

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

DOCKET NO. UE-160228

DOCKET NO. UG-160229

EXHIBIT NO. \_\_\_\_ (AMM-16)

ADRIEN M. MCKENZIE, CFA

REPRESENTING AVISTA CORPORATION

**PARCELL PROXY GROUP**

	(a)	(b)	(c)
<b><u>Company</u></b>	<b><u>Expected Return on Common Equity</u></b>	<b><u>Adjustment Factor</u></b>	<b><u>Adjusted Return on Common Equity</u></b>
1 ALLETE	8.5%	1.0196	8.7%
2 Alliant Energy	12.5%	1.0086	12.6%
3 Avista Corp	8.5%	1.0203	8.7%
4 Black Hills Corp	10.5%	1.0494	11.0%
5 IDACORP	9.0%	1.0207	9.2%
6 NorthWestern Corp	10.0%	1.0214	10.2%
7 OGE Energy Corp	12.0%	1.0180	12.2%
8 Pinnacle West Capital	10.0%	1.0192	10.2%
9 Portland General Corp	9.0%	1.0194	9.2%
<b>Average</b>			<b>10.2%</b>

**GORMAN PROXY GROUP**

	(a)	(b)	(c)
<b><u>Company</u></b>	<b><u>Expected Return on Common Equity</u></b>	<b><u>Adjustment Factor</u></b>	<b><u>Adjusted Return on Common Equity</u></b>
1 ALLETE, Inc.	8.5%	1.0196	8.7%
2 Ameren Corporation	9.5%	1.0173	9.7%
3 American Electric Power Company, Inc.	9.5%	1.0213	9.7%
4 Avista Corporation	8.5%	1.0203	8.7%
5 CMS Energy Corporation	13.5%	1.0344	14.0%
6 DTE Energy Company	10.0%	1.0245	10.2%
7 Edison International	11.5%	1.0253	11.8%
8 El Paso Electric Company	8.5%	1.0174	8.6%
9 IDACORP, Inc.	9.0%	1.0207	9.2%
10 NorthWestern Corporation	10.0%	1.0214	10.2%
11 PG&E Corporation	10.5%	1.0308	10.8%
12 Portland General Electric Company	9.0%	1.0194	9.2%
13 Sempra Energy	13.5%	1.0123	13.7%
<b>Average</b>			<b>10.3%</b>

(a) The Value Line Investment Survey (June 17 & July 29, 2016).

(b) Computed using the formula  $2 * (1 + 5\text{-Yr. Change in Equity}) / (2 + 5 \text{ Yr. Change in Equity})$ .

(c) (a) x (b).