

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

JURISDICTION:	WASHINGTON	DATE PREPARED:	1/24/2020
CASE NO:	UE-190334 & UG-190335	WITNESS:	Patrick Ehrbar
REQUESTER:	Bench	RESPONDER:	Joe Miller
TYPE:	Bench Request	DEPT:	Regulatory Affairs
REQUEST NO.:	Bench Request No. 1	TELEPHONE:	(509) 495-4546
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REQUEST:

Please provide the ERM balance as of April 2020 and the expected amortization amount to be rebated over the agreed upon two-year period.

RESPONSE:

The ERM balance on the Company's books as of December 31, 2019 is \$35,912,182. The forecasted balance, inclusive of accrued interest, as of March 31, 2020 is expected to be \$36,290,433. As described in paragraph 12 of the Settlement Stipulation, \$0.5 million of the ERM balance will be applied to the accelerated Colstrip production plant depreciation expense, leaving a projected ERM balance as of April 1, 2020 of \$35,790,433 available to be rebated to customers over the agreed-upon two year period. The forecasted amount to be rebated to customers over the two-year period, inclusive of accrued interest during the rebate period¹, is approximately \$39,240,083. See Bench Request No. 1 – Attachment A for the detailed calculations of the ERM balances described above.

¹ The carrying charge for the ERM mechanism is calculated using the Company's actual cost of debt, updated semi-annually, and applied to the Energy Cost Deferral balance less associated accumulated deferred income taxes.