

**BEFORE THE WASHINGTON  
UTILITIES & TRANSPORTATION COMMISSION**

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION,

Complainant,

v.

AVISTA CORPORATION d/b/a AVISTA UTILITIES,

Respondent.

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DOCKET NOS. UE-190334 and UG-190335, UE-190222 (*Consolidated*)

**DAVID J. GARRETT**  
**ON BEHALF OF PUBLIC COUNSEL**

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**EXHIBIT DJG-17**

DCF Growth Rates

October 3, 2019

## DCF Terminal Growth Rate Determinants

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

Exh. DJG-17

1 of 1

	A	B	C	D
1				
2				
3	<b>Terminal Growth Determinants</b>		<b>Rate</b>	
4				
5	Nominal GDP		3.9%	[1]
6				
7	Inflation		2.0%	[2]
8				
9	Risk Free Rate		2.1%	[3]
10				
11	<b>Highest</b>		<b>3.9%</b>	
12				
13				
14	[1], [2] CBO Long-Term Budget Outlook 2019 - 2049 (p. 30)			
15	[3] I&M 2018-19 IRP Public Summary, p. 2.			
16	[4] From DJG risk-free rate exhibit			
17				
18				
19				
20				
21	<b>Company-Specific Qualitative</b>			
22	<b>Growth Determinants</b>		<b>Rate</b>	
23				
24	Electric Customer Growth		0.8%	[4]
25				
26	Gas System Wide Growth		1.2%	[5]
27				
28	Population Growth		1.1%	[6]
29				
30	<b>Average</b>		<b>1.0%</b>	
31				
32				
33	[4] Company Electric IRP 2017, p. 3-14			
34	[5] Company Natural Gas IRP 2018, p. 25			
35	[4] Company Electric IRP 2017, p. 3-10			