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| THIS FILING IS   |  |
| Item 1: <input checked="" type="checkbox"/> An Initial (Original) Submission | OR <input type="checkbox"/> Resubmission No. _____ |

**AVU-G**

Form 2 Approved  
 OMB No.1902-0028  
 (Expires 12/31/2021)  
 Form 3-Q Approved  
 OMB No.1902-0205  
 (Expires 11/30/2022)



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# FERC FINANCIAL REPORT

## FERC FORM No. 2: Annual Report of Major Natural Gas Companies and Supplemental Form 3-Q: Quarterly Financial Report

These reports are mandatory under the Natural Gas Act, Sections 10(a), and 16 and 18 CFR Parts 260.1 and 260.300. Failure to report may result in criminal fines, civil penalties, and other sanctions as provided by law. The Federal Energy Regulatory Commission does not consider these reports to be of a confidential nature.

|   |   |
|---|---|
| <b>Exact Legal Name of Respondent (Company)</b><br>Avista Corporation | <b>Year/Period of Report</b><br>End of <u>2020/Q4</u> |
|---|---|

**QUARTERLY/ANNUAL REPORT OF MAJOR NATURAL GAS COMPANIES**

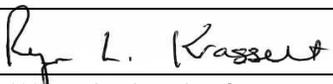
**IDENTIFICATION**

|  |  |   |   |
|--|--|---|---|
| 01 Exact Legal Name of Respondent<br>Avista Corporation  |  | Year/Period of Report<br>End of <u>2020/Q4</u>  |   |
| 03 Previous Name and Date of Change (If name changed during year)  |  |   |   |
| 04 Address of Principal Office at End of Year (Street, City, State, Zip Code)<br>1411 East Mission Avenue, Spokane, WA 99207 |  |   |   |
| 05 Name of Contact Person<br>Ryan L. Krasselt  |  | 06 Title of Contact Person<br>VP, Controller, Prin Acctg Officer  |   |
| 07 Address of Contact Person (Street, City, State, Zip Code)<br>1411 East Mission Avenue, Spokane, WA 99207                  |  |   |   |
| 08 Telephone of Contact Person, Including Area Code<br>509-495-2273  |  | This Report Is:<br>(1) <input checked="" type="checkbox"/> An Original<br>(2) <input type="checkbox"/> A Resubmission | 10 Date of Report<br>(Mo, Da, Yr)<br>04/15/2021 |

**ANNUAL CORPORATE OFFICER CERTIFICATION**

The undersigned officer certifies that:

I have examined this report and to the best of my knowledge, information, and belief all statements of fact contained in this report are correct statements of the business affairs of the respondent and the financial statements, and other financial information contained in this report, conform in all material respects to the Uniform System of Accounts.

|   |  |  |  |
|---|--|--|--|
| 11 Name<br>Ryan L. Krasselt   |  | 12 Title<br>VP, Controller, Prin Acctg Officer |  |
| 13 Signature<br>Ryan Krasselt  |  | 14 Date Signed<br>04/15/2021                   |  |

Title 18, U.S.C. 1001, makes it a crime for any person knowingly and willingly to make to any Agency or Department of the United States any false, fictitious or fraudulent statements as to any matter within its jurisdiction.

**List of Schedules (Natural Gas Company)**

Enter in column (d) the terms "none," "not applicable," or "NA" as appropriate, where no information or amounts have been reported for certain pages. Omit pages where the responses are "none," "not applicable," or "NA."

| Line No. | Title of Schedule<br>(a)   | Reference Page No.<br>(b) | Date Revised<br>(c) | Remarks<br>(d) |
|----------|--|---------------------------|---------------------|----------------|
|          | GENERAL CORPORATE INFORMATION AND FINANCIAL STATEMENTS   |                           |                     |                |
| 1        | General Information  | 101                       |                     |                |
| 2        | Control Over Respondent  | 102                       |                     | N/A            |
| 3        | Corporations Controlled by Respondent  | 103                       |                     |                |
| 4        | Security Holders and Voting Powers   | 107                       |                     |                |
| 5        | Important Changes During the Year  | 108                       |                     |                |
| 6        | Comparative Balance Sheet  | 110-113                   |                     |                |
| 7        | Statement of Income for the Year   | 114-116                   |                     |                |
| 8        | Statement of Accumulated Comprehensive Income and Hedging Activities   | 117                       |                     |                |
| 9        | Statement of Retained Earnings for the Year  | 118-119                   |                     |                |
| 10       | Statements of Cash Flows   | 120-121                   |                     |                |
| 11       | Notes to Financial Statements  | 122                       |                     |                |
|          | BALANCE SHEET SUPPORTING SCHEDULES (Assets and Other Debits)   |                           |                     |                |
| 12       | Summary of Utility Plant and Accumulated Provisions for Depreciation, Amortization, and Depletion                                      | 200-201                   |                     |                |
| 13       | Gas Plant in Service   | 204-209                   |                     |                |
| 14       | Gas Property and Capacity Leased from Others   | 212                       |                     | N/A            |
| 15       | Gas Property and Capacity Leased to Others   | 213                       |                     | N/A            |
| 16       | Gas Plant Held for Future Use  | 214                       |                     |                |
| 17       | Construction Work in Progress-Gas  | 216                       |                     |                |
| 18       | Non-Traditional Rate Treatment Afforded New Projects   | 217                       |                     | N/A            |
| 19       | General Description of Construction Overhead Procedure   | 218                       |                     |                |
| 20       | Accumulated Provision for Depreciation of Gas Utility Plant  | 219                       |                     |                |
| 21       | Gas Stored   | 220                       |                     |                |
| 22       | Investments  | 222-223                   |                     |                |
| 23       | Investments in Subsidiary Companies  | 224-225                   |                     |                |
| 24       | Prepayments  | 230                       |                     |                |
| 25       | Extraordinary Property Losses  | 230                       |                     | N/A            |
| 26       | Unrecovered Plant and Regulatory Study Costs   | 230                       |                     | N/A            |
| 27       | Other Regulatory Assets  | 232                       |                     |                |
| 28       | Miscellaneous Deferred Debits  | 233                       |                     |                |
| 29       | Accumulated Deferred Income Taxes  | 234-235                   |                     |                |
|          | BALANCE SHEET SUPPORTING SCHEDULES (Liabilities and Other Credits)   |                           |                     |                |
| 30       | Capital Stock  | 250-251                   |                     |                |
| 31       | Capital Stock Subscribed, Capital Stock Liability for Conversion, Premium on Capital Stock, and Installments Received on Capital Stock | 252                       |                     | N/A            |
| 32       | Other Paid-in Capital  | 253                       |                     |                |
| 33       | Discount on Capital Stock  | 254                       |                     | N/A            |
| 34       | Capital Stock Expense  | 254                       |                     |                |
| 35       | Securities issued or Assumed and Securities Refunded or Retired During the Year  | 255                       |                     |                |
| 36       | Long-Term Debt   | 256-257                   |                     |                |
| 37       | Unamortized Debt Expense, Premium, and Discount on Long-Term Debt  | 258-259                   |                     |                |

**List of Schedules (Natural Gas Company) (continued)**

Enter in column (d) the terms "none," "not applicable," or "NA" as appropriate, where no information or amounts have been reported for certain pages. Omit pages where the responses are "none," "not applicable," or "NA."

| Line No. | Title of Schedule<br>(a)   | Reference Page No.<br>(b) | Date Revised<br>(c) | Remarks<br>(d) |
|----------|--|---------------------------|---------------------|----------------|
| 38       | Unamortized Loss and Gain on Recquired Debt  | 260                       |                     |                |
| 39       | Reconciliation of Reported Net Income with Taxable Income for Federal Income Taxes   | 261                       |                     |                |
| 40       | Taxes Accrued, Prepaid, and Charged During Year  | 262-263                   |                     |                |
| 41       | Miscellaneous Current and Accrued Liabilities  | 268                       |                     |                |
| 42       | Other Deferred Credits   | 269                       |                     |                |
| 43       | Accumulated Deferred Income Taxes-Other Property   | 274-275                   |                     |                |
| 44       | Accumulated Deferred Income Taxes-Other  | 276-277                   |                     |                |
| 45       | Other Regulatory Liabilities   | 278                       |                     |                |
|          | INCOME ACCOUNT SUPPORTING SCHEDULES  |                           |                     |                |
| 46       | Monthly Quantity & Revenue Data by Rate Schedule   | 299                       |                     | N/A            |
| 47       | Gas Operating Revenues   | 300-301                   |                     |                |
| 48       | Revenues from Transportation of Gas of Others Through Gathering Facilities   | 302-303                   |                     | N/A            |
| 49       | Revenues from Transportation of Gas of Others Through Transmission Facilities  | 304-305                   |                     | N/A            |
| 50       | Revenues from Storage Gas of Others  | 306-307                   |                     | N/A            |
| 51       | Other Gas Revenues   | 308                       |                     |                |
| 52       | Discounted Rate Services and Negotiated Rate Services  | 313                       |                     | N/A            |
| 53       | Gas Operation and Maintenance Expenses   | 317-325                   |                     |                |
| 54       | Exchange and Imbalance Transactions  | 328                       |                     | N/A            |
| 55       | Gas Used in Utility Operations   | 331                       |                     |                |
| 56       | Transmission and Compression of Gas by Others  | 332                       |                     | N/A            |
| 57       | Other Gas Supply Expenses  | 334                       |                     |                |
| 58       | Miscellaneous General Expenses-Gas   | 335                       |                     |                |
| 59       | Depreciation, Depletion, and Amortization of Gas Plant   | 336-338                   |                     |                |
| 60       | Particulars Concerning Certain Income Deduction and Interest Charges Accounts  | 340                       |                     |                |
|          | COMMON SECTION   |                           |                     |                |
| 61       | Regulatory Commission Expenses   | 350-351                   |                     |                |
| 62       | Employee Pensions and Benefits (Account 926)   | 352                       |                     |                |
| 63       | Distribution of Salaries and Wages   | 354-355                   |                     |                |
| 64       | Charges for Outside Professional and Other Consultative Services   | 357                       |                     |                |
| 65       | Transactions with Associated (Affiliated) Companies  | 358                       |                     |                |
|          | GAS PLANT STATISTICAL DATA   |                           |                     |                |
| 66       | Compressor Stations  | 508-509                   |                     | N/A            |
| 67       | Gas Storage Projects   | 512-513                   |                     |                |
| 68       | Transmission Lines   | 514                       |                     | N/A            |
| 69       | Transmission System Peak Deliveries  | 518                       |                     | N/A            |
| 70       | Auxiliary Peaking Facilities   | 519                       |                     |                |
| 71       | Gas Account-Natural Gas  | 520                       |                     |                |
| 72       | Shipper Supplied Gas for the Current Quarter   | 521                       |                     | N/A            |
| 73       | System Map   | 522                       |                     | N/A            |
| 74       | Footnote Reference   | 551                       |                     | N/A            |
| 75       | Footnote Text  | 552                       |                     |                |
| 76       | Stockholder's Reports (check appropriate box)  |                           |                     |                |
|          | <input checked="" type="checkbox"/> Four copies will be submitted<br><input type="checkbox"/> No annual report to stockholders is prepared |                           |                     |                |

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|--|---|--|---|
| Name of Respondent<br>Avista Corporation | This Report Is:<br>(1) <input checked="" type="checkbox"/> An Original<br>(2) <input type="checkbox"/> A Resubmission | Date of Report<br>(Mo, Da, Yr)<br>04/15/2021 | Year/Period of Report<br>End of 2020/Q4 |
|--|---|--|---|

**General Information**

1. Provide name and title of officer having custody of the general corporate books of account and address of office where the general corporate books are kept and address of office where any other corporate books of account are kept, if different from that where the general corporate books are kept.

Ryan Krasselt, Vice President and Controller, Principal Accounting Officer  
1411 East Mission Avenue  
Spokane, WA 99207

2. Provide the name of the State under the laws of which respondent is incorporated and date of incorporation. If incorporated under a special law, give reference to such law. If not incorporated, state that fact and give the type of organization and the date organized.

State of Washington, Incorporated March 15, 1889

3. If at any time during the year the property of respondent was held by a receiver or trustee, give (a) name of receiver or trustee, (b) date such receiver or trustee took possession, (c) the authority by which the receivership or trusteeship was created, and (d) date when possession by receiver or trustee ceased.

Not Applicable

4. State the classes of utility and other services furnished by respondent during the year in each State in which the respondent operated.

Electric service in the states of Washington, Idaho and Montana  
Natural gas service in the states of Washington, Idaho and Oregon

5. Have you engaged as the principal accountant to audit your financial statements an accountant who is not the principal accountant for your previous year's certified financial statements?

- (1)  Yes... Enter the date when such independent accountant was initially engaged:  
(2)  No

**Corporations Controlled by Respondent**

1. Report below the names of all corporations, business trusts, and similar organizations, controlled directly or indirectly by respondent at any time during the year. If control ceased prior to end of year, give particulars (details) in a footnote.
2. If control was by other means than a direct holding of voting rights, state in a footnote the manner in which control was held, naming any intermediaries involved.
3. If control was held jointly with one or more other interests, state the fact in a footnote and name the other interests.
4. In column (b) designate type of control of the respondent as "D" for direct, an "I" for indirect, or a "J" for joint control.

-----  
**DEFINITIONS**  
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1. See the Uniform System of Accounts for a definition of control.
2. Direct control is that which is exercised without interposition of an intermediary.
3. Indirect control is that which is exercised by the interposition of an intermediary that exercises direct control.
4. Joint control is that in which neither interest can effectively control or direct action without the consent of the other, as where the voting control is equally divided between two holders, or each party holds a veto power over the other. Joint control may exist by mutual agreement or understanding between two or more parties who together have control within the meaning of the definition of control in the Uniform System of Accounts, regardless of the relative voting rights of each party.

| Line No. | Name of Company Controlled<br>(a)       | Type of Control<br>(b) | Kind of Business<br>(c)                            | Percent Voting Stock Owned<br>(d) | Footnote Reference<br>(e) |
|----------|---|------------------------|--|-----------------------------------|---------------------------|
| 1        | Avista Capital                          | D                      | Parent to the Company's subsidiaries               | 100                               | <i>Not used</i>           |
| 2        | Avista Development                      | I                      | Investment in Real Estate                          | 100                               | <i>Not used</i>           |
| 3        | Avista Edge, Inc.                       | I                      | Investment in Technology providing high spd intrnt | 100                               | <i>Not used</i>           |
| 4        | Pentzer Corporation                     | I                      | Parent of Bay Area Mfg and Penture Venture Holdngs | 100                               | <i>Not used</i>           |
| 5        | Pentzer Venture Holdings II             | I                      | Holding Company-Inactive                           | 100                               | <i>Not used</i>           |
| 6        | Bay Area Manufacturing                  | I                      | Holding Company                                    | 100                               | <i>Not used</i>           |
| 7        | Avista Capital II                       | D                      | Affiliated business trust issued pref trust Securi | 100                               | <i>Not used</i>           |
| 8        | Avista Northwest Resources, LLC         | I                      | Owens an interest in a venture fund investment     | 100                               | <i>Not used</i>           |
| 9        | Steam Plant Square, LLC                 | I                      | Commerical office and Retail leasing               | 100                               | <i>Not used</i>           |
| 10       | Courtyard Office Center, LLC            | I                      | Commerical office and Retail leasing               | 100                               | <i>Not used</i>           |
| 11       | Steam Plant Brew Pub, LLC               | I                      | Restaurant Operations                              | 100                               | <i>Not used</i>           |
| 12       | Salix, Inc.                             | I                      | Liquified Natural Gas Operations                   | 100                               | <i>Not used</i>           |
| 13       | Alaska Energy and Resources Company     | D                      | Parent company of Alaska operation                 | 100                               | <i>Not used</i>           |
| 14       | Alaska Electric Light and Power Company | I                      | Utility operations in Juneau                       | 100                               | <i>Not used</i>           |
| 15       | AJT Mining Properties, Inc              | I                      | Inactive mining Company holding Certain Properties | 100                               | <i>Not used</i>           |
| 16       | Snettisham Electric Company             | I                      | Right to Purchase Snetti                           | 100                               | <i>Not used</i>           |
| 17       |   |                        |  |                                   |                           |
| 18       |   |                        |  |                                   |                           |
| 19       |   |                        |  |                                   |                           |
| 20       |   |                        |  |                                   |                           |
| 21       |   |                        |  |                                   |                           |
| 22       |   |                        |  |                                   |                           |
| 23       |   |                        |  |                                   |                           |
| 24       |   |                        |  |                                   |                           |
| 25       |   |                        |  |                                   |                           |
| 26       |   |                        |  |                                   |                           |
| 27       |   |                        |  |                                   |                           |
| 28       |   |                        |  |                                   |                           |
| 29       |   |                        |  |                                   |                           |
| 30       |   |                        |  |                                   |                           |

**Security Holders and Voting Powers**

1. Give the names and addresses of the 10 security holders of the respondent who, at the date of the latest closing of the stock book or compilation of list of stockholders of the respondent, prior to the end of the year, had the highest voting powers in the respondent, and state the number of votes that each could cast on that date if a meeting were held. If any such holder held in trust, give in a footnote the known particulars of the trust (whether voting trust, etc.), duration of trust, and principal holders of beneficiary interests in the trust. If the company did not close the stock book or did not compile a list of stockholders within one year prior to the end of the year, or if since it compiled the previous list of stockholders, some other class of security has become vested with voting rights, then show such 10 security holders as of the close of the year. Arrange the names of the security holders in the order of voting power, commencing with the highest. Show in column (a) the titles of officers and directors included in such list of 10 security holders.

2. If any security other than stock carries voting rights, explain in a supplemental statement how such security became vested with voting rights and give other important details concerning the voting rights of such security. State whether voting rights are actual or contingent; if contingent, describe the contingency.

3. If any class or issue of security has any special privileges in the election of directors, trustees or managers, or in the determination of corporate action by any method, explain briefly in a footnote.

4. Furnish details concerning any options, warrants, or rights outstanding at the end of the year for others to purchase securities of the respondent or any securities or other assets owned by the respondent, including prices, expiration dates, and other material information relating to exercise of the options, warrants, or rights. Specify the amount of such securities or assets any officer, director, associated company, or any of the 10 largest security holders is entitled to purchase. This instruction is inapplicable to convertible securities or to any securities substantially all of which are outstanding in the hands of the general public where the options, warrants, or rights were

|   |  |  |
|---|--|--|
| <p>1. Give date of the latest closing of the stock book prior to end of year, and, in a footnote, state the purpose of such closing:</p> <p align="center">12/09/2020</p> | <p>2. State the total number of votes cast at the latest general meeting prior to the end of year for election of directors of the respondent and number of such votes cast by proxy.</p> <p>Total: 59595295</p> <p>By Proxy: 59595295</p> | <p>3. Give the date and place of such meeting:</p> <p align="center">5/11/2020</p> |
|---|--|--|

| Line No. | Name (Title) and Address of Security Holder<br>(a)                                 | VOTING SECURITIES                           |                     |                        |              |
|----------|--|---|---------------------|------------------------|--------------|
|          |  | 4. Number of votes as of (date): 12/31/2020 |                     |                        |              |
|          |  | Total Votes<br>(b)                          | Common Stock<br>(c) | Preferred Stock<br>(d) | Other<br>(e) |
| 5        | TOTAL votes of all voting securities   | 69,238,901                                  | 69,238,901          |                        |              |
| 6        | TOTAL number of security holders   | 6,845                                       | 6,845               |                        |              |
| 7        | TOTAL votes of security holders listed below                                       | 35,757,598                                  | 35,757,598          |                        |              |
| 8        |  |   |                     |                        |              |
| 9        | BlackRock Institutional Trust, 55 East 52nd Street, New York, NY 10055             | 11,384,967                                  | 11,384,967          |                        |              |
| 10       | The Vanguard Group, 100 Vanguard Blvd., Malvern, PA 19355                          | 7,573,332                                   | 7,573,332           |                        |              |
| 11       | PSP Investments, 1250 Rene-Levesque West, Suite 1400, Montreal, QC, H3B 5E9 Canada | 5,126,530                                   | 5,126,530           |                        |              |
| 12       | Mitsubishi UFJ Trust and Banking, Tokyo Japan                                      | 2,527,493                                   | 2,527,493           |                        |              |
| 13       | State Street Global Advisors (US), Boston, MA                                      | 2,340,120                                   | 2,340,120           |                        |              |
| 14       | First Trust Advisors, Wheaton, IL  | 1,492,036                                   | 1,492,036           |                        |              |
| 15       | Hotchkis and Wiley Capital Management, Los Angeles, CA                             | 1,385,659                                   | 1,385,659           |                        |              |
| 16       | Nuance Investments, LLC, Kansas City, MO   | 1,327,638                                   | 1,327,638           |                        |              |
| 17       | Mellon Investments, Boston, MA   | 1,300,417                                   | 1,300,417           |                        |              |
| 18       | Dimensional Fund Advisors, Austin, TX  | 1,299,406                                   | 1,299,406           |                        |              |
| 19       |  |   |                     |                        |              |
| 20       |  |   |                     |                        |              |

|  |   |  |                                  |
|--|---|--|----------------------------------|
| Name of Respondent                               | This Report is:<br>(1) <input checked="" type="checkbox"/> An Original<br>(2) <input type="checkbox"/> A Resubmission | Date of Report<br>(Mo, Da, Yr)<br>04/15/2021 | Year/Period of Report<br>2020/Q4 |
| Avista Corporation                               |   |  |                                  |
| <b>Important Changes During the Quarter/Year</b> |   |  |                                  |

Give details concerning the matters indicated below. Make the statements explicit and precise, and number them in accordance with the inquiries. Answer each inquiry. Enter "none" or "not applicable" where applicable. If the answer is given elsewhere in the report, refer to the schedule in which it appears.

1. Changes in and important additions to franchise rights: Describe the actual consideration and state from whom the franchise rights were acquired. If the franchise rights were acquired without the payment of consideration, state that fact.
2. Acquisition of ownership in other companies by reorganization, merger, or consolidation with other companies: Give names of companies involved, particulars concerning the transactions, name of the Commission authorizing the transaction, and reference to Commission authorization.
3. Purchase or sale of an operating unit or system: Briefly describe the property, and the related transactions, and cite Commission authorization, if any was required. Give date journal entries called for by Uniform System of Accounts were submitted to the Commission.
4. Important leaseholds (other than leaseholds for natural gas lands) that have been acquired or given, assigned or surrendered: Give effective dates, lengths of terms, names of parties, rents, and other conditions. State name of Commission authorizing lease and give reference to such authorization.
5. Important extension or reduction of transmission or distribution system: State territory added or relinquished and date operations began or ceased and cite Commission authorization, if any was required. State also the approximate number of customers added or lost and approximate annual revenues of each class of service.  
Each natural gas company must also state major new continuing sources of gas made available to it from purchases, development, purchase contract or otherwise, giving location and approximate total gas volumes available, period of contracts, and other parties to any such arrangements, etc.
6. Obligations incurred or assumed by respondent as guarantor for the performance by another of any agreement or obligation, including ordinary commercial paper maturing on demand or not later than one year after date of issue: State on behalf of whom the obligation was assumed and amount of the obligation. Cite Commission authorization if any was required.
7. Changes in articles of incorporation or amendments to charter: Explain the nature and purpose of such changes or amendments.
8. State the estimated annual effect and nature of any important wage scale changes during the year.
9. State briefly the status of any materially important legal proceedings pending at the end of the year, and the results of any such proceedings culminated during the year.
10. Describe briefly any materially important transactions of the respondent not disclosed elsewhere in this report in which an officer, director, security holder, voting trustee, associated company or known associate of any of these persons was a party or in which any such person had a material interest.
11. Estimated increase or decrease in annual revenues caused by important rate changes: State effective date and approximate amount of increase or decrease for each revenue classification. State the number of customers affected.
12. Describe fully any changes in officers, directors, major security holders and voting powers of the respondent that may have occurred during the reporting period.
13. In the event that the respondent participates in a cash management program(s) and its proprietary capital ratio is less than 30 percent please describe the significant events or transactions causing the proprietary capital ratio to be less than 30 percent, and the extent to which the respondent has amounts loaned or money advanced to its parent, subsidiary, or affiliated companies through a cash management program(s). Additionally, please describe plans, if any to regain at least a 30 percent proprietary ratio.

1. None
2. None
3. None
4. None
5. None
6. Reference is made to Notes 11, 12, 13 and 14 of the Notes to Financial Statements.
7. None
8. Average annual wage increases were 3.0% for non-exempt employees effective March 2, 2020. Average annual wage increases were 3.1% for exempt employees effective March 2, 2020. Officers received average increases of 5.5% effective February 22, 2020. Certain bargaining unit employees received increases of 3.0% effective March 26, 2020.
9. Reference is made to Note 17 of the Notes to Financial Statements.
10. None
11. Reserved
12. See page 123 of this report.
13. Effective March 1, 2020, Karen S. Feltes, Senior Vice President and Chief Human Resources Officer, retired.

|  |   |  |                                  |
|--|---|--|----------------------------------|
| Name of Respondent                               | This Report is:<br>(1) <input checked="" type="checkbox"/> An Original<br>(2) <input type="checkbox"/> A Resubmission | Date of Report<br>(Mo, Da, Yr)<br>04/15/2021 | Year/Period of Report<br>2020/Q4 |
| Avista Corporation                               |   |  |                                  |
| <b>Important Changes During the Quarter/Year</b> |   |  |                                  |

Effective January 1, 2020, Marian Durkin moved from Chief Compliance Officer to Chief Legal Officer. She retained her role as the Corporate Secretary. Effective August 1, 2020, Marian Durkin retired.

Effective January 1, 2020, Greg Hesler has been promoted from Senior Counsel II to Vice President, General Counsel and Chief Compliance Officer. Effective May 11, 2020, Greg Hesler has been promoted from Chief Compliance Officer to Chief Ethics/Compliance Officer.

Effective January 1, 2020, Latisha Hill has been promoted from Director of Business and Community Development to Vice President of Community and Economic Vitality.

On March 10, 2021, the Company announced Sena Kwawu has been nominated to join the Avista Corp. board of directors. Mr. Kwawu will stand for election by the shareholders and, if elected, will join the board effective May 11, 2021.

On March 10, 2021, the Company announced the upcoming retirement board of directors member, Marc Racicot, who has reached the mandatory retirement age of 72 under the Company's bylaws.

14. Proprietary capital is not less than 30 percent.

**Comparative Balance Sheet (Assets and Other Debits)**

| Line No.  | Title of Account<br><br>(a)  | Reference Page Number<br><br>(b) | Current Year End of Quarter/Year Balance<br>(c) | Prior Year End Balance 12/31<br>(d) |
|-----------|--|----------------------------------|---|-------------------------------------|
| <b>1</b>  | <b>UTILITY PLANT</b>   |                                  |   |                                     |
| 2         | Utility Plant (101-106, 114)   | 200-201                          | 6,713,727,078                                   | 6,385,433,383                       |
| 3         | Construction Work in Progress (107)                                    | 200-201                          | 172,073,892                                     | 157,909,990                         |
| 4         | TOTAL Utility Plant (Total of lines 2 and 3)                           | 200-201                          | 6,885,800,970                                   | 6,543,343,373                       |
| 5         | (Less) Accum. Provision for Depr., Amort., Depl. (108, 111, 115)       |                                  | 2,294,362,603                                   | 2,121,893,905                       |
| 6         | Net Utility Plant (Total of line 4 less 5)                             |                                  | 4,591,438,367                                   | 4,421,449,468                       |
| 7         | Nuclear Fuel (120.1 thru 120.4, and 120.6)                             |                                  | 0   | 0                                   |
| 8         | (Less) Accum. Provision for Amort., of Nuclear Fuel Assemblies (120.5) |                                  | 0   | 0                                   |
| 9         | Nuclear Fuel (Total of line 7 less 8)                                  |                                  | 0   | 0                                   |
| 10        | Net Utility Plant (Total of lines 6 and 9)                             |                                  | 4,591,438,367                                   | 4,421,449,468                       |
| 11        | Utility Plant Adjustments (116)  | 122                              | 0   | 0                                   |
| 12        | Gas Stored-Base Gas (117.1)  | 220                              | 6,992,076                                       | 6,992,076                           |
| 13        | System Balancing Gas (117.2)   | 220                              | 0   | 0                                   |
| 14        | Gas Stored in Reservoirs and Pipelines-Noncurrent (117.3)              | 220                              | 0   | 0                                   |
| 15        | Gas Owed to System Gas (117.4)   | 220                              | 0   | 0                                   |
| <b>16</b> | <b>OTHER PROPERTY AND INVESTMENTS</b>                                  |                                  |   |                                     |
| 17        | Nonutility Property (121)  |                                  | 5,311,287                                       | 4,340,611                           |
| 18        | (Less) Accum. Provision for Depreciation and Amortization (122)        |                                  | 212,107   | 176,234                             |
| 19        | Investments in Associated Companies (123)                              | 222-223                          | 11,547,000                                      | 11,547,000                          |
| 20        | Investments in Subsidiary Companies (123.1)                            | 224-225                          | 207,410,330                                     | 207,105,954                         |
| 21        | (For Cost of Account 123.1 See Footnote Page 224, line 40)             |                                  |   |                                     |
| 22        | Noncurrent Portion of Allowances                                       |                                  | 0   | 0                                   |
| 23        | Other Investments (124)  | 222-223                          | 77,890  | 77,972                              |
| 24        | Sinking Funds (125)  |                                  | 0   | 0                                   |
| 25        | Depreciation Fund (126)  |                                  | 0   | 0                                   |
| 26        | Amortization Fund - Federal (127)                                      |                                  | 0   | 0                                   |
| 27        | Other Special Funds (128)  |                                  | 24,673,076                                      | 22,034,002                          |
| 28        | Long-Term Portion of Derivative Assets (175)                           |                                  | 596,015   | 922,948                             |
| 29        | Long-Term Portion of Derivative Assets - Hedges (176)                  |                                  | 0   | 0                                   |
| 30        | TOTAL Other Property and Investments (Total of lines 17-20, 22-29)     |                                  | 249,403,491                                     | 245,852,253                         |
| <b>31</b> | <b>CURRENT AND ACCRUED ASSETS</b>                                      |                                  |   |                                     |
| 32        | Cash (131)   |                                  | 7,363,358                                       | 3,067,240                           |
| 33        | Special Deposits (132-134)   |                                  | 4,335,989                                       | 4,434,090                           |
| 34        | Working Funds (135)  |                                  | 1,116,351                                       | 730,965                             |
| 35        | Temporary Cash Investments (136)                                       | 222-223                          | 152,774   | 155,890                             |
| 36        | Notes Receivable (141)   |                                  | 0   | 0                                   |
| 37        | Customer Accounts Receivable (142)                                     |                                  | 161,513,344                                     | 153,814,551                         |
| 38        | Other Accounts Receivable (143)  |                                  | 56,664,630                                      | 15,726,829                          |
| 39        | (Less) Accum. Provision for Uncollectible Accounts - Credit (144)      |                                  | 11,336,140                                      | 2,373,469                           |
| 40        | Notes Receivable from Associated Companies (145)                       |                                  | 0   | 0                                   |
| 41        | Accounts Receivable from Associated Companies (146)                    |                                  | 719,507   | 222,671                             |
| 42        | Fuel Stock (151)   |                                  | 4,088,628                                       | 4,148,891                           |
| 43        | Fuel Stock Expenses Undistributed (152)                                |                                  | 0   | 0                                   |

**Comparative Balance Sheet (Assets and Other Debits)(continued)**

| Line No. | Title of Account<br><br>(a)   | Reference Page Number<br><br>(b) | Current Year End of Quarter/Year Balance<br>(c) | Prior Year End Balance 12/31<br>(d) |
|----------|---|----------------------------------|---|-------------------------------------|
| 44       | Residuals (Elec) and Extracted Products (Gas) (153)                     |                                  | 0   | 0                                   |
| 45       | Plant Materials and Operating Supplies (154)                            |                                  | 51,854,056                                      | 46,558,819                          |
| 46       | Merchandise (155)   |                                  | 0   | 0                                   |
| 47       | Other Materials and Supplies (156)                                      |                                  | 0   | 0                                   |
| 48       | Nuclear Materials Held for Sale (157)                                   |                                  | 0   | 0                                   |
| 49       | Allowances (158.1 and 158.2)  |                                  | 0   | 0                                   |
| 50       | (Less) Noncurrent Portion of Allowances                                 |                                  | 0   | 0                                   |
| 51       | Stores Expense Undistributed (163)                                      |                                  | 0   | 0                                   |
| 52       | Gas Stored Underground-Current (164.1)                                  | 220                              | 9,535,324                                       | 14,305,397                          |
| 53       | Liquefied Natural Gas Stored and Held for Processing (164.2 thru 164.3) | 220                              | 0   | 0                                   |
| 54       | Prepayments (165)   | 230                              | 26,280,659                                      | 24,682,259                          |
| 55       | Advances for Gas (166 thru 167)   |                                  | 0   | 0                                   |
| 56       | Interest and Dividends Receivable (171)                                 |                                  | 24,973  | 129,823                             |
| 57       | Rents Receivable (172)  |                                  | 2,934,797                                       | 3,609,148                           |
| 58       | Accrued Utility Revenues (173)  |                                  | 0   | 0                                   |
| 59       | Miscellaneous Current and Accrued Assets (174)                          |                                  | 236,392   | 193,803                             |
| 60       | Derivative Instrument Assets (175)                                      |                                  | 1,523,219                                       | 1,780,327                           |
| 61       | (Less) Long-Term Portion of Derivative Instrument Assets (175)          |                                  | 596,014   | 922,948                             |
| 62       | Derivative Instrument Assets - Hedges (176)                             |                                  | 0   | 0                                   |
| 63       | (Less) Long-Term Portion of Derivative Instrument Assets - Hedges (176) |                                  | 0   | 0                                   |
| 64       | TOTAL Current and Accrued Assets (Total of lines 32 thru 63)            |                                  | 316,411,847                                     | 270,264,286                         |
| 65       | <b>DEFERRED DEBITS</b>  |                                  |   |                                     |
| 66       | Unamortized Debt Expense (181)  |                                  | 15,341,338                                      | 13,795,818                          |
| 67       | Extraordinary Property Losses (182.1)                                   | 230                              | 0   | 0                                   |
| 68       | Unrecovered Plant and Regulatory Study Costs (182.2)                    | 230                              | 0   | 0                                   |
| 69       | Other Regulatory Assets (182.3)   | 232                              | 717,281,643                                     | 643,207,368                         |
| 70       | Preliminary Survey and Investigation Charges (Electric)(183)            |                                  | 0   | 0                                   |
| 71       | Preliminary Survey and Investigation Charges (Gas)(183.1 and 183.2)     |                                  | 0   | 0                                   |
| 72       | Clearing Accounts (184)   |                                  | 152,201   | 131,978                             |
| 73       | Temporary Facilities (185)  |                                  | 0   | 0                                   |
| 74       | Miscellaneous Deferred Debits (186)                                     | 233                              | 29,826,563                                      | 18,484,386                          |
| 75       | Deferred Losses from Disposition of Utility Plant (187)                 |                                  | 0   | 0                                   |
| 76       | Research, Development, and Demonstration Expend. (188)                  |                                  | 0   | 0                                   |
| 77       | Unamortized Loss on Reacquired Debt (189)                               |                                  | 7,512,371                                       | 8,883,822                           |
| 78       | Accumulated Deferred Income Taxes (190)                                 | 234-235                          | 216,728,536                                     | 177,056,526                         |
| 79       | Unrecovered Purchased Gas Costs (191)                                   |                                  | 1,433,580                                       | ( 3,189,401)                        |
| 80       | TOTAL Deferred Debits (Total of lines 66 thru 79)                       |                                  | 988,276,232                                     | 858,370,497                         |
| 81       | TOTAL Assets and Other Debits (Total of lines 10-15,30,64,and 80)       |                                  | 6,152,522,013                                   | 5,802,928,580                       |

**Comparative Balance Sheet (Liabilities and Other Credits)**

| Line No. | Title of Account<br><br>(a)                              | Reference Page Number<br><br>(b) | Current Year End of Quarter/Year Balance | Prior Year End Balance 12/31 (d) |
|----------|--|----------------------------------|--|----------------------------------|
| 1        | <b>PROPRIETARY CAPITAL</b>                               |                                  |  |                                  |
| 2        | Common Stock Issued (201)                                | 250-251                          | 1,249,688,206                            | 1,176,498,977                    |
| 3        | Preferred Stock Issued (204)                             | 250-251                          | 0  | 0                                |
| 4        | Capital Stock Subscribed (202, 205)                      | 252                              | 0  | 0                                |
| 5        | Stock Liability for Conversion (203, 206)                | 252                              | 0  | 0                                |
| 6        | Premium on Capital Stock (207)                           | 252                              | 0  | 0                                |
| 7        | Other Paid-In Capital (208-211)                          | 253                              | ( 10,696,711)                            | ( 10,696,711)                    |
| 8        | Installments Received on Capital Stock (212)             | 252                              | 0  | 0                                |
| 9        | (Less) Discount on Capital Stock (213)                   | 254                              | 0  | 0                                |
| 10       | (Less) Capital Stock Expense (214)                       | 254                              | ( 47,076,877)                            | ( 44,938,398)                    |
| 11       | Retained Earnings (215, 215.1, 216)                      | 118-119                          | 771,613,505                              | 747,158,701                      |
| 12       | Unappropriated Undistributed Subsidiary Earnings (216.1) | 118-119                          | ( 13,577,380)                            | ( 13,386,701)                    |
| 13       | (Less) Reacquired Capital Stock (217)                    | 250-251                          | 0  | 0                                |
| 14       | Accumulated Other Comprehensive Income (219)             | 117                              | ( 14,378,164)                            | ( 10,258,024)                    |
| 15       | TOTAL Proprietary Capital (Total of lines 2 thru 14)     |                                  | 2,029,726,333                            | 1,934,254,640                    |
| 16       | <b>LONG TERM DEBT</b>                                    |                                  |  |                                  |
| 17       | Bonds (221)  | 256-257                          | 2,017,200,000                            | 1,904,200,000                    |
| 18       | (Less) Reacquired Bonds (222)                            | 256-257                          | 83,700,000                               | 83,700,000                       |
| 19       | Advances from Associated Companies (223)                 | 256-257                          | 51,547,000                               | 51,547,000                       |
| 20       | Other Long-Term Debt (224)                               | 256-257                          | 0  | 0                                |
| 21       | Unamortized Premium on Long-Term Debt (225)              | 258-259                          | 133,250                                  | 142,133                          |
| 22       | (Less) Unamortized Discount on Long-Term Debt-Dr (226)   | 258-259                          | 843,651                                  | 930,270                          |
| 23       | (Less) Current Portion of Long-Term Debt                 |                                  | 0  | 0                                |
| 24       | TOTAL Long-Term Debt (Total of lines 17 thru 23)         |                                  | 1,984,336,599                            | 1,871,258,863                    |
| 25       | <b>OTHER NONCURRENT LIABILITIES</b>                      |                                  |  |                                  |
| 26       | Obligations Under Capital Leases-Noncurrent (227)        |                                  | 67,716,314                               | 65,565,105                       |
| 27       | Accumulated Provision for Property Insurance (228.1)     |                                  | 0  | 0                                |
| 28       | Accumulated Provision for Injuries and Damages (228.2)   |                                  | 395,000                                  | 245,000                          |
| 29       | Accumulated Provision for Pensions and Benefits (228.3)  |                                  | 211,880,117                              | 212,005,607                      |
| 30       | Accumulated Miscellaneous Operating Provisions (228.4)   |                                  | 0  | 0                                |
| 31       | Accumulated Provision for Rate Refunds (229)             |                                  | 3,820,594                                | 11,767,158                       |

**Comparative Balance Sheet (Liabilities and Other Credits)(continued)**

| Line No. | Title of Account<br><br>(a)   | Reference Page Number<br><br>(b) | Current Year End of Quarter/Year Balance | Prior Year End Balance 12/31 (d) |
|----------|---|----------------------------------|--|----------------------------------|
| 32       | Long-Term Portion of Derivative Instrument Liabilities                  |                                  | 37,427,278                               | 19,684,476                       |
| 33       | Long-Term Portion of Derivative Instrument Liabilities - Hedges         |                                  | 0  | 0                                |
| 34       | Asset Retirement Obligations (230)                                      |                                  | 17,194,050                               | 20,338,053                       |
| 35       | TOTAL Other Noncurrent Liabilities (Total of lines 26 thru 34)          |                                  | 338,433,353                              | 329,605,399                      |
| 36       | <b>CURRENT AND ACCRUED LIABILITIES</b>                                  |                                  |  |                                  |
| 37       | Current Portion of Long-Term Debt                                       |                                  | 0  | 0                                |
| 38       | Notes Payable (231)   |                                  | 202,000,000                              | 182,300,000                      |
| 39       | Accounts Payable (232)  |                                  | 104,217,591                              | 107,406,813                      |
| 40       | Notes Payable to Associated Companies (233)                             |                                  | 8,742,915                                | 14,722,348                       |
| 41       | Accounts Payable to Associated Companies (234)                          |                                  | 0  | 0                                |
| 42       | Customer Deposits (235)   |                                  | 3,028,142                                | 4,745,573                        |
| 43       | Taxes Accrued (236)   | 262-263                          | 45,266,874                               | 38,022,918                       |
| 44       | Interest Accrued (237)  |                                  | 15,884,942                               | 15,282,041                       |
| 45       | Dividends Declared (238)  |                                  | 0  | 0                                |
| 46       | Matured Long-Term Debt (239)  |                                  | 0  | 0                                |
| 47       | Matured Interest (240)  |                                  | 0  | 0                                |
| 48       | Tax Collections Payable (241)   |                                  | 111,813                                  | 168,034                          |
| 49       | Miscellaneous Current and Accrued Liabilities (242)                     | 268                              | 60,781,094                               | 50,808,479                       |
| 50       | Obligations Under Capital Leases-Current (243)                          |                                  | 4,249,213                                | 4,127,561                        |
| 51       | Derivative Instrument Liabilities (244)                                 |                                  | 51,435,582                               | 30,612,670                       |
| 52       | (Less) Long-Term Portion of Derivative Instrument Liabilities           |                                  | 37,427,277                               | 19,684,476                       |
| 53       | Derivative Instrument Liabilities - Hedges (245)                        |                                  | 0  | 0                                |
| 54       | (Less) Long-Term Portion of Derivative Instrument Liabilities - Hedges  |                                  | 0  | 0                                |
| 55       | TOTAL Current and Accrued Liabilities (Total of lines 37 thru 54)       |                                  | 458,290,889                              | 428,511,961                      |
| 56       | <b>DEFERRED CREDITS</b>   |                                  |  |                                  |
| 57       | Customer Advances for Construction (252)                                |                                  | 2,444,383                                | 2,083,490                        |
| 58       | Accumulated Deferred Investment Tax Credits (255)                       |                                  | 29,866,627                               | 30,443,961                       |
| 59       | Deferred Gains from Disposition of Utility Plant (256)                  |                                  | 0  | 0                                |
| 60       | Other Deferred Credits (253)  | 269                              | 31,450,029                               | 29,659,558                       |
| 61       | Other Regulatory Liabilities (254)                                      | 278                              | 473,121,377                              | 481,207,133                      |
| 62       | Unamortized Gain on Reacquired Debt (257)                               | 260                              | 1,318,822                                | 1,448,359                        |
| 63       | Accumulated Deferred Income Taxes - Accelerated Amortization (281)      |                                  | 0  | 0                                |
| 64       | Accumulated Deferred Income Taxes - Other Property (282)                |                                  | 603,415,433                              | 514,870,007                      |
| 65       | Accumulated Deferred Income Taxes - Other (283)                         |                                  | 200,118,168                              | 179,585,209                      |
| 66       | TOTAL Deferred Credits (Total of lines 57 thru 65)                      |                                  | 1,341,734,839                            | 1,239,297,717                    |
| 67       | TOTAL Liabilities and Other Credits (Total of lines 15,24,35,55,and 66) |                                  | 6,152,522,013                            | 5,802,928,580                    |

**Statement of Income**

Quarterly

- Enter in column (d) the balance for the reporting quarter and in column (e) the balance for the same three month period for the prior year.
- Report in column (f) the quarter to date amounts for electric utility function; in column (h) the quarter to date amounts for gas utility, and in (j) the quarter to date amounts for other utility function for the current year quarter.
- Report in column (g) the quarter to date amounts for electric utility function; in column (i) the quarter to date amounts for gas utility, and in (k) the quarter to date amounts for other utility function for the prior year quarter.
- If additional columns are needed place them in a footnote.

Annual or Quarterly, if applicable

- Do not report fourth quarter data in columns (e) and (f)
- Report amounts for accounts 412 and 413, Revenues and Expenses from Utility Plant Leased to Others, in another utility column in a similar manner to a utility department. Spread the amount(s) over lines 2 thru 26 as appropriate. Include these amounts in columns (c) and (d) totals.
- Report amounts in account 414, Other Utility Operating Income, in the same manner as accounts 412 and 413 above.
- Report data for lines 8, 10 and 11 for Natural Gas companies using accounts 404.1, 404.2, 404.3, 407.1 and 407.2.
- Use page 122 for important notes regarding the statement of income for any account thereof.
- Give concise explanations concerning unsettled rate proceedings where a contingency exists such that refunds of a material amount may need to be made to the utility's customers or which may result in material refund to the utility with respect to power or gas purchases. State for each year effected the gross revenues or costs to which the contingency relates and the tax effects together with an explanation of the major factors which affect the rights of the utility to retain such revenues or recover amounts paid with respect to power or gas purchases.
- Give concise explanations concerning significant amounts of any refunds made or received during the year resulting from settlement of any rate proceeding affecting revenues received or costs incurred for power or gas purches, and a summary of the adjustments made to balance sheet, income, and expense accounts.
- If any notes appearing in the report to stockholders are applicable to the Statement of Income, such notes may be included at page 122.
- Enter on page 122 a concise explanation of only those changes in accounting methods made during the year which had an effect on net income, including the basis of allocations and apportionments from those used in the preceding year. Also, give the appropriate dollar effect of such changes.
- Explain in a footnote if the previous year's/quarter's figures are different from that reported in prior reports.
- If the columns are insufficient for reporting additional utility departments, supply the appropriate account titles report the information in a footnote to this schedule.

| Line No. | Title of Account<br>(a)  | Reference Page Number<br>(b) | Total Current Year to Date Balance for Quarter/Year<br>(c) | Total Prior Year to Date Balance for Quarter/Year<br>(d) | Current Three Months Ended Quarterly Only No Fourth Quarter<br>(e) | Prior Three Months Ended Quarterly Only No Fourth Quarter<br>(f) |
|----------|--|------------------------------|--|--|--|--|
| 1        | UTILITY OPERATING INCOME   |                              |  |  |  |  |
| 2        | Gas Operating Revenues (400)   | 300-301                      | 1,379,875,645  | 1,428,099,066  | 0  | 0  |
| 3        | Operating Expenses   |                              |  |  |  |  |
| 4        | Operation Expenses (401)   | 317-325                      | 762,581,592  | 818,533,678  | 0  | 0  |
| 5        | Maintenance Expenses (402)   | 317-325                      | 74,568,922   | 70,160,821   | 0  | 0  |
| 6        | Depreciation Expense (403)   | 336-338                      | 181,300,837  | 163,503,287  | 0  | 0  |
| 7        | Depreciation Expense for Asset Retirement Costs (403.1)                                      | 336-338                      | 0  | 0  | 0  | 0  |
| 8        | Amortization and Depletion of Utility Plant (404-405)  | 336-338                      | 44,668,607   | 40,625,925   | 0  | 0  |
| 9        | Amortization of Utility Plant Acu. Adjustment (406)  | 336-338                      | 99,047   | 99,047   | 0  | 0  |
| 10       | Amort. of Prop. Losses, Unrecovered Plant and Reg. Study Costs (407.1)                       |                              | 0  | 0  | 0  | 0  |
| 11       | Amortization of Conversion Expenses (407.2)  |                              | 0  | 0  | 0  | 0  |
| 12       | Regulatory Debits (407.3)  |                              | 12,453,020   | 7,343,186  | 0  | 0  |
| 13       | (Less) Regulatory Credits (407.4)  |                              | 57,223,861   | 24,373,462   | 0  | 0  |
| 14       | Taxes Other than Income Taxes (408.1)  | 262-263                      | 114,634,576  | 104,229,614  | 0  | 0  |
| 15       | Income Taxes-Federal (409.1)   | 262-263                      | ( 41,194,492)  | 1,016,853  | 0  | 0  |
| 16       | Income Taxes-Other (409.1)   | 262-263                      | 654,441  | ( 512,990)   | 0  | 0  |
| 17       | Provision of Deferred Income Taxes (410.1)   | 234-235                      | 134,834,319  | 16,095,155   | 0  | 0  |
| 18       | (Less) Provision for Deferred Income Taxes-Credit (411.1)                                    | 234-235                      | 82,145,804   | 3,735,815  | 0  | 0  |
| 19       | Investment Tax Credit Adjustment-Net (411.4)   |                              | ( 577,334)   | 718,518  | 0  | 0  |
| 20       | (Less) Gains from Disposition of Utility Plant (411.6)                                       |                              | 0  | 0  | 0  | 0  |
| 21       | Losses from Disposition of Utility Plant (411.7)   |                              | 0  | 0  | 0  | 0  |
| 22       | (Less) Gains from Disposition of Allowances (411.8)  |                              | 0  | 0  | 0  | 0  |
| 23       | Losses from Disposition of Allowances (411.9)  |                              | 0  | 0  | 0  | 0  |
| 24       | Accretion Expense (411.10)   |                              | 0  | 0  | 0  | 0  |
| 25       | TOTAL Utility Operating Expenses (Total of lines 4 thru 24)                                  |                              | 1,144,653,870  | 1,193,703,817  | 0  | 0  |
| 26       | Net Utility Operating Income (Total of lines 2 less 25) (Carry forward to page 116, line 27) |                              | 235,221,775  | 234,395,249  | 0  | 0  |

Statement of Income

| Line No. | Elec. Utility Current Year to Date (in dollars) (g) | Elec. Utility Previous Year to Date (in dollars) (h) | Gas Utility Current Year to Date (in dollars) (i) | Gas Utility Previous Year to Date (in dollars) (j) | Other Utility Current Year to Date (in dollars) (k) | Other Utility Previous Year to Date (in dollars) (l) |
|----------|---|--|---|--|---|--|
| 1        |   |  |   |  |   |  |
| 2        | 942,731,364   | 983,483,744  | 437,144,281                                       | 444,615,322  | 0   | 0  |
| 3        |   |  |   |  |   |  |
| 4        | 479,296,895   | 515,395,521  | 283,284,697                                       | 303,138,157  | 0   | 0  |
| 5        | 58,433,891  | 54,542,409   | 16,135,031  | 15,618,412   | 0   | 0  |
| 6        | 142,059,284   | 126,679,057  | 39,241,553  | 36,824,230   | 0   | 0  |
| 7        | 0   | 0  | 0   | 0  | 0   | 0  |
| 8        | 32,861,811  | 30,546,857   | 11,806,796  | 10,079,068   | 0   | 0  |
| 9        | 99,047  | 99,047   | 0   | 0  | 0   | 0  |
| 10       | 0   | 0  | 0   | 0  | 0   | 0  |
| 11       | 0   | 0  | 0   | 0  | 0   | 0  |
| 12       | 8,161,579   | 5,890,125  | 4,291,441   | 1,453,061  | 0   | 0  |
| 13       | 47,876,238  | 20,930,818   | 9,347,623   | 3,442,644  | 0   | 0  |
| 14       | 86,303,016  | 79,246,048   | 28,331,560  | 24,983,566   | 0   | 0  |
| 15       | ( 21,919,271)                                       | 7,445,054  | ( 19,275,221)                                     | ( 6,428,201)                                       | 0   | 0  |
| 16       | ( 214,113)  | ( 504,880)   | 868,554   | ( 8,110)   | 0   | 0  |
| 17       | 83,467,206  | 5,035,837  | 51,367,113  | 11,059,318   | 0   | 0  |
| 18       | 61,963,304  | 2,388,896  | 20,182,500  | 1,346,919  | 0   | 0  |
| 19       | ( 562,691)  | 546,262  | ( 14,643)   | 172,256  | 0   | 0  |
| 20       | 0   | 0  | 0   | 0  | 0   | 0  |
| 21       | 0   | 0  | 0   | 0  | 0   | 0  |
| 22       | 0   | 0  | 0   | 0  | 0   | 0  |
| 23       | 0   | 0  | 0   | 0  | 0   | 0  |
| 24       | 0   | 0  | 0   | 0  | 0   | 0  |
| 25       | 758,147,112   | 801,601,623  | 386,506,758                                       | 392,102,194  | 0   | 0  |
| 26       | 184,584,252   | 181,882,121  | 50,637,523  | 52,513,128   | 0   | 0  |

**Statement of Income(continued)**

| Line No. | Title of Account<br>(a)   | Reference Page Number<br>(b) | Total Current Year to Date Balance for Quarter/Year<br>(c) | Total Prior Year to Date Balance for Quarter/Year<br>(d) | Current Three Months Ended Quarterly Only No Fourth Quarter<br>(e) | Prior Three Months Ended Quarterly Only No Fourth Quarter<br>(f) |
|----------|---|------------------------------|--|--|--|--|
| 27       | Net Utility Operating Income (Carried forward from page 114)              |                              | 235,221,775  | 234,395,249  | 0  | 0  |
| 28       | <b>OTHER INCOME AND DEDUCTIONS</b>  |                              |  |  |  |  |
| 29       | Other Income  |                              |  |  |  |  |
| 30       | Nonutility Operating Income   |                              |  |  |  |  |
| 31       | Revenues form Merchandising, Jobbing and Contract Work (415)              |                              | 0  | 0  | 0  | 0  |
| 32       | (Less) Costs and Expense of Merchandising, Job & Contract Work (416)      |                              | 0  | 0  | 0  | 0  |
| 33       | Revenues from Nonutility Operations (417)                                 |                              | 108,256  | 0  | 0  | 0  |
| 34       | (Less) Expenses of Nonutility Operations (417.1)                          |                              | 5,439,625  | 14,612,589   | 0  | 0  |
| 35       | Nonoperating Rental Income (418)  |                              | ( 31,838)  | ( 31,291)  | 0  | 0  |
| 36       | Equity in Earnings of Subsidiary Companies (418.1)                        | 119                          | 5,304,376  | 13,582,269   | 0  | 0  |
| 37       | Interest and Dividend Income (419)  |                              | 3,448,647  | 4,401,265  | 0  | 0  |
| 38       | Allowance for Other Funds Used During Construction (419.1)                |                              | 338,811  | ( 104,311)   | 0  | 0  |
| 39       | Miscellaneous Nonoperating Income (421)                                   |                              | 0  | 0  | 0  | 0  |
| 40       | Gain on Disposition of Property (421.1)                                   |                              | 289,281  | 109,159  | 0  | 0  |
| 41       | TOTAL Other Income (Total of lines 31 thru 40)                            |                              | 4,017,908  | 3,344,502  | 0  | 0  |
| 42       | Other Income Deductions   |                              |  |  |  |  |
| 43       | Loss on Disposition of Property (421.2)                                   |                              | 0  | 0  | 0  | 0  |
| 44       | Miscellaneous Amortization (425)  |                              | ( 815,484)   | ( 33,721)  | 0  | 0  |
| 45       | Donations (426.1)   | 340                          | 2,999,603  | 11,332,979   | 0  | 0  |
| 46       | Life Insurance (426.2)  |                              | 3,072,596  | 2,640,044  | 0  | 0  |
| 47       | Penalties (426.3)   |                              | ( 17,039)  | 21,180   | 0  | 0  |
| 48       | Expenditures for Certain Civic, Political and Related Activities (426.4)  |                              | 1,773,265  | 1,718,553  | 0  | 0  |
| 49       | Other Deductions (426.5)  |                              | 3,494,856  | 27,317,212   | 0  | 0  |
| 50       | TOTAL Other Income Deductions (Total of lines 43 thru 49)                 | 340                          | 10,507,797   | 42,996,247   | 0  | 0  |
| 51       | Taxes Applic. to Other Income and Deductions                              |                              |  |  |  |  |
| 52       | Taxes Other than Income Taxes (408.2)                                     | 262-263                      | 923,792  | 311,708  | 0  | 0  |
| 53       | Income Taxes-Federal (409.2)  | 262-263                      | ( 60,470)  | ( 8,257,303)   | 0  | 0  |
| 54       | Income Taxes-Other (409.2)  | 262-263                      | 800  | ( 350,985)   | 0  | 0  |
| 55       | Provision for Deferred Income Taxes (410.2)                               | 234-235                      | 218,831  | ( 1,887,439)   | 0  | 0  |
| 56       | (Less) Provision for Deferred Income Taxes-Credit (411.2)                 | 234-235                      | 3,167,528  | 196,940  | 0  | 0  |
| 57       | Investment Tax Credit Adjustments-Net (411.5)                             |                              | 0  | 0  | 0  | 0  |
| 58       | (Less) Investment Tax Credits (420)                                       |                              | 0  | 0  | 0  | 0  |
| 59       | TOTAL Taxes on Other Income and Deductions (Total of lines 52-58)         |                              | ( 2,084,575)   | ( 10,380,959)  | 0  | 0  |
| 60       | Net Other Income and Deductions (Total of lines 41, 50, 59)               |                              | ( 4,405,314)   | ( 29,270,786)  | 0  | 0  |
| 61       | <b>INTEREST CHARGES</b>   |                              |  |  |  |  |
| 62       | Interest on Long-Term Debt (427)  |                              | 88,943,778   | 86,591,406   | 0  | 0  |
| 63       | Amortization of Debt Disc. and Expense (428)                              | 258-259                      | 937,453  | 321,206  | 0  | 0  |
| 64       | Amortization of Loss on Reacquired Debt (428.1)                           |                              | 2,222,423  | 2,266,507  | 0  | 0  |
| 65       | (Less) Amortization of Premium on Debt-Credit (429)                       | 258-259                      | 8,883  | 8,883  | 0  | 0  |
| 66       | (Less) Amortization of Gain on Reacquired Debt-Credit (429.1)             |                              | 0  | 0  | 0  | 0  |
| 67       | Interest on Debt to Associated Companies (430)                            | 340                          | 186,289  | 489,554  | 0  | 0  |
| 68       | Other Interest Expense (431)  | 340                          | 6,170,081  | 8,205,984  | 0  | 0  |
| 69       | (Less) Allowance for Borrowed Funds Used During Construction-Credit (432) |                              | 2,152,002  | 4,169,531  | 0  | 0  |
| 70       | Net Interest Charges (Total of lines 62 thru 69)                          |                              | 96,299,139   | 93,696,243   | 0  | 0  |
| 71       | Income Before Extraordinary Items (Total of lines 27,60 and 70)           |                              | 134,517,322  | 111,428,220  | 0  | 0  |
| 72       | <b>EXTRAORDINARY ITEMS</b>  |                              |  |  |  |  |
| 73       | Extraordinary Income (434)  |                              | 0  | 102,999,990  | 0  | 0  |
| 74       | (Less) Extraordinary Deductions (435)                                     |                              | 0  | 0  | 0  | 0  |
| 75       | Net Extraordinary Items (Total of line 73 less line 74)                   |                              | 0  | 102,999,990  | 0  | 0  |
| 76       | Income Taxes-Federal and Other (409.3)                                    | 262-263                      | 0  | 22,478,603   | 0  | 0  |
| 77       | Extraordinary Items after Taxes (Total of line 75 less line 76)           |                              | 0  | 80,521,387   | 0  | 0  |
| 78       | Net Income (Total of lines 71 and 77)                                     |                              | 134,517,322  | 191,949,607  | 0  | 0  |

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**Statement of Accumulated Comprehensive Income and Hedging Activities**

1. Report in columns (b) (c) and (e) the amounts of accumulated other comprehensive income items, on a net-of-tax basis, where appropriate.
2. Report in columns (f) and (g) the amounts of other categories of other cash flow hedges.
3. For each category of hedges that have been accounted for as "fair value hedges", report the accounts affected and the related amounts in a footnote.

| Line No. | Item<br><br>(a)   | Unrealized Gains and Losses on available-for-sale securities<br>(b) | Minimum Pension liability Adjustment (net amount)<br>(c) | Foreign Currency Hedges<br>(d) | Other Adjustments<br>(e) |
|----------|---|---|--|--------------------------------|--------------------------|
| 1        | Balance of Account 219 at Beginning of Preceding Year                           |   | ( 7,866,070)   |                                |                          |
| 2        | Preceding Quarter/Year to Date Reclassifications from Account 219 to Net Income |   |  |                                |                          |
| 3        | Preceding Quarter/Year to Date Changes in Fair Value                            |   | ( 2,391,954)   |                                |                          |
| 4        | Total (lines 2 and 3)   |   | ( 2,391,954)   |                                |                          |
| 5        | Balance of Account 219 at End of Preceding Quarter/Year                         |   | ( 10,258,024)  |                                |                          |
| 6        | Balance of Account 219 at Beginning of Current Year                             |   | ( 10,258,024)  |                                |                          |
| 7        | Current Quarter/Year to Date Reclassifications from Account 219 to Net Income   |   |  |                                |                          |
| 8        | Current Quarter/Year to Date Changes in Fair Value                              |   | ( 4,120,140)   |                                |                          |
| 9        | Total (lines 7 and 8)   |   | ( 4,120,140)   |                                |                          |
| 10       | Balance of Account 219 at End of Current Quarter/Year                           |   | ( 14,378,164)  |                                |                          |
|          |   |   |  |                                |                          |



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**Statement of Retained Earnings**

1. Report all changes in appropriated retained earnings, unappropriated retained earnings, and unappropriated undistributed subsidiary earnings for the year.
2. Each credit and debit during the year should be identified as to the retained earnings account in which recorded (Accounts 433, 436-439 inclusive). Show the contra primary account affected in column (b).
3. State the purpose and amount for each reservation or appropriation of retained earnings.
4. List first Account 439, Adjustments to Retained Earnings, reflecting adjustments to the opening balance of retained earnings. Follow by credit, then debit items, in that order.
5. Show dividends for each class and series of capital stock.

| Line No. | Item<br><br>(a)  | Contra Primary Account Affected<br><br>(b) | Current Quarter Year to Date Balance<br>(c) | Previous Quarter Year to Date Balance<br>(d) |
|----------|--|--|---|--|
|          | UNAPPROPRIATED RETAINED EARNINGS   |  |   |  |
| 1        | Balance-Beginning of Period  |  | 705,980,176                                 | 623,531,170                                  |
| 2        | Changes (Identify by prescribed retained earnings accounts)                    |  |   |  |
| 3        | Adjustments to Retained Earnings (Account 439)                                 |  |   |  |
| 4        | TOTAL Credits to Retained Earnings (Account 439) (footnote details)            |  |   |  |
| 5        | TOTAL Debits to Retained Earnings (Account 439) (footnote details)             |  |   |  |
| 6        | Balance Transferred from Income (Acct 433 less Acct 418.1)                     |  | 129,212,945                                 | 178,367,338                                  |
| 7        | Appropriations of Retained Earnings (Account 436)                              |  | 4,274,422                                   | ( 3,725,552)                                 |
| 8        | TOTAL Appropriations of Retained Earnings (Account 436) (footnote details)     |  | 4,274,422                                   |  |
| 9        | Dividends Declared-Preferred Stock (Account 437)                               |  |   |  |
| 10       | TOTAL Dividends Declared-Preferred Stock (Account 437) (footnote details)      |  |   |  |
| 11       | Dividends Declared-Common Stock (Account 438)                                  |  |   |  |
| 12       | TOTAL Dividends Declared-Common Stock (Account 438) (footnote details)         |  | 110,253,196                                 | 102,772,642                                  |
| 13       | Transfers from Account 216.1, Unappropriated Undistributed Subsidiary Earnings |  | 5,495,055                                   | 10,579,862                                   |
| 14       | Balance-End of Period (Total of lines 1, 4, 5, 6, 8, 10, 12, and 13)           |  | 726,160,558                                 | 709,705,728                                  |
| 15       | APPROPRIATED RETAINED EARNINGS (Account 215)                                   |  |   |  |
| 16       | TOTAL Appropriated Retained Earnings (Account 215) (footnote details)          |  | 45,452,947                                  | 41,178,525                                   |
| 17       | APPROPRIATED RETAINED EARNINGS-AMORTIZATION RESERVE, FEDERAL (Account          |  |   |  |
| 18       | TOTAL Appropriated Retained Earnings-Amortization Reserve, Federal (Account    |  |   | ( 3,725,552)                                 |
| 19       | TOTAL Appropriated Retained Earnings (Accounts 215, 215.1) (Total of lines     |  | 45,452,947                                  | 37,452,973                                   |
| 20       | TOTAL Retained Earnings (Accounts 215, 215.1, 216) (Total of lines 14 and 1    |  | 771,613,505                                 | 747,158,701                                  |
| 21       | UNAPPROPRIATED UNDISTRIBUTED SUBSIDIARY EARNINGS (Account 216.1)               |  |   |  |
|          | Report only on an Annual Basis no Quarterly                                    |  |   |  |
| 22       | Balance-Beginning of Year (Debit or Credit)                                    |  | ( 13,386,701)                               | ( 16,389,107)                                |
| 23       | Equity in Earnings for Year (Credit) (Account 418.1)                           |  | 5,304,376                                   | 13,582,269                                   |
| 24       | (Less) Dividends Received (Debit)  |  | 5,000,000                                   | 10,000,000                                   |
| 25       | Other Changes (Explain)  |  | ( 495,055)                                  | ( 579,863)                                   |
| 26       | Balance-End of Year  |  | ( 13,577,380)                               | ( 13,386,701)                                |

|  |   |  |   |
|--|---|--|---|
| Name of Respondent<br>Avista Corporation | This Report Is:<br>(1) <input checked="" type="checkbox"/> An Original<br>(2) <input type="checkbox"/> A Resubmission | Date of Report<br>(Mo, Da, Yr)<br>04/15/2021 | Year/Period of Report<br>End of 2020/Q4 |
|--|---|--|---|

**Statement of Cash Flows**

(1) Codes to be used:(a) Net Proceeds or Payments;(b)Bonds, debentures and other long-term debt; (c) Include commercial paper; and (d) Identify separately such items as investments, fixed assets, intangibles, etc.  
(2) Information about noncash investing and financing activities must be provided in the Notes to the Financial statements. Also provide a reconciliation between "Cash and Cash Equivalents at End of Period" with related amounts on the Balance Sheet.  
(3) Operating Activities - Other: Include gains and losses pertaining to operating activities only. Gains and losses pertaining to investing and financing activities should be reported in those activities. Show in the Notes to the Financials the amounts of interest paid (net of amount capitalized) and income taxes paid.  
(4) Investing Activities: Include at Other (line 25) net cash outflow to acquire other companies. Provide a reconciliation of assets acquired with liabilities assumed in the Notes to the Financial Statements. Do not include on this statement the dollar amount of leases capitalized per the USofA General Instruction 20; instead provide a reconciliation of the dollar amount of leases capitalized with the plant cost.

| Line No. | Description (See Instructions for explanation of codes)<br>(a)                | Current Year to Date<br>Quarter/Year | Previous Year to Date<br>Quarter/Year |
|----------|---|--------------------------------------|---------------------------------------|
| 1        | Net Cash Flow from Operating Activities                                       |                                      |                                       |
| 2        | Net Income (Line 78(c) on page 116)   | 134,517,322                          | 191,949,607                           |
| 3        | Noncash Charges (Credits) to Income:  |                                      |                                       |
| 4        | Depreciation and Depletion  | 225,969,444                          | 202,496,251                           |
| 5        | Amortization of deferred power and gas costs, debt expense and exchange power | ( 6,772,236)                         | ( 41,704,853)                         |
| 6        | Deferred Income Taxes (Net)   | 49,739,817                           | 10,274,962                            |
| 7        | Investment Tax Credit Adjustments (Net)                                       | ( 577,334)                           | 718,518                               |
| 8        | Net (Increase) Decrease in Receivables  | ( 51,466,229)                        | ( 9,860,829)                          |
| 9        | Net (Increase) Decrease in Inventory  | ( 464,901)                           | ( 6,255,653)                          |
| 10       | Net (Increase) Decrease in Allowances Inventory                               |                                      |                                       |
| 11       | Net Increase (Decrease) in Payables and Accrued Expenses                      | 6,150,782                            | 1,823,471                             |
| 12       | Net (Increase) Decrease in Other Regulatory Assets                            | ( 9,597,307)                         | ( 6,065,721)                          |
| 13       | Net Increase (Decrease) in Other Regulatory Liabilities                       | ( 4,626,804)                         | ( 5,135,361)                          |
| 14       | (Less) Allowance for Other Funds Used During Construction                     | 6,711,875                            | 6,434,430                             |
| 15       | (Less) Undistributed Earnings from Subsidiary Companies                       | 5,304,376                            | 13,582,269                            |
| 16       | Other (footnote details):   | ( 13,266,559)                        | 71,865,969                            |
| 17       | Net Cash Provided by (Used in) Operating Activities                           |                                      |                                       |
| 18       | (Total of Lines 2 thru 16)  | 317,589,743                          | 390,089,662                           |
| 19       |   |                                      |                                       |
| 20       | Cash Flows from Investment Activities:  |                                      |                                       |
| 21       | Construction and Acquisition of Plant (including land):                       |                                      |                                       |
| 22       | Gross Additions to Utility Plant (less nuclear fuel)                          | ( 399,504,892)                       | ( 439,249,001)                        |
| 23       | Gross Additions to Nuclear Fuel   |                                      |                                       |
| 24       | Gross Additions to Common Utility Plant                                       |                                      |                                       |
| 25       | Gross Additions to Nonutility Plant   |                                      |                                       |
| 26       | (Less) Allowance for Other Funds Used During Construction                     |                                      |                                       |
| 27       | Other (footnote details):   |                                      |                                       |
| 28       | Cash Outflows for Plant (Total of lines 22 thru 27)                           | ( 399,504,892)                       | ( 439,249,001)                        |
| 29       |   |                                      |                                       |
| 30       | Acquisition of Other Noncurrent Assets (d)                                    |                                      |                                       |
| 31       | Proceeds from Disposal of Noncurrent Assets (d)                               | 570,225                              | 882,641                               |
| 32       | Federal and state grant payments received                                     |                                      |                                       |
| 33       | Investments in and Advances to Assoc. and Subsidiary Companies                | ( 6,476,269)                         | ( 3,693,898)                          |
| 34       | Contributions and Advances from Assoc. and Subsidiary Companies               | 5,000,000                            | 10,000,000                            |
| 35       | Disposition of Investments in (and Advances to)                               |                                      |                                       |
| 36       | Associated and Subsidiary Companies   |                                      |                                       |
| 37       | Cash paid for acquisition   |                                      |                                       |
| 38       | Purchase of Investment Securities (a)   |                                      |                                       |
| 39       | Proceeds from Sales of Investment Securities (a)                              |                                      |                                       |

**Statement of Cash Flows (continued)**

| Line No. | Description (See Instructions for explanation of codes)<br><br>(a) | Current Year to Date<br>Quarter/Year | Previous Year to Date<br>Quarter/Year |
|----------|--|--------------------------------------|---------------------------------------|
| 40       | Loans Made or Purchased  |                                      |                                       |
| 41       | Collections on Loans   |                                      |                                       |
| 42       | Restricted cash  |                                      |                                       |
| 43       | Net (Increase) Decrease in Receivables                             |                                      |                                       |
| 44       | Net (Increase) Decrease in Inventory                               |                                      |                                       |
| 45       | Net (Increase) Decrease in Allowances Held for Speculation         |                                      |                                       |
| 46       | Net Increase (Decrease) in Payables and Accrued Expenses           |                                      |                                       |
| 47       | Changes in other property and investments                          | ( 1,362,792)                         | ( 1,750,738)                          |
| 48       | Net Cash Provided by (Used in) Investing Activities                |                                      |                                       |
| 49       | (Total of lines 28 thru 47)  | ( 401,773,728)                       | ( 433,810,996)                        |
| 50       |  |                                      |                                       |
| 51       | Cash Flows from Financing Activities:                              |                                      |                                       |
| 52       | Proceeds from Issuance of:   |                                      |                                       |
| 53       | Long-Term Debt (b)   | 165,000,000                          | 180,000,000                           |
| 54       | Preferred Stock  |                                      |                                       |
| 55       | Common Stock   | 72,200,592                           | 64,572,145                            |
| 56       | Other (footnote details):  |                                      |                                       |
| 57       | Net Increase in Short-term Debt (c)                                | 19,700,000                           |                                       |
| 58       | Other (footnote details):  |                                      |                                       |
| 59       | Cash Provided by Outside Sources (Total of lines 53 thru 58)       | 256,900,592                          | 244,572,145                           |
| 60       |  |                                      |                                       |
| 61       | Payments for Retirement of:  |                                      |                                       |
| 62       | Long-Term Debt (b)   | ( 52,000,000)                        | ( 90,000,000)                         |
| 63       | Preferred Stock  |                                      |                                       |
| 64       | Common Stock   |                                      |                                       |
| 65       | Other  | ( 5,785,023)                         | ( 2,007,040)                          |
| 66       | Net Decrease in Short-Term Debt (c)                                |                                      | ( 7,700,000)                          |
| 67       | Premium paid to repurchase long-term debt                          |                                      |                                       |
| 68       | Dividends on Preferred Stock                                       |                                      |                                       |
| 69       | Dividends on Common Stock  | ( 110,253,196)                       | ( 102,772,642)                        |
| 70       | Net Cash Provided by (Used in) Financing Activities                |                                      |                                       |
| 71       | (Total of lines 59 thru 69)  | 88,862,373                           | 42,092,463                            |
| 72       |  |                                      |                                       |
| 73       | Net Increase (Decrease) in Cash and Cash Equivalents               |                                      |                                       |
| 74       | (Total of line 18, 49 and 71)                                      | 4,678,388                            | ( 1,628,871)                          |
| 75       |  |                                      |                                       |
| 76       | Cash and Cash Equivalents at Beginning of Period                   | 3,954,095                            | 5,586,966                             |
| 77       |  |                                      |                                       |
| 78       | Cash and Cash Equivalents at End of Period                         | 8,632,483                            | 3,958,095                             |

|                      |   |  |                                  |
|----------------------|---|--|----------------------------------|
| Name of Respondent   | This Report is:<br>(1) <input checked="" type="checkbox"/> An Original<br>(2) <input type="checkbox"/> A Resubmission | Date of Report<br>(Mo, Da, Yr)<br>04/15/2021 | Year/Period of Report<br>2020/Q4 |
| Avista Corporation   |   |  |                                  |
| <b>FOOTNOTE DATA</b> |   |  |                                  |

**Schedule Page: 120 Line No.: 16 Column: b**

|  |              |
|--|--------------|
| Power and natural gas deferrals                        | 1,092,888    |
| Change in special deposits                             | 1,579,362    |
| Change in other current assets                         | (861,790)    |
| Non-cash stock compensation                            | 5,846,058    |
| Gain on sale of property and equipment                 | (289,281)    |
| Other  | 195,317      |
| Allowance for Doubtful Accounts                        | 4,149,939    |
| Changes in Other Non-Current Assets<br>and Liabilities | 8,520,219    |
| Cash Paid for Settlement of Interest<br>Rate Swaps     | (33,499,271) |

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|                    |   |  |                                  |
|--------------------|---|--|----------------------------------|
| Name of Respondent | This Report is:<br>(1) <input checked="" type="checkbox"/> An Original<br>(2) <input type="checkbox"/> A Resubmission | Date of Report<br>(Mo, Da, Yr)<br>04/15/2021 | Year/Period of Report<br>2020/Q4 |
| Avista Corporation |   |  |                                  |

**Notes to Financial Statements**

1. Provide important disclosures regarding the Balance Sheet, Statement of Income for the Year, Statement of Retained Earnings for the Year, and Statement of Cash Flow, or any account thereof. Classify the disclosures according to each financial statement, providing a subheading for each statement except where a disclosure is applicable to more than one statement. The disclosures must be on the same subject matters and in the same level of detail that would be required if the respondent issued general purpose financial statements to the public or shareholders.
2. Furnish details as to any significant contingent assets or liabilities existing at year end, and briefly explain any action initiated by the Internal Revenue Service involving possible assessment of additional income taxes of material amount, or a claim for refund of income taxes of a material amount initiated by the utility. Also, briefly explain any dividends in arrears on cumulative preferred stock.
3. Furnish details on the respondent's pension plans, post-retirement benefits other than pensions (PBOP) plans, and post-employment benefit plans as required by instruction no. 1 and, in addition, disclose for each individual plan the current year's cash contributions. Furnish details on the accounting for the plans and any changes in the method of accounting for them. Include details on the accounting for transition obligations or assets, gains or losses, the amounts deferred and the expected recovery periods. Also, disclose any current year's plan or trust curtailments, terminations, transfers, or reversions of assets. Entities that participate in multiemployer postretirement benefit plans (e.g. parent company sponsored pension plans) disclose in addition to the required disclosures for the consolidated plan, (1) the amount of cost recognized in the respondent's financial statements for each plan for the period presented, and (2) the basis for determining the respondent's share of the total plan costs.
4. Furnish details on the respondent's asset retirement obligations (ARO) as required by instruction no. 1 and, in addition, disclose the amounts recovered through rates to settle such obligations. Identify any mechanism or account in which recovered funds are being placed (i.e. trust funds, insurance policies, surety bonds). Furnish details on the accounting for the asset retirement obligations and any changes in the measurement or method of accounting for the obligations. Include details on the accounting for settlement of the obligations and any gains or losses expected or incurred on the settlement.
5. Provide a list of all environmental credits received during the reporting period.
6. Provide a summary of revenues and expenses for each tracked cost and special surcharge.
7. Where Account 189, Unamortized Loss on Reacquired Debt, and 257, Unamortized Gain on Reacquired Debt, are not used, give an explanation, providing the rate treatment given these item. See General Instruction 17 of the Uniform System of Accounts.
8. Explain concisely any retained earnings restrictions and state the amount of retained earnings affected by such restrictions.
9. Disclose details on any significant financial changes during the reporting year to the respondent or the respondent's consolidated group that directly affect the respondent's gas pipeline operations, including: sales, transfers or mergers of affiliates, investments in new partnerships, sales of gas pipeline facilities or the sale of ownership interests in the gas pipeline to limited partnerships, investments in related industries (i.e., production, gathering), major pipeline investments, acquisitions by the parent corporation(s), and distributions of capital.
10. Explain concisely unsettled rate proceedings where a contingency exists such that the company may need to refund a material amount to the utility's customers or that the utility may receive a material refund with respect to power or gas purchases. State for each year affected the gross revenues or costs to which the contingency relates and the tax effects and explain the major factors that affect the rights of the utility to retain such revenues or to recover amounts paid with respect to power and gas purchases.
11. Explain concisely significant amounts of any refunds made or received during the year resulting from settlement of any rate proceeding affecting revenues received or costs incurred for power or gas purchases, and summarize the adjustments made to balance sheet, income, and expense accounts.
12. Explain concisely only those significant changes in accounting methods made during the year which had an effect on net income, including the basis of allocations and apportionments from those used in the preceding year. Also give the approximate dollar effect of such changes.
13. For the 3Q disclosures, respondent must provide in the notes sufficient disclosures so as to make the interim information not misleading. Disclosures which would substantially duplicate the disclosures contained in the most recent FERC Annual Report may be omitted.
14. For the 3Q disclosures, the disclosures shall be provided where events subsequent to the end of the most recent year have occurred which have a material effect on the respondent. Respondent must include in the notes significant changes since the most recently completed year in such items as: accounting principles and practices; estimates inherent in the preparation of the financial statements; status of long-term contracts; capitalization including significant new borrowings or modifications of existing financing agreements; and changes resulting from business combinations or dispositions. However were material contingencies exist, the disclosure of such matters shall be provided even though a significant change since year end may not have occurred.
15. Finally, if the notes to the financial statements relating to the respondent appearing in the annual report to the stockholders are applicable and furnish the data required by the above instructions, such notes may be included herein.

**NOTES TO FINANCIAL STATEMENTS**

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

*Nature of Business*

Avista Corp. (the Company) is primarily an electric and natural gas utility with certain other business ventures. Avista Corp. provides electric distribution and transmission, and natural gas distribution services in parts of eastern Washington and northern Idaho. Avista Corp. also provides natural gas distribution service in parts of northeastern and southwestern Oregon. Avista Corp. has electric generating facilities in Washington, Idaho, Oregon and Montana. Avista Corp. also supplies electricity to a small number of customers in Montana, most of whom are employees who operate the Company's Noxon Rapids generating facility.

Alaska Electric and Resources Company (AERC) is a wholly-owned subsidiary of Avista Corp. The primary subsidiary of AERC is Alaska Electric Light and Power (AEL&P), which comprises Avista Corp.'s regulated utility operations in Alaska.

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| Avista Corporation                   |   |  |                                  |
| <b>Notes to Financial Statements</b> |   |  |                                  |

Avista Capital, a wholly owned non-regulated subsidiary of Avista Corp., is the parent company of all of the subsidiary companies except AERC (and its subsidiaries).

### ***Basis of Reporting***

The financial statements include the assets, liabilities, revenues and expenses of the Company and have been prepared in accordance with the accounting requirements of the Federal Energy Regulatory Commission (FERC) as set forth in its applicable Uniform System of Accounts and published accounting releases, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America (U.S. GAAP). As required by the FERC, the Company accounts for its investment in majority-owned subsidiaries on the equity method rather than consolidating the assets, liabilities, revenues, and expenses of these subsidiaries, as required by U.S. GAAP. The accompanying financial statements include the Company's proportionate share of utility plant and related operations resulting from its interests in jointly owned plants. In addition, under the requirements of the FERC, there are differences from U.S. GAAP in the presentation of (1) current portion of long-term debt (2) assets and liabilities for cost of removal of assets, (3) assets held for sale, (4) regulatory assets and liabilities, (5) deferred income taxes associated with accounts other than utility property, plant and equipment, (6) comprehensive income, (7) unamortized debt issuance costs, (8) operating revenues and resource costs associated with settled energy contracts that are "booked out" (not physically delivered), (9) non-service portion of pension and other postretirement benefit costs and (10) leases.

### ***Use of Estimates***

The preparation of the financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the amounts reported for assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Significant estimates include:

- determining the market value of energy commodity derivative assets and liabilities,
- pension and other postretirement benefit plan obligations,
- contingent liabilities,
- goodwill impairment testing for goodwill held at subsidiaries,
- recoverability of regulatory assets, and
- unbilled revenues.

Changes in these estimates and assumptions are considered reasonably possible and may have a material effect on the financial statements and thus actual results could differ from the amounts reported and disclosed herein.

### ***System of Accounts***

The accounting records of the Company's utility operations are maintained in accordance with the uniform system of accounts prescribed by the FERC and adopted by the state regulatory commissions in Washington, Idaho, Montana and Oregon.

### ***Regulation***

The Company is subject to state regulation in Washington, Idaho, Montana, and Oregon. The Company is also subject to federal regulation primarily by the FERC, as well as various other federal agencies with regulatory oversight of particular aspects of its operations.

### ***Depreciation***

For utility operations, depreciation expense is estimated by a method of depreciation accounting utilizing composite rates for utility

|                                      |   |  |                                  |
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| Name of Respondent                   | This Report is:<br>(1) <input checked="" type="checkbox"/> An Original<br>(2) <input type="checkbox"/> A Resubmission | Date of Report<br>(Mo, Da, Yr)<br>04/15/2021 | Year/Period of Report<br>2020/Q4 |
| Avista Corporation                   |   |  |                                  |
| <b>Notes to Financial Statements</b> |   |  |                                  |

plant. Such rates are designed to provide for retirements of properties at the expiration of their service lives. For utility operations, the ratio of depreciation provisions to average depreciable property was as follows for the years ended December 31:

|   | 2020  | 2019  |
|---|-------|-------|
| <b>Avista Corp.</b>                                   |       |       |
| Ratio of depreciation to average depreciable property | 3.43% | 3.28% |

The average service lives for the following broad categories of utility plant in service are (in years):

|                                   | Avista Corp. |
|-----------------------------------|--------------|
| Electric thermal/other production | 27           |
| Hydroelectric production          | 81           |
| Electric transmission             | 49           |
| Electric distribution             | 39           |
| Natural gas distribution property | 44           |
| Other shorter-lived general plant | 8            |

#### ***Allowance for Funds Used During Construction (AFUDC)***

AFUDC represents the cost of both the debt and equity funds used to finance utility plant additions during the construction period. As prescribed by regulatory authorities, AFUDC is capitalized as a part of the cost of utility plant. The debt component of AFUDC is credited against total interest expense in the Statements of Income in the line item "capitalized interest." The equity component of AFUDC is included in the Statements of Income in the line item "other expense (income)-net." The Company is permitted, under established regulatory rate practices, to recover the capitalized AFUDC, and a reasonable return thereon, through its inclusion in rate base and the provision for depreciation after the related utility plant is placed in service. Cash inflow related to AFUDC does not occur until the related utility plant is placed in service and included in rate base.

The WUTC and IPUC have authorized Avista Corp. to calculate AFUDC using its allowed rate of return. To the extent amounts calculated using this rate exceed the AFUDC amounts calculated using the FERC formula, Avista Corp. capitalizes the excess as a regulatory asset. The regulatory asset associated with plant in service is amortized over the average useful life of Avista Corp.'s utility plant which is approximately 30 years. The regulatory asset associated with construction work in progress is not amortized until the plant is placed in service.

The effective AFUDC rate was the following for the years ended December 31:

|                            | 2020  | 2019  |
|----------------------------|-------|-------|
| <b>Avista Corp.</b>        |       |       |
| Effective state AFUDC rate | 7.25% | 7.39% |

#### ***Income Taxes***

Deferred income tax assets represent future income tax deductions the Company expects to utilize in future tax returns to reduce taxable income. Deferred income tax liabilities represent future taxable income the Company expects to recognize in future tax returns. Deferred tax assets and liabilities arise when there are temporary differences resulting from differing treatment of items for tax and accounting purposes. A deferred income tax asset or liability is determined based on the enacted tax rates that will be in effect when the temporary differences between the financial statement carrying amounts and tax basis of existing assets and liabilities are expected to be reported in the Company's income tax returns. The deferred income tax expense for the period is equal to the net change in the deferred income tax asset and liability accounts from the beginning to the end of the period. The effect on deferred income taxes from a change in tax rates is recognized in income in the period that includes the enactment date unless a regulatory

|                                      |   |  |                                  |
|--------------------------------------|---|--|----------------------------------|
| Name of Respondent                   | This Report is:<br>(1) <input checked="" type="checkbox"/> An Original<br>(2) <input type="checkbox"/> A Resubmission | Date of Report<br>(Mo, Da, Yr)<br>04/15/2021 | Year/Period of Report<br>2020/Q4 |
| Avista Corporation                   |   |  |                                  |
| <b>Notes to Financial Statements</b> |   |  |                                  |

order specifies deferral of the effect of the change in tax rates over a longer period of time. The Company establishes a valuation allowance when it is more likely than not that all, or a portion, of a deferred tax asset will not be realized. Deferred income tax liabilities and regulatory assets are established for income tax benefits flowed through to customers.

The Company's largest deferred income tax item is the difference between the book and tax basis of utility plant. This item results from the temporary difference on depreciation expense. In early tax years, this item is recorded as a deferred income tax liability that will eventually reverse and become subject to income tax in later tax years.

The Company did not incur any penalties on income tax positions in 2020 or 2019. The Company would recognize interest accrued related to income tax positions as interest expense and any penalties incurred as other operating expense.

### ***Stock-Based Compensation***

The Company currently issues three types of stock-based compensation awards - restricted shares, market-based awards and performance-based awards. Historically, these stock compensation awards have not been material to the Company's overall financial results. Compensation cost relating to share-based payment transactions is recognized in the Company's financial statements based on the fair value of the equity or liability instruments issued and recorded over the requisite service period.

The Company recorded stock-based compensation expense (included in other operating expenses) and income tax benefits in the Statements of Income of the following amounts for the years ended December 31 (dollars in thousands):

|   | 2020     | 2019      |
|---|----------|-----------|
| Stock-based compensation expense  | \$ 5,846 | \$ 11,353 |
| Income tax benefits   | 1,228    | 2,384     |
| Excess tax benefits (expenses) on settled share-based employee payments | (165)    | (612)     |

Restricted share awards vest in equal thirds each year over 3 years and are payable in Avista Corp. common stock at the end of each year if the service condition is met. In addition to the service condition, for restricted shares granted in 2017, the Company must meet a return on equity target in order for the Chief Executive Officer's restricted shares to vest. Restricted stock is valued at the close of market of the Company's common stock on the grant date.

Total Shareholder Return (TSR) awards are market-based awards and Cumulative Earnings Per Share (CEPS) awards are performance awards. Both types of awards vest after a period of 3 years and are payable in cash or Avista Corp. common stock at the end of the three-year period. The method of settlement is at the discretion of the Company and historically the Company has settled these awards through issuance of Avista Corp. common stock and intends to continue this practice. Both types of awards entitle the recipients to dividend equivalent rights, are subject to forfeiture under certain circumstances, and are subject to meeting specific market or performance conditions. Based on the level of attainment of the market or performance conditions, the amount of cash paid or common stock issued will range from 0 to 200 percent of the initial awards granted. Dividend equivalent rights are accumulated and paid out only on shares that eventually vest and have met the market and performance conditions.

For both the TSR awards and the CEPS awards, the Company accounts for them as equity awards and compensation cost for these awards is recognized over the requisite service period, provided that the requisite service period is rendered. For TSR awards, if the market condition is not met at the end of the three-year service period, there will be no change in the cumulative amount of compensation cost recognized, since the awards are still considered vested even though the market metric was not met. For CEPS awards, at the end of the three-year service period, if the internal performance metric of cumulative earnings per share is not met, all compensation cost for these awards is reversed as these awards are not considered vested.

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|--------------------------------------|---|--|----------------------------------|
| Name of Respondent                   | This Report is:<br>(1) <input checked="" type="checkbox"/> An Original<br>(2) <input type="checkbox"/> A Resubmission | Date of Report<br>(Mo, Da, Yr)<br>04/15/2021 | Year/Period of Report<br>2020/Q4 |
| Avista Corporation                   |   |  |                                  |
| <b>Notes to Financial Statements</b> |   |  |                                  |

The fair value of each TSR award is estimated on the date of grant using a statistical model that incorporates the probability of meeting the market targets based on historical returns relative to a peer group. The estimated fair value of the equity component of CEPS awards was estimated on the date of grant as the share price of Avista Corp. common stock on the date of grant, less the net present value of the estimated dividends over the three-year period.

The following table summarizes the number of grants, vested and unvested shares, earned shares (based on market metrics), and other pertinent information related to the Company's stock compensation awards for the years ended December 31:

|  | 2020     | 2019     |
|--|----------|----------|
| <b>Restricted Shares</b>   |          |          |
| Shares granted during the year                                     | 45,540   | 50,061   |
| Shares vested during the year                                      | 56,203   | 48,228   |
| Unvested shares at end of year                                     | 71,706   | 93,351   |
| Unrecognized compensation expense at end of year<br>(in thousands) | \$ 2,003 | \$ 2,054 |
| <b>TSR Awards</b>  |          |          |
| TSR shares granted during the year                                 | 47,848   | 99,214   |
| TSR shares vested during the year (1)                              | 71,299   | 106,858  |
| Unvested TSR shares at end of year                                 | 122,133  | 178,035  |
| Unrecognized compensation expense (in thousands)                   | \$ 2,296 | \$ 3,377 |
| <b>CEPS Awards</b>   |          |          |
| CEPS shares granted during the year                                | 47,848   | 49,609   |
| CEPS shares vested during the year                                 | 35,622   | 53,454   |
| CEPS shares earned based on market metrics                         | 63,763   | 106,908  |
| Unvested CEPS shares at end of year                                | 83,464   | 88,990   |
| Unrecognized compensation expense (in thousands)                   | \$ 1,090 | \$ 2,401 |

(1) The market metrics were not met during 2020 and 2019 and no TRS shares were earned during these periods.

Outstanding TSR and CEPS share awards include a dividend component that is paid in cash. This component of the share grants is accounted for as a liability award. These liability awards are revalued on a quarterly basis taking into account the number of awards outstanding, historical dividend rate, the change in the value of the Company's common stock relative to an external benchmark (TSR awards only) and the amount of CEPS earned to date compared to estimated CEPS over the performance period (CEPS awards only). Over the life of these awards, the cumulative amount of compensation expense recognized will match the actual cash paid. As of December 31, 2020 and 2019, the Company had recognized cumulative compensation expense and a liability of \$0.8 million and \$0.9 million, respectively, related to the dividend component on the outstanding and unvested share grants.

#### ***Cash and Cash Equivalents***

For the purposes of the Statements of Cash Flows, the Company considers all temporary investments with a maturity of three months or less when purchased to be cash equivalents.

#### ***Allowance for Doubtful Accounts***

The Company maintains an allowance for doubtful accounts to provide for estimated and potential losses on accounts receivable. The Company determines the allowance for utility and other customer accounts receivable based on historical write-offs as compared to accounts receivable and operating revenues. Additionally, the Company establishes specific allowances for certain individual accounts.

#### ***Utility Plant in Service***

|                                 |       |
|---------------------------------|-------|
| FERC FORM NO. 2/3-Q (REV 12-07) | 122.5 |
|---------------------------------|-------|

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|--------------------------------------|---|--|----------------------------------|
| Name of Respondent                   | This Report is:<br>(1) <input checked="" type="checkbox"/> An Original<br>(2) <input type="checkbox"/> A Resubmission | Date of Report<br>(Mo, Da, Yr)<br>04/15/2021 | Year/Period of Report<br>2020/Q4 |
| Avista Corporation                   |   |  |                                  |
| <b>Notes to Financial Statements</b> |   |  |                                  |

The cost of additions to utility plant in service, including AFUDC and replacements of units of property and improvements, is capitalized. The cost of depreciable units of property retired plus the cost of removal less salvage is charged to accumulated depreciation.

#### ***Asset Retirement Obligations (ARO)***

The Company records the fair value of a liability for an ARO in the period in which it is incurred. When the liability is initially recorded, the associated costs of the ARO are capitalized as part of the carrying amount of the related long-lived asset. The liability is accreted to its present value each period and the related capitalized costs are depreciated over the useful life of the related asset. In addition, if there are changes in the estimated timing or estimated costs of the AROs, adjustments are recorded during the period new information becomes available as an increase or decrease to the liability, with the offset recorded to the related long-lived asset. Upon retirement of the asset, the Company either settles the ARO for its recorded amount or recognizes a regulatory asset or liability for the difference, which will be surcharged/refunded to customers through the ratemaking process. The Company records regulatory assets and liabilities for the difference between asset retirement costs currently recovered in rates and AROs recorded since asset retirement costs are recovered through rates charged to customers (see Note 7 for further discussion of the Company's AROs).

#### ***Derivative Assets and Liabilities***

Derivatives are recorded as either assets or liabilities on the Balance Sheets measured at estimated fair value.

The Washington Utilities and Transportation Commission (WUTC) and the Idaho Public Utilities Commission (IPUC) issued accounting orders authorizing Avista Corp. to offset energy commodity derivative assets or liabilities with a regulatory asset or liability. This accounting treatment is intended to defer the recognition of mark-to-market gains and losses on energy commodity transactions until the period of delivery. Realized benefits and costs result in adjustments to retail rates through Purchased Gas Adjustments (PGA), the Energy Recovery Mechanism (ERM) in Washington, the Power Cost Adjustment (PCA) mechanism in Idaho, and periodic general rates cases. The resulting regulatory assets associated with energy commodity derivative instruments have been concluded to be probable of recovery through future rates.

Substantially all forward contracts to purchase or sell power and natural gas are recorded as derivative assets or liabilities at estimated fair value with an offsetting regulatory asset or liability. Contracts that are not considered derivatives are accounted for on the accrual basis until they are settled or realized unless there is a decline in the fair value of the contract that is determined to be other-than-temporary.

For interest rate swap derivatives, Avista Corp. records all mark-to-market gains and losses in each accounting period as assets and liabilities, as well as offsetting regulatory assets and liabilities, such that there is no income statement impact. The interest rate swap derivatives are risk management tools similar to energy commodity derivatives. Upon settlement of interest rate swap derivatives, the regulatory asset or liability is amortized as a component of interest expense over the term of the associated debt. The Company records an offset of interest rate swap derivative assets and liabilities with regulatory assets and liabilities, based on the prior practice of the commissions to provide recovery through the ratemaking process.

The Company has multiple master netting agreements with a variety of entities that allow for cross-commodity netting of derivative agreements with the same counterparty (i.e. power derivatives can be netted with natural gas derivatives). In addition, some master netting agreements allow for the netting of commodity derivatives and interest rate swap derivatives for the same counterparty. The Company does not have any agreements which allow for cross-affiliate netting among multiple affiliated legal entities. The Company nets all derivative instruments when allowed by the agreement for presentation in the Balance Sheets.

#### ***Fair Value Measurements***

Fair value represents the price that would be received when selling an asset or paid to transfer a liability (an exit price) in an orderly

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| Name of Respondent<br>Avista Corporation | This Report is:<br>(1) <input checked="" type="checkbox"/> An Original<br>(2) <input type="checkbox"/> A Resubmission | Date of Report<br>(Mo, Da, Yr)<br>04/15/2021 | Year/Period of Report<br>2020/Q4 |
| <b>Notes to Financial Statements</b>     |   |  |                                  |

transaction between market participants at the measurement date. Energy commodity derivative assets and liabilities, deferred compensation assets, as well as derivatives related to interest rate swap derivatives and foreign currency exchange derivatives, are reported at estimated fair value on the Balance Sheets. See Note 15 for the Company's fair value disclosures.

### ***Regulatory Deferred Charges and Credits***

The Company prepares its financial statements in accordance with regulatory accounting practices because:

- rates for regulated services are established by or subject to approval by independent third-party regulators,
- the regulated rates are designed to recover the cost of providing the regulated services, and
- in view of demand for the regulated services and the level of competition, it is reasonable to assume that rates can be charged to and collected from customers at levels that will recover costs.

Regulatory accounting practices require that certain costs and/or obligations (such as incurred power and natural gas costs not currently reflected in rates, but expected to be recovered or refunded in the future), are reflected as deferred charges or credits on the Balance Sheets. These costs and/or obligations are not reflected in the Statements of Income until the period during which matching revenues are recognized. The Company also has decoupling revenue deferrals. See Note 3 for discussion on decoupling revenue deferrals.

If at some point in the future the Company determines that it no longer meets the criteria for continued application of regulatory accounting practices for all or a portion of its regulated operations, the Company could be:

- required to write off its regulatory assets, and
- precluded from the future deferral of costs or decoupled revenues not recovered through rates at the time such amounts are incurred, even if the Company expected to recover these amounts from customers in the future.

### ***Unamortized Debt Expense***

Unamortized debt expense includes debt issuance costs that are amortized over the life of the related debt.

### ***Unamortized Debt Repurchase Costs***

For the Company's Washington regulatory jurisdiction and for any debt repurchases beginning in 2007 in all jurisdictions, premiums or discounts paid to repurchase debt are amortized over the remaining life of the original debt that was repurchased or, if new debt is issued in connection with the repurchase, these amounts are amortized over the life of the new debt. In the Company's other regulatory jurisdictions, premiums or discounts paid to repurchase debt prior to 2007 are being amortized over the average remaining maturity of outstanding debt when no new debt was issued in connection with the debt repurchase. The premiums and discounts are recovered or returned to customers through retail rates as a component of interest expense.

### ***Appropriated Retained Earnings***

In accordance with the hydroelectric licensing requirements of section 10(d) of the Federal Power Act (FPA), the Company maintains an appropriated retained earnings account for any earnings in excess of the specified rate of return on the Company's investment in the licenses for its various hydroelectric projects. Per section 10(d) of the FPA, the Company must maintain these excess earnings in an appropriated retained earnings account until the termination of the licensing agreements or apply them to reduce the net investment in the licenses of the hydroelectric projects at the discretion of the FERC. The Company calculates the earnings in excess of the specified rate of return on an annual basis, usually during the second quarter.

The appropriated retained earnings amounts included in retained earnings were as follows as of December 31 (dollars in thousands):

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|--------------------------------------|---|--|----------------------------------|
| Name of Respondent                   | This Report is:<br>(1) <input checked="" type="checkbox"/> An Original<br>(2) <input type="checkbox"/> A Resubmission | Date of Report<br>(Mo, Da, Yr)<br>04/15/2021 | Year/Period of Report<br>2020/Q4 |
| Avista Corporation                   |   |  |                                  |
| <b>Notes to Financial Statements</b> |   |  |                                  |

|                                | 2020      | 2019      |
|--------------------------------|-----------|-----------|
| Appropriated retained earnings | \$ 45,453 | \$ 41,179 |

### **Contingencies**

The Company has unresolved regulatory, legal and tax issues which have inherently uncertain outcomes. The Company accrues a loss contingency if it is probable that a liability has been incurred and the amount of the loss or impairment can be reasonably estimated. The Company also discloses loss contingencies that do not meet these conditions for accrual, if there is a reasonable possibility that a material loss may be incurred. As of December 31, 2020, the Company has not recorded any significant amounts related to unresolved contingencies. See Note 17 for further discussion of the Company's commitments and contingencies.

### **COVID-19**

In 2020, the WUTC, IPUC, and OPUC approved accounting orders that allow the Company to defer certain net COVID-19 related costs and benefits. As such, as of December 31, 2020, the Company has deferred a net benefit to customers of \$2.8 million for all jurisdictions.

The respective regulatory authorities will determine the appropriateness and prudence of any deferred expenses when the Company seeks recovery. See "Regulatory Deferred Charges and Credits".

### **Equity in Earnings (Losses) of Subsidiaries**

The Company records all the earnings (losses) from its subsidiaries under the equity method. The Company had the following equity in earnings (losses) of its subsidiaries for the years ended December 31 (dollars in thousands):

|  | 2020            | 2019             |
|--|-----------------|------------------|
| Avista Capital                                   | \$ (2,491)      | \$ 6,404         |
| AERC   | 7,795           | 7,178            |
| Total equity in earnings of subsidiary companies | <u>\$ 5,304</u> | <u>\$ 13,582</u> |

### **Subsequent Events**

Management has evaluated the impact of events occurring after December 31, 2020 up to February 23, 2021, the date that Avista Corp.'s U.S. GAAP financial statements were issued and has updated such evaluation for disclosure purposes through the date of this filing. These financial statements include all necessary adjustments and disclosures resulting from these evaluations.

### **NOTE 2. NEW ACCOUNTING STANDARDS**

*Accounting Standards Update (ASU) No. 2016-02, "Leases (Topic 842)"*

*ASU No. 2018-01, "Leases (Topic 842): Land Easement Practical Expedient for Transition to Topic 842"*

*ASU No. 2018-11, "Leases (Topic 842): Targeted Improvements"*

On January 1, 2019, the Company adopted ASU No. 2016-02, which outlines a model for entities to use in accounting for leases and supersedes previous lease accounting guidance, as well as several practical expedients in ASU Nos. 2018-01 and 2018-11.

The Company adopted ASU No. 2016-02 utilizing a modified retrospective adoption method with the "package of three" and hindsight practical expedients offered by the standard. The "package of three" provides for an entity to not reassess at adoption whether any expired or existing contracts are deemed, for accounting purposes, to be or contain leases, the classification of any expired or existing leases, and any initial direct costs for any existing leases. As a result, the Company did not reassess existing or expired contracts under the new lease guidance, and it did not reassess the classification of any existing leases. The Company used the

|                                      |   |  |                                  |
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| Name of Respondent                   | This Report is:<br>(1) <input checked="" type="checkbox"/> An Original<br>(2) <input type="checkbox"/> A Resubmission | Date of Report<br>(Mo, Da, Yr)<br>04/15/2021 | Year/Period of Report<br>2020/Q4 |
| Avista Corporation                   |   |  |                                  |
| <b>Notes to Financial Statements</b> |   |  |                                  |

benefit of hindsight in determining both term and impairments associated with any existing leases. Use of this practical expedient has resulted in lease terms that best represent management's expectations with respect to use of the underlying asset but did not result in recognition of any impairment.

The Company elected to adopt ASU No. 2018-01, which allows an entity to exclude from application of Topic 842 all easements executed prior to January 1, 2019. In addition, the Company elected to adopt the "comparatives under 840" practical expedient offered in ASU No. 2018-11, which allows an entity to apply the new lease standard at the adoption date, recognizing any necessary cumulative-effect adjustment to the opening balance of retained earnings in the period of adoption and presenting comparative periods in the financial statements under Accounting Standards Codification (ASC) 840 (previous lease accounting guidance). Adoption of the standard did not result in a cumulative effect adjustment within the Company's financial statements.

As allowed by ASU No. 2016-02, the Company elected not to apply the requirements of the standard to short-term leases, those leases with an initial term of 12 months or less. These leases are not recorded on the balance sheet and are not material to the financial statements.

Adoption of the standard impacted the Company's Balance Sheets through recognition of right-of-use (ROU) assets and lease liabilities for the Company's operating leases. Accounting for finance leases (formerly capital leases) remained substantially unchanged. See Note 4 for further information on the Company's leases.

*ASU 2018-13 "Fair Value Measurement (Topic 820)"*

In August 2018, the FASB issued ASU No. 2018-13, which amends the fair value measurement disclosure requirements of ASC 820. The requirements of this ASU include additional disclosure regarding the range and weighted average used to develop significant unobservable inputs for Level 3 fair value estimates and the elimination of certain other previously required disclosures, such as the narrative description of the valuation process for Level 3 fair value measurements. This ASU became effective on January 1, 2020 and the requirements of this ASU did not have a material impact on the Company's fair value disclosures. See Note 15 for the Company's fair value disclosures.

*ASU No. 2018-14 "Compensation - Retirement Benefits - Defined Benefit Plans - General (Subtopic 715-20)"*

In August 2018, the FASB issued ASU No. 2018-14, which amends ASC 715 to add, remove and/or clarify certain disclosure requirements related to defined benefit pension and other postretirement plans. The additional disclosure requirements are primarily narrative discussion of significant changes in the benefit obligations and plan assets. The removed disclosures are primarily information about accumulated other comprehensive income expected to be recognized over the next year and the effects of changes associated with assumed health care costs. This ASU became effective for periods ending after December 15, 2020 and the requirements of this ASU did not have a material impact on the Company's disclosures upon adoption.

**NOTE 3. REVENUE**

ASC 606 defines the core principle of the revenue recognition model is that an entity should identify the various performance obligations in a contract, allocate the transaction price among the performance obligations and recognize revenue when (or as) the entity satisfies each performance obligation.

**Utility Revenues**

*Revenue from Contracts with Customers*

*General*

The majority of Avista Corp.'s revenue is from rate-regulated sales of electricity and natural gas to retail customers, which has two performance obligations, (1) having service available for a specified period (typically a month at a time) and (2) the delivery of

|  |   |  |                                  |
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| <b>Notes to Financial Statements</b>     |   |  |                                  |

energy to customers. The total energy price generally has a fixed component (basic charge) related to having service available and a usage-based component, related to the delivery and consumption of energy. The commodity is sold and/or delivered to and consumed by the customer simultaneously, and the provisions of the relevant utility commission authorization determine the charges the Company may bill the customer. Given that all revenue recognition criteria are met upon the delivery of energy to customers, revenue is recognized immediately.

In addition, the sale of electricity and natural gas is governed by the various state utility commissions, which set rates, charges, terms and conditions of service, and prices. Collectively, these rates, charges, terms and conditions are included in a “tariff,” which governs all aspects of the provision of regulated services. Tariffs are only permitted to be changed through a rate-setting process involving an independent, third-party regulator empowered by statute to establish rates that bind customers. Thus, all regulated sales by the Company are conducted subject to the regulator-approved tariff.

Tariff sales involve the current provision of commodity service (electricity and/or natural gas) to customers for a price that generally has a basic charge and a usage-based component. Tariff rates also include certain pass-through costs to customers such as natural gas costs, retail revenue credits and other miscellaneous regulatory items that do not impact net income, but can cause total revenue to fluctuate significantly up or down compared to previous periods. The commodity is sold and/or delivered to and consumed by the customer simultaneously, and the provisions of the relevant tariff determine the charges the Company may bill the customer, payment due date, and other pertinent rights and obligations of both parties. Generally, tariff sales do not involve a written contract. Given that all revenue recognition criteria are met upon the delivery of energy to customers, revenue is recognized immediately at that time.

#### *Unbilled Revenue from Contracts with Customers*

The determination of the volume of energy sales to individual customers is based on the reading of their meters, which occurs on a systematic basis throughout the month (once per month for each individual customer). At the end of each calendar month, the amount of energy delivered to customers since the date of the last meter reading is estimated and the corresponding unbilled revenue is estimated and recorded. The Company's estimate of unbilled revenue is based on:

- the number of customers,
- current rates,
- meter reading dates,
- actual native load for electricity,
- actual throughput for natural gas, and
- electric line losses and natural gas system losses.

Any difference between actual and estimated revenue is automatically corrected in the following month when the actual meter reading and customer billing occurs.

Accounts receivable includes unbilled energy revenues of the following amounts as of December 31 (dollars in thousands):

|                              | 2020      | 2019      |
|------------------------------|-----------|-----------|
| Unbilled accounts receivable | \$ 68,545 | \$ 60,560 |

#### *Non-Derivative Wholesale Contracts*

The Company has certain wholesale contracts which are not accounted for as derivatives that are within the scope of ASC 606 and considered revenue from contracts with customers. Revenue is recognized as energy is delivered to the customer or the service is available for specified period of time, consistent with the discussion of tariff sales above.

|                                      |   |  |                                  |
|--------------------------------------|---|--|----------------------------------|
| Name of Respondent                   | This Report is:<br>(1) <input checked="" type="checkbox"/> An Original<br>(2) <input type="checkbox"/> A Resubmission | Date of Report<br>(Mo, Da, Yr)<br>04/15/2021 | Year/Period of Report<br>2020/Q4 |
| Avista Corporation                   |   |  |                                  |
| <b>Notes to Financial Statements</b> |   |  |                                  |

### ***Alternative Revenue Programs (Decoupling)***

ASC 606 specifies that alternative revenue programs are contracts between an entity and a regulator of utilities, not a contract between an entity and a customer. GAAP requires that an entity present revenue arising from alternative revenue programs separately from revenues arising from contracts with customers on the face of the Statements of Income. The Company's decoupling mechanisms (also known as a FCA in Idaho) qualify as alternative revenue programs. Decoupling revenue deferrals are recognized in the Statements of Income during the period they occur (i.e. during the period of revenue shortfall or excess due to fluctuations in customer usage), subject to certain limitations, and a regulatory asset or liability is established which will be surcharged or rebated to customers in future periods. GAAP requires that for any alternative revenue program, like decoupling, the revenue must be expected to be collected from customers within 24 months of the deferral to qualify for recognition in the current period Statements of Income. Any amounts included in the Company's decoupling program that are not expected to be collected from customers within 24 months are not recorded in the financial statements until the period in which revenue recognition criteria are met. The amounts expected to be collected from customers within 24 months represents an estimate which must be made by the Company on an ongoing basis due to it being based on the volumes of electric and natural gas sold to customers on a go-forward basis.

The Company records alternative program revenues under the gross method, which is to amortize the decoupling regulatory asset/liability to the alternative revenue program line item on the Statements of Income as it is collected from or refunded to customers. The cash passing between the Company and the customers is presented in revenue from contracts with customers since it is a portion of the overall tariff paid by customers. This method results in a gross-up to both revenue from contracts with customers and revenue from alternative revenue programs, but has a net zero impact on total revenue. Depending on whether the previous deferral balance being amortized was a regulatory asset or regulatory liability, and depending on the size and direction of the current year deferral of surcharges and/or rebates to customers, it could result in negative alternative revenue program revenue during the year.

### ***Derivative Revenue***

Most wholesale electric and natural gas transactions (including both physical and financial transactions), and the sale of fuel are considered derivatives, which are scoped out of ASC 606. As such, these revenues are disclosed separately from revenue from contracts with customers. Revenue is recognized for these items upon the settlement/expiration of the derivative contract. Derivative revenue includes those transactions which are entered into and settled within the same month.

### ***Other Utility Revenue***

Other utility revenue includes rent, revenues from the lineman training school, sales of materials, late fees and other charges that do not represent contracts with customers. Other utility revenue also includes the provision for earnings sharing and the deferral and amortization of refunds to customers associated with the Tax Cuts and Jobs Act, enacted in December 2017. This revenue is scoped out of ASC 606, as this revenue does not represent items where a customer is a party that has contracted with the Company to obtain goods or services that are an output of the Company's ordinary activities in exchange for consideration. As such, these revenues are presented separately from revenue from contracts with customers.

### **Other Considerations for Utility Revenues**

#### ***Contracts with Multiple Performance Obligations***

In addition to the tariff sales described above, which are stand-alone energy sales, the Company has bundled arrangements which contain multiple performance obligations including some combination of energy, capacity, energy reserves and RECs. Under these arrangements, the total contract price is allocated to the various performance obligations and revenue is recognized as the obligations are satisfied. Depending on the source of the revenue, it could either be included in revenue from contracts with customers or derivative revenue.

|                                      |   |  |                                  |
|--------------------------------------|---|--|----------------------------------|
| Name of Respondent                   | This Report is:<br>(1) <input checked="" type="checkbox"/> An Original<br>(2) <input type="checkbox"/> A Resubmission | Date of Report<br>(Mo, Da, Yr)<br>04/15/2021 | Year/Period of Report<br>2020/Q4 |
| Avista Corporation                   |   |  |                                  |
| <b>Notes to Financial Statements</b> |   |  |                                  |

### ***Gross Versus Net Presentation***

Utility-related taxes collected from customers (primarily state excise taxes and city utility taxes) are taxes that are imposed on Avista Corp. as opposed to being imposed on its customers; therefore, Avista Corp. is the taxpayer and records these transactions on a gross basis in revenue from contracts with customers and operating expense (taxes other than income taxes).

Utility-related taxes that were included in revenue from contracts with customers were as follows for the years ended December 31 (dollars in thousands):

|                       | 2020      | 2019      |
|-----------------------|-----------|-----------|
| Utility-related taxes | \$ 59,319 | \$ 59,528 |

### **Significant Judgments and Unsatisfied Performance Obligations**

The vast majority of the Company's revenues are derived from the rate-regulated sale of electricity and natural gas that have two performance obligations that are satisfied throughout the period and as energy is delivered to customers. In addition, the customers do not pay for energy in advance of receiving it. As such, the Company does not have any significant unsatisfied performance obligations or deferred revenues as of period-end associated with these revenues. Also, the only significant judgments involving revenue recognition are estimates surrounding unbilled revenue and receivables from contracts with customers (discussed in detail above) and estimates surrounding the amount of decoupling revenues which will be collected from customers within 24 months.

The Company has certain capacity arrangements, where the Company has a contractual obligation to provide either electric or natural gas capacity to its customers for a fixed fee. Most of these arrangements are paid for in arrears by the customers and do not result in deferred revenue and only result in receivables from the customers. The Company does have one capacity agreement where the customer makes payments throughout the year, and depending on the timing of the customer payments, it can result in an immaterial amount of deferred revenue or a receivable from the customer. As of December 31, 2020, the Company estimates it had unsatisfied capacity performance obligations of \$23.8 million, which will be recognized as revenue in future periods as the capacity is provided to the customers. These performance obligations are not reflected in the financial statements, as the Company has not received payment for these services.

### **Disaggregation of Total Operating Revenue**

The following table disaggregates total operating revenue by source for the years ended December 31 (dollars in thousands):

|   | 2020         | 2019         |
|---|--------------|--------------|
| Avista Corp.  |              |              |
| Revenue from contracts with customers                     | \$ 1,168,207 | \$ 1,160,853 |
| Derivative revenues                                       | 203,099      | 246,355      |
| Alternative revenue programs                              | (3,814)      | 9,614        |
| Deferrals and amortizations for rate refunds to customers | 4,795        | 1,093        |
| Other utility revenues                                    | 7,589        | 10,184       |
| Total Avista Corp.  | 1,379,876    | 1,428,099    |

### ***Utility Revenue from Contracts with Customers by Type and Service***

The following table disaggregates revenue from contracts with customers associated with the Company's electric operations for the years ended December 31 (dollars in thousands):

|  | 2020   | 2019 |
|--|--------|------|
| <b>FERC FORM NO. 2/3-Q (REV 12-07)</b> |        |      |
|  | 122.12 |      |

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|--|---|--|----------------------------------|
| Name of Respondent<br>Avista Corporation | This Report is:<br>(1) <input checked="" type="checkbox"/> An Original<br>(2) <input type="checkbox"/> A Resubmission | Date of Report<br>(Mo, Da, Yr)<br>04/15/2021 | Year/Period of Report<br>2020/Q4 |
| <b>Notes to Financial Statements</b>     |   |  |                                  |

## ELECTRIC OPERATIONS

|   |        |        |
|---|--------|--------|
| Revenue from contracts with customers       |        |        |
| Residential                                 | 377,78 | 369,10 |
|   | \$ 5   | \$ 2   |
| Commercial and governmental                 | 303,97 | 317,58 |
|   | 2      | 9      |
| Industrial                                  | 113,56 | 114,53 |
|   | 3      | 0      |
| Public street and highway lighting          | 7,304  | 7,448  |
| Total retail revenue                        | 802,62 | 808,66 |
|   | 4      | 9      |
| Transmission                                | 18,236 | 18,180 |
| Other revenue from contracts with customers | 19,252 | 26,969 |
| Total revenue from contracts with customers | 840,11 | 853,81 |
|   | \$ 2   | \$ 8   |

The following table disaggregates revenue from contracts with customers associated with the Company's natural gas operations for the years ended December 31 (dollars in thousands):

|   | 2020         | 2019         |
|---|--------------|--------------|
|   | Avista Corp. | Avista Corp. |
| <b>NATURAL GAS OPERATIONS</b>               |              |              |
| Revenue from contracts with customers       |              |              |
| Residential                                 | \$ 213,612   | \$ 196,430   |
| Commercial                                  | 94,937       | 92,168       |
| Industrial and interruptible                | 7,128        | 5,263        |
| Total retail revenue                        | 315,677      | 293,861      |
| Transportation                              | 7,917        | 8,674        |
| Other revenue from contracts with customers | 4,501        | 4,500        |
| Total revenue from contracts with customers | \$ 328,095   | \$ 307,035   |

## NOTE 4. LEASES

ASC 842, which outlines a model for entities to use in accounting for leases and supersedes previous lease accounting guidance, became effective on January 1, 2019. The core principle of the model is that an entity should recognize the ROU assets and liabilities that arise from leases on the balance sheet and depreciate or amortize the asset and liability over the term of the lease, as well as provide disclosure to enable users of the financial statements to assess the amount, timing, and uncertainty of cash flows arising from leases. For regulatory reporting, the FERC provided prescribed accounts for the ROU assets and lease liabilities, with the ROU assets being included in utility plant (FERC account 101) and the lease liabilities being included in capital lease obligations (FERC account 227). These accounts are different than the accounts allowed for in GAAP reporting, which results in a FERC/GAAP difference.

### *Significant Judgments and Assumptions*

The Company determines if an arrangement is a lease, as well as its classification, at its inception.

ROU assets represent the Company's right to use an underlying asset for the lease term, and lease liabilities represent the Company's obligation to make lease payments arising from the lease. Operating lease ROU assets and lease liabilities are recognized at the commencement date of the agreement based on the present value of lease payments over the lease term. As most of the Company's

|                                      |   |  |                                  |
|--------------------------------------|---|--|----------------------------------|
| Name of Respondent                   | This Report is:<br>(1) <input checked="" type="checkbox"/> An Original<br>(2) <input type="checkbox"/> A Resubmission | Date of Report<br>(Mo, Da, Yr)<br>04/15/2021 | Year/Period of Report<br>2020/Q4 |
| Avista Corporation                   |   |  |                                  |
| <b>Notes to Financial Statements</b> |   |  |                                  |

leases do not provide an implicit rate, the Company uses its incremental borrowing rate based on the information available at the commencement date to determine the present value of lease payments. The implicit rate is used when it is readily determinable. The operating lease ROU assets also include any lease payments made and exclude lease incentives, if any, that accrue to the benefit of the lessee.

Lease terms may include options to extend or terminate the lease when it is reasonably certain that the Company will exercise that option. Lease expense for lease payments is recognized on a straight-line basis over the lease term. Any difference between lease expense and cash paid for leased assets is recognized as a regulatory asset or regulatory liability.

### **Description of Leases**

#### *Operating Leases*

The Company's most significant operating lease is with the State of Montana associated with submerged land around the Company's hydroelectric facilities in the Clark Fork River basin, which expires in 2046. The terms of this lease are subject to renegotiation, depending on the outcome of ongoing litigation between Montana and NorthWestern Energy. In addition, the State of Montana and Avista Corp. are engaged in litigation regarding lease terms, including how much money, if any, the State of Montana will return to Avista Corp. The Company is currently paying all lease payments to the State of Montana into an escrow account until the litigation is resolved. As such, amounts recorded for this lease are uncertain and amounts may change in the future depending on the outcome of the ongoing litigation. Any reduction in future lease payments or the return of previously paid amounts to Avista Corp. will be included in the future ratemaking process.

In addition to the lease with the State of Montana, the Company also has other operating leases for land associated with its utility operations, as well as communication sites which support network and radio communications within its service territory. The Company's leases have remaining terms of 1 to 73 years. Most of the Company's leases include options to extend the lease term for periods of 5 to 50 years. Options are exercised at the Company's discretion.

Certain of the Company's lease agreements include rental payments which are periodically adjusted over the term of the agreement based on the consumer price index. The Company's lease agreements do not include any material residual value guarantees or material restrictive covenants.

Avista Corp. does not record leases with a term of 12 months or less in the Balance Sheets. Total short-term lease costs for the year ended December 31, 2020 are immaterial.

The components of lease expense were as follows for the year ended December 31 (dollars in thousands):

|                            | 2020            | 2019            |
|----------------------------|-----------------|-----------------|
| Operating lease cost:      |                 |                 |
| Fixed lease cost           | \$ 4,746        | \$ 4,425        |
| Variable lease cost        | 1,099           | 988             |
| Total operating lease cost | <u>\$ 5,845</u> | <u>\$ 5,413</u> |

Supplemental cash flow information related to leases was as follows for the year ended December 31 (dollars in thousands):

|   | 2020     | 2019     |
|---|----------|----------|
| Cash paid for amounts included in the measurement of lease liabilities: |          |          |
| Operating cash outflows:  |          |          |
| Operating lease payments  | \$ 4,612 | \$ 4,375 |

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|--------------------------------------|---|--|----------------------------------|
| Name of Respondent                   | This Report is:<br>(1) <input checked="" type="checkbox"/> An Original<br>(2) <input type="checkbox"/> A Resubmission | Date of Report<br>(Mo, Da, Yr)<br>04/15/2021 | Year/Period of Report<br>2020/Q4 |
| Avista Corporation                   |   |  |                                  |
| <b>Notes to Financial Statements</b> |   |  |                                  |

Supplemental balance sheet information related to leases was as follows for December 31 (dollars in thousands):

|  | December 31,<br>2020 | December 31,<br>2019 |
|--|----------------------|----------------------|
| <b>Operating Leases</b>                      |                      |                      |
| Operating lease ROU assets (Utility Plant)   | \$ 71,891            | \$ 69,746            |
| Obligations under capital lease - current    | \$ 4,249             | \$ 4,128             |
| Obligations under capital lease - noncurrent | 67,716               | 65,565               |
| Total operating lease liabilities            | \$ 71,965            | \$ 69,693            |
| <b>Weighted Average Remaining Lease Term</b> |                      |                      |
| Operating leases                             | 25.20 years          | 26.60 years          |
| <b>Weighted Average Discount Rate</b>        |                      |                      |
| Operating leases                             | 4.28%                | 3.82%                |

Maturities of lease liabilities (including principal and interest) were as follows as of December 31, 2020 (dollars in thousands):

|                        | Operating Leases |
|------------------------|------------------|
| 2021                   | \$ 4,779         |
| 2022                   | 4,799            |
| 2023                   | 4,827            |
| 2024                   | 4,852            |
| 2025                   | 4,865            |
| Thereafter             | 96,734           |
| Total lease payments   | \$ 120,856       |
| Less: imputed interest | (48,891)         |
| Total                  | \$ 71,965        |

Maturities of lease liabilities (including principal and interest) were as follows as of December 31, 2019 (dollars in thousands):

|                        | Operating Leases |
|------------------------|------------------|
| 2020                   | \$ 4,372         |
| 2021                   | 4,375            |
| 2022                   | 4,383            |
| 2023                   | 4,399            |
| 2024                   | 4,411            |
| Thereafter             | 91,654           |
| Total lease payments   | \$ 113,594       |
| Less: imputed interest | (43,901)         |
| Total                  | \$ 69,693        |

## NOTE 5. DERIVATIVES AND RISK MANAGEMENT

### *Energy Commodity Derivatives*

Avista Corp. is exposed to market risks relating to changes in electricity and natural gas commodity prices and certain other fuel prices. Market risk is, in general, the risk of fluctuation in the market price of the commodity being traded and is influenced primarily by supply and demand. Market risk includes the fluctuation in the market price of associated derivative commodity instruments. Avista Corp. utilizes derivative instruments, such as forwards, futures, swap derivatives and options in order to manage the various

|                                      |   |  |                                  |
|--------------------------------------|---|--|----------------------------------|
| Name of Respondent                   | This Report is:<br>(1) <input checked="" type="checkbox"/> An Original<br>(2) <input type="checkbox"/> A Resubmission | Date of Report<br>(Mo, Da, Yr)<br>04/15/2021 | Year/Period of Report<br>2020/Q4 |
| Avista Corporation                   |   |  |                                  |
| <b>Notes to Financial Statements</b> |   |  |                                  |

risks relating to these commodity price exposures. Avista Corp. has an energy resources risk policy and control procedures to manage these risks.

As part of Avista Corp.'s resource procurement and management operations in the electric business, the Company engages in an ongoing process of resource optimization, which involves the economic selection from available energy resources to serve Avista Corp.'s load obligations and the use of these resources to capture available economic value through wholesale market transactions. These include sales and purchases of electric capacity and energy, fuel for electric generation, and derivative contracts related to capacity, energy and fuel. Such transactions are part of the process of matching resources with load obligations and hedging a portion of the related financial risks. These transactions range from terms of intra-hour up to multiple years.

As part of its resource procurement and management of its natural gas business, Avista Corp. makes continuing projections of its natural gas loads and assesses available natural gas resources including natural gas storage availability. Natural gas resource planning typically includes peak requirements, low and average monthly requirements and delivery constraints from natural gas supply locations to Avista Corp.'s distribution system. However, daily variations in natural gas demand can be significantly different than monthly demand projections. On the basis of these projections, Avista Corp. plans and executes a series of transactions to hedge a portion of its projected natural gas requirements through forward market transactions and derivative instruments. These transactions may extend as much as three natural gas operating years (November through October) into the future. Avista Corp. also leaves a significant portion of its natural gas supply requirements unhedged for purchase in short-term and spot markets.

Avista Corp. plans for sufficient natural gas delivery capacity to serve its retail customers for a theoretical peak day event. Avista Corp. generally has more pipeline and storage capacity than what is needed during periods other than a peak day. Avista Corp. optimizes its natural gas resources by using market opportunities to generate economic value that helps mitigate fixed costs. Avista Corp. also optimizes its natural gas storage capacity by purchasing and storing natural gas when prices are traditionally lower, typically in the summer, and withdrawing during higher priced months, typically during the winter. However, if market conditions and prices indicate that Avista Corp. should buy or sell natural gas during other times in the year, Avista Corp. engages in optimization transactions to capture value in the marketplace. Natural gas optimization activities include, but are not limited to, wholesale market sales of surplus natural gas supplies, purchases and sales of natural gas to optimize use of pipeline and storage capacity, and participation in the transportation capacity release market.

The following table presents the underlying energy commodity derivative volumes as of December 31, 2020 that are expected to be delivered in each respective year (in thousands of MWhs and mmBTUs):

| Year | Purchases            |                      |                        |                         | Sales                |                      |                        |                         |
|------|----------------------|----------------------|------------------------|-------------------------|----------------------|----------------------|------------------------|-------------------------|
|      | Electric Derivatives |                      | Gas Derivatives        |                         | Electric Derivatives |                      | Gas Derivatives        |                         |
|      | Physical (1)<br>MWh  | Financial (1)<br>MWh | Physical (1)<br>mmBTUs | Financial (1)<br>mmBTUs | Physical (1)<br>MWh  | Financial (1)<br>MWh | Physical (1)<br>mmBTUs | Financial (1)<br>mmBTUs |
| 2021 | 1                    | 224                  | 10,353                 | 65,188                  | 17                   | 451                  | 5,448                  | 39,273                  |
| 2022 | —                    | —                    | 450                    | 25,525                  | —                    | —                    | 1,360                  | 12,030                  |
| 2023 | —                    | —                    | —                      | 4,950                   | —                    | —                    | 1,360                  | 900                     |
| 2024 | —                    | —                    | —                      | —                       | —                    | —                    | 1,370                  | —                       |
| 2025 | —                    | —                    | —                      | —                       | —                    | —                    | 1,115                  | —                       |

As of December 31, 2020, there are no expected deliveries of energy commodity derivatives after 2025.

The following table presents the underlying energy commodity derivative volumes as of December 31, 2019 that were expected to be delivered in each respective year (in thousands of MWhs and mmBTUs):

| Year | Purchases           |                      |                        |                         | Sales               |                      |                        |                         |
|------|---------------------|----------------------|------------------------|-------------------------|---------------------|----------------------|------------------------|-------------------------|
|      | Physical (1)<br>MWh | Financial (1)<br>MWh | Physical (1)<br>mmBTUs | Financial (1)<br>mmBTUs | Physical (1)<br>MWh | Financial (1)<br>MWh | Physical (1)<br>mmBTUs | Financial (1)<br>mmBTUs |
| 2019 | —                   | —                    | —                      | —                       | —                   | —                    | —                      | —                       |

|  |   |  |                                  |
|--|---|--|----------------------------------|
| Name of Respondent<br>Avista Corporation | This Report is:<br>(1) <input checked="" type="checkbox"/> An Original<br>(2) <input type="checkbox"/> A Resubmission | Date of Report<br>(Mo, Da, Yr)<br>04/15/2021 | Year/Period of Report<br>2020/Q4 |
| <b>Notes to Financial Statements</b>     |   |  |                                  |

| Year | Electric Derivatives |                      | Gas Derivatives        |                         | Electric Derivatives |                      | Gas Derivatives        |                         |
|------|----------------------|----------------------|------------------------|-------------------------|----------------------|----------------------|------------------------|-------------------------|
|      | Physical (1)<br>MWh  | Financial (1)<br>MWh | Physical (1)<br>mmBTUs | Financial (1)<br>mmBTUs | Physical (1)<br>MWh  | Financial (1)<br>MWh | Physical (1)<br>mmBTUs | Financial (1)<br>mmBTUs |
| 2020 | 2                    | 442                  | 9,813                  | 78,803                  | 133                  | 1,724                | 2,984                  | 37,848                  |
| 2021 | —                    | —                    | 153                    | 25,523                  | —                    | 246                  | 1,040                  | 13,108                  |
| 2022 | —                    | —                    | 225                    | 4,725                   | —                    | —                    | —                      | 675                     |

As of December 31, 2019, there were no expected deliveries of energy commodity derivatives after 2022.

- (1) Physical transactions represent commodity transactions in which Avista Corp. will take or make delivery of either electricity or natural gas; financial transactions represent derivative instruments with delivery of cash in the amount of the benefit or cost but with no physical delivery of the commodity, such as futures, swap derivatives, options, or forward contracts.

The electric and natural gas derivative contracts above will be included in either power supply costs or natural gas supply costs during the period they are delivered and will be included in the various deferral and recovery mechanisms (ERM, PCA, and PGAs), or in the general rate case process, and are expected to be collected through retail rates from customers.

#### **Foreign Currency Exchange Derivatives**

A significant portion of Avista Corp.'s natural gas supply (including fuel for power generation) is obtained from Canadian sources. Most of those transactions are executed in U.S. dollars, which avoids foreign currency risk. A portion of Avista Corp.'s short-term natural gas transactions and long-term Canadian transportation contracts are committed based on Canadian currency prices and settled within 60 days with U.S. dollars. Avista Corp. hedges a portion of the foreign currency risk by purchasing Canadian currency exchange derivatives when such commodity transactions are initiated. The foreign currency exchange derivatives and the unhedged foreign currency risk have not had a material effect on Avista Corp.'s financial condition, results of operations or cash flows and these differences in cost related to currency fluctuations are included with natural gas supply costs for ratemaking.

The following table summarizes the foreign currency exchange derivatives that Avista Corp. has outstanding as of December 31 (dollars in thousands):

|  | 2020     | 2019     |
|--|----------|----------|
| Number of contracts                        | 22       | 20       |
| Notional amount (in United States dollars) | \$ 3,860 | \$ 5,932 |
| Notional amount (in Canadian dollars)      | 4,949    | 7,828    |

#### **Interest Rate Swap Derivatives**

Avista Corp. is affected by fluctuating interest rates related to a portion of its existing debt, and future borrowing requirements. Avista Corp. hedges a portion of its interest rate risk with financial derivative instruments. These financial derivative instruments are considered economic hedges against fluctuations in future cash flows associated with anticipated debt issuances.

The following table summarizes the unsettled interest rate swap derivatives that Avista Corp. has outstanding as of the balance sheet date indicated below (dollars in thousands):

| Balance Sheet Date | Number of Contracts | Notional Amount | Mandatory Cash Settlement Date |
|--------------------|---------------------|-----------------|--------------------------------|
| December 31, 2020  | 4                   | 45,000          | 2021                           |
|                    | 11                  | 120,000         | 2022                           |
|                    | 1                   | 10,000          | 2023                           |
| December 31, 2019  | 7                   | 70,000          | 2020                           |

|                                      |   |  |                                  |
|--------------------------------------|---|--|----------------------------------|
| Name of Respondent                   | This Report is:<br>(1) <input checked="" type="checkbox"/> An Original<br>(2) <input type="checkbox"/> A Resubmission | Date of Report<br>(Mo, Da, Yr)<br>04/15/2021 | Year/Period of Report<br>2020/Q4 |
| Avista Corporation                   |   |  |                                  |
| <b>Notes to Financial Statements</b> |   |  |                                  |

|  |    |         |      |
|--|----|---------|------|
|  | 3  | 35,000  | 2021 |
|  | 10 | 110,000 | 2022 |

See Note 13 for discussion of the bond purchase agreement and the related settlement of interest rate swaps in connection with the pricing of the bonds in June 2020.

The fair value of outstanding interest rate swap derivatives can vary significantly from period to period depending on the total notional amount of swap derivatives outstanding and fluctuations in market interest rates compared to the interest rates fixed by the swaps. Avista Corp. is required to make cash payments to settle the interest rate swap derivatives when the fixed rates are higher than prevailing market rates at the date of settlement. Conversely, Avista Corp. receives cash to settle its interest rate swap derivatives when prevailing market rates at the time of settlement exceed the fixed swap rates.

#### *Summary of Outstanding Derivative Instruments*

The amounts recorded on the Balance Sheets as of December 31, 2020 and December 31, 2019 reflect the offsetting of derivative assets and liabilities where a legal right of offset exists.

The following table presents the fair values and locations of derivative instruments recorded on the Balance Sheets as of December 31, 2020 (in thousands):

| Derivative and Balance Sheet Location                      | Fair Value       |                    |                       | Net Asset<br>(Liability)<br>on Balance<br>Sheet |
|--|------------------|--------------------|-----------------------|---|
|  | Gross<br>Asset   | Gross<br>Liability | Collateral<br>Netting |   |
| <b>Foreign currency exchange derivatives</b>               |                  |                    |                       |   |
| Derivative instrument assets current                       | \$ 30            | \$ —               | \$ —                  | \$ 30   |
| <b>Interest rate swap derivatives</b>                      |                  |                    |                       |   |
| Derivative instrument liabilities current                  | —                | (19,575)           | 8,050                 | (11,525)  |
| Long-term portion of derivative liabilities                | 952              | (32,190)           | —                     | (31,238)  |
| <b>Energy commodity derivatives</b>                        |                  |                    |                       |   |
| Derivative instrument assets current                       | 9,203            | (8,306)            | —                     | 897   |
| Long-term portion of derivative assets                     | 1,755            | (1,159)            | —                     | 596   |
| Derivative instrument liabilities current                  | 11,037           | (14,007)           | 487                   | (2,483)   |
| Long-term portion of derivative liabilities                | 1,725            | (8,043)            | 129                   | (6,189)   |
| Total derivative instruments recorded on the balance sheet | <u>\$ 24,702</u> | <u>\$ (83,280)</u> | <u>\$ 8,666</u>       | <u>\$ (49,912)</u>                              |

The following table presents the fair values and locations of derivative instruments recorded on the Balance Sheets as of December 31, 2019 (in thousands):

| Derivative and Balance Sheet Location        | Fair Value     |                    |                       | Net Asset<br>(Liability)<br>on Balance<br>Sheet |
|--|----------------|--------------------|-----------------------|---|
|  | Gross<br>Asset | Gross<br>Liability | Collateral<br>Netting |   |
| <b>Foreign currency exchange derivatives</b> |                |                    |                       |   |
| Derivative instrument assets current         | \$ 97          | \$ —               | \$ —                  | \$ 97   |
| <b>Interest rate swap derivatives</b>        |                |                    |                       |   |
| Derivative instrument assets current         | 589            | —                  | —                     | 589   |

|                                      |   |  |                                  |
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| Avista Corporation                   |   |  |                                  |
| <b>Notes to Financial Statements</b> |   |  |                                  |

|  |                  |                    |                  |                    |
|--|------------------|--------------------|------------------|--------------------|
| Derivative instrument liabilities current                  | 238              | (9,379)            | 1,316            | (7,825)            |
| Long-term portion of derivative liabilities                | 725              | (24,677)           | 5,454            | (18,498)           |
| <b>Energy commodity derivatives</b>                        |                  |                    |                  |                    |
| Derivative instrument assets                               | 416              | (245)              | —                | 171                |
| Long-term portion of derivative assets                     | 6,369            | (5,446)            | —                | 923                |
| Derivative instrument liabilities current                  | 34,760           | (41,241)           | 3,378            | (3,103)            |
| Long-term portion of derivative liabilities                | 28               | (1,215)            | —                | (1,187)            |
| Total derivative instruments recorded on the balance sheet | <u>\$ 43,222</u> | <u>\$ (82,203)</u> | <u>\$ 10,148</u> | <u>\$ (28,833)</u> |

### ***Exposure to Demands for Collateral***

Avista Corp.'s derivative contracts often require collateral (in the form of cash or letters of credit) or other credit enhancements, or reductions or terminations of a portion of the contract through cash settlement. In the event of a downgrade in Avista Corp.'s credit ratings or changes in market prices, additional collateral may be required. In periods of price volatility, the level of exposure can change significantly. As a result, sudden and significant demands may be made against Avista Corp.'s credit facilities and cash. Avista Corp. actively monitors the exposure to possible collateral calls and takes steps to mitigate capital requirements.

The following table presents Avista Corp.'s collateral outstanding related to its derivative instruments as of December 31 (in thousands):

|   | 2020     | 2019     |
|---|----------|----------|
| <b>Energy commodity derivatives</b>   |          |          |
| Cash collateral posted  | \$ 4,953 | \$ 7,812 |
| Letters of credit outstanding   | 23,500   | 17,400   |
| Balance sheet offsetting (cash collateral against net derivative positions) | 616      | 3,378    |
| <b>Interest rate swap derivatives</b>                                       |          |          |
| Cash collateral posted (offset by net derivative positions)                 | 8,050    | 6,770    |

There were no letters of credit outstanding related to interest rate swap derivatives as of December 31, 2020 and December 31, 2019.

Certain of Avista Corp.'s derivative instruments contain provisions that require the Company to maintain an "investment grade" credit rating from the major credit rating agencies. If Avista Corp.'s credit ratings were to fall below "investment grade," it would be in violation of these provisions, and the counterparties to the derivative instruments could request immediate payment or demand immediate and ongoing collateralization on derivative instruments in net liability positions.

The following table presents the aggregate fair value of all derivative instruments with credit-risk-related contingent features that are in a liability position and the amount of additional collateral Avista Corp. could be required to post as of December 31 (in thousands):

|  | 2020      | 2019      |
|--|-----------|-----------|
| <b>Interest rate swap derivatives</b>                    |           |           |
| Liabilities with credit-risk-related contingent features | \$ 50,813 | \$ 34,056 |
| Additional collateral to post                            | 42,763    | 26,912    |

### **NOTE 6. JOINTLY OWNED ELECTRIC FACILITIES**

The Company has a 15 percent ownership interest in Units 3 & 4 of the Colstrip generating station, a coal-fired plant located in southeastern Montana, and provides financing for its ownership interest in the project. Pursuant to the ownership and operating agreements among the co-owners, the Company's share of related fuel costs as well as operating expenses for plant in service are

|  |   |  |                                  |
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| Name of Respondent<br>Avista Corporation | This Report is:<br>(1) <input checked="" type="checkbox"/> An Original<br>(2) <input type="checkbox"/> A Resubmission | Date of Report<br>(Mo, Da, Yr)<br>04/15/2021 | Year/Period of Report<br>2020/Q4 |
| <b>Notes to Financial Statements</b>     |   |  |                                  |

included in the corresponding accounts in the Statements of Income. The Company's share of utility plant in service for Colstrip and accumulated depreciation (inclusive of the ARO assets and accumulated amortization) were as follows as of December 31 (dollars in thousands):

|                          | 2020       | 2019       |
|--------------------------|------------|------------|
| Utility plant in service | \$ 391,922 | \$ 387,860 |
| Accumulated depreciation | (284,282)  | (268,637)  |

See Note 7 for further discussion of AROs.

While the obligations and liabilities with respect to Colstrip are to be shared among the co-owners on a pro-rata basis, many of the environmental liabilities are joint and several under the law, so that if any co-owner failed to pay its share of such liability, the other co-owners (or any one of them) could be required to pay the defaulting co-owner's share (or the entire liability).

#### NOTE 7. ASSET RETIREMENT OBLIGATIONS

The Company has recorded liabilities for future AROs to:

- restore coal ash containment ponds and coal holding areas at Colstrip,
- cap a landfill at the Kettle Falls Plant, and
- remove plant and restore the land at the Coyote Springs 2 site at the termination of the land lease.

Due to an inability to estimate a range of settlement dates, the Company cannot estimate a liability for the:

- removal and disposal of certain transmission and distribution assets, and
- abandonment and decommissioning of certain hydroelectric generation and natural gas storage facilities.

In 2015, the EPA issued a final rule regarding CCRs. Colstrip, of which Avista Corp. is a 15 percent owner of Units 3 & 4, produces this byproduct. The CCR rule has been the subject of ongoing litigation. In August 2018, the D.C. Circuit struck down provisions of the rule. The rule includes technical requirements for CCR landfills and surface impoundments. The Colstrip owners developed a multi-year compliance plan to address the CCR requirements and existing state obligations.

The actual asset retirement costs related to the CCR rule requirements may vary substantially from the estimates used to record the ARO due to the uncertainty and evolving nature of the compliance strategies that will be used and the availability of data used to estimate costs, such as the quantity of coal ash present at certain sites and the volume of fill that will be needed to cap and cover certain impoundments. The Company updates its estimates as new information becomes available. The Company expects to seek recovery of any increased costs related to complying with the CCR rule through customer rates.

In addition to the above, under a 2018 Administrative Order on Consent and ongoing negotiations with the Montana Department of Ecological Quality, the owners of Colstrip are required to provide financial assurance, primarily in the form of surety bonds, to secure each owner's pro-rata share of various anticipated closure and remediation of the ash ponds and coal holding areas. The amount of financial assurance required of each owner may, like the ARO, vary substantially due to the uncertainty and evolving nature of anticipated closure and remediation activities, and as those activities are completed over time.

The following table documents the changes in the Company's asset retirement obligation during the years ended December 31 (dollars in thousands):

| 2020 | 2019 |
|------|------|
|------|------|

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|--------------------------------------|---|--|----------------------------------|
| Name of Respondent                   | This Report is:<br>(1) <input checked="" type="checkbox"/> An Original<br>(2) <input type="checkbox"/> A Resubmission | Date of Report<br>(Mo, Da, Yr)<br>04/15/2021 | Year/Period of Report<br>2020/Q4 |
| Avista Corporation                   |   |  |                                  |
| <b>Notes to Financial Statements</b> |   |  |                                  |

|  |                  |                  |
|--|------------------|------------------|
| Asset retirement obligation at beginning of year | \$ 20,338        | \$ 18,266        |
| Liabilities incurred                             | (2,315)          | 2,699            |
| Liabilities settled                              | (1,645)          | (1,503)          |
| Accretion expense                                | 816              | 876              |
| Asset retirement obligation at end of year       | <u>\$ 17,194</u> | <u>\$ 20,338</u> |

#### NOTE 8. PENSION PLANS AND OTHER POSTRETIREMENT BENEFIT PLANS

The pension and other postretirement benefit plans described below only relate to Avista Corp. AEL&P (not discussed below) participates in a defined contribution multiemployer plan for its union workers and a defined contribution money purchase pension plan for its nonunion workers. None of the subsidiary retirement plans, individually or in the aggregate, are significant to Avista Corp.

##### *Avista Corp.*

The Company has a defined benefit pension plan covering the majority of all regular full-time employees at Avista Corp. that were hired prior to January 1, 2014. Individual benefits under this plan are based upon the employee's years of service, date of hire and average compensation as specified in the plan. Non-union employees hired on or after January 1, 2014 participate in a defined contribution 401(k) plan in lieu of a defined benefit pension plan. Union employees hired on or after January 1, 2014 are still covered under the defined benefit pension plan. The Company's funding policy is to contribute at least the minimum amounts that are required to be funded under the Employee Retirement Income Security Act, but not more than the maximum amounts that are currently deductible for income tax purposes. The Company contributed \$22.0 million in cash to the pension plan in 2020 and 2019. The Company expects to contribute \$42.0 million in cash to the pension plan in 2021.

The Company also has a SERP that provides additional pension benefits to certain executive officers and certain key employees of the Company. The SERP is intended to provide benefits to individuals whose benefits under the defined benefit pension plan are reduced due to the application of Section 415 of the Internal Revenue Code of 1986 and the deferral of salary under deferred compensation plans. The liability and expense for this plan are included as pension benefits in the tables included in this Note.

The Company expects that benefit payments under the pension plan and the SERP will total (dollars in thousands):

|                           | 2021      | 2022      | 2023      | 2024      | 2025      | Total 2026-<br>2030 |
|---------------------------|-----------|-----------|-----------|-----------|-----------|---------------------|
| Expected benefit payments | \$ 42,390 | \$ 42,673 | \$ 42,478 | \$ 43,149 | \$ 43,752 | \$ 223,788          |

The expected long-term rate of return on plan assets is based on past performance and economic forecasts for the types of investments held by the plan. In selecting a discount rate, the Company considers yield rates for highly rated corporate bond portfolios with maturities similar to that of the expected term of pension benefits.

The Company provides certain health care and life insurance benefits for eligible retired employees that were hired prior to January 1, 2014. The Company accrues the estimated cost of postretirement benefit obligations during the years that employees provide services. The liability and expense of this plan are included as other postretirement benefits. Non-union employees hired on or after January 1, 2014, will have access to the retiree medical plan upon retirement; however, Avista Corp. will no longer provide a contribution toward their medical premium.

The Company has a Health Reimbursement Arrangement (HRA) to provide employees with tax-advantaged funds to pay for allowable medical expenses upon retirement. The amount earned by the employee is fixed on the retirement date based on the employee's years of service and the ending salary. The liability and expense of the HRA are included as other postretirement benefits.

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| Name of Respondent                   | This Report is:<br>(1) <input checked="" type="checkbox"/> An Original<br>(2) <input type="checkbox"/> A Resubmission | Date of Report<br>(Mo, Da, Yr)<br>04/15/2021 | Year/Period of Report<br>2020/Q4 |
| Avista Corporation                   |   |  |                                  |
| <b>Notes to Financial Statements</b> |   |  |                                  |

The Company provides death benefits to beneficiaries of executive officers who die during their term of office or after retirement. Under the plan, an executive officer's designated beneficiary will receive a payment equal to twice the executive officer's annual base salary at the time of death (or if death occurs after retirement, a payment equal to twice the executive officer's total annual pension benefit). The liability and expense for this plan are included as other postretirement benefits.

The Company expects that benefit payments under other postretirement benefit plans will total (dollars in thousands):

|                           | 2021     | 2022     | 2023     | 2024     | 2025     | Total<br>2026-<br>2030 |
|---------------------------|----------|----------|----------|----------|----------|------------------------|
| Expected benefit payments | \$ 6,610 | \$ 6,800 | \$ 6,891 | \$ 7,021 | \$ 7,164 | \$ 37,156              |

The Company expects to contribute \$6.8 million to other postretirement benefit plans in 2021, representing expected benefit payments to be paid during the year excluding the Medicare Part D subsidy. The Company uses a December 31 measurement date for its pension and other postretirement benefit plans.

The following table sets forth the pension and other postretirement benefit plan disclosures as of December 31, 2020 and 2019 and the components of net periodic benefit costs for the years ended December 31, 2020 and 2019 (dollars in thousands):

|  | Pension Benefits    |                     | Other Post-<br>retirement Benefits |                     |
|--|---------------------|---------------------|------------------------------------|---------------------|
|  | 2020                | 2019                | 2020                               | 2019                |
| <b>Change in benefit obligation:</b>   |                     |                     |                                    |                     |
| Benefit obligation as of beginning of year                                     | \$ 742,382          | \$ 671,629          | \$ 159,296                         | \$ 134,053          |
| Service cost   | 22,392              | 19,755              | 3,902                              | 3,006               |
| Interest cost  | 27,853              | 28,417              | 6,042                              | 5,598               |
| Actuarial (gain)/loss  | 74,688              | 57,829              | (2,589)                            | 23,344              |
| Benefits paid  | (40,400)            | (35,248)            | (5,418)                            | (6,705)             |
| Benefit obligation as of end of year   | <u>\$ 826,915</u>   | <u>\$ 742,382</u>   | <u>\$ 161,233</u>                  | <u>\$ 159,296</u>   |
| <b>Change in plan assets:</b>  |                     |                     |                                    |                     |
| Fair value of plan assets as of beginning of year                              | \$ 642,063          | \$ 544,051          | \$ 44,853                          | \$ 36,852           |
| Actual return on plan assets   | 96,591              | 109,942             | 7,320                              | 8,001               |
| Employer contributions   | 22,000              | 22,000              | —                                  | —                   |
| Benefits paid  | (38,630)            | (33,930)            | —                                  | —                   |
| Fair value of plan assets as of end of year                                    | <u>\$ 722,024</u>   | <u>\$ 642,063</u>   | <u>\$ 52,173</u>                   | <u>\$ 44,853</u>    |
| Funded status  | <u>\$ (104,891)</u> | <u>\$ (100,319)</u> | <u>\$ (109,060)</u>                | <u>\$ (114,443)</u> |
| <b>Amounts recognized in the Balance Sheets:</b>                               |                     |                     |                                    |                     |
| Current liabilities  | \$ (1,943)          | \$ (1,602)          | \$ (669)                           | \$ (640)            |
| Non-current liabilities  | (102,948)           | (98,717)            | (108,391)                          | (113,803)           |
| Net amount recognized  | <u>\$ (104,891)</u> | <u>\$ (100,319)</u> | <u>\$ (109,060)</u>                | <u>\$ (114,443)</u> |
| Accumulated pension benefit obligation   | <u>\$ 710,023</u>   | <u>\$ 644,004</u>   |                                    |                     |
| Accumulated postretirement benefit obligation:                                 |                     |                     |                                    |                     |
| For retirees   |                     |                     | \$ 75,876                          | \$ 72,816           |
| For fully eligible employees   |                     |                     | \$ 32,097                          | \$ 34,545           |
| For other participants   |                     |                     | \$ 53,260                          | \$ 51,935           |
| <b>Included in accumulated other comprehensive loss (income) (net of tax):</b> |                     |                     |                                    |                     |
| Unrecognized prior service cost  | \$ 1,902            | \$ 2,105            | \$ (3,570)                         | \$ (4,400)          |
| Unrecognized net actuarial loss  | 119,318             | 114,368             | 53,737                             | 63,101              |
| Total  | <u>121,220</u>      | <u>116,473</u>      | <u>50,167</u>                      | <u>58,701</u>       |

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| Avista Corporation                   |   |  |                                  |
| <b>Notes to Financial Statements</b> |   |  |                                  |

|  |           |           |          |          |
|--|-----------|-----------|----------|----------|
| Less regulatory asset  | (108,301) | (107,395) | (48,708) | (57,520) |
| Accumulated other comprehensive loss for unfunded benefit obligation for pensions and other postretirement benefit plans | \$ 12,919 | \$ 9,078  | \$ 1,459 | \$ 1,181 |

|  | Pension Benefits                                       |       | Other Post-retirement Benefits |       |
|--|--|-------|--------------------------------|-------|
|  | 2020   | 2019  | 2020                           | 2019  |
|  | <b>Weighted-average assumptions as of December 31:</b> |       |                                |       |
| Discount rate for benefit obligation         | 3.25%  | 3.85% | 3.27%                          | 3.89% |
| Discount rate for annual expense             | 3.85%  | 4.31% | 3.89%                          | 4.32% |
| Expected long-term return on plan assets     | 5.50%  | 5.90% | 5.30%                          | 5.70% |
| Rate of compensation increase                | 4.74%  | 4.66% |                                |       |
| Medical cost trend pre-age 65 – initial      |  |       | 6.25%                          | 5.75% |
| Medical cost trend pre-age 65 – ultimate     |  |       | 5.00%                          | 5.00% |
| Ultimate medical cost trend year pre-age 65  |  |       | 2026                           | 2023  |
| Medical cost trend post-age 65 – initial     |  |       | 6.25%                          | 6.50% |
| Medical cost trend post-age 65 – ultimate    |  |       | 5.00%                          | 5.00% |
| Ultimate medical cost trend year post-age 65 |  |       | 2026                           | 2026  |

|                                    | Pension Benefits                                |           | Other Post-retirement Benefits |          |
|------------------------------------|---|-----------|--------------------------------|----------|
|                                    | 2020  | 2019      | 2020                           | 2019     |
|                                    | <b>Components of net periodic benefit cost:</b> |           |                                |          |
| Service cost (a)                   | \$ 22,392                                       | \$ 19,755 | \$ 3,902                       | \$ 3,006 |
| Interest cost                      | 27,853  | 28,417    | 6,042                          | 5,598    |
| Expected return on plan assets     | (34,886)  | (31,763)  | (2,377)                        | (2,101)  |
| Amortization of prior service cost | 257   | 257       | (958)                          | (981)    |
| Net loss recognition               | 6,717   | 10,216    | 4,871                          | 4,013    |
| Net periodic benefit cost          | \$ 22,333                                       | \$ 26,882 | \$ 11,480                      | \$ 9,535 |

- (a) Total service costs in the table above are recorded to the same accounts as labor expense. Labor and benefits expense is recorded to various projects based on whether the work is a capital project or an operating expense. Approximately 40 percent of all labor and benefits is capitalized to utility property and 60 percent is expensed to utility other operating expenses.

#### **Plan Assets**

The Finance Committee of the Company's Board of Directors approves investment policies, objectives and strategies that seek an appropriate return for the pension plan and other postretirement benefit plans and reviews and approves changes to the investment and funding policies.

The Company has contracted with investment consultants who are responsible for monitoring the individual investment managers. The investment managers' performance and related individual fund performance is periodically reviewed by an internal benefits committee and by the Finance Committee to monitor compliance with investment policy objectives and strategies.

Pension plan assets are invested in mutual funds, trusts and partnerships that hold marketable debt and equity securities, real estate, and absolute return. In seeking to obtain a return that aligns with the funded status of the pension plan, the investment consultant recommends allocation percentages by asset classes. These recommendations are reviewed by the internal benefits committee, which then recommends their adoption by the Finance Committee. The Finance Committee has established target investment allocation

|                                      |   |  |                                  |
|--------------------------------------|---|--|----------------------------------|
| Name of Respondent                   | This Report is:<br>(1) <input checked="" type="checkbox"/> An Original<br>(2) <input type="checkbox"/> A Resubmission | Date of Report<br>(Mo, Da, Yr)<br>04/15/2021 | Year/Period of Report<br>2020/Q4 |
| Avista Corporation                   |   |  |                                  |
| <b>Notes to Financial Statements</b> |   |  |                                  |

percentages by asset classes and also investment ranges for each asset class. The target investment allocation percentages are typically the midpoint of the established range. The target investment allocation percentages by asset classes are indicated in the table below:

|                   | 2020 | 2019 |
|-------------------|------|------|
| Equity securities | 35%  | 35%  |
| Debt securities   | 49%  | 49%  |
| Real estate       | 7%   | 7%   |
| Absolute return   | 9%   | 9%   |

The target investment allocation percentages were revised in the first quarter of 2021 and the pension plan assets are being reinvested to move toward the new target investment allocation percentages of 55 percent equity securities, 40 percent debt securities, 5 percent real estate and 0 percent absolute return. The target asset allocation percentages were modified to better align the asset allocations with the funded status of the pension plan.

The fair value of pension plan assets invested in debt and equity securities was based primarily on fair value (market prices). The fair value of investment securities traded on a national securities exchange is determined based on the reported last sales price; securities traded in the over-the-counter market are valued at the last reported bid price. Investment securities for which market prices are not readily available or for which market prices do not represent the value at the time of pricing, the investment manager estimates fair value based upon other inputs (including valuations of securities that are comparable in coupon, rating, maturity and industry).

Pension plan and other postretirement plan assets whose fair values are measured using net asset value (NAV) are excluded from the fair value hierarchy and are included as reconciling items in the tables below.

The Company's investments in common/collective trusts have redemption limitations that permit quarterly redemptions following notice requirements of 45 to 60 days. Most of the Company's investments in closely held investments and partnership interests have redemption limitations that range from bi-monthly to semi-annually following redemption notice requirements of 60 to 90 days. One investment in a partnership has a lock-up for redemption currently expiring in 2022 and is subject to extension.

The following table discloses by level within the fair value hierarchy (see Note 15 for a description of the fair value hierarchy) of the pension plan's assets measured and reported as of December 31, 2020 at fair value (dollars in thousands):

|  | Level 1 | Level 2  | Level 3 | Total    |
|--|---------|----------|---------|----------|
| Cash equivalents   | \$ —    | \$ 3,309 | \$ —    | \$ 3,309 |
| Fixed income securities:   |         |          |         |          |
| U.S. government issues   | —       | 10,990   | —       | 10,990   |
| Corporate issues   | —       | 279,857  | —       | 279,857  |
| International issues   | —       | 39,634   | —       | 39,634   |
| Municipal issues   | —       | 22,431   | —       | 22,431   |
| Mutual funds:  |         |          |         |          |
| U.S. equity securities   | 146,375 | —        | —       | 146,375  |
| International equity securities  | 96,311  | —        | —       | 96,311   |
| Absolute return (1)  | 11,640  | —        | —       | 11,640   |
| <b>Plan assets measured at NAV (not subject to hierarchy disclosure)</b> |         |          |         |          |
| Common/collective trusts:  |         |          |         |          |
| Real estate  | —       | —        | —       | 29,532   |
| Partnership/closely held investments:                                    |         |          |         |          |
| Absolute return (1)  | —       | —        | —       | 47,188   |
| International equity securities  | —       | —        | —       | 26,760   |

|                                      |   |  |                                  |
|--------------------------------------|---|--|----------------------------------|
| Name of Respondent                   | This Report is:<br>(1) <input checked="" type="checkbox"/> An Original<br>(2) <input type="checkbox"/> A Resubmission | Date of Report<br>(Mo, Da, Yr)<br>04/15/2021 | Year/Period of Report<br>2020/Q4 |
| Avista Corporation                   |   |  |                                  |
| <b>Notes to Financial Statements</b> |   |  |                                  |

|             |                   |                   |             |                   |
|-------------|-------------------|-------------------|-------------|-------------------|
| Real estate | —                 | —                 | —           | 7,997             |
| Total       | <u>\$ 254,326</u> | <u>\$ 356,221</u> | <u>\$ —</u> | <u>\$ 722,024</u> |

The following table discloses by level within the fair value hierarchy (see Note 15 for a description of the fair value hierarchy) of the pension plan's assets measured and reported as of December 31, 2019 at fair value (dollars in thousands):

|  | Level 1           | Level 2           | Level 3     | Total             |
|--|-------------------|-------------------|-------------|-------------------|
| Cash equivalents   | \$ —              | \$ 2,852          | \$ —        | \$ 2,852          |
| Fixed income securities:   |                   |                   |             |                   |
| U.S. government issues   | —                 | 37,297            | —           | 37,297            |
| Corporate issues   | —                 | 207,222           | —           | 207,222           |
| International issues   | —                 | 35,836            | —           | 35,836            |
| Municipal issues   | —                 | 23,539            | —           | 23,539            |
| Mutual funds:  |                   |                   |             |                   |
| U.S. equity securities   | 173,568           | —                 | —           | 173,568           |
| International equity securities  | 46,416            | —                 | —           | 46,416            |
| Absolute return (1)  | 16,720            | —                 | —           | 16,720            |
| <b>Plan assets measured at NAV (not subject to hierarchy disclosure)</b> |                   |                   |             |                   |
| Common/collective trusts:  |                   |                   |             |                   |
| Real estate  | —                 | —                 | —           | 31,473            |
| Partnership/closely held investments:                                    |                   |                   |             |                   |
| Absolute return (1)  | —                 | —                 | —           | 59,260            |
| Real estate  | —                 | —                 | —           | 7,880             |
| Total  | <u>\$ 236,704</u> | <u>\$ 306,746</u> | <u>\$ —</u> | <u>\$ 642,063</u> |

- (1) This category invests in multiple strategies to diversify risk and reduce volatility. The strategies include: (a) event driven, relative value, convertible, and fixed income arbitrage, (b) distressed investments, (c) long/short equity and fixed income, and (d) market neutral strategies.

The fair value of other postretirement plan assets invested in debt and equity securities was based primarily on market prices. The fair value of investment securities traded on a national securities exchange is determined based on the last reported sales price; securities traded in the over-the-counter market are valued at the last reported bid price. Investment securities for which market prices are not readily available are fair-valued by the investment manager based upon other inputs (including valuations of securities that are comparable in coupon, rating, maturity and industry). The target asset allocation was 60 percent equity securities and 40 percent debt securities in both 2020 and 2019.

The fair value of other postretirement plan assets was determined as of December 31, 2020 and 2019.

The following table discloses by level within the fair value hierarchy (see Note 15 for a description of the fair value hierarchy) of other postretirement plan assets measured and reported as of December 31, 2020 at fair value (dollars in thousands):

|                                | Level 1   | Level 2 | Level 3 | Total     |
|--------------------------------|-----------|---------|---------|-----------|
| Balanced index mutual fund (1) | \$ 52,173 | \$ —    | \$ —    | \$ 52,173 |

The following table discloses by level within the fair value hierarchy (see Note 15 for a description of the fair value hierarchy) of other postretirement plan assets measured and reported as of December 31, 2019 at fair value (dollars in thousands):

|  |   |  |                                  |
|--|---|--|----------------------------------|
| Name of Respondent<br>Avista Corporation | This Report is:<br>(1) <input checked="" type="checkbox"/> An Original<br>(2) <input type="checkbox"/> A Resubmission | Date of Report<br>(Mo, Da, Yr)<br>04/15/2021 | Year/Period of Report<br>2020/Q4 |
| <b>Notes to Financial Statements</b>     |   |  |                                  |

|                                | Level 1   | Level 2 | Level 3 | Total     |
|--------------------------------|-----------|---------|---------|-----------|
| Balanced index mutual fund (1) | \$ 44,853 | \$ —    | \$ —    | \$ 44,853 |

(1) The balanced index fund for 2020 and 2019 is a single mutual fund that includes a percentage of U.S. equity and fixed income securities and International equity and fixed income securities.

#### ***401(k) Plans and Executive Deferral Plan***

Avista Corp. has a salary deferral 401(k) plan that is a defined contribution plan and covers substantially all employees. Employees can make contributions to their respective accounts in the plans on a pre-tax basis up to the maximum amount permitted by law. The Company matches a portion of the salary deferred by each participant according to the schedule in the respective plan.

Employer matching contributions were as follows for the years ended December 31 (dollars in thousands):

|  | 2020      | 2019      |
|--|-----------|-----------|
| Employer 401(k) matching contributions | \$ 11,742 | \$ 10,412 |

The Company has an Executive Deferral Plan. This plan allows executive officers and other key employees the opportunity to defer until the earlier of their retirement, termination, disability or death, up to 75 percent of their base salary and/or up to 100 percent of their incentive payments. Deferred compensation funds are held by the Company in a Rabbi Trust.

There were deferred compensation assets and corresponding deferred compensation liabilities on the Balance Sheets of the following amounts as of December 31 (dollars in thousands):

|  | 2020     | 2019     |
|--|----------|----------|
| Deferred compensation assets and liabilities | \$ 9,174 | \$ 8,948 |

#### **NOTE 9. ACCOUNTING FOR INCOME TAXES**

The realization of deferred income tax assets is dependent upon the ability to generate taxable income in future periods. The Company evaluated available evidence supporting the realization of its deferred income tax assets and determined it is more likely than not that deferred income tax assets will be realized.

As of December 31, 2020, the Company had \$18.3 million of state tax credit carryforwards. Of the total amount, the Company believes that it is more likely than not that it will only be able to utilize \$8.6 million of the state tax credits. As such, the Company has recorded a valuation allowance of \$9.7 million against the state tax credit carryforwards and reflected the net amount of \$8.6 million as an asset as of December 31, 2020. State tax credits expire from 2021 to 2034.

#### ***Status of Internal Revenue Service (IRS) and State Examinations***

The Company and its eligible subsidiaries file federal income tax returns. All tax years after 2016 are open for an IRS tax examination.

The Company also files state income tax returns in certain jurisdictions, including Idaho, Oregon, and Montana. Subsidiaries are charged or credited with the tax effects of their operations on a stand-alone basis.

The Idaho State Tax Commission is currently reviewing tax years 2014 through 2017. All tax years after 2016 are open for examination in Montana and Oregon, and all tax years after 2017 are open for examination in Idaho.

The Company believes that any open tax years for federal or state income taxes will not result in adjustments that would be significant

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| Avista Corporation                   |   |  |                                  |
| <b>Notes to Financial Statements</b> |   |  |                                  |

to the financial statements.

#### NOTE 10. ENERGY PURCHASE CONTRACTS

Avista Corp. has contracts for the purchase of fuel for thermal generation, natural gas for resale and various agreements for the purchase or exchange of electric energy with other entities. The remaining term of the contracts range from one month to twenty-five years.

Total expenses for power purchased, natural gas purchased, fuel for generation and other fuel costs, which are included in utility resource costs in the Statements of Income, were as follows for the years ended December 31 (dollars in thousands):

|                         |            |            |
|-------------------------|------------|------------|
|                         | 2020       | 2019       |
| Utility power resources | \$ 324,297 | \$ 376,769 |

The following table details Avista Corp.'s future contractual commitments for power resources (including transmission contracts) and natural gas resources (including transportation contracts) (dollars in thousands):

|                       | 2021   | 2022   | 2023   | 2024   | 2025   | Thereafter | Total    |
|-----------------------|--------|--------|--------|--------|--------|------------|----------|
| Power resources       | 181,87 | 177,78 | 173,53 | 157,22 | 157,88 |            | 1,697,74 |
|                       | \$ 2   | \$ 6   | \$ 6   | \$ 1   | \$ 7   | \$ 849,444 | \$ 6     |
| Natural gas resources | 67,717 | 52,158 | 42,499 | 35,598 | 32,473 | 241,145    | 471,590  |
| Total                 | 249,58 | 229,94 | 216,03 | 192,81 | 190,36 | 1,090,58   | 2,169,33 |
|                       | \$ 9   | \$ 4   | \$ 5   | \$ 9   | \$ 0   | \$ 9       | \$ 6     |

These energy purchase contracts were entered into as part of Avista Corp.'s obligation to serve its retail electric and natural gas customers' energy requirements, including contracts entered into for resource optimization. As a result, these costs are recovered either through base retail rates or adjustments to retail rates as part of the power and natural gas cost deferral and recovery mechanisms.

The above future contractual commitments for power resources include fixed contractual amounts related to the Company's contracts with certain Public Utility Districts (PUD) to purchase portions of the output of certain generating facilities. Although Avista Corp. has no investment in the PUD generating facilities, the fixed contracts obligate Avista Corp. to pay certain minimum amounts whether or not the facilities are operating. The cost of power obtained under the contracts, including payments made when a facility is not operating, is included in utility resource costs in the Statements of Income. The contractual amounts included above consist of Avista Corp.'s share of existing debt service cost and its proportionate share of the variable operating expenses of these projects. The minimum amounts payable under these contracts are based in part on the proportionate share of the debt service requirements of the PUD's revenue bonds for which the Company is indirectly responsible. The Company's total future debt service obligation associated with the revenue bonds outstanding at December 31, 2020 (principal and interest) was \$63.7 million.

In addition, Avista Corp. has operating agreements, settlements and other contractual obligations related to its generating facilities and transmission and distribution services. The expenses associated with these agreements are reflected as other operating expenses in the Statements of Income. The following table details future contractual commitments under these agreements (dollars in thousands):

|                         | 2021  | 2022  | 2023  | 2024  | 2025  | Thereafter | Total  |
|-------------------------|-------|-------|-------|-------|-------|------------|--------|
| Contractual obligations | 33,88 | 31,33 | 32,08 | 35,68 | 33,70 | 208,52     | 375,22 |
|                         | \$ 5  | \$ 9  | \$ 3  | \$ 2  | \$ 6  | \$ 6       | \$ 1   |

#### NOTE 11. NOTES PAYABLE

|                                      |   |  |                                  |
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| Avista Corporation                   |   |  |                                  |
| <b>Notes to Financial Statements</b> |   |  |                                  |

Avista Corp. has a committed line of credit with various financial institutions in the total amount of \$400.0 million. During 2020, the Company amended and extended, for one additional year, the revolving line of credit agreement for a revised expiration date of April 2022, with the option to extend for an additional one year period. The committed line of credit is secured by non-transferable first mortgage bonds of the Company issued to the agent bank that would only become due and payable in the event, and then only to the extent, that the Company defaults on its obligations under the committed line of credit.

The committed line of credit agreement contains customary covenants and default provisions. The credit agreement has a covenant which does not permit the ratio of "consolidated total debt" to "consolidated total capitalization" of Avista Corp. to be greater than 65 percent at any time. As of December 31, 2020, the Company was in compliance with this covenant.

Balances outstanding and interest rates of borrowings (excluding letters of credit) under the Company's revolving committed lines of credit were as follows as of December 31 (dollars in thousands):

|  | 2020       | 2019       |
|--|------------|------------|
| Balance outstanding at end of period           | \$ 102,000 | \$ 182,300 |
| Letters of credit outstanding at end of period | \$ 27,618  | \$ 21,473  |
| Average interest rate at end of period         | 1.22%      | 2.64%      |

As of December 31, 2020 and 2019, the borrowings outstanding under Avista Corp.'s committed line of credit were classified as short-term borrowings on the Balance Sheets.

#### NOTE 12. CREDIT AGREEMENT

In April 2020, the Company entered into a Credit Agreement with various financial institutions, in the amount of \$100 million with an expiration date of April 2021. Indebtedness under this agreement is unsecured.

The Credit Agreement contains customary covenants and default provisions, including a covenant not to permit the ratio of "consolidated total debt" to "consolidated total capitalization" of Avista Corp. to be greater than 65 percent at any time.

The Company borrowed the entire \$100 million available under this agreement.

#### NOTE 13. BONDS

The following details long-term debt outstanding as of December 31 (dollars in thousands):

| Maturity Year                              | Description                         | Interest Rate | 2020    | 2019    |
|--|-------------------------------------|---------------|---------|---------|
| <b>Avista Corp. Secured Long-Term Debt</b> |                                     |               |         |         |
| 2020                                       | First Mortgage Bonds                | 3.89%         | —       | 52,000  |
| 2022                                       | First Mortgage Bonds                | 5.13%         | 250,000 | 250,000 |
| 2023                                       |                                     | 7.18%-7.54    |         |         |
|  | Secured Medium-Term Notes           | %             | 13,500  | 13,500  |
| 2028                                       | Secured Medium-Term Notes           | 6.37%         | 25,000  | 25,000  |
| 2032                                       | Secured Pollution Control Bonds (1) | (1)           | 66,700  | 66,700  |
| 2034                                       | Secured Pollution Control Bonds (1) | (1)           | 17,000  | 17,000  |
| 2035                                       | First Mortgage Bonds                | 6.25%         | 150,000 | 150,000 |
| 2037                                       | First Mortgage Bonds                | 5.70%         | 150,000 | 150,000 |
| 2040                                       | First Mortgage Bonds                | 5.55%         | 35,000  | 35,000  |
| 2041                                       | First Mortgage Bonds                | 4.45%         | 85,000  | 85,000  |
| 2044                                       | First Mortgage Bonds                | 4.11%         | 60,000  | 60,000  |
| 2045                                       | First Mortgage Bonds                | 4.37%         | 100,000 | 100,000 |

|                    |   |  |                                  |
|--------------------|---|--|----------------------------------|
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| Avista Corporation |   |  |                                  |

**Notes to Financial Statements**

|      |  |       |              |              |
|------|--|-------|--------------|--------------|
| 2047 | First Mortgage Bonds   | 4.23% | 80,000       | 80,000       |
| 2047 | First Mortgage Bonds   | 3.91% | 90,000       | 90,000       |
| 2048 | First Mortgage Bonds   | 4.35% | 375,000      | 375,000      |
| 2049 | First Mortgage Bonds   | 3.43% | 180,000      | 180,000      |
| 2050 | First Mortgage Bonds (2)                                       | 3.07% | 165,000      | —            |
| 2051 | First Mortgage Bonds   | 3.54% | 175,000      | 175,000      |
|      | Total Avista Corp. secured long-term bonds                     |       | 2,017,200    | 1,904,200    |
|      | Secured Pollution Control Bonds held by Avista Corporation (1) |       | (83,700)     | (83,700)     |
|      | Total long-term bonds  |       | \$ 1,933,500 | \$ 1,820,500 |

- (1) In December 2010, \$66.7 million and \$17.0 million of the City of Forsyth, Montana Pollution Control Revenue Refunding Bonds (Avista Corporation Colstrip Project) due in 2032 and 2034, respectively, which had been held by Avista Corp. since 2008 and 2009, respectively, were refunded by new variable rate bond issues (Series 2010A and Series 2010B). The new bonds were not offered to the public and were purchased by Avista Corp. due to market conditions. The Company expects that at a later date, subject to market conditions, these bonds may be remarketed to unaffiliated investors. So long as Avista Corp. is the holder of these bonds, the bonds will not be reflected as an asset or a liability on Avista Corp.'s Balance Sheets.
- (2) In September 2020, the Company issued and sold \$165.0 million of 3.07 percent first mortgage bonds due in 2050 pursuant to a bond purchase agreement with institutional investors in the private placement market. The total net proceeds from the sale of the bonds were used to repay maturing long-term debt of \$52.0 million and repay a portion of the outstanding balance under Avista Corp.'s \$400.0 million committed line of credit. In connection with the pricing of the first mortgage bonds in June 2020, the Company cash settled seven interest rate swap derivatives (notional aggregate amount of \$70.0 million) and paid a net amount of \$33.5 million. See Note 5 for a discussion of interest rate swap derivatives.

The following table details future long-term debt maturities including advances from associated companies (see Note 14) (dollars in thousands):

|                 | 2021 | 2022   | 2023  | 2024 | 2025 | Thereafter | Total    |
|-----------------|------|--------|-------|------|------|------------|----------|
| Debt maturities |      | 250,00 | 13,50 |      |      | 1,721,54   | 1,985,04 |
|                 | \$ — | \$ 0   | \$ 0  | \$ — | \$ — | \$ 7       | \$ 7     |

Substantially all of Avista Corp.'s owned properties are subject to the lien of its mortgage indenture. Under the Mortgage and Deed of Trust (Mortgage) securing its first mortgage bonds (including secured medium-term notes), Avista Corp. may each issue additional first mortgage bonds under its mortgage in an aggregate principal amount equal to the sum of:

- 66-2/3 percent of the cost or fair value (whichever is lower) of property additions which have not previously been made the basis of any application under the Mortgage, or
- an equal principal amount of retired first mortgage bonds which have not previously been made the basis of any application under the Mortgage, or
- deposit of cash.

Avista Corp. may not issue any additional first mortgage bonds (with certain exceptions in the case of bonds issued on the basis of retired bonds) unless it has "net earnings" (as defined in the Mortgage) for any period of 12 consecutive calendar months out of the preceding 18 calendar months that were at least twice the annual interest requirements on all mortgage securities at the time outstanding, including the first mortgage bonds to be issued, and on all indebtedness of prior rank. As of December 31, 2020,

|                                      |   |  |                                  |
|--------------------------------------|---|--|----------------------------------|
| Name of Respondent                   | This Report is:<br>(1) <input checked="" type="checkbox"/> An Original<br>(2) <input type="checkbox"/> A Resubmission | Date of Report<br>(Mo, Da, Yr)<br>04/15/2021 | Year/Period of Report<br>2020/Q4 |
| Avista Corporation                   |   |  |                                  |
| <b>Notes to Financial Statements</b> |   |  |                                  |

property additions and retired bonds would have allowed, and the net earnings test would not have prohibited, the issuance of \$1.7 billion in an aggregate principal amount of additional first mortgage bonds at Avista Corp.

#### NOTE 14. ADVANCES FROM ASSOCIATED COMPANIES

In 1997, the Company issued Floating Rate Junior Subordinated Deferrable Interest Debentures, Series B, with a principal amount of \$51.5 million to Avista Capital II, an affiliated business trust formed by the Company. Avista Capital II issued \$50.0 million of Preferred Trust Securities with a floating distribution rate of LIBOR plus 0.875 percent, calculated and reset quarterly.

The distribution rates paid were as follows during the years ended December 31:

|  | 2020  | 2019  |
|--|-------|-------|
| Low distribution rate                    | 1.10% | 2.79% |
| High distribution rate                   | 2.79% | 3.61% |
| Distribution rate at the end of the year | 1.10% | 2.79% |

Concurrent with the issuance of the Preferred Trust Securities, Avista Capital II issued \$1.5 million of Common Trust Securities to the Company. These Preferred Trust Securities may be redeemed at the option of Avista Capital II at any time and mature on June 1, 2037. In December 2000, the Company purchased \$10.0 million of these Preferred Trust Securities.

The Company owns 100 percent of Avista Capital II and has solely and unconditionally guaranteed the payment of distributions on, and redemption price and liquidation amount for, the Preferred Trust Securities to the extent that Avista Capital II has funds available for such payments from the respective debt securities. Upon maturity or prior redemption of such debt securities, the Preferred Trust Securities will be mandatorily redeemed.

#### NOTE 15. FAIR VALUE

The carrying values of cash and cash equivalents, special deposits, accounts and notes receivable, accounts payable and notes payable are reasonable estimates of their fair values. Bonds and advances from associated companies are reported at carrying value on the Balance Sheets.

The fair value hierarchy prioritizes the inputs used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to fair values derived from unobservable inputs (Level 3 measurements).

The three levels of the fair value hierarchy are defined as follows:

Level 1 – Quoted prices are available in active markets for identical assets or liabilities. Active markets are those in which transactions for the asset or liability occur with sufficient frequency and volume to provide pricing information on an ongoing basis.

Level 2 – Pricing inputs are other than quoted prices in active markets included in Level 1, but which are either directly or indirectly observable as of the reporting date. Level 2 includes those financial instruments that are valued using models or other valuation methodologies. These models are primarily industry-standard models that consider various assumptions, including quoted forward prices for commodities, time value, volatility factors, and current market and contractual prices for the underlying instruments, as well as other relevant economic measures. Substantially all of these assumptions are observable in the marketplace throughout the full term of the instrument, can be derived from observable data or are supported by observable levels at which transactions are executed in the marketplace.

Level 3 – Pricing inputs include significant inputs that are generally unobservable from objective sources. These inputs may be used with internally developed methodologies that result in management's best estimate of fair value.

|                                      |   |  |                                  |
|--------------------------------------|---|--|----------------------------------|
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| Avista Corporation                   |   |  |                                  |
| <b>Notes to Financial Statements</b> |   |  |                                  |

Financial assets and liabilities are classified in their entirety based on the lowest level of input that is significant to the fair value measurement. The Company's assessment of the significance of a particular input to the fair value measurement requires judgment, and may affect the valuation of fair value assets and liabilities and their placement within the fair value hierarchy levels. The determination of the fair values incorporates various factors that not only include the credit standing of the counterparties involved and the impact of credit enhancements (such as cash deposits and letters of credit), but also the impact of Avista Corp.'s nonperformance risk on its liabilities.

The following table sets forth the carrying value and estimated fair value of the Company's financial instruments not reported at estimated fair value on the Balance Sheets as of December 31 (dollars in thousands):

|  | 2020           |                      | 2019           |                      |
|--|----------------|----------------------|----------------|----------------------|
|  | Carrying Value | Estimated Fair Value | Carrying Value | Estimated Fair Value |
| Bonds (Level 2)                              | \$ 963,500     | \$ 1,189,824         | \$ 963,500     | \$ 1,124,649         |
| Bonds (Level 3)                              | 970,000        | 1,125,618            | 857,000        | 946,674              |
| Advances from associated companies (Level 3) | 51,547         | 43,815               | 51,547         | 41,238               |

These estimates of fair value of bonds and advances from associated trusts were primarily based on available market information, which generally consists of estimated market prices from third party brokers for debt with similar risk and terms. The price ranges obtained from the third party brokers consisted of par values of 85.0 to 144.9, where a par value of 100.00 represents the carrying value recorded on the Balance Sheets. Level 2 bonds represent publicly issued bonds with quoted market prices; however, due to their limited trading activity, they are classified as Level 2 because brokers must generate quotes and make estimates using comparable bonds with similar risk and terms if there is no trading activity near a period end. Level 3 bonds consist of private placement bonds and advances from affiliated companies, which typically have no secondary trading activity. Fair values in Level 3 are estimated based on market prices from third party brokers using secondary market quotes for bonds with similar risk and terms to generate quotes for Avista Corp. bonds.

The following table discloses by level within the fair value hierarchy the Company's assets and liabilities measured and reported on the Balance Sheets as of December 31, 2020 at fair value on a recurring basis (dollars in thousands):

|                                       | Level 1  | Level 2   | Level 3 | Counterparty and Cash Collateral Netting (1) | Total     |
|---------------------------------------|----------|-----------|---------|--|-----------|
| <b>December 31, 2020</b>              |          |           |         |  |           |
| <b>Assets:</b>                        |          |           |         |  |           |
| Energy commodity derivatives          | \$ —     | \$ 23,645 | \$ —    | \$ (22,152)                                  | \$ 1,493  |
| Level 3 energy commodity derivatives: |          |           |         |  |           |
| Natural gas exchange agreements       | —        | —         | 75      | (75)   | —         |
| Foreign currency exchange derivatives | —        | 30        | —       | —  | 30        |
| Interest rate swap derivatives        | —        | 952       | —       | (952)  | —         |
| Deferred compensation assets:         |          |           |         |  |           |
| Mutual Funds:                         |          |           |         |  |           |
| Fixed income securities               | 2,471    | —         | —       | —  | 2,471     |
| Equity securities                     | 6,228    | —         | —       | —  | 6,228     |
| Total                                 | \$ 8,699 | \$ 24,627 | \$ 75   | \$ (23,179)                                  | \$ 10,222 |
| <b>Liabilities:</b>                   |          |           |         |  |           |

|                                      |  |                            |                       |
|--------------------------------------|--|----------------------------|-----------------------|
| Name of Respondent                   | This Report is:  | Date of Report             | Year/Period of Report |
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| <b>Notes to Financial Statements</b> |  |                            |                       |

|                                       |    |   |           |    |       |             |           |
|---------------------------------------|----|---|-----------|----|-------|-------------|-----------|
| Energy commodity derivatives          | \$ | — | \$ 23,030 | \$ | —     | \$ (22,768) | \$ 262    |
| Level 3 energy commodity derivatives: |    |   |           |    |       |             |           |
| Natural gas exchange agreement        |    | — | —         |    | 8,485 | (75)        | 8,410     |
| Interest rate swap derivatives        |    | — | 51,765    |    | —     | (9,002)     | 42,763    |
| Total                                 | \$ | — | \$ 74,795 | \$ | 8,485 | \$ (31,845) | \$ 51,435 |

The following table discloses by level within the fair value hierarchy the Company's assets and liabilities measured and reported on the Balance Sheets as of December 31, 2019 at fair value on a recurring basis (dollars in thousands):

|                                       | Level 1 | Level 2 | Level 3   | Counterparty<br>and Cash<br>Collateral<br>Netting (1) | Total |             |           |
|---------------------------------------|---------|---------|-----------|---|-------|-------------|-----------|
| <b>December 31, 2019</b>              |         |         |           |   |       |             |           |
| <b>Assets:</b>                        |         |         |           |   |       |             |           |
| Energy commodity derivatives          | \$      | —       | \$ 41,546 | \$  | —     | \$ (40,452) | \$ 1,094  |
| Level 3 energy commodity derivatives: |         |         |           |   |       |             |           |
| Natural gas exchange agreement        |         | —       | —         |   | 27    | (27)        | —         |
| Foreign currency exchange derivatives |         | —       | 97        |   | —     | —           | 97        |
| Interest rate swap derivatives        |         | —       | 1,552     |   | —     | (963)       | 589       |
| Deferred compensation assets:         |         |         |           |   |       |             |           |
| Mutual Funds:                         |         |         |           |   |       |             |           |
| Fixed income securities               |         | 2,232   | —         |   | —     | —           | 2,232     |
| Equity securities                     |         | 6,271   | —         |   | —     | —           | 6,271     |
| Total                                 | \$      | 8,503   | \$ 43,195 | \$  | 27    | \$ (41,442) | \$ 10,283 |
| <b>Liabilities:</b>                   |         |         |           |   |       |             |           |
| Energy commodity derivatives          | \$      | —       | \$ 45,144 | \$  | —     | \$ (43,830) | \$ 1,314  |
| Level 3 energy commodity derivatives: |         |         |           |   |       |             |           |
| Natural gas exchange agreement        |         | —       | —         |   | 3,003 | (27)        | 2,976     |
| Interest rate swap derivatives        |         | —       | 34,056    |   | —     | (7,733)     | 26,323    |
| Total                                 | \$      | —       | \$ 79,200 | \$  | 3,003 | \$ (51,590) | \$ 30,613 |

- (1) The Company is permitted to net derivative assets and derivative liabilities with the same counterparty when a legally enforceable master netting agreement exists. In addition, the Company nets derivative assets and derivative liabilities against any payables and receivables for cash collateral held or placed with these same counterparties.

The difference between the amount of derivative assets and liabilities disclosed in respective levels in the table above and the amount of derivative assets and liabilities disclosed on the Balance Sheets is due to netting arrangements with certain counterparties. See Note 4 for additional discussion of derivative netting.

To establish fair value for energy commodity derivatives, the Company uses quoted market prices and forward price curves to estimate the fair value of energy commodity derivative instruments included in Level 2. In particular, electric derivative valuations are performed using market quotes, adjusted for periods in between quotable periods. Natural gas derivative valuations are estimated using New York Mercantile Exchange pricing for similar instruments, adjusted for basin differences, using market quotes. Where observable inputs are available for substantially the full term of the contract, the derivative asset or liability is included in Level 2.

To establish fair values for interest rate swap derivatives, the Company uses forward market curves for interest rates for the term of the swaps and discounts the cash flows back to present value using an appropriate discount rate. The discount rate is calculated by

|  |   |  |                                  |
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| Name of Respondent<br>Avista Corporation | This Report is:<br>(1) <input checked="" type="checkbox"/> An Original<br>(2) <input type="checkbox"/> A Resubmission | Date of Report<br>(Mo, Da, Yr)<br>04/15/2021 | Year/Period of Report<br>2020/Q4 |
| <b>Notes to Financial Statements</b>     |   |  |                                  |

third party brokers according to the terms of the swap derivatives and evaluated by the Company for reasonableness, with consideration given to the potential non-performance risk by the Company. Future cash flows of the interest rate swap derivatives are equal to the fixed interest rate in the swap compared to the floating market interest rate multiplied by the notional amount for each period.

To establish fair value for foreign currency derivatives, the Company uses forward market curves for Canadian dollars against the US dollar and multiplies the difference between the locked-in price and the market price by the notional amount of the derivative. Forward foreign currency market curves are provided by third party brokers. The Company's credit spread is factored into the locked-in price of the foreign exchange contracts.

Deferred compensation assets and liabilities represent funds held by the Company in a Rabbi Trust for an executive deferral plan. These funds consist of actively traded equity and bond funds with quoted prices in active markets. The balance disclosed in the table above excludes cash and cash equivalents of \$0.5 million as of December 31, 2020 and \$0.4 million as of December 31, 2019.

### **Level 3 Fair Value**

For the natural gas commodity exchange agreement, the Company uses the same Level 2 brokered quotes described above; however, the Company also estimates the purchase and sales volumes (within contractual limits) as well as the timing of those transactions. Changing the timing of volume estimates changes the timing of purchases and sales, impacting which brokered quote is used. Because the brokered quotes can vary significantly from period to period, the unobservable estimates of the timing and volume of transactions can have a significant impact on the calculated fair value. The Company currently estimates volumes and timing of transactions based on a most likely scenario using historical data. Historically, the timing and volume of transactions have not been highly correlated with market prices and market volatility.

The following table presents the quantitative information which was used to estimate the fair values of the Level 3 assets and liabilities above as of December 31, 2020 (dollars in thousands):

|                      | Fair Value (Net) at<br>December 31,<br>2020 | Valuation<br>Technique                                      | Unobservable Input         | Range  |
|----------------------|---|---|----------------------------|--|
| Natural gas exchange | (8,410)                                     | Internally<br>derived<br>weighted<br>average<br>cost of gas | Forward purchase<br>prices | \$1.71 - \$2.54/mmBTU<br>\$2.01 Weighted Average |
|                      |   |   | Forward sales prices       | \$1.76 - \$4.16/mmBTU<br>\$3.22 Weighted Average |
|                      |   |   | Purchase volumes           | 130,000 - 310,000<br>mmBTUs                      |
|                      |   |   | Sales volumes              | 75,000 - 310,000<br>mmBTUs                       |

The valuation methods, significant inputs and resulting fair values described above were developed by the Company's management and are reviewed on at least a quarterly basis to ensure they provide a reasonable estimate of fair value each reporting period.

The following table presents activity for energy commodity derivative assets (liabilities) measured at fair value using significant unobservable inputs (Level 3) for the years ended December 31 (dollars in thousands):

|  | Natural Gas<br>Exchange | Power<br>Exchange |
|--|-------------------------|-------------------|
|--|-------------------------|-------------------|

|  |   |  |                                  |
|--|---|--|----------------------------------|
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| <b>Notes to Financial Statements</b>     |   |  |                                  |

|  | Agreement  | Agreement  | Total      |
|--|------------|------------|------------|
| <b>Year ended December 31, 2020:</b>       |            |            |            |
| Balance as of January 1, 2020              | \$ (2,976) | \$ —       | \$ (2,976) |
| Total losses (realized/unrealized):        |            |            |            |
| Included in regulatory assets (1)          | (4,311)    | —          | (4,311)    |
| Settlements                                | (1,123)    | —          | (1,123)    |
| Ending balance as of December 31, 2020 (2) | \$ (8,410) | \$ —       | \$ (8,410) |
| <b>Year ended December 31, 2019:</b>       |            |            |            |
| Balance as of January 1, 2019              | \$ (2,774) | \$ (2,488) | \$ (5,262) |
| Total losses (realized/unrealized):        |            |            |            |
| Included in regulatory assets (1)          | 8,175      | 435        | 8,610      |
| Settlements                                | (8,377)    | 2,053      | (6,324)    |
| Ending balance as of December 31, 2019 (2) | \$ (2,976) | \$ —       | \$ (2,976) |

- (1) All gains and losses are included in other regulatory assets and liabilities. There were no gains and losses included in either net income or other comprehensive income during any of the periods presented in the table above.
- (2) There were no purchases, issuances or transfers from other categories of any derivatives instruments during the periods presented in the table above.

#### NOTE 16. COMMON STOCK

The payment of dividends on common stock could be limited by:

- certain covenants applicable to preferred stock (when outstanding) contained in the Company's Restated Articles of Incorporation, as amended (currently there are no preferred shares outstanding),
- certain covenants applicable to the Company's outstanding long-term debt and committed line of credit agreements,
- the hydroelectric licensing requirements of section 10(d) of the FPA (see Note 1), and
- certain requirements under the OPUC approval of the AERC acquisition in 2014. The OPUC's AERC acquisition order requires Avista Corp. to maintain a capital structure of no less than 35 percent common equity (inclusive of short-term debt). This limitation may be revised upon request by the Company with approval from the OPUC.

The requirements of the OPUC approval of the AERC acquisition are the most restrictive. Under the OPUC restriction, the amount available for dividends at December 31, 2020 was \$311.8 million.

The Company has 10 million authorized shares of preferred stock. The Company did not have any preferred stock outstanding as of December 31, 2020 and 2019.

#### *Equity Issuances*

The Company issued equity in 2020 for total net proceeds of \$72.2 million. Most of these issuances came through the Company's sales agency agreements under which the sales agents may offer and sell new shares of common stock from time to time. The Company has board and regulatory authority to issue a maximum of 3.2 million shares under these agreements, of which 1.3 million remain unissued as of December 31, 2020. In 2020, 1.9 million shares were issued under these agreements resulting in total net proceeds of \$70.6 million.

#### NOTE 17. COMMITMENTS AND CONTINGENCIES

In the course of its business, the Company becomes involved in various claims, controversies, disputes and other contingent matters,

|                                      |   |  |                                  |
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| Avista Corporation                   |   |  |                                  |
| <b>Notes to Financial Statements</b> |   |  |                                  |

including the items described in this Note. Some of these claims, controversies, disputes and other contingent matters involve litigation or other contested proceedings. For all such matters, the Company intends to vigorously protect and defend its interests and pursue its rights. However, no assurance can be given as to the ultimate outcome of any particular matter because litigation and other contested proceedings are inherently subject to numerous uncertainties. For matters that affect Avista Corp.'s operations, the Company intends to seek, to the extent appropriate, recovery of incurred costs through the ratemaking process.

### ***Collective Bargaining Agreements***

The Company's collective bargaining agreement with the IBEW represents approximately 40 percent of all of Avista Corp.'s employees. Avista's largest represented group, representing approximately 90 percent of Avista Corp.'s bargaining unit employees in Washington and Idaho, are currently covered under a three-year agreement which expires in March 2021.

The Company is in the process of negotiating a new agreement with the IBEW. However, there is a risk that if the collective bargaining agreement expired and a new agreement was not reached, employees subject to that agreement could strike. Given the number of employees that are covered by the collective bargaining agreement, a strike could result in disruptions to our operations. However, the Company believes that the possibility of this occurring is remote.

### ***2015 Washington General Rate Cases***

In January 2016, the Company received an order (Order 05) that concluded its electric and natural gas general rate cases that were originally filed with the WUTC in February 2015. New electric and natural gas rates were effective on January 11, 2016.

### ***PC Petition for Judicial Review***

In March 2016, PC filed in Thurston County Superior Court a Petition for Judicial Review of the WUTC's Order 05 and Order 06 described above. In April 2016, this matter was certified for review directly by the Court of Appeals, an intermediate appellate court in the State of Washington.

In August 2018, the Court of Appeals issued a "Published Opinion" (Opinion) which concluded that the WUTC's use of an attrition allowance to calculate Avista Corp.'s rate base violated Washington law. In the Opinion, the Court stated that because the projected additions to rate base in the future were not "used and useful" for service at the time the request for the rate increase was made, they may not lawfully be included in the Company's rate base to justify a rate increase. Accordingly, the Court concluded that the WUTC erred in including an attrition allowance in the calculation of Avista Corp.'s electric and natural gas rate base. The Court noted, however, that the law does not prohibit an attrition allowance in the calculation, for ratemaking purposes, of recoverable operating and maintenance expense. Since the WUTC order provided one lump sum attrition allowance without distinguishing what portion was for rate base and which was for operating and maintenance expenses or other considerations, the Court struck all portions of the attrition allowance attributable to Avista Corp.'s rate base and reversed and remanded the case for the WUTC to recalculate Avista Corp.'s rates without including an attrition allowance in the calculation of rate base.

In March 2020, the Company received an order from the WUTC that requires it to refund \$8.5 million to electric and natural gas customers. The Company will refund \$4.9 million to electric customers and \$3.6 million to natural gas customers, which is being refunded over a twelve-month period that began on April 1, 2020. The Company previously recorded a customer refund liability of \$8.5 million in 2019.

### ***Boys Fire (State of Washington Department of Natural Resources v. Avista)***

In August 2019, the Company was served with a complaint, captioned "State of Washington Department of Natural Resources v. Avista Corporation," seeking recovery up to \$4.4 million for fire suppression and investigation costs and related expenses incurred in connection with a wildfire that occurred in Ferry County, Washington in August 2018. Specifically, the complaint alleges that the fire, which became known as the "Boys Fire," was caused by a dead ponderosa pine tree falling into an overhead distribution line, and

|                                      |   |  |                                  |
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| Avista Corporation                   |   |  |                                  |
| <b>Notes to Financial Statements</b> |   |  |                                  |

that Avista Corp. was negligent in failing to identify and remove the tree before it came into contact with the line. Avista Corp. disputes that the tree in question was the cause of the fire and that it was negligent in failing to identify and remove it. Additional lawsuits have subsequently been filed by private landowners seeking property damages, and holders of insurance subrogation claims seeking recovery of insurance proceeds paid.

The lawsuits were filed in the Superior Court of Ferry County, Washington. The Company intends to vigorously defend itself in the litigation. However, the Company cannot predict the outcome of these matters.

### ***Labor Day Windstorm***

In September 2020, a severe windstorm occurred in eastern Washington and northern Idaho. The extreme weather event resulted in customer outages and the cause of multiple wildfires in the region. With respect to wildfires, the Company's investigation determined that the primary cause of the fires was extreme high winds. To date, the Company has not found any evidence that the fires were caused by any deficiencies in its equipment, maintenance activities or vegetation management practices.

The Company has become aware of instances where, during the course of the storm, otherwise healthy trees and limbs, located in areas outside its maintenance right-of-way, broke under the extraordinary wind conditions and caused damage to its energy delivery system at or near what is believed to be the potential area of origin of a wildfire. Those instances include what has been referred to as: the Babb Road fire (near Malden and Pine City, Washington); the Christensen Road fire (near Airway Heights, Washington); and the Mile Marker 49 fire (near Orofino, Idaho). These wildfires covered, in total, approximately 22,000 acres. The Company currently estimates approximately 230 residential, commercial and other structures were impacted. Parallel investigations by applicable state agencies, including the Washington Department of Natural Resources, are ongoing, and the Company is cooperating with those efforts.

In addition to the instances identified above, the Company is aware of a 5-acre fire that occurred in Colfax, Washington, which damaged several residential structures. The Company's investigation determined that the Company's facilities were not involved in the ignition of this fire in any way.

The Company's investigation has found no evidence of negligence with respect to any of the fires, and the Company intends to vigorously defend any claims for damages that may be asserted against it with respect to the wildfires arising out of the extreme wind event.

### ***Other Contingencies***

In the normal course of business, the Company has various other legal claims and contingent matters outstanding. The Company believes that any ultimate liability arising from these actions will not have a material impact on its financial condition, results of operations or cash flows. It is possible that a change could occur in the Company's estimates of the probability or amount of a liability being incurred. Such a change, should it occur, could be significant.

The Company routinely assesses, based on studies, expert analysis and legal reviews, its contingencies, obligations and commitments for remediation of contaminated sites, including assessments of ranges and probabilities of recoveries from other responsible parties who either have or have not agreed to a settlement as well as recoveries from insurance carriers. The Company's policy is to accrue and charge to current expense identified exposures related to environmental remediation sites based on estimates of investigation, cleanup and monitoring costs to be incurred. For matters that affect Avista Corp.'s operations, the Company seeks, to the extent appropriate, recovery of incurred costs through the ratemaking process.

The Company has potential liabilities under the Endangered Species Act for species of fish, plants and wildlife that have either already been added to the endangered species list, listed as "threatened" or petitioned for listing. Thus far, measures adopted and implemented have had minimal impact on the Company. However, the Company will continue to seek recovery, through the

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| Avista Corporation                   |   |  |                                  |
| <b>Notes to Financial Statements</b> |   |  |                                  |

ratemaking process, of all operating and capitalized costs related to these issues.

Under the federal licenses for its hydroelectric projects, the Company is obligated to protect its property rights, including water rights. In addition, the Company holds additional non-hydro water rights. The State of Montana is examining the status of all water right claims within state boundaries through a general adjudication. Claims within the Clark Fork River basin could adversely affect the energy production of the Company's Cabinet Gorge and Noxon Rapids hydroelectric facilities. The state of Idaho has initiated adjudication in northern Idaho, which will ultimately include the lower Clark Fork River, the Spokane River and the Coeur d'Alene basin. The Company is and will continue to be a participant in these and any other relevant adjudication processes. The complexity of such adjudications makes each unlikely to be concluded in the foreseeable future. As such, it is not possible for the Company to estimate the impact of any outcome at this time. The Company will continue to seek recovery, through the ratemaking process, of all operating and capitalized costs related to this issue.

## NOTE 18. REGULATORY MATTERS

### *Power Cost Deferrals and Recovery Mechanisms*

Deferred power supply costs are recorded as a deferred charge or liability on the Balance Sheets for future prudence review and recovery or rebate through retail rates. The power supply costs deferred include certain differences between actual net power supply costs incurred by Avista Corp. and the costs included in base retail rates. This difference in net power supply costs primarily results from changes in:

- short-term wholesale market prices and sales and purchase volumes,
- the level, availability and optimization of hydroelectric generation,
- the level and availability of thermal generation (including changes in fuel prices),
- retail loads, and
- sales of surplus transmission capacity.

In Washington, the ERM allows Avista Corp. to periodically increase or decrease electric rates with WUTC approval to reflect changes in power supply costs. The ERM is an accounting method used to track certain differences between actual power supply costs, net of wholesale sales and sales of fuel, and the amount included in base retail rates for Washington customers and defer these differences (over the \$4.0 million deadband and sharing bands) for future surcharge or rebate to customers. For 2020, the Company recognized a pre-tax benefit of \$6.2 million under the ERM in Washington compared to a benefit of \$4.4 million for 2019. Total net deferred power costs under the ERM were a liability of \$37.9 million as of December 31, 2020 and a liability of \$37.0 million as of December 31, 2019. These deferred power cost balances represent amounts due to customers. Pursuant to WUTC requirements, should the cumulative deferral balance exceed \$30 million in the rebate or surcharge direction, the Company must make a filing with the WUTC to adjust customer rates to either return the balance to customers or recover the balance from customers. As the cumulative rebate balance exceeded \$30 million, the Company's 2019 filing contained a proposed rate refund. The ERM proceeding was considered with the Company's 2019 general rate case proceeding and a refund was approved and is being returned to customers over a two-year period that began on April 1, 2020. Avista Corp. makes an annual filing on, or before, April 1 of each year to provide the opportunity for the WUTC staff and other interested parties to review the prudence of, and audit, the ERM deferred power cost transactions for the prior calendar year.

Avista Corp. has a PCA mechanism in Idaho that allows it to modify electric rates on October 1 of each year with IPUC approval. Under the PCA mechanism, Avista Corp. defers 90 percent of the difference between certain actual net power supply expenses and the amount included in base retail rates for its Idaho customers. The October 1 rate adjustments recover or rebate power costs deferred during the preceding July-June twelve-month period. Total net power supply costs deferred under the PCA mechanism were an asset

|                                      |   |  |                                  |
|--------------------------------------|---|--|----------------------------------|
| Name of Respondent                   | This Report is:<br>(1) <input checked="" type="checkbox"/> An Original<br>(2) <input type="checkbox"/> A Resubmission | Date of Report<br>(Mo, Da, Yr)<br>04/15/2021 | Year/Period of Report<br>2020/Q4 |
| Avista Corporation                   |   |  |                                  |
| <b>Notes to Financial Statements</b> |   |  |                                  |

of \$2.5 million as of December 31, 2020 and \$0.3 million as of December 31, 2019. Deferred power cost assets represent amounts due from customers and liabilities represent amounts due to customers.

#### ***Natural Gas Cost Deferrals and Recovery Mechanisms***

Avista Corp. files a PGA in all three states it serves to adjust natural gas rates for: 1) estimated commodity and pipeline transportation costs to serve natural gas customers for the coming year, and 2) the difference between actual and estimated commodity and transportation costs for the prior year. Total net deferred natural gas costs were an asset of \$1.4 million as of December 31, 2020 and a liability of \$3.2 million as of December 31, 2019. Asset balances represent amounts due from customers and liabilities represent amounts due to customers.

#### ***Decoupling and Earnings Sharing Mechanisms***

Decoupling (also known as an FCA in Idaho) is a mechanism designed to sever the link between a utility's revenues and consumers' energy usage. In each of Avista Corp.'s jurisdictions, Avista Corp.'s electric and natural gas revenues are adjusted so as to be based on the number of customers in certain customer rate classes and assumed "normal" kilowatt hour and therm sales, rather than being based on actual kilowatt hour and therm sales. The difference between revenues based on the number of customers and "normal" sales and revenues based on actual usage is deferred and either surcharged or rebated to customers beginning in the following year. Only residential and certain commercial customer classes are included in decoupling mechanisms.

#### ***Washington Decoupling and Earnings Sharing***

In Washington, the WUTC approved the Company's decoupling mechanisms for electric and natural gas for a five-year period beginning January 1, 2015. In 2019, the WUTC approved an extension of the mechanisms for an additional five-year term through March 31, 2025, with one modification in that new customers added after any test period would not be decoupled until included in a future test period.

Electric and natural gas decoupling surcharge rate adjustments to customers are limited to a 3 percent increase on an annual basis, with any remaining surcharge balance carried forward for recovery in a future period. There is no limit on the level of rebate rate adjustments.

The decoupling mechanisms each include an after-the-fact earnings test. At the end of each calendar year, separate electric and natural gas earnings calculations are made for the calendar year just ended. These earnings tests reflect actual decoupled revenues, normalized power supply costs and other normalizing adjustments. If the Company earns more than its authorized ROR in Washington, 50 percent of excess earnings are rebated to customers through adjustments to decoupling surcharge or rebate balances. See below for a summary of cumulative balances under the decoupling and earnings sharing mechanisms.

#### ***Idaho FCA and Earnings Sharing Mechanisms***

In Idaho, the IPUC approved the implementation of FCAs for electric and natural gas (similar in operation and effect to the Washington decoupling mechanisms) for an initial term of three years, beginning January 1, 2016. In 2019, the IPUC approved an extension of the FCAs through March 31, 2025.

#### ***Oregon Decoupling Mechanism***

In February 2016, the OPUC approved the implementation of a decoupling mechanism for natural gas, similar to the Washington and Idaho mechanisms described above. The decoupling mechanism became effective on March 1, 2016. Changes related to deferral interest rates were recommended by the parties in Avista Corp.'s 2019 general rate case and were implemented effective January 15, 2020. In Oregon, an earnings review is conducted on an annual basis. In the annual earnings review, if the Company earns more than 100 basis points above its allowed ROE, one-third of the earnings above the 100 basis points would be deferred and later returned to customers. The earnings review is separate from the decoupling mechanism and was in place prior to decoupling. See below for a

|  |   |  |                                  |
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| Name of Respondent<br>Avista Corporation | This Report is:<br>(1) <input checked="" type="checkbox"/> An Original<br>(2) <input type="checkbox"/> A Resubmission | Date of Report<br>(Mo, Da, Yr)<br>04/15/2021 | Year/Period of Report<br>2020/Q4 |
| <b>Notes to Financial Statements</b>     |   |  |                                  |

summary of cumulative balances under the decoupling and earnings sharing mechanisms.

*Cumulative Decoupling and Earnings Sharing Mechanism Balances*

As of December 31, 2020 and December 31, 2019, the Company had the following cumulative balances outstanding related to decoupling and earnings sharing mechanisms in its various jurisdictions (dollars in thousands):

|                                       | December 31,<br>2020 | December 31,<br>2019 |
|---------------------------------------|----------------------|----------------------|
| <b>Washington</b>                     |                      |                      |
| Decoupling surcharge                  | \$ 21,340            | \$ 22,440            |
| <b>Idaho</b>                          |                      |                      |
| Decoupling surcharge                  | \$ 1,202             | \$ 2,549             |
| Provision for earnings sharing rebate | (686)                | (686)                |
| <b>Oregon</b>                         |                      |                      |
| Decoupling rebate                     | \$ (1,262)           | \$ (739)             |

There were no earnings sharing rebates associated with Washington and Oregon as of December 31, 2020 and December 31, 2019.

**NOTE 19. TERMINATION OF PROPOSED ACQUISITION BY HYDRO ONE**

In July 2017, Avista Corp. entered into a Merger Agreement that provided for Avista Corp. to become an indirect, wholly-owned subsidiary of Hydro One, subject to the satisfaction or waiver of specified closing conditions, including approval by regulatory agencies. Hydro One, based in Toronto, is Ontario's largest electricity transmission and distribution provider.

*Termination of the Merger Agreement*

Due to the denial of the proposed merger by certain of the Company's regulatory commissions, in January 2019, Avista Corp., Hydro One and certain subsidiaries thereof, entered into a Termination Agreement indicating their mutual agreement to terminate the Merger Agreement, effective immediately. Pursuant to the terms of the Termination Agreement, Hydro One paid Avista Corp. a \$103 million termination fee in January 2019. The termination fee was used for reimbursing the Company's transaction costs incurred from 2017 to 2019. The balance of the termination fee remaining after payment of 2019 transaction costs and applicable income taxes was used for general corporate purposes and reduced the Company's need for external financing. The 2019 costs were \$19.7 million pre-tax and included financial advisers' fees, legal fees, consulting fees and employee time.

**NOTE 20. SALE OF METALfx**

In April 2019, Bay Area Manufacturing, Inc., a non-regulated subsidiary of Avista Corp., entered into a definitive agreement to sell its interest in METALfx to an independent third party. The transaction was a stock sale for a total cash purchase price of \$17.5 million, plus cash on-hand, subject to customary closing adjustments. The transaction closed in April 2019, and as of that date the Company has no further involvement with METALfx.

The purchase price of \$17.5 million, as adjusted, was divided among the security holders of METALfx, including the minority shareholder, pro-rata based on ownership (Avista Corp. owned 89.2 percent of the equity of METALfx). As required under the purchase agreement, \$1.2 million (7 percent of the purchase price) will be held in escrow for 24 months from the closing of the transaction to satisfy certain indemnification obligations.

When all escrow amounts are released, the sales transaction is expected to provide cash proceeds to Avista Corp., net of payments to the minority holder, contractually obligated compensation payments and other transaction expenses, of \$16.5 million and result in a net gain after-tax of \$3.3 million. The Company expects to receive the full amount of its portion of the escrow accounts; therefore, the full amounts are included in the gain calculation.

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|--------------------------------------|---|--|----------------------------------|
| Name of Respondent                   | This Report is:<br>(1) <input checked="" type="checkbox"/> An Original<br>(2) <input type="checkbox"/> A Resubmission | Date of Report<br>(Mo, Da, Yr)<br>04/15/2021 | Year/Period of Report<br>2020/Q4 |
| Avista Corporation                   |   |  |                                  |
| <b>Notes to Financial Statements</b> |   |  |                                  |

**NOTE 21. SUPPLEMENTAL CASH FLOW INFORMATION**

Supplemental cash flow information consisted of the following items for the years ended December 31 (dollars in thousands):

|                                      | 2020      | 2019      |
|--------------------------------------|-----------|-----------|
| Cash paid for interest               | \$ 91,188 | \$ 92,681 |
| Cash paid for income taxes           | 701       | 26,164    |
| Cash received for income tax refunds | (984)     | (589)     |

**NOTE 22. SUBSEQUENT EVENTS**

The Company has evaluated its subsequent events and noted no subsequent events have occurred.

**Summary of Utility Plant and Accumulated Provisions for Depreciation, Amortization and Depletion**

| Line No. | Item (a)   | Total Company For the Current Quarter/Year |
|----------|--|--|
| 1        | UTILITY PLANT  |  |
| 2        | In Service   |  |
| 3        | Plant in Service (Classified)  | 6,627,834,919                              |
| 4        | Property Under Capital Leases  | 71,890,863                                 |
| 5        | Plant Purchased or Sold  |  |
| 6        | Completed Construction not Classified  |  |
| 7        | Experimental Plant Unclassified  |  |
| 8        | TOTAL Utility Plant (Total of lines 3 thru 7)  | 6,699,725,782                              |
| 9        | Leased to Others   |  |
| 10       | Held for Future Use  | 13,727,648                                 |
| 11       | Construction Work in Progress  | 172,073,892                                |
| 12       | Acquisition Adjustments  | 273,648                                    |
| 13       | TOTAL Utility Plant (Total of lines 8 thru 12)   | 6,885,800,970                              |
| 14       | Accumulated Provisions for Depreciation, Amortization, & Depletion                               | 2,294,362,603                              |
| 15       | Net Utility Plant (Total of lines 13 and 14)   | 4,591,438,367                              |
| 16       | DETAIL OF ACCUMULATED PROVISIONS FOR DEPRECIATION, AMORTIZATION AND DEPLETION                    |  |
| 17       | In Service:  |  |
| 18       | Depreciation   | 2,132,757,425                              |
| 19       | Amortization and Depletion of Producing Natural Gas Land and Land Rights                         |  |
| 20       | Amortization of Underground Storage Land and Land Rights   |  |
| 21       | Amortization of Other Utility Plant  | 161,605,178                                |
| 22       | TOTAL In Service (Total of lines 18 thru 21)   | 2,294,362,603                              |
| 23       | Leased to Others   |  |
| 24       | Depreciation   |  |
| 25       | Amortization and Depletion   |  |
| 26       | TOTAL Leased to Others (Total of lines 24 and 25)  |  |
| 27       | Held for Future Use  |  |
| 28       | Depreciation   |  |
| 29       | Amortization   |  |
| 30       | TOTAL Held for Future Use (Total of lines 28 and 29)   |  |
| 31       | Abandonment of Leases (Natural Gas)  |  |
| 32       | Amortization of Plant Acquisition Adjustment   |  |
| 33       | TOTAL Accum. Provisions (Should agree with line 14 above)(Total of lines 22, 26, 30, 31, and 32) | 2,294,362,603                              |

**Summary of Utility Plant and Accumulated Provisions for Depreciation, Amortization and Depletion (continued)**

| Line No. | Electric (c)  | Gas (d)       | Other (specify) (e) | Common (f)  |
|----------|---------------|---------------|---------------------|-------------|
| 1        |               |               |                     |             |
| 2        |               |               |                     |             |
| 3        | 4,525,328,898 | 1,410,775,568 |                     | 691,730,453 |
| 4        |               |               |                     | 71,890,863  |
| 5        |               |               |                     |             |
| 6        |               |               |                     |             |
| 7        |               |               |                     |             |
| 8        | 4,525,328,898 | 1,410,775,568 |                     | 763,621,316 |
| 9        |               |               |                     |             |
| 10       | 12,822,127    | 190,585       |                     | 714,936     |
| 11       | 150,751,249   | 3,747,095     |                     | 17,575,548  |
| 12       | 273,648       |               |                     |             |
| 13       | 4,689,175,922 | 1,414,713,248 |                     | 781,911,800 |
| 14       | 1,635,742,935 | 421,698,079   |                     | 236,921,589 |
| 15       | 3,053,432,987 | 993,015,169   |                     | 544,990,211 |
| 16       |               |               |                     |             |
| 17       |               |               |                     |             |
| 18       | 1,607,056,988 | 421,097,745   |                     | 104,602,692 |
| 19       |               |               |                     |             |
| 20       |               |               |                     |             |
| 21       | 28,685,947    | 600,334       |                     | 132,318,897 |
| 22       | 1,635,742,935 | 421,698,079   |                     | 236,921,589 |
| 23       |               |               |                     |             |
| 24       |               |               |                     |             |
| 25       |               |               |                     |             |
| 26       |               |               |                     |             |
| 27       |               |               |                     |             |
| 28       |               |               |                     |             |
| 29       |               |               |                     |             |
| 30       |               |               |                     |             |
| 31       |               |               |                     |             |
| 32       |               |               |                     |             |
| 33       | 1,635,742,935 | 421,698,079   |                     | 236,921,589 |

|  |   |  |                                  |
|--|---|--|----------------------------------|
| Name of Respondent<br>Avista Corporation | This Report is:<br>(1) <input checked="" type="checkbox"/> An Original<br>(2) <input type="checkbox"/> A Resubmission | Date of Report<br>(Mo, Da, Yr)<br>04/15/2021 | Year/Period of Report<br>2020/Q4 |
| <b>FOOTNOTE DATA</b>                     |   |  |                                  |

**Schedule Page: 200 Line No.: 4 Column: f**  
ROU Asset - \$71,890,863

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**Gas Plant in Service (Accounts 101, 102, 103, and 106)**

1. Report below the original cost of gas plant in service according to the prescribed accounts.  
 2. In addition to Account 101, Gas Plant in Service (Classified), this page and the next include Account 102, Gas Plant Purchased or Sold, Account 103, Experimental Gas Plant Unclassified, and Account 106, Completed Construction Not Classified-Gas.  
 3. Include in column (c) and (d), as appropriate corrections of additions and retirements for the current or preceding year.  
 4. Enclose in parenthesis credit adjustments of plant accounts to indicate the negative effect of such accounts.  
 5. Classify Account 106 according to prescribed accounts, on an estimated basis if necessary, and include the entries in column (c). Also to be included in column (c) are entries for reversals of tentative distributions of prior year reported in column (b). Likewise, if the respondent has a significant amount of plant retirements which have not been classified to primary accounts at the end of the year, include in column (d) a tentative distribution of such retirements, on an estimated basis, with appropriate contra entry to the account for accumulated depreciation provision. Include also in column (d) reversals of tentative distributions of prior year's unclassified retirements. Attach supplemental statement showing the account distributions of these tentative classifications in columns (c) and (d).

| Line No. | Account<br>(a)   | Balance at Beginning of Year<br>(b) | Additions<br>(c) |
|----------|--|-------------------------------------|------------------|
| 1        | INTANGIBLE PLANT   |                                     |                  |
| 2        | 301 Organization   |                                     |                  |
| 3        | 302 Franchises and Consents                                  |                                     |                  |
| 4        | 303 Miscellaneous Intangible Plant                           | 2,764,767                           | 337,963          |
| 5        | TOTAL Intangible Plant (Enter Total of lines 2 thru 4)       | 2,764,767                           | 337,963          |
| 6        | PRODUCTION PLANT   |                                     |                  |
| 7        | Natural Gas Production and Gathering Plant                   |                                     |                  |
| 8        | 325.1 Producing Lands  |                                     |                  |
| 9        | 325.2 Producing Leaseholds                                   |                                     |                  |
| 10       | 325.3 Gas Rights   |                                     |                  |
| 11       | 325.4 Rights-of-Way  |                                     |                  |
| 12       | 325.5 Other Land and Land Rights                             |                                     |                  |
| 13       | 326 Gas Well Structures                                      |                                     |                  |
| 14       | 327 Field Compressor Station Structures                      |                                     |                  |
| 15       | 328 Field Measuring and Regulating Station Equipment         |                                     |                  |
| 16       | 329 Other Structures   |                                     |                  |
| 17       | 330 Producing Gas Wells-Well Construction                    |                                     |                  |
| 18       | 331 Producing Gas Wells-Well Equipment                       |                                     |                  |
| 19       | 332 Field Lines  |                                     |                  |
| 20       | 333 Field Compressor Station Equipment                       |                                     |                  |
| 21       | 334 Field Measuring and Regulating Station Equipment         |                                     |                  |
| 22       | 335 Drilling and Cleaning Equipment                          |                                     |                  |
| 23       | 336 Purification Equipment                                   |                                     |                  |
| 24       | 337 Other Equipment  |                                     |                  |
| 25       | 338 Unsuccessful Exploration and Development Costs           |                                     |                  |
| 26       | 339 Asset Retirement Costs for Natural Gas Production and    |                                     |                  |
| 27       | TOTAL Production and Gathering Plant (Enter Total of lines 8 |                                     |                  |
| 28       | PRODUCTS EXTRACTION PLANT                                    |                                     |                  |
| 29       | 340 Land and Land Rights                                     |                                     |                  |
| 30       | 341 Structures and Improvements                              |                                     |                  |
| 31       | 342 Extraction and Refining Equipment                        |                                     |                  |
| 32       | 343 Pipe Lines   |                                     |                  |
| 33       | 344 Extracted Products Storage Equipment                     |                                     |                  |

**Gas Plant in Service (Accounts 101, 102, 103, and 106) (continued)**

including the reversals of the prior years tentative account distributions of these amounts. Careful observance of the above instructions and the texts of Account 101 and 106 will avoid serious omissions of respondent's reported amount for plant actually in service at end of year.

6. Show in column (f) reclassifications or transfers within utility plant accounts. Include also in column (f) the additions or reductions of primary account classifications arising from distribution of amounts initially recorded in Account 102. In showing the clearance of Account 102, include in column (e) the amounts with respect to accumulated provision for depreciation, acquisition adjustments, etc., and show in column (f) only the offset to the debits or credits to primary account classifications.

7. For Account 399, state the nature and use of plant included in this account and if substantial in amount submit a supplementary statement showing subaccount classification of such plant conforming to the requirements of these pages.

8. For each amount comprising the reported balance and changes in Account 102, state the property purchased or sold, name of vendor or purchaser, and date of transaction. If proposed journal entries have been filed with the Commission as required by the Uniform System of Accounts, give date of such filing.

| Line No. | Retirements<br>(d) | Adjustments<br>(e) | Transfers<br>(f) | Balance at End of Year<br>(g) |
|----------|--------------------|--------------------|------------------|-------------------------------|
| 1        |                    |                    |                  |                               |
| 2        |                    |                    |                  |                               |
| 3        |                    |                    |                  |                               |
| 4        | 493,639            |                    | ( 23,474)        | 2,585,617                     |
| 5        | 493,639            |                    | ( 23,474)        | 2,585,617                     |
| 6        |                    |                    |                  |                               |
| 7        |                    |                    |                  |                               |
| 8        |                    |                    |                  |                               |
| 9        |                    |                    |                  |                               |
| 10       |                    |                    |                  |                               |
| 11       |                    |                    |                  |                               |
| 12       |                    |                    |                  |                               |
| 13       |                    |                    |                  |                               |
| 14       |                    |                    |                  |                               |
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| 17       |                    |                    |                  |                               |
| 18       |                    |                    |                  |                               |
| 19       |                    |                    |                  |                               |
| 20       |                    |                    |                  |                               |
| 21       |                    |                    |                  |                               |
| 22       |                    |                    |                  |                               |
| 23       |                    |                    |                  |                               |
| 24       |                    |                    |                  |                               |
| 25       |                    |                    |                  |                               |
| 26       |                    |                    |                  |                               |
| 27       |                    |                    |                  |                               |
| 28       |                    |                    |                  |                               |
| 29       |                    |                    |                  |                               |
| 30       |                    |                    |                  |                               |
| 31       |                    |                    |                  |                               |
| 32       |                    |                    |                  |                               |
| 33       |                    |                    |                  |                               |

**Gas Plant in Service (Accounts 101, 102, 103, and 106) (continued)**

| Line No. | Account<br>(a)  | Balance at Beginning of Year<br>(b) | Additions<br>(c) |
|----------|---|-------------------------------------|------------------|
| 34       | 345 Compressor Equipment  |                                     |                  |
| 35       | 346 Gas Measuring and Regulating Equipment                        |                                     |                  |
| 36       | 347 Other Equipment   |                                     |                  |
| 37       | 348 Asset Retirement Costs for Products Extraction Plant          |                                     |                  |
| 38       | TOTAL Products Extraction Plant (Enter Total of lines 29 thru 37) |                                     |                  |
| 39       | TOTAL Natural Gas Production Plant (Enter Total of lines 27 and   |                                     |                  |
| 40       | Manufactured Gas Production Plant (Submit Supplementary           | 7,628                               | 52,296           |
| 41       | TOTAL Production Plant (Enter Total of lines 39 and 40)           | 7,628                               | 52,296           |
| 42       | NATURAL GAS STORAGE AND PROCESSING PLANT                          |                                     |                  |
| 43       | Underground Storage Plant   |                                     |                  |
| 44       | 350.1 Land  | 1,313,516                           |                  |
| 45       | 350.2 Rights-of-Way   | 66,742                              |                  |
| 46       | 351 Structures and Improvements                                   | 1,626,548                           | 471,739          |
| 47       | 352 Wells   | 18,002,576                          | 471,738          |
| 48       | 352.1 Storage Leaseholds and Rights                               |                                     |                  |
| 49       | 352.2 Reservoirs  | 1,667,492                           |                  |
| 50       | 352.3 Non-recoverable Natural Gas                                 | 5,810,311                           |                  |
| 51       | 353 Lines   | 2,230,522                           |                  |
| 52       | 354 Compressor Station Equipment                                  | 17,244,517                          | 471,739          |
| 53       | 355 Other Equipment   | 769,085                             | 471,739          |
| 54       | 356 Purification Equipment  | 560,248                             |                  |
| 55       | 357 Other Equipment   | 1,760,289                           | 471,738          |
| 56       | 358 Asset Retirement Costs for Underground Storage Plant          |                                     |                  |
| 57       | TOTAL Underground Storage Plant (Enter Total of lines 44 thru     | 51,051,846                          | 2,358,693        |
| 58       | Other Storage Plant   |                                     |                  |
| 59       | 360 Land and Land Rights  |                                     |                  |
| 60       | 361 Structures and Improvements                                   |                                     |                  |
| 61       | 362 Gas Holders   |                                     |                  |
| 62       | 363 Purification Equipment  |                                     |                  |
| 63       | 363.1 Liquefaction Equipment                                      |                                     |                  |
| 64       | 363.2 Vaporizing Equipment  |                                     |                  |
| 65       | 363.3 Compressor Equipment  |                                     |                  |
| 66       | 363.4 Measuring and Regulating Equipment                          |                                     |                  |
| 67       | 363.5 Other Equipment   |                                     |                  |
| 68       | 363.6 Asset Retirement Costs for Other Storage Plant              |                                     |                  |
| 69       | TOTAL Other Storage Plant (Enter Total of lines 58 thru 68)       |                                     |                  |
| 70       | Base Load Liquefied Natural Gas Terminaling and Processing Plant  |                                     |                  |
| 71       | 364.1 Land and Land Rights  |                                     |                  |
| 72       | 364.2 Structures and Improvements                                 |                                     |                  |
| 73       | 364.3 LNG Processing Terminal Equipment                           |                                     |                  |
| 74       | 364.4 LNG Transportation Equipment                                |                                     |                  |
| 75       | 364.5 Measuring and Regulating Equipment                          |                                     |                  |
| 76       | 364.6 Compressor Station Equipment                                |                                     |                  |
| 77       | 364.7 Communications Equipment                                    |                                     |                  |
| 78       | 364.8 Other Equipment   |                                     |                  |
| 79       | 364.9 Asset Retirement Costs for Base Load Liquefied Natural Gas  |                                     |                  |
| 80       | TOTAL Base Load Liquefied Nat'l Gas, Terminaling and Processing   |                                     |                  |

**Gas Plant in Service (Accounts 101, 102, 103, and 106) (continued)**

| Line No. | Retirements<br>(d) | Adjustments<br>(e) | Transfers<br>(f) | Balance at<br>End of Year<br>(g) |
|----------|--------------------|--------------------|------------------|----------------------------------|
| 34       |                    |                    |                  |                                  |
| 35       |                    |                    |                  |                                  |
| 36       |                    |                    |                  |                                  |
| 37       |                    |                    |                  |                                  |
| 38       |                    |                    |                  |                                  |
| 39       |                    |                    |                  |                                  |
| 40       |                    |                    |                  | 59,924                           |
| 41       |                    |                    |                  | 59,924                           |
| 42       |                    |                    |                  |                                  |
| 43       |                    |                    |                  |                                  |
| 44       |                    |                    |                  | 1,313,516                        |
| 45       |                    |                    |                  | 66,742                           |
| 46       |                    |                    |                  | 2,098,287                        |
| 47       |                    |                    |                  | 18,474,314                       |
| 48       |                    |                    |                  |                                  |
| 49       |                    |                    |                  | 1,667,492                        |
| 50       |                    |                    |                  | 5,810,311                        |
| 51       |                    |                    |                  | 2,230,522                        |
| 52       |                    |                    |                  | 17,716,256                       |
| 53       |                    |                    |                  | 1,240,824                        |
| 54       |                    |                    |                  | 560,248                          |
| 55       |                    |                    |                  | 2,232,027                        |
| 56       |                    |                    |                  |                                  |
| 57       |                    |                    |                  | 53,410,539                       |
| 58       |                    |                    |                  |                                  |
| 59       |                    |                    |                  |                                  |
| 60       |                    |                    |                  |                                  |
| 61       |                    |                    |                  |                                  |
| 62       |                    |                    |                  |                                  |
| 63       |                    |                    |                  |                                  |
| 64       |                    |                    |                  |                                  |
| 65       |                    |                    |                  |                                  |
| 66       |                    |                    |                  |                                  |
| 67       |                    |                    |                  |                                  |
| 68       |                    |                    |                  |                                  |
| 69       |                    |                    |                  |                                  |
| 70       |                    |                    |                  |                                  |
| 71       |                    |                    |                  |                                  |
| 72       |                    |                    |                  |                                  |
| 73       |                    |                    |                  |                                  |
| 74       |                    |                    |                  |                                  |
| 75       |                    |                    |                  |                                  |
| 76       |                    |                    |                  |                                  |
| 77       |                    |                    |                  |                                  |
| 78       |                    |                    |                  |                                  |
| 79       |                    |                    |                  |                                  |
| 80       |                    |                    |                  |                                  |

**Gas Plant in Service (Accounts 101, 102, 103, and 106) (continued)**

| Line No. | Account<br>(a)   | Balance at Beginning of Year<br>(b) | Additions<br>(c) |
|----------|--|-------------------------------------|------------------|
| 81       | TOTAL Nat'l Gas Storage and Processing Plant (Total of lines 57, | 51,051,846                          | 2,358,693        |
| 82       | TRANSMISSION PLAN  |                                     |                  |
| 83       | 365.1 Land and Land Rights                                       |                                     |                  |
| 84       | 365.2 Rights-of-Way  |                                     |                  |
| 85       | 366 Structures and Improvements                                  |                                     |                  |
| 86       | 367 Mains  |                                     |                  |
| 87       | 368 Compressor Station Equipment                                 |                                     |                  |
| 88       | 369 Measuring and Regulating Station Equipment                   |                                     |                  |
| 89       | 370 Communication Equipment                                      |                                     |                  |
| 90       | 371 Other Equipment  |                                     |                  |
| 91       | 372 Asset Retirement Costs for Transmission Plant                |                                     |                  |
| 92       | TOTAL Transmission Plant (Enter Totals of lines 83 thru 91)      |                                     |                  |
| 93       | DISTRIBUTION PLANT   |                                     |                  |
| 94       | 374 Land and Land Rights   | 1,521,412                           | 10,916           |
| 95       | 375 Structures and Improvements                                  | 1,974,279                           | 184,084          |
| 96       | 376 Mains  | 633,397,298                         | 39,472,241       |
| 97       | 377 Compressor Station Equipment                                 |                                     |                  |
| 98       | 378 Measuring and Regulating Station Equipment-General           | 12,268,149                          | 182,320          |
| 99       | 379 Measuring and Regulating Station Equipment-City Gate         | 9,235,056                           | 178,533          |
| 100      | 380 Services   | 397,234,010                         | 24,758,691       |
| 101      | 381 Meters   | 145,607,514                         | 18,157,020       |
| 102      | 382 Meter Installations  |                                     |                  |
| 103      | 383 House Regulators   |                                     |                  |
| 104      | 384 House Regulator Installations                                |                                     |                  |
| 105      | 385 Industrial Measuring and Regulating Station Equipment        | 6,154,052                           | 242,810          |
| 106      | 386 Other Property on Customers' Premises                        |                                     |                  |
| 107      | 387 Other Equipment  | 539                                 |                  |
| 108      | 388 Asset Retirement Costs for Distribution Plant                |                                     |                  |
| 109      | TOTAL Distribution Plant (Enter Total of lines 94 thru 108)      | 1,207,392,309                       | 83,186,615       |
| 110      | GENERAL PLANT  |                                     |                  |
| 111      | 389 Land and Land Rights   | 3,921,827                           | 100              |
| 112      | 390 Structures and Improvements                                  | 29,741,833                          | 207,888          |
| 113      | 391 Office Furniture and Equipment                               | 1,267,984                           | ( 533,647)       |
| 114      | 392 Transportation Equipment                                     | 18,032,901                          | 1,385,406        |
| 115      | 393 Stores Equipment   | 112,801                             |                  |
| 116      | 394 Tools, Shop, and Garage Equipment                            | 8,775,280                           | 680,984          |
| 117      | 395 Laboratory Equipment   | 412,859                             | 25,041           |
| 118      | 396 Power Operated Equipment                                     | 4,199,994                           | 115,836          |
| 119      | 397 Communication Equipment                                      | 2,723,028                           | 701,848          |
| 120      | 398 Miscellaneous Equipment                                      | 2,367                               |                  |
| 121      | Subtotal (Enter Total of lines 111 thru 120)                     | 69,190,874                          | 2,583,456        |
| 122      | 399 Other Tangible Property                                      |                                     |                  |
| 123      | 399.1 Asset Retirement Costs for General Plant                   |                                     |                  |
| 124      | TOTAL General Plant (Enter Total of lines 121, 122 and 123)      | 69,190,874                          | 2,583,456        |
| 125      | TOTAL (Accounts 101 and 106)                                     | 1,330,407,424                       | 88,519,023       |
| 126      | Gas Plant Purchased (See Instruction 8)                          |                                     |                  |
| 127      | (Less) Gas Plant Sold (See Instruction 8)                        |                                     |                  |
| 128      | Experimental Gas Plant Unclassified                              |                                     |                  |
| 129      | TOTAL Gas Plant In Service (Enter Total of lines 125 thru 128)   | 1,330,407,424                       | 88,519,023       |

**Gas Plant in Service (Accounts 101, 102, 103, and 106) (continued)**

| Line No. | Retirements<br>(d) | Adjustments<br>(e) | Transfers<br>(f) | Balance at End of Year<br>(g) |
|----------|--------------------|--------------------|------------------|-------------------------------|
| 81       |                    |                    |                  | 53,410,539                    |
| 82       |                    |                    |                  |                               |
| 83       |                    |                    |                  |                               |
| 84       |                    |                    |                  |                               |
| 85       |                    |                    |                  |                               |
| 86       |                    |                    |                  |                               |
| 87       |                    |                    |                  |                               |
| 88       |                    |                    |                  |                               |
| 89       |                    |                    |                  |                               |
| 90       |                    |                    |                  |                               |
| 91       |                    |                    |                  |                               |
| 92       |                    |                    |                  |                               |
| 93       |                    |                    |                  |                               |
| 94       |                    |                    |                  | 1,532,328                     |
| 95       | 7,265              |                    |                  | 2,151,098                     |
| 96       | 1,092,350          |                    |                  | 671,777,189                   |
| 97       |                    |                    |                  |                               |
| 98       | 2,215              |                    |                  | 12,448,254                    |
| 99       | 48,555             |                    |                  | 9,365,034                     |
| 100      | 339,933            |                    |                  | 421,652,768                   |
| 101      | 4,639,825          |                    |                  | 159,124,709                   |
| 102      |                    |                    |                  |                               |
| 103      |                    |                    |                  |                               |
| 104      |                    |                    |                  |                               |
| 105      | 5,433              |                    |                  | 6,391,429                     |
| 106      |                    |                    |                  |                               |
| 107      |                    |                    |                  | 539                           |
| 108      |                    |                    |                  |                               |
| 109      | 6,135,576          |                    |                  | 1,284,443,348                 |
| 110      |                    |                    |                  |                               |
| 111      |                    |                    |                  | 3,921,927                     |
| 112      | 54,633             |                    |                  | 29,895,088                    |
| 113      |                    |                    | ( 269,564)       | 464,773                       |
| 114      | 180,569            |                    |                  | 19,237,738                    |
| 115      | 27,538             |                    |                  | 85,263                        |
| 116      | 163,456            |                    |                  | 9,292,808                     |
| 117      | 40,917             |                    |                  | 396,983                       |
| 118      |                    |                    | 51,954           | 4,367,784                     |
| 119      | 68,855             |                    | ( 744,612)       | 2,611,409                     |
| 120      |                    |                    |                  | 2,367                         |
| 121      | 535,968            |                    | ( 962,222)       | 70,276,140                    |
| 122      |                    |                    |                  |                               |
| 123      |                    |                    |                  |                               |
| 124      | 535,968            |                    | ( 962,222)       | 70,276,140                    |
| 125      | 7,165,183          |                    | ( 985,696)       | 1,410,775,568                 |
| 126      |                    |                    |                  |                               |
| 127      |                    |                    |                  |                               |
| 128      |                    |                    |                  |                               |
| 129      | 7,165,183          |                    | ( 985,696)       | 1,410,775,568                 |

**Gas Plant Held for Future Use (Account 105)**

1. Report separately each property held for future use at end of the year having an original cost of \$1,000,000 or more. Group other items of property held for future use.
2. For property having an original cost of \$1,000,000 or more previously used in utility operations, now held for future use, give in column (a), in addition to other required information, the date that utility use of such property was discontinued, and the date the original cost was transferred to Account 105.

| Line No. | Description and Location of Property (a) | Date Originally Included in this Account (b) | Date Expected to be Used in Utility Service (c) | Balance at End of Year (d) |
|----------|--|--|---|----------------------------|
| 1        | Gas Distribution Mains and Services      | 03/01/2007                                   | 12/31/2026                                      | 190,585                    |
| 2        | located in Coeur d'Alene, Idaho          |  |   |                            |
| 3        |  |  |   |                            |
| 4        |  |  |   |                            |
| 5        |  |  |   |                            |
| 6        |  |  |   |                            |
| 7        |  |  |   |                            |
| 8        |  |  |   |                            |
| 9        |  |  |   |                            |
| 10       |  |  |   |                            |
| 11       |  |  |   |                            |
| 12       |  |  |   |                            |
| 13       |  |  |   |                            |
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| 18       |  |  |   |                            |
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| 26       |  |  |   |                            |
| 27       |  |  |   |                            |
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| 30       |  |  |   |                            |
| 31       |  |  |   |                            |
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| 40       |  |  |   |                            |
| 41       |  |  |   |                            |
| 42       |  |  |   |                            |
| 43       |  |  |   |                            |
| 44       |  |  |   |                            |
| 45       | <b>Total</b>                             |  |   | <b>190,585</b>             |

**Construction Work in Progress-Gas (Account 107)**

1. Report below descriptions and balances at end of year of projects in process of construction (Account 107).
2. Show items relating to "research, development, and demonstration" projects last, under a caption Research, Development, and Demonstration (see Account 107 of the Uniform System of Accounts).
3. Minor projects (less than \$1,000,000) may be grouped.

| Line No.  | Description of Project<br>(a)                | Construction Work in Progress-Gas<br>(Account 107)<br>(b) | Estimated Additional Cost of Project<br>(c) |
|-----------|--|---|---|
| 1         | Minor Projects under \$1,000,000:            |   |   |
| 2         | Regulator Reliable - Blanket                 | 863,400   | 764,049                                     |
| 3         | Transportation Equip                         | 737,333   | 150,844                                     |
| 4         | Gas Revenue Blanket                          | 476,540   | 236,686                                     |
| 5         | Gas Replace-St&Hwy                           | 384,850   | 1,854,046                                   |
| 6         | Gas Distribution Non-Revenue Blanket         | 314,166   | 21,274                                      |
| 7         | Structures & Improv                          | 183,633   |   |
| 8         | APx Accrual adjustment to service/jurisd     | 178,912   |   |
| 9         | Cathodic Protection-Minor Blanket            | 138,970   | 50,320                                      |
| 10        | Gas Telemetry                                | 107,161   | 149,292                                     |
| 11        | Facilities and Storage Locations Security    | 57,172  | 69,855                                      |
| 12        | Gas Airway Heights HP Reinforcement          | 54,403  |   |
| 13        | Gas Meter and Metering Equipment Purchases   | 53,114  |   |
| 14        | Aldyl -A Pipe Replacement                    | 48,844  | 2,204                                       |
| 15        | Cheney HP Reinforcement                      | 37,687  | 3,062,220                                   |
| 16        | Gas Reinforce-Minor Blanket                  | 34,411  | 114,984                                     |
| 17        | NSC Greene St HP Gas Main                    | 32,007  | 2,768,679                                   |
| 18        | Gas Op Qual - Tooling, Vehicles and Material | 27,050  |   |
| 19        | Gas ERT Minor Blanket                        | 10,873  | 14,500                                      |
| 20        | Tools Lab & Shop Equipment                   | 3,570   | 46,506                                      |
| 21        | Immaterial Difference (GD.WA)                | 2,182   |   |
| 22        | Replace Deteriorating Gas System             | 743   | 24,273                                      |
| 23        | Rathdrum Prairie HP Gas Reinforcement        | 74  | 2,491,016                                   |
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| <b>45</b> | <b>Total</b>                                 | <b>3,747,095</b>  | <b>11,820,748</b>                           |
|           |  |   |   |

|   |   |  |                                  |
|---|---|--|----------------------------------|
| Name of Respondent<br>Avista Corporation                      | This Report is:<br>(1) <input checked="" type="checkbox"/> An Original<br>(2) <input type="checkbox"/> A Resubmission | Date of Report<br>(Mo, Da, Yr)<br>04/15/2021 | Year/Period of Report<br>2020/Q4 |
| <b>General Description of Construction Overhead Procedure</b> |   |  |                                  |

1. For each construction overhead explain: (a) the nature and extent of work, etc., the overhead charges are intended to cover, (b) the general procedure for determining the amount capitalized, (c) the method of distribution to construction jobs, (d) whether different rates are applied to different types of construction, (e) basis of differentiation in rates for different types of construction, and (f) whether the overhead is directly or indirectly assigned.
2. Show below the computation of allowance for funds used during construction rates, in accordance with the provisions of Gas Plant Instructions 3 (17) of the Uniform System of Accounts.
3. Where a net-of-tax rate for borrowed funds is used, show the appropriate tax effect adjustment to the computations below in a manner that clearly indicates the amount of reduction in the gross rate for tax effects.

Construction costs with a direct relationship to new construction and capital replacement activities that cannot be clearly identified with specific projects are charged to overhead pools. The established pools are:

- Construction Overhead North Gas
- Construction Overhead South Gas

Pool costs are allocated monthly to gas construction projects on a percent rate applied to direct project costs, excluding AFUDC. Each pool's rate is calculated separately and applied only to the related gas construction projects for allocation.

**General Description of Construction Overhead Procedure (continued)**

COMPUTATION OF ALLOWANCE FOR FUNDS USED DURING CONSTRUCTION RATES

- For line (5), column (d) below, enter the rate granted in the last rate proceeding. If not available, use the average rate earned during the preceding 3 years.
- Identify, in a footnote, the specific entity used as the source for the capital structure figures.
- Indicate, in a footnote, if the reported rate of return is one that has been approved in a rate case, black-box settlement rate, or an actual three-year average rate.

1. Components of Formula (Derived from actual book balances and actual cost rates):

| Line No. | Title<br>(a)                                  | Amount<br>(b)   | Capitalization Ration (percent)<br>(c) | Cost Rate Percentage<br>(d) |
|----------|---|-----------------|--|-----------------------------|
| (1)      | Average Short-Term Debt                       | S 168,971,000   |  |                             |
| (2)      | Short-Term Interest                           |                 |  | s 1.51                      |
| (3)      | Long-Term Debt                                | D 1,860,500,000 |  | d 5.17                      |
| (4)      | Preferred Stock                               | P               |  | p                           |
| (5)      | Common Equity                                 | C 1,962,928,952 |  | c 9.50                      |
| (6)      | Total Capitalization                          |                 |  |                             |
| (7)      | Average Construction Work In Progress Balance | W 179,952,000   |  |                             |

2. Gross Rate for Borrowed Funds  $s(S/W) + d[(D/(D+P+C)) (1-(S/W))]$  1.57

3. Rate for Other Funds  $[1-(S/W)] [p(P/(D+P+C)) + c(C/(D+P+C))]$  0.30

4. Weighted Average Rate Actually Used for the Year:

- Rate for Borrowed Funds -
- Rate for Other Funds -

|  |   |  |                                  |
|--|---|--|----------------------------------|
| Name of Respondent<br>Avista Corporation | This Report is:<br>(1) <input checked="" type="checkbox"/> An Original<br>(2) <input type="checkbox"/> A Resubmission | Date of Report<br>(Mo, Da, Yr)<br>04/15/2021 | Year/Period of Report<br>2020/Q4 |
| <b>FOOTNOTE DATA</b>                     |   |  |                                  |

**Schedule Page: 218 Line No.: 1 Column: b**

We elected to use the 2019 ST debt amount for calculating AFUDC for Months March-Dec 2020 as allowed in Docket No. AC20-127-000.

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**Accumulated Provision for Depreciation of Gas Utility Plant (Account 108)**

1. Explain in a footnote any important adjustments during year.
2. Explain in a footnote any difference between the amount for book cost of plant retired, line 10, column (c), and that reported for gas plant in service, page 204-209, column (d), excluding retirements of nondepreciable property.
3. The provisions of Account 108 in the Uniform System of Accounts require that retirements of depreciable plant be recorded when such plant is removed from service. If the respondent has a significant amount of plant retired at year end which has not been recorded and/or classified to the various reserve functional classifications, make preliminary closing entries to tentatively functionalize the book cost of the plant retired. In addition, include all costs included in retirement work in progress at year end in the appropriate functional classifications.
4. Show separately interest credits under a sinking fund or similar method of depreciation accounting.
5. At lines 7 and 14, add rows as necessary to report all data. Additional rows should be numbered in sequence, e.g., 7.01, 7.02, etc.

| Line No. | Item<br>(a)  | Total<br>(c+d+e)<br>(b) | Gas Plant in<br>Service<br>(c) | Gas Plant Held<br>for Future Use<br>(d) | Gas Plant Leased<br>to Others<br>(e) |
|----------|--|-------------------------|--------------------------------|---|--------------------------------------|
|          | Section A. BALANCES AND CHANGES DURING YEAR                                |                         |                                |   |                                      |
| 1        | Balance Beginning of Year  | 394,754,186             | 394,754,186                    |   |                                      |
| 2        | Depreciation Provisions for Year, Charged to                               |                         |                                |   |                                      |
| 3        | (403) Depreciation Expense   | 31,515,804              | 31,515,804                     |   |                                      |
| 4        | (403.1) Depreciation Expense for Asset Retirement Costs                    |                         |                                |   |                                      |
| 5        | (413) Expense of Gas Plant Leased to Others                                |                         |                                |   |                                      |
| 6        | Transportation Expenses - Clearing   | 1,286,368               | 1,286,368                      |   |                                      |
| 7        | Other Clearing Accounts  |                         |                                |   |                                      |
| 8        | Other Clearing (Specify) (footnote details):                               |                         |                                |   |                                      |
| 9        |  |                         |                                |   |                                      |
| 10       | TOTAL Deprec. Prov. for Year (Total of lines 3 thru 8)                     | 32,802,172              | 32,802,172                     |   |                                      |
| 11       | Net Charges for Plant Retired:   |                         |                                |   |                                      |
| 12       | Book Cost of Plant Retired   | ( 6,671,545)            | ( 6,671,545)                   |   |                                      |
| 13       | Cost of Removal  | ( 295,031)              | ( 295,031)                     |   |                                      |
| 14       | Salvage (Credit)   |                         |                                |   |                                      |
| 15       | TOTAL Net Chrgs for Plant Ret. (Total of lines 12 thru 14)                 | ( 6,966,576)            | ( 6,966,576)                   |   |                                      |
| 16       | Other Debit or Credit Items (Describe) (footnote details):                 | 507,963                 | 507,963                        |   |                                      |
| 17       |  |                         |                                |   |                                      |
| 18       | Book Cost of Asset Retirement Costs  |                         |                                |   |                                      |
| 19       | Balance End of Year (Total of lines 1,10,15,16 and 18)                     | 421,097,745             | 421,097,745                    |   |                                      |
|          | Section B. BALANCES AT END OF YEAR ACCORDING TO FUNCTIONAL CLASSIFICATIONS |                         |                                |   |                                      |
| 21       | Productions-Manufactured Gas   |                         |                                |   |                                      |
| 22       | Production and Gathering-Natural Gas                                       |                         |                                |   |                                      |
| 23       | Products Extraction-Natural Gas  |                         |                                |   |                                      |
| 24       | Underground Gas Storage  | 19,191,817              | 19,191,817                     |   |                                      |
| 25       | Other Storage Plant  |                         |                                |   |                                      |
| 26       | Base Load LNG Terminaling and Processing Plant                             |                         |                                |   |                                      |
| 27       | Transmission   |                         |                                |   |                                      |
| 28       | Distribution   | 377,906,110             | 377,906,110                    |   |                                      |
| 29       | General  | 23,999,818              | 23,999,818                     |   |                                      |
| 30       | TOTAL (Total of lines 21 thru 29)  | 421,097,745             | 421,097,745                    |   |                                      |

|  |   |  |                                  |
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| Name of Respondent<br>Avista Corporation | This Report is:<br>(1) <input checked="" type="checkbox"/> An Original<br>(2) <input type="checkbox"/> A Resubmission | Date of Report<br>(Mo, Da, Yr)<br>04/15/2021 | Year/Period of Report<br>2020/Q4 |
| <b>FOOTNOTE DATA</b>                     |   |  |                                  |

**Schedule Page: 219 Line No.: 16 Column: c**

Includes:

|  |               |
|--|---------------|
| Change in Removal Work in Progress       | (\$2,009,232) |
| Transfer of vehicle from Gas to Electric | (\$116,870)   |
| AMI/MDM Balance                          | \$2,648.262   |
| Other Misc Credits                       | (\$14,197)    |

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**Gas Stored (Accounts 117.1, 117.2, 117.3, 117.4, 164.1, 164.2, and 164.3)**

1. If during the year adjustments were made to the stored gas inventory reported in columns (d), (f), (g), and (h) (such as to correct cumulative inaccuracies of gas measurements), explain in a footnote the reason for the adjustments, the Dth and dollar amount of adjustment, and account charged or credited.
2. Report in column (e) all encroachments during the year upon the volumes designated as base gas, column (b), and system balancing gas, column (c), and gas property recordable in the plant accounts.
3. State in a footnote the basis of segregation of inventory between current and noncurrent portions. Also, state in a footnote the method used to report storage (i.e., fixed asset method or inventory method).

| Line No. | Description<br>(a)       | (Account 117.1)<br>(b) | (Account 117.2)<br>(c) | Noncurrent (Account 117.3)<br>(d) | (Account 117.4)<br>(e) | Current (Account 164.1)<br>(f) | LNG (Account 164.2)<br>(g) | LNG (Account 164.3)<br>(h) | Total<br>(i) |
|----------|--------------------------|------------------------|------------------------|-----------------------------------|------------------------|--------------------------------|----------------------------|----------------------------|--------------|
| 1        | Balance at Beginning of  | 6,992,076              |                        |                                   |                        | 14,305,397                     |                            |                            | 21,297,473   |
| 2        | Gas Delivered to Storage |                        |                        |                                   |                        | 13,143,711                     |                            |                            | 13,143,711   |
| 3        | Gas Withdrawn from       |                        |                        |                                   |                        | 17,913,784                     |                            |                            | 17,913,784   |
| 4        | Other Debits and Credits |                        |                        |                                   |                        |                                |                            |                            |              |
| 5        | Balance at End of Year   | 6,992,076              |                        |                                   |                        | 9,535,324                      |                            |                            | 16,527,400   |
| 6        | Dth                      | 1,253,060              |                        |                                   |                        | 5,867,975                      |                            |                            | 7,121,035    |
| 7        | Amount Per Dth           | 5.5800                 |                        |                                   |                        | 1.6250                         |                            |                            | 2.3209       |

**Investments (Account 123, 124, and 136)**

1. Report below investments in Accounts 123, Investments in Associated Companies, 124, Other Investments, and 136, Temporary Cash Investments.
2. Provide a subheading for each account and list thereunder the information called for:
  - (a) Investment in Securities-List and describe each security owned, giving name of issuer, date acquired and date of maturity. For bonds, also give principal amount, date of issue, maturity, and interest rate. For capital stock (including capital stock of respondent reacquired under a definite plan for resale pursuant to authorization by the Board of Directors, and included in Account 124, Other Investments) state number of shares, class, and series of stock. Minor investments may be grouped by classes. Investments included in Account 136, Temporary Cash Investments, also may be grouped by classes.
  - (b) Investment Advances-Report separately for each person or company the amounts of loans or investment advances that are properly includable in Account 123. Include advances subject to current repayment in Account 145 and 146. With respect to each advance, show whether the advance is a note or open account.

| Line No. | Description of Investment<br><br>(a)            | *   | Book Cost at Beginning of Year<br>(If book cost is different from cost to respondent, give cost to respondent in a footnote and explain difference)<br><br>(c) | Purchases or Additions During the Year<br><br>(d) |
|----------|---|-----|--|---|
|          |   | (b) |  |   |
| 1        | Investment in Avista Capital II (123010)        |     | 11,547,000   |   |
| 2        | Other Investment - WZN Loans Sandpoint (124350) |     | 59,355   |   |
| 3        | Other Investment - Coli Cash Value (124600)     |     | 28,776,235   |   |
| 4        | Other Investment - Coli Borrowings (124610)     |     | ( 28,776,235)  |   |
| 5        | Other Investment - WZN Loans Oregon (124680)    |     | 18,617   |   |
| 6        | Temp Cash Investments (136000)                  |     | 155,891  |   |
| 7        |   |     |  |   |
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**Investments (Account 123, 124, and 136) (continued)**

List each note, giving date of issuance, maturity date, and specifying whether note is a renewal. Designate any advances due from officers, directors, stockholders, or employees.

3. Designate with an asterisk in column (b) any securities, notes or accounts that were pledged, and in a footnote state the name of pledges and purpose of the pledge.

4. If Commission approval was required for any advance made or security acquired, designate such fact in a footnote and cite Commission, date of authorization, and case or docket number.

5. Report in column (h) interest and dividend revenues from investments including such revenues from securities disposed of during the year.

6. In column (i) report for each investment disposed of during the year the gain or loss represented by the difference between cost of the investment (or the other amount at which carried in the books of account if different from cost) and the selling price thereof, not including any dividend or interest adjustment includible in column (h).

| Line No. | Sales or Other Dispositions During Year<br><br>(e) | Principal Amount or No. of Shares at End of Year<br><br>(f) | Book Cost at End of Year<br>(If book cost is different from cost to respondent, give cost to respondent in a footnote and explain difference)<br><br>(g) | Revenues for Year<br><br>(h) | Gain or Loss from Investment Disposed of<br><br>(i) |
|----------|--|---|--|------------------------------|---|
| 1        |  |   | 11,547,000   |                              |   |
| 2        |  |   | 59,355   |                              |   |
| 3        | ( 2,793,579)                                       |   | 31,569,814   |                              |   |
| 4        | 2,793,579  |   | ( 31,569,814)  |                              |   |
| 5        | 82   |   | 18,535   |                              |   |
| 6        | 3,117  |   | 152,774  |                              |   |
| 7        |  |   |  |                              |   |
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**Investments in Subsidiary Companies (Account 123.1)**

1. Report below investments in Account 123.1, Investments in Subsidiary Companies.
2. Provide a subheading for each company and list thereunder the information called for below. Sub-total by company and give a total in columns (e), (f), (g) and (h).
  - (a) Investment in Securities-List and describe each security owned. For bonds give also principal amount, date of issue, maturity, and interest rate.
  - (b) Investment Advances - Report separately the amounts of loans or investment advances which are subject to repayment, but which are not subject to current settlement. With respect to each advance show whether the advance is a note or open account. List each note giving date of issuance, maturity date, and specifying whether note is a renewal.
3. Report separately the equity in undistributed subsidiary earnings since acquisition. The total in column (e) should equal the amount entered for Account 418.1.

| Line No.  | Description of Investment<br><br>(a)  | Date Acquired<br><br>(b) | Date of Maturity<br><br>(c) | Amount of Investment at Beginning of Year<br><br>(d) |
|-----------|---------------------------------------|--------------------------|-----------------------------|--|
| 1         | Investment in Avista Capital          | 01/01/1997               |                             | 256,138,971  |
| 2         | Avista Capital - Equity in Earnings   |                          |                             | ( 152,844,453)                                       |
| 3         | Investment in AERC                    | 07/01/2014               |                             | 89,816,380   |
| 4         | AERC- Equity in Earnings              |                          |                             | 13,995,056   |
| 5         |                                       |                          |                             |  |
| 6         |                                       |                          |                             |  |
| 7         |                                       |                          |                             |  |
| 8         |                                       |                          |                             |  |
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| 39        |                                       |                          |                             |  |
| <b>40</b> | <b>TOTAL Cost of Account 123.1 \$</b> |                          | <b>TOTAL</b>                | 207,105,954  |

**Investments in Subsidiary Companies (Account 123.1) (continued)**

4. Designate in a footnote, any securities, notes, or accounts that were pledged, and state the name of pledgee and purpose of the pledge.

5. If Commission approval was required for any advance made or security acquired, designate such fact in a footnote and give name of Commission, date of authorization, and case or docket number.

6. Report in column (f) interest and dividend revenues from investments, including such revenues from securities disposed of during the year.

7. In column (h) report for each investment disposed of during the year, the gain or loss represented by the difference between cost of the investment (or the other amount at which carried in the books of account if different from cost), and the selling price thereof, not including interest adjustments includible in column (f).

8. Report on Line 40, column (a) the total cost of Account 123.1.

| Line No.  | Equity in Subsidiary Earnings for Year<br>(e) | Revenues for Year<br>(f) | Amount of Investment at End of Year<br>(g) | Gain or Loss from Investment Disposed of<br>(h) |
|-----------|---|--------------------------|--|---|
| 1         |   |                          | 256,138,971                                |   |
| 2         | ( 2,490,851)                                  |                          | ( 155,335,304)                             |   |
| 3         |   |                          | 89,816,380                                 |   |
| 4         | 7,795,227                                     | 5,000,000                | 16,790,283                                 |   |
| 5         |   |                          |  |   |
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| <b>40</b> | 5,304,376                                     | 5,000,000                | 207,410,330                                |   |

Name of Respondent

Avista Corporation

This Report Is:

(1)  An Original

(2)  A Resubmission

Date of Report  
(Mo, Da, Yr)

04/15/2021

Year/Period of Report

End of 2020/Q4

**Prepayments (Acct 165), Extraordinary Property Losses (Acct 182.1), Unrecovered Plant and Regulatory Study Costs (Acct 182.2)**

**PREPAYMENTS (ACCOUNT 165)**

1. Report below the particulars (details) on each prepayment.

| Line No. | Nature of Payment<br><br>(a) | Balance at End of Year (in dollars)<br>(b) |
|----------|------------------------------|--|
| 1        | Prepaid Insurance            | 2,785,960                                  |
| 2        | Prepaid Rents                | 4,491                                      |
| 3        | Prepaid Taxes                | 4,047,487                                  |
| 4        | Prepaid Interest             |  |
| 5        | Miscellaneous Prepayments    | 19,442,721                                 |
| 6        | TOTAL                        | 26,280,659                                 |

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|--|---|--|----------------------------------|
| Name of Respondent<br>Avista Corporation | This Report is:<br>(1) <input checked="" type="checkbox"/> An Original<br>(2) <input type="checkbox"/> A Resubmission | Date of Report<br>(Mo, Da, Yr)<br>04/15/2021 | Year/Period of Report<br>2020/Q4 |
| <b>FOOTNOTE DATA</b>                     |   |  |                                  |

**Schedule Page: 232 Line No.: 1 Column: a**

Residential Schedule 101 customers who receive a natural gas line extension as part of conversion to natural gas from another fuel source. Amortization for a period of 3 years on the excess allowance exceeding the cost of the line extension.

**Schedule Page: 232 Line No.: 2 Column: a**

Recognition of the overfunded and underfunded status of a defined benefit post retirement plan based on ASC 715 for financial reporting.

**Schedule Page: 232 Line No.: 3 Column: a**

Amortized over remaining book life of pre 1986 vintage assets. Amortization amount varies yearly.

**Schedule Page: 232 Line No.: 5 Column: a**

Amortization for TDG Idaho ended on December 2019. Spokane River relicensing amortization costs ended on 11/30/2020.

**Schedule Page: 232 Line No.: 6 Column: a**

WA Docket UE-080416 & ID Order AVU-E-08-01. Amortization thru 2059.

**Schedule Page: 232 Line No.: 7 Column: a**

Decoupling revenue deferrals are recognized during the period they occur, subject to certain limitations. Revenue is expected to be collected within 24 months of the deferral.

**Schedule Page: 232 Line No.: 8 Column: a**

For Washington Electric, we are currently deferring ARO expenses. Amortization period to be determined. For Idaho Electric, amortization is for 34 years as per Order 34276, AVU-E-18-03.

**Schedule Page: 232 Line No.: 9 Column: a**

Washington Docket# UE-002066 and Idaho Order# 28648

**Schedule Page: 232 Line No.: 10 Column: a**

Reclass of Regulatory Assets related to Colstrip to state jurisdictions.

**Schedule Page: 232 Line No.: 11 Column: a**

Quarterly adjustments to workers comp reserve for current unpaid claims.

**Schedule Page: 232 Line No.: 12 Column: a**

Settled swaps are amortized over the life of the associated debt.

**Schedule Page: 232 Line No.: 13 Column: a**

Amortization period varies depending on timing of transactions.

**Schedule Page: 232 Line No.: 14 Column: a**

Amortization period varies depending on underlying transactions.

**Schedule Page: 232 Line No.: 15 Column: a**

Washington Docket #s UE-180418, UG-180419

**Schedule Page: 232 Line No.: 16 Column: a**

Avista is a participant in the Residential Exchange Program with Bonneville Power Administration. Customers served under Schedules 1, 12, 22, 32, and 48 are given a rate adjustment based on Schedule 59 for Washington and Idaho. Amortization is based on customer usage.

**Schedule Page: 232 Line No.: 17 Column: a**

Idaho Order# 33494, Docket Nos. AVU-E-16-01 and Stipulation and Settlement Docket# AVU-E-19-04.

**Schedule Page: 232 Line No.: 18 Column: a**

Deferring the difference between FERC formula and State approved AFUDC rates primarily from 2010-2017.

**Schedule Page: 232 Line No.: 20 Column: a**

Washington Docket #s UE-180418 and UG-180419. Amortization periods to be determined.

**Schedule Page: 232 Line No.: 21 Column: a**

WA Order 09 in Dockets UE-190334, UE-190222. Deferral of customer portion for future rate recovery. The funds are set aside to helping the Colstrip community transition away from economic activity related to coal-fired generation.

**Schedule Page: 232 Line No.: 22 Column: a**

Deferral of COVID-19 costs as per Idaho PUC Order No. 34718, Oregon PUC Order No. 20-401, Docket UM 2069, and Washington UTC Order No.01, Dockets UE-200407 and UG-200408.

**Schedule Page: 232 Line No.: 23 Column: a**

Idaho PUC Order No. 34606. Deferral of costs related to Avista's entry in the Energy Imbalance Market in March 2022.

|  |   |  |                                  |
|--|---|--|----------------------------------|
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| <b>FOOTNOTE DATA</b>                     |   |  |                                  |

**Schedule Page: 232 Line No.: 24 Column: a**

Oregon PUC Order No. 20-398, Docket UM-2042.

**Schedule Page: 232 Line No.: 25 Column: a**

Oregon Order# 20-354. Deferral of cost of variance in annual regulatory fee rate and the amount collected in rates.

**Schedule Page: 232 Line No.: 26 Column: a**

Idaho PUC Order 34883

**Schedule Page: 232 Line No.: 27 Column: a**

WA order 09, Docket #s UE-190334, UG-190335, UE-190222



**Accumulated Deferred Income Taxes (Account 190)**

1. Report the information called for below concerning the respondent's accounting for deferred income taxes.
2. At Other (Specify), include deferrals relating to other income and deductions.
3. Provide in a footnote a summary of the type and amount of deferred income taxes reported in the beginning-of-year and end-of-year balances for deferred income taxes that the respondent estimates could be included in the development of jurisdictional recourse rates.

| Line No. | Account Subdivisions<br><br>(a)             | Balance at Beginning of Year<br><br>(b) | Changes During Year                     | Changes During Year                      |
|----------|---|---|---|--|
|          |   |   | Amounts Debited to Account 410.1<br>(c) | Amounts Credited to Account 411.1<br>(d) |
| 1        | Account 190                                 |   |   |  |
| 2        | Electric                                    | 20,510,338                              | ( 242,524)                              | 22,884,253                               |
| 3        | Gas   | 3,791,114                               | 747,938                                 | 20,025                                   |
| 4        | Other (Define) (footnote details)           | 152,755,074                             | 42,686,343                              | 49,743,422                               |
| 5        | Total (Total of lines 2 thru 4)             | 177,056,526                             | 43,191,757                              | 72,647,700                               |
| 6        | Other (Specify) (footnote details)          |   |   |  |
| 7        | TOTAL Account 190 (Total of lines 5 thru 6) | 177,056,526                             | 43,191,757                              | 72,647,700                               |
| 8        | Classification of TOTAL                     |   |   |  |
| 9        | Federal Income Tax                          | 177,056,526                             | 43,191,757                              | 72,647,700                               |
| 10       | State Income Tax                            |   |   |  |
| 11       | Local Income Tax                            |   |   |  |

**Accumulated Deferred Income Taxes (Account 190) (continued)**

| Line No. | Changes During Year                  | Changes During Year                   | Adjustments                  | Adjustments             | Adjustments                   | Adjustments              | Balance at End of Year |
|----------|--------------------------------------|---------------------------------------|------------------------------|-------------------------|-------------------------------|--------------------------|------------------------|
|          | Amounts Debited to Account 410.2 (e) | Amounts Credited to Account 411.2 (f) | Debits<br>Account No.<br>(g) | Debits<br>Amount<br>(h) | Credits<br>Account No.<br>(i) | Credits<br>Amount<br>(j) |                        |
| 1        |                                      |                                       |                              |                         |                               |                          |                        |
| 2        | ( 35,303)                            | 458,265                               |                              |                         |                               | 58,344,414               | 102,475,097            |
| 3        | ( 24,257)                            | 20,944                                |                              |                         |                               | 18,265,719               | 21,374,121             |
| 4        | ( 71,652)                            | 1,788,878                             |                              | 68,793,365              |                               |                          | 92,879,318             |
| 5        | ( 131,212)                           | 2,268,087                             |                              | 68,793,365              |                               | 76,610,133               | 216,728,536            |
| 6        |                                      |                                       |                              |                         |                               |                          |                        |
| 7        | ( 131,212)                           | 2,268,087                             |                              | 68,793,365              |                               | 76,610,133               | 216,728,536            |
| 8        |                                      |                                       |                              |                         |                               |                          |                        |
| 9        | ( 131,212)                           | 2,268,087                             |                              | 68,793,365              |                               | 76,610,133               | 216,728,536            |
| 10       |                                      |                                       |                              |                         |                               |                          |                        |
| 11       |                                      |                                       |                              |                         |                               |                          |                        |

|  |   |  |                                  |
|--|---|--|----------------------------------|
| Name of Respondent<br>Avista Corporation | This Report is:<br>(1) <input checked="" type="checkbox"/> An Original<br>(2) <input type="checkbox"/> A Resubmission | Date of Report<br>(Mo, Da, Yr)<br>04/15/2021 | Year/Period of Report<br>2020/Q4 |
| <b>FOOTNOTE DATA</b>                     |   |  |                                  |

**Schedule Page: 234 Line No.: 4 Column: a**

|  | Beg. Balance | End. Balance |
|--|--------------|--------------|
| Plant Excess Deferred Gross Up             | 91,824,390   | 88,267,393   |
| Plant Excess allocated to Electric and Gas |              | (80,198,316) |
| Pension, Medical, and SERP                 | 37,657,367   | 33,779,058   |
| State Income Tax Carryforwards             | 6,529,835    | 18,682,559   |
| Federal Income Tax Carryforwards           | 242,707      | 11,857,126   |
| Derivative Instruments                     | 7,138,000    | 10,930,946   |
| Compensation and Payroll                   | 7,080,529    | 7,695,408    |
| Other Common Deferred Tax Assets           | 2,282,246    | 1,865,144    |
|  | 152,755,074  | 92,879,318   |

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**Capital Stock (Accounts 201 and 204)**

1. Report below the details called for concerning common and preferred stock at end of year, distinguishing separate series of any general class. Show separate totals for common and preferred stock.
2. Entries in column (b) should represent the number of shares authorized by the articles of incorporation as amended to end of year.
3. Give details concerning shares of any class and series of stock authorized to be issued by a regulatory commission which have not yet been issued.

| Line No. | Class and Series of Stock and Name of Stock Exchange<br><br>(a) | Number of Shares Authorized by Charter<br><br>(b) | Par or Stated Value per Share<br><br>(c) | Call Price at End of Year<br><br>(d) |
|----------|---|---|--|--------------------------------------|
| 1        | Acct. 201 - Common Stock Issued:                                |   |  |                                      |
| 2        |   | 200,000,000                                       |  |                                      |
| 3        | Restricted shares   |   |  |                                      |
| 4        | TOTAL Common  | 200,000,000                                       |  |                                      |
| 5        |   |   |  |                                      |
| 6        |   |   |  |                                      |
| 7        | Account 204 - Preferred Stock Issued                            | 10,000,000  |  |                                      |
| 8        |   |   |  |                                      |
| 9        | Total Preferred   | 10,000,000  |  |                                      |
| 10       |   |   |  |                                      |
| 11       |   |   |  |                                      |
| 12       |   |   |  |                                      |
| 13       |   |   |  |                                      |
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| 38       |   |   |  |                                      |
| 39       |   |   |  |                                      |
| 40       |   |   |  |                                      |

**Capital Stock (Accounts 201 and 204)**

4. The identification of each class of preferred stock should show the dividend rate and whether the dividends are cumulative or noncumulative.  
 5. State in a footnote if any capital stock that has been nominally issued is nominally outstanding at end of year.  
 6. Give particulars (details) in column (a) of any nominally issued capital stock, reacquired stock, or stock in sinking and other funds which is pledged, stating name of pledgee and purpose of pledge.

| Line No. | Outstanding per Bal. Sheet (total amt outstanding without reduction for amts held by respondent) Shares (e) | Outstanding per Bal. Sheet Amount (f) | Held by Respondent As Reacquired Stock (Acct 217) Shares (g) | Held by Respondent As Reacquired Stock (Acct 217) Cost (h) | Held by Respondent In Sinking and Other Funds Shares (i) | Held by Respondent In Sinking and Other Funds Amount (j) |
|----------|---|---------------------------------------|--|--|--|--|
| 1        | 69,238,901  | 1,249,688,206                         |  |  | 71,706.00  | 3,667,762.00   |
| 2        |   |                                       |  |  |  |  |
| 3        |   |                                       |  |  |  |  |
| 4        | 69,238,901  | 1,249,688,206                         |  |  | 71,706.00  | 3,667,762.00   |
| 5        |   |                                       |  |  |  |  |
| 6        |   |                                       |  |  |  |  |
| 7        |   |                                       |  |  |  |  |
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| 31       |   |                                       |  |  |  |  |
| 32       |   |                                       |  |  |  |  |
| 33       |   |                                       |  |  |  |  |
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| 37       |   |                                       |  |  |  |  |
| 38       |   |                                       |  |  |  |  |
| 39       |   |                                       |  |  |  |  |
| 40       |   |                                       |  |  |  |  |

**Other Paid-In Capital (Accounts 208-211)**

1. Report below the balance at the end of the year and the information specified below for the respective other paid-in capital accounts. Provide a subheading for each account and show a total for the account, as well as a total of all accounts for reconciliation with the balance sheet, page 112. Explain changes made in any account during the year and give the accounting entries effecting such change.

(a) Donations Received from Stockholders (Account 208) - State amount and briefly explain the origin and purpose of each donation.

(b) Reduction in Par or Stated Value of Capital Stock (Account 209) - State amount and briefly explain the capital changes that gave rise to amounts reported under this caption including identification with the class and series of stock to which related.

(c) Gain or Resale or Cancellation of Reacquired Capital Stock (Account 210) - Report balance at beginning of year, credits, debits, and balance at end of year with a designation of the nature of each credit and debit identified by the class and series of stock to which related.

(d) Miscellaneous Paid-In Capital (Account 211) - Classify amounts included in this account according to captions that, together with brief explanations, disclose the general nature of the transactions that gave rise to the reported amounts.

| Line No.  | Item (a)                            | Amount (b)           |
|-----------|-------------------------------------|----------------------|
| 1         | Equity transactions of subsidiaries | ( 10,696,711)        |
| 2         |                                     |                      |
| 3         |                                     |                      |
| 4         |                                     |                      |
| 5         |                                     |                      |
| 6         |                                     |                      |
| 7         |                                     |                      |
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| 34        |                                     |                      |
| 35        |                                     |                      |
| 36        |                                     |                      |
| 37        |                                     |                      |
| 38        |                                     |                      |
| 39        |                                     |                      |
| <b>40</b> | <b>Total</b>                        | <b>( 10,696,711)</b> |
|           |                                     |                      |

**DISCOUNT ON CAPITAL STOCK (ACCOUNT 213)**

1. Report the balance at end of year of discount on capital stock for each class and series of capital stock. Use as many rows as necessary to report all data.
2. If any change occurred during the year in the balance with respect to any class or series of stock, attach a statement giving details of the change. State the reason for any charge-off during the year and specify the account charged.

| Line No.     | Class and Series of Stock<br>(a) | Balance at End of Year<br>(b) |
|--------------|----------------------------------|-------------------------------|
| 1            |                                  |                               |
| 2            |                                  |                               |
| 3            |                                  |                               |
| 4            |                                  |                               |
| 5            |                                  |                               |
| 6            |                                  |                               |
| 7            |                                  |                               |
| 8            |                                  |                               |
| 9            |                                  |                               |
| 10           |                                  |                               |
| 11           |                                  |                               |
| 12           |                                  |                               |
| 13           |                                  |                               |
| 14           |                                  |                               |
| <b>TOTAL</b> |                                  |                               |

**CAPITAL STOCK EXPENSE (ACCOUNT 214)**

1. Report the balance at end of year of capital stock expenses for each class and series of capital stock. Use as many rows as necessary to report all data. Number the rows in sequence starting from the last row number used for Discount on Capital Stock above.
2. If any change occurred during the year in the balance with respect to any class or series of stock, attach a statement giving details of the change. State the reason for any charge-off of capital stock expense and specify the account charged.

| Line No.     | Class and Series of Stock<br>(a) | Balance at End of Year<br>(b) |
|--------------|----------------------------------|-------------------------------|
| 16           | Common Stock - no par            | ( 47,076,877)                 |
| 17           |                                  |                               |
| 18           |                                  |                               |
| 19           |                                  |                               |
| 20           |                                  |                               |
| 21           |                                  |                               |
| 22           |                                  |                               |
| 23           |                                  |                               |
| 24           |                                  |                               |
| 25           |                                  |                               |
| 26           |                                  |                               |
| 27           |                                  |                               |
| 28           |                                  |                               |
| <b>TOTAL</b> |                                  | ( 47,076,877)                 |

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| Avista Corporation   |   |  |                                  |
| <b>Securities Issued or Assumed and Securities Refunded or Retired During the Year</b> |   |  |                                  |

1. Furnish a supplemental statement briefly describing security financing and refinancing transactions during the year and the accounting for the securities, discounts, premiums, expenses, and related gains or losses. Identify as to Commission authorization numbers and dates.
2. Provide details showing the full accounting for the total principal amount, par value, or stated value of each class and series of security issued, assumed, retired, or refunded and the accounting for premiums, discounts, expenses, and gains or losses relating to the securities. Set forth the facts of the accounting clearly with regard to redemption premiums, unamortized discounts, expenses, and gain or losses relating to securities retired or refunded, including the accounting for such amounts carried in the respondent's accounts at the date of the refunding or refinancing transactions with respect to securities previously refunded or retired.
3. Include in the identification of each class and series of security, as appropriate, the interest or dividend rate, nominal date of issuance, maturity date, aggregate principal amount, par value or stated value, and number of shares. Give also the issuance of redemption price and name of the principal underwriting firm through which the security transactions were consummated.
4. Where the accounting for amounts relating to securities refunded or retired is other than that specified in General Instruction 17 of the Uniform System of Accounts, cite the Commission authorization for the different accounting and state the accounting method.
5. For securities assumed, give the name of the company for which the liability on the securities was assumed as well as details of the transactions whereby the respondent undertook to pay obligations of another company. If any unamortized discount, premiums, expenses, and gains or losses were taken over onto the respondent's books, furnish details of these amounts with amounts relating to refunded securities clearly earmarked.

In September 2020, the Company issued and sold \$165.0 million of 3.07 percent first mortgage bonds due in 2050 pursuant to a bond purchase agreement with institutional investors in the private placement market. The total net proceeds from the sale of the bonds were used to repay maturing long-term debt of \$52.0 million, repay a portion of the outstanding balance under Avista Corp.'s \$400.0 million committed line of credit and for other general corporate purposes. In connection with the issuance and sale of the first mortgage bonds, the Company cash settled seven interest rate swap derivatives (notional aggregate amount of \$70.0 million) and paid a net amount of \$33.5 million. See note 7 for a discussion of interest rate swap derivatives.

The new issuance is based on the following state commission orders:

1. Order of the Washington Utilities and Transportation Commission in Docket No. 171210 entered January 11, 2018 and Order of the Washington Utilities and Transportation Commission in Docket No. 190554 entered September 12, 2019
2. Order of the Idaho Public Utilities Commission, Order No. 33978 entered January 30, 2018 and Order of the Idaho Public Utilities Commission, Order No. 34386 entered July 31, 2019
3. Order of the Public Utility Commission of Oregon, Order No. 19-249, entered July 30, 2019;

Order of the Public Service Commission of the State of Montana, Default Order No. 4535

We issued equity in 2020 for total net proceeds of \$72.4 million. Most of these issuances came through our four separate sales agency agreements under which the sales agents may offer and sell new shares of our common stock from time to time. These agreements provide for the offering of a maximum of 3.2 million shares, of which approximately 1.3 million remain unissued as of December 31, 2020. In 2020, 1.9 million shares were issued under these agreements resulting in total net proceeds of \$71.5 million. Subject to the satisfaction of customary conditions (including any required regulatory approvals), we have the right to increase the maximum number of shares that may be offered under these agreements. These agreements expire on May 13, 2024.

**Long-Term Debt (Accounts 221, 222, 223, and 224)**

1. Report by Balance Sheet Account the details concerning long-term debt included in Account 221, Bonds, 222, Reacquired Bonds, 223, Advances from Associated Companies, and 224, Other Long-Term Debt.
2. For bonds assumed by the respondent, include in column (a) the name of the issuing company as well as a description of the bonds.
3. For Advances from Associated Companies, report separately advances on notes and advances on open accounts. Designate demand notes as such. Include in column (a) names of associated companies from which advances were received.
4. For receivers' certificates, show in column (a) the name of the court and date of court order under which such certificates were issued.

| Line No.  | Class and Series of Obligation and Name of Stock Exchange<br><br>(a) | Nominal Date of Issue<br><br>(b) | Date of Maturity<br><br>(c) | Outstanding (Total amount outstanding without reduction for amts held by respondent)<br><br>(d) |
|-----------|--|----------------------------------|-----------------------------|---|
| 1         | FMBS - SERIES A - 7.53% DUE 05/05/2023                               | 05/06/1993                       | 05/05/2023                  | 5,500,000   |
| 2         | FMBS - SERIES A - 7.54% DUE 05/05/2023                               | 05/07/1993                       | 05/05/2023                  | 1,000,000   |
| 3         | FMBS - SERIES A - 7.18% DUE 08/11/2023                               | 08/12/1993                       | 08/11/2023                  | 7,000,000   |
| 4         | ADVANCE ASSOCIATED-AVISTA CAPITAL II (ToPRS)                         | 06/03/1997                       | 06/01/2037                  | 51,547,000  |
| 5         | FMBS - 6.37% SERIES C  | 06/19/1998                       | 06/19/2028                  | 25,000,000  |
| 6         | FMBS - 6.25% SERIES  | 11/17/2005                       | 12/01/2035                  | 150,000,000   |
| 7         | FMBS - 5.70% SERIES  | 12/15/2006                       | 07/01/2037                  | 150,000,000   |
| 8         | FMBS - 5.125% SERIES   | 09/22/2009                       | 04/01/2022                  | 250,000,000   |
| 9         | COLSTRIP 2010A PCRBs DUE 2032  | 12/15/2010                       | 10/01/2032                  | 66,700,000  |
| 10        | COLSTRIP 2010B PCRBs DUE 2034  | 12/15/2010                       | 03/01/2034                  | 17,000,000  |
| 11        | FMBS - 5.55% SERIES  | 12/20/2010                       | 12/20/2040                  | 35,000,000  |
| 12        | FMBS - 4.45% SERIES  | 12/14/2011                       | 12/14/2041                  | 85,000,000  |
| 13        | FMBS - 4.23% SERIES  | 11/30/2012                       | 11/29/2047                  | 80,000,000  |
| 14        | FMBS - 4.11% SERIES  | 12/18/2014                       | 12/01/2044                  | 60,000,000  |
| 15        | FMBS - 4.37% SERIES  | 12/16/2015                       | 12/01/2045                  | 100,000,000   |
| 16        | FMBS - 3.54% SERIES  | 12/15/2016                       | 12/01/2051                  | 175,000,000   |
| 17        | FMBS - 3.91% SERIES  | 12/14/2017                       | 12/01/2047                  | 90,000,000  |
| 18        | FMBS - 4.35% SERIES  | 05/22/2018                       | 06/01/2048                  | 375,000,000   |
| 19        | FMBS - 3.43% SERIES  | 11/26/2019                       | 12/01/2049                  | 180,000,000   |
| 20        | FMBS - 3.07% SERIES  | 09/30/2020                       | 09/30/2050                  | 165,000,000   |
| 21        |  |                                  |                             |   |
| 22        |  |                                  |                             |   |
| 23        |  |                                  |                             |   |
| 24        |  |                                  |                             |   |
| 25        |  |                                  |                             |   |
| 26        |  |                                  |                             |   |
| 27        |  |                                  |                             |   |
| 28        |  |                                  |                             |   |
| 29        |  |                                  |                             |   |
| 30        |  |                                  |                             |   |
| 31        |  |                                  |                             |   |
| 32        |  |                                  |                             |   |
| 33        |  |                                  |                             |   |
| 34        |  |                                  |                             |   |
| 35        |  |                                  |                             |   |
| 36        |  |                                  |                             |   |
| 37        |  |                                  |                             |   |
| 38        |  |                                  |                             |   |
| 39        |  |                                  |                             |   |
| <b>40</b> | <b>TOTAL</b>   |                                  |                             | <b>2,068,747,000</b>  |

**Long-Term Debt (Accounts 221, 222, 223, and 224)**

5. In a supplemental statement, give explanatory details for Accounts 223 and 224 of net changes during the year. With respect to long-term advances, show for each company: (a) principal advanced during year (b) interest added to principal amount, and (c) principal repaid during year. Give Commission authorization numbers and dates.
6. If the respondent has pledged any of its long-term debt securities, give particulars (details) in a footnote, including name of the pledgee and purpose of the pledge.
7. If the respondent has any long-term securities that have been nominally issued and are nominally outstanding at end of year, describe such securities in a footnote.
8. If interest expense was incurred during the year on any obligations retired or reacquired before end of year, include such interest expense in column (f). Explain in a footnote any difference between the total of column (f) and the total Account 427, Interest on Long-Term Debt and Account 430, Interest on Debt to Associated Companies.
9. Give details concerning any long-term debt authorized by a regulatory commission but not yet issued.

| Line No.  | Interest for Year<br><br>Rate (in %) (e) | Interest for Year<br><br>Amount (f) | Held by Respondent<br><br>Reacquired Bonds (Acct 222) (g) | Held by Respondent<br><br>Sinking and Other Funds (h) | Redemption Price per \$100 at End of Year (i) |
|-----------|--|-------------------------------------|---|---|---|
| 1         | 7.530                                    | 414,150                             |   |   |   |
| 2         | 7.540                                    | 75,400                              |   |   |   |
| 3         | 7.180                                    | 502,600                             |   |   |   |
| 4         | 1.380                                    | 712,864                             |   |   |   |
| 5         | 6.370                                    | 1,592,500                           |   |   |   |
| 6         | 6.250                                    | 9,375,000                           |   |   |   |
| 7         | 5.700                                    | 8,550,000                           |   |   |   |
| 8         | 5.125                                    | 12,812,500                          |   |   |   |
| 9         | 0.710                                    | 475,775                             |   |   |   |
| 10        | 0.710                                    | 121,425                             |   |   |   |
| 11        | 5.550                                    | 1,942,500                           |   |   |   |
| 12        | 4.450                                    | 3,782,500                           |   |   |   |
| 13        | 4.230                                    | 3,384,000                           |   |   |   |
| 14        | 4.110                                    | 2,466,000                           |   |   |   |
| 15        | 4.370                                    | 4,370,000                           |   |   |   |
| 16        | 3.540                                    | 6,195,000                           |   |   |   |
| 17        | 3.910                                    | 3,519,000                           |   |   |   |
| 18        | 4.350                                    | 16,312,500                          |   |   |   |
| 19        | 3.430                                    | 6,174,000                           |   |   |   |
| 20        | 3.070                                    | 5,065,500                           |   |   |   |
| 21        |  |                                     |   |   |   |
| 22        |  |                                     |   |   |   |
| 23        |  |                                     |   |   |   |
| 24        |  |                                     |   |   |   |
| 25        |  |                                     |   |   |   |
| 26        |  |                                     |   |   |   |
| 27        |  |                                     |   |   |   |
| 28        |  |                                     |   |   |   |
| 29        |  |                                     |   |   |   |
| 30        |  |                                     |   |   |   |
| 31        |  |                                     |   |   |   |
| 32        |  |                                     |   |   |   |
| 33        |  |                                     |   |   |   |
| 34        |  |                                     |   |   |   |
| 35        |  |                                     |   |   |   |
| 36        |  |                                     |   |   |   |
| 37        |  |                                     |   |   |   |
| 38        |  |                                     |   |   |   |
| 39        |  |                                     |   |   |   |
| <b>40</b> |  | 87,843,214                          |   |   |   |

**Unamortized Debt Expense, Premium and Discount on Long-Term Debt (Accounts 181, 225, 226)**

1. Report under separate subheadings for Unamortized Debt Expense, Unamortized Premium on Long-Term Debt and Unamortized Discount on Long-Term Debt, details of expense, premium or discount applicable to each class and series of long-term debt.
2. Show premium amounts by enclosing the figures in parentheses.
3. In column (b) show the principal amount of bonds or other long-term debt originally issued.
4. In column (c) show the expense, premium or discount with respect to the amount of bonds or other long-term debt originally issued.

| Line No. | Designation of Long-Term Debt<br><br>(a)     | Principal Amount of Debt Issued<br><br>(b) | Total Expense Premium or Discount<br><br>(c) | Amortization Period<br><br>Date From<br>(d) | Amortization Period<br><br>Date To<br>(e) |
|----------|--|--|--|---|---|
| 1        | FMBS - SERIES A - 7.53% DUE 05/05/2023       | 5,500,000                                  | 42,712                                       | 05/06/1993                                  | 05/05/2023                                |
| 2        | FMBS - SERIES A - 7.54% DUE 5/05/2023        | 1,000,000                                  | 7,766  | 05/07/1993                                  | 05/05/2023                                |
| 3        | FMBS - SERIES A - 7.18% DUE 8/11/2023        | 7,000,000                                  | 54,364                                       | 08/12/1993                                  | 08/11/2023                                |
| 4        | ADVANCE ASSOCIATED-AVISTA CAPITAL II (ToPRS) | 51,547,000                                 | 1,296,086                                    | 06/03/1197                                  | 06/01/2037                                |
| 5        | FMBS - 6.37% SERIES C                        | 25,000,000                                 | 158,304                                      | 06/19/1998                                  | 06/19/2028                                |
| 6        | FMBS - 5.45% SERIES                          | 90,000,000                                 | 1,432,081                                    | 11/18/2004                                  | 12/01/2019                                |
| 7        | FMBS - 6.25% SERIES                          | 150,000,000                                | 2,180,435                                    | 11/17/2005                                  | 12/01/2035                                |
| 8        | FMBS - 5.70% SERIES                          | 150,000,000                                | 4,924,304                                    | 12/15/2006                                  | 07/01/2037                                |
| 9        | FMBS - 5.125% SERIES                         | 250,000,000                                | 2,859,788                                    | 09/22/2009                                  | 04/01/2022                                |
| 10       | FMBS - 3.89% SERIES                          | 52,000,000                                 | 385,129                                      | 12/20/2010                                  | 12/20/2020                                |
| 11       | FMBS - 5.55% SERIES                          | 35,000,000                                 | 258,834                                      | 12/20/2010                                  | 12/20/2040                                |
| 12       | Short-Term Credit Facility                   |  | 5,070,271                                    | 12/14/2011                                  | 04/18/2022                                |
| 13       | 4.45% SERIES DUE 12-14-2041                  | 85,000,000                                 | 692,833                                      | 12/14/2011                                  | 12/14/2041                                |
| 14       | 4.23% SERIES DUE 11-29-2047                  | 80,000,000                                 | 730,833                                      | 11/30/2012                                  | 11/29/2047                                |
| 15       | 4.11% Seires Due 12-1-2044                   | 60,000,000                                 | 428,205                                      | 12/18/2014                                  | 12/01/2044                                |
| 16       | 4.37% Series Due 12-1-2045                   | 100,000,000                                | 590,761                                      | 12/16/2015                                  | 12/01/2045                                |
| 17       | 3.54% Series Due 12-1-2051                   | 175,000,000                                | 1,042,569                                    | 12/15/2016                                  | 12/01/2051                                |
| 18       | 3.91% Series Due 12-1-2047                   | 90,000,000                                 | 552,539                                      | 12/14/2017                                  | 12/01/2047                                |
| 19       | 4.35% Series due 6-1-2048                    | 375,000,000                                | 4,625,198                                    | 06/01/2018                                  | 06/01/2048                                |
| 20       | 3.43% Series Due 12-1-2049                   | 180,000,000                                | 1,113,113                                    | 12/01/2019                                  | 12/01/2049                                |
| 21       | Rathrum 2005                                 |  | 71,646                                       | 09/30/2005                                  | 12/01/2035                                |
| 22       | Debt Strategies                              |  | 858  | 08/01/2005                                  | 08/01/2035                                |
| 23       |  |  |  |   |   |
| 24       |  |  |  |   |   |
| 25       |  |  |  |   |   |
| 26       |  |  |  |   |   |
| 27       |  |  |  |   |   |
| 28       |  |  |  |   |   |
| 29       |  |  |  |   |   |
| 30       |  |  |  |   |   |
| 31       |  |  |  |   |   |
| 32       |  |  |  |   |   |
| 33       |  |  |  |   |   |
| 34       |  |  |  |   |   |
| 35       |  |  |  |   |   |
| 36       |  |  |  |   |   |
| 37       |  |  |  |   |   |
| 38       |  |  |  |   |   |
| 39       |  |  |  |   |   |
| 40       |  |  |  |   |   |

**Unamortized Debt Expense, Premium and Discount on Long-Term Debt (Accounts 181, 225, 226)**

5. Furnish in a footnote details regarding the treatment of unamortized debt expense, premium or discount associated with issues redeemed during the year. Also, give in a footnote the date of the Commission's authorization of treatment other than as specified by the Uniform System of Accounts.

6. Identify separately undisposed amounts applicable to issues which were redeemed in prior years.

7. Explain any debits and credits other than amortization debited to Account 428, Amortization of Debt Discount and Expense, or credited to Account 429, Amortization of Premium on Debt-Credit.

| Line No. | Balance at Beginning of Year<br><br>(f) | Debits During Year<br><br>(g) | Credits During Year<br><br>(h) | Balance at End of Year<br><br>(i) |
|----------|---|-------------------------------|--------------------------------|-----------------------------------|
| 1        | 4,863                                   |                               |                                | 4,863                             |
| 2        | 884                                     |                               |                                | 884                               |
| 3        | 6,645                                   |                               |                                | 6,645                             |
| 4        | 245,258                                 |                               |                                | 245,258                           |
| 5        | 44,853                                  |                               |                                | 44,853                            |
| 6        |   |                               |                                |                                   |
| 7        | 1,161,102                               |                               |                                | 1,161,102                         |
| 8        | 2,831,471                               |                               |                                | 2,831,471                         |
| 9        | 530,972                                 |                               |                                | 530,972                           |
| 10       | 38,620                                  |                               |                                | 38,620                            |
| 11       | 181,189                                 |                               |                                | 181,189                           |
| 12       | 579,108                                 |                               |                                | 579,108                           |
| 13       | 508,286                                 |                               |                                | 508,286                           |
| 14       | 583,071                                 |                               |                                | 583,071                           |
| 15       | 357,055                                 |                               |                                | 357,055                           |
| 16       | 512,239                                 |                               |                                | 512,239                           |
| 17       | 953,402                                 |                               |                                | 953,402                           |
| 18       | 515,830                                 |                               |                                | 515,830                           |
| 19       | 4,382,258                               |                               |                                | 4,382,258                         |
| 20       | 1,110,034                               |                               |                                | 1,110,034                         |
| 21       | 37,898                                  |                               |                                | 37,898                            |
| 22       | 447                                     |                               |                                | 447                               |
| 23       |   |                               |                                |                                   |
| 24       |   |                               |                                |                                   |
| 25       |   |                               |                                |                                   |
| 26       |   |                               |                                |                                   |
| 27       |   |                               |                                |                                   |
| 28       |   |                               |                                |                                   |
| 29       |   |                               |                                |                                   |
| 30       |   |                               |                                |                                   |
| 31       |   |                               |                                |                                   |
| 32       |   |                               |                                |                                   |
| 33       |   |                               |                                |                                   |
| 34       |   |                               |                                |                                   |
| 35       |   |                               |                                |                                   |
| 36       |   |                               |                                |                                   |
| 37       |   |                               |                                |                                   |
| 38       |   |                               |                                |                                   |
| 39       |   |                               |                                |                                   |
| 40       |   |                               |                                |                                   |

**Unamortized Loss and Gain on Reacquired Debt (Accounts 189, 257)**

1. Report under separate subheadings for Unamortized Loss and Unamortized Gain on Reacquired Debt, details of gain and loss, including maturity date, on reacquisition applicable to each class and series of long-term debt. If gain or loss resulted from a refunding transaction, include also the maturity date of the new issue.
2. In column (c) show the principal amount of bonds or other long-term debt reacquired.
3. In column (d) show the net gain or net loss realized on each debt reacquisition as computed in accordance with General Instruction 17 of the Uniform Systems of Accounts.
4. Show loss amounts by enclosing the figures in parentheses.
5. Explain in a footnote any debits and credits other than amortization debited to Account 428.1, Amortization of Loss on Reacquired Debt, or credited to Account 429.1, Amortization of Gain on Reacquired Debt-Credit.

| Line No. | Designation of Long-Term Debt<br>(a)         | Date Reacquired<br>(b) | Principal of Debt Reacquired<br>(c) | Net Gain or Loss<br>(d) | Balance at Beginning of Year<br>(e) | Balance at End of Year<br>(f) |
|----------|--|------------------------|-------------------------------------|-------------------------|-------------------------------------|-------------------------------|
| 1        | Misc Debt Repurchases I                      | 05/10/1993             |                                     | ( 4,695,395)            | ( 183,104)                          | ( 138,869)                    |
| 2        | ADVANCE ASSOCIATED-AVISTA CAPITAL II (ToPRS) | 12/18/2000             | 10,000,000                          | 1,769,125               | 849,993                             | 801,190                       |
| 3        | Misc 2002 Repurchase                         | 12/31/2002             | 10,000,000                          | 2,228,153               | 412,393                             | 360,301                       |
| 4        | Misc 2003 Repurchase                         | 12/31/2003             | 25,330,000                          | 315,274                 | 71,860                              | 64,860                        |
| 5        | Misc 2005 Repurchase                         | 12/31/2005             | 26,000,000                          | ( 1,700,371)            | ( 497,013)                          | ( 462,009)                    |
| 6        | Misc 2008 Repurchase Costs                   | 12/31/2008             |                                     | 43,132                  | 10,922                              | 8,226                         |
| 7        | AVA Capital Trust III (2022)                 | 04/01/2009             | 60,000,000                          | ( 2,875,817)            | ( 534,974)                          | ( 305,699)                    |
| 8        | COLSTRIP 2010A PCRBs DUE 2032                | 12/14/2010             | 66,700,000                          | ( 3,709,174)            | ( 1,997,737)                        | ( 1,842,069)                  |
| 9        | COLSTRIP 2010B PCRBs DUE 2034                | 12/14/2010             | 17,000,000                          | ( 1,916,297)            | ( 1,171,994)                        | ( 1,089,500)                  |
| 10       | FMBS - 7.25% SERIES (2040)                   | 12/20/2010             | 30,000,000                          | ( 5,263,822)            | ( 3,684,675)                        | ( 3,509,214)                  |
| 11       | FMBS - 6.125% SERIES (2020)                  | 12/20/2010             | 45,000,000                          | ( 6,273,664)            | ( 627,366)                          |                               |
| 12       | KETTLE FALLS P C REV BONDS DUE 14 (2047)     | 06/28/2012             | 4,100,000                           | ( 105,020)              | ( 83,766)                           | ( 80,766)                     |
| 13       |  |                        |                                     |                         |                                     |                               |
| 14       |  |                        |                                     |                         |                                     |                               |
| 15       |  |                        |                                     |                         |                                     |                               |
| 16       |  |                        |                                     |                         |                                     |                               |
| 17       |  |                        |                                     |                         |                                     |                               |
| 18       |  |                        |                                     |                         |                                     |                               |
| 19       |  |                        |                                     |                         |                                     |                               |
| 20       |  |                        |                                     |                         |                                     |                               |
| 21       |  |                        |                                     |                         |                                     |                               |
| 22       |  |                        |                                     |                         |                                     |                               |
| 23       |  |                        |                                     |                         |                                     |                               |
| 24       |  |                        |                                     |                         |                                     |                               |
| 25       |  |                        |                                     |                         |                                     |                               |
| 26       |  |                        |                                     |                         |                                     |                               |
| 27       |  |                        |                                     |                         |                                     |                               |
| 28       |  |                        |                                     |                         |                                     |                               |
| 29       |  |                        |                                     |                         |                                     |                               |
| 30       |  |                        |                                     |                         |                                     |                               |
| 31       |  |                        |                                     |                         |                                     |                               |
| 32       |  |                        |                                     |                         |                                     |                               |
| 33       |  |                        |                                     |                         |                                     |                               |
| 34       |  |                        |                                     |                         |                                     |                               |
| 35       |  |                        |                                     |                         |                                     |                               |
| 36       |  |                        |                                     |                         |                                     |                               |
| 37       |  |                        |                                     |                         |                                     |                               |
| 38       |  |                        |                                     |                         |                                     |                               |
| 39       |  |                        |                                     |                         |                                     |                               |
| 40       |  |                        |                                     |                         |                                     |                               |

**Reconciliation of Reported Net Income with Taxable Income for Feder Income Taxes**

1. Report the reconciliation of reported net income for the year with taxable income used in computing Federal Income Tax accruals and show computation of such tax accruals. Include in the reconciliation, as far as practicable, the same detail as furnished on Schedule M-1 of the tax return for the year. Submit a reconciliation even though there is no taxable income for the year. Indicate clearly the nature of each reconciling amount.

2. If the utility is a member of a group that files consolidated Federal tax return, reconcile reported net income with taxable net income as if a separate return were to be filed, indicating, however, intercompany amounts to be eliminated in such a consolidated return. State names of group members, tax assigned to each group member, and basis of allocation, assignments, or sharing of the consolidated tax among the group members.

| Line No. | Details (a)   | Amount (b)     |
|----------|---|----------------|
| 1        | Net Income for the Year (Page 116)                    | 134,517,321    |
| 2        | Reconciling Items for the Year                        |                |
| 3        |   |                |
| 4        | Taxable Income Not Reported on Books                  |                |
| 5        |   | 8,180,842      |
| 6        |   |                |
| 7        |   |                |
| 8        | TOTAL   | 8,180,842      |
| 9        | Deductions Recorded on Books Not Deducted for Return  |                |
| 10       |   | 301,465,914    |
| 11       | Federal Income Tax Expense                            | 7,957,636      |
| 12       | State Income Tax Expense Adj                          | ( 534,566)     |
| 13       | TOTAL   | 308,888,984    |
| 14       | Income Recorded on Books Not Included in Return       |                |
| 15       |   | ( 39,821,309)  |
| 16       |   |                |
| 17       |   |                |
| 18       | TOTAL   | ( 39,821,309)  |
| 19       | Deductions on Return Not Charged Against Book Income  |                |
| 20       |   | ( 413,202,637) |
| 21       |   |                |
| 22       |   |                |
| 23       | Equity in Sub Earnings                                | ( 5,304,376)   |
| 24       | Corporate Overhead Unallocated Subs                   | 626,652        |
| 25       |   |                |
| 26       | TOTAL   | ( 417,880,361) |
| 27       | Federal Tax Net Income                                | ( 6,114,523)   |
| 28       | Show Computation of Tax:                              |                |
| 29       |   |                |
| 30       | Federal Tax at 21%                                    | ( 1,284,050)   |
| 31       |   |                |
| 32       | Prior Year True Ups                                   | ( 39,280,403)  |
| 33       | Customer refunds related to prior years at 35 percent | ( 690,508)     |
| 34       |   |                |
| 35       | Total Federal Current Tax Expense                     | ( 41,254,961)  |

**Taxes Accrued, Prepaid and Charged During Year, Distribution of Taxes Charged (Show utility dept where applicable and acct charged)**

1. Give details of the combined prepaid and accrued tax accounts and show the total taxes charged to operations and other accounts during the year. Do not include gasoline and other sales taxes which have been charged to the accounts to which the taxed material was charged. If the actual or estimated amounts of such taxes are known, show the amounts in a footnote and designate whether estimated or actual amounts.

2. Include on this page, taxes paid during the year and charged direct to final accounts, (not charged to prepaid or accrued taxes). Enter the amounts in both columns (d) and (e). The balancing of this page is not affected by the inclusion of these taxes.

3. Include in column (d) taxes charged during the year, taxes charged to operations and other accounts through (a) accruals credited to taxes accrued, (b) amounts credited to the portion of prepaid taxes charged to current year, and (c) taxes paid and charged direct to operations or accounts other than accrued and prepaid tax accounts.

4. List the aggregate of each kind of tax in such manner that the total tax for each State and subdivision can readily be ascertained.

| Line No. | Kind of Tax<br>(See Instruction 5)<br><br>(a) | Balance at<br>Beg. of Year<br><br>Taxes Accrued<br>(b) | Balance at<br>Beg. of Year<br><br>Prepaid Taxes<br>(c) |
|----------|---|--|--|
| 1        | FEDERAL:                                      |  |  |
| 2        | Income Tax 2014                               |  | 247,648  |
| 3        | Income Tax 2015                               |  |  |
| 4        | Income Tax 2016                               |  | ( 520,411)   |
| 5        | Income Tax 2017                               |  | ( 104,399)   |
| 6        | Income Tax 2018                               |  | ( 1,252,305)   |
| 7        | Income Tax 2019                               |  | ( 6,543,388)   |
| 8        | Income Tax 2020                               |  |  |
| 9        | Total Federal                                 |  | ( 8,172,855)   |
| 10       |   |  |  |
| 11       | STATE OF WASHINGTON                           |  |  |
| 12       | Payroll Taxes 2020                            |  |  |
| 13       | Property Tax 2018                             | 5,584  |  |
| 14       | Property Tax 2019                             | 18,740,467   |  |
| 15       | Property Tax 2020                             |  |  |
| 16       | Excise Tax 2016                               | 892,951  |  |
| 17       | Excise Tax 2019                               | 2,915,002  |  |
| 18       | Excise Tax 2020                               |  |  |
| 19       | Natural Gas Use Tax                           | 490  |  |
| 20       | Municipal Occupation Tax                      | 3,130,051  |  |
| 21       | Community Solar                               | ( 31,729)  |  |
| 22       | Sales & Use Tax 2018                          | 2,669  |  |
| 23       | Sales & Use Tax 2019                          | 286,528  |  |
| 24       | Sales & Use Tax 2020                          |  |  |
| 25       | Total Washington                              | 25,942,013   |  |
| 26       |   |  |  |
| 27       | STATE OF IDAHO:                               |  |  |
| 28       | Income Tax 2019                               |  | ( 319,616)   |
| 29       | Payroll Taxes 2020                            |  |  |
| 30       | Property Tax 2019                             | 3,817,356  |  |
| 31       | Property Tax 2020                             |  |  |
| 32       | Hydro Relicensing 2020                        |  |  |
| 33       | Sales & Use Tax 2019                          | 9,341  |  |
| 34       | Sales & Use Tax 2020                          |  |  |
| 35       | Irrigation Credits 2020                       |  |  |
| 36       | KWH Tax 2019                                  | 26,277   |  |
| 37       | KWH Tax 2020                                  |  |  |
| 38       | Franchise Tax 2018                            | 21   |  |
| 39       | Franchise Tax 2019                            | 1,103,281  |  |

**Taxes Accrued, Prepaid and Charged During Year, Distribution of Taxes Charged (Show utility dept where applicable and acct charged)**  
(continued)

5. If any tax (exclude Federal and State income taxes) covers more than one year, show the required information separately for each tax year, identifying the year in column (a).
6. Enter all adjustments of the accrued and prepaid tax accounts in column (f) and explain each adjustment in a footnote. Designate debit adjustments by parentheses.
7. Do not include on this page entries with respect to deferred income taxes or taxes collected through payroll deductions or otherwise pending transmittal of such taxes to the taxing authority.
8. Show in columns (i) thru (p) how the taxes accounts were distributed. Show both the utility department and number of account charged. For taxes charged to utility plant, show the number of the appropriate balance sheet plant account or subaccount.
9. For any tax apportioned to more than one utility department or account, state in a footnote the basis (necessity) of apportioning such tax.
10. Items under \$250,000 may be grouped.
11. Report in column (q) the applicable effective state income tax rate.

| Line No. | Taxes Charged During Year<br>(d) | Taxes Paid During Year<br>(e) | Adjustments<br>(f) | Balance at End of Year Taxes Accrued (Account 236)<br>(g) | Balance at End of Year Prepaid Taxes (Included in Acct 165)<br>(h) |
|----------|----------------------------------|-------------------------------|--------------------|---|--|
| 1        |                                  |                               |                    |   |  |
| 2        | ( 5,428,255)                     | ( 315,720)                    |                    |   | ( 4,864,887)   |
| 3        | ( 4,279,292)                     | ( 202,821)                    |                    |   | ( 4,076,471)   |
| 4        | 520,410                          |                               | 1                  |   |  |
| 5        | 333,945                          | ( 104,399)                    |                    |   | 333,945  |
| 6        | ( 17,125,557)                    |                               | ( 1)               |   | ( 18,377,863)  |
| 7        | ( 15,456,612)                    |                               |                    |   | ( 22,000,000)  |
| 8        | ( 65,559)                        |                               |                    |   | ( 65,559)  |
| 9        | ( 41,500,920)                    | ( 622,940)                    |                    |   | ( 49,050,835)  |
| 10       |                                  |                               |                    |   |  |
| 11       |                                  |                               |                    |   |  |
| 12       |                                  | 235,053                       |                    | ( 235,053)  |  |
| 13       | ( 5,585)                         |                               |                    |   |  |
| 14       | ( 905,401)                       | 17,835,066                    |                    |   |  |
| 15       | 18,090,306                       | 493                           |                    | 18,089,813  |  |
| 16       |                                  |                               |                    | 892,951   |  |
| 17       | 66,765                           | 2,981,767                     |                    |   |  |
| 18       | 27,059,961                       | 24,129,961                    |                    | 2,930,000   |  |
| 19       | 1,849                            | 1,859                         |                    | 480   |  |
| 20       | 23,928,191                       | 23,992,990                    |                    | 3,065,253   |  |
| 21       | ( 301,505)                       | ( 333,921)                    |                    | 688   |  |
| 22       |                                  |                               | ( 2,669)           |   |  |
| 23       |                                  | 160,363                       | ( 126,166)         | ( 1)  |  |
| 24       | 1,048,091                        | 1,061,712                     | 128,835            | 115,214   |  |
| 25       | 68,982,672                       | 70,065,343                    |                    | 24,859,345  |  |
| 26       |                                  |                               |                    |   |  |
| 27       |                                  |                               |                    |   |  |
| 28       | ( 10,224)                        |                               |                    |   | ( 329,840)   |
| 29       |                                  | 16,105                        |                    | ( 16,105)   |  |
| 30       | 58                               | 3,817,414                     |                    |   |  |
| 31       | 7,887,651                        | 3,954,640                     |                    | 3,933,011   |  |
| 32       | 27,134                           | 27,134                        |                    |   |  |
| 33       |                                  | 11,381                        | 2,040              |   |  |
| 34       | 216,900                          | 187,358                       | ( 2,040)           | 27,502  |  |
| 35       |                                  |                               |                    |   |  |
| 36       | ( 1,296)                         | 24,981                        |                    |   |  |
| 37       | 369,390                          | 341,275                       |                    | 28,115  |  |
| 38       |                                  |                               | ( 21)              |   |  |
| 39       |                                  | 1,103,288                     | 21                 | 14  |  |

**Taxes Accrued, Prepaid and Charged During Year, Distribution of Taxes Charged (Show utility dept where applicable and acct charged)**

1. Give details of the combined prepaid and accrued tax accounts and show the total taxes charged to operations and other accounts during the year. Do not include gasoline and other sales taxes which have been charged to the accounts to which the taxed material was charged. If the actual or estimated amounts of such taxes are known, show the amounts in a footnote and designate whether estimated or actual amounts.
2. Include on this page, taxes paid during the year and charged direct to final accounts, (not charged to prepaid or accrued taxes). Enter the amounts in both columns (d) and (e). The balancing of this page is not affected by the inclusion of these taxes.
3. Include in column (d) taxes charged during the year, taxes charged to operations and other accounts through (a) accruals credited to taxes accrued, (b) amounts credited to the portion of prepaid taxes charged to current year, and (c) taxes paid and charged direct to operations or accounts other than accrued and prepaid tax accounts.
4. List the aggregate of each kind of tax in such manner that the total tax for each State and subdivision can readily be ascertained.

**DISTRIBUTION OF TAXES CHARGED (Show utility department where applicable and account charged.)**

| Line No. | Electric<br>(Account 408.1,<br>409.1)<br><br>(i) | Gas<br>(Account 408.1,<br>409.1)<br><br>(j) | Other Utility Dept.<br>(Account 408.1,<br>409.1)<br><br>(k) | Other Income and<br>Deductions<br>(Account 408.2,<br>409.2)<br><br>(l) |
|----------|--|---|---|--|
| 1        |  |   |   |  |
| 2        | ( 154,443)                                       | ( 66,752)                                   |   |  |
| 3        | 194,476  | 84,055                                      |   |  |
| 4        | 701,981  | 303,406                                     |   |  |
| 5        |  |   |   |  |
| 6        | ( 12,282)  | 689   |   |  |
| 7        | ( 22,547,949)                                    | ( 19,594,973)                               |   | 1,811,389  |
| 8        | ( 101,054)                                       | ( 1,646)                                    |   | ( 1,871,859)   |
| 9        | ( 21,919,271)                                    | ( 19,275,221)                               |   | ( 60,470)  |
| 10       |  |   |   |  |
| 11       |  |   |   |  |
| 12       | 2,772,402  | 771,430                                     |   | 25,172   |
| 13       | ( 5,525)   |   |   | ( 60)  |
| 14       | ( 676,035)                                       | ( 281,121)                                  |   | 51,755   |
| 15       | 14,382,815                                       | 3,619,482                                   |   | 88,009   |
| 16       |  |   |   |  |
| 17       | 66,842   | ( 78)                                       |   | 1  |
| 18       | 21,013,190                                       | 5,922,924                                   |   | 123,847  |
| 19       | 1,849  |   |   |  |
| 20       | 18,449,768                                       | 5,434,681                                   |   |  |
| 21       |  |   |   |  |
| 22       |  |   |   |  |
| 23       |  |   |   |  |
| 24       |  |   |   |  |
| 25       | 56,005,306                                       | 15,467,318                                  |   | 288,724  |
| 26       |  |   |   |  |
| 27       |  |   |   |  |
| 28       | ( 8,691)   | ( 1,533)                                    |   |  |
| 29       | 495,425  | 110,980                                     |   | 2,357  |
| 30       | 50   |   |   | 7  |
| 31       | 6,128,579  | 1,707,061                                   |   | 23,573   |
| 32       | 27,134   |   |   |  |
| 33       |  |   |   |  |
| 34       |  |   |   |  |
| 35       | 3,558  |   |   |  |
| 36       | ( 1,296)   |   |   |  |
| 37       | 369,390  |   |   |  |
| 38       |  |   |   |  |
| 39       | 3,224  | 653   |   |  |

**Taxes Accrued, Prepaid and Charged During Year, Distribution of Taxes Charged (Show utility dept where applicable and acct charged)**  
**(continued)**

5. If any tax (exclude Federal and State income taxes) covers more than one year, show the required information separately for each tax year, identifying the year in column (a).
6. Enter all adjustments of the accrued and prepaid tax accounts in column (f) and explain each adjustment in a footnote. Designate debit adjustments by parentheses.
7. Do not include on this page entries with respect to deferred income taxes or taxes collected through payroll deductions or otherwise pending transmittal of such taxes to the taxing authority.
8. Show in columns (i) thru (p) how the taxes accounts were distributed. Show both the utility department and number of account charged. For taxes charged to utility plant, show the number of the appropriate balance sheet plant account or subaccount.
9. For any tax apportioned to more than one utility department or account, state in a footnote the basis (necessity) of apportioning such tax.
10. Items under \$250,000 may be grouped.
11. Report in column (q) the applicable effective state income tax rate.

**DISTRIBUTION OF TAXES CHARGED (Show utility department where applicable and account charged.)**

| Line No. | Extraordinary Items<br>(Account 409.3)<br><br>(m) | Other Utility Opn.<br>Income<br>(Account 408.1,<br>409.1)<br>(n) | Adjustment to Ret.<br>Earnings<br>(Account 439)<br><br>(o) | Other<br><br>(p) | State/Local<br>Income Tax<br>Rate<br><br>(q) |
|----------|---|--|--|------------------|--|
| 1        |   |  |  |                  |  |
| 2        |   |  |  | ( 842,015)       |  |
| 3        |   |  |  | ( 504,397)       |  |
| 4        |   |  |  | 37,911           |  |
| 5        |   |  |  |                  |  |
| 6        |   |  |  |                  |  |
| 7        |   |  |  | ( 846,457)       |  |
| 8        |   |  |  | 1,909,000        |  |
| 9        |   |  |  | ( 245,958)       |  |
| 10       |   |  |  |                  |  |
| 11       |   |  |  |                  |  |
| 12       |   |  |  | ( 3,569,004)     |  |
| 13       |   |  |  |                  |  |
| 14       |   |  |  |                  |  |
| 15       |   |  |  |                  |  |
| 16       |   |  |  |                  |  |
| 17       |   |  |  |                  |  |
| 18       |   |  |  |                  |  |
| 19       |   |  |  |                  |  |
| 20       |   |  |  | 43,742           |  |
| 21       |   |  |  | ( 301,505)       |  |
| 22       |   |  |  |                  |  |
| 23       |   |  |  | 1,048,091        |  |
| 24       |   |  |  |                  |  |
| 25       |   |  |  | ( 2,778,676)     |  |
| 26       |   |  |  |                  |  |
| 27       |   |  |  |                  |  |
| 28       |   |  |  |                  |  |
| 29       |   |  |  | ( 608,762)       |  |
| 30       |   |  |  | 1                |  |
| 31       |   |  |  | 28,438           |  |
| 32       |   |  |  |                  |  |
| 33       |   |  |  |                  |  |
| 34       |   |  |  | 216,900          |  |
| 35       |   |  |  | ( 3,558)         |  |
| 36       |   |  |  |                  |  |
| 37       |   |  |  |                  |  |
| 38       |   |  |  |                  |  |
| 39       |   |  |  | ( 3,877)         |  |

**Taxes Accrued, Prepaid and Charged During Year, Distribution of Taxes Charged (Show utility dept where applicable and acct charged)**  
(continued)

| Line No. | Kind of Tax<br>(See Instruction 5)<br><br>(a) | Balance at                               | Balance at                               |
|----------|---|--|--|
|          |   | Beg. of Year<br><br>Taxes Accrued<br>(b) | Beg. of Year<br><br>Prepaid Taxes<br>(c) |
| 1        | Franchise Tax 2020                            |  |  |
| 2        | Total Idaho                                   | 4,956,276                                | ( 319,616)                               |
| 3        |   |  |  |
| 4        | STATE OF MONTANA                              |  |  |
| 5        | Income Tax 2019                               |  | ( 124,334)                               |
| 6        | Income Tax 2020                               |  |  |
| 7        | Payroll Taxes 2020                            |  |  |
| 8        | Property Tax 2019                             | 5,767,811                                |  |
| 9        | Property Tax 2020                             |  |  |
| 10       | Colstrip Generation Tax                       |  |  |
| 11       | KWH Tax 2019                                  | 226,610                                  |  |
| 12       | KWH Tax 2020                                  |  |  |
| 13       | Consumer Council Fee                          | 15                                       |  |
| 14       | Public Commission Fee                         | 51                                       |  |
| 15       | Total Montana                                 | 5,994,487                                | ( 124,334)                               |
| 16       |   |  |  |
| 17       | STATE OF OREGON                               |  |  |
| 18       | Income Tax 2019                               |  |  |
| 19       | Income Tax 2020                               |  |  |
| 20       | Corp Activities Tax-CAT 2020                  |  |  |
| 21       | Payroll Taxes 2020                            |  |  |
| 22       | Property Tax 2019                             |  | ( 3,759,647)                             |
| 23       | Property Tax 2020                             |  |  |
| 24       | Franchise Tax 2018                            | 43,414                                   |  |
| 25       | Franchise Tax 2019                            | 1,046,390                                |  |
| 26       | Franchise Tax 2020                            |  |  |
| 27       | Total Oregon                                  | 1,089,804                                | ( 3,759,647)                             |
| 28       |   |  |  |
| 29       | STATE OF CALIFORNIA                           |  |  |
| 30       | Income Tax 2020                               |  |  |
| 31       | Total California                              |  |  |
| 32       |   |  |  |
| 33       | MISCELLANEOUS STATES:                         |  |  |
| 34       | Income Tax (Current)                          |  | ( 1,590)                                 |
| 35       | Payroll Taxes 2020                            |  |  |
| 36       | Total Misc States                             |  | ( 1,590)                                 |
| 37       |   |  |  |
| 38       | MISCELLANEOUS OTHER                           |  |  |
| 39       | Misc/Distribution                             | 33,158                                   |  |

**Taxes Accrued, Prepaid and Charged During Year, Distribution of Taxes Charged (Show utility dept where applicable and acct charged)**  
**(continued)**

| Line No. | Taxes Charged During Year<br>(d) | Taxes Paid During Year<br>(e) | Adjustments<br>(f) | Balance at End of Year Taxes Accrued (Account 236)<br>(g) | Balance at End of Year Prepaid Taxes (Included in Acct 165)<br>(h) |
|----------|----------------------------------|-------------------------------|--------------------|---|--|
| 1        | 4,625,749                        | 3,535,443                     |                    | 1,090,306   |  |
| 2        | 13,115,362                       | 13,019,019                    |                    | 5,062,843   | ( 329,840)   |
| 3        |                                  |                               |                    |   |  |
| 4        |                                  |                               |                    |   |  |
| 5        | ( 235,616)                       | ( 359,950)                    |                    |   |  |
| 6        | ( 2)                             | 50                            |                    |   | ( 52)  |
| 7        |                                  | 4,910                         |                    | ( 4,910)  |  |
| 8        | ( 14,367)                        | 5,753,442                     | ( 1)               |   |  |
| 9        | 11,822,356                       | 5,924,294                     |                    | 5,898,062   |  |
| 10       | 1,837                            | 1,837                         |                    |   |  |
| 11       |                                  | 226,610                       |                    |   |  |
| 12       | 962,699                          | 760,983                       |                    | 201,716   |  |
| 13       | 109                              | 66                            |                    | 58  |  |
| 14       | 218                              | 227                           |                    | 42  |  |
| 15       | 12,537,234                       | 12,312,469                    | ( 1)               | 6,094,968   | ( 52)  |
| 16       |                                  |                               |                    |   |  |
| 17       |                                  |                               |                    |   |  |
| 18       |                                  |                               |                    |   |  |
| 19       | 100,000                          | 100,000                       |                    |   |  |
| 20       | 800,004                          | 600,000                       |                    | 200,004   |  |
| 21       |                                  | 9,574                         |                    | ( 9,574)  |  |
| 22       | 3,759,648                        |                               |                    |   |  |
| 23       | 4,047,330                        | 8,094,817                     |                    |   | ( 4,047,487)   |
| 24       |                                  | 43,414                        |                    |   |  |
| 25       |                                  | 1,046,389                     |                    |   |  |
| 26       | 3,796,632                        | 2,758,478                     |                    | 1,038,154   |  |
| 27       | 12,503,614                       | 12,652,672                    |                    | 1,228,584   | ( 4,047,487)   |
| 28       |                                  |                               |                    |   |  |
| 29       |                                  |                               |                    |   |  |
| 30       | 800                              | 800                           |                    |   |  |
| 31       | 800                              | 800                           |                    |   |  |
| 32       |                                  |                               |                    |   |  |
| 33       |                                  |                               |                    |   |  |
| 34       | 279                              | ( 1,211)                      |                    |   | ( 100)   |
| 35       |                                  | 402                           |                    | ( 402)  |  |
| 36       | 279                              | ( 809)                        |                    | ( 402)  | ( 100)   |
| 37       |                                  |                               |                    |   |  |
| 38       |                                  |                               |                    |   |  |
| 39       | ( 32,834)                        |                               |                    | 326   |  |

Name of Respondent  
Avista Corporation

This Report Is:  
(1)  An Original  
(2)  A Resubmission

Date of Report  
(Mo, Da, Yr)  
04/15/2021

Year/Period of Report  
End of 2020/Q4

**Taxes Accrued, Prepaid and Charged During Year, Distribution of Taxes Charged (Show utility dept where applicable and acct charged)**  
**(continued)**

DISTRIBUTION OF TAXES CHARGED (Show utility department where applicable and account charged.)

| Line No. | Electric<br>(Account 408.1,<br>409.1)<br><br>(i) | Gas<br>(Account 408.1,<br>409.1)<br><br>(j) | Other Utility Dept.<br>(Account 408.1,<br>409.1)<br><br>(k) | Other Income and<br>Deductions<br>(Account 408.2,<br>409.2)<br><br>(l) |
|----------|--|---|---|--|
| 1        | 3,505,313  | 1,129,224                                   |   | ( 1)   |
| 2        | 10,522,686                                       | 2,946,385                                   |   | 25,936   |
| 3        |  |   |   |  |
| 4        |  |   |   |  |
| 5        | ( 235,616)                                       |   |   |  |
| 6        | ( 2)   |   |   |  |
| 7        | 132,045  |   |   |  |
| 8        | ( 14,367)  |   |   |  |
| 9        | 11,822,356                                       |   |   |  |
| 10       | ( 230)   |   |   |  |
| 11       |  |   |   |  |
| 12       | 962,699  |   |   |  |
| 13       | 109  |   |   |  |
| 14       | 218  |   |   |  |
| 15       | 12,667,212                                       |   |   |  |
| 16       |  |   |   |  |
| 17       |  |   |   |  |
| 18       |  | 26  |   |  |
| 19       | 30,000   | 70,000                                      |   |  |
| 20       |  |   | 800,004   |  |
| 21       | 9,053  | 280,263                                     |   | 2,749  |
| 22       | 1,646,769  | 2,112,879                                   |   |  |
| 23       | 1,765,176  | 2,282,154                                   |   |  |
| 24       |  |   |   |  |
| 25       |  |   |   |  |
| 26       |  | 3,791,045                                   |   |  |
| 27       | 3,450,998  | 8,536,367                                   | 800,004   | 2,749  |
| 28       |  |   |   |  |
| 29       |  |   |   |  |
| 30       |  |   |   | 800  |
| 31       |  |   |   | 800  |
| 32       |  |   |   |  |
| 33       |  |   |   |  |
| 34       | 196  | 57  |   |  |
| 35       |  |   |   |  |
| 36       | 196  | 57  |   |  |
| 37       |  |   |   |  |
| 38       |  |   |   |  |
| 39       |  |   |   | 16   |

**Taxes Accrued, Prepaid and Charged During Year, Distribution of Taxes Charged (Show utility dept where applicable and acct charged)**  
**(continued)**

DISTRIBUTION OF TAXES CHARGED (Show utility department where applicable and account charged.)

| Line No. | Extraordinary Items<br>(Account 409.3)<br><br>(m) | Other Utility Opn.<br>Income<br>(Account 408.1,<br>409.1)<br>(n) | Adjustment to Ret.<br>Earnings<br>(Account 439)<br><br>(o) | Other<br><br>(p) | State/Local<br>Income Tax<br>Rate<br><br>(q) |
|----------|---|--|--|------------------|--|
| 1        |   |  |  | ( 8,787)         |  |
| 2        |   |  |  | ( 379,645)       |  |
| 3        |   |  |  |                  |  |
| 4        |   |  |  |                  |  |
| 5        |   |  |  |                  |  |
| 6        |   |  |  |                  |  |
| 7        |   |  |  | ( 132,045)       |  |
| 8        |   |  |  |                  |  |
| 9        |   |  |  |                  |  |
| 10       |   |  |  | 2,067            |  |
| 11       |   |  |  |                  |  |
| 12       |   |  |  |                  |  |
| 13       |   |  |  |                  |  |
| 14       |   |  |  |                  |  |
| 15       |   |  |  | ( 129,978)       |  |
| 16       |   |  |  |                  |  |
| 17       |   |  |  |                  |  |
| 18       |   |  |  | ( 26)            |  |
| 19       |   |  |  |                  |  |
| 20       |   |  |  |                  |  |
| 21       |   |  |  | ( 292,065)       |  |
| 22       |   |  |  |                  |  |
| 23       |   |  |  |                  |  |
| 24       |   |  |  |                  |  |
| 25       |   |  |  |                  |  |
| 26       |   |  |  | 5,587            |  |
| 27       |   |  |  | ( 286,504)       |  |
| 28       |   |  |  |                  |  |
| 29       |   |  |  |                  |  |
| 30       |   |  |  |                  |  |
| 31       |   |  |  |                  |  |
| 32       |   |  |  |                  |  |
| 33       |   |  |  |                  |  |
| 34       |   |  |  | 26               |  |
| 35       |   |  |  |                  |  |
| 36       |   |  |  | 26               |  |
| 37       |   |  |  |                  |  |
| 38       |   |  |  |                  |  |
| 39       |   |  |  | ( 32,850)        |  |

**Taxes Accrued, Prepaid and Charged During Year, Distribution of Taxes Charged (Show utility dept where applicable and acct charged)**  
**(continued)**

| Line No.     | Kind of Tax<br>(See Instruction 5)<br><br>(a) | Balance at<br>Beg. of Year<br><br>Taxes Accrued<br>(b) | Balance at<br>Beg. of Year<br><br>Prepaid Taxes<br>(c) |
|--------------|---|--|--|
| 1            | Payroll Taxes 2020                            |  |  |
| 2            | Timber Excise Tax                             |  |  |
| 3            | WA Renewable Energy                           |  |  |
| 4            | Thermal Fuel Tax                              | 7,180  |  |
| 5            | Total County                                  | 40,338   |  |
| 6            |   |  |  |
| 7            |   |  |  |
| 8            |   |  |  |
| 9            |   |  |  |
| 10           |   |  |  |
| 11           |   |  |  |
| 12           |   |  |  |
| 13           |   |  |  |
| 14           |   |  |  |
| 15           |   |  |  |
| 16           |   |  |  |
| 17           |   |  |  |
| 18           |   |  |  |
| 19           |   |  |  |
| 20           |   |  |  |
| 21           |   |  |  |
| 22           |   |  |  |
| 23           |   |  |  |
| 24           |   |  |  |
| 25           |   |  |  |
| 26           |   |  |  |
| 27           |   |  |  |
| 28           |   |  |  |
| 29           |   |  |  |
| 30           |   |  |  |
| 31           |   |  |  |
| 32           |   |  |  |
| 33           |   |  |  |
| 34           |   |  |  |
| 35           |   |  |  |
| 36           |   |  |  |
| 37           |   |  |  |
| 38           |   |  |  |
| 39           |   |  |  |
| <b>TOTAL</b> |   | 38,022,918   | ( 12,378,042)  |

**Taxes Accrued, Prepaid and Charged During Year, Distribution of Taxes Charged (Show utility dept where applicable and acct charged)**  
(continued)

| Line No.     | Taxes Charged During Year<br>(d) | Taxes Paid During Year<br>(e) | Adjustments<br>(f) | Balance at End of Year Taxes Accrued (Account 236)<br>(g) | Balance at End of Year Prepaid Taxes (Included in Acct 165)<br>(h) |
|--------------|----------------------------------|-------------------------------|--------------------|---|--|
| 1            | 14,683,386                       | 6,664,088                     |                    | 8,019,298   |  |
| 2            |                                  |                               |                    |   |  |
| 3            | ( 1,933,932)                     | ( 1,933,932)                  |                    |   |  |
| 4            | 29,456                           | 34,724                        |                    | 1,912   |  |
| 5            | 12,746,076                       | 4,764,880                     |                    | 8,021,536   |  |
| 6            |                                  |                               |                    |   |  |
| 7            |                                  |                               |                    |   |  |
| 8            |                                  |                               |                    |   |  |
| 9            |                                  |                               |                    |   |  |
| 10           |                                  |                               |                    |   |  |
| 11           |                                  |                               |                    |   |  |
| 12           |                                  |                               |                    |   |  |
| 13           |                                  |                               |                    |   |  |
| 14           |                                  |                               |                    |   |  |
| 15           |                                  |                               |                    |   |  |
| 16           |                                  |                               |                    |   |  |
| 17           |                                  |                               |                    |   |  |
| 18           |                                  |                               |                    |   |  |
| 19           |                                  |                               |                    |   |  |
| 20           |                                  |                               |                    |   |  |
| 21           |                                  |                               |                    |   |  |
| 22           |                                  |                               |                    |   |  |
| 23           |                                  |                               |                    |   |  |
| 24           |                                  |                               |                    |   |  |
| 25           |                                  |                               |                    |   |  |
| 26           |                                  |                               |                    |   |  |
| 27           |                                  |                               |                    |   |  |
| 28           |                                  |                               |                    |   |  |
| 29           |                                  |                               |                    |   |  |
| 30           |                                  |                               |                    |   |  |
| 31           |                                  |                               |                    |   |  |
| 32           |                                  |                               |                    |   |  |
| 33           |                                  |                               |                    |   |  |
| 34           |                                  |                               |                    |   |  |
| 35           |                                  |                               |                    |   |  |
| 36           |                                  |                               |                    |   |  |
| 37           |                                  |                               |                    |   |  |
| 38           |                                  |                               |                    |   |  |
| 39           |                                  |                               |                    |   |  |
| <b>TOTAL</b> | 78,385,117                       | 112,191,434                   | ( 1)               | 45,266,874  | ( 53,428,314)  |

Name of Respondent  
Avista Corporation

This Report Is:  
(1)  An Original  
(2)  A Resubmission

Date of Report  
(Mo, Da, Yr)  
04/15/2021

Year/Period of Report  
End of 2020/Q4

**Taxes Accrued, Prepaid and Charged During Year, Distribution of Taxes Charged (Show utility dept where applicable and acct charged)**  
**(continued)**

DISTRIBUTION OF TAXES CHARGED (Show utility department where applicable and account charged.)

| Line No.     | Electric<br>(Account 408.1,<br>409.1)<br><br>(i) | Gas<br>(Account 408.1,<br>409.1)<br><br>(j) | Other Utility Dept.<br>(Account 408.1,<br>409.1)<br><br>(k) | Other Income and<br>Deductions<br>(Account 408.2,<br>409.2)<br><br>(l) |
|--------------|--|---|---|--|
| 1            |  |   |   | 606,367  |
| 2            |  |   |   |  |
| 3            |  |   |   |  |
| 4            |  |   |   |  |
| 5            |  |   |   | 606,383  |
| 6            |  |   |   |  |
| 7            |  |   |   |  |
| 8            |  |   |   |  |
| 9            |  |   |   |  |
| 10           |  |   |   |  |
| 11           |  |   |   |  |
| 12           |  |   |   |  |
| 13           |  |   |   |  |
| 14           |  |   |   |  |
| 15           |  |   |   |  |
| 16           |  |   |   |  |
| 17           |  |   |   |  |
| 18           |  |   |   |  |
| 19           |  |   |   |  |
| 20           |  |   |   |  |
| 21           |  |   |   |  |
| 22           |  |   |   |  |
| 23           |  |   |   |  |
| 24           |  |   |   |  |
| 25           |  |   |   |  |
| 26           |  |   |   |  |
| 27           |  |   |   |  |
| 28           |  |   |   |  |
| 29           |  |   |   |  |
| 30           |  |   |   |  |
| 31           |  |   |   |  |
| 32           |  |   |   |  |
| 33           |  |   |   |  |
| 34           |  |   |   |  |
| 35           |  |   |   |  |
| 36           |  |   |   |  |
| 37           |  |   |   |  |
| 38           |  |   |   |  |
| 39           |  |   |   |  |
| <b>TOTAL</b> | 60,727,127                                       | 7,674,906                                   | 800,004   | 864,122  |

Name of Respondent  
Avista Corporation

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04/15/2021

Year/Period of Report  
End of 2020/Q4

**Taxes Accrued, Prepaid and Charged During Year, Distribution of Taxes Charged (Show utility dept where applicable and acct charged)**  
**(continued)**

DISTRIBUTION OF TAXES CHARGED (Show utility department where applicable and account charged.)

| Line No.     | Extraordinary Items<br>(Account 409.3)<br><br>(m) | Other Utility Opn.<br>Income<br>(Account 408.1,<br>409.1)<br>(n) | Adjustment to Ret.<br>Earnings<br>(Account 439)<br><br>(o) | Other<br><br>(p) | State/Local<br>Income Tax<br>Rate<br><br>(q) |
|--------------|---|--|--|------------------|--|
| 1            |   |  |  | 14,077,019       |  |
| 2            |   |  |  |                  |  |
| 3            |   |  |  | ( 1,933,932)     |  |
| 4            |   |  |  | 29,456           |  |
| 5            |   |  |  | 12,139,693       |  |
| 6            |   |  |  |                  |  |
| 7            |   |  |  |                  |  |
| 8            |   |  |  |                  |  |
| 9            |   |  |  |                  |  |
| 10           |   |  |  |                  |  |
| 11           |   |  |  |                  |  |
| 12           |   |  |  |                  |  |
| 13           |   |  |  |                  |  |
| 14           |   |  |  |                  |  |
| 15           |   |  |  |                  |  |
| 16           |   |  |  |                  |  |
| 17           |   |  |  |                  |  |
| 18           |   |  |  |                  |  |
| 19           |   |  |  |                  |  |
| 20           |   |  |  |                  |  |
| 21           |   |  |  |                  |  |
| 22           |   |  |  |                  |  |
| 23           |   |  |  |                  |  |
| 24           |   |  |  |                  |  |
| 25           |   |  |  |                  |  |
| 26           |   |  |  |                  |  |
| 27           |   |  |  |                  |  |
| 28           |   |  |  |                  |  |
| 29           |   |  |  |                  |  |
| 30           |   |  |  |                  |  |
| 31           |   |  |  |                  |  |
| 32           |   |  |  |                  |  |
| 33           |   |  |  |                  |  |
| 34           |   |  |  |                  |  |
| 35           |   |  |  |                  |  |
| 36           |   |  |  |                  |  |
| 37           |   |  |  |                  |  |
| 38           |   |  |  |                  |  |
| 39           |   |  |  |                  |  |
| <b>TOTAL</b> |   |  |  | 8,318,958        |  |

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**Other Deferred Credits (Account 253)**

1. Report below the details called for concerning other deferred credits.
2. For any deferred credit being amortized, show the period of amortization.
3. Minor items (less than \$250,000) may be grouped by classes.

| Line No. | Description of Other Deferred Credits (a) | Balance at Beginning of Year (b) | Debit Contra Account (c) | Debit Amount (d) | Credits (e) | Balance at End of Year (f) |
|----------|---|----------------------------------|--------------------------|------------------|-------------|----------------------------|
| 1        | Deferred Gas Exchange - 1 year            | 1,125,000                        |                          |                  |             | 1,125,000                  |
| 2        | Kettle Falls Diesel Leak                  | 297,078                          | 514,545                  | 254,006          |             | 43,072                     |
| 3        | Bills Pole Rentals                        | 193,105                          | 172                      | 465,598          | 918,828     | 646,335                    |
| 4        | Defer Comp Active Execs                   | 8,947,679                        | 128                      | 1,888,925        | 2,115,126   | 9,173,880                  |
| 5        | Executive Incent Plan                     | 140,000                          |                          |                  |             | 140,000                    |
| 6        | Unbilled Revenue                          | 1,243,970                        | 908                      | 19,767,661       | 18,629,136  | 105,445                    |
| 7        | WA Energy Recovery Mechanism              | 14,154,482                       | Various                  | 18,632,775       | 15,861,541  | 11,383,248                 |
| 8        | Decoupling Deferred Credits               | 3,526,878                        | 456,495                  | 11,589,552       | 9,917,842   | 1,855,168                  |
| 9        | Reg Liability-COVID-19 Deferral           |                                  |                          |                  | 6,660,724   | 6,660,724                  |
| 10       | Misc Deferred Credits                     | 31,366                           | 186,550                  | 56,125           | 341,916     | 317,157                    |
| 11       |   |                                  |                          |                  |             |                            |
| 12       |   |                                  |                          |                  |             |                            |
| 13       |   |                                  |                          |                  |             |                            |
| 14       |   |                                  |                          |                  |             |                            |
| 15       |   |                                  |                          |                  |             |                            |
| 16       |   |                                  |                          |                  |             |                            |
| 17       |   |                                  |                          |                  |             |                            |
| 18       |   |                                  |                          |                  |             |                            |
| 19       |   |                                  |                          |                  |             |                            |
| 20       |   |                                  |                          |                  |             |                            |
| 21       |   |                                  |                          |                  |             |                            |
| 22       |   |                                  |                          |                  |             |                            |
| 23       |   |                                  |                          |                  |             |                            |
| 24       |   |                                  |                          |                  |             |                            |
| 25       |   |                                  |                          |                  |             |                            |
| 26       |   |                                  |                          |                  |             |                            |
| 27       |   |                                  |                          |                  |             |                            |
| 28       |   |                                  |                          |                  |             |                            |
| 29       |   |                                  |                          |                  |             |                            |
| 30       |   |                                  |                          |                  |             |                            |
| 31       |   |                                  |                          |                  |             |                            |
| 32       |   |                                  |                          |                  |             |                            |
| 33       |   |                                  |                          |                  |             |                            |
| 34       |   |                                  |                          |                  |             |                            |
| 35       |   |                                  |                          |                  |             |                            |
| 36       |   |                                  |                          |                  |             |                            |
| 37       |   |                                  |                          |                  |             |                            |
| 38       |   |                                  |                          |                  |             |                            |
| 39       |   |                                  |                          |                  |             |                            |
| 40       |   |                                  |                          |                  |             |                            |
| 41       |   |                                  |                          |                  |             |                            |
| 42       |   |                                  |                          |                  |             |                            |
| 43       |   |                                  |                          |                  |             |                            |
| 44       |   |                                  |                          |                  |             |                            |
| 45       | <b>Total</b>                              | 29,659,558                       |                          | 52,654,642       | 54,445,113  | 31,450,029                 |

|  |   |  |                                  |
|--|---|--|----------------------------------|
| Name of Respondent<br>Avista Corporation | This Report is:<br>(1) <input checked="" type="checkbox"/> An Original<br>(2) <input type="checkbox"/> A Resubmission | Date of Report<br>(Mo, Da, Yr)<br>04/15/2021 | Year/Period of Report<br>2020/Q4 |
| <b>FOOTNOTE DATA</b>                     |   |  |                                  |

**Schedule Page: 269 Line No.: 1 Column: a**

FortisBC and Avista exchange volumes of gas on a firm delivery basis during different time periods. Amortization is recorded monthly every year. This contract ends April, 2025.

**Schedule Page: 269 Line No.: 2 Column: a**

Kettle Falls Generation Station underground fuel leak. Continuing remediation liability is recorded.

**Schedule Page: 269 Line No.: 7 Column: a**

The Washington Energy Recovery Mechanism (ERM) allows Avista to periodically increase or decrease electric rates. This accounting method tracks differences between actual power supply costs, net of wholesale sales and sales of fuel, and the amount included in base rates.

**Schedule Page: 269 Line No.: 9 Column: a**

Deferral of COVID-19 costs as per Idaho PUC Order No. 34718, Oregon PUC Order No. 20-401, Docket UM 2069, and Washington UTC Order No. 01, Dockets UE-200407 and UG-200408.

**Schedule Page: 269 Line No.: 8 Column: a**

Washington Decoupling for electric and natural gas for a 5 year period beginning January 1, 2015. Idaho approved for an initial term of 3 years beginning January 1, 2016, but extended thru March 31, 2025. Oregon approved similar to Washington and Idaho beginning March 1, 2016.

Decoupling revenue deferrals are recognized during the period they occur, subject to certain limitations. Revenue is expected to be collected within 24 months of the deferral.

Name of Respondent  
Avista Corporation

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(1)  An Original  
(2)  A Resubmission

Date of Report  
(Mo, Da, Yr)  
04/15/2021

Year/Period of Report  
End of 2020/Q4

**Accumulated Deferred Income Taxes-Other Property (Account 282)**

1. Report the information called for below concerning the respondent's accounting for deferred income taxes relating to property not subject to accelerated amortization.
2. At Other (Specify), include deferrals relating to other income and deductions.

| Line No. | Account Subdivisions<br>(a)                   | Balance at Beginning of Year<br>(b) | Amounts Debited to Account 410.1<br>(c) | Amounts Credited to Account 411.1<br>(d) |
|----------|---|-------------------------------------|---|--|
| 1        | Account 282                                   |                                     |   |  |
| 2        | Electric                                      | 339,209,550                         | 44,688,310                              |  |
| 3        | Gas   | 86,849,511                          | 32,594,670                              |  |
| 4        | Other (Define) (footnote details)             | 88,810,946                          | ( 1,572,234)                            |  |
| 5        | Total (Enter Total of lines 2 thru 4)         | 514,870,007                         | 75,710,746                              |  |
| 6        | Other (Specify) (footnote details)            |                                     |   |  |
| 7        | TOTAL Account 282 (Enter Total of lines 5 thr | 514,870,007                         | 75,710,746                              |  |
| 8        | Classification of TOTAL                       |                                     |   |  |
| 9        | Federal Income Tax                            | 514,870,007                         | 75,710,746                              |  |
| 10       | State Income Tax                              |                                     |   |  |
| 11       | Local Income Tax                              |                                     |   |  |

**Accumulated Deferred Income Taxes-Other Property (Account 282) (continued)**

3. Provide in a footnote a summary of the type and amount of deferred income taxes reported in the beginning-of-year and end-of-year balances for deferred income taxes that the respondent estimates could be included in the development of jurisdictional recourse rates.

| Line No. | Changes during Year Amounts Debited to Account 410.2 (e) | Changes during Year Amounts Credited to Account 411.2 (f) | Adjustments Debits Acct. No. (g) | Adjustments Debits Amount (h) | Adjustments Credits Account No. (i) | Adjustments Credits Amount (j) | Balance at End of Year (k) |
|----------|--|---|----------------------------------|-------------------------------|-------------------------------------|--------------------------------|----------------------------|
| 1        |  |   |                                  |                               |                                     |                                |                            |
| 2        |  |   |                                  | 14,346,260                    |                                     |                                | 398,244,120                |
| 3        |  |   |                                  | 24,466,166                    |                                     |                                | 143,910,347                |
| 4        |  |   |                                  |                               |                                     | 25,977,746                     | 61,260,966                 |
| 5        |  |   |                                  | 38,812,426                    |                                     | 25,977,746                     | 603,415,433                |
| 6        |  |   |                                  |                               |                                     |                                |                            |
| 7        |  |   |                                  | 38,812,426                    |                                     | 25,977,746                     | 603,415,433                |
| 8        |  |   |                                  |                               |                                     |                                |                            |
| 9        |  |   |                                  | 38,812,426                    |                                     | 25,977,746                     | 603,415,433                |
| 10       |  |   |                                  |                               |                                     |                                |                            |
| 11       |  |   |                                  |                               |                                     |                                |                            |

**Accumulated Deferred Income Taxes-Other (Account 283)**

1. Report the information called for below concerning the respondent's accounting for deferred income taxes relating to amounts recorded in Account 283.
2. At Other (Specify), include deferrals relating to other income and deductions.

| Line No. | Account Subdivisions<br><br>(a)             | Balance at Beginning of Year<br>(b) | Changes During Year Amounts Debited to Account 410.1<br>(c) | Changes During Year Amounts Credited to Account 411.1<br>(d) |
|----------|---|-------------------------------------|---|--|
| 1        | Account 283                                 |                                     |   |  |
| 2        | Electric                                    | 13,393,102                          | 1,968,358   | 745,973  |
| 3        | Gas   | 2,385,096                           | 1,762,139   | 362,272  |
| 4        | Other (Define) (footnote details)           | 163,807,011                         | 5,921,872   |  |
| 5        | Total (Total of lines 2 thru 4)             | 179,585,209                         | 9,652,369   | 1,108,245  |
| 6        | Other (Specify) (footnote details)          |                                     |   |  |
| 7        | TOTAL Account 283 (Total of lines 5 thru 6) | 179,585,209                         | 9,652,369   | 1,108,245  |
| 8        | Classification of TOTAL                     |                                     |   |  |
| 9        | Federal Income Tax                          | 179,585,209                         | 9,652,369   | 1,108,245  |
| 10       | State Income Tax                            |                                     |   |  |
| 11       | Local Income Tax                            |                                     |   |  |

**Accumulated Deferred Income Taxes-Other (Account 283) (continued)**

3. Provide in a footnote a summary of the type and amount of deferred income taxes reported in the beginning-of-year and end-of-year balances for deferred income taxes that the respondent estimates could be included in the development of jurisdictional recourse rates.

| Line No. | Changes during Year Amounts Debited to Account 410.2 (e) | Changes during Year Amounts Credited to Account 411.2 (f) | Adjustments Debits Acct. No. (g) | Adjustments Debits Amount (h) | Adjustments Credits Account No. (i) | Adjustments Credits Amount (j) | Balance at End of Year (k) |
|----------|--|---|----------------------------------|-------------------------------|-------------------------------------|--------------------------------|----------------------------|
| 1        |  |   |                                  |                               |                                     |                                |                            |
| 2        | 275,061  | 899,441   |                                  |                               |                                     | 1,063,055                      | 12,928,052                 |
| 3        | ( 27,961)  |   |                                  |                               |                                     | 714,455                        | 3,042,547                  |
| 4        | 102,944  |   |                                  | 14,315,742                    |                                     |                                | 184,147,569                |
| 5        | 350,044  | 899,441   |                                  | 14,315,742                    |                                     | 1,777,510                      | 200,118,168                |
| 6        |  |   |                                  |                               |                                     |                                |                            |
| 7        | 350,044  | 899,441   |                                  | 14,315,742                    |                                     | 1,777,510                      | 200,118,168                |
| 8        |  |   |                                  |                               |                                     |                                |                            |
| 9        | 350,044  | 899,441   |                                  | 14,315,742                    |                                     | 1,777,510                      | 200,118,168                |
| 10       |  |   |                                  |                               |                                     |                                |                            |
| 11       |  |   |                                  |                               |                                     |                                |                            |

|  |   |  |  |
|--|---|--|--|
| Name of Respondent<br>Avista Corporation | This Report Is:<br>(1) <input checked="" type="checkbox"/> An Original<br>(2) <input type="checkbox"/> A Resubmission | Date of Report<br>(Mo, Da, Yr)<br>04/15/2021 | Year/Period of Report<br>End of <u>2020/Q4</u> |
|--|---|--|--|

**Other Regulatory Liabilities (Account 254)**

1. Report below the details called for concerning other regulatory liabilities which are created through the ratemaking actions of regulatory agencies (and not includable in other amounts).
2. For regulatory liabilities being amortized, show period of amortization in column (a).
3. Minor items (5% of the Balance at End of Year for Account 254 or amounts less than \$250,000, whichever is less) may be grouped by classes.
4. Provide in a footnote, for each line item, the regulatory citation where the respondent was directed to refund the regulatory liability (e.g. Commission Order, state commission order, court decision).

| Line No. | Description and Purpose of Other Regulatory Liabilities (a) | Balance at Beginning of Current Quarter/Year (b) | Written off during Quarter/Period Account Credited (c) | Written off During Period Amount Refunded (d) | Written off During Period Amount Deemed Non-Refundable (e) | Credits (f) | Balance at End of Current Quarter/Year (g) |
|----------|---|--|--|---|--|-------------|--|
| 1        | Idaho Investment Tax Credit                                 | 5,191,030  | 190  | 1,072,903                                     |  | 4,756,652   | 8,874,779                                  |
| 2        | Oregon BETC Credit  | 1,111,427  | 190,283  | 1,099,869                                     |  |             | 11,558                                     |
| 3        | Interest Rate Swaps   | 17,088,285                                       | 427,175  | 2,042,533                                     |  |             | 15,045,752                                 |
| 4        | Nez Perce   | 528,308  | 557  | 22,008  |  |             | 506,300                                    |
| 5        | Idaho Earnings Test   | 686,970  |  |   |  |             | 686,970                                    |
| 6        | Decoupling Rebate   | 101,371  | 495,182  | 1,081,410                                     |  | 3,315,785   | 2,335,746                                  |
| 7        | WA ERM  | 25,802,794                                       | 182,557  | 53,679,690                                    |  | 54,363,026  | 26,486,130                                 |
| 8        | Deferred Federal ITC- Varies                                | 7,963,912  | 190  | 141,936                                       |  |             | 7,821,976                                  |
| 9        | Plant Excess Deferred                                       | 398,370,456                                      | 190,282  | 15,431,659                                    |  |             | 382,938,797                                |
| 10       | Non Plant Excess Deferred                                   | 11,089,633                                       | 108,411  | 11,015,304                                    |  |             | 74,329                                     |
| 11       | Reg Liability MDM System                                    | 589,729  |  |   |  | 307,687     | 897,416                                    |
| 12       | AFUDC Equity Tax Deferral                                   | 2,263,637  |  |   |  | 342,811     | 2,606,448                                  |
| 13       | Exist Meters/ERTS Excess Depr Deferred                      | 952,403  | 407  | 13,254  |  | 940,093     | 1,879,242                                  |
| 14       | DSM Tariff Rider  | 294,533  | Various  | 12,389,437                                    |  | 12,635,179  | 540,275                                    |
| 15       | Low Income Energy Assistance                                | 2,401,864  | 242,908  | 12,954,756                                    |  | 14,336,849  | 3,783,957                                  |
| 16       | Deferred CS2 & Colstrip O&M                                 | 397,359  | 407  | 397,359                                       |  |             |  |
| 17       | Reg Liability- Tax Reform Amortization- 1 year              | 4,348,735  | 407,431  | 6,385,196                                     |  | 3,030,529   | 994,068                                    |
| 18       | Reg Liability- Energy Efficiency Assistance                 | 1,532,183  |  |   |  |             | 1,532,183                                  |
| 19       | Reg Liability- Colstrip Community Fund                      |  | 407,431  | 1,071,334                                     |  | 4,428,445   | 3,357,111                                  |
| 20       | Reg Liability- COVID-19 Deferral                            |  |  |   |  | 4,288,655   | 4,288,655                                  |
| 21       | Other Regulatory Liabilities-Varies                         | 492,504  | Various  | 30,122  |  | 7,997,303   | 8,459,685                                  |
| 22       |   |  |  |   |  |             |  |
| 23       |   |  |  |   |  |             |  |
| 24       |   |  |  |   |  |             |  |
| 25       |   |  |  |   |  |             |  |
| 26       |   |  |  |   |  |             |  |
| 27       |   |  |  |   |  |             |  |
| 28       |   |  |  |   |  |             |  |
| 29       |   |  |  |   |  |             |  |
| 30       |   |  |  |   |  |             |  |
| 31       |   |  |  |   |  |             |  |
| 32       |   |  |  |   |  |             |  |
| 33       |   |  |  |   |  |             |  |
| 34       |   |  |  |   |  |             |  |
| 35       |   |  |  |   |  |             |  |
| 36       |   |  |  |   |  |             |  |
| 37       |   |  |  |   |  |             |  |
| 38       |   |  |  |   |  |             |  |
| 39       |   |  |  |   |  |             |  |
| 40       |   |  |  |   |  |             |  |
| 41       |   |  |  |   |  |             |  |
| 42       |   |  |  |   |  |             |  |
| 43       |   |  |  |   |  |             |  |
| 44       |   |  |  |   |  |             |  |
| 45       | <b>Total</b>  | 481,207,133                                      |  | 118,828,770                                   | 0  | 110,743,014 | 473,121,377                                |

|  |   |  |                                  |
|--|---|--|----------------------------------|
| Name of Respondent<br>Avista Corporation | This Report is:<br>(1) <input checked="" type="checkbox"/> An Original<br>(2) <input type="checkbox"/> A Resubmission | Date of Report<br>(Mo, Da, Yr)<br>04/15/2021 | Year/Period of Report<br>2020/Q4 |
| <b>FOOTNOTE DATA</b>                     |   |  |                                  |

**Schedule Page: 278 Line No.: 1 Column: a**  
Not amortized

**Schedule Page: 278 Line No.: 2 Column: a**  
Not amortized

**Schedule Page: 278 Line No.: 3 Column: a**  
Mark-to-Market gains and losses for interest rate swap derivatives. Upon settlement, amortization of Regulatory Assets and Liabilities as a component of interest expense over the term of the associated debt.

**Schedule Page: 278 Line No.: 6 Column: a**  
Decoupling rebates are recognized during the period they occur, subject to certain limitations. Rebates are returned to customers within 24 months of the deferral.

**Schedule Page: 278 Line No.: 7 Column: a**  
The Washington Energy Recovery Mechanism allows Avista to periodically increase or decrease electric rates. This accounting method tracks differences between actual power supply costs, net of wholesale sales and sales of fuel, and the amount included in base rates. Avista files yearly on or before April 1 for prudence review by the commission.

**Schedule Page: 278 Line No.: 8 Column: a**  
Noxon ITC - 65 year amortization, ends 2077  
Community Solar ITC - 20 year amortization, ends 2035  
Nine Mile ITC - 65 year amortization, ends 2080

**Schedule Page: 278 Line No.: 9 Column: a**  
Amortized over remaining book life of plant, estimated 36 years.

**Schedule Page: 278 Line No.: 10 Column: a**  
Washington Gas and Oregon Gas costs are amortized over 1 year. Idaho Electric was offset against Colstrip excess depreciation impacts from Docket# AVU-E-18-03 Order No. 34276.

**Schedule Page: 278 Line No.: 12 Column: a**  
Amortization period not yet determined in all jurisdictions. Idaho Electric Settlement AVU-E-19-04 ordered a transfer to account 254320 for Idaho portion.

**Schedule Page: 278 Line No.: 13 Column: a**  
Washington Docket #s UE-180418 and UG-180419

**Schedule Page: 278 Line No.: 14 Column: a**  
Washington Order Docket #s UE-190912 and UG-190920, Idaho Docket AVU-E-18-12 and AVU-G-18-08, Oregon Order No. 19-424

**Schedule Page: 278 Line No.: 15 Column: a**  
Washington Docket# UE-190912, UG-190920  
Idaho Docket# AVU-E-18-12, AVU-G-18-08  
Oregon RG 81, Docket No. ADV 1063 (Advice No. 19-10-G)

**Schedule Page: 278 Line No.: 17 Column: a**  
Washington Docket #s UE-170485, UG-170486  
Oregon Advice# ADV 923/19-01-G (Schedule 474)  
Idaho Case# GNR-U-18-01

**Schedule Page: 278 Line No.: 18 Column: a**  
Avista's contribution in the Energy Assistance Fund as per Idaho Settlement Stipulation Case# AVU-E-19-04 (Page 10, #16 a.ii).

**Schedule Page: 278 Line No.: 19 Column: a**  
Washington Order 09 in Dockets UE-190334, UE-190222. Deferral of funds from shareholders and customers, set aside to helping the Colstrip community transition away from economic activity related to coal-fired generation.

**Schedule Page: 278 Line No.: 20 Column: a**  
Deferral of COVID-19 costs as per Idaho PUC Order No. 34718, Oregon PUC Order No. 20-401, Docket UM 2069, and Washington UTC Order No. 01, Dockets UE-200407 and UG-200408.

**Schedule Page: 278 Line No.: 21 Column: a**  
FAS 109 ITC - 18 year amortization, ends 2020.  
State income tax net operating loss carryforward of \$7.5M recorded during the year and will reverse over the period in which we are able to utilize the loss to offset taxable income on the Idaho, Montana, and Oregon tax returns.

| Name of Respondent   | This Report is:  | Date of Report<br>(Mo, Da, Yr) | Year/Period of Report |
|----------------------|--|--------------------------------|-----------------------|
| Avista Corporation   | (1) <input checked="" type="checkbox"/> An Original<br>(2) <input type="checkbox"/> A Resubmission | 04/15/2021                     | 2020/Q4               |
| <b>FOOTNOTE DATA</b> |  |                                |                       |

Deferral of depreciation expense of \$0.5M per Idaho Order No. 34276, Case Nos. AVU-E-18-03 and AVU-G-18-02.

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**Gas Operating Revenues**

1. Report below natural gas operating revenues for each prescribed account total. The amounts must be consistent with the detailed data on succeeding pages.  
 2. Revenues in columns (b) and (c) include transition costs from upstream pipelines.  
 3. Other Revenues in columns (f) and (g) include reservation charges received by the pipeline plus usage charges, less revenues reflected in columns (b) through (e). Include in columns (f) and (g) revenues for Accounts 480-495.

| Line No. | Title of Account<br><br>(a)   | Revenues for Transition Costs and Take-or-Pay<br><br>Amount for Current Year<br>(b) | Revenues for Transition Costs and Take-or-Pay<br><br>Amount for Previous Year<br>(c) | Revenues for GRI and ACA<br><br>Amount for Current Year<br>(d) | Revenues for GRI and ACA<br><br>Amount for Previous Year<br>(e) |
|----------|---|---|--|--|---|
| 1        | 480 Residential Sales   |   |  |  |   |
| 2        | 481 Commercial and Industrial Sales   |   |  |  |   |
| 3        | 482 Other Sales to Public Authorities   |   |  |  |   |
| 4        | 483 Sales for Resale  |   |  |  |   |
| 5        | 484 Interdepartmental Sales   |   |  |  |   |
| 6        | 485 Intracompany Transfers  |   |  |  |   |
| 7        | 487 Forfeited Discounts   |   |  |  |   |
| 8        | 488 Miscellaneous Service Revenues  |   |  |  |   |
| 9        | 489.1 Revenues from Transportation of Gas of Others Through Gathering Facilities    |   |  |  |   |
| 10       | 489.2 Revenues from Transportation of Gas of Others Through Transmission Facilities |   |  |  |   |
| 11       | 489.3 Revenues from Transportation of Gas of Others Through Distribution Facilities |   |  |  |   |
| 12       | 489.4 Revenues from Storing Gas of Others   |   |  |  |   |
| 13       | 490 Sales of Prod. Ext. from Natural Gas  |   |  |  |   |
| 14       | 491 Revenues from Natural Gas Proc. by Others                                       |   |  |  |   |
| 15       | 492 Incidental Gasoline and Oil Sales   |   |  |  |   |
| 16       | 493 Rent from Gas Property  |   |  |  |   |
| 17       | 494 Interdepartmental Rents   |   |  |  |   |
| 18       | 495 Other Gas Revenues  |   |  |  |   |
| 19       | Subtotal:   |   |  |  |   |
| 20       | 496 (Less) Provision for Rate Refunds   |   |  |  |   |
| 21       | TOTAL:  |   |  |  |   |

**Gas Operating Revenues**

4. If increases or decreases from previous year are not derived from previously reported figures, explain any inconsistencies in a footnote.  
5. On Page 108, include information on major changes during the year, new service, and important rate increases or decreases.  
6. Report the revenue from transportation services that are bundled with storage services as transportation service revenue.

| Line No. | Other Revenues              | Other Revenues               | Total Operating Revenues    | Total Operating Revenues     | Dekatherm of Natural Gas    | Dekatherm of Natural Gas     |
|----------|-----------------------------|------------------------------|-----------------------------|------------------------------|-----------------------------|------------------------------|
|          | Amount for Current Year (f) | Amount for Previous Year (g) | Amount for Current Year (h) | Amount for Previous Year (i) | Amount for Current Year (j) | Amount for Previous Year (k) |
| 1        | 213,611,519                 | 196,429,738                  | 213,611,519                 | 196,429,738                  | 21,998,766                  | 23,123,796                   |
| 2        | 102,065,963                 | 97,431,048                   | 102,065,963                 | 97,431,048                   | 14,793,672                  | 15,592,762                   |
| 3        |                             |                              |                             |                              |                             |                              |
| 4        | 105,073,763                 | 136,305,522                  | 105,073,763                 | 136,305,522                  | 54,966,875                  | 59,875,983                   |
| 5        | 252,564                     | 253,068                      | 252,564                     | 253,068                      | 36,886                      | 42,081                       |
| 6        |                             |                              |                             |                              |                             |                              |
| 7        |                             |                              |                             |                              |                             |                              |
| 8        | 43,452                      | 106,672                      | 43,452                      | 106,672                      |                             |                              |
| 9        |                             |                              |                             |                              |                             |                              |
| 10       |                             |                              |                             |                              |                             |                              |
| 11       | 7,916,862                   | 8,673,782                    | 7,916,862                   | 8,673,782                    | 18,573,063                  | 19,542,094                   |
| 12       |                             |                              |                             |                              |                             |                              |
| 13       |                             |                              |                             |                              |                             |                              |
| 14       |                             |                              |                             |                              |                             |                              |
| 15       |                             |                              |                             |                              |                             |                              |
| 16       | 465                         | 2,751                        | 465                         | 2,751                        |                             |                              |
| 17       |                             |                              |                             |                              |                             |                              |
| 18       | 4,986,835                   | 7,228,294                    | 4,986,835                   | 7,228,294                    |                             |                              |
| 19       | 433,951,423                 | 446,430,875                  | 433,951,423                 | 446,430,875                  |                             |                              |
| 20       | ( 3,192,858)                | 1,815,553                    | ( 3,192,858)                | 1,815,553                    |                             |                              |
| 21       | 437,144,281                 | 444,615,322                  | 437,144,281                 | 444,615,322                  |                             |                              |

**Other Gas Revenues (Account 495)**

Report below transactions of \$250,000 or more included in Account 495, Other Gas Revenues. Group all transactions below \$250,000 in one amount and provide the number of items.

| Line No. | Description of Transaction<br>(a)  | Amount<br>(in dollars)<br>(b) |
|----------|--|-------------------------------|
| 1        | Commissions on Sale or Distribution of Gas of Others   |                               |
| 2        | Compensation for Minor or Incidental Services Provided for Others  |                               |
| 3        | Profit or Loss on Sale of Material and Supplies not Ordinarily Purchased for Resale  |                               |
| 4        | Sales of Stream, Water, or Electricity, including Sales or Transfers to Other Departments  |                               |
| 5        | Miscellaneous Royalties  |                               |
| 6        | Revenues from Dehydration and Other Processing of Gas of Others except as provided for in the Instructions to Account 495            |                               |
| 7        | Revenues for Right and/or Benefits Received from Others which are Realized Through Research, Development, and Demonstration Ventures |                               |
| 8        | Gains on Settlements of Imbalance Receivables and Payables   |                               |
| 9        | Revenues from Penalties earned Pursuant to Tariff Provisions, including Penalties Associated with Cash-out Settlements               |                               |
| 10       | Revenues from Shipper Supplied Gas   |                               |
| 11       | Other revenues (Specify):  |                               |
| 12       | Misc. Bills  | ( 60,096)                     |
| 13       | Deferred Exchange Revenue  | 4,500,000                     |
| 14       | Decoupling Deferred Revenue  | 546,931                       |
| 15       |  |                               |
| 16       |  |                               |
| 17       |  |                               |
| 18       |  |                               |
| 19       |  |                               |
| 20       |  |                               |
| 21       |  |                               |
| 22       |  |                               |
| 23       |  |                               |
| 24       |  |                               |
| 25       |  |                               |
| 26       |  |                               |
| 27       |  |                               |
| 28       |  |                               |
| 29       |  |                               |
| 30       |  |                               |
| 31       |  |                               |
| 32       |  |                               |
| 33       |  |                               |
| 34       |  |                               |
| 35       |  |                               |
| 36       |  |                               |
| 37       |  |                               |
| 38       |  |                               |
| 39       |  |                               |
|          | <b>Total</b>   | <b>4,986,835</b>              |





**Gas Operation and Maintenance Expenses(continued)**

| Line No. | Account<br><br>(a)  | Amount for Current Year<br>(b) | Amount for Previous Year<br>(c) |
|----------|---|--------------------------------|---------------------------------|
| 59       | C. Exploration and Development                                |                                |                                 |
| 60       | Operation   |                                |                                 |
| 61       | 795 Delay Rentals   | 0                              | 0                               |
| 62       | 796 Nonproductive Well Drilling                               | 0                              | 0                               |
| 63       | 797 Abandoned Leases  | 0                              | 0                               |
| 64       | 798 Other Exploration   | 0                              | 0                               |
| 65       | TOTAL Exploration and Development (Total of lines 61 thru 64) | 0                              | 0                               |
| 66       | D. Other Gas Supply Expenses                                  |                                |                                 |
| 67       | Operation   |                                |                                 |
| 68       | 800 Natural Gas Well Head Purchases                           | 0                              | 0                               |
| 69       | 800.1 Natural Gas Well Head Purchases, Intracompany Transfers | 0                              | 0                               |
| 70       | 801 Natural Gas Field Line Purchases                          | 0                              | 0                               |
| 71       | 802 Natural Gas Gasoline Plant Outlet Purchases               | 0                              | 0                               |
| 72       | 803 Natural Gas Transmission Line Purchases                   | 0                              | 0                               |
| 73       | 804 Natural Gas City Gate Purchases                           | 202,359,237                    | 266,160,172                     |
| 74       | 804.1 Liquefied Natural Gas Purchases                         | 0                              | 0                               |
| 75       | 805 Other Gas Purchases                                       | 0                              | 0                               |
| 76       | (Less) 805.1 Purchases Gas Cost Adjustments                   | 4,674,021                      | 37,730,182                      |
| 77       | TOTAL Purchased Gas (Total of lines 68 thru 76)               | 197,685,216                    | 228,429,990                     |
| 78       | 806 Exchange Gas  | 0                              | 0                               |
| 79       | Purchased Gas Expenses  |                                |                                 |
| 80       | 807.1 Well Expense-Purchased Gas                              | 0                              | 0                               |
| 81       | 807.2 Operation of Purchased Gas Measuring Stations           | 0                              | 0                               |
| 82       | 807.3 Maintenance of Purchased Gas Measuring Stations         | 0                              | 0                               |
| 83       | 807.4 Purchased Gas Calculations Expenses                     | 0                              | 0                               |
| 84       | 807.5 Other Purchased Gas Expenses                            | 0                              | 0                               |
| 85       | TOTAL Purchased Gas Expenses (Total of lines 80 thru 84)      | 0                              | 0                               |

**Gas Operation and Maintenance Expenses(continued)**

| Line No. | Account<br>(a)  | Amount for Current Year<br>(b) | Amount for Previous Year<br>(c) |
|----------|---|--------------------------------|---------------------------------|
| 86       | 808.1 Gas Withdrawn from Storage-Debit                                  | 17,913,784                     | 32,607,408                      |
| 87       | (Less) 808.2 Gas Delivered to Storage-Credit                            | 13,143,711                     | 35,303,621                      |
| 88       | 809.1 Withdrawals of Liquefied Natural Gas for Processing-Debit         | 0                              | 0                               |
| 89       | (Less) 809.2 Deliveries of Natural Gas for Processing-Credit            | 0                              | 0                               |
| 90       | Gas used in Utility Operation-Credit                                    |                                |                                 |
| 91       | 810 Gas Used for Compressor Station Fuel-Credit                         | 0                              | 0                               |
| 92       | 811 Gas Used for Products Extraction-Credit                             | 297,348                        | 699,291                         |
| 93       | 812 Gas Used for Other Utility Operations-Credit                        | 0                              | 0                               |
| 94       | TOTAL Gas Used in Utility Operations-Credit (Total of lines 91 thru 93) | 297,348                        | 699,291                         |
| 95       | 813 Other Gas Supply Expenses   | 1,604,679                      | 1,553,513                       |
| 96       | TOTAL Other Gas Supply Exp. (Total of lines 77,78,85,86 thru 89,94,95)  | 203,762,620                    | 226,587,999                     |
| 97       | TOTAL Production Expenses (Total of lines 3, 30, 58, 65, and 96)        | 203,762,620                    | 226,587,999                     |
| 98       | <b>2. NATURAL GAS STORAGE, TERMINALING AND PROCESSING EXPENSES</b>      |                                |                                 |
| 99       | A. Underground Storage Expenses   |                                |                                 |
| 100      | Operation   |                                |                                 |
| 101      | 814 Operation Supervision and Engineering                               | 7,196                          | 15,735                          |
| 102      | 815 Maps and Records  | 0                              | 0                               |
| 103      | 816 Wells Expenses  | 0                              | 0                               |
| 104      | 817 Lines Expense   | 0                              | 0                               |
| 105      | 818 Compressor Station Expenses   | 0                              | 0                               |
| 106      | 819 Compressor Station Fuel and Power                                   | 0                              | 0                               |
| 107      | 820 Measuring and Regulating Station Expenses                           | 0                              | 0                               |
| 108      | 821 Purification Expenses   | 0                              | 0                               |
| 109      | 822 Exploration and Development   | 0                              | 0                               |
| 110      | 823 Gas Losses  | 0                              | 0                               |
| 111      | 824 Other Expenses  | 805,804                        | 772,251                         |
| 112      | 825 Storage Well Royalties  | 0                              | 0                               |
| 113      | 826 Rents   | 0                              | 0                               |
| 114      | TOTAL Operation (Total of lines of 101 thru 113)                        | 813,000                        | 787,986                         |

**Gas Operation and Maintenance Expenses(continued)**

| Line No. | Account<br>(a)  | Amount for Current Year<br>(b) | Amount for Previous Year<br>(c) |
|----------|---|--------------------------------|---------------------------------|
| 115      | Maintenance   |                                |                                 |
| 116      | 830 Maintenance Supervision and Engineering                     | 0                              | 0                               |
| 117      | 831 Maintenance of Structures and Improvements                  | 0                              | 0                               |
| 118      | 832 Maintenance of Reservoirs and Wells                         | 0                              | 0                               |
| 119      | 833 Maintenance of Lines  | 0                              | 0                               |
| 120      | 834 Maintenance of Compressor Station Equipment                 | 0                              | 0                               |
| 121      | 835 Maintenance of Measuring and Regulating Station Equipment   | 0                              | 0                               |
| 122      | 836 Maintenance of Purification Equipment                       | 0                              | 0                               |
| 123      | 837 Maintenance of Other Equipment                              | 2,186,040                      | 2,239,715                       |
| 124      | TOTAL Maintenance (Total of lines 116 thru 123)                 | 2,186,040                      | 2,239,715                       |
| 125      | TOTAL Underground Storage Expenses (Total of lines 114 and 124) | 2,999,040                      | 3,027,701                       |
| 126      | B. Other Storage Expenses                                       |                                |                                 |
| 127      | Operation   |                                |                                 |
| 128      | 840 Operation Supervision and Engineering                       | 0                              | 0                               |
| 129      | 841 Operation Labor and Expenses                                | 0                              | 0                               |
| 130      | 842 Rents   | 0                              | 0                               |
| 131      | 842.1 Fuel  | 0                              | 0                               |
| 132      | 842.2 Power   | 0                              | 0                               |
| 133      | 842.3 Gas Losses  | 0                              | 0                               |
| 134      | TOTAL Operation (Total of lines 128 thru 133)                   | 0                              | 0                               |
| 135      | Maintenance   |                                |                                 |
| 136      | 843.1 Maintenance Supervision and Engineering                   | 0                              | 0                               |
| 137      | 843.2 Maintenance of Structures                                 | 0                              | 0                               |
| 138      | 843.3 Maintenance of Gas Holders                                | 0                              | 0                               |
| 139      | 843.4 Maintenance of Purification Equipment                     | 0                              | 0                               |
| 140      | 843.5 Maintenance of Liquefaction Equipment                     | 0                              | 0                               |
| 141      | 843.6 Maintenance of Vaporizing Equipment                       | 0                              | 0                               |
| 142      | 843.7 Maintenance of Compressor Equipment                       | 0                              | 0                               |
| 143      | 843.8 Maintenance of Measuring and Regulating Equipment         | 0                              | 0                               |
| 144      | 843.9 Maintenance of Other Equipment                            | 0                              | 0                               |
| 145      | TOTAL Maintenance (Total of lines 136 thru 144)                 | 0                              | 0                               |
| 146      | TOTAL Other Storage Expenses (Total of lines 134 and 145)       | 0                              | 0                               |

|  |  |  |  |
|--|--|--|--|
|  |  |  |  |
|--|--|--|--|

**Gas Operation and Maintenance Expenses(continued)**

| Line No. | Account<br>(a)  | Amount for Current Year<br>(b) | Amount for Previous Year<br>(c) |
|----------|---|--------------------------------|---------------------------------|
| 147      | C. Liquefied Natural Gas Terminaling and Processing Expenses                  |                                |                                 |
| 148      | Operation   |                                |                                 |
| 149      | 844.1 Operation Supervision and Engineering                                   | 0                              | 0                               |
| 150      | 844.2 LNG Processing Terminal Labor and Expenses                              | 0                              | 0                               |
| 151      | 844.3 Liquefaction Processing Labor and Expenses                              | 0                              | 0                               |
| 152      | 844.4 Liquefaction Transportation Labor and Expenses                          | 0                              | 0                               |
| 153      | 844.5 Measuring and Regulating Labor and Expenses                             | 0                              | 0                               |
| 154      | 844.6 Compressor Station Labor and Expenses                                   | 0                              | 0                               |
| 155      | 844.7 Communication System Expenses   | 0                              | 0                               |
| 156      | 844.8 System Control and Load Dispatching                                     | 0                              | 0                               |
| 157      | 845.1 Fuel  | 0                              | 0                               |
| 158      | 845.2 Power   | 0                              | 0                               |
| 159      | 845.3 Rents   | 0                              | 0                               |
| 160      | 845.4 Demurrage Charges   | 0                              | 0                               |
| 161      | (less) 845.5 Wharfage Receipts-Credit   | 0                              | 0                               |
| 162      | 845.6 Processing Liquefied or Vaporized Gas by Others                         | 0                              | 0                               |
| 163      | 846.1 Gas Losses  | 0                              | 0                               |
| 164      | 846.2 Other Expenses  | 0                              | 0                               |
| 165      | TOTAL Operation (Total of lines 149 thru 164)                                 | 0                              | 0                               |
| 166      | Maintenance   |                                |                                 |
| 167      | 847.1 Maintenance Supervision and Engineering                                 | 0                              | 0                               |
| 168      | 847.2 Maintenance of Structures and Improvements                              | 0                              | 0                               |
| 169      | 847.3 Maintenance of LNG Processing Terminal Equipment                        | 0                              | 0                               |
| 170      | 847.4 Maintenance of LNG Transportation Equipment                             | 0                              | 0                               |
| 171      | 847.5 Maintenance of Measuring and Regulating Equipment                       | 0                              | 0                               |
| 172      | 847.6 Maintenance of Compressor Station Equipment                             | 0                              | 0                               |
| 173      | 847.7 Maintenance of Communication Equipment                                  | 0                              | 0                               |
| 174      | 847.8 Maintenance of Other Equipment  | 0                              | 0                               |
| 175      | TOTAL Maintenance (Total of lines 167 thru 174)                               | 0                              | 0                               |
| 176      | TOTAL Liquefied Nat Gas Terminaling and Proc Exp (Total of lines 165 and 175) | 0                              | 0                               |
| 177      | TOTAL Natural Gas Storage (Total of lines 125, 146, and 176)                  | 2,999,040                      | 3,027,701                       |

**Gas Operation and Maintenance Expenses(continued)**

| Line No. | Account<br><br>(a)  | Amount for Current Year<br>(b) | Amount for Previous Year<br>(c) |
|----------|---|--------------------------------|---------------------------------|
| 178      | <b>3. TRANSMISSION EXPENSES</b>                               |                                |                                 |
| 179      | Operation   |                                |                                 |
| 180      | 850 Operation Supervision and Engineering                     | 0                              | 0                               |
| 181      | 851 System Control and Load Dispatching                       | 0                              | 0                               |
| 182      | 852 Communication System Expenses                             | 0                              | 0                               |
| 183      | 853 Compressor Station Labor and Expenses                     | 0                              | 0                               |
| 184      | 854 Gas for Compressor Station Fuel                           | 0                              | 0                               |
| 185      | 855 Other Fuel and Power for Compressor Stations              | 0                              | 0                               |
| 186      | 856 Mains Expenses  | 0                              | 0                               |
| 187      | 857 Measuring and Regulating Station Expenses                 | 0                              | 0                               |
| 188      | 858 Transmission and Compression of Gas by Others             | 0                              | 0                               |
| 189      | 859 Other Expenses  | 0                              | 0                               |
| 190      | 860 Rents   | 0                              | 0                               |
| 191      | TOTAL Operation (Total of lines 180 thru 190)                 | 0                              | 0                               |
| 192      | Maintenance   |                                |                                 |
| 193      | 861 Maintenance Supervision and Engineering                   | 0                              | 0                               |
| 194      | 862 Maintenance of Structures and Improvements                | 0                              | 0                               |
| 195      | 863 Maintenance of Mains                                      | 0                              | 0                               |
| 196      | 864 Maintenance of Compressor Station Equipment               | 0                              | 0                               |
| 197      | 865 Maintenance of Measuring and Regulating Station Equipment | 0                              | 0                               |
| 198      | 866 Maintenance of Communication Equipment                    | 0                              | 0                               |
| 199      | 867 Maintenance of Other Equipment                            | 0                              | 0                               |
| 200      | TOTAL Maintenance (Total of lines 193 thru 199)               | 0                              | 0                               |
| 201      | TOTAL Transmission Expenses (Total of lines 191 and 200)      | 0                              | 0                               |
| 202      | <b>4. DISTRIBUTION EXPENSES</b>                               |                                |                                 |
| 203      | Operation   |                                |                                 |
| 204      | 870 Operation Supervision and Engineering                     | 2,566,384                      | 2,571,709                       |
| 205      | 871 Distribution Load Dispatching                             | 0                              | 0                               |
| 206      | 872 Compressor Station Labor and Expenses                     | 0                              | 0                               |
| 207      | 873 Compressor Station Fuel and Power                         | 0                              | 0                               |

**Gas Operation and Maintenance Expenses(continued)**

| Line No. | Account<br>(a)  | Amount for Current Year<br>(b) | Amount for Previous Year<br>(c) |
|----------|---|--------------------------------|---------------------------------|
| 208      | 874 Mains and Services Expenses   | 6,767,956                      | 6,006,761                       |
| 209      | 875 Measuring and Regulating Station Expenses-General                   | 213,070                        | 202,120                         |
| 210      | 876 Measuring and Regulating Station Expenses-Industrial                | 6,318                          | 9,837                           |
| 211      | 877 Measuring and Regulating Station Expenses-City Gas Check Station    | 69,259                         | 79,264                          |
| 212      | 878 Meter and House Regulator Expenses                                  | 905,675                        | 850,056                         |
| 213      | 879 Customer Installations Expenses                                     | 2,471,877                      | 3,312,750                       |
| 214      | 880 Other Expenses  | 2,478,227                      | 3,505,475                       |
| 215      | 881 Rents   | 48,470                         | 52,175                          |
| 216      | TOTAL Operation (Total of lines 204 thru 215)                           | 15,527,236                     | 16,590,147                      |
| 217      | Maintenance   |                                |                                 |
| 218      | 885 Maintenance Supervision and Engineering                             | 102,114                        | 220,749                         |
| 219      | 886 Maintenance of Structures and Improvements                          | 0                              | 0                               |
| 220      | 887 Maintenance of Mains  | 2,472,876                      | 2,283,909                       |
| 221      | 888 Maintenance of Compressor Station Equipment                         | 0                              | 0                               |
| 222      | 889 Maintenance of Measuring and Regulating Station Equipment-General   | 739,213                        | 606,305                         |
| 223      | 890 Maintenance of Meas. and Reg. Station Equipment-Industrial          | 55,558                         | 57,433                          |
| 224      | 891 Maintenance of Meas. and Reg. Station Equip-City Gate Check Station | 233,429                        | 129,459                         |
| 225      | 892 Maintenance of Services   | 1,874,030                      | 2,113,144                       |
| 226      | 893 Maintenance of Meters and House Regulators                          | 2,966,028                      | 2,623,297                       |
| 227      | 894 Maintenance of Other Equipment                                      | 448,151                        | 414,110                         |
| 228      | TOTAL Maintenance (Total of lines 218 thru 227)                         | 8,891,399                      | 8,448,406                       |
| 229      | TOTAL Distribution Expenses (Total of lines 216 and 228)                | 24,418,635                     | 25,038,553                      |
| 230      | 5. CUSTOMER ACCOUNTS EXPENSES   |                                |                                 |
| 231      | Operation   |                                |                                 |
| 232      | 901 Supervision   | 136,117                        | 137,648                         |
| 233      | 902 Meter Reading Expenses  | 935,192                        | 1,771,096                       |
| 234      | 903 Customer Records and Collection Expenses                            | 6,893,675                      | 8,318,773                       |

**Gas Operation and Maintenance Expenses(continued)**

| Line No. | Account<br>(a)  | Amount for Current Year<br>(b) | Amount for Previous Year<br>(c) |
|----------|---|--------------------------------|---------------------------------|
| 235      | 904 Uncollectible Accounts  | 3,283,520                      | 191,192                         |
| 236      | 905 Miscellaneous Customer Accounts Expenses                                  | 134,096                        | 174,009                         |
| 237      | TOTAL Customer Accounts Expenses (Total of lines 232 thru 236)                | 11,382,600                     | 10,592,718                      |
| 238      | <b>6. CUSTOMER SERVICE AND INFORMATIONAL EXPENSES</b>                         |                                |                                 |
| 239      | Operation   |                                |                                 |
| 240      | 907 Supervision   | 0                              | 0                               |
| 241      | 908 Customer Assistance Expenses  | 13,354,719                     | 13,934,510                      |
| 242      | 909 Informational and Instructional Expenses                                  | 975,808                        | 1,239,099                       |
| 243      | 910 Miscellaneous Customer Service and Informational Expenses                 | 295,212                        | 241,254                         |
| 244      | TOTAL Customer Service and Information Expenses (Total of lines 240 thru 243) | 14,625,739                     | 15,414,863                      |
| 245      | <b>7. SALES EXPENSES</b>  |                                |                                 |
| 246      | Operation   |                                |                                 |
| 247      | 911 Supervision   | 0                              | 0                               |
| 248      | 912 Demonstrating and Selling Expenses  | 260                            | 259                             |
| 249      | 913 Advertising Expenses  | 550                            | 0                               |
| 250      | 916 Miscellaneous Sales Expenses  | 0                              | 0                               |
| 251      | TOTAL Sales Expenses (Total of lines 247 thru 250)                            | 810                            | 259                             |
| 252      | <b>8. ADMINISTRATIVE AND GENERAL EXPENSES</b>                                 |                                |                                 |
| 253      | Operation   |                                |                                 |
| 254      | 920 Administrative and General Salaries                                       | 11,834,574                     | 10,145,930                      |
| 255      | 921 Office Supplies and Expenses  | 1,807,439                      | 1,870,409                       |
| 256      | (Less) 922 Administrative Expenses Transferred-Credit                         | 20,135                         | 17,719                          |
| 257      | 923 Outside Services Employed   | 4,513,246                      | 3,805,281                       |
| 258      | 924 Property Insurance  | 572,070                        | 489,741                         |
| 259      | 925 Injuries and Damages  | 1,575,608                      | 1,613,044                       |
| 260      | 926 Employee Pensions and Benefits  | 12,341,599                     | 11,308,297                      |
| 261      | 927 Franchise Requirements  | 0                              | 0                               |
| 262      | 928 Regulatory Commission Expenses  | 1,933,458                      | 1,959,465                       |
| 263      | (Less) 929 Duplicate Charges-Credit   | 0                              | 0                               |
| 264      | 930.1General Advertising Expenses   | 0                              | 0                               |
| 265      | 930.2Miscellaneous General Expenses   | 2,455,256                      | 1,857,212                       |
| 266      | 931 Rents   | 159,577                        | 132,525                         |
| 267      | TOTAL Operation (Total of lines 254 thru 266)                                 | 37,172,692                     | 33,164,185                      |
| 268      | Maintenance   |                                |                                 |
| 269      | 932 Maintenance of General Plant  | 5,057,592                      | 4,930,291                       |
| 270      | TOTAL Administrative and General Expenses (Total of lines 267 and 269)        | 42,230,284                     | 38,094,476                      |
| 271      | TOTAL Gas O&M Expenses (Total of lines 97,177,201,229,237,244,251, and 270)   | 299,419,728                    | 318,756,569                     |

**Gas Used in Utility Operations**

1. Report below details of credits during the year to Accounts 810, 811, and 812.
2. If any natural gas was used by the respondent for which a charge was not made to the appropriate operating expense or other account, list separately in column (c) the Dth of gas used, omitting entries in column (d).

| Line No.  | Purpose for Which Gas Was Used<br><br>(a)   | Account Charged<br><br>(b) | Natural Gas         | Natural Gas                             | Natural Gas                             | Natural Gas                             |
|-----------|---|----------------------------|---------------------|---|---|---|
|           |   |                            | Gas Used Dth<br>(c) | Amount of Credit<br>(in dollars)<br>(d) | Amount of Credit<br>(in dollars)<br>(d) | Amount of Credit<br>(in dollars)<br>(d) |
| 1         | 810 Gas Used for Compressor Station Fuel - Credit   |                            | 2,482,889           |   |   |   |
| 2         | 811 Gas Used for Products Extraction - Credit   |                            | 40,105,509          | 297,348                                 |   |   |
| 3         | Gas Shrinkage and Other Usage in Respondent's Own Processing  |                            |                     |   |   |   |
| 4         | Gas Shrinkage, etc. for Respondent's Gas Processed by Others  |                            |                     |   |   |   |
| 5         | 812 Gas Used for Other Utility Operations - Credit<br>(Report separately for each principal use. Group minor uses.) |                            |                     |   |   |   |
| 6         |   |                            |                     |   |   |   |
| 7         |   |                            |                     |   |   |   |
| 8         |   |                            |                     |   |   |   |
| 9         |   |                            |                     |   |   |   |
| 10        |   |                            |                     |   |   |   |
| 11        |   |                            |                     |   |   |   |
| 12        |   |                            |                     |   |   |   |
| 13        |   |                            |                     |   |   |   |
| 14        |   |                            |                     |   |   |   |
| 15        |   |                            |                     |   |   |   |
| 16        |   |                            |                     |   |   |   |
| 17        |   |                            |                     |   |   |   |
| 18        |   |                            |                     |   |   |   |
| 19        |   |                            |                     |   |   |   |
| 20        |   |                            |                     |   |   |   |
| 21        |   |                            |                     |   |   |   |
| 22        |   |                            |                     |   |   |   |
| 23        |   |                            |                     |   |   |   |
| 24        |   |                            |                     |   |   |   |
| <b>25</b> | <b>Total</b>  |                            | 42,588,398          | 297,348                                 |   |   |

|  |   |  |                                  |
|--|---|--|----------------------------------|
| Name of Respondent<br>Avista Corporation | This Report is:<br>(1) <input checked="" type="checkbox"/> An Original<br>(2) <input type="checkbox"/> A Resubmission | Date of Report<br>(Mo, Da, Yr)<br>04/15/2021 | Year/Period of Report<br>2020/Q4 |
| <b>FOOTNOTE DATA</b>                     |   |  |                                  |

**Schedule Page: 331 Line No.: 2 Column: c**  
 Represents the amount of processed gas run through the plant

**Other Gas Supply Expenses (Account 813)**

1. Report other gas supply expenses by descriptive titles that clearly indicate the nature of such expenses. Show maintenance expenses, revaluation of monthly encroachments recorded in Account 117.4, and losses on settlements of imbalances and gas losses not associated with storage separately. Indicate the functional classification and purpose of property to which any expenses relate. List separately items of \$250,000 or more.

| Line No.  | Description<br>(a)  | Amount<br>(in dollars)<br>(b) |
|-----------|---|-------------------------------|
| 1         | Gas Resource Management   |                               |
| 2         | Labor   | 1,085,733                     |
| 3         | Labor Loading   | 209,795                       |
| 4         | Other Expenses (Professional Services, Travel, Transportation, Office Supplies, Training) | 113,694                       |
| 5         |   |                               |
| 6         | Regulatory Affairs  |                               |
| 7         | Labor   | 18,648                        |
| 8         | Labor Loading   | 3,353                         |
| 9         | Other Expenses (Travel, Transportation, Gas Technology Institute Payments)                | 173,456                       |
| 10        |   |                               |
| 11        |   |                               |
| 12        |   |                               |
| 13        |   |                               |
| 14        |   |                               |
| 15        |   |                               |
| 16        |   |                               |
| 17        |   |                               |
| 18        |   |                               |
| 19        |   |                               |
| 20        |   |                               |
| 21        |   |                               |
| 22        |   |                               |
| 23        |   |                               |
| 24        |   |                               |
| <b>25</b> | <b>Total</b>  | <b>1,604,679</b>              |

**Miscellaneous General Expenses (Account 930.2)**

1. Provide the information requested below on miscellaneous general expenses.  
 2. For Other Expenses, show the (a) purpose, (b) recipient and (c) amount of such items. List separately amounts of \$250,000 or more however, amounts less than \$250,000 may be grouped if the number of items of so grouped is shown.

| Line No.  | Description<br>(a)  | Amount<br>(in dollars)<br>(b) |
|-----------|---|-------------------------------|
| 1         | Industry association dues.  | 199,563                       |
| 2         | Experimental and general research expenses.   |                               |
|           | a. Gas Research Institute (GRI)   |                               |
|           | b. Other  |                               |
| 3         | Publishing and distributing information and reports to stockholders, trustee, registrar, and transfer agent fees and expenses, and other expenses of servicing outstanding securities of the respondent | 340,320                       |
| 4         | Board of Director Activities  | 634,812                       |
| 5         | Education, Information & Training   | 39,585                        |
| 6         | Emergency Operating Procedure Events  | 878,144                       |
| 7         | Community Relations   | 179,197                       |
| 8         | Misc. Employee Expenses   | 16,707                        |
| 9         | Misc. Labor   | 3,741                         |
| 10        | Misc. Legal, Professional, and General Services   | 68,099                        |
| 11        | Misc. Transportation  | 84,892                        |
| 12        | Other Misc. Expenses <\$5k  | 10,195                        |
| 13        |   |                               |
| 14        |   |                               |
| 15        |   |                               |
| 16        |   |                               |
| 17        |   |                               |
| 18        |   |                               |
| 19        |   |                               |
| 20        |   |                               |
| 21        |   |                               |
| 22        |   |                               |
| 23        |   |                               |
| 24        |   |                               |
| <b>25</b> | <b>Total</b>  | <b>2,455,255</b>              |

Name of Respondent  
Avista Corporation

This Report Is:  
(1)  An Original  
(2)  A Resubmission

Date of Report  
(Mo, Da, Yr)  
04/15/2021

Year/Period of Report  
End of 2020/Q4

**Depreciation, Depletion and Amortization of Gas Plant (Accts 403, 404.1, 404.2, 404.3, 405) (Except Amortization of Acquisition Adjustments)**

1. Report in Section A the amounts of depreciation expense, depletion and amortization for the accounts indicated and classified according to the plant functional groups shown.
2. Report in Section B, column (b) all depreciable or amortizable plant balances to which rates are applied and show a composite total. (If more desirable, report by plant account, subaccount or functional classifications other than those pre-printed in column (a). Indicate in a footnote the manner in which column (b) balances are

**Section A. Summary of Depreciation, Depletion, and Amortization Charges**

| Line No. | Functional Classification<br><br>(a)           | Depreciation Expense<br>(Account 403)<br><br>(b) | Amortization Expense for Asset Retirement Costs<br>(Account 403.1) (c) | Amortization and Depletion of Producing Natural Gas Land and Land Rights<br>(Account 404.1)<br>(d) | Amortization of Underground Storage Land and Land Rights<br>(Account 404.2)<br>(e) |
|----------|--|--|--|--|--|
| 1        | Intangible plant                               |  |  |  |  |
| 2        | Production plant, manufactured gas             |  |  |  |  |
| 3        | Production and gathering plant, natural gas    |  |  |  |  |
| 4        | Products extraction plant                      |  |  |  |  |
| 5        | Underground gas storage plant                  | 748,685  |  |  |  |
| 6        | Other storage plant                            |  |  |  |  |
| 7        | Base load LNG terminaling and processing plant |  |  |  |  |
| 8        | Transmission plant                             |  |  |  |  |
| 9        | Distribution plant                             | 29,006,170                                       |  |  |  |
| 10       | General plant                                  | 1,760,949  |  |  |  |
| 11       | Common plant-gas                               | 7,725,749  |  |  |  |
| 12       | TOTAL  | 39,241,553                                       |  |  |  |

**Depreciation, Depletion and Amortization of Gas Plant (Accts 403, 404.1, 404.2, 404.3, 405) (Except Amortization of Acquisition Adjustments) (continued)**

obtained. If average balances are used, state the method of averaging used. For column (c) report available information for each plant functional classification listed in column (a). If composite depreciation accounting is used, report available information called for in columns (b) and (c) on this basis. Where the unit-of-production method is used to determine depreciation charges, show in a footnote any revisions made to estimated gas reserves.

3. If provisions for depreciation were made during the year in addition to depreciation provided by application of reported rates, state in a footnote the amounts and nature of the provisions and the plant items to which related.

**Section A. Summary of Depreciation, Depletion, and Amortization Charges**

| Line No. | Amortization of Other Limited-term Gas Plant (Account 404.3)<br><br>(f) | Amortization of Other Gas Plant (Account 405)<br><br>(g) | Total (b to g)<br><br>(h) | Functional Classification<br><br>(a)           |
|----------|---|--|---------------------------|--|
| 1        | 123,966   |  | 123,966                   | Intangible plant                               |
| 2        |   |  |                           | Production plant, manufactured gas             |
| 3        |   |  |                           | Production and gathering plant, natural gas    |
| 4        |   |  |                           | Products extraction plant                      |
| 5        |   |  | 748,685                   | Underground gas storage plant                  |
| 6        |   |  |                           | Other storage plant                            |
| 7        |   |  |                           | Base load LNG terminaling and processing plant |
| 8        |   |  |                           | Transmission plant                             |
| 9        |   |  | 29,006,170                | Distribution plant                             |
| 10       |   |  | 1,760,949                 | General plant                                  |
| 11       | 11,682,830  |  | 19,408,579                | Common plant-gas                               |
| 12       | 11,806,796  |  | 51,048,349                | TOTAL  |

**Depreciation, Depletion and Amortization of Gas Plant (Accts 403, 404.1, 404.2, 404.3, 405) (Except Amortization of Acquisition Adjustments) (continued)**

4. Add rows as necessary to completely report all data. Number the additional rows in sequence as 2.01, 2.02, 3.01, 3.02, etc.

**Section B. Factors Used in Estimating Depreciation Charges**

| Line No. | Functional Classification<br><br>(a)             | Plant Bases<br>(in thousands)<br><br>(b) | Applied Depreciation<br>or Amortization Rates<br>(percent)<br><br>(c) |
|----------|--|--|---|
| 1        | Production and Gathering Plant                   |  |   |
| 2        | Offshore (footnote details)                      |  |   |
| 3        | Onshore (footnote details)                       |  |   |
| 4        | Underground Gas Storage Plant (footnote details) |  |   |
| 5        | Transmission Plant                               |  |   |
| 6        | Offshore (footnote details)                      |  |   |
| 7        | Onshore (footnote details)                       |  |   |
| 8        | General Plant (footnote details)                 |  |   |
| 9        |  |  |   |
| 10       |  |  |   |
| 11       |  |  |   |
| 12       |  |  |   |
| 13       |  |  |   |
| 14       |  |  |   |
| 15       |  |  |   |

|  |   |  |   |
|--|---|--|---|
| Name of Respondent<br>Avista Corporation | This Report Is:<br>(1) <input checked="" type="checkbox"/> An Original<br>(2) <input type="checkbox"/> A Resubmission | Date of Report<br>(Mo, Da, Yr)<br>04/15/2021 | Year/Period of Report<br>End of 2020/Q4 |
|--|---|--|---|

**Particulars Concerning Certain Income Deductions and Interest Charges Accounts**

Report the information specified below, in the order given, for the respective income deduction and interest charges accounts.

(a) Miscellaneous Amortization (Account 425)-Describe the nature of items included in this account, the contra account charged, the total of amortization charges for the year, and the period of amortization.

(b) Miscellaneous Income Deductions-Report the nature, payee, and amount of other income deductions for the year as required by Accounts 426.1, Donations; 426.2, Life Insurance; 426.3, Penalties; 426.4, Expenditures for Certain Civic, Political and Related Activities; and 426.5, Other Deductions, of the Uniform System of Accounts. Amounts of less than \$250,000 may be grouped by classes within the above accounts.

(c) Interest on Debt to Associated Companies (Account 430)-For each associated company that incurred interest on debt during the year, indicate the amount and interest rate respectively for (a) advances on notes, (b) advances on open account, (c) notes payable, (d) accounts payable, and (e) other debt, and total interest. Explain the nature of other debt on which interest was incurred during the year.

(d) Other Interest Expense (Account 431) - Report details including the amount and interest rate for other interest charges incurred during the year.

| Line No. | Item (a)   | Amount (b) |
|----------|--|------------|
| 1        | Acct. 425.00 - MISCELLANEOUS AMORTIZATIONS                                       |            |
| 2        | Items Under \$250,000  | ( 815,484) |
| 3        | Total - 425.00   | ( 815,484) |
| 4        | Acct. 426.10 - DONATIONS   |            |
| 5        | Items Under \$250,000  | 2,999,603  |
| 6        | Total 426.10   | 2,999,603  |
| 7        | Acct. 426.20 - LIFE INSURANCE  |            |
| 8        | Officers Life  | 156,937    |
| 9        | SERP   | 2,470,559  |
| 10       | Items Under \$250,000  | 445,100    |
| 11       | Total 426.20   | 3,072,596  |
| 12       | Acct. 426.30 - PENALTIES   |            |
| 13       | Items Under \$250,000  | ( 17,039)  |
| 14       | Total 426.30   | ( 17,039)  |
| 15       | Acct. 426.40 - EXPENDITURES FOR CERTAIN CIVIC, POLITICAL, AND RELATED ACTIVITIES |            |
| 16       | Items Under \$250,000  | 1,773,265  |
| 17       | Total 426.40   | 1,773,265  |
| 18       | Acct. 426.50 - OTHER DEDUCTIONS  |            |
| 19       | Executive Deferred Compensation  | 992,325    |
| 20       | Items Under \$250,000  | 5,449,131  |
| 21       | Total 426.50   | 6,441,456  |
| 22       | Acct. 430.00 - INTEREST ON DEBT TO ASSOC. COMPANIES                              |            |
| 23       | Avista Capital II (long-term debt) (variable rate ranged from 1.29 to 1.81 perc) | 712,864    |
| 24       | Acct. 430.00 - INTEREST ON DEBT TO ASSOC. COMPANIES                              | 186,289    |
| 25       | Total 430.00   | 899,153    |
| 26       | Acct. 431.00 - OTHER INTEREST EXPENSE  |            |
| 27       | Interest on electric deferrals   | 1,923,857  |
| 28       | Interest on natural gas deferrals  | 692,325    |
| 29       | Interest on committed line of credit   | 4,163,663  |
| 30       | Other  | ( 609,764) |
| 31       | Total 431.00   | 6,170,081  |
| 32       |  |            |
| 33       |  |            |
| 34       |  |            |
| 35       |  |            |

**Regulatory Commission Expenses (Account 928)**

1. Report below details of regulatory commission expenses incurred during the current year (or in previous years, if being amortized) relating to formal cases before a regulatory body, or cases in which such a body was a party.  
2. In column (b) and (c), indicate whether the expenses were assessed by a regulatory body or were otherwise incurred by the utility.

| Line No.  | Description<br>(Furnish name of regulatory commission or body, the docket number, and a description of the case.)<br><br>(a) | Assessed by<br>Regulatory<br>Commission<br><br>(b) | Expenses<br>of<br>Utility<br><br>(c) | Total<br>Expenses<br>to Date<br><br>(d) | Deferred in<br>Account 182.3<br>at Beginning<br>of Year<br><br>(e) |
|-----------|--|--|--------------------------------------|---|--|
| 1         | Federal Energy Regulatory Commission   |  |                                      |   |  |
| 2         | Charges include annual fee and license fee   |  |                                      |   |  |
| 3         | for the Spokane River Project, the Cabinet   |  |                                      |   |  |
| 4         | Gorge Project and Noxon Rapids Project   | 2,629,180  | 34,224                               | 2,663,404                               |  |
| 5         |  |  |                                      |   |  |
| 6         | Washington Utilities and Transportation Commission   |  |                                      |   |  |
| 7         | Includes annual fee and various other electric dockets   | 1,099,656  | 687,609                              | 1,787,265                               |  |
| 8         |  |  |                                      |   |  |
| 9         | Includes annual fee and various other natural gas dockets  | 295,440  | 153,301                              | 448,741                                 |  |
| 10        |  |  |                                      |   |  |
| 11        | Idaho Public Utilities Commission  |  |                                      |   |  |
| 12        | Includes annual fee and various other electric dockets   | 684,318  | 160,523                              | 844,840                                 |  |
| 13        |  |  |                                      |   |  |
| 14        | Includes annual fee and various other natural gas dockets  | 163,671  | 46,147                               | 209,818                                 |  |
| 15        |  |  |                                      |   |  |
| 16        | Public Utility Commission of Oregon  |  |                                      |   |  |
| 17        | Includes annual fee and various other dockets  | 611,398  | 351,510                              | 962,908                                 |  |
| 18        |  |  |                                      |   |  |
| 19        | Not directly assigned electric   |  | 725,551                              | 725,551                                 |  |
| 20        | Not directly assigned natural gas  |  | 311,991                              | 311,991                                 |  |
| 21        |  |  |                                      |   |  |
| 22        |  |  |                                      |   |  |
| 23        |  |  |                                      |   |  |
| 24        |  |  |                                      |   |  |
| <b>25</b> | <b>Total</b>   | 5,483,663  | 2,470,856                            | 7,954,518                               |  |

**Regulatory Commission Expenses (Account 928)**

- 3. Show in column (k) any expenses incurred in prior years that are being amortized. List in column (a) the period of amortization.
- 4. Identify separately all annual charge adjustments (ACA).
- 5. List in column (f), (g), and (h) expenses incurred during year which were charges currently to income, plant, or other accounts.
- 6. Minor items (less than \$250,000) may be grouped.

| Line No.  | Expenses Incurred During Year Charged Currently To<br>Department (f) | Expenses Incurred During Year Charged Currently To<br>Account No. (g) | Expenses Incurred During Year Charged Currently To<br>Amount (h) | Expenses Incurred During Year<br>Deferred to Account 182.3<br>(i) | Amortized During Year<br>Contra Account<br>(j) | Amortized During Year<br>Amount<br>(k) | Deferred in Account 182.3<br>End of Year<br>(l) |
|-----------|--|---|--|---|--|--|---|
| 1         |  |   |  |   |  |  |   |
| 2         |  |   |  |   |  |  |   |
| 3         |  |   |  |   |  |  |   |
| 4         | Electric   | 928   | 2,663,404  |   |  |  |   |
| 5         |  |   |  |   |  |  |   |
| 6         |  |   |  |   |  |  |   |
| 7         | Electric   | 928   | 1,787,265  |   |  |  |   |
| 8         |  |   |  |   |  |  |   |
| 9         | Gas  | 928   | 448,741  |   |  |  |   |
| 10        |  |   |  |   |  |  |   |
| 11        |  |   |  |   |  |  |   |
| 12        | Electric   | 928   | 844,840  |   |  |  |   |
| 13        |  |   |  |   |  |  |   |
| 14        | Gas  | 928   | 209,818  |   |  |  |   |
| 15        |  |   |  |   |  |  |   |
| 16        |  |   |  |   |  |  |   |
| 17        | Gas  | 928   | 962,908  | 72,367  | 407.4  | 13,133                                 | 59,519  |
| 18        |  |   |  |   |  |  |   |
| 19        | Electric   | 928   | 725,551  |   |  |  |   |
| 20        | Gas  | 928   | 311,991  |   |  |  |   |
| 21        |  |   |  |   |  |  |   |
| 22        |  |   |  |   |  |  |   |
| 23        |  |   |  |   |  |  |   |
| 24        |  |   |  |   |  |  |   |
| <b>25</b> |  |   | 7,954,518  | 72,367  |  | 13,133                                 | 59,519  |

**Employee Pensions and Benefits (Account 926)**

1. Report below the items contained in Account 926, Employee Pensions and Benefits.

| Line No. | Expense (a)   | Amount (b)        |
|----------|---|-------------------|
| 1        | Pensions - defined benefit plans                    | 19,959,280        |
| 2        | Pensions - other                                    |                   |
| 3        | Post-retirement benefits other than pensions (PBOP) | 10,990,971        |
| 4        | Post-employment benefit plans                       |                   |
| 5        | Other (Specify)                                     | 680,219           |
| 6        | Health insurance and Benefits                       | 29,051,500        |
| 7        | 401(K) Savings Plan                                 | 11,742,316        |
| 8        | Employee Education                                  | 948,254           |
| 9        |   |                   |
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| 39       |   |                   |
|          | <b>Total</b>  | <b>73,372,540</b> |

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**Distribution of Salaries and Wages**

Report below the distribution of total salaries and wages for the year. Segregate amounts originally charged to clearing accounts to Utility Departments, Construction, Plant Removals and Other Accounts, and enter such amounts in the appropriate lines and columns provided. Salaries and wages billed to the Respondent by an affiliated company must be assigned to the particular operating function(s) relating to the expenses.

In determining this segregation of salaries and wages originally charged to clearing accounts, a method of approximation giving substantially correct results may be used. When reporting detail of other accounts, enter as many rows as necessary numbered sequentially starting with 75.01, 75.02, etc.

| Line No. | Classification<br><br>(a)                                       | Direct Payroll Distribution<br><br>(b) | Payroll Billed by Affiliated Companies<br><br>(c) | Allocation of Payroll Charged for Clearing Accounts<br><br>(d) | Total<br><br>(e) |
|----------|---|--|---|--|------------------|
| 1        | Electric  |  |   |  |                  |
| 2        | Operation   |  |   |  |                  |
| 3        | Production  | 13,667,061                             |   |  | 13,667,061       |
| 4        | Transmission  | 4,359,748                              |   |  | 4,359,748        |
| 5        | Distribution  | 9,555,026                              |   |  | 9,555,026        |
| 6        | Customer Accounts   | 6,615,674                              |   |  | 6,615,674        |
| 7        | Customer Service and Informational                              | 473,347                                |   |  | 473,347          |
| 8        | Sales   |  |   |  |                  |
| 9        | Administrative and General                                      | 27,189,564                             |   |  | 27,189,564       |
| 10       | TOTAL Operation (Total of lines 3 thru 9)                       | 61,860,420                             |   |  | 61,860,420       |
| 11       | Maintenance   |  |   |  |                  |
| 12       | Production  | 4,612,103                              |   |  | 4,612,103        |
| 13       | Transmission  | 907,722                                |   |  | 907,722          |
| 14       | Distribution  | 5,236,480                              |   |  | 5,236,480        |
| 15       | Administrative and General                                      |  |   | 9,141,941  | 9,141,941        |
| 16       | TOTAL Maintenance (Total of lines 12 thru 15)                   | 10,756,305                             |   | 9,141,941  | 19,898,246       |
| 17       | Total Operation and Maintenance                                 |  |   |  |                  |
| 18       | Production (Total of lines 3 and 12)                            | 18,279,164                             |   |  | 18,279,164       |
| 19       | Transmission (Total of lines 4 and 13)                          | 5,267,470                              |   |  | 5,267,470        |
| 20       | Distribution (Total of lines 5 and 14)                          | 14,791,506                             |   |  | 14,791,506       |
| 21       | Customer Accounts (line 6)                                      | 6,615,674                              |   |  | 6,615,674        |
| 22       | Customer Service and Informational (line 7)                     | 473,347                                |   |  | 473,347          |
| 23       | Sales (line 8)  |  |   |  |                  |
| 24       | Administrative and General (Total of lines 9 and 15)            | 27,189,564                             |   | 9,141,941  | 36,331,505       |
| 25       | TOTAL Operation and Maintenance (Total of lines 18 thru 24)     | 72,616,725                             |   | 9,141,941  | 81,758,666       |
| 26       | Gas   |  |   |  |                  |
| 27       | Operation   |  |   |  |                  |
| 28       | Production - Manufactured Gas                                   |  |   |  |                  |
| 29       | Production - Natural Gas(Including Exploration and Development) |  |   |  |                  |
| 30       | Other Gas Supply  | 1,104,381                              |   |  | 1,104,381        |
| 31       | Storage, LNG Terminaling and Processing                         | 6,045                                  |   |  | 6,045            |
| 32       | Transmission  |  |   |  |                  |
| 33       | Distribution  | 5,936,287                              |   |  | 5,936,287        |
| 34       | Customer Accounts   | 2,930,182                              |   |  | 2,930,182        |
| 35       | Customer Service and Informational                              | 294,694                                |   |  | 294,694          |
| 36       | Sales   |  |   |  |                  |
| 37       | Administrative and General                                      | 11,457,871                             |   | 3,204,941  | 14,662,812       |
| 38       | TOTAL Operation (Total of lines 28 thru 37)                     | 21,729,460                             |   | 3,204,941  | 24,934,401       |
| 39       | Maintenance   |  |   |  |                  |
| 40       | Production - Manufactured Gas                                   |  |   |  |                  |
| 41       | Production - Natural Gas(Including Exploration and Development) |  |   |  |                  |
| 42       | Other Gas Supply  |  |   |  |                  |
| 43       | Storage, LNG Terminaling and Processing                         |  |   |  |                  |
| 44       | Transmission  | 1,955,158                              |   |  | 1,955,158        |
| 45       | Distribution  | 3,487,785                              |   |  | 3,487,785        |

**Distribution of Salaries and Wages (continued)**

| Line No. | Classification<br><br>(a)  | Direct Payroll Distribution<br><br>(b) | Payroll Billed by Affiliated Companies<br><br>(c) | Allocation of Payroll Charged for Clearing Accounts<br><br>(d) | Total<br><br>(e) |
|----------|--|--|---|--|------------------|
| 46       | Administrative and General   |  |   |  |                  |
| 47       | TOTAL Maintenance (Total of lines 40 thru 46)                      | 5,442,943                              |   |  | 5,442,943        |
| 48       | Gas (Continued)  |  |   |  |                  |
| 49       | Total Operation and Maintenance                                    |  |   |  |                  |
| 50       | Production - Manufactured Gas (Total of lines 28 and 40)           |  |   |  |                  |
| 51       | Production - Natural Gas (Including Expl. and Dev.)(ll. 29 and 41) |  |   |  |                  |
| 52       | Other Gas Supply (Total of lines 30 and 42)                        | 1,104,381                              |   |  | 1,104,381        |
| 53       | Storage, LNG Terminaling and Processing (Total of ll. 31 and 43)   | 6,045                                  |   |  | 6,045            |
| 54       | Transmission (Total of lines 32 and 44)                            | 1,955,158                              |   |  | 1,955,158        |
| 55       | Distribution (Total of lines 33 and 45)                            | 9,424,072                              |   |  | 9,424,072        |
| 56       | Customer Accounts (Total of line 34)                               | 2,930,182                              |   |  | 2,930,182        |
| 57       | Customer Service and Informational (Total of line 35)              | 294,694                                |   |  | 294,694          |
| 58       | Sales (Total of line 36)   |  |   |  |                  |
| 59       | Administrative and General (Total of lines 37 and 46)              | 11,457,871                             |   | 3,204,941  | 14,662,812       |
| 60       | Total Operation and Maintenance (Total of lines 50 thru 59)        | 27,172,403                             |   | 3,204,941  | 30,377,344       |
| 61       | Other Utility Departments  |  |   |  |                  |
| 62       | Operation and Maintenance  |  |   |  |                  |
| 63       | TOTAL ALL Utility Dept. (Total of lines 25, 60, and 62)            | 99,789,128                             |   | 12,346,882   | 112,136,010      |
| 64       | Utility Plant  |  |   |  |                  |
| 65       | Construction (By Utility Departments)                              |  |   |  |                  |
| 66       | Electric Plant   | 44,889,619                             |   | 6,589,540  | 51,479,159       |
| 67       | Gas Plant  | 11,755,963                             |   | 2,383,819  | 14,139,782       |
| 68       | Other  |  |   |  |                  |
| 69       | TOTAL Construction (Total of lines 66 thru 68)                     | 56,645,582                             |   | 8,973,359  | 65,618,941       |
| 70       | Plant Removal (By Utility Departments)                             |  |   |  |                  |
| 71       | Electric Plant   | 1,830,775                              |   | 166,241  | 1,997,016        |
| 72       | Gas Plant  | 610,391                                |   | 55,425   | 665,816          |
| 73       | Other  |  |   |  |                  |
| 74       | TOTAL Plant Removal (Total of lines 71 thru 73)                    | 2,441,166                              |   | 221,666  | 2,662,832        |
| 75       | Other Accounts (Specify) (footnote details)                        | 44,042,013                             |   | ( 21,541,907)  | 22,500,106       |
| 76       | TOTAL Other Accounts   | 44,042,013                             |   | ( 21,541,907)  | 22,500,106       |
| 77       | TOTAL SALARIES AND WAGES   | 202,917,889                            |   |  | 202,917,889      |

|  |   |  |   |
|--|---|--|---|
| Name of Respondent<br>Avista Corporation | This Report Is:<br>(1) <input checked="" type="checkbox"/> An Original<br>(2) <input type="checkbox"/> A Resubmission | Date of Report<br>(Mo, Da, Yr)<br>04/15/2021 | Year/Period of Report<br>End of 2020/Q4 |
|--|---|--|---|

**Charges for Outside Professional and Other Consultative Services**

1. Report the information specified below for all charges made during the year included in any account (including plant accounts) for outside consultative and other professional services. These services include rate, management, construction, engineering, research, financial, valuation, legal, accounting, purchasing, advertising, labor relations, and public relations, rendered for the respondent under written or oral arrangement, for which aggregate payments were made during the year to any corporation partnership, organization of any kind, or individual (other than for services as an employee or for payments made for medical and related services) amounting to more than \$250,000, including payments for legislative services, except those which should be reported in Account 426.4 Expenditures for Certain Civic, Political and Related Activities.

(a) Name of person or organization rendering services.

(b) Total charges for the year.

2. Sum under a description "Other", all of the aforementioned services amounting to \$250,000 or less.

3. Total under a description "Total", the total of all of the aforementioned services.

4. Charges for outside professional and other consultative services provided by associated (affiliated) companies should be excluded from this schedule and be reported on Page 358, according to the instructions for that schedule.

| Line No. | Description<br>(a)              | Amount<br>(in dollars)<br>(b) |
|----------|---------------------------------|-------------------------------|
| 1        | NPL CONSTRUCTION CO             | 25,552,618                    |
| 2        | VOLT MANAGEMENT CORP            | 14,280,899                    |
| 3        | INTERNATIONAL LINE BUILDERS INC | 13,697,180                    |
| 4        | INFRA SOURCE SERVICES LLC       | 11,900,139                    |
| 5        | WILSON CONSTRUCTION COMPANY     | 10,046,779                    |
| 6        | WELLINGTON ENERGY INC           | 9,701,389                     |
| 7        | ASPLUNDH TREE EXPERT LLC        | 8,945,630                     |
| 8        | SLAYDEN CONSTRUCTORS INC        | 7,126,801                     |
| 9        | MICHELS POWER                   | 6,128,125                     |
| 10       | POTELCO INC                     | 4,849,220                     |
| 11       | BOUTEN CONSTRUCTION COMPANY     | 3,627,190                     |
| 12       | ONE CALL LOCATORS LTD           | 3,561,027                     |
| 13       | IBM CORPORATION                 | 3,031,888                     |
| 14       | SIEMENS ENERGY INC              | 2,698,704                     |
| 15       | STURGEON ELECTRIC INC           | 2,641,753                     |
| 16       | MCMILLEN JACOBS ASSOCIATES      | 2,347,507                     |
| 17       | PERFECTION TRAFFIC CONTROL LLC  | 2,290,243                     |
| 18       | NAGARRO INC                     | 2,271,560                     |
| 19       | HEATH CONSULTANTS INCORPORATED  | 2,130,985                     |
| 20       | CASCADE CABLE CONSTRUCTORS INC  | 2,090,379                     |
| 21       | INTELLITECT                     | 1,897,850                     |
| 22       | WSP USA INC                     | 1,834,656                     |
| 23       | TRAFFICORP                      | 1,824,648                     |
| 24       | COMMERCIAL GRADING INC          | 1,793,061                     |
| 25       | ITRON INC                       | 1,729,110                     |
| 26       | DELOITTE                        | 1,709,000                     |
| 27       | UTILITY SOLUTIONS PARTNERS LLC  | 1,704,296                     |
| 28       | STANTEC CONSULTING SERVICES INC | 1,689,111                     |
| 29       | FUJITSU AMERICAN INC            | 1,609,819                     |
| 30       | PER SE GROUP INC                | 1,580,170                     |
| 31       | NBC TRAFFIC CONTROL             | 1,391,366                     |
| 32       | SUNRISE ENGINEERING INC         | 1,366,636                     |
| 33       | AAA SWEEPING LLC                | 1,346,063                     |
| 34       | BRENT WOODWARD INC              | 1,345,671                     |
| 35       | MCKINSTRY ESSENTION LLC         | 1,326,118                     |

**Charges for Outside Professional and Other Consultative Services (continued)**

| Line No. | Description<br>(a)                  | Amount<br>(in dollars)<br>(b) |
|----------|-------------------------------------|-------------------------------|
| 1        | CERIUM NETWORKS                     | 1,239,874                     |
| 2        | RESSA & SON CONSTRUCTION LLC        | 1,222,479                     |
| 3        | COMMONWEALTH ASSOCIATES INC         | 1,219,324                     |
| 4        | NUVODIA STAFFING LLC                | 1,214,182                     |
| 5        | CURRY INC                           | 1,191,558                     |
| 6        | PROFESSIONAL PIPE SERVICES          | 1,160,050                     |
| 7        | UTILICAST LLC                       | 1,147,030                     |
| 8        | HDR ENGINEERING INC                 | 1,114,541                     |
| 9        | COGNIZANT WORLDWIDE LIMITED         | 1,095,068                     |
| 10       | PRYSMIAN CABLES AND SYSTEMS USA LLC | 1,091,818                     |
| 11       | CN UTILITY CONSULTING INC           | 1,066,746                     |
| 12       | HELVETICKA INC                      | 1,000,447                     |
| 13       | GREENBERRY INDUSTRIAL LLC           | 987,966                       |
| 14       | POWER ENGINEERS INC                 | 985,722                       |
| 15       | SCHWEITZER ENGINEERING LAB INC      | 777,250                       |
| 16       | PRICEWATERHOUSE COOPERS LLP         | 760,138                       |
| 17       | POWER SYSTEMS CONSULTANTS INC       | 755,896                       |
| 18       | POE ASPHALT PAVING INC              | 739,061                       |
| 19       | GARCO CONSTRUCTION INC              | 731,655                       |
| 20       | BLACK & VEATCH CORPORATION          | 691,892                       |
| 21       | DXC TECHNOLOGY SERVICES LLC         | 676,167                       |
| 22       | ALDEN RESEARCH LABORATORY INC       | 662,942                       |
| 23       | NOBLE EXCAVATING INC                | 640,110                       |
| 24       | TRAFFIC CONTROL SERVICES LLC        | 620,897                       |
| 25       | COEUR D ALENE TRIBE                 | 619,037                       |
| 26       | D W POLEHOLE                        | 594,720                       |
| 27       | CIRRUS DESIGN INDUSTRIES INC        | 577,265                       |
| 28       | SPOKANE TRAFFIC CONTROL INC         | 544,674                       |
| 29       | POWER CITY ELECTRIC INC             | 535,182                       |
| 30       | HANNA & ASSOCIATES INC              | 531,330                       |
| 31       | ASSOCIATED CONSTRUCTION INC         | 528,360                       |
| 32       | TEK SYSTEMS INC                     | 526,253                       |
| 33       | NUVODIA LLC                         | 522,885                       |
| 34       | ELM FIELDSIGHT LLC                  | 519,711                       |
| 35       | ALDRIDGE ELECTRIC INC               | 518,399                       |

**Charges for Outside Professional and Other Consultative Services (continued)**

| Line No. | Description<br>(a)                            | Amount<br>(in dollars)<br>(b) |
|----------|---|-------------------------------|
| 1        | UTILITY CONSTRUCTION INSPECTION LLC           | 506,964                       |
| 2        | CRUX SUBSURFACE INC                           | 491,063                       |
| 3        | WALKER CONSTRUCTION INC                       | 476,645                       |
| 4        | OXFORD GLOBAL RESOURCES LLC                   | 472,154                       |
| 5        | TECHNIBUS INC                                 | 456,956                       |
| 6        | JENSENS TREE SERVICE INC                      | 455,787                       |
| 7        | INTEC SERVICES INC                            | 436,427                       |
| 8        | PRICEWATERHOUSE COOPERS ADVISORY SERVICES LLC | 434,952                       |
| 9        | ABREMOD LLC                                   | 431,475                       |
| 10       | FIRST AMERICAN TITLE                          | 420,514                       |
| 11       | UTILITY GUYS INC                              | 413,892                       |
| 12       | PRO BUILDING SYSTEMS INC                      | 404,856                       |
| 13       | GINNO CONSTRUCTION CO                         | 386,811                       |
| 14       | H2E INC                                       | 382,150                       |
| 15       | BOYER LAND DEVELOPMENT INC                    | 371,933                       |
| 16       | HICKEY BROTHERS RESEARCH LLC                  | 370,118                       |
| 17       | GEODIGITAL INTERNATIONAL CORP                 | 364,776                       |
| 18       | THYSSENKRUPP ELEVATOR CORPORATION             | 349,009                       |
| 19       | ALITEK SOLUTIONS LP                           | 343,181                       |
| 20       | IDAHO DEPT OF FISH & GAME                     | 340,438                       |
| 21       | TRC SOLUTIONS INC                             | 327,812                       |
| 22       | SOUTHERN CROSS CORP                           | 323,312                       |
| 23       | NOVTECH                                       | 321,396                       |
| 24       | DELOITTE TAX LLP                              | 318,788                       |
| 25       | ELECTRICAL CONSULTANTS INC                    | 308,292                       |
| 26       | AVCO CONSULTING INC                           | 299,915                       |
| 27       | PIONEER WATERPROOFING COMPANY INC             | 287,510                       |
| 28       | ERNST & YOUNG US LLP                          | 287,000                       |
| 29       | PERFORMANCE INDUSTRIAL COMPANY LLC            | 286,408                       |
| 30       | LANDAU ASSOCIATES                             | 285,816                       |
| 31       | HATTENBURG EXCAVATING                         | 285,492                       |
| 32       | KNIGHT CONSTRUCTION & SUPPLY INC              | 276,648                       |
| 33       | NORTHWEST POWER POOL                          | 273,306                       |
| 34       | COFFMAN ENGINEERS                             | 269,317                       |
| 35       | RANDALL DANSKIN ATTORNEYS                     | 258,089                       |

Name of Respondent  
Avista Corporation

This Report Is:  
(1)  An Original  
(2)  A Resubmission

Date of Report  
(Mo, Da, Yr)  
04/15/2021

Year/Period of Report  
End of 2020/Q4

**Charges for Outside Professional and Other Consultative Services (continued)**

| Line No. | Description<br>(a)     | Amount<br>(in dollars)<br>(b) |
|----------|------------------------|-------------------------------|
| 1        | TAILORED SOLUTIONS LLC | 254,191                       |
| 2        | SINISI SOLUTIONS LLC   | 250,600                       |
| 3        | SUBTOTAL               | 205,102,213                   |
| 4        | OTHER                  | 36,282,759                    |
| 5        | TOTAL                  | 241,384,972                   |
| 6        |                        |                               |
| 7        |                        |                               |
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| 34       |                        |                               |
| 35       |                        |                               |

**Transactions with Associated (Affiliated) Companies**

1. Report below the information called for concerning all goods or services received from or provided to associated (affiliated) companies amounting to more than \$250,000.
2. Sum under a description "Other", all of the aforementioned goods and services amounting to \$250,000 or less.
3. Total under a description "Total", the total of all of the aforementioned goods and services.
4. Where amounts billed to or received from the associated (affiliated) company are based on an allocation process, explain in a footnote the basis of the allocation.

| Line No. | Description of the Good or Service<br>(a)         | Name of Associated/Affiliated Company<br>(b) | Account(s)<br>Charged or<br>Credited<br>(c) | Amount<br>Charged or<br>Credited<br>(d) |
|----------|---|--|---|---|
| 1        | Goods or Services Provided by Affiliated Company  |  |   |   |
| 2        | Other   | Steam Plant Square                           | 931000                                      | 155,496                                 |
| 3        |   |  |   |   |
| 4        |   |  |   |   |
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| 19       |   |  |   |   |
| 20       | Goods or Services Provided for Affiliated Company |  |   |   |
| 21       | Corporate Support                                 | Salix  | 146000                                      | 243,657                                 |
| 22       | Other   | Avista Development                           | 146000                                      | 157,414                                 |
| 23       | Other   | Avista Capital                               | 146000                                      | 75,581                                  |
| 24       | Other   | AELP   | 146000                                      | 23,967                                  |
| 25       | Other   | AJT Mining                                   | 146000                                      | 2,753                                   |
| 26       | Other   | Steam Plant Square                           | 146000                                      | 155,000                                 |
| 27       |   |  |   |   |
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**Gas Storage Projects**

1. Report injections and withdrawals of gas for all storage projects used by respondent.

| Line No. | Item<br><br>(a)                   | Gas Belonging to Respondent (Dth)<br>(b) | Gas Belonging to Others (Dth)<br>(c) | Total Amount (Dth)<br>(d) |
|----------|-----------------------------------|--|--------------------------------------|---------------------------|
|          | STORAGE OPERATIONS (in Dth)       |  |                                      |                           |
| 1        | Gas Delivered to Storage          |  |                                      |                           |
| 2        | January                           | 147,388                                  |                                      | 147,388                   |
| 3        | February                          | 88,036                                   |                                      | 88,036                    |
| 4        | March                             | 5,000                                    |                                      | 5,000                     |
| 5        | April                             | 1,368,531                                |                                      | 1,368,531                 |
| 6        | May                               | 2,944,101                                |                                      | 2,944,101                 |
| 7        | June                              | 3,093,070                                |                                      | 3,093,070                 |
| 8        | July                              | 182,447                                  |                                      | 182,447                   |
| 9        | August                            | 15,348                                   |                                      | 15,348                    |
| 10       | September                         | 38,956                                   |                                      | 38,956                    |
| 11       | October                           | 158,433                                  |                                      | 158,433                   |
| 12       | November                          | 138,135                                  |                                      | 138,135                   |
| 13       | December                          | 44,808                                   |                                      | 44,808                    |
| 14       | TOTAL (Total of lines 2 thru 13)  | 8,224,253                                |                                      | 8,224,253                 |
| 15       | Gas Withdrawn from Storage        |  |                                      |                           |
| 16       | January                           | 2,347,660                                |                                      | 2,347,660                 |
| 17       | February                          | 2,432,555                                |                                      | 2,432,555                 |
| 18       | March                             | 1,062,969                                |                                      | 1,062,969                 |
| 19       | April                             | 375,853                                  |                                      | 375,853                   |
| 20       | May                               | 1,439                                    |                                      | 1,439                     |
| 21       | June                              | 2,110                                    |                                      | 2,110                     |
| 22       | July                              | 10,754                                   |                                      | 10,754                    |
| 23       | August                            | 11,313                                   |                                      | 11,313                    |
| 24       | September                         | 51,548                                   |                                      | 51,548                    |
| 25       | October                           | 638,943                                  |                                      | 638,943                   |
| 26       | November                          | 1,105,649                                |                                      | 1,105,649                 |
| 27       | December                          | 1,336,110                                |                                      | 1,336,110                 |
| 28       | TOTAL (Total of lines 16 thru 27) | 9,376,903                                |                                      | 9,376,903                 |

**Gas Storage Projects**

1. On line 4, enter the total storage capacity certificated by FERC.

2. Report total amount in Dth or other unit, as applicable on lines 2, 3, 4, 7. If quantity is converted from Mcf to Dth, provide conversion factor in a footnote.

| Line No. | Item (a)                                       | Total Amount (b) |
|----------|--|------------------|
|          | STORAGE OPERATIONS                             |                  |
| 1        | Top or Working Gas End of Year                 | 8,528,000        |
| 2        | Cushion Gas (Including Native Gas)             | 7,730,668        |
| 3        | Total Gas in Reservoir (Total of line 1 and 2) | 16,258,668       |
| 4        | Certificated Storage Capacity                  | 16,258,668       |
| 5        | Number of Injection - Withdrawal Wells         | 50               |
| 6        | Number of Observation Wells                    | 32               |
| 7        | Maximum Days' Withdrawal from Storage          | 120,598          |
| 8        | Date of Maximum Days' Withdrawal               | 02/04/2020       |
| 9        | LNG Terminal Companies (in Dth)                |                  |
| 10       | Number of Tanks                                |                  |
| 11       | Capacity of Tanks                              |                  |
| 12       | LNG Volume                                     |                  |
| 13       | Received at "Ship Rail"                        |                  |
| 14       | Transferred to Tanks                           |                  |
| 15       | Withdrawn from Tanks                           |                  |
| 16       | "Boil Off" Vaporization Loss                   |                  |

|  |   |  |                                  |
|--|---|--|----------------------------------|
| Name of Respondent<br>Avista Corporation | This Report is:<br>(1) <input checked="" type="checkbox"/> An Original<br>(2) <input type="checkbox"/> A Resubmission | Date of Report<br>(Mo, Da, Yr)<br>04/15/2021 | Year/Period of Report<br>2020/Q4 |
| <b>FOOTNOTE DATA</b>                     |   |  |                                  |

**Schedule Page: 513 Line No.: 7 Column: b**

Mcf converted to Dth using a factor of 1.0400

**Auxiliary Peaking Facilities**

1. Report below auxiliary facilities of the respondent for meeting seasonal peak demands on the respondent's system, such as underground storage projects, liquefied petroleum gas installations, gas liquefaction plants, oil gas sets, etc.

2. For column (c), for underground storage projects, report the delivery capacity on February 1 of the heating season overlapping the year-end for which this report is submitted. For other facilities, report the rated maximum daily delivery capacities.

3. For column (d), include or exclude (as appropriate) the cost of any plant used jointly with another facility on the basis of predominant use, unless the auxiliary peaking facility is a separate plant as contemplated by general instruction 12 of the Uniform System of Accounts.

| Line No. | Location of Facility<br><br>(a) | Type of Facility<br><br>(b) | Maximum Daily Delivery Capacity of Facility Dth<br>(c) | Cost of Facility (in dollars)<br>(d) | Was Facility Operated on Day of Highest Transmission Peak Delivery? |
|----------|---------------------------------|-----------------------------|--|--------------------------------------|---|
| 1        | Chehalis, Washington            | Underground Natural Gas     | 346,667  | 46,368,949                           | <b>Yes</b>  |
| 2        |                                 | Storage Field               |  |                                      |   |
| 3        |                                 | Washington & Idaho Supply   |  |                                      |   |
| 4        | Chehalis, Washington            | Underground Natural Gas     | 52,000   | 6,813,975                            | <b>Yes</b>  |
| 5        |                                 | Storage Field               |  |                                      |   |
| 6        |                                 | Oregon Supply               |  |                                      |   |
| 7        | Chehalis, Washington            | Underground Natural Gas     | 2,623  |                                      | <b>Yes</b>  |
| 8        |                                 | Storage Field               |  |                                      |   |
| 9        |                                 | Oregon Supply               |  |                                      |   |
| 10       | Rock Springs, Wyoming           | Underground Natural Gas     |  |                                      | <b>Yes</b>  |
| 11       |                                 | Storage Field               |  |                                      |   |
| 12       |                                 | Washington & Idaho Supply   |  |                                      |   |
| 13       | Rock Springs, Wyoming           | Underground Natural Gas     |  |                                      | <b>Yes</b>  |
| 14       |                                 | Storage Field               |  |                                      |   |
| 15       |                                 | Oregon Supply               |  |                                      |   |
| 16       |                                 |                             |  |                                      |   |
| 17       |                                 |                             |  |                                      |   |
| 18       |                                 |                             |  |                                      |   |
| 19       |                                 |                             |  |                                      |   |
| 20       |                                 |                             |  |                                      |   |
| 21       |                                 |                             |  |                                      |   |
| 22       |                                 |                             |  |                                      |   |
| 23       |                                 |                             |  |                                      |   |
| 24       |                                 |                             |  |                                      |   |
| 25       |                                 |                             |  |                                      |   |
| 26       |                                 |                             |  |                                      |   |
| 27       |                                 |                             |  |                                      |   |
| 28       |                                 |                             |  |                                      |   |
| 29       |                                 |                             |  |                                      |   |
| 30       |                                 |                             |  |                                      |   |

|  |   |  |                                  |
|--|---|--|----------------------------------|
| Name of Respondent<br>Avista Corporation | This Report is:<br>(1) <input checked="" type="checkbox"/> An Original<br>(2) <input type="checkbox"/> A Resubmission | Date of Report<br>(Mo, Da, Yr)<br>04/15/2021 | Year/Period of Report<br>2020/Q4 |
| <b>FOOTNOTE DATA</b>                     |   |  |                                  |

**Schedule Page: 519 Line No.: 7 Column: a**

Avista is a participant in the facilities, not an owner and is charged a fee for demand deliverability and capacity.

**Schedule Page: 519 Line No.: 10 Column: a**

Avista does not have firm rights but have interruptible access to it.

**Schedule Page: 519 Line No.: 13 Column: a**

Avista does not have firm rights but have interruptible access to it.

**Gas Account - Natural Gas**

1. The purpose of this schedule is to account for the quantity of natural gas received and delivered by the respondent.
2. Natural gas means either natural gas unmixed or any mixture of natural and manufactured gas.
3. Enter in column (c) the year to date Dth as reported in the schedules indicated for the items of receipts and deliveries.
4. Enter in column (d) the respective quarter's Dth as reported in the schedules indicated for the items of receipts and deliveries.
5. Indicate in a footnote the quantities of bundled sales and transportation gas and specify the line on which such quantities are listed.
6. If the respondent operates two or more systems which are not interconnected, submit separate pages for this purpose.
7. Indicate by footnote the quantities of gas not subject to Commission regulation which did not incur FERC regulatory costs by showing (1) the local distribution volumes another jurisdictional pipeline delivered to the local distribution company portion of the reporting pipeline (2) the quantities that the reporting pipeline transported or sold through its local distribution facilities or intrastate facilities and which the reporting pipeline received through gathering facilities or intrastate facilities, but not through any of the interstate portion of the reporting pipeline, and (3) the gathering line quantities that were not destined for interstate market or that were not transported through any interstate portion of the reporting pipeline.
8. Indicate in a footnote the specific gas purchase expense account(s) and related to which the aggregate volumes reported on line No. 3 relate.
9. Indicate in a footnote (1) the system supply quantities of gas that are stored by the reporting pipeline, during the reporting year and also reported as sales, transportation and compression volumes by the reporting pipeline during the same reporting year, (2) the system supply quantities of gas that are stored by the reporting pipeline during the reporting year which the reporting pipeline intends to sell or transport in a future reporting year, and (3) contract storage quantities.
10. Also indicate the volumes of pipeline production field sales that are included in both the company's total sales figure and the company's total transportation figure. Add additional information as necessary to the footnotes.

| Line No. | Item<br>(a) | Ref. Page No. of<br>(FERC Form Nos.<br>2/2-A)<br>(b) | Total Amount<br>of Dth<br>Year to Date<br>(c) | Current Three Months<br>Ended Amount of Dth<br>Quarterly Only<br>(d) |
|----------|-------------|--|---|--|
|----------|-------------|--|---|--|

|                           |  |     |             |            |
|---------------------------|--|-----|-------------|------------|
| <b>01 Name of System:</b> |  |     |             |            |
| 2                         | GAS RECEIVED   |     |             |            |
| 3                         | Gas Purchases (Accounts 800-805)   |     | 92,472,757  | 23,987,084 |
| 4                         | Gas of Others Received for Gathering (Account 489.1)                               | 303 |             |            |
| 5                         | Gas of Others Received for Transmission (Account 489.2)                            | 305 |             |            |
| 6                         | Gas of Others Received for Distribution (Account 489.3)                            | 301 | 18,573,063  | 5,182,568  |
| 7                         | Gas of Others Received for Contract Storage (Account 489.4)                        | 307 |             |            |
| 8                         | Gas of Others Received for Production/Extraction/Processing (Account 490 and 491)  |     |             |            |
| 9                         | Exchanged Gas Received from Others (Account 806)                                   | 328 |             |            |
| 10                        | Gas Received as Imbalances (Account 806)   | 328 | 42,537      | 4,282      |
| 11                        | Receipts of Respondent's Gas Transported by Others (Account 858)                   | 332 |             |            |
| 12                        | Other Gas Withdrawn from Storage (Explain)   |     | 1,226,823   | 2,750,963  |
| 13                        | Gas Received from Shippers as Compressor Station Fuel                              |     |             |            |
| 14                        | Gas Received from Shippers as Lost and Unaccounted for                             |     |             |            |
| 15                        | Other Receipts (Specify) (footnote details)  |     |             |            |
| 16                        | Total Receipts (Total of lines 3 thru 15)  |     | 112,315,180 | 31,924,897 |
| 17                        | GAS DELIVERED  |     |             |            |
| 18                        | Gas Sales (Accounts 480-484)   |     | 91,796,199  | 26,022,150 |
| 19                        | Deliveries of Gas Gathered for Others (Account 489.1)                              | 303 |             |            |
| 20                        | Deliveries of Gas Transported for Others (Account 489.2)                           | 305 |             |            |
| 21                        | Deliveries of Gas Distributed for Others (Account 489.3)                           | 301 | 18,036,092  | 4,962,923  |
| 22                        | Deliveries of Contract Storage Gas (Account 489.4)                                 | 307 |             |            |
| 23                        | Gas of Others Delivered for Production/Extraction/Processing (Account 490 and 491) |     |             |            |
| 24                        | Exchange Gas Delivered to Others (Account 806)                                     | 328 |             |            |
| 25                        | Gas Delivered as Imbalances (Account 806)  | 328 |             |            |
| 26                        | Deliveries of Gas to Others for Transportation (Account 858)                       | 332 |             |            |
| 27                        | Other Gas Delivered to Storage (Explain)   |     |             |            |
| 28                        | Gas Used for Compressor Station Fuel   | 509 | 2,482,889   | 939,824    |
| 29                        | Other Deliveries and Gas Used for Other Operations                                 |     |             |            |
| 30                        | Total Deliveries (Total of lines 18 thru 29)                                       |     | 112,315,180 | 31,924,897 |
| 31                        | GAS LOSSES AND GAS UNACCOUNTED FOR   |     |             |            |
| 32                        | Gas Losses and Gas Unaccounted For   |     |             |            |
| 33                        | TOTALS   |     |             |            |
| 34                        | Total Deliveries, Gas Losses & Unaccounted For (Total of lines 30 and 32)          |     | 112,315,180 | 31,924,897 |

**Avista Corp.**

**2020**

**IDAHO**

**State Natural Gas Annual Report**

**(IC 61-405)**

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|---|---|--|--|
| Name of Respondent<br><b>Avista Corporation</b> | This Report is:<br><input checked="" type="checkbox"/> An Original<br><input type="checkbox"/> A Resubmission | Date of Report<br>mm/dd/yyyy<br>04/15/2021 | Year / Period of Report<br>End of <u>2020 / Q4</u> |
|---|---|--|--|

**STATEMENT OF UTILITY OPERATING INCOME - IDAHO**

**Instructions**

- For each account below, report the amount attributable to the state of Idaho based on Idaho jurisdictional Results of Operations.
- Provide any necessary important notes regarding this statement of utility operating income in a footnote in the available space at the bottom of this

| Line No. | Account<br>(a)  | Refer to Form 2 Page<br>(b) | TOTAL SYSTEM - IDAHO |                   |
|----------|---|-----------------------------|----------------------|-------------------|
|          |   |                             | Current Year<br>(c)  | Prior Year<br>(d) |
| 1        | UTILITY OPERATING INCOME  |                             |                      |                   |
| 2        | Operating Revenues (400)  | 300-301                     | 401,474,827          | 410,666,937       |
| 3        | Operating Expenses  |                             |                      |                   |
| 4        | Operation Expenses (401)  | 317-325                     | 222,680,326          | 229,746,234       |
| 5        | Maintenance Expenses (402)  | 317-325                     | 22,558,272           | 22,442,747        |
| 6        | Depreciation Expense (403)  | 336-338                     | 52,013,390           | 50,071,177        |
| 7        | Depreciation Expense for Asset Retirement Costs (403.1)                   | 336-338                     | -                    | -                 |
| 8        | Amortization & Depletion of Utility Plant (404-405)                       | 336-338                     | 11,408,775           | 9,690,048         |
| 9        | Amortization of Utility Plant Acquisition Adjustment (406)                | 336-338                     | 67,304               | (333,312)         |
| 10       | Amort. of Property Losses, Unrecov Plant and Regulatory Study Costs (407) |                             | -                    | -                 |
| 11       | Amortization of Conversion Expenses (407)                                 |                             | -                    | -                 |
| 12       | Regulatory Debits (407.3)   |                             | 3,230,497            | 2,803,455         |
| 13       | (Less) Regulatory Credits (407.4)   |                             | (12,771,604)         | (8,396,725)       |
| 14       | Taxes Other Than Income Taxes (408.1)                                     | 262-263                     | 21,042,881           | 18,930,820        |
| 15       | Income Taxes - Federal (409.1)  | 262-263                     | 1,579,230            | 4,413,421         |
| 16       | - Other (409.1)   | 262-263                     | -                    | -                 |
| 17       | Provision for Deferred Income Taxes (410.1)                               | 234-235                     | 6,241,945            | 6,046,073         |
| 18       | (Less) Provision for Deferred Income Taxes-Cr. (411.1)                    | 234-235                     | -                    | -                 |
| 19       | Investment Tax Credit Adjustment - Net (411.4)                            |                             | (168,096)            | (170,725)         |
| 20       | (Less) Gains from Disposition of Utility Plant (411.6)                    |                             | -                    | -                 |
| 21       | Losses from Disposition Of Utility Plant (411.7)                          |                             | -                    | -                 |
| 22       | (Less) Gains from Disposition of Allowances (411.8)                       |                             | -                    | -                 |
| 23       | Losses from Disposition of Allowances (411.9)                             |                             | -                    | -                 |
| 24       | Accretion Expense (411.10)  |                             | -                    | -                 |
| 25       | TOTAL Utility Operating Expenses (Total of line 4 through 24)             |                             | 327,882,920          | 335,243,213       |
| 26       | Net Utility Operating Income (Total line 2 less 25)                       |                             | 73,591,907           | 75,423,724        |

|   |   |  |  |
|---|---|--|--|
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|---|---|--|--|

**STATEMENT OF UTILITY OPERATING INCOME - IDAHO**

**Instructions**

page or in a separate schedule.

3. Explain in a footnote if the previous year's figures are different from those reported in prior reports.

| ELECTRIC UTILITY |             | GAS UTILITY  |            | OTHER UTILITY |            | Line No. |
|------------------|-------------|--------------|------------|---------------|------------|----------|
| Current Year     | Prior Year  | Current Year | Prior Year | Current Year  | Prior Year |          |
| (e)              | (f)         | (g)          | (h)        | (i)           | (j)        |          |
|                  |             |              |            |               |            | 1        |
| 313,156,038      | 318,857,908 | 88,318,789   | 91,809,029 |               |            | 2        |
|                  |             |              |            |               |            | 3        |
| 166,966,029      | 170,366,040 | 55,714,297   | 59,380,194 |               |            | 4        |
| 19,681,401       | 18,972,892  | 2,876,871    | 3,469,855  |               |            | 5        |
| 44,066,079       | 42,426,949  | 7,947,311    | 7,644,228  |               |            | 6        |
|                  |             |              |            |               |            | 7        |
| 9,360,286        | 7,924,496   | 2,048,489    | 1,765,552  |               |            | 8        |
| 67,304           | (333,312)   |              |            |               |            | 9        |
|                  |             |              |            |               |            | 10       |
|                  |             |              |            |               |            | 11       |
| 2,425,018        | 2,409,720   | 805,479      | 393,735    |               |            | 12       |
| (12,327,802)     | (8,174,293) | (443,802)    | (222,432)  |               |            | 13       |
| 17,626,332       | 15,896,443  | 3,416,549    | 3,034,377  |               |            | 14       |
| 2,402,917        | 4,776,202   | (823,687)    | (362,781)  |               |            | 15       |
|                  |             |              |            |               |            | 16       |
| 3,743,523        | 3,617,921   | 2,498,422    | 2,428,152  |               |            | 17       |
|                  |             |              |            |               |            | 18       |
| (167,058)        | (166,573)   | (1,038)      | (4,152)    |               |            | 19       |
|                  |             |              |            |               |            | 20       |
|                  |             |              |            |               |            | 21       |
|                  |             |              |            |               |            | 22       |
|                  |             |              |            |               |            | 23       |
|                  |             |              |            |               |            | 24       |
| 253,844,029      | 257,716,485 | 74,038,891   | 77,526,728 | -             | -          | 25       |
| 59,312,009       | 61,141,423  | 14,279,898   | 14,282,301 | -             | -          | 26       |

|   |   |   |  |
|---|---|---|--|
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|---|---|---|--|

**SUMMARY OF UTILITY PLANT AND ACCUMULATED PROVISIONS FOR DEPRECIATION, AMORTIZATION AND DEPLETION - IDAHO**

**Instructions**

- Report below the original cost of utility plant in service necessary to furnish utility service to customers in the state of Idaho, and the accumulated provisions for depreciation, amortization, and depletion attributable to that plant in service.
- Report in column (c) the amount for electric function, in column (d) the amount for gas function, in columns (e), (f), and (g) report other (specify),

| Line No. | Account (a)   | Total Company End of Current Year (b) | Electric (c)  |
|----------|---|---------------------------------------|---------------|
| 1        | Utility Plant   |                                       |               |
| 2        | In Service  |                                       |               |
| 3        | Plant in Service (Classified)   | 2,013,413,723                         | 1,530,217,343 |
| 4        | Property Under Capital Leases   | 24,173,936                            | -             |
| 5        | Plant Purchased or Sold   | -                                     | -             |
| 6        | Completed Construction not Classified   | -                                     | -             |
| 7        | Experimental Plant Unclassified   | -                                     | -             |
| 8        | Total (Total lines 3 through 7)   | 2,037,587,659                         | 1,530,217,343 |
| 9        | Leased to Others  | -                                     | -             |
| 10       | Held for Future Use   | 1,614,766                             | 1,424,181     |
| 11       | Construction Work in Progress   | 55,129,303                            | 49,431,352    |
| 12       | Acquisition Adjustments   | -                                     | -             |
| 13       | Total Utility Plant (Total lines 8 through 12)                                | 2,094,331,728                         | 1,581,072,876 |
| 14       | Accumulated Provision for Depreciation, Amortization, and Depletion           | 748,745,320                           | 582,560,104   |
| 15       | Net Utility Plant (Line 13 less line 14)                                      | 1,345,586,408                         | 998,512,772   |
| 16       | Detail of Accumulated Provision for Depreciation, Amortization, and Depletion |                                       |               |
| 17       | In Service  |                                       |               |
| 18       | Depreciation  | 706,169,782                           | 574,330,139   |
| 19       | Amortization and Depletion of Producing Natural Gas Lands / Land Rights       | -                                     | -             |
| 20       | Amortization of Underground Storage Lands / Land Rights                       | -                                     | -             |
| 21       | Amortization of Other Utility Plant   | 42,575,538                            | 8,229,965     |
| 22       | Total (Total lines 18 through 21)   | 748,745,320                           | 582,560,104   |
| 23       | Leased to Others  |                                       |               |
| 24       | Depreciation  | -                                     | -             |
| 25       | Amortization and Depletion  | -                                     | -             |
| 26       | Total Leased to Others  | -                                     | -             |
| 27       | Held for Future Use   |                                       |               |
| 28       | Depreciation  | -                                     | -             |
| 29       | Amortization  | -                                     | -             |
| 30       | Total Held for Future Use   | -                                     | -             |
| 31       | Abandonment of Leases (Natural Gas)   | -                                     | -             |
| 32       | Amortization of Plant Acquisition Adjustment                                  | -                                     | -             |
| 33       | Total Accumulated Provision (Total lines 22, 26, 30, 31, 32)                  | 748,745,320                           | 582,560,104   |

|   |   |   |  |
|---|---|---|--|
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|---|---|---|--|

**SUMMARY OF UTILITY PLANT AND ACCUMULATED PROVISIONS FOR DEPRECIATION, AMORTIZATION AND DEPLETION - IDAHO**

**Instructions**

and in column (h) common function.

3. In order to accurately reflect utility plant in service necessary to furnish utility service to customers in the state of Idaho, electric and gas plant not directly assigned is allocated to the state of Idaho as appropriate and included in column (c) and (d).

| Gas<br>(d)  | Other (Specify)<br>(e) | Other (Specify)<br>(f) | Other (Specify)<br>(g) | Common<br>(h) | Line<br>No. |
|-------------|------------------------|------------------------|------------------------|---------------|-------------|
|             |                        |                        |                        |               | 1           |
|             |                        |                        |                        |               | 2           |
| 294,219,534 |                        |                        |                        | 188,976,846   | 3           |
| -           |                        |                        |                        | 24,173,936    | 4           |
|             |                        |                        |                        |               | 5           |
|             |                        |                        |                        |               | 6           |
|             |                        |                        |                        |               | 7           |
| 294,219,534 | -                      | -                      | -                      | 213,150,782   | 8           |
|             |                        |                        |                        |               | 9           |
| 190,585     |                        |                        |                        |               | 10          |
| 683,990     |                        |                        |                        | 5,013,961     | 11          |
|             |                        |                        |                        |               | 12          |
| 295,094,109 | -                      | -                      | -                      | 218,164,743   | 13          |
| 99,683,748  | -                      | -                      | -                      | 66,501,468    | 14          |
| 195,410,361 | -                      | -                      | -                      | 151,663,275   | 15          |
|             |                        |                        |                        |               | 16          |
|             |                        |                        |                        |               | 17          |
| 99,537,687  |                        |                        |                        | 32,301,956    | 18          |
|             |                        |                        |                        |               | 19          |
|             |                        |                        |                        |               | 20          |
| 146,061     |                        |                        |                        | 34,199,512    | 21          |
| 99,683,748  | -                      | -                      | -                      | 66,501,468    | 22          |
|             |                        |                        |                        |               | 23          |
|             |                        |                        |                        |               | 24          |
|             |                        |                        |                        |               | 25          |
| -           | -                      | -                      | -                      | -             | 26          |
|             |                        |                        |                        |               | 27          |
|             |                        |                        |                        |               | 28          |
|             |                        |                        |                        |               | 29          |
| -           | -                      | -                      | -                      | -             | 30          |
|             |                        |                        |                        |               | 31          |
|             |                        |                        |                        |               | 32          |
| 99,683,748  | -                      | -                      | -                      | 66,501,468    | 33          |

|   |   |  |  |
|---|---|--|--|
| Name of Respondent<br><b>Avista Corporation</b> | This Report is:<br><input checked="" type="checkbox"/> An Original<br><input type="checkbox"/> A Resubmission | Date of Report<br>mm/dd/yyyy<br>04/15/2021 | Year / Period of Report<br>End of <u>2020 / Q4</u> |
|---|---|--|--|

**GAS PLANT IN SERVICE - IDAHO (Account 101, 102, 103 and 106)**

**Instructions**

- Report below the original cost of gas plant in service necessary to furnish natural gas utility service to customers in the state of Idaho. Include gas plant not directly assigned as allocated to the state of Idaho.
- In addition to Account 101, Gas Plant in Service (Classified), this page and the next include Account 102, Gas Plant Purchased or Sold; Account 103, Experimental Gas Plant Unclassified; and Account 106, Completed Construction Not Classified-Gas.
- Include in column (c) or (d), as appropriate, corrections of additions and retirements for the current or preceding year.
- For revisions to the amount of initial asset retirement costs capitalized, include by primary plant account increases in column (c), additions, and reductions in column (e), adjustments.
- Enclose in parentheses credit adjustments of plant accounts to indicate the negative effect of such amounts.
- Classify Account 106 according to prescribed accounts, on an estimated basis if necessary, and include the entries in column (c). Also to be included in column (c) are entries for reversals of tentative distributions of prior year in column (b). Likewise, if the respondent has a significant amount of plant retirements which have not been classified to primary accounts at the end of the year, include in column (d) a tentative distribution of such retirements, on an estimated basis, with appropriate contra entry to the account for accumulated depreciation provision. Include also in column (d) distributions of

| Line No. | Account (a)  | Balance Beginning of Year (b) | Additions (c) |
|----------|--|-------------------------------|---------------|
| 1        | INTANGIBLE PLANT   |                               |               |
| 2        | 301 Organization   | -                             | -             |
| 3        | 302 Franchises and Consents  | -                             | -             |
| 4        | 303 Miscellaneous Intangible Plant   | 880,066                       | 19,115        |
| 5        | TOTAL Intangible Plant (Total of lines 2, 3, and 4)                            | 880,066                       | 19,115        |
| 6        | PRODUCTION PLANT   |                               |               |
| 7        | Natural Gas Production and Gathering Plant                                     |                               |               |
| 8        | 325.1 Producing Lands  | -                             | -             |
| 9        | 325.2 Producing Leaseholds   | -                             | -             |
| 10       | 325.3 Gas Rights   | -                             | -             |
| 11       | 325.4 Rights-of-Way  | -                             | -             |
| 12       | 325.5 Other Land and Land Rights   | -                             | -             |
| 13       | 326 Gas Well Structures  | -                             | -             |
| 14       | 327 Field Compressor Station Structures  | -                             | -             |
| 15       | 328 Field Measuring and Regulating Station Equipment                           | -                             | -             |
| 16       | 329 Other Structures   | -                             | -             |
| 17       | 330 Producing Gas Wells-Well Construction                                      | -                             | -             |
| 18       | 331 Producing Gas Wells-Well Equipment   | -                             | -             |
| 19       | 332 Field Lines  | -                             | -             |
| 20       | 333 Field Compressor Station Equipment   | -                             | -             |
| 21       | 334 Field Measuring and Regulating Station Equipment                           | -                             | -             |
| 22       | 335 Drilling and Cleaning Equipment  | -                             | -             |
| 23       | 336 Purification Equipment   | -                             | -             |
| 24       | 337 Other Equipment  | -                             | -             |
| 25       | 338 Unsuccessful Exploration and Development Costs                             | -                             | -             |
| 26       | 339 Asset Retirement Costs for Natural Gas Production and Gathering Plant      | -                             | -             |
| 27       | TOTAL Natural Gas Production and Gathering Plant (Total of lines 8 through 26) | -                             | -             |
| 28       | Products Extraction Plant  |                               |               |
| 29       | 340 Land and Land Rights   | -                             | -             |
| 30       | 341 Structures and Improvements  | -                             | -             |
| 31       | 342 Extraction and Refining Equipment  | -                             | -             |
| 32       | 343 Pipe Lines   | -                             | -             |
| 33       | 344 Extracted Products Storage Equipment                                       | -                             | -             |

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|---|---|---|--|
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|---|---|---|--|

**GAS PLANT IN SERVICE - IDAHO (Account 101, 102, 103 and 106)**

**Instructions**

these tentative classifications in columns (c) and (d), including the reversals of the prior year's tentative account distributions of these amounts. Careful observance of these instructions and the texts of Accounts 101 and 106 will avoid serious omissions of the reported amount of respondent's plant actually in service at end of year.

7. Show in column (f) reclassifications or transfers within utility plant accounts. Include also in column (f) the additions or reductions of primary account classifications arising from distribution of amounts initially recorded in Account 102; include in column (e) the amounts with respect to accumulated provision for depreciation, acquisition adjustments, etc., and show in column (f) only the offset to the debits or credits distributed in column (f) to primary account classifications.
8. For Account 399, state the nature and use of plant included in this account, and, if substantial in amount, submit a supplementary statement showing subaccount classification of such plant conforming to the requirement of these pages.
9. For each account comprising the reported balance and changes in Account 102, state the property purchased or sold, name of vendor or purchase, and date of transaction. If proposed journal entries have been filed as required by the Uniform System of Accounts, give also the date of such filing.

| Retirements<br>(d) | Adjustments<br>(e) | Transfers<br>(f) | Balance<br>End of Year<br>(g) | Line<br>No. |
|--------------------|--------------------|------------------|-------------------------------|-------------|
|                    |                    |                  |                               | 1           |
| -                  | -                  | -                | -                             | 2           |
| -                  | -                  | -                | -                             | 3           |
| 27,920             |                    | (27,095)         | 844,166                       | 4           |
| 27,920             | -                  | (27,095)         | 844,166                       | 5           |
|                    |                    |                  |                               | 6           |
|                    |                    |                  |                               | 7           |
| -                  | -                  | -                | -                             | 8           |
| -                  | -                  | -                | -                             | 9           |
| -                  | -                  | -                | -                             | 10          |
| -                  | -                  | -                | -                             | 11          |
| -                  | -                  | -                | -                             | 12          |
| -                  | -                  | -                | -                             | 13          |
| -                  | -                  | -                | -                             | 14          |
| -                  | -                  | -                | -                             | 15          |
| -                  | -                  | -                | -                             | 16          |
| -                  | -                  | -                | -                             | 17          |
| -                  | -                  | -                | -                             | 18          |
| -                  | -                  | -                | -                             | 19          |
| -                  | -                  | -                | -                             | 20          |
| -                  | -                  | -                | -                             | 21          |
| -                  | -                  | -                | -                             | 22          |
| -                  | -                  | -                | -                             | 23          |
| -                  | -                  | -                | -                             | 24          |
| -                  | -                  | -                | -                             | 25          |
| -                  | -                  | -                | -                             | 26          |
| -                  | -                  | -                | -                             | 27          |
|                    |                    |                  |                               | 28          |
| -                  | -                  | -                | -                             | 29          |
| -                  | -                  | -                | -                             | 30          |
| -                  | -                  | -                | -                             | 31          |
| -                  | -                  | -                | -                             | 32          |
| -                  | -                  | -                | -                             | 33          |

|   |   |  |   |
|---|---|--|---|
| Name of Respondent<br><b>Avista Corporation</b> | This Report is:<br><input checked="" type="checkbox"/> An Original<br><input type="checkbox"/> A Resubmission | Date of Report<br>mm/dd/yyyy<br>04/15/2021 | Year / Period of Report<br>End of 2020 / Q4 |
|---|---|--|---|

**GAS PLANT IN SERVICE - IDAHO (Account 101, 102, 103 and 106) (Continued)**

| Line No. | Account (a)  | Balance Beginning of Year (b) | Additions (c) |
|----------|--|-------------------------------|---------------|
| 34       | 345 Compressor Equipment   | -                             | -             |
| 35       | 346 Gas Measuring and Regulating Equipment   | -                             | -             |
| 36       | 347 Other Equipment  | -                             | -             |
| 37       | 348 Asset Retirement Costs for Products Extraction Plant   | -                             | -             |
| 38       | TOTAL Products Extraction Plant (Total of lines 29 through 37)                                     | -                             | -             |
| 39       | TOTAL Natural Gas Production Plant (Total lines 27 and 38)   | -                             | -             |
| 40       | Manufactured Gas Production Plant (Submit Supplementary Schedule)                                  | -                             | -             |
| 41       | TOTAL Production Plant (Total lines 39 and 40)   | -                             | -             |
| 42       | NATURAL GAS STORAGE AND PROCESSING PLANT   |                               |               |
| 43       | Underground Storage Plant  |                               |               |
| 44       | 350.1 Land   | 352,161                       | -             |
| 45       | 350.2 Rights-of-Way  | 20,694                        | -             |
| 46       | 351 Structures and Improvements  | 496,103                       | -             |
| 47       | 352 Wells  | 6,961,339                     | -             |
| 48       | 352.1 Storage Leaseholds and Rights  | -                             | -             |
| 49       | 352.2 Reservoirs   | -                             | -             |
| 50       | 352.3 Non-recoverable Natural Gas  | -                             | -             |
| 51       | 353 Lines  | 645,122                       | -             |
| 52       | 354 Compressor Station Equipment   | 4,416,030                     | -             |
| 53       | 355 Other Equipment  | 221,924                       | -             |
| 54       | 356 Purification Equipment   | 170,739                       | -             |
| 55       | 357 Other Equipment  | 539,389                       | -             |
| 56       | 358 Asset Retirement Costs for Underground Storage Plant   | -                             | -             |
| 57       | TOTAL Underground Storage Plant  | 13,823,501                    | -             |
| 58       | Other Storage Plant  |                               |               |
| 59       | 360 Land and Land Rights   | -                             | -             |
| 60       | 361 Structures and Improvements  | -                             | -             |
| 61       | 362 Gas Holders  | -                             | -             |
| 62       | 363 Purification Equipment   | -                             | -             |
| 63       | 363.1 Liquefaction Equipment   | -                             | -             |
| 64       | 363.2 Vaporizing Equipment   | -                             | -             |
| 65       | 363.3 Compressor Equipment   | -                             | -             |
| 66       | 363.4 Measuring and Regulating Equipment   | -                             | -             |
| 67       | 363.5 Other Equipment  | -                             | -             |
| 68       | 363.6 Asset Retirement Costs for Other Storage Plant   | -                             | -             |
| 69       | TOTAL Other Storage Plant (Total of lines 58 through 68)   | -                             | -             |
| 70       | Base Load Liquefied Natural Gas Terminaling and Processing Plant                                   |                               |               |
| 71       | 364.1 Land and Land Rights   | -                             | -             |
| 72       | 364.2 Structures and Improvements  | -                             | -             |
| 73       | 364.3 LNG Processing Terminal Equipment  | -                             | -             |
| 74       | 364.4 LNG Transportation Equipment   | -                             | -             |
| 75       | 364.5 Measuring and Regulating Equipment   | -                             | -             |
| 76       | 364.6 Compressor Station Equipment   | -                             | -             |
| 77       | 364.7 Communications Equipment   | -                             | -             |
| 78       | 364.8 Other Equipment  | -                             | -             |
| 79       | 364.9 Asset Retirement Costs for Base Load Liquefied Natural Gas                                   | -                             | -             |
| 80       | TOTAL Base Load Liquefied Natural Gas Terminaling and Processing Plant (Total lines 71 through 79) | -                             | -             |

|   |  |                          |                         |
|---|--|--------------------------|-------------------------|
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**GAS PLANT IN SERVICE - IDAHO (Account 101, 102, 103 and 106) (Continued)**

| Retirements<br>(d) | Adjustments<br>(e) | Transfers<br>(f) | Balance<br>End of Year<br>(g) | Line<br>No. |
|--------------------|--------------------|------------------|-------------------------------|-------------|
| -                  | -                  | -                | -                             | 34          |
| -                  | -                  | -                | -                             | 35          |
| -                  | -                  | -                | -                             | 36          |
| -                  | -                  | -                | -                             | 37          |
| -                  | -                  | -                | -                             | 38          |
| -                  | -                  | -                | -                             | 39          |
| -                  | -                  | -                | -                             | 40          |
| -                  | -                  | -                | -                             | 41          |
| -                  | -                  | -                | -                             | 42          |
| -                  | -                  | -                | -                             | 43          |
| -                  | -                  | (3,154)          | 349,007                       | 44          |
| -                  | -                  | (86)             | 20,608                        | 45          |
| -                  | -                  | 130,874          | 626,977                       | 46          |
| -                  | -                  | 104,043          | 7,065,382                     | 47          |
| -                  | -                  | -                | -                             | 48          |
| -                  | -                  | -                | -                             | 49          |
| -                  | -                  | -                | -                             | 50          |
| -                  | -                  | (2,678)          | 642,444                       | 51          |
| -                  | -                  | 114,608          | 4,530,638                     | 52          |
| -                  | -                  | 132,016          | 353,940                       | 53          |
| -                  | -                  | (709)            | 170,030                       | 54          |
| -                  | -                  | 130,700          | 670,089                       | 55          |
| -                  | -                  | -                | -                             | 56          |
| -                  | -                  | 605,614          | 14,429,115                    | 57          |
| -                  | -                  | -                | -                             | 58          |
| -                  | -                  | -                | -                             | 59          |
| -                  | -                  | -                | -                             | 60          |
| -                  | -                  | -                | -                             | 61          |
| -                  | -                  | -                | -                             | 62          |
| -                  | -                  | -                | -                             | 63          |
| -                  | -                  | -                | -                             | 64          |
| -                  | -                  | -                | -                             | 65          |
| -                  | -                  | -                | -                             | 66          |
| -                  | -                  | -                | -                             | 67          |
| -                  | -                  | -                | -                             | 68          |
| -                  | -                  | -                | -                             | 69          |
| -                  | -                  | -                | -                             | 70          |
| -                  | -                  | -                | -                             | 71          |
| -                  | -                  | -                | -                             | 72          |
| -                  | -                  | -                | -                             | 73          |
| -                  | -                  | -                | -                             | 74          |
| -                  | -                  | -                | -                             | 75          |
| -                  | -                  | -                | -                             | 76          |
| -                  | -                  | -                | -                             | 77          |
| -                  | -                  | -                | -                             | 78          |
| -                  | -                  | -                | -                             | 79          |
| -                  | -                  | -                | -                             | 80          |

|   |  |                          |                         |
|---|--|--------------------------|-------------------------|
| Name of Respondent<br><b>Avista Corporation</b> | This Report is:  | Date of Report           | Year / Period of Report |
|   | <input checked="" type="checkbox"/> An Original<br><input type="checkbox"/> A Resubmission | mm/dd/yyyy<br>04/15/2021 | End of <u>2020 / Q4</u> |

**GAS PLANT IN SERVICE - IDAHO (Account 101, 102, 103 and 106) (Continued)**

| Line No. | Account<br>(a)  | Balance<br>Beginning of Year<br>(b) | Additions<br>(c) |
|----------|---|-------------------------------------|------------------|
| 81       | TOTAL Natural Gas Storage and Processing Plant (Total of lines 57, 69 and 80) | 13,823,501                          | -                |
| 82       | TRANSMISSION PLANT  |                                     |                  |
| 83       | 365.1 Land and Land Rights  | -                                   | -                |
| 84       | 365.2 Rights-of-Way   | -                                   | -                |
| 85       | 366 Structures and Improvements   | -                                   | -                |
| 86       | 367 Mains   | -                                   | -                |
| 87       | 368 Compressor Station Equipment  | -                                   | -                |
| 88       | 369 Measuring and Regulating Station Equipment                                | -                                   | -                |
| 89       | 370 Communication Equipment   | -                                   | -                |
| 90       | 371 Other Equipment   | -                                   | -                |
| 91       | 372 Asset Retirement Costs for Transmission Plant                             | -                                   | -                |
| 92       | TOTAL Transmission Plant (Total lines 83 through 91)                          | -                                   | -                |
| 93       | DISTRIBUTION PLANT  |                                     |                  |
| 94       | 374 Land and Land Rights  | 162,137                             | -                |
| 95       | 375 Structures and Improvements   | 591,658                             | 59,563           |
| 96       | 376 Mains   | 130,767,519                         | 8,287,512        |
| 97       | 377 Compressor Station Equipment  | -                                   | -                |
| 98       | 378 Measuring and Regulating Station Equipment-General                        | 2,522,953                           | (44,466)         |
| 99       | 379 Measuring and Regulating Station Equipment-City Gate                      | 4,463,164                           | 8,042            |
| 100      | 380 Services  | 88,085,453                          | 5,748,864        |
| 101      | 381 Meters  | 30,529,495                          | 845,320          |
| 102      | 382 Meter Installations   | -                                   | -                |
| 103      | 383 House Regulators  | -                                   | -                |
| 104      | 384 House Regulator Installations   | -                                   | -                |
| 105      | 385 Industrial Measuring and Regulating Station Equipment                     | 946,404                             | 31,996           |
| 106      | 386 Other Property on Customers' Premises                                     | -                                   | -                |
| 107      | 387 Other Equipment   | -                                   | -                |
| 108      | 388 Asset Retirement Costs for Distribution Plant                             | -                                   | -                |
| 109      | TOTAL Distribution Plant (Total lines 94 through 108)                         | 258,068,783                         | 14,936,831       |
| 110      | GENERAL PLANT   |                                     |                  |
| 111      | 389 Land and Land Rights  | -                                   | -                |
| 112      | 390 Structures and Improvements   | -                                   | -                |
| 113      | 391 Office Furniture and Equipment  | 46,688                              | 19,452           |
| 114      | 392 Transportation Equipment  | 3,149,323                           | 350,184          |
| 115      | 393 Stores Equipment  | -                                   | -                |
| 116      | 394 Tools, Shop, and Garage Equipment   | 1,409,874                           | 66,326           |
| 117      | 395 Laboratory Equipment  | 65,250                              | -                |
| 118      | 396 Power Operated Equipment  | 1,072,583                           | -                |
| 119      | 397 Communication Equipment   | 383,854                             | 112,566          |
| 120      | 398 Miscellaneous Equipment   | -                                   | -                |
| 121      | Subtotal (Total of Lines 111 through 120)                                     | 6,127,572                           | 548,528          |
| 122      | 399 Other Tangible Property   | -                                   | -                |
| 123      | 399.1 Asset Retirement Costs for General Plant                                | -                                   | -                |
| 124      | TOTAL General Plant (Total of lines 121, 122 and 123)                         | 6,127,572                           | 548,528          |
| 125      | TOTAL (Accounts 101 and 106)  | 278,899,922                         | 15,504,474       |
| 126      | Gas Plant Purchased (See Instruction 8)                                       | -                                   | -                |
| 127      | (Less) Gas Plant Sold (See Instruction 8)                                     | -                                   | -                |
| 128      | Experimental Gas Plant Unclassified   | -                                   | -                |
| 129      | TOTAL Gas Plant in Service (Total of lines 125 through 128)                   | 278,899,922                         | 15,504,474       |

|   |  |                          |                           |
|---|--|--------------------------|---------------------------|
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**GAS PLANT IN SERVICE - IDAHO (Account 101, 102, 103 and 106) (Continued)**

| Retirements<br>(d) | Adjustments<br>(e) | Transfers<br>(f) | Balance<br>End of Year<br>(g) | Line<br>No. |
|--------------------|--------------------|------------------|-------------------------------|-------------|
| -                  | -                  | 605,614          | 14,429,115                    | 81          |
| -                  | -                  | -                | -                             | 82          |
| -                  | -                  | -                | -                             | 83          |
| -                  | -                  | -                | -                             | 84          |
| -                  | -                  | -                | -                             | 85          |
| -                  | -                  | -                | -                             | 86          |
| -                  | -                  | -                | -                             | 87          |
| -                  | -                  | -                | -                             | 88          |
| -                  | -                  | -                | -                             | 89          |
| -                  | -                  | -                | -                             | 90          |
| -                  | -                  | -                | -                             | 91          |
| -                  | -                  | -                | -                             | 92          |
| -                  | -                  | -                | -                             | 93          |
| -                  | -                  | -                | 162,137                       | 94          |
| 7,265              | -                  | (1)              | 643,955                       | 95          |
| 300,596            | -                  | 25,173           | 138,779,608                   | 96          |
| -                  | -                  | -                | -                             | 97          |
| -                  | -                  | 333              | 2,478,820                     | 98          |
| 7,765              | -                  | -                | 4,463,441                     | 99          |
| 65,611             | -                  | -                | 93,768,706                    | 100         |
| 399,121            | -                  | -                | 30,975,694                    | 101         |
| -                  | -                  | -                | -                             | 102         |
| -                  | -                  | -                | -                             | 103         |
| -                  | -                  | -                | -                             | 104         |
| -                  | -                  | (825)            | 977,575                       | 105         |
| -                  | -                  | -                | -                             | 106         |
| -                  | -                  | -                | -                             | 107         |
| -                  | -                  | -                | -                             | 108         |
| 780,358            | -                  | 24,680           | 272,249,936                   | 109         |
| -                  | -                  | -                | -                             | 110         |
| -                  | -                  | -                | -                             | 111         |
| -                  | -                  | -                | -                             | 112         |
| -                  | -                  | (6,589)          | 59,551                        | 113         |
| 24,004             | -                  | 76,371           | 3,551,874                     | 114         |
| -                  | -                  | -                | -                             | 115         |
| 34,403             | -                  | 6,976            | 1,448,773                     | 116         |
| -                  | -                  | (1,180)          | 64,070                        | 117         |
| -                  | -                  | 49,312           | 1,121,895                     | 118         |
| 642                | -                  | (45,624)         | 450,154                       | 119         |
| -                  | -                  | -                | -                             | 120         |
| 59,049             | -                  | 79,266           | 6,696,317                     | 121         |
| -                  | -                  | -                | -                             | 122         |
| -                  | -                  | -                | -                             | 123         |
| 59,049             | -                  | 79,266           | 6,696,317                     | 124         |
| 867,327            | -                  | 682,465          | 294,219,534                   | 125         |
| -                  | -                  | -                | -                             | 126         |
| -                  | -                  | -                | -                             | 127         |
| -                  | -                  | -                | -                             | 128         |
| 867,327            | -                  | 682,465          | 294,219,534                   | 129         |

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|---|---|---|--|

**GAS STORED - IDAHO (Accounts 117.1, 117.2, 117.3, 164.1, 164.2, and 164.3)**

**Instructions**

1. If during the year adjustments were made to the stored gas inventory reported in columns (d), (f), (g), and (h) (such as to correct cumulative inaccuracies of gas measurements), explain in a footnote (in the available space at the bottom of this page or in a separate schedule) the reason for the adjustments, the Dth and dollar amount of adjustment, and account charged or credited.
2. Report in column (e) all encroachments during the year upon the volumes designated as base gas, column (b), and system balancing gas, column (c), and gas property recordable in the plant accounts.
3. State in a footnote, in the available space at the bottom of this page or in a separate schedule, the basis of segregation of inventory between current and noncurrent portions. Also, state in a footnote the method used to report storage (i.e., fixed asset method or inventory method).

| Line No. | Description                  | (Account 117.1) | (Account 117.2) | Noncurrent (Account 117.3) | (Account 117.4) | Current (Account 164.1) | LNG (Account 164.2) | LNG (Account 164.3) | Total     |
|----------|------------------------------|-----------------|-----------------|----------------------------|-----------------|-------------------------|---------------------|---------------------|-----------|
|          | (a)                          | (b)             | (c)             | (d)                        | (e)             | (f)                     | (g)                 | (h)                 | (i)       |
| 1        | Balance at beginning of year | 1,794,969       |                 |                            |                 | 3,937,066               |                     |                     | 5,732,035 |
| 2        | Gas delivered to storage     | -               |                 |                            |                 | 3,906,519               |                     |                     | 3,906,519 |
| 3        | Gas withdrawn from storage   | -               |                 |                            |                 | 5,007,616               |                     |                     | 5,007,616 |
| 4        | Other debits and credits     | -               |                 |                            |                 | -                       |                     |                     | -         |
| 5        | Balance at end of year       | 1,794,969       | -               | -                          | -               | 2,835,969               | -                   | -                   | 4,630,938 |
| 6        | Dth                          | 321,679         |                 |                            |                 | 1,741,091               |                     |                     | 2,062,770 |
| 7        | Amount per Dth               | 5.58            |                 |                            |                 | 1.63                    |                     |                     | 2.25      |

- (1) Fuel is accounted for within injections and withdrawal accounts.
- (2) All gas reported is current working gas. Avista uses the inventory method to report all working gas stored.

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|---|---|---|--|

**GAS OPERATING REVENUES - IDAHO**

**Instructions**

1. Report below natural gas operating revenues attributable to the state of Idaho for each prescribed account total in accordance with jurisdictional Results of Operations.
2. Revenues in columns (b) and (c) include transition costs from upstream pipelines.
3. Other Revenues in columns (f) and (g) include reservation charges received by the pipeline plus usage charges, less revenues reflected in columns (b) through (e). Include in columns (f) and (g) revenues for Accounts 480-495.

| Line No. | Account<br><br>(a)   | Revenues for Transition Costs and Take-or-Pay |                      | Revenues for GRI and ACA |                      |
|----------|--|---|----------------------|--------------------------|----------------------|
|          |  | Current Year<br>(b)                           | Previous Year<br>(c) | Current Year<br>(d)      | Previous Year<br>(e) |
| 1        | 480 Residential Sales  | -   | -                    | -                        | -                    |
| 2        | 481 Commercial and Industrial Sales  | -   | -                    | -                        | -                    |
| 3        | 482 Other Sales to Public Authorities  | -   | -                    | -                        | -                    |
| 4        | 483 Sales for Resale (1)   | -   | -                    | -                        | -                    |
| 5        | 484 Interdepartmental Sales  | -   | -                    | -                        | -                    |
| 6        | 485 Intracompany Transfers   | -   | -                    | -                        | -                    |
| 7        | 487 Forfeited Discounts  | -   | -                    | -                        | -                    |
| 8        | 488 Miscellaneous Service Revenues   | -   | -                    | -                        | -                    |
| 9        | 489.1 Revenues from Transportation of Gas for Others through Gathering Facilities    | -   | -                    | -                        | -                    |
| 10       | 489.2 Revenues from Transportation of Gas for Others through Transmission Facilities | -   | -                    | -                        | -                    |
| 11       | 489.3 Revenues from Transportation of Gas for Others through Distribution Facilities | -   | -                    | -                        | -                    |
| 12       | 489.4 Revenues from Storing Gas of Others  | -   | -                    | -                        | -                    |
| 13       | 490 Sales of Products Extracted from Natural Gas                                     | -   | -                    | -                        | -                    |
| 14       | 491 Revenues from Natural Gas Processed by Others                                    | -   | -                    | -                        | -                    |
| 15       | 492 Incidental Gasoline and Oil Sales  | -   | -                    | -                        | -                    |
| 16       | 493 Rent from Gas Property   | -   | -                    | -                        | -                    |
| 17       | 494 Interdepartmental Rents  | -   | -                    | -                        | -                    |
| 18       | 495 Other Gas Revenues (1)   | -   | -                    | -                        | -                    |
| 19       | Subtotal   | -   | -                    | -                        | -                    |
| 20       | 496 (Less) Provision for Rate Refunds  | -   | -                    | -                        | -                    |
| 21       | TOTAL  | -   | -                    | -                        | -                    |

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|---|---|--|--|

**GAS OPERATING REVENUES - IDAHO**

**Instructions**

4. If increases or decreases from previous year are not derived from previously reported figures, explain any inconsistencies in a footnote in the available space at the bottom of this page or attached in a separate schedule.
5. See pages 108 in the FERC Form 2, Important Changes During the Quarter/Year, for information on major changes during the year, new service, and important rate increases or decreases.
6. Report the revenue from transportation services that are bundled with storage services as transportation service revenue.

| Other Revenues   |                   | Total Operating Revenues |                   | Dekatherm of Natural Gas |                   | Line No. |
|------------------|-------------------|--------------------------|-------------------|--------------------------|-------------------|----------|
| Current Year (f) | Previous Year (g) | Current Year (h)         | Previous Year (i) | Current Year (j)         | Previous Year (k) |          |
| 45,622,508       | 43,435,274        | 45,622,508               | 43,435,274        | 5,573,141                | 5,685,251         | 1        |
| 19,504,175       | 19,061,256        | 19,504,175               | 19,061,256        | 3,316,929                | 3,515,311         | 2        |
|                  | -                 | -                        | -                 | -                        | -                 | 3        |
| 21,436,034       | 26,355,725        | 21,436,034               | 26,355,725        | 16,440,077               | 16,410,210        | 4        |
| 27,763           | 28,869            | 27,763                   | 28,869            | 4,467                    | 5,082             | 5        |
|                  | -                 | -                        | -                 |                          |                   | 6        |
|                  | -                 | -                        | -                 |                          |                   | 7        |
| 3,912            | 7,690             | 3,912                    | 7,690             |                          |                   | 8        |
|                  | -                 | -                        | -                 |                          |                   | 9        |
|                  | -                 | -                        | -                 |                          |                   | 10       |
| 585,309          | 587,215           | 585,309                  | 587,215           | 7,143,693                | 6,162,727         | 11       |
|                  | -                 | -                        | -                 |                          |                   | 12       |
|                  | -                 | -                        | -                 |                          |                   | 13       |
|                  | -                 | -                        | -                 |                          |                   | 14       |
|                  | -                 | -                        | -                 |                          |                   | 15       |
|                  | -                 | -                        | -                 |                          |                   | 16       |
|                  | -                 | -                        | -                 |                          |                   | 17       |
| 1,139,088        | 2,355,687         | 1,139,088                | 2,355,687         |                          |                   | 18       |
| 88,318,789       | 91,831,716        | 88,318,789               | 91,831,716        |                          |                   | 19       |
|                  | (22,687)          | -                        | (22,687)          |                          |                   | 20       |
| 88,318,789       | 91,809,029        | 88,318,789               | 91,809,029        |                          |                   | 21       |

(1) Sales for Resale and Deferred Exchange dollars are allocated based on the Washington / Idaho monthly commodity allocations used in Results of Operations.

|   |   |   |  |
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|---|---|---|--|

**GAS OPERATION AND MAINTENANCE EXPENSES - IDAHO**

**Instructions**

- For each prescribed account below, report operation and maintenance expenses as allocated by the Results of Operations model to the state of Idaho.
- If the amount for previous year is not derived from previously reported figures, explain in a footnote.

| Line No. | Account<br>(a)  | Amount for Current Year<br>(b) | Amount for Previous Year<br>(c) |
|----------|---|--------------------------------|---------------------------------|
| 1        | 1. PRODUCTION EXPENSES  |                                |                                 |
| 2        | A. Manufactured Gas Production  |                                |                                 |
| 3        | Manufactured Gas Production (Submit Supplemental Statement)           | -                              | -                               |
| 4        | B. Natural Gas Production   |                                |                                 |
| 5        | B1. Natural Gas Production and Gathering                              |                                |                                 |
| 6        | Operation   |                                |                                 |
| 7        | 750 Operation Supervision and Engineering                             | -                              | -                               |
| 8        | 751 Production Maps and Records                                       | -                              | -                               |
| 9        | 752 Gas Well Expenses   | -                              | -                               |
| 10       | 753 Field Lines Expenses  | -                              | -                               |
| 11       | 754 Field Compressor Station Expenses                                 | -                              | -                               |
| 12       | 755 Field Compressor Station Fuel and Power                           | -                              | -                               |
| 13       | 756 Field Measuring and Regulating Station Expenses                   | -                              | -                               |
| 14       | 757 Purification Expenses   | -                              | -                               |
| 15       | 758 Gas Well Royalties  | -                              | -                               |
| 16       | 759 Other Expenses  | -                              | -                               |
| 17       | 760 Rents   | -                              | -                               |
| 18       | TOTAL Operation (Total of lines 7 through 17)                         | -                              | -                               |
| 19       | Maintenance   |                                |                                 |
| 20       | 761 Maintenance Supervision and Engineering                           | -                              | -                               |
| 21       | 762 Maintenance of Structures and Improvements                        | -                              | -                               |
| 22       | 763 Maintenance of Producing Gas Wells                                | -                              | -                               |
| 23       | 764 Maintenance of Field Lines  | -                              | -                               |
| 24       | 765 Maintenance of Field Compressor Station Equipment                 | -                              | -                               |
| 25       | 766 Maintenance of Field Measuring and Regulating Station Equipment   | -                              | -                               |
| 26       | 767 Maintenance of Purification Equipment                             | -                              | -                               |
| 27       | 768 Maintenance of Drilling and Cleaning Equipment                    | -                              | -                               |
| 28       | 769 Maintenance of Other Equipment                                    | -                              | -                               |
| 29       | TOTAL Maintenance (Total of lines 20 through 28)                      | -                              | -                               |
| 30       | TOTAL Natural Gas Production and Gathering (Total of lines 18 and 29) | -                              | -                               |

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**GAS OPERATION AND MAINTENANCE EXPENSES - IDAHO**

**Instructions**

- For each prescribed account below, report operation and maintenance expenses as allocated by the Results of Operations model to the state of Idaho.
- If the amount for previous year is not derived from previously reported figures, explain in a footnote.

| Line No. | Account (a)   | Amount for Current Year (b) | Amount for Previous Year (c) |
|----------|---|-----------------------------|------------------------------|
| 31       | B2. Products Extraction                                   |                             |                              |
| 32       | Operation   |                             |                              |
| 33       | 770 Operation Supervision and Engineering                 | -                           | -                            |
| 34       | 771 Operation Labor                                       | -                           | -                            |
| 35       | 772 Gas Shrinkage   | -                           | -                            |
| 36       | 773 Fuel  | -                           | -                            |
| 37       | 774 Power   | -                           | -                            |
| 38       | 775 Materials   | -                           | -                            |
| 39       | 776 Operation Supplies and Expenses                       | -                           | -                            |
| 40       | 777 Gas Processed by Others                               | -                           | -                            |
| 41       | 778 Royalties on Products Extracted                       | -                           | -                            |
| 42       | 779 Marketing Expenses                                    | -                           | -                            |
| 43       | 780 Products Purchased for Resale                         | -                           | -                            |
| 44       | 781 Variation in Products Inventory                       | -                           | -                            |
| 45       | 782 (Less) Extracted Products Used by the Utility-Credit  | -                           | -                            |
| 46       | 783 Rents   | -                           | -                            |
| 47       | TOTAL Operation (Total of line 33 through 46)             | -                           | -                            |
| 48       | Maintenance   |                             |                              |
| 49       | 784 Maintenance Supervision and Engineering               | -                           | -                            |
| 50       | 785 Maintenance of Structures and Improvements            | -                           | -                            |
| 51       | 786 Maintenance of Extraction and Refining Equipment      | -                           | -                            |
| 52       | 787 Maintenance of Pipe Lines                             | -                           | -                            |
| 53       | 788 Maintenance of Extracted Products Storage Equipment   | -                           | -                            |
| 54       | 789 Maintenance of Compressor Equipment                   | -                           | -                            |
| 55       | 790 Maintenance of Gas Measuring and Regulating Equipment | -                           | -                            |
| 56       | 791 Maintenance of Other Equipment                        | -                           | -                            |
| 57       | TOTAL Maintenance (Total of lines 49 through 56)          | -                           | -                            |
| 58       | TOTAL Products Extraction (Total of lines 47 and 57)      | -                           | -                            |

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**GAS OPERATION AND MAINTENANCE EXPENSES - IDAHO**

**Instructions**

- For each prescribed account below, report operation and maintenance expenses as allocated by the Results of Operations model to the state of Idaho.
- If the amount for previous year is not derived from previously reported figures, explain in a footnote.

| Line No. | Account<br>(a)   | Amount for Current Year<br>(b) | Amount for Previous Year<br>(c) |
|----------|--|--------------------------------|---------------------------------|
| 59       | C. Exploration and Development                                   |                                |                                 |
| 60       | Operation  |                                |                                 |
| 61       | 795 Delay Rentals  | -                              | -                               |
| 62       | 796 Nonproductive Well Drilling                                  | -                              | -                               |
| 63       | 797 Abandoned Leases   | -                              | -                               |
| 64       | 798 Other Exploration  | -                              | -                               |
| 65       | TOTAL Exploration and Development (Total of lines 61 through 64) | -                              | -                               |
| 66       | D. Other Gas Supply Expenses                                     |                                |                                 |
| 67       | Operation  |                                |                                 |
| 68       | 800 Natural Gas Well Head Purchases                              |                                | -                               |
| 69       | 800.1 Natural Gas Well Head Purchases, Intracompany Transfers    |                                | -                               |
| 70       | 801 Natural Gas Field Line Purchases                             |                                | -                               |
| 71       | 802 Natural Gas Gasoline Plant Outlet Purchases                  |                                | -                               |
| 72       | 803 Natural Gas Transmission Line Purchases                      |                                | -                               |
| 73       | 804 Natural Gas City Gate Purchases                              | 40,365,902                     | 46,740,473                      |
| 74       | 804.1 Liquefied Natural Gas Purchases                            |                                | -                               |
| 75       | 805 Other Gas Purchases  |                                | -                               |
| 76       | 805.1 (Less) Purchased Gas Cost Adjustments                      |                                | -                               |
| 77       | TOTAL Other Gas Supply Expenses (Total of lines 68 through 76)   | 40,365,902                     | 46,740,473                      |
| 78       | 806 Exchange Gas   | -                              | -                               |
| 79       | Purchased Gas Expenses   |                                |                                 |
| 80       | 807.1 Well Expense-Purchased Gas                                 |                                | -                               |
| 81       | 807.2 Operation of Purchased Gas Measuring Stations              |                                | -                               |
| 82       | 807.3 Maintenance of Purchased Gas Measuring Stations            |                                | -                               |
| 83       | 807.4 Purchased Gas Calculations Expenses                        |                                | -                               |
| 84       | 807.5 Other Purchased Gas Expenses                               |                                | -                               |
| 85       | TOTAL Purchased Gas Expenses (Total of lines 80 through 84)      | -                              | -                               |

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**GAS OPERATION AND MAINTENANCE EXPENSES - IDAHO**

**Instructions**

- For each prescribed account below, report operation and maintenance expenses as allocated by the Results of Operations model to the state of Idaho.
- If the amount for previous year is not derived from previously reported figures, explain in a footnote.

| Line No. | Account<br>(a)   | Amount for Current Year<br>(b) | Amount for Previous Year<br>(c) |
|----------|--|--------------------------------|---------------------------------|
| 86       | 808.1 Gas Withdrawn from Storage-Debit   | 955,660                        | -                               |
| 87       | 808.2 (Less) Gas Delivered to Storage-Credit                                       | -                              | (844,264)                       |
| 88       | 809.1 Withdrawals of Liquefied Natural Gas for Processing-Debit                    | -                              | -                               |
| 89       | 809.2 (Less) Deliveries of Natural Gas for Processing-Credit                       | -                              | -                               |
| 90       | Gas Used in Utility Operation-Credit   |                                |                                 |
| 91       | 810 Gas Used for Compressor Station Fuel-Credit                                    | -                              | -                               |
| 92       | 811 Gas Used for Products Extraction-Credit  | (66,924)                       | (157,729)                       |
| 93       | 812 Gas Used for Other Utility Operations-Credit                                   | -                              | -                               |
| 94       | TOTAL Gas Used in Utility Operations-Credit (Total of lines 91 through 93)         | (66,924)                       | (157,729)                       |
| 95       | 813 Other Gas Supply Expenses  | 342,721                        | 441,472                         |
| 96       | TOTAL Other Gas Supply Expenses (Total of lines 77, 78, 85, 86 through 89, 94, 95) | 41,597,359                     | 46,179,952                      |
| 97       | TOTAL Production Expenses (Total of lines 3, 30, 58, 65, and 96)                   | 41,597,359                     | 46,179,952                      |
| 98       | <b>2. NATURAL GAS STORAGE, TERMINALING AND PROCESSING EXPENSES</b>                 |                                |                                 |
| 99       | <b>A. Underground Storage Expenses</b>   |                                |                                 |
| 100      | Operation  |                                |                                 |
| 101      | 814 Operation Supervision and Engineering  | 2,244                          | 6,506                           |
| 102      | 815 Maps and Records   |                                | -                               |
| 103      | 816 Wells Expenses   |                                | -                               |
| 104      | 817 Lines Expense  |                                | -                               |
| 105      | 818 Compressor Station Expenses  |                                | -                               |
| 106      | 819 Compressor Station Fuel and Power  |                                | -                               |
| 107      | 820 Measuring and Regulating Station Expenses                                      |                                | -                               |
| 108      | 821 Purification Expenses  |                                | -                               |
| 109      | 822 Exploration and Development  |                                | -                               |
| 110      | 823 Gas Losses   |                                | -                               |
| 111      | 824 Other Expenses   | 227,077                        | 218,529                         |
| 112      | 825 Storage Well Royalties   |                                | -                               |
| 113      | 826 Rents  |                                | -                               |
| 114      | TOTAL Operation (Total of lines 101 through 113)                                   | 229,321                        | 225,035                         |

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**GAS OPERATION AND MAINTENANCE EXPENSES - IDAHO**

**Instructions**

- For each prescribed account below, report operation and maintenance expenses as allocated by the Results of Operations model to the state of Idaho.
- If the amount for previous year is not derived from previously reported figures, explain in a footnote.

| Line No. | Account<br>(a)  | Amount for Current Year<br>(b) | Amount for Previous Year<br>(c) |
|----------|---|--------------------------------|---------------------------------|
| 115      | Maintenance   |                                |                                 |
| 116      | 830 Maintenance Supervision and Engineering                     | -                              | -                               |
| 117      | 831 Maintenance of Structures and Improvements                  | -                              | -                               |
| 118      | 832 Maintenance of Reservoirs and Wells                         | -                              | -                               |
| 119      | 833 Maintenance of Lines  | -                              | -                               |
| 120      | 834 Maintenance of Compressor Station Equipment                 | -                              | -                               |
| 121      | 835 Maintenance of Measuring and Regulating Station Equipment   | -                              | -                               |
| 122      | 836 Maintenance of Purification Equipment                       | -                              | -                               |
| 123      | 837 Maintenance of Other Equipment                              | 616,030                        | 633,786                         |
| 124      | TOTAL Maintenance (Total of lines 116 through 123)              | 616,030                        | 633,786                         |
| 125      | TOTAL Underground Storage Expenses (Total of lines 114 and 124) | 845,351                        | 858,821                         |
| 126      | B. Other Storage Expenses                                       |                                |                                 |
| 127      | Operation   |                                |                                 |
| 128      | 840 Operation Supervision and Engineering                       | -                              | -                               |
| 129      | 841 Operation Labor and Expenses                                | -                              | -                               |
| 130      | 842 Rents   | -                              | -                               |
| 131      | 842.1 Fuel  | -                              | -                               |
| 132      | 842.2 Power   | -                              | -                               |
| 133      | 842.3 Gas Losses  | -                              | -                               |
| 134      | TOTAL Operation (Total of lines 128 through 133)                | -                              | -                               |
| 135      | Maintenance   |                                |                                 |
| 136      | 843.1 Maintenance Supervision and Engineering                   | -                              | -                               |
| 137      | 843.2 Maintenance of Structures                                 | -                              | -                               |
| 138      | 843.3 Maintenance of Gas Holders                                | -                              | -                               |
| 139      | 843.4 Maintenance of Purification Equipment                     | -                              | -                               |
| 140      | 843.5 Maintenance of Liquefaction Equipment                     | -                              | -                               |
| 141      | 843.6 Maintenance of Vaporizing Equipment                       | -                              | -                               |
| 142      | 843.7 Maintenance of Compressor Equipment                       | -                              | -                               |
| 143      | 843.8 Maintenance of Measuring and Regulating Equipment         | -                              | -                               |
| 144      | 843.9 Maintenance of Other Equipment                            | -                              | -                               |
| 145      | TOTAL Maintenance (Total of lines 136 through 144)              | -                              | -                               |
| 146      | TOTAL Other Storage Expenses (Total of lines 134 and 145)       | -                              | -                               |

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**GAS OPERATION AND MAINTENANCE EXPENSES - IDAHO**

**Instructions**

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| Line No. | Account<br>(a)  | Amount for Current Year<br>(b) | Amount for Previous Year<br>(c) |
|----------|---|--------------------------------|---------------------------------|
| 147      | C. Liquefied Natural Gas Terminaling and Processing Expenses                  |                                |                                 |
| 148      | Operation   |                                |                                 |
| 149      | 844.1 Operation Supervision and Engineering                                   | -                              | -                               |
| 150      | 844.2 LNG Processing Terminal Labor and Expenses                              | -                              | -                               |
| 151      | 844.3 Liquefaction Processing Labor and Expenses                              | -                              | -                               |
| 152      | 844.4 Liquefaction Transportation Labor and Expenses                          | -                              | -                               |
| 153      | 844.5 Measuring and Regulating Labor and Expenses                             | -                              | -                               |
| 154      | 844.6 Compressor Station Labor and Expenses                                   | -                              | -                               |
| 155      | 844.7 Communication System Expenses   | -                              | -                               |
| 156      | 844.8 System Control and Load Dispatching                                     | -                              | -                               |
| 157      | 845.1 Fuel  | -                              | -                               |
| 158      | 845.2 Power   | -                              | -                               |
| 159      | 845.3 Rents   | -                              | -                               |
| 160      | 845.4 Demurrage Charges   | -                              | -                               |
| 161      | 845.5 (Less) Wharfage Receipts-Credit   | -                              | -                               |
| 162      | 845.6 Processing Liquefied or Vaporized Gas by Others                         | -                              | -                               |
| 163      | 846.1 Gas Losses  | -                              | -                               |
| 164      | 846.2 Other Expenses  | -                              | -                               |
| 165      | TOTAL Operation (Total of lines 149 through 164)                              | -                              | -                               |
| 166      | Maintenance   |                                |                                 |
| 167      | 847.1 Maintenance Supervision and Engineering                                 | -                              | -                               |
| 168      | 847.2 Maintenance of Structures and Improvements                              | -                              | -                               |
| 169      | 847.3 Maintenance of LNG Processing Terminal Equipment                        | -                              | -                               |
| 170      | 847.4 Maintenance of LNG Transportation Equipment                             | -                              | -                               |
| 171      | 847.5 Maintenance of Measuring and Regulating Equipment                       | -                              | -                               |
| 172      | 847.6 Maintenance of Compressor Station Equipment                             | -                              | -                               |
| 173      | 847.7 Maintenance of Communication Equipment                                  | -                              | -                               |
| 174      | 847.8 Maintenance of Other Equipment  | -                              | -                               |
| 175      | TOTAL Maintenance (Total of lines 167 through 174)                            | -                              | -                               |
| 176      | TOTAL Liquefied Nat Gas Terminaling and Proc Exp (Total of lines 165 and 175) | -                              | -                               |
| 177      | TOTAL Natural Gas Storage (Total of lines 125, 146, and 176)                  | 845,351                        | 858,821                         |

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|---|---|---|--|

**GAS OPERATION AND MAINTENANCE EXPENSES - IDAHO**

**Instructions**

- For each prescribed account below, report operation and maintenance expenses as allocated by the Results of Operations model to the state of Idaho.
- If the amount for previous year is not derived from previously reported figures, explain in a footnote.

| Line No. | Account<br>(a)  | Amount for Current Year<br>(b) | Amount for Previous Year<br>(c) |
|----------|---|--------------------------------|---------------------------------|
| 178      | <b>3. TRANSMISSION EXPENSES</b>                               |                                |                                 |
| 179      | Operation   |                                |                                 |
| 180      | 850 Operation Supervision and Engineering                     | -                              | -                               |
| 181      | 851 System Control and Load Dispatching                       | -                              | -                               |
| 182      | 852 Communication System Expenses                             | -                              | -                               |
| 183      | 853 Compressor Station Labor and Expenses                     | -                              | -                               |
| 184      | 854 Gas for Compressor Station Fuel                           | -                              | -                               |
| 185      | 855 Other Fuel and Power for Compressor Stations              | -                              | -                               |
| 186      | 856 Mains Expenses  | -                              | -                               |
| 187      | 857 Measuring and Regulating Station Expenses                 | -                              | -                               |
| 188      | 858 Transmission and Compression of Gas by Others             | -                              | -                               |
| 189      | 859 Other Expenses  | -                              | -                               |
| 190      | 860 Rents   | -                              | -                               |
| 191      | TOTAL Operation (Total of lines 180 through 190)              | -                              | -                               |
| 192      | Maintenance   |                                |                                 |
| 193      | 861 Maintenance Supervision and Engineering                   | -                              | -                               |
| 194      | 862 Maintenance of Structures and Improvements                | -                              | -                               |
| 195      | 863 Maintenance of Mains                                      | -                              | -                               |
| 196      | 864 Maintenance of Compressor Station Equipment               | -                              | -                               |
| 197      | 865 Maintenance of Measuring and Regulating Station Equipment | -                              | -                               |
| 198      | 866 Maintenance of Communication Equipment                    | -                              | -                               |
| 199      | 867 Maintenance of Other Equipment                            | -                              | -                               |
| 200      | TOTAL Maintenance (Total of lines 193 through 199)            | -                              | -                               |
| 201      | TOTAL Transmission (Total of lines 191 and 200)               | -                              | -                               |
| 202      | <b>4. DISTRIBUTION EXPENSES</b>                               |                                |                                 |
| 203      | Operation   |                                |                                 |
| 204      | 870 Operation Supervision and Engineering                     | 398,176                        | 594,221                         |
| 205      | 871 Distribution Load Dispatching                             | -                              | -                               |
| 206      | 872 Compressor Station Labor and Expenses                     | -                              | -                               |
| 207      | 873 Compressor Station Fuel and Power                         | -                              | -                               |

|   |   |  |   |
|---|---|--|---|
| Name of Respondent<br><b>Avista Corporation</b> | This Report is:<br><input checked="" type="checkbox"/> An Original<br><input type="checkbox"/> A Resubmission | Date of Report<br>mm/dd/yyyy<br>04/15/2021 | Year / Period of Report<br>End of 2020 / Q4 |
|---|---|--|---|

**GAS OPERATION AND MAINTENANCE EXPENSES - IDAHO**

**Instructions**

- For each prescribed account below, report operation and maintenance expenses as allocated by the Results of Operations model to the state of Idaho.
- If the amount for previous year is not derived from previously reported figures, explain in a footnote.

| Line No. | Account<br>(a)  | Amount for Current Year<br>(b) | Amount for Previous Year<br>(c) |
|----------|---|--------------------------------|---------------------------------|
| 208      | 874 Mains and Services Expenses   | 1,383,510                      | 1,419,682                       |
| 209      | 875 Measuring and Regulating Station Expenses-General                       | 25,219                         | 53,873                          |
| 210      | 876 Measuring and Regulating Station Expenses-Industrial                    | 2,500                          | 912                             |
| 211      | 877 Measuring and Regulating Station Expenses-City Gas Check Station        | 27,849                         | 36,039                          |
| 212      | 878 Meter and House Regulator Expenses                                      | 227,227                        | 205,791                         |
| 213      | 879 Customer Installations Expenses   | 496,727                        | 662,804                         |
| 214      | 880 Other Expenses  | 344,628                        | 589,973                         |
| 215      | 881 Rents   | 8,887                          | 10,486                          |
| 216      | TOTAL Operation (Total of lines 204 through 215)                            | 2,914,723                      | 3,573,781                       |
| 217      | Maintenance   |                                |                                 |
| 218      | 885 Maintenance Supervision and Engineering                                 | 42,853                         | 117,220                         |
| 219      | 886 Maintenance of Structures and Improvements                              |                                | -                               |
| 220      | 887 Maintenance of Mains  | 276,180                        | 252,144                         |
| 221      | 888 Maintenance of Compressor Station Equipment                             |                                | -                               |
| 222      | 889 Maintenance of Measuring and Regulating Station Equipment-General       | 79,559                         | 102,639                         |
| 223      | 890 Maintenance of Measuring and Regulating Station Equipment-Industrial    | 11,784                         | 7,137                           |
| 224      | 891 Maintenance of Meas. and Reg. Station Equipment-City Gate Check Station | 151,417                        | 30,505                          |
| 225      | 892 Maintenance of Services   | 273,635                        | 435,760                         |
| 226      | 893 Maintenance of Meters and House Regulators                              | 472,791                        | 868,293                         |
| 227      | 894 Maintenance of Other Equipment  | 64,926                         | 73,670                          |
| 228      | TOTAL Maintenance (Total of lines 218 through 227)                          | 1,373,145                      | 1,887,368                       |
| 229      | TOTAL Distribution Expenses (Total of lines 216 and 228)                    | 4,287,868                      | 5,461,149                       |
| 230      | 5. CUSTOMER ACCOUNTS EXPENSES   |                                |                                 |
| 231      | Operation   |                                |                                 |
| 232      | 901 Supervision   | 33,341                         | 39,653                          |
| 233      | 902 Meter Reading Expenses  | 145,329                        | 201,241                         |
| 234      | 903 Customer Records and Collection Expenses                                | 1,645,655                      | 2,242,512                       |

|   |   |  |  |
|---|---|--|--|
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|---|---|--|--|

**GAS OPERATION AND MAINTENANCE EXPENSES - IDAHO**

**Instructions**

- For each prescribed account below, report operation and maintenance expenses as allocated by the Results of Operations model to the state of Idaho.
- If the amount for previous year is not derived from previously reported figures, explain in a footnote.

| Line No. | Account (a)  | Amount for Current Year (b) | Amount for Previous Year (c) |
|----------|--|-----------------------------|------------------------------|
| 235      | 904 Uncollectible Accounts   | 606,391                     | 45,909                       |
| 236      | 905 Miscellaneous Customer Accounts Expenses                                       | 32,492                      | 47,371                       |
| 237      | TOTAL Customer Accounts Expenses (Total of lines 232 through 236)                  | 2,463,208                   | 2,576,686                    |
| 238      | <b>6. CUSTOMER SERVICE AND INFORMATIONAL EXPENSES</b>                              |                             |                              |
| 239      | Operation  |                             |                              |
| 240      | 907 Supervision  |                             | -                            |
| 241      | 908 Customer Assistance Expenses   | 1,482,114                   | 1,543,371                    |
| 242      | 909 Informational and Instructional Expenses                                       | 193,517                     | 308,452                      |
| 243      | 910 Miscellaneous Customer Service and Informational Expenses                      | 71,533                      | 60,377                       |
| 244      | TOTAL Customer Service and Informational Expenses (Total of lines 240 through 243) | 1,747,164                   | 1,912,200                    |
| 245      | <b>7. SALES EXPENSES</b>   |                             |                              |
| 246      | Operation  |                             |                              |
| 247      | 911 Supervision  | -                           | -                            |
| 248      | 912 Demonstrating and Selling Expenses   | -                           | -                            |
| 249      | 913 Advertising Expenses   | -                           | -                            |
| 250      | 916 Miscellaneous Sales Expenses   | -                           | -                            |
| 251      | TOTAL Sales Expenses (Total of lines 247 through 250)                              | -                           | -                            |
| 252      | <b>8. ADMINISTRATIVE AND GENERAL EXPENSES</b>                                      |                             |                              |
| 253      | Operation  |                             |                              |
| 254      | 920 Administrative and General Salaries  | 2,222,675                   | 2,631,692                    |
| 255      | 921 Office Supplies and Expenses   | 336,283                     | 367,914                      |
| 256      | 922 (Less) Administrative Expenses Transferred-Credit                              | (5,454)                     | (4,856)                      |
| 257      | 923 Outside Services Employed  | 859,714                     | 720,863                      |
| 258      | 924 Property Insurance   | 107,216                     | 93,582                       |
| 259      | 925 Injuries and Damages   | 289,724                     | 224,791                      |
| 260      | 926 Employee Pensions and Benefits   | 2,196,335                   | 156,547                      |
| 261      | 927 Franchise Requirements   | -                           | -                            |
| 262      | 928 Regulatory Commission Expenses   | 268,651                     | 333,207                      |
| 263      | 929 (Less) Duplicate Charges-Credit  | -                           | -                            |
| 264      | 930.1 General Advertising Expenses   | -                           | -                            |
| 265      | 930.2 Miscellaneous General Expenses   | 457,159                     | 364,296                      |
| 266      | 931 Rents  | 30,219                      | 24,504                       |
| 267      | TOTAL Operation (Total of lines 254 through 266)                                   | 6,762,522                   | 4,912,540                    |
| 268      | Maintenance  |                             |                              |
| 269      | 932 Maintenance of General Plant   | 887,696                     | 948,701                      |
| 270      | TOTAL Administrative and General Expenses (Total of lines 267 and 269)             | 7,650,218                   | 5,861,241                    |
| 271      | TOTAL Gas O&M Expenses (Total of lines 97, 177, 201, 229, 237, 244, 251, 270)      | 58,591,168                  | 62,850,049                   |

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|---|---|---|--|
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|---|---|---|--|

**GAS TRANSMISSION MAINS - IDAHO**

**Instructions**

- Report below the requested details of transmission mains in system operated by respondent at end of year in the state of Idaho.
- Report separately any lines held under a title other than full ownership. Designate such lines with an asterisk and in a footnote (in the available space at the bottom of this page or attached in a separate schedule) state the name of owner or co-owner, nature of respondent's title, and percent ownership if jointly owned.

| Line No. | Kind of Material<br>(a) | Diameter of Pipe<br>in Inches<br>(b) | Total Length in Use<br>Beginning of Year<br>in Feet<br>(c) | Laid During Year<br>in Feet<br>(d) | Taken Up<br>or Abandoned<br>During Year<br>in Feet<br>(e) | Total Length<br>in Use<br>End of Year<br>in Feet<br>(f) |
|----------|-------------------------|--------------------------------------|--|------------------------------------|---|---|
| 1        |                         |                                      |  |                                    |   | -   |
| 2        |                         |                                      |  |                                    |   | -   |
| 3        |                         |                                      |  |                                    |   | -   |
| 4        |                         |                                      |  |                                    |   | -   |
| 5        |                         |                                      |  |                                    |   | -   |
| 6        |                         |                                      |  |                                    |   | -   |
| 7        |                         |                                      |  |                                    |   | -   |
| 8        |                         |                                      |  |                                    |   | -   |
| 9        |                         |                                      |  |                                    |   | -   |
| 10       |                         |                                      |  |                                    |   | -   |
| 11       |                         |                                      |  |                                    |   | -   |
| 12       |                         |                                      |  |                                    |   | -   |
| 13       |                         |                                      |  |                                    |   | -   |
| 14       |                         |                                      |  |                                    |   | -   |
| 15       |                         |                                      |  |                                    |   | -   |
| 16       |                         |                                      |  |                                    |   | -   |
| 17       |                         |                                      |  |                                    |   | -   |
| 18       |                         |                                      |  |                                    |   | -   |
| 19       |                         |                                      |  |                                    |   | -   |
| 20       |                         |                                      |  |                                    |   | -   |
| 21       |                         |                                      |  |                                    |   | -   |
| 22       |                         |                                      |  |                                    |   | -   |
| 23       |                         |                                      |  |                                    |   | -   |
| 24       |                         |                                      |  |                                    |   | -   |
| 25       |                         |                                      |  |                                    |   | -   |
| 26       |                         |                                      |  |                                    |   | -   |
| 27       |                         |                                      |  |                                    |   | -   |
| 28       |                         |                                      |  |                                    |   | -   |
| 29       |                         |                                      |  |                                    |   | -   |
| 30       |                         |                                      |  |                                    |   | -   |
| 31       |                         |                                      |  |                                    |   | -   |
| 32       |                         |                                      |  |                                    |   | -   |
| 33       |                         |                                      |  |                                    |   | -   |
| 34       |                         |                                      |  |                                    |   | -   |
| 35       |                         |                                      |  |                                    |   | -   |
| 36       |                         |                                      |  |                                    |   | -   |
| 37       |                         |                                      |  |                                    |   | -   |
| 38       |                         |                                      |  |                                    |   | -   |
| 39       |                         |                                      |  |                                    |   | -   |
| 40       |                         |                                      |  |                                    |   | -   |

**NOTE:**

In accordance with the definitions established in the Uniform System of Accounts for production, transmission, and distribution plant, the Company's gas mains are appropriately classified as distribution property for accounting purposes (see definitions 29 (B) and (C)).

|   |   |   |  |
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|---|---|---|--|

**GAS DISTRIBUTION MAINS - IDAHO**

**Instructions**

- Report below the requested details of distribution mains in system operated by respondent at end of year in the state of Idaho.
- Report separately any lines held under a title other than full ownership. Designate such lines with an asterisk and in a footnote (in the available space at the bottom of this page or attached in a separate schedule) state the name of owner or co-owner, nature of respondent's title, and percent ownership if jointly owned.

| Line No. | Kind of Material<br>(a) | Diameter of Pipe<br>in Inches<br>(b) | Total Length in Use<br>Beginning of Year<br>in Feet<br>(c) | Laid During Year<br>in Feet<br>(d) | Taken Up<br>or Abandoned<br>During Year<br>in Feet<br>(e) | Total Length<br>in Use<br>End of Year<br>in Feet<br>(f) |
|----------|-------------------------|--------------------------------------|--|------------------------------------|---|---|
| 1        | Steel Wrapped           | Less than 2"                         | 1,751,218  | 1,898                              | 3,509   | 1,749,607   |
| 2        | Steel Wrapped           | 2" to 4"                             | 617,427  | 612                                | 1,309   | 616,730   |
| 3        | Steel Wrapped           | 4" to 8"                             | 446,181  | 33                                 | 102   | 446,112   |
| 4        | Steel Wrapped           | 8" to 12"                            | 12,244   |                                    |   | 12,244  |
| 5        | Steel Wrapped           | Over 12"                             | -  |                                    |   | -   |
| 6        |                         |                                      | -  |                                    |   | -   |
| 7        |                         |                                      | -  |                                    |   | -   |
| 8        | Plastic                 | Less than 2"                         | 6,029,718  | 207,410                            | 71,301  | 6,165,827   |
| 9        | Plastic                 | 2" to 4"                             | 1,543,122  | 11,180                             | 6,850   | 1,547,452   |
| 10       | Plastic                 | 4" to 8"                             | 643,294  | 6,909                              | 372   | 649,831   |
| 11       | Plastic                 | 8" to 12"                            | -  |                                    |   | -   |
| 12       | Plastic                 | Over 12"                             | -  |                                    |   | -   |
| 13       |                         |                                      |  |                                    | -   | -   |
| 14       |                         |                                      |  |                                    |   | -   |
| 15       |                         |                                      |  |                                    |   | -   |
| 16       |                         |                                      |  |                                    |   | -   |
| 17       |                         |                                      |  |                                    |   | -   |
| 18       |                         |                                      |  |                                    |   | -   |
| 19       |                         |                                      |  |                                    |   | -   |
| 20       |                         |                                      |  |                                    |   | -   |
| 21       |                         |                                      |  |                                    |   | -   |
| 22       |                         |                                      |  |                                    |   | -   |
| 23       |                         |                                      |  |                                    |   | -   |
| 24       |                         |                                      |  |                                    |   | -   |
| 25       |                         |                                      |  |                                    |   | -   |
| 26       |                         |                                      |  |                                    |   | -   |
| 27       |                         |                                      |  |                                    |   | -   |
| 28       |                         |                                      |  |                                    |   | -   |
| 29       |                         |                                      |  |                                    |   | -   |
| 30       |                         |                                      |  |                                    |   | -   |
| 31       |                         |                                      |  |                                    |   | -   |
| 32       |                         |                                      |  |                                    |   | -   |
| 33       |                         |                                      |  |                                    |   | -   |
| 34       |                         |                                      |  |                                    |   | -   |
| 35       |                         |                                      |  |                                    |   | -   |
| 36       |                         |                                      |  |                                    |   | -   |
| 37       |                         |                                      |  |                                    |   | -   |
| 38       |                         |                                      |  |                                    |   | -   |
| 39       |                         |                                      |  |                                    |   | -   |
| 40       |                         |                                      |  |                                    |   | -   |

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|---|---|---|--|
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|---|---|---|--|

**SERVICE PIPES - GAS - IDAHO**

**Instructions**

1. Report below the requested details of line service pipe in possession of the respondent at the end of the year in the state of Idaho.

| Line No. | Type of Material<br>(a) | Diameter of Pipe in Inches<br>(b) | Number of Service Pipes Beginning of Year<br>(c) | Added During Year<br>(c) | Retired During Year<br>(d) | Number of Service Pipes End of Year<br>(e) | Average Length in Feet<br>(f) |
|----------|-------------------------|-----------------------------------|--|--------------------------|----------------------------|--|-------------------------------|
| 1        | Steel Wrapped           | 1" or Less                        | 11,394   | 3                        | 26                         | 11,371                                     | (1)                           |
| 2        | Steel Wrapped           | 1" to 2"                          | 179  |                          |                            | 179  | (1)                           |
| 3        | Steel Wrapped           | 2" to 4"                          | 9  |                          | 2                          | 7  | (1)                           |
| 4        | Steel Wrapped           | 4" to 8"                          | 1  |                          |                            | 1  | (1)                           |
| 5        | Steel Wrapped           | Over 8"                           | -  |                          |                            | -  | (1)                           |
| 6        | Steel Wrapped           | Unknown                           | 209  |                          | 1                          | 208  | (1)                           |
| 7        |                         |                                   |  |                          |                            |  |                               |
| 8        | Plastic                 | 1" or Less                        | 69,664   | 1,972                    | 229                        | 71,407                                     | (1)                           |
| 9        | Plastic                 | 1" to 2"                          | 299  | 8                        | 2                          | 305  | (1)                           |
| 10       | Plastic                 | 2" to 4"                          | 12   |                          |                            | 12   | (1)                           |
| 11       | Plastic                 | 4" to 8"                          | 3  | 1                        |                            | 4  | (1)                           |
| 12       | Plastic                 | Over 8"                           | -  |                          |                            | -  | (1)                           |
| 13       | Plastic                 | Unknown                           | 446  |                          | 4                          | 442  | (1)                           |
| 14       |                         |                                   |  |                          |                            |  |                               |
| 15       | Other                   | Unknown                           | 1  |                          | 1                          | -  | (1)                           |
| 16       |                         |                                   |  |                          |                            |  |                               |
| 17       |                         |                                   |  |                          |                            |  |                               |
| 18       |                         |                                   |  |                          |                            |  |                               |
| 19       |                         |                                   |  |                          |                            |  |                               |
| 20       |                         |                                   |  |                          |                            |  |                               |
| 21       |                         |                                   |  |                          |                            |  |                               |
| 22       |                         |                                   |  |                          |                            |  |                               |
| 23       |                         |                                   |  |                          |                            |  |                               |
| 24       |                         |                                   |  |                          |                            |  |                               |
| 25       |                         |                                   |  |                          |                            |  |                               |
| 26       |                         |                                   |  |                          |                            |  |                               |
| 27       |                         |                                   |  |                          |                            |  |                               |
| 28       |                         |                                   |  |                          |                            |  |                               |
| 29       |                         |                                   |  |                          |                            |  |                               |
| 30       |                         |                                   |  |                          |                            |  |                               |
| 31       |                         |                                   |  |                          |                            |  |                               |
| 32       |                         |                                   |  |                          |                            |  |                               |
| 33       |                         |                                   |  |                          |                            |  |                               |
| 34       |                         |                                   |  |                          |                            |  |                               |
| 35       |                         |                                   |  |                          |                            |  |                               |
| 36       |                         |                                   |  |                          |                            |  |                               |
| 37       |                         |                                   |  |                          |                            |  |                               |
| 38       |                         |                                   |  |                          |                            |  |                               |
| 39       |                         |                                   |  |                          |                            |  |                               |
| 40       |                         |                                   |  |                          |                            |  |                               |

(1) Information not available.

|   |   |   |  |
|---|---|---|--|
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|---|---|---|--|

**REGULATORS - GAS - IDAHO**

**Instructions**

1. Report below the requested details of gas regulators in possession of the respondent at the end of the year in the state of Idaho.

| Line No. | Size<br>(a)       | Type<br>(b) | Make<br>(c) | Capacity<br>(d) | In Service<br>Beginning of Year<br>(e) | Added During<br>Year<br>(f) | Retired During<br>Year<br>(g) | In Plant<br>End of Year<br>(h) |
|----------|-------------------|-------------|-------------|-----------------|--|-----------------------------|-------------------------------|--------------------------------|
| 1        |                   |             |             |                 |  |                             |                               | -                              |
| 2        | No Data available |             |             |                 |  |                             |                               | -                              |
| 3        |                   |             |             |                 |  |                             |                               | -                              |
| 4        |                   |             |             |                 |  |                             |                               | -                              |
| 5        |                   |             |             |                 |  |                             |                               | -                              |
| 6        |                   |             |             |                 |  |                             |                               | -                              |
| 7        |                   |             |             |                 |  |                             |                               | -                              |
| 8        |                   |             |             |                 |  |                             |                               | -                              |
| 9        |                   |             |             |                 |  |                             |                               | -                              |
| 10       |                   |             |             |                 |  |                             |                               | -                              |
| 11       |                   |             |             |                 |  |                             |                               | -                              |
| 12       |                   |             |             |                 |  |                             |                               | -                              |
| 13       |                   |             |             |                 |  |                             |                               | -                              |
| 14       |                   |             |             |                 |  |                             |                               | -                              |
| 15       |                   |             |             |                 |  |                             |                               | -                              |
| 16       |                   |             |             |                 |  |                             |                               | -                              |
| 17       |                   |             |             |                 |  |                             |                               | -                              |
| 18       |                   |             |             |                 |  |                             |                               | -                              |
| 19       |                   |             |             |                 |  |                             |                               | -                              |
| 20       |                   |             |             |                 |  |                             |                               | -                              |
| 21       |                   |             |             |                 |  |                             |                               | -                              |
| 22       |                   |             |             |                 |  |                             |                               | -                              |
| 23       |                   |             |             |                 |  |                             |                               | -                              |
| 24       |                   |             |             |                 |  |                             |                               | -                              |
| 25       |                   |             |             |                 |  |                             |                               | -                              |
| 26       |                   |             |             |                 |  |                             |                               | -                              |
| 27       |                   |             |             |                 |  |                             |                               | -                              |
| 28       |                   |             |             |                 |  |                             |                               | -                              |
| 29       |                   |             |             |                 |  |                             |                               | -                              |
| 30       |                   |             |             |                 |  |                             |                               | -                              |
| 31       |                   |             |             |                 |  |                             |                               | -                              |
| 32       |                   |             |             |                 |  |                             |                               | -                              |
| 33       |                   |             |             |                 |  |                             |                               | -                              |
| 34       |                   |             |             |                 |  |                             |                               | -                              |
| 35       |                   |             |             |                 |  |                             |                               | -                              |
| 36       |                   |             |             |                 |  |                             |                               | -                              |
| 37       |                   |             |             |                 |  |                             |                               | -                              |
| 38       |                   |             |             |                 |  |                             |                               | -                              |
| 39       |                   |             |             |                 |  |                             |                               | -                              |
| 40       | Total             |             |             |                 | -                                      | -                           |                               | -                              |

|   |   |   |  |
|---|---|---|--|
| Name of Respondent<br><b>Avista Corporation</b> | This Report is:<br><input checked="" type="checkbox"/> An Original<br><input type="checkbox"/> A Resubmission | Date of Report<br><i>mm/dd/yyyy</i><br>04/15/2021 | Year / Period of Report<br>End of <u>2020 / Q4</u> |
|---|---|---|--|

**CUSTOMER METERS - GAS - IDAHO**

**Instructions**

1. Report below the requested details of gas customer meters in possession of the respondent at the end of the year in the state of Idaho.

| Line No. | Size<br>(a) | Type<br>(b) | Make<br>(c) | Capacity<br>(d) | In Service<br>Beginning of Year<br>(e) | Added During<br>Year<br>(f) | Retired During<br>Year<br>(g) | In Plant<br>End of Year<br>(h) |
|----------|-------------|-------------|-------------|-----------------|--|-----------------------------|-------------------------------|--------------------------------|
| 1        | All         | All         | All         | All             | 83,282                                 | 576                         | 1,751                         | 82,107                         |
| 2        |             |             |             |                 |  |                             |                               | -                              |
| 3        |             |             |             |                 |  |                             |                               | -                              |
| 4        |             |             |             |                 |  |                             |                               | -                              |
| 5        |             |             |             |                 |  |                             |                               | -                              |
| 6        |             |             |             |                 |  |                             |                               | -                              |
| 7        |             |             |             |                 |  |                             |                               | -                              |
| 8        |             |             |             |                 |  |                             |                               | -                              |
| 9        |             |             |             |                 |  |                             |                               | -                              |
| 10       |             |             |             |                 |  |                             |                               | -                              |
| 11       |             |             |             |                 |  |                             |                               | -                              |
| 12       |             |             |             |                 |  |                             |                               | -                              |
| 13       |             |             |             |                 |  |                             |                               | -                              |
| 14       |             |             |             |                 |  |                             |                               | -                              |
| 15       |             |             |             |                 |  |                             |                               | -                              |
| 16       |             |             |             |                 |  |                             |                               | -                              |
| 17       |             |             |             |                 |  |                             |                               | -                              |
| 18       |             |             |             |                 |  |                             |                               | -                              |
| 19       |             |             |             |                 |  |                             |                               | -                              |
| 20       |             |             |             |                 |  |                             |                               | -                              |
| 21       |             |             |             |                 |  |                             |                               | -                              |
| 22       |             |             |             |                 |  |                             |                               | -                              |
| 23       |             |             |             |                 |  |                             |                               | -                              |
| 24       |             |             |             |                 |  |                             |                               | -                              |
| 25       |             |             |             |                 |  |                             |                               | -                              |
| 26       |             |             |             |                 |  |                             |                               | -                              |
| 27       |             |             |             |                 |  |                             |                               | -                              |
| 28       |             |             |             |                 |  |                             |                               | -                              |
| 29       |             |             |             |                 |  |                             |                               | -                              |
| 30       |             |             |             |                 |  |                             |                               | -                              |
| 31       |             |             |             |                 |  |                             |                               | -                              |
| 32       |             |             |             |                 |  |                             |                               | -                              |
| 33       |             |             |             |                 |  |                             |                               | -                              |
| 34       |             |             |             |                 |  |                             |                               | -                              |
| 35       |             |             |             |                 |  |                             |                               | -                              |
| 36       |             |             |             |                 |  |                             |                               | -                              |
| 37       |             |             |             |                 |  |                             |                               | -                              |
| 38       |             |             |             |                 |  |                             |                               | -                              |
| 39       |             |             |             |                 |  |                             |                               | -                              |
| 40       |             |             |             |                 |  |                             |                               | -                              |

(1) The Company's systems do not supply meter information tracking by type of meter.

|   |   |  |   |
|---|---|--|---|
| Name of Respondent<br><b>Avista Corporation</b> | This Report is:<br><input checked="" type="checkbox"/> An Original<br><input type="checkbox"/> A Resubmission | Date of Report<br>mm/dd/yyyy<br>04/15/2021 | Year / Period of Report<br>End of 2020 / Q4 |
|---|---|--|---|

**GAS ACCOUNT - NATURAL GAS - IDAHO**

**Instructions**

1. The purpose of this schedule is to account for the quantity of natural gas received and delivered by the respondent for service in the state of Idaho.
2. Natural gas means either natural gas unmixed or any mixture of natural and manufactured gas.
3. Enter in column (c) the year-to-date Dth as reported in the schedules indicated for the items of receipts and deliveries.
4. Indicate in a footnote (in the available space at the bottom of this page or in a separate schedule) the quantities of bundled sales and transportation gas and specify the line on which such quantities are listed.
5. If the respondent operates two or more systems which are not interconnected, submit separate pages for this purpose.
6. Indicate by footnote the quantities of gas not subject to FERC regulation which did not incur FERC regulatory costs by showing (1) the local distribution volumes another jurisdictional pipeline delivered to the local distribution company portion of the reporting pipeline, (2) the quantities that the reporting pipeline transported or sold through its local distribution facilities or intrastate facilities and which the reporting pipeline received through gathering facilities or intrastate facilities, but not through any of the interstate portion of the pipeline, and (3) the gathering line quantities that were not destined for interstate market or that were not transported through any interstate portion of the reporting pipeline.
7. Indicate in a footnote the specific gas purchase expense account(s) and related to which the aggregate volumes report on line 3 relate.
8. Indicate in a footnote (1) the system supply quantities of gas that are stored by the reporting pipeline during the reporting year and also reported as sales, transportation and compression volumes by the reporting pipeline during the same reporting year, (2) the system supply quantities of gas that are stored by the reporting pipeline during the reporting year which the reporting pipeline intends to sell or transport in a future reporting year, and (3) contract storage quantities.
9. Also indicate the volumes of pipeline production field sales that are included in both the company's total sales figure and the company's total transportation figure. Add additional information as necessary to the footnotes.

| Line No. | Account<br>(a)   | Refer to Form 2 Page<br>(b) | Amount of Dth Year to Date<br>(c) | Amount of Dth Current 3 Months Ended Quarterly Only<br>(d) |
|----------|--|-----------------------------|-----------------------------------|--|
| 1        | Name of System   |                             |                                   |  |
| 2        | <b>GAS RECEIVED</b>  |                             |                                   |  |
| 3        | Gas Purchases (Accounts 800-805)   |                             | 20,331,339                        |  |
| 4        | Gas of Others Received for Gathering (Account 489.1)                       | 303                         |                                   |  |
| 5        | Gas of Others Received for Transmission (Account 489.2)                    | 305                         |                                   |  |
| 6        | Gas of Others Received for Distribution (Account 489.3)                    | 301                         | 7,143,693                         |  |
| 7        | Gas of Others Received for Contract Storage (Account 489.4)                | 307                         |                                   |  |
| 8        | Exchanged Gas Received from Others (Account 806)                           | 328                         |                                   |  |
| 9        | Gas Received as Imbalances (Account 806)                                   | 328                         | (4,658)                           |  |
| 10       | Receipts of Respondent's Gas Transported by Others (Account 858)           | 332                         |                                   |  |
| 11       | Other Gas Withdrawn from Storage (Explain)                                 |                             | 374,129                           |  |
| 12       | Gas Received from Shippers as Compressor Station Fuel                      |                             |                                   |  |
| 13       | Gas Received from Shippers as Lost and Unaccounted For                     |                             |                                   |  |
| 14       | Other Receipts (Specify) (footnote details)                                |                             |                                   |  |
| 15       | <b>Total Receipts (Total of lines 3 through 14)</b>                        |                             | <b>27,844,503</b>                 |  |
| 16       | <b>GAS DELIVERED</b>   |                             |                                   |  |
| 17       | Gas Sales (Accounts 480-484)   |                             | 19,980,806                        |  |
| 18       | Deliveries of Gas Gathered for Others (Account 489.1)                      | 303                         |                                   |  |
| 19       | Deliveries of Gas Transported for Others (489.2)                           | 305                         |                                   |  |
| 20       | Deliveries of Gas Distributed for Others (Account 489.3)                   | 301                         | 7,143,693                         |  |
| 21       | Deliveries of Contract Storage Gas (Account 489.4)                         | 307                         |                                   |  |
| 22       | Exchange Gas Delivered to Others (Account 806)                             | 328                         |                                   |  |
| 23       | Gas Delivered as Imbalances (Account 858)                                  | 328                         |                                   |  |
| 24       | Deliveries of Gas to Others for Transportation (Account 858)               | 332                         |                                   |  |
| 25       | Other Gas Delivered to Storage (Explain) (1)                               |                             |                                   |  |
| 26       | Gas Used for Compressor Station Fuel                                       | 509                         | 720,004                           |  |
| 27       | Other Deliveries (Specify) (footnote details)                              |                             |                                   |  |
| 28       | <b>Total Deliveries (Total of lines 17 through 27)</b>                     |                             | <b>27,844,503</b>                 |  |
| 29       | <b>GAS UNACCOUNTED FOR</b>   |                             |                                   |  |
| 30       | Production System Losses   |                             | -                                 |  |
| 31       | Gathering System Losses  |                             | -                                 |  |
| 32       | Transmission System Losses   |                             | -                                 |  |
| 33       | Distribution System Losses   |                             | -                                 |  |
| 34       | Storage System Losses  |                             | -                                 |  |
| 35       | Other Losses (Specify) (footnote details)                                  |                             | -                                 |  |
| 36       | <b>Total Gas Unaccounted For (Total of lines 30 through 35)</b>            |                             | <b>-</b>                          |  |
| 37       | <b>Total Deliveries and Gas Unaccounted For (Total of lines 28 and 36)</b> |                             | <b>27,844,503</b>                 |  |

(1) Represents net gas withdrawals and injections.