

**BEFORE THE
WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION,)	
)	
Complainant,)	
)	
v.)	DOCKETS UE-160228 and UG-160229 (Consolidated)
)	
AVISTA CORPORATION, DBA AVISTA UTILITIES,)	
)	
Respondent.)	
<hr/>)	

EXHIBIT NO. MPG-4

VALUATION METRICS

AUGUST 17, 2016

Avista Corporation

Valuation Metrics

Line	Company	Price to Earnings (P/E) Ratio ¹															
		15-Year															
		Average (1)	2016 ² (2)	2015 (3)	2014 (4)	2013 (5)	2012 (6)	2011 (7)	2010 (8)	2009 (9)	2008 (10)	2007 (11)	2006 (12)	2005 (13)	2004 (14)	2003 (15)	2002 (16)
1	ALLETE	16.97	18.70	15.06	17.23	18.59	15.88	14.66	15.98	16.08	13.95	14.78	16.55	17.91	25.21	N/A	N/A
2	Alliant Energy	15.37	20.80	18.07	16.60	15.28	14.50	14.45	12.47	13.86	13.43	15.08	16.82	12.59	14.00	12.69	19.93
3	Ameren Corp.	15.21	19.80	17.55	16.71	16.52	13.35	11.93	9.66	9.26	14.21	17.45	19.39	16.72	16.28	13.51	15.78
4	American Electric Power	13.65	17.80	15.77	15.88	14.49	13.77	11.92	13.42	10.03	13.06	16.27	12.91	13.70	12.42	10.66	12.68
5	Avista Corp.	17.77	21.20	17.60	17.28	14.64	19.30	14.08	12.74	11.42	14.97	30.88	15.39	19.45	24.43	13.84	19.27
6	Black Hills	17.57	22.70	16.14	19.03	18.24	17.13	31.13	18.10	9.93	N/A	15.02	15.77	17.27	17.13	15.95	12.52
7	CenterPoint Energy	14.21	19.30	18.10	16.96	18.75	14.85	14.58	13.78	11.81	11.27	15.00	10.27	19.06	17.84	6.05	5.59
8	CMS Energy Corp.	16.37	21.30	18.29	17.30	16.32	15.07	13.62	12.46	13.56	10.87	26.84	22.18	12.60	12.39	N/A	N/A
9	Consol. Edison	14.95	19.20	15.59	15.90	14.72	15.39	15.08	13.30	12.55	12.29	13.78	15.49	15.13	18.21	14.30	13.28
10	Dominion Resources	17.69	20.10	22.14	22.97	19.25	18.91	17.27	14.35	12.74	13.78	20.63	15.98	24.89	15.07	15.24	12.05
11	DTE Energy	15.12	19.50	18.11	14.91	17.92	14.89	13.51	12.27	10.41	14.81	18.27	17.43	13.80	16.04	13.69	11.28
12	Duke Energy	16.22	18.00	18.22	17.91	17.45	17.46	13.76	12.69	13.32	17.28	16.13	N/A	N/A	N/A	N/A	N/A
13	Edison Int'l	13.82	19.80	14.77	13.05	12.70	9.71	11.81	10.32	9.72	12.36	16.03	12.99	11.74	37.59	6.97	7.78
14	El Paso Electric	17.20	24.80	18.33	16.38	15.88	14.47	12.60	10.72	10.79	11.89	15.26	16.92	26.72	22.03	18.26	22.99
15	Empire District Electric	18.19	24.10	18.71	16.21	15.00	15.76	15.76	16.75	14.34	17.26	21.70	15.92	24.50	24.81	15.83	16.18
16	Entergy Corp.	13.64	15.40	12.53	12.89	13.21	11.22	9.06	11.57	11.98	16.56	19.30	14.28	16.28	15.09	13.77	11.53
17	Eversource Energy	17.50	19.50	18.11	17.92	16.94	19.86	15.35	13.42	11.96	13.66	18.75	27.07	19.76	20.77	13.35	16.07
18	Exelon Corp.	14.36	17.20	12.58	16.02	13.43	19.08	11.30	10.97	11.49	17.97	18.22	16.53	15.37	12.99	11.77	10.46
19	FirstEnergy Corp.	17.48	13.00	17.02	39.79	13.06	21.10	22.39	11.75	13.02	15.64	15.59	14.23	16.07	14.13	22.47	12.95
20	Great Plains Energy	15.52	18.00	19.37	16.47	14.19	15.53	16.11	12.10	16.03	20.55	16.35	18.30	13.96	12.59	12.23	11.09
21	Hawaiian Elec.	17.90	14.90	20.40	15.88	16.21	15.81	17.09	18.59	19.79	23.16	21.57	20.33	18.27	19.18	13.76	13.47
22	IDACORP, Inc.	15.71	20.60	16.22	14.67	13.45	12.41	11.54	11.83	10.20	13.93	18.19	15.07	16.70	15.49	26.51	18.88
23	ITC Holdings	23.34	23.90	22.84	23.75	20.38	20.71	21.44	19.95	17.06	23.21	27.59	32.94	26.37	N/A	N/A	N/A
24	MGE Energy	17.38	24.10	20.28	17.19	17.01	17.23	15.82	14.98	15.14	14.22	15.01	15.88	22.40	17.98	17.55	15.96
25	NextEra Energy, Inc.	15.39	19.80	16.89	17.25	16.57	14.43	11.54	10.83	13.42	14.48	18.90	13.65	17.88	13.65	17.88	13.60
26	NorthWestern Corp	16.86	19.40	18.36	16.24	16.86	15.72	12.62	12.90	11.54	13.87	21.74	25.95	17.09	N/A	N/A	N/A
27	OGE Energy	14.67	17.80	17.69	18.27	17.69	15.16	14.37	13.31	10.83	12.41	13.75	13.68	14.95	14.13	11.84	14.12
28	Otter Tail Corp.	24.42	19.70	18.20	18.84	21.12	21.75	47.48	55.10	31.16	30.06	19.02	17.35	15.40	17.34	17.77	16.01
29	PG&E Corp.	16.88	23.90	26.40	15.00	23.67	20.70	15.46	15.80	13.01	12.08	16.85	14.84	15.37	13.81	9.50	N/A
30	Pinnacle West Capital	15.35	19.70	16.04	15.89	15.27	14.35	14.60	12.57	13.74	16.07	14.93	13.69	19.24	15.80	13.96	14.43
31	PNM Resources	17.78	21.30	N/A	18.68	16.13	14.97	14.53	14.05	18.09	N/A	35.65	15.57	17.38	15.02	14.73	15.08
32	Portland General	15.89	20.50	17.71	15.32	16.88	13.98	12.37	12.00	14.40	16.30	11.94	23.35	N/A	N/A	N/A	N/A
33	PPL Corp.	14.30	16.40	13.92	14.08	12.84	10.88	10.52	11.93	25.69	17.64	17.26	14.10	15.12	12.51	10.59	11.06
34	Public Serv. Enterprise	13.17	15.90	12.41	12.61	13.50	12.79	10.40	10.37	10.04	13.65	16.54	17.81	16.74	14.26	10.58	10.00
35	SCANA Corp.	14.00	17.90	14.67	13.68	14.43	14.80	13.67	12.93	11.63	12.67	14.96	15.42	14.44	13.57	13.05	12.17
36	Sempra Energy	14.15	26.70	19.73	21.87	19.68	14.89	11.77	12.60	10.09	11.80	14.01	11.50	11.79	8.65	8.96	8.19
37	Southern Co.	15.70	17.90	15.85	16.04	16.19	16.97	15.85	14.90	13.52	16.13	15.95	16.19	15.92	14.68	14.83	14.63
38	Vectren Corp.	16.70	20.40	17.92	19.98	20.66	15.02	15.83	15.10	12.89	16.79	15.33	18.92	15.11	17.57	14.80	14.16
39	Westar Energy	15.16	23.20	18.45	15.36	14.04	13.43	14.78	12.96	14.95	16.96	14.10	12.18	14.79	17.44	10.78	14.02
40	WEC Energy Group	15.73	21.00	21.33	17.71	16.50	15.76	14.25	14.01	13.35	14.77	16.47	15.97	14.46	17.51	12.43	10.46
41	Xcel Energy Inc.	16.62	19.90	16.54	15.44	15.04	14.82	14.24	14.13	12.66	13.69	16.65	14.80	15.36	13.65	11.62	40.80
42	Average	16.16	19.88	17.60	17.35	16.36	15.70	15.38	14.38	13.60	15.38	17.99	16.84	16.98	16.79	13.76	14.37
43	Median	15.40	19.80	17.82	16.47	16.21	15.07	14.37	12.93	12.89	14.22	16.47	15.90	16.07	15.49	13.69	13.54

Sources:

¹ The Value Line Investment Survey Investment Analyzer Software, downloaded on July 27, 2016.

² The Value Line Investment Survey, May 20, June 17, and July 29, 2016.

Avista Corporation

Valuation Metrics

Line	Company	Market Price to Cash Flow (MP/CF) Ratio ¹															
		15-Year															
		Average (1)	2016 ^{2a} (2)	2015 (3)	2014 (4)	2013 (5)	2012 (6)	2011 (7)	2010 (8)	2009 (9)	2008 (10)	2007 (11)	2006 (12)	2005 (13)	2004 (14)	2003 (15)	2002 (16)
44	ALLETE	9.21	7.96	7.49	8.80	9.15	8.18	7.91	8.04	8.51	9.29	10.30	11.06	11.54	11.46	N/A	N/A
45	Alliant Energy	7.04	9.34	8.86	8.40	7.52	7.50	7.21	6.59	6.23	7.49	7.92	8.00	5.09	5.52	4.76	5.20
46	Ameren Corp.	6.71	7.12	6.87	6.95	6.61	5.48	5.02	4.23	4.25	6.35	7.69	8.57	8.57	8.24	6.74	7.96
47	American Electric Power	5.97	7.65	7.09	7.00	6.57	5.93	5.46	5.54	4.71	5.71	6.84	5.54	6.07	5.50	4.69	5.19
48	Avista Corp.	6.35	8.37	6.76	7.30	6.21	6.88	6.40	5.80	4.06	5.12	7.58	5.30	6.58	7.58	5.36	5.90
49	Black Hills	7.34	7.98	8.06	8.81	8.03	6.04	7.85	6.16	4.25	11.26	7.62	6.92	7.57	6.69	6.89	5.92
50	CenterPoint Energy	4.66	5.50	5.75	6.25	6.56	5.15	5.39	4.70	4.05	4.29	5.17	3.94	4.70	4.26	2.08	2.16
51	CMS Energy Corp.	5.18	8.05	7.53	7.13	6.68	6.03	5.41	4.48	3.64	3.45	5.57	4.40	4.04	3.20	2.88	NMF
52	Consol. Edison	8.04	9.14	7.96	7.89	7.77	8.31	8.15	7.39	6.72	6.89	8.31	8.65	8.59	9.31	7.90	7.64
53	Dominion Resources	9.14	11.08	11.84	12.27	10.88	9.92	9.45	8.12	6.98	8.27	8.65	7.81	10.09	7.68	7.51	6.53
54	DTE Energy	5.84	8.40	8.52	6.42	6.65	5.91	5.18	4.69	3.59	4.90	5.73	5.21	5.54	6.00	5.62	5.20
55	Duke Energy	7.42	7.70	7.95	8.12	8.11	9.53	6.56	6.01	5.96	7.13	7.16	N/A	N/A	N/A	N/A	N/A
56	Edison Int'l	5.15	6.57	5.92	5.68	5.46	4.59	4.22	4.11	3.95	5.63	7.01	5.87	5.61	6.84	2.82	2.96
57	El Paso Electric	5.53	7.48	6.47	6.33	6.19	5.78	5.16	4.31	3.98	4.95	6.44	6.25	6.67	4.65	3.90	4.39
58	Empire District Electric	7.69	8.35	7.27	7.29	7.07	6.97	6.43	6.88	6.23	6.94	8.78	8.17	9.20	9.60	8.22	7.93
59	Entergy Corp.	5.86	4.42	4.11	4.21	4.03	4.23	3.90	4.66	5.68	7.96	9.21	7.16	8.76	7.12	6.84	5.57
60	Eversource Energy	6.28	10.80	10.12	10.14	8.08	9.30	6.99	4.97	4.61	4.12	6.18	6.02	3.55	3.78	2.85	2.75
61	Exelon Corp.	6.28	4.29	4.70	5.09	4.61	5.54	5.86	5.10	5.98	9.65	9.89	8.62	7.97	6.29	5.71	4.97
62	FirstEnergy Corp.	6.27	4.69	5.38	7.43	6.15	7.42	7.33	4.49	4.91	7.58	7.89	7.53	6.04	5.15	6.90	5.10
63	Great Plains Energy	6.24	6.58	6.66	6.45	5.73	6.09	5.74	4.49	5.06	7.71	7.13	7.68	6.70	6.52	5.92	5.14
64	Hawaiian Elec.	7.87	7.89	9.25	7.64	8.15	8.05	7.73	7.81	6.95	9.10	7.95	8.47	8.29	8.44	6.12	6.20
65	IDACORP, Inc.	7.64	10.83	9.37	8.59	7.78	7.05	6.64	6.52	5.31	7.10	8.23	7.73	7.55	7.15	7.27	7.53
66	ITC Holdings	13.64	13.92	14.06	15.25	13.43	13.23	13.65	12.36	10.17	12.37	14.08	17.53	13.67	N/A	N/A	N/A
67	MGE Energy	10.34	14.25	12.53	11.42	11.20	10.77	9.48	9.05	8.40	8.42	9.23	9.30	11.73	11.04	10.20	8.09
68	NextEra Energy, Inc.	7.00	8.46	7.93	7.98	7.60	7.58	5.98	5.33	6.09	7.34	9.02	6.51	6.71	6.71	5.97	5.77
69	NorthWestern Corp	7.48	9.13	8.99	9.01	7.61	6.85	5.89	5.79	5.05	5.57	8.45	9.39	7.31	8.13	N/A	N/A
70	OGE Energy	7.41	8.19	9.25	10.65	9.93	7.35	7.48	6.61	5.37	6.43	7.58	7.50	7.04	6.73	5.62	5.39
71	Otter Tail Corp.	8.90	8.38	9.04	9.45	9.58	8.43	9.04	8.07	8.01	11.65	9.53	8.66	8.18	9.01	8.13	8.33
72	PG&E Corp.	6.17	6.91	7.24	5.65	6.84	5.86	5.32	5.42	4.71	4.61	5.84	5.28	5.07	5.13	4.05	14.69
73	Pinnacle West Capital	5.80	7.73	6.91	7.03	6.85	6.34	5.80	5.65	3.84	4.19	4.76	4.48	7.48	5.88	4.80	5.21
74	PNM Resources	6.95	8.49	10.95	7.48	6.47	5.80	4.94	4.58	4.53	7.10	10.67	7.50	7.62	6.84	5.55	5.72
75	Portland General	5.44	7.00	6.73	5.49	6.06	5.08	4.86	4.13	4.63	4.81	5.34	5.74	N/A	N/A	N/A	N/A
76	PPL Corp.	7.36	9.22	8.73	7.32	6.59	5.87	5.98	7.46	8.82	9.17	8.90	7.58	7.57	6.49	5.41	5.30
77	Public Serv. Enterprise	7.12	7.10	6.66	6.48	6.40	6.40	6.03	6.04	6.20	8.46	9.83	8.41	8.59	7.17	6.79	6.24
78	SCANA Corp.	7.03	9.76	8.33	7.50	7.49	7.40	6.75	6.52	5.88	6.38	7.15	7.03	5.40	6.86	6.59	6.36
79	Sempra Energy	7.37	10.49	9.99	10.77	9.37	7.26	6.13	6.53	6.07	7.07	8.61	7.22	6.96	5.16	4.85	4.00
80	Southern Co.	8.26	9.06	8.23	8.42	8.30	8.75	8.22	7.79	7.08	8.18	8.62	8.47	8.41	8.28	8.28	7.83
81	Vectren Corp.	6.83	8.14	7.82	7.57	6.82	5.79	5.81	5.58	5.24	6.90	6.53	7.37	7.06	7.63	7.27	6.92
82	Westar Energy	6.62	10.45	9.05	7.93	7.23	6.71	6.67	5.51	5.32	7.09	6.88	5.81	7.00	6.54	4.24	2.94
83	WEC Energy Group	8.02	10.39	12.90	10.27	9.58	9.24	8.43	8.15	6.87	7.57	7.84	7.27	6.40	6.27	4.91	4.27
84	Xcel Energy Inc.	6.22	7.98	7.62	7.31	7.00	6.85	6.47	6.28	5.43	5.71	6.51	5.54	5.62	5.31	4.27	5.46
85	Average	7.06	8.42	8.22	7.98	7.52	7.11	6.66	6.14	5.69	7.07	7.87	7.39	7.35	6.85	5.77	5.91
86	Median	6.83	8.19	7.95	7.50	7.07	6.85	6.40	5.80	5.37	7.09	7.84	7.44	7.06	6.72	5.66	5.57

Sources:

¹ The Value Line Investment Survey Investment Analyzer Software, downloaded on July 27, 2016.

² The Value Line Investment Survey, May 20, June 17, and July 29, 2016.

Note:

^a Based on the average of the high and low price for 2016 and the projected 2016 cash flow per share, published in The Value Line Investment Survey, May 20, June 17, and July 29, 2016.

Avista Corporation

Valuation Metrics

Line	Company	Market Price to Book Value (MP/BV) Ratio ¹												
		12-Year												
		Average	2016 ^{2a}	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)		
87	ALLETE	1.55	1.41	1.37	1.42	1.51	1.34	1.35	1.28	1.15	1.55	1.89	2.09	2.22
88	Alliant Energy	1.55	1.91	1.86	1.86	1.70	1.57	1.46	1.31	1.04	1.33	1.67	1.52	1.33
89	Ameren Corp.	1.30	1.57	1.46	1.45	1.29	1.18	0.90	0.83	0.78	1.25	1.60	1.62	1.68
90	American Electric Power	1.45	1.64	1.55	1.54	1.40	1.31	1.23	1.23	1.08	1.48	1.85	1.56	1.57
91	Avista Corp.	1.23	1.56	1.36	1.33	1.25	1.21	1.19	1.07	0.94	1.11	1.29	1.30	1.13
92	Black Hills	1.41	1.79	1.59	1.79	1.62	1.21	1.14	1.07	0.83	1.22	1.57	1.47	1.63
93	CenterPoint Energy	2.37	2.41	2.43	2.27	2.30	1.99	1.87	1.96	1.77	2.49	3.13	2.75	3.06
94	CMS Energy Corp.	1.77	2.59	2.43	2.26	2.09	1.91	1.66	1.48	1.10	1.23	1.82	1.42	1.32
95	Consol. Edison	1.37	1.51	1.42	1.34	1.38	1.47	1.38	1.22	1.08	1.17	1.47	1.47	1.52
96	Dominion Resources	2.62	2.94	3.34	3.55	2.97	2.84	2.37	2.01	1.80	2.42	2.69	2.07	2.50
97	DTE Energy	1.35	1.68	1.65	1.62	1.51	1.35	1.20	1.16	0.89	1.10	1.35	1.29	1.39
98	Duke Energy	1.14	1.28	1.29	1.28	1.19	1.12	1.11	1.00	0.91	1.06	1.15	N/A	N/A
99	Edison Int'l	1.59	1.86	1.76	1.68	1.57	1.53	1.24	1.07	1.04	1.56	2.05	1.80	1.93
100	El Paso Electric	1.50	1.66	1.48	1.52	1.49	1.59	1.64	1.17	0.98	1.33	1.69	1.71	1.76
101	Empire District Electric	1.34	1.62	1.32	1.39	1.27	1.23	1.25	1.24	1.07	1.30	1.47	1.45	1.49
102	Entergy Corp.	1.69	1.36	1.40	1.33	1.21	1.31	1.35	1.62	1.66	2.44	2.65	1.89	2.01
103	Eversource Energy	1.37	1.61	1.53	1.47	1.38	1.28	1.50	1.31	1.12	1.31	1.60	1.22	1.05
104	Exelon Corp.	2.45	1.08	1.14	1.28	1.17	1.46	1.95	2.07	2.57	4.39	4.79	3.89	3.60
105	FirstEnergy Corp.	1.56	1.10	1.16	1.15	1.28	1.44	1.33	1.36	1.54	2.52	2.23	1.92	1.64
106	Great Plains Energy	1.20	1.21	1.12	1.11	1.02	0.96	0.93	0.87	0.80	1.11	1.66	1.77	1.86
107	Hawaiian Elec.	1.59	1.65	1.71	1.49	1.54	1.62	1.54	1.44	1.16	1.61	1.57	2.01	1.78
108	IDACORP, Inc.	1.28	1.74	1.54	1.45	1.33	1.19	1.17	1.13	0.92	1.09	1.26	1.37	1.22
109	ITC Holdings	2.95	3.34	3.18	3.40	2.93	2.75	2.89	2.57	2.18	2.72	3.53	2.42	3.52
110	MGE Energy	1.89	2.32	2.10	2.10	2.06	1.92	1.75	1.65	1.54	1.62	1.75	1.83	2.09
111	NextEra Energy, Inc.	1.91	2.15	2.09	2.15	1.93	1.74	1.55	1.49	1.70	2.06	2.34	1.80	1.93
112	NorthWestern Corp	1.43	1.70	1.60	1.54	1.56	1.42	1.35	1.22	1.07	1.15	1.48	1.65	1.42
113	OGE Energy	1.83	1.59	1.79	2.22	2.24	1.94	1.90	1.70	1.37	1.52	1.98	1.91	1.80
114	Otter Tail Corp.	1.64	1.67	1.78	1.90	1.96	1.58	1.35	1.19	1.18	1.71	1.93	1.76	1.74
115	PG&E Corp.	1.58	1.65	1.57	1.39	1.38	1.41	1.46	1.56	1.41	1.50	1.94	1.83	1.84
116	Pinnacle West Capital	1.30	1.70	1.52	1.44	1.47	1.39	1.25	1.14	0.95	1.00	1.26	1.26	1.25
117	PNM Resources	1.05	1.44	1.33	1.21	1.09	0.98	0.80	0.69	0.56	0.66	1.23	1.21	1.45
118	Portland General	1.12	1.53	1.42	1.37	1.28	1.14	1.09	0.94	0.92	1.05	1.32	1.36	0.00
119	PPL Corp.	2.13	2.28	2.24	1.64	1.55	1.58	1.47	1.61	2.10	3.19	3.05	2.43	2.50
120	Public Serv. Enterprise	1.93	1.57	1.58	1.57	1.44	1.46	1.59	1.67	1.78	2.58	2.99	2.46	2.45
121	SCANA Corp.	1.49	1.65	1.47	1.48	1.48	1.48	1.36	1.33	1.20	1.45	1.62	1.64	1.72
122	Sempra Energy	1.72	2.08	2.17	2.20	1.84	1.53	1.28	1.35	1.32	1.60	1.87	1.70	1.73
123	Southern Co.	2.06	2.06	1.99	2.02	2.04	2.15	1.99	1.83	1.73	2.12	2.24	2.23	2.35
124	Vectren Corp.	1.74	2.04	2.11	2.08	1.82	1.57	1.53	1.41	1.34	1.64	1.74	1.77	1.82
125	Westar Energy	1.31	1.82	1.49	1.44	1.33	1.26	1.20	1.10	0.93	1.10	1.36	1.30	1.41
126	WEC Energy Group	1.83	1.98	1.82	2.34	2.21	2.05	1.81	1.65	1.40	1.57	1.77	1.71	1.62
127	Xcel Energy Inc.	1.47	1.86	1.66	1.55	1.50	1.51	1.41	1.32	1.19	1.30	1.53	1.40	1.38
128	Average	1.64	1.80	1.73	1.72	1.62	1.54	1.46	1.37	1.27	1.65	1.94	1.78	1.79
129	Median	1.52	1.67	1.58	1.54	1.50	1.46	1.36	1.31	1.15	1.48	1.74	1.71	1.73

Sources:

¹ The Value Line Investment Survey Investment Analyzer Software, downloaded on July 27, 2016.

² The Value Line Investment Survey, May 20, June 17, and July 29, 2016.

Note:

^a Based on the average of the high and low price for 2016 and the projected 2016 cash flow per share, published in The Value Line Investment Survey, May 20, June 17, and July 29, 2016.