

**Exh. DCP-12
UE-240004/UG-240005
Witness: David C. Parcell**

**BEFORE THE WASHINGTON
UTILITIES AND TRANSPORTATION COMMISSION**

**WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION,**

Complainant,

v.

PUGET SOUND ENERGY,

Respondent.

**DOCKETS UE-240004 and
UG-240005 (*Consolidated*)**

EXHIBIT TO TESTIMONY OF

DAVID C. PARCELL

**ON BEHALF OF STAFF OF
WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION**

Proxy Companies - ROE and M/B

August 6, 2024

**PROXY COMPANIES
RATES OF RETURN ON AVERAGE COMMON EQUITY**

COMPANY	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2002-2008	2009-2020	2021	2022	2023	2024	2025	2027-29	Average
																				Average	Average							
Proxy Group																												
ALLETE				12.0%	13.2%	13.4%	11.4%	7.3%	8.2%	9.5%	8.7%	8.4%	8.6%	9.4%	8.3%	8.0%	8.2%	7.8%	7.7%		8.3%	7.2%	7.3%	9.0%	8.0%	8.0%	9.0%	8.1%
Avista Corp.	4.5%	6.7%	4.6%	5.8%	8.8%	4.1%	7.6%	8.4%	8.5%	8.6%	6.4%	8.7%	8.1%	7.8%	8.6%	7.5%	7.8%	10.6%	6.5%	6.0%	8.1%	7.1%	6.9%	7.1%	7.5%	7.5%	8.5%	7.4%
Black Hills Corp	12.1%	8.9%	7.9%	9.4%	9.6%	10.9%	0.7%	8.4%	5.9%	3.6%	7.1%	9.1%	9.6%	9.5%	8.9%	10.9%	10.2%	9.4%	9.4%	8.5%	8.5%	8.9%	9.0%	8.5%	8.0%	8.0%	8.5%	8.5%
IDACORP	7.1%	4.2%	8.2%	7.3%	9.4%	7.1%	8.0%	9.3%	9.8%	10.5%	9.9%	10.1%	10.2%	9.7%	9.4%	9.6%	9.8%	9.6%	9.4%	7.3%	9.8%	9.4%	9.4%	9.1%	9.0%	9.0%	9.0%	9.2%
MGE Energy	13.2%	12.5%	11.4%	9.4%	11.8%	12.1%	11.8%	10.4%	11.3%	11.3%	11.4%	12.5%	12.6%	10.6%	10.7%	10.2%	10.6%	10.4%	10.1%	11.7%	11.0%	10.5%	9.0%	9.1%	11.0%	11.5%	12.0%	10.5%
NorthWestern Energy Group					6.4%	6.9%	8.4%	9.4%	9.6%	10.9%	9.3%	9.5%	10.3%	9.0%	10.0%	9.4%	9.1%	8.9%	7.9%		9.4%	8.3%	7.5%	7.1%	7.5%	8.0%	8.0%	7.7%
OGE Energy	11.1%	13.2%	12.7%	12.5%	15.0%	14.7%	13.0%	12.9%	13.5%	14.0%	13.2%	13.2%	12.5%	10.3%	10.0%	10.5%	10.8%	11.0%	10.7%	13.2%	11.9%	12.3%	10.7%	9.4%	12.5%	12.5%	13.0%	11.7%
Otter Tail Corp	15.2%	12.0%	10.8%	11.6%	10.4%	10.4%	5.9%	3.7%	2.1%	2.7%	6.9%	9.4%	10.3%	9.9%	9.7%	10.7%	11.4%	11.5%	11.6%	10.9%	8.3%	18.9%	25.5%	23.9%	13.0%	12.5%	11.5%	16.3%
Pinnacle West Capital	8.6%	8.3%	8.2%	6.7%	9.2%	8.5%	6.1%	6.8%	9.3%	8.7%	9.8%	9.9%	9.2%	9.7%	9.4%	10.1%	9.9%	10.1%	9.9%	8.9%	9.4%	10.7%	8.1%	8.2%	8.0%	8.0%	8.5%	8.6%
Portland General Electric						11.5%	6.5%	6.2%	8.0%	9.0%	8.3%	7.7%	9.1%	8.2%	8.3%	8.6%	8.6%	8.4%	5.9%	9.0%	8.0%	9.1%	8.9%	7.4%	9.0%	9.5%	9.5%	8.9%
Average	10.3%	9.4%	9.1%	9.3%	10.4%	10.0%	7.9%	8.3%	8.6%	8.9%	9.1%	9.9%	10.1%	9.4%	9.3%	9.6%	9.6%	9.8%	8.9%	9.4%	9.3%	10.2%	10.2%	8.3%	9.4%	9.5%	9.8%	9.7%
Median	11.1%	8.9%	8.2%	9.4%	9.6%	10.7%	7.8%	8.4%	8.9%	9.3%	9.0%	9.5%	9.9%	9.6%	9.4%	9.9%	9.9%	9.9%	9.4%	9.4%	9.4%	9.3%	9.0%	8.5%	8.5%	8.5%	9.0%	8.8%

Note: The absence of figures for a specific company for a particular year is due to the fact that Value Line did not report the relevant figures (to calculate the appropriate ratios) for that company for that year.

Source: Calculations made from data contained in Value Line Investment Survey.

**PROXY COMPANIES
MARKET TO BOOK RATIOS**

COMPANY	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2002-2008	2009-2020
																				Average	Average
Proxy Group																					
ALLETE				212%	219%	195%	156%	113%	127%	138%	136%	152%	151%	146%	153%	182%	181%	189%	152%		152%
Avista Corp.	85%	94%	111%	115%	135%	127%	110%	94%	106%	119%	123%	125%	143%	141%	158%	174%	178%	160%	146%	111%	139%
Black Hills Corp	143%	134%	134%	165%	153%	164%	124%	77%	108%	109%	121%	161%	181%	152%	186%	207%	174%	191%	171%	145%	153%
IDACORP	134%	112%	125%	122%	139%	132%	104%	94%	113%	119%	123%	136%	159%	158%	177%	203%	199%	212%	183%	124%	156%
MGE Energy	214%	223%	207%	207%	191%	178%	159%	154%	171%	182%	203%	214%	227%	217%	274%	298%	261%	285%	253%	197%	228%
NorthWestern Energy Group					160%	147%	109%	105%	122%	138%	146%	159%	174%	167%	171%	169%	154%	170%	154%		152%
OGE Energy	147%	154%	178%	187%	205%	197%	145%	139%	180%	197%	204%	231%	228%	184%	170%	192%	181%	206%	179%	173%	191%
Otter Tail Corp	245%	209%	185%	183%	178%	200%	167%	108%	120%	123%	152%	196%	196%	186%	207%	244%	253%	274%	217%	195%	190%
Pinnacle West Capital	116%	114%	130%	130%	129%	127%	100%	90%	113%	125%	141%	153%	158%	160%	172%	191%	182%	191%	169%	121%	154%
Portland General Electric					153%	140%	101%	83%	97%	109%	117%	131%	145%	148%	155%	173%	162%	179%	163%	131%	139%
Average	155%	149%	153%	165%	166%	161%	128%	106%	126%	136%	147%	166%	176%	166%	182%	203%	193%	206%	179%	150%	165%
Median	143%	134%	134%	174%	157%	156%	117%	100%	117%	124%	139%	156%	167%	159%	172%	192%	181%	191%	170%	145%	155%

Note: The absence of figures for a specific company for a particular year is due to the fact that Value Line did not report the relevant figures (to calculate the appropriate ratios) for that company for that year.

Source: Calculations made from data contained in Value Line Investment Survey.

**BULKLEY PROXY COMPANIES
RATES OF RETURN ON COMMON EQUITY
MARKET TO BOOK RATIOS**

COMPANY	Actual Returns on Average Common Equity			Estimated Returns on Equity		
	2021	2022	2023	2024	2025	2027-29
Bulkley Proxy Group						
ALLETE	7.2%	7.3%	9.0%	8.0%	8.0%	9.0%
Alliant Energy Corp	11.3%	11.2%	10.8%	11.0%	11.5%	12.0%
Ameren Corp	10.5%	10.6%	10.9%	11.0%	11.0%	10.0%
American Electric Power Co.	11.6%	11.2%	11.0%	10.0%	10.0%	11.0%
Avista Corp	7.1%	6.9%	7.1%	7.5%	7.5%	8.5%
Black Hills Corp	8.9%	9.0%	8.5%	8.0%	8.0%	8.5%
CMS Energy Corp	12.5%	12.5%	12.5%	12.5%	12.5%	12.5%
Duke Energy	8.6%	8.6%	8.9%	9.0%	9.0%	9.0%
Entergy Corp.	12.3%	9.0%	17.1%	9.0%	9.0%	10.0%
Evergy	9.7%	7.9%	7.6%	9.0%	9.0%	10.0%
IDACORP	9.4%	9.4%	9.1%	9.0%	9.0%	9.0%
MGE Energy	10.5%	9.0%	9.1%	11.0%	11.5%	12.0%
NextEra Energy, Inc.	13.6%	15.0%	14.8%	14.0%	14.0%	13.0%
NiSource Inc.	10.5%	11.0%	8.9%	8.5%	10.0%	11.0%
NorthWestern Energy Group	8.3%	7.5%	7.1%	7.5%	8.0%	8.0%
OGE Energy Corp	12.3%	10.7%	9.4%	12.5%	12.5%	13.0%
Pinnacle West Capital	10.7%	8.1%	8.2%	8.0%	8.0%	8.5%
Portland General Electric	9.1%	8.9%	7.4%	9.0%	9.0%	9.5%
Southern Co	13.0%	13.3%	12.8%	13.0%	13.0%	14.5%
WEC Energy Group	12.1%	12.5%	8.4%	12.5%	12.5%	13.0%
Xcel Energy Inc.	10.6%	10.7%	10.8%	10.5%	11.0%	11.5%
Average	10.5%	10.0%	10.0%	10.0%	10.2%	10.6%
Median	10.5%	9.4%	9.1%	9.0%	10.0%	10.0%

Source: Calculations made from data contained in Value Line Investment Survey.