**AVISTA CORP.**

### RESPONSE TO REQUEST FOR INFORMATION

# JURISDICTION: WASHINGTON DATE PREPARED: 06/07/2016

# CASE NO.: UE-160228 & UG-160229 WITNESS: Patrick Ehrbar

# REQUESTER: Public Counsel/Energy Project RESPONDER: Patrick Ehrbar

# TYPE: Data Request DEPT: State & Federal Regulation

# REQUEST NO.: PC/EP – 049 - Revised TELEPHONE: (509) 495-8620

 EMAIL: pat.ehrbar@avistacorp.com

**REQUEST:**

With regard to Avista’s response to Public Counsel and The Energy Project Joint Data Request No. 24, provide the estimated customer class bill impacts for the net revenue requirement identified in Public Counsel and The Energy Project Joint Data Request No. 23 separately for gas and electric ratepayers, using the current customer class rate design and an allocation of AMI costs and benefits that reflects the manner in which Avista is proposing to allocate AMI-related costs in this pending rate case. In the response, identify whether Avista prefers or recommends recovery of the net revenue requirement in a fixed customer charge or through volumetric rates.

**RESPONSE:**

The Company has revised the attachment labeled “PC/EP\_DR\_049 Attachment A – Revised” in order to align with the revised response to PC/EP – 023 – Revised.

Please see the Company’s response to PC/EP\_DR\_040 which provides an analysis of how the costs related to the AMI investment included in the Company’s case were allocated to the Company’s service schedules, and the estimated impact to each service schedule. Please also see the Company’s response to PC/EP\_DR\_047 – Revised

Please see “PC/EP\_DR\_049 Attachment A – Revised” which takes the “analysis” included in PC/EP\_DR\_040 and PC/EP\_DR\_047 - Revised and provides for the estimated allocation of the net revenue requirement to the rate schedule level, as well as the estimated monthly bill impact. This analysis is based on the following assumptions:

* Total revenue requirement is unchanged for 21 years
* The allocation of costs to electric and natural gas service in year 1 will hold for years 2-21
* The cost of service studies are approved as filed
* The allocation factors included in the cost of service studies will not change for years 2-21.
* The proposed rate spread in this case is approved as filed
* The proposed rate spread in all future cases will be the same as filed in this case
* The number of customers and customer bills does not change

The Company believes that the majority of its fixed costs, such as the costs associated with AMI, should be recovered in a fixed monthly charge.