

**Exh. CSH-5  
Dockets UE-170485/UG-170486  
Witness: Christopher S. Hancock**

**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*)**

**EXHIBIT TO  
TESTIMONY OF**

**Christopher S. Hancock**

**STAFF OF  
WASHINGTON UTILITIES AND  
TRANSPORTATION COMMISSION**

*Development of Regression-based Escalation Rates - Electric*

**October 27, 2017**

Avista Utilities  
Washington Electric  
Development of Regression-based Escalation Rates

Year	Adjusted Operating Expenses	Total Depreciation/Amortization	Adjusted Taxes Other than Income	Net Plant After Deferred Income Taxes	
2007	\$ 92,212	\$ 42,949	\$ 24,422	\$ 870,835	<i>From EMA-4</i>
2008	\$ 99,146	\$ 45,874	\$ 25,215	\$ 917,247	
2009	\$ 108,289	\$ 48,466	\$ 26,626	\$ 987,243	
2010	\$ 113,650	\$ 52,270	\$ 29,451	\$ 1,036,064	
2011	\$ 123,419	\$ 55,304	\$ 32,680	\$ 1,087,140	
2012	\$ 130,194	\$ 58,946	\$ 33,805	\$ 1,131,570	
2013	\$ 129,510	\$ 60,308	\$ 36,722	\$ 1,195,010	
2014	\$ 131,891	\$ 64,456	\$ 38,649	\$ 1,214,504	
2015	\$ 137,009	\$ 71,829	\$ 41,581	\$ 1,271,626	
2016	\$ 140,848	\$ 78,372	\$ 41,941	\$ 1,375,685	
<b>2007-16 Lin Reg Rate</b>	3.77%	4.70%	5.13%	3.82%	
<b>Adjusted R-Square</b>	0.94	0.96	0.99	0.99	

*Shading indicates values used in Staff's composite escalation factor.*