

**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 ROBERT E. BRANDKAMP
ON BEHALF OF THE
WASHINGTON STATE OFFICE OF THE ATTORNEY GENERAL
PUBLIC COUNSEL UNIT**

EXHIBIT REB-__X

Avista's Response to Public Counsel's Data Request No. 347 on Insurance Expense

September 14, 2022

AVISTA CORP.
RESPONSE TO REQUEST FOR INFORMATION

JURISDICTION:	WASHINGTON	DATE PREPARED:	09/07/2022
CASE NO.:	UE-220053 & UG-220054	WITNESS:	Bob Brandkamp
REQUESTER:	Public Counsel	RESPONDER:	Bob Brandkamp
TYPE:	Data Request	DEPT:	Risk Management
REQUEST NO.:	PC – 347	TELEPHONE:	(509) 495-4924
		EMAIL:	bob.brandkamp@avistacorp.com

SUBJECT: Insurance Expense

REQUEST:

Refer to Rebuttal Testimony of Robert E. Brandkamp, Exh REB-1CT at 5:4-17.

- a. To which Factors do you attribute the decline in insurance premiums in 2023 and on what basis?
- b. What do you mean by “sequential process?” If not a sequential process, what process does it follow and on what basis do you make that statement.

RESPONSE:

- a. Avista’s pro forma of 2023 insurance premiums (see PC-DR-103C) does not reflect a decline in insurance premiums, but it does forecast a decrease of the rate at which premiums are expected to increase relative to increases from 2021 to 2022. This is an important distinction, as the 2023 pro forma premiums still projects premium increases in all lines of coverage.
- b. In using the term “sequential process”, Brandkamp is referring to Coppola’s contention that two different time horizons are used; **first** their consideration of higher risk of loss and **then** after this, assess real loss versus perceived. This fits the definition of “sequence” by Merriam-Webster, “a continuous or connected series.” Please refer back to Brandkamp testimony, Exh REB-1CT at 5:10-17 for his explanation countering why the rate making process is not sequential.