

Exhibit No. ___ (DCG-16C)
Dockets UE-150204/UG-150205
Witness: David C. Gomez
REDACTED VERSION

BEFORE THE WASHINGTON
UTILITIES AND TRANSPORTATION COMMISSION

WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION,

Complainant,

v.

AVISTA CORPORATION dba AVISTA
UTILITIES,

Respondent.

DOCKETS UE-150204 and
UG-150205
(Consolidated)

EXHIBIT TO
TESTIMONY OF

DAVID C. GOMEZ

STAFF OF
WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION

*Avista Supplemental Response to Staff DR 141C,
and Supplemental Response Attachment A*

July 27, 2015

Revised August 4, 2015

CONFIDENTIAL PER PROTECTIVE ORDER
REDACTED VERSION

AVISTA CORP.
RESPONSE TO REQUEST FOR INFORMATION

JURISDICTION:	WASHINGTON	DATE PREPARED:	06/23/ 2015
CASE NO.:	UE-150204 & UG-150205	WITNESS:	Don Kopczynski
REQUESTER:	UTC Staff - Gomez	RESPONDER:	Larry La Bolle
TYPE:	Data Request	DEPT:	State & Federal Regulation
REQUEST NO.:	Staff – 141C Supplemental	TELEPHONE:	(509) 495-4710
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REQUEST:

Figure 2 (attached *confidential document* shows the final budget for Project Compass as approved by the Executive Steering Committee. In its annual compliance filings in UE-120436 and UE-140188, Avista reported actual expenditures for Project Compass at \$34.4 million for 2013 and \$42.1 million for 2014 (\$76.5 million total or 96.8 percent of the total budget). The Company also reported a forecasted expenditure for 2015 of an additional \$19.3 million (bringing the new total for Project Compass to \$95.8 million). Mr. Kensok's direct testimony in this case, UE-150204, Exhibit No. ___ (JMK-1T), Page 20:1-6, states that the Company first revised the capital costs for the project to \$100 million in June of 2014. In November of 2014 the Company revised that number to \$107 million. Finally, Mr. Kensok says the Company's Board of Director's authorized a spending limit of \$110 million for Project Compass.

- A. The Company's actual (2012-2014) and forecast (2015) transfers to plant for Project Compass total \$119.9 million to date. Explain why transfer to plant amounts through 2015 are almost \$10 million above the expenditure limit set by the Board of Directors.
- B. Explain the \$11.2 million discrepancy between the compliance filing expenditure amounts through 2015 (\$98.5 million) and Mr. Kensok's testimony (\$107 million revised budget).
- C. Using the same Budget Categories shown in Figure 2 above, show where the additional \$41.0 million in expenditures for Project Compass were spent. In addition, provide year-end actual expenditure snap-shots of these budget categories for 2013, 2014 and 2015 forecast.
 1. Define the Budget Category, "Contractor Costs". List each contractor expenditure amount by year and reference the contract and statement of work specific to deliverables tied to payments/expenditures.
 2. Define the Budget Category, "Software Costs". List each contractor expenditure amount by year and reference the contract and statement of work specific to deliverables tied to payments/expenditures.
 3. Define the Budget Category, "Installation Contractors". List each contractor expenditure amount by year and reference the contract and statement of work specific to deliverables tied to payments/expenditures.
 4. Specify and explain where the project spent the additional \$41.0 million to land the applications associated with Project Compass. In particular, provide expenditure detail around Mr. Kensok's statement's in his testimony, Exhibit No. ___ (JMK-1T), Page 20:10-13. In particular, the additional expenditure amount paid by Avista to its integration contractor for additional overseas code-development resources to complete deployment of Project Compass systems.

Any responsive materials provided in Excel format should be fully functional with all workbooks, worksheets, data and formulae left intact.

Remainder of Exhibit is redacted.