

**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 ELIZABETH M. ANDREWS  
ON BEHALF OF THE  
WASHINGTON STATE OFFICE OF THE ATTORNEY GENERAL  
PUBLIC COUNSEL UNIT**

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**EXHIBIT EMA-\_\_X**

Avista's Response to Public Counsel's Data Request No. 326 on Vegetation Management

September 14, 2022



balances above or below the established baseline (including any off-setting direct O&M savings that may occur).<sup>41</sup>” (Footnote 41: Although the Company is unaware of direct O&M savings at this time, through the operation of the balancing account, O&M costs will be tracked net of cost savings, thereby effectively capturing over time any embedded cost savings.)

b. Yes, on an annual basis. See a. The Company records its wildfire deferral on a monthly basis, as required by GAAP. As described in PC-DR-101, Wildfire expenses are recorded monthly to O&M transmission and distribution expense accounts and coded with a MAC 207 code to track them separately.<sup>1</sup> Provided with PC-DR-101 Attachment A, and described in PC-DR-101, the Company estimated a shaping of those expenses normalized over the 12-months in calendar 2022. The Company also shaped the baseline of the expenses approved by the Commission in UE-200900 of \$3.065 million to reflect an annual amount. As actuals expenses occur and tracked in MAC 207, the monthly actuals will be compared to the monthly shaped baseline of \$3.065 million (annual amount) to record a deferral monthly. This shaping will ensure a full \$3.065 million is considered over any 12-month period. Any amounts on a monthly (and ultimately annual amount) above the baseline would be deferred.

However, to consider the impact of the routine vegetation management expense, the Company does not take the monthly routine vegetation management expense into consideration. Routine vegetation management expense will be considered on a calendar basis to ensure a matching of costs (both routine and risk tree) and the wildfire baseline. This will ensure the Company can evaluate annual total Wildfire expense, routine management expense, and any net savings.

<sup>1</sup> Vegetation routine maintenance is tracked through MAC code 206.