

**BEFORE THE  
WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**

<b>WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION,</b>	)	
	)	
<b>Complainant,</b>	)	
	)	
<b>v.</b>	)	<b>DOCKETS UE-170485 and UG-170486 (Consolidated)</b>
	)	
<b>AVISTA CORPORATION, DBA AVISTA UTILITIES,</b>	)	
	)	
<b>Respondent.</b>	)	
<hr/>	)	

**EXHIBIT MPG-3**

**RATE OF RETURN**

**OCTOBER 27, 2017**

# Avista Corporation

## Rate of Return (May 1, 2018)

<u>Line</u>	<u>Description</u>	<u>2006</u> <u>(1)</u>	<u>Amount</u> <u>(2)</u>	<u>Weight</u> <u>(3)</u>	<u>Cost</u> <u>(4)</u>	<u>Weighted</u> <u>Cost</u> <u>(5)</u>
1	Long-Term Debt	\$ 1,578,000	\$ 1,682,558	48.7%	5.31%	2.59%
2	Short-Term Debt	\$ 100,000	\$ 100,000	2.9%	3.26%	0.09%
3	Common Equity	<u>\$ 1,570,931</u>	<u>\$ 1,675,020</u>	48.4%	<b>9.10%</b>	<u>4.41%</u>
4	<b>Total</b>	<b>\$ 3,248,931</b>	<b>\$ 3,457,578</b>	<b>100.0%</b>		<b>7.09%</b>

Source:  
Thies, Exh. MTT-1T at 13 and Exh. MTT-2 at 7.