**BEFORE THE**

**WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**

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| WASHINGTON UTILITIES AND  TRANSPORTATION COMMISSION  Complainant,  v.  AVISTA CORPORATION d/b/a  AVISTA UTILITIES  Respondent. | )  )  )  )  )  )  )  )  )  )  )  )  ) | DOCKETS UE-160228 and  UG-160229 (*Consolidated*) |

**CROSS-ANSWERING TESTIMONY OF BRADLEY G. MULLINS**

**ON BEHALF OF**

**THE INDUSTRIAL CUSTOMERS OF NORTHWEST UTILITIES**

**AND**

**THE NORTHWEST INDUSTRIAL GAS USERS**

**September 19, 2016**

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EXHIBIT LIST

Exhibit No. BGM-11: Updated Electric Attrition Allowance Model

Exhibit No. BGM-12: Updated Natural Gas Attrition Allowance Model

Exhibit No. BGM-13: Updated Electric Traditional Revenue Requirement Calculations

Exhibit No. BGM-14: Updated Natural Gas Traditional Revenue Requirement Calculations

1. Introduction and Summary

Q. PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.

A. My name is Bradley G. Mullins, and my business address is 333 SW Taylor Street, Suite 400, Portland, Oregon 97204.

Q. ARE YOU THE SAME BRADLEY G. MULLINS WHO PREVIOUSLY FILED TESTIMONY IN THIS PROCEEDING?

A. Yes. I previously filed Response Testimony on behalf of the Industrial Customers of Northwest Utilities and the Northwest Industrial Gas Users on revenue requirement issues associated with the rate filing of Avista Corporation (“Avista” or the “Company”) in this matter before the Washington Utilities and Transportation Commission (the “WUTC” or the “Commission”).

Q. WHAT IS THE PURPOSE OF YOUR CROSS-ANSWERING TESTIMONY?

A. I respond to the Response Testimony of the Staff of the WUTC (“Staff”) on revenue requirement issues. Specifically, I discuss the Response Testimony of Staff witness Christopher S. Hancock on revenue requirement calculated using the “Attrition Allowance” methodology.[[1]](#footnote-1)/ I also discuss the Response Testimony of Staff witnesses Joanna Huang, Melissa Cheesman, and Elizabeth C. O’Connell on revenue calculated using the “Traditional” methodology.

Q. WHAT REVENUE REQUIREMENT DOES STAFF RECOMMEND FOR THE COMPANY?

A. Using the Attrition Allowance methodology, Staff’s model calculates a revenue requirement deficiency for the Company of $30.0 million for electric services[[2]](#footnote-2)/ and $2.1 million for gas services.[[3]](#footnote-3)/ If approved, Staff’s recommendation would result in an approximate 6.0% rate increase for electric services[[4]](#footnote-4)/ and an approximate 2.4% rate increase for gas services.[[5]](#footnote-5)/ Under the Traditional methodology, excluding an Attrition Allowance, Staff’s model calculates a revenue requirement *sufficiency* for the Company of $4.5 million for electric services[[6]](#footnote-6)/ and $3.3 million for gas services.[[7]](#footnote-7)/ Thus, there is a considerable range between the revenue requirement calculations performed by Staff under the Attrition Allowance and Traditional methodologies.

Q. HAVE YOU UPDATED YOUR REVENUE REQUIREMENT CALCULATIONS IN RESPONSE TO STAFF?

A. Yes. I accept multiple aspects of Staff’s Attrition Allowance revenue requirement model. Primarily, I have updated my Attrition Allowance model to reflect the use of test period data from calendar year 2015, rather than the test period data included in the Company’s filing from the year ending September 2015. After making these updates, my Attrition Allowance model supports an Attrition Allowance revenue sufficiency of $1.0 million for electric services and a revenue sufficiency of $2.0 million for gas services.[[8]](#footnote-8)/ These Attrition Allowance revenue requirement figures are slightly higher than what I recommended in Response Testimony and can be found in Exhibit No. BGM-11 for electric services and Exhibit No. BGM-12 for gas services. There are still differences, however, between Staff’s Attrition Allowance model and mine. These include different perspectives on the reasonableness of escalation factors, the appropriateness of post-attrition adjustments, the application of the used and useful standard, and a few other small revenue requirement issues. I will discuss these issues below.

With respect to the Traditional revenue requirement methodology, I have accepted several adjustments contested by Staff and have revised my calculations accordingly. My updated Traditional revenue requirement calculations support a revenue sufficiency of $8.1 million for electric services and a revenue sufficiency of $4.1 million for gas services. These calculations can be found in Exhibit No. BGM-13 for electric services and Exhibit No. BGM-14 for gas services.

Q. HOW SHOULD THE COMMISSION EVALUATE THE RANGE OF REVENUE REQUIREMENT PRESENTED BY PARTIES IN THIS PROCEEDING?

A. As noted in my Response Testimony, small changes in the Attrition Allowance model can have large impacts on the end result produced by the model. This feature of the Attrition Allowance model has contributed to the large spreads between the various revenue requirement values supported by parties in this proceeding. I would note that the Commission recently approved a rate plan for Pacific Power & Light Company (“Pacific Power”) and it did so using the Traditional revenue requirement methodology.[[9]](#footnote-9)/ Accordingly, it would not be unreasonable for the Commission to use the Traditional revenue requirement methodology to establish rates in this proceeding.

1. Attrition Allowance Methodology

Q. WHAT ARE THE PRIMARY DIFFERENCES BETWEEN YOUR ATTRITION ALLOWANCE MODEL AND STAFF’S?

A. There are a number of differences between my Attrition Allowance model and Staff’s Attrition Allowance model. I have not identified each and every difference between the two models. Notwithstanding, some of the primary differences between the Attrition Allowance models include the following: 1) the Staff model updated the test period to the 12 months ending December 31, 2015, rather than the 12 months ending September 30, 2015 included in the Company’s initial filing; 2) the Staff model used a different methodology to evaluate escalation rates; 3) the Staff model included a “post-attrition adjustment” related to the Spokane River projects in the electric Attrition Allowance; and 4) Staff’s model did not include an adjustment to reduce rate base to reflect the amount that it determined as used and useful. I will discuss each of these, and a few other minor differences, below, in addition to discussing why I continue to believe that my model produces a more reasonable and balanced result.

Q. WHY DID STAFF UPDATE THE TEST PERIOD TO THE 12 MONTHS ENDING DECEMBER 31, 2015, IN ITS ATTRITION ALLOWANCE MODEL?

A. In the test period data used to establish the Attrition Allowance “base,” the base results of operations are subject to escalation in the Attrition Allowance model. The test period data also serves as the final data point in the calculation of escalation factors using historical trend data. Staff has proposed to update the test period data to be reflective of the 12 months ending December 31, 2015. This is in contrast to the Company’s filing, which supported a test period of the 12 months ending September 30, 2015.

Staff’s reasoning for updating the test period data used in the Attrition Allowance model can be found at Exhibit No. CSH-1T, page 30, line 16 through page 31, line 6. There, Staff describes why it updated the test period used for the attrition base, arguing that updating the attrition base would be more consistent with the Company’s 2015 General Rate Case. Staff also suggests that updating allows for the evaluation of a broader data set and allows the analysis to incorporate more recent results.

Q. DO YOU AGREE THAT THESE ARE VALID REASONS TO UPDATE THE TEST PERIOD USED IN THE ATTRITION ALLOWANCE BASE?

A. Not necessarily. As discussed in my Response Testimony, the Company had the option to wait until the calendar year 2015 data was available to make its filing. The evidence the Company presented in its initial filing is based on financial data for the year ending September 2015. Accordingly, I believe it would be more appropriate for the Commission to continue to rely on the test period that the Company filed to establish revenue requirement in this proceeding. In addition, I do not necessarily agree that the update that occurred in the 2015 General Rate Case should be considered a precedent for updating test period data in this proceeding. The reasons for updating the test period data in the 2015 General Rate Case proceeding had more to do with inconsistences in the test period data, which are not necessarily present in this proceeding.

Notwithstanding, in the interest of potentially limiting the amount of controversy in this proceeding, I have updated my Attrition Allowance revenue requirement calculations to accept the use of calendar year 2015 data to establish the Attrition Allowance base. I also accept Staff’s proposal to remove storm fees from the Attrition Allowance base. There still remain a few minor differences between the Staffs attrition base and mine. For example, my model includes an additional adjustment to remove 50% of director fees included in the Attrition Allowance base results.

Finally, I have also updated my Attrition Allowance revenue requirement calculation to reflect calendar year 2015 data in the historical trend calculations. The trend data the Company supplied in its filing used data from the 12 months ending September 2015 as the final year in the escalation rate calculation. While I now include calendar year 2015 data as the final year in the escalation rate calculations, I have not altered the methodology proposed in my Response Testimony to evaluate the reasonableness of the various escalation factors.

Q. DID STAFF’S MODEL UPDATE THE REVENUE ESCALATION RATES WHEN UPDATING TO 2015?

A. No. The data response that Staff relied upon to update its Attrition Allowance model did not include updated revenue growth rates.[[10]](#footnote-10)/ The revenue growth rates are calculated by comparing historical billing determinants to forecast billing determinants and are applied to revenues in a manner that is similar to how escalation rates are applied to other cost categories. The data response that the Company provided to Staff, where it updated to calendar year 2015 data, did not update the historical billing determinants, and thus, did not update the revenue growth escalation rates. In my model, I also have not adjusted the revenue growth rates to reflect 2015 data because new 2015 billing determinants were not proposed for use in the Company’s rate design model.

Q. WHAT METHODOLOGY DID STAFF USE TO CALCULATE ESCALATION RATES USED IN THE ATTRITION ALLOWANCE MODEL?

A. In my model, I reviewed data over the period 2000 – 2015 to evaluate the appropriateness of the escalation rate applicable to each category of cost. In contrast, Staff used historical data over the period of 2007 through 2015 to calculate the escalation rate for each category of costs.[[11]](#footnote-11)/ While Staff’s model reviewed rate base items at a more granular level than the Company, it did not perform the same level of review for other cost categories, such as operations expense.[[12]](#footnote-12)/ In addition, Staff did not perform the detailed, case-by-case review of escalation factors that I presented in my Response Testimony. Staff’s model used an escalation period of 2007 through 2015, irrespective of whether a category of cost experienced a clear trend over that period.[[13]](#footnote-13)/ Finally, Staff calculates the escalation rates, using a best-fit linear formula for most categories of cost, although Staff proposes to use the derivative of a best-fit polynomial function to calculate the escalation rates attributable to certain natural gas cost categories.[[14]](#footnote-14)/

Q. WHAT WAS STAFF’S JUSTIFICATION FOR USING AN ESCALATION PERIOD OF 2007 THROUGH 2015?

A. Staff suggests that the period 2007 – 2015 is appropriate because it represents a longer set of data than what Staff proposed to use in the 2015 General Rate Case.[[15]](#footnote-15)/ My model, however, uses data over the longer period of 2000 through 2015, and thus, would be more appropriate based on Staff’s reasoning.

In addition, Staff suggests a credit upgrade that occurred in early 2008 is another reason to use the period 2007 – 2015.[[16]](#footnote-16)/ Staff did not necessarily provide any data to suggest that the trajectory of historical cost data changed as a result of that credit upgrade. Review of the data in my model, however, seems to support a conclusion that the trajectory for many categories of cost changed in 2007, corresponding to the timing of the credit upgrade. This cannot be said for all cost categories, but this credit upgrade may have been a factor in why my analysis supported the use of a 2000 – 2015 escalation period for many cost categories. As documented in my analysis, the credit upgrade does not necessarily justify the use of a 2007 – 2015 escalation for all cost categories. My analysis included detailed explanations for why I selected the escalation period attributable to each category of cost, and to the extent that the trajectory of any particular category of cost did, in fact, change as a result of the credit upgrade, my analysis would have taken that change in trajectory into consideration.

Q. HAS STAFF PROPOSED TO REVIEW THE COST DATA AT A MORE GRANULAR LEVEL THAN THE COMPANY?

A. In my Response Testimony, I discussed why I believe a more informed result will be produced if the Commission evaluates historical trends in the Attrition Allowance method using historical cost data that is more granular than presented in the Company’s initial filing. Staff came to a similar conclusion with respect to rate base.[[17]](#footnote-17)/ Staff did not, however, apply the same level of review to operating expenses.[[18]](#footnote-18)/ While Staff describes why it believes rate base ought to be evaluated at a more granular level, it does not necessarily state why operating expense should not receive the same treatment. Accordingly, for the reasons described in my Response Testimony, I continue to support the evaluation of operating expenses at a more granular level than presented in the Company’s initial filing.

In addition, when evaluating rate base, the Staff model evaluates the trends associated with gross plant and depreciation reserves separately. This is in contrast to my model, which evaluates the net plant associated with each rate based category. While evaluating gross plant and depreciation reserves separately may not necessarily lead one to a different conclusion with respect to the escalation rates applicable to rate base categories, I found it more informative to evaluate the historical changes in net plant for each category of cost.

Q. DO YOU AGREE WITH STAFF’S RECOMMENDATION TO USE A POLYNOMIAL FUNCTION TO CALCULATE ESCALATION RATES FOR CERTAIN NATURAL GAS COST CATEGORIES?

A. No. For the reasons described in my Response Testimony, I continue to disagree that it is reasonable to use a polynomial function to evaluate escalation factors for natural gas services. To the extent that the rate of growth in a particular category of cost appears to be accelerating or decelerating, that may be a reason to calculate the escalation rate based on more recent information. This is a factor that I considered in the case-by-case analysis presented in my Response Testimony.

I also disagree that the degree of statistical significance present in a polynomial equation is a reason to adopt a higher-order equation to evaluate the level of historical growth. One could potentially devise even higher-order equations, such as a quartic formula, that produce a higher degree of statistical significance than the quadratic formula being evaluated in Staff’s polynomial function. Yet, a higher degree equation would not necessarily produce a more accurate forecast of how costs will change in the future. Accordingly, I continue to believe that it is more appropriate not to make any assumptions with respect to the acceleration, or deceleration, of the rate of growth of any category of cost in this proceeding and support the use of a linear model to calculate escalation factors for all categories of cost in the Attrition Allowance model.

Q. WHAT HAS STAFF PROPOSED WITH RESPECT TO THE SPOKANE RIVER PROJECTS?

A. Staff proposes to include in its Attrition Allowance revenue requirement a post-attrition adjustment for the Spokane River Projects on the basis that “the historical record does not accurately capture the characteristics that the *pro forma* adjustment seeks to correct.”[[19]](#footnote-19)/ Staff also proposes a methodology by which a pro forma adjustment can be incorporated into the trends calculated in the Attrition Allowance methodology.[[20]](#footnote-20)/ After application of this methodology, Staff’s analysis produces a smaller post-attrition adjustment for the Spokane River Projects than the Company proposed.

Q. DO YOU AGREE WITH STAFF’S JUSTIFICATION FOR INCLUDING A POST-ATTRITION ADJUSTMENT FOR THE SPOKANE RIVER PROJECTS?

A. No. As noted in my Response Testimony, if a known and measurable, pro forma standard is to be applied, it should be applied to all categories of costs. Providing the Company with the opportunity for additional cost recovery because the historical trends are insufficient to support the known and measurable amount for any particular category of cost is one-sided because the historical trends applied to other categories of cost may produce cost that exceed the known and measurable amount. If the Traditional revenue requirement methodology, based upon the application of the known and measurable and used and useful standard, produces a result that is more favorable than the Attrition Allowance methodology, then the Traditional revenue requirement method should be used. Allowing the Company to interchange aspects of the various methods, based on the scenario that produces the most favorable outcome, would be an unreasonable result to ratepayers.

Q. IF THE SPOKANE RIVER PROJECTS ARE APPROVED AS A POST-ATTRITION ADJUSTMENT, SHOULD ANY OTHER ADJUSTMENTS BE MADE TO THE MODEL?

A. Yes. The Spokane River Projects constitute the majority of major capital additions that the Company has placed into service through July of 2016. The Attrition Allowance model, however, calculates escalation over a two-year period from 2015 to 2017. Accordingly, if a post-attrition adjustment is to be allowed for the Spokane River Projects, it would be more accurate to reduce the number of years of escalation for rate base from two years to one. That is, rate base items should be escalated from mid-year 2016 levels to mid-year 2017 levels.

Q. DID STAFF INCLUDE AN ADJUSTMENT TO REDUCE RATE BASE BASED ON THE AMOUNT IT DETERMINED TO BE USED AND USEFUL?

A. No. The final step in my Attrition Allowance model is a check that reduces rate base if it exceeds the amount determined to be used and useful. Staff did not perform a similar analysis. The used and useful analysis performed by Staff, based on the Commission’s long-standing practice, assumes rate base of $1,383.1 million for electric services[[21]](#footnote-21)/ and $279.4 million for gas services.[[22]](#footnote-22)/ In contrast, Staff’s Attrition Allowance model supports a rate base of $1,438.6 million for electric services[[23]](#footnote-23)/ and $294.1 million for gas services.[[24]](#footnote-24)/ Thus, Staff’s Attrition Allowance revenue requirement is based on a rate base valuation that exceeds the amount determined to be used and useful by $55.5 million for electric services and $14.7 million for gas services. If the Commission were to apply the used and useful standard to Staff’s model based on my recommendation, it would eliminate this difference by reducing the rate base included in the Attrition Allowance model by $55.5 million for electric services and $14.7 million for gas services.

Q. HAVE YOU MADE ANY OTHER UPDATES TO YOUR ATTRITION ALLOWANCE REVENUE REQUIREMENT?

A. Yes. The Attrition Allowance model applies a production factor when determining the revenue requirement and rate base applicable to the test period. When I performed the used and useful adjustment in my model, I did so prior to the application of the production factor. Upon further review, that adjustment should have been applied after the application of the production factor, as rate base after the application of the production factor is the value that is ultimately used to establish revenue requirement. I have updated my model to reflect this change, which ultimately results in no adjustment to either the gas or electric Attrition Allowance model to satisfy the used and useful standard. If different escalation factors were to be used for rate bases, an adjustment to satisfy the used and useful standard in the Attrition Allowance model may still be necessary.

Q. WHAT ARE THE REMAINING DIFFERENCES BETWEEN YOUR MODEL AND STAFF’S?

A. There appear to be a number of other small differences, and I have not necessarily reconciled them all. For example, my model includes an adjustment for Director Fees, after applying a 50%/50% split for these expenses.[[25]](#footnote-25)/

Q. PLEASE SUMMARIZE YOUR RESPONSE TO STAFF ON THE ATTRITION ALLOWANCE METHODOLOGY.

A. While I accept the use of 2015 test period data in the Attrition Allowance model and a few other aspects of Staff’s model, there are several other aspects of Staff’s Attrition Allowance model that I do not agree with. For example, I believe that my case-by-case review of escalation factors produces a more reasonable and more informed result. I also believe that it is not appropriate to include pro-forma adjustments above and beyond the historical trend amounts. Finally, I continue to believe that it is critical to perform a final step in the Attrition Allowance model to determine whether the level of rate base satisfies the used and useful standard.

1. Traditional Methodology

Q. DO YOU AGREE WITH STAFF’S CHARACTERIZATION THAT “AVISTA’S REVENUE REQUIREMENT CALCULATION IS BASED SOLELY ON ITS ATTRITION STUDY”[[26]](#footnote-26)/?

A. Yes. Although, it is also true that Staff’s proposed revenue requirement is also based solely on its Attrition Allowance study. As such, the revenue requirement adjustments proposed by Staff have little or no bearing on the ultimate revenue requirement Staff proposes for the Company.

Q. WHAT TREATMENT DOES STAFF PROPOSE FOR MAJOR PRO FORMA PLANT ADDITIONS?

A. Staff proposes to include “major” plant additions that were placed into service by July 31, 2016.[[27]](#footnote-27)/

Q. DO YOU AGREE WITH STAFF’S RECOMMENDATION WITH RESPECT TO MAJOR PRO FORMA PLANT ADDITIONS?

A. Given the specific pro forma plant additions proposed by the Company in this proceeding, I am not opposed to Staff’s definition of “major,” nor its proposal to include plant additions that were placed into service through July 31, 2016. This is a similar approach that I proposed in my Response Testimony, updated for two more months of actual data. I would not support, however, inclusion of any costs beyond July 31, 2016 in this proceeding, as parties have not had the opportunity to fully review and respond to any data beyond July 31, 2016.

Q. DO YOU ACCEPT ANY OTHER STAFF-CONTESTED ADJUSTMENTS?

A. Yes. I support Staff in contesting the following restating and pro forma adjustments:

* Electric Adjustment 1.02 – Deferred Debits and Credits: Staff witness O’Connell contests the treatment of Montana Riverbed Lease expenses, which expire at the end of 2016.[[28]](#footnote-28)/
* Electric Adjustment 3.05 – Pro-forma Regulatory Amortization: Staff witness O’Connell indicates that the Company mistakenly included amortization related to the Bonneville Power Administration Parallel Capacity Support Agreement.[[29]](#footnote-29)/
* Electric Adjustments 2.02 and 3.06; Gas Adjustments 2.02 and 3.04 – Property Taxes: Staff witness Huang discusses why the Company’s treatment of restated and pro forma property taxes is not consistent with the modified historical test period.[[30]](#footnote-30)/
* Electric Adjustment 2.16; Gas Adjustment 2.14 – Restating Incentives. Staff witness Cheesman identifies a number of errors in the Company’s restating adjustment calculation.[[31]](#footnote-31)/
* Gas Adjustment 3.03 – Pro Forma Pipeline Safety Labor. Staff witness Cheesman argues that this cost does not meet the known and measurable standard.[[32]](#footnote-32)/

Q. ARE THERE ANY ADJUSTMENTS CONTESTED BY STAFF THAT YOU DO NOT SUPPORT?

A. I do not necessarily support Staff’s position on Electric Adjustment 3.04 and Gas Adjustment 3.02, concerning Pro Forma Employee benefits.[[33]](#footnote-33)/ My understanding is that the Commission has allowed utilities to update to their most recent actuarial reports when performing pro forma adjustments for periodic pension and other post-retirement benefit expenses.[[34]](#footnote-34)/ Accordingly, I did not come to the same conclusion as Staff with respect to the data presented by the Company in its initial filing.

Q. HAVE YOU PREPARED UPDATED REVENUE REQUIREMENT CALCULATIONS INCORPORATING THESE ADJUSTMENTS?

A. Yes. Updated revenue requirement calculations can be found in Exhibit No. BGM-13 and Exhibit No. BGM-14 for electric and gas services, respectively. After applying these updates, my Traditional revenue requirement model shows a revenue sufficiency of $8.1 million for electric services and $4.1 million for gas services.

Q. HAVE YOU UPDATED YOUR ATTRITION ALLOWANCE MODEL TO REFLECT THE RATE BASE AMOUNT FOUND TO BE USED AND USEFUL?

A. Yes. My analysis shows the level of rate base supported, based upon the used and useful standard, is $1,383.1 million and $275.9 million for electric and gas services, respectively. These amounts are in agreement with the rate base amounts proposed by Staff in its Traditional revenue requirement calculation, prior to the application of an Attrition Allowance. I use these values in my Attrition Allowance model when evaluating whether the model produced a level of rate base that exceeds the amount determined as used and useful.

Q. DOES THIS CONCLUDE YOUR CROSS-ANSWERING TESTIMONY?

A. Yes.

1. / The terms “Attrition Allowance” and “Traditional” are being used in this testimony in the same manner as used in my Response Testimony. [↑](#footnote-ref-1)
2. / Exh. No. CSH-6 at 1:8. Note that Ms. Huang supports an electric revenue requirement increase of $25.6 million inclusive of an Attrition Allowance. It was not necessarily clear to me why Ms. Huang’s recommendation is different from the Attrition Allowance revenue requirement supported by Mr. Hancock. [↑](#footnote-ref-2)
3. / Exh. No. CSH-7 at 1:8. Note that Ms. Huang supports a natural gas revenue requirement increase of $0.7 million inclusive of an Attrition Allowance. It was not necessarily clear to me why Ms. Huang’s recommendation is different from the Attrition Allowance revenue requirement supported by Mr. Hancock. [↑](#footnote-ref-3)
4. / Exh. No. CSH-6 (Excel version), “Summary” tab at 1:11. [↑](#footnote-ref-4)
5. / Exh. No. CSH-7 (Excel version), “Summary” tab at 1:11. [↑](#footnote-ref-5)
6. / Exh. No. JH-2 at 10:51 (See Column “Pro Forma Sub-Total”). [↑](#footnote-ref-6)
7. / Exh. No. JH-3 at 10:50 (See Column “Pro Forma Sub-Total”). [↑](#footnote-ref-7)
8. / See Exh. No. BGM-11 and Exh. No. BGM-12. [↑](#footnote-ref-8)
9. / See WUTC v. Pacific Power, Docket UE-152253, Order 12 (Sept. 1, 2016). [↑](#footnote-ref-9)
10. / See Exh. No. CSH-1T at 31:1-6 (citing the Company’s Response to Staff Data Request 30). [↑](#footnote-ref-10)
11. / Id. at 27:19-20. [↑](#footnote-ref-11)
12. / Id. at 29:17-19. [↑](#footnote-ref-12)
13. / See id. at 27:19-20. [↑](#footnote-ref-13)
14. / See id. at 30:6-8. [↑](#footnote-ref-14)
15. / Id. at 28:3-8. [↑](#footnote-ref-15)
16. / Id. at 28:9-14. [↑](#footnote-ref-16)
17. / See id. at 31:8-32:18 [↑](#footnote-ref-17)
18. / Id. Note that Staff did apply different escalation factors to different categories of depreciation expense in the gas Attrition Allowance study. [↑](#footnote-ref-18)
19. / Id. at 55:5-6. [↑](#footnote-ref-19)
20. / Id. at 58:15-59:9. [↑](#footnote-ref-20)
21. / Exh. No. JH-2 at 10:49 (See Column “Pro Forma Sub-Total”). Note that this number is the level of rate base calculated prior to the Attrition Allowance. [↑](#footnote-ref-21)
22. / Exh. No. JH-3 at 10:47 (See Column “Pro Forma Sub-Total”). Note that this number is the level of rate base calculated prior to the Attrition Allowance. [↑](#footnote-ref-22)
23. / Exh. No. CSH-6 at 1:1. [↑](#footnote-ref-23)
24. / Exh. No. CSH-7 at 1:1. [↑](#footnote-ref-24)
25. / See Exh. No. BGM-1CT at 28:5-11. [↑](#footnote-ref-25)
26. / Exh. No. JH-1T at 9:18. [↑](#footnote-ref-26)
27. / Id. at 14:20-21. [↑](#footnote-ref-27)
28. / Exh. No. ECO-1T at 4:1-10. [↑](#footnote-ref-28)
29. / Id. at 4:11-18. [↑](#footnote-ref-29)
30. / Exh. No. JH-1T at 19:18-21:13. [↑](#footnote-ref-30)
31. / Exh. No. MC-1T at 6:1-11:11. [↑](#footnote-ref-31)
32. / Id. at 15:1-17:19. [↑](#footnote-ref-32)
33. / Id. at 12:1-14:17. [↑](#footnote-ref-33)
34. / See WUTC vs. Pacifc Power, Dockets UE-140762 et al., Order 08 ¶¶ 39-40, 45-46 (Mar. 25, 2015). [↑](#footnote-ref-34)