BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

DOCKET NO. UE-14____

EXHIBIT NO. (JMP-3)

JEANNE M. PLUTH

REPRESENTING AVISTA CORPORATION

Avista Utilities Colstrip Fixed Costs 2013 Actual and Authorized

Line		Total System		
No.		2013 Actual	Authorized	Difference
1	Gross plant	\$303,343,061	\$301,133,498	
2	Accumulated depreciation	-213,758,998	-214,131,007	
3	Accumulated deferred FIT	-21,175,722	-20,093,173	
4	Net rate base	\$68,408,341	\$66,909,318	
5	Rate of return	7.64%	7.64%	
6	Return on rate base	\$5,226,397	\$5,111,872	
7	Tax benefit of debt return (see below)	-725,471	-709,573	
8	Depreciation expense	5,929,805	5,898,206	
9	Operation and maintenance expense	12,987,684	13,209,284	
10	Deferred O&M Amortization	2,095	4,290	
11	Total fixed costs	\$23,420,510	\$23,514,079	-\$93,569
12	Washington allocation percentage			65.240%
13	Washington allocated amount			-\$61,044
	Tax benefit of debt return			
14	Net rate base per above	\$68,408,341	\$66,909,318	
15	Debt cost component	3.03%	3.03%	
16	Debt return	\$2,072,773	\$2,027,352	

17 Federal income tax rate	17	Federal	income	tax	rate
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18 Tax benefit of debt return

Authorized costs result from the Multiparty Settlement Stipulation approved in Docket No. UE-120436 by Order 09 dated December 26, 2012. The test period was 2011 and rates were effective January 1, 2013.

-35%

-\$725,471

-35%

-\$709,573

Item 6(E) of the Settlement Agreement appoved by Order 03 in Docket UE-060181 dated June 16, 2006, defines fixed costs to be return on rate base net of tax, depreciation expense, and operation and maintenance expense not included in the net power costs and other production costs related to the plant.