#### Avista Corp.

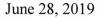
1411 East Mission P.O. Box 3727 Spokane, Washington 99220-3727 Telephone 509-489-0500 Toll Free 800-727-9170

#### RECEIVED

VISTA

Corp.

2019 JUL I AM ID: 13 IDAHO PUBLIC UTILITIES COMMISSION



Diane Hanian Commission Secretary Idaho Public Utilities Commission 472 W. Washington St. Boise, ID 83702

#### Re: Case No. AVU-G-19-<u>04</u> Natural Gas Fixed Cost Adjustment Annual Rate Filing of Avista Corporation

Dear Ms. Hanian:

Enclosed for filing with the Commission is Avista's natural gas Fixed Cost Adjustment (FCA) annual rate adjustment filing. This filing consists of an original and seven copies of Avista's Application, Exhibit A (the Company's proposed tariffs), Exhibit B (rate calculation), Exhibit C (2018 deferral), and Exhibit D (customer communications) in support of the Application. A computer readable copy of the Application, exhibits, and workpapers, required under Rule 231.05, are included on an enclosed USB drive.

Electronic versions of the Company's filing were emailed to the Commission, and the Service List, on June 28, 2019. Those documents have also been provided on the enclosed USB drive.

Please direct any questions on this matter to me at (509) 495-8620 or Tara Knox at (509) 495-4325.

Sincer

Patrick D. Ehrbar Director of Regulatory Affairs

Enclosures

#### **CERTIFICATE OF SERVICE**

I HEREBY CERTIFY that I have this 28<sup>th</sup> day of June, 2019, served the Application of Avista Corporation – Fixed Cost Rate Adjustment, upon the following parties, by mailing a copy thereof, properly addressed with postage prepaid to:

Diane Hanian, Secretary Idaho Public Utilities Commission 472 W. Washington St. Boise, ID 83702 <u>diane.hanian@puc.idaho.gov</u>

Karl Klein Deputy Attorney General Idaho Public Utilities Commission 472 W. Washington Boise, ID 83702-0659 karl.klein@puc.idaho.gov

Larry A. Crowley The Energy Strategies Institute, Inc. 3738 S. Harris Ranch Ave. Boise, ID 83716 crowleyla@aol.com

Ronald L. Williams Williams Bradbury, P.C. P. O. Box 388 802 W. Bannock, Suite LP 100 Boise, ID 83702 ron@williamsbradbury.com Brad M. Purdy Attorney at Law 2019 N 17<sup>th</sup> Street Boise, ID 83702 bmpurdy@hotmail.com

Peter J. Richardson Greg M. Adams Richardson Adams 515 N. 27<sup>th</sup> Street PO Box 7218 Boise, ID 83702 peter@richardsonadams.com greg@richardsonsdams.com

Benjamin J. Otto Idaho Conservation League 710 N. 6th St. Boise, ID 83702 botto@idahoconservation.org

Dr. Don Reading 6070 Hill Road Boise, ID 83703 dreading@mindspring.com

Patrick D. Ehrbar Director of Regulatory Affairs

1 2 3 4 5 6 7 8	DAVID J. MEYER VICE PRESIDENT AND CHIEF COUNSEL FOR REGULATORY AND GOVERNMENTAL AFFAIRS AVISTA CORPORATION 1411 E. MISSION AVENUE P. O. BOX 3727 SPOKANE, WASHINGTON 99220 PHONE: (509) 495-4316, FAX: (509) 495-8851
9	
10	BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION
11	
12 13 14 15 16 17	IN THE MATTER OF THE FIXED COST)ADJUSTMENT MECHANISM (FCA))CASE NO. AVU-G-19-04ANNUAL RATE ADJUSTMENT FILING)APPLICATION OF AVISTAOF AVISTA CORPORATION)CORPORATION
18	<b>I. INTRODUCTION</b>
19	In accordance with Idaho Code §61-502, Commission Order No. 33437, and RP
20	052, Avista Corporation, doing business as Avista Utilities (hereinafter "Avista" or
21	"Company"), at 1411 East Mission Avenue, Spokane, Washington, respectfully makes
22	application to the Idaho Public Utilities Commission ("Commission") for an Order
23	approving the level of natural gas Fixed Cost Adjustment Mechanism (FCA) revenue
24	deferred during calendar year 2018 and authorizing FCA rates for natural gas service from
25	November 1, 2019 through October 31, 2020, and to approve the Company's
26	corresponding modifications to Schedule 175, "Fixed Cost Adjustment Mechanism -
27	Natural Gas". The FCA rate for the Residential Group (Schedule 101) is proposed to
28	change from a present rebate rate of -0.766¢ to a proposed surcharge rate of 0.951¢ per
29	

to change from a present rebate rate of -1.067¢ to a proposed rebate rate of -0.554¢ per
therm. The Residential Group rate change represents a \$1.1 million, or 2.3% increase, to
Schedule 101 customers, and the Non-Residential Group rate change represents a \$0.1
million, or 1.1%, increase. The combined effect of expiring FCA rates and the proposed
2018 rates are shown on the table below.

**Expiring Present** 

(484,333)

(275, 320)

FCA Revenue

\$

\$

Proposed FCA

601,306

(142,949)

Revenue

\$

\$

Proposed FCA

1,085,639

132,370

Increase

\$

\$

- 6
- 7
- 8

9 The Company has requested a November 1, 2019 effective date.

Residential

Non-Residential

10 The Company requests that this filing be processed under the Commission's

11 Modified Procedure Rules (RP 201-204). Communications in reference to this Application

12 should be addressed to:

13 14 15 16 17 18 19 20 21 22 23	David J. Meyer, Esq. Vice President and Chief Counsel for Regulatory & Governmental Affairs Avista Corporation P.O. Box 3727 MSC-27 1411 E. Mission Ave Spokane, WA 99220-3727 Phone: (509) 495-4316 David.Meyer@avistacorp.com
24 25 26 27 28 29 30 31 32 33	Patrick D. Ehrbar Director of Regulatory Affairs Avista Utilities P.O. Box 3727 MSC-27 1411 E. Mission Ave Spokane, WA 99220-3727 Phone: (509) 495-8620 patrick.ehrbar@avistacorp.com

1	II. BACKGROUND
2	The purpose of the natural gas FCA is to adjust the Company's Commission-
3	authorized revenues from therm sales, such that the Company's revenues will be
4	recognized based on the number of customers served under the applicable natural gas
5	service schedules. The FCA allows the Company to: 1) defer the difference between actual
6	FCA-related revenue received from customers through volumetric rates, and the FCA-
7	related revenue approved for recovery in the Company's last general rate case on a per-
8	customer basis; and 2) file a tariff to surcharge or rebate, by rate group, the total deferred
9	amount accumulated in the deferred revenue accounts for the prior January through
10	December time period.
11	In Case Nos. AVU-E-15-05 and AVU-G-15-01, the Commission in Order No.
12	33437 approved for Avista a Fixed Cost Adjustment Mechanism. On page 10 of Order
13	No. 33437, the Commission stated:
14 15 16 17 18 19 20 21 22 23 24 25 26	The parties have also agreed upon a three-year <sup>1</sup> FCA pilot for electric and natural gas operations. The FCA will compare actual FCA revenues to allowed FCA revenues determined on a per-customer basis. Any differences will be deferred for a rebate or surcharge. There are a number of customer safeguards, including that an FCA surcharge cannot exceed a 3% annual rate adjustment. Any unrecovered balances will be carried forward to recover in future years. Further, there is no limit to the level of the FCA rebate. As part of the Stipulation, Staff and other interested parties, will review the efficacy of the FCA after its second full year to ensure it is functioning as intended. Fixed cost adjustment mechanisms are intended to encourage conservation, and allow customers more control over their bills. Further, the proposed FCA will remove any financial disincentive of the Company to encourage energy conservation.
27	The Section 13 of the Stipulation and Settlement, as amended by Addendum to the

<sup>&</sup>lt;sup>1</sup> On June 15, 2018, the Idaho Public Utilities Commission approved an Addendum to the Stipulation which extended the term of the pilot for an additional year by Order No. 34085.

1	Stipulation approved by the Commission in Order No. 34085 on June 15, 2018, provided
2	further details, reproduced below, regarding the mechanics of the fixed cost adjustment
3	mechanism. The proposed Tariff Sheet 175 reflects the change in the term of the
4	mechanism from three years to four in accordance with the Addendum.
5 6 7 8 9	A. FCA Mechanisms Term. The Parties agree to an initial FCA term of $\underline{4}$ years, with a review of how the mechanisms have functioned conducted by Avista, Staff, and other interested parties following the end of the <u>third</u> full-year. Avista may seek to extend the term of the mechanism prior to its expiration. <sup>2</sup>
9 10 11 12	B. Rate Groups. There will be two rate groups established for both the electric FCA and natural gas FCA:
12 13 14 15 16	<ol> <li>Electric Customer Rate Groups:</li> <li>1. Residential – Schedule 1</li> <li>2. Commercial – Schedules 11, 12, 21, 22, 31, 32</li> </ol>
17 18 19 20	<ul> <li>Natural Gas Rate Groups:</li> <li>1. Residential – Schedule 101</li> <li>2. Commercial – Schedules 111 and 112</li> </ul>
21 22 23 24 25 26 27 28 29 30	C. Existing Customers and New Customers. The Parties have agreed that revenue related to certain items discussed below would not be included in the FCA for new customers. The result is that the Fixed Cost Adjustment Revenue-Per-Customer for new customers will be less than the Fixed Cost Adjustment Revenue-Per-Customer for existing customers. For new electric customers added after the test period, recovery of incremental revenue related to fixed production and transmission costs would be excluded from the electric FCA. For new natural gas customers added after the test period, recovery of incremental revenue related to fixed production and transmission costs would be excluded from the electric FCA. For new natural gas customers added after the test period, recovery of incremental revenue related to fixed production and underground storage facility costs would be excluded. These modifications are included in Appendices B and C to the Stipulation.
31 32 33 34 35 36	D. Quarterly Reporting. Avista will file, within 45 days of the end of each quarter, a report detailing the FCA activity by month. The reporting will also include information related to the deferrals by rate group, what the deferrals would have been if tracked by rate schedule, use and revenue-per-customer for existing and new customers, and other summary financial information. Avista will provide such

 $<sup>^2</sup>$  Review of the mechanisms took place at a workshop March 27, 2019, and the Company has filed a separate application with the Commission to extend the term of the FCA Mechanisms through March 31, 2025.

other information as may be reasonably requested, from time to time, in the future quarterly reports.

2 3

1

E. Annual Filings. On or before July 1, the Company will file a proposed rate 4 5 adjustment surcharge or rebate based on the amount of deferred revenue recorded 6 for the prior January through December time period. The rate adjustment would be 7 calculated separately for each Rate Group, with the applicable surcharge or rebate 8 recovered from each group on a uniform cents per kWh or per therm basis. The 9 proposed tariff (Schedule 75 for electric, Schedule 175 for natural gas) included 10 with that filing would include a rate adjustment that recovers/rebates the appropriate deferred revenue amount over a twelve-month period effective on 11 October 1 for electric (to match with Power Cost Adjustment and Residential 12 Exchange annual rate adjustments time period) and November 1st for natural gas 13 14 (to match with the annual Purchased Gas Cost Adjustment rate adjustment time period). The deferred revenue amount approved for recovery or rebate would be 15 transferred to a balancing account and the revenue surcharged or rebated during the 16 period would reduce the deferred revenue in the balancing account. 17 After 18 determining the amount of deferred revenue that can be recovered through a surcharge (or refunded through a rebate) by Rate Group, the proposed rates under 19 20 Schedules 75 and 175 would be determined by dividing the deferred revenue to be 21 recovered by Rate Group by the estimated kWh sales (Electric FCA) or therm sales 22 (Natural Gas FCA) for each Rate Group during the twelve-month recovery period. Any deferred revenue remaining in the balancing account at the end of the 23 24 amortization period would be added to the new revenue deferrals to determine the 25 amount of the proposed surcharge/rebate for the following year.

26 27

F. Interest. Interest will be accrued on the unamortized balance in the FCA balancing accounts at the Customer Deposit Rate.

28 29

30 G. Accounting. Avista will record the deferral in account 186 – Miscellaneous 31 Deferred Debits. The amount approved for recovery or rebate would then be 32 transferred into a Regulatory Asset or Regulatory Liability account for 33 amortization. On the income statement, the Company would record both the 34 deferred revenue and the amortization of the deferred revenue through Account 456 35 (Other Electric Revenue), or Account 495 (Other Gas Revenue), in separate sub-36 accounts. The Company would file quarterly reports with the Commission showing pertinent information regarding the status of the current deferral. This report would 37 38 include a spreadsheet showing the monthly revenue deferral calculation for each 39 month of the deferral period (January - December), as well as the current and 40 historical monthly balance in the deferral account.

41

H. 3% Rate Increase Cap. An FCA surcharge, by rate group, cannot exceed a 3%
annual rate adjustment, and any unrecovered balances will be carried forward to
future years for recovery. There is no limit to the level of the FCA rebate.

45

1 2	As detailed above, the Commission approved the following procedural schedule for
3	administering the annual natural gas FCA filings:
4 5 6 7 8	<u>July 1</u> - Company filing for prior January – December deferral period <u>November 1</u> - Commission Order and effective date of natural gas FCA rate adjustment
9	<b>III. DRIVERS OF NATURAL GAS FCA SURCHARGES</b>
10	The FCA surcharge deferrals for Residential customers in 2018 were the result of
11	lower monthly use-per-customer than the use-per-customer that was embedded in the 2016
12	test year (i.e., the FCA base). The FCA rebate deferrals for Non-Residential customers in
13	2018 were the result of higher monthly use-per-customer than the use-per-customer that
14	was embedded in the 2016 test year (i.e., the FCA base). Residential average monthly
15	use-per-customer was lower by 2 therms, and non-residential average monthly use-per
16	customer was higher by 1 therm in 2018. The Company has identified the primary drivers
17	for the change in use-per-customer.
18	First, weather was warmer than normal during January, December and May
19	and fluctuated with offsetting impacts throughout the rest of the year, giving rise to a
20	weather normalization adjustment that required the addition of 3.2 million therms to
21	residential usage (3.2 therms per customer) and 0.6 million therms (36 therms per
22	customer) to non-residential usage. The estimated FCA revenue shortfall associated with
23	weather was approximately \$1.5 million residential and \$0.1 million non-residential.
24	Since the 2016 test year used to set 2018 rates, Idaho customers have achieved
25	energy efficiency savings from participation in the Company's Demand Side Management

programs. Estimated cumulative savings since the test year (derived from the Idaho 2016,<sup>3</sup>
2017, and 2018 DSM Annual Reports) reduced residential usage in 2018 approximately
400 thousand therms and non-residential usage approximately 100 thousand therms. The
estimated FCA revenue shortfall associated with energy efficiency programmatic savings
is \$200 thousand residential and \$25 thousand non-residential.

6 The "other" drivers are related to items not easily quantifiable, such as the effects 7 of non-programmatic energy efficiency, changes in business cycles, etc. The following 8 table summarizes the impact of these drivers on the FCA Revenues received from 9 customers in 2018. In 2018 other factors tended to mitigate the quantifiable impacts from 10 weather and programmatic energy efficiencies, resulting in a small rebate for non-11 residential customers.

12		Residential Group		Non-Residential Group		
	Driver	Use-per- <u>Customer</u>	FCA <u>Revenue</u>	Use-per- <u>Customer</u>	FCA <u>Revenue</u>	
13	Weather	(3.2)	(\$1.50)	(36)	(\$0.14)	
	Energy Efficiency	(0.4)	(\$0.20)	(6)	(\$0.02)	
4	Other	1.4	\$1.14	42	\$0.30	
	Total	(2.2)	(\$0.56)	0	\$0.14	

15

16

#### IV. RESIDENTIAL GROUP RATE DETERMINATION

The Company recorded \$557,464 in the surcharge direction in deferred revenue for the natural gas residential customer group in 2018. The proposed rate of -0.951 cents per therm is designed to recover \$601,306, from the Company's residential natural gas

<sup>&</sup>lt;sup>3</sup> For the energy efficiency savings in 2016, the Company assumed that one-half of those savings were reflected in the test year billing determinants. The reduction in usage attributed to energy efficiency savings in this filing include the other half of 2016 energy efficiency savings.

customers served under rate Schedule 101. The following table summarizes the
 components of the Company's request for recovery:

3	2018 Deferred Revenue	\$557,464
	Add: 2016 Carry over balance	\$26,725
4	Add: Interest through 10/31/2020	\$13,304
	Add: Revenue Related Expense Adj.	\$3,813
5	Total Surcharge	\$601,306
	Customer rebate	\$601,306
6	Carryover Deferred Revenue	\$0

7 Exhibit B, page 1 shows the derivation of the proposed rate to surcharge revenue of \$601,306, based on projected sales volumes for Schedule 101 customers during the 8 9 surcharge/amortization period (November 2019 through October 2020). As identified on 10 tariff Sheet 175B under Step 6 of "Calculation of Monthly FCA Deferral", interest on the deferred balance accrues at the Customer Deposit Interest Rate.<sup>4</sup> If the proposed surcharge 11 12 is approved by the Commission, the 2018 deferral balance, plus interest through October, and any outstanding carry over balance will be transferred into a regulatory asset balancing 13 14 account. The balance in the asset account will be reduced each month by the surcharge 15 received from customers under the tariff.

16

#### 17 V. NON-RESIDENTIAL GROUP RATE DETERMINATION

18 The Company recorded \$137,897 in the rebate direction in deferred revenue for the 19 natural gas Non-Residential Group in 2018. The proposed rebate rate of -.554 cents per 20 therm is designed to rebate \$142,949 to the Company's commercial and industrial

<sup>&</sup>lt;sup>4</sup> The Customer Deposit Interest Rate was 1.00% throughout 2018 then increased to 2.00% for 2019. The current rate of 2.00% has been used going forward as an estimate for purposes of this rate determination.

customers served under rate Schedules 111 and 112. The following table summarizes the
 components of the Company's request for rebate:

3	2018 Deferred Revenue	(\$137,897)
	Add: 2017 Carry over balance	(\$853)
4	Add: Interest through 10/31/2020	(\$3,409)
	Add: Revenue Related Expense Adj.	(\$790)
5	Total Rebate	(\$142,949)
5	Customer rebate	(\$142,949)
	Carryover Deferred Revenue	\$0
6		

7 Exhibit B, page 3 shows the derivation of the proposed rate to rebate revenue of 8 \$142,949 based on projected sales volumes for Schedules 111 and 112 during the 9 rebate/amortization period (November 2019 through October 2020). As identified on the 10 tariff Sheet 175B under Step 6 of "Calculation of Monthly FCA Deferral", interest on the deferred balance accrues at the Customer Deposit Interest Rate.<sup>5</sup> If the proposed rebate is 11 12 approved by the Commission, the 2018 deferral balance, plus interest through October will 13 be transferred into a regulatory liability balancing account with any outstanding balance 14 from the rebate approved in case No. AVU-G-18-03. The balance in the liability account 15 will be reduced each month by the rebate received by customers under the tariff. 16 Support showing the monthly calculation of the 2018 deferral balances for both the 17 Residential and Non-Residential Groups is provided as Exhibit C. These calculations were

- 18 also provided to the Commission in quarterly reports.
- 19

<sup>&</sup>lt;sup>5</sup> Ibid.

1

#### VI. 3% ANNUAL RATE INCREASE TEST

2 FCA rate adjustment surcharges are subject to a 3% annual rate increase limitation. 3 There is no limit to rebate rate adjustments. As described in Tariff Schedule 175, the 3% 4 annual rate increase limitation will be determined by dividing the incremental annual 5 revenue to be collected (proposed surcharge revenue less present surcharge revenue) under 6 this Schedule by the total "normalized" revenue for the two Rate Groups for the most recent 7 January through December time period. Normalized revenue is determined by multiplying 8 the weather-corrected usage for the period by the present rates in effect. If the incremental 9 amount of the proposed surcharge exceeds 3%, only a 3% incremental rate increase will be 10 proposed and any remaining deferred balance will be carried over to the following year. 11 Exhibit B, page 6 shows the 3% test for the two rate groups. Neither the 2018 12 Residential nor Non-Residential deferrals are subject to the 3% limitation, therefore there 13 is no proposed carry over expected. 14 15 VII. EXISTING CUSTOMERS AND NEW CUSTOMERS 16 The Settlement Stipulation approved by the Commission requires that natural gas 17 customers that have been added since the test year are subject to a FCA Revenue-Per-Customer that excludes incremental revenue related to fixed production and underground 18 19 storage facility costs. Separate calculations for new versus existing customers are clearly 20 identified in the FCA base that was approved in Order No. 33953 (included in this filing 21 as Attachment C, pages 3 through 6).

22

Due to this segregation, Avista tracks the usage of new customers since January 1,

2017 as compared with existing customers.<sup>6</sup> In general, the average usage of new natural
gas customers is comparable to the average usage of existing customers. Avista will
continue to track the usage of new customers over the Fixed Cost Adjustment term.

- 4
- 5

#### VIII. PROPOSED RATES TO BE EFFECTIVE NOVEMBER 1, 2019

6 The Company is proposing a per therm FCA surcharge rate of  $0.951 \notin$  for the 7 Residential Group, and a per therm FCA rebate rate of -.554¢ for the Non-Residential 8 Group, both to become effective November 1, 2019. Exhibit B to this Application provides 9 the Residential and Non-Residential Rate Calculation, and Exhibit C provides the support 10 for the deferrals for the January 1, 2018 through December 31, 2018 deferral period. 11 Attached as Exhibit A is a copy of the proposed tariff, Schedule 175, which contains the 12 proposed FCA rates. Exhibit A also includes the proposed changes to Schedule 175 in 13 strike/underline format.

14 Residential customers using an average of 61 therms per month would see their 15 monthly bills increase from \$45.67 to \$46.72, an increase of \$1.05 per month, or 2.30%.

16

#### 17 IX. COMMUNICATIONS AND SERVICE OF APPLICATION

In conformance with RP 125, this Application will be brought to the attention of the Company's customers. First, the Company has served a copy of this Application upon the service list in Case Nos. AVU-E-15-05 and AVU-G-15-01, the cases that gave rise to the FCA mechanisms. Second, a copy of Company's news release and customer notice is

<sup>&</sup>lt;sup>6</sup> "Existing customers" were part of the test year used to set the January 1, 2018 rates (2016 calendar year). "New customers" consist of all new hookups after the test year. The proposed Tariff Sheet 175 replaces the

1	provided as Attachment D. The news release will be issued on July 1, 2019, and the
2	customer notice will be inserted in customer bills starting on or about July 8, 2019, and run
3	for a full billing cycle.
4	
5	X. REQUEST FOR RELIEF
6	The Company requests that the Commission issue an order approving recovery of
7	FCA deferrals for the period January 1, 2018 through December 31, 2018, and approve a
8	per therm FCA surcharge rate of 0.951¢ for the Residential Group, and a per therm FCA
9	rebate rate of554¢ for the Non-Residential Group, both to become effective November
10	1, 2019. The Residential Group surcharge represents a \$1.1 million, or 2.3% incremental
11	increase to schedule 101 customers, and the Non-Residential Group rebate represents a
12	\$0.1 million, or 1.1% incremental increase to Schedule 111 and 112 customers. The
13	Company requests that the matter be processed under the Commission's Modified
14	Procedure rules through the use of written comments.
15	Dated at Spokane, Washington this 28th day of June 2019.
16	AVISTA CORPORATION
17 18 19 20	BY David J. Meyer Attorney for Avista Corporation

1	VERIFICATION			
2 3	STATE OF WASHINGTON )			
3 4	)			
5	County of Spokane )			
6	county of spokate )			
7				
8	David J. Meyer, being first duly sworn on oath, deposes and says: That he is the			
9	Vice President and Chief Counsel for Regulatory & Governmental Affairs for Avista			
10	Corporation and makes this verification for and on behalf of said corporation, being thereto			
11	duly authorized;			
12				
13	That he has read the foregoing filing, knows the contents thereof, and believes the			
14	same to be true.			
15				
16				
17				
18	P c			
19				
20	SIGNED AND SWORN to before me this 28th day of June 2019, by David J.			
21	Meyer.			
22				
23	$\cap$			
24	Dobh & Doubal			
25	BIEDEUS MAL			
26	NOTARY PUBLIC in and for the State of			
27	Washington, residing at Spokane.			
28 29				
29 30	PUBLIC			
31	Commission Expires: 05-09-2021			
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#### BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

#### AVISTA UTILITIES

#### CASE NO. AVU-G-19-04

#### **EXHIBIT** A

Tariff Sheets – Proposed, Strikethrough and Underline Natural Gas Service

June 28, 2019

I.P.U.C. No. 27

AVISTA CORPORATION dba Avista Utilities

#### SCHEDULE 175 FIXED COST ADJUSTMENT MECHANISM – NATURAL GAS

#### PURPOSE:

This Schedule establishes balancing accounts and implements an annual Fixed Cost Adjustment ("FCA") rate mechanism that separates the recovery of the Company's Commission authorized revenues from therm sales to customers served under the applicable natural gas service schedules.

#### TERM:

The term of the FCA mechanism is four years, effective January 1, 2016 through December 31, 2019.

#### APPLICABLE:

To Customers in the State of Idaho where the Company has natural gas service available. This schedule shall be applicable to all retail customers taking service under Schedules 101, 111, and 112. This Schedule does not apply to Schedules 131/132 (Interruptible Service), Schedule 146 (Transportation Service For Customer-Owned Gas) or Schedule 148 (Special Contracts). Applicable Customers will be segregated into two (2) distinct Rate Groups:

Group 1 – Schedule 101 Group 2 – Schedules 111 and 112

Note – the recovery of incremental revenue related to fixed production and underground storage costs will be excluded for new natural gas customers added after the FCA Base test year.

#### MONTHLY RATE:

Group 1 - \$0.00951 per therm Group 2 - (\$0.00554) per therm

Issued June 28, 2019

Effective November 1, 2019

Issued by Avista Corporation

By

Patrick Ehrbar, Director of Regulatory Affairs

atuch D Ehrbal

I.P.U.C. No. 27

AVISTA CORPORATION dba Avista Utilities

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Group 1 – Schedule 101 Group 2 – Schedules 111 and 112

Note – the recovery of incremental revenue related to fixed production and underground storage costs will be excluded for new natural gas customers added after the FCA Base test year.

#### MONTHLY RATE:

Group 1 – <del>(\$0.00766)</del> per therm Group 2 – <del>(\$0.01067)</del> per therm

Issued June 29, 2018

Effective November 1, 2018

I.P.U.C. No. 27

AVISTA CORPORATION dba Avista Utilities

#### SCHEDULE 175 FIXED COST ADJUSTMENT MECHANISM – NATURAL GAS

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This Schedule establishes balancing accounts and implements an annual Fixed Cost Adjustment ("FCA") rate mechanism that separates the recovery of the Company's Commission authorized revenues from therm sales to customers served under the applicable natural gas service schedules.

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Group 1 – Schedule 101 Group 2 – Schedules 111 and 112

Note – the recovery of incremental revenue related to fixed production and underground storage costs will be excluded for new natural gas customers added after the FCA Base test year.

#### MONTHLY RATE:

Group 1 –  $\frac{0.00951}{0.00554}$  per therm Group 2 –  $\frac{0.00554}{0.00554}$  per therm

Issued June 28, 2019

#### BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

#### AVISTA UTILITIES

#### CASE NO. AVU-G-19-<u>04</u>

#### EXHIBIT B

FCA Rate Calculation November 1, 2019 – October 31, 2020 Natural Gas Service

June 28, 2019

#### Avista Utilities

#### Calculation of Fixed Cost Adjustment (FCA) Surcharge or Rebate Amortization Rates Effective November 1, 2019 - October 31, 2020

		Idaho Residential N	atural Gas	
Line		Unamortized		
No.	Date	Balance (1)	Interest (2)	Forecast Usage
1		0.00939	2.00%	
2	Oct-19	\$593,550		
3	Nov-19	\$524,539	\$931	7,450,662
4	Dec-19	\$418,375	\$785	11,392,955
5	Jan-20	\$317,067	\$612	10,857,195
6	Feb-20	\$231,319	\$457	9,183,133
7	Mar-20	\$160,914	\$327	7,534,718
8	Apr-20	\$116,605	\$231	4,744,711
9	May-20	\$93,029	\$175	2,530,111
10	Jun-20	\$78,502	\$143	1,562,682
11	Jul-20	\$66,606	\$121	1,280,086
12	Aug-20	\$55,493	\$102	1,194,700
13	Sep-20	\$41,069	\$80	1,545,138
14	Oct-20	\$4,000	\$38	3,952,736
15	Annual Total		\$4,000	63,228,827
16	Incremental Rate to Recover Esti	mated Interest	\$0.00006	
17	Estimated Rate to Recover Defer	ral Balance	\$0.00939	
18	Rate before Gross-up for Revenu	e-related items	\$0.00945	
19	Times: Gross-up for Revenue-rel	ated items (3)	1.005873	
20	Preliminary Proposed FCA Rate		\$0.00951	
21	3% Test Rate Adjustment (4)		\$0.00000	
22	Final Proposed FCA Rate		\$0.00951	Surcharge Rate
23	Adjusted for Revenue	Related Expenses	\$0.00945	Amortization Rate
24	Estimated Carryover Balance due	e to 3% test (5)	\$0	

#### Notes

(1) Deferral balance at the end of the month, Rate of \$0.00939 to recover the October 2019 balance of \$593,550 over 12 months. See page 2 of Exhibit B for October 2019 balance calculation.

- (2) Interest computed on average balance between beginning and end of month at the present IPUC Consumer Deposit rate. The IPUC Consumer Deposit rate is updated annually. <u>http://www.puc.idaho.gov/gas/34204.pdf</u>
- (3) AVU-G-17-01 conversion factor, see page 7 of Exhibit B.
- (4) See page 6 of Exhibit B for 3% test adjustment calculations.
- (5) See page 2 of Exhibit B for estimated carryover balance calculations.

#### Idaho Residential Natural Gas

#### Calculate Estimated Monthly Balances through October 2020

		-	2020
			A manutization
	Ending balance		Amortization
Dec 19	\$557 ACA	2.00%	
		\$0.20	
•			
-			
		· ·	
		\$943	
			4
			\$70,442
			\$107,714
			\$102,649
			\$86,822
			\$71,237
			\$44,859
May-20			\$23,921
Jun-20			\$14,774
			\$12,103
			\$11,295
			\$14,608
Oct-20	(\$302)	\$31	\$37,371
Total		\$13,304	\$597,795
Summary			
2018 Deferred Revenue	\$557,464		
Add Prior Year Carryover Balance	\$26,725		
Add Interest through 10/31/2020	\$13,304		
Add Revenue Related Expense Adj.	\$3,813		
Total Requested Recovery	\$601,306		
Customer Surcharge Revenue	\$601,306		
Carryover Deferred Revenue	\$0		
	Dec-18 Jan-19 Feb-19 Mar-19 Apr-19 May-19 Jun-19 Jul-19 Aug-19 Sep-19 Oct-19 prior year carryover Nov-19 Dec-19 Jan-20 Feb-20 Mar-20 Apr-20 May-20 Jun-20 Jun-20 Jun-20 Jun-20 Jun-20 Jun-20 Sep-20 Oct-20 Total Summary 2018 Deferred Revenue Add Prior Year Carryover Balance Add Interest through 10/31/2020 Add Revenue Related Expense Adj. Total Requested Recovery Customer Surcharge Revenue	Dec-18         \$557,464           Jan-19         \$558,393           Feb-19         \$559,324           Mar-19         \$560,256           Apr-19         \$561,190           May-19         \$562,125           Jun-19         \$563,062           Jul-19         \$564,000           Aug-19         \$564,000           Aug-19         \$566,825 <b>Oct-19</b> \$566,825 <b>prior year carryover</b> \$26,725           Nov-19         \$524,038           Dec-19         \$417,108           Jan-20         \$315,068           Feb-20         \$228,699           Mar-20         \$157,784           Apr-20         \$113,151           May-20         \$89,399           Jun-20         \$74,761           Jul-20         \$62,773           Aug-20         \$37,039           Oct-20         \$37,039           Oct-20         \$37,039           Oct-20         \$26,725           Add Prior Year Carryover Balance         \$26,725           Add Interest through 10/31/2020         \$13,304           Add Revenue Related Expense Adj.         \$3,813           Total Re	Ending Balance         Interest Rate 2.00%           Dec-18         \$557,464           Jan-19         \$558,393         \$929           Feb-19         \$559,324         \$931           Mar-19         \$560,256         \$932           Apr-19         \$561,100         \$934           May-19         \$562,125         \$935           Jun-19         \$564,000         \$938           Aug-19         \$564,000         \$938           Aug-19         \$566,825         \$942           Oct-19         \$566,825         \$943           prior year carryover         \$26,725         \$784           Jan-20         \$315,068         \$610           Feb-20         \$228,699         \$453           Mar-20         \$157,784         \$322           Apr-20         \$89,399         \$169           Jun-20         \$74,761         \$137           Jul-20         \$62,773         \$115           Aug-20         \$51,573         \$955           Jun-20         \$74,761         \$137           Jul-20         \$62,773         \$115           Aug-20         \$51,573         \$955      >       Sep-20         \$37,039

#### **Avista Utilities**

#### Calculation of Fixed Cost Adjustment (FCA) Surcharge or Rebate Amortization Rates Effective November 1, 2019 - October 31, 2020

	Ida	ho Non-Residential N	atural Gas	
Line		Unamortized		
No.	Date	Balance (1)	Interest (2)	Forecast Usage
1		-0.00547	2.00%	
2	Oct-19	(\$141,066)		
3	Nov-19	(\$123,708)	(\$220)	3,215,325
4	Dec-19	(\$102,361)	(\$188)	3,939,268
5	Jan-20	(\$82,429)	(\$154)	3,673,840
6	Feb-20	(\$65,742)	(\$123)	3,074,966
7	Mar-20	(\$51,651)	(\$98)	2,595,344
8	Apr-20	(\$42,243)	(\$78)	1,735,216
9	May-20	(\$36,365)	(\$65)	1,087,018
10	Jun-20	(\$31,177)	(\$56)	959,404
11	Jul-20	(\$25,498)	(\$47)	1,047,392
12	Aug-20	(\$19,318)	(\$37)	1,137,140
13	Sep-20	(\$12,990)	(\$27)	1,162,370
14	Oct-20	(\$1,107)	(\$12)	2,175,867
15	Annual Total		(\$1,107)	25,803,150
16	Incremental Rate to Recover Estir	nated Interest	(\$0.00004)	
17	Estimated Rate to Recover Deferr	al Balance	(\$0.00547)	
18	Rate before Gross-up for Revenue	e-related items	(\$0.00551)	
19	Times: Gross-up for Revenue-rela	ated items (3)	1.005873	
20	Preliminary Proposed FCA Rate		(\$0.00554)	
21	3% Test Rate Adjustment (4)		\$0.00000	
22	Final Proposed FCA Rate		(\$0.00554)	Rebate Rate
23	Adjusted for Revenu	e Related Expenses	(\$0.00551)	Amortization Rate
24	Estimated Carryover Balance due	to 3% test (5)	\$0	

#### Notes

- (1) Deferral balance at the end of the month, Rate of -\$0.00547 to rebate the October 2019 balance of -\$141,066 over 12 months. See page 4 of Exhibit B for October 2019 balance calculation.
- (2) Interest computed on average balance between beginning and end of month at the present IPUC Consumer Deposit rate. The IPUC Consumer Deposit rate is updated annually. http://www.puc.idaho.gov/gas/34204.pdf
- (3) AVU-G-17-01 conversion factor, see page 7 of Exhibit B.
- (4) See page 6 of Exhibit B for 3% test adjustment calculations.
- (5) See page 2 of Exhibit B for estimated carryover balance calculations.

#### Idaho Non-Residential Natural Gas

Calculate Estimated Monthly Balance through October 2020

Line			Consumer Deposit	
No.		Ending Balance	Interest Rate	Amortization
		0	2.00%	
1	Dec-18	(\$137,897)		
4	Jan-19	(\$138,127)	(\$230)	
5	Feb-19	(\$138,357)	(\$230)	
6	Mar-19	(\$138,588)	(\$231)	
7	Apr-19	(\$138,819)	(\$231)	
8	May-19	(\$139,050)	(\$231)	
9	Jun-19	(\$139,282)	(\$232)	
10	Jul-19	(\$139,514)	(\$232)	
11	Aug-19	(\$139,746)	(\$233)	
12	Sep-19	(\$139,979)	(\$233)	
13	Oct-19	(\$140,213)	(\$233)	
14	prior year carryover	-\$853		
15	Nov-19	(\$123,578)	(\$220)	(\$17,709)
16	Dec-19	(\$102,069)	(\$188)	(\$21,696)
17	Jan-20	(\$81,988)	(\$153)	(\$20,234)
18	Feb-20	(\$65,175)	(\$123)	(\$16,936)
19	Mar-20	(\$50 <i>,</i> 977)	(\$97)	(\$14,294)
20	Apr-20	(\$41,498)	(\$77)	(\$9,557)
21	May-20	(\$35,575)	(\$64)	(\$5,987)
22	Jun-20	(\$30,346)	(\$55)	(\$5,284)
23	Jul-20	(\$24,623)	(\$46)	(\$5,769)
24	Aug-20	(\$18,396)	(\$36)	(\$6,263)
25	Sep-20	(\$12,019)	(\$25)	(\$6,402)
26	Oct-20	(\$45)	(\$10)	(\$11,984)
27	Total		(\$3,409)	(\$142,115)
	Summary			
28	2018 Deferred Revenue	(\$137,897)		
29	Add Prior Year Carryover Balance	-\$853		
30	Add Interest through 10/31/2020	(\$3,409)		
31	Add Revenue Related Expense Adj.	(\$790)		
32	Total Requested Recovery	(\$142,949)		
33	Customer Rebate Revenue	(\$142,949)		
34	Carryover Deferred Revenue	\$0		

#### Avista Utilities FCA Mechanism Prior Surcharge or Rebate Amortization Effective November 1, 2018 - October 31, 2019

#### **Residential Natural Gas Rebate**

		Lia	Regulatory bility Beginning				Regulatory ability Ending	Interest	June - October
Line No.	Date		Balance	Interest	Aı	mortization	Balance	Rate	Forecast Usage
1	Nov-18	\$	(457,097.50)	(\$355.90)	Ś	60,027.36	\$ (397,426.04)	1.00%	
2	Dec-18		(397,426.04)	(\$299.24)		76,668.18	\$ (321,057.10)	1.00%	
3	Jan-19	\$	(321,057.10)	(\$473.06)	\$	74,445.31	\$ (247,084.85)	2.00%	
4	Feb-19	\$	(247,084.85)	(\$337.17)	\$	89,571.43	\$ (157,850.59)	2.00%	
5	Mar-19	\$	(157,850.59)	(\$211.69)	\$	61,676.73	\$ (96,385.55)	2.00%	
6	Apr-19	\$	(96,385.55)	(\$132.52)	\$	33,750.17	\$ (62,767.90)	2.00%	
7	May-19	\$	(62,767.90)	(\$90.89)	\$	16,464.90	\$ (46,393.89)	2.00%	
8	Jun-19	\$	(46,393.89)	(\$67.09)	\$	12,273.79	\$ (34,187.19)	2.00%	1,602,323
9	Jul-19	\$	(34,187.19)	(\$48.59)	\$	10,071.50	\$ (24,164.28)	2.00%	1,314,818
10	Aug-19	\$	(24,164.28)	(\$32.57)	\$	9,249.56	\$ (14,947.29)	2.00%	1,207,515
11	Sep-19	\$	(14,947.29)	(\$15.24)	\$	11,602.69	\$ (3,359.84)	2.00%	1,514,712
12	Oct-19	\$	(3,359.84)	\$19.45	\$	30,065.26	\$ 26,724.87	2.00%	3,924,968

#### Non-Residential Natural Gas Rebate

Line No.	Date	Lia	Regulatory bility Beginning Balance	Interest	Aı	mortization	Regulatory ability Ending Balance	Interest Rate	June - October Forecast Usage
13	Nov-18	\$	(270,582.13)	(\$211.96)	\$	32,452.08	\$ (238,342.01)	1.00%	
14	Dec-18	\$	(238,342.01)	(\$185.16)	\$	32,295.65	\$ (206,231.52)	1.00%	
15	Jan-19	\$	(206,231.52)	(\$314.87)	\$	34,614.54	\$ (171,931.85)	2.00%	
16	Feb-19	\$	(171,931.85)	(\$253.16)	\$	40,067.53	\$ (132,117.48)	2.00%	
17	Mar-19	\$	(132,117.48)	(\$195.24)	\$	29,946.14	\$ (102,366.58)	2.00%	
18	Apr-19	\$	(102,366.58)	(\$153.61)	\$	20,395.85	\$ (82,124.34)	2.00%	
19	May-19	\$	(82,124.34)	(\$126.11)	\$	12,916.96	\$ (69,333.49)	2.00%	
20	Jun-19	\$	(69,333.49)	(\$106.96)	\$	10,317.52	\$ (59,122.93)	2.00%	966,965
21	Jul-19	\$	(59,122.93)	(\$89.76)	\$	10,529.24	\$ (48,683.45)	2.00%	986,808
22	Aug-19	\$	(48,683.45)	(\$71.38)	\$	11,709.46	\$ (37,045.37)	2.00%	1,097,419
23	Sep-19	\$	(37,045.37)	(\$51.31)	\$	12,519.54	\$ (24,577.14)	2.00%	1,173,340
24	Oct-19	\$	(24,577.14)	(\$21.17)	\$	23,744.82	\$ (853.49)	2.00%	2,225,382

#### Avista Utilities Fixed Cost Adjustment (FCA) 3% Test 2018 Idaho Natural Gas Deferrals

Line No				
	Revenue From 2018 Normalized Loads and	Residential	Non-Residential	Total
1	Customers at Present Billing Rates (Note 1)	\$46,864,686	\$11,603,480	\$58,468,166
2	November 2019 - October 2020 Usage	63,228,827	25,803,150	
3	Proposed FCA Recovery Rates	\$0.00951	-\$0.00554	
4	Present FCA Recovery Rates (2)	\$0.00000	\$0.00000	
5	Incremental FCA Recovery Rates	\$0.00951	-\$0.00554	
6	Incremental FCA Recovery	\$601,306	(\$142,949)	\$458,357
7	Incremental Surcharge %	1.28%	-1.23%	
8	3% Test Adjustment (2)	\$0	\$0	\$0
9	3% Test Rate Adjustment	\$0.00000	\$0.00000	
10	Adjusted Proposed FCA Recovery Rates	\$0.00951	-\$0.00554	
11	Adjusted Incremental FCA Recovery	\$601,306	(\$142,949)	\$458,357
12	Adjusted Incremental Surcharge %	1.28%	-1.23%	

Notes

(1) Total 2018 weather normalized billing determinants priced at the billing rates effective since 01/01/2019.

(2) As stated on tariff Sheet 175C, the reversal of a rebate rate is not included in the 3% incremental surcharge test. Therefore the present rebate rates of -\$0.00766 Residential and -\$0.01067 Non-Residential are \$0.00000 in this incremental rate calculation.

#### AVISTA UTILITIES Revenue Conversion Factor Idaho - Natural Gas System TWELVE MONTHS ENDED DECEMBER 31, 2016

Line No.	Description	Factor	
	Description		
1	Revenues	1.000000	1.000000
	Expense:		
2	Uncollectibles	0.003564	0.003564
3	Commission Fees	0.002275	0.002275
4	Idaho State Income Tax	0.051264	
5	Total Expense	0.057103	0.005839
6	Net Operating Income Before FIT	0.942897	0.994161
7	Federal Income Tax @ 35%	0.330014	
8	REVENUE CONVERSION FACTOR	0.612883	0.994161
	AVU-E-17-01 Settlement Conversion Factor with	Tax Reform	
9	Gross Up Factor		1.005873

Avista Utilities Idaho Jurisdiction	2019 FCA Schedule 175 Filing	Natural Gas Service
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	2.32%	1.14% 0.00% 0.00%	2.06%	1.14%	
Present Billing Revenue	\$ 46,864,686	\$ 11,603,480 \$ - \$ 567,440	\$ 59,035,606	\$ 11,603,480	
Incremental Rate change (i)	0.01717	0.00513			@61 therms \$6.00 \$39.67 \$45.67 \$1.05 \$46.72 2.30%
Proposed I FCA Rate (h)	<b>0.00951</b> \$	(0.00554) \$ (0.00554) \$			l \$6.00 \$0.65029_ rates 0.01717_ rates sse
Proposed FCA Revenue (g)	601,306 \$	(142,949) <b>\$</b> - <b>\$</b>	458,357	(142,949)	Average Residential Bill Basic Charge \$6.00 Per Therm \$0.65029 Residential Bill at 1/1/2019 rates Proposed rate change \$ 0.01717 Residential Bill at Proposed rates Proposed Percent Increase
Proposed P FCA Increase F (f)	,085,639 \$	132,370 \$ - \$	,218,009 \$	132,370	Average B. Residential B Proposed r Residential B Proposed
Present Pr FCA Revenue Ir (e)	63,228,827 \$ (0.00766) \$ (484,333) \$ 1,085,639	25,803,150 \$ (0.01067) \$ (275,320) \$ 132,370 0 \$ (0.01067) \$ - \$ N/A	\$ (759,652) \$ 1,218,009 \$	(275,320)	
Present FCA Rate (d)	\$ (0.00766) \$	\$ (0.01067) \$ \$ (0.01067) \$	Ş		
FCA Billing Determinants (c)	63,228,827	25,803,150 0 N/A	89,031,976	25,803,150	
Schedule Number [ (b)	101	111/112 131/132 146/147/159		ototal	
Type of Service (a)	General Service	Large General Service Interruptible Service Excluded Schedules	Total	Non-Residential Group Subtotal	

#### BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

#### AVISTA UTILITIES

CASE NO. AVU-G-19-<u>04</u>

#### **EXHIBIT C**

FCA 2018 Deferred Revenue Calculation Natural Gas Service

June 28, 2019

# Avista Utilities Natural Gas Fixed Cost Adjustment Mechanism (Idaho) Development of Natural Gas Deferrals (Calendar Year 2018) AVU-G-17-01 FCA Base - Rates Effective 1/1/2018, With Sch 172 Tax Refore Adj - Rates Effective 6/1/2018

Line No.	Source		Jan-18		Feb-18	Mar-18	Anr-18	Mav-18	Jun-18	Jul-18	Aug-18		Sen-18	Oct-18	Nov-18	Dec-18	2018 YTD Total
(a) Decidential Comm	(þ)	(c)			(p)	(e)	(J)	(g)	(h)	()	0	0		(1)	(m)	(u)	(s)
1 Total Actual Billed Customers	Revenue Reports	~	81,663		81.746	81.795	81,891	81,907	82,005	82,164	82,408	82.361	361	83.068	83.227	83.374	987,609
2 Total Actual Usage (Therms)	Revenue Reports	8,8	8,822,773	6	9,222,783	7,413,396	5,025,668	1,559,887	1,425,085	1,218,315	1,026,426	1.668,078		4,564,842	7,729,321	10,111,460	59,788,035
3 Total Actual Base Rate Revenue	Revenue Reports	\$ 4,74	4,742,841	\$	4,954,407 S	4,080,380	\$ 2.927,732 \$	1,285,274 \$	\$ 1,146,997	1,021,934	\$ 960,488	\$ 1.234,667	\$	2,656,104 S	4,205,656 \$	5,062,304 \$	34,278,782
4 Total Actual Fixed Charge Revenue	Revenue Reports		461,652		492,048 \$	492,970	\$ 493,249 \$	493,752 §	\$ 494,834	495,694	\$ 497,122	\$ 496,611	\$	500,514 \$	500,937 \$	502,168 \$	5,921,550
5 6 Existing Customers																	
7 Actual Customers on System During Test Year	(1) - (22)		79.529		79,486	79,429	79.388	79.246	79,159	79.142	79.142	78.	78.874	79.397	79.285	79,219	951,296
8 Monthly Fixed Cost Adj. Revenue per Customer	Page 3		\$57.34		\$48.82	\$41.58	\$ 26.93 \$	\$ 15.12	\$ 8.64	6.80	\$ 6.73	\$	7.99 \$	22.41 \$	45.64 \$	63.21	\$29.30
9 Fixed Cost Adjustment Revenue	(7) x (8)	\$ 4,50	4,560,487	s.	3,880,207 \$	3,302,358	\$ 2,138,031 \$	1,198,275	\$ 683,580	538,478	\$ 532,522	\$ 630,380	\$	1,779,109 \$	3,618,433 S	5,007,200 S	27,869,061
10																	
	(3) - (26)		4,598,666		4,827,210 \$	3,955,176	\$ 2,824,906 \$	1,230,269		\$ 988,724	\$ 928,144	\$ 1,196,205	\$	2,586,393 \$	4,076,477 \$	4,849,342 \$	33,173,160
12 Actual Fixed Charge Revenue	(4) - (27)	\$	450,083	\$	479,194 \$	479,456	\$ 478,958 \$	478,604	\$ 478,559	478,276	\$ 478,212	\$ 476,646	\$	479,352 \$	478,328 S	478,108 S	5,713,775
13 Actual Usage (Therms)	(2) - (28)	8,5,	8,546,826	80	8,986,285	7,182,454	4,842,604	1,477,476	1,384,216	1,183,130	996,461	1,626,807		4,456,509	7,491,523	9,689,944	57,864,235
14 15																	
16 Customer Fixed Cost Adjustment Revenue	(11) - (12) -(15)	\$ 4,1 <sup>4</sup>	4,148,583	\$	4,348,016 \$	3,475,720	\$ 2,345,949 \$	751,666	\$ 633,088	\$ 510,448	\$ 449,932	\$ 719,560	\$	2,107,041 \$	3,598,149 \$	4,371,233 \$	27,459,385
17 Residential Revenue Per Customer Received	ed		\$52.16		\$54.70	\$43.76	\$29.55	\$9.49	\$8.00	\$6.45	\$5.69		\$9.12	\$26.54	\$45.38	\$55.18	\$28.87
18 Existing Customer Deferral - Surcharge (Rebate)	(9) - (16)	\$	411,904	s	(467,809) \$	(173,362)	\$ (207,918) \$	446,609	\$ 50,493	\$ 28,030	\$ 82,590	\$ (89,	(89,180) \$ (	(327,931) \$	20,283 \$	635,967 \$	409,676
19 20																	
21 <u>New Customers</u> 22 Antiol Customers Naw Since Test Van	Domonto Domonto		VCIC		0366	2766	009 0	1000	2100	CC0 C	2200	•	Lor c	167 6	CT0 C	1166	616.26
	Dage 3		654 20		C 945	630 37	05 503	614 27	010'7	170,0	00710		67 52	1105	\$42.02	650 50	C1C,0C
	(22) x (23)	\$ 1	115,879	\$	104,472 \$	93,151	\$ 63,833 \$			\$ 19,384	\$ 20,718	S 2(	26,273 \$	77,549 \$	169,606 \$	247,589 \$	999,727
25 Actual Base Rate Revenue	Revenue Reports	5	44 174	5	127 196 \$	125 204	S 102 825 S	55 004 5	35 351	\$ 33.710	8 37 344	\$ 38	38 461 \$	S 111 S	3 61 961	212 962 8	1 105 622
	Revenue Reports		11.569		12.854 S	13.514		15.148			\$ 18.910	60		21.161 \$	22.609 \$		207.775
	Revenue Reports	5	275,947		236,498	230,942	183,064	82,411	40,869	35,185	29,965		41,272	108,333	237,798	421,516 \$	1,923,800
31 Fixed Production and UG Storage Rate per Therm	Page 1	\$ 0.	0.02566	s	0.02566 \$	0.02566	\$ 0.02566 \$	0.02566 \$	\$ 0.02566	\$ 0.02566	\$ 0.02566	\$ 0.02566	566 \$	0.02566 \$	0.02566 \$	0.02566	
	(30) x (31)	S	7,081	\$	6,069 S	5,926		2,115 5	\$ 1,049	903	\$ 769	s 1,	1,059 \$	2,780 \$	6,102 \$	10,817	
Customer Fix	(26) - (27) - (30) - (32)	-	125,524	s		105,764	\$ 83,836 \$	37,741 5	\$ 18,027	14,889	\$ 12,665	s	17,437 \$	45,769 \$	100,467 \$	178,085 S	848,478
			\$58.82		\$47.91	\$44.70	\$33.49	\$14.18	\$6.33	\$4.93	\$3.88		\$5.00	\$12.47	\$25.49	\$42.86	\$23.37
35 New Customer Deferral - Surcharge (Rebate)	(9) - (33)	s	(9,645)	S	(3,801) \$	(12,613)	\$ (20,003) \$	361	\$ 5,143	\$ 4,495	\$ 8,053	\$ 8,	8,836 \$	31,780 \$	69,139 \$	69,504 \$	151,249
36 37 Total Residential Deferral - Surcharge (Rebate)	(18) + (35)	\$ 4(	402.259 \$		(47) 611) \$	(185 975)	\$ (126 222) \$	446 970	\$ 55.635	32,525	8 90.643		(80 344) \$ (	\$ (151 967)	80 422 \$	705 471 \$	560.925
	Rev Conv Factor		(7 324)		\$ 542 6			(2 583)		(188)		, 4				1	
	Customer Deposit Rate		1.00%		1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%		1.00%	1.00%	1.00%	1.00%	
40 Interest on Deferral	Avg Balance Calc	s	167	\$	138 \$	(134)	\$ (306) \$	(215) \$	\$ (1) \$	29	\$ 80	s	85 S	(71) \$	(157) \$	172 \$	(220)
41 Monthly Residential Deferral Totals		S (1,2'	S (1,275,403)	s	(3,390) S	67,643	\$ (326,193) \$	37,204	S 244,460	\$ 32,366	\$ 90,200	<b>S</b> (79,	(79,795) S (2	(294,511) \$	88,749 S	701,567 \$	557,464
42 43 Cumulative Residential Deferral (Rebate)/Surcharge	Σ((37), (38), (40))	s 4(	400,102	s	(68,646) \$	(253,681) \$	\$ (480,591) \$	(36,419) \$	18,888	\$ 51,254	\$ 141,454	\$ 61,	61,659 \$ (	(232,852) \$	(144,103) \$	557,464	

EXHIBIT C Page 1 of 12

# Avista Utilities Natural Gas Fixed Cost Adjustment Mechanism (Idaho) Development of Natural Gas Deferrals (Calendar Year 2018) AVU-G-17-01 FCA Base - Rates Effective 1/1/2018, With Sch 172 Tax Refore Adj - Rates Effective 6/1/2018

Line No.	Source	Jan-18	Feh-18	Mar-18	Anr-18	Mav-18	81-mil.	Anl-18	A110-18	Sen-18	Oct-18	Nov-18	2 Dec-18	2018 YTD Total
(a) Non-Residential Group	(9)	(c)	(p)	(e)	(f)	(g)	(4)	(i)	()	(k)	e	(m)	(u)	(s)
<ol> <li>Total Actual Billed Customers</li> <li>Total Actual Usage (Therms)</li> <li>Total Actual Base Rate Revenue</li> <li>Total Actual Fixed Charge Revenue</li> </ol>	Revenue Reports Revenue Reports Revenue Reports Revenue Reports	1,454 2,764,976 \$ 840,603 \$ 148,070	1,475 3,139,410 \$ 881,117 \$ 151,616 \$	1,482 2,672,902 809,555 \$ 152,849 \$	1,491 2,030,932 647,529 \$ 153,300 \$	1,503 1,156,981 425,059 \$ 154,619 \$	1,503 1,363,982 423,077 \$ 154,366 \$	1,500 1,114,210 367,428 \$ 154,587 \$	1,489 1,117,604 364,308 \$ 153,289 \$	1,496 1,374,654 413,725 \$ 153,775 \$	1,513 1,944,756 531,408 \$ 155,645 \$	1,499 2,680,967 761,260 \$ 154,572 \$	1,503 3,076,276 825,713 \$ 154,562 \$	17,908 24,437,649 7,290,782 1,841,251
5 <i>Existing Customers</i> 7 Actual Customers on System During Test Year 8 Monthly Fixed Cost Adj. Revenue per Customer 9 Fixed Cost Adjustment Revenue	(1) - (22) Page 3 (7) x (8)	1,442 \$481.66 \$ 694,557	1,461 \$442.51 \$ 646,500 \$	1,462 \$381.90 558,344 \$	1,472 \$276.11 406,436 \$	1,479 \$221.59 327,729 \$	1,480 \$156.66 231,852 \$	1,474 \$159.27 234,758 \$	1,466 \$195.83 287,090 \$	1,472 \$151.18 222,533 \$	1,488 \$258.97 385,354 \$	1,473 \$394.69 581,382 \$	1,476 \$446.50 659,027 \$	17,645 \$296.72 5,235,561
10 11 Actual Base Rate Revenue 12 Actual Fixed Charge Revenue 13 Actual Usage (Therms) 14	<ul> <li>(3) - (26)</li> <li>(4) - (27)</li> <li>(2) - (28)</li> </ul>	<ul> <li>\$ 834,384</li> <li>\$ 145,376</li> <li>2,747,062</li> </ul>	<ul> <li>\$ 876,056</li> <li>\$ 150,298</li> <li>3,124,048</li> </ul>	791,577 \$ 145,752 \$ 2,615,704	635,528 \$ 151,348 \$ 1,987,810	411,655 \$ 149,893 \$ 1,115,249	415,380 \$ 152,099 \$ 1,339,083	359,799 \$ 151,668 \$ 1,090,338	356,759 \$ 150,944 \$ 1,091,660	405,842 \$ 151,194 \$ 1,348,531	522,479 \$ 153,179 \$ 1,913,972	749,492 \$ 151,694 \$ 2,638,206	809,580 \$ 151,789 \$ 3,015,436	7,168,532 1,805,234 24,027,097
<ol> <li>Customer Fixed Cost Adjustment Revenue</li> <li>Customer Fixed Cost Adjustment Revenue</li> <li>Non-Residential Revenue Per Customer Received</li> <li>Existing Customer Deferral - Surcharge (Rebate)</li> </ol>	(11) - (12) -(15) d (9) - (16)	\$ 689,009 \$477.81 \$ 5,548	\$ 725,758 \$ \$ \$496.75 \$ \$	645,825 \$ \$441.74 (87,480) \$	484,179 \$ \$328,93 (77,743) \$	261,762 \$ \$176.99 65,967 \$	263,281 \$ \$177.89 (31,429) \$	208,131 \$ \$141.20 26,627 \$	205,816 \$ \$140.39 81,274 \$	254,648 \$ \$172.99 (32,116) \$	369,300 \$ \$248.19 16,054 \$	597,798 \$ \$405.84 (16,417) \$	657,791 \$ \$445.66 1,236 \$	5,363,298 \$303.96 (127,737)
20 21 <u>New Curtomers</u> 22 Actual Customers New Since Test Year 23 Monthly Fixed Cost Adj. Revenue per Customer 24 Fixed Cost Adjustment Revenue 25	Revenue Reports Page 3 (22) x (23)	12 \$423.01 \$5,076	14 \$388.62 \$,441 \$	20 \$335.40 6,708 \$	19 \$242.49 4,607 \$	24 \$194.61 4,671 \$	23 \$135.89 3,125 \$	26 \$138.15 3,592 \$	23 \$169.87 3,907 \$	24 \$131.13 3,147 \$	25 \$224.64 \$,616 \$	26 \$342.36 8,901 \$	27 \$387.29 10,457 \$	263 \$248.09 65,248
<ol> <li>Actual Base Rate Revenue</li> <li>Actual Fixed Charge Revenue</li> <li>Actual Usage (Therms)</li> <li>30</li> </ol>	Revenue Reports Revenue Reports Revenue Reports	<ul><li>\$ 6,219</li><li>\$ 2,694</li><li>17,914</li></ul>	\$ 5,061 \$ \$ 1,318 \$ 15,362	17,978 S 7,097 S 57,198	12,001 <b>S</b> 1,952 <b>S</b> 43,122	13,404 S 4,726 S 41,732	7,697 <b>S</b> 2,267 <b>S</b> 24,899	7,629 \$ 2,919 \$ 23,872	7,549 <b>\$</b> 2,346 <b>\$</b> 25,944	7,883 <b>S</b> 2,581 <b>S</b> 26,124	8,930 \$ 2,465 \$ 30,784	11,768 \$ 2,878 \$ 42,760	16,133 <b>S</b> 2,774 <b>S</b> 60,840	122,250 36,017 410,551
<ol> <li>Fixed Production and UG Storage Rate per Therm</li> <li>Fixed Production and UG Storage Revenue</li> <li>Customer Fixed Cost Adjustment Revenue</li> <li>Non-Residential Revenue Per Customer Received</li> <li>New Customer Deferral - Surcharge (Rebate)</li> </ol>	Page 1 wtd avg (30) x (31) (26) - (27) - (30) - (32) cd (9) - (33)	<ul> <li>\$ 0.02770</li> <li>\$ 496</li> <li>\$ 3,028</li> <li>\$ \$252.35</li> <li>\$ 2,048</li> </ul>	<ul> <li>\$\$ 0.02770</li> <li>\$\$ 425</li> <li>\$\$ 3,317</li> <li>\$\$ \$\$236.96</li> <li>\$\$ 2,123</li> </ul>	0.02770 5 1,584 5 9,297 5 \$464.84 (2,589) \$	0.02770 \$ 1,194 \$ 8,855 \$ \$466.07 (4,248) \$	0.02770 \$ 1,156 \$ 7,522 \$ \$313.42 (2,852) \$	0.02770 \$ 690 \$ 4,740 \$ \$206.09 (1,615) \$	0.02770 \$ 661 \$ 4,049 \$ \$155.73 (457) \$	0.02770 \$ 719 \$ 4,485 \$ \$194.98 (578) \$	0.02770 \$ 723 \$ 4,579 \$ \$190.78 (1,432) \$	0.02770 \$ 853 \$ 5,611 \$ \$224.46 4 \$	0.02770 S 1,184 S 7,705 S \$296.36 1,196 S	0.02770 1,685 11,674 \$ \$432.37 (1,217) \$	74,863 \$284.65 (9,615)
30 31 Total Non-Residential Deferral - Surcharge (Rebate) 38 Deferral - Revenue Related Expenses 39	(18) + (35) Rev Conv Factor Customer Deposit Rate	<pre>\$ 7,596 \$ (44) 1.00%</pre>	<ul> <li>\$ (77,135) \$</li> <li>\$ 446 \$</li> <li>1.00%</li> </ul>	(90,069) \$ 520 \$ 1.00%	(81,991) \$ 474 \$ 1.00%	63,115 \$ (365) \$ 1.00%	(33,044) \$ 191 \$ 1.00%	26,170 \$ (151) \$ 1.00%	80,697 \$ (466) \$ 1.00%	(33,547) \$ 194 \$ 1.00%	16,058 \$ (93) \$ 1.00%	(15,221) \$ 88 \$ 1.00%	19 \$ (0) \$ 1.00%	(137,352) 794
40         Interest on Deferral           41         Monthly Non-Residential Deferral Totals           42         42	Avg Balance Calc	<mark>\$ 3</mark> <mark>\$ 7,555</mark>	<mark>\$ (26) \$ \$ \$ (76,715) \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$</mark>	(95) <b>\$</b> (89,644) <b>\$</b>	(166) \$ (81,684) \$	(174) \$ 62,577 \$	(162) \$ (33,015) \$	(165) \$ 25,854 \$	(121) \$ 80,110 \$	(101) \$ (33,455) \$	(109) \$ 15,857 \$	(108) <b>\$</b> (15,241) <b>\$</b>	(115) \$ (96) \$	(1,339) (137,897)
<ul> <li>Cumulative Non-Residential Deferral (Rebate)/Surcharge</li> <li>Total Cumulative Deferral</li> </ul>	Σ((37), (38), (40)) Res line(43) +Non-Res line (43)	\$ 7,555 \$ 407,657	\$ (69,160) \$ \$ (137,805) \$	(158,803) S (412,484) S	(240,487) \$ (721,078) \$	(177,910) \$ (214,329) \$	(210,926) \$ (192,038) \$	(185,072) \$ (133,818) \$	(104,962) \$ 36,492 \$	(138.417) \$ (76.758) \$	(122,560) \$ (355,412) \$	(137,801) \$ (281,905) \$	(137,897) 419,567	

EXHIBIT C Page 2 of 12

## Avista Utilities Natural Gas Fixed Cost Adjustment Mechanism (Idaho) Development of Fixed Cost Adjustment Revenue by Rate Schedule - Natural Gas AVU-G-17-01 Rates Effective 1/1/2018

565,000 12,000 517,000 (25,000) 492,000 55784,921	42,763 42,763 xcluded From Fixed Cost Adjustment	
103,000 S - S 103,000 S - S 103,000 S	A A A	
12,000 S 12,000 S 414,000 S (25,000) S 389,000 S 891 150	- 5 - 5 0.01479 42.763 S Cost Adjustment	
	s s s ded From Fixed 0	
	Exclu	
6,950,000 S 95,000 S 7,045,000 S (432,000) S 6,613,000 S	644,501 5 644,501 5 644,501 5 6,613,000 5,968,499 17,057 102.73 1,752,266	<ul> <li>\$ 4,860.734</li> <li>\$ 4,216,233</li> <li>Non-Residential Group</li> <li>1,421</li> <li>23,271,119</li> <li>1,752,266</li> <li>17,057</li> <li>\$12,0273</li> </ul>
7,000 S 0,000 S 0,000 S 9,000) S 1,000 S 6,634	0.00 - 5 - 5 8,089 5 8,089 5 2,911 5 2,911 5 3,245 6,00 5 9,470 5 9,470 5	26,511,530 S 24,993,441 S 24,993,441 S 78,604 78,604 5,659,470 943,245 56,00 56,00
~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~	~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~	S 26 S 24 Residential 59 5
4 4 - 67 <u>-</u>	-	31.372.264
<i>~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~</i>		(Test Year Customers) 5 (New Customers) 5
	<ul> <li>8 WACOG Rate Embedded in Base Rates</li> <li>6 Variable Gas Cost Revenue (LA 4 * Ln 5)</li> <li>7 Fixed Production and Underground Storage</li> <li>B Fixed Production and Underground Storage</li> <li>7 Subtotal (Ln 3 - Ln 6)</li> <li>7 Subtotal (Ln 3 - Ln 6B)</li> <li>8 Customer Bills (Test Year)</li> <li>9 Proposed Fixed Charges</li> <li>0 Fixed Charge Revenue (Ln 8 * Ln 9)</li> </ul>	<ol> <li>Fixed Cost Adjustment Revenue (Ln 7 - Ln 10)</li> <li>Fixed Cost Adjustment Revenue (Ln 7A - Ln 10)</li> <li>Average Number of Customers (Line 8 / 12)</li> <li>Annual kWh</li> <li>Basic Charge Revenues</li> <li>Customer Bills</li> <li>Customer Bills</li> <li>Average Basic Charge</li> </ol>
	S       40.652,000       S       33,197,000       S       6,950,000       S       -       S       402,000       S       103,000       S       -       S         2016)       S       1,180,000       S       1,073,000       S       95,000       S       -       S       103,000       S       -       S         2016)       S       1,180,000       S       7,045,000       S       7,045,000       S       103,000       S       -       S       5       -       S       5       -       S       103,000       S       -       S       103,000       S       -       S       103,000       S       -       S       103,000       S <td< td=""><td></td></td<>	

CASE NO. AVU-G-17-01 SETTLEMENT STIPULATION APPENDIX B

Page 1 - Baseline

# Development of Annual Fixed Cost Adjustment Revenue Per Customer - Natural Gas Natural Gas Fixed Cost Adjustment Mechanism (Idaho) AVU-G-17-01 Rates Effective 1/1/2018 **Avista Utilities**

Line No.		Source		Residential	Z	Non-Residential Schedules*
	(a)	(q)		(c)		(p)
1	<u>Existing Customer FCA</u> Fixed Cost Adjustment Revenue	Page 1	$\boldsymbol{S}$	28,610,530	∽	5,292,734
0	Test Year Number of Customers	Revenue Data		78,604		1,421
З	Fixed Cost Adjustment Revenue Per Customer	(1)/(2)	$\boldsymbol{\diamond}$	363.98	$\mathbf{S}$	3,723.56
1	<u>New Customer FCA</u> Fixed Cost Adjustment Revenue	Page 1	\$	27,092,441	$\boldsymbol{\diamond}$	4,648,233
7	Test Year Number of Customers	Revenue Data		78,604		1,421
ς	Fixed Cost Adjustment Revenue Per Customer	(1)/(2)	$\boldsymbol{\diamond}$	344.67	$\boldsymbol{S}$	3,270.14
	* Schedules 111 and 112.					

Page 2 - Fixed Cost Adjust. RPC CASE NO. AVU-G-17-01 SETTLEMENT STIPULATION APPENDIX B

# Avista Utilities Natural Gas Fixed Cost Adjustment Mechanism (Idaho) Development of Monthly Fixed Cost Adjustment Revenue Per Customer - Natural Gas

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5	AVU-G-17-01 Rates Effective 1/1/2018
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Source Jan Feb Mar (b) (c) (d) (c)	May (g)	un (t)	<b>Jul</b>	Aug (j)	Sep (k)	Oct	Nov	Dec	TOTAL
(a) (b) (c) (d) (c)	(g)	(h)	(i)	(j)	(k)	41			
						(1)	(m)	(u)	(0)
ad Therm Delivery Volume Monthly Test Year 9.319,909 7.933,964 6.757,265 4.3	085 2,457,565	1,514,614	1,193,367	1,180,168	1,401,784	3,930,171	8,004,649	11,086,092	59,156,634
4 -% of Annual Total 15.75% 13.41% 11.42% 7.40%	40% 4.15%	2.56%	2.02%	1.99%	2.37%	6.64%	13.53%	18.74%	100.00%
	513 1,384,859	1,066,070	1,083,827	1.332,665	1,028,780	1,762,355	2,685,935	3,038,463	23.271,119
8 -% of Annual Total 2.94% 11.88% 10.26% 7.42%	42% 5.95%	4.58%	4.66%	5.73%	4.42%	7.57%	11.54%	13.06%	100.00%
6									
12 For Test Year Existing Customers									
13 Residential									
14 - 2016 Fixed Cost Adj. Revenue per Customer Page 2								\$	363.98
- 2016 Monthly Fixed Cost Adj. Revenue per Customer (4) x (14) \$ 57.34 \$ 18.82 \$ 41.58 \$ 26.93	5.93 \$ 15.12 \$	\$ 9.32 <b>\$</b>	7.34 S	7.26 \$	8.62 \$	24.18 \$	49.25 \$	68.21 \$	363.98
7 Non-Residential Sales*									
8 - 2016 Fixed Cost Adj. Revenue per Customer Page 2								\$	3,723.56
- 2016 Monthly Fixed Cost Adj. Revenue per Customer (8) x (18) \$ 481.66 \$ 442.51 \$ 381.90 \$ 276.11	6.11 \$ 221.59 \$	\$ 170.58 \$	173.42 \$	213.24 \$	164.61 \$	281.99 \$	429.77 \$	486.18 \$	3,723.56
0									
2 For New Customers									
3 Residential									
4 - 2016 Fixed Cost Adj. Revenue per Customer Page 2								s	344.67
5 - 2016 Monthly Fixed Cost Adj. Revenue per Customer (4) x (24) 5 54.30 5 46.23 5 39.37 5 25.50	(.50 \$ 14.32 \$	\$ 8.82 \$	6.95 \$	6.88 \$	8.17 S	22.90 \$	46.64 \$	64.59 \$	344.67
Ŏ,									
7 <u>Non-Residential Sales*</u>									
28 - 2016 Fixed Cost Adj. Revenue per Customer Page 2								s	3,270.14
- 2016 Monthly Fixed Cost Adj. Revenue per Customer (8) x (28) 5 423.01 5 388.62 5 335.40 5 242.49	194.61 S	\$ 149.81 \$	152.30 \$	187.27 S	144.57 S	247.65 \$	377.44 \$	426.98 S	3,270.14

								63	1,364	Page 3 - Shaping
59,156,634 23,271,119 2,891,150	138,212,674	943,245	17,057	·	72	24	960,398	752	16,391	Page 3
11,086,092 3,038,463 - 221,790	20,173,139	79,729	1,408		9	2	81,145	139	2,158	
8,004,649 2,685,935 - 222,877	11,081,055	79,433	1,423		9	2	80,864	101	1,888	
3,930,171 1,762,355 - 216,161	14,212,505	79,010	1,420		9	2	80,438	50	1,241	
1,401,784 1,028,780 208,303	6,856,537	78,840	1,419	·	9	2	80.267	18	725	
1,180,168 1,332,665 - 207,868	5,967,291	78,634	1,418		9	2	80,060	15	940	
1,193,367 1,083,827 - 201,080	8,664,105	78,357	1,428		9	2	79,793	15	759	
1,514,614 1,066,070 - 218,925	5,707,311	78,297	1,426		9	2	79,731	19	748	
2,457,565 1,384,859 - 255,691	7,511,528	78,230	1,433	¢	9	2	79,671	31	966	
4,377,085 1,725,613 - 294,126	9,817,416	78,247	1,425		9	2	79,680	56	1,211	
6,757,265 2,386,786 - 255,099	13,799,710	78,273	1,430		9	2	117,97	86	1,669	
7,933,964 2,765,523 330,679	16,462,180	78,174	1,416		9	2	79,598	101	1,953	
9,319,909 3,010,243 - 258,551	17,959,896	78,021	1,411	ĩ	9	2	79,440	611	2,133	
Normalized Test Year Usage Small Service Schedule 1010 Large Service Schedule 11/112 Interrupt Service Schedule 131/132 Transport Conservice Schedule 146	Total Normalized Test Year Usage Normalized Test Year Customer Bills	Small Service Schedule 101	Large Service Schedule 111/112	Interrupt Service Schedule 131/132	Transport Service Schedule 146	Special Contract Transport	Total Nomalized Test Year Customer Bills	Test Year Average Usage per Customer Residential	Non-Residential	SE NO. AVU-G-17-01 SETTLEMENT STIPULATION APPENDIX B

CASE NO. AVU-G-17-01 SETTLEMENT STIPULATION APPENDIX B

1.1.2018 Authorized FCA Base

# EXHIBIT C Page 5 of 12

#### AVISTA UTILITIES Company Settlement Summary by Function with Margin Analysis Case 2018 Revenue For the Year Ended December 31, 2016

#### Natural Gas Utility Idaho Jurisdiction

Line         Description         Total         Sch 101         Sch 111         Sch 131         S           Functional Cost Components at Current Rates         1         Production         439.443         313.065         123.154         0           1         Production         2.039.492         313.065         123.154         0         0           2         Underpround Storage         1.633.922         1.43.425         512.861         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0		(b) (c)	(d)	(e)	(f)	(g) Residential Service	(h) Large Firm	(j) Interrupt	(k) Transport
Functional Cost Components at Current Rates         439,443         313,065         123,154         0           Production         26,833,800         21,889,721         4,825,616         0           Common         11,431,626         612,060         0         0           Total Current Rate Revenue Exp.         0         0         0         0         0         0           Total Margin Revenue Exp.         0         0         0         0         0         0           Production         50,0615         50,06529         50,00529         50,00529         50,00000         1           Production         50,1195         50,00529         50,00000         1         0         1         0         1         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0	Line	Description			System Total		Service Sch 111	Service Sch 131	Service Sch 146
1         Production         439,443         313,065         123,154         0           2         Underground Storage         1633,850         21,889,721         48,25,616         0           3         Distribution         26,983,800         21,889,721         48,25,616         0         0         0         0           5         Total Current Rate Revenue         0         0         0         0         0         0           6         Storage Crass // Revenue Exp.         0         0         0         0         0           7         Total Margin Per Therm at Current Rates         8         0.00515         50.00529         \$30.00529         \$30.00509         \$30.00509         90.00000           0         Total Current Margin Medded Rate per Therm         10.47245         \$50.8117         \$2.23867         \$6.363,0229         9         0           10         Common         20.47245         \$50.8117         \$2.23867         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0									
2         1.493.952         1.43.425         512.561         0           2         Obstruction         26.953.000         21.897.21         4.25.616         0           4         0.7000         1.431.954         0.850.026         1.489.069         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0		3 ACREMENT CONTRACTOR AND ACCURATION CONTRACTOR CONTRACTOR CONTRACTOR CONTRACTOR CONT	ent Rates						
3         Destruturion         26.933.800         21.889.721         4.825.616         0           4         Carmon         11.431.954         9.865.068         1.480.969         0           5         Total Current Rate Revenue 40         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0									3,273
4         Common         11.431954         9.850.086         1.480.089         0           5         Total Current Rate Revenue         40.649.000         33.196.897         6.960.421         0           6         Exclude Cost of Gas w Revenue Exp.         0         0         0         0         0         0           7         Total Margin Revenue at Current Rates         50.00529         50.00529         50.00529         50.00529         50.00000           9         Underground Storage         50.01695         50.00529         50.00000         50.00000           10         Cammon         50.31399         50.20173         50.00000         50.00000           10         Cammon         50.31399         50.20173         50.00000         50.00000           11         Cammon         26.539.249         22.86870         3.80.038         0           10         Cammon         26.539.249         22.86877         3.80.038         0         0           11.627.832         10.108.759         1.331.649         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0		0							37,966
5         Total Current Rate Revenue         40,449,000         33,196,897         6,550,421         0           7         Total Margin Revenue at Current Rates         40,649,000         33,196,897         6,550,421         0           8         Production         \$30,00515         \$50,00529         \$50,00529         \$50,00000           9         Undarground Storage         \$50,00515         \$50,00529         \$50,00000         \$50,00000           10         Common         \$50,316677         \$50,00000         \$50,00000         \$50,00000           12         Total Current Margin Melded Rate per Therm         \$50,477266         \$50,60000         \$50,00000         \$50,00000           12         Total Current Margin Melded Rate per Therm         \$50,3774         \$50,00000         \$50,00000           13         Production         \$50,00515         \$50,00539         \$50,00000         \$50,00000           14         Underground Storage         \$50,00515         \$50,00529         \$50,00000         \$50,00000           15         Exolute Cost Gase // Revenue Exp.         0         0         0         0           16         Grangin per Therm at Uniform Current Return         \$50,36579         \$50,00000         \$50,15052         \$50,00000         \$50,00000									268,264
6         Exclude Cost of Gas w/ Revenue at Current Rates         0         0         0         0         0         0           Total Margin Revenue at Current Rates         40,549,000         33,196,897         6,580,421         0           Margin per Them at Current Rates         50,00193         50,00029         50,00029         50,00000           Underground Storage         50,01193         50,00000         50,00000         50,00000           Distribution         50,011930         50,00000         50,00000         50,00000           10         Common         50,0239         50,00000         50,00000           10         Common         1647,826         50,65117         50,20000         50,00000           10         Common         11,522,432         10,108,759         1,321,649         0           10         Common         11,522,432         10,108,759         1,321,649         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0				_				-	92,179
Total Margin Revenue at Current Rates         40,649,000         33,196,897         6,950,421         0           Margin per Therm at Current Rates         80,00015         50,00529         50,00529         50,00000         50,00000         50,00000         50,00000         50,00000         50,00000         50,00000         50,00000         50,00000         50,00000         50,00000         50,00000         50,00000         50,00000         50,00000         50,00000         50,00000         50,00000         50,00000         50,00000         50,00000         50,00000         50,00000         50,00000         50,00000         50,00000         50,00000         50,00000         50,00000         50,00000         50,00000         50,00000         50,00000         50,00000         50,00000         50,00000         50,00000         50,00000         50,00000         50,00000         50,00000         50,00000         50,00000         50,00000         50,00000         50,00000         50,00000         50,00000         50,00000         50,00000         50,00000         50,00000         50,00000         50,00000         50,00000         50,00000         50,00000         50,00000         50,00000         50,00000         50,00000         50,00000         50,00000         50,00000         50,00000         50,00000         50									401,683
Margin per Therm at Current Rates         \$0.00515         \$0.00529         \$0.00000           9         Underground Storage         \$0.01935         \$0.00203         \$0.00000           10         Common         \$0.01935         \$0.0223         \$0.00000           10         Common         \$0.13399         \$0.16852         \$0.02867         \$0.00000           11         Common         \$0.01965         \$0.0417         \$0.02867         \$0.00000         \$0.13399           11         Common         \$0.047526         \$0.02867         \$0.00000         \$0.00000         \$0.00000         \$0.00000         \$0.00000         \$0.00000         \$0.00000         \$0.00000         \$0.00000         \$0.00000         \$0.00000         \$0.00000         \$0.00000         \$0.00000         \$0.00000         \$0.00000         \$0.00000         \$0.00000         \$0.00000         \$0.00000         \$0.00000         \$0.00000         \$0.00000         \$0.00000         \$0.00000         \$0.00000         \$0.00000         \$0.00000         \$0.00000         \$0.00000         \$0.00000         \$0.00000         \$0.00000         \$0.00000         \$0.00000         \$0.00000         \$0.00000         \$0.00000         \$0.00000         \$0.00000         \$0.00000         \$0.00000         \$0.00000         \$0.00000			ates	-					401,683
8         Production         \$0.00515         \$0.00529         \$0.00529         \$0.00529         \$0.00509         \$0.00509         \$0.00509         \$0.00509         \$0.00509         \$0.00509         \$0.00509         \$0.00509         \$0.00509         \$0.00509         \$0.00509         \$0.00509         \$0.00509         \$0.00509         \$0.00509         \$0.00509         \$0.00509         \$0.00509         \$0.00509         \$0.00509         \$0.00509         \$0.00509         \$0.00509         \$0.00509         \$0.00509         \$0.00509         \$0.00509         \$0.00509         \$0.00509         \$0.00509         \$0.00509         \$0.00509         \$0.00509         \$0.00516         \$0.00516         \$0.00516         \$0.00529         \$0.00529         \$0.00529         \$0.00529         \$0.00000         \$0.0000         \$0.0000         \$0.0000         \$0.0000         \$0.0000         \$0.0000         \$0.0000         \$0.0000         \$0.0000         \$0.0000         \$0.0000         \$0.0000         \$0.0000         \$0.0000         \$0.0000         \$0.0000         \$0.0000         \$0.0000         \$0.0000         \$0.0000         \$0.0000         \$0.0000         \$0.0000         \$0.0000         \$0.0000         \$0.0000         \$0.0000         \$0.0000         \$0.0000         \$0.0000         \$0.00000         \$0.0000         \$0.00	,		ates		40,040,000	00,100,001	0,000,421	·	401,000
9         Underground Storage         \$0.01965         \$0.01963         \$0.02207         \$0.00000           10         Distribution         \$0.31627         \$0.02307         \$0.00000         1           10         Common         \$0.13627         \$0.0539         \$0.00000         1           10         Total Current Margin Melded Rate per Therm         \$0.47525         \$0.56117         \$0.23967         \$0.00000         1           10         Production         \$0.39349         \$313.065         123.154         0         1           11         Production         \$2.639249         \$2.266.870         332.02.038         0         0           12         Total Inform Current Cost         40.6495.000         34.610.524         5.638.029         0           15         Columboin         \$2.6392.49         2.266.870         33.605         50         0.0529           16         Common         1.822.432         10.0108.799         1.321.640         0         0         0           17         Total Inform Current Return         70.001.55         \$0.00529         \$0.00000         20         Common         \$0.13505         \$0.17838         \$0.00000         20           20         Inderground Storage		Margin per Therm at Current Rates							
Description         \$0.31627         \$0.3203         \$0.20737         \$0.00000           10         Common         \$0.13399         \$0.16562         \$0.05399         \$0.00000         \$1           11         Common         \$0.47525         \$0.565117         \$0.23957         \$0.00000         \$1           12         Total Current Margin Melded Rate per Therm         \$0.47525         \$0.56117         \$0.2395.4         0           13         Production         439.493         313.065         123.154         0           14         Underground Storage         1.847.826         1.018.759         3321.649         0           15         Distribution         2.6939.249         2.2698.870         3.802.038         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0	8	Production							\$0.00113
Image: Sol 13399         Sol 13399         Sol 06862         Sol 0399         Sol 00000           12         Total Current Margin Melded Rate per Therm         Sol 47526         Sol 66117         Sol 28967         Sol 00000         Sol 000000									\$0.01313
12         Total Current Margin Melded Rate per Therm         50.47526         50.56117         50.28567         \$0.00000         1           Production         439.493         313.065         123.154         0           Inderground Storage         1.847.826         1.218.829         381.065         123.154         0           Inderground Storage         1.847.826         1.218.829         391.188         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         <									\$0.09279
Functional Cost Components at Uniform Current Return         439 493         313,065         123,154         0           13         Production         439,493         313,065         123,154         0           14         Underground Storage         1,847,826         1,218,829         391,188         0           15         Distribution         26,899,249         22,869,870         3,802,038         0           16         Common         11,822,432         10,108,759         1,321,644         0           16         Common         14,649,000         3,4510,524         5,638,029         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         <		Common		-					\$0.03188
13         Production         439,493         313,065         123,124         0           14         Underground Storage         1,267,822         121,829         391,186         0           15         Distribution         26,939,249         22,869,870         3,802,038         0           16         Common         11,522,432         10,108,759         1,321,649         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0 <td>12</td> <td>Total Current Margin Melded Rate pe</td> <td>r Therm</td> <td></td> <td>\$0.47526</td> <td>\$0.56117</td> <td>\$0.29867</td> <td>\$0.00000</td> <td>\$0.13894</td>	12	Total Current Margin Melded Rate pe	r Therm		\$0.47526	\$0.56117	\$0.29867	\$0.00000	\$0.13894
13         Production         439.493         313.065         123.154         0           14         Underground Storage         1.218.629         391.188         0           15         Distribution         26.939.249         22.869.870         3,802.038         0           16         Common         1.922.432         10.107.559         1.221.649         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0		Functional Cost Components at Unife	rm Current	Return					
14         Underground Storage         1,47,826         12,18,829         39,1188         0           15         Distribution         26,339,249         22,869,870         3,802,038         0           16         Common         1,322,442         10,106,779         1,321,649         0           17         Total Uniform Current Cost         40,4549,000         34,510,524         5,538,029         0           16         Exclude Cost of Cass W Revenue Exp.         0         0         0         0           17         Total Uniform Current Margin         40,549,000         34,510,524         5,538,029         0           16         Production         S0,00515         S0,00529         S0,00000         20           17         Total Uniform Current Return         S0,04575         S0,38960         S0,017931         S0,02060         S0,017931         S0,00000         S0           12         Distribution         S0,47526         S0,58338         S0,24228         S0,00000         S0           12         Total Corrent Uniform Margin Melded Rate per Therm         S0,47526         S0,85338         S0,24228         S0,00000         S0           17         Underground Storage         1,765,868         1,205,029         51,349	13				439.493	313.065	123.154	0	3,273
15         Desirbution         26,38,9,249         22,869,870         38,802,038         0           16         Common         11,522,432         10,108,759         1,321,649         0           17         Total Uniform Current Cost         40,454,900         34,510,624         5,638,029         0           19         Total Uniform Current Margin         40,654,900         34,510,624         5,638,029         0           19         Total Uniform Current Margin         40,654,900         34,510,624         5,638,029         0           10         Indeground Storage         \$0,00515         \$0,00529         \$0,00000         2           10         Undeground Storage         \$0,11830         \$0,02660         \$0,06579         \$0,00000           20         Common         \$0,13505         \$0,17688         \$0,24228         \$0,00000           21         Undeground Storage         1,076,9466         313,060         123,152         0           21         Undeground Storage         1,766,868         1,205,029         521,349         0           22         Undeground Storage         1,766,9466         313,060         123,152         0           23         Undeground Storage         1,725,000         34,268,98									37,809
16         Common         11.522.432         10.108.759         1.321.649         0           17         Total Uniform Current Cost         40.549,000         34,510,524         5,638,029         0           19         Total Uniform Current Margin         40.549,000         34,510,524         5,638,029         0           Margin per Therm at Uniform Current Return         20         0         0         0         0           10         Production         \$0.00515         \$0.00529         \$0.005029         \$0.00000           20         Distribution         \$0.13505         \$0.17088         \$0.05679         \$0.00000           21         Distribution         \$0.13505         \$0.17088         \$0.05679         \$0.00000           22         Distribution         \$0.13505         \$0.17088         \$0.24728         \$0.00000           22         Margin to Cost Ratio at Current Rates         1.00         0.96         1.23         0.000           23         Margin to Cost Components at Proposed Rates         \$1.205.029         \$2.1349         0           24         Underground Storage         1.768,868         1.205.029         \$0.00512         0           24         Distributon         27.867,327         22.890.377 <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td>267,341</td>									267,341
17       Total Uniform Current Cast       40,549,000       34,510,524       5,538,029       0         18       Exclude Cost of Gas w / Revenue Exp.       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0       0 <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td>92,024</td>									92,024
Exclude Cost of Gas w / Revenue Exp.         0         0         0         0         0         0         0           Introduction         Total Uniform Current Margin         40,549,000         34,510,524         5,633,029         0           Margin per Therm at Uniform Current Return         S0 00515         \$0.00529         \$0.01638         \$0.00000           Production         \$0.01515         \$0.00529         \$0.01638         \$0.00000           Common         \$0.31575         \$0.3660         \$0.16338         \$0.00000           Common         \$0.31575         \$0.58338         \$0.24228         \$0.00000           Margin to Cost Ratio at Current Rates         1.00         0.96         1.23         0.00           Production         439,466         313,060         123,152         0           Production         439,466         313,060         123,152         0           Common         11.656,320         1.00014.33         1.501,200         0           Cost of Gas w / Revenue Exp.         0         0         0         0         0         0           Total Proposed Rate Revenue         \$1,269,003         34,269,897         7,045,421         0         0         0         0         0         0<				-					400,447
19         Total Uniform Current Margin         40,549,000         34,510,524         5,638,029         0           Margin per Therm at Uniform Current Return         50.00515         \$0.00515         \$0.00529         \$0.00000           20         Production         \$0.00515         \$0.00529         \$0.00000           21         Underground Storage         \$0.01931         \$0.02060         \$0.01638         \$0.00000           22         Distribution         \$0.01935         \$0.13806         \$0.0679         \$0.00000           23         Common         \$0.47526         \$0.58338         \$0.02027         \$0.0000           24         Total Current Margin Meided Rate per Therm         \$0.47526         \$0.58338         \$0.02027         \$0.0000           25         Margin to Cost Ratio at Current Rates         1.00         0.96         1.23         0.000           26         Common         27.867,327         22.990,377         4.899,720         0           27         Underground Storage         1.656,868         1.205.029         52.1349         0           27         Common         27.867,327         22.990,377         4.899,720         0           28         Dotati Argin Revenue Exp.         0         0									0
20         Production         \$0.00515         \$0.00529         \$0.00529         \$0.00000           21         Underground Storage         \$0.01931         \$0.02060         \$0.01633         \$0.00000           21         Ommon         \$0.31575         \$0.38660         \$0.16338         \$0.00000           22         Total Current Uniform Margin Melded Rate per Therm         \$0.47526         \$0.58338         \$0.24228         \$0.00000         \$0           24         Total Current Uniform Margin Melded Rate per Therm         \$0.47526         \$0.58338         \$0.24228         \$0.00000         \$0           25         Margin to Cost Ratio at Current Rates         1.00         0.96         1.23         0.00           26         Production         439.486         313.060         123.152         0           27         Underground Storage         1.765.868         1.205.029         521.349         0           27         Inderground Storage         1.1656.320         10.061.430         1.501.200         0           28         Extodue Cost of Gas w/ Revenue Exp         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0				-					400,447
20         Production         \$0.00515         \$0.00529         \$0.00529         \$0.00000           21         Underground Storage         \$0.01931         \$0.02060         \$0.01633         \$0.00000           22         Distribution         \$0.31575         \$0.38660         \$0.16338         \$0.00000         \$0.00000           23         Common         \$0.13505         \$0.17088         \$0.04579         \$0.00000         \$0.16338         \$0.00000         \$0.17088         \$0.00000         \$0.17088         \$0.00000         \$0.16338         \$0.00000         \$0.00000         \$0.00000         \$0.00000         \$0.00000         \$0.00000         \$0.00000         \$0.00000         \$0.00000         \$0.00000         \$0.00000         \$0.00000         \$0.00000         \$0.00000         \$0.00000         \$0.00000         \$0.00000         \$0.00000         \$0.00000         \$0.00000         \$0.00000         \$0.00000         \$0.00000         \$0.00000         \$0.00000         \$0.00000         \$0.00000         \$0.00000         \$0.00000         \$0.00000         \$0.00000         \$0.00000         \$0.00000         \$0.00000         \$0.00000         \$0.00000         \$0.00000         \$0.00000         \$0.00000         \$0.00000         \$0.00000         \$0.00000         \$0.00000         \$0.00000 <td< td=""><td></td><td>_</td><td></td><td></td><td></td><td></td><td></td><td></td><td></td></td<>		_							
21         Underground Storage         \$0.01931         \$0.02060         \$0.01681         \$0.0000           22         Distribution         \$0.31575         \$0.38660         \$0.16338         \$0.0000           24         Total Current Uniform Margin Melded Rate per Therm         \$0.47526         \$0.68338         \$0.4228         \$0.0000         \$           25         Margin to Cost Ratio at Current Rates         1.00         0.96         1.23         0.00           26         Production         439.486         313.060         123.152         0           26         Underground Storage         1.765.868         1.205.029         521.349         0           27         Underground Storage         1.765.868         1.205.029         521.349         0           20         Underground Storage         1.765.868         1.205.029         521.349         0           20         Total Proposed Rate Revenue         41,723.000         34,269.897         7.045.421         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0	00		eturn		¢0.00545	<b>60 00755</b>	60 00F	AC 000	AC 001
22         Distribution         \$0.31575         \$0.38660         \$0.16338         \$0.0000           2         Common         \$0.13505         \$0.17088         \$0.05679         \$0.00000         \$           24         Total Current Uniform Margin Melded Rate per Therm         \$0.47526         \$0.58338         \$0.24228         \$0.00000         \$           25         Margin to Cost Ratio at Current Rates         1.00         0.96         1.23         0.00           Functional Cost Components at Proposed Rates           26         Production         439,486         313,060         123,152         0           27         Underground Storage         1.765,568         1.205,029         521,349         0           29         Common         1.666,320         10.061,430         1.501,200         0           20         Common         11.656,320         10.061,430         1.501,200         0           30         Total Proposed Rate Revenue         41,729,000         34,269,897         7,045,421         0           31         Underground Storage         \$0.02070         \$0.02037         \$0.02240         \$0.00000           32         Total Margin Revenue at Proposed Rates         41,729,000         34,269,897 <td< td=""><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td>\$0.00113</td></td<>									\$0.00113
S0 13505         S0 17088         S0 05679         S0 00000           24         Total Current Uniform Margin Melded Rate per Therm         \$0.3505         \$0.55338         \$0.24228         \$0.00000         \$           25         Margin to Cost Ratio at Current Rates         1.00         0.96         1.23         0.00           26         Production         439,486         313,060         123,152         0           27         Underground Storage         1.765,868         1.205,029         521,349         0           27         Distribution         27,867,327         22,690,377         4,899,720         0           28         Distribution         27,867,327         22,690,377         4,899,720         0           20         Common         11,656,320         10,61,430         1,501,200         0           30         Total Proposed Rate Revenue Exp.         0         0         0         0           31         Production         \$0.00515         \$0.00529         \$0.00000         \$0           33         Production         \$0.32663         \$0.33265         \$0.21655         \$0.00000           35         Distribution         \$0.32663         \$0.303675         \$0.00000         \$0									\$0.01308
24         Total Current Uniform Margin Melded Rate per Therm         \$0.47526         \$0.58338         \$0.24228         \$0.0000         \$           25         Margin to Cost Ratio at Current Rates         1.00         0.96         1.23         0.00           26         Functional Cost Components at Proposed Rates         439.486         313.060         123.152         0           27         Underground Storage         1.765.868         1.205.029         521.349         0           28         Distribution         27.867.327         22.690.377         4.899.720         0           29         Common         11.666.320         10.061.430         1.501.200         0           30         Total Proposed Rate Revenue         41.729.000         34.269.897         7.045.421         0           31         Underground Storage         50.00529         \$0.00000         30         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0 </td <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td>\$0.09247</td>									\$0.09247
Z5         Margin to Cost Ratio at Current Rates         1.00         0.96         1.23         0.00           Functional Cost Components at Proposed Rates         Production         439,486         313,060         123,152         0           27         Underground Storage         1,765,868         1,205,029         521,349         0           28         Distribution         27,887,327         22,690,377         4,899,720         0           20         Common         11,656,320         10,061,430         1,501,200         0           30         Total Proposed Rate Revenue         41,729,000         34,269,897         7,045,421         0           31         Exclude Cost of Gas w/ Revenue Exp.         0         0         0         0         0           32         Total Margin Revenue at Proposed Rates         30,02070         \$0.00529         \$0.00000         \$0.00000           34         Underground Storage         \$0.13662         \$0.17008         \$0.02240         \$0.00000           35         Distribution         \$0.32663         \$0.33565         \$0.21055         \$0.00000           36         Obistribution         \$0.32663         \$0.33565         \$0.21055         \$0.00000           36         Common <td></td> <td></td> <td>Data and Th</td> <td></td> <td></td> <td></td> <td></td> <td></td> <td>\$0.03183</td>			Data and Th						\$0.03183
Functional Cost Components at Proposed Rates           26         Production         439,486         313,060         123,152         0           27         Underground Storage         1,765,868         1,205,029         521,349         0           29         Distribution         27,867,327         22,690,377         4,899,720         0           29         Common         11,656,320         10,061,430         1,501,200         0           30         Total Proposed Rate Revenue         41,729,000         34,269,897         7,045,421         0           31         Exclude Cost of Gas w / Revenue Exp.         0         0         0         0         0           32         Total Margin Revenue at Proposed Rates         41,729,000         34,269,897         7,045,421         0           34         Underground Storage         50.02070         \$0.0629         \$0.00529         \$0.00000           34         Underground Storage         \$0.02037         \$0.02244         \$0.00001         \$0           35         Distribution         \$0.33663         \$0.213651         \$0.00000         \$0           36         Common         \$0.313662         \$1.723,320         \$1.274,669         409,110         0	24	l otal Current Uniform Margin Meldeo	Rate per In	herm	\$0.47526	\$0.58338	\$0.24228	\$0.00000	\$0.13851
26         Production         439,486         313,060         123,152         0           27         Underground Storage         1,765,868         1,205,029         521,349         0           29         Distribution         27,867,327         22,690,377         4,897,320         0           20         Common         11,656,320         10,061,430         1,501,200         0           30         Total Proposed Rate Revenue         41,729,000         34,269,897         7,045,421         0           31         Exclude Cost of Gas w / Revenue Exp.         0         0         0         0           32         Total Margin Revenue at Proposed Rates         41,729,000         34,269,897         7,045,421         0           34         Underground Storage         41,729,000         34,269,897         7,045,421         0           34         Underground Storage         41,729,000         34,269,897         7,045,421         0           34         Underground Storage         50.00615         \$0.00629         \$0.00529         \$0.00629           34         Underground Storage         \$0.02070         \$0.02037         \$0.02240         \$0.00000           35         Distribution         \$0.32663         \$0.30326	25	Margin to Cost Ratio at Current Rates			1.00	0.96	1.23	0.00	1.00
29         Common         11,656,320         10,061,430         1,501,200         0           30         Total Proposed Rate Revenue         41,729,000         34,269,897         7,045,421         0           31         Exclude Cost of Gas w / Revenue Exp.         0         0         0         0         0           32         Total Margin Revenue at Proposed Rates         41,729,000         34,269,897         7,045,421         0           33         Production         \$0.00217         \$0.02207         \$0.02240         \$0.00000           34         Underground Storage         \$0.02070         \$0.02240         \$0.00000           35         Distribution         \$0.32663         \$0.38356         \$0.21055         \$0.00000           36         Common         \$0.13662         \$0.17008         \$0.06451         \$0.00000           36         Common         \$0.32663         \$0.35931         \$0.30275         \$0.00000           37         Total Proposed Margin Melded Rate per Therm         \$0.48909         \$0.57931         \$0.30275         \$0.00000         \$           39         Underground Storage         1,723,320         1,274,669         409,110         0         \$           41         Common	27	Underground Storage			1,765,868	1,205,029	521,349	0	3,273 39,489
30         Total Proposed Rate Revenue         41,729,000         34,269,897         7,045,421         0           31         Exclude Cost of Gas w / Revenue Exp.         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0									277,230
31         Exclude Cost of Gas w / Revenue Exp.         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0				_					93,690
32         Total Margin Revenue at Proposed Rates         41,729,000         34,269,897         7,045,421         0           Margin per Therm at Proposed Rates         33         Production         \$0.00515         \$0.00529         \$0.00000         \$0.00000           34         Underground Storage         \$0.02070         \$0.02037         \$0.02240         \$0.00000           35         Distribution         \$0.32663         \$0.38356         \$0.21055         \$0.00000           36         Common         \$0.13662         \$0.17008         \$0.06451         \$0.00000           37         Total Proposed Margin Melded Rate per Therm         \$0.48909         \$0.57931         \$0.30275         \$0.00000         \$           39         Underground Storage         1.723,320         1.274,669         409,110         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0<									413,683
Margin per Therm at Proposed Rates           33         Production         \$0.00515         \$0.00529         \$0.0000           34         Underground Storage         \$0.02070         \$0.02037         \$0.02240         \$0.00000           35         Distribution         \$0.32663         \$0.38356         \$0.21055         \$0.00000           36         Common         \$0.13662         \$0.17008         \$0.06451         \$0.00000           37         Total Proposed Margin Melded Rate per Therm         \$0.48809         \$0.57931         \$0.30275         \$0.00000         \$           Functional Cost Components at Uniform Proposed Return           7         Production         439,486         \$13,060         123,152         0           9         Underground Storage         1.723,320         1.274,669         409,110         0           10         Distribution         27,826,314         23,595,605         3,953,172         0           10         Distribution         21,739,880         10,299,777         1,346,360         0           41         Common         11,739,880         10,299,777         1,346,360         0           42         Total Uniform Proposed Cost         41,729,000         35,483,111         5,			Rates	_					0 413,683
33         Production         \$0.00515         \$0.00529         \$0.00529         \$0.0000           34         Underground Storage         \$0.02070         \$0.02037         \$0.02240         \$0.00000           35         Distribution         \$0.32663         \$0.38356         \$0.21055         \$0.00000           36         Common         \$0.13662         \$0.17008         \$0.06451         \$0.00000           37         Total Proposed Margin Melded Rate per Therm         \$0.48909         \$0.57931         \$0.30275         \$0.00000         \$           38         Production         439,486         313,060         123,152         0         \$           39         Underground Storage         1,723,320         1,274,669         409,110         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0			nutoo		,0,000	0 1,200,007	1,040,421	•	410,000
34         Underground Storage         \$0.02070         \$0.02037         \$0.02240         \$0.00000           35         Distribution         \$0.32663         \$0.38356         \$0.21055         \$0.00000           36         Common         \$0.13662         \$0.17008         \$0.06451         \$0.00000           37         Total Proposed Margin Melded Rate per Therm         \$0.48909         \$0.57931         \$0.30275         \$0.00000         \$           37         Total Proposed Margin Melded Rate per Therm         \$0.48909         \$0.57931         \$0.30275         \$0.00000         \$           37         Total Proposed Margin Melded Rate per Therm         \$0.48909         \$0.57931         \$0.30275         \$0.00000         \$           38         Production         439.486         313.060         123.152         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0									
35         Distribution         \$0.32663         \$0.38356         \$0.21055         \$0.0000           36         Common         \$0.13662         \$0.17008         \$0.06451         \$0.0000           37         Total Proposed Margin Melded Rate per Therm         \$0.48909         \$0.57931         \$0.30275         \$0.00000         \$           37         Total Proposed Margin Melded Rate per Therm         \$0.48909         \$0.57931         \$0.30275         \$0.00000         \$           37         Total Proposed Margin Melded Rate per Therm         \$0.48909         \$0.57931         \$0.30275         \$0.00000         \$           38         Production         439.486         \$13,060         123,152         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0         0						•			\$0.00113
36         Common         \$0.13662         \$0.17008         \$0.06451         \$0.0000           37         Total Proposed Margin Melded Rate per Therm         \$0.48909         \$0.57931         \$0.30275         \$0.00000         \$           Functional Cost Components at Uniform Proposed Return           38         Production         439,486         313,060         123,152         0           40         Underground Storage         1,723,320         1,274,669         409,110         0           40         Distribution         27,826,314         23,595,605         3,953,172         0           41         Common         11,739,880         10,299,777         1,346,360         0           42         Total Uniform Proposed Cost         41,729,000         35,483,111         5,831,795         0           43         Exclude Cost of Gas w / Revenue Exp.         0         0         0         0         0           44         Total Uniform Proposed Margin         41,729,000         35,483,111         5,831,795         0           44         Total Uniform Proposed Return         \$         0         0         0         0         0         0         0         0         0         0         0         0 <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td>\$0.01366</td>									\$0.01366
37         Total Proposed Margin Melded Rate per Therm         \$0.48909         \$0.57931         \$0.30275         \$0.00000         \$           Functional Cost Components at Uniform Proposed Return           38         Production         439,486         313,060         123,152         0           39         Underground Storage         1,723,320         1,274,669         409,110         0           39         Underground Storage         1,723,880         10,299,777         1,346,360         0           41         Common         11,739,880         10,299,777         1,346,360         0           42         Total Uniform Proposed Cost         41,729,000         35,483,111         5,831,795         0           43         Exclude Cost of Gas w / Revenue Exp.         0         0         0         0           44         Total Uniform Proposed Margin         41,729,000         35,483,111         5,831,795         0           44         Total Uniform Proposed Margin         41,729,000         35,483,111         5,831,795         0           44         Total Uniform Proposed Return         \$0.00515         \$0.00529         \$0.00529         \$0.00000           45         Production         \$0.32614         \$0.39887									\$0.09589
Functional Cost Components at Uniform Proposed Return           38         Production         439,486         313,060         123,152         0           39         Underground Storage         1,723,320         1,274,669         409,110         0           39         Distribution         27,826,314         23,595,605         3,953,172         0           41         Common         11,739,880         10,299,777         1,346,360         0           42         Total Uniform Proposed Cost         41,729,000         35,483,111         5,831,795         0           43         Exclude Cost of Gas w / Revenue Exp.         0         0         0         0           44         Total Uniform Proposed Margin         41,729,000         35,483,111         5,831,795         0           44         Total Uniform Proposed Return         41,729,000         35,483,111         5,831,795         0           44         Total Uniform Proposed Return         41,729,000         35,483,111         5,831,795         0           45         Production         \$0.00515         \$0.00529         \$0.00529         \$0.00000         4           45         Production         \$0.32614         \$0.39887         \$0.00000         4 <td></td> <td></td> <td></td> <td>_</td> <td></td> <td></td> <td></td> <td></td> <td>\$0.03241</td>				_					\$0.03241
38       Production       439,486       313,060       123,152       0         39       Underground Storage       1,723,320       1,274,669       409,110       0         40       Distribution       27,826,314       23,595,605       3,953,172       0         41       Common       11,739,880       10,299,777       1,346,360       0         42       Total Uniform Proposed Cost       41,729,000       35,483,111       5,831,795       0         43       Exclude Cost of Gas w / Revenue Exp.       0       0       0       0       0         44       Total Uniform Proposed Margin       41,729,000       35,483,111       5,831,795       0         44       Total Uniform Proposed Margin       41,729,000       35,483,111       5,831,795       0         45       Production       \$0.00515       \$0.00529       \$0.00529       \$0.00000       4         45       Production       \$0.32614       \$0.39887       \$0.16987       \$0.00000       4         46       Underground Storage       \$0.13760       \$0.17411       \$0.05786       \$0.00000       4         47       Distribution       \$0.32614       \$0.39887       \$0.16987       \$0.00000       4 </td <td>31</td> <td>i otal Proposed Margin Melded Rate</td> <td>ber Therm</td> <td></td> <td>\$0.48909</td> <td>\$0.57931</td> <td>\$0.30275</td> <td>\$0.00000</td> <td>\$0.14309</td>	31	i otal Proposed Margin Melded Rate	ber Therm		\$0.48909	\$0.57931	\$0.30275	\$0.00000	\$0.14309
38       Production       439,486       313,060       123,152       0         39       Underground Storage       1,723,320       1,274,669       409,110       0         40       Distribution       27,826,314       23,595,605       3,953,172       0         41       Common       11,739,880       10,299,777       1,346,360       0         42       Total Uniform Proposed Cost       41,729,000       35,483,111       5,831,795       0         43       Exclude Cost of Gas w / Revenue Exp.       0       0       0       0       0         44       Total Uniform Proposed Margin       41,729,000       35,483,111       5,831,795       0         45       Production       \$0.00515       \$0.00529       \$0.00529       \$0.00000       4         45       Production       \$0.00202       \$0.02155       \$0.01758       \$0.00000       4         46       Underground Storage       \$0.32614       \$0.39887       \$0.16987       \$0.00000       4         47       Distribution       \$0.13760       \$0.17411       \$0.05786       \$0.00000       4         49       Total Proposed Uniform Margin Melded Rate per Therm       \$0.48899       \$0.59982       \$0.25060		Functional Cost Components at Unifo	rm Propose	ed Return	í.				
39       Underground Storage       1,723,320       1,274,669       409,110       0         40       Distribution       27,826,314       23,595,605       3,953,172       0         41       Common       11,739,880       10,299,777       1,346,360       0         42       Total Uniform Proposed Cost       41,729,000       35,483,111       5,831,795       0         43       Exclude Cost of Gas w / Revenue Exp.       0       0       0       0       0         44       Total Uniform Proposed Margin       41,729,000       35,483,111       5,831,795       0         44       Total Uniform Proposed Margin       41,729,000       35,483,111       5,831,795       0         44       Total Uniform Proposed Margin       41,729,000       35,483,111       5,831,795       0         45       Production       \$0.00515       \$0.00529       \$0.00529       \$0.00000       4         45       Production       \$0.302615       \$0.002155       \$0.01758       \$0.00000       4         46       Underground Storage       \$0.32614       \$0.39887       \$0.16987       \$0.000000       4         47       Distribution       \$0.13760       \$0.17411       \$0.05786       \$0.0000	38	•				313,060	123,152	0	3,273
40         Distribution         27,826,314         23,595,605         3,953,172         0           41         Common         11,739,880         10,299,777         1,346,360         0           42         Total Uniform Proposed Cost         41,729,000         35,483,111         5,831,795         0           43         Exclude Cost of Gas w / Revenue Exp.         0         0         0         0         0           44         Total Uniform Proposed Margin         41,729,000         35,483,111         5,831,795         0           44         Total Uniform Proposed Margin         41,729,000         35,483,111         5,831,795         0           44         Total Uniform Proposed Margin         41,729,000         35,483,111         5,831,795         0           44         Total Uniform Proposed Return         \$0.00515         \$0.00529         \$0.00000         \$0.00000           45         Production         \$0.00515         \$0.001758         \$0.00000         \$0.00000         \$0.00000         \$0.00000         \$0.00000         \$0.00000         \$0.00000         \$0.00000         \$0.00000         \$0.00000         \$0.00000         \$0.00000         \$0.00000         \$0.00000         \$0.00000         \$0.000000         \$0.000000         \$0.00000	39								39,542
41       Common       11,739,880       10,299,777       1,346,360       0         42       Total Uniform Proposed Cost       41,729,000       35,483,111       5,831,795       0         43       Exclude Cost of Gas w / Revenue Exp.       0       0       0       0       0         44       Total Uniform Proposed Margin       41,729,000       35,483,111       5,831,795       0         44       Total Uniform Proposed Margin       41,729,000       35,483,111       5,831,795       0         Margin per Therm at Uniform Proposed Return       41,729,000       35,483,111       5,831,795       0         45       Production       \$0.00515       \$0.00529       \$0.00529       \$0.00000       1         46       Underground Storage       \$0.02020       \$0.02155       \$0.01758       \$0.00000       1         47       Distribution       \$0.32614       \$0.39887       \$0.16987       \$0.00000       1         48       Common       \$0.13760       \$0.17411       \$0.05786       \$0.00000       1         49       Total Proposed Uniform Margin Melded Rate per Therm       \$0.48909       \$0.59982       \$0.25060       \$0.00000       \$ <td>40</td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td>277,537</td>	40								277,537
42         Total Uniform Proposed Cost         41,729,000         35,483,111         5,831,795         0           43         Exclude Cost of Gas w / Revenue Exp.         0         0         0         0         0         0           44         Total Uniform Proposed Margin         41,729,000         35,483,111         5,831,795         0           44         Total Uniform Proposed Margin         41,729,000         35,483,111         5,831,795         0           Margin per Therm at Uniform Proposed Return         41,729,000         35,483,111         5,831,795         0           45         Production         \$0.00515         \$0.00529         \$0.00529         \$0.00000           46         Underground Storage         \$0.02020         \$0.02155         \$0.01758         \$0.00000           47         Distribution         \$0.32614         \$0.39887         \$0.16987         \$0.00000           48         Common         \$0.13760         \$0.17411         \$0.05786         \$0.00000         \$0.13760           49         Total Proposed Uniform Margin Melded Rate per Therm         \$0.48909         \$0.59982         \$0.25060         \$0.00000         \$0.00000	41	Common							93,742
44         Total Uniform Proposed Margin         41,729,000         35,483,111         5,831,795         0           Margin per Therm at Uniform Proposed Return          50.00529         \$0.00529         \$0.00529         \$0.00000         40.00000         40.00000         40.00000         40.00000         \$0.02155         \$0.01758         \$0.00000         40.00000         40.01516         \$0.02020         \$0.02155         \$0.01758         \$0.00000         40.00000         40.016987         \$0.16987         \$0.000000         40.017411         \$0.05786         \$0.000000         40.017411         \$0.05786         \$0.000000         \$0.13760         \$0.17411         \$0.05786         \$0.000000         \$0.00000         \$0.000000         \$0.000000         \$0.000000         \$0.000000         \$0.000000         \$0.000000         \$0.000000         \$0.000000         \$0.000000         \$0.000000         \$0.000000         \$0.000000         \$0.000000         \$0.000000         \$0.000000         \$0.000000         \$0.000000         \$0.000000         \$0.000000         \$0.000000         \$0.000000         \$0.000000         \$0.000000         \$0.000000         \$0.000000         \$0.000000         \$0.000000         \$0.000000         \$0.000000         \$0.000000         \$0.000000         \$0.0000000         \$0.00000000         \$0.0000000	42			_	41,729,000	35,483,111	5,831,795	0	414,094
Margin per Therm at Uniform Proposed Return         \$0.00515         \$0.00529         \$0.00529         \$0.00000           45         Production         \$0.02155         \$0.01758         \$0.00000           46         Underground Storage         \$0.02155         \$0.01758         \$0.00000           47         Distribution         \$0.32614         \$0.39887         \$0.16987         \$0.00000           48         Common         \$0.13760         \$0.17411         \$0.05786         \$0.00000           49         Total Proposed Uniform Margin Melded Rate per Therm         \$0.48809         \$0.5982         \$0.25060         \$0.00000         \$				_			0	0	0
45         Production         \$0.00515         \$0.00529         \$0.00529         \$0.00000           46         Underground Storage         \$0.02155         \$0.01758         \$0.00000           47         Distribution         \$0.32614         \$0.39887         \$0.16987         \$0.00000           48         Common         \$0.13760         \$0.17411         \$0.05786         \$0.00000           49         Total Proposed Uniform Margin Melded Rate per Therm         \$0.48909         \$0.59982         \$0.25060         \$0.00000         \$	44	Total Uniform Proposed Margin			41,729,000	35,483,111	5,831,795	0	414,094
Production         \$0.00515         \$0.00529         \$0.00529         \$0.00000           45         Underground Storage         \$0.02155         \$0.01758         \$0.00000           46         Underground Storage         \$0.02155         \$0.01758         \$0.00000           47         Distribution         \$0.32614         \$0.39887         \$0.16987         \$0.00000           48         Common         \$0.13760         \$0.17411         \$0.05786         \$0.00000           49         Total Proposed Uniform Margin Melded Rate per Therm <b>\$0.48909 \$0.5982 \$0.25060 \$0.00000</b>		Margin per Therm at Uniform Proposed	Return						
46         Underground Storage         \$0.02020         \$0.02155         \$0.001758         \$0.00000           47         Distribution         \$0.32614         \$0.39887         \$0.16987         \$0.00000           48         Common         \$0.13760         \$0.17411         \$0.05786         \$0.00000           49         Total Proposed Uniform Margin Melded Rate per Therm         \$0.48909         \$0.59982         \$0.25060         \$0.00000         \$	45		Vetuill		\$0.0051F	\$0.00520	\$0.00520	¢0,0000	\$0.00440
47         Distribution         \$0.32614         \$0.39887         \$0.16987         \$0.0000           48         Common         \$0.13760         \$0.17411         \$0.05786         \$0.00000           49         Total Proposed Uniform Margin Melded Rate per Therm         \$0.48909         \$0.59982         \$0.25060         \$0.00000         \$									\$0.00113
48         Common         \$0.13760         \$0.17411         \$0.05786         \$0.00000           49         Total Proposed Uniform Margin Melded Rate per Therm         \$0.48909         \$0.59982         \$0.25060         \$0.00000         \$									\$0.01368 \$0.09600
49         Total Proposed Uniform Margin Melded Rate per Therm         \$0.48909         \$0.59982         \$0.25060         \$0.00000         \$									
			ed Rate per	Therm –					\$0.03242 \$0.14323
			•						1.00
Ed. Current Manual Annual Oracle Dation									
51         Current Margin to Proposed Cost Ratio         0.97         0.94         1.19         0.00	21	Current Margin to Proposed Cost Rat	0		0.97	0.94	1.19	0.00	0.97

#### AVISTA UTILITIES

#### Revenue Conversion Factor Idaho - Natural Gas System TWELVE MONTHS ENDED DECEMBER 31, 2016

Line No.	Description	Factor	
1	Revenues	1.000000	1.000000
2	Expenses: Uncollectibles	0.003564	0.003564
3	Commission Fees	0.002275	0.002275
4	Idaho State Income Tax	0.051264	0
5	Total Expenses	0.057103	0.005839
6	Net Operating Income Before FIT	0.942897	0.994161
7	Federal Income Tax @ 35%	0.330014	
8	REVENUE CONVERSION FACTOR	0.612883	

Revised per Staff\_PR\_079, Attachment A

#### CASE NO. AVU-G-17-01 SETTLEMENT STIPULATION APPENDIX B

#### Page 5 - Rev Conversion Factor

#### Avista Utilities Natural Gas Fixed Cost Adjustment Mechanism (Idaho) Development of Fixed Cost Adjustment Revenue by Rate Schedule - Natural Gas AVU-G-17-01 Rates Effective 1/1/2018 plus Tax Reform Schedule 172 Effective 6/1/2018

					TOTAL	S	GENERAL SERVICE CHEDULE 101	LA	RGE GENERAL SERVICE SCH. 111/112		OTHER SERVICE CHEDULES
1	Total Staff Adjusted Normalized Test Year Reven	nue		\$	40,652,000	\$	33,197,000	s	6,950,000	\$	505,000
2	Settlement Revenue Increase	liue		\$	1,180,000	\$	1.073.000	\$	95.000	\$	12,000
3	Total Base Rate Revenue (January 1, 2018)			\$	41,832,000	\$	34,270,000		7,045,000	\$	517,000
3A				\$	(2,556,000)		(2,099,000)		(432,000)	\$	(25,000)
3B	Tax Reform Adjusted Base Rates (June 1, 2018)			\$	39,276,000	\$	32,171,000		6,613,000	\$	492,000
30	Tax Reform Aujusted Base Rates (Julie 1, 2018)			Φ	59,270,000	Φ	52,171,000	9	0,015,000	Ð	492,000
4	Normalized Therms (Test Year)				138,212,674		59,156,634		23,271,119		55,784,921
5	WACOG Rate Embedded in Base Rates			\$	-	\$	-	\$	-	\$	-
6	Variable Gas Cost Revenue (Ln 4 * Ln 5)			\$	-	\$	-	\$	-	\$	-
6A		Rate per	(New Customers Only)			\$	0.02566	\$	0.02770		
6B	-	Revenue	(New Customers Only)	\$	2,205,353	\$	1,518,089	\$	644,501	\$	42,763
7	Subtotal (Ln 3 - Ln 6)		(Test Year Customers)	\$	38,784,000	\$	32,171,000	\$	6,613,000	Exe	cluded From
7A	Subtotal (Ln 3 - Ln 6 - Ln 6B)		(New Customers)	\$	36,621,410	\$	30,652,911	\$	5,968,499	F	ixed Cost
										A	djustment
8	Customer Bills (Test Year)				960,302		943,245		17,057		
9	Settlement Fixed Charges					\$	6.00	\$	102.73		
10	Fixed Charge Revenue (Ln 8 * Ln 9)			\$	7,411,736	\$	5,659,470	\$	1,752,266		
11	Fixed Cost Adjustment Revenue (Ln 7 - Ln 10)		(Test Year Customers)	\$	31,372,264	\$	26,511,530	\$	4,860,734		
11A	Fixed Cost Adjustment Revenue (Ln 7A - Ln 10)		(New Customers)	\$	29,209,674	\$	24,993,441	\$	4,216,233		

		Residential	Non-Residential Group
12	Average Number of Customers (Line 8 / 12)	78,604	1,421
13	Annual Therms	59,156,634	23,271,119
14	Basic Charge Revenues	5,659,470	1,752,266
15	Customer Bills	943,245	17,057
16	Average Basic Charge	\$6.00	\$102.73

CASE NO. AVU-G-17-01 SETTLEMENT STIPULATION APPENDIX D WITH SCHEDULE 172

Page 1 - Baseline

#### Avista Utilities Natural Gas Fixed Cost Adjustment Mechanism (Idaho) Development of Annual Fixed Cost Adjustment Revenue Per Customer - Natural Gas AVU-G-17-01 Rates Effective 1/1/2018 plus Tax Reform Schedule 172 Effective 6/1/2018

Line No.		Source	Residential	on-Residential Schedules*
	(a)	(b)	 (c)	 (d)
	Existing Customer FCA			
1	Fixed Cost Adjustment Revenue	Page 1	\$ 26,511,530	\$ 4,860,734
2	Test Year Number of Customers	Revenue Data	\$ 78,604	\$ 1,421
3	Fixed Cost Adjustment Revenue Per Customer	(1)/(2)	\$ 337.28	\$ 3,419.64
	New Customer FCA			
1	Fixed Cost Adjustment Revenue	Page 1	\$ 24,993,441	\$ 4,216,233
2	Test Year Number of Customers	Revenue Data	\$ 78,604	\$ 1,421
3	Fixed Cost Adjustment Revenue Per Customer	(1)/(2)	\$ 317.97	\$ 2,966.22
	* Schedules 111 and 112.			
	Revenues			
	From revenue per customer		\$ 26,511,473	\$ 4,860,733
	From basic charge		\$ 5,659,470	\$ 1,752,266
	From gas supply		\$ -	\$ -
	Total		\$ 32,170,943	\$ 6,612,999

#### CASE NO. AVU-G-17-01 SETTLEMENT STIPULATION APPENDIX D WITH SCHEDULE 172 Page 2 - Fixed Cost Adj. RPC

## Avista Utilities Natural Gas Fixed Cost Adjustment Mechanism (Idaho) Development of Monthly Fixed Cost Adjustment Revenue Per Customer - Natural Gas AVU-G-17-01 Rates Effective 1/1/2018 plus Tax Reform Schedule 172 Effective 6/1/2018

Line No.	Source	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	AUM	Dec	IOIAL
(a)	(q)	(c)	(p)	(c)	(J)	(g)	(h)	(i)	(j)	(k)	()	(m)	(u)	(0)
<ol> <li>Natural Cas Sales</li> <li>Messilential</li> <li>Weather-Normalized Therm Delivery Volume</li> <li>- Weather-Normal Total</li> </ol>	Monthly Test Year % of Total	9,319,909 15,75%	7,933,964	6,757,265 11.42%	4,377,085	2,457,565 4.15%	1,514,614 2.56%	1,193,367 2.02%	1,180,168	1,401,784 2.37%	3,930,171 6.64%	8,004,649 13.53%	11,086,092 18.74%	59,156,634 100.00%
<ul> <li>Non-Residential Sales*</li> <li>Weather-Normalized Therm Delivery Volume</li> <li>-% of Amnal Total</li> </ul>	Monthly Test Year % of Total	3,010,243 12.94%	2,765,523	2,386,786 10.26%	1,725,613 7.42%	1,384,859 5.95%	1,066,070 4.58%	1,083,827 4.66%	1,332,665 5.73%	1,028,780 4.42%	1,762,355 7.57%	2.685,935 11.54%	3,038,463 13.06%	23,271,119 100.00%
<ol> <li>Monthly Fixed Cost Adjustment Revenue Per Customer ("RPC")</li> <li><i>For Test Vear Existing Customers</i></li> <li><i>Residential</i></li> <li>Allowed Fixed Cost Adj. Revenue per Customer</li> <li>Allowed Monthly Fixed Cost Adj. Revenue per Customer</li> </ol>	RPC") Page 2 (3) x (14)	\$ 53.14	\$ 45.24	s 38.53	\$ 24.96	S 14.01	\$ 64	S 6.80	S 6.73	\$ 7.99	\$ 22.41	S 45.64	<b>s</b> 63.21	s 337.28 \$ 337.28
10 Non-Residential Sales* - Allowed Fixed Cost Adj. Revenue per Customer - Allowed Monthly Fixed Cost Adj. Revenue per Customer	Page 2 (7) x (18)	\$ 442.35	\$ 406.39	\$ 350.73	\$ 253.58	\$ 203.50	\$ 156.66	<b>S</b> 159.27	\$ 195.83	\$ 151.18	\$ 258.97	\$ 394.69	\$ 446.50	<ul><li>\$ 3,419.64</li><li>\$ 3,419.64</li></ul>
<ol> <li>For New Customers</li> <li>Ear New Customers</li> <li>Residential</li> <li>- Allowed Fixed Cost Adj. Revenue per Customer</li> <li>- Allowed Monthly Fixed Cost Adj. Revenue per Customer</li> </ol>	Page 2 (3) x (24)	\$ 50.09	\$ 42.65	\$ 36.32	\$ 23.53	\$ 13.21	\$ 8.14	\$ 6.41	\$ 6.34	\$ 7.53	\$ 21.12	\$ 43.03	\$ 59.59	\$ 317.97 \$ 317.97 \$
<ol> <li>Mon-Residential Sales*</li> <li>Mon-Residential Sales*</li> <li>Allowed Fixed Cost Adj. Revenue per Customer</li> <li>Allowed Monthly Fixed Cost Adj. Revenue per Customer</li> </ol>	Page 2 (7) x (28)	\$ 383.70	\$ 352.50	\$ 304.23	\$ 219.95	\$ 176.52	\$ 135.89	\$ 138.15	\$ 169.87	\$ 131.13	\$ 224.64	\$ 342.36	\$ 387.29	<pre>\$ 2,966.22 \$ 2,966.22</pre>
#REF!														
<ol> <li>Normalized Test Year Usage</li> <li>Small Service Schedule 101</li> <li>Large Service Schedule 111/112</li> <li>Interrupt Service Schedule 111/1132</li> <li>Transtort Service Schedule 131/132</li> </ol>		9,319,909 3,010,243 - -	7,933,964 2,765,523 -	6,757,265 2,386,786 - -	4,377,085 1,725,613 - 294 126	2,457,565 1,384,859 - 255,691	1,514,614 1,066,070 - 218 925	1,193,367 1,083,827 - 201.080	1,180,168 1,332,665 - -	1,401,784 1,028,780 - 208 303	3,930,171 1,762,355 - 216.161	8,004,649 2,685,935 - -	11,086,092 3,038,463 - -	59,156,634 23,271,119 - 2801150
<ol> <li>Special Contract Transport</li> <li>Total Normalized Test Year Usage</li> </ol>		5,371,194 17,959,896	5,432,014 16,462,180	4,400,560	6	3,413,413		6,185,831 8,664,105	3,246,590		8,303,818 14,212,505	167,594	5,826,794 20,173,139	52,893,771 138,212,674
		78,021	78,174	78,273		78,230		78,357	78,634		79,010	79,433	79,729	943,245
<ol> <li>Large Service Schedule 111/112</li> <li>Interrupt Service Schedule 131/132</li> <li>Tansport Service Schedule 146</li> <li>Schedule 146</li> </ol>		1,411 - 6	1,416 - 5	1,430 - 5		1,433 - 6	1,426 - 6	1,428 - 6	1,418 - 6	1,419 - 6	1,420 - 5	1,423 - 6	1,408 - 6	17,057 - 72
To		79,440	79,598	79,711	79,680	79,671	79,731	79,793	80,060	80,267	80,438	80,864	81,145	960,398
		119		86	56	31	19	15	15	18	50	101	139	752
50 Non-Residential		2,133	1,953	1,669		996	748	759	940	725	1,241	1 888	2.158	16.391

CASE NO. AVU-G-17-01 SETTLEMENT STIPULATION APPENDIX D WITH SCHEDULE 172

Page 3 - Shaping

63 1,364 Settlement AVISTA UTILITIES Case 2018 Summary by Function with Margin Analysis Revenue For the Year Ended December 31, 2016 Natural Gas Utility Idaho Jurisdiction

	(b)	(c)	(d)	(e)	(f)	(g) Residential	(h) Large Firm	(j) Interrupt	(k) Transport
Line	Description				System Total	Service Sch 101	Service Sch 111	Service Sch 131	Service Sch 146
		ost Compor	ents at Curren	it Rates	120,100	242.005	100.454	0	0.070
1	Production				439,493	313,065	123,154		
2	Underground S	Storage			1,693,952	1,143,425	512,561	0	
3	Distribution				26,983,600	21,889,721	4,825,616		
4	Common			-	11,431,954	9,850,686	1,489,089		
5		ent Rate Re			40,549,000	33,196,897	6,950,421	0	401,683
6 7	Exclude Cost of Total Marg		evenue Exp. e at Current Rat	tes -	0 40,549,000	0 33,196,897	0 6,950,421	0	0 401,683
	Margin per The	erm at Curre	ent Rates		¢0.00545	£0.00500	<b>*</b> 0.00500	<b>*</b> 0 00000	<b>*</b> 0.00110
8	Production	0			\$0.00515	\$0.00529	\$0.00529		
9	Underground S	Storage			\$0.01985	\$0.01933	\$0.02203		\$0.01313
10	Distribution				\$0.31627	\$0.37003	\$0.20737		\$0.09279
11	Common			-	\$0.13399	\$0.16652	\$0.06399		\$0.03188
12	Total Curre	nt Margin M	elded Rate per	Therm	\$0.47526	\$0.56117	\$0.29867	\$0.00000	\$0.13894
		ost Compor	ents at Unifor	m Current R					
	Production				439,493	313,065	123,154		-,
14	Underground S	Storage			1,647,826	1,218,829	391,188		
15	Distribution				26,939,249	22,869,870	3,802,038		
16	Common			-	11,522,432	10,108,759	1,321,649		
17		rm Current C			40,549,000	34,510,524	5,638,029	0	400,447
18	Exclude Cost			-	0	0	0		
19	I otal Unifor	rm Current N	largin		40,549,000	34,510,524	5,638,029	0	400,447
	Margin per The	erm at Unifo	rm Current Retu	um					
20	Production				\$0.00515	\$0.00529	\$0.00529	\$0.00000	\$0.00113
21	Underground S	Storage			\$0.01931	\$0.02060	\$0.01681	\$0.00000	\$0.01308
22	Distribution				\$0.31575	\$0.38660	\$0.16338	\$0.00000	\$0.09247
23	Common			-	\$0.13505	\$0.17088	\$0.05679	\$0.00000	\$0.03183
24	Total Curre	nt Uniform M	Aargin Melded F	Rate per The	\$0.47526	\$0.58338	\$0.24228	\$0.00000	\$0.13851
25	Margin to Cos	et Patio at (	Surrent Pates		1.00	0.96	1.23	0.00	1.00
	Functional Co	ost Compor	ients at Propos	sed Rates					
26	Production				439,486	313,060	123,152	0	3,273
27	Underground S	Storage			1,765,868	1,205,029	521,349	0	
28	Distribution	otorago			27,867,327	22,690,377	4,899,720		
29	Common				11,656,320	10,061,430	1,501,200		ACCOUNT ACCOUNTS
30		osed Rate F	Revenue	-	41,729,000	34.269.897	7,045,421	0	413,683
31	Exclude Cost of				0	04,200,007	0		
32			at Proposed F	- Rates	41,729,000	34,269,897	7,045,421	0	413,683
	Margin per The	arm at Prop	sed Rates						
33	Margin per The Production	erni at Propo	Joeu Nales		\$0.00515	\$0.00529	\$0.00529	\$0.00000	\$0.00113
34	Underground	Storage			\$0.02070	\$0.02037	\$0.02240	\$0.00000	\$0.00113
35		Storage							
36	Distribution Common				\$0.32663 \$0.13662	\$0.38356 \$0.17008	\$0.21055 \$0.06451	\$0.00000 \$0.00000	\$0.09589
37		sed Margin	Melded Rate pe	er Therm	\$0.48909	\$0.57931	\$0.30275	\$0.00000	\$0.03241 <b>\$0.14309</b>
	Function 1.5			n Deces	Deturn				
20		ost Compon	ents at Uniforr	n Proposed		040.000	100 / 50		0.075
38	Production	Charter			439,486	313,060	123,152	0	3,273
39	Underground S	storage			1,723,320	1,274,669	409,110	0	39,542
40	Distribution				27,826,314	23,595,605	3,953,172	0	277,537
41	Common	Dest	Cast	-	11,739,880	10,299,777	1,346,360	0	93,742
42		m Proposed			41,729,000	35,483,111	5,831,795	0	414,094
43 44	Exclude Cost of Total Unifor	of Gas w / R m Proposed		-	0 41,729,000	0 35,483,111	0 5,831,795	0 0	0 414,094
			-		, .,		-,,-J <b>·</b>	·	
		erm at Unifo	rm Proposed Re	eturn					
	Production				\$0.00515	\$0.00529	\$0.00529	\$0.00000	\$0.00113
46	Underground S	Storage			\$0.02020	\$0.02155	\$0.01758	\$0.00000	\$0.01368
47	Distribution				\$0.32614	\$0.39887	\$0.16987	\$0.00000	\$0.09600
48	Common			-	\$0.13760	\$0.17411	\$0.05786	\$0.00000	\$0.03242
49	Total Propo	sed Uniform	Margin Melded	Rate per TI	\$0.48909	\$0.59982	\$0.25060	\$0.00000	\$0.14323
50	Margin to Cos	st Ratio at P	roposed Rates	5	1.00	0.97	1.21	0.00	1.00
51	Current Marci	in to Propos	sed Cost Ratio		0.97	0.04	1 40	0.00	0.07
51	Surrent warg	in to Propos			0.97	0.94	1.19	0.00	0.97

CASE NO. AVU-G-17-01 SETTLEMENT STIPULATION APPENDIX D WITH SCHEDULE 172

Page 4 - Cost of Service

### **TWELVE MONTHS ENDED DECEMBER 31, 2016** Idaho - Natural Gas System **Revenue Conversion Factor AVISTA UTILITIES**

Factor	1.000000 1.000000	0.003564 0.003564	0.002275 0.002275	0.047973	0.053812 0.005839	0.946188 0.994161	0.198699	0.747489
Description	Revenues	Expenses: Uncollectibles	Commission Fees	Idaho State Income Tax	Total Expenses	Net Operating Income Before FIT	Federal Income Tax @ 21%	REVENUE CONVERSION FACTOR
Line No.	1	2	6	4	S	6	7	∞

Includes Tax Reform SIT and FIT rate changes

Page 5 - Conversion Factor CASE NO. AVU-G-17-01 SETTLEMENT STIPULATION APPENDIX D WITH SCHEDULE 172

6.1.2018 Authorized FCA Base