

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

DOCKET NO. UE-22 \_\_\_\_\_

DOCKET NO. UG-22 \_\_\_\_\_

EXH. AMM-9

ADRIEN M. MCKENZIE

REPRESENTING AVISTA CORPORATION

CURRENT BOND YIELD

	Company	(a)	(b)	Market Return ( $R_m$ )			(d)	(e)	(f)	CAPM Result	
		Div Yield	Proj. Growth	Cost of Equity	Risk-Free Rate	Risk Premium	Beta	Unadjusted $K_e$	Market Cap		Size Adjustment
1	ALLETE	1.9%	11.4%	13.3%	2.0%	11.3%	0.90	12.2%	\$3,500	1.09%	13.3%
2	Ameren Corp.	1.9%	11.4%	13.3%	2.0%	11.3%	0.80	11.0%	\$23,000	0.49%	11.5%
3	Avista Corp.	1.9%	11.4%	13.3%	2.0%	11.3%	0.95	12.7%	\$2,700	1.09%	13.8%
4	Black Hills Corp.	1.9%	11.4%	13.3%	2.0%	11.3%	1.00	13.3%	\$4,000	0.75%	14.1%
5	CenterPoint Energy	1.9%	11.4%	13.3%	2.0%	11.3%	1.15	15.0%	\$15,000	0.49%	15.5%
6	CMS Energy Corp.	1.9%	11.4%	13.3%	2.0%	11.3%	0.80	11.0%	\$19,000	0.49%	11.5%
7	Dominion Energy	1.9%	11.4%	13.3%	2.0%	11.3%	0.85	11.6%	\$61,000	-0.22%	11.4%
8	Duke Energy Corp.	1.9%	11.4%	13.3%	2.0%	11.3%	0.85	11.6%	\$79,000	-0.22%	11.4%
9	Edison International	1.9%	11.4%	13.3%	2.0%	11.3%	0.95	12.7%	\$21,000	0.49%	13.2%
10	Emera Inc.	1.9%	11.4%	13.3%	2.0%	11.3%	0.75	10.5%	\$15,200	0.49%	11.0%
11	Entergy Corp.	1.9%	11.4%	13.3%	2.0%	11.3%	0.95	12.7%	\$22,000	0.49%	13.2%
12	IDACORP, Inc.	1.9%	11.4%	13.3%	2.0%	11.3%	0.80	11.0%	\$5,000	0.75%	11.8%
13	NorthWestern Corp.	1.9%	11.4%	13.3%	2.0%	11.3%	0.95	12.7%	\$3,000	1.09%	13.8%
14	OGE Energy Corp.	1.9%	11.4%	13.3%	2.0%	11.3%	1.05	13.9%	\$7,100	0.71%	14.6%
15	Pub Sv Enterprise Grp.	1.9%	11.4%	13.3%	2.0%	11.3%	0.90	12.2%	\$33,000	-0.22%	12.0%
16	Sempra Energy	1.9%	11.4%	13.3%	2.0%	11.3%	0.95	12.7%	\$39,000	-0.22%	12.5%
<b>Average</b>								<b>12.1%</b>			<b>12.6%</b>

(a) Weighted average for dividend-paying stocks in the S&P 500 based on data from [www.valueline.com](http://www.valueline.com) (retrieved Oct. 5, 2021).

(b) Average of weighted average earnings growth rates from IBES, Value Line, and Zacks for dividend-paying stocks in the S&P 500 based on data from Refinitiv, as provided by [fidelity.com](http://fidelity.com) (retrieved Oct. 5, 2021), [www.valueline.com](http://www.valueline.com) (retrieved Oct. 5, 2021), and [www.zacks.com](http://www.zacks.com) (retrieved Oct. 5, 2021). Eliminated growth rates that were greater than 20%, as well as all negative values.

(c) Average yield on 30-year Treasury bonds for the six-months ending Nov. 2021 based on data from <https://fred.stlouisfed.org/>.

(d) The Value Line Investment Survey, Summary & Index (Nov. 26, 2021).

(e) The Value Line Investment Survey (Sep. 10, Oct. 22 and Nov. 12, 2021).

(f) Duff & Phelps, 2021 CRSP Deciles Size Study -- Supplementary Data Exhibits, Cost of Capital Navigator.

**PROJECTED BOND YIELD**

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(c) Projected yield on 30-year Treasury bonds for 2023-2024 based on data from Wolters Kluwer, Blue Chip Financial Forecasts (Dec. 1, 2021).

(d) The Value Line Investment Survey, Summary & Index (Nov. 26, 2021).

(e) The Value Line Investment Survey (Sep. 10, Oct. 22 and Nov. 12, 2021).

(f) Duff & Phelps, 2021 CRSP Deciles Size Study -- Supplementary Data Exhibits, Cost of Capital Navigator.