**AVISTA CORP.**

### RESPONSE TO REQUEST FOR INFORMATION

# JURISDICTION: WASHINGTON DATE PREPARED: 08/08/2017

# CASE NO.: UE-170485 & UG-170486 WITNESS: Elizabeth M. Andrews

# REQUESTER: UTC Staff RESPONDER: Jennifer S. Smith

# TYPE: Data Request DEPT: State & Federal Regulation

# REQUEST NO.: Staff – 034 TELEPHONE: (509) 495-2098

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**REQUEST:**

Referring to the company’s file 2016-2016 Uncollectible Exp Adjustment, tab C-UE-1: Please provide, in Excel format, the detailed transaction data for the “Accrual for Write-Offs (2)” as shown in cells E13; G13; E22; and G22.

**RESPONSE:**

Please see Staff\_DR\_034 Attachment A for the revised uncollectible expense adjustment and conversion factor workpapers reflecting updated information, including the monthly detailed transaction data.

The filed uncollectible adjustment, used the actual write off balances as reported in customer care and billing (CC&B) for either electric or natural gas. However, after further discussions with our credit and collections staff, it was determined that they cannot distinguish which balance is being written off, for combined electric and natural gas customers. Therefore, to properly reflect the level of write-offs for each service, total write-offs are combined and then allocated to either electric or natural gas using the percentage of sales balances, as has been done in the years prior to the new CC&B system.

The effect of the revised electric and natural gas uncollectible adjustments on the Company’s 5/1/2018 proposed revenue requirements is a decrease of $214,000 for electric and an increase of $214,000 for natural gas revenue.

This change also impacts the Company’s filed net-operating-income-to-gross-revenue-conversion factor, as the uncollectible rate is a component of the overall proposed conversion factor. The impact of revising the conversion factor reduces the 5/1/2018 filed electric and natural gas revenue requirements by $24,000 and $65,000, respectively.