

**BEFORE THE WASHINGTON
UTILITIES & TRANSPORTATION COMMISSION**

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION,

Complainant,

v.

AVISTA CORPORATION d/b/a AVISTA UTILITIES,

Respondent.

DOCKET NOS. UE-200900 and UG-200901 (*Consolidated*)

ANDREA C. CRANE

**ON BEHALF OF THE
WASHINGTON STATE OFFICE OF THE ATTORNEY GENERAL
PUBLIC COUNSEL UNIT**

EXHIBIT ACC-6r2

Calculation of Recommended General Revenue Requirement — Washington Gas
Operations

April 21, 2021

**SECOND REVISED
JULY 16, 2021**

AVISTA UTILITIES
CALCULATION OF RECOMMENDED GENERAL REVENUE REQUIREMENT
WASHINGTON NATURAL GAS
TWELVE MONTHS ENDED DECEMBER 31, 2019

Line No.	Description	Recommended Base Rate Change		Overall Bill Impact
		10/1/2021 (000's of Dollars)	Tariff Schedule 176	
1	Pro Forma Rate Base	\$ 416,198		
2	Proposed Rate of Return	6.92%		
3	Net Operating Income Requirement	\$28,809		
4	Pro Forma Net Operating Income	\$ 25,804		
5	Net Operating Income Deficiency	\$3,005		
6	Conversion Factor	0.755463		
7	Revenue Requirement	\$3,978	\$ (3,978)	\$ -
8	Total Base Distribution Revenues*	\$ 105,173		
9	Percentage Base Distribution Revenue Increase	3.78%	-3.78%	0.0%
10	Total Present Billed Revenue	\$ 161,345		
11	Percentage Billed Revenue Increase	2.47%	-2.47%	0.0%

* Line 8 "Total General Business Revenues" includes special contract transportation revenues.

**AVISTA UTILITIES
RECOMMENDED COST OF CAPITAL
WASHINGTON NATURAL GAS**

Recommended Capital Structure

Component	Capital Structure	Cost	Weighted Cost
Debt	51.5%	4.97%	2.56%
Common	48.5%	9.00%	4.37%
Total	<u>100.00%</u>		<u>6.92%</u>