

BEFORE THE
WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

| | | |
|---|---|--------------------------|
| WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION |) | DOCKETS UE-190334, |
| |) | UG-190335, and UE-190222 |
| |) | <i>(Consolidated)</i> |
| Complainant, |) | |
| |) | |
| v. |) | |
| |) | |
| AVISTA CORPORATION d/b/a |) | |
| AVISTA UTILITIES |) | |
| |) | |
| Respondent. |) | |
| _____ |) | |

EXHIBIT LDK-4
SUMMARY OF RATE SPREAD AND RATE DESIGN

**AVISTA UTILITIES
WASHINGTON ELECTRIC
AWEC PROPOSED INCREASE BY SERVICE SCHEDULE
12 MONTHS ENDED DECEMBER 31, 2018
(000s of Dollars)**

| No. | Type of Service | Schedule Number | Base Tariff Revenue Under Present Rates(1) | Proposed General Increase | Base Tariff Revenue Under Proposed Rates(1) | Base Tariff Percent Increase | Total Billed Revenue at Present Rates (2) | Total General Increase | Percent Increase on Billed Revenue |
|-----|-----------------------------|-----------------|--|---------------------------|---|------------------------------|---|------------------------|------------------------------------|
| | (a) | (b) | (c) | (d) | (e) | (f) | (g) | (h) | (i) |
| 1 | Residential | 1/2 | \$216,075 | \$15,558 | \$231,634 | 7.2% | \$220,074 | \$15,558 | 7.1% |
| 2 | General Service | 11/12 | \$75,061 | -\$8,865 | \$66,196 | (11.8%) | \$78,692 | (\$8,865) | -11.3% |
| 3 | Large General Service | 21/22 | \$125,677 | (\$8,056) | \$117,621 | (6.4%) | \$131,866 | (\$8,056) | -6.1% |
| 4 | Extra Large General Service | 25 | \$66,744 | (\$1,297) | \$65,446 | (1.9%) | \$69,157 | (\$1,297) | -1.9% |
| 5 | Pumping Service | 30/31/32 | \$12,039 | \$380 | \$12,419 | 3.2% | \$12,659 | \$380 | 3.0% |
| 6 | Street & Area Lights | 41-48 | <u>\$6,424</u> | <u>(\$394)</u> | <u>\$6,030</u> | (6.1%) | <u>\$6,790</u> | <u>(\$394)</u> | -5.8% |
| 7 | Total | | \$502,020 | (\$2,673) | \$499,346 | (0.5%) | \$519,238 | (\$2,673) | -0.5% |

(1) Excludes all present rate adjustments: Schedule 59 (BPA Residential Exchange), Schedule 74 (Tax Rebate), Schedule 75 (Decoupling), Schedule 91 (DSM), Schedule 92 (LIRAP), Schedule 93 (ERM), and Schedule 98 (REC Revenue).

(2) Includes all present rate adjustments: Schedule 59 (BPA Residential Exchange), Schedule 74 (Tax Rebate), Schedule 75 (Decoupling), Schedule 91 (DSM), Schedule 92 (LIRAP), Schedule 93 (ERM), and Schedule 98 (REC Revenue).

**AWEC PROPOSED RATE SPREAD
WASHINGTON ELECTRIC
PRESENT & AWEC PROPOSED RATES OF RETURN BY RATE SCHEDULE
12 MONTHS ENDED DECEMBER 31, 2018**

| <u>Line No.</u> | <u>Type of Service</u> (a) | <u>Sch. Number</u> (b) | <u>Present Rates</u> | | Tariff Increase AWEC <u>RR Proposed</u> (e) | <u>Proposed Rates</u> | |
|-----------------|-------------------------------|---------------------------|--------------------------------------|------------------------------------|--|---------------------------------------|-------------------------------------|
| | | | <u>Present Rate of Return</u> (c) | <u>Present Relative ROR</u> (d) | | <u>Proposed Rate of Return</u> (f) | <u>Proposed Relative ROR</u> (g) |
| 1 | Residential | 1/2 | 2.36% | 0.43 | 7.2% | 3.89% | 0.72 |
| 2 | General Service | 11/12 | 12.29% | 2.24 | -11.8% | 8.71% | 1.62 |
| 3 | Large General Service | 21/22 | 8.51% | 1.55 | -6.4% | 6.86% | 1.27 |
| 4 | Extra Large General Svc. | 25 | 5.93% | 1.08 | -1.9% | 5.38% | 1.00 |
| 5 | Pumping Service | 30/31/32 | 4.68% | 0.85 | 3.2% | 5.38% | 1.00 |
| 6 | Street & Area Lights | 41-48 | 6.25% | 1.14 | -5.8% | 5.38% | 1.00 |
| 7 | Total | | 5.50% | 1.00 | -0.5% | 5.38% | 1.00 |

**AVISTA UTILITIES
WASHINGTON ELECTRIC
PRESENT AND AWEC PROPOSED RATE COMPONENTS BY SCHEDULE**

| <u>Type of Service</u> (a) | <u>Base Tariff Sch. Rate</u> (b) | <u>Present Other Adj.(1)</u> (c) | <u>Present Billing Rate</u> (d) | <u>General Rate Inc/Dec</u> (e) | <u>Proposed Billing Rate</u> (f) |
|---|---|---|--|--|---|
| <u>Residential Service - Schedule 1</u> | | | | | |
| Basic Charge | \$9.00 | | \$9.00 | \$0.00 | \$9.00 |
| Energy Charge: | | | | | |
| First 800 kWhs | \$0.07533 | \$0.00175 | \$0.07708 | \$0.00608 | \$0.08316 |
| 800 - 1,500 kWhs | \$0.08765 | \$0.00175 | \$0.08940 | \$0.00707 | \$0.09647 |
| All over 1,500 kWhs | \$0.10276 | \$0.00175 | \$0.10451 | \$0.00829 | \$0.11280 |
| <u>General Services - Schedule 11</u> | | | | | |
| Basic Charge | \$20.00 | | \$20.00 | \$0.00 | \$20.00 |
| Energy Charge: | | | | | |
| First 3,650 kWhs | \$0.11349 | \$0.00594 | \$0.11943 | (\$0.01598) | \$0.10345 |
| All over 3,650 kWhs | \$0.08341 | \$0.00594 | \$0.08935 | (\$0.01174) | \$0.07761 |
| Demand Charge: | | | | | |
| 20 kW or less | no charge | | no charge | no charge | |
| Over 20 kW | \$6.50/kW | | \$6.50/kW | \$0.50/kW | \$7.00/kW |
| Minimums: | \$15.00 Single Phase Service | | | | \$20.00 Single F |
| | \$25.35 Three Phase Service | | | | \$27.35 Three F |
| <u>Large General Service - Schedule 21</u> | | | | | |
| Energy Charge: | | | | | |
| First 250,000 kWhs | \$0.07189 | \$0.00455 | \$0.07644 | (\$0.00778) | \$0.06866 |
| All over 250,000 kWhs | \$0.06430 | \$0.00455 | \$0.06885 | (\$0.00698) | \$0.06187 |
| Demand Charge: | | | | | |
| 50 kW or less | \$500.00 | | \$500.00 | \$50.00 | \$550.00 |
| Over 50 kW | \$6.50/kW | | \$6.50/kW | \$0.50/kW | \$7.00/kW |
| Primary Voltage Discount | \$0.20/kW | | \$0.20/kW | | \$0.20/kW |
| <u>Extra Large General Service - Schedule 25</u> | | | | | |
| Energy Charge: | | | | | |
| First 500,000 kWhs | \$0.05505 | \$0.00245 | \$0.05750 | (\$0.00097) | \$0.05653 |
| 500,000 - 6,000,000 kWhs | \$0.04953 | \$0.00245 | \$0.05198 | (\$0.00086) | \$0.05112 |
| All over 6,000,000 kWhs | \$0.04235 | \$0.00169 | \$0.04404 | (\$0.00074) | \$0.04330 |
| Demand Charge: | | | | | |
| 3,000 kva or less | \$24,000 | | \$24,000 | | \$24,000 |
| Over 3,000 kva | \$6.50/kva | | \$6.50/kva | | \$6.50/kva |
| Primary Volt. Discount | | | | | |
| 11 - 60 kv | \$0.20/kW | | \$0.20/kW | | \$0.20/kW |
| 60 - 115 kv | \$1.10/kW | | \$1.10/kW | \$0.42/kW | \$1.52/kW |
| 115 or higher kv | \$1.40/kW | | \$1.40/kW | \$0.53/kW | \$1.93/kW |

Annual Minimum Present: \$829,950 **\$855,830**

Pumping Service - Schedule 31

| | | | | | |
|---------------------|-----------|-----------|-----------|------------------|------------------|
| Basic Charge | \$20.00 | | \$20.00 | \$0.00 | \$20.00 |
| Energy Charge: | | | | | |
| First 85 kW/kWh | \$0.09712 | \$0.00425 | \$0.10137 | \$0.00322 | \$0.10459 |
| Next 80 kW/kWh | \$0.09712 | \$0.00425 | \$0.10137 | \$0.00322 | \$0.10459 |
| All additional kWhs | \$0.06936 | \$0.00425 | \$0.07361 | \$0.00231 | \$0.07592 |

(1) Includes all present rate adjustments: Schedule 59 (BPA Residential Exchange), Schedule 74 (Tax R Schedule 75 (Decoupling), Schedule 91 (DSM), Schedule 92 (LIRAP), Schedule 93 (ERM), and Schedule 98 (REC Revenue).

**AVISTA UTILITIES
WASHINGTON NATURAL GAS
AWEC PROPOSED INCREASE BY SERVICE SCHEDULE
12 MONTHS ENDED DECEMBER 31, 2018
(000s of Dollars)**

| Line No. | Type of Service | Schedule Number | Base Tariff Distribution Revenue Under Present Rates | Proposed General Increase | Base Tariff Distribution Revenue Under Proposed Rates | Base Tariff Percent Increase | Total Billed Revenue at Present Rates (1) | Proposed General Increase | Percent Increase on Billed Revenue |
|----------|--|-----------------|--|---------------------------|---|------------------------------|---|---------------------------|------------------------------------|
| | (a) | (b) | (c) | (d) | (e) | (f) | (g) | (h) | (i) |
| 1 | General Service | 101/102 | \$71,132 | \$5,276 | \$76,408 | 7.4% | \$95,820 | \$5,276 | 5.5% |
| 2 | Large General Service | 111/112/116 | \$17,418 | (\$2,321) | \$15,097 | -13.3% | \$26,681 | (\$2,321) | -8.7% |
| 3 | Large General Svc.-High Annual Load Factor (2) | 121/122/126 | \$0 | \$0 | \$0 | 0.0% | \$0 | \$0 | 0.0% |
| 4 | Interruptible Service | 131/132 | \$201 | (\$20) | \$181 | -9.8% | \$456 | (\$20) | -4.3% |
| 5 | Transportation Service | 146 | \$3,236 | (\$32) | \$3,203 | -1.0% | \$3,156 | (\$32) | -1.0% |
| 6 | Special Contracts | 148 | <u>\$1,720</u> | <u>\$0</u> | <u>\$1,720</u> | 0.0% | <u>\$1,720</u> | <u>\$0</u> | 0.0% |
| 7 | Total | | \$93,707 | \$2,902 | \$96,609 | 3.1% | \$127,834 | \$2,902 | 2.3% |

(1) Includes Schedule 150 (Purchase Gas Cost Adjustment), Schedule 155 (Gas Rate Adjustment), Schedule 174 (Tax Rebate), Schedule 175 (Decoupling), Schedule 191 (DSM Adjustment) and Schedule 192 (LIRAP Adjustment).

(2) As discussed in the testimony of Company witness Miller Schedules 121/122/126 are proposed to be discontinued and the associated revenue has been included within rate schedules 111/112/116.

**AVISTA UTILITIES
WASHINGTON NATURAL GAS
PRESENT & AWEC PROPOSED RATES OF RETURN BY RATE SCHEDULE
12 MONTHS ENDED DECEMBER 31, 2018**

| <u>Line No.</u> | <u>Type of Service</u> (a) | <u>Sch. Number</u> (b) | <u>Present Rates</u> | | Base Tariff Proposed Increase (e) | <u>Proposed Rates</u> | |
|-----------------|---|---------------------------|--------------------------------------|------------------------------------|---|---------------------------------------|-------------------------------------|
| | | | <u>Present Rate of Return</u> (c) | <u>Present Relative ROR</u> (d) | | <u>Proposed Rate of Return</u> (f) | <u>Proposed Relative ROR</u> (g) |
| 1 | General Service | 101 | 3.45% | 0.68 | 7.42% | 4.74% | 0.84 |
| 2 | Large General Service | 111 | 13.59% | 2.68 | -13.33% | 10.34% | 1.84 |
| 3 | Large General Svc.-High Annual Load Factor | 121 | | | | | |
| 4 | Interruptible Service | 131 | 11.09% | 2.19 | -9.78% | 8.96% | 1.59 |
| 5 | Transportation Service | 146 | 5.81% | 1.14 | -1.00% | 5.62% | 1.00 |
| 6 | Total | | 5.07% | 1.00 | 3.15% | 5.62% | 1.00 |

**AVISTA UTILITIES
WASHINGTON NATURAL GAS
PRESENT AND AVEC PROPOSED RATE COMPONENTS BY SCHEDULE**

| Type of Service (a) | Present Base Distribution Rate (b) | Present Billing Rate Adj. (1) (c) | Present Billing Rate (d) | General Rate Increase (e) | Proposed Billing Rate(1) (f) |
|---|---|--|--------------------------------|------------------------------------|---------------------------------------|
| <u>General Service - Schedule 101</u> | | | | | |
| Basic Charge | \$9.50 | | \$9.50 | \$0.00 | \$9.50 |
| Usage Charge: | | | | | |
| First 70 Therms | \$0.36723 | \$0.19184 | \$0.55907 | \$0.03677 | \$0.59584 |
| All over 70 Therms | \$0.47729 | \$0.19184 | \$0.66913 | \$0.04779 | \$0.71692 |
| <u>Large General Service - Schedule 111</u> | | | | | |
| Usage Charge: | | | | | |
| First 200 therms | \$0.48625 | \$0.22349 | \$0.70974 | \$0.04395 | \$0.75369 |
| 200 - 1,000 therms | \$0.33354 | \$0.22349 | \$0.55703 | (\$0.06327) | \$0.49376 |
| 1,000 - 10,000 therms (Adjusted) | \$0.25424 | \$0.22349 | \$0.47773 | (\$0.04823) | \$0.42950 |
| 10,000 - 25,000 therms (New) | | | | | \$0.39926 |
| All over 25,000 therms (New) | | | | | \$0.34679 |
| Minimum Charge: | | | | | |
| per month | \$97.25 | | \$97.25 | \$8.79 | \$106.04 |
| per therm | \$0.00000 | \$0.22349 | \$0.22349 | | \$0.22349 |
| <u>High Annual Load Factor Large General Service - Schedule 121 (Discontinued)</u> | | | | | |
| Usage Charge: | | | | | |
| First 500 therms | \$0.48088 | \$0.25101 | \$0.73189 | | **DISCONTIN |
| 500 - 1,000 therms | \$0.34850 | \$0.25101 | \$0.59951 | | |
| 1,000 - 10,000 therms | \$0.26767 | \$0.25101 | \$0.51868 | | |
| 10,000 - 25,000 therms | \$0.21692 | \$0.25101 | \$0.46793 | | |
| All over 25,000 therms | \$0.14387 | \$0.25101 | \$0.39488 | | |
| Minimum Charge: | | | | | |
| per month | \$240.44 | | \$240.44 | | |
| per therm | \$0.00000 | \$0.25101 | \$0.25101 | | |
| Annual Minimum per therm | Present: | \$0.38269 | | | |
| <u>Interruptible Service - Schedule 132</u> | | | | | |
| Usage Charge: | | | | | |
| First 10,000 therms | \$0.24655 | \$0.25927 | \$0.50582 | (\$0.02647) | \$0.47935 |
| 10,000 - 25,000 therms | \$0.19792 | \$0.25927 | \$0.45719 | (\$0.02125) | \$0.43594 |
| 25,000 - 50,000 therms | \$0.18598 | \$0.25927 | \$0.44525 | (\$0.01997) | \$0.42528 |
| All over 50,000 therms | \$0.18203 | \$0.25927 | \$0.44130 | | \$0.44130 |
| Annual Minimum per therm | Present: | \$0.27731 | | | Proposed: |
| <u>Transportation Service - Schedule 146</u> | | | | | |
| Basic Charge | \$550.00 | | \$550.00 | \$75.00 | \$625.00 |
| Usage Charge: | | | | | |
| First 20,000 therms | \$0.09690 | (\$0.00224) | \$0.09466 | (\$0.00220) | \$0.09246 |
| 20,000 - 50,000 therms | \$0.08621 | (\$0.00224) | \$0.08397 | (\$0.00196) | \$0.08201 |
| 50,000 - 300,000 therms | \$0.07774 | (\$0.00224) | \$0.07550 | (\$0.00177) | \$0.07373 |
| 300,000 - 500,000 therms | \$0.07189 | (\$0.00224) | \$0.06965 | (\$0.00163) | \$0.06802 |
| All over 500,000 therms | \$0.05403 | (\$0.00224) | \$0.05179 | (\$0.00123) | \$0.05056 |
| Annual Minimum per therm | Present: | \$0.08905 | | | Proposed: |

(1) Includes Schedule 150 (Purchase Gas Cost Adjustment), Schedule 155 (Gas Rate Adjustment), Schedule 174 (Tax R Schedule 175 (Decoupling), Schedule 191 (DSM Adjustment) and Schedule 192 (LIRAP Adjustment).