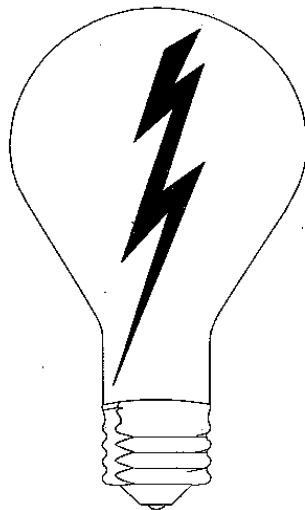


YEAR ENDING 12/31/2019

**ANNUAL REPORT
OF
AVISTA CORPORATION
ELECTRIC UTILITY**



TO THE
PUBLIC SERVICE COMMISSION
STATE OF MONTANA
1701 PROSPECT AVENUE
P.O. BOX 202601
HELENA, MT 59620-2601

IDENTIFICATION

Year: 2019

1.	Legal Name of Respondent:	Avista Corporation
2.	Name Under Which Respondent Does Business:	Avista Corp. and Avista Utilities
3.	Date Utility Service First Offered in Montana	July, 1960
4.	Address to send Correspondence Concerning Report:	1411 East Mission Avenue PO Box 3727 Spokane, WA 99220
5.	Person Responsible for This Report:	Ryan Krasselt Vice President, Controller and Principal Accounting Officer
5a.	Telephone Number:	509-495-2273
Control Over Respondent		
1.	If direct control over the respondent was held by another entity at the end of year provide the following:	
	1a. Name and address of the controlling organization or person:	
	1b. Means by which control was held:	
	1c. Percent Ownership:	

SCHEDULE 2

Board of Directors		
Line No.	Name of Director and Address (City, State)	Remuneration
	(a)	(b)
1	Erik J. Anderson (1) 3720 Carillon Point, Kirkland, WA 98033	\$71,167
2	Kristianne Blake P.O. Box 3727, Spokane, WA 99220	\$228,529
3	Donald C. Burke 16 Ivy Court, Langhorne, PA 19047	\$206,500
4	Rebecca A. Klein 611 S. Congress Ave. Ste 125 Austin, TX 78704	\$199,875
5	Scott H. Maw 115 NW 78th St., Seattle, WA 98117	\$183,000
6	Jeffry L. Philipps (2) P.O. Box 9000, Spokane, WA 99224	\$32,833
7	Marc F. Racicot 28013 Swan Cove Dr. Bigfork, MT 59911	\$184,000
8	Heidi B. Stanley P.O. Box 2884, Spokane, WA 99220	\$190,000
9	R. John Taylor P. O. Box 538, Lewiston, ID 83501	\$207,769
10	Janet D. Widmann 26 Sanford Lane, Lafayette, CA 94549	\$191,958
11		
12	Scott L. Morris (3) 1411 E. Mission Ave., Spokane, WA 99202	(3)
13	Dennis P. Vermillion (4) 1411 E. Mission Ave., Spokane, WA 99202	(4)
14		
15	(1) Mr. Anderson resigned from the Board in May 2019.	
16	(2) Mr. Philipps joined the Board on November 1, 2019.	
17	(3) Mr. Morris is the Chairman of the Board.	
18	(4) Mr. Vermillion is the President and Chief Executive Officer of Avista Corp.	
19	effective October 1, 2019.	
20		

Officers

Year: 2019

Line No.	Title of Officer (a)	Department Supervised (b)	Name (c)
1	President & Chief Executive Officer	All	Dennis P. Vermillion
2	of Avista Corp. (effective 10/1/19)		
3			
4	Chairman of the Board	All	Scott L. Morris
5	& Chief Executive Officer		
6	(resigned 10/1/19)		
7			
8	Executive Vice President, Chief	Finance	Mark T. Thies
9	Financial Officer, & Treasurer		
10			
11	Vice President, External Affairs and	Customer Solutions	Kevin J. Christie
12	Chief Customer Officer	Regulatory	
13			
14	Chief Vice President, General Counsel,	Legal	Marian M. Durkin
15	Chief Compliance Officer		
16	& Corporate Secretary		
17			
18	Senior Vice President of Human	Human Resources	Karen S. Feltes
19	Resources (resigned 3/1/2020)		
20			
21	Senior Vice President,	Utility Operations	Heather L. Rosentrater
22	Energy Delivery and Shared Services		
23	(effective 1/1/2020)		
24			
25	Senior Vice President and Vice	Resource	Jason R. Thackston
26	President of Energy Resources	Management	
27			
28	Vice President, Safety and Human	Safety	Bryan A. Cox
29	Resources Shared Services	Human Resources	
30			
31	Vice President, General Counsel	Legal	Gregory C. Hesler
32	Chief Compliance Officer		
33	(effective 1/1/2020)		
34			
35	Vice President of Community	Community	Latisha D. Hill
36	and Economic Vitality	Development	
37	(effective 1/1/2020)		
38			
39	Vice President and Chief Information	Information	James M. Kensok
40	Officer	Technology	
41			
42	Vice President, Controller and	Accounting	Ryan L. Krasselt
43	Principal Accounting Officer		
44			
45	Vice President and Chief Counsel for	Legal/Regulatory	David J. Meyer
46	Regulatory and Governmental Affairs		
47			
48	Vice President and Chief	Strategic Planning	Edward D. Schlect Jr.
49	Strategy Officer		
50			

CORPORATE STRUCTURE

Year: 2019

	Subsidiary/Company Name	Line of Business	Earnings	Percent of Total
1				
2	Avista Capital, Inc.	Parent company to the	\$6,404,043	47.15%
3		Company's subsidiaries.		
4				
5	Avista Development, Inc.	Investment in Real Estate.		
6				
7	Pentzer Corporation	Parent of Bay Area Manufacturing and Pentzer Venture Holdings.		
8				
9	Pentzer Venture Holdings II, Inc.	Inactive.		
10				
11	Bay Area Manufacturing, Inc.	Holding Company. Parent of Advanced Manufacturing and		
12		Development, Inc.		
13				
14	Avista Capital II	Business trusts formed for the purpose		
15		of issuing preferred trust securities.		
16				
17	Avista Northwest Resources, LLC	Formed in 2009 to own an interest in a venture fund investment.		
18				
19	Steam Plant Square LLC	Commercial office and retail leasing.		
20				
21	Courtyard Office Center, LLC	Commercial office and retail leasing.		
22				
23	Steam Plant Brew Pub LLC	Restaurant operations.		
24				
25	Salix, Inc.	Liquified natural gas operations		
26				
27	Alaska Energy and Resources	Parent company of	\$7,178,226	52.85%
28	Company (AERC)	Alaska operations.		
29				
30	Alaska Electric Light and Power	Utility operations based in the City and Borough of Juneau, AK.		
31	Company			
32				
33	AJT Mining Properties, Inc.	Inactive mining company holding certain properties in the City and		
34		Borough of Juneau, AK.		
35				
36	Snettisham Electric Company	Holds certain rights to purchase the Snettisham Hydroelectric		
37		project in the City and Borough of Juneau, AK.		
38				
39				
40				
41				
42	TOTAL		13,582,269	

CORPORATE ALLOCATIONS

Year: 2019

	Items Allocated	Classification	Allocation Method	\$ to MT Utility	MT %	\$ to Other
1						
2						
3						
4	Not applicable					
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34	TOTAL					

AFFILIATE TRANSACTIONS - PRODUCTS & SERVICES PROVIDED TO UTILITY

Year: 2019

Line No.	(a) Affiliate Name	(b) Products & Services	(c) Method to Determine Price	(d) Charges to Utility	(e) % Total Affil. Revs.	(f) Charges to MT Utility
1	None					
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32	TOTAL					

AFFILIATE TRANSACTIONS - PRODUCTS & SERVICES PROVIDED BY UTILITY

Year: 2019

Line No.	(a) Affiliate Name	(b) Products & Services	(c) Method to Determine Price	(d) Charges to Affiliate	(e) % Total Affil. Exp.	(f) Revenues to MT Utility
1						
2						
3	Salix, Inc.	Corporate service support	Specific individual invoic	261,360		
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32	TOTAL			261,360		

MONTANA UTILITY INCOME STATEMENT

Year: 2019

	Account Number & Title	Last Year	This Year	% Change
1	400 Operating Revenues	97,623	93,469	-4.26%
2				
3	Operating Expenses			
4	401 Operation Expenses	28,930,354	29,767,718	2.89%
5	402 Maintenance Expense	8,177,219	10,290,669	25.85%
6	403 Depreciation Expense	11,534,821	11,798,828	2.29%
7	404-405 Amortization of Electric Plant	none/n.a.	none/n.a.	
8	406 Amort. of Plant Acquisition Adjustments	none/n.a.	none/n.a.	
9	407 Amort. of Property Losses, Unrecovered Plant & Regulatory Study Costs	none/n.a.	none/n.a.	
11	408.1 Taxes Other Than Income Taxes	12,263,202	12,636,196	3.04%
12	409.1 Income Taxes - Federal	none/n.a.	none/n.a.	
13	- Other	(253,640)	(237,841)	6.23%
14	410.1 Provision for Deferred Income Taxes	none/n.a.	none/n.a.	
15	411.1 (Less) Provision for Def. Inc. Taxes - Cr.	none/n.a.	none/n.a.	
16	411.4 Investment Tax Credit Adjustments	none/n.a.	none/n.a.	
17	411.6 (Less) Gains from Disposition of Utility Plant	none/n.a.	none/n.a.	
18	411.7 Losses from Disposition of Utility Plant	none/n.a.	none/n.a.	
19				
20	TOTAL Utility Operating Expenses	60,651,956	64,255,570	5.94%
21	NET UTILITY OPERATING INCOME	(60,554,333)	(64,162,101)	-5.96%

MONTANA REVENUES

SCHEDULE 9

	Account Number & Title	Last Year	This Year	% Change
1	Sales of Electricity			
2	440 Residential	17,333	18,070	4.25%
3	442 Commercial & Industrial - Small	34,996	34,961	-0.10%
4	Commercial & Industrial - Large			
5	444 Public Street & Highway Lighting			
6	445 Other Sales to Public Authorities			
7	446 Sales to Railroads & Railways			
8	448 Interdepartmental Sales	45,294	40,438	-10.72%
9				
10	TOTAL Sales to Ultimate Consumers	97,623	93,469	-4.26%
11	447 Sales for Resale			
12				
13	TOTAL Sales of Electricity	97,623	93,469	-4.26%
14	449.1 (Less) Provision for Rate Refunds			
15				
16	TOTAL Revenue Net of Provision for Refunds	97,623	93,469	-4.26%
17	Other Operating Revenues			
18	450 Forfeited Discounts & Late Payment Revenues			
19	451 Miscellaneous Service Revenues			
20	453 Sales of Water & Water Power			
21	454 Rent From Electric Property			
22	455 Interdepartmental Rents			
23	456 Other Electric Revenues			
24				
25	TOTAL Other Operating Revenues			
26	Total Electric Operating Revenues	97,623	93,469	-4.26%

MONTANA OPERATION & MAINTENANCE EXPENSES

Year: 2019

Account Number & Title		Last Year	This Year	% Change
1	Power Production Expenses			
2				
3	Steam Power Generation			
4	Operation			
5	500 Operation Supervision & Engineering	185,823	177,433	-4.52%
6	501 Fuel	20,221,622	21,296,519	5.32%
7	502 Steam Expenses	3,444,843	3,747,678	8.79%
8	503 Steam from Other Sources			
9	504 (Less) Steam Transferred - Cr.			
10	505 Electric Expenses	85,835	158,308	84.43%
11	506 Miscellaneous Steam Power Expenses	2,864,944	2,225,869	-22.31%
12	507 Rents	34,623		-100.00%
13				
14	TOTAL Operation - Steam	26,837,690	27,605,807	2.86%
15				
16	Maintenance			
17	510 Maintenance Supervision & Engineering	348,210	341,925	-1.80%
18	511 Maintenance of Structures	453,422	596,293	31.51%
19	512 Maintenance of Boiler Plant	3,887,494	4,554,524	17.16%
20	513 Maintenance of Electric Plant	347,908	2,640,125	658.86%
21	514 Maintenance of Miscellaneous Steam Plant	192,817	891,575	362.39%
22				
23	TOTAL Maintenance - Steam	5,229,851	9,024,442	72.56%
24				
25	TOTAL Steam Power Production Expenses	32,067,541	36,630,249	14.23%
26				
27	Nuclear Power Generation			
28	Operation			
29	517 Operation Supervision & Engineering			
30	518 Nuclear Fuel Expense			
31	519 Coolants & Water			
32	520 Steam Expenses			
33	521 Steam from Other Sources			
34	522 (Less) Steam Transferred - Cr.			
35	523 Electric Expenses			
36	524 Miscellaneous Nuclear Power Expenses			
37	525 Rents			
38				
39	TOTAL Operation - Nuclear			
40				
41	Maintenance			
42	528 Maintenance Supervision & Engineering			
43	529 Maintenance of Structures			
44	530 Maintenance of Reactor Plant Equipment			
45	531 Maintenance of Electric Plant			
46	532 Maintenance of Miscellaneous Nuclear Plant			
47				
48	TOTAL Maintenance - Nuclear			
49				
50	TOTAL Nuclear Power Production Expenses			

MONTANA OPERATION & MAINTENANCE EXPENSES

Year: 2019

Account Number & Title		Last Year	This Year	% Change
1	Power Production Expenses -continued			
2	Hydraulic Power Generation			
3	Operation			
4	535 Operation Supervision & Engineering	123,290	123,362	0.06%
5	536 Water for Power			
6	537 Hydraulic Expenses	97,645	93,536	-4.21%
7	538 Electric Expenses	1,469,851	1,520,335	3.43%
8	539 Miscellaneous Hydraulic Power Gen. Expenses	217,813	182,098	-16.40%
9	540 Rents			
10				
11	TOTAL Operation - Hydraulic	1,908,599	1,919,331	0.56%
12				
13	Maintenance			
14	541 Maintenance Supervision & Engineering	657,267	114,343	-82.60%
15	542 Maintenance of Structures	48,315	74,784	54.78%
16	543 Maint. of Reservoirs, Dams & Waterways	219,735	301,057	37.01%
17	544 Maintenance of Electric Plant	1,650,569	510,668	-69.06%
18	545 Maintenance of Miscellaneous Hydro Plant	117,418	38,714	-67.03%
19				
20	TOTAL Maintenance - Hydraulic	2,693,304	1,039,566	-61.40%
21				
22	TOTAL Hydraulic Power Production Expenses	4,601,903	2,958,897	-35.70%
23				
24	Other Power Generation			
25	Operation			
26	546 Operation Supervision & Engineering			
27	547 Fuel			
28	548 Generation Expenses			
29	549 Miscellaneous Other Power Gen. Expenses			
30	550 Rents			
31				
32	TOTAL Operation - Other			
33				
34	Maintenance			
35	551 Maintenance Supervision & Engineering			
36	552 Maintenance of Structures			
37	553 Maintenance of Generating & Electric Plant			
38	554 Maintenance of Misc. Other Power Gen. Plant			
39				
40	TOTAL Maintenance - Other			
41				
42	TOTAL Other Power Production Expenses			
43				
44	Other Power Supply Expenses			
45	555 Purchased Power			
46	556 System Control & Load Dispatching			
47	557 Other Expenses			
48				
49	TOTAL Other Power Supply Expenses			
50				
51	TOTAL Power Production Expenses	36,669,444	39,589,146	7.96%

MONTANA OPERATION & MAINTENANCE EXPENSES

Year: 2019

Account Number & Title		Last Year	This Year	% Change
1	Transmission Expenses			
2	Operation			
3	560 Operation Supervision & Engineering	6,728	5,985	-11.04%
4	561 Load Dispatching		33,037	#DIV/0!
5	562 Station Expenses	7,428	6,837	-7.96%
6	563 Overhead Line Expenses	57,009	83,452	46.38%
7	564 Underground Line Expenses			
8	565 Transmission of Electricity by Others			
9	566 Miscellaneous Transmission Expenses			
10	567 Rents	89,690	88,756	-1.04%
11				
12	TOTAL Operation - Transmission	160,855	218,067	35.57%
13	Maintenance			
14	568 Maintenance Supervision & Engineering	25,191	25,230	0.15%
15	569 Maintenance of Structures	14,960	22,984	53.64%
16	570 Maintenance of Station Equipment	12,446	12,137	-2.48%
17	571 Maintenance of Overhead Lines	189,182	154,425	-18.37%
18	572 Maintenance of Underground Lines			
19	573 Maintenance of Misc. Transmission Plant			
20				
21	TOTAL Maintenance - Transmission	241,779	214,776	-11.17%
22				
23	TOTAL Transmission Expenses	402,634	432,843	7.50%
24				
25	Distribution Expenses			
26	Operation			
27	580 Operation Supervision & Engineering			
28	581 Load Dispatching			
29	582 Station Expenses			
30	583 Overhead Line Expenses			
31	584 Underground Line Expenses			
32	585 Street Lighting & Signal System Expenses			
33	586 Meter Expenses			
34	587 Customer Installations Expenses			
35	588 Miscellaneous Distribution Expenses			
36	589 Rents			
37				
38	TOTAL Operation - Distribution			
39	Maintenance			
40	590 Maintenance Supervision & Engineering			
41	591 Maintenance of Structures			
42	592 Maintenance of Station Equipment			
43	593 Maintenance of Overhead Lines			
44	594 Maintenance of Underground Lines			
45	595 Maintenance of Line Transformers			
46	596 Maintenance of Street Lighting, Signal Systems			
47	597 Maintenance of Meters			
48	598 Maintenance of Miscellaneous Dist. Plant			
49				
50	TOTAL Maintenance - Distribution			
51				
52	TOTAL Distribution Expenses			

MONTANA OPERATION & MAINTENANCE EXPENSES

Year: 2019

Account Number & Title		Last Year	This Year	% Change
1	Customer Accounts Expenses			
2	Operation			
3	901 Supervision			
4	902 Meter Reading Expenses			
5	903 Customer Records & Collection Expenses			
6	904 Uncollectible Accounts Expenses			
7	905 Miscellaneous Customer Accounts Expenses	176	12	-93.18%
8				
9	TOTAL Customer Accounts Expenses	176	12	-93.18%
10				
11	Customer Service & Information Expenses			
12	Operation			
13	907 Supervision			
14	908 Customer Assistance Expenses			
15	909 Informational & Instructional Adv. Expenses			
16	910 Miscellaneous Customer Service & Info. Exp.			
17				
18	TOTAL Customer Service & Info Expenses			
19				
20	Sales Expenses			
21	Operation			
22	911 Supervision			
23	912 Demonstrating & Selling Expenses			
24	913 Advertising Expenses			
25	916 Miscellaneous Sales Expenses			
26				
27	TOTAL Sales Expenses			
28				
29	Administrative & General Expenses			
30	Operation			
31	920 Administrative & General Salaries			
32	921 Office Supplies & Expenses			
33	922 (Less) Administrative Expenses Transferred - Cr.			
34	923 Outside Services Employed			
35	924 Property Insurance			
36	925 Injuries & Damages			
37	926 Employee Pensions & Benefits			
38	927 Franchise Requirements			
39	928 Regulatory Commission Expenses	4		-100.00%
40	929 (Less) Duplicate Charges - Cr.			
41	930.1 General Advertising Expenses			
42	930.2 Miscellaneous General Expenses	23,030	24,501	6.39%
43	931 Rents			
44				
45	TOTAL Operation - Admin. & General	23,034	24,501	6.37%
46	Maintenance			
47	935 Maintenance of General Plant	12,285	11,885	-3.26%
48				
49	TOTAL Administrative & General Expenses	35,319	36,386	3.02%
50				
51	TOTAL Operation & Maintenance Expenses	37,107,573	40,058,387	7.95%

MONTANA TAXES OTHER THAN INCOME

Year: 2019

	Description of Tax	Last Year	This Year	% Change
1	Payroll Taxes			
2	Superfund			
3	Secretary of State			
4	Montana Consumer Counsel	32	(18)	-156.25%
5	Motor Vehicle Tax			
6	KWH Tax	1,106,096	1,080,780	-2.29%
7	Property Taxes	11,153,656	11,552,453	3.58%
8	Public Commission Tax	124	118	-4.84%
9	Colstrip Generation Tax	3,294	2,863	-13.08%
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51	TOTAL MT Taxes Other Than Income	12,263,202	12,636,196	3.04%

PAYMENTS FOR SERVICES TO PERSONS OTHER THAN EMPLOYEES

Year: 2019

	Name of Recipient	Nature of Service	Total Company	Montana	% Montana
1	Amounts Allocated To Montana Are Not Significant.				
2	MERRILL LYNCH PIERCE FENNER & SMITH INC	Professional Servies	18,737,116		
3	SBW CONSULTING INC	Professional Servies	4,406,010		
4	HEATH CONSULTANTS INCORPORATED	Professional Servies	2,028,049		
5	DELOITTE & TOUCHE LLP	Professional Servies	1,999,948		
6	CLEARRESULT CONSULTING INC	Professional Servies	1,751,215		
7	HANNA & ASSOCIATES INC	Professional Servies	1,663,638		
8	GIBSON DUNN & CRUTCHER LLP	Professional Servies	1,081,713		
9	CN UTILITY CONSULTING INC	Professional Servies	760,844		
10	HELVETICKA INC	Professional Servies	681,308		
11	UTILICAST LLC	Professional Servies	533,597		
12	CHAPTER & VERSE	Professional Servies	412,583		
13	SECURITAS SECURITY SERVICES USA INC	Professional Servies	409,535		
14	AVCO CONSULTING INC	Professional Servies	385,270		
15	SCHNABEL ENGINEERING LLC	Professional Servies	348,783		
16	RW LYALL & COMPANY INC	Professional Servies	313,338		
17	TILTON EXCAVATION CO	Professional Servies	297,382		
18	GENERAL ELECTRIC INTERNATIONAL	Professional Servies	295,311		
19	DAVIS WRIGHT TREMAINE LLP	Professional Servies	281,689		
20	MCGRIFF SEIBELS & WILLIAMS INC	Professional Servies	267,239		
21					
22					
23	OTHER				
24	Other Amounts Less Than \$250,000		14,948,968		
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60	TOTAL Payments for Services		51,603,535		

POLITICAL ACTION COMMITTEES / POLITICAL CONTRIBUTIONS Year: 2019

	Description	Total Company	Montana	% Montana
1				
2				
3	State and local representative	161,610	-	
4	contributions			
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50	TOTAL Contributions	\$161,610		

Pension Costs

Year: 2019

1	Plan Name	The Retirement Plan for Employees of Avista Corporation.		
2	Defined Benefit Plan? Yes	Defined Contribution Plan? No		
3	Actuarial Cost Method? Yes	IRS Code: 001		
4	Annual Contribution by Employer: Varies	Is the Plan Over Funded? No		
5		(dollars in thousands)		
	Item	Current Year	Last Year	% Change
6	Change in Benefit Obligation			
7	Benefit obligation at beginning of year	640,332	683,426	-6.31%
8	Service cost	19,538	21,433	-8.84%
9	Interest Cost	27,106	24,911	8.81%
10	Plan participants' contributions			
11	Amendments			
12	Actuarial (Gain)/Loss	55,315	(46,791)	218.22%
13	Benefits paid	(33,930)	(42,647)	20.44%
14	Expenses paid			
15	Benefit obligation at end of year	708,361	640,332	10.62%
16	Change in Plan Assets			
17	Fair value of plan assets at beginning of year	544,051	605,652	-10.17%
18	Actual return on plan assets	109,942	(40,954)	368.45%
19	Acquisition			
20	Employer contribution	22,000	22,000	
21	Benefits paid	(33,930)	(42,647)	20.44%
22	Expenses paid			
23	Fair value of plan assets at end of year	642,063	544,051	18.02%
24	Funded Status	(66,298)	(96,281)	31.14%
25	Unrecognized net actuarial loss	136,494	167,750	-18.63%
26	Unrecognized prior service cost	2,665	2,922	-8.80%
27	Unrecognized net transition obligation/(asset)			
28	Prepaid (accrued) benefit cost	72,861	74,391	-2.06%
29				
30	Weighted-average Assumptions as of Year End			
31	Discount rate	3.85%	4.31%	-10.67%
32	Expected return on plan assets	5.90%	5.50%	7.27%
33	Rate of compensation increase	4.66%	4.67%	-0.21%
34				
35	Components of Net Periodic Benefit Costs			
36	Service cost	19,538	21,433	-8.84%
37	Interest cost	27,106	24,911	8.81%
38	Expected return on plan assets	(31,763)	(33,019)	3.80%
39	Transition (asset)/obligation recognition			
40	Amortization of prior service cost	257	257	
41	Recognized net actuarial loss	9,567	6,867	39.32%
42	Net periodic benefit cost	24,705	20,449	20.81%
43				
44	Montana Intrastate Costs:			
45	Pension Costs	not available by state		
46	Pension Costs Capitalized	not available by state		
47	Accumulated Pension Asset (Liability) at Year End	not available by state		
48	Number of Company Employees:			
49	Covered by the Plan	2,747	2,790	-1.54%
50	Not Covered by the Plan			
51	Active	1,370	1,417	-3.32%
52	Retired	1,218	1,199	1.58%
53	Deferred Vested Terminated	159	174	-8.62%

Other Post Employment Benefits (OPEBS)

Year: 2019

Item	Current Year	Last Year	% Change
1 Regulatory Treatment:			
2 Commission authorized - most recent			
3 Docket number: _____			
4 Order number: _____			
5 Amount recovered through rates			
6 Weighted-average Assumptions as of Year End			
7 Discount rate	3.89%	4.32%	-9.95%
8 Expected return on plan assets	5.70%	5.20%	9.62%
9 Medical Cost Inflation Rate	5.00%	5.00%	
10 Actuarial Cost Method		Proj Unit Credit	
11 Rate of compensation increase			
12 List each method used to fund OPEBs (ie: VEBA, 401(h)) and if tax advantaged:			
13			
14			
15 Describe any Changes to the Benefit Plan:			
16 (dollars in thousands)			
17 TOTAL COMPANY			
18 Change in Benefit Obligation			
19 Benefit obligation at beginning of year	134,053	132,947	0.83%
20 Service cost	3,006	3,188	-5.71%
21 Interest Cost	5,598	4,831	15.88%
22 Plan participants' contributions			
23 Amendments			
24 Actuarial (Gain)/Loss	23,344	(610)	3926.89%
25 Benefits paid	(6,705)	(6,303)	-6.38%
26 Expenses paid			
27 Cumulative adjustment to reclassify liability			
28 Benefit obligation at end of year	159,296	134,053	18.83%
29 Change in Plan Assets			
30 Fair value of plan assets at beginning of year	36,852	37,953	-2.90%
31 Actual return on plan assets	8,001	(1,101)	826.70%
32 Acquisition			
33 Employer contribution			
34 Benefits paid			
35 Expenses paid			
36 Fair value of plan assets at end of year	44,853	36,852	21.71%
37 Funded Status	(114,443)	(97,201)	-17.74%
38 Unrecognized net actuarial loss	80,285	66,381	20.95%
39 Unrecognized prior service cost	(5,570)	(6,620)	15.86%
40 Prepaid (accrued) benefit cost	(39,728)	(37,440)	-6.11%
41 Components of Net Periodic Benefit Costs			
42 Service cost	3,006	3,188	-5.71%
43 Interest cost	5,598	4,831	15.88%
44 Expected return on plan assets	(2,101)	(1,973)	-6.49%
45 Amortization of prior service cost	(981)	(1,089)	9.92%
46 Recognized net actuarial loss	4,013	4,232	-5.17%
47 Net periodic benefit cost	9,535	9,189	3.77%
48 Accumulated Post Retirement Benefit Obligation			
49 Amount Funded through VEBA	159,296	134,053	18.83%
50 Amount Funded through 401(h)			
51 Amount Funded through Other _____			
52 TOTAL	159,296	134,053	18.83%
53 Amount that was tax deductible - VEBA			
54 Amount that was tax deductible - 401(h)			
55 Amount that was tax deductible - Other _____			
56 TOTAL	159,296	134,053	18.83%

Other Post Employment Benefits (OPEBS) Continued

	Item	Current Year	Last Year	% Change
1	Number of Company Employees:			
2	Covered by the Plan	2,382	2,404	-0.92%
3	Not Covered by the Plan			
4	Active	1,370	1,417	-3.32%
5	Retired	1,012	987	2.53%
6	Spouses/Dependants covered by the Plan			
7	Montana			
8	Change in Benefit Obligation			
9	Benefit obligation at beginning of year			
10	Service cost			
11	Interest Cost	not available by state		
12	Plan participants' contributions			
13	Amendments			
14	Actuarial Gain			
15	Acquisition			
16	Benefits paid			
17	Benefit obligation at end of year			
18	Change in Plan Assets			
19	Fair value of plan assets at beginning of year			
20	Actual return on plan assets			
21	Acquisition			
22	Employer contribution			
23	Plan participants' contributions			
24	Benefits paid			
25	Fair value of plan assets at end of year			
26	Funded Status			
27	Unrecognized net actuarial loss			
28	Unrecognized prior service cost			
29	Prepaid (accrued) benefit cost			
30	Components of Net Periodic Benefit Costs			
31	Service cost			
32	Interest cost	not available by state		
33	Expected return on plan assets			
34	Amortization of prior service cost			
35	Recognized net actuarial loss			
36	Net periodic benefit cost			
37	Accumulated Post Retirement Benefit Obligation			
38	Amount Funded through VEBA			
39	Amount Funded through 401(h)			
40	Amount Funded through other _____			
41	TOTAL			
42	Amount that was tax deductible - VEBA			
43	Amount that was tax deductible - 401(h)			
44	Amount that was tax deductible - Other			
45	TOTAL			
46	Montana Intrastate Costs:			
47	Pension Costs			
48	Pension Costs Capitalized			
49	Accumulated Pension Asset (Liability) at Year End			
50	Number of Montana Employees:			
51	Covered by the Plan			
52	Not Covered by the Plan			
53	Active			
54	Retired			
55	Spouses/Dependants covered by the Plan			

TOP TEN MONTANA COMPENSATED EMPLOYEES (ASSIGNED OR ALLOCATED)

Line No.	Name/Title	Base Salary	Bonuses	Other	Total Compensation	Total Compensation Last Year	% Increase Total Compensation
1							
2							
3							
4							
5							
6							
7							
8							
9							
10							

COMPENSATION OF TOP 5 CORPORATE EMPLOYEES - SEC INFORMATION

Line No.	Name/Title	Base Salary	Bonuses	Other	Total Compensation	Total Compensation Last Year	% Increase Total Compensation
1	D.P. Vermillion President & Chief Executive Officer	526,100	534,056	1,322,464	2,382,620	1,466,641	62%
2	M. T. Thies Executive Vice President, Chief Financial Officer, and Treasurer	443,154	342,629	931,785	1,717,568	1,444,594	19%
3	M.M. Durkin Senior Vice President Chief Legal Officer, & Corporate Secretary	378,462	292,612	730,436	1,401,510	1,212,766	16%
4	K.S. Feltes Former Senior Vice President and CHRO	368,462	284,880	735,513	1,388,855	1,144,309	21%
5	J.R. Thackston Sr. Vice President & Environmental Compliance Officer	319,692	247,173	819,250	1,386,115	993,255	40%
6	S. L. Morris Chairman of the Board & Former Chief Executive Officer	861,001	1,109,486	2,681,986	4,652,473	3,817,420	22%
<p>Other compensation includes stock-based awards and the change in pension and non-qualified deferred compensation.</p>							

BALANCE SHEET

Year: 2019

	Account Number & Title	Last Year	This Year	% Change
1	Assets and Other Debits			
2	Utility Plant			
3	101 Electric Plant in Service	6,002,706,709	6,372,202,848	6%
4	101.1 Property Under Capital Leases			
5	102 Electric Plant Purchased or Sold			
6	104 Electric Plant Leased to Others			
7	105 Electric Plant Held for Future Use	9,036,047	12,951,271	43%
8	106 Completed Constr. Not Classified - Electric			
9	107 Construction Work in Progress - Electric	156,563,570	157,909,990	1%
10	108 (Less) Accumulated Depreciation	(1,895,743,265)	(1,995,071,691)	-5%
11	111 (Less) Accumulated Amortization	(95,497,118)	(126,822,214)	-33%
12	114 Electric Plant Acquisition Adjustments		279,264	#DIV/0!
13	115 (Less) Accum. Amort. Elec. Acq. Adj.			
14	120 Nuclear Fuel (Net)			
15	TOTAL Utility Plant	4,177,065,943	4,421,449,468	6%
16				
17	Other Property & Investments			
18	121 Nonutility Property	4,474,923	4,340,610	-3%
19	122 (Less) Accum. Depr. & Amort. for Nonutil. Prop.	(140,360)	(176,234)	-26%
20	123 Investments in Associated Companies	11,547,000	11,547,000	
21	123.1 Investments in Subsidiary Companies	153,523,686	207,105,954	35%
22	124 Other Investments	1,711,072	7,070,049	313%
23	128 Other Special Funds	18,794,801	22,034,002	17%
	Long-Term Derivative Instruments	4,842,426	922,948	-81%
24	TOTAL Other Property & Investments	194,753,548	252,844,329	30%
25				
26	Current & Accrued Assets			
27	131 Cash	4,737,049	3,067,240	-35%
28	132-134 Special Deposits	26,809,063	4,434,090	-83%
29	135 Working Funds	709,204	730,965	3%
30	136 Temporary Cash Investments	136,712	155,890	14%
31	141 Notes Receivable			
32	142 Customer Accounts Receivable	157,729,381	153,814,552	-2%
33	143 Other Accounts Receivable	4,618,679	15,726,829	241%
34	144 (Less) Accum. Provision for Uncollectible Accts.	(5,188,090)	(2,373,469)	54%
35	145 Notes Receivable - Associated Companies	31,659,207		-100%
36	146 Accounts Receivable - Associated Companies	154,548	222,671	44%
37	151 Fuel Stock	3,982,104	4,148,891	4%
38	152 Fuel Stock Expenses Undistributed			
39	153 Residuals			
40	154 Plant Materials and Operating Supplies	43,166,166	46,558,819	8%
41	155 Merchandise			
42	156 Other Material & Supplies			
43	157 Nuclear Materials Held for Sale			
44	163 Stores Expense Undistributed			
	164 Gas Storage	11,609,184	14,305,397	23%
45	165 Prepayments	20,211,529	24,682,259	22%
46	171 Interest & Dividends Receivable	166,418	129,823	-22%
47	172 Rents Receivable	2,516,806	3,609,147	43%
48	174 Miscellaneous Current & Accrued Assets	398,131	193,803	-51%
	175 Derivative Instruments Assets	10,394,940	1,780,327	-83%
49	Long-Term Derivative Instruments	(4,842,426)	(922,948)	81%
50	TOTAL Current & Accrued Assets	308,968,605	270,264,286	-13%

BALANCE SHEET

Year: 2019

	Account Number & Title	Last Year	This Year	% Change
1				
2	Assets and Other Debits (cont.)			
3				
4	Deferred Debits			
5				
6	181 Unamortized Debt Expense	13,923,600	13,795,819	-1%
7	182.1 Extraordinary Property Losses			
8	182.2 Unrecovered Plant & Regulatory Study Costs			
9	182.3 Other Regulatory Assets	598,724,109	643,207,368	7%
10	183 Prelim. Survey & Investigation Charges	2,313		-100%
11	184 Clearing Accounts	28,531	131,978	363%
12	185 Temporary Facilities			
13	186 Miscellaneous Deferred Debits	32,297,423	18,484,386	-43%
14	187 Deferred Losses from Disposition of Util. Plant			
15	188 Research, Devel. & Demonstration Expend.			
16	189 Unamortized Loss on Reacquired Debt	10,255,271	8,883,821	-13%
17	190 Accumulated Deferred Income Taxes	187,450,520	174,833,776	-7%
18	191 Unrecovered Purchased Gas Costs	(40,713,157)	(3,189,401)	92%
18	TOTAL Deferred Debits	801,968,610	856,147,747	7%
19				
20	TOTAL Assets & Other Debits	5,482,756,706	5,800,705,830	6%
	Account Title	Last Year	This Year	% Change
20				
21	Liabilities and Other Credits			
22				
23	Proprietary Capital			
24				
25	201 Common Stock Issued	1,110,871,767	1,176,498,977	6%
26	202 Common Stock Subscribed			
27	204 Preferred Stock Issued			
28	205 Preferred Stock Subscribed			
29	207 Premium on Capital Stock			
30	211 Miscellaneous Paid-In Capital	(10,696,711)	(10,696,711)	
31	213 (Less) Discount on Capital Stock			
32	214 (Less) Capital Stock Expense	36,316,031	44,938,398	24%
33	215 Appropriated Retained Earnings	37,452,973	41,178,525	10%
34	216 Unappropriated Retained Earnings	607,142,062	697,623,063	15%
35	217 (Less) Reacquired Capital Stock			
36	219 Accumulated Other Comprehensive Income	(7,866,070)	(10,258,024)	-30%
36	TOTAL Proprietary Capital	1,773,220,052	1,939,284,228	9%
37				
38	Long Term Debt			
39				
40	221 Bonds	1,814,200,000	1,904,200,000	5%
41	222 (Less) Reacquired Bonds	(83,700,000)	(83,700,000)	
42	223 Advances from Associated Companies	51,547,000	51,547,000	
43	224 Other Long Term Debt			
44	225 Unamortized Premium on Long Term Debt	151,017	142,133	-6%
45	226 (Less) Unamort. Discount on L-Term Debt-Dr.	(1,032,761)	(930,270)	10%
46	TOTAL Long Term Debt	1,781,165,256	1,871,258,863	5%

BALANCE SHEET

Year: 2019

	Account Number & Title	Last Year	This Year	% Change
1				
2	Total Liabilities and Other Credits (cont.)			
3				
4	Other Noncurrent Liabilities			
5				
6	227 Obligations Under Cap. Leases - Noncurrent		65,565,105	
7	228.1 Accumulated Provision for Property Insurance			
8	228.2 Accumulated Provision for Injuries & Damages	245,000	245,000	
9	228.3 Accumulated Provision for Pensions & Benefits	222,536,776	212,005,607	-5%
10	228.4 Accumulated Misc. Operating Provisions			
11	229 Accumulated Provision for Rate Refunds	10,178,645	6,842,634	-33%
12	Long-Term Derivative Instruments	10,300,047	19,684,476	91%
	230 Asset Retirement Obligations	18,265,984	20,338,053	11%
13	TOTAL Other Noncurrent Liabilities	261,526,452	324,680,875	24%
14				
15	Current & Accrued Liabilities			
16				
17	231 Notes Payable	190,000,000	182,300,000	-4%
18	232 Accounts Payable	103,484,599	107,406,813	4%
19	233 Notes Payable to Associated Companies		14,722,348	#DIV/0!
20	234 Accounts Payable to Associated Companies	7,329		-100%
21	235 Customer Deposits	4,783,254	4,745,573	-1%
22	236 Taxes Accrued	39,835,469	38,022,918	-5%
23	237 Interest Accrued	15,509,062	15,282,041	-1%
24	238 Dividends Declared			
25	241 Tax Collections Payable	79,542	168,034	111%
26	242 Miscellaneous Current & Accrued Liabilities	56,358,807	50,808,479	-10%
27	243 Obligations Under Cap. Leases - Current		4,127,561	#DIV/0!
28	244 Derivative Instrument Liabilities	14,252,909	30,612,670	115%
29	Long-Term Derivative Instruments	(10,300,047)	(19,684,476)	-91%
30	TOTAL Current & Accrued Liabilities	414,010,924	428,511,961	4%
31				
32	Deferred Credits			
33				
34	252 Customer Advances for Construction	2,142,205	2,083,490	-3%
35	253 Other Deferred Credits	23,862,951	26,712,958	12%
36	254 Other Regulatory Liabilities	527,440,814	481,207,133	-9%
37	255 Accumulated Deferred Investment Tax Credits	29,725,443	30,443,961	2%
38	257 Unamortized Gain on Reacquired Debt	1,577,896	1,448,359	-8%
39	281-283 Accumulated Deferred Income Taxes	668,084,713	695,074,002	4%
40	TOTAL Deferred Credits	1,252,834,022	1,236,969,903	-1%
41				
42	TOTAL LIABILITIES & OTHER CREDITS	5,482,756,706	5,800,705,830	6%

MONTANA PLANT IN SERVICE (ASSIGNED & ALLOCATED)

Year: 2019

	Account Number & Title	Last Year	This Year	% Change
1				
2	Intangible Plant			
3				
4	301 Organization			
5	302 Franchises & Consents	6,222,448	6,222,448	
6	303 Miscellaneous Intangible Plant	221,944	220,340	-1%
7				
8	TOTAL Intangible Plant	6,444,392	6,442,788	0%
9				
10	Production Plant			
11				
12	Steam Production			
13				
14	310 Land & Land Rights	1,289,396	1,289,396	
15	311 Structures & Improvements	110,832,815	111,099,805	0%
16	312 Boiler Plant Equipment	142,714,098	146,074,379	2%
17	313 Engines & Engine Driven Generators	6,770	8,179	21%
18	314 Turbogenerator Units	38,992,332	38,672,010	-1%
19	315 Accessory Electric Equipment	17,238,545	17,327,177	1%
20	316 Miscellaneous Power Plant Equipment	14,453,310	14,118,565	-2%
21	317 Asset Retirement Costs	13,876,818	16,702,864	20%
22	TOTAL Steam Production Plant	339,404,084	345,292,375	2%
23				
24	Nuclear Production			
25				
26	320 Land & Land Rights			
27	321 Structures & Improvements			
28	322 Reactor Plant Equipment			
29	323 Turbogenerator Units			
30	324 Accessory Electric Equipment			
31	325 Miscellaneous Power Plant Equipment			
32				
33	TOTAL Nuclear Production Plant			
34				
35	Hydraulic Production			
36				
37	330 Land & Land Rights	43,370,022	43,565,756	0%
38	331 Structures & Improvements	23,202,612	23,714,641	2%
39	332 Reservoirs, Dams & Waterways	36,682,817	38,184,066	4%
40	333 Water Wheels, Turbines & Generators	88,682,652	88,682,395	0%
41	334 Accessory Electric Equipment	17,011,537	17,096,191	0%
42	335 Miscellaneous Power Plant Equipment	4,227,347	4,337,857	3%
43	336 Roads, Railroads & Bridges	259,742	259,113	0%
44				
45	TOTAL Hydraulic Production Plant	213,436,729	215,840,019	1%

MONTANA PLANT IN SERVICE (ASSIGNED & ALLOCATED)

Year: 2019

	Account Number & Title	Last Year	This Year	% Change
1				
2	Production Plant (cont.)			
3				
4	Other Production			
5				
6	340 Land & Land Rights			
7	341 Structures & Improvements			
8	342 Fuel Holders, Producers & Accessories			
9	343 Prime Movers			
10	344 Generators			
11	345 Accessory Electric Equipment			
12	346 Miscellaneous Power Plant Equipment			
13				
14	TOTAL Other Production Plant			
15				
16	TOTAL Production Plant	552,840,813	561,132,394	1%
17				
18	Transmission Plant			
19				
20	350 Land & Land Rights	4,682,726	4,631,925	-1%
21	352 Structures & Improvements	2,548,725	1,595,715	-37%
22	353 Station Equipment	37,973,386	41,088,283	8%
23	354 Towers & Fixtures	16,067,281	16,059,710	0%
24	355 Poles & Fixtures	14,007,441	14,018,294	0%
25	356 Overhead Conductors & Devices	16,912,426	16,970,756	0%
26	357 Underground Conduit			
27	358 Underground Conductors & Devices			
28	359 Roads & Trails	384,411	382,681	0%
29				
30	TOTAL Transmission Plant	92,576,396	94,747,364	2%
31				
32	Distribution Plant			
33				
34	360 Land & Land Rights			
35	361 Structures & Improvements	186,408	186,408	
36	362 Station Equipment	511,086	505,203	-1%
37	363 Storage Battery Equipment			
38	364 Poles, Towers & Fixtures	55,898	55,881	0%
39	365 Overhead Conductors & Devices	71,030	71,023	0%
40	366 Underground Conduit	34,399	34,084	-1%
41	367 Underground Conductors & Devices	39,819	39,254	-1%
42	368 Line Transformers	2,662	2,644	-1%
43	369 Services	4,597	4,441	-3%
44	370 Meters	252	252	
45	371 Installations on Customers' Premises			
46	372 Leased Property on Customers' Premises			
47	373 Street Lighting & Signal Systems	1,836	1,836	
48				
49	TOTAL Distribution Plant	907,987	901,026	-1%

MONTANA PLANT IN SERVICE (ASSIGNED & ALLOCATED)

Year: 2019

	Account Number & Title	Last Year	This Year	% Change
1				
2	General Plant			
3				
4	389 Land & Land Rights			
5	390 Structures & Improvements			
6	391 Office Furniture & Equipment		177,790	#DIV/0!
7	392 Transportation Equipment	627,498	318,264	-49%
8	393 Stores Equipment			
9	394 Tools, Shop & Garage Equipment	421,827	468,551	11%
10	395 Laboratory Equipment			
11	396 Power Operated Equipment	89,067	110,524	24%
12	397 Communication Equipment	2,449,256	2,097,079	-14%
13	398 Miscellaneous Equipment	8,577	8,381	-2%
14	399 Other Tangible Property			
15				
16	TOTAL General Plant	3,596,225	3,180,589	-12%
17				
18	TOTAL Electric Plant in Service	656,365,814	666,404,161	2%

MONTANA DEPRECIATION SUMMARY

Year: 2019

	Functional Plant Classification	Plant Cost	Accumulated Depreciation		Current Avg. Rate
			Last Year Bal.	This Year Bal.	
1	Intangible Plant	6,442,788	8,696	8,696	
2	Steam Production	345,292,375	235,527,293	243,560,067	N/A
3	Nuclear Production				
4	Hydraulic Production	215,840,019	46,753,176	50,613,694	N/A
5	Other Production				
6	Transmission	94,747,364	27,225,656	23,833,092	N/A
7	Distribution	901,026	78,371	100,073	N/A
8	General	3,180,589	86,581	98,489	N/A
9	TOTAL	666,404,161	309,679,773	318,214,111	

MONTANA MATERIALS & SUPPLIES (ASSIGNED & ALLOCATED)

SCHEDULE 21

	Account	Last Year Bal.	This Year Bal.	%Change
1				
2	151 Fuel Stock	2,097,334	2,087,927	0%
3	152 Fuel Stock Expenses Undistributed			
4	153 Residuals			
5	154 Plant Materials & Operating Supplies:			
6	Assigned to Construction (Estimated)			
7	Assigned to Operations & Maintenance			
8	Production Plant (Estimated)	2,848,984	3,076,268	8%
9	Transmission Plant (Estimated)			
10	Distribution Plant (Estimated)			
11	Assigned to Other			
12	155 Merchandise			
13	156 Other Materials & Supplies			
14	157 Nuclear Materials Held for Sale			
15	163 Stores Expense Undistributed			
16				
17	TOTAL Materials & Supplies	4,946,318	5,164,195	4%

MONTANA REGULATORY CAPITAL STRUCTURE & COSTS

SCHEDULE 22

	Commission Accepted - Most Recent	% Cap. Str.	% Cost Rate	Weighted Cost
1	Docket Number			
2	Order Number			
3		Reference is made to Schedule 27		
4	Common Equity			
5	Preferred Stock			
6	Long Term Debt			
7	Other			
8	TOTAL			
9				
10	Actual at Year End			
11				
12	Common Equity			
13	Preferred Stock			
14	Long Term Debt			
15	Other			
16	TOTAL			

STATEMENT OF CASH FLOWS

Year: 2019

	Description	Last Year	This Year	% Change
1				
2	Increase/(decrease) in Cash & Cash Equivalents:			
3				
4	Cash Flows from Operating Activities:			
5	Net Income	136,429,120	196,979,195	44%
6	Depreciation	179,217,557	202,496,251	13%
7	Amortization	17,690,809	(41,704,852)	-336%
8	Deferred Income Taxes - Net	8,882,835	13,116,498	48%
9	Investment Tax Credit Adjustments - Net	(540,168)	718,518	233%
10	Change in Operating Receivables - Net	17,548,393	(9,860,829)	-156%
11	Change in Materials, Supplies & Inventories - Net	(4,880,128)	(6,255,653)	-28%
12	Change in Operating Payables & Accrued Liabilities - Net	1,753,920	1,823,471	4%
13	Allowance for Funds Used During Construction (AFUDC)	(6,331,723)	(6,434,430)	-2%
14	Change in Other Assets & Liabilities - Net	19,642,573	39,775,257	102%
15	Other Operating Activities (explained on attached page)	(15,961,526)	(13,616,068)	15%
16	Net Cash Provided by/(Used in) Operating Activities	353,451,662	377,037,358	7%
17				
18	Cash Inflows/Outflows From Investment Activities:			
19	Construction/Acquisition of Property, Plant and Equipment	(420,377,970)	(426,196,697)	-1%
20	(net of AFUDC & Capital Lease Related Acquisitions)			
21	Acquisition of Other Noncurrent Assets			
22	Proceeds from Disposal of Noncurrent Assets	559,980	882,641	58%
23	Investments In and Advances to Affiliates			
24	Contributions and Advances from Affiliates			
25	Disposition of Investments in and Advances to Affiliates	(19,855,879)	(3,693,898)	81%
26	Other Investing Activities (explained on attached page)	7,997,699	8,249,262	3%
27	Net Cash Provided by/(Used in) Investing Activities	(431,676,170)	(420,758,692)	3%
28				
29	Cash Flows from Financing Activities:			
30	Proceeds from Issuance of:			
31	Long-Term Debt	374,621,250	180,000,000	-52%
32	Preferred Stock			
33	Common Stock	1,206,734	64,572,145	5251%
34	Long-Term Debt to Affiliated Trusts			
35	Net Increase in Short-Term Debt	85,000,000		-100%
36	Other:			
37	Payment for Retirement of:			
38	Long-Term Debt	(274,902,917)	(90,000,000)	67%
39	Preferred Stock			
40	Common Stock			
41	Long-Term Debt to Affiliated Trusts			
42	Net Decrease in Short-Term Debt			
43	Dividends on Preferred Stock			
44	Dividends on Common Stock	(98,046,075)	(102,772,642)	-5%
45	Other Financing Activities (explained on attached page)	(8,184,023)	(9,707,040)	-19%
46	Net Cash Provided by (Used in) Financing Activities	79,694,969	42,092,463	-47%
47				
48	Net Increase/(Decrease) in Cash and Cash Equivalents	1,470,461	(1,628,871)	-211%
49	Cash and Cash Equivalents at Beginning of Year	4,112,505	5,582,966	36%
50	Cash and Cash Equivalents at End of Year	5,582,966	3,954,095	-29%

STATEMENT OF CASH FLOWS

Year: 2019

	Description	Last Year	This Year	% Change
1	Detail of Lines 15, 26 and 45			
2	Line 15: Other Operating Activities			
3	Cash paid for settlement of interest rate swaps	(32,174,169)	(13,325,137)	59%
4	Cash received for settlement of interest rate swaps	5,594,067	-	
5	Amortization of Spokane Energy contract	-	-	0%
6	Change in allowance for uncollectible receivables	3,900,000	400,000	-90%
7	Regulatory Gas Cost and Power Cost Adjustment	3,653,810	1,745,534	-52%
8	Non-cash stock compensation	5,366,952	11,352,863	112%
9	Subsidiary earnings	(2,392,004)	(13,582,269)	-468%
10	Gain on sale of property and equipment	13,250	(109,159)	-924%
11	Other	76,568	(97,900)	-228%
12	Total Line 15	(15,961,526)	(13,616,068)	15%
13	Line 26: Other Investing Activities			
14	Federal grant payments received	-	-	0%
15	Changes in other property and investments	(2,002,301)	(1,750,738)	13%
16	Restricted cash	-	-	0%
17	Cash paid for acquisition	-	-	0%
18	Dividends received from subsidiaries	10,000,000	10,000,000	0%
19	Total Line 26	7,997,699	8,249,262	3%
20	Line 45: Other Financing Activities			
21	Cash paid for settlement of interest rate swaps	-	-	0%
22	Excess tax benefits from stock compensation	-	-	0%
23	Debt Issuance costs	(3,928,728)	(891,513)	77%
	Payment of minimum withholding for share based payment awards	(4,255,295)	(1,115,527)	74%
24	Total Line 45	(8,184,023)	(2,007,040)	75%

LONG TERM DEBT

Year: 2019

	Description	Issue Date Mo./Yr.	Maturity Date Mo./Yr.	Principal Amount	Net Proceeds	Outstanding Per Balance Sheet	Yield to Maturity	Annual Net Cost Inc. Prem/Disc.	Total Cost %
1									
2	<u>Medium-Term Notes</u>								
3	FMBS - SERIES A 7.53%	5/6/93	5/5/23	5,500,000	4,494,277	5,500,000	9.36%	514,744	9.36%
4	FMBS - SERIES A 7.54%	5/7/93	5/5/23	1,000,000	816,822	1,000,000	9.37%	93,747	9.37%
5	FMBS - SERIES A 7.18%	8/12/93	8/11/23	7,000,000	6,945,636	7,000,000	7.24%	507,064	7.24%
6									
7	<u>Pollution Control Bonds</u>								
8	Colstrip 2010A PCRBs due 2032	12/15/10	10/1/32	66,700,000	66,700,000	66,700,000			
9	Colstrip 2010B PCRBs due 2034	12/15/10	3/1/34	17,000,000	17,000,000	17,000,000			
10	Reacquired Bonds Colstrip 2010A			(66,700,000)	(66,700,000)	(66,700,000)			
11	Reacquired Bonds Colstrip 2010B			(17,000,000)	(17,000,000)	(17,000,000)			
12									
13	<u>First Mortgage Bonds</u>								
14	6.37% Issued June 1998	6/19/98	6/19/28	25,000,000	24,653,047	25,000,000	6.48%	1,618,863	6.48%
15	6.25% Issued Nov/Dec 2005	11/17/05	12/1/35	150,000,000	152,264,565	150,000,000	6.22%	9,208,605	6.14%
16	5.70% Issued Dec 2006	12/15/06	7/1/37	150,000,000	141,337,696	150,000,000	6.12%	9,179,674	6.12%
17	5.125% Issued Sept 2009	9/22/09	4/1/22	250,000,000	255,040,618	250,000,000	4.91%	12,268,615	4.91%
18	3.89% Issued Dec. 2010	12/20/10	12/20/20	52,000,000	45,341,207	52,000,000	5.58%	2,900,581	5.58%
19	5.55% Issued Dec. 2010	12/20/10	12/20/40	35,000,000	29,477,345	35,000,000	6.79%	2,375,887	6.79%
20	4.45% Issued Dec. 2011	12/14/11	12/14/41	85,000,000	73,750,167	85,000,000	5.34%	4,538,871	5.34%
21	4.23% Issued Nov. 2012	11/30/13	11/29/47	80,000,000	60,617,277	80,000,000	5.87%	4,694,533	5.87%
22	4.11% Issued Dec. 2014	12/18/14	12/1/44	60,000,000	65,000,795	60,000,000	3.65%	2,190,040	3.65%
23	4.37% Issued Dec. 2015	12/16/15	12/1/45	100,000,000	90,025,940	100,000,000	5.02%	5,016,889	5.02%
24	3.54% Issued Dec. 2016	12/15/16	12/1/51	175,000,000	119,991,233	175,000,000	5.60%	9,797,043	5.60%
25	3.91% Issued Dec. 2017	12/14/17	12/1/47	90,000,000	80,624,139	90,000,000	4.55%	4,095,220	4.55%
26	4.35% Issued May 2018	5/22/18	6/1/48	375,000,000	343,794,700	375,000,000	4.87%	18,303,348	4.88%
27	3.43% Issued Nov. 2019	11/26/19	12/1/49	180,000,000	165,563,286	180,000,000	3.89%	6,992,851	3.88%
28									
29	Junior Subordinated Debentures	6/3/97	6/1/37	51,547,000	5,202,039	51,547,000	1.24%	1,444,494	2.80%
30									
31									
32									
32	TOTAL			1,872,047,000	1,664,940,788	1,872,047,000		95,741,071	5.11%

PREFERRED STOCK

Year: 2019

	Series	Issue Date Mo./Yr.	Shares Issued	Par Value	Call Price	Net Proceeds	Cost of Money	Principal Outstanding	Annual Cost	Embed. Cost %
1										
2										
3	N/A									
4										
5										
6										
7										
8										
9										
10										
11										
12										
13										
14										
15										
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19										
20										
21										
22										
23										
24										
25										
26										
27										
28										
29										
30										
31										
32	TOTAL									

COMMON STOCK

Year: 2019

		Avg. Number of Shares Outstanding	Book Value Per Share	Earnings Per Share	Dividends Per Share	Retention Ratio	Market Price		Price/Earnings Ratio
							High	Low	
1									
2									
3									
4	January								
5									
6	February								
7									
8	March	65,733,000	29.15	1.76	0.3875		40.69	40.26	
9									
10	April								
11									
12	May								
13									
14	June	65,894,000	29.15	0.38	0.3875		44.63	44.38	
15									
16	July								
17									
18	August								
19									
20	September	66,265,000	29.15	0.08	0.3875		48.94	48.29	
21									
22	October								
23									
24	November								
25									
26	December	66,929,000	29.15	0.76	0.3875		48.20	47.75	
27									
28									
29									
30									
31									
32	TOTAL Year End	67,177	28.87	2.97	1.55	47.81%	48.09		16.2

MONTANA EARNED RATE OF RETURN

Year: 2019

	Description	Last Year	This Year	% Change
	Rate Base			
1				
2	101 Plant in Service			
3	108 (Less) Accumulated Depreciation			
4	NET Plant in Service			
5				
6	Additions			
7	154, 156 Materials & Supplies			
8	165 Prepayments			
9	Other Additions			
10	TOTAL Additions			
11				
12	Deductions			
13	190 Accumulated Deferred Income Taxes			
14	252 Customer Advances for Construction			
15	255 Accumulated Def. Investment Tax Credits			
16	Other Deductions			
17	TOTAL Deductions			
18	TOTAL Rate Base			
19				
20	Net Earnings			
21				
22	Rate of Return on Average Rate Base			
23				
24	Rate of Return on Average Equity			
25				
26	Major Normalizing Adjustments & Commission			
27	Ratemaking adjustments to Utility Operations			
28				
29				
30	Rates charged were based on the			
31	Company's last rate order from the Idaho			
32	Public Utilities Commission and accepted by			
33	the Montana Commission. The Company			
34	does not calculate separate rates of return			
35	for the Montana jurisdiction.			
36				
37				
38				
39				
40				
41				
42				
43				
44				
45				
46				
47	Adjusted Rate of Return on Average Rate Base			
48				
49	Adjusted Rate of Return on Average Equity			

MONTANA COMPOSITE STATISTICS

Year: 2019

	Description	Amount
1		
2	Plant (Intrastate Only) (000 Omitted)	
3		
4	101 Plant in Service	666,404
5	107 Construction Work in Progress	
6	114 Plant Acquisition Adjustments	
7	105 Plant Held for Future Use	
8	154, 156 Materials & Supplies	5,164
9	(Less):	
10	108, 111 Depreciation & Amortization Reserves	(318,214)
11	252 Contributions in Aid of Construction	
12		
13	NET BOOK COSTS	353,354
14	Revenues & Expenses (000 Omitted)	
15		
16		
17	400 Operating Revenues	93
18		
19	403 - 407 Depreciation & Amortization Expenses	11,799
20	Federal & State Income Taxes	(238)
21	Other Taxes	12,636
22	Other Operating Expenses	40,058
23	TOTAL Operating Expenses	64,256
24		
25	Net Operating Income	(64,162)
26		
27	415-421.1 Other Income	
28	421.2-426.5 Other Deductions	
29		
30	NET INCOME	(64,162)
31	Customers (Intrastate Only)	
32		
33		
34	Year End Average:	
35	Residential	9
36	Commercial	7
37	Industrial	
38	Other	14
39		
40	TOTAL NUMBER OF CUSTOMERS	30
41	Other Statistics (Intrastate Only)	
42		
43		
44	Average Annual Residential Use (Kwh)	24,333
45	Average Annual Residential Cost per (Kwh) (Cents)	8.25
46	* Avg annual cost = [(cost per Kwh x annual use) + (mo. svc chrg x 12)]/annual use	
47	Average Residential Monthly Bill	167.31
48	Gross Plant per Customer	74,045

MONTANA CUSTOMER INFORMATION

Year: 2019

	City/Town	Population (Include Rural)	Residential Customers	Commercial Customers	Industrial & Other Customers	Total Customers
1						
2	Noxon, Montana		9	7	14	30
3						
4						
5						
6						
7						
8						
9						
10						
11						
12						
13						
14						
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23						
24						
25						
26						
27						
28						
29						
30						
31						
32	TOTAL Montana Customers		9	7	14	30

MONTANA EMPLOYEE COUNTS

Year: 2019

	Department	Year Beginning	Year End	Average
1				
2	Noxon Generating Station	43	39	41
3				
4				
5				
6				
7				
8				
9				
10				
11				
12				
13				
14				
15				
16				
17				
18				
19				
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22				
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28				
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30				
31				
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34				
35				
36				
37				
38				
39				
40				
41				
42				
43				
44				
45				
46				
47				
48				
49				
50	TOTAL Montana Employees	43	39	41

MONTANA CONSTRUCTION BUDGET (ASSIGNED & ALLOCATED)

Year: 2019

	Project Description	Total Company	Total Montana
1			
2	Noxon Rapids Capital Projects Upgrades	500,000	500,000
3			
4	Clark Fork Improvement	2,088,515	565,715
5			
6	Regulating Hydro Project	2,137,540	491,634
7			
8	Colstrip Capital Projects	12,870,000	12,870,000
9			
10	Other	4,050,993	1,887,821
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			
50	TOTAL	21,647,048	16,315,170

TOTAL SYSTEM & MONTANA PEAK AND ENERGY

Year: 2019

System						
		Peak Day of Month	Peak Hour	Peak Day Volumes Megawatts	Total Monthly Volumes Energy (Mwh)	Non-Requirements Sales For Resale (Mwh)
1	Jan.	15	800	1475	1,088,872	217,189
2	Feb.	7	800	1577	1,064,342	212,065
3	Mar.	1	800	1527	1,166,712	310,411
4	Apr.	11	800	1224	1,091,759	380,311
5	May	30	1700	1309	1,095,475	386,851
6	Jun.	13	1600	1470	1,009,485	284,634
7	Jul.	23	1700	1590	1,019,952	226,577
8	Aug.	7	1700	1656	1,007,778	181,821
9	Sep.	4	1800	1385	922,575	222,870
10	Oct.	30	800	1504	955,260	165,475
11	Nov.	1	800	1418	1,000,441	174,636
12	Dec.	16	1800	1474	1,075,135	179,408
13	TOTAL				12,497,786	2,942,248

Montana						
		Peak Day of Month	Peak Hour	Peak Day Volumes Megawatts	Total Monthly Volumes Energy (Mwh)	Non-Requirements Sales For Resale (Mwh)
14	Jan.					
15	Feb.					
16	Mar.					
17	Apr.					
18	May					
19	Jun.					
20	Jul.					
21	Aug.					
22	Sep.					
23	Oct.					
24	Nov.					
25	Dec.					
26	TOTAL					

TOTAL SYSTEM Sources & Disposition of Energy

SCHEDULE 33

	Sources	Megawatthours	Disposition	Megawatthours
1	Generation (Net of Station Use)			
2	Steam	1,898,160	Sales to Ultimate Consumers (Include Interdepartmental)	9,015,988
3	Nuclear			
4	Hydro - Conventional	3,519,884		
5	Hydro - Pumped Storage		Requirements Sales for Resale	
6	Other	2,155,469		
7	(Less) Energy for Pumping			
8	NET Generation	7,573,513	Non-Requirements Sales for Resale	2,942,248
9	Purchases	5,344,702		
10	Power Exchanges			
11	Received	9,046	Energy Furnished Without Charge	86,149
12	Delivered	(429,475)		
13	NET Exchanges	(420,429)		
14	Transmission Wheeling for Others		Energy Used Within Electric Utility	
15	Received	3,689,993		
16	Delivered	(3,689,993)		
17	NET Transmission Wheeling		Total Energy Losses	453,401
18	Transmission by Others Losses			
19	TOTAL	12,497,786	TOTAL	12,497,786

SOURCES OF ELECTRIC SUPPLY

Year: 2019

	Type	Plant Name	Location	Annual Peak (MW)	Annual Energy (Mwh)
1					
2	Washington:				
3					
4	Thermal	Kettle Falls	Kettle Falls, WA	16	18,274,000
5	Hydro	Little Falls	Ford, WA	37	163,998,000
6	Hydro	Long Lake	Ford, WA	91	438,456,000
7	Hydro	Monroe Street	Spokane, WA	23	98,076,000
8	Hydro	Nine Mile	Spokane, WA	28	119,575,000
9	Hydro	Upper Falls	Spokane, WA	17	66,538,000
10	Combustion -				
11	Turbine	Northeast	Spokane, WA	63	3,459,000
12	Combustion -				
13	Turbine	Kettle Falls Bi-fuel	Kettle Falls, WA	100	316,112,000
14	Combustion -				
15	Turbine	Boulder Park	Spokane, WA	25	66,910,000
16					
17					
18	Idaho:				
19	Hydro	Cabinet Gorge	Clark Fork, ID	266	991,068,000
20	Hydro	Post Falls	Post Falls, ID	16	68,660,000
21	Combustion -				
22	Turbine	Rathdrum	Rathdrum, ID	156	176,180,000
23					
24					
25					
26	Montana:				
27	Thermal	Colstrip #3 and #4	Colstrip, MT	235	1,582,048,000
28	Hydro	Noxon	Thompson Falls, MT	556	1,573,513,000
29					
30	Oregon:				
31	Combustion -				
32	Turbine	Coyote Springs 2	Boardman, OR	284	1,890,646,000
33					
34					
35					
36					
37					
38					
39					
40					
41					
42					
43					
44					
45					
46					
47					
48					
49	Total			1,913	7,573,513,000

MONTANA CONSERVATION & DEMAND SIDE MANAGEMENT PROGRAMS

Year: 2019

	Program Description	Current Year Expenditures	Last Year Expenditures	% Change	Planned Savings (MW & MWH)	Achieved Savings (MW & MWH)	Difference (MW & MWH)
1	Not applicable						
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	TOTAL						

Electric Universal System Benefits Programs

	Program Description	Actual Current Year Expenditures	Contracted or Committed Current Year Expenditures	Total Current Year Expenditures	Expected savings (MW and MWh)	Most recent program evaluation
1	Local Conservation					
2						
3	Avista Corp. does not have any benefit programs in Montana.					
4						
5						
6						
7						
8	Market Transformation					
9						
10						
11						
12						
13						
14						
15	Renewable Resources					
16						
17						
18						
19						
20						
21						
22	Research & Development					
23						
24						
25						
26						
27						
28						
29	Low Income					
30						
31						
32						
33						
34						
35	Large Customer Self Directed					
36						
37						
38						
39						
40						
41						
42	Total					
43	Number of customers that received low income rate discounts					
44	Average monthly bill discount amount (\$/mo)					
45	Average LIEAP-eligible household income					
46	Number of customers that received weatherization assistance					
47	Expected average annual bill savings from weatherization					
48	Number of residential audits performed					

Montana Conservation & Demand Side Management Programs

	Program Description	Actual Current Year Expenditures	Contracted or Committed Current Year Expenditures	Total Current Year Expenditures	Expected savings (MW and MWh)	Most recent program evaluation
1	Local Conservation					
2						
3	Avista Corp. does not have any conservation & demand side management programs in Montana.					
4						
5						
6						
7						
8	Demand Response					
9						
10						
11						
12						
13						
14						
15	Market Transformation					
16						
17						
18						
19						
20						
21						
22	Research & Development					
23						
24						
25						
26						
27						
28						
29	Low Income					
30						
31						
32						
33						
34						
35	Other					
36						
37						
38						
39						
43						
44						
45						
46	Total					

MONTANA CONSUMPTION AND REVENUES

Year: 2019

	Sales of Electricity	Operating Revenues		MegaWatt Hours Sold		Avg. No. of Customers	
		Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
1	Residential	\$18,070	\$17,333	208	200	9	9
2	Commercial - Small	34,961	34,996	355	353	7	7
3	Commercial - Large						
4	Industrial - Small						
5	Industrial - Large						
6	Interruptible Industrial						
7	Public Street & Highway Lighting						
8	Other Sales to Public Authorities						
9	Sales to Cooperatives						
10	Sales to Other Utilities						
11	Interdepartmental	40,438	45,294	460	506	14	14
12							
13	TOTAL	\$93,469	\$97,623	1,023	1,059	30	30