

**Exh. ELJ-4  
Dockets UE-200900, UG-200901,  
UE-200894  
Witness: Elaine L. Jordan**

**BEFORE THE WASHINGTON  
UTILITIES AND TRANSPORTATION COMMISSION**

**WASHINGTON UTILITIES AND  
TRANSPORTATION COMMISSION,**

**Complainant,**

**v.**

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

**Respondent.**

**DOCKETS UE-200900, UG-200901,  
UE-200894 (*Consolidated*)**

**EXHIBIT TO  
TESTIMONY OF**

**Elaine L. Jordan**

**STAFF OF  
WASHINGTON UTILITIES AND  
TRANSPORTATION COMMISSION**

*Electric Revenue Normalization, Pro Forma Adjustment 3.01 – Avista response to UTC  
Staff Data Request No. 156, Attachment B*

**April 21, 2021**

AVISTA UTILITIES  
WASHINGTON ELECTRIC RESULTS  
TWELVE MONTHS ENDED DECEMBER 31, 2019  
(000'S OF DOLLARS)

**As Filed**

Line No.	DESCRIPTION	Pro Forma Revenue Normalization
	Adjustment Number	3.01
	Workpaper Reference	E-PREV
REVENUES		
1	Total General Business	\$25,496
2	Interdepartmental Sales	0
3	Sales for Resale	0
4	Total Sales of Electricity	0
5	Other Revenue	(10,608)
6	Total Electric Revenue	14,888
EXPENSES		
Production and Transmission		
7	Operating Expenses	(226)
8	Purchased Power	0
9	Depreciation/Amortization	0
10	Regulatory Amortization	0
11	Taxes	0
12	Total Production & Transmission	(226)
Distribution		
13	Operating Expenses	
14	Depreciation/Amortization	
	Regulatory Amortization	
15	Taxes	984
16	Total Distribution	984
17	Customer Accounting	85
18	Customer Service & Information	0
19	Sales Expenses	0
Administrative & General		
20	Operating Expenses	51
21	Depreciation/Amortization	0
22	Regulatory Deferrals/Amortization	0
23	Taxes	0
24	Total Admin. & General	51
25	Total Electric Expenses	894
26	OPERATING INCOME BEFORE FIT	13,994
FEDERAL INCOME TAX		
27	Current Accrual	2,939
28	Debt Interest	-
29	Deferred Income Taxes	0
30	Amortized ITC - Noxon	0

31	NET OPERATING INCOME	<u><u>\$11,055</u></u>
	RATE BASE	
	PLANT IN SERVICE	
32	Intangible	0
33	Production	0
34	Transmission	0
35	Distribution	0
36	General	<u>0</u>
37	Total Plant in Service	-
	ACCUMULATED DEPRECIATION/AMORT	
38	Intangible	0
39	Production	0
40	Transmission	0
41	Distribution	0
42	General	<u>0</u>
43	Total Accumulated Depreciation	-
44	NET PLANT	-
45	DEFERRED TAXES	<u>0</u>
46	Net Plant After DFIT	-
47	DEFERRED DEBITS AND CREDITS & OTHER	0
48	WORKING CAPITAL	<u>0</u>
49	TOTAL RATE BASE	<u><u>\$0</u></u>
50	RATE OF RETURN	
51	REVENUE REQUIREMENT	(14,637)

	7.09%	
Revenue Conversion Factor	75.529%	
NOI Requirement		<u>(11,055)</u>
Revenue Requirement		<u>(14,637)</u>

**WA Electric Revenue Normalization Adjustment--12-mo ended December 31, 2019**

		\$000's					
		<i>CB Restated</i>		<i>PF</i>	<i>Total Adjust</i>	<i>Pro Forma Revenue Adj</i>	
	<u>WP Source</u>		<u>WP Source</u>				
1	Base Rate Revenue	508,246	E-PREV-5	535,452	27,206	27,206	Pro Forma includes Sch 25 unbilled in this total
2	Weather Normalization	-3,836	E-PREV-5	-4,058	-222	-222	
3	Unbilled Revenue	673	E-PREV-5	-815	-1,488	-1,488	Schedule 25 Unbilled per books was -\$42
4	Sales to Ultimate Consumers	505,083		530,579	25,496	25,496	
	Other Revenue						
5	Decoupled Deferred Revenue	10,789		0	-10,789	-10,789	Elim 2019 Decoupling deferrals - GRC resets Base
6	Provision For Rate Refund - Decoupling	0		0	0	0	Elim Decoupling Earnings Sharing in Test Period
7	Provision For Rate Refund - Tax Reform	-181		0	181	181	Elim Tax Reform Deferral true-up entry
8	Total Rev.	515,691		530,579	14,888	14,888	
	<b>Expense</b>						
9	State Excise Tax		CF			984	3.8605% Effective Rate
10	Uncollectibles		CF			85	0.3326% Effective Rate
11	Commission Fees		CF			51	0.2000% Nominal Rate
						1,120	4.3931% Conver. Factor b4 FIT
12	<b>Operating Income before FIT</b>					13,768	
13	FIT Expense					2,891	21% Diff
14	<b>Net Operating Income</b>					10,877	
15	* zero in Pro-forma revenues						
16						25,496	Revenue
17						4.3931%	Conver. Factor b4 FIT
18						1,120	Rev related exp.
19						1,120	check
						0	

Adjustment No. **3.01**

Workpaper Ref E-PREV-2

WA Electric Normalized Revenue --12-months ended December 31, 2019  
\$000's

Line	Revenue	WP Source	Actuals 1.00	Eliminate B&O Taxes 2.01	Weather Normalization 2.10	Eliminate Adder Sched 2.11	Misc Restating 2.12	Eliminate WA Power Cost Def 2.13	Commission Basis Power Supply Adj 2.18	Total Adjust	Normalized Restated Base Revenue	
1	Billed Base Rate Revenue	Calc	508,246							0	508,246	
2	Weather Normalization				-3,836					-3,836	-3,836	Weather adj excludes weather related
3	B&O Tax - Sch 58	B&O	18,871	-18,871						-18,871	0	revenue captured in decoupling
4	BPA Residential Exchange Credit - Sch 59	Calc	-3,245			3,245				3,245	0	mechanism (began January 2015)
5	Tax Reform Refund - Sch 74	Calc	-4,094			4,094				4,094	0	
6	Decoupling Amort - Sch 75	EAS-2	1,239			-1,239				-1,239	0	
7	Public Purpose Rider - Sch 89/91/92	Calc	28,473			-28,473				-28,473	0	
8	Power Cost Surcharge - ERM Sch 93	EWPC	0					0	0	0	0	
9	BPA Capacity Support Rebate - Sch 94	Calc	0			0				0	0	
10	Optional Renewable Power - Sch 95	Calc	163			-163				-163	0	
11	REC Revenue Rebate - Sch 98	Calc	-1,740			0		1,740		1,740	0	
12	Unbilled Revenue	ROO / Calc	-136			809				809	673	
13	Sales to Ultimate Consumers	ROO	547,777	-18,871	-3,836	-21,727	0	1,740	0	-42,694	505,083	Rounding matches column 1.00 results
14	Sales for Resale Revenue - ERM Related	E-APS	52,658						-17,144	-17,144	35,514	
15	Sales for Resale Revenue - Other	Calc	772							0	772	
16	Total Sales for Resale Revenue	ROO	53,430	0	0	0	0	0	-17,144	-17,144	36,286	
17	Other Revenue - Misc	ROO / Calc	1,631							0	1,631	
18	Other Revenue - ERM Related	E-APS	49,153						-39,208	-39,208	9,945	
19	Other Revenue - From Electric Property	ROO / B&O	1,528	-14						-14	1,514	
20	Other Revenue - Decoupling Amortization	ROO/EAS	-1,184			1,184				1,184	0	Decoupling deferred revenue is net of
21	Other Revenue - Decoupling Deferred Revenue	ROO/WN	7,906		2,883					2,883	10,789	revenue related expenses to be paid with
22	Other Revenue - Contra Decoupling Deferral	ROO/EAS	1,397			-1,397				-1,397	0	recovery through surcharge or rebate in
23	Provision For Rate Refund - Decoupling	ROO/MR	0				0			0	0	a later period.
24	Provision For Rate Refund - Tax Reform	ROO	-181							0	-181	
25	Total Other Revenue		60,250	-14	2,883	-213	0	0	-39,208	-36,552	23,698	
26	Total Revenue		661,457	-18,885	-953	-21,940	0	1,740	-56,352	-96,390	565,067	
	<b>Expense</b>											
27	B&O Tax	B&O	-18,805	18,805						18,805	0	
28	Power Cost Surcharge Amort. - ERM	EWPC	0					0		0	0	amort only; excluding deferrals
29	Power Cost Surcharge Amort. - ERM Unbilled	EAS-2	0			0				0	0	
30	REC Rev Rebate Amort.	EWPC	-1,659					1,659		1,659	0	amort only; excluding deferrals
31	REC Rev Rebate Unbilled Amort	EAS-2	34			-34				-34	0	
32	BPA Residential Exchange	EAS-2	-3,102			3,102				3,102	0	
33	BPA Residential Exchange Unbilled	EAS-2	-420			420				420	0	
34	BPA Capacity Support Amort	EAS-2	0			0				0	0	amort only; excluding deferrals
35	BPA Capacity Support Unbilled	EAS-2	0			0				0	0	
36	Optional Renewable Power - Revenue Offset	EAS-2	156			-156				-156	0	
37	Public Purpose Rider	EAS-2	27,222			-27,222				-27,222	0	
38	Public Purpose Rider Unbilled	EAS-2	-387			387				387	0	
39	Tax Reform Amortization	EAS-2	-3,914			3,914				3,914	0	
40	State Excise Tax	CF	21,147		-148	-839	0	67	0	-920	20,227	3.8605% Effective Rate
41	Uncollectibles	CF	1,822		-13	-72	0	11	0	-74	1,748	0.3326% Effective Rate
42	Commission Fees	CF	1,096		-8	-43	0	3	0	-48	1,048	0.2000% Nominal Rate
43			23,190	18,805	-169	-20,543	0	1,740	0	-167	23,023	4.3931% Conver. Factor b4 FIT
44	Net Revenue		638,267	-37,690	-784	-1,397	0	0	-56,352	-96,223	542,044	104.5950% Expense Gross Up Factor