

**BEFORE THE WASHINGTON
UTILITIES & TRANSPORTATION COMMISSION**

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION,

Complainant,

v.

AVISTA CORPORATION d/b/a AVISTA UTILITIES,

Respondent.

DOCKET NOS. UE-190334 and UG-190335, UE-190222 (*Consolidated*)

ANDREA C. CRANE

ON BEHALF OF PUBLIC COUNSEL

EXHIBIT ACC-12

Avista Response to Public Counsel Data Request No. 53, with Attachment A

(Non-Confidential Version)

October 3, 2019

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

JURISDICTION:	WASHINGTON	DATE PREPARED:	06/05/2019
CASE NO.:	UE-190334 & UG-190335	WITNESS:	Elizabeth Andrews
REQUESTER	Public Counsel	RESPONDER:	Annette Brandon
TYPE:	Data Request	DEPT:	Regulatory Affairs
REQUEST NO.:	PC – 053	TELEPHONE:	(509) 495-4324
		EMAIL:	annette.brandon@avistacorp.com

REQUEST:

Please provide the most recent actuarial reports for the Company's pension and other post-employee benefit (OBEP) programs.

RESPONSE:

Please see Avista's **CONFIDENTIAL** response to data request PC_DR_053C. Please note that Avista's response to PC_DR_013C is **Confidential per Protective Order in UTC Dockets UE-190334 and UG-190335**.

Please see PC_DR_053C Confidential Attachment A for the revised Pension and Post- Retirement Medical estimates provided by our actuary Company Willis Towers Watson.

Please see PC_DR_053 Attachment A for the revised Test Year Benefit Adjustment. The net impact of this change is a decrease to the Washington electric net expense adjustment \$642,866 (\$2,637,595 – \$1,994,729), and a decrease in Washington natural gas net expense adjustment of \$195,055 (\$800,286 - \$605,231).

Task Name	Task Number	Year End YE 12.31.2018	Pro-Forma YE 12.31.2019	Adjustment
Health Insurance (Premera and Group Health)	926220	22,645,974	25,350,000	2,704,026
Health Insurance (High Deductible Plan)	926221	1,430,306	1,500,000	69,694
FAS 106 (Post-Retirement Medical)	926240	8,541,714	8,900,000	358,286
Total Medical		32,617,994	35,750,000	3,132,006
401 (k)	926225	9,138,892	9,800,000	661,108
401(K) Non-Elect Con	926226	905,072	1,100,000	194,928
Pension FAS 87	926230	20,611,101	24,000,000	3,388,899
Total Retirement		30,655,065	34,900,000	4,244,935
Total		63,273,059	70,650,000	7,376,941
O & M Percent		56.31%	56.31%	56.31%
Total O&M		\$ 35,629,060	\$ 39,783,015	\$ 4,153,955

Actual 12 ME 12.31.2018	Total Labor \$	Percent of Total	
Washington Electric Labor	\$ 47,209,508.35		
Total OPER Labor	\$ 98,302,568.00	48.02%	\$ 1,994,729
Idaho Electric Labor	\$ 22,775,635.65		
Total OPER Labor	\$ 98,302,568.00	23.17%	\$ 962,471
Washington Gas Labor	\$ 14,320,227.36		
Total OPER Labor	\$ 98,302,568.00	14.57%	\$ 605,231
Idaho Gas Labor	\$ 5,520,412.64		
Total OPER Labor	\$ 98,302,568.00	5.62%	\$ 233,452
Oregon Gas Labor	\$ 8,476,784.00		
Total OPER Labor	\$ 98,302,568.00	8.62%	\$ 358,071
Total	\$ 98,302,568.00	100.00%	\$ 4,153,954

Benefit Expense Adjustment

Cognos Query

Ran: 02.04.19

Accounting Period: 01.01.2018 through 12.31.2018

Summary EXP Category		Non-Labor			
		Actual	Pro-Forma 2020		
Task Number	Task Name	Sum of Transaction Amount	Sum of Transaction Amount		Description
926220	Health Insurance	\$ 22,645,974	\$ 25,350,000		Estimate Provided by Compensation Consultant - Mercer
926221	Health Insure - HDHP	\$ 1,430,306	\$ 1,500,000		Estimate Provided by Compensation Consultant - Mercer
926240	FAS 106	\$ 2,868,055	\$ 2,400,000		Estimate Provided by Compensation Consultant - Willis Towers Watson 03.2019
926251	FAS 106 NS	\$ 5,673,659	\$ 6,500,000		Estimate Provided by Compensation Consultant - Willis Towers Watson 03.2019
926225	401 (k)	\$ 9,138,892	\$ 9,800,000		Estimate based on historical actual
926226	401(K) Non-Elect Con	\$ 905,072	\$ 1,100,000		Estimate based on historical actual
926230	Pension FAS 87	\$ 21,595,661	\$ 16,600,000		Estimate Provided by Compensation Consultant - Willis Towers Watson 03.2019
926253	Pension FAS 87 NS	\$ (984,560)	\$ 7,400,000		Estimate Provided by Compensation Consultant - Willis Towers Watson 03.2019
Grand Total		\$ 63,273,059	\$ 70,650,000		

Accounting Period BETWEEN '201801' AND '201812', , Expenditure Type Parameter 1 : '510 Payroll Benefits loading'

Workpaper Ref. Non-Util Benefit Calc

Accounting Period:<All>

Expenditure Type	Desc	Transaction Amount				Total
		CAP	NONOP	OPER	OTHER	
510 Payroll Benefits loading	Projects	19,552,605	1,201,740	35,288,718	6,621,116	62,664,179
Total		19,552,605	1,201,740	35,288,718	6,621,116	62,664,179
	Percent	31.20%	1.92%	56.31%	10.57%	100.00%

Breakdown by Component

Electric

(Non-Exec Labor Adjust)

Production	7,256,066	31%	\$ 298,366
Transmission	1,969,047	8%	\$ 76,998
Distribution	4,926,346	21%	\$ 202,119
Customer Accounts	1,890,322	8%	\$ 76,998
Customer Service	196,465	1%	\$ 9,625
Admin and General	7,332,616	31%	\$ 298,366
Total	23,570,862	100%	\$ 962,471

Breakdown by Component

Natural Gas

(Non-Exec Labor Adjust)

Production	224,174	4%	\$ 9,338
Underground Storage	3,768	0%	\$ -
Distribution	2,391,299	42%	\$ 98,050
Customer Accounts	1,158,251	20%	\$ 46,690
Customer Service	124,036	2%	\$ 4,669
Admin and General	1,807,186	32%	\$ 74,705
Total	5,708,714	100%	\$ 233,452