

**Exh. CRM-11
Dockets UE-150204/UG-150205
Witness: Chris R. McGuire**

**BEFORE THE WASHINGTON
UTILITIES AND TRANSPORTATION COMMISSION**

**WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION,**

Complainant,

v.

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

Respondent.

**DOCKETS UE-150204 and
UG-150205
(Consolidated)**

**EXHIBIT TO
TESTIMONY OF**

Chris R. McGuire

**STAFF OF
WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION**

Basic Electric Attrition Model – Simplified Exh. CRM-8

September 13, 2019

STAFF RECALCULATION ON REMAND

2016 WASHINGTON ELECTRIC ATTRITION STUDY

Edited from Avista Exhibit EMA-6

(EMA-6 was produced by Avista on Rebuttal, and edited from Staff Exhibit CRM-2)

Twelve Months Ended December 31, 2014

(000's of Dollars)

Line No.	Description		(a) Attrition Balances	(b) Revenue Growth Factor	(c) Attrition Study Results
1	2016 Rate Base	Change Me	\$ 1,315,891	1.013115	\$1,298,856
2	Settlement Rate of Return				7.29%
3	Net Operating Income Requirement				\$94,687
4	2016 Net Operating Income (at 2015 rates)		\$ 110,852	1.013115	\$109,417
5	2016 Rate of Return (at 2015 rates)				8.42%
6	2016 Net Operating Income Deficiency (Surplus)				(\$14,730)
7	Gross-up Conversion Factor				0.62018
8	2016 Attrition Revenue Deficiency				(\$23,752)
9	2016 Total General Business Revenues (at 2015 rates)				\$499,982
10	Attrition-based 2016 revenue requirement				\$476,230
11	Percent Revenue Requirement Change (vs. 2015)				-4.75%

REMAND CALCULATIONS

12	Pro Forma Revenue Deficiency (Sufficiency) - from Order 05, Table A1				(\$36,442)
13	Attrition Study Revenue Deficiency (sufficiency)				(\$23,752)
14	Attrition Allowance - REVISED PER REMAND				\$12,690
15	Attrition Allowance - PER ORDER 05				\$28,332
16	Difference (annual) - Owed back to Customers			12 months	\$15,642
				11 months	\$14,488
				2.3 years	\$35,977