

**Exh. AIW-7
Dockets UE-200900, UG-200901,
UE-200894
Witness: Amy I. White**

**BEFORE THE WASHINGTON
UTILITIES AND TRANSPORTATION COMMISSION**

**WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION,**

Complainant,

v.

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

Respondent.

**DOCKETS UE-200900, UG-200901,
UE-200894 (*Consolidated*)**

**EXHIBIT TO
TESTIMONY OF**

Amy I. White

**STAFF OF
WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION**

***Staff's Calculation of Adjustment 3.16 E-AMI (electric) and G-PAMI,
Pro Forma AMI Capital Additions (natural gas)***

April 21, 2021

AVISTA UTILITIES
STAFF'S RECALCULATION OF REVENUE REQUIREMENT RELATED TO RESTATING ADJUSTMENT 3.16, PRO FORMA CAPITAL ADDITIONS (ELECTRIC)
TWELVE MONTHS ENDED DECEMBER 31, 2019
(000'S OF DOLLARS)

Line No.	DESCRIPTION	As filed			Difference
		Pro Forma AMI Capital	Company Revised Pro Forma AMI Capital	Staff's Revised Pro Forma AMI Capital	
	Adjustment Number	3.16	3.16	3.16	
	Workpaper Reference	E-AMI	E-AMI	E-AMI	
REVENUES					
1	Total General Business	\$0	\$0	\$0	
2	Interdepartmental Sales	-	-	-	
3	Sales for Resale	-	-	-	
4	Total Sales of Electricity	-	-	-	
5	Other Revenue	-	-	-	
6	Total Electric Revenue	-	-	-	
EXPENSES					
Production and Transmission					
7	Operating Expenses	-	-	-	
8	Purchased Power	-	-	-	
9	Depreciation/Amortization	-	-	-	
10	Regulatory Amortization	-	-	-	
11	Taxes	-	-	-	
12	Total Production & Transmission	-	-	-	
Distribution					
13	Operating Expenses	-	-	-	
14	Depreciation/Amortization	1,934	1,870	1,870	(0)
	Regulatory Amortization	-	-	-	
15	Taxes	-	-	-	
16	Total Distribution	1,934	1,870	1,870	(0)
17	Customer Accounting	-	-	-	
18	Customer Service & Information	-	-	-	
19	Sales Expenses	-	-	-	
Administrative & General					
20	Operating Expenses	(2,986)	(2,833)	(2,833)	0
21	Depreciation/Amortization	581	456	456	0
22	Regulatory Deferrals/Amortization	10,133	10,134	10,134	(0)
23	Taxes	-	-	-	
24	Total Admin. & General	7,728	7,757	7,758	1
25	Total Electric Expenses	9,662	9,627	9,628	1
26	OPERATING INCOME BEFORE FIT	(9,662)	(9,627)	(9,628)	(1)
FEDERAL INCOME TAX					
27	Current Accrual	(2,029)	(2,022)	(2,022)	(0)
28	Debt Interest	(480)	(456)	(471)	(15)
29	Deferred Income Taxes	-	-	-	
30	Amortized ITC - Noxon	-	-	-	
31	NET OPERATING INCOME	(\$7,153)	(\$7,149)	(\$7,135)	\$14
RATE BASE					
PLANT IN SERVICE					
32	Intangible	\$29,775	\$29,982	29,982	(0)
33	Production	-	-	-	
34	Transmission	-	-	-	
35	Distribution	34,773	33,815	33,814	(1)
36	General	16,649	12,782	12,782	(0)
37	Total Plant in Service	81,197	76,579	76,578	(1)
ACCUMULATED DEPRECIATION/AMORT					
38	Intangible	(16,192)	(16,281)	(16,281)	0
39	Production	-	-	-	
40	Transmission	-	-	-	
41	Distribution	(6,933)	(6,831)	(6,831)	(0)
42	General	(4,884)	(4,707)	(4,707)	0
43	Total Accumulated Depreciation	(28,009)	(27,819)	(27,819)	0
44	NET PLANT	53,188	48,760	48,759	(1)
45	DEFERRED TAXES	(14,370)	(14,330)	(14,330)	0
46	Net Plant After DFT	38,818	34,430	34,429	(1)
47	DEFERRED DEBITS AND CREDITS & OTHER	53,345	53,155	53,155	(0)
48	WORKING CAPITAL	-	-	-	
49	TOTAL RATE BASE	\$92,163	\$87,585	\$87,584	(\$1)
50	RATE OF RETURN				
51	REVENUE REQUIREMENT	18,537	18,082	17,645	(437)
	NOI Requirement	14,001	13,657	13,327	(330)
	Revenue Requirement	18,537	18,082	17,645	(437)
	Rate of return	Company 7.430%	Staff 7.070%		
	Revenue Conversion Factor	75.529%	75.529%		
	Cost of Debt	2.480%	2.560%		

AVISTA UTILITIES
STAFF'S RECALCULATION OF REVENUE REQUIREMENT RELATED TO RESTATING ADJUSTMENT 3.16, PRO FORMA CAPITAL ADDITIONS (NATURAL GAS)
TWELVE MONTHS ENDED DECEMBER 31, 2019
(000'S OF DOLLARS)

Line No.	DESCRIPTION	As filed		Staff's Revised	Difference
		Pro Forma AMI Capital Adds	Pro Forma AMI Capital Adds	Pro Forma AMI Capital Adds	
		3.16 G-PAMI	3.17 G-PAMI	3.16 G-PAMI	
	Adjustment Number				
	Workpaper Reference				
	REVENUES				
1	Total General Business	\$ -	\$ -	\$ -	\$ -
2	Total Transportation	-	-	-	\$ -
3	Other Revenues	-	-	-	\$ -
4	Total Gas Revenues	-	-	-	-
	EXPENSES				
	Production Expenses				
5	City Gate Purchases	-	-	-	\$ -
6	Purchased Gas Expense	-	-	-	\$ -
7	Net Nat Gas Storage Trans	-	-	-	\$ -
8	Total Production	-	-	-	-
	Underground Storage				
9	Operating Expenses	-	-	-	\$ -
10	Depreciation/Amortization	-	-	-	\$ -
11	Taxes	-	-	-	\$ -
12	Total Underground Storage	-	-	-	-
	Distribution				
13	Operating Expenses	(995)	(944)	(944)	\$ (0)
14	Depreciation/Amortization	865	776	776	\$ 0
15	Taxes	-	-	-	\$ -
16	Total Distribution	(130)	(168)	(168)	0
17	Customer Accounting				
18	Customer Service & Information	-	-	-	\$ -
19	Sales Expenses	-	-	-	\$ -
	Administrative & General				
20	Operating Expenses	-	-	-	\$ -
21	Depreciation/Amortization	101	75	75	\$ 0
22	Regulatory Amortizations	3,491	3,491	3,491	\$ 0
23	Taxes	-	-	-	\$ -
24	Total Admin. & General	3,592	3,566	3,566	0
25	Total Gas Expense	3,462	3,398	3,399	1
26	OPERATING INCOME BEFORE FIT	(3,462)	(3,398)	(3,399)	\$ (1)
	FEDERAL INCOME TAX				
27	Current Accrual	(727)	(714)	(714)	\$ (0)
28	Debt Interest	(185)	(172)	(178)	\$ (6)
29	Deferred FIT	-	-	-	\$ -
30	Amort ITC	-	-	-	\$ -
31	NET OPERATING INCOME	\$ (2,550)	\$ (2,512)	\$ (2,507)	\$ 5
	RATE BASE				
	PLANT IN SERVICE				
32	Underground Storage	\$ -	\$ -	\$ -	\$ -
33	Distribution Plant	20,038	18,713	18,713	\$ 0
34	General Plant	13,233	12,190	12,189	\$ (1)
35	Total Plant in Service	33,271	30,903	30,903	(0)
	ACCUMULATED DEPRECIATION/AMORT				
36	Underground Storage	-	-	-	\$ -
37	Distribution Plant	(3,294)	(3,231)	(3,231)	\$ 0
38	General Plant	(5,972)	(5,942)	(5,943)	\$ (1)
39	Total Accumulated Depreciation/Amortization	(9,266)	(9,173)	(9,174)	(1)
40	NET PLANT	24,005	21,730	21,729	\$ (1)
41	DEFERRED TAXES	(4,241)	(4,222)	(4,222)	\$ 0
42	Net Plant After DFTT	19,764	17,508	17,508	\$ (0)
43	GAS INVENTORY	-	-	-	-
44	GAIN ON SALE OF BUILDING	-	-	-	-
45	OTHER	15,668	15,576	15,576	\$ 0
46	WORKING CAPITAL	-	-	-	-
47	TOTAL RATE BASE	\$ 35,432	\$ 33,084	\$ 33,084	\$ (0)
48	RATE OF RETURN				
50	REVENUE REQUIREMENT	6,862	6,581	6,415	(166)
	NOI Requirement	5,183	4,970	4,846	(124)
	Revenue Requirement	6,862	6,581	6,415	(166)
	Company		Staff		
	Rate of Return	7.430%	7.070%		
	Revenue Conversion Factor	75.529%	75.546%		
	Cost of Debt	2.480%	2.560%		