

**BEFORE THE  
WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**

<b>WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION,</b>	)	
	)	
<b>Complainant,</b>	)	
	)	
<b>v.</b>	)	<b>DOCKETS UE-160228 and UG-160229 (Consolidated)</b>
	)	
<b>AVISTA CORPORATION, DBA AVISTA UTILITIES,</b>	)	
	)	
<b>Respondent.</b>	)	
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**EXHIBIT NO. MPG-12**

**MULTI-STAGE GROWTH DCF MODEL**

**AUGUST 17, 2016**

## Avista Corporation

### Multi-Stage Growth DCF Model

Line	Company	13-Week AVG Stock Price <sup>1</sup> (1)	Annualized Dividend <sup>2</sup> (2)	First Stage Growth <sup>3</sup> (3)	Second Stage Growth					Third Stage Growth <sup>4</sup> (9)	Multi-Stage Growth DCF (10)
					Year 6 (4)	Year 7 (5)	Year 8 (6)	Year 9 (7)	Year 10 (8)		
1	ALLETE, Inc.	\$59.73	\$2.08	5.33%	5.17%	5.01%	4.84%	4.68%	4.51%	4.35%	8.22%
2	Ameren Corporation	\$50.02	\$1.70	6.10%	5.81%	5.52%	5.23%	4.93%	4.64%	4.35%	8.31%
3	American Electric Power Company, Inc.	\$66.49	\$2.24	4.23%	4.25%	4.27%	4.29%	4.31%	4.33%	4.35%	7.83%
4	Avista Corporation	\$41.85	\$1.37	5.00%	4.89%	4.78%	4.68%	4.57%	4.46%	4.35%	7.91%
5	CMS Energy Corporation	\$42.93	\$1.24	6.71%	6.32%	5.93%	5.53%	5.14%	4.74%	4.35%	7.85%
6	DTE Energy Company	\$93.28	\$2.92	5.43%	5.25%	5.07%	4.89%	4.71%	4.53%	4.35%	7.85%
7	Edison International	\$73.31	\$1.92	3.85%	3.94%	4.02%	4.10%	4.18%	4.27%	4.35%	6.98%
8	El Paso Electric Company	\$45.71	\$1.24	4.40%	4.39%	4.38%	4.38%	4.37%	4.36%	4.35%	7.18%
9	IDACORP, Inc.	\$75.57	\$2.04	4.00%	4.06%	4.12%	4.18%	4.23%	4.29%	4.35%	7.09%
10	NorthWestern Corporation	\$59.55	\$2.00	5.00%	4.89%	4.78%	4.68%	4.57%	4.46%	4.35%	8.00%
11	PG&E Corporation	\$61.20	\$1.96	5.41%	5.23%	5.06%	4.88%	4.70%	4.53%	4.35%	7.92%
12	Portland General Electric Company	\$42.00	\$1.28	6.35%	6.02%	5.69%	5.35%	5.02%	4.68%	4.35%	7.96%
13	Sempra Energy	\$108.18	\$3.02	8.61%	7.90%	7.19%	6.48%	5.77%	5.06%	4.35%	8.16%
14	<b>Average</b>	<b>\$63.06</b>	<b>\$1.92</b>	<b>5.42%</b>	<b>5.24%</b>	<b>5.06%</b>	<b>4.88%</b>	<b>4.71%</b>	<b>4.53%</b>	<b>4.35%</b>	<b>7.79%</b>
15	<b>Median</b>										<b>7.91%</b>

Sources:

<sup>1</sup> SNL Financial, Downloaded on July 25, 2016.

<sup>2</sup> *The Value Line Investment Survey*, June 17, and July 29, 2016.

<sup>3</sup> Exhibit No. MPG-6.

<sup>4</sup> Blue Chip Financial Forecasts, June 10, 2016 at 14.