

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

DOCKET NO. UE-15_____

DOCKET NO. UG-15_____

EXHIBIT NO. _____(AMM-4)

ADRIEN M. MCKENZIE

REPRESENTING AVISTA CORPORATION

SUMMARY OF RESULTS

<u>DCF</u>	<u>Average</u>	<u>Midpoint</u>
Value Line	9.2%	10.1%
IBES	9.9%	9.9%
Zacks	9.7%	9.6%
Reuters	10.0%	9.9%
Internal br + sv	8.3%	9.3%
<u>Empirical CAPM - Historical Bond Yield</u>		
Unadjusted	10.4%	10.3%
Size Adjusted	11.5%	11.1%
<u>Empirical CAPM - Projected Bond Yield</u>		
Unadjusted	10.7%	10.6%
Size Adjusted	11.8%	11.3%
<u>Utility Risk Premium</u>		
Historical Bond Yields	10.1%	
Projected Bond Yields	11.3%	
<u>Cost of Equity Recommendation</u>		
Cost of Equity Range	9.7%	-- 10.9%
<u>Flotation Cost Adjustment</u>		
Dividend Yield	3.5%	
Flotation Cost Percentage	3.6%	
Adjustment	0.13%	
<u>ROE Recommendation</u>		
	9.83%	-- 11.03%

CHECKS OF REASONABLENESS

	<u>Average</u>	<u>Midpoint</u>
<u>CAPM - Historical Bond Yield</u>		
Unadjusted	9.9%	9.8%
Size Adjusted	11.0%	10.5%
<u>CAPM - Projected Bond Yield</u>		
Unadjusted	10.2%	10.1%
Size Adjusted	11.3%	10.9%
<u>Expected Earnings</u>		
Industry	10.6%	
Proxy Group	10.0%	10.8%
<u>Non-Utility DCF</u>		
Value Line	10.9%	10.8%
IBES	10.2%	10.4%
Zacks	10.3%	11.0%
Reuters	10.3%	11.6%