

**BEFORE THE WASHINGTON
UTILITIES AND TRANSPORTATION COMMISSION**

WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION,

Complainant,

v.

AVISTA CORPORATION, D/B/A
AVISTA UTILITIES,

Respondent.

DOCKETS UE-170485 and
UG-170486 (*Consolidated*)

MOTION FOR LEAVE TO SUBMIT
SUPPLEMENTAL DIRECT TESTIMONY

¹ Avista Corporation (hereafter “Avista” or the “Company”) hereby moves for leave to submit the Supplemental Direct Testimony of Mr. Clint Kalich, addressing certain power supply issues. That Supplemental Direct Testimony is attached to this Motion.

I.

² In its May 25, 2017 general rate case (GRC) filing in the above-captioned docket, Avista provided the Direct Testimony of Mr. Clint Kalich (Exh. __CGK-1T) and Mr. Bill Johnson (Exh. __WGJ-1T), addressing the power supply component of the revenue requirement. On July 28, 2017, a telephone conference was held at the request of Staff, wherein Staff requested additional specific information concerning Avista’s power supply adjustment. Rather than providing this information through discovery, the parties agreed to address these issues through Supplemental Direct Testimony. Attachment A to this Motion is email correspondence between Staff and the Company, identifying the specific power supply issues to be addressed. (Note, participants in these discussions were identified in the attached email as addressees.)

II.

3 As noted in the attached email, the previously filed Direct Testimony of Mr. Clint Kalich
(Exh. CGK-1T) with respect to the power supply adjustment was nearly identical to his prior
testimony in the last several general rate case filings made by Avista, both in the terms of form
and substance, and served as the basis for prior Commission decisions and settlements.
Nevertheless, Avista agreed to supplement his testimony to address additional areas identified by
Staff.


III.

4 No party will be prejudiced by the filing of this Supplemental Direct Testimony. More than
two months remain before Staff and intervenors must file their initial round of testimony (on
October 27, 2017), providing ample time for any additional discovery. Accordingly, the
procedural schedule need not be adjusted to accommodate the filing of the Supplemental Direct
Testimony.

5 WHEREFORE, for the foregoing reasons, Avista requests leave to file the Supplemental
Direct Testimony of Mr. Clint Kalich (Exh. __CGK-3T), is the form attached.

6 RESPECTFULLY SUBMITTED this 11th day of August, 2017.

AVISTA CORPORATION

By: 

David J. Meyer

WSBA No. 8717

Chief Counsel for Regulatory and Governmental Affairs

Attorney for Avista Corporation

Meyer, David

From: Meyer, David
Sent: Monday, July 31, 2017 11:58 AM
To: 'Casey, Chris (UTC)'; 'Cameron-Rulkowski, Jennifer (UTC)'; Schooley, Thomas (UTC); McGuire, Chris (UTC); 'dgomez@utc.wa.gov'
Cc: Norwood, Kelly; Andrews, Liz; Meyer, David; Ehrbar, Pat; Kalich, Clint; Johnson, Bill; Gall, James
Subject: Avista Dockets UE-170485 and UG-170486 / Supplemental Testimony

To all: This email is meant to capture the agreed-upon areas that would be addressed in the Supplemental Direct Testimony of Clint Kalich, to be filed by Avista with respect to power supply costs. It is the result of discussions held with Staff on July, 28, 2017, and as further clarified through discussions with Tom Schooley and Chris McGuire this morning, July 31, 2017.

While Avista's direct testimony with respect to the power supply adjustment contained in Mr. Kalich's testimony was nearly identical in this respect to prior GRC rate filings by Avista – i.e., containing the same type of information and in the same format – Staff has requested that the following additional information be provided, and the Company has agreed to provide Supplemental Testimony in that regard by Friday, August 11, 2017:

- Explain deltas between ERM and authorized power supply costs
 - History of ERM results
 - Explanation of the delta drivers
 - How Aurora optimizes resources to maximize dispatch margin
- Detail why the company modifies AURORA inputs to match the 3-month average of forward market prices for electricity prices
- Referencing Kalich testimony at page 7, lines 8-18, explain changes and impacts of the following relative to the 2015 GRC (UE-150204), including:
 - bid adders
 - Noxon Rapids spill
 - gas prices
 - Avista load, resources, and contracts
 - non-Avista resources, wind, transmission and loads
 - Aurora "system settings" for:
 - dispatch, commitment, and resource
 - Impacts (if any) of changing Aurora versions
 - Explain changes to Avista's filing as compared to the 2016 v5 database provided with Aurora
- Why purchase and sale volumes in GRC are less than actual

If Staff has any additional edits, please let me know before the end of the day today so that we may proceed with our Supplemental Testimony. Thank you for your cooperation.

David

David Meyer
 Chief Counsel for Regulatory and
 Governmental Affairs
 Avista Corp.
 PO Box 3727
 Spokane, WA 99220-3727
 PH # 509-495-4316
 FAX # 509-495-4361
 E-MAIL david.meyer@avistacorp.com