

Exhibit No. CSH-6
Dockets UE-160228/UG-160229
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-160228 and
UG-160229 (*Consolidated*)

EXHIBIT TO
TESTIMONY OF

CHRISTOPHER S. HANCOCK

STAFF OF
WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION

*Electric Attrition Study
12 Months Ending June 2018*

August 17, 2016

12 ME Jun 2018 ELECTRIC ATTRITION STUDY

Line Number	DESCRIPTION	Determine Base Cost and Revenue to Escalate				Escalate Non-Energy Cost				Other Cost & Revenue Adjs.						
		[A]	[B]	[C]	[D]	[E]	[F]	[G]	[H]	[I]	[J]	[K]	[L]	[M]	[N]	[O]
				REVIS	REMOVED	ADDED	REVIS						REVIS		REVIS	
		12ME 12,2015 AMA Commission Basis Report Totals ¹	(less) 12,2015 Normalized Net Power Supply Cost	Dr/Cr; Reg. Amorts & Misc Adjs	Net Retired Meter Deferral & Amort Adjustment	Remove November Storm Expenses ² Adjustment	Pro Forma Revenue Normalization	12ME 12,2015 AMA Escalation Base	Escalation Factor	Non-Energy Cost Escalation Amount	Trended 12ME 06,2018 AMA Non-Energy Cost	(plus) 12ME 06,2018 Pro-Formed Net Energy Cost	Spokane River Projects (2017) Adjustmen ³	After Attrition Adj AMI Capital Project (2017)	12ME 06,2018 AMA Revenue and Cost [J]+[K]+[L]+[M]-[N] = [O]	
1	REVENUES	\$ 497,229	\$ (49,505)	\$ (49,505)	\$ -	\$ (3,093)	\$ 494,136	1.90%	\$ 928	\$ 494,136	\$ 9,382	\$ 18	\$ 503,518		\$ 503,518	
2	Total General Business	\$ 928					\$ 928	1.90%					\$ 946		\$ 946	
3	Interdepartmental Sales	\$ 49,505	\$ (49,505)										\$ 34,548		\$ 34,548	
4	Sales for Resale	\$ 547,662	\$ (49,505)			\$ (3,093)	\$ 495,064			\$ 495,064	\$ 37,740	\$ (3,192)	\$ 539,011		\$ 539,011	
5	Subtotal: Sales of Electricity	\$ 16,920	\$ (10,779)			\$ (3,691)	\$ 2,450	0.00%		\$ 2,450	\$ 11,272	\$ (382)	\$ 13,340		\$ 13,340	
6	Other Revenue	\$ 564,582	\$ (60,284)			\$ (6,784)	\$ 497,514			\$ 497,514	\$ 5,825		\$ 552,351		\$ 552,351	
	Total Electric Revenue															
	EXPENSES															
	Production and Transmission															
7	Operating Expenses	\$ 140,485	\$ (89,988)	\$ 468			\$ 50,965	7.60%	\$ 3,873	\$ 54,838	\$ 81,921	\$ 1,765	\$ 138,524		\$ 138,524	
8	Purchased Power	\$ 85,107	\$ (85,107)										\$ 74,146		\$ 74,146	
9	Depreciation/Amortization	\$ 24,947					\$ 24,947	11.70%	\$ 2,918	\$ 27,865		\$ 762	\$ 28,627		\$ 28,627	
10	Regulatory Amortization	\$ 5,974	\$ (2,374)				\$ 3,600	0.00%		\$ 3,600			\$ 3,600		\$ 3,600	
11	Taxes (5)	\$ 14,133					\$ 14,133	13.38%	\$ 1,890	\$ 16,023			\$ 16,023		\$ 16,023	
12	Subtotal: Production and Transmission	\$ 270,646	\$ (175,095)	\$ (1,906)			\$ 93,645		\$ 8,681	\$ 102,326	\$ 153,514	\$ 4,318	\$ 762		\$ 260,920	
	Distribution															
13	Operating Expenses	\$ 24,056					\$ 21,753	7.60%	\$ 1,653	\$ 23,406			\$ 23,406		\$ 23,406	
14	Depreciation/Amortization	\$ 25,379					\$ 25,379	11.70%	\$ 2,968	\$ 28,347			\$ 28,347		\$ 28,347	
15	Regulatory Amortizations	\$ -					\$ -	0.00%		\$ -			\$ -		\$ -	
16	Taxes (5)	\$ 27,448					\$ 27,329	13.38%	\$ 3,655	\$ 30,984	\$ 361		\$ 31,345		\$ 31,345	
17	Subtotal: Distribution	\$ 76,883	\$ -	\$ -		\$ (2,303)	\$ 74,461		\$ 8,277	\$ 82,738	\$ -	\$ 361	\$ 83,099		\$ 83,099	
18	Customer Accounting	\$ 12,363					\$ (21)	7.60%	\$ 938	\$ 13,280		\$ 63	\$ 13,343		\$ 13,343	
19	Customer Service & Information	\$ 1,454					\$ 1,454	7.60%	\$ 110	\$ 1,564			\$ 1,564		\$ 1,564	
20	Sales Expenses	\$ -					\$ -	7.60%	\$ -	\$ -			\$ -		\$ -	
21	Administrative & General	\$ 49,942	\$ (625)				\$ 49,311	7.60%	\$ 3,747	\$ 53,058		\$ 19	\$ 53,077		\$ 53,077	
22	Operating Expenses	\$ 21,503					\$ 21,503	11.70%	\$ 2,515	\$ 24,018			\$ 24,018		\$ 24,018	
23	Depreciation/Amortization	\$ -					\$ -	13.38%	\$ -	\$ -			\$ -		\$ -	
24	Taxes	\$ 71,445	\$ (625)				\$ 70,814		\$ 6,262	\$ 77,076	\$ -	\$ 19	\$ 77,095		\$ 77,095	
25	Subtotal: A&G	\$ 432,791	\$ (175,095)	\$ (2,531)		\$ (2,303)	\$ 252,716		\$ 24,268	\$ 276,984	\$ 153,514	\$ 4,761	\$ 762		\$ 436,020	
26	Total Electric Expenses	\$ 131,791	\$ 114,811	\$ 2,531		\$ 2,303	\$ 244,798		\$ (24,268)	\$ 220,530	\$ (104,502)	\$ 1,064	\$ (762)		\$ 116,331	
	OPERATING INCOME BEFORE FIT															
27		\$ 131,791	\$ 114,811	\$ 2,531		\$ 2,303	\$ 244,798		\$ (24,268)	\$ 220,530	\$ (104,502)	\$ 1,064	\$ (762)		\$ 116,331	
28																

¹Workpapers for 12,2015 Commission Basis Reports provided with Staff_DR_030 - Attachment G.
²November 2015 Storm expenses were removed for trending purposes and from Escalation Base.
³Correction to regulatory revenue amortization. Company inadvertently overstated removal of expiring amortized revenue.
⁴Staff has updated 'Spokane River Projects (2017) Adjustment' to reflect revised Production/Transmission (P/T) Ratio, as well as actual transfers-to-plant through Aug 1, 2016.
⁵Excise tax correction identified in UE-160228, 06.15.16 LMA (period 2009-2015).

12 ME Jun 2018 ELECTRIC ATTRITION STUDY

CBR Line Number	Determine Base Cost and Revenue to Escalate										Escalate Non-Energy Cost					Other Cost & Revenue A				
	12.2014 Commission Basis Report Restated Totals ¹	(less) 12.2015 Normalized Net Power Supply Cost	Deferred Dr/Cr, Reg. Amors & Misc Adj's	Net Retired Meter Deferral & Amort Adjustment	Remove November 2015 Storm Expenses ²	Pro Forma Revenue Normalization Adjustment	12ME 12.2015 AMA Escalation Base	Escalation Factor	Non-Energy Cost Escalation Amount [G]*[H]=[I]	Non-Energy Cost 06.2018 AMA Non-Energy Cost [G]+[H]=[I]	Trended 12ME 06.2018 AMA Non-Energy Cost	(plus) 12ME 06.2018 Pro-Formed Net Energy Cost	Attrition Adj. Spokane River Projects (2017) ⁴	After Attrition Adj AMI Capital Project (2017)	12ME 06.2018 AMA Revenue and Cost [J]+[K]+[L]+[M]+[N]=[O]					
[A]	[B]	[C]	[D]	[E]	[F]	[G]	[H]	[I]	[J]	[K]	[L]	[M]	[N]	[O]						
26	\$ 4,968	\$ 40,184	\$ 1,930	\$ -	\$ 806	\$ (2,323)	\$ 45,565	\$ (8,494)	\$ 37,071	\$ (36,576)	\$ 373	\$ (267)	\$ -	\$ 601						
27	\$ 1	\$ -	\$ 121	\$ -	\$ -	\$ 122	\$ -	\$ (1,682)	\$ (1,560)	\$ -	\$ (134)	\$ -	\$ -	\$ (1,694)						
28	\$ 29,492	\$ -	\$ -	\$ -	\$ -	\$ 29,492	\$ -	\$ -	\$ 29,492	\$ -	\$ -	\$ -	\$ -	\$ 29,492						
29	\$ (129)	\$ -	\$ -	\$ -	\$ -	\$ (129)	\$ -	\$ -	\$ (129)	\$ -	\$ -	\$ (22)	\$ -	\$ (151)						
30	\$ 97,459	\$ 74,627	\$ 480	\$ -	\$ 1,497	\$ (4,315)	\$ 169,748	\$ (14,092)	\$ 155,656	\$ (67,926)	\$ 692	\$ (339)	\$ -	\$ 88,082						
31	NET OPERATING INCOME																			
	RATE BASE																			
	Plant in Service																			
32	\$ 144,970	\$ -	\$ -	\$ -	\$ -	\$ 144,970	23.20%	\$ 33,635	\$ 178,605	\$ -	\$ -	\$ 17,461	\$ -	\$ 178,605						
33	\$ 779,441	\$ -	\$ -	\$ -	\$ -	\$ 779,441	5.07%	\$ 39,523	\$ 818,964	\$ -	\$ -	\$ -	\$ -	\$ 836,426						
34	\$ 401,700	\$ -	\$ -	\$ -	\$ -	\$ 401,700	10.00%	\$ 40,177	\$ 441,877	\$ -	\$ -	\$ -	\$ -	\$ 441,877						
35	\$ 895,055	\$ -	\$ -	\$ -	\$ -	\$ 895,055	13.03%	\$ 116,628	\$ 1,011,683	\$ -	\$ -	\$ -	\$ -	\$ 1,011,683						
36	\$ 212,726	\$ -	\$ -	\$ -	\$ -	\$ 212,726	20.32%	\$ 43,223	\$ 255,949	\$ -	\$ -	\$ -	\$ -	\$ 255,949						
37	\$ 2,433,892	\$ -	\$ -	\$ -	\$ -	\$ 2,433,892		\$ 273,186	\$ 2,707,078	\$ -	\$ -	\$ 17,461	\$ -	\$ 2,724,539						
	Accumulated Depreciation and Amortization																			
38	\$ (24,943)	\$ -	\$ -	\$ -	\$ -	\$ (24,943)	22.08%	\$ (5,509)	\$ (30,452)	\$ -	\$ -	\$ -	\$ -	\$ (30,452)						
39	\$ (342,899)	\$ -	\$ 2,293	\$ -	\$ -	\$ (340,606)	10.23%	\$ (34,845)	\$ (375,451)	\$ -	\$ -	\$ (327)	\$ -	\$ (375,778)						
40	\$ (129,936)	\$ -	\$ -	\$ -	\$ -	\$ (129,936)	9.60%	\$ (12,471)	\$ (142,407)	\$ -	\$ -	\$ -	\$ -	\$ (142,407)						
41	\$ (273,578)	\$ -	\$ 2,276	\$ -	\$ -	\$ (271,302)	12.54%	\$ (34,031)	\$ (305,333)	\$ -	\$ -	\$ -	\$ -	\$ (305,333)						
42	\$ (73,050)	\$ -	\$ -	\$ -	\$ -	\$ (73,050)	15.33%	\$ (11,196)	\$ (84,246)	\$ -	\$ -	\$ -	\$ -	\$ (84,246)						
43	\$ (844,406)	\$ -	\$ 4,569	\$ -	\$ -	\$ (839,837)		\$ (98,052)	\$ (937,889)	\$ -	\$ -	\$ (327)	\$ -	\$ (938,215)						
44	\$ 1,589,486	\$ -	\$ 4,569	\$ -	\$ -	\$ 1,594,055		\$ 175,134	\$ 1,769,189	\$ -	\$ -	\$ 17,135	\$ -	\$ 1,786,324						
45	\$ (317,860)	\$ -	\$ -	\$ -	\$ -	\$ (317,860)	15.53%	\$ (49,365)	\$ (367,225)	\$ -	\$ -	\$ (3,656)	\$ -	\$ (370,881)						
46	\$ 1,271,626	\$ -	\$ 4,569	\$ -	\$ -	\$ 1,276,195	\$ 0	\$ 125,769	\$ 1,401,964	\$ -	\$ -	\$ 13,478	\$ -	\$ 1,415,442						
47	\$ 7,458	\$ -	\$ (5,220)	\$ -	\$ -	\$ 2,238	0.00%	\$ -	\$ 2,238	\$ -	\$ -	\$ -	\$ -	\$ 2,238						
48	\$ 59,722	\$ -	\$ (11,512)	\$ -	\$ -	\$ 48,210	0.00%	\$ -	\$ 48,210	\$ -	\$ -	\$ -	\$ -	\$ 48,210						
49	\$ 1,338,806	\$ -	\$ (12,163)	\$ -	\$ -	\$ 1,326,643		\$ 125,769	\$ 1,452,412	\$ -	\$ -	\$ 13,478	\$ -	\$ 1,465,890						
	TOTAL RATE BASE																			
	¹ Workpapers for 12.2015 Commission Basis Reports provided with Staff_DR_030 - Attachment G.																			
	⁴ Staff has updated 'Spokane River Projects (2017) Adjustment' to reflect revised Production/Transmission (P/T) Ratio, as well as actual transfers-to-plant through Aug 1, 2016.																			
	² Includes Plant Held for Future Use - See Andrews' workpapers - Revised See Staff_DR_108-Attachment E																			
50	RATE OF RETURN												7.28%	6.01%						

7.28%

ELECTRIC COST AND REVENUE TREND CALCULATIONS 2007-2015

Commission Basis Results of Operations

AVISTA UTILITIES

(000'S OF DOLLARS)		2007	2008	2009	2010	2011	2012	2013	2014	UPDATED 12.2015
No. REVENUES										
1	Total General Business	\$326,335	\$365,425	\$402,618	\$415,740	\$451,837	\$459,266	\$468,006	\$488,372	\$497,229
2	Interdepartmental Sales	739	820	872	790	820	816	884	922	928
3	Sales for Resale	34,954	46,848	31,491	133,479	52,604	54,549	75,349	60,998	49,505
4	Total Sales of Electricity	362,028	413,093	434,981	550,009	505,261	514,631	544,239	550,292	547,662
5	Other Revenue	10,170	10,927	9,395	11,786	13,666	13,089	13,408	17,163	16,920
6	Total Electric Revenue	372,198	424,020	444,376	561,795	518,927	527,720	557,647	567,455	564,582
EXPENSES										
Production and Transmission										
7	Operating Expenses	102,890	117,123	87,599	147,107	145,634	131,795	143,904	120,307	140,485
8	Purchased Power	65,640	72,508	100,437	142,197	91,142	101,283	109,034	116,643	85,107
9	Depreciation/Amortization	24,877	23,076	23,969	25,008	25,158	25,680	23,284	23,715	24,947
10	Regulatory Amortization	(3,082)	(1,076)	(1,703)	(2,879)	403	(7,744)	8,629	8,101	5,974
11	Taxes	8,319	8,146	9,014	9,955	10,846	11,456	12,913	12,828	14,133
12	Total Production & Transmission	198,644	219,777	219,316	321,388	273,183	262,470	297,764	281,594	270,646
Distribution										
13	Operating Expenses	14,563	17,329	17,267	18,354	19,081	21,152	20,878	21,299	24,056
14	Depreciation/Amortization	11,333	15,611	16,809	17,985	19,240	20,749	22,303	23,794	25,379
15	Taxes (1)	16,156	17,416	18,216	20,029	22,459	22,699	23,809	25,821	27,448
16	Total Distribution	42,052	50,356	52,292	56,368	60,780	64,600	66,990	70,914	76,883
17	Customer Accounting	7,514	7,919	9,646	9,261	10,275	10,336	11,334	11,166	12,363
18	Customer Service & Information	7,472	12,847	19,736	20,832	21,292	18,487	1,516	1,383	1,454
19	Sales Expenses	682	571	660	176	4	5	5	0	0
Administrative & General										
20	Operating Expenses	35,844	35,982	38,461	44,662	44,779	49,333	43,310	46,210	49,942
21	Depreciation/Amortization	6,739	7,187	7,688	9,277	10,906	12,517	14,721	16,947	21,503
22	Taxes	(9)	(3)	(3)	2	0	(4)	0	0	0
23	Total Admin. & General	42,574	43,166	46,146	53,941	55,685	61,846	58,031	63,157	71,445
24	Total Electric Expenses	298,938	334,636	347,796	461,966	421,219	417,744	435,640	428,214	432,791
25	OPERATING INCOME BEFORE FIT	73,260	89,384	96,580	99,829	97,708	109,976	122,007	139,241	131,791
FEDERAL INCOME TAX										
26	Current Accrual	5,070	(6,217)	(1,846)	9,263	6,569	11,499	19,267	(7,683)	4,968
27	Debt Interest	0	0	0	0	207	70	1	(136)	1
28	Deferred Income Taxes	6,497	26,634	23,983	13,823	16,402	15,684	10,613	46,085	29,492
29	Amortized ITC - Noxon	0	0	(58)	(83)	(99)	(128)	(130)	(128)	(469)
30	Levelized Settlement Exchange Power	0	0	0	0	0	0	0	(108)	0
31	NET OPERATING INCOME	\$61,693	\$68,967	\$74,501	\$76,826	\$74,629	\$82,850	\$92,256	\$101,211	\$97,799

Note: The Regulatory Amortization Category has been restated in prior years to reflect consistency with the current reporting format.

(1) Corrected excise tax error 2009-2015.

ELECTRIC COST AND REVENUE TREND CALCULATIONS 2007-2015

Commission Basis Results of Operations

AVISTA UTILITIES

(000'S OF DOLLARS)

Line	2007	2008	2009	2010	2011	2012	2013	2014	12.2015
No RATE BASE									
PLANT IN SERVICE									
32 Intangible	\$20,632	\$23,321	\$57,116	\$81,955	\$84,081	\$85,247	\$91,466	\$102,620	\$144,970
33 Production	645,576	657,099	677,646	692,689	706,894	717,448	738,315	746,101	779,441
34 Transmission	259,532	289,302	301,090	312,505	328,012	342,382	359,941	371,971	401,700
35 Distribution	529,067	561,248	602,201	642,143	696,082	743,732	796,640	842,795	895,055
36 General	81,368	91,205	98,727	120,996	140,218	155,104	179,134	196,867	212,726
37 Total Plant in Service	1,536,175	1,622,175	1,736,780	1,850,288	1,955,287	2,043,913	2,165,496	2,260,354	2,433,892
ACCUMULATED DEPRECIATION/AMORT									
38 Intangible	6,349	7,252	9,302	12,606	13,074	14,736	17,667	20,242	24,943
39 Production	230,738	243,189	255,390	272,340	286,300	300,170	314,599	325,531	342,899
40 Transmission	90,140	95,026	100,649	106,041	111,144	116,316	122,308	123,869	129,936
41 Distribution	162,343	172,026	181,327	194,593	209,101	221,408	236,201	252,722	273,578
42 General	36,737	39,933	39,153	43,819	47,365	51,504	58,357	65,720	73,050
43 Total Accumulated Depreciation	526,307	557,426	585,821	629,399	666,984	704,134	749,132	788,084	844,406
44 NET PLANT	1,009,868	1,064,749	1,150,959	1,220,889	1,288,303	1,339,779	1,416,364	1,472,270	1,589,486
45 DEFERRED TAXES	(139,033)	(147,502)	(163,716)	(184,825)	(201,163)	(208,209)	(221,354)	(257,766)	(317,860)
46 Net Plant After Deferred Income Taxes	870,835	917,247	987,243	1,036,064	1,087,140	1,131,570	1,195,010	1,214,504	1,271,626
47 DEFERRED DEBITS AND CREDITS	21,020	19,593	17,776	17,776	18,845	16,438	14,761	10,846	7,458
48 WORKING CAPITAL	0	0	0	18,188	31,877	10,967	16,281	47,807	59,722
49 TOTAL RATE BASE	\$891,855	\$936,840	\$1,005,019	\$1,072,028	\$1,137,863	\$1,158,975	\$1,226,052	\$1,273,157	\$1,338,806
	\$0	\$0	\$0	\$0	(\$1)	\$0	\$0	\$0	\$0

Note: The Deferred Debits and Credits Category has been restated in prior years to reflect consistency with the current reporting format.

AVISTA UTILITIES

WASHINGTON ELECTRIC RESULTS

ELECTRIC COST AND REVENUE TREND CALCULATIONS 2007-2015
Electric Data for Escalators

(000'S OF DOLLARS)

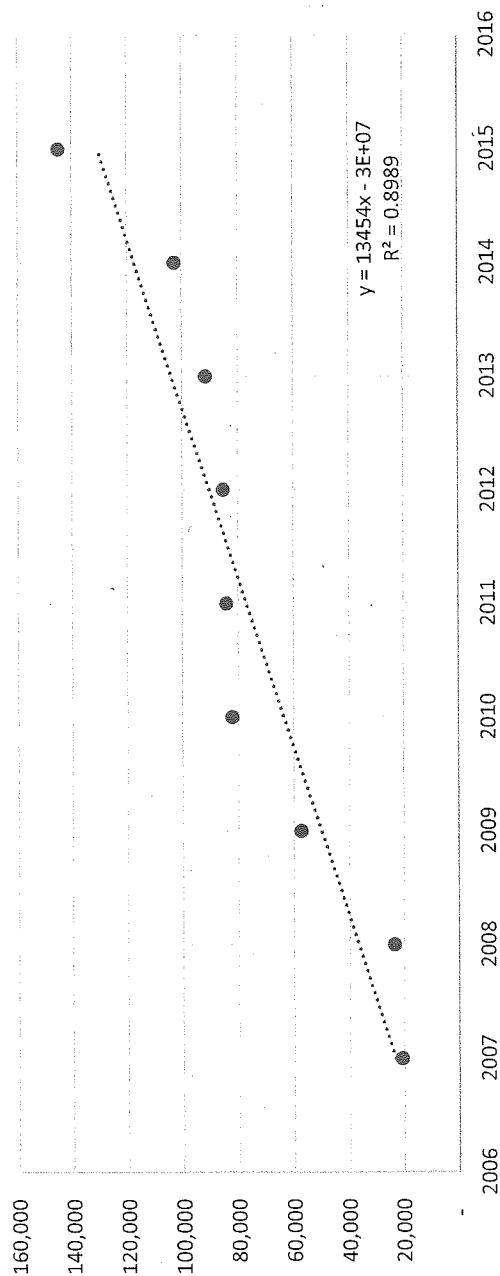
Line No.	2007	2008	2009	2010	2011	2012	2013	2014	2015	
Exclude Power Supply and Adder Schedule Expenses (DSM Tariff Rider and Residential Exchange Credit) from O&M										
1	Production/Transmission	102,890	117,123	87,599	147,107	145,634	131,795	143,904	120,307	140,485
2	Purchased Power	65,640	72,508	100,437	142,197	91,142	101,283	109,034	116,643	85,107
3	Distribution	14,563	17,329	17,267	18,354	19,081	21,152	20,878	21,299	24,056
4	Customer Accounting	7,514	7,919	9,646	9,261	10,275	11,334	11,166	11,363	12,363
5	Customer Service and Information	7,472	12,847	19,736	20,832	21,292	18,487	1,516	1,383	1,454
6	Sales	682	571	660	176	4	5	5	0	0
7	Administrative and General	35,844	35,982	38,461	44,662	44,779	49,333	43,310	46,210	49,942
8	Total Operating & Maintenance Expenses	234,605	264,279	273,806	382,589	332,207	332,391	329,981	317,008	313,407
9	Deduct Power Supply Expenses	(135,719)	(152,984)	(146,538)	(249,369)	(188,583)	(180,834)	(201,471)	(186,117)	(175,095)
10	Deduct DSM Tariff Rider Expenses	(6,711)	(12,172)	(19,005)	(19,612)	(20,235)	(17,018)	0	0	0
11	Deduct Res X Credit Expenses	37	24	27	41	31	55	0	0	0
12	Adjusted Operating Expenses	92,212	99,146	108,289	113,650	123,419	134,594	128,510	130,891	138,312
		3.81%	7.52%	9.22%	4.95%	8.60%	9.06%	-4.52%	1.85%	5.67%
Depreciation/Amortization										
13	Production/Transmission	24,877	23,076	23,969	25,008	25,158	25,680	23,284	23,715	24,947
14	Distribution	11,333	15,611	16,809	17,985	19,240	20,749	22,303	23,794	25,379
15	Administrative and General	6,739	7,187	7,688	9,277	10,906	12,517	14,721	16,947	21,503
16	Total Depreciation/Amortization	42,949	45,874	48,466	52,270	55,304	58,946	60,308	64,456	71,829
		2.72%	6.81%	5.65%	7.85%	5.80%	6.59%	2.31%	6.88%	11.44%
Exclude Adder Schedule amortizations (Residential Exchange Credit) from Regulatory Amortizations										
17	Regulatory Amortizations	(3,082)	(1,076)	(1,703)	(2,879)	403	(7,744)	8,629	8,101	5,974
18	Deduct Res X Credit amortization	5,582	3,576	4,005	6,244	4,610	8,327	0	0	0
19	Adjusted Regulatory Amortizations	2,500	2,500	2,302	3,365	5,013	583	8,629	8,101	5,974
Exclude Adder Schedule excise taxes (DSM Tariff Rider and Residential Exchange Credit) from Taxes Other Than Income Tax										
20	Production/Transmission	8,319	8,146	9,014	9,955	10,846	11,456	12,913	12,828	14,133
21	Distribution (1)	16,156	17,416	18,216	20,029	22,459	22,699	23,809	25,821	27,448
22	Administrative and General	(9)	(3)	(3)	2	0	(4)	0	0	0
23	Total Taxes Other Than Income Tax	24,466	25,559	27,227	29,986	33,305	34,151	36,722	38,649	41,581
24	Deduct DSM Tariff Rider Excise Tax	(269)	(488)	(762)	(787)	(812)	(683)	0	0	0
25	Deduct Res X Credit Excise Tax	225	144	162	252	186	336	0	0	0
26	Adjusted Taxes Other Than Income Tax	24,422	25,215	26,626	29,451	32,680	33,805	36,722	38,649	41,581
	(1) Corrected excise tax error 2009-2015.	-3,93%	3.25%	5.60%	10.61%	10.96%	3.44%	8.63%	5.25%	7.59%
27	Net Plant After Deferred Income Tax	870,835	917,247	987,243	1,036,064	1,087,140	1,131,570	1,195,010	1,214,504	1,271,626
		1.77%	5.33%	7.63%	4.95%	4.93%	4.09%	5.61%	1.63%	4.70%
28	Total Rate Base	891,855	936,840	1,005,019	1,072,028	1,137,863	1,158,975	1,226,052	1,273,157	1,338,806
		1.98%	5.04%	7.28%	6.67%	6.14%	1.86%	5.79%	3.84%	5.16%
Exclude Power Supply and Transmission Wheeling from Other Operating Revenue										
29	Other Operating Revenue	10,170	10,927	9,395	11,786	13,666	13,089	13,408	17,163	16,920
30	Deduct Decoupling Deferred Revenue and Provision for Rate Refund	(221)	(1,839)	(448)	(640)	(1,752)	(1,489)	(282)	(3,062)	(267)
31	Deduct Power Supply Other Revenue	(6,876)	(6,213)	(6,133)	(8,333)	(9,102)	(8,285)	(9,662)	(10,622)	(10,512)
32	Deduct Transmission Other Revenue	3,073	2,875	2,814	2,813	2,812	3,315	3,464	3,479	2,450
33	Adjusted Other Revenue	3,96%	-6.44%	-2.13%	-0.02%	-0.03%	17.86%	4.50%	0.42%	-29.56%

Staff Proposed Based on Commission Order No. 05 Docket, No. UE-150204

	2007	2008	2009	2010	2011	2012	2013	2014	2015
Intangible Plant	20,632	23,321	57,116	81,955	84,081	85,247	91,466	102,620	144,970
								Per CBR	UPDATED

Annual Increase (slope below)
 Rate (Annual) 13,454
 9.28%
 Rate (2.5-year, to 2018 6ME 6/2018) **23.20%** (Escalation Factor)

Intangible Plant (Electric)

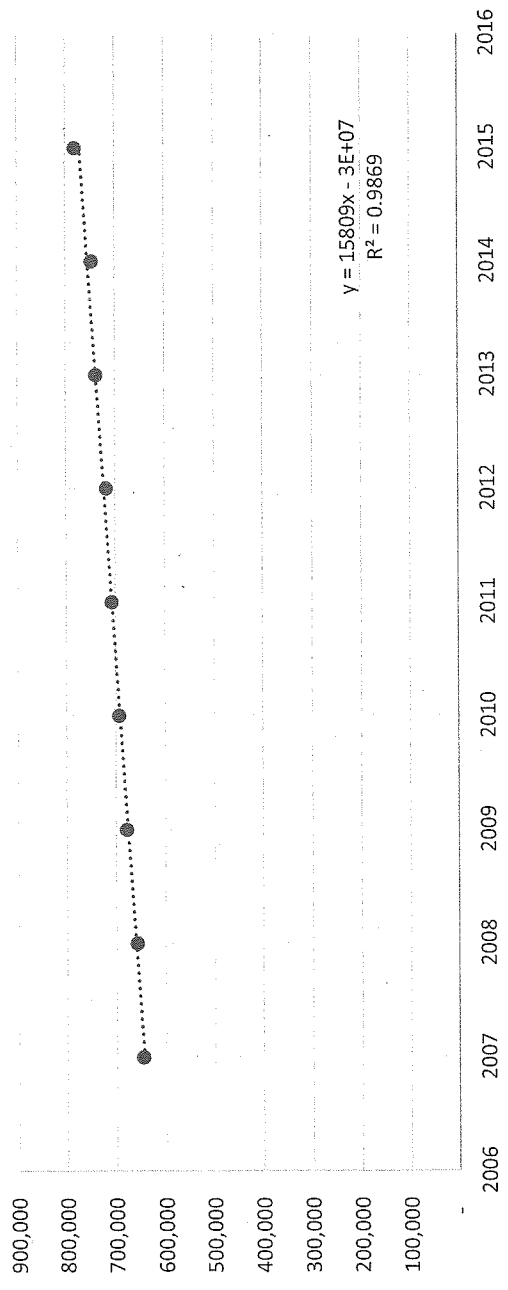


Staff Proposed Based on Commission Order No. 05 Docket No. UE-150204

	2007	2008	2009	2010	2011	2012	2013	2014	2015
Production Plant	645,576	657,099	677,646	692,689	706,894	717,448	738,315	746,101	779,441
								Per CBR	UPDATED

Annual Increase (slope below)
 Rate (Annual) 15,809
 2.03%
 Rate (2.5-year, to 2018 6ME 6/2018) **5.07%** (Escalation Factor)

Production Plant (Electric)

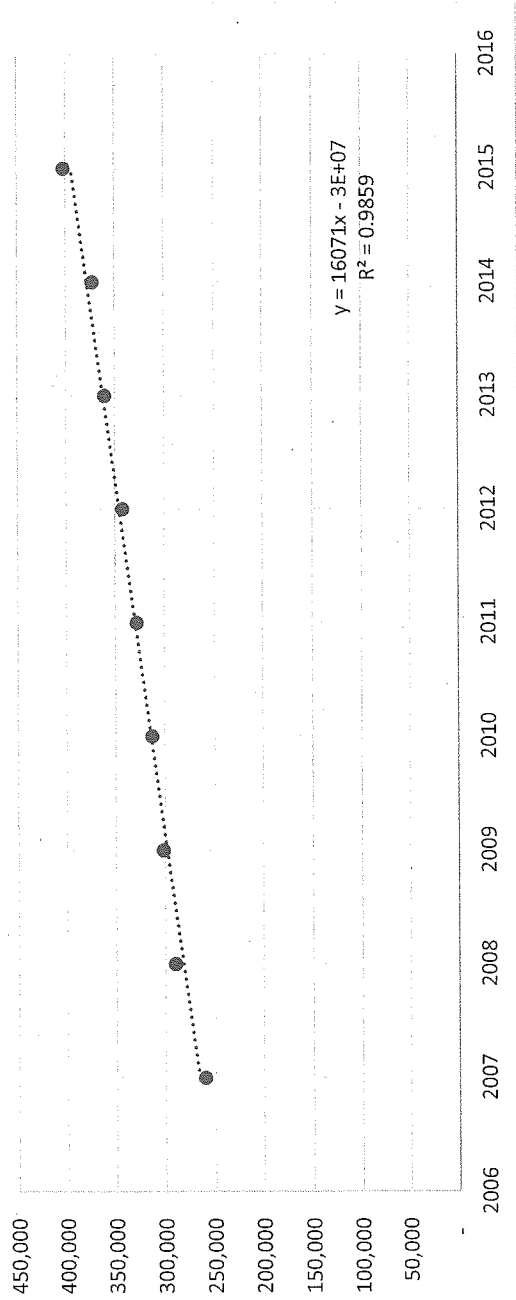


Staff Proposed Based on Commission Order No. 05 Docket. No. UE-150204

	2007	2008	2009	2010	2011	2012	2013	2014	2015
Transmission Plant	259,532	289,302	301,090	312,505	328,012	342,382	359,941	371,971	401,700
								Per CBR	UPDATED

Annual Increase (slope below)
 Rate (Annual) 16,071
 4.00%
 Rate (2.5-year, to 2018 6ME 6/2018) **10.00%** (Escalation Factor)

Transmission Plant (Electric)

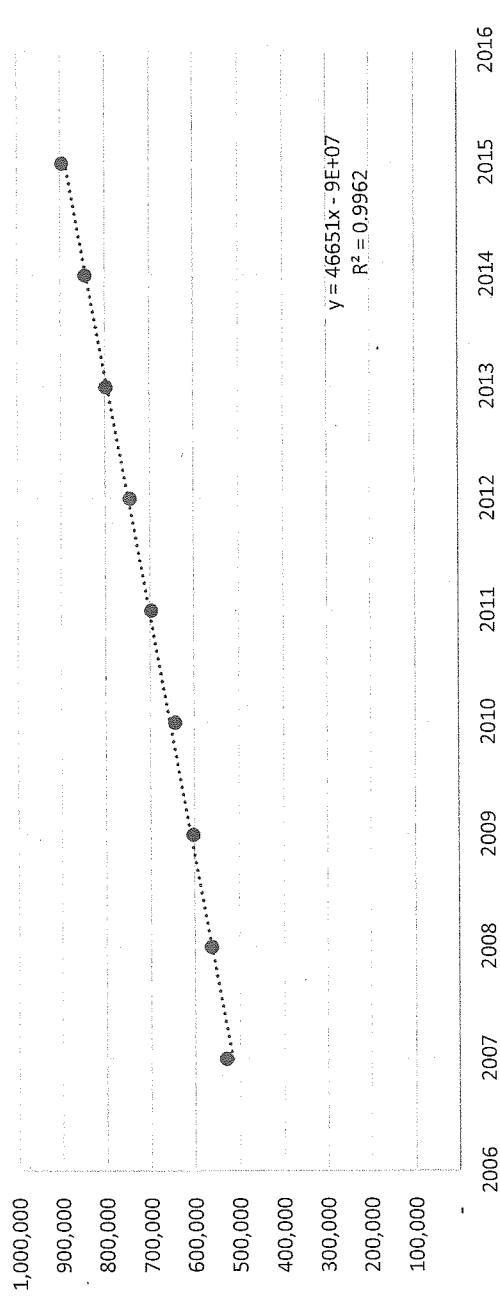


Staff Proposed Based on Commission Order No. 05 Docket No. UE-150204

	2007	2008	2009	2010	2011	2012	2013	2014	2015
Distribution Plant	529,067	561,248	602,201	642,143	696,082	743,732	796,640	842,795	895,055
								Per CBR	UPDATED

Annual Increase (slope below)
 Rate (Annual) 46,651
 5.21%
 Rate (2.5-year, to 2018 6ME 6/2018) **13.03%** (Escalation Factor)

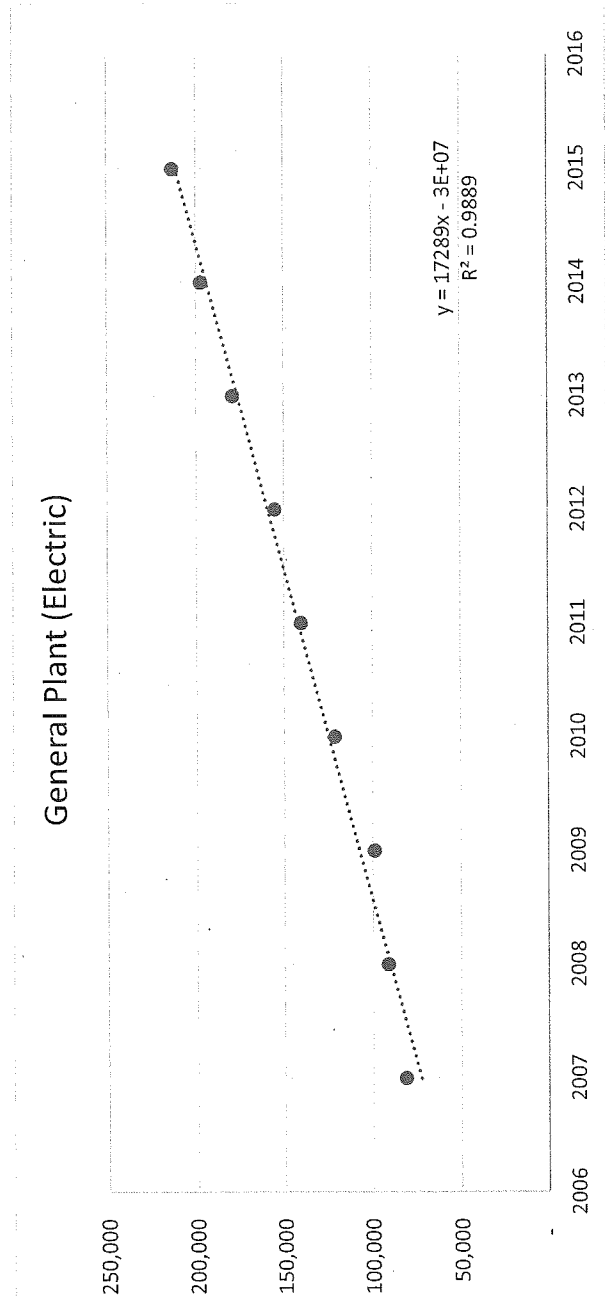
Distribution Plant (Electric)



Staff Proposed Based on Commission Order No. 05 Docket No. UE-150204

	2007	2008	2009	2010	2011	2012	2013	2014	2015
General Plant	81,368	91,205	98,727	120,996	140,218	155,104	179,134	196,867	212,726
								Per CBR	UPDATED

Annual Increase (slope below)
 Rate (Annual) 17,289
 Rate (2.5-year, to 2018 6ME 6/2018) 8.13%
 Rate (2.5-year, to 2018 6ME 6/2018) **20.32%** (Escalation Factor)

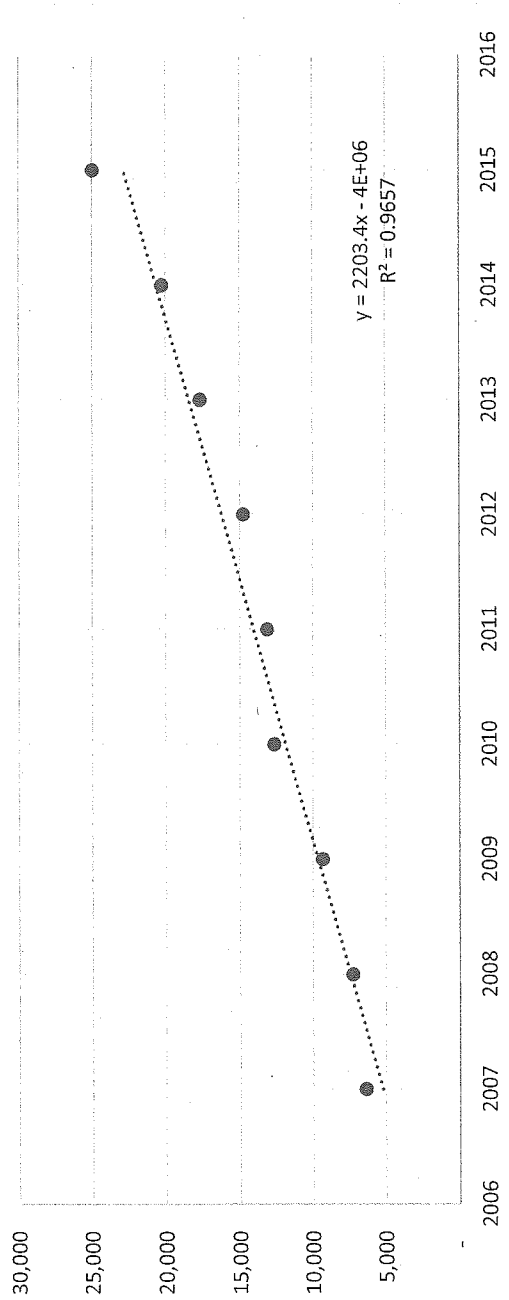


Staff Proposed Based on Commission Order No. 05 Docket No. UE-150204

	2007	2008	2009	2010	2011	2012	2013	2014	2015
Intang. Accum. Depr. & Amort.	6,349	7,252	9,302	12,606	13,074	14,736	17,667	20,242	24,943
								Per CBR	UPDATED

Annual Increase (slope below) 2,203
 Rate (Annual) 8.83%
 Rate (2.5-year, to 2018 6ME 6/2018) **22.08%** (Escalation Factor)

Intangible Accum. Depreciation & Amortization (Electric)



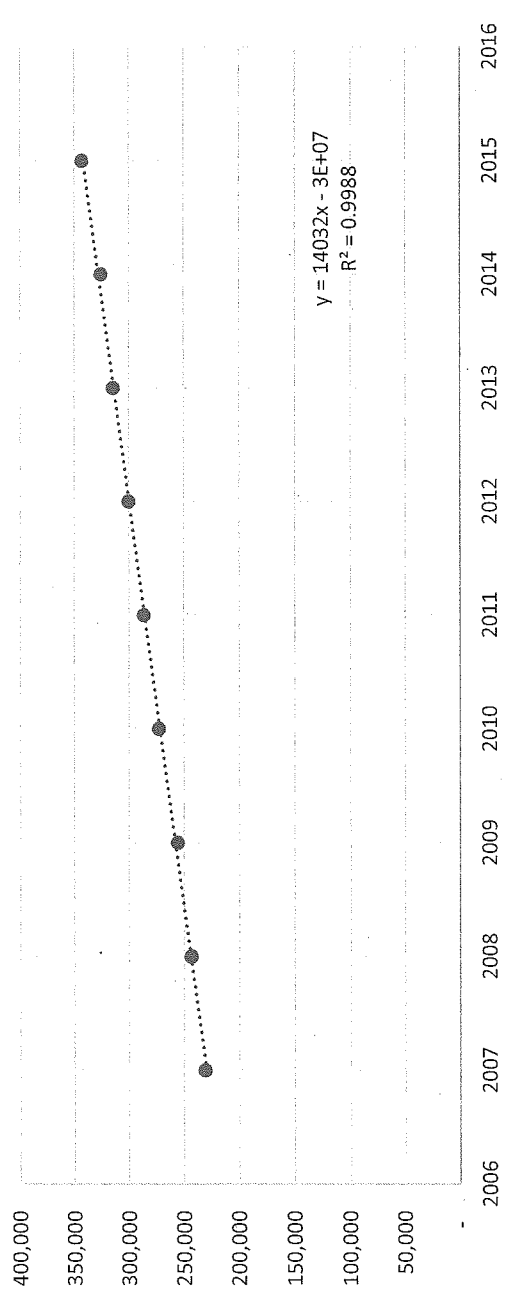
Staff Proposed Based on Commission Order No. 05 Docket No. UE-150204

	2007	2008	2009	2010	2011	2012	2013	2014	2015
Production Accum. Depr. & Amort.	230,738	243,189	255,390	272,340	286,300	300,170	314,599	325,531	342,899
								Per CBR	UPDATED

Annual Increase (slope below) 14,032
 Rate (Annual) 4.09%

Rate (2.5-year, to 2018 6ME 6/2018) **10.23%** (Escalation Factor)

Production Accum. Depreciation & Amortization (Electric)

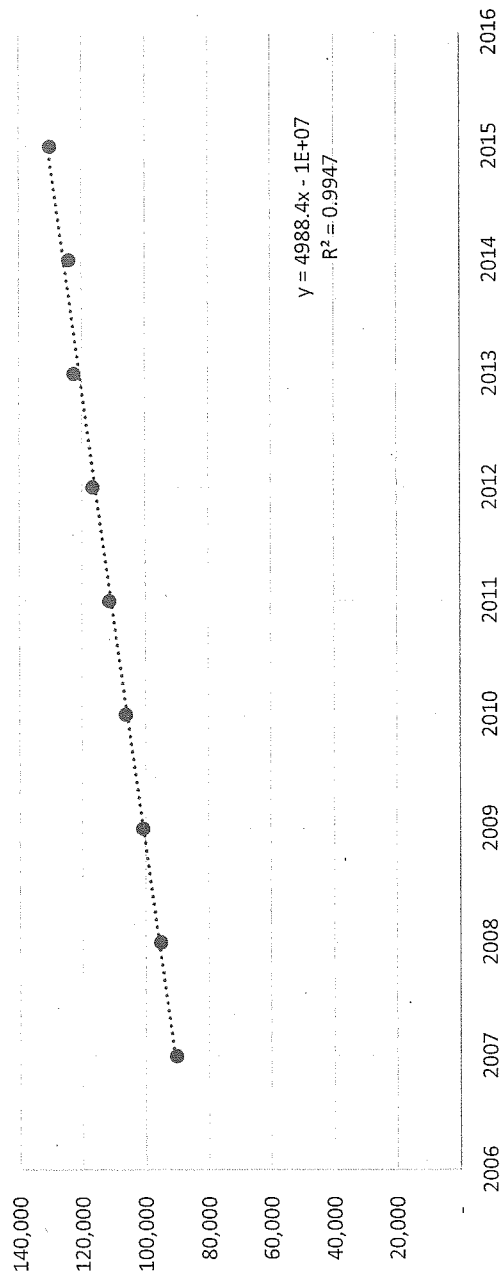


Staff Proposed Based on Commission Order No. 05 Docket No. UE-150204

Transmission Accum. Depr. & Amort.	2007	2008	2009	2010	2011	2012	2013	2014	2015
	90,140	95,026	100,649	106,041	111,144	116,316	122,308	123,869	129,936
								Per CBR	UPDATED

Annual Increase (slope below) 4,988
 Rate (Annual) 3.84%
 Rate (2.5-year, to 2018 6ME 6/2018) **9.60%** (Escalation Factor)

Transmission Accum. Depreciation & Amortization (Electric)

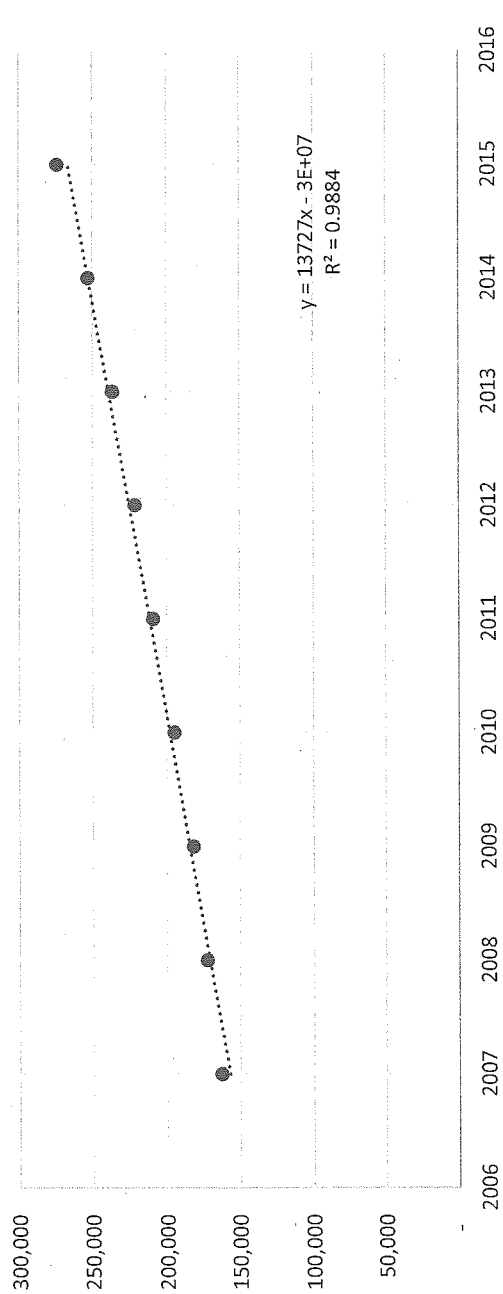


Staff Proposed Based on Commission Order No. 05 Docket No. UE-150204

	2007	2008	2009	2010	2011	2012	2013	2014	2015
Distribution Accum. Depr. & Amort.	162,343	172,026	181,327	194,593	209,101	221,408	236,201	252,722	273,578
								Per CBR	UPDATED

Annual Increase (slope below) 13,727
 Rate (Annual) 5.02%
 Rate (2.5-year, to 2018 6ME 6/2018) **12.54%** (Escalation Factor)

Distribution Accum. Depreciation & Amortization (Electric)

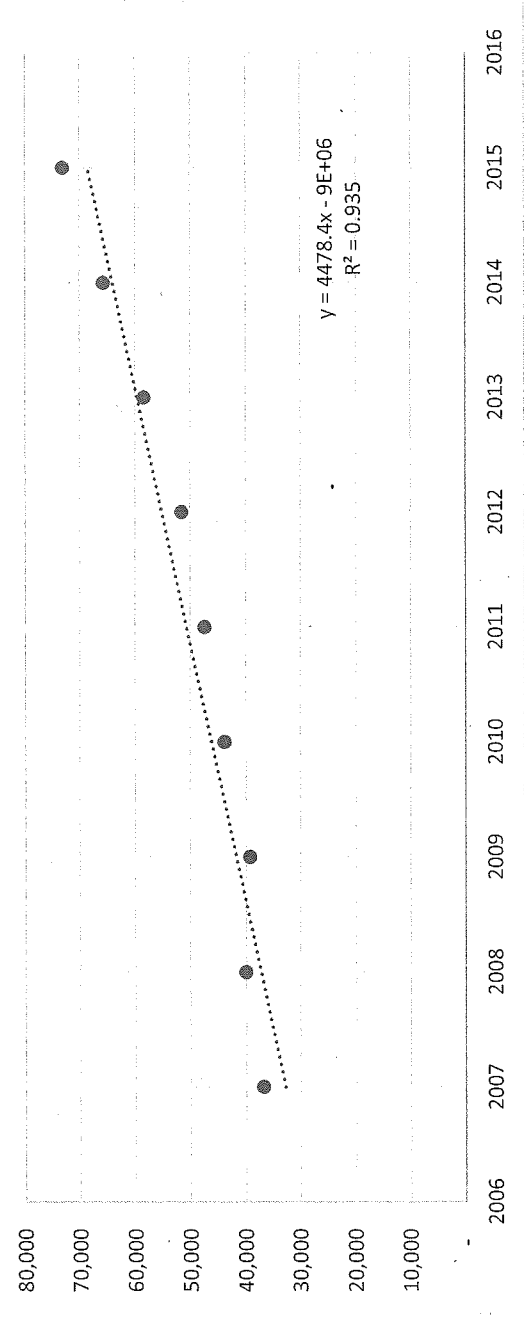


Staff Proposed Based on Commission Order No. 05 Docket No. UE-150204

	2007	2008	2009	2010	2011	2012	2013	2014	2015
General Accum. Depr. & Amort.	36,737	39,933	39,153	43,819	47,365	51,504	58,357	65,720	73,050
								Per CBR	UPDATED

Annual Increase (slope below) 4,478
 Rate (Annual) 6.13%
 Rate (2.5-year, to 2018 6ME 6/2018) **15.33%** (Escalation Factor)

General Accum. Depreciation & Amortization (Electric)



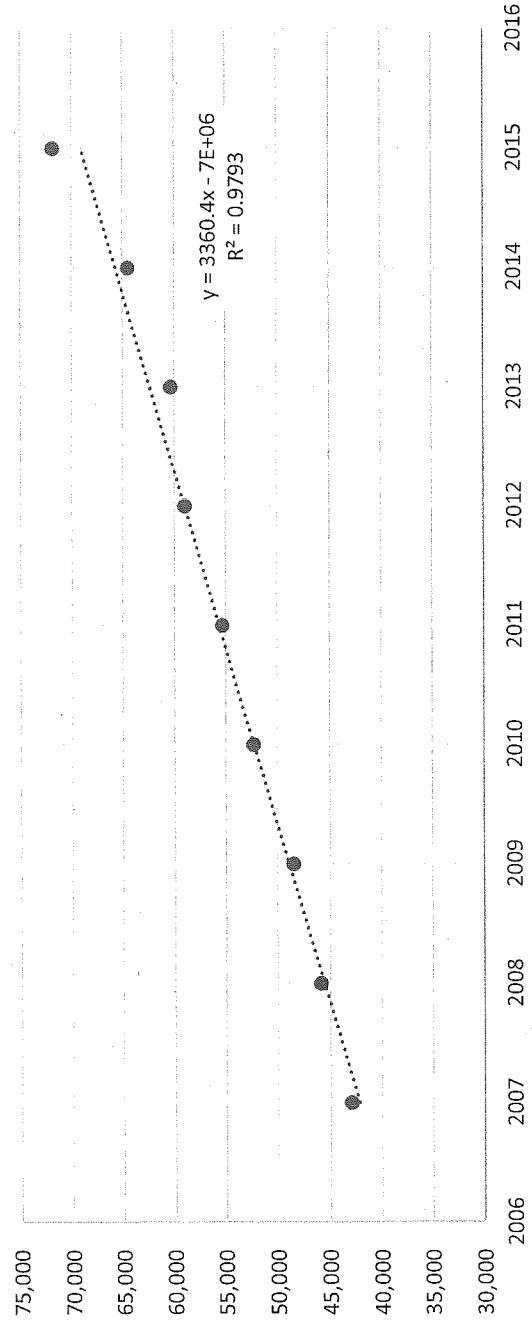
Staff Proposed Based on Commission Order No. 05 Docket No. UE-150204

	2007	2008	2009	2010	2011	2012	2013	2014	2015
Depreciation/ Amortization	42,949	45,874	48,466	52,270	55,304	58,946	60,308	64,456	71,829

UPDATED

Annual Increase (slope below)
 Rate (Annual) 3,360.4
 4.68%
 Rate (2.5-year, to 2018 6ME 6/2018) **11.70%** (Escalation Factor)

Depreciation/ Amortization (Electric)



Staff Proposed Based on Commission Order No. 05 Docket No. UE-150204

Adjusted Taxes	2007	2008	2009	2010	2011	2012	2013	2014	2015
	24,422	25,215	26,626	29,451	32,680	33,805	36,722	38,649	41,581

UPDATED (1)

Annual Increase (slope below)

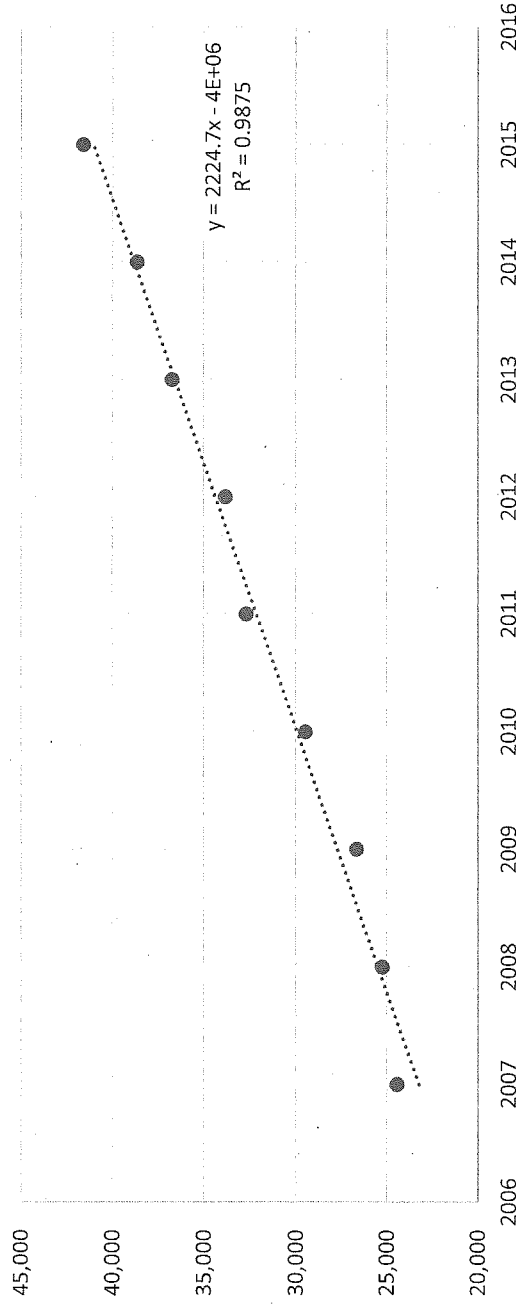
2,224.7

Rate (Annual)

5.35%

Rate (2.5-year, to 2018 6ME 6/2018) **13.38%** (Escalation Factor)

Adjusted Taxes (Electric)



(1) Corrected for excise tax error found within the periods 2009-2015.

Staff Proposed Based on Commission Order No. 05 Docket No. UE-150204

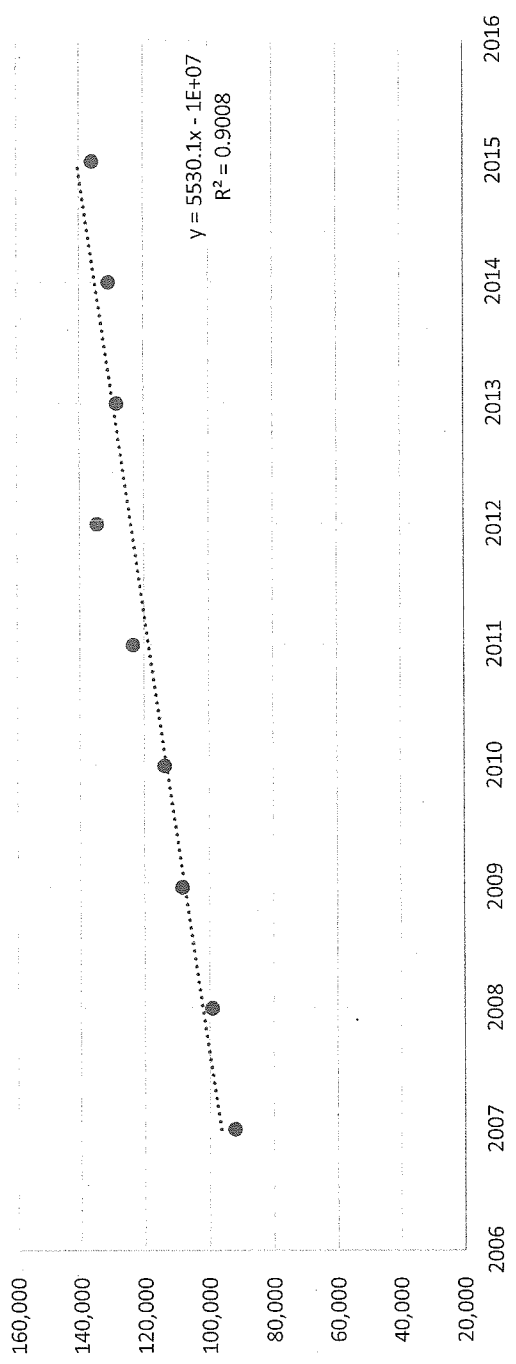
	2007	2008	2009	2010	2011	2012	2013	2014	2015
Adjusted Operating Expenses	92,212	99,146	108,289	113,650	123,419	134,594	128,510	130,891	136,009

UPDATED

(1)

Annual Increase (slope below)
 Rate (Annual) 5,530.1
 Rate (2.5-year, to 2018 6ME 6/2018) 4.07%
 Rate (2.5-year, to 2018 6ME 6/2018) 10.17%
 Adjusted escalator (per CSH-1T pg 46): **7.60%** (Escalation Factor)

Adjusted Operating Expenses 2007-2015



(1) November 2015 Storm expenses were removed for trending purposes and from Escalation Base.

**ELECTRIC BILLING DETERMINANT INDEX
09.2015 TO 2018 WEIGHTED REVENUE GROWTH**

Line	Rate	Schedule	Revenue Model		Forecast 12ME 2018	Billing Determinant		Revenue		Weight [E] = [D] / SUM([D])	Weight x Growth [F] = [C] x [E]
			12 ME 09.2015 [A]	12 ME 09.2015 [A]		Growth [C] = ([B] - [A]) / [A]	12 ME 09.2015 [D]	12 ME 09.2015 [D]			
1	RESIDENTIAL	SCHEDULE 1	2,481,909	2,541,558	2,541,558	2.40%	21,096,227	21,096,227	4.26%	0.10%	
2	GENERAL SVC.	SCH. 11,12	369,248	380,482	380,482	3.04%	6,646,464	6,646,464	1.34%	0.04%	
3	LG. GEN. SVC.	SCH. 21,22	24,164	24,311	24,311	0.61%	12,082,000	12,082,000	2.44%	0.01%	
4	EX LG GEN SVC	SCHEDULE 25	252	254	254	0.67%	5,292,000	5,292,000	1.07%	0.01%	
5	PUMPING	SCH. 30, 31, 32	29,170	29,691	29,691	1.79%	525,060	525,060	0.11%	0.00%	
6	ST & AREA LTG	SCH. 41-48									
7	RESIDENTIAL	SCHEDULE 1	2,375,997,614	2,475,322,185	2,475,322,185	4.18%	189,973,890	189,973,890	38.37%	1.60%	
8	GENERAL SVC.	SCH. 11,12	596,483,095	597,923,947	597,923,947	0.24%	61,874,875	61,874,875	12.50%	0.03%	
9	LG. GEN. SVC.	SCH. 21,22	1,425,928,125	1,432,860,629	1,432,860,629	0.49%	99,936,477	99,936,477	20.19%	0.10%	
10	EX LG GEN SVC	SCHEDULE 25	1,108,671,541	1,156,202,202	1,156,202,202	4.29%	52,632,200	52,632,200	10.63%	0.46%	
11	PUMPING	SCH. 30, 31, 32	154,884,909	133,241,503	133,241,503	-13.97%	11,985,355	11,985,355	2.42%	-0.34%	
12	ST & AREA LTG	SCH. 41-48	25,597,340	24,397,324	24,397,324	0.00%	6,952,992	6,952,992	1.40%	0.00%	
13	RESIDENTIAL	SCHEDULE 1									
14	GENERAL SVC.	SCH. 11,12	407,826	402,284	402,284	-1.36%	2,453,871	2,453,871	0.50%	-0.01%	
15	LG. GEN. SVC.	SCH. 21,22	2,838,030	2,748,136	2,748,136	-3.17%	17,086,327	17,086,327	3.45%	-0.11%	
16	EX LG GEN SVC	SCHEDULE 25	1,293,261	1,290,752	1,290,752	-0.19%	6,526,238	6,526,238	1.32%	0.00%	
17	PUMPING	SCH. 30, 31, 32									
18	ST & AREA LTG	SCH. 41-48									
19	Total						495,063,975		100.00%	1.90%	

Total Customers	2,904,743	2,976,296	2.46%
Total Volumes	5,687,562,625	5,819,947,790	2.33%
Total Demand	4,539,117	4,441,172	-2.16%

Staff Proposed Based on Commission Order No. 05 Docket, No. UE-150204

	2007	2008	2009	2010	2011	2012	2013	2014	2015
Deferred Taxes	(139,033)	(147,502)	(163,716)	(184,825)	(201,163)	(208,209)	(221,354)	(257,766)	(317,860)
									UPDATED

Annual Increase (slope below) -19,746
 Rate (Annual) 6.21%
 Rate (2.5-year, to 2018 6ME 6/2018) **15.53%** (Escalation Factor)

Deferred Taxes (Electric)

