

**Exh. DCP-12  
Dockets UE-190334, UG-190335,  
and UE-190222  
Witness: David C. Parcell**

**BEFORE THE WASHINGTON  
UTILITIES AND TRANSPORTATION COMMISSION**

**WASHINGTON UTILITIES AND  
TRANSPORTATION COMMISSION,**

**Complainant,**

**v.**

**AVISTA CORPORATION, d/b/a  
AVISTA UTILITIES,**

**Respondent.**

**DOCKETS UE-190334, UG-190335,  
and UE-190222 (*Consolidated*)**

**EXHIBIT TO  
TESTIMONY OF**

**David C. Parcell**

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

*Proxy Companies CAPM Cost Rates*

**October 3, 2019**

**PROXY COMPANIES  
CAPM COST RATES**

COMPANY	RISK-FREE RATE	BETA	RISK PREMIUM	CAPM RATES
<b>Parcell Proxy Group</b>				
ALLETE	2.21%	0.65	5.9%	6.0%
Avista Corp.	2.21%	0.60	5.9%	5.8%
Black Hills Corp	2.21%	0.75	5.9%	6.6%
Hawaiian Electric Industries	2.21%	0.55	5.9%	5.5%
IDACORP	2.21%	0.60	5.9%	5.8%
NorthWestern Corp	2.21%	0.60	5.9%	5.8%
OGE Energy	2.21%	0.80	5.9%	6.9%
Otter Tail Corp	2.21%	0.65	5.9%	6.0%
Portland General Corp	2.21%	0.60	5.9%	5.8%
Mean				<b>6.0%</b>
Median				<b>5.8%</b>
<b>Adjusted Mckenzie Electric Group</b>				
Algonquin Power & Utilities	Not Included in Calculations for Reasons Cited in Direct Testimony			
Ameren Corp	2.21%	0.55	5.9%	5.5%
Avangrid, Inc.	2.21%	0.40	5.9%	4.6%
Avista Corp	2.21%	0.60	5.9%	5.8%
Black Hills Corp	2.21%	0.75	5.9%	6.6%
CenterPoint Energy	2.21%	0.80	5.9%	6.9%
CMS Energy Corp	2.21%	0.55	5.9%	5.5%
Dominion Energy	2.21%	0.55	5.9%	5.5%
DTE Energy	2.21%	0.55	5.9%	5.5%
Edison International	Not Included in Calculations for Reasons Cited in Direct Testimony			
El Paso Electric Co.	Not Included in Calculations for Reasons Cited in Direct Testimony			
Emera Inc.	2.21%	0.55	5.9%	5.5%
Entergy Corp.	2.21%	0.60	5.9%	5.8%
Exelon Corp	2.21%	0.70	5.9%	6.3%
FirstEnergy Corp	2.21%	0.60	5.9%	5.8%
Hawaiian Electric	2.21%	0.55	5.9%	5.5%
IDACORP	2.21%	0.60	5.9%	5.8%
Northwestern Corp	2.21%	0.60	5.9%	5.8%
OGE Energy Corp	2.21%	0.80	5.9%	6.9%
Otter Tail Corp	2.21%	0.65	5.9%	6.0%
PNM Resources	2.21%	0.60	5.9%	5.8%
Sempra Energy	2.21%	0.75	5.9%	6.6%
Mean				<b>5.9%</b>
Median				<b>5.8%</b>

Sources: Value Line Investment Survey, Standard & Poor's, Federal Reserve.

20-year Treasury Bonds	
Month	Rate
June 2019	2.36%
July 2019	2.36%
August 2019	1.91%
Average	2.21%