

Exhibit No. ___ C (TES-3C)
Dockets UE-140188/UG-140189
Witness: Thomas E. Schooley
REDACTED VERSION

BEFORE THE WASHINGTON
UTILITIES AND TRANSPORTATION COMMISSION

WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION,

Complainant,

v.

AVISTA CORPORATION,

Respondent.

DOCKETS UE-140188 and
UG-140189
(Consolidated)

EXHIBIT TO
TESTIMONY OF

THOMAS E. SCHOOLEY

STAFF OF
WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION

Development of Allowed Delivery Revenue by Rate Schedule – Natural Gas

July 22, 2014

Confidential Per Protective Order
REDACTED VERSION

Avista Utilities
Natural Gas Decoupling Mechanism
Development of Allowed Delivery Revenue by Rate Schedule - Natural Gas

	TOTAL	RESIDENTIAL SCHEDULE 101	GENERAL SVC. SCH. 111,112	LG. GEN. SVC. SCH. 121,122	INTERRUPTIBLE SCH 131/132	SCHEDULES 146 & 148
1 Total Normalized Revenue 2015	\$ 156,399,388	\$ 114,618,424	\$ 33,798,192	\$ 3,762,197	\$ 749,594	\$ 3,470,981
2						
3	\$ 156,399,388	\$ 114,618,424	\$ 33,798,192	\$ 3,762,197	\$ 749,594	\$ 3,470,981
4 Normalized Therms (Rate Year)	confidential					Excluded from
5 PGA Rates	\$ 84,586,298	\$ 0.49803	\$ 0.49535	\$ 0.47449	\$ 0.44955	Decoupling
6 PGA Revenue	\$ 68,342,109	\$ 56,343,333	\$ 10,884,840	\$ 943,461	\$ 170,475	
7 Total Revenue Excluding Gas Costs (Ln 3 - Ln 6)	\$ 49,813,948	\$ 40,267,396	\$ 8,508,174	\$ 879,806	\$ 158,571	
8 Customer Bills	confidential					
9 Proposed Basic Charges	CTM-IT	\$ 8.92	\$ 78.50	\$ 193.48	\$ 496.00	
10 Basic Charge Revenue (Ln 8 * Ln 9)	confidential					
11 Decoupled Revenue						

	Residential	Non-residential
Additional Data		
Customer Bills confidential		
Basic Charges	\$ 8.92	
Basic Charges Revenue confidential		
Average Basic Charge	\$ 8.92	\$ 80.06

Avista Utilities
Natural Gas Decoupling Mechanism
Development of Annual Non-PGA Revenue Per Customer - Natural Gas

Line No.	(a)	(b)	(c)	(d)
		Source	Residential	Non-Residential Schedules*
1	Decoupled Revenue	TES-3, Page 1	\$ 40,267,396	\$ 9,546,551
2	Test Year # of Customers	confidential		
3	Decoupled Revenue Per Customer	Revenue Data (1) / (2)	\$ 268.12	\$ 3,740.20

*Sales Schedules 111, 112, 121, 122, 131, 132.

Avista Utilities
Natural Gas Decoupling Mechanism
Development of Monthly Decoupled Revenue - Natural Gas

Line No.	(a)	Jan (c)	Feb (d)	Mar (e)	Apr (f)	May (g)	Jun (h)	Jul (i)	Aug (j)	Sep (k)	Oct (l)	Nov (m)	Dec (n)	TOTAL (o)
1	Natural Gas Delivery Volume													
2	<i>Residential</i>													
3	- Weather-Normalized Therm Delivery Volume (confidential)													
4	- % of Annual Total	17.17%	14.30%	12.21%	7.86%	4.38%	2.89%	2.10%	1.90%	2.49%	5.92%	11.83%	16.95%	100.00%
5														
6	<i>Non-Residential Sales*</i>													
7	- Weather-Normalized Therm Delivery Volume (confidential)													
8	- % of Annual Total	14.15%	12.08%	10.86%	7.41%	4.64%	3.75%	3.21%	3.51%	4.74%	8.69%	12.32%	14.65%	100.00%
9														
10														
11	Monthly Decoupled Revenue Per Customer													
12	<i>Residential</i>													
13	- 2015 Decoupled Revenues Per Customer	\$ 46.05	\$ 38.33	\$ 32.73	\$ 21.09	\$ 11.75	\$ 7.74	\$ 5.63	\$ 5.10	\$ 6.66	\$ 15.88	\$ 31.70	\$ 45.45	\$ 268.12
14	- 2015 Monthly Decoupled Revenue Per Customer													
15														
16	<i>Non-Residential Sales*</i>													
17	- 2015 Decoupled Revenues Per Customer	\$ 529.33	\$ 451.74	\$ 406.09	\$ 277.31	\$ 173.65	\$ 139.67	\$ 120.13	\$ 131.27	\$ 177.40	\$ 324.85	\$ 460.94	\$ 547.82	\$ 3,740.20
18	- 2015 Monthly Decoupled Revenue Per Customer													
19														
20	*Sales Schedules 111, 112, 121, 122, 131, 132.													

Avista Utilities
Decoupling Mechanism
Example of Natural Gas Deferrals (Calendar Year 2015)

Line No.	Source	Jan-15	Feb-15	Mar-15	Apr-15	May-15	Jun-15	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15
	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)	(n)
Residential Group													
1	Actual Customers	150,000	150,125	150,250	150,375	150,500	150,625	150,750	150,875	151,000	151,125	151,250	151,375
2	Monthly Decoupled Revenue per Customer	46.05 \$	38.33 \$	32.73 \$	21.09 \$	11.75 \$	7.74 \$	5.63 \$	5.10 \$	6.66 \$	15.88 \$	31.70 \$	45.45 \$
3	Decoupled Revenue	6,907,294 \$	5,754,934 \$	4,918,187 \$	3,170,826 \$	1,768,083 \$	1,165,511 \$	848,422 \$	770,055 \$	1,006,147 \$	2,400,105 \$	4,795,369 \$	6,879,456 \$
4	Actual Monthly Revenue (Excluding Gas Costs)	9,300,000 \$	8,000,000 \$	6,900,000 \$	4,800,000 \$	3,200,000 \$	2,600,000 \$	2,300,000 \$	2,200,000 \$	2,500,000 \$	3,800,000 \$	6,400,000 \$	9,100,000 \$
5	Actual Basic Charge Revenue	1,338,000 \$	1,339,115 \$	1,340,230 \$	1,341,345 \$	1,342,460 \$	1,343,575 \$	1,344,690 \$	1,345,805 \$	1,346,920 \$	1,348,035 \$	1,349,150 \$	1,350,265 \$
6	Actual Decoupled Revenue	7,962,000 \$	6,660,885 \$	5,559,770 \$	3,458,655 \$	1,857,540 \$	1,256,425 \$	935,310 \$	854,195 \$	1,153,080 \$	2,451,965 \$	5,050,850 \$	7,749,735 \$
7	Deferral - Surcharge (Rebate)	(1,054,706) \$	(905,951) \$	(641,583) \$	(287,829) \$	(89,457) \$	(90,914) \$	(106,888) \$	(84,140) \$	(146,933) \$	(51,860) \$	(255,481) \$	(870,279) \$
8	Interest on Deferral at FERC Rate	(1,428) \$	(4,087) \$	(6,194) \$	(7,469) \$	(8,000) \$	(8,266) \$	(8,557) \$	(8,838) \$	(9,175) \$	(9,469) \$	(9,911) \$	(11,462) \$
9	Cumulative Deferral	(1,056,135) \$	(1,966,173) \$	(2,613,949) \$	(2,909,248) \$	(3,006,705) \$	(3,105,885) \$	(3,221,330) \$	(3,314,308) \$	(3,470,416) \$	(3,531,745) \$	(3,797,137) \$	(4,678,879) \$
Non-Residential Group													
10	Actual Customers	2,550	2,550	2,550	2,550	2,550	2,550	2,550	2,550	2,550	2,550	2,550	2,550
11	Monthly Decoupled Revenue per Customer	329.33 \$	451.74 \$	406.09 \$	277.31 \$	173.65 \$	139.67 \$	120.13 \$	131.27 \$	177.40 \$	324.85 \$	460.94 \$	547.82 \$
12	Decoupled Revenue	1,349,787 \$	1,151,946 \$	1,035,537 \$	707,131 \$	442,813 \$	356,163 \$	306,320 \$	334,743 \$	452,358 \$	828,367 \$	1,175,409 \$	1,396,939 \$
13	Actual Monthly Revenue (Excluding Gas Costs)	1,888,000 \$	1,770,000 \$	1,534,000 \$	1,180,000 \$	826,000 \$	708,000 \$	590,000 \$	590,000 \$	708,000 \$	1,298,000 \$	1,770,000 \$	2,124,000 \$
14	Actual Basic Charge Revenue	204,159 \$	204,159 \$	204,159 \$	204,159 \$	204,159 \$	204,159 \$	204,159 \$	204,159 \$	204,159 \$	204,159 \$	204,159 \$	204,159 \$
15	Actual Decoupled Revenue	1,683,841 \$	1,565,841 \$	1,329,841 \$	975,841 \$	621,841 \$	503,841 \$	385,841 \$	385,841 \$	503,841 \$	1,093,841 \$	1,565,841 \$	1,919,841 \$
16	Deferral - Surcharge (Rebate)	(334,054) \$	(413,895) \$	(294,304) \$	(268,710) \$	(179,029) \$	(147,679) \$	(79,521) \$	(51,099) \$	(51,484) \$	(265,474) \$	(390,432) \$	(522,903) \$
17	Interest on Deferral at FERC Rate	(452) \$	(1,466) \$	(2,429) \$	(3,198) \$	(3,813) \$	(4,266) \$	(4,585) \$	(4,775) \$	(4,927) \$	(5,369) \$	(6,272) \$	(7,526) \$
18	Cumulative Deferral	(334,506) \$	(749,868) \$	(1,046,602) \$	(1,318,510) \$	(1,501,353) \$	(1,653,298) \$	(1,757,404) \$	(1,793,278) \$	(1,849,688) \$	(2,120,531) \$	(2,517,235) \$	(3,047,664) \$