

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

JURISDICTION:	WASHINGTON	DATE PREPARED:	11/13/2017
CASE NO.:	UE-170485 & UG-170486	WITNESS:	Patrick Ehrbar
REQUESTER:	ICNU	RESPONDER:	Pat Ehrbar
TYPE:	Data Request	DEPT:	State & Federal Regulation
REQUEST NO.:	ICNU – 118	TELEPHONE:	(509) 495-8620
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REQUEST:

Refer to Ehrbar, Exh. PDE-8T at 2:22-3:1, which states that Avista, as one of the Settling Parties, finds “... that it is more appropriate to address, in the ongoing generic collaboration (arising out of Docket Nos. UE-160228/UG[-]160229), cost of service methodologies to be used in future cases.” In responding to the subparts below, please consider the following testimony from Ehrbar, Exh. PDE-8T at 9:6-12, in the referenced Dockets UE-160228/UG-160229 (“2016 Avista GRC”):

While it would appear that the electric and natural gas utilities serving Washington customers are similar in nature, and therefore should operate under the same cost of service methodologies, there are certain differences. For example, Puget Sound Energy (PSE) is an electric winter peaking utility, while Avista is getting closer to being a dual peaking utility. As such it might make sense that, for example, demand-related costs be allocated based on a certain number of coincident peaks for Avista, while it may be more appropriate for a different number of peaks for PSE.

- a. Please explain why Avista now finds it “more appropriate” to address all cost of service issues in a generic proceeding, after testifying that it may be “more appropriate” to recognize and establish different cost of service approaches between utilities in the 2016 Avista GRC.
- b. Does the Company continue to maintain that “... Avista is getting closer to being a dual peaking utility,” while PSE “is an electric winter peaking utility”?

RESPONSE:

- a. At the time I filed the referenced testimony in 2016, the Commission had not yet decided to hold the generic cost of service proceeding. Now that the proceeding is underway, I believe that cost of service issues, including those issues raised by Mr. Stephens on behalf of ICNU, would be better addressed in that generic proceeding.
- b. Yes.