

**Exh. CRM-12
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 Natural Gas Attrition Model – Simplified Exh. CRM-9

September 13, 2019

STAFF RECALCULATION ON REMAND

2016 WASHINGTON NATURAL GAS ATTRITION STUDY

Edited from Avista Exhibit EMA-7

EMA-7 was produced by Avista on Rebuttal, and edited from Staff Exhibit CRM-3

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	\$ 263,655	1.01157	\$260,639
2	Settlement Rate of Return				7.29%
3	Net Operating Income Requirement				\$19,001
4	2016 Net Operating Income (at 2015 rates)		\$ 14,367	1.01157	\$14,203
5	2016 Rate of Return (at 2015 rates)				5.45%
6	2016 Net Operating Income Deficiency (Surplus)				\$4,798
7	Gross-up Conversion Factor				0.62032
8	2016 Attrition Revenue Deficiency (Surplus)				\$7,735
9	2016 Total General Business Revenues (at 2015 rates)				\$ 170,914
10	Attrition-based 2016 revenue requirement				\$ 178,649
11	Percent Revenue Requirement Change (vs. 2015)				4.53%

REMAND CALCULATIONS

12	Pro Forma Revenue Deficiency (Sufficiency) - from Order 05, Table A2				\$ 3,975
13	Attrition Study Revenue Deficiency (sufficiency)				\$ 7,735
14	Attrition Allowance - REVISED PER REMAND				\$ 3,760
15	Attrition Allowance - PER ORDER 05				\$ 6,849
16	Difference (annual) - Owed back to Customers			12 months	\$ 3,089
				11 months	\$ 2,861
				2.3 years	\$ 7,105