

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

JURISDICTION:	WASHINGTON	DATE PREPARED:	11/28/2016
CASE NO:	UE-160228 & UG-160229	WITNESS:	William Johnson
REQUESTER:	Bench	RESPONDER:	William Johnson
TYPE:	Bench Request	DEPT:	Power Supply
REQUEST NO.:	Bench Request No. 10.3	TELEPHONE:	(509) 495-4046
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REQUEST 10.3:

Please provide an updated response to Staff Data Request 146 if the expenses related to the BPA expected tariff change or contract inflation assumptions have changed due to the November 1, 2016 power cost update.

REVISED RESPONSE (November 28, 2016):

The specific contracts identified in Avista's original response to Staff Data Request 146 are normally updated in a power cost update, such as the one submitted by the Company on November 1, 2016. In the Multiparty Settlement Stipulation in Avista's prior general rate case, Docket Nos. UE-150204 and UG-150205, the parties to the Stipulation supported a power cost update in that case, which was described as follows on page 3, footnote 2:

As in past proceedings, the purpose of this power supply update would be to: 1) update the three-month average of natural gas and electricity market prices; 2) include new short-term contracts for gas and electric; and 3) update or correct power and transmission service contracts for the 2016 rate year.

The contracts identified in the response to Staff Data Request 146 fall into category 3) above, "update or correct power and transmission service contracts." Attachment A to this Revised Response to Bench Request 10.3 shows the dollar amounts originally filed by the Company for these contracts (columns b and c), and the dollar amounts for these contracts related to tariff change and inflation assumptions (column d) originally provided in response to Staff DR 146. Columns (e) and (f) provide updated dollar amounts related to the November 1, 2016 power cost update, and column (g) shows the updated dollar amounts for these contracts related to tariff change and inflation assumptions. Notes are provided for each contract item explaining what was included in Avista's originally filed case, and what is reflected in the power cost update. Pages 1 and 2 relate to the 2017 rate year, and pages 3 and 4 are for the January-June 2018 six-month period.

The underlying support documentation for the contracts included in "BenchReq_10 3 Attachment A" has been included in "BenchReq_10 4 Attachment G" (non-confidential) and "BenchReq_10 4 Confidential Attachment H" (confidential).