

**Exh. DCP-8
Dockets UE-170033/UG-170034
Witness: David C. Parcell**

**BEFORE THE WASHINGTON
UTILITIES AND TRANSPORTATION COMMISSION**

**WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION,**

Complainant,

v.

PUGET SOUND ENERGY,

Respondent.

**DOCKETS UE-170033 and
UG-170034 (*Consolidated*)**

**EXHIBIT TO
TESTIMONY OF**

David C. Parcell

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

Proxy Companies Basis for Selection

June 30, 2017

**PROXY COMPANIES
BASIS FOR SELECTION**

Company	Market Capitalization (\$ millions)	Common Equity Ratio	Value Line Safety	S&P Stock Ranking	S&P Bond Rating	Moody's Bond Rating
Puget Sound Energy	\$9,158,556 (Net Plant)				BBB	Baa1
Parcell Proxy Group						
ALLETE	\$3,300,000	58%	2	A-	BBB+	A3
Alliant Energy	\$8,900,000	48%	2	B+	A-	Baa1
Ameren Corp	\$13,000,000	51%	2	B	BBB+	Baa1
Avista	\$2,600,000	49%	2	A-	BBB	Baa1
Black Hills Corp	\$3,700,000	33%*	2	B	BBB	Baa2
El Paso Electric	\$2,100,000	47%	2	B	BBB	Baa1
Hawaiian Electric Industries	\$3,700,000	58%	2	B+	BBB-	Baa2
IDACORP	\$4,300,000	55%	2	A	BBB	Baa1
Northwestern Corp	\$2,900,000	48%	3	A+	BBB	Baa1
OGE Energy Corp	\$7,300,000	59%	2	A-	A-	A3
Otter Tail Corp	\$1,500,000	57%	2	B	BBB	NR
Pinnacle West Capital Corp	\$9,600,000	54%	1	B+	A-	A3
Portland General Electric	\$4,100,000	52%	2	nr	BBB	A3
PNM Resources	\$2,700,000	44%	3	B	BBB+	Baa3
SCANA Corp.	\$9,400,000	47%	2	A	BBB+	Baa3
Vectren	\$4,700,000	53%	2	B+	A-	A2
Morin Proxy Group						
Alliant Energy	\$8,900,000	48%	2	B+	A-	Baa1
Ameren Corp	\$13,000,000	51%	2	B	BBB+	Baa1
Avista Corp	\$2,600,000	49%	2	A-	BBB	Baa1
CenterPoint Energy	\$12,000,000	32%	3	B	A-	Baa1
Chesapeake Utilities	\$1,100,000	75%	2	B++	NR	NR
CMS Energy	\$12,000,000	33%	2	B	BBB+	Baa1
Consolidated Edison	\$24,000,000	49%	1	B+	A-	A3
DTE Energy	\$18,000,000	44%	2	A-	BBB+	Baa1
Eversource Energy	\$19,000,000	54%	1	A-	A	Baa1
MGE Energy	\$2,200,000	65%	1	A-	AA-	Aa2
NorthWestern Corp	\$2,900,000	48%	3	A+	BBB	Baa1
PG&E Corp	\$34,000,000	52%	3	B	BBB+	Baa1
Public Service Enterprise	\$22,000,000	55%	1	B+	BBB+	Baa2
SCANA Corp	\$9,400,000	47%	2	A	BBB+	Baa3
Sempra Energy	\$28,000,000	47%	2	B+	BBB+	Baa1
Vectren Corp	\$4,700,000	53%	2	B+	A-	A2
WEC Energy Group	\$19,000,000	49%	1	A	A-	A3
Xcel Energy	\$23,000,000	44%	1	A-	A-	A3

* The common equity ratio of Black Hills Corp in 2016 was 33.0%. However, historically this company has had a common equity ratio of well over 40% and is projected to have a common equity ratio of over 40% by Value Line. The relatively low 2016 common equity ratio, due to the merger of SourceGas, is deemed to be temporary. As a result, this company is included in Mr. Parcell's proxy group.

Sources: Value Line, and Standard & Poor's Stock Guide.