



July 17, 2018

State of Idaho
Idaho Public Utilities Commission
P.O. Box 83720
Boise, Idaho 83720-0074

RECEIVED
2018 JUL 19 PM 12:25
IDAHO PUBLIC
UTILITIES COMMISSION

RE: Monthly Deferred Cost Report

Attached is the PGA monthly report of activity in the Gas Deferral Accounts for the month of June 2018. This information is submitted in compliance with Order Number 33886 issued in the Company's Purchase Gas Cost Adjustment filing (Case No. AVU-G-17-04). This report is being filed in electronic format only per approval from the filing center.

For the month of June, commodity costs were lower than the embedded PGA commodity WACOG, resulting in a rebate deferral in the amount of \$509,627. Demand costs were higher than the PGA demand WACOG, resulting in a surcharge deferral in the amount of \$357,981. The year to date balance in the deferral account (including both commodity and demand) is a rebate of \$8,210,682 (including interest). The amount of amortization recorded for the month is \$238,947 for a total rebate balance of \$274,884 (including interest).

If you have any questions regarding this information please feel free to contact me at annette.brandon@avistacorp.com or (509) 495-4324. Thank you!

Sincerely,


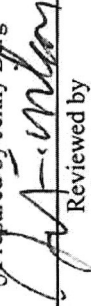
Annette Brandon
Sr. Regulatory Analyst
State and Federal Regulation

Enclosures

Avista Corporation Journal Entry

Journal: 431-D&A WA/ID
 Team: Resource Accounting
 Type: C
 Category: DJ
 Currency: USD
 Effective Date: 201806
 Last Saved by: Jenny Berg
 Submitted by: Jenny Berg
 Approved by:
 Last Saved: 07/05/2018 10:23 AM
 Approval Requested: 07/05/2018 10:23 AM

Seq	Co.	FERC	Ser.	Jur.	S.I.	Debit	Credit	Comment
			GD	WA	DL			
10	001	431600 - INTEREST EXPENSE ENERGY DEFERRALS	GD	WA	DL	58,012.14 ✓		Interest Expense
20	001	191010 - CURR UNRECOV PGA DEFERRED	GD	WA	DL		34,250.59 ✓	Deferral
30	001	805120 - DEFER CURRENT UNRECOVERED GAS COSTS	GD	WA	DL		23,761.55 ✓	Deferral Expense
40	001	431600 - INTEREST EXPENSE ENERGY DEFERRALS	GD	WA	DL	1,940.49 ✓		Interest Income
50	001	191000 - RECOVERABLE GAS COSTS AMORTIZED	GD	WA	DL	395,690.87 ✓		Amortization
60	001	805110 - AMORTIZE RECOVERABLE GAS COSTS	GD	WA	DL		397,631.36 ✓	Amortization Expense
70	001	431600 - INTEREST EXPENSE ENERGY DEFERRALS	GD	ID	DL	6,773.40 ✓		Interest Expense
80	001	191010 - CURR UNRECOV PGA DEFERRED	GD	ID	DL		158,419.96 ✓	Deferral
90	001	805120 - DEFER CURRENT UNRECOVERED GAS COSTS	GD	ID	DL	151,646.56 ✓		Deferral Expense
100	001	419600 - INTEREST ON ENERGY DEFERRALS	GD	ID	DL		129.40 ✓	Interest Income
110	001	191000 - RECOVERABLE GAS COSTS AMORTIZED	GD	ID	DL	239,070.77 ✓		Amortization
120	001	805110 - AMORTIZE RECOVERABLE GAS COSTS	GD	ID	DL		238,941.37 ✓	Amortization Expense
Totals:						853,134.23	853,134.23	


 Prepared by Jenny Berg
 Date: 7/5/18

 Reviewed by
 Date: 7/5/18

Approved for Entry
 Corporate Accounting use Only
 Date

Explanation:

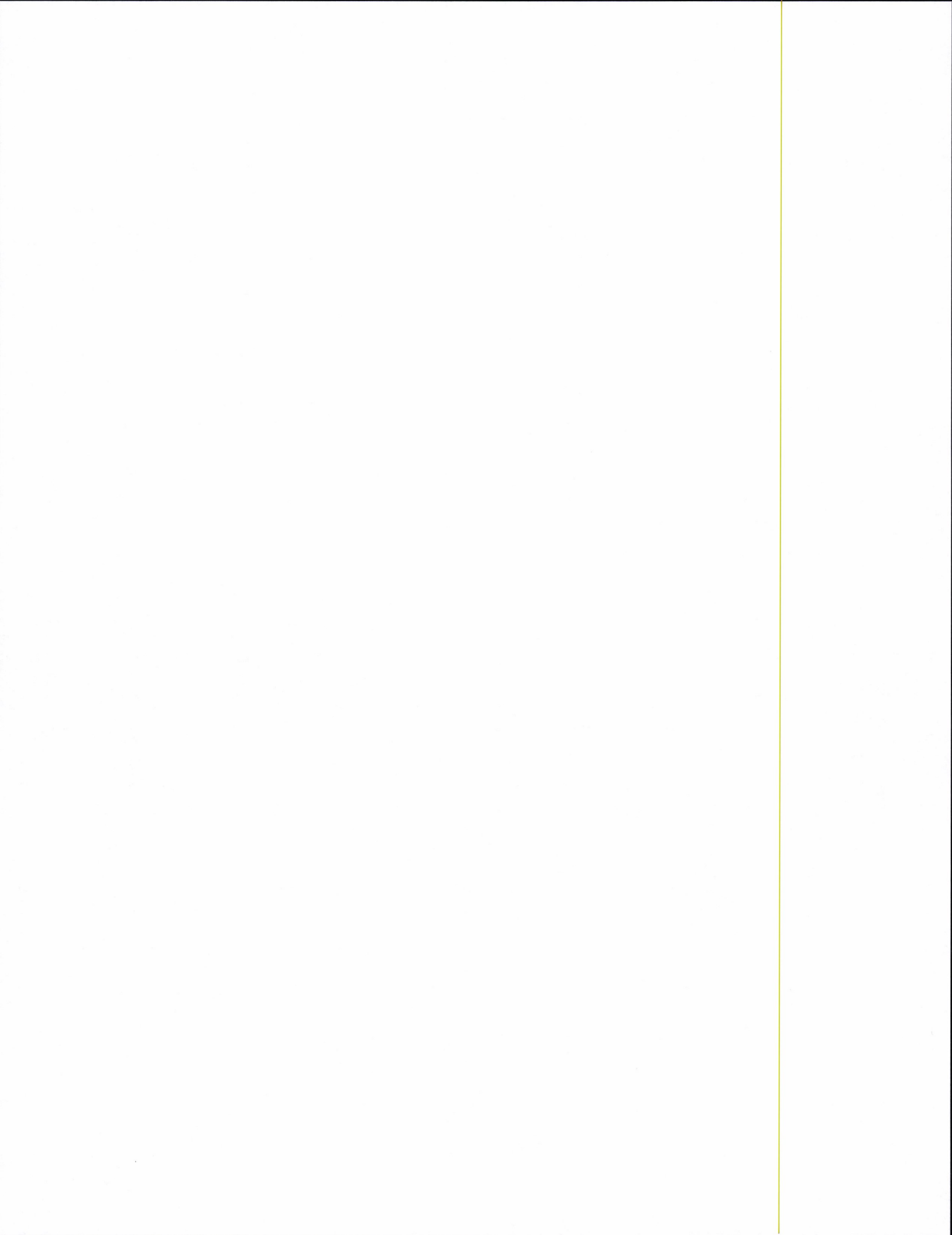
To record the monthly deferral of unrecovered commodity and demand costs related to WA and ID. Also to record the amortization of recoverable costs for WA and ID.

Washington/Idaho Gas Costs	GL Account	Jun-18 Costs	
Nucleus Storage acct. JPRAIRIEAN -100408			
JP Injections	808200 GD AN	\$ (3,021,098.32)	(3,021,098.32)
JP Withdrawals	808100 GD AN	\$ 3,459.10	
Total JP	164100 GD AN	\$ (3,017,639.22)	
Clay Basin (QUESTAA) Injections			
Clay Basin (QUESTAA) Injections	808200 GD AN	\$ -	
Clay Basin (QUESTAA) Withdrawals	808100 GD AN	\$ 137,916.66	141,375.66
Total Clay Basin	164115 GD AA	\$ 137,916.66	
Total Net Storage (Injections)/Withdrawals		\$ (2,879,722.66)	
NUCUT PURCHASES (GL Estimate Report)			
Commodity Purchases	804000 GD AN	\$ 5,113,166.41	
Fixed Demand and Capacity Releases	804001 GD AN	\$ 2,094,724.41	
Variable Demand (Transport) Costs	804002 GD AN	\$ 37,557.15	
Hedge Activity	804010 GD AN	\$ (4,939.80)	
Financial Settlements	804600 GD AN	\$ 1,484,422.08	
Interco Purchase from Thermal	804730 GD AN	\$ 545,518.42	
Cochrane Credit	811000 GD AN	\$ (81,283.93)	
Information from other journals -Deferred Costs:			
WA Imbalance from DJ 436	804000 GD AN	\$ (19,480.58)	
ID Imbalance from DJ 436	804000 GD AN	\$ (11,868.25)	
M Chemical Accrual	804000 GD AN	\$ 7,000.00	
Broker Fees DJ 471	804017 GD AN	\$ 15,863.33	
Mizuho Journal DJ 473	804017 GD AN	\$ 3,456.35	
Wells Fargo Journal DJ 473	804017 GD AN	\$ 3,560.56	
Merchandise Processing Fee DJ 467	804018 GD AN	\$ 11,783.67	
WA/ID Sales for Resale Physical and Bookout -From GSALES	483000/483600/483	\$ (4,005,713.09)	
Deferred Exchange Revenue	495028 GD AN	\$ (375,000.00)	
GST/HST Recon (Quarterly) DJ 437	804000 GD AN	\$ (246.95)	
FAFB Commodity for Anderson Elementary/Lignetics (semi-annual)	804000 GD AN	\$ -	
WA/ID Buy/Sell Transportation Recovery- pass through DJ 453	804001 GD AN	\$ 8,535.86	
WA/ID Gas Purchased from Interstate Asphalt (Annual)	804000 GD AN	\$ -	
Total Costs for Deferral including net gas costs		\$ 1,947,062.98	Tie to Deferral Entry

483600 GD AN	\$ (758,355.75)	Input fr GLE Sales
483000 GD AN	\$ (1,731,981.72)	Input fr GLE Sales
483730 GD AN	\$ (1,515,365.62)	Input fr GLE Sales
	(4,005,713.09)	

Journal # 430 Entry			
	Dr.	Cr.	
232130 ZZ ZZ	\$ 664,057.13	\$ -	Intra-Co Transfer Thermal AN (LDC Purchase from Thermal)
142150 ZZ ZZ	\$ -	\$ (664,057.13)	Intra-Co Transfer Thermal AN (LDC Purchase from Thermal)
142600 ZZ ZZ	\$ -	\$ (2,015,344.41)	Intra-Co Transfer Thermal AN (LDC Sale to Thermal)
232620 ZZ ZZ	\$ 2,015,344.41	\$ -	Intra-Co Transfer Thermal AN (LDC Sale to Thermal)
182374 CD AA	\$ -	\$ -	Clear MTM on FX for 2 months out
245745 ZZ ZZ	\$ -	\$ -	Clear MTM on FX for 2 months out
804700.GD.AN	\$ -	\$ -	Provide Bookout dollars for SEC reporting
804711.GD.AN	\$ -	\$ -	Provide Bookout dollars offset
804000.GD.AN	\$ 7,000.00	\$ -	AN Odorization Expense Accrual
232130.ZZ.ZZ	\$ -	\$ (7,000.00)	AN Odorization Expense Accrual
903000.CD.AA	\$ -	\$ -	Misc Adj
232130.ZZ.ZZ	\$ -	\$ -	Misc Adj
Total Other Adj			
	\$ 2,686,401.54	\$ (2,686,401.54)	

Total from GLE	\$ 12,442,646.25	\$ (12,442,646.25)
Total DJ 430	\$ 15,129,047.79	\$ (15,129,047.79)





Gas by GL Account - Estimate

Page: 2
 Print Date: 07/03/18
 01:56:34 PM
 Database: NUCUT
 arpgasbyglest

Accounting Month: 201806
 Direction: ALL
 Service Code: GD
 Strategy: ALL
 Jurisdiction: AN
 Deal Type: ALL
 Counter Party: ALL
 Exclude Intra-Co Heat Rate: Y
 Deal Number Exclusions: N

COUNTERPARTY	DEAL TYPE	PRIOR PER VOLUME MMBTU	CURRENT VOLUME MMBTU	(CREDIT) DEBIT		TOTAL USD
				PRIOR PERIOD	CURRENT MONTH	

GD

PURCHASE

COUNTERPARTY	DEAL TYPE	PRIOR PER VOLUME MMBTU	CURRENT VOLUME MMBTU	PRIOR PERIOD	CURRENT MONTH	TOTAL USD
Gas Transportation AN						
Dominion Energy Questar Pipeline, LLC	ACCTSP			\$2,475.54		\$2,475.54 - F
Dominion Energy Questar Pipeline, LLC	ACCTSP				\$1,850.00	\$1,850.00 - F
Gas Transmission Northwest Corporation	TPORT			\$185,334.94	\$185,334.94	\$185,334.94 - F
Gas Transmission Northwest Corporation-->IGI Resources Inc.	TPORT			(\$3,308.20)	(\$3,308.20)	(\$3,308.20) - CR
Northwest Pipeline Corporation	ACCTSP			(\$1,262.08)	(\$1,262.08)	(\$1,262.08) - F
Northwest Pipeline Corporation	TPORT			\$3,538,040.09	\$3,538,040.09	\$3,538,040.09 - F
Northwest Pipeline Corporation-->Avista Corporation	TPORT			(\$1,446,530.02)	(\$1,446,530.02)	(\$1,446,530.02) - F
Northwest Pipeline Corporation-->Clark County PUD No. 1	TPORT			(\$412,587.00)	(\$412,587.00)	(\$412,587.00) - CR
Northwest Pipeline Corporation-->Duke Energy Marketing America LLC	TPORT			(\$117,882.00)	(\$117,882.00)	(\$117,882.00) - CR
Northwest Pipeline Corporation-->IGI Resources Inc.	TPORT			(\$132,617.25)	(\$132,617.25)	(\$132,617.25) - CR



Gas by GL Account - Estimate

Page: 3
 Print Date: 07/03/18
 01:56:34 PM
 Database: NUCUT
 arpgasbyglst

Accounting Month: 201806
 Direction: ALL
 Service Code: GD
 Strategy: ALL
 Jurisdiction: AN
 Deal Type: ALL
 Counter Party: ALL
 Exclude Intra-Co Heat Rate: Y
 Deal Number Exclusions: N

COUNTERPARTY	DEAL TYPE	PRIOR PER VOLUME MMBTU	CURRENT VOLUME MMBTU	(CREDIT) DEBIT		TOTAL USD
				PRIOR PERIOD	CURRENT MONTH	
GD						
PURCHASE						
Northwest Pipeline Corporation-->Kaiser Aluminum & Chemical Corporation,	TPORT				(\$76,033.89)	(\$76,033.89) - CR
Northwest Pipeline Corporation-->Puget Sound Energy, Inc.	TPORT				(\$94,965.74)	(\$94,965.74)
Spectra Energy - Westcoast Energy Inc.	TPORT				\$80,079.73	\$80,079.73
Spectra Energy - Westcoast Energy Inc.	ACCTGS			(\$2,449.22)		(\$2,449.22) - F
Spectra Energy - Westcoast Energy Inc.	ACCTSP				\$9,889.10	\$9,889.10
TransCanada Foothills Pipe Lines Ltd.	ACCTGS			(\$5,091.08)		(\$5,091.08) - F
TransCanada Foothills Pipe Lines Ltd.	TPORT				\$187,826.29	\$187,826.29
TransCanada Nova Gas Transmission Ltd.	ACCTGS			(\$10,641.46)		(\$10,641.46) - F
TransCanada Nova Gas Transmission Ltd.	TPORT				\$392,596.66	\$392,596.66
001-804001-GD-AN-DL	TOTALS:				(\$15,706.22)	\$2,110,430.63
Variable Transport Charges AN						
Gas Transmission Northwest Corporation	ACCTSP				\$14,381.14	\$14,381.14 - V
Gas Transmission Northwest Corporation	TPORT				\$5,019.21	\$5,019.21 - V
Northwest Pipeline Corporation	TPORT				\$23,990.11	\$23,990.11 - V
Spectra Energy - Westcoast Energy Inc.	ACCTGS			(\$5,833.31)		(\$5,833.31) - V
Spectra Energy - Westcoast Energy Inc.	TPORT				\$0.00	\$0.00
TransCanada Foothills Pipe Lines Ltd.	TPORT				\$0.00	\$0.00
001-804002-GD-AN-DL	TOTALS:				(\$5,833.31)	\$43,390.46
Gas Cost - FX Hedge AN						
Avista Corporation	ACCTGS				(\$4,939.80)	(\$4,939.80)
001-804010-GD-AN-DL	TOTALS:				(\$4,939.80)	(\$4,939.80)
Gas Financial Derivatives AN						
Mizuho Securities USA LLC	BSWPS				\$608,567.33	\$608,567.33
Mizuho Securities USA LLC	FSWPS				(\$29,092.50)	(\$29,092.50)
Wells Fargo Securities, LLC	FSWPS				(\$43,008.75)	(\$43,008.75)
Wells Fargo Securities, LLC	BSWPS				\$934,968.25	\$934,968.25
Wells Fargo Securities, LLC	FSWPS				\$12,987.75	\$12,987.75
001-804600-GD-AN-DL	TOTALS:				\$1,484,422.08	\$1,484,422.08
Intra-company Gas Purchases AN						
Avista Corporation	GAS		413,883		\$545,518.42	\$545,518.42
001-804730-GD-AN-DL	TOTALS:		413,883		\$545,518.42	\$545,518.42
Gas Storage Withdrawal AN						
Jackson Prairie - AN	STOR		2,806		\$3,459.10	\$3,459.10
Questar Intrup Storage - AA	STOR		52,264		\$137,916.57	\$137,916.57
001-808100-GD-AN-DL	TOTALS:		55,070		\$141,375.67	\$141,375.67
Gas Storage Injection AN						
Jackson Prairie - AN	STOR		(2,414,769)		(\$3,021,098.32)	(\$3,021,098.32)
001-808200-GD-AN-DL	TOTALS:		(2,414,769)		(\$3,021,098.32)	(\$3,021,098.32)

804001 + 804002 = \$2,132,701.50 ✓

Idaho Sales Volumes

Consolidated Volumes

June/18 Description	Schedule	June/18 Billed	May/18 Unbilled	June/18 Unbilled	June/18 Net Unbilled	Total	Notes
Schedule Summary for Commodity Deferral :							
101 Firm		1,501,707	774,858	698,233	(76,625)	1,425,082 ✓	
111 Firm		1,153,998	358,825	491,598	132,773	1,286,771 ✓	
112 Firm		77,211	0	0	0	77,211 ✓	
121 Firm		0	0	0	0	0	
122 Firm		0	0	0	0	0	
131 Interruptible		0	0	0	0	0	Notify Rates Dept if used
132 Interruptible		0	0	0	0	0	
132J Interruptible		0	0	0	0	0	
Total Retail Sales for GTI		2,732,916	1,133,683	1,189,831	56,148	2,789,064	Total sales for PGA commodity deferral, includes interruptible rate schedules
Transportation							
146 Transportation		300,325	300,229	277,570	(22,659)	277,666	
147 Transportation		156,745	156,678	135,991	(20,687)	136,058	
159 Transportation		2,485,062	0	0	0	2,485,062	
169 Transportation		0	0	0	0	0	
Total transportation		2,942,132	456,907	413,561	(43,346)	2,898,786	
Total sales		5,675,048	1,590,590	1,603,392	12,802	5,687,850	
Schedule Summary for Demand Deferral:							
101 Firm		1,501,707	774,858	698,233	(76,625)	1,425,082 ✓	
111 Firm		1,153,998	358,825	491,598	132,773	1,286,771 ✓	
112 Firm		77,211	0	0	0	77,211 ✓	
131 Firm		0	0	0	0	0	
132 Firm		0	0	0	0	0	
Total Firm Sales		2,732,916	1,133,683	1,189,831	56,148	2,789,064	Total sales for PGA demand deferral, excludes interruptible rate schedules
Schedule Summary for Commodity and Demand Amortization:							
101 Firm		1,501,707	774,858	698,233	(76,625)	1,425,082 ✓	
111 Firm		1,153,998	358,825	491,598	132,773	1,286,771 ✓	
121 Firm		0	0	0	0	0	
131 Interruptible		0	0	0	0	0	Notify Rates Dept if used
132J Interruptible		0	0	0	0	0	Special amortization rate
Total Firm Sales		2,655,705	1,133,683	1,189,831	56,148	2,711,853	Volumes for PGA Commodity & Demand Amortization
Annual lump sum amortization							
112 Firm		77,211	0	0	0	77,211	Annual lump sum amortization
131 Firm		0	0	0	0	0	Annual lump sum amortization
132 Firm		0	0	0	0	0	Annual lump sum amortization
Total Firm Sales		2,732,916	1,133,683	1,189,831	56,148	2,789,064	
Total Interruptible Sales		2,942,132	456,907	413,561	(43,346)	2,898,786	
Check total sales		5,675,048	1,590,590	1,603,392	12,802	5,687,850	
		5,675,048	1,590,590	1,603,392		5,687,850	

Description	GL Account	Rate Schedule	Balance Sheet Impact	Rate for Resource Accounting	Begin Date	End Date	Interest Rates
<u>WA Interest Rate:</u> FERC Natural Gas Interest Rate, changes quarterly	http://www.ferc.gov/enforcement/accl-matts/interest-rates.asp			<u>OLD</u>			
<u>WA Deferral Rates</u> Commodity Rate	191010 GD WA	101 - 132	Debit	\$0.21817	3/31/2018	6/30/2018	4.47% ✓
				<u>NEW</u>			
				\$0.16436 ✓	1/26/2018	Next PGA filing	
				\$0.10744 ✓	11/1/2017	Next PGA filing	
				\$0.10744 ✓	11/1/2017	Next PGA filing	
				\$0.09865 ✓	11/1/2017	Next PGA filing	
				\$0.11541 ✓	11/1/2017	Next PGA filing	
				\$0.06248 ✓	11/1/2017	Next PGA filing	
				\$0.00054 ✓	11/1/2017	Next PGA filing	
<u>WA Commodity & Demand Amortization Rates (Sch 155)</u>	191000 GD WA						
				\$0.09174 ✓	11/1/2017	Next PGA filing	
				\$0.09174 ✓	11/1/2017	Next PGA filing	
				\$0.07249 ✓	11/1/2017	Next PGA filing	
				n/a			
				\$0.04448 ✓	11/1/2017	Next PGA filing	
				n/a			
				\$0.08834			
				n/a			
				n/a			
				n/a			
<u>WA Jackson Prairie Amortization Rates (Sch 155)</u>	191025 GD WA	101-132	Debit	\$0.00001	11/1/2017	Rolled into PGA Nov 1st 2017	
				\$0.00000	11/1/2017	Rolled into PGA Nov 1st 2017	
<u>ID Interest Rate</u> Customer Deposit Rate changes annually check IPUC website	ORDER NO. 33664				1/1/2018	12/31/2018	1.00% ✓
<u>ID Deferral Rates</u> Commodity Rate (Without GTI) Demand Rate	191010 GD ID	101 - 132 101 - 112	Debit Debit	\$0.21725 \$0.11331	1/26/2018 11/1/2017	Next PGA filing Next PGA filing	
<u>ID Commodity & Demand Amortization Rates</u>	191000 GD ID						
				\$0.09308 ✓	11/1/2017	Next PGA filing	
				\$0.09308 ✓	11/1/2017	Next PGA filing	
				\$0.09665	11/1/2017	Next PGA filing	
<u>ID 2014 Earnings Test Amortization</u>	254229 GD ID						
				(\$0.00268)	1/1/2017	12/31/2017	
				(\$0.00268)	1/1/2017	12/31/2017	
				(\$0.00268)	1/1/2017	12/31/2017	
				(\$0.00268)	1/1/2017	12/31/2017	
				(\$0.00268)	1/1/2017	12/31/2017	



Interoffice Memorandum
Rates and Tariff Administration

DATE: 5/17/17
TO: Christine Machado, Resource Accounting
FROM: Annette Brandon
SUBJECT: 5-Day Peak Allocator

Attached is the latest consecutive 5-Day Peak Firm Sales requirement analysis. This analysis develops the three-year average percentage of firm sales gas purchased and delivered for Washington and Idaho.

The average is based on the maximum firm sales requirements for five consecutive days for each of the past three heating seasons. The calculation method used was approved by the Washington Utilities and Transportation Commission in Docket No. U-89-3105.

The following new percentages for Washington and Idaho should be used effective **November 1, 2017**:

Washington	69.06%	✓
Idaho	30.94%	✓
Total	<u>100.00%</u>	

If you have any questions about this please call me at 4324.

Berg, Jenny

From: Brandon, Annette
Sent: Monday, June 25, 2018 3:49 PM
To: Berg, Jenny
Subject: RE: Rate Review - June

Looks great. Won't the person doing the unbilled add-on journal need to see those rates? Even though you personally will use the cognos report?

From: Berg, Jenny
Sent: Monday, June 25, 2018 3:47 PM
To: Brandon, Annette <Annette.Brandon@avistacorp.com>
Subject: RE: Rate Review - June

Thank you Annette. I appreciate the feedback. Please see my **comments** below.

From: Brandon, Annette
Sent: Monday, June 25, 2018 2:38 PM
To: Berg, Jenny <Jenny.Berg@avistacorp.com>
Subject: RE: Rate Review - June

Looks okay except for a few things:

There is a new rate schedule 126 which should be added to your revenue tab. There are currently no customers so it doesn't impact anything but I wanted you to make sure and update it so you're ready when there are customers. **Good idea - I just added this to the spreadsheet.**

Also for the add-on journal there should be the impact of the taxes (rate schedule 174). Tara says you're working on it and have it set up to amortize, but the amount is not included on this worksheet. (Unless it shouldn't be included here? It was my understanding it was going to be recorded as billed only so you would need to include the add-on in order to capture total amortization expense). **Correct, I'm working on putting something together, so I can amortize (and book interest) monthly. I probably won't need the rates because as you said, it will be recorded as billed and I'll just run a Cognos report to pull the amounts. However, I think it would be good to have it added to the workbook anyways. I added this new section and all the schedules associated with Rider 174. If we need to slim the number of schedules down, I'd be happy to delete some rows. This new section is highlighted in purple.**

From: Berg, Jenny
Sent: Monday, June 25, 2018 2:22 PM
To: Brandon, Annette <Annette.Brandon@avistacorp.com>
Subject: Rate Review - June

Hi Annette,

Attached is the rates review workbook for June 2018. I made a couple of updates to the Revenue Rates tab for Washington and Oregon. All updates are highlighted in purple.

We are in the middle of a mock close (June 22nd) to test our procedures with a potential mid-month settlement close, so if you would be able to approve these rates before Wednesday (6/27), we'll go ahead and use these rates for our mock close as well as our "real" June close next week.

Thank you,

Jenny Berg
Resource Accounting Analyst



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Spokane, WA 99202
P 509 495 2631
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