

**Exh. DCP-3
Dockets UE-240006/UG-240007
Witness: David C. Parcell**

**BEFORE THE WASHINGTON
UTILITIES AND TRANSPORTATION COMMISSION**

**WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION,**

Complainant,

v.

AVISTA CORPORATION,

Respondent

**DOCKETS UE-240006 & UG-240007
(Consolidated)**

EXHIBIT TO

TESTIMONY OF

DAVID C. PARCELL

**ON BEHALF OF STAFF OF
WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION**

Avista Total Costs of Capital

July 3, 2024

**AVISTA CORPORATION
 TOTAL COST OF CAPITAL
 DECEMBER 31, 2024**

Item	Percent	Cost	Weighted Cost
Short-Term Debt	1.92% 1/	6.588% 3/	0.13%
Long-Term Debt	49.58% 1/	4.93% 4/	2.44%
Common Equity	48.50% 2/	9.50% 9.75% 10.00%	4.61% 4.73% 4.85%
Total	100.00%		7.18% 7.42% 7.30%

1/ Percentages of short-term and long-term debt derived from relative amounts of short-term debt and long-term debt as of December 31, 2024, as contained in response to Staff-DR-027, Attachment A, page 1:

	Amount (000)	Percent	Ratio to 51.5%
Short-Term Debt	\$100,000,000	3.73%	1.92%
Long-Term Debt	<u>\$2,583,700,000</u>	96.27%	<u>49.58%</u>
Total Debt	\$2,683,700,000		51.50%

2/ Common equity ratio approved for Avista by Commission in Dockets UE-150204/UG-150205, Dockets UE-170485/UG-170486, Dockets UE-190334/UG-190335, and Dockets UE-200900/UG-200901. Also ratio requested by Company.

3/ As shown on response to Staff-DR-027, Attachment A, page 1.

4/ As derived from information contained in response to Staff-DR-027, Attachment 1, page 1.

Effective Cost	\$127,376,647	
Principal Outstanding	\$2,583,700,000	
Yield to Maturity		4.93%

**AVISTA CORPORATION
 TOTAL COST OF CAPITAL
 DECEMBER 31, 2025**

Item	Percent	Cost	Weighted Cost
Short-Term Debt	1.88% 1/	5.58% 3/	0.10%
Long-Term Debt	49.62% 1/	4.96% 4/	2.46%
Common Equity	48.50% 2/	9.50% 9.75% 10.00%	4.61% 4.73% 4.85%
Total	100.00%		7.17% 7.41% 7.29%

1/ Percentages of short-term and long-term debt derived from relative amounts of short-term debt and long-term debt as of December 31, 2025, as contained in Exh. KJC-2, page 3:

	Amount (000)	Percent	Ratio to 51.5%
Short-Term Debt	\$100,000	3.64%	1.88%
Long-Term Debt	\$2,643,700	96.36%	49.62%
Total Debt	\$2,743,700		51.50%

2/ Common equity ratio approved for Avista by Commission in Dockets UE-150204/UG-150205, Dockets UE-170485/UG-170486, Dockets UE-190334/UG-190335, and Dockets UE-200900/UG-200901. Also ratio requested by Company.

3/ As shown on Exh. KJC-2, page 3.

4/ As derived from Exh. KJC-2, page 3, excluding short-term debt cost and amounts:

Effective Cost	\$131,009,399
Principal Outstanding	\$2,643,700,000
Yield to Maturity	4.96%

**AVISTA CORPORATION
 TOTAL COST OF CAPITAL
 DECEMBER 31, 2026**

Item	Percent	Cost	Weighted Cost
Short-Term Debt	1.80% 1/	5.343% 3/	0.10%
Long-Term Debt	49.70% 1/	4.99% 4/	2.48%
Common Equity	48.50% 2/	9.50% 9.75% 10.00%	4.61% 4.73% 4.85%
Total	100.00%		7.19% 7.43% 7.31%

1/ Percentages of short-term and long-term debt derived from relative amounts of short-term debt and long-term debt as of December 31, 2026, as contained in Exh. KJC-2, page 4:

	Amount (000)	Percent	Ratio to 51.5%
Short-Term Debt	\$100,000	3.50%	1.80%
Long-Term Debt	\$2,753,700	96.50%	49.70%
Total Debt	\$2,853,700		51.50%

2/ Common equity ratio approved for Avista by Commission in Dockets UE-150204/UG-150205, Dockets UE-170485/UG-170486, Dockets UE-190334/UG-190335, and Dockets UE-200900/UG-200901. Also ratio requested by Company.

3/ As shown on Exh. KJC-2, page 4.

4/ As derived from Exh. KJC-2, page 4, excluding short-term debt cost and amounts:

Effective Cost	\$137,484,549	
Principal Outstanding	\$2,753,700,000	
Yield to Maturity		4.99%