

**BEFORE THE WASHINGTON
UTILITIES & TRANSPORTATION COMMISSION**

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION,

Complainant,

v.

AVISTA CORPORATION D/B/A/ AVISTA UTILITIES

Respondent.

DOCKETS UE-220053, UG-220054, and UE-210854 (Consolidated)

**SEBASTIAN COPPOLA ON BEHALF OF THE
WASHINGTON STATE OFFICE OF THE ATTORNEY GENERAL
PUBLIC COUNSEL UNIT**

EXHIBIT SC-45

Public Counsel EIM Revenue Requirement Adjustment

July 29, 2022

AVISTA UTILITIES		Revenue Requirement Impact of Public Counsel							
WASHINGTON ELECTRIC RESULTS		Increase of EIM Benefit by \$17.6 million							
TWELVE MONTHS ENDED SEPTEMBER 30, 2021		ACTUAL							
(000'S OF DOLLARS)		RESULTS							
Line No.	DESCRIPTION	Results of Operations	Authorized Power Supply	Restate 09.2021 Tax Credit Regulatory Liability to EOP	Restated TOTAL	Pro Forma Power Supply	Pro Forma Transmission Revenue/Expense	Pro Forma Revenue Normalization	Pro Forma Def. Debits, Credits & Regulatory Amorts
		1.00	2.19	2.20	R-Ttl	3.00P	3.00T	3.01	3.02
	Workpaper Reference	E-ROO	E-APS	E-TCRL		E-PPS	E-PTRAN	E-PREV	E-PRA
REVENUES									
1	Total General Business	\$565,624	\$0	\$0	\$534,528	\$0	\$0	\$14,875	\$0
2	Interdepartmental Sales	1,173	-	-	1,173	-	-	-	-
3	Sales for Resale	50,450	(13,832)	-	36,618	64,628	-	-	-
4	Total Sales of Electricity	617,247	(13,832)	-	572,319	64,628	-	14,875	-
5	Other Revenue	41,339	(45,631)	-	15,337	4,134	\$10,602	(1,512)	-
6	Total Electric Revenue	658,586	(59,463)	-	587,656	68,763	10,602	13,363	-
EXPENSES									
Production and Transmission									
7	Operating Expenses	156,285	(44,130)	-	130,094	31,129	-	-	153
8	Purchased Power	95,039	(20,806)	-	74,233	5,539	-	-	-
9	Depreciation/Amortization	42,507	-	-	42,507	-	-	-	-
10	Regulatory Amortization	(12,607)	-	-	(2,815)	-	-	-	(71)
11	Taxes	15,827	-	-	15,828	-	-	-	-
12	Total Production & Transmission	297,051	(64,936)	-	259,846	36,668	-	-	82
Distribution									
13	Operating Expenses	172,112	-	-	24,622	-	-	-	-
14	Depreciation/Amortization	24,622	-	-	34,613	-	-	-	-
14a	Regulatory Amortization	34,676	-	-	-	-	-	-	-
15	Taxes	0	-	-	29,819	-	-	574	-
16	Total Distribution	49,705	-	-	89,054	-	-	574	-
17	Customer Accounting	109,003	-	-	17,383	-	-	49	-
18	Customer Service & Information	15,849	-	-	1,204	-	-	-	-
19	Sales Expenses	25,245	-	-	-	-	-	-	-
Administrative & General									
20	Operating Expenses	0	-	-	75,066	-	-	30	-
21	Depreciation/Amortization	73,927	-	-	41,343	-	-	-	-
22	Regulatory Deferrals/Amortization	41,343	-	-	(17,444)	-	-	-	1,065
23	Taxes	(20,056)	-	-	3,632	-	-	-	-
24	Total Admin. & General	3,632	-	-	102,597	-	-	30	1,065
25	Total Electric Expenses	98,846	(64,936)	-	470,084	36,668	-	653	1,147
26	OPERATING INCOME BEFORE FIT	545,994	(64,936)	-	117,573	32,095	10,602	12,710	(1,147)
FEDERAL INCOME TAX									
27	Current Accrual	112,592	5,473	-	4,221	6,740	2,226	2,669	(241)
28	Debt Interest	(2,018)	1,149	-	(237)	-	-	-	0
29	Deferred Income Taxes	0	-	122	5,012	-	-	-	-
30	Amortized ITC - Noxon	8,368	-	-	(318)	-	-	-	-
30a	Electrification Return (Kicker)	(318)	-	-	-	-	-	-	-
31	NET OPERATING INCOME	\$106,560	\$4,324	(\$122)	108,896	25,355	8,376	10,041	(\$906)
RATE BASE									
PLANT IN SERVICE									
32	Intangible	230,718	\$0	\$0	\$238,410	\$0	\$0	\$0	\$0
33	Production	948,067	-	-	962,840	-	-	-	-
34	Transmission	575,635	-	-	608,260	-	-	-	-
35	Distribution	1,327,782	-	-	1,357,137	-	-	-	-
36	General	294,532	-	-	305,124	-	-	-	-
37	Total Plant in Service	3,376,734	-	-	3,471,771	-	-	-	-
ACCUMULATED DEPRECIATION/AMORT									
38	Intangible	(84,845)	-	-	(92,662)	-	-	-	-
39	Production	(423,739)	-	-	(438,168)	-	-	-	-
40	Transmission	(158,761)	-	-	(159,512)	-	-	-	-
41	Distribution	(384,189)	-	-	(399,401)	-	-	-	-
42	General	(99,285)	-	-	(105,047)	-	-	-	-
43	Total Accumulated Depreciation	(1,150,819)	-	-	(1,194,790)	-	-	-	-
44	NET PLANT	2,225,915	-	-	2,276,981	-	-	-	-
45	DEFERRED TAXES	(428,637)	-	-	(406,194)	-	-	-	-
46	Net Plant After DFIT	1,797,278	-	-	1,870,787	-	-	-	-
47	DEFERRED DEBITS AND CREDITS & OTHER	(24,217)	-	(24,902)	(49,100)	-	-	-	(27)
48	WORKING CAPITAL	51,595	-	-	51,300	-	-	-	-
49	TOTAL RATE BASE	1,824,656	\$0	(\$24,902)	\$1,872,987	\$0	\$0	\$0	(27)
50	RATE OF RETURN	5.84%			(1)				
51	REVENUE REQUIREMENT	35,512	(5,724)	(2,248)	37,097	(33,570)	(11,089)	(13,294)	1,197
		7.31%							
	Revenue Conversion Factor	75.529%							
	NOI Requirement	26,822	(4,324)	(1,698)	28,019	(25,355)	(8,376)	(10,041)	904
	Revenue Requirement	35,512	(5,724)	(2,248)	37,097	(33,570)	(11,089)	(13,294)	1,197
Power cost reduction from 10/1/21 to 12/31/22 disclosed in testimony in prior rate case. Prior GRC Change (23,024) (7,553) Incremental Change (10,546) (3,536) Net power Supply/Transmission Change (14,082) above current rates (3,976) Excluding EIM (6,570) (10,106) Increase in PS expense 1,959 Previous Increase in PS Expense (12,065) Change									

Source: WP-PC EIM Adjust 17.6MM-New-AVA-Exh-EMA-2.01--21-22 WA Elec RR Model AMA 2023 Long