

Exhibit No. KGS-27
Docket UE-152253
Witness: Kurt G. Strunk

**BEFORE THE WASHINGTON
UTILITIES AND TRANSPORTATION COMMISSION**

WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION,

Complainant,

v.

PACIFIC POWER & LIGHT
COMPANY,

Respondent.

DOCKET UE-152253

PACIFIC POWER & LIGHT COMPANY

EXHIBIT OF KURT G. STRUNK

Yield-Plus-Growth-Model

April 2016

**Pacific Power & Light Company
Yield + Growth Model**

	Item	Value
(a)	Electric Utility Industry Average Dividend Yield ¹	3.80%
(b)	Electric Utility Industry Average Growth Rate ²	5.90%
(a) + (b)	Cost of Equity	9.70%

Sources:

¹ Value Line, "Electric Utility (West) Industry," January 29, 2016.

² Zacks Investment Research, March 24, 2016.