

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

DOCKET NO. UE-07 _____

DOCKET NO. UG-07 _____

EXHIBIT NO. _____ (HLC-2)

HEATHER L. CUMMINS

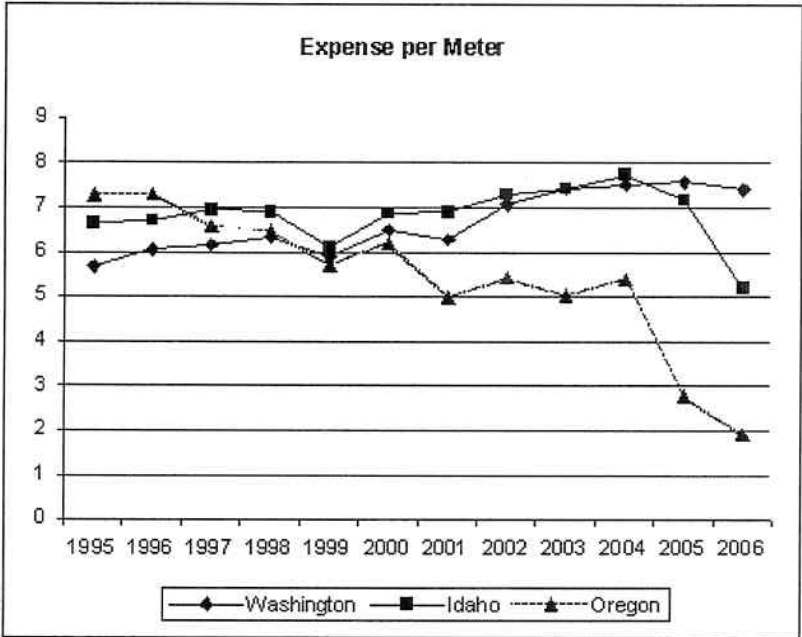
REPRESENTING AVISTA CORPORATION

METER READING EXPENSES 1995 - 2004

(All Locations for Account x902.xx)

	Washington			Idaho			Oregon			Company		
	Cost	Cust	\$/mtr	Cost	Cust	\$/mtr	Cost	Cust	\$/mtr	Cost	Cust	\$/mtr
1995	\$1,661,190	293,138	\$5.67	\$879,447	132,368	\$6.64	\$447,346	61,513	\$7.27	\$2,987,983	487,019	\$6.14
1996	\$1,819,206	300,268	\$6.06	\$927,554	138,495	\$6.70	\$476,603	65,290	\$7.30	\$3,223,364	504,053	\$6.39
1997	\$1,894,833	307,682	\$6.16	\$1,000,371	143,919	\$6.95	\$451,448	68,623	\$6.58	\$3,346,652	520,224	\$6.43
1998	\$2,001,076	315,675	\$6.34	\$1,036,070	150,009	\$6.91	\$471,254	72,850	\$6.47	\$3,508,400	538,534	\$6.51
1999	\$1,898,692	322,862	\$5.88	\$946,753	154,992	\$6.11	\$426,819	74,878	\$5.70	\$3,272,264	552,732	\$5.92
2000	\$2,132,285	328,163	\$6.50	\$1,093,684	159,269	\$6.87	\$481,281	77,689	\$6.19	\$3,707,250	565,121	\$6.56
2001	\$2,175,057	346,535	\$6.28	\$1,120,487	162,436	\$6.90	\$424,039	84,981	\$4.99	\$3,719,583	593,952	\$6.26
2002	\$2,459,379	348,000	\$7.07	\$1,207,072	165,304	\$7.30	\$467,047	86,000	\$5.43	\$4,133,498	599,304	\$6.90
2003	\$2,668,689	359,248	\$7.43	\$1,283,042	172,745	\$7.43	\$449,604	89,587	\$5.02	\$4,401,335	621,580	\$7.08
2004	\$2,698,259	359,248	\$7.51	\$1,393,131	180,238	\$7.73	\$491,017	91,103	\$5.39	\$4,582,407	630,589	\$7.27
2005	\$2,731,911	360,804	\$7.57	\$1,310,468	182,578	\$7.18	\$258,016	92,441	\$2.79	\$4,300,395	635,823	\$6.76
2006	\$2,733,728	368,754	\$7.41	\$973,546	187,533	\$5.19	\$179,078	93,929	\$1.91	\$3,886,352	650,216	\$5.98

Transportation	234,654	8.6%
Materials	32,544	1.2%
Direct Labor	1,482,199	54.2%
Labor Loadings	980,771	35.9%
Total	2,733,728	100.0%



Electric & Gas

	Year	Total (E)	Total (G)	\$/Meter Loaded
<i>Phase I cost</i>				
	2008	\$3,520,000	\$360,000	\$173
	2009	\$6,100,000	\$420,000	\$227
	Totals	\$9,620,000	\$770,000	\$204

Low Estimate

	Phase II cost	\$23,020,000	\$13,870,000	\$114
	WA Totals	\$32,640,000	\$14,640,000	\$126

High Estimate

	Phase II cost	\$38,080,000	\$22,920,000	\$188
	WA Totals	\$47,700,000	\$23,690,000	\$190

Assumptions

*AFUDC is not applied to meters, but is applied to supporting labor and equipment, spread evenly over the year at 10%

*O/H is fixed at 10%

*High estimate is double equipment cost. Labor remains the same

*MAMR Routes for gas in TWACS areas has been included in routes eliminated

*Meter quantities listed have been adjusted to match CSS

*Labor Escalation has not been factored into estimates