

Exh. JH-8
Dockets UE-200900, UG-200901,
UE-200894
Witness: Joanna Huang

**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**

Joanna Huang

**STAFF OF
WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION**

Pro Forma IS/IT Expense, Adjustment 3.08

April 21, 2021

AVISTA UTILITIES
WASHINGTON ELECTRIC RESULTS
TWELVE MONTHS ENDED DECEMBER 31, 2019
(000'S OF DOLLARS)

Line No.	DESCRIPTION	Avista As-Filed	Staff
		Pro Forma IS/IT Expense	Pro Forma IS/IT Expense
	Adjustment Number	3.08	3.08
	Workpaper Reference	E-PIT	E-PIT
	REVENUES		
1	Total General Business	\$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	-	-
	Regulatory Amortization	-	-
15	Taxes	-	-
16	Total Distribution	-	-
17	Customer Accounting	-	-
18	Customer Service & Information	-	-
19	Sales Expenses	-	-
	Administrative & General		
20	Operating Expenses	2,013	-
21	Depreciation/Amortization	-	-
22	Regulatory Deferrals/Amortization	-	-
23	Taxes	-	-
24	Total Admin. & General	2,013	-
25	Total Electric Expenses	2,013	-
26	OPERATING INCOME BEFORE FIT	(2,013)	-
	FEDERAL INCOME TAX		
27	Current Accrual	(423)	-
28	Debt Interest	-	-
29	Deferred Income Taxes	-	-
30	Amortized ITC - Noxon	-	-
31	NET OPERATING INCOME	(\$1,590)	\$0
	RATE BASE		
	PLANT IN SERVICE		
32	Intangible	\$0	\$0
33	Production	-	-
34	Transmission	-	-
35	Distribution	-	-
36	General	-	-
37	Total Plant in Service	-	-
	ACCUMULATED DEPRECIATION/AMORT		
38	Intangible	-	-
39	Production	-	-
40	Transmission	-	-
41	Distribution	-	-
42	General	-	-
43	Total Accumulated Depreciation	-	-
44	NET PLANT	-	-
45	DEFERRED TAXES	-	-
46	Net Plant After DFIT	-	-
47	DEFERRED DEBITS AND CREDITS & OTHER	-	-
48	WORKING CAPITAL	-	-
49	TOTAL RATE BASE	\$0	\$ -

AVISTA UTILITIES
WASHINGTON NATURAL GAS
TWELVE MONTHS ENDED DECEMBER 31, 2019
(000'S OF DOLLARS)

Line No.	DESCRIPTION	Avista As-Filed	Staff
		Pro Forma IS/IT Expense	Pro Forma IS/IT Expense
		3.08	3.08
		G-PIT	G-PIT
<i>a</i>			
REVENUES			
1	Total General Business	\$ -	\$0
2	Total Transportation	-	-
3	Other Revenues	-	-
4	Total Gas Revenues	-	-
EXPENSES			
Produced			Pro Forma
5	City Gate Purchases	-	-
6	Purchased Gas Expense	-	-
7	Net Nat Gas Storage Trans	-	-
8		-	-
Underground Storage			
9	Operating Expenses	-	-
10	Depreciation	-	-
11	Taxes	-	-
12	Total Underground Storage	-	-
Distribution			
13	Operating Expenses	-	-
14	Depreciation	-	-
15	Taxes	-	-
16	Total Distribution	-	-
17	Customer Accounting		
18	Customer Service & Information	-	-
19	Sales Expenses	-	-
Administrative & General			
20	Operating Expenses	624	-
21	Depreciation/Amortization	-	-
22	Regulatory Amortizations	-	-
23	Taxes	-	-
24	Total Admin. & General	624	-
25	Total Gas Expense	624	-
26	OPERATING INCOME BEFORE FIT	(624)	-
FEDERAL INCOME TAX			
27	Current Accrual	(131)	-
28	Debt Interest	-	-
29	Deferred FIT	-	-
30	Amort ITC	-	-
31	NET OPERATING INCOME	\$ (493)	\$ -
\$0			
RATE BASE: PLANT IN SERVICE			
32	Underground Storage	\$ -	-
33	Distribution Plant	-	-
34	General Plant	-	-
35	Total Plant in Service	-	-
ACCUMULATED DEPREC/AMORT			
36	Underground Storage	-	-
37	Distribution Plant	-	-
38	General Plant	-	-
39	Total Accum. Depreciation/Amort.	-	-
40	NET PLANT	-	-
41	DEFERRED FIT		
42	Net Plant After DFIT	-	-
43	GAS INVENTORY	-	-
44	GAIN ON SALE OF BUILDING	-	-
45	OTHER	-	-
46	WORKING CAPITAL	-	-
47	TOTAL RATE BASE	\$0	\$0

IS/IT Analysis

AVISTA UTILITIES
SYSTEM RESULTS
TWELVE MONTHS ENDED DECEMBER 31, 2019
(000'S OF DOLLARS) 12/31/2009

Column A	Column B	Column E	Column F	Column G	Column H	Column I	Column J	Column K	Column L	Column L	Column M	Column N	Column O
	Test year	Test period actual									Requested Pro Forma Adjustment	Requested Cross Check Adjustment	Overestimated Pro Forma Increase
		2013	2014	2015	2016	2017	2018	2019	2020	2021	Reference Only		
UE-140188	6/30/2013	Test Year Actual 88,584	Pro Forma 1,693,445	Rate Year pro forma 2,173,626							2,085,042		1,341,280
UE-150205	9/30/2014		Test Year Actual Non-labor Labor 832,346		Pro Forma 3,598,804						2,766,458		
UE-160228	9/30/2015	No pro forma adjustment				2017 Test Year Actual Non-labor Labor 21,570,110 947,997 22,518,107	2018 Cross Check (Adj. 4.04) 23,226,485	2018 Cross Check (Adj. 18.07) 23,935,098			0	3,391,100	
UE-170485	12/31/2016					2017 Test Year Actual Non-labor Labor 18,558,146 97,070 18,558,146	2017 Pro forma (Adj. 3.07) 19,897,122	2018 Rate Year Study (Adj. 18.05) 20,503,092			1,338,976	2,141,151	8,457,021
UE-190335	12/31/2018						2018 Test Year Actual Non-labor 11,440,101	2019	2020 Pro Forma 15,364,946		3,924,845		2,402,224
UE-200900	Test year 12/31/2019							2019 Test Year Actual 12,962,722		2021 Pro Forma 16,838,554	3,875,832		
Total													12,200,525

Conclusion : AVA's insurance estimated calculation for the future rate year tends to overestimate the acutal paid as they file GRC later