

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

DOCKET NO. UE-14 \_\_\_\_\_

DOCKET NO. UG-14 \_\_\_\_\_

EXHIBIT NO. \_\_\_\_ (AMM-7)

ADRIEN M. MCKENZIE

REPRESENTING AVISTA CORPORATION

**BR+SV GROWTH RATE**

	(a)	(a)	(a)			(b)	(c)				(d)	(e)	
	----- 2017 -----					Adjustment		----- "sv" Factor -----					
<u>Company</u>	<u>EPS</u>	<u>DPS</u>	<u>BVPS</u>	<u>b</u>	<u>r</u>	<u>Factor</u>	<u>Adjusted r</u>	<u>br</u>	<u>s</u>	<u>v</u>	<u>sv</u>	<u>br + sv</u>	
1 Ameren Corp.	\$2.50	\$1.70	\$30.00	32.0%	8.3%	1.0138	8.4%	2.7%	0.0109	0.0769	0.08%	2.8%	
2 American Elec Pwr	\$4.00	\$2.30	\$38.50	42.5%	10.4%	1.0222	10.6%	4.5%	0.0055	0.2300	0.13%	4.6%	
3 ALLETE	\$3.75	\$2.20	\$36.50	41.3%	10.3%	1.0327	10.6%	4.4%	0.0380	0.2316	0.88%	5.3%	
4 Avista Corp.	\$2.00	\$1.40	\$24.00	30.0%	8.3%	1.0204	8.5%	2.6%	0.0170	0.2000	0.34%	2.9%	
5 Black Hills Corp.	\$3.00	\$1.70	\$33.25	43.3%	9.0%	1.0216	9.2%	4.0%	0.0090	0.1133	0.10%	4.1%	
6 CMS Energy Corp.	\$2.00	\$1.30	\$16.25	35.0%	12.3%	1.0331	12.7%	4.5%	0.0125	0.4091	0.51%	5.0%	
7 DTE Energy Co.	\$5.00	\$3.15	\$53.25	37.0%	9.4%	1.0320	9.7%	3.6%	0.0259	0.2393	0.62%	4.2%	
8 Duke Energy Corp.	\$5.00	\$3.35	\$64.75	33.0%	7.7%	1.0117	7.8%	2.6%	0.0017	0.0038	0.00%	2.6%	
9 Empire District Elec	\$1.70	\$1.15	\$19.50	32.4%	8.7%	1.0234	8.9%	2.9%	0.0201	0.0930	0.19%	3.1%	
10 El Paso Electric	\$2.75	\$1.30	\$26.50	52.7%	10.4%	1.0245	10.6%	5.6%	(0.0008)	0.2933	-0.02%	5.6%	
11 Edison International	\$4.00	\$1.80	\$38.00	55.0%	10.5%	1.0271	10.8%	5.9%	-	0.2762	0.00%	5.9%	
12 Entergy Corp.	\$5.50	\$3.40	\$59.75	38.2%	9.2%	1.0149	9.3%	3.6%	0.0009	0.1759	0.02%	3.6%	
13 Exelon Corp.	\$2.25	\$1.30	\$29.00	42.2%	7.8%	1.0158	7.9%	3.3%	0.0024	0.0333	0.01%	3.3%	
14 Great Plains Energy	\$2.00	\$1.10	\$25.25	45.0%	7.9%	1.0169	8.1%	3.6%	0.0030	(0.0521)	-0.02%	3.6%	
15 Hawaiian Elec.	\$1.75	\$1.30	\$21.00	25.7%	8.3%	1.0485	8.7%	2.2%	0.0575	0.1600	0.92%	3.2%	
16 IDACORP, Inc.	\$3.65	\$1.90	\$43.45	47.9%	8.4%	1.0233	8.6%	4.1%	0.0036	0.0853	0.03%	4.2%	
17 NorthWestern Corp.	\$3.00	\$1.80	\$39.00	40.0%	7.7%	1.0263	7.9%	3.2%	0.0090	(0.0400)	-0.04%	3.1%	
18 Otter Tail Corp.	\$2.00	\$1.30	\$17.50	35.0%	11.4%	1.0297	11.8%	4.1%	0.0349	0.4167	1.45%	5.6%	
19 PG&E Corp.	\$3.00	\$2.10	\$35.75	30.0%	8.4%	1.0258	8.6%	2.6%	0.0249	0.2056	0.51%	3.1%	
20 Portland General Elec.	\$2.25	\$1.25	\$26.50	44.4%	8.5%	1.0323	8.8%	3.9%	0.0357	0.0364	0.13%	4.0%	
21 PPL Corp.	\$2.50	\$1.60	\$23.25	36.0%	10.8%	1.0393	11.2%	4.0%	0.0400	0.2846	1.14%	5.2%	
22 SCANA Corp.	\$4.00	\$2.25	\$41.00	43.8%	9.8%	1.0446	10.2%	4.5%	0.0452	0.2190	0.99%	5.4%	
23 Sempra Energy	\$5.50	\$3.00	\$52.25	45.5%	10.5%	1.0240	10.8%	4.9%	0.0092	0.3258	0.30%	5.2%	
24 UIL Holdings	\$2.55	\$1.73	\$28.45	32.2%	9.0%	1.0265	9.2%	3.0%	0.0007	0.2888	0.02%	3.0%	
25 Westar Energy	\$2.75	\$1.52	\$29.65	44.7%	9.3%	1.0322	9.6%	4.3%	0.0155	0.1529	0.24%	4.5%	

BR+SV GROWTH RATE

	(a)	(a)	(f)	(a)	(a)	(f)	(g)	(a)	(a)		(h)	(a)	(a)	(g)
	----- 2012 -----			----- 2017 -----			Chg	----- 2017 Price -----				---- Common Shares ----		
<u>Company</u>	<u>Eq Ratio</u>	<u>Tot Cap</u>	<u>Com Eq</u>	<u>Eq Ratio</u>	<u>Tot Cap</u>	<u>Com Eq</u>	<u>Equity</u>	<u>High</u>	<u>Low</u>	<u>Avg.</u>	<u>M/B</u>	<u>2012</u>	<u>2017</u>	<u>Growth</u>
1 Ameren Corp.	49.4%	\$13,384	\$6,612	55.0%	\$13,800	\$7,590	2.8%	\$40.00	\$25.00	\$32.50	1.083	242.60	255.00	1.00%
2 American Elec Pwr	49.4%	\$30,823	\$15,227	54.0%	\$35,200	\$19,008	4.5%	\$60.00	\$40.00	\$50.00	1.299	485.67	496.00	0.42%
3 ALLETE	56.3%	\$2,135	\$1,202	57.0%	\$2,925	\$1,667	6.8%	\$55.00	\$40.00	\$47.50	1.301	39.40	45.50	2.92%
4 Avista Corp.	49.2%	\$2,561	\$1,260	51.5%	\$3,000	\$1,545	4.2%	\$35.00	\$25.00	\$30.00	1.250	59.81	64.00	1.36%
5 Black Hills Corp.	56.8%	\$2,171	\$1,233	49.0%	\$3,125	\$1,531	4.4%	\$45.00	\$30.00	\$37.50	1.128	44.21	46.00	0.80%
6 CMS Energy Corp.	31.6%	\$10,101	\$3,192	38.0%	\$11,700	\$4,446	6.9%	\$35.00	\$20.00	\$27.50	1.692	264.10	274.00	0.74%
7 DTE Energy Co.	51.2%	\$14,387	\$7,366	51.0%	\$19,900	\$10,149	6.6%	\$80.00	\$60.00	\$70.00	1.315	172.35	190.00	1.97%
8 Duke Energy Corp.	52.9%	\$77,307	\$40,895	49.0%	\$93,800	\$45,962	2.4%	\$75.00	\$55.00	\$65.00	1.004	704.00	710.00	0.17%
9 Empire District Elec	50.9%	\$1,409	\$717	49.0%	\$1,850	\$907	4.8%	\$25.00	\$18.00	\$21.50	1.103	42.48	46.50	1.82%
10 El Paso Electric	45.2%	\$1,825	\$825	43.0%	\$2,450	\$1,054	5.0%	\$45.00	\$30.00	\$37.50	1.415	40.11	40.00	-0.05%
11 Edison International	46.2%	\$20,422	\$9,435	45.0%	\$27,500	\$12,375	5.6%	\$60.00	\$45.00	\$52.50	1.382	325.81	325.81	0.00%
12 Entergy Corp.	42.9%	\$21,432	\$9,194	42.0%	\$25,400	\$10,668	3.0%	\$85.00	\$60.00	\$72.50	1.213	177.81	178.50	0.08%
13 Exelon Corp.	53.5%	\$40,057	\$21,430	54.0%	\$46,500	\$25,110	3.2%	\$35.00	\$25.00	\$30.00	1.034	855.00	865.00	0.23%
14 Great Plains Energy	54.4%	\$6,136	\$3,338	52.0%	\$7,600	\$3,952	3.4%	\$30.00	\$18.00	\$24.00	0.950	153.53	156.00	0.32%
15 Hawaiian Elec.	53.1%	\$3,001	\$1,594	50.5%	\$5,125	\$2,588	10.2%	\$30.00	\$20.00	\$25.00	1.190	97.93	124.00	4.83%
16 IDACORP, Inc.	54.5%	\$3,225	\$1,758	52.5%	\$4,225	\$2,218	4.8%	\$55.00	\$40.00	\$47.50	1.093	50.16	51.00	0.33%
17 NorthWestern Corp.	46.2%	\$2,021	\$934	54.0%	\$2,250	\$1,215	5.4%	\$45.00	\$30.00	\$37.50	0.962	37.22	39.00	0.94%
18 Otter Tail Corp.	54.4%	\$959	\$522	54.0%	\$1,300	\$702	6.1%	\$35.00	\$25.00	\$30.00	1.714	36.17	40.00	2.03%
19 PG&E Corp.	50.4%	\$25,956	\$13,082	49.5%	\$34,200	\$16,929	5.3%	\$55.00	\$35.00	\$45.00	1.259	430.72	475.00	1.98%
20 Portland General Elec.	52.9%	\$3,264	\$1,727	51.0%	\$4,675	\$2,384	6.7%	\$30.00	\$25.00	\$27.50	1.038	75.56	89.50	3.44%
21 PPL Corp.	35.9%	\$29,205	\$10,485	44.5%	\$34,900	\$15,531	8.2%	\$40.00	\$25.00	\$32.50	1.398	581.94	670.00	2.86%
22 SCANA Corp.	45.6%	\$9,103	\$4,151	47.0%	\$13,800	\$6,486	9.3%	\$60.00	\$45.00	\$52.50	1.280	132.00	157.00	3.53%
23 Sempra Energy	46.7%	\$22,002	\$10,275	46.0%	\$28,400	\$13,064	4.9%	\$90.00	\$65.00	\$77.50	1.483	242.37	250.00	0.62%
24 UIL Holdings	41.1%	\$2,717	\$1,117	45.5%	\$3,200	\$1,456	5.5%	\$45.00	\$35.00	\$40.00	1.406	50.87	51.00	0.05%
25 Westar Energy	48.8%	\$5,938	\$2,898	50.0%	\$8,000	\$4,000	6.7%	\$40.00	\$30.00	\$35.00	1.180	126.50	135.00	1.31%

(a) The Value Line Investment Survey (Nov. 1, Nov. 22, & Dec. 20, 2013).

(b) Computed using the formula  $2*(1+5\text{-Yr. Change in Equity})/(2+5\text{ Yr. Change in Equity})$ .

(c) Product of average year-end "r" for 2017 and Adjustment Factor.

(d) Product of change in common shares outstanding and M/B Ratio.

(e) Computed as  $1 - B/M$  Ratio.

(f) Product of total capital and equity ratio.

(g) Five-year rate of change.

(h) Average of High and Low expected market prices divided by 2017 BVPS.