

Exh. BAE-7
Dockets UE-200900, UG-200901,
UE-200984
Witness: Betty Ann Erdahl

**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-200984 (*Consolidated*)**

**EXHIBIT TO
TESTIMONY OF**

Betty Ann Erdahl

**STAFF OF
WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION**

*Staff Calculation of the Refund of Deferred Taxes Related to IDD #5 and Meters and
AFUDC Equity Portion Deferral*

April 21, 2021

Staff Calculation of Year 1 Revenue Requirement Amount to Refund to Customers

	(a)	(b)	(c)	(d)	(e)	(f)	(g)
Revenue Req			9,557,951		4,664,827		
Ln	System	W A E	I D E	W A G	I D G	OR G	
1	12/31/2018 Balance	-	-	-	-	-	-
2							
3	2019 Activity:						
4	481 (a)	(83,000,799)	(32,728,053)	(17,622,797)	(14,672,874)	(6,288,375)	(11,688,700)
5	2019 Additions	(17,525,998)	(6,956,585)	(3,745,854)	(3,682,176)	(1,578,075)	(1,563,308)
6	2019 Amortization	15,858,944	7,055,849	3,799,303	2,517,377	1,078,876	1,407,538
7	Transfer EDIT	(21,541,471)	(8,119,524)	(4,372,051)	(3,815,619)	(1,635,265)	(3,599,011)
8							
9	12/31/2019 Balance	(106,209,324)	(40,748,313)	(21,941,399)	(19,653,292)	(8,422,839)	(15,443,481)
10							
11	2020 Activity:						
12	2020 Additions	(15,795,935)	(6,313,757)	(3,399,716)	(3,199,670)	(1,371,287)	(1,511,505)
13	2020 Amortization	2,837,028	1,133,982	610,606	574,677	246,290	271,474
14							
15	12/31/2020 Balance	(119,168,231)	(45,928,088)	(24,730,509)	(22,278,285)	(9,547,836)	(16,683,512)
16							
17							
18	Oct-21		772,422		375,295		
19	Nov-21		790,909		543,206		
20	Dec-21		937,703		662,833		
21	Jan-22		928,594		647,622		
22	Feb-22		785,959		545,058		
23	Mar-22		825,554		498,520		
24	Apr-22		703,751		362,813		
25	May-22		742,118		257,246		
26	Jun-22		714,557		192,174		
27	Jul-22		840,448		181,398		
28	Aug-22		801,960		185,350		
29	Sep-22		713,975		213,311		
30							
31	Oct-21		(45,155,666)		(21,902,990)		
32	Nov-21		(44,364,757)		(21,359,784)		
33	Dec-21		(43,427,054)		(20,696,951)		
34	Jan-22		(42,498,461)		(20,049,328)		
35	Feb-22		(41,712,501)		(19,504,270)		
36	Mar-22		(40,886,947)		(19,005,750)		
37	Apr-22		(40,183,197)		(18,642,937)		
38	May-22		(39,441,078)		(18,385,691)		
39	Jun-22		(38,726,521)		(18,193,517)		
40	Jul-22		(37,886,073)		(18,012,119)		
41	Aug-22		(37,084,113)		(17,826,768)		
42	Sep-22		(36,370,137)		(17,613,458)		
43			(41,042,957)		(19,460,498)		
44							
45	Increase to Rate Base		4,885,131		2,817,787		
46				Avista Proposed		Avista Proposed	
47	Debt %	Staff Proposed	51.5%	50.0%	51.5%	50.0%	
48	Debt Cost		4.97%	same	4.97%	same	
49	Equity %	Staff Proposed	48.5%	50.0%	48.5%	50.0%	
50	Equity Cost	Staff Proposed	9.35%	9.9%	9.35%	9.9%	
51	ROR		7.092%		7.092%		
52							
53	CF		0.755294		0.755463		
54							
55	FIT Benefit of Interest		(26,231)		(15,133)		
56							
57	Revenue Requirement		423,952		244,495		Consistent with DFIT calc
58							
59	EDIT and ADFIT Tax Credit		9,557,951	ok	4,664,827	ok	
60	AFUDC Equity Portion Deferred Credit		1,760,296	UE-190074	519,844	UG-190075	
61	Tax Credit (Before Conv. Factor)		11,318,247		5,184,671		
62	Revenue Requirement of Tax Credit		(14,985,220)		(6,862,906)		
63							
64	Total Revenue Requirement		(14,561,268)		(6,618,410)		

FN	(a)	0.21		(d)	(e)	0.65		(i)	(j)	(k)	(l)	0.7		(o)	(p)	(q)	(r)
		(b)	(c)			(f)	(g)					(m)	(n)				
		System		Electric		Electric - WA		Electric - ID		Gas North		Gas North - WA		Gas North - ID		Oregon	
		ADFIT	Grossed-Up (Rev. Req.)	ADFIT	Grossed-Up (Rev. Req.)	ADFIT	Grossed-Up (Rev. Req.)	ADFIT	Grossed-Up (Rev. Req.)	ADFIT	Grossed-Up (Rev. Req.)	ADFIT	Grossed-Up (Rev. Req.)	ADFIT	Grossed-Up (Rev. Req.)	ADFIT	Grossed-Up (Rev. Req.)
1	Meters - 2019 Only	(11,378,988)	(14,403,782)	(6,710,083)	(8,493,776)	(4,361,554)	(5,520,955)	(2,348,529)	(2,972,822)	(3,770,938)	(4,773,339)	(2,639,657)	(3,341,338)	(1,131,281)	(1,432,002)	(897,967)	(1,136,667)
2	Meters - 481(a) Prior Years	(12,076,466)	(15,286,665)	(2,881,535)	(3,647,513)	(1,872,998)	(2,370,883)	(1,008,537)	(1,276,629)	(6,103,632)	(7,726,116)	(4,272,542)	(5,408,281)	(1,831,090)	(2,317,835)	(3,091,299)	(3,913,036)
3	Meters - Amortization	2,419,978	3,063,263	1,233,767	1,561,730	801,948	1,015,125	431,818	546,606	932,955	1,180,956	653,069	826,669	279,887	354,287	253,255	320,576
4	Meters - Excess Deferrals	(2,754,681)	(3,486,938)	(407,309)	(515,581)	(264,751)	(335,128)	(142,558)	(180,453)	(1,404,734)	(1,778,144)	(983,314)	(1,244,701)	(421,420)	(533,443)	(942,638)	(1,193,213)
5	IDD #5 - 2019 Only	(6,147,010)	(7,781,025)	(3,992,356)	(5,053,615)	(2,595,031)	(3,284,850)	(1,397,325)	(1,768,765)	(1,489,312)	(1,885,206)	(1,042,519)	(1,319,644)	(446,794)	(565,562)	(665,341)	(842,204)
6	IDD #5 - 481(a) Prior Years	(70,924,333)	(89,777,637)	(47,469,315)	(60,087,740)	(30,855,055)	(39,057,031)	(16,614,260)	(21,030,709)	(14,857,618)	(18,807,111)	(10,400,332)	(13,164,978)	(4,457,285)	(5,642,133)	(8,597,401)	(10,882,786)
7	IDD #5 - Amortization	13,438,966	17,011,350	9,621,386	12,178,970	6,253,901	7,916,330	3,367,485	4,262,639	2,663,298	3,371,263	1,864,308	2,359,884	798,989	1,011,379	1,154,283	1,461,118
8	IDD #5 - Excess Deferrals	(18,786,790)	(23,780,746)	(12,084,267)	(15,296,540)	(7,854,773)	(9,942,751)	(4,229,493)	(5,353,789)	(4,046,151)	(5,121,710)	(2,832,305)	(3,585,197)	(1,213,845)	(1,536,513)	(2,656,373)	(3,362,497)
9																	
10	Balance 12/31/2019	(106,209,323)	(134,442,181)	(62,689,712)	(79,354,066)	(40,748,313)	(51,580,143)	(21,941,399)	(27,773,923)	(28,076,131)	(35,539,407)	(19,653,292)	(24,877,585)	(8,422,839)	(10,661,822)	(15,443,480)	(19,548,709)
11																	
12	2020 Estimated Future Annual Additions																
13	IDD #5	(6,147,010)	(7,781,025)	(3,992,356)	(5,053,615)	(2,595,031)	(3,284,850)	(1,397,325)	(1,768,765)	(1,489,312)	(1,885,206)	(1,042,519)	(1,319,644)	(446,794)	(565,562)	(665,341)	(842,204)
14	Meters	(9,648,925)	(12,213,830)	(5,721,117)	(7,241,920)	(3,718,726)	(4,707,248)	(2,002,391)	(2,534,672)	(3,081,644)	(3,900,815)	(2,157,151)	(2,730,570)	(924,493)	(1,170,244)	(846,164)	(1,071,094)
15	Amortization	2,837,028	3,591,175	1,744,588	2,208,339	1,133,982	1,435,421	610,606	772,919	820,966	1,039,198	574,677	727,439	246,290	311,759	271,474	343,638
16																	
17		(12,958,907)	(16,403,679)	(7,968,885)	(10,087,196)	(5,179,775)	(6,556,678)	(2,789,110)	(3,530,519)	(3,749,990)	(4,746,823)	(2,624,993)	(3,322,776)	(1,124,997)	(1,424,047)	(1,240,032)	(1,569,661)
18																	
19	Estimated Balance 12/31/2020	(119,168,230)	(150,845,861)	(70,658,597)	(89,441,262)	(45,928,088)	(58,136,820)	(24,730,509)	(31,304,442)	(31,826,121)	(40,286,229)	(22,278,285)	(28,200,361)	(9,547,836)	(12,085,869)	(16,683,512)	(21,118,369)
20																	
21	EDIT Meters and IDD #5					(8,119,524)	(10,277,879)					(3,815,619)	(4,829,898)				
22	ADFIT Meters					(8,761,536)	(11,090,551)					(8,218,742)	(10,403,471)				
23	ADFIT IDD #5					(29,047,028)	(36,768,390)					(10,243,924)	(12,966,992)				
24						(45,928,088)	(58,136,820)					(22,278,285)	(28,200,361)				
25																	
26	EDIT Meters and IDD #5 - refund over year 1					(8,119,524)	(10,277,879)					(3,815,619)	(4,829,898)				
27	ADFIT Meters		15	Life		(584,102)	(739,370)					(547,916)	(693,565)				
28	ADFIT IDD #5		34	Life		(854,324)	(1,081,423)					(301,292)	(381,382)				
29						(9,557,951)	(12,098,672)					(4,664,827)	(5,904,845)				