

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION STAFF
RESPONSE TO BENCH REQUEST

DATE PREPARED: July 27, 2021
DOCKETS: UE-200900-901/UE-200894
REQUESTER: Bench

WITNESS: Jason Ball
RESPONDER: Jason Ball
TELEPHONE: 360-664-1279

BENCH REQUEST NO. 11:

In the Settlement, the Settling Parties “agree to include EIM capital and expenses in base rates as proposed by Avista.”¹

- (a) Avista witness Andrews’s testimony, Exh. EMA-1T at 28:14-16 and Exh. EMA-6T at 15:1-14, states that portions of the 3.17, 3.18, and 3.19 pro forma adjustments are provisional and related to projects that are estimated to be in service after the rate effective date.

In Avista’s revised response to BR-1, “200900-01-894-AVA-RevisedBR1-Att-A-06-18-2021,” spreadsheet “ADJ DETAIL-INPUT,” columns AX and AY, Avista’s electric revenue requirement model identifies and separately states the traditional and provisional portions of pro forma adjustment 3.18. Please simply confirm that the provisional portion of pro forma adjustment 3.18 identified in Avista’s response to BR-1 is the correct understanding of the Settling Parties.

- (b) Avista witness Andrews’s testimony, Exh. EMA-1T at 29:16-23, outlines the review process for the provisional portion of the pro forma adjustments, including pro forma adjustment 3.18.
- (i) Please confirm whether the Settling Parties agree to the review process outlined in Andrews’s testimony identified in (b), above, for the provisional portion of pro forma adjustment 3.18 and indicate whether the Settling Parties agree or expect a prudency determination to occur immediately after completion or in Avista’s next GRC.
- (ii) Would that review process for the provisional portion of pro forma adjustment 3.18 agreed by the Settling Parties in the Settlement also apply to other provisional adjustments if the Commission approves any other provisional adjustments?
- (iii) Please provide a non-binding estimate of when the Company expects it might file its next GRC. If the Company’s next GRC is filed more than a year after the effective date of this case, will Avista provide an annual report on any provisional pro forma adjustments approved by the Commission consistent with the Used and Useful Policy Statement?

¹ Settlement at 4, ¶ 10.

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STAFF RESPONSE TO BENCH REQUEST 11:

- (a) Please simply confirm that the provisional portion of pro forma adjustment 3.18 identified in Avista's response to BR-1 is the correct understanding of the Settling Parties.

RESPONSE: Staff has not conducted discovery on or otherwise verified Avista's response to BR-1.

- (b) Review process for provisional portion of pro forma adjustments
- (i) Please confirm whether the Settling Parties agree to the review process outlined in Andrews's testimony identified in (b), above, for the provisional portion of pro forma adjustment 3.18 and indicate whether the Settling Parties agree or expect a prudence determination to occur immediately after completion or in Avista's next GRC.

RESPONSE: The review process was not part of the settlement agreement and so Staff leaves the decision on any review process to the Commission. In terms of preference, Staff would prefer that any review occur in Avista's next general rate case rather than in an additional review proceeding.

- (ii) Would that review process for the provisional portion of pro forma adjustment 3.18 agreed by the Settling Parties in the Settlement also apply to other provisional adjustments if the Commission approves any other provisional adjustments?

RESPONSE: Staff did not agree to any particular review process for adjustment 3.18 in the settlement and did not include "provisional" adjustments in its revenue requirement. Staff takes no position on the EIM review process nor on the review process for any "provisional" adjustment. Staff understands "provisional" to refer only to portions of the pro forma adjustment that will be in service after the rate effective date. Again, in terms of preference, Staff would prefer that any review occur in Avista's next general rate case rather than in an additional review proceeding.