

Line No.	Avista Corp. Brief Description of Power Supply Adjustment	See Kalich Workpapers at Page (P) Identified
1	N/A	
2	Modeled Short - Term Market Purchases - Short-term purchases from the AURORA Dispatch Simulation Model.	
3	Actual ST Market Purchases - Cost of term power physical positions taken for the proforma period. Expense is set to zero since no fixed-price, short-term, transactions have been executed for the proforma period.	
4	Actual ST Purchases - Financial - Mark-to-market value of term power financial positions taken for the proforma period. No transactions have been executed for the pro forma period.	
5	Chelan PUD - Rocky Reach/Rock Island Purchase - Expense is based on contract expiring 12/31/2020.	P1, Confidential
6	Douglas PUD - Wells Purchase - Expense related to contract.	P2-P3, Confidential
7	Douglas PUD - Settlement - Contract ended 8/31/2018, so removed from pro forma.	
8	Priest Rapids Project - expense related to this contract.	P4-P5
9	Lancaster Capacity and Energy Payment - contract costs of capital and fixed O&M payments, plus variable O&M based on the variable O&M rate multiplied by the MWh of Lancaster generation in the pro forma.	P6-P8, Confidential
10	Lancaster Heat Rate Tracker - contract payment for costs associated with difference between contractual and actual heat rate efficiency.	P6, Confidential
11	WNP-3 contract expired 4/30/2019 and is not included in the pro forma.	
12	Deer Lake - IP&L - Pro forma expense is for power purchased from Inland Power to serve Avista customers.	
13	Small Power - Pro forma costs are based on 5-year average generation and actual proforma period contract rate.	
14	Stimson - This purchase is from the cogeneration plant at Plummer, Idaho. Pro forma costs are based on 5-year average generation and pro forma period contract rates.	
15	Spokane - Upriver - Pro forma expense is based on a purchase of the net of 5-year average pumping (at the plant) generation at the pro forma contract rate.	
16	Spokane Waste - to - Energy - Pro forma expense is based on 5-year average generation and the pro forma period contract rate.	P9
17	Non-Monetary - Accruals for imbalance energy associated with our various exchange contracts. Expense is normalized to \$0 in the pro forma.	
18	Ancillary Services - Pro forma expense is \$0 because this is an intra-utility expense; both this and matching revenue in Account 447 have been set to zero for this case.	
19	Palouse Wind - is cost of PPA, equal to PPA price multiplied by the Aurora-dispatched plant output. Over the 80 water years Aurora selects one actual wind year from the 2013-2018 record. The Company is proposing to include Palouse Wind in the pro forma adjustment in this case.	P10, Confidential

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20	Palouse Feather - costs associated with expected periods where the value of power is negative due to oversupply conditions and it is less expensive to reduce output at the plant, and pay the PPA rate rather than pay for production and resell the power at further cost. Based on 5-year average of feathering costs.	P10, Confidential
21	Adams Neilson Solar - is cost of PPA, equal to PPA price multiplied by the expected output of the plant as estimated by the facility.	P11, Confidential
22	Rattlesnake Flats Wind - is cost of PPA, equal to PPA price multiplied by the expected output of the plant as estimated by the facility. Delivery begins in December 2020, and uses forecast volume.	P12-P13, Confidential
23	Total Account 555	
24	N/A	
25	N/A	
26	Broker Commission Fees - Pro forma expense is associated with purchases and sales of electricity and natural gas fuel.	
27	Natural Gas Fuel Purchases - This is the expense for natural gas purchased but not consumed for generation. Pro forma expense is \$0 because all gas purchased is assumed to be used for generation, and included in Account 547.	
28	Total Account 557	
29	N/A	
30	N/A	
31	Kettle Falls Wood Fuel Cost - Pro forma fuel expense is based on the generation of the Kettle Falls plant in the AURORA model and the unit cost of available fuel.	
32	Kettle Falls-Start-up Gas - Pro forma expense is for start-up gas at Kettle Falls and is based on Aurora calculation of start-up costs.	
33	Colstrip-Fixed Coal Cost - Pro forma fuel expense is based on fixed costs under the long-term coal contract.	
34	Colstrip - Variable Coal Cost - Pro forma variable fuel cost based on the generation of the Colstrip plant in the AURORA Model and the variable coal cost under the contract.	
35	Colstrip Oil (Startup Fuel) - Pro forma expense is for start - up oil expense. Pro forma is based on the test year.	
36	Total Account 501.	
37	N/A	
38	N/A	
39	Coyote Springs Gas - Pro forma expense is an output of the AURORA Model based on the pro forma unit cost of fuel and the dispatch of the plant, which determines the volume of fuel consumed.	
40	Coyote Springs 2 Start-up Gas - This expense is for natural gas fuel used during Coyote Springs 2 plant startups as determined by Aurora model.	
41	Coyote Springs 2 Gas Transportation - This expense is for natural gas transportation for the Coyote Springs 2 plant.	

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42	Lancaster Gas - Pro forma expense is an output of the AURORA Model based on the pro forma unit cost of fuel and the dispatch of the plant, which determines the volume of fuel consumed.	
43	Lancaster Start-up Gas - This expense is for natural gas fuel used during Lancaster plant startups as determined by Aurora model.	
44	Lancaster Gas Transportation - This expense is for natural gas transportation for the Lancaster plant.	
45	Actual Financial Gas Transactions - Mark-to-market value of term gas financial positions.	
46	Gas Transportation Optimization - This credit to expense is based on optimizing the gas transportation contracts for Coyote Springs 2 and Lancaster. In general, this involves trading the gas price spread between AECO (Canada) and Malin. Based on a 5-year average.	
47	Gas Transportation for BP, NE and KFCT - This expense is for transportation of natural gas to serve Boulder Park, Northeast and Kettle Falls Combustion Turbine gas-fired plants. Based on test year.	
48	Rathdrum Gas - Pro forma expense is an output of the AURORA model based on the pro forma unit cost of fuel and the dispatch of the plant, which determines the volume of fuel consumed.	
49	Rathdrum Start-up Gas - This expense is for natural gas fuel used during Rathdrum plant startups. Based on results of the Aurora model.	
50	Northeast CT Gas - Pro forma expense is an output of the AURORA Model based on the pro forma unit cost of fuel and the dispatch of the plant which determines the volume of fuel consumed.	
51	Boulder Park Gas - Pro forma expense is an output of the AURORA Model based on the pro forma unit cost of fuel and the dispatch of the plant which determines the volume of fuel consumed.	
52	Kettle Falls CT Gas - Pro forma expense is an output of the AURORA Model based on the pro forma unit cost of fuel and the dispatch of the plant, which determines the volume of fuel consumed.	
53	Total Account 547	
54	N/A	
55	N/A	
56	WNP-3 - Contract expires June 30, 2019; adjusted to zero.	P14
57	Short-Term Purchases - Test year expense.	
58	BPA PTP for Colstrip, Coyote Springs 2, Lancaster - Pro forma expense is based on 577 MW of capacity at the BPA tariff rate. Test year expense.	P14
59	BPA Townsend - Garrison Wheeling - This expense is for the transmission of Colstrip power from the Townsend substation to the Garrison substation. Test year expense.	P14

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60	Avista on BPA - Borderline - This expense is to serve Avista load off of BPA transmission. Expense is based on Avista's borderline loads priced at BPA's NT transmission rates plus ancillary services cost and use of facilities charges. Test year expense.	P14
61	Kootenai for Worley - This expense is for Avista load served using Kootenai's facilities. Based on proforma period contract rate.	P15
62	Sagle - Northern Lights - Expense is for transmission purchased from Northern Lights Utility to serve Avista customers. Test year expense.	
63	Northwestern for Colstrip - Northwestern for Colstrip wheeling is an expense for the transmission of Colstrip energy above 196 MW from the Garrison substation over Northwestern Energy's transmission system to the interconnection of Northwestern Energy and Avista. Test year expense.	
64	PGE Firm Wheeling - PGE Firm wheeling reflects the cost of transmission from the John Day substation to COB (Intertie South) purchased from Portland General Electric. Test year expense.	
65	Total Account 565.	
66	N/A	
67	N/A	
68	Montana Invasive Species - Expense associated with Montana program to manage invasive species in the state.	
69	N/A	
70	Total Expense - Sum of Accounts 555, 557, 501, 547, 565, 537.	
71	N/A	
72	N/A	
73	Modeled Short-Term Sales - Short-term market sales from the AURORA Model simulation.	
74	Actual ST Sales-Physical - Mark-to-market value of fixed-price, short-term, transactions executed for 2020.	
75	Actual ST Sales - Financial - Mark-to-market value of term power financial positions.	
76	Nichols Pumping Sale - This is a sale of energy to other Colstrip Units 3 and 4 owners at the Mid - Columbia index price less \$0.50/MWh.	P16
77	Sovereign/Kaiser DES - This contract provides load control services to Kaiser's Trentwood plant.	
78	Energy America - Contract ends 12/31/2019. Value set to zero in pro forma.	
79	Douglas Exchange Sales - Contract has no cost, as is only an exchange of power.	P17-P18, Confidential
80	Pend Oreille DES & Spinning Reserves - This contract provides load regulation and reserves for Pend Oreille PUD.	
81	CAISO Optimization - Revenues from 5-year availability of Company transmission rights to COB. Modeled in Aurora the COB/Mid-C price spread times the volume of available transmission.	

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82	Ancillary Services - Pro forma expense is \$0 because this is an intra-utility revenue; both this and matching expense in Account 555 have been set to zero for this case.	
83	Total Account 447.	
84	N/A	
85	N/A	
86	Non - WA EIA REC Sales - Company forecast.	
87	Solar Select - The Solar Select revenue to offset expense of Adams Neilson Solar PPA for which Buck a Block pays the expense.	
88	Other Electric Revenue - Sale of excess BPA transmission rights.	
89	Natural Gas Liquids - Sale of liquids associated with natural gas purchases for power plants @ AECO; adjusted for 5-year average through 2018.	P19
90	Gas Not Consumed Sales Revenue - This is the revenue for natural gas purchased but not consumed for generation. See Account 557, Natural Gas Fuel Purchases for offsetting cost of this gas.	
91	Total Account 456.	
92	N/A	
93	Total Revenue - Sum of Accounts 447, 456.	
94	N/A	
95	Total Net Expense - Total expense minus total revenue.	