

**Exh. KMH-14T  
Dockets UE-240006/UG-240007  
Witness: Kristen M. Hillstead**

**BEFORE THE WASHINGTON  
UTILITIES AND TRANSPORTATION COMMISSION**

**WASHINGTON UTILITIES AND  
TRANSPORTATION COMMISSION,**

**Complainant,**

**v.**

**AVISTA CORPORATION,**

**Respondent**

**DOCKETS UE-240006 & UG-240007  
(Consolidated)**

**CROSS-ANSWERING TESTIMONY OF**

**KRISTEN M. HILLSTEAD**

**STAFF OF  
WASHINGTON UTILITIES AND  
TRANSPORTATION COMMISSION**

*Updated Electric Revenue Requirement*

**August 16, 2024**

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## **LIST OF EXHIBITS**

Exh. KMH-15C - Staff's Confidential Electric Revenue Requirement Model

1  
2  
3 **I. INTRODUCTION**

4 **Q. Are you the Same Kristen Hillstead who provided testimony in these dockets on**  
5 **July 3, 2024?**

6 A. Yes.

7 **II. SCOPE AND SUMMARY OF TESTIMONY**

8  
9 **Q. What is the purpose of your testimony?**

10 A. The purpose of my testimony is to update Staff's proposed electric revenue  
11 requirement.

12  
13 **Q. Please summarize your recommendations.**

14 A. Staff updated its electric revenue requirement to incorporate the recommended  
15 changes to power costs as proposed by Staff witness Wilson, Exh. JDW-24CT.  
16 These updates result in an amended revenue increase of \$52.8 million on electric  
17 operations for the 2025 rate year. Staff's original revenue requirement increase  
18 recommendation was \$8.3 million.

19  
20 **Q. Have you prepared an exhibit in support of your testimony?**

21 A. Yes.  
22 • Exh. KMH-15C, Staff's confidential electric revenue requirement model  
23 workbook.

1                                   **III. STAFF’S UPDATED REVENUE REQUIREMENT**

2

3 **Q. Would you please explain the process involved with Staff’s update to Avista’s**  
4 **power costs?**

5 A. Staff witness Wilson provides the explanation for the update, as well as calculating  
6 dollar amount involved with Staff’s power cost update. I input the numbers arrived at  
7 by Staff witness Wilson into Staff’s revenue requirement model.

8

9 **Q. How did you input the power cost update amount in the revenue requirement**  
10 **model?**

11 A. I entered inputs from Staff witness Wilson’s workbook, Exh. JDW-28C, into Staff’s  
12 revenue requirement model. The power cost updates are contained in the Power Cost  
13 Adjustment tab of Exhibit KMH-15C<sup>1</sup> (Staff’s changes to inputs are shaded orange),  
14 and they flow through to several other tabs within the model to produce Staff’s  
15 updated revenue requirement proposal. Specifically, Staff’s new proposed revenue  
16 requirement is shown in column g, line 6 of the Proposed Rev Req and Exp tab; the  
17 proposed revenue requirement is calculated on the Rev Req Calc tab (cell E29); the  
18 related revenue expenses are calculated on the Conv Factor tab, which flow back to  
19 the Proposed Rev Req and Exp tab.

20

21 **Q. Does this conclude your testimony?**

22 A. Yes.

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<sup>1</sup> Staff provided its original revenue requirement model in response to BR No. 1 on July 23, 2024.