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-16

Public Counsel Calculation of Adjustment to Miscellaneous Expense for Electric Business

July 29, 2022

Avista Utilities
Washington Electric
Docket U-220053
Pro Forma Miscellaneous O&M expense - PC Calculation
Twelve Months Ended September 30, 2021 Test Year
Twelve Months Ended December 31, 2023 Pro Forma Year 1
Twelve Months Ended December 31, 2024 Pro Forma Year 2

Exhibit SC-16

Avista Inflation	2021	2022	2023	2024
Ave CPI/PCE	4.2%	3.7%	2.4%	2.3%
Annual Escalation Rate			N/A	

CBR Adjusted O&M

2018	2019	2020	2-YR Avg
$ 146,848	$ 155,757	$ 167,561	N/A

0.6554 PT ratio

Line No.	Account	Description	Per ROO	Exclude Pro Formed or Normalized O&M Labor	Power Supply	Other	Add Misc Restating	Misc O&M Test Year	PF 2023 Adj 2023 Escalation 2.38%	2024 Escalation 9.77%	PF 2024 Adj Incremental 2024
1		**Operation & Maintenance Expenses**									
2		*Production Expenses*									
3	500-OP	Steam Supervision & Engineering	237,162	200,221				36,941	2,698	3,610	912
4	501-OP	Steam Fuel	20,744,881	588,777	19,925,000			231,104	16,879	22,583	5,704
5	502-OP	Steam Steam Expenses	2,112,141	360,145				1,751,996	127,962	171,201	43,239
6	503-OP	Steam From Other Sources	0	0				0	0	0	0
7	504-OP	Steam Steam Transferred-CR	0	0				0	0	0	0
8	505-OP	Steam Electric Expenses	521,740	398,997				122,743	8,965	11,994	3,029
9	506-OP	Steam Miscellaneous Power Exp.	3,679,210	126,058				3,553,152	259,514	347,206	87,691
10	507-OP	Steam Rents	0	0				0	0	0	0
11	508-OP	Steam Operation supplies and expenses (non-major)	0	0				0	0	0	0
12		**Total Steam Operation**	**27,295,134**	**1,674,198**	**19,925,000**	**0**	**0**	**5,695,936**	**416,019**	**556,594**	**140,575**
13	510-MT	Steam Supervision & Engineering	549,736	84,479				465,257	33,981	45,464	11,482
14	511-MT	Steam Structures	492,318	8,756				483,562	35,318	47,253	11,934
15	512-MT	Steam Boiler Plant	6,131,837	507,048		3,364,389		2,260,400	165,095	220,881	55,786
16	513-MT	Steam Electric Plant	2,895,657	32,974				2,862,683	150,654	201,561	50,907
17	514-MT	Steam Miscellaneous Plant	925,145	64,388				860,757	62,868	84,111	21,243
18		**Total Steam Maintenance**	**10,194,693**	**697,645**	**0**	**3,364,389**	**0**	**6,132,659**	**447,916**	**599,269**	**151,353**
19		**Total Steam**	**37,489,827**	**2,371,843**	**19,925,000**	**3,364,389**	**0**	**11,828,594**	**863,935**	**1,155,863**	**291,928**
20											
21	535-OP	Hydro Supervision & Engineering	1,376,643	928,840				447,803	32,707	43,758	11,052
22	536-OP	Hydro Water For Power	873,873	22,828				851,045	62,158	83,162	21,004
23	537-OP	Hydro Hydraulic Expenses	5,948,918	380,226				5,568,692	406,725	544,160	137,435
24	538-OP	Hydro Electric Expenses	3,791,526	3,581,239				210,287	15,359	20,549	5,190
25	539-OP	Hydro Miscellaneous Power Exp.	790,505	130,160				660,345	48,230	64,527	16,297
26	540-OP	Hydro Rents	4,447,963	0		3,377,404		1,070,559	78,191	104,613	26,421
27		**Total Hydraulic Operation**	**17,229,428**	**5,043,292**	**0**	**3,377,404**	**0**	**8,808,732**	**643,371**	**860,769**	**217,398**
28	541-MT	Hydro Supervision & Engineering	399,089	323,665				75,424	5,509	7,370	1,861
29	542-MT	Hydro Structures	504,221	245,905				258,316	18,867	25,242	6,375
30	543-MT	Hydro Reservoirs, Dams & Waterways	381,980	140,675				241,305	17,624	23,580	5,955
31	544-MT	Hydro Electric Plant	2,220,088	1,594,626				625,462	45,682	61,119	15,436
32	545-MT	Hydro Miscellaneous Plant	377,009	195,303				181,706	13,271	17,756	4,484
33		**Total Hydraulic Maintenance**	**3,882,387**	**2,500,174**	**0**	**0**	**0**	**1,382,213**	**100,954**	**135,067**	**34,112**
34		**Total Hydraulic**	**21,111,815**	**7,543,466**	**0**	**3,377,404**	**0**	**10,190,945**	**744,324**	**995,836**	**251,511**
35											
36	546-OP	Other Supervision & Engineering	290,901	251,918				38,983	2,847	3,809	962
37	547-OP	Other Fuel	51,191,412	0	51,191,412			0	0	0	0
38	548-OP	Other Generation Expenses	1,280,980	196,618				1,084,362	79,199	105,961	26,762
39	548.1-OP	Other Operation of energy storage equipment	0	0				0	0	0	0
40	549-OP	Other Miscellaneous Power Exp.	511,040	106,306				404,734	29,561	39,550	9,989
41	550-OP	Other Rents	57,100	0				57,100	4,170	5,580	1,409
42		**Total Other Operation**	**53,231,433**	**554,841**	**51,191,412**	**0**	**0**	**1,585,180**	**115,778**	**154,900**	**39,122**
43	551-MT	Other Supervision & Engineering	484,611	264,714				219,897	16,061	21,488	5,427
44	552-MT	Other Structures	63,286	4,760				58,526	4,275	5,719	1,444
45	553-MT	Other Generating & Electric Plant	3,288,524	193,901				3,094,623	226,025	302,399	76,375
46	553.1-MT	Other Maintenance of energy storage equipment	0	0				0	0	0	0
47	554-MT	Other Miscellaneous Plant	345,054	115,762				229,292	16,747	22,406	5,659
48		**Total Other Maintenance**	**4,181,475**	**579,137**	**0**	**0**	**0**	**3,602,338**	**263,107**	**352,012**	**88,905**
49		**Total Other**	**57,512,908**	**1,133,978**	**51,191,412**	**0**	**0**	**5,187,518**	**378,885**	**506,912**	**128,027**
50											
51	555-OP	Purchased Power	96,714,653	0	96,714,653			(0)	(0)	(0)	(0)
52	555.1-OP	Power purchased for storage operations	(1,675,858)	0	(1,675,858)			0	0	0	0
53	556-OP	Total System Control & Load Dispatching	479,467	174,088				305,379	22,304	29,841	7,537
54	557-OP	Total Other Expenses	19,891,551	2,868,561	16,334,090			688,900	50,316	67,318	17,002
55		**Total Production Expenses**	**231,524,363**	**14,091,936**	**182,489,297**	**6,741,793**	**0**	**28,201,337**	**2,059,764**	**2,755,770**	**696,005**
56											
57		*Transmission Expenses*									
58	560-OP	Supervision & Engineering	1,334,965	993,508		273,728		67,729	4,947	6,618	1,672
59	561.1-OP	Load dispatch—reliability	194,877	57,763				137,114	10,014	13,398	3,384
60	561.2-OP	Load dispatch—monitor and operate transmission system	615,550	409,435				206,115	15,054	20,141	5,087
61	561.3-OP	Load dispatch—transmission service and scheduling	669,172	638,706				30,466	2,225	2,977	752
62	561.4-OP	Scheduling, system control and dispatch services	0	0				0	0	0	0
63	561.5-OP	Reliability planning and standards development	328,848	313,441				15,406	1,125	1,505	380
64	561.6-OP	Transmission service studies	429	0				429	31	42	11
65	561.7-OP	Generation interconnection studies	2,861	0				2,861	209	280	71
66	561.8-OP	Reliability planning and standards development services	0	0				0	0	0	0
67	562-OP	Station Expenses	224,340	121,581				102,759	7,505	10,041	2,536
68	563-OP	Overhead Line Expenses	402,681	47,552				355,129	25,938	34,702	8,765
69	564-OP	Underground Line Expenses	0	0				0	0	0	0
70	565-OP	Transmission of Electricity By Others	11,623,690	0	11,623,690			0	0	0	0
71	566-OP	Miscellaneous Expenses	2,179,130	920,387		898,000		360,743	26,348	35,251	8,903
72	567-OP	Rents	121,286	0				121,286	8,858	11,852	2,993
73		**Total Transmission Operation**	**17,697,830**	**3,502,375**	**11,623,690**	**1,171,728**	**0**	**1,400,037**	**102,256**	**136,808**	**34,553**
74	568-MT	Supervision & Engineering	276,449	246,071				30,378	2,219	2,968	750
75	569-MT	Structures	384,188	242,065				142,123	10,380	13,888	3,508
76	569.1-MT	Maintenance of computer hardware	0	0				0	0	0	0
77	569.2-MT	Maintenance of computer software	0	0				0	0	0	0
78	569.3-MT	Maintenance of communication equipment	0	0				0	0	0	0
79	569.4-MT	Maintenance of miscellaneous regional transmission plant	0	0				0	0	0	0
80	570-MT	Station Equipment	542,292	238,455				303,837	22,192	29,690	7,499
81	571-MT	Overhead Lines	847,448	35,144				812,304	59,329	79,376	20,048
82	572-MT	Underground Lines	15,511	13,258				2,253	165	220	56
83	573-MT	Miscellaneous Plant	36,529	7,543				29,186	2,132	2,852	720
84		**Total Transmission Maintenance**	**2,102,417**	**782,536**	**0**	**0**	**0**	**1,320,081**	**96,416**	**128,995**	**32,579**
85		**Total Transmission Expenses**	**19,800,247**	**4,284,711**	**11,623,690**	**1,171,728**	**0**	**2,720,118**	**198,671**	**265,804**	**67,132**
86											
87		*Distribution Expenses*									
88	580-OP	Supervision & Engineering	2,564,370	2,185,492				378,878	27,672	37,023	9,351
89	581-OP	Load Dispatching	0	0				0	0	0	0
90	582-OP	Station Expenses	591,131	362,637				228,494	16,689	22,328	5,639
91	583-OP	Overhead Line Expenses	2,018,197	849,122				1,170,075	85,460	114,337	28,877
92	584-OP	Underground Line Expenses	977,644	410,498				567,146	41,423	55,420	13,997
93	585-OP	Street Lighting & Signal Systems	3,028	2,883				145	11	14	4
94	586-OP	Meter Expenses	1,614,432	1,148,943				465,489	33,998	45,486	11,488
95	587-OP	Customer Installations Expenses	444,884	343,530				101,354	7,403	9,904	2,501
96	588-OP	Miscellaneous Expenses	3,320,979	2,509,913				811,066	59,239	79,256	20,017
97	589-OP	Rents	205,314	0				205,314	14,996	20,063	5,067
98		**Total Distribution Operation**	**11,740,979**	**7,812,019**	**0**	**0**	**0**	**3,927,960**	**286,890**	**383,831**	**96,942**
99	590-MT	Supervision & Engineering	828,091	625,613				202,478	14,789	19,786	4,997
100	591-MT	Structures	319,757	155,165				164,592	12,021	16,084	4,062
101	592-MT	Station Equipment	417,656	255,828				161,828	11,820	15,813	3,994
102	592.1-MT	Maintenance of energy storage equipment	0	0				0	0	0	0
103	593-MT	Overhead Lines	9,531,340	1,841,902		1,258,000		6,431,438	469,738	628,465	158,727
104	594-MT	Underground Lines	456,493	331,061				125,432	9,161	12,257	3,096
105	595-MT	Line Transformers	292,963	216,589				76,374	5,578	7,463	1,885
106	596-MT	Street Lighting & Signal Systems	96,626	50,095				46,531	3,399	4,547	1,148
107	597-MT	Meters	37,715	28,000				9,715	710	949	240
108	598-MT	Miscellaneous Plant	899,867	662,647				237,220	17,326	23,181	5,855
109		**Total Distribution Maintenance**	**12,880,508**	**4,166,900**	**0**	**1,258,000**	**0**	**7,455,608**	**544,541**	**728,545**	**184,003**
110		**Total Distribution Expenses**	**24,621,487**	**11,979,919**	**0**	**1,258,000**	**0**	**11,383,568**	**831,431**	**1,112,376**	**280,945**
111											
112		*Customer Accounting Expenses*									
113	901-OP	Supervision	115,976	110,816				5,160	377	504	127
114	902-OP	Meter Reading	549,853	526,736			12	23,129	1,689	2,260	571
115	903-OP	Customer Records & Collections	4,621,133	2,671,984				1,949,149	142,362	190,466	48,105
116	904-OP	Uncollectible Accounts	10,488,199	0		10,488,199		0	0	0	0
117	905-OP	Misc Customer Accounts Expenses	74,288	62,271				12,017	878	1,174	297
118		**Total Customer Accounting Expenses**	**15,849,449**	**3,371,807**	**0**	**10,488,199**	**12**	**1,989,455**	**145,305**	**194,405**	**49,099**
119											
120		*Customer Information Expenses*									
121	907-OP	Supervision	0	0				0	0	0	0
122	908-OP	Customer Assistance Expenses	24,436,994	150,326			(24,041,390)	245,278	17,915	23,968	6,053
123	909-OP	Advertising	628,210	36,837				591,373	43,193	57,788	14,595
124	910-OP	Misc Customer Service & Info Exp	179,881	33,946				145,935	10,659	14,260	3,602
125		**Total Customer Information Expenses**	**25,245,085**	**221,110**	**0**	**0**	**(24,041,390)**	**982,585**	**71,766**	**96,016**	**24,250**
126											
127		*Sales Expenses*									
128	911-OP	Supervision	0	0				0	0	0	0
129	912-OP	Demonstrating & Selling Expenses	0	0				0	0	0	0
130	913-OP	Advertising Expenses	0	0				0	0	0	0
131	916-OP	Misc Sales Expenses	0	0				0	0	0	0
132		**Total Sales Expenses**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
133											
134		**Subtotal Expenses**	**317,040,631**	**33,949,483**	**194,112,987**	**19,659,720**	**(24,041,378)**	**45,277,063**	**3,306,938**	**4,424,370**	**1,117,432**
135											
136		*Administrative & General Expenses*									
137	920-OP	Admin & General Salaries	18,500,924	16,939,089		411,299	(878,246)	272,290	19,887	26,608	6,720
138	921-OP	Office Supplies & Expenses	2,914,344	194,948		720,336	(4,358)	1,994,702	145,689	194,918	49,229
139	922-OP	Admin Expenses Transferred - credit	(68,015)	0		(68,015)		0	0	0	0
140	923-OP	Outside Services Employed	8,118,545	18,921		8,099,624		(0)	(0)	(0)	(0)
141	924-OP	Property Insurance Premium	1,315,274	0		1,315,274		0	0	0	0
142	925-OP	Injuries & Damages	4,391,368	68		4,391,300		0	0	0	0
143	926-OP	Employee Pension & Benefits	21,360,139	139,847		18,838,697		3,181,595	232,377	310,898	78,521
144	927-OP	Franchise Requirements	0	0				0	0	0	0
145	928-OP	Regulatory Commission Expenses	4,544,092	1,254,992		3,071,102		217,998	15,922	21,302	5,380
146	929-OP	Duplicate charges - credit	0	0				0	0	0	0
147	930.1-OP	General advertising expenses	0	0				0	0	0	0
148	930.2-OP	Miscellaneous general expenses	3,361,414	578,220			(533,633)	2,249,561	164,303	219,822	55,519
149	931-OP	Rents	519,286	130			219	518,375	37,934	50,752	12,818
150	935-MT	Maintenance of General Plant	8,969,654	1,095,585			379	7,874,448	575,133	769,473	194,340
151		**Total Administrative & General Expenses**	**73,927,025**	**20,221,799**	**0**	**35,979,617**	**(1,415,639)**	**16,309,969**	**1,191,245**	**1,593,773**	**402,528**
152											
153		**Total Operating & Maintenance Expenses**	**390,967,656**	**54,171,282**	**194,112,987**	**55,639,337**	**(25,457,017)**	**61,587,032**	**4,498,183**	**6,018,143**	**1,519,960**

Source: Andrews, Exhibit EMA-2 & 3, PF Adj. 3.14 & 5.07 with Avista Inflation Factors

2022	$ 2,978,223		
2023	$ 1,519,960	2024	$ 1,519,960
	$ 4,498,183		