

Exh. JCA-3

WUTC DOCKET: UE-200900 UG-200901 UE-200894

EXHIBIT: JCA-3

ADMIT W/D REJECT

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

DOCKET NO. UG-20 _____

EXH. JCA-3

JOEL C. ANDERSON

REPRESENTING AVISTA CORPORATION

WASHINGTON GAS

AMI Costs and Benefits Embedded in Cost of Service Study

Rate Base Components		Total	Sch 101	Sch 111	Sch 131	Sch 146
303.12	AMI/MDM Software	\$ 17,246,000	\$ 15,094,126	\$ 1,634,931	\$ 20,243	\$ 496,700
303.12	AMI/MDM Software Accum. Amort.	\$ 2,716,000	\$ 2,377,110	\$ 257,478	\$ 3,188	\$ 78,223
	Total AMI/MDM Software	\$ 19,962,000	\$ 17,471,237	\$ 1,892,409	\$ 23,431	\$ 574,923
381	Meters	\$ 72,166,000	\$ 65,013,537	\$ 6,499,987	\$ 68,803	\$ 583,673
381	Meters Accum. Depr.	\$ (14,169,000)	\$ (12,764,693)	\$ (1,276,201)	\$ (13,509)	\$ (114,598)
	Total Meters	\$ 57,997,000	\$ 52,248,844	\$ 5,223,786	\$ 55,294	\$ 469,075
397.12	AMI Communications Equipment	\$ 4,660,000	\$ 4,078,547	\$ 441,771	\$ 5,470	\$ 134,212
397.12	AMI Communications Equipment Accum. Depr.	\$ (1,369,000)	\$ (1,198,183)	\$ (129,782)	\$ (1,607)	\$ (39,428)
	Total AMI/MDM Software	\$ 3,291,000	\$ 2,880,365	\$ 311,989	\$ 3,863	\$ 94,784
	AMI Regulatory Asset	\$ 15,668,000	\$ 13,713,022	\$ 1,485,336	\$ 18,391	\$ 451,252
	Subset of Accum Deferred Income Tax	\$ (4,241,000)	\$ (3,711,828)	\$ (402,049)	\$ (4,978)	\$ (122,145)
	Corporate Cost Allocators (4 factor)		87.52%	9.48%	0.12%	2.88%
	Total Rate Base	\$ 92,677,000	\$ 82,601,639	\$ 8,511,471	\$ 96,001	\$ 1,467,889
	Return on Rate Base @ 7.43%	\$ 6,885,901	\$ 6,137,302	\$ 632,402	\$ 7,133	\$ 109,064
	Tax Benefit of Interest Expense	\$ (482,662)	\$ (430,189)	\$ (44,328)	\$ (500)	\$ (7,645)
	Revenue Conversion Factor	\$ 0.75546	\$ 0.75546	\$ 0.75546	\$ 0.75546	\$ 0.75546
	Rate Base Revenue Requirement	\$ 8,475,914	\$ 7,554,457	\$ 778,429	\$ 8,780	\$ 134,248
Expense Components						
	AMI/MDM Software Amort. Exp.	\$ 3,491,000	\$ 3,055,410	\$ 330,949	\$ 4,098	\$ 100,544
	Meters Depr Exp	\$ 3,207,000	\$ 2,889,150	\$ 288,854	\$ 3,058	\$ 25,938
	AMI Communication Equip. Depr. Exp.	\$ 101,000	\$ 88,398	\$ 9,575	\$ 119	\$ 2,909
	Total Expenses	\$ 6,799,000	\$ 6,032,958	\$ 629,378	\$ 7,274	\$ 129,391
	Revenue Conversion Factor	\$ 0.956282	\$ 0.956282	\$ 0.956282	\$ 0.956282	\$ 0.956282
	Expense Revenue Requirement	\$ 7,109,827	\$ 6,308,764	\$ 658,151	\$ 7,606	\$ 135,306
	Total AMI/MDM Revenue Requirements	\$ 15,585,741	\$ 13,863,221	\$ 1,436,580	\$ 16,386	\$ 269,554
	Rate Year O&M Savings/Offsets	-\$2,260,000	\$ (1,978,008)	\$ (214,249)	\$ (2,653)	\$ (65,090)
	Revenue Conversion Factor	\$ 0.95628	\$ 0.95628	\$ 0.95628	\$ 0.95628	\$ 0.95628
	Revenue Requirement Offset	\$ (2,363,320)	\$ (2,068,436)	\$ (224,044)	\$ (2,774)	\$ (68,066)
	Total AMI Rate Year Net Costs	\$ 13,222,422	\$ 11,794,785	\$ 1,212,536	\$ 13,612	\$ 201,488