

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

JURISDICTION:	WASHINGTON	DATE PREPARED:	09/17/2009
CASE NO:	UE-090134 & UG-090135	WITNESS:	Robert Lafferty
REQUESTER:	Public Counsel	RESPONDER:	William Johnson
TYPE:	Data Request	DEPT:	Power Supply
REQUEST NO.:	PC - 533	TELEPHONE:	(509) 495-4046
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REQUEST:

Provide workpapers documenting Avista's current estimates of the future fixed costs of its gas transportation agreements for the Coyote Springs 2 plant and the Lancaster plant. Provide such workpapers in electronic Excel-compatible format with data and formulae intact and functioning.

RESPONSE:

Attached are two Excel worksheets (PC_DR_533 Attachment A and B) showing Avista's current estimates of the future fixed costs of its gas transportation agreements for the Coyote Springs 2 plant and the Lancaster plant.

CS2 Escalation rates :

	2010	2011	2012	2013
TCPLAB (NOVA)	1.25	1.03	1.03	1.03
TCPLBC (Foothills)	1.70	1.10	1.03	1.25
GTN Fixed	1.00	1.00	1.25	1.03
GTN Variable	1.00	1.00	1.00	1.00
Capacity Release	0.00	0.00	0.00	0.00

Estimated Canadian exchange rate **0.85**

	AECO to Alberta BC Border NOVA	Alberta BC Border to Kingsgate Foothills	Kingsgate to CS2	CS2 Lateral	GTN Variable Charges \$45,000 per month assumes Duct Burner doesn't run	TOTAL GAS XSPORT
Volume	TCPLAB 47,377 GJs	TCPLBC 46,807 GJs	304.25 GTN 43,000 Dth	18.5 GTN 57,252 Dth	\$ 45,000	
Miles						

2009

Monthly Rate	\$ 4.87000	\$CDN/GJ/mo	\$ 1.56862	\$CDN/GJ/mo	\$ 5.39895	\$/Dth/mo	\$ 0.83749	\$/Dth/mo	\$		
Annual Conv.	12		12		12		12				
Annual Cost \$CDN	\$ 2,768,712		\$ 890,617		\$ 2,785,859		\$ 575,377		\$	540,000	\$
Annual cost \$US	\$ 2,353,405		\$ 757,025		\$ 2,785,859		\$ 575,377		\$	540,000	\$

2010

Monthly Rate Esc.	\$ 6.08750	\$CDN/GJ/mo	\$ 2.69555	\$CDN/GJ/mo	\$ 5.39895		\$ 0.83749		\$		
Annual Conv.	12		12		12		12				
Annual Cost \$CDN	\$ 3,460,890		\$ 1,514,050		\$ 2,785,859		\$ 575,377		\$	540,000	\$
Annual cost \$US	\$ 2,941,756		\$ 1,286,942		\$ 2,785,859		\$ 575,377		\$	540,000	\$

2011

Monthly Rate Esc.	\$ 6.27013		\$ 2.96511		\$ 5.39895		\$ 0.83749		\$		
Annual Conv.	12		12		12		12				
Annual Cost \$CDN	\$ 3,564,717		\$ 1,665,455		\$ 2,785,859		\$ 575,377		\$	540,000	\$
Annual cost \$US	\$ 3,030,009		\$ 1,415,636		\$ 2,785,859		\$ 575,377		\$	540,000	\$

2012

Monthly Rate Esc.	\$ 6.45823		\$ 3.05406		\$ 6.74869		\$ 0.83749		\$		
Annual Conv.	12		12		12		12				
Annual Cost \$CDN	\$ 3,671,658		\$ 1,715,418		\$ 3,482,323		\$ 575,377		\$	540,000	\$
Annual cost \$US	\$ 3,120,909		\$ 1,458,105		\$ 3,482,323		\$ 575,377		\$	540,000	\$

2013

Monthly Rate Esc.	\$ 6.65198		\$ 3.81758		\$ 6.95115		\$ 0.83749		\$		
Annual Conv.	12		12		12		12				
Annual Cost \$CDN	\$ 3,781,808		\$ 2,144,273		\$ 3,586,793		\$ 575,377		\$	540,000	\$
Annual cost \$US	\$ 3,214,537		\$ 1,822,632		\$ 3,586,793		\$ 575,377		\$	540,000	\$

LANCASTER
 Escalation rates from A. Angstrom

Estimated Canadian exchange rate 0.85

\$45K/month
 2%/yr esc

	AECOT/Alberta Border NOVA		Alberta BC Border to Kingsgate ANG		Kingsgate to Lancaster GTN		Variable Charges	TOTAL GAS XSPORT
2009	Volume (Dth)	28,534	GJ/s	27,839	GJ/s	26,388	Dth	
Monthly Rate	\$	4.87	\$CDN/GJ/mo	\$	1.58562	\$CDN/GJ/mo	\$	9.74
Annual Conv.		12			12			12
Annual Cost \$CDN	\$	1,667,527		\$	529,705		\$	3,084,054
Annual cost \$US	\$	1,417,398		\$	450,249		\$	540,000
								5,491,701
2010								
Monthly Rate Esc.	\$	5.11	\$CDN/GJ/mo	\$	2.40318	\$CDN/GJ/mo	\$	10.0316
Annual Conv.		12			12			12
Annual Cost \$CDN	\$	1,749,705		\$	802,826		\$	3,176,576
Annual cost \$US	\$	1,487,249		\$	682,402		\$	550,800
								5,897,027
2011								
Monthly Rate Esc.	\$	5.26	\$CDN/GJ/mo	\$	2.47528	\$CDN/GJ/mo	\$	10.33
Annual Conv.		12			12			12
Annual Cost \$CDN	\$	1,802,196		\$	826,910		\$	3,271,873
Annual cost \$US	\$	1,531,867		\$	702,874		\$	561,816
								6,068,429
2012								
Monthly Rate Esc.	\$	5.42	\$CDN/GJ/mo	\$	2.54953	\$CDN/GJ/mo	\$	10.64
Annual Conv.		12			12			12
Annual Cost \$CDN	\$	1,856,262		\$	851,718		\$	3,370,029
Annual cost \$US	\$	1,577,823		\$	723,960		\$	573,052
								6,244,864
2013								
Monthly Rate Esc.	\$	5.58	\$CDN/GJ/mo	\$	2.62602	\$CDN/GJ/mo	\$	10.96
Annual Conv.		12			12			12
Annual Cost \$CDN	\$	1,911,950		\$	877,269		\$	3,471,130
Annual cost \$US	\$	1,625,157		\$	745,679		\$	584,513
								6,426,480