

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION STAFF
RESPONSE TO BENCH REQUEST

DATE PREPARED: February 27, 2020
DOCKETS: UE-190334-35-222
REQUESTER: Bench

WITNESS: David C. Gomez
RESPONDER: David C. Gomez
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BENCH REQUEST:

Please provide updated versions of Attachment A to Bench Request No. 1 based on each of the following possible results (a) – (e) from a Commission decision in Docket UE-190882:

- (a) \$0.00 (already provided as Attachment A to Bench Request No. 1)
- (b) (\$209,000)
- (c) (\$2.4 million)
- (d) (\$3.3 million)
- (e) (\$3.5 million)

Please refer to testimony offered in Docket UE-190882 for explanation of each of the above possible results of decision.

The Commission prefers receiving an agreed response from the parties to each of the above. If an agreed response is not possible, the parties should provide separate answers with explanation of the differences between the answers.

RESPONSE:

Staff has validated the Company's calculation of the deferral balance to be refunded to customers under the different possible results outlined in the Commission's bench request above (b) through (e). Avista's calculations, however, are performed using two different methodologies, and Avista's response to this bench request provides alternate calculations of the ERM balance for the scenarios (b), (d), and (e). Staff believes the best way to calculate the ERM balance is to subtract the disallowance in the period in which it occurs and then to flow the costs through the ERM mechanism to generate the ERM balance. Staff provides attachments for each scenario (b) through (e) that are consistent with that methodology, and identifies the corresponding (identical) Avista attachments that Avista has included with its response.

(a) (\$0.00):

Previously provided by Avista as Attachment A to Bench Request No. 1. That attachment shows a total two-year amortization of \$39,240,083; with \$19,576,206 in year one and \$19,663,877 in year two.

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(b) (\$209,000):

Staff's attachment for Result B calculates a two-year amortization under this scenario of \$39,443,759; with \$19,677,816 in year one and \$19,765,943 in year two.

See Attachment - Result B

(Staff's "Result B" attachment is the same document as Avista's Attachment B.)

(c) (\$2.4 Million):

Staff's attachment for Result C calculates a two-year amortization under this scenario of \$41,855,141; with \$20,880,814 in year one and \$20,974,328 in year two.

See Attachment - Result C

(Staff's "Result C" attachment is the same document as Avista's Attachment C.)

(d) (\$3.3 Million):

Staff's Attachment for Result D calculates a two-year amortization under this scenario of \$42,437,140; with \$21,171,163 in year one and \$21,265,977 in year two.

See Attachment - Result D

(Staff's "Result D" attachment is the same document as Avista's Attachment E.)

(e) (\$3.5 Million):

Staff's attachment for Result E calculates a two-year amortization under this scenario of \$42,697,258; with \$21,300,931 in year one and \$21,396,327 in year two.

See Attachment - Result E

(Staff's "Result E" attachment is the same document as Avista's Attachment G.)