

**BEFORE THE WASHINGTON
UTILITIES & TRANSPORTATION COMMISSION**

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION,

Complainant,

v.

AVISTA CORPORATION d/b/a AVISTA UTILITIES,

Respondent.

DOCKET NOS. UE-190334 and UG-190335, UE-190222 (*Consolidated*)

ANDREA C. CRANE

ON BEHALF OF PUBLIC COUNSEL

EXHIBIT ACC-6

Calculation of Recommended General Revenue Requirement

Washington Gas Operations

October 3, 2019

AVISTA UTILITIES
CALCULATION OF RECOMMENDED GENERAL REVENUE REQUIREMENT
WASHINGTON NATURAL GAS
TWELVE MONTHS ENDED DECEMBER 31, 2018

Line No.	Description	Recommended Base Rate Change 4/1/2020 (000's of Dollars)
1	Pro Forma Rate Base	\$ 373,732
2	Proposed Rate of Return	<u>6.96%</u>
3	Net Operating Income Requirement	\$26,012
4	Pro Forma Net Operating Income	<u>\$ 23,171</u>
5	Net Operating Income Deficiency	\$2,841
6	Conversion Factor	0.755118
7	Revenue Requirement - 2020	\$3,762
8	Total Base Distribution Revenues*	\$ 93,707
9	Percentage Base Distribution Revenue Increase	<u><u>4.01%</u></u>
10	Total Present Billed Revenue	\$ 127,800
11	Percentage Billed Revenue Increase	<u>2.94%</u>

AVISTA UTILITIES RECOMMENDED COST OF CAPITAL WASHINGTON NATURAL GAS			
Proposed Capital Structure			
<u>Component</u>	<u>Capital Structure</u>	<u>Cost</u>	<u>Weighted Cost</u>
Debt	53.0%	5.15%	2.73%
Common	47.0%	9.00%	4.23%
Total	<u>100.00%</u>		<u>6.96%</u>