BEFORE THE WASHINGTON
UTILITIES & TRANSPORTATION COMMISSION

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION,

Complainant,

v.

AVISTA CORPORATION D/B/A/ AVISTA UTILITIES

Respondent.

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

EXHIBIT MTT-__X

Avista’s Confidential Response to Public Counsel’s Data Request No. 330

September 14, 2022
SUBJECT:

Benefits Expense

REQUEST:

Refer to Rebuttal Testimony of Elizabeth M. Andrews, Exh. EMA-8C at 1, Retirement Plan. Please:
  a) Explain why the Service Cost decreases by $6.0 million between 2022 and 2023.
  b) Explain why interest cost increases by $5.1 million between 2022 and 2023.
  c) Explain why the Expected Return on Assets decreases by $6.5 million from 2022 to 2023.
  d) Explain why the Loss Amortization increases by $0.7 million between 2022 and 2023.

RESPONSE:

a) The decrease in the service cost is due to the increase in the discount rate driven by higher rates.

b) The increase in interest cost is due to higher interest rates.

c) The expected return on assets decreased because the fair value of assets decreased due to poor market performance.

d) The loss amortization increased due to actual returns being less than the expected return.