

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

DOCKET NO. UE-22\_\_\_\_\_

DOCKET NO. UG-22\_\_\_\_\_

EXH. JBB-4

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REPRESENTING AVISTA CORPORATION



Table No. 1

Software Assets - Other than 5 year life			System Total		
Software Package Project	Placed in Service	Serv/Jur	Total Asset Cost	Amort. Life (yrs)	Annual Amortization Expense
ABB Sendout Replacement	2021.07	CDAA	182,449	3	60,816
Endpoint Protection	2021.08	CDAA	279,773	2	139,887
GIS Enhancements 2021 Pkg 1	2021.05	CDAA	272,073	3	90,691
MobilityintheField-2021 Pkg 1	2021.06	CDAA	518,715	3	172,905
Digital Channel Pkg 1 2021	2021.06	CDAA	1,377,252	3	459,084
Tableau Creator/Upgrade 2021	2021.05	CDAA	16,559	3	5,520
Articulate 360 Upgrade 2021	2021.08	CDAA	7,777	3	2,592
Rate Tool - Load Study	2021.08	CDAA	24,484	3	8,161
Microsoft Prod. Updts-ECPS Pk1	2021.08	CDAA	45,023	3	15,008
Password Filtering	2021.05	CDAA	59,003	2	29,501
Virtual Hold System Refresh	2021.08	CDAA	378,674	3	126,225
			<u>3,161,784</u>		<u>1,110,391</u>

Table No. 2

Software Package Project	Washington Electric Allocation *		Washington Gas Allocation *	
	Allocated Asset Cost	Annual Amortization Expense	Allocated Asset Cost	Annual Amortization Expense
ABB Sendout Replacement	87,183	29,061	27,531	9,177
Endpoint Protection	133,689	66,845	42,217	21,109
GIS Enhancements 2021 Pkg 1	130,010	43,337	41,055	13,685
MobilityintheField-2021 Pkg 1	247,867	82,622	78,273	26,091
Digital Channel Pkg 1 2021	658,118	219,373	207,824	69,275
Tableau Creator/Upgrade 2021	7,913	2,638	2,499	833
Articulate 360 Upgrade 2021	3,716	1,239	1,174	391
Rate Tool - Load Study	11,700	3,900	3,695	1,232
Microsoft Prod. Updts-ECPS Pk1	21,514	7,171	6,794	2,265
Password Filtering	28,194	14,097	8,903	4,452
Virtual Hold System Refresh	180,949	60,316	57,141	19,047
	<u>1,510,853</u>	<u>530,598</u>	<u>477,106</u>	<u>167,555</u>

\* Allocation factor is from the calculated 4 factor allocation on plant assets for the 2021 calendar year, 47.785% for Washington Electric, 15.090% Washington Gas.

### C. Software Details

**New Licenses** – The following software projects were for licenses purchased and implemented on the project.

*ABB Sendout Replacement* – This software project replaced the ABB Sendout system (antiquated, requiring “band aid” fixes, reached end-of-life) used by Energy Supply, with Plexos. A new license for Energy Exemplar software was purchased on a three year contract signed in May 2021. Payment for the license and maintenance amounted to \$205,046, with \$164,037 being capitalized. The remaining \$41,009 was held as prepaid O&M expense, amortized over the life of the contract.

**New Software as a Service Contracts** – The following software projects were for new SAAS contracts implemented

*Endpoint Protection* - This project updated the workstation Endpoint Protection systems intending to provide a consistent user experience both on the corporate network and off. As a new contract was signed for the services provided, fees expensed during the implementation period were capitalized to the software asset. A three year contract was signed in October of 2020, with a remaining life of the contract rounding to two years when the software went live. The total paid for the contract was for \$886,590, with \$26,819 being capitalized. The remaining \$859,771 is considered a prepaid expense, and amortized as expense over the life of the contract.

**Upgrades and Enhancements to existing Software** – The following software projects for both licensed and SAAS software, but were capitalized as enhancements to existing projects.

*GIS Enhancements 2021 Pkg 1* – This software additions was for enhancements to non-AFM Geographic Information Systems (GIS) Apps, and is the first of three expected in 2021. This is a specific enhancement adding additional functionality to our Esri software, which was a license purchased on a \$2,000,000 contract signed and paid in full in 2019. This installment amounted to \$268,447 specific to implementation costs, having a capitalized portion of the initial contract of \$3,627 that was for technical advisory from the vendor.

*Mobility in the Field 2021 Pkg-1* – This program enhances and increases mobility in the field functionality for our Gas and Electric Engineering/Operations Service Teams. This is another specific enhancement adding functionality to our Esri software, which was a license purchased on a \$2,000,000 contract signed and paid in full in 2019. This software project amounted to \$515,089 specific to implementation costs, having a capitalized portion of the initial contract of \$3,627 that was for technical advisory from the vendor.

*Digital Channel Pkg 1 2021* – This program is to provide additional energy insights to customers. Avista’s primary digital communication channels are comprised of the myAvista.com website, the mobile application, as well as email and text communication tools. This is an update and enhancement to a software license purchased from Sitecore in 2019, in which Avista paid in full \$333,000. This software project amounted to \$1,377,252 specific to implementation costs.

*Tableau Creator/Upgrade 2021* – Tableau is used by various departments, including ET, for reporting. This software application requires regular packaging of the desktop as well as server clients due to multiple significant vendor released upgrades throughout the year. This is an update and enhancement to a software license purchased from Tableau in 2018, in which Avista paid in full \$148,294. This software project amounted to \$16,559 specific to implementation costs.

*Articulate 360 Upgrade 2021* – The Articulate 360 software application is used to create polished interactive training content. This application requires regular packaging of the desktop client due to multiple significant vendor released upgrades throughout the year. This is an update and enhancement to a software license purchased from Articulate in 2019, in which Avista paid in full \$41,737. This software project amounted to \$7,777 specific to implementation costs.

*Rate Tool - Load Study* – Will be used to satisfy the requirements of WAC 480-85-050 and Class cost of service studies that are required components of general rate proceedings in Oregon, Washington, and Idaho. This is an update and enhancement to the Tableau software license purchased from Tableau in 2018, in which Avista paid in full \$148,294. This software project amounted to \$24,484 in implementation costs.

*Microsoft Prod. Updts-ECPS Pk1* – This project will allow Avista to upgrade and add functionality to Microsoft Products specific to Endpoint programs, such as Microsoft Teams. This is an update and enhancement to many Microsoft software licenses purchased from Microsoft. There had been multiple contracts for individual licensers, however all the updates were placed within an umbrella contract for the upgrades on a three year agreement. This software project amounted to \$45,023 specific to implementation costs.

*Password Filtering* – The purpose of this project is to increase password security and effectiveness in the Avista environment. Strong passwords increase security and compliance across the entire Avista network. This is an update and enhancement to a Microsoft software license purchased from Microsoft in 2019, in which Avista paid in full \$481,896. This software project amounted to \$59,003 specific to implementation costs.

*Virtual Hold System Refresh* – Upgrading the current Virtual Hold/Call Back Assist System. This system is designed to mitigate the risk of lengthy customer hold times during peak call volumes. This is an update and enhancement to a software as a service contract renewed annually with Virtual Hold Technologies. The cost of the annual service was \$43,250, however the enhancements that were implemented during this refresh amounted to \$378,674.