

**Exh. CSH-6
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 – Natural Gas

October 27, 2017

Avista Utilities
Washington Natural Gas
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	\$ 21,295	\$ 7,413	\$ 3,541	\$ 145,500	<i>From EMA-8</i>
2008	\$ 21,882	\$ 7,752	\$ 2,961	\$ 154,054	
2009	\$ 24,672	\$ 8,456	\$ 3,728	\$ 173,806	
2010	\$ 26,059	\$ 9,127	\$ 3,834	\$ 177,901	
2011	\$ 27,904	\$ 9,778	\$ 4,317	\$ 183,553	
2012	\$ 30,804	\$ 10,692	\$ 4,592	\$ 195,287	
2013	\$ 31,100	\$ 12,173	\$ 5,191	\$ 207,759	
2014	\$ 31,524	\$ 13,304	\$ 5,523	\$ 225,901	
2015	\$ 34,918	\$ 15,176	\$ 5,553	\$ 244,647	
2016	\$ 34,606	\$ 16,618	\$ 6,045	\$ 262,930	
2007-16 Lin Reg Rate	4.61%	6.17%	5.41%	4.73%	
Adjusted R-Square	0.97	0.95	0.93	0.97	

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