

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION STAFF  
RESPONSE TO DATA REQUEST

DATE PREPARED: September 11, 2009  
DOCKETS: UE-090134/UG-090135  
REQUESTER: Avista Corp.

WITNESS: Michael Parvinen  
RESPONDER: Michael Parvinen  
TELEPHONE: 360-664-1315

**REQUEST NO. 13: RE: Page 8, Line 12.** Mr. Parvinen states that “However, because any investment a utility makes should be supported by a rational and prudent management decision, there is inherently a return on such investment immediately upon its being placed into service, whether it is an efficiency improvement leading to reduced maintenance, fewer outages (reliability), or growth in customers (revenues).”

- a. Through this testimony is Staff stating that Avista would receive an immediate return on each and every investment that it makes? Please fully explain your answer and provide all supporting documentation.
- b. Through this testimony is Staff stating that Avista would receive an immediate return on each and every investment during the rate period that is sufficient to cover the revenue requirement associated with the investment during the rate period? Please fully explain your answer and provide all supporting documentation.

**RESPONSE:**

- a. This portion of Mr. Parvinen’s testimony is more encompassing than this one sentence. However, through this sentence in the testimony, Staff is stating that there is a reason why management makes each and every investment decision and a return of some sort is inherent in each and every investment.
- b. Please refer to Mr. Parvinen’s testimony, page 8, lines 4 through 9.