

**AVISTA CORP.  
RESPONSE TO REQUEST FOR INFORMATION**

JURISDICTION:	WASHINGTON	DATE PREPARED:	06/12/2015
CASE NO.:	UE-150204 & UG-150205	WITNESS:	Don Kopczynski
REQUESTER:	Public Counsel	RESPONDER:	Larry La Bolle
TYPE:	Data Request	DEPT:	State & Federal Regulation
REQUEST NO.:	PC – 070	TELEPHONE:	(509) 495-4710
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**REQUEST:**

Please provide all risk analysis Avista has conducted with respect to its AMI project. Additionally, please provide any risk management plans that have been produced. If no risk analysis documents or risk management plans exist for the AMI project, please explain why not.

**RESPONSE:**

Avista normally includes a contingency component in its estimates of the cost of capital projects, to recognize that there are “unknowns” at the time the estimates are made. These unknowns include, among other things, uncertainties on the final cost of goods and services, changes in the circumstances and/or conditions over time, etc. It is important to note that Avista’s current estimate represents a preliminary estimate based upon the best information available at the time it was made. This estimate, including the associated contingency, will change over time as the company gains additional information, and makes decisions on items such as specific products, vendors, and timing. Avista has purposefully chosen to wait until other utilities have installed AMI systems, which provides the opportunity for Avista to learn from the “early-adopters” mistakes, and look for and adopt best practices. Avista has also learned from the deployment of AMI advanced metering in its Pullman demonstration project.