

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

JURISDICTION:	WASHINGTON	DATE PREPARED:	04/18/2014
CASE NO:	UE-140188 & UG-140189	WITNESS:	Patrick Ehrbar
REQUESTER:	Public Counsel	RESPONDER:	Patrick Ehrbar
TYPE:	Data Request	DEPT:	State & Federal Regulation
REQUEST NO.:	PC-130	TELEPHONE:	(509)495-8620
		EMAIL:	pat.ehrbar@avistacorp.com

REQUEST:

Re: Avista's Response to Public Counsel Data Request No. 90.

- a) For each generation resource that produced/produces RECs and associated REC revenues included in years 2012, 2013, and forecasted for 2014, 2015 and Jan. 1-Jun. 30, 2016, please explain, in detail, how each resource is allocated under the Company's proposed cost of service study.
- b) Does the Company agree that REC revenues should be allocated in the same manner the generation resource that produced the REC revenues is allocated? If no, please explain why not.

RESPONSE:

- a) In the Company's proposed Cost of Service Study (as discussed on page 3 and 4 of Exhibit No. ____(TLK-3)), all production costs are allocated 31.27% by 12CP Demand and 68.73% by generation level Energy consumption.
- b) As discussed in the Company's response to PC_DR_090, the Company does not agree that allocating the net REC revenue rebate on generation plant is appropriate. RECs are the byproduct of qualifying renewable energy, and because they are energy related (as opposed to capacity related), the net REC revenues should be spread on an equal cents per energy (kWh) basis.