

**BEFORE THE WASHINGTON  
UTILITIES & TRANSPORTATION COMMISSION**

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION,

Complainant,

v.

AVISTA CORPORATION D/B/A/ AVISTA UTILITIES

Respondent.

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DOCKETS UE-220053, UG-220054, and UE-210854 (Consolidated)

**CROSS EXAMINATION EXHIBIT OF MARK T. THIES  
ON BEHALF OF THE  
WASHINGTON STATE OFFICE OF THE ATTORNEY GENERAL  
PUBLIC COUNSEL UNIT**

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**EXHIBIT MTT-\_\_CX**

Avista's Confidential Response to Public Counsel's Data Request No. 329C  
on Benefits Expense with Confidential Attachment A

September 14, 2022

**Shaded Information is Designated as Confidential Per Protective Order  
In Dockets UE-220053, UG-220054, and UE-210854 (Consolidated)**

**AVISTA CORP.  
RESPONSE TO REQUEST FOR INFORMATION**

JURISDICTION:	WASHINGTON	DATE PREPARED:	09/08/2022
CASE NO.:	UE-220053 & UG-220054	WITNESS:	Mark Thies
REQUESTER:	Public Counsel	RESPONDER:	Carly Guillory
TYPE:	Data Request	DEPT:	Finance
REQUEST NO.:	PC – 329	TELEPHONE:	(509) 495-2708
		EMAIL:	carly.guillory@avistacorp.com

**SUBJECT:** Benefits Expense

**REQUEST:**

Refer to Rebuttal Testimony of Elizabeth M. Andrews, Exh. EMA-7T at 37:2–8. Please:

- a. Provide the results of the June 2022 actuarial run for pension and OPEB expense in the same format as Attachments B through E to Public Counsel Data Request No. 276.
- b. Provide a comparison of the following factors and assumptions for the pension and OPEB plans, clearly labeled as to which plan, in the format shown in the table below in subpart ii for each actuarial run. Provide this information in Excel. i. Discount Rate, Expected Return on Assets, Employer Contributions, Mortality Age assumption, Wage increase rate, Working Lifetime Age, Medical cost increase rate, and pension or OPEB expense. ii.

	2021	2022	2023	2024	2025	2026
<b>Discount Rate</b>						
12/31/2020 Actuarial Run						
June 2021 Actuarial Run						
1/31/2022 Actuarial Run						
June 2022 Actuarial Run						
<b>Expected Return Rate</b>						
12/31/2020 Actuarial Run						
June 2021 Actuarial Run						
1/31/2022 Actuarial Run						
June 2022 Actuarial Run						
<b>Employer Contributions, etc...</b>						

- c. Provide the basis and analysis supporting the changes in assumptions for each of the actuarial runs from 12/31/2020 to June 2022.
- d. Update and provide the actual returns on assets for the pension and OPEB plans through June 2022 in Attachment G to Public Counsel Data Request No. 276. Provide also the average annual return from 2010 through June 2022 for each plan. Provide this information in Excel.

**RESPONSE:**

Please see Avista’s **CONFIDENTIAL** response to data request PC-DR-329C. Please note that the attachment of Avista’s response to PC-DR-329C is **Confidential per Protective Order in UTC Dockets UE-220053 and UG-220054**.

- a. Please see PC-DR-328C Confidential Attachment D for the 2022 Preliminary valuation results document containing the June 2022 assumptions from Willis Towers Watson (WTW).
- b. The Company has provided in PC-DR-329C Confidential Attachment A, a readily available annual comparison of Pension and OPEB assumptions for 2017-2023. Other information as requested can be found in the below listed attachments as provided in PC-DR-328C.

12/14/2020	Year-end Planning Meeting (Pension p. 22, RMLIP p. 32)	PC-DR-328C Attachment A
12/31/2020	Pension Plan Estimated 2021-2025 Benefit Cost report RMLIP Estimated 2021-2025 Benefit Cost report	PC-DR-276 Attachment D, Exhibit SC-2-SC-13 PC-DR-276 Attachment E, Exhibit SC-2-SC-13
6/30/2021	2021 Preliminary valuation results – Pension & RMLIP	PC-DR-328C Attachment B
12/07/2021	Year-end Planning Meeting (Pension p. 17, RMLIP p. 25)	PC-DR-328C Attachment C
1/31/2022	Pension Plan Estimated 2022-2026 Benefit Cost report RMLIP Estimated 2022-2026 Benefit Cost report	PC-DR-276 Attachment B, Exhibit SC-2-SC-13 PC-DR-276 Attachment C, Exhibit SC-2-SC-13
6/6/2022	2022 Preliminary valuation results – Pension & RMLIP	PC-DR-328C Attachment D

- c. Please see part b.
- d. Actual returns on assets for pension and OPEB plans through June 2022 are -21.3% and -17.1%, respectively. We haven't calculated the historic average annual returns, but we have provided the annual returns by year for 2010-2021 in PC-DR-276 Attachment G.

**CONFIDENTIAL ATTACHMENT A TO AVISTA'S RESPONSE TO  
PUBLIC COUNSEL DATA REQUEST NO. 329C IS REDACTED IN  
WHOLE.**