	921	912	919	920	Actuals	Revenue Rep.
Medford	424 Cust	42	41	43	41	42	42	42	42	Actuals	Revenue Rep.
Roseburg	424 Cust	24	22	22	24	23	23	23	23	Actuals	Revenue Rep.
Klamath Falls	424 Cust	16	16	16	16	16	16	16	16	Actuals	Revenue Rep.
La Grande	424 Cust	2	2	2	2	2	2	2	2	Actuals	Revenue Rep.
<b>Weather-Sensitive Coefficients</b>		<b>Oct-17</b>	<b>Nov-17</b>	<b>Dec-17</b>							
Medford	Schedule 410	0.07392	0.09451	0.10665						IRP	Appendix 2.3
Roseburg	Schedule 410	0.06260	0.07701	0.10748						IRP	Appendix 2.3
Klamath Falls	Schedule 410	0.04770	0.06925	0.07151						IRP	Appendix 2.3
La Grande	Schedule 410	0.05574	0.07952	0.08383						IRP	Appendix 2.3
Medford	Schedule 420	0.30094	0.36756	0.43289						IRP	Appendix 2.3
Roseburg	Schedule 420	0.32359	0.29999	0.45113						IRP	Appendix 2.3
Klamath Falls	Schedule 420	0.17109	0.25669	0.26212						IRP	Appendix 2.3
La Grande	Schedule 420	0.19711	0.31028	0.35610						IRP	Appendix 2.3
Medford	Schedule 424	0.85234	0.56711	0.79292						IRP	Appendix 2.3
Roseburg	Schedule 424	7.65100	1.54081	1.02736						IRP	Appendix 2.3
Klamath Falls	Schedule 424	0.43722	0.29335	0.53690						IRP	Appendix 2.3
La Grande	Schedule 424	8.39843	0.25550	0.07093						IRP	Appendix 2.3

Avista Corporation Decoupling Mechanism  
Oregon Jurisdiction  
Quarterly Report for 4th Quarter 2017

		Oct-17	Nov-17	Dec-17	Q1 Total	Q2 Total	Q3 Total	Q4 Total
Adjustment to Normal								
Medford	Schedule 410							
Roseburg	Schedule 410							
Klamath Falls	Schedule 410							
La Grande	Schedule 410							
<b>Total Schedule 410</b>		-	-	-	-	-	(53,511)	-
Medford	Schedule 420							
Roseburg	Schedule 420							
Klamath Falls	Schedule 420							
La Grande	Schedule 420							
<b>Total Schedule 420</b>		-	-	-	-	-	(30,748)	-
Medford	Schedule 424							
Roseburg	Schedule 424							
Klamath Falls	Schedule 424							
La Grande	Schedule 424							
<b>Total Schedule 424</b>		-	-	-	-	-	2,175	-
<b>Total Oregon Usage Adjustment</b>		-	-	-	-	-	(82,084)	-

AVISTA UTILITIES  
OREGON JURISDICTION  
MONTHLY WEATHER CORRECTION  
Twelve Months Ended December 2017

	Oct-17	Nov-17	Dec-17	Q1 Total	Q2 Total	Q3 Total	Q4 Total
Schedule 410 Usage Adjustment							-
Schedule 420 Usage Adjustment							-
Schedule 424 Usage Adjustment							-
	-	-	-	-	-	(82,084)	-
Schedule 410 Base Rate	0.58399	0.59275	0.59275				
Schedule 420 Base Rate	0.53005	0.54725	0.54725				
Schedule 424 Base Rate	0.13887	0.13887	0.13887				
Schedule 410 Revenue Adjustment							\$ -
Schedule 420 Revenue Adjustment							\$ -
Schedule 424 Revenue Adjustment							\$ -
<b>Total Revenue Adjustment</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (45,531)	\$ -

Tariff Schedule 410 + 495  
Tariff Schedule 420 + 495  
Tariff Schedule 424

Avista Corporation Decoupling Mechanism  
Oregon Jurisdiction  
Quarterly Report for 4th Quarter 2017

DECOUPLING USAGE PER CUSTOMER STATISTICS

	Oct-17	Nov-17	Dec-17	Q1 Total	Q2 Total	Q3 Total	Q4 Total
<b>Actual per Books</b>							
Residential Customers							#DIV/0!
Residential Usage							#DIV/0!
Residential Use/Customer							#DIV/0!
<b>2016 New Hookup Billed</b>							
Residential Customers							#DIV/0!
Residential Usage							#DIV/0!
Residential Use/Customer							#DIV/0!
<b>Rate Year Adjusted Actual</b>							
Residential Customers							#DIV/0!
Residential Usage							#DIV/0!
Residential Use/Customer							#DIV/0!
<b>Rate Year Adjusted Weather Normalized</b>							
Residential Customers							#DIV/0!
Residential Usage							#DIV/0!
Residential Use/Customer							#DIV/0!
<b>UG-288 Rate Year</b>							
Residential Customers							#DIV/0!
Residential Usage							#DIV/0!
Residential Use/Customer							#DIV/0!
<b>Actual per Books</b>							
Non-Residential Customers							#DIV/0!
Non-Residential Usage							#DIV/0!
Non-Residential Use/Customer							#DIV/0!
<b>2016 New Hookup Billed</b>							
Non-Residential Customers							#DIV/0!
Non-Residential Usage							#DIV/0!
Non-Residential Use/Customer							#DIV/0!
<b>Rate Year Adjusted Actual</b>							
Non-Residential Customers							#DIV/0!
Non-Residential Usage							#DIV/0!
Non-Residential Use/Customer							#DIV/0!
<b>Rate Year Adjusted Weather Normalized</b>							
Non-Residential Customers							#DIV/0!
Non-Residential Usage							#DIV/0!
Non-Residential Use/Customer							#DIV/0!
<b>UG-288 Rate Year</b>							
Non-Residential Customers							#DIV/0!
Non-Residential Usage							#DIV/0!
Non-Residential Use/Customer							#DIV/0!