

AVISTA CORP.
RESPONSE TO REQUEST FOR INFORMATION

JURISDICTION:	WASHINGTON	DATE PREPARED:	09/29/2016
CASE NO.:	UE-160228 & UG-160229	WITNESS:	Heather Rosentrater
REQUESTER:	Public Counsel/Energy Project	RESPONDER:	Rodney Pickett / La Bolle
TYPE:	Data Request	DEPT:	State & Federal Regulation
REQUEST NO.:	PC/EP – 100	TELEPHONE:	(509) 495-4710
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REQUEST:**RE: Rebuttal Testimony of Heather L. Rosentrater, Exhibit No. HLR-9T at 29:20-21.**

Has Avista conducted a survey of its customers to determine the value of reducing an outage by seven minutes? If so, please provide the results of such a survey.

RESPONSE:

While Avista has not conducted a survey of its own customers (estimated to cost between \$500,000 and \$1,000,000) to determine the financial value of reducing our average outage duration by seven minutes, it has relied on the expert analysis of 34 such utility value of service studies provided by the Lawrence Berkeley Value of Service Study and Model (interruption cost estimator).¹ The objective of using such tools, is to help ensure that the individual reliability improvements we make, such as the benefits provided by AMI, are reasonable when compared with the estimated customer impacts that will be avoided by their implementation. We believe the Lawrence Berkeley Value of Service Study and Model, which includes customer cost data from the Pacific Northwest, provides a reasonable prediction of our customer's financial benefits. In its response to PC/EP-082, the Company was asked to compare its predicted customer costs derived using the interruption cost estimator with actual outage costs (not model predictions) that were experienced by electric customers in the Pacific Northwest, as reported in the Lawrence Berkeley Study. Avista's predicted costs were within 6% of the reported actual customer costs.

¹ As published in 2009 and 2015, as described in Exhibit No.__(HLR-9T).