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October 8, 2009

Sent via Overnight Mail

Mr. David Danner
Executive Director & Secretary
Washington Utilities and Transportation Commission
1300 S. Evergreen Park Drive SW
P. O. Box 47250
Olympia, Washington 98504-7250

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STATE OF WASH
UTIL AND TRAN
COMMISSION

Re: Docket No. UE-090134, UG-090135, and UG-060518 (*consolidated*)
Bench Request No. 4, 6, and 8

Dear Mr. Danner:

Please find enclosed an original and 17 copies of the Company's capital structure including common equity, long-term debt, and short-term debt as of September 30, 2009 in response to Bench Requests No. 4. Also find enclosed 17 redacted copies of Staff Data Request 007 and under a separate envelope 17 unredacted copies of Staff Data Request 007C in response to the information requested in Bench Requests No. 6. Finally, enclosed is an original and 17 copies of the information requested in Bench requests No. 8 issued by Administrative Law Judge Adam E. Torem.

Please direct any questions related to this filing to Liz Andrews at (509) 495-8601.

Sincerely,

A handwritten signature in cursive script that reads "Kelly Norwood".

Kelly Norwood
Vice President State and Federal Regulation

Enclosures

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that I have this day served Avista's Response to Bench Requests No. 4, 6, and 8, in Docket Nos. UE-090134, UG-090135, and UG-060518, upon the parties listed below by mailing a document containing the information requested, postage prepaid.

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I declare under penalty of perjury that the foregoing is true and correct.

Dated at Spokane, Washington this 8th day of October, 2009.



Paul Kimball
Senior Regulatory Analyst

**AVISTA CORP.
RESPONSE TO REQUEST FOR INFORMATION**

JURISDICTION:	WASHINGTON	DATE PREPARED:	10/08/2009
CASE NO:	UE-090134 & UG-090135	WITNESS:	N/A
REQUESTER:	Bench	RESPONDER:	Elizabeth Andrews
TYPE:	Data Request	DEPT:	State & Federal Regulation
REQUEST NO.:	Bench – 4	TELEPHONE:	(509) 495-8601
		EMAIL:	liz.andrews@avistacorp.com

REQUEST:

Please provide the most recent capital structure of the company, to include common equity, long-term debt, and short-term debt.

RESPONSE:

Please see attached the Company's capital structure including common equity, long-term debt, and short-term debt as of September 30, 2009.

AVISTA CORPORATION

Cost of Capital

September 30, 2009

Cost of Capital as of September 30, 2009	Amount	Percent of Total Capital	Cost	Component
Total Debt	\$1,154,100,000	52.43%	6.20%	3.25%
Common Equity	\$1,046,989,660	47.57%	10.20%	4.85%
TOTAL	\$2,201,089,660	100.00%		8.10%

AVISTA CORPORATION
Cost of Long-Term Debt Detail
September 30, 2009

Line No.	Description (a)	Coupon Rate (b)	Maturity Date (c)	Settlement Date (d)	Principal Amount (e)	Issuance Costs (f)	Loss/Reacq Expenses (g)	Net Proceeds (h)	Yield to Maturity (i)	Principal Outstanding 9/30/2009 (j)	Effective Cost (k)	Line No.
1	SMTN Series A	Series Costs	8/31/2010	5/1/1993		373,693					21,663	1
2	SMTN Series A	6.67%	7/12/2010	7/12/1993	5,000,000	35,081	690,464	4,274,455	8.275%	5,000,000	413,765	2
3	SMTN Series A	7.18%	8/1/2023	8/12/1993	7,000,000	54,364		6,945,636	7.244%	7,000,000	507,064	3
4	SMTN Series A	7.37%	5/10/2012	5/10/1993	7,000,000	49,114	1,227,883	5,723,003	9.455%	7,000,000	661,877	4
5	SMTN Series A	7.39%	5/11/2018	5/11/1993	7,000,000	54,364	1,227,883	5,717,753	9.287%	7,000,000	650,114	5
6	SMTN Series A	7.45%	6/11/2018	6/9/1993	15,500,000	170,597	2,140,440	13,188,963	8.953%	15,500,000	1,387,715	6
7	SMTN Series A	7.53%	5/5/2023	5/6/1993	5,500,000	42,712	963,011	4,494,277	9.359%	5,500,000	514,744	7
8	SMTN Series A	7.54%	5/5/2023	5/7/1993	5,000,000	7,766	175,412	4,962,056	9.375%	5,000,000	93,747	8
9	SMTN Series B	6.90%	7/1/2010	6/9/1995	5,000,000	37,944		4,962,056	6.982%	5,000,000	349,077	9
10	5.70% FMB's	5.70%	7/1/2037	12/15/2006	150,000,000	8,663,162		141,336,838	6.120%	150,000,000	9,179,740	10
11	6.125% FMB's	6.13%	9/1/2013	9/8/2003	45,000,000	1,055,140	815,824	43,129,036	6.703%	45,000,000	3,016,248	11
12	5.45% FMB's	5.45%	12/1/2019	11/18/2004	90,000,000	1,432,081	7,244,895	81,323,024	6.462%	90,000,000	5,815,418	12
13	6.25% FMB's	6.25%	12/1/2035	11/17/2005	150,000,000	-2,137,016	1,700,371	150,436,645	6.228%	150,000,000	9,342,301	13
14	5.125% FMB's	5.125%	4/1/2022	9/22/2009	250,000,000	-7,701,222		257,701,222	4.795%	250,000,000	11,987,116	14
15	5.95% FMB's	5.95%	6/1/2018	4/2/2008	250,000,000	19,476,419		230,523,581	7.034%	250,000,000	17,585,352	15
16	7.25% FMB's	7.25%	12/16/2013	12/16/2008	30,000,000	420,306		29,579,694	7.592%	30,000,000	2,277,590	16
17	PCB's Kettle Falls	6.00%	12/1/2023	7/29/1993	4,100,000	135,855	146,393	3,817,752	6.523%	4,100,000	267,441	17
18	MTN's Series C	Series Costs	6/15/2013	6/15/1998		650,179					43,345	18
19	MTN's Series C	6.37%	6/19/2028	6/19/1998	25,000,000	158,304	188,649	24,653,047	6.475%	25,000,000	1,618,863	19
20	MTN's Series C	8.02%	10/26/2010	10/26/1999	25,000,000	161,287	707,527	24,131,186	8.513%	25,000,000	2,128,207	20
21												21
22												22
23										1,072,100,000	67,861,389	23
24												24
25	Repurchase 1	8.85%	6/5/2028	5/24/2002	10,000,000		-2,228,153	12,228,153	6.981%	2	-188,085	25
26	Repurchase 1	8.83%	6/5/2028	4/3/2003	10,000,000		-450,769	10,450,769	8.395%	2	-43,660	26
27	Repurchase 1	8.83%	12/29/2022	3/11/2003	5,000,000		92,363	4,907,637	9.029%	2	10,340	27
28	Repurchase 1	8.37%	9/10/2012	7/7/2003	12,000,000		357,674	11,642,326	8.848%	2	64,258	28
29											-157,147	29
30												30
31	Var. Rate Long-Term	1.22%	6/1/2037	6/3/1997	40,000,000	1,296,086	-2,500,000	41,203,914	1.129%	40,000,000	451,510	31
32	Var. Rate Long-Term	0.35%	3/1/2034	12/31/2008	17,000,000	694,004	1,183,129	15,122,867	0.837%	17,000,000	142,371	32
33										1,129,100,000	68,298,123	33
34								1,089,081,772	6.049%			34
35												35
36	Short Term-Debt				25,000,000				0.560%	25,000,000	140,000	36
37	Credit Agreement costs										3,134,712	37
38												38
39								Cost	6.202%	1,154,100,000	71,572,835	39

1 The coupon rate used is the cost of debt at the time of the repurchases
2 The amounts are calculated using the IRR function

AVISTA CORP.
RESPONSE TO REQUEST FOR INFORMATION

JURISDICTION:	WASHINGTON	DATE PREPARED:	10/08/2009
CASE NO:	UE-090134 & UG-090135	WITNESS:	N/A
REQUESTER:	Bench	RESPONDER:	Elizabeth Andrews
TYPE:	Data Request	DEPT:	State & Federal Regulation
REQUEST NO.:	Bench – 6	TELEPHONE:	(509) 495-8601
		EMAIL:	liz.andrews@avistacorp.com

REQUEST:

Please provide the Company's response to Staff Data Request 7.

RESPONSE:

Please find attached the redacted response to Staff Data Request 007. Enclosed under separate envelope marked Confidential is the Company's UNREDACTED Response to Staff Data Request 007.

**AVISTA CORP.
RESPONSE TO REQUEST FOR INFORMATION**

JURISDICTION:	WASHINGTON	DATE PREPARED:	10/08/2009
CASE NO:	UE-090134 & UG-090135	WITNESS:	N/A
REQUESTER:	Bench	RESPONDER:	Elizabeth Andrews
TYPE:	Data Request	DEPT:	State & Federal Regulation
REQUEST NO.:	Bench – 8	TELEPHONE:	(509) 495-8601
		EMAIL:	liz.andrews@avistacorp.com

REQUEST:

Please provide the Company's explanation as to the ratebase treatment and its impact on depreciation expense of facility relocations.

RESPONSE:

Typically, when plant is removed and replaced, the Company retires the old, replaced plant by reducing the plant costs (FERC Account No. 101) and reducing the accumulated depreciation (FERC Account No. 108) by the original cost of the plant. Therefore, there is no impact to net rate base. Depreciation expense will be reduced for this reduction to plant.

The new plant will be capitalized and transferred to plant in service, when it is operational. Depreciation will begin in the month it is in service.

It should be noted that, depending on the age of the old, replaced plant, the cost of the plant being removed is typically significantly less than the cost of the new plant. So, the reduction to the depreciation expense is not a dollar-for-dollar offset with the depreciation expense of the new plant.

The Company pro formed non-revenue producing 2009 capital in this case, as well as the depreciation expense associated with that new plant. At the same time, an estimate of plant retirements was made, so the Company's case appropriately excludes depreciation expense on the expected plant retirements.

Typically a road move requires moving poles and conductor to clear the right-of-way for the road widening or realignment. When retirement units are being installed and/or replaced it would be considered a capital project. In instances where we are able to move existing poles and conductor, the activity would be considered O&M. If during a capital project, conductor is transferred or relocated incidentally to that capital project, it would be recorded as O&M in a separate project. In some instances, poles and/or conductor may be temporarily moved for transport of oversize loads and is considered O&M. Our accounting system does not allow mixing of capital and O&M activity on a common project so any O&M projects would not be included in the pro forma capital adjustment.

In summary, the projects that the Company pro formed in this case for road moves would all be capital projects. Any of the 2009 road move projects that would be recorded as O&M were not included in the pro forma capital adjustment.