

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

DOCKET NO. UE-20 _____

DOCKET NO. UG-20 _____

EXH. AMM-9

ADRIEN M. MCKENZIE

REPRESENTING AVISTA CORPORATION

UTILITY GROUP

	(a)	(b)	(c)			(d)	(e)	(d)	(e)	(f)						
	Market Return (R_m)														Size	
Company	Div Yield	Proj. Growth	Cost of Equity	Risk-Free Rate	Risk Premium	Unadjusted Weight	Adjusted RP^1	Beta	Adjusted Weight	Adjusted RP^2	Total RP	Unadjusted K_e	Market Cap	Size Adjustment	Adjusted K_e	
1 Algonquin Pwr & Util	2.3%	9.2%	11.6%	1.4%	10.2%	25%	2.5%	0.90	75%	6.9%	9.4%	10.8%	\$9,094.3	0.73%	11.5%	
2 ALLETE	2.3%	9.2%	11.6%	1.4%	10.2%	25%	2.5%	0.85	75%	6.5%	9.0%	10.4%	\$2,800.0	1.10%	11.5%	
3 Ameren Corp.	2.3%	9.2%	11.6%	1.4%	10.2%	25%	2.5%	0.80	75%	6.1%	8.6%	10.0%	\$20,000.0	0.50%	10.5%	
4 Avangrid, Inc.	2.3%	9.2%	11.6%	1.4%	10.2%	25%	2.5%	0.80	75%	6.1%	8.6%	10.0%	\$15,000.0	0.50%	10.5%	
5 Avista Corp.	2.3%	9.2%	11.6%	1.4%	10.2%	25%	2.5%	0.90	75%	6.9%	9.4%	10.8%	\$2,400.0	1.34%	12.1%	
6 Black Hills Corp.	2.3%	9.2%	11.6%	1.4%	10.2%	25%	2.5%	0.95	75%	7.2%	9.8%	11.2%	\$3,800.0	1.10%	12.3%	
7 CenterPoint Energy	2.3%	9.2%	11.6%	1.4%	10.2%	25%	2.5%	1.10	75%	8.4%	10.9%	12.3%	\$11,000.0	0.73%	13.1%	
8 CMS Energy Corp.	2.3%	9.2%	11.6%	1.4%	10.2%	25%	2.5%	0.80	75%	6.1%	8.6%	10.0%	\$17,000.0	0.50%	10.5%	
9 DTE Energy Co.	2.3%	9.2%	11.6%	1.4%	10.2%	25%	2.5%	0.90	75%	6.9%	9.4%	10.8%	\$23,000.0	0.50%	11.3%	
10 Edison International	2.3%	9.2%	11.6%	1.4%	10.2%	25%	2.5%	0.90	75%	6.9%	9.4%	10.8%	\$20,000.0	0.50%	11.3%	
11 Emera Inc.	2.3%	9.2%	11.6%	1.4%	10.2%	25%	2.5%	0.75	75%	5.7%	8.3%	9.7%	\$13,100.0	0.73%	10.4%	
12 Entergy Corp.	2.3%	9.2%	11.6%	1.4%	10.2%	25%	2.5%	0.95	75%	7.2%	9.8%	11.2%	\$20,000.0	0.50%	11.7%	
13 Exelon Corp.	2.3%	9.2%	11.6%	1.4%	10.2%	25%	2.5%	0.95	75%	7.2%	9.8%	11.2%	\$37,000.0	-0.28%	10.9%	
14 FirstEnergy Corp.	2.3%	9.2%	11.6%	1.4%	10.2%	25%	2.5%	0.85	75%	6.5%	9.0%	10.4%	\$16,000.0	0.50%	10.9%	
15 Hawaiian Elec.	2.3%	9.2%	11.6%	1.4%	10.2%	25%	2.5%	0.80	75%	6.1%	8.6%	10.0%	\$4,000.0	1.10%	11.1%	
16 IDACORP, Inc.	2.3%	9.2%	11.6%	1.4%	10.2%	25%	2.5%	0.80	75%	6.1%	8.6%	10.0%	\$4,600.0	0.79%	10.8%	
17 NorthWestern Corp.	2.3%	9.2%	11.6%	1.4%	10.2%	25%	2.5%	0.90	75%	6.9%	9.4%	10.8%	\$2,700.0	1.10%	11.9%	
18 OGE Energy Corp.	2.3%	9.2%	11.6%	1.4%	10.2%	25%	2.5%	1.05	75%	8.0%	10.6%	12.0%	\$6,400.0	0.79%	12.7%	
19 Otter Tail Corp.	2.3%	9.2%	11.6%	1.4%	10.2%	25%	2.5%	0.85	75%	6.5%	9.0%	10.4%	\$1,600.0	1.47%	11.9%	
20 PNM Resources	2.3%	9.2%	11.6%	1.4%	10.2%	25%	2.5%	0.95	75%	7.2%	9.8%	11.2%	\$3,100.0	1.10%	12.3%	
21 Sempra Energy	2.3%	9.2%	11.6%	1.4%	10.2%	25%	2.5%	0.95	75%	7.2%	9.8%	11.2%	\$35,000.0	-0.28%	10.9%	
Average												10.7%			11.4%	
Midpoint (g)												11.0%			11.8%	

(a) Weighted average for dividend paying components of S&P 500 index from zacks.com (retrieved Oct. 1, 2020).

(b) Average of weighted average earnings growth rates from Value Line Investment Survey, IBES, and Zacks Investment Research for dividend-paying stocks in the S&P 500 based on data from <http://finance.yahoo.com> (retrieved Oct. 2, 2020), www.zacks.com (retrieved Oct. 1, 2020), and www.valueline.com (retrieved Oct. 1, 2020).

(c) Average yield on 30-year Treasury bonds for the six-months ending Sep. 2020 based on data from the Federal Reserve at <https://fred.stlouisfed.org/>.

(d) Roger A. Morin, *New Regulatory Finance*, Pub. Util. Reports, Inc. (2006) at 190.

(e) The Value Line Investment Survey (Jul. 24, Aug. 14 and Sep. 11, 2020).

(f) Duff & Phelps, 2020 CRSP Deciles Size Study -- Supplementary Data Exhibits, Cost of Capital Navigator.

(g) Average of low and high values.