

**Exh. DCG-14
Dockets UE-190334, UG-190335,
and UE-190222
Witness: David C. Gomez**

**BEFORE THE WASHINGTON
UTILITIES AND TRANSPORTATION COMMISSION**

**WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION,**

Complainant,

v.

**AVISTA CORPORATION, d/b/a
AVISTA UTILITIES,**

Respondent.

**DOCKETS UE-190334, UG-190335,
and UE-190222 (*Consolidated*)**

**EXHIBIT TO
TESTIMONY OF**

David C. Gomez

**STAFF OF
WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION**

Avista's response to Staff Data Request No. 3

October 3, 2019

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

JURISDICTION:	Washington	DATE PREPARED:	05/05/2019
DOCKET NO.:	190222	WITNESS:	William Johnson
REQUESTER:	UTC Staff	RESPONDER:	William Johnson
TYPE:	Data Request	DEPT:	Power Supply
REQUEST NO.:	Staff – 03	TELEPHONE:	(509) 495-4046
		EMAIL:	bill.johnson@avistacorp.com

REQUEST:

SUBPART A: Please specify the amount of the 7aMW of lower coal fired generation that is attributed to both the outage and derate of Colstrip. Provide figures by month in both aMW and MWh.

SUBPART B: Please provide all documents and/or other information that the Company relied on to arrive at its \$3.5 million estimate. Please also state whether the \$3.5 million in estimated added net power expense is included in the calculation of the \$15.5 million credit deferral balance at the end of 2018.

SUBPART C: Please provide a list (including dollar amounts) of any capital additions and transfers to plant, O&M, and transmission expense attributable to the outage and derate of Colstrip in 2018. For O&M and transmission expense related to the outage and derate at Colstrip, specify whether these amounts flowed through the ERM bands in the 2018 deferral period or whether the Company will seek recovery of these expenses in its 2019 general rate case.

SUBPART D: For any capital additions and transfers to plant related to the 2018 outage and derate of Colstrip, specify the dollar amounts that will be included in rate base in the Company's 2019 general rate case.

SUBPART E: List any and all insurance, manufacturer, warranty, legal, or any other claims (including dollar amounts) either made or anticipated to be made by Avista and/or any of the other Colstrip owners to recover costs related to the 2018 outage and derate.

RESPONSE:

Subpart A:

Please see the Company's response to Staff_DR_002, part (a).

Subpart B:

Please see the Company's response to Staff_DR_002, part (b).

Subpart C:

Please see Staff_DR_003 Attachment A for 2018 O&M and Capital Expenditures for 2018. The information contained in this attachment is Avista's 15% portion of the total 2018 Expenses

incurred by Colstrip. This information is provided in the method received by the Plant Operator and recorded to the general ledger. Any expenses related to the Colstrip MATS issue are embedded within these numbers. These expenses, with the exception of Transmission Expense, are not included in the Energy Recovery Mechanism (ERM) but rather are embedded within actual test period expenses in Avista's general rate case Docket No. UE-190334. Transmission expense does flow through the ERM, however, it is unknown if there was either increased or decreased transmission expense related to the issues at the plants. The primary BPA PTP transmission contract expense for each plant did not change due to the issues at the plants, but transmission expense may have been affected by the reduced need to purchase additional transmission beyond the BPA PTP capacities (reduction in expense), or the need to purchase transmission to buy replacement power (increase in expense).

Capital costs are also not included in the Energy Recovery Mechanism. The capital costs reflected on the attachment represent total costs related to Colstrip and are not specific to the outage and de-rate. The Company does not track this information on an individual project basis. The amount included on the attachment represents what was recorded to the general ledger, and transferred to plant in the month recorded.

The table below, provided by Talen Energy, represents the total (Avista's share would be 15% of the amounts provided) charges for the MATS issue for Q3 2018. Please note these amounts may or may not tie to Company's general ledger primarily due to invoice billing and processing.

MATS PM outsider costs	
Event Q3 2018	
Work Type	Amount
O&M	
Boiler Cleaning & Inspection	\$917,712.52
Boiler Tuning	\$63,430.83
Instrumentation Monitoring	\$13,559.21
Testing	\$551,812.12
Wallblower	\$78,270.42
Various Materials (Valves, screens, etc)	\$67,612.21
Total	\$1,692,397.31
Capital	
Distribution Plates	\$850,081.40
Installation of Distribution Plates	\$346,695.51
Design/Engineering Distribution Plates	\$113,236.43
Total	\$1,310,013.34
Internal Labor	\$380,000
Grand Total	\$3,382,410.65

Subpart D:
Please see part (c).

Subpart E:
There have been no insurance claims, manufacturer, warranty, legal, or any other claims made or are anticipated to be made by Avista or other Colstrip owners regarding the MATS issue; nor is Avista aware of any such claims made or anticipated to be made by the other owners