

**Exh. AH-3
Dockets UE-190334, UG-190335,
and UE-190222
Witness: Aimee Higby**

**BEFORE THE WASHINGTON
UTILITIES AND TRANSPORTATION COMMISSION**

**WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION,**

Complainant,

v.

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

Respondent.

**DOCKETS UE-190334, UG-190335,
and UE-190222 (*Consolidated*)**

**EXHIBIT TO
TESTIMONY OF**

Aimee Higby

**STAFF OF
WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION**

Avista's Response to UTC Staff Data Request No. 26

October 3, 2019

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

JURISDICTION:	WASHINGTON	DATE PREPARED:	06/20/2019
CASE NO.:	UE-190334 & UG-190335	WITNESS:	Karen Schuh
REQUESTER:	UTC Staff	RESPONDER:	Karen Schuh
TYPE:	Data Request	DEPT:	Regulatory Affairs
REQUEST NO.:	Staff - 026	TELEPHONE:	(509) 495-2293
		EMAIL:	karen.schuh@avistacorp.com

REQUEST:

Referring to Karen Schuh's direct testimony Exhibit No. __ (KKS-1T), page 10, line 1 to line 9, please provide a detailed explanation of how the company arrived at a \$5 million threshold as a "reasonable definition of major." Please include in your explanation a discussion of why the company chose not to use a "jurisdictional" approach.

RESPONSE:

The Company analyzed expected projects on a jurisdictional basis, and has only included projects on a jurisdictional basis (only the Washington share) in its rate request. However, for ease of auditing the projects, coordination between witnesses and presentation of testimony in this case, it was more appropriate to review based on a system level. A \$5 million level generated 20 projects out of 165 or 12% of the projects expected to transfer-to-plant. Or expressed differently, it covers only \$111M out of \$206M (54%) of total placed into service. The use of this threshold was simply done, as an accommodation, to limit the number of projects to be audited by staff, it still does not provide the Company with an opportunity to earn a reasonable return on all plant placed in service.