

**Avista's Application to Revise its
Electric and Natural Gas
Book Depreciation Rates**

**Attachment A:
Depreciation Study Summary**

Proposed Change in Depreciation/Amortization By Jurisdiction and Service						
	Washington		Idaho		Oregon	System
	Electric	Natural Gas	Electric	Natural Gas	Natural Gas	Total
Functional Area						
Production - Thermal	\$ (424,030)	\$ -	\$ (223,048)	\$ -	\$ -	(647,078)
Production - Hydro	\$ 340,722	\$ -	\$ 179,226	\$ -	\$ -	519,949
Production - Other	\$ (565,345)	\$ -	\$ (297,382)	\$ -	\$ -	(862,728)
Transmission	\$ 1,565,596	\$ -	\$ 823,486	\$ -	\$ -	2,389,082
Underground Storage	\$ -	\$ 1,931	\$ -	\$ 895	\$ 8,450	11,276
Electric Distribution	\$ (577,854)	\$ -	\$ (1,541,905)	\$ -	\$ -	(2,119,759)
Natural Gas Distribution	\$ -	\$ (379,594)	\$ -	\$ (278,065)	\$ 730,844	73,185
General	\$ 229,968	\$ 52,163	\$ 117,283	\$ 26,742	\$ 70,300	496,456
Transportation	\$ (613,763)	\$ (237,089)	\$ (306,620)	\$ (78,758)	\$ (47,341)	(1,283,572)
Grand Total Depreciation	\$ (44,706)	\$ (562,589)	\$ (1,248,960)	\$ (329,186)	\$ 762,252	\$ (1,423,188)
Reserve Amortization	\$ (473,509)	\$ (238,576)	\$ (193,898)	\$ (59,170)	\$ (277,672)	(1,242,826)
Total Depreciation/Amortization	\$ (518,215)	\$ (801,165)	\$ (1,442,858)	\$ (388,356)	\$ 484,580	\$ (2,666,014)
Direct	\$ (711,196)	\$ (578,439)	\$ (1,623,530)	\$ (327,608)	\$ 654,298	(2,586,475)
Allocated	\$ 192,981	\$ (222,726)	\$ 180,672	\$ (60,748)	\$ (169,718)	(79,538)
Total Depreciation/Amortization	\$ (518,215)	\$ (801,165)	\$ (1,442,858)	\$ (388,356)	\$ 484,580	\$ (2,666,014)

Attachment A: Depreciation Study Summary

Summary of Change in Depreciation Expense, by Component

Idaho Electric - Change in Expense due to Proposed Study Rates

	Plant (excl. Transportation)	Transportation	General Plant Reserve Adjustment	Total
Production Plant:				
Steam Production Plant	Attach. B-1 (223,048)			\$ (223,048)
Hydraulic Production Plant	179,226			179,226
Other Production Plant	(297,382)			(297,382)
Total Production Plant	<u>(341,204)</u>	<u>-</u>	<u>-</u>	<u>(341,204)</u>
Transmission Plant	823,486	-	-	823,486
Distribution Plant				
Idaho	(1,543,233)			(1,543,233)
Washington	-			-
Electric Direct Allocated North (ED AN)	1,328			1,328
Distribution Plant	<u>(1,541,905)</u>	<u>-</u>	<u>-</u>	<u>(1,541,905)</u>
Electric General Plant:				
Electric Direct Allocated North (ED AN)	3,219		Attach. B-2 (6,262)	(3,043)
Electric Direct Idaho (ED ID)	4,496		102,103	106,599
Electric Direct Washington (ED WA)	-			-
Total General Electric Plant	<u>7,715</u>	<u>-</u>	<u>95,841</u>	<u>103,556</u>
Common Plant				
Common Allocated All (CD AA)	84,735		(492,332)	(407,597)
Common Allocated North (CD AN)	7,845		62,578	70,423
Common Idaho (CD ID)	16,988		140,015	157,003
Common Washington (CD WA)	-			-
Total Common General Plant Allocated to Electric	<u>109,568</u>	<u>-</u>	<u>(289,739)</u>	<u>(180,171)</u>
General Plant	117,283	-	(193,898)	(76,615)
Transportation		Attach. B-1 (306,620)		(306,620)
Total Electric Plant	<u><u>(942,340)</u></u>	<u><u>(306,620)</u></u>	<u><u>(193,898)</u></u>	<u><u>\$ (1,442,858)</u></u>

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Summary of Change in Depreciation Expense, by Component

Idaho Natural Gas - Change in Expense due to Proposed Study Rates

	Plant (excl. Transportation)	Transportation	General Plant Reserve Adjustment	Total
Common Plant:				
Common Direct Allocated All (CD AA)	Attach. B-1 20,001		Attach. B-2 (116,212)	(96,211)
Common Direct Allocated North (CD AN)	1,859		14,833	16,692
Common Direct Idaho	4,882		40,233	45,115
Common Direct Washington	-		-	-
Total Common General Plant	<u>26,742</u>	<u>-</u>	<u>(61,146)</u>	<u>(34,404)</u>
Gas General Plant:				
Gas Direct Allocated North (GD AN)	-		(3,001)	(3,001)
Gas Direct Idaho (GD ID)	-		9,464	9,464
Gas Direct Oregon (GD OR)	-		-	-
Gas Direct Washington (GD WA)	-		-	-
Gas Direct Allocated All (GD AA)	-		(4,487)	(4,487)
Total Gas General Plant	<u>-</u>	<u>-</u>	<u>1,976</u>	<u>1,976</u>
General Plant	<u>26,742</u>			\$ (32,428)
Underground Storage Plant				
Gas Direct Allocated North (GD AN)	895			895
Gas Direct Oregon (GD OR)	-			-
Underground Storage Plant	<u>895</u>	<u>-</u>	<u>-</u>	<u>895</u>
Gas Distribution Plant:				
Allocated North	(1,490)			(1,490)
Idaho	(276,575)			(276,575)
Oregon	-			-
Washington	-			-
Distribution Plant	<u>(278,065)</u>	<u>-</u>	<u>-</u>	<u>(278,065)</u>
Transportation	-	Attach. B-1 (78,758)	-	(78,758)
Total Gas Plant	<u>(250,428)</u>	<u>(78,758)</u>	<u>(59,170)</u>	\$ <u>(388,356)</u>

Attachment A: Depreciation Study Summary

Summary of Change in Depreciation Expense, Separated by Direct and Allocated Plant

Idaho Electric - Change in Expense due to Proposed Study Rates

	Directly Assigned Plant	Allocated Plant	Total
Production Plant:			
Steam Production Plant		(223,048)	(223,048)
Hydraulic Production Plant		179,226	179,226
Other Production Plant		(297,382)	(297,382)
Total Production Plant	-	(341,204)	(341,204)
Transmission Plant			
Transmission Plant		823,486	823,486
Distribution Plant			
Idaho	(1,543,233)		(1,543,233)
Washington	-		-
Electric Direct Allocated North (ED AN) Distribution Plant	(1,543,233)	1,328	1,328
		1,328	(1,541,905)
Electric General Plant:			
Electric Direct Allocated North (ED AN)		(3,044)	(3,044)
Electric Direct Idaho (ED ID)	106,600		106,600
Electric Direct Washington (ED WA)	-		-
Total General Electric Plant	106,600	(3,044)	103,556
Common Plant			
Common Allocated All (CD AA)		(407,597)	(407,597)
Common Allocated North (CD AN)		70,423	70,423
Common Idaho (CD ID)		157,003	157,003
Common Washington (CD WA)		-	-
Total Common General Plant	-	(180,171)	(180,171)
Total General Plant	106,600	(183,215)	(76,615)
Transportation			
Transportation	(186,897)	(119,723)	(306,620)
Total Electric Plant	(1,623,530)	180,672	(1,442,858)

**Summary of Change in Depreciation Expense, Separated by
Direct and Allocated Plant**

Idaho Natural Gas - Change in Expense due to Proposed Study Rates

	Directly Assigned Plant	Allocated Plant	Total
Common Plant:			
Common Direct Allocated All (CD AA)		(96,211)	(96,211)
Common Direct Allocated North (CD AN)		16,692	16,692
Common Direct Idaho		45,115	45,115
Common Direct Washington		-	-
Total Common General Plant	-	(34,404)	(34,404)
Gas General Plant:			
Gas Direct Allocated North (GD AN)		(3,001)	(3,001)
Gas Direct Idaho (GD ID)	9,464		9,464
Gas Direct Oregon (GD OR)		-	-
Gas Direct Washington (GD WA)		-	-
Gas Direct Allocated All (GD AA)		(4,487)	(4,487)
Total Gas General Plant	9,464	(7,488)	1,976
Total General Plant			(32,428)
Underground Storage Plant			
Gas Direct Allocated North (GD AN)		895	895
Gas Direct Oregon (GD OR)	-		-
Total Underground Storage Plant	-	895	895
Gas Distribution Plant:			
Allocated North		(1,490)	(1,490)
Idaho	(276,575)		(276,575)
Oregon	-		-
Washington	-		-
Total Distribution Plant	(276,575)	(1,490)	(278,065)
Transportation	(60,497)	(18,261)	(78,758)
Total Gas Plant	(327,608)	(60,748)	(388,356)