

Deloitte & Touche LLP

THE WASHINGTON WATER POWER COMPANY

Depreciation Study as of December 31, 1997

Prod \_\_\_\_\_ Transm \_\_\_\_\_ Distr \_\_\_\_\_ Genl   
 Account 397.0 - Communication Equip.  
 Depreciable Balance \$ 25,506,458  
 Depreciation Reserve \$ 10,553,001

	PRIOR STUDY	EXISTING	CURRENT STUDY
Average Service Life, Yrs	<u>15</u>	<u>18</u>	<u>15</u>
Iowa Curve	<u>L2</u>	_____	<u>L2</u>
Remaining Life, Yrs	_____	<u>1365</u>	<u>5.24</u>
Salvage, %	<u>5</u>	_____	<u>5</u>
Cost of Removal, %	<u>10</u>	_____	<u>5</u>
Net Salvage, %	<u>(5)</u>	<u>(10)</u>	<u>0</u>
Rate, %	<u>8.51</u>	<u>7.0</u>	<u>11.19</u>

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 Account Content:

Life Analysis:

Salvage Analysis:

<b>WUTC</b>		
DOCKET NO. <u>UE-991606</u>		
EXHIBIT # <u>998</u>		
ADMIT	W/D	REJECT
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

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THE WASHINGTON WATER POWER COMPANY  
Depreciation Study as of December 31, 1997  
Life Analysis

PROD \_\_\_\_\_ TRANSM \_\_\_\_\_ DISTR \_\_\_\_\_ GNL

Account 397.0 - Communication Equip.

BAND	PRIOR		CURRENT	
	ASL	CURVE	ASL	CURVE
5 Year	<u>13</u>	<u>L2</u>	<u>20</u>	<u>S2</u>
10.8 Year	<u>    </u>	<u>    </u>	<u>20</u>	<u>S2</u>
15.20 Year	<u>17</u>	<u>L1.5</u>	<u>20</u>	<u>L3</u>
Full 26 HR	<u>19</u>	<u>L0.5</u>	<u>22</u>	<u>L1</u>
Other 15, 20	<u>18</u>	<u>L1</u>	<u>21</u>	<u>L2</u>
Selection	<u>15</u>	<u>L2</u>	<u>10</u>	<u>L2</u>
Balance	\$ <u>14,435,149</u>		\$ <u>25,506,458</u>	

Notes: LONGER ASL INDICATED  
BY TECHNOLOGY ADVANCES  
& LIMITED ASL CHANGES

Avg. Age Retrs. 16.17  
Avg. Age Survs. 7.82

SUGGEST 10 - L2

Technology advanced - example SPAA  
equip. 3-5 year upgrades to possible;  
allow it to a 7-10 year life.