

WUTC No. _____		
DOCKET NO. <u>UE-991606</u>		
EXHIBIT # <u>294</u>		
ADMIT <input checked="" type="checkbox"/>	W/D <input type="checkbox"/>	REJECT <input type="checkbox"/>

Deloitte & Touche LLP

THE WASHINGTON WATER POWER COMPANY

Depreciation Study as of December 31, 1997

Prod _____ Transm _____ Distr _____ Genl

Account 391.1 - Computer Equipment

Depreciable Balance \$ 8,919,169

Depreciation Reserve \$ 3,562,470

	PRIOR STUDY	EXISTING	CURRENT STUDY
Average Service Life, Yrs	<u>8</u>	<u>8</u>	<u>5</u>
Iowa Curve	<u>R3</u>	_____	<u>SQ</u>
Remaining Life, Yrs	_____	<u>369</u>	<u>1.66</u>
Salvage, %	<u>10</u>	_____	<u>0</u>
Cost of Removal, %	<u>0</u>	_____	<u>0</u>
Net Salvage, %	<u>+10</u>	<u>+10</u>	<u>0</u>
Rate, %	<u>9.02</u>	<u>8.96</u>	<u>36.08</u>

 Account Content: PC's & Laptop Computers

Life Analysis: History shows that technology is changing rapidly. Hard to keep up with technology. 5 years is reasonable.

Salvage Analysis:
Salvage value is low due to rapid obsolescence. 0% is reasonable.