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IDAHO PUBLIC
UTILITIES COMMISSION

August 12, 2016

Ms. Jean D. Jewell
Idaho Public Utilities Commission
472 W. Washington Street
Boise, Idaho 83702

Dear Ms. Jewell:

RE: AVU-E-15-05/AVU-G-15-01
Electric and Natural Gas Fixed Cost Adjustment Mechanism
Quarterly Report

Attached for filing with the Commission is an electronic copy of Avista's Electric and Natural Gas Fixed Cost Adjustment Mechanism Quarterly Report.

The report consists of spreadsheets showing the monthly revenue deferral calculations for April through June 2016. In addition, Avista has provided illustrative revenue deferral calculations for the non-residential electric group on a rate schedule basis as required in the Settlement Stipulation approved by the Commission in the above referenced docket. The other electric and natural gas groups consist of only one rate schedule each and therefore would not change under the rate schedule assumption.

Also included in the report are the monthly general ledger balances resulting from the deferral and amortization activity during the second quarter of 2016.

Questions regarding this filing should be directed to Tara Knox at (509) 495-4325.

Sincerely,

Patrick Ehrbar
Senior Manager, Rates and Tariffs
Enc.

Avista Utilities
Electric Fixed Cost Adjustment Mechanism (Idaho)
Development of Electric Deferrals (Calendar Year 2016)
AVU-E-15-05 FCA Base - Rates Effective 1/1/2016

Line No.		Source	Apr-16	May-16	Jun-16	1st Quarter 2016 Total	2nd Quarter 2016 Total	2016 YTD Total
	(a)	(b)	(f)	(g)	(h)			
	Residential Group							
1	Total Actual Billed Customers	Revenue Reports	104,662	104,433	104,351			
2	Total Actual Usage (kWhs)	Revenue Reports	78,430,364	67,867,540	73,254,619			
3	Total Actual Base Rate Revenue	Revenue Reports	$ 7,274,548	$ 6,313,939	$ 6,763,443			
4	Total Actual Fixed Charge Revenue	Revenue Reports	$ 554,501	$ 554,696	$ 553,909			
5								
6	***Existing Customers***							
7	Actual Customers on System During Test Year	(1) - (22)	102,937	102,491	102,127	309,271	307,555	616,826
8	Monthly Fixed Cost Adj. Revenue per Customer	Page 3	$ 54.63	$ 50.15	$ 44.42	$72.77	$49.75	$61.29
9	Fixed Cost Adjustment Revenue	(7) x (8)	$ 5,623,088	$ 5,140,413	$ 4,536,490	$ 22,504,959	$ 15,299,991	$ 37,804,949
10								
11	Actual Base Rate Revenue	(3) - (26)	$ 7,183,192	$ 6,237,707	$ 6,681,210			
12	Actual Fixed Charge Revenue	(4) - (27)	$ 545,846	$ 544,977	$ 542,950			
13	Actual Usage (kWhs)	(2) - (28)	77,464,163	67,080,715	72,410,324			
14	Load Change Adjustment Rate ($/kWh)	Page 1	$ 0.02281	$ 0.02281	$ 0.02281			
15	Variable Power Supply Revenue	(13) x (14)	$ 1,766,958	$ 1,530,111	$ 1,651,679			
16	Customer Fixed Cost Adjustment Revenue	(11) - (12) -(15)	$ 4,870,388	$ 4,162,618	$ 4,486,581	$ 20,994,050	$ 13,519,587	$ 34,513,637
17	Residential Revenue Per Customer Received		$47.31	$40.61	$43.93	$67.88	$43.96	$55.95
18	Existing Customer Deferral - Surcharge (Rebate)	(9) - (16)	$ 752,700	$ 977,795	$ 49,909	$ 1,510,909	$ 1,780,404	$ 3,291,313
19								
21	***New Customers***							
22	Actual Customers New Since Test Year	Revenue Reports	1,725	1,942	2,224	4,821	5,891	10,712
23	Monthly Fixed Cost Adj. Revenue per Customer	Page 3	$33.90	$31.13	$27.57	$45.02	$30.59	$37.09
24	Fixed Cost Adjustment Revenue	(22) x (23)	$ 58,478	$ 60,446	$ 61,308	$ 217,062	$ 180,232	$ 397,295
25								
26	Actual Base Rate Revenue	Revenue Reports	$ 91,356	$ 76,232	$ 82,232			
27	Actual Fixed Charge Revenue	Revenue Reports	$ 8,655	$ 9,719	$ 10,958			
28	Actual Usage (kWhs)	Revenue Reports	966,201	786,825	844,295			
29	Load Change Adjustment Rate ($/kWh)	Page 1	$ 0.02281	$ 0.02281	$ 0.02281			
30	Variable Power Supply Revenue	(28) x (29)	$ 22,039	$ 17,947	$ 19,258			
31	Fixed Production and Transmission Rate per kWh	Page 1	$ 0.02421	$ 0.02421	$ 0.02421			
32	Fixed Production and Transmission Revenue	(30) x (31)	$ 23,396	$ 19,052	$ 20,444			
33	Customer Fixed Cost Adjustment Revenue	(26) - (27) - (30) - (32)	$ 37,267	$ 29,513	$ 31,572	$ 148,290	$ 98,351	$ 246,641
34	Residential Revenue Per Customer Received		$21.60	$15.20	$14.20	$30.76	$0.55	$0.62
35	New Customer Deferral - Surcharge (Rebate)	(9) - (33)	$ 21,212	$ 30,933	$ 29,736	$ 68,772	$ 81,881	$ 150,653
36								
37	Total Residential Deferral - Surcharge (Rebate)	(18) + (35)	$ 773,912	$ 1,008,727	$ 79,645	$ 1,579,681	$ 1,862,285	$ 3,441,966
38	Deferral - Revenue Related Expenses	Rev Conv Factor	$ (4,349)	$ (5,650)	$ (288)	$ (8,730)	$ (10,287)	$ (19,017)
39		Customer Deposit Rate	1.00%	1.00%	1.00%			
40	Interest on Deferral	Avg Balance Calc	$ 1,631	$ 2,371	$ 2,824	$ 1,262	$ 6,825	$ 8,087
41	**Monthly Residential Deferral Totals**		**$ 771,194**	**$ 1,005,448**	**$ 82,181**	**$ 1,572,213**	**$ 1,858,823**	**$ 3,431,036**
42								
43	Cumulative Residential Deferral (Rebate)/Surcharge	Σ((37), (38), (40))	$ 2,343,407	$ 3,348,855	$ 3,431,036			

Avista Utilities
Electric Fixed Cost Adjustment Mechanism (Idaho)
Development of Electric Deferrals (Calendar Year 2016)
AVU-E-15-05 FCA Base - Rates Effective 1/1/2016

Line No.		Source	Apr-16	May-16	Jun-16	1st Quarter 2016 Total	2nd Quarter 2016 Total	2016 YTD Total
	(a)	(b)	(f)	(g)	(h)			
	Non-Residential Group							
1	Total Actual Billed Customers	Revenue Reports	23,475	23,528	23,499			
2	Total Actual Usage (kWhs)	Revenue Reports	88,220,053	89,741,843	88,414,014			
3	Total Actual Base Rate Revenue	Revenue Reports	$ 7,526,996	$ 7,680,316	$ 7,658,230			
4	Total Actual Fixed Charge Revenue	Revenue Reports	$ 625,008	$ 624,449	$ 622,682			
6	***Existing Customers***							
7	Actual Customers on System During Test Year	(1) - (22)	22,988	22,975	22,921	69,032	68,884	137,916
8	Monthly Fixed Cost Adj. Revenue per Customer	Page 3	$224.72	$218.11	$230.00	$232.84	$224.27	$228.56
9	Fixed Cost Adjustment Revenue	(7) x (8)	$ 5,165,869	$ 5,010,992	$ 5,271,754	$ 16,073,528	$ 15,448,616	$ 31,522,144
11	Actual Base Rate Revenue	(3) - (26)	$ 7,439,511	$ 7,589,398	$ 7,554,903			
12	Actual Fixed Charge Revenue	(4) - (27)	$ 616,536	$ 614,075	$ 611,459			
13	Actual Usage (kWhs)	(2) - (28)	87,300,642	88,801,644	87,334,583			
14	Load Change Adjustment Rate ($/kWh)	Page 1	$ 0.02281	$ 0.02281	$ 0.02281			
15	Variable Power Supply Revenue	(13) x (14)	$ 1,991,328	$ 2,025,565	$ 1,992,102			
16	Customer Fixed Cost Adjustment Revenue	(11) - (12) -(15)	$ 4,831,646	$ 4,949,758	$ 4,951,343	$ 15,323,092	$ 14,732,747	$ 30,055,839
17	Non-Residential Revenue Per Customer Received		$210.18	$215.44	$216.02	$221.97	$213.88	$217.93
18	Existing Customer Deferral - Surcharge (Rebate)	(9) - (16)	$ 334,223	$ 61,234	$ 320,412	$ 750,436	$ 715,868	$ 1,466,304
21	***New Customers***							
22	Actual Customers New Since Test Year	Revenue Reports	487	553	578	1,439	1,618	3,057
23	Monthly Fixed Cost Adj. Revenue per Customer	Page 3	$120.98	$117.42	$123.82	$125.24	$120.78	$122.88
24	Fixed Cost Adjustment Revenue	(22) x (23)	$ 58,917	$ 64,932	$ 71,568	$ 180,218	$ 195,417	$ 375,635
26	Actual Base Rate Revenue	Revenue Reports	$ 87,486	$ 90,918	$ 103,326			
27	Actual Fixed Charge Revenue	Revenue Reports	$ 8,472	$ 10,374	$ 11,223			
28	Actual Usage (kWhs)	Revenue Reports	919,411	940,199	1,079,431			
29	Load Change Adjustment Rate ($/kWh)	Page 1	$ 0.02281	$ 0.02281	$ 0.02281			
30	Variable Power Supply Revenue	(28) x (29)	$ 20,972	$ 21,446	$ 24,622			
31	Fixed Production and Transmission Rate per kWh	Page 1 wtd avg	$ 0.02615	$ 0.02615	$ 0.02615			
32	Fixed Production and Transmission Revenue	(30) x (31)	$ 24,038	$ 24,582	$ 28,222			
33	Customer Fixed Cost Adjustment Revenue	(26) - (27) - (30) - (32)	$ 34,004	$ 34,517	$ 39,259	$ 117,280	$ 107,780	$ 225,060
34	Non-Residential Revenue Per Customer Received		$69.82	$62.42	$67.92	$81.50	$66.61	$73.62
35	New Customer Deferral - Surcharge (Rebate)	(9) - (33)	$ 24,913	$ 30,415	$ 32,308	$ 62,939	$ 87,636	$ 150,575
37	Total Non-Residential Deferral - Surcharge (Rebate)	(18) + (35)	$ 359,135	$ 91,650	$ 352,720	$ 813,374	$ 803,505	$ 1,616,879
38	Deferral - Revenue Related Expenses	Rev Conv Factor	$ (1,931)	$ (354)	$ (1,851)	$ (4,336)	$ (4,136)	$ (8,472)
39		Customer Deposit Rate	1.00%	1.00%	1.00%			
40	Interest on Deferral	Avg Balance Calc	$ 824	$ 1,011	$ 1,196	$ 978	$ 3,032	$ 4,010
41	**Monthly Non-Residential Deferral Totals**		**$ 358,028**	**$ 92,307**	**$ 352,065**	**$ 810,016**	**$ 802,400**	**$ 1,612,416**
43	Cumulative Non-Residential Deferral (Rebate)/Surcharge	Σ((37), (38), (40))	$ 1,168,044	$ 1,260,352	$ 1,612,416			

Avista Utilities
Natural Gas Fixed Cost Adjustment Mechanism (Idaho)
Development of Natural Gas Deferrals (Calendar Year 2016)
AVU-G-15-01 FCA Base - Rates Effective 1/1/2016

Line No.		Source	Apr-16	May-16	Jun-16	1st Quarter 2016 Total	2nd Quarter 2016 Total	2016 YTD Total
	(a)	(b)	(f)	(g)	(h)	(o)	(p)	(s)
	Residential Group							
1	Total Actual Billed Customers	Revenue Reports	78,247	78,230	78,297			
2	Total Actual Usage (Therms)	Revenue Reports	2,663,108	1,813,664	1,388,507			
3	Total Actual Base Rate Revenue	Revenue Reports	$ 1,677,033	$ 1,269,350	$ 1,071,981			
4	Total Actual Fixed Charge Revenue	Revenue Reports	$ 413,651	$ 413,691	$ 414,412			
6	***Existing Customers***							
7	Actual Customers on System During Test Year	(1) - (22)	76,047	75,764	75,622	228,544	227,433	455,977
8	Monthly Fixed Cost Adj. Revenue per Customer	Page 3	$ 24.66	$ 16.04	$ 10.18	$49.23	$16.97	$33.14
9	Fixed Cost Adjustment Revenue	(7) x (8)	$ 1,875,051	$ 1,215,273	$ 769,902	$ 11,251,795	$ 3,860,226	$ 15,112,021
11	Actual Base Rate Revenue	(3) - (26)	$ 1,614,705	$ 1,231,283	$ 1,036,947			
12	Actual Fixed Charge Revenue	(4) - (27)	$ 402,578	$ 401,302	$ 400,805			
13	Actual Usage (Therms)	(2) - (28)	2,555,762	1,759,877	1,343,537			
16	Customer Fixed Cost Adjustment Revenue	(11) - (12) -(15)	$ 1,212,128	$ 829,981	$ 636,142	$ 9,922,894	$ 2,678,251	$ 12,601,145
17	Residential Revenue Per Customer Received		$15.94	$10.95	$8.41	$43.42	$11.78	$27.64
18	Existing Customer Deferral - Surcharge (Rebate)	(9) - (16)	$ 662,923	$ 385,292	$ 133,760	$ 1,328,901	$ 1,181,975	$ 2,510,876
21	***New Customers***							
22	Actual Customers New Since Test Year	Revenue Reports	2,200	2,466	2,675	5,924	7,341	13,265
23	Monthly Fixed Cost Adj. Revenue per Customer	Page 3	$23.23	$15.11	$9.59	$46.04	$15.53	$29.16
24	Fixed Cost Adjustment Revenue	(22) x (23)	$ 51,100	$ 37,262	$ 25,655	$ 272,770	$ 114,017	$ 386,787
26	Actual Base Rate Revenue	Revenue Reports	$ 62,328	$ 38,067	$ 35,033			
27	Actual Fixed Charge Revenue	Revenue Reports	$ 11,074	$ 12,389	$ 13,607			
28	Actual Usage (Therms)	Revenue Reports	107,346	53,787	44,970			
31	Fixed Production and UG Storage Rate per Therm	Page 1	$ 0.02769	$ 0.02769	$ 0.02769			
32	Fixed Production and UG Storage Revenue	(30) x (31)	$ 2,972	$ 1,489	$ 1,245			
33	Customer Fixed Cost Adjustment Revenue	(26) - (27) - (30) - (32)	$ 48,282	$ 24,189	$ 20,181	$ 224,534	$ 92,652	$ 317,185
34	Residential Revenue Per Customer Received		$21.95	$9.81	$7.54	$37.90	$12.62	$23.91
35	New Customer Deferral - Surcharge (Rebate)	(9) - (33)	$ 2,818	$ 13,073	$ 5,474	$ 48,237	$ 21,365	$ 69,602
37	Total Residential Deferral - Surcharge (Rebate)	(18) + (35)	$ 665,741	$ 398,365	$ 139,234	$ 1,377,138	$ 1,203,340	$ 2,580,478
38	Deferral - Revenue Related Expenses	Rev Conv Factor	$ (3,830)	$ (2,226)	$ (773)	$ (7,678)	$ (6,829)	$ (14,508)
39		Customer Deposit Rate	1.00%	1.00%	1.00%			
40	Interest on Deferral	Avg Balance Calc	$ 1,418	$ 1,860	$ 2,085	$ 1,392	$ 5,363	$ 6,755
41	**Monthly Residential Deferral Totals**		**$ 663,328**	**$ 397,999**	**$ 140,546**	**$ 1,370,852**	**$ 1,201,874**	**$ 2,572,726**
43	Cumulative Residential Deferral (Rebate)/Surcharge	Σ((37), (38), (40))	$ 2,034,180	$ 2,432,180	$ 2,572,726			

Avista Utilities
Natural Gas Fixed Cost Adjustment Mechanism (Idaho)
Development of Natural Gas Deferrals (Calendar Year 2016)
AVU-G-15-01 FCA Base - Rates Effective 1/1/2016

Line No.		Source	Apr-16	May-16	Jun-16	1st Quarter 2016 Total	2nd Quarter 2016 Total	2016 YTD Total
	(a)	(b)	(f)	(g)	(h)	(o)	(p)	(s)
	Non-Residential Group							
1	Total Actual Billed Customers	Revenue Reports	1,425	1,433	1,426			
2	Total Actual Usage (Therms)	Revenue Reports	1,268,963	1,210,358	1,031,812			
3	Total Actual Base Rate Revenue	Revenue Reports	$ 456,530	$ 403,956	$ 362,799			
4	Total Actual Fixed Charge Revenue	Revenue Reports	$ 143,810	$ 144,730	$ 144,138			
6	***Existing Customers***							
7	Actual Customers on System During Test Year	(1) - (22)	1,410	1,417	1,409	4,204	4,236	8,440
8	Monthly Fixed Cost Adj. Revenue per Customer	Page 3	$278.75	$200.50	$210.35	$451.17	$229.82	$340.08
9	Fixed Cost Adjustment Revenue	(7) x (8)	$ 393,034	$ 284,108	$ 296,386	$ 1,896,723	$ 973,528	$ 2,870,251
11	Actual Base Rate Revenue	(3) - (26)	$ 451,440	$ 401,195	$ 357,658			
12	Actual Fixed Charge Revenue	(4) - (27)	$ 142,299	$ 143,118	$ 141,998			
13	Actual Usage (Therms)	(2) - (28)	1,253,553	1,203,953	1,016,700			
16	Customer Fixed Cost Adjustment Revenue	(11) - (12) -(15)	$ 309,141	$ 258,077	$ 215,660	$ 1,719,203	$ 782,879	$ 2,502,082
17	Non-Residential Revenue Per Customer Received		$219.25	$182.13	$153.06	$408.94	$184.82	$296.46
18	Existing Customer Deferral - Surcharge (Rebate)	(9) - (16)	$ 83,892	$ 26,031	$ 80,726	$ 177,520	$ 190,649	$ 368,169
20								
21	***New Customers***							
22	Actual Customers New Since Test Year	Revenue Reports	15	16	17	53	48	101
23	Monthly Fixed Cost Adj. Revenue per Customer	Page 3	$241.80	$173.93	$182.47	$391.62	$198.16	$299.68
24	Fixed Cost Adjustment Revenue	(22) x (23)	$ 3,627	$ 2,783	$ 3,102	$ 20,756	$ 9,512	$ 30,268
26	Actual Base Rate Revenue	Revenue Reports	$ 5,090	$ 2,761	$ 5,141			
27	Actual Fixed Charge Revenue	Revenue Reports	$ 1,511	$ 1,612	$ 2,141			
28	Actual Usage (Therms)	Revenue Reports	15,410	6,405	15,112			
31	Fixed Production and UG Storage Rate per Therm	Page 1 wtd avg	$ 0.02869	$ 0.02869	$ 0.02869			
32	Fixed Production and UG Storage Revenue	(30) x (31)	$ 442	$ 184	$ 433			
33	Customer Fixed Cost Adjustment Revenue	(26) - (27) - (30) - (32)	$ 3,136	$ 965	$ 2,567	$ 29,270	$ 6,669	$ 35,939
34	Non-Residential Revenue Per Customer Received		$209.10	$60.32	$150.99	$552.27	$138.93	$355.83
35	New Customer Deferral - Surcharge (Rebate)	(9) - (33)	$ 491	$ 1,818	$ 535	$ (8,514)	$ 2,843	$ (5,671)
37	Total Non-Residential Deferral - Surcharge (Rebate)	(18) + (35)	$ 84,383	$ 27,848	$ 81,261	$ 169,006	$ 193,493	$ 362,498
38	Deferral - Revenue Related Expenses	Rev Conv Factor	$ (485)	$ (150)	$ (466)	$ (1,026)	$ (1,102)	$ (2,127)
39		Customer Deposit Rate	1.00%	1.00%	1.00%			
40	Interest on Deferral	Avg Balance Calc	$ 175	$ 222	$ 267	$ 168	$ 664	$ 832
41	**Monthly Non-Residential Deferral Totals**		**$ 84,073**	**$ 27,920**	**$ 81,062**	**$ 168,148**	**$ 193,055**	**$ 361,203**
43	Cumulative Non-Residential Deferral (Rebate)/Surcharge	Σ((37), (38), (40))	$ 252,221	$ 280,141	$ 361,203			

Avista Corporation Fixed Cost Adjustment Mechanism
Idaho Jurisdiction
Quarterly Report for 2nd Quarter 2016

Balance Sheet Accounts

GL Account Balance Accounting Period : '201604, 201605, 201606'

Jurisdiction:ID

FCA Deferred Revenue

Ferc Acct	Ferc Acct Desc	Service	Accounting Period	Beginning Balance	Monthly Activity	Ending Balance
186328	REG ASSET-DECOUPLING DEFERRED	ED	201604	1,572,212.96	771,193.75	2,343,406.71
	REG ASSET-DECOUPLING DEFERRED		201605	2,343,406.71	1,005,448.41	3,348,855.12
	REG ASSET-DECOUPLING DEFERRED		201606	3,348,855.12	82,180.66	3,431,035.78
	Electric Service				**Sum: 1,858,822.82**	
	REG ASSET-DECOUPLING DEFERRED	GD	201604	1,370,851.75	663,328.45	2,034,180.20
	REG ASSET-DECOUPLING DEFERRED		201605	2,034,180.20	397,999.44	2,432,179.64
	REG ASSET-DECOUPLING DEFERRED		201606	2,432,179.64	140,545.94	2,572,725.58
	Natural Gas Service				**Sum: 1,201,873.83**	
FERC Acct 186328					**Sum: 3,060,696.65**	
186338	REG ASSET NON-RES DECOUPLING D	ED	201604	810,016.25	358,027.90	1,168,044.15
	REG ASSET NON-RES DECOUPLING D		201605	1,168,044.15	92,307.36	1,260,351.51
	REG ASSET NON-RES DECOUPLING D		201606	1,260,351.51	352,064.98	1,612,416.49
	Electric Service				**Sum: 802,400.24**	
	REG ASSET NON-RES DECOUPLING D	GD	201604	168,148.01	84,073.13	252,221.14
	REG ASSET NON-RES DECOUPLING D		201605	252,221.14	27,919.67	280,140.81
	REG ASSET NON-RES DECOUPLING D		201606	280,140.81	81,062.09	361,202.90
	Natural Gas Service				**Sum: 193,054.89**	
FERC Acct 186338					**Sum: 995,455.13**	

GL Account Balance Accounting Period : '201604, 201605, 201606'

Jurisdiction:ID

FCA Accumulated Deferred Taxes

Ferc Acct	Ferc Acct Desc	Service	Accounting Period	Beginning Balance	Monthly Activity	Ending Balance
283328	ADFIT DECOUPLING DEFERRED REV	ED	201604	-833,780.20	-395,227.58	-1,229,007.78
	ADFIT DECOUPLING DEFERRED REV		201605	-1,229,007.78	-384,214.52	-1,613,222.30
	ADFIT DECOUPLING DEFERRED REV		201606	-1,613,222.30	-151,985.97	-1,765,208.27
	Electric Service				**Sum: -931,428.07**	
	ADFIT DECOUPLING DEFERRED REV	GD	201604	-538,649.95	-131,970.86	-670,620.81
	ADFIT DECOUPLING DEFERRED REV		201605	-670,620.81	-27,019.34	-697,640.15
	ADFIT DECOUPLING DEFERRED REV		201606	-697,640.15	-49,200.91	-746,841.06
	Natural Gas Service				**Sum: -208,191.11**	
FERC Acct 283328					**Sum: -1,139,619.18**	

Avista Corporation Fixed Cost Adjustment Mechanism
Idaho Jurisdiction
Quarterly Report for 2nd Quarter 2016

Income Statement Accounts

GL Account Balance Accounting Period : '201604, 201605, 201606'

Jurisdiction:ID

FCA Deferred Revenue

Ferc Acct	Ferc Acct Desc	Service	Accounting Period	Beginning Balance	Monthly Activity	Ending Balance
456328	RESIDENTIAL DECOUPLING DEFERRE	ED	201604	-1,570,951.26	-769,562.92	-2,340,514.18
	RESIDENTIAL DECOUPLING DEFERRE		201605	-2,340,514.18	-1,003,077.62	-3,343,591.80
	RESIDENTIAL DECOUPLING DEFERRE		201606	-3,343,591.80	-79,356.88	-3,422,948.68
	FERC Acct 456328				**Sum: -1,851,997.42**	
456338	NON-RES DECOUPLING DEFERRED RE	ED	201604	-809,038.31	-357,204.05	-1,166,242.36
	NON-RES DECOUPLING DEFERRED RE		201605	-1,166,242.36	-91,295.95	-1,257,538.31
	NON-RES DECOUPLING DEFERRED RE		201606	-1,257,538.31	-350,868.49	-1,608,406.80
	FERC Acct 456338				**Sum: -799,368.49**	
495328	RESIDENTIAL DECOUPLING DEFERRE	GD	201604	-1,369,459.57	-661,910.28	-2,031,369.85
	RESIDENTIAL DECOUPLING DEFERRE		201605	-2,031,369.85	-396,139.23	-2,427,509.08
	RESIDENTIAL DECOUPLING DEFERRE		201606	-2,427,509.08	-138,461.43	-2,565,970.51
	FERC Acct 495328				**Sum: -1,196,510.94**	
495338	NON-RES DECOUPLING DEFERRED RE	GD	201604	-167,979.82	-83,898.05	-251,877.87
	NON-RES DECOUPLING DEFERRED RE		201605	-251,877.87	-27,697.94	-279,575.81
	NON-RES DECOUPLING DEFERRED RE		201606	-279,575.81	-80,794.98	-360,370.79
	FERC Acct 495338				**Sum: -192,390.97**	

GL Account Balance Accounting Period : '201601, 201602, 201603'

Jurisdiction:ID

FCA Interest Income or Expense

Ferc Acct	Ferc Acct Desc	Service	Accounting Period	Beginning Balance	Monthly Activity	Ending Balance
419605	INT INC ON OTH DEFERRALS-IV FU	ED	201604	-2,239.64	-2,454.68	-4,694.32
	INT INC ON OTH DEFERRALS-IV FU		201605	-4,694.32	-3,382.20	-8,076.52
	INT INC ON OTH DEFERRALS-IV FU		201606	-8,076.52	-4,020.27	-12,096.79
	Electric Service				**Sum: -9,857.15**	
	INT INC ON OTH DEFERRALS-IV FU	GD	201604	-1,560.37	-1,593.25	-3,153.62
	INT INC ON OTH DEFERRALS-IV FU		201605	-3,153.62	-2,081.94	-5,235.56
	INT INC ON OTH DEFERRALS-IV FU		201606	-5,235.56	-2,351.62	-7,587.18
	Natural Gas Service				**Sum: -6,026.81**	
FERC Acct 419605					**Sum: -15,883.96**	
431605	INT EXP ON OTH DEFERRALS-IV FU	ED	201604	0.00	0.00	0.00
	INT EXP ON OTH DEFERRALS-IV FU		201605	0.00	0.00	0.00
	INT EXP ON OTH DEFERRALS-IV FU		201606	0.00	0.00	0.00
	Electric Service				**Sum: 0.00**	
	INT EXP ON OTH DEFERRALS-IV FU	GD	201604	0.00	0.00	0.00
	INT EXP ON OTH DEFERRALS-IV FU		201605	0.00	0.00	0.00
	INT EXP ON OTH DEFERRALS-IV FU		201606	0.00	0.00	0.00
	Natural Gas Service				**Sum: 0.00**	
FERC Acct 431605					**Sum: 0.00**	
Net Interest Income					**Sum: -15,883.96**	

Avista Corporation Fixed Cost Adjustment Mechanism
Idaho Jurisdiction
Quarterly Report for 2nd Quarter 2016

Financial Reporting Contra Asset Accounts

GL Account Balance Accounting Period : '201604, 201605, 201606'

Jurisdiction:ID

Ferc Acct	Ferc Acct Desc	Service	Accounting Period	Beginning Balance	Monthly Activity	Ending Balance
253311	CONTRA DECOUPLING DEFERRED REV	GD	201604	0.00	-370,342.00	-370,342.00
	CONTRA DECOUPLING DEFERRED REV		201605	-370,342.00	-348,721.00	-719,063.00
	CONTRA DECOUPLING DEFERRED REV		201606	-719,063.00	-81,034.00	-800,097.00
	Natural Gas Service				**Sum: -800,097.00**	
FERC Acct 253311					**Sum: -800,097.00**	
495311	CONTRA DECOUPLING DEFERRAL	GD	201604	0.00	370,342.00	370,342.00
	CONTRA DECOUPLING DEFERRAL		201605	370,342.00	348,721.00	719,063.00
	CONTRA DECOUPLING DEFERRAL		201606	719,063.00	81,034.00	800,097.00
	Natural Gas Service				**Sum: 800,097.00**	
FERC Acct 495311					**Sum: 800,097.00**	

Avista Corporation Fixed Cost Adjustment Mechanism
Idaho Jurisdiction
Quarterly Report for 2nd Quarter 2016

NOTES

1) The following table shows how the decoupled revenue per customer has tracked with use per customer for the 1st and 2nd quarters of 2016. The similarity of the percentage change indicates that the mechanism is working as intended.

Summarized Quarterly and Year to Date Use per Customer and Fixed Cost Adjustment Revenue Per Customer
Change versus Authorized

	Q1	Q2	Q3	Q4	YTD Average	%
Electric Residential						
Change in Use per Customer	(270)	(222)			(492)	-8.6%
Change in FCA Revenue per Customer	-$15.09	-$17.37			-$32.46	-8.9%
Deferral per Average Customer	$15.09	$17.37			$32.46	
Electric Non-Residential						
Change in Use per Customer	(705)	(407)			(1,112)	-4.6%
Change in FCA Revenue per Customer	-$34.63	-$31.18			-$65.81	-4.8%
Deferral per Average Customer	$34.63	$31.18			$65.81	
Natural Gas Residential						
Change in Use per Customer	(38)	(32)			(70)	-16.8%
Change in FCA Revenue per Customer	-$17.62	-$15.59			-$33.21	-16.7%
Deferral per Average Customer	$17.62	$15.59			$33.21	
Natural Gas Non-Residential						
Change in Use per Customer	(809)	(586)			(1,395)	-15.4%
Change in FCA Revenue per Customer	-$119.10	-$135.02			-$254.12	-12.5%
Deferral per Average Customer	$119.10	$135.02			$254.12	

2) If the FCA mechanism had been determined by schedule the electric residential and both natural gas groups would not change. The electric non-residential group would consist of three separate rate schedule groups. Pages 9 through 11 of this report show the illustrative calculations for the electric non-residential group on a by schedule basis.

3) The contra asset accounting shown on page 7 is for financial reporting purposes only. Generally Accepted Accounting Principles allow revenue recognition from alternative revenue programs up to the amount expected to be collected within 24 months following the end of the annual period in which they are recognized. Due to the 3% annual rate increase limitation a portion of the 2016 natural gas surcharge may not be fully recovered by 12/31/2018 and therefore is not recognizable as income for financial reporting purposes in 2016. The income statement impact of the contra deferral will be eliminated for normalized Idaho results reporting.

Avista Utilities
Electric Fixed Cost Adjustment Mechanism (Idaho)
Non-Residential by Schedule Electric Deferral Scenario (Calendar Year 2016)
AVU-E-15-05 FCA Base - Rates Effective 1/1/2016

ILLUSTRATIVE
ELECTRIC NON-RESIDENTIAL BY RATE SCHEDULE

Line No.		Source	Apr-16	May-16	Jun-16	1st Quarter 2016 Total	2nd Quarter 2016 Total	2016 YTD Total
	(a)	(b)	(f)	(g)	(h)			
	Schedule 11/12							
1	Total Actual Billed Customers	Revenue Reports	20,930	20,983	20,990			
2	Total Actual Usage (kWhs)	Revenue Reports	25,681,761	26,927,412	27,198,444			
3	Total Actual Base Rate Revenue	Revenue Reports	$ 2,654,524	$ 2,759,533	$ 2,770,714			
4	Total Actual Fixed Charge Revenue	Revenue Reports	$ 212,623	$ 213,191	$ 213,212			
6	***Existing Customers***							
7	Actual Customers on System During Test Year	(1) - (22)	20,469	20,459	20,444	61,466	61,372	122,838
8	Monthly Fixed Cost Adj. Revenue per Customer	Page 3	$ 99.61	$ 96.02	$ 95.22	$114.67	$96.95	$105.82
9	Fixed Cost Adjustment Revenue	(7) x (8)	$ 2,038,942	$ 1,964,392	$ 1,946,590	$ 7,048,256	$ 5,949,924	$ 12,998,180
11	Actual Base Rate Revenue	(3) - (26)	$ 2,605,070	$ 2,712,631	$ 2,716,499			
12	Actual Fixed Charge Revenue	(4) - (27)	$ 208,038	$ 207,838	$ 207,756			
13	Actual Usage (kWhs)	(2) - (28)	25,205,723	26,501,674	26,693,954			
14	Load Change Adjustment Rate ($/kWh)	Page 1	$ 0.02281	$ 0.02281	$ 0.02281			
15	Variable Power Supply Revenue	(13) x (14)	$ 574,943	$ 604,503	$ 608,889			
16	Customer Fixed Cost Adjustment Revenue	(11) - (12) -(15)	$ 1,822,090	$ 1,900,290	$ 1,899,855	$ 6,758,562	$ 5,622,234	$ 12,380,796
17	Residential Revenue Per Customer Received		$89.02	$92.88	$92.93	$109.96	$91.61	$100.79
18	Existing Customer Deferral - Surcharge (Rebate)	(9) - (16)	$ 216,853	$ 64,102	$ 46,736	$ 289,694	$ 327,690	$ 617,384
21	***New Customers***							
22	Actual Customers New Since Test Year	Revenue Reports	461	524	546	1,362	1,531	2,893
23	Monthly Fixed Cost Adj. Revenue per Customer	Page 3	$57.47	$55.40	$54.93	$66.02	$55.86	$60.64
24	Fixed Cost Adjustment Revenue	(22) x (23)	$ 26,493	$ 29,027	$ 29,994	$ 89,918	$ 85,514	$ 175,433
26	Actual Base Rate Revenue	Revenue Reports	$ 49,455	$ 46,902	$ 54,214			
27	Actual Fixed Charge Revenue	Revenue Reports	$ 4,585	$ 5,353	$ 5,456			
28	Actual Usage (kWhs)	Revenue Reports	476,038	425,738	504,490			
29	Load Change Adjustment Rate ($/kWh)	Page 1	$ 0.02281	$ 0.02281	$ 0.02281			
30	Variable Power Supply Revenue	(28) x (29)	$ 10,858	$ 9,711	$ 11,507			
31	Fixed Production and Transmission Rate per kWh	Page 1	$ 0.02998	$ 0.02998	$ 0.02998			
32	Fixed Production and Transmission Revenue	(30) x (31)	$ 14,272	$ 12,764	$ 15,125			
33	Customer Fixed Cost Adjustment Revenue	(26) - (27) - (30) - (32)	$ 19,739	$ 19,074	$ 22,126	$ 70,837	$ 60,938	$ 131,775
34	Residential Revenue Per Customer Received		$42.82	$36.40	$40.52	$52.01	$0.71	$0.75
35	New Customer Deferral - Surcharge (Rebate)	(9) - (33)	$ 6,755	$ 9,953	$ 7,868	$ 19,082	$ 24,576	$ 43,658
37	Total Schedule 11/12 Deferral - Surcharge (Rebate)	(18) + (35)	$ 223,607	$ 74,055	$ 54,604	$ 308,775	$ 352,266	$ 661,041
38	Deferral - Revenue Related Expenses	Rev Conv Factor	$ (1,253)	$ (370)	$ (270)	$ (1,674)	$ (1,893)	$ (3,567)
39		Customer Deposit Rate	1.00%	1.00%	1.00%			
40	Interest on Deferral	Avg Balance Calc	$ 349	$ 473	$ 526	$ 469	$ 1,348	$ 1,817
41	**Monthly Schedule 11/12 Deferral Totals**		**$ 222,703**	**$ 74,157**	**$ 54,860**	**$ 307,571**	**$ 351,721**	**$ 659,291**
43	Cumulative Schedule 11/12 Deferral (Rebate)/Surcharge	Σ((37), (38), (40))	$ 530,274	$ 604,431	$ 659,291			

Avista Utilities
Electric Fixed Cost Adjustment Mechanism (Idaho)
Non-Residential by Schedule Electric Deferral Scenario (Calendar Year 2016)
AVU-E-15-05 FCA Base - Rates Effective 1/1/2016

ILLUSTRATIVE
ELECTRIC NON-RESIDENTIAL BY RATE SCHEDULE

Line No.		Source	Apr-16	May-16	Jun-16	1st Quarter 2016 Total	2nd Quarter 2016 Total	2016 YTD Total
	(a)	(b)	(f)	(g)	(h)			
	Schedule 21/22							
1	Total Actual Billed Customers	Revenue Reports	1,146	1,141	1,135			
2	Total Actual Usage (kWhs)	Revenue Reports	59,191,389	57,983,245	54,497,263			
3	Total Actual Base Rate Revenue	Revenue Reports	$ 4,570,206	$ 4,491,236	$ 4,294,026			
4	Total Actual Fixed Charge Revenue	Revenue Reports	$ 401,100	$ 399,957	$ 398,207			
6	***Existing Customers***							
7	Actual Customers on System During Test Year	(1) - (22)	1,134	1,126	1,119	3,383	3,379	6,762
8	Monthly Fixed Cost Adj. Revenue per Customer	Page 3	$2,490.00	$2,395.52	$2,487.77	$2,451.48	$2,457.78	$2,454.63
9	Fixed Cost Adjustment Revenue	(7) x (8)	$ 2,823,659	$ 2,697,357	$ 2,783,819	$ 8,293,365	$ 8,304,835	$ 16,598,200
11	Actual Base Rate Revenue	(3) - (26)	$ 4,533,205	$ 4,448,231	$ 4,245,741			
12	Actual Fixed Charge Revenue	(4) - (27)	$ 397,333	$ 395,047	$ 392,587			
13	Actual Usage (kWhs)	(2) - (28)	58,758,029	57,478,485	53,929,583			
14	Load Change Adjustment Rate ($/kWh)	Page 1	$ 0.02281	$ 0.02281	$ 0.02281			
15	Variable Power Supply Revenue	(13) x (14)	$ 1,340,271	$ 1,311,084	$ 1,230,134			
16	Customer Fixed Cost Adjustment Revenue	(11) - (12) -(15)	$ 2,795,601	$ 2,742,100	$ 2,623,021	$ 7,864,320	$ 8,160,722	$ 16,025,042
17	Non-Residential Revenue Per Customer Received		$2,465.26	$2,435.26	$2,344.08	$2,324.66	$2,415.13	$2,369.87
18	Existing Customer Deferral - Surcharge (Rebate)	(9) - (16)	$ 28,058	$ (44,743)	$ 160,798	$ 429,046	$ 144,113	$ 573,159
21	***New Customers***							
22	Actual Customers New Since Test Year	Revenue Reports	12	15	16	37	43	80
23	Monthly Fixed Cost Adj. Revenue per Customer	Page 3	$1,214.00	$1,167.94	$1,212.92	$1,195.41	$1,197.53	$1,196.55
24	Fixed Cost Adjustment Revenue	(22) x (23)	$ 14,568	$ 17,519	$ 19,407	$ 44,230	$ 51,494	$ 95,724
26	Actual Base Rate Revenue	Revenue Reports	$ 37,001	$ 43,005	$ 48,285			
27	Actual Fixed Charge Revenue	Revenue Reports	$ 3,767	$ 4,910	$ 5,620			
28	Actual Usage (kWhs)	Revenue Reports	433,360	504,760	567,680			
29	Load Change Adjustment Rate ($/kWh)	Page 1	$ 0.02281	$ 0.02281	$ 0.02281			
30	Variable Power Supply Revenue	(28) x (29)	$ 9,885	$ 11,514	$ 12,949			
31	Fixed Production and Transmission Rate per kWh	Page 1 wtd avg	$ 0.02487	$ 0.02487	$ 0.02487			
32	Fixed Production and Transmission Revenue	(30) x (31)	$ 10,778	$ 12,553	$ 14,118			
33	Customer Fixed Cost Adjustment Revenue	(26) - (27) - (30) - (32)	$ 12,571	$ 14,028	$ 15,598	$ 40,067	$ 42,198	$ 82,265
34	Non-Residential Revenue Per Customer Received		$1,047.61	$935.20	$974.90	$1,082.90	$0.82	$0.86
35	New Customer Deferral - Surcharge (Rebate)	(9) - (33)	$ 1,997	$ 3,491	$ 3,808	$ 4,163	$ 9,296	$ 13,459
37	Total Schedule 21/22 Deferral - Surcharge (Rebate)	(18) + (35)	$ 30,055	$ (41,252)	$ 164,607	$ 433,208	$ 153,409	$ 586,618
38	Deferral - Revenue Related Expenses	Rev Conv Factor	$ (162)	$ 259	$ (929)	$ (2,479)	$ (833)	$ (3,312)
39		Customer Deposit Rate	1.00%	1.00%	1.00%			
40	Interest on Deferral	Avg Balance Calc	$ 372	$ 367	$ 419	$ 408	$ 1,158	$ 1,566
41	**Monthly Schedule 21/22 Deferral Totals**		**$ 30,264**	**$ (40,626)**	**$ 164,096**	**$ 431,138**	**$ 153,735**	**$ 584,872**
43	Cumulative Schedule 21/22 Deferral (Rebate)/Surcharge	Σ((37), (38), (40))	$ 461,402	$ 420,776	$ 584,872			

Avista Utilities
Electric Fixed Cost Adjustment Mechanism (Idaho)
Non-Residential by Schedule Electric Deferral Scenario (Calendar Year 2016)
AVU-E-15-05 FCA Base - Rates Effective 1/1/2016

ILLUSTRATIVE
ELECTRIC NON-RESIDENTIAL BY RATE SCHEDULE

Line No.		Source	Apr-16	May-16	Jun-16	1st Quarter 2016 Total	2nd Quarter 2016 Total	2016 YTD Total
	(a)	(b)	(f)	(g)	(h)			
	Schedule 31/32							
1	Total Actual Billed Customers	Revenue Reports	1,399	1,404	1,374			
2	Total Actual Usage (kWhs)	Revenue Reports	3,346,903	4,831,186	6,718,307			
3	Total Actual Base Rate Revenue	Revenue Reports	$ 302,266	$ 429,547	$ 593,490			
4	Total Actual Fixed Charge Revenue	Revenue Reports	$ 11,285	$ 11,301	$ 11,263			
6	***Existing Customers***							
7	Actual Customers on System During Test Year	(1) - (22)	1,385	1,390	1,358	4,183	4,133	8,316
8	Monthly Fixed Cost Adj. Revenue per Customer	Page 3	$169.48	$196.98	$331.94	$163.04	$232.11	$197.37
9	Fixed Cost Adjustment Revenue	(7) x (8)	$ 234,734	$ 273,796	$ 450,778	$ 681,987	$ 959,308	$ 1,641,295
11	Actual Base Rate Revenue	(3) - (26)	$ 301,236	$ 428,536	$ 592,663			
12	Actual Fixed Charge Revenue	(4) - (27)	$ 11,165	$ 11,190	$ 11,116			
13	Actual Usage (kWhs)	(2) - (28)	3,336,890	4,821,485	6,711,046			
14	Load Change Adjustment Rate ($/kWh)	Page 1	$ 0.02281	$ 0.02281	$ 0.02281			
15	Variable Power Supply Revenue	(13) x (14)	$ 76,114	$ 109,978	$ 153,079			
16	Customer Fixed Cost Adjustment Revenue	(11) - (12) -(15)	$ 213,956	$ 307,368	$ 428,468	$ 700,210	$ 949,791	$ 1,650,001
17	Non-Residential Revenue Per Customer Received		$154.48	$221.13	$315.51	$167.39	$229.81	$198.41
18	Existing Customer Deferral - Surcharge (Rebate)	(9) - (16)	$ 20,778	$ (33,571)	$ 22,311	$ (18,223)	$ 9,517	$ (8,706)
21	***New Customers***							
22	Actual Customers New Since Test Year	Revenue Reports	14	14	16	40	44	84
23	Monthly Fixed Cost Adj. Revenue per Customer	Page 3	$123.51	$143.54	$241.89	$118.45	$172.93	$146.99
24	Fixed Cost Adjustment Revenue	(22) x (23)	$ 1,729	$ 2,010	$ 3,870	$ 4,738	$ 7,609	$ 12,347
26	Actual Base Rate Revenue	Revenue Reports	$ 1,030	$ 1,011	$ 827			
27	Actual Fixed Charge Revenue	Revenue Reports	$ 120	$ 111	$ 147			
28	Actual Usage (kWhs)	Revenue Reports	10,013	9,701	7,261			
29	Load Change Adjustment Rate ($/kWh)	Page 1	$ 0.02281	$ 0.02281	$ 0.02281			
30	Variable Power Supply Revenue	(28) x (29)	$ 228	$ 221	$ 166			
31	Fixed Production and Transmission Rate per kWh	Page 1 wtd avg	$ 0.01764	$ 0.01764	$ 0.01764			
32	Fixed Production and Transmission Revenue	(30) x (31)	$ 177	$ 171	$ 128			
33	Customer Fixed Cost Adjustment Revenue	(26) - (27) - (30) - (32)	$ 505	$ 508	$ 386	$ 1,554	$ 1,399	$ 2,953
34	Non-Residential Revenue Per Customer Received		$36.10	$36.28	$24.12	$38.85	$0.18	$0.24
35	New Customer Deferral - Surcharge (Rebate)	(9) - (33)	$ 1,224	$ 1,502	$ 3,484	$ 3,184	$ 6,210	$ 9,394
37	Total Schedule 31/32 Deferral - Surcharge (Rebate)	(18) + (35)	$ 22,001	$ (32,070)	$ 25,795	$ (15,039)	$ 15,727	$ 688
38	Deferral - Revenue Related Expenses	Rev Conv Factor	$ (120)	$ 194	$ (129)	$ 105	$ (55)	$ 50
39		Customer Deposit Rate	1.00%	1.00%	1.00%			
40	Interest on Deferral	Avg Balance Calc	$ (3)	$ (7)	$ (10)	$ 59	$ (21)	$ 38
41	**Monthly Schedule 31/32 Deferral Totals**		**$ 21,878**	**$ (31,883)**	**$ 25,656**	**$ (14,875)**	**$ 15,651**	**$ 776**
43	Cumulative Schedule 31/32 Deferral (Rebate)/Surcharge	Σ((37), (38), (40))	$ 7,003	$ (24,880)	$ 776			
44	**Total Cumulative Non-Residential Deferral if calculated by Schedule**	Sch 11/12 line (43) +Sch 21/22 line (43) +Sch 31/32 line (43)	**$ 998,679**	**$ 1,000,327**	**$ 1,244,940**			