

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION
RESPONSE TO DATA REQUEST

DATE PREPARED: 5/18/2000
CASE NO.: UE-991606
 UG-991607
REQUESTER: Avista

WITNESS: Alan Buckley
RESPONDER: Alan Buckley
TELEPHONE: (360) 664-1306

REQUEST NO. 56:

RE: Page 21 - "more representative market rate." Please explain what Staff means by a "more representative market rate." Please provide the specific monthly prices for the proforma period (both the 12 month period beginning July 1, 2000 and the 12 month period beginning October 1, 2000) that Staff considers to be more representative market rates. Please provide the calculations and work papers used in deriving these rates and the source of the information used to develop the rates.

RESPONSE:

The "more representative market rate" reference in the Company's data request means exactly that. Staff believes the present Potlatch contract's average rate of approximately 48 mills/kWh would be greater than the market rate for high load-factor firm power if acquired today for some period in the future. Staff believes such a difference in rates should not be imbedded into the base rates of the Company. Staff is also proposing full recovery of the actual costs by the Company. Staff did not calculate monthly prices for the 12 month periods beginning July 1, 2000 or October 1, 2000. Staff's adjustment to the Potlatch contract price and the calculation of the upfront credit to the Company to keep it "whole" was based on the 29.7525 mills/kWh amount.

WUTC		
DOCKET NO.	UE-991606	
EXHIBIT #	556	
ADMIT	W/D	REJECT
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>