

Exhibit__(SGH-15)

AVISTA CORPORATION
OVERALL COST OF CAPITAL

Type of Capital	Amount	Percentage	Cost Rate	Weighted Avg. Cost Rate
Equity	\$17,196,286	49.00%	8.75%	4.29%
Debt	<u>\$13,873,026</u>	<u>51.00%</u>	<u>5.42%</u>	<u>2.76%</u>
Total	\$31,069,312	100.00%		7.05%

PRE-TAX INTEREST COVERAGE* = 3.39x

*Assuming the Company experiences, prospectively, an income tax rate of 35%, the pre-tax overall return would be 9.36% [7.05% - 2.76% = 4.29% / (1 - 35%) = 6.60% + 2.76%]. That pre-tax overall return (9.36%), divided by the weighted cost of debt (2.76%), indicates a pre-tax interest coverage level of 3.39 times.

Capital structure and debt costs from Company filing.