

AVISTA RATE CASE

UE-991606 AND UG-991607

Exhibit \_\_\_ (JL-RD-1) Cost-Based Customer Charge - Electric

WUTC		
DOCKET NO. <u>UE-991606</u>		
EXHIBIT # <u>687</u>		
ADMIT	W/D	REJECT
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

## Cost-Based Customer Charge - Electric

	Residential Amount	Source/Formula
<b>Plant Costs</b>		
Plant In Service		
1 Meters	\$12,241,205	Tab 50, P. 21
2 Less Accumulated Depreciation - Meters	(\$3,843,113)	Tab 50, P. 26
3 Services	\$37,421,953	Tab 50, P. 21
4 Less Accumulated Depreciation - Services	(\$12,139,533)	Tab 50, P. 26
5 Total Customer Plant In Service	\$33,680,512	Sum, Lines 1-4
General Plant Assignment to Customer Plant		
8 Total Customer Plant in Service	\$49,663,158	Line 5
9 Total PTDC Plant in Service	\$488,231,906	Tab 50, P. 23
10 % of General Plant Customer-Related	10.1720%	(8) / (9)
11 Total General Plant in Service	\$38,087,939	Tab 50, P. 23
12 Total General Plant Accumulated Depreciation	(\$16,422,695)	Tab 50, P. 28
13 Net General Plant in Service	\$21,665,244	Sum, Lines 11 - 12
14 Customer-related General Plant:	\$2,203,798	Line 10 x Line 13
15 Total Customer Plant and Associated General Plant:	\$35,884,310	Line 14 + Line 5
Rate of Return		
16 Allowable Rate of Return	8.82%	Hill
17 Tax benefit of debt	-1.53%	Hill
18 Net of Tax Return	7.29%	Line 16 + Line 17
19 Return Requirement, Net of Tax:	\$2,616,202	Line 18 x Line 15
20 Net to Gross Ratio	62.09%	Tab 28, P. 3
21 Return Revenue Requirement	\$4,213,435	Line 19 / Line 20

**Cost-Based Customer Charge - Electric**

**Operating Costs**

Depreciation Expense for Meters / Services			
22	Meters	\$357,925	Tab 50, P. 13
23	Services	\$887,515	Tab 50, P. 13
24	Customer Installations	\$0	Tab 50, P. 13
25	General Plant Depreciation Expense	\$3,141,338	Tab 50, P. 15
26	Customer-Related General Plant Depreciation Expense	\$319,538	Line 10 x Line 25
27	Subtotal Depreciation Expense	\$1,564,978	Lines 22+23+24+26
Operation and Maintenance Expenses			
28	Customer Accounts	\$2,834,578	Tab 50, P. 6
29	Meter Reading	\$1,020,618	Tab 50, P. 6
30	Supervision	\$165,396	Tab 50, P. 6
31	Subtotal Meter Reading and Billing	\$4,020,592	Lines 28 + 29 + 30
32	Customer-related portion @ 55%:	\$2,211,326	Line 31 * 55% Bimonthly
33	Customer Installations	\$297,000	Tab 50, P. 6
34	Meter Maintenance	\$51,815	Tab 50, P. 6
35	Meter Operation	\$384,232	Tab 50, P. 6
36	Subtotal Customer-Related O&M Expenses	\$2,944,373	Lines 32 - 35
Administrative and General Assignment			
37	Total PTDC O&M	\$90,479,754	Tab 50, P. 8
38	Total A&G	\$21,710,236	Tab 50, P. 9
39	A&G Loading Factor	23.99%	Line 38 / Line 37
40	Customer-Related A&G Expense	\$706,490	Lines 37 - 39
38	Total Customer-Related O&M Expense	\$3,650,862	Line 40 + Line 36
39	Net to Gross Ratio for Expenses	95.53%	Tab 25, P. 2
40	Revenue Requirement for O&M Expenses	\$3,821,848	Line 38 / Line 39
41	Total Customer-Related Revenue Requirement	\$8,035,283	Line 40 + Line 21
42	Total Residential Customers	175,466	Tab 50, P. 7
43	Annual Revenue Requirement / Residential Customer	\$45.79	Line 41 / Line 43
<b>44</b>	<b>Monthly Residential Customer Revenue Requirement</b>	<b>\$3.82</b>	<b>Line 43 / 12 Months</b>