

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION
STAFF RESPONSES TO DATA REQUESTS

DATE PREPARED: June 20, 2024	WITNESS: Benjamin Sharbono
DOCKET: TG-230778	RESPONDER: Benjamin Sharbono
REQUESTER: Murrey's	TELEPHONE: 360-664-1242

DATA REQUEST NO. 23:

In Exhibit BS-1CT, 5 please provide the reference source for defining “recurring” to mean that which occurs “in any randomly selected continuous 12-month period.”

RESPONSE:

See Goodman, pages 287-289. In this section, Goodman describes the necessity of removing non-recurring costs in a test period.

The dictionary defines recurring as occurring repeatedly or periodically.

NARUC defines a “test period as a [p]eriod of [m]easurement for a recent, consecutive 12-month period consisting of a full year of operations where data is readily available.”

The test year (12-month period) is intended to be reflective of the rate year, so that rates set based on the test year allow the company to recover rate year costs. A recurring test-year cost should generally recur in the rate year.