

AVISTA UTILITIES
2020
Washington Natural Gas
Schedule 175
Annual Decoupling Rate Adjustment Filing

ATTACHMENT B

2019 Deferred Revenue Calculation

May 29, 2020

2019 NATURAL GAS DECOUPLING DEFERRAL CALCULATIONS

Avista Utilities

Decoupling Mechanism - UG-170486 Base effective 5/1/2018

Development of WA Natural Gas Deferrals (Calendar Year 2019)

Line No.	Source													2019 Annual	
		Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Total	
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)	(n)	(o)	
Residential Group															
1	Actual Customers	Revenue System	164,455	164,455	164,201	163,106	166,886	164,587	165,355	165,693	162,332	169,448	166,729	167,092	1,984,339
2	Monthly Decoupled Revenue per Customer	Attachment 5, Page 3	\$55.61	\$44.26	\$36.07	\$22.06	\$12.85	\$8.30	\$6.04	\$6.21	\$7.90	\$19.75	\$38.30	\$57.08	\$26.22
3	Decoupled Revenue	(1) x (2)	\$ 9,144,783	\$ 7,279,288	\$ 5,922,737	\$ 3,597,673	\$ 2,144,036	\$ 1,366,869	\$ 999,484	\$ 1,028,282	\$ 1,283,144	\$ 3,346,761	\$ 6,385,082	\$ 9,537,418	\$ 52,035,557
4	Actual Usage (informational only) Actual Base Rate Revenue (Excludes Gas Costs)	Revenue System	21,097,779	23,418,619	18,495,518	8,688,150	4,317,308	2,499,966	2,395,100	2,219,193	3,672,892	12,761,928	17,329,272	19,625,255	
5	Actual Fixed Charge Revenue	Revenue System	\$ 10,669,189	\$ 10,924,266	\$ 7,990,456	\$ 4,849,757	\$ 3,122,405	\$ 2,515,509	\$ 2,534,302	\$ 2,514,717	\$ 2,922,892	\$ 6,570,619	\$ 7,577,651	\$ 10,002,366	
6	Customer Decoupled Payments Residential Revenue Per Customer Received	(4) - (5)	\$ 9,089,919	\$ 9,374,664	\$ 6,384,661	\$ 3,279,943	\$ 1,509,866	\$ 922,055	\$ 931,073	\$ 909,530	\$ 1,354,574	\$ 4,936,771	\$ 5,972,454	\$ 8,394,368	\$ 53,059,878
7	Deferral - Surcharge (Rebate)	(3) - (6)	\$ 54,864	\$ (2,095,376)	\$ (461,924)	\$ 317,731	\$ 634,171	\$ 444,814	\$ 68,411	\$ 118,752	\$ (71,430)	\$ (1,590,011)	\$ 412,628	\$ 1,143,050	\$ (1,024,321)
8	Deferral - Revenue Related Expenses	Rev Conv Factor	\$ (2,549)	\$ 97,362	\$ 21,463	\$ (14,763)	\$ (29,467)	\$ (20,668)	\$ (3,179)	\$ (5,518)	\$ 3,319	\$ 73,880	\$ (19,173)	\$ (53,112)	\$ 47,595
9	Interest on Deferral	FERC Rate	5.18%	5.18%	5.18%	5.45%	5.45%	5.45%	5.50%	5.50%	5.50%	5.42%	5.42%	5.42%	
		Avg Balance Calc	\$ 113	\$ (4,086)	\$ (9,367)	\$ (10,210)	\$ (8,195)	\$ (5,896)	\$ (4,855)	\$ (4,469)	\$ (4,386)	\$ (7,920)	\$ (10,491)	\$ (7,188)	\$ (76,949)
	Monthly Residential Deferral Totals		\$ 52,428	\$ (2,002,100)	\$ (449,827)	\$ 292,757	\$ 596,509	\$ 418,249	\$ 60,377	\$ 108,765	\$ (72,497)	\$ (1,524,050)	\$ 382,964	\$ 1,082,750	\$ (1,053,674)
10	Cumulative Residential Deferral Surcharge/(Rebate) Balance	Σ((7) ~ (9))	\$ 52,428	\$ (1,949,672)	\$ (2,399,500)	\$ (2,106,742)	\$ (1,510,233)	\$ (1,091,984)	\$ (1,031,606)	\$ (922,841)	\$ (995,339)	\$ (2,519,389)	\$ (2,136,425)	\$ (1,053,674)	
Non-Residential Group															
11	Actual Customers	Revenue System	3,104	3,105	3,105	3,108	3,110	3,089	3,114	3,107	3,042	3,142	3,087	3,132	37,245
12	Monthly Decoupled Revenue per Customer	Attachment 5, Page 3	\$644.72	\$572.96	\$501.97	\$351.39	\$270.90	\$181.97	\$155.96	\$163.11	\$199.47	\$369.64	\$494.51	\$714.93	\$385.61
13	Decoupled Revenue	(11) x (12)	\$ 2,001,213	\$ 1,779,035	\$ 1,558,607	\$ 1,092,130	\$ 842,486	\$ 562,092	\$ 485,662	\$ 506,771	\$ 606,787	\$ 1,161,396	\$ 1,526,565	\$ 2,239,171	\$ 14,361,914
14	Actual Usage (informational only) Actual Base Rate Revenue (Excludes Gas Costs)	Revenue System	8,210,392	9,238,294	7,010,694	4,691,449	2,535,743	2,351,007	1,986,505	1,996,824	2,999,538	5,544,725	7,158,607	8,056,572	
15	Actual Fixed Charge Revenue	Revenue System	\$ 2,240,673	\$ 2,439,375	\$ 1,856,133	\$ 1,471,430	\$ 894,058	\$ 842,352	\$ 743,188	\$ 749,321	\$ 998,397	\$ 1,653,595	\$ 1,712,358	\$ 2,335,771	
16	Customer Decoupled Payments Non-Residential Revenue Per Customer Received	(14) - (15)	\$ 1,936,550	\$ 2,141,959	\$ 1,547,880	\$ 1,167,151	\$ 589,755	\$ 541,414	\$ 438,646	\$ 446,115	\$ 700,303	\$ 1,346,693	\$ 1,402,869	\$ 2,029,147	\$ 14,288,481
17	Deferral - Surcharge (Rebate)	(13) - (16)	\$ 64,664	\$ (362,924)	\$ 10,727	\$ (75,021)	\$ 252,731	\$ 20,678	\$ 47,017	\$ 60,656	\$ (93,516)	\$ (185,297)	\$ 123,696	\$ 210,023	\$ 73,432
18	Deferral - Revenue Related Expenses	Rev Conv Factor	\$ (3,005)	\$ 16,863	\$ (498)	\$ 3,486	\$ (11,743)	\$ (961)	\$ (2,185)	\$ (2,818)	\$ 4,345	\$ 8,610	\$ (5,748)	\$ (9,759)	\$ (3,412)
19	Interest on Deferral	FERC Rate	5.18%	5.18%	5.18%	5.45%	5.45%	5.45%	5.50%	5.50%	5.50%	5.42%	5.42%	5.42%	
		Avg Balance Calc	\$ 133	\$ (480)	\$ (1,207)	\$ (1,415)	\$ (1,036)	\$ (449)	\$ (307)	\$ (73)	\$ (146)	\$ (744)	\$ (880)	\$ (166)	\$ (6,771)
	Monthly Non-Residential Deferral Totals		\$ 61,792	\$ (346,541)	\$ 9,021	\$ (72,950)	\$ 239,952	\$ 19,268	\$ 44,525	\$ 57,764	\$ (89,317)	\$ (177,432)	\$ 117,068	\$ 200,099	\$ 63,249
20	Cumulative Non-Residential Deferral Surcharge/(Rebate) Balance	Σ((17) ~ (19))	\$ 61,792	\$ (284,749)	\$ (275,728)	\$ (348,678)	\$ (108,726)	\$ (89,459)	\$ (44,934)	\$ 12,830	\$ (76,487)	\$ (253,918)	\$ (136,850)	\$ 63,249	
21	Total Cumulative Natural Gas Deferral	(10) + (20)	\$ 114,220	\$ (2,234,421)	\$ (2,675,227)	\$ (2,455,420)	\$ (1,618,959)	\$ (1,181,442)	\$ (1,076,540)	\$ (910,011)	\$ (1,071,825)	\$ (2,773,307)	\$ (2,273,275)	\$ (990,425)	

Docket No. UG-170486 Authorized Decoupling Baseline

Avista Utilities
Natural Gas Decoupling Mechanism
Development of Decoupled Revenue by Rate Schedule - Natural Gas
Washington Docket No. UG-170486 Compliance Filing

	TOTAL	RESIDENTIAL SCHEDULE 101/102	GENERAL SVC. SCH. 111/112/116	LG. GEN. SVC. SCH. 121/122/126	INTERRUPTIBLE SCH 131	SCHEDULES 132	SCHEDULES 146 & 148
1 Total Normalized 12 ME Dec 2016 Revenue	\$ 88,831,000	\$ 67,622,000	\$ 15,462,000	\$ 1,024,000	\$ -	\$ 190,000	\$ 4,533,000
2 Allowed Revenue Decrease (Attachment 2)	\$ (2,145,000)	\$ (1,663,000)	\$ (380,000)	\$ (25,000)	\$ -	\$ (5,000)	\$ (72,000)
3 Allowed Base Rate Revenue	\$ 86,686,000	\$ 65,959,000	\$ 15,082,000	\$ 999,000	\$ -	\$ 185,000	\$ 4,461,000
4 Normalized Therms (12ME Dec 2016 Test Year)	252,141,683	119,446,617	47,951,720	4,115,331	-	901,267	79,726,748
5 Schedule 150 PGA Rates excluded from base rates	\$ -	\$ -	\$ -	\$ -	\$ -		
6 Variable Gas Supply Revenue	\$ -	\$ -	\$ -	\$ -	\$ -		
7 Delivery Revenue (Ln 3 - Ln 6)	\$ 82,040,000	\$ 65,959,000	\$ 15,082,000	\$ 999,000	\$ -		
8 Customer Bills (12ME Dec 2016 Test Year)	1,881,282	1,847,462	32,983	273	0	24	540
9 Allowed Basic / Minimum Charges		\$9.50	\$97.25	\$240.44	\$0.00		
10 Basic Charge Revenue (Ln 8 * Ln 9)	\$ 20,824,126	\$ 17,550,889	\$ 3,207,597	\$ 65,640	\$ -		
11 Decoupled Revenue	\$ 61,215,874	\$ 48,408,111	\$ 11,874,403	\$ 933,360	\$ -	Excluded From Decoupling	
		Residential	Non-Residential Group				
12 Average Number of Customers (Line 8 / 12)		153,955	2,771				
13 Annual Therms		119,446,617	52,067,051				
14 Basic Charge Revenues	\$	17,550,889	\$	3,273,237			
15 Customer Bills		1,847,462	33,256				
16 Average Basic Charge		\$9.50	\$98.43				

Attachment 5, Page 1 (UG-170486 Compliance Filing)

Avista Utilities
Natural Gas Decoupling Mechanism
Development of Decoupled Revenue Per Customer - Natural Gas
Washington Docket No. UG-170486 Compliance Filing

Line No.	Source	Residential	Non-Residential Schedules*
(a)	(b)	(c)	(d)
1	Decoupled Revenues	Attachment 5, Page 1	\$ 48,408,111 \$ 12,807,763
2	Test Year # of Customers 12 ME12.2016	Revenue Data	153,955 2,771
3	Decoupled Revenue Per Customer	(1) / (2)	\$ 314.43 \$ 4,621.52

*Rate Schedules 101, 102.

**Rate Schedules 111, 112, 116, 121, 122, 126, 131.

Attachment 5, Page 2 (UG-170486 Compliance Filing)

Docket No. UG-170486 Authorized Decoupling Baseline

Avista Utilities
Natural Gas Decoupling Mechanism
'Development of Monthly Decoupled Revenue Per Customer - Natural Gas
Washington Docket No. UG-170486 Compliance Filing

Line No.	Source	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	TOTAL	
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)	(n)	(o)	
1															
2	Natural Gas Delivery Volume														
3	<u>Residential</u>														
4	- Weather-Normalized Therm Delivery Volume	Monthly Rate Year	21,124,002	16,814,801	13,702,397	8,379,182	4,880,475	3,154,867	2,296,193	2,357,534	3,002,764	7,503,054	14,548,064	21,683,284	119,446,617
5	- % of Annual Total	% of Total	17.68%	14.08%	11.47%	7.02%	4.09%	2.64%	1.92%	1.97%	2.51%	6.28%	12.18%	18.15%	100.00%
6															
7	<u>Non-Residential Sales*</u>														
8	- Weather-Normalized Therm Delivery Volume	Monthly Rate Year	7,263,564	6,455,069	5,655,268	3,958,871	3,051,972	2,050,065	1,757,090	1,837,589	2,247,269	4,164,398	5,571,304	8,054,593	52,067,051
9	- % of Annual Total	% of Total	13.95%	12.40%	10.86%	7.60%	5.86%	3.94%	3.37%	3.53%	4.32%	8.00%	10.70%	15.47%	100.00%
10															
11	Monthly Decoupled Revenue Per Customer ("RPC")														
12	<u>Residential</u>														
13	-UG-170486 Decoupled RPC	Attachment 5, P. 2 L. 3												\$	314.43
14	-Monthly Decoupled RPC	(5) x (13)	\$ 55.61	\$ 44.26	\$ 36.07	\$ 22.06	\$ 12.85	\$ 8.30	\$ 6.04	\$ 6.21	\$ 7.90	\$ 19.75	\$ 38.30	\$ 57.08	\$ 314.43
15															
16	<u>Non-Residential Sales*</u>														
17	-UG-170486 Decoupled RPC	Attachment 5, P. 2 L. 3												\$	4,621.52
18	-Monthly Decoupled RPC	(9) x (17)	\$ 644.72	\$ 572.96	\$ 501.97	\$ 351.39	\$ 270.90	\$ 181.97	\$ 155.96	\$ 163.11	\$ 199.47	\$ 369.64	\$ 494.51	\$ 714.93	\$ 4,621.52
19															
20	*Sales Schedules 111, 121, 131.														

Attachment 5, Page 2 (UG-170486 Compliance Filing)

**AVISTA UTILITIES
REVENUE CONVERSION FACTOR
WASHINGTON NATURAL GAS
TWELVE MONTHS ENDED DECEMBER 31, 2016
With Tax Reform
Washington Docket No. UG-170486 Compliance Filing**

<u>Line No.</u>	<u>Description</u>	<u>Factor</u>
1	Revenues	<i>1.000000</i>
	Expense:	
2	Uncollectibles	0.006183
3	Commission Fees	0.002000
4	Washington Excise Tax	0.038282
5	Total Expense	<u>0.046465</u>
6	Net Operating Income Before FIT	0.953535
7	Federal Income Tax @ 21%	<u>0.200242</u>
8	REVENUE CONVERSION FACTOR	<u><u>0.75329</u></u>

(Per Order No. 6; UE-120437, dated 6/20/2012 - "hard" CF rounded to 6 digits)

Revised Conversion Factor per Bench Request 9, Attachment B Page 4

Attachment 5, Page 4 (UG-170486 Compliance Filing)