

AVISTA UTILITIES
2019
Washington Natural Gas
Schedule 175
Annual Decoupling Rate Adjustment Filing

ATTACHMENT B

2018 Deferred Revenue Calculation

August 22, 2019

2018 NATURAL GAS DECOUPLING DEFERRAL CALCULATIONS

Avista Utilities

Decoupling Mechanism - UG-150205 Base effective 1/11/2016, UG-170486 Base effective 5/1/2018

Development of WA Natural Gas Deferrals (Calendar Year 2018)

Line No.	Source	2018 YTD												Total	
		Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18		
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)	(n)	(o)	
Residential Group															
1	Actual Customers	Revenue System	160,611	160,378	161,228	160,935	161,371	161,247	161,588	161,900	160,395	164,606	163,386	163,850	1,941,495
2	Monthly Decoupled Revenue per Customer	Attachment 5, Page 3	\$61.49	\$50.87	\$41.03	\$22.87	\$12.85	\$8.30	\$6.04	\$6.21	\$7.90	\$19.75	\$38.30	\$57.08	\$27.74
3	Decoupled Revenue	(1) x (2)	\$ 9,875,476	\$ 8,157,879	\$ 6,615,249	\$ 3,680,616	\$ 2,073,183	\$ 1,339,130	\$ 976,714	\$ 1,004,743	\$ 1,267,833	\$ 3,251,127	\$ 6,257,058	\$ 9,352,369	\$ 53,851,378
4	Actual Usage (informational only) Actual Base Rate Revenue (Excludes Gas Costs)	Revenue System	20,280,264	18,200,881	15,790,512	9,771,650	3,291,053	2,633,458	2,296,430	2,216,074	3,080,268	8,400,703	15,575,844	20,591,859	
5	Actual Fixed Charge Revenue	Revenue System	\$ 10,769,500	\$ 9,319,637	\$ 8,889,892	\$ 5,153,698	\$ 2,698,638	\$ 2,496,349	\$ 2,362,609	\$ 2,422,114	\$ 2,684,413	\$ 5,238,398	\$ 8,773,319	\$ 10,716,157	
6	Customer Decoupled Payments Residential Revenue Per Customer Received	(4) - (5)	\$ 9,307,333	\$ 7,859,675	\$ 7,419,229	\$ 3,685,629	\$ 1,143,083	\$ 930,516	\$ 796,299	\$ 852,918	\$ 1,135,430	\$ 3,648,408	\$ 7,200,111	\$ 9,141,369	\$ 53,120,000
7	Deferral - Surcharge (Rebate)	(3) - (6)	\$ 568,143	\$ 298,204	\$ (803,980)	\$ (5,013)	\$ 930,100	\$ 408,615	\$ 180,416	\$ 151,824	\$ 132,403	\$ (397,282)	\$ (943,054)	\$ 211,000	\$ 731,378
8	Deferral - Revenue Related Expenses	Rev Conv Factor	\$ (25,946)	\$ (13,618)	\$ 36,716	\$ 229	\$ (43,217)	\$ (18,661)	\$ (8,239)	\$ (6,934)	\$ (6,047)	\$ 18,143	\$ 43,067	\$ (9,636)	\$ (34,142)
9	Interest on Deferral	FERC Rate	4.25%	4.25%	4.25%	4.47%	4.47%	4.47%	4.69%	4.69%	4.69%	4.96%	4.96%	4.96%	
		Avg Balance Calc	\$ 960	\$ 2,428	\$ 1,581	\$ 231	\$ 1,875	\$ 4,260	\$ 5,585	\$ 6,226	\$ 6,781	\$ 6,677	\$ 4,061	\$ 2,634	\$ 43,300
	Monthly Residential Deferral Totals		\$ 543,157	\$ 287,013	\$ (765,682)	\$ (4,553)	\$ 888,758	\$ 394,214	\$ 177,761	\$ 151,117	\$ 133,137	\$ (372,462)	\$ (895,926)	\$ 203,998	\$ 740,536
10	Cumulative Residential Deferral Surcharge/(Rebate) Balance	Σ((7) ~ (9))	\$ 543,157	\$ 830,171	\$ 64,489	\$ 59,936	\$ 948,694	\$ 1,342,909	\$ 1,520,670	\$ 1,671,787	\$ 1,804,925	\$ 1,432,463	\$ 536,537	\$ 740,536	
Non-Residential Group															
11	Actual Customers	Revenue System	3,021	3,035	3,095	3,084	3,066	3,089	3,078	3,070	2,996	3,147	3,078	3,110	36,869
12	Monthly Decoupled Revenue per Customer	Attachment 5, Page 3	\$753.65	\$633.97	\$560.25	\$374.05	\$270.90	\$181.97	\$155.96	\$163.11	\$199.47	\$369.64	\$494.51	\$714.93	\$405.99
13	Decoupled Revenue	(11) x (12)	\$ 2,276,774	\$ 1,924,104	\$ 1,733,959	\$ 1,153,572	\$ 830,567	\$ 562,092	\$ 480,048	\$ 500,736	\$ 597,611	\$ 1,163,244	\$ 1,522,114	\$ 2,223,442	\$ 14,968,263
14	Actual Usage (informational only) Actual Base Rate Revenue (Excludes Gas Costs)	Revenue System	6,971,727	7,651,846	5,951,564	4,572,597	2,497,933	2,279,513	1,760,019	1,925,465	2,291,323	4,117,831	6,205,712	7,218,620	
15	Actual Fixed Charge Revenue	Revenue System	\$ 2,132,044	\$ 2,288,490	\$ 1,867,196	\$ 1,490,798	\$ 905,762	\$ 827,108	\$ 691,048	\$ 737,025	\$ 821,896	\$ 1,303,676	\$ 2,011,531	\$ 2,484,123	
16	Customer Decoupled Payments Non-Residential Revenue Per Customer Received	(14) - (15)	\$ 1,821,585	\$ 1,976,486	\$ 1,549,455	\$ 1,173,746	\$ 595,558	\$ 522,477	\$ 387,702	\$ 433,786	\$ 526,810	\$ 992,318	\$ 1,698,034	\$ 2,296,338	\$ 13,974,295
17	Deferral - Surcharge (Rebate)	(13) - (16)	\$ 455,189	\$ (52,382)	\$ 184,503	\$ (20,174)	\$ 235,009	\$ 39,615	\$ 92,346	\$ 66,949	\$ 70,801	\$ 170,926	\$ (175,919)	\$ (72,896)	\$ 993,968
18	Deferral - Revenue Related Expenses	Rev Conv Factor	\$ (20,788)	\$ 2,392	\$ (8,426)	\$ 921	\$ (10,920)	\$ (1,809)	\$ (4,217)	\$ (3,057)	\$ (3,233)	\$ (7,806)	\$ 8,034	\$ 3,329	\$ (45,580)
19	Interest on Deferral	FERC Rate	4.25%	4.25%	4.25%	4.47%	4.47%	4.47%	4.69%	4.69%	4.69%	4.96%	4.96%	4.96%	
		Avg Balance Calc	\$ 769	\$ 1,453	\$ 1,681	\$ 2,067	\$ 2,456	\$ 2,953	\$ 3,356	\$ 3,666	\$ 3,937	\$ 4,657	\$ 4,666	\$ 4,195	\$ 35,854
	Monthly Non-Residential Deferral Totals		\$ 435,171	\$ (48,537)	\$ 177,759	\$ (17,186)	\$ 226,545	\$ 40,759	\$ 91,484	\$ 67,558	\$ 71,505	\$ 167,777	\$ (163,220)	\$ (65,373)	\$ 984,241
20	Cumulative Non-Residential Deferral Surcharge/(Rebate) Balance	Σ((17) ~ (19))	\$ 435,171	\$ 386,634	\$ 564,392	\$ 547,206	\$ 773,751	\$ 814,510	\$ 905,994	\$ 973,552	\$ 1,045,056	\$ 1,212,834	\$ 1,049,614	\$ 984,241	
21	Total Cumulative Natural Gas Deferral	(10) + (20)	\$ 978,328	\$ 1,216,804	\$ 628,881	\$ 607,142	\$ 1,722,445	\$ 2,157,418	\$ 2,426,664	\$ 2,645,339	\$ 2,849,981	\$ 2,645,297	\$ 1,586,151	\$ 1,724,777	

Docket No. UG-150205 Authorized Decoupling Baseline

Avista Utilities
Natural Gas Decoupling Mechanism
Development of Decoupled Revenue by Rate Schedule - Natural Gas

	TOTAL	RESIDENTIAL SCHEDULE 101	GENERAL SVC. SCH. 111	LG. GEN. SVC. SCH. 121	INTERRUPTIBLE SCH 131	SCHEDULES 112, 122, 132	SCHEDULES 146 & 148
1 Total Normalized 12 ME Sept 2014 Revenue	\$ 146,557,000	\$ 106,954,000	\$ 31,478,000	\$ 2,973,000	\$ -	\$ 968,000	\$ 4,184,000
2 Allowed Revenue Increase (Attachment 2)	\$ 10,824,000	\$ 8,398,000	\$ 1,867,000	\$ 161,000	\$ -	\$ 40,000	\$ 358,000
3 Total Rate Revenue (January 11, 2016)	\$ 157,381,000	\$ 115,352,000	\$ 33,345,000	\$ 3,134,000	\$ -	\$ 1,008,000	\$ 4,542,000
4 Normalized Therms (12ME Sept 2014 Test Year)	255,186,931	120,721,607	47,537,282	5,069,530	-	1,781,211	80,077,301
5 11/1/2015 Schedule 150 PGA Rates		\$ 0.38907	\$ 0.38166	\$ 0.37077	\$ 0.33645		
6 Variable Gas Supply Revenue	\$ 66,991,864	\$ 46,969,156	\$ 18,143,079	\$ 1,879,630	\$ -		
7 Delivery Revenue (Ln 3 - Ln 6)	\$ 84,839,136	\$ 68,382,844	\$ 15,201,921	\$ 1,254,370	\$ -		
8 Customer Bills (12ME Sept 2014 Test Year)	1,819,516	1,787,943	30,697	312	0	48	516
9 Allowed Basic Charges		\$9.00	\$101.44	\$252.28	\$0.00		
10 Basic Charge Revenue (Ln 8 * Ln 9)	\$ 19,284,102	\$ 16,091,487	\$ 3,113,904	\$ 78,711	\$ -		
11 Decoupled Revenue	\$ 65,555,034	\$ 52,291,357	\$ 12,088,017	\$ 1,175,659	\$ -	Excluded From Decoupling	
		Residential	Non-Residential Group				
12 Average Number of Customers (Line 8 / 12)		148,995	2,584				
13 Annual Therms		120,721,607	52,606,812				
14 Basic Charge Revenues		\$ 16,091,487	\$ 3,192,615				
15 Customer Bills		1,787,943	31,009				
16 Average Basic Charge		\$9.00	\$102.96				

Avista Utilities
Natural Gas Decoupling Mechanism
Development of Decoupled Revenue Per Customer - Natural Gas

Line No.	Source	Residential	Non-Residential Schedules*
(a)	(b)	(c)	(d)
1	Decoupled Revenues	Attachment 5, Page 1	\$ 52,291,357 \$ 13,263,676
2	Test Year # of Customers 12 ME 09.2014	Revenue Data	148,995 2,584
3	Decoupled Revenue Per Customer	(1) / (2)	\$ 350.96 \$ 5,132.84

*Sales Schedules 111, 121, 131.

Attachment 4, Page 2 (UG-150205 Compliance Filing)

Docket No. UG-150205 Authorized Decoupling Baseline

Avista Utilities
Natural Gas Decoupling Mechanism
'Development of Monthly Decoupled Revenue Per Customer - Natural Gas

Line No.	Source	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	TOTAL	
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)	(n)	(o)	
1															
2	<u>Natural Gas Delivery Volume</u>														
3	<i>Residential</i>														
4	- Weather-Normalized Therm Delivery Volume	Monthly Rate Year	21,149,989	17,496,849	14,113,448	7,866,788	4,895,089	2,998,022	2,095,088	2,047,777	2,727,612	8,666,827	14,928,966	21,735,152	120,721,607
5	- % of Annual Total	% of Total	17.52%	14.49%	11.69%	6.52%	4.05%	2.48%	1.74%	1.70%	2.26%	7.18%	12.37%	18.00%	100.00%
6															
7	<i>Non-Residential Sales*</i>														
8	- Weather-Normalized Therm Delivery Volume	Monthly Rate Year	7,724,199	6,497,617	5,741,989	3,833,669	3,002,355	2,283,253	1,727,751	1,696,708	2,070,681	4,248,069	5,991,318	7,789,203	52,606,812
9	- % of Annual Total	% of Total	14.68%	12.35%	10.91%	7.29%	5.71%	4.34%	3.28%	3.23%	3.94%	8.08%	11.39%	14.81%	100.00%
10															
11	<u>Monthly Decoupled Revenue Per Customer ("RPC")</u>														
12	<i>Residential</i>														
13	-UG-150205 Decoupled RPC	Attachment 5, P. 2 L. 3													\$ 350.96
14	-Monthly Decoupled RPC	(5) x (13)	\$ 61.49	\$ 50.87	\$ 41.03	\$ 22.87	\$ 14.23	\$ 8.72	\$ 6.09	\$ 5.95	\$ 7.93	\$ 25.20	\$ 43.40	\$ 63.19	\$ 350.96
15															
16	<i>Non-Residential Sales*</i>														
17	-UG-150205 Decoupled RPC	Attachment 5, P. 2 L. 3													\$ 5,132.84
18	-Monthly Decoupled RPC	(9) x (17)	\$ 753.65	\$ 633.97	\$ 560.25	\$ 374.05	\$ 292.94	\$ 222.78	\$ 168.58	\$ 165.55	\$ 202.04	\$ 414.48	\$ 584.57	\$ 759.99	\$ 5,132.84
19															
20	*Sales Schedules 111, 121, 131.														

Attachment 4, Page 3 (UG-150205 Compliance Filing)

Docket No. UG-170486 Authorized Decoupling Baseline

Avista Utilities
Natural Gas Decoupling Mechanism
Development of Decoupled Revenue by Rate Schedule - Natural Gas
Washington Docket No. UG-170486 Compliance Filing

	TOTAL	RESIDENTIAL SCHEDULE 101/102	GENERAL SVC. SCH. 111/112/116	LG. GEN. SVC. SCH. 121/122/126	INTERRUPTIBLE SCH 131	SCHEDULES 132	SCHEDULES 146 & 148
1 Total Normalized 12 ME Dec 2016 Revenue	\$ 88,831,000	\$ 67,622,000	\$ 15,462,000	\$ 1,024,000	\$ -	\$ 190,000	\$ 4,533,000
2 Allowed Revenue Decrease (Attachment 2)	\$ (2,145,000)	\$ (1,663,000)	\$ (380,000)	\$ (25,000)	\$ -	\$ (5,000)	\$ (72,000)
3 Allowed Base Rate Revenue	\$ 86,686,000	\$ 65,959,000	\$ 15,082,000	\$ 999,000	\$ -	\$ 185,000	\$ 4,461,000
4 Normalized Therms (12ME Dec 2016 Test Year)	252,141,683	119,446,617	47,951,720	4,115,331	-	901,267	79,726,748
5 Schedule 150 PGA Rates excluded from base rates		\$ -	\$ -	\$ -	\$ -		
6 Variable Gas Supply Revenue	\$ -	\$ -	\$ -	\$ -	\$ -		
7 Delivery Revenue (Ln 3 - Ln 6)	\$ 82,040,000	\$ 65,959,000	\$ 15,082,000	\$ 999,000	\$ -		
8 Customer Bills (12ME Dec 2016 Test Year)	1,881,282	1,847,462	32,983	273	0	24	540
9 Allowed Basic / Minimum Charges		\$9.50	\$97.25	\$240.44	\$0.00		
10 Basic Charge Revenue (Ln 8 * Ln 9)	\$ 20,824,126	\$ 17,550,889	\$ 3,207,597	\$ 65,640	\$ -		
11 Decoupled Revenue	\$ 61,215,874	\$ 48,408,111	\$ 11,874,403	\$ 933,360	\$ -	Excluded From Decoupling	
		Residential	Non-Residential Group				
12 Average Number of Customers (Line 8 / 12)		153,955	2,771				
13 Annual Therms		119,446,617	52,067,051				
14 Basic Charge Revenues		\$ 17,550,889	\$ 3,273,237				
15 Customer Bills		1,847,462	33,256				
16 Average Basic Charge		\$9.50	\$98.43				

Attachment 5, Page 1 (UG-170486 Compliance Filing)

Avista Utilities
Natural Gas Decoupling Mechanism
Development of Decoupled Revenue Per Customer - Natural Gas
Washington Docket No. UG-170486 Compliance Filing

Line No.	Source	Residential	Non-Residential Schedules*
(a)	(b)	(c)	(d)
1	Decoupled Revenues	Attachment 5, Page 1	\$ 48,408,111 \$ 12,807,763
2	Test Year # of Customers 12 ME12.2016	Revenue Data	153,955 2,771
3	Decoupled Revenue Per Customer	(1) / (2)	\$ 314.43 \$ 4,621.52

*Rate Schedules 101, 102.

**Rate Schedules 111, 112, 116, 121, 122, 126, 131.

Attachment 5, Page 2 (UG-170486 Compliance Filing)

Docket No. UG-170486 Authorized Decoupling Baseline

Avista Utilities
 Natural Gas Decoupling Mechanism
 'Development of Monthly Decoupled Revenue Per Customer - Natural Gas
 Washington Docket No. UG-170486 Compliance Filing

Line No.	Source	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	TOTAL	
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)	(n)	(o)	
1															
2	Natural Gas Delivery Volume														
3	<u>Residential*</u>														
4	- Weather-Normalized Therm Delivery Volume	Monthly Rate Year	21,124,002	16,814,801	13,702,397	8,379,182	4,880,475	3,154,867	2,296,193	2,357,534	3,002,764	7,503,054	14,548,064	21,683,284	119,446,617
5	- % of Annual Total	% of Total	17.68%	14.08%	11.47%	7.02%	4.09%	2.64%	1.92%	1.97%	2.51%	6.28%	12.18%	18.15%	100.00%
6															
7	<u>Non-Residential Sales**</u>														
8	- Weather-Normalized Therm Delivery Volume	Monthly Rate Year	7,263,564	6,455,069	5,655,268	3,958,871	3,051,972	2,050,065	1,757,090	1,837,589	2,247,269	4,164,398	5,571,304	8,054,593	52,067,051
9	- % of Annual Total	% of Total	13.95%	12.40%	10.86%	7.60%	5.86%	3.94%	3.37%	3.53%	4.32%	8.00%	10.70%	15.47%	100.00%
10															
11	Monthly Decoupled Revenue Per Customer ("RPC")														
12	<u>Residential*</u>														
13	-UG-170486 Decoupled RPC	Attachment 5, P. 2 L. 3												\$	314.43
14	-Monthly Decoupled RPC	(5) x (13)	\$ 55.61	\$ 44.26	\$ 36.07	\$ 22.06	\$ 12.85	\$ 8.30	\$ 6.04	\$ 6.21	\$ 7.90	\$ 19.75	\$ 38.30	\$ 57.08	\$ 314.43
15															
16	<u>Non-Residential Sales**</u>														
17	-UG-170486 Decoupled RPC	Attachment 5, P. 2 L. 3												\$	4,621.52
18	-Monthly Decoupled RPC	(9) x (17)	\$ 644.72	\$ 572.96	\$ 501.97	\$ 351.39	\$ 270.90	\$ 181.97	\$ 155.96	\$ 163.11	\$ 199.47	\$ 369.64	\$ 494.51	\$ 714.93	\$ 4,621.52
19															
20	*Rate Schedules 101, 102.														
21	**Rate Schedules 111, 112, 116, 121, 122, 126, 131.														

Attachment 5, Page 2 (UG-170486 Compliance Filing)

**AVISTA UTILITIES
REVENUE CONVERSION FACTOR
WASHINGTON NATURAL GAS
TWELVE MONTHS ENDED DECEMBER 31, 2016
With Tax Reform
Washington Docket No. UG-170486 Compliance Filing**

<u>Line No.</u>	<u>Description</u>	<u>Factor</u>
1	Revenues	1.000000
	Expense:	
2	Uncollectibles	0.006183
3	Commission Fees	0.002000
4	Washington Excise Tax	0.038282
5	Total Expense	<u>0.046465</u>
6	Net Operating Income Before FIT	0.953535
7	Federal Income Tax @ 21%	<u>0.200242</u>
8	REVENUE CONVERSION FACTOR	<u><u>0.75329</u></u>

(Per Order No. 6; UE-120437, dated 6/20/2012 - "hard" CF rounded to 6 digits)

Revised Conversion Factor per Bench Request 9, Attachment B Page 4

Attachment 5, Page 4 (UG-170486 Compliance Filing)