

Exhibit No. ____ (KLE-3)
Docket Nos. UE-070804 et al.
Witness: Kenneth L. Elgin

BEFORE THE WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION

WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION

Complainant,

vs.

AVISTA CORPORATION,

Respondent.

In the Matter of the Petition of

AVISTA CORPORATION d/b/a
AVISTA UTILITIES,

For an Accounting Order Regarding the
Appropriate Treatment of the Net Costs
Associated with the Purchase of Debt.

DOCKET NO. UE-070804

DOCKET NO. UG-070805

DOCKET NO. UE-070311

EXHIBIT TO TESTIMONY OF

Kenneth L. Elgin

**STAFF OF
WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION**

October 17, 2007

Trust Preferred Securities

Line No.	Series	Coupon Rate	Maturity Date	Settlement Date	Principal Amount	Issuance Costs	Loss/Reacq Expenses	Net Proceeds	Yield to Maturity	Outstanding	Effective Cost
A		7.875%	1/14/2033	1/22/1993	0			0		0	0
B		5.875%	5/31/2033	6/2/1993	40,000,000	1,809,143		38,190,857	6.181%	40,000,000	2,472,556
*			5/31/2033	12/17/1996		-726,757					-19,866
*			5/31/2033	12/17/1996		-1,769,125					-48,803
C		6.500%	3/31/2030	4/4/2000	60,000,000	3,396,983		56,603,017	6.952%	60,000,000	4,171,010
Total											
								<u>94,793,874</u>	<u>6.575%</u>	<u>100,000,000</u>	<u>6,574,896</u>

Total

The interest rate is adjusted every quarter on the Series B.

*\$10 million of the Series B was purchased on 12-18-2000 for \$7.5 million