

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

DOCKET NO. UE-150204

DOCKET NO. UG-150205

EXH. EMA-24 R

ELIZABETH M. ANDREWS

REPRESENTING AVISTA CORPORATION

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) | (b) | (c) |
|----------|--|-----------|--------------------|-----------------------|-------------------------|
| | | | Attrition Balances | Revenue Growth Factor | Attrition Study Results |
| 1 | 2016 Rate Base 2015 Rate Base | Change Me | \$ 1,386,000 | 1.000000 | \$1,386,000 |
| 2 | Settlement Rate of Return | | | | 7.29% |
| 3 | Net Operating Income Requirement | | | | \$101,039 |
| 4 | 2016 Net Operating Income (at 2015 rates) | | \$ 111,510 | 1.013115 | \$110,066 |
| 5 | 2016 Rate of Return (at 2015 rates) | | | | 7.94% |
| 6 | 2016 Net Operating Income Deficiency (Surplus) | | | | (\$9,027) |
| 7 | Gross-up Conversion Factor | | | | 0.62018 |
| 8 | 2016 Attrition Revenue Deficiency | | | | (\$14,556) |
| 9 | 2016 Total General Business Revenues (at 2015 rates) | | | | \$499,982 |
| 10 | Attrition-based 2016 revenue requirement | | | | \$485,426 |
| 11 | Percent Revenue Requirement Change (vs. 2015) | | | | -2.91% |

REMAND CALCULATIONS

| | | | | | |
|----|--|--|------------------|--|----------------|
| 12 | Pro Forma Revenue Deficiency (Sufficiency) - from Order 05, Table A1 | | | | (\$36,442) |
| 13 | Attrition Study Revenue Deficiency (sufficiency) | | | | (\$14,556) |
| 14 | Attrition Allowance - REVISED PER REMAND | | | | \$21,886 |
| 15 | Attrition Allowance - PER ORDER 05 | | | | \$28,332 |
| 16 | Difference (annual) - Owed back to Customers | | 12 months | | \$6,446 |
| | Pro-Rated Difference - Owed back to Customers | | 11 months | | \$5,970 |
| | | | 2.26 years | | \$14,568 |

| Net Including Earnings Sharing | |
|--------------------------------|-----------|
| (\$2,405) | \$ 3,565 |
| (\$3,899) | \$ 10,669 |

2.26 yr values provided for informational purposes only.

McGuire Calculated refunds prior to "earnings sharing".

| Impact on NOI | | |
|-----------------------------|------------------|---------------|
| Cost of debt | 2.68% | |
| | Rate Base | NOI |
| RB Per CRM-8 (0% RB Growth) | \$ 1,308,965 | \$ 110,787 |
| EOP 2015 | \$ 1,386,000 | |
| Increase in RB | \$ 77,035 | |
| Incremental Debt Interest | \$ (723) | \$ 723 |
| Revised NOI | \$ 111,510 | Line 4 |

AVISTA CHANGES IN GREY

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 2015 Rate Base Change Me | \$ 287,200 | 1.00000 | \$287,200 |
| 2 | Settlement Rate of Return | | | 7.29% |
| 3 | Net Operating Income Requirement | | | \$20,937 |
| 4 | 2016 Net Operating Income (at 2015 rates) | \$ 14,588 | 1.01157 | \$14,421 |
| 5 | 2016 Rate of Return (at 2015 rates) | | | 5.02% |
| 6 | 2016 Net Operating Income Deficiency (Surplus) | | | \$6,516 |
| 7 | Gross-up Conversion Factor | | | 0.62032 |
| 8 | 2016 Attrition Revenue Deficiency (Surplus) | | | \$10,504 |
| 9 | 2016 Total General Business Revenues (at 2015 rates) | | | \$ 170,914 |
| 10 | Attrition-based 2016 revenue requirement | | | \$ 181,418 |
| 11 | Percent Revenue Requirement Change (vs. 2015) | | | 6.15% |

REMAND CALCULATIONS

| | | | | |
|----|--|--|------------------|-----------|
| 12 | Pro Forma Revenue Deficiency (Sufficiency) - from Order 05, Table A2 | | | \$ 3,975 |
| 13 | Attrition Study Revenue Deficiency (sufficiency) | | | \$ 10,504 |
| 14 | Attrition Allowance - REVISED PER REMAND | | | \$ 6,529 |
| 15 | Attrition Allowance - PER ORDER 05 | | | \$ 6,849 |
| 16 | Difference (annual) - Owed back to Customers | | 12 months | \$ 320 |
| | Pro-Rated Difference - Owed back to Customers | | 11 months | \$ 296 |
| | | | 2.26 years | \$ 723 |

| Net Including Earnings Sharing | |
|--------------------------------|----------|
| \$ 6,529 | \$ 6,849 |
| (\$2,711) | \$ - |
| (\$5,340) | \$ - |

McGuire Calculated refunds prior to "earnings sharing".

2.26 yr values provided for informational purposes only.

Impact on NOI

| | Rate Base | NOI |
|-----------------------------|------------|-----------|
| Cost of debt | 2.68% | |
| RB Per CRM-9 (0% RB Growth) | \$ 262,360 | \$ 14,355 |
| EOP 2015 | \$ 287,200 | |
| Increase in RB | \$ 24,840 | |
| Incremental Debt Interest | \$ (233) | \$ 233 |
| Revised NOI | \$ 14,588 | Line 4 |

AVISTA CHANGES IN GREY

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

| | | | |
|---------------|-----------------------|----------------|----------------------------|
| JURISDICTION: | WASHINGTON | DATE PREPARED: | 08/12/2019 |
| CASE NO: | UE-150204 & UG-150205 | WITNESS: | Elizabeth Andrews |
| REQUESTER: | Staff-Ball | RESPONDER: | Liz Andrews |
| TYPE: | Data Request | DEPT: | Regulatory Affairs |
| REQUEST NO.: | 204 | TELEPHONE: | (509) 495-8601 |
| | | EMAIL: | liz.andrews@avistacorp.com |

REQUEST:

In Avista's revised 2015 Commission Basis Reports, Dockets UE-160454 and UG-160455, Avista reports December 31, 2015, Commission Basis restated rate base amounts as \$1,338,806 for electric operations and \$272,971 for natural gas operations.

Please provide Avista's December 31, 2015, Commission Basis restated rate base amounts, separately for its WA electric and natural gas operations, but using end-of-period plant balances. Provide work papers supporting the rate base values provided, or if pertinent supporting documents already are on file with the Commission, please provide reference to those filed documents, including the specific location of the rate base amount provided in response to this data request.

RESPONSE:

Please see the 2015 end-of-period (EOP) revised electric Results of Operations (ROO) reports filed with the Commission on May 11, 2016 in Docket UE-160253. Page 1 of this report "UE-160253 E-ROR-12E.pdf" shows a summary page for EOP net rate base balance for Washington electric of \$1.386 billion.

Please see the 2015 EOP revised natural gas ROO report filed with the Commission on May 11, 2016 in Docket UG-160207. Page 1 of report "UG-160207 G-ROR-12E.pdf" shows a summary page for EOP net rate base balance for Washington natural gas of \$287.2 million.