

**Exh. DCP-13
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 ROE and M/B

October 3, 2019

**PROXY COMPANIES
RATES OF RETURN ON AVERAGE COMMON EQUITY**

COMPANY	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2002-2008 Average	2009-2018 Average	2019	2020	2022-24
Parcell Proxy Group																						
ALLETE				12.0%	13.2%	13.4%	11.4%	7.3%	8.2%	9.5%	8.7%	8.4%	8.6%	9.4%	8.3%	8.0%	8.2%		8.5%	8.0%	8.5%	9.0%
Avista Corp.	4.5%	6.7%	4.6%	5.8%	8.8%	4.1%	7.6%	8.4%	8.5%	8.6%	6.4%	8.7%	8.1%	7.8%	8.6%	7.5%	7.8%	6.0%	8.0%	10.0%	7.5%	8.0%
Black Hills Corp	12.1%	8.9%	7.9%	9.4%	9.8%	10.9%	0.7%	8.4%	5.9%	3.6%	7.1%	9.1%	9.6%	9.5%	8.9%	10.9%	10.2%	8.5%	8.3%	9.0%	9.0%	9.5%
Hawaiian Electric Industries	11.9%	11.1%	9.3%	9.7%	9.3%	7.7%	7.0%	5.9%	7.7%	9.1%	10.4%	9.7%	9.5%	8.5%	12.4%	8.6%	9.5%	9.4%	9.1%	10.0%	10.0%	10.0%
IDACORP	7.1%	4.2%	8.2%	7.3%	9.4%	7.1%	8.0%	9.3%	9.8%	10.5%	9.9%	10.1%	10.2%	9.7%	9.4%	9.6%	9.8%	7.3%	9.8%	9.0%	9.0%	9.5%
NorthWestern Corp					6.4%	6.9%	8.4%	9.4%	9.6%	10.9%	9.3%	9.5%	10.3%	9.0%	10.0%	9.4%	9.1%		9.7%	9.5%	9.0%	9.0%
OGE Energy	11.1%	13.2%	12.7%	12.5%	15.0%	14.7%	13.0%	12.9%	13.5%	14.0%	13.2%	13.2%	12.5%	10.3%	10.0%	10.5%	10.8%	13.2%	12.1%	10.0%	10.5%	11.5%
Otter Tail Corp	15.2%	12.0%	10.8%	11.6%	10.4%	10.4%	5.9%	3.7%	2.1%	2.7%	6.9%	9.4%	10.3%	9.9%	9.7%	10.7%	11.4%	10.9%	7.7%	11.0%	10.5%	11.0%
Portland General Corp					5.9%	11.5%	6.5%	6.2%	8.0%	9.0%	8.3%	7.7%	9.1%	8.2%	8.3%	8.6%	8.6%		8.2%	8.5%	8.5%	9.0%
Average	10.3%	9.4%	8.9%	9.8%	9.8%	9.6%	7.6%	7.9%	8.1%	8.7%	8.9%	9.5%	9.8%	9.1%	9.5%	9.3%	9.5%	9.2%	9.0%	9.4%	9.2%	9.6%
Median	11.5%	10.0%	8.8%	9.7%	9.4%	10.4%	7.6%	8.4%	8.2%	9.1%	8.7%	9.4%	9.6%	9.4%	9.4%	9.4%	9.5%	9.6%	9.1%	9.5%	9.0%	9.5%
Adjusted Mckenzie Electric Group																						
Algonquin Power & Utilities	Not Included in Calculations for Reasons Cited in Direct Testimony																					
Ameren Corp	10.8%	12.2%	10.0%	10.3%	8.5%	9.3%	8.8%	8.4%	8.5%	7.6%	8.0%	7.7%	8.8%	8.5%	9.3%	9.4%	10.9%	10.0%	8.7%	10.0%	10.0%	10.5%
Avangrid, Inc.															4.1%	3.4%	3.9%		8.7%	4.5%	5.0%	6.0%
Avista Corp	4.5%	6.7%	4.6%	5.8%	8.8%	4.1%	7.6%	8.4%	8.5%	8.6%	6.4%	8.7%	8.1%	7.8%	8.6%	7.5%	7.8%	6.0%	8.0%	10.0%	7.5%	8.0%
Black Hills Corp	12.1%	8.9%	7.9%	9.4%	9.6%	10.9%	0.7%	8.4%	5.9%	3.6%	7.1%	9.1%	9.6%	9.5%	8.9%	10.2%	10.2%	8.5%	8.3%	9.0%	9.0%	9.5%
CenterPoint Energy	9.6%	26.1%	13.1%	17.2%	29.1%	22.1%	22.6%	16.0%	15.0%	14.6%	13.5%	12.3%	13.7%	11.6%	12.4%	16.6%	6.3%	20.0%	13.2%	8.0%	9.5%	10.0%
CMS Energy Corp		nmf	7.2%	10.4%	6.2%	6.6%	12.1%	8.3%	11.8%	12.5%	12.7%	13.2%	13.7%	13.5%	14.0%	14.3%	8.5%		12.7%	14.0%	14.0%	14.0%
Dominion Energy	14.9%	12.0%	12.9%	9.4%	14.3%	12.2%	18.1%	14.7%	14.7%	13.5%	14.3%	16.1%	15.3%	15.6%	15.5%	14.2%	11.6%	13.4%	14.6%	6.0%	13.0%	13.0%
DTE Energy	13.7%	9.7%	8.1%	10.2%	7.5%	7.7%	7.5%	8.7%	9.6%	9.1%	9.2%	8.6%	11.1%	9.3%	9.7%	11.1%	11.3%	9.2%	9.8%	10.0%	10.0%	10.5%
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.	7.5%	9.5%	9.3%	8.9%	8.9%	10.6%	9.7%	11.2%	12.0%	15.2%	14.4%	11.6%	16.5%	12.8%	5.1%	9.6%	10.3%	9.2%	11.9%	9.5%	9.0%	12.0%
Entergy Corp.	10.7%	10.1%	10.3%	11.9%	14.1%	13.8%	15.0%	14.4%	14.3%	15.4%	11.7%	9.4%	10.5%	10.8%	14.2%	11.6%	12.9%	12.3%	12.5%	11.0%	11.0%	11.0%
Exelon Corp	19.4%	19.7%	20.3%	23.0%	24.5%	26.7%	25.5%	23.9%	19.5%	17.8%	8.2%	9.0%	8.0%	9.4%	6.4%	9.4%	6.6%	22.7%	11.8%	9.0%	9.0%	9.0%
FirstEnergy Corp	10.4%	6.0%	10.8%	10.5%	13.6%	14.6%	15.5%	12.0%	11.6%	6.3%	6.8%	9.6%	2.8%	6.8%	9.7%	23.8%	12.1%	11.6%	10.2%	16.5%	16.5%	16.0%
Hawaiian Electric	11.9%	11.1%	9.3%	9.7%	9.3%	7.7%	7.0%	5.9%	7.7%	9.1%	10.4%	9.7%	9.5%	8.5%	12.4%	8.6%	9.5%	9.4%	9.1%	10.0%	10.0%	10.0%
IDACORP	7.1%	4.2%	8.2%	7.3%	9.4%	7.1%	8.0%	9.3%	9.8%	10.5%	9.9%	10.1%	10.2%	9.7%	9.4%	9.6%	9.8%	7.3%	9.8%	9.0%	9.0%	9.5%
Northwestern Corp					6.4%	6.9%	8.4%	9.4%	9.6%	10.9%	9.3%	9.5%	10.3%	9.0%	10.0%	9.4%	9.1%		9.7%	9.5%	9.0%	9.0%
OGE Energy Corp	11.1%	13.2%	12.7%	12.5%	15.0%	14.7%	13.0%	12.9%	13.5%	14.0%	13.2%	13.2%	12.5%	10.3%	10.0%	10.5%	10.8%	13.2%	12.1%	10.0%	10.5%	11.5%
Otter Tail Corp	15.2%	12.0%	10.8%	11.6%	10.4%	10.4%	5.9%	3.7%	2.1%	2.7%	6.9%	9.4%	10.3%	9.9%	9.7%	10.7%	11.4%	10.9%	7.7%	11.0%	10.5%	11.0%
PNM Resources	6.3%	6.7%	7.9%	8.6%	8.4%	3.4%	0.5%	3.1%	4.8%	5.8%	6.6%	6.9%	6.7%	6.9%	7.0%	9.1%	7.8%	6.0%	6.5%	10.5%	10.0%	10.0%
Sempra Energy	20.7%	19.4%	20.7%	15.7%	16.1%	14.1%	13.7%	13.8%	10.9%	11.4%	10.4%	9.7%	10.2%	11.2%	8.5%	9.1%	10.5%	17.2%	10.6%	9.5%	10.5%	12.0%
Average	11.6%	11.7%	10.8%	11.3%	12.2%	11.3%	11.1%	10.7%	10.5%	10.5%	9.9%	10.2%	10.4%	10.1%	9.7%	11.0%	9.8%	11.5%	10.0%	9.8%	10.2%	10.7%
Median	11.0%	10.6%	10.0%	10.3%	9.5%	10.5%	9.3%	9.4%	10.4%	10.7%	9.6%	9.6%	10.3%	9.6%	9.7%	9.6%	10.3%	10.2%	9.9%	10.0%	10.0%	10.5%

Note: The absence of figures for a specific company for a particular year is due to the fact that Value Line did not report the relevant figures (to calculate the appropriate ratios) for that company for that year.

Source: Calculations made from data contained in Value Line Investment Survey.

**PROXY COMPANIES
MARKET TO BOOK RATIOS**

COMPANY	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2002-2008 Average	2009-2018 Average
Parcell Proxy Group																			
ALLETE				212%	219%	195%	156%	113%	127%	138%	136%	152%	151%	146%	153%	182%	181%		148%
Avista Corp.	85%	94%	111%	115%	135%	127%	110%	94%	106%	119%	123%	125%	143%	141%	158%	174%	178%	111%	136%
Black Hills Corp	143%	134%	134%	165%	153%	164%	124%	77%	108%	109%	121%	161%	181%	152%	186%	207%	174%	145%	148%
Hawaiian Electric Industries	153%	151%	179%	181%	192%	166%	166%	113%	140%	150%	164%	156%	167%	175%	169%	184%	181%	170%	160%
IDACORP	134%	112%	125%	122%	139%	132%	104%	94%	113%	119%	123%	136%	159%	158%	177%	203%	199%	124%	148%
NorthWestern Corp				160%	147%	109%	105%	122%	138%	146%	159%	174%	167%	171%	169%	154%	151%		151%
OGE Energy	147%	154%	178%	187%	205%	197%	145%	139%	180%	197%	204%	231%	228%	184%	170%	192%	181%	173%	191%
Otter Tail Corp	245%	209%	185%	183%	178%	200%	167%	108%	120%	123%	152%	196%	196%	186%	207%	244%	253%	195%	179%
Portland General Corp					153%	140%	101%	83%	97%	109%	117%	131%	145%	148%	155%	173%	162%		132%
Average	151%	142%	152%	166%	170%	163%	131%	103%	124%	134%	143%	161%	172%	162%	172%	192%	185%	153%	155%
Median	145%	143%	156%	181%	160%	164%	124%	105%	120%	123%	136%	156%	167%	158%	170%	184%	181%	153%	150%
Adjusted Mckenzie Electric Group																			
Algonquin Power & Utilities	Not Included in Calculations for Reasons Cited in Direct Testimony																		
Ameren Corp	163%	162%	161%	172%	164%	159%	122%	83%	81%	92%	106%	125%	152%	149%	165%	198%	202%	158%	135%
Avangrid, Inc.															84%	93%	101%		93%
Avista Corp	85%	94%	111%	115%	135%	127%	110%	94%	106%	119%	123%	125%	143%	141%	158%	174%	178%	111%	136%
Black Hills Corp	143%	134%	134%	165%	153%	164%	124%	77%	108%	109%	121%	161%	181%	152%	186%	207%	174%	145%	148%
CenterPoint Energy	116%	142%	236%	329%	312%	330%	224%	187%	158%	210%	200%	223%	227%	213%	257%	291%	232%	241%	220%
CMS Energy Corp	137%	80%	90%	125%	142%	177%	127%	117%	148%	170%	192%	218%	239%	254%	276%	296%	288%	125%	220%
Dominion Energy	158%	180%	196%	242%	229%	256%	238%	207%	235%	272%	313%	362%	313%	362%	327%	313%	255%	214%	282%
DTE Energy	145%	142%	132%	140%	134%	143%	101%	91%	116%	121%	137%	153%	170%	173%	180%	207%	197%	134%	155%
Edison International	Not Included in Calculations for Reasons Cited in Direct Testimony																		
EI Paso Electric Co.	Not Included in Calculations for Reasons Cited in Direct Testimony																		
Emera Inc.				155%	162%	169%	161%	162%	203%	209%	277%	233%	204%	202%	177%	168%	146%		198%
Entergy Corp.	114%	136%	156%	194%	211%	264%	229%	167%	164%	134%	133%	126%	139%	141%	152%	176%	179%	186%	151%
Exelon Corp	191%	227%	280%	356%	401%	481%	415%	271%	169%	200%	154%	125%	124%	117%	114%	129%	132%	336%	154%
FirstEnergy Corp	131%	132%	154%	169%	195%	230%	221%	161%	145%	138%	145%	127%	118%	120%	152%	275%	315%	176%	170%
Hawaiian Electric	153%	151%	179%	181%	192%	166%	166%	113%	140%	150%	164%	156%	167%	175%	169%	184%	181%	170%	160%
IDACORP	134%	112%	125%	122%	139%	132%	104%	94%	113%	119%	123%	136%	159%	158%	177%	203%	199%	124%	148%
Northwestern Corp				160%	147%	109%	105%	122%	138%	146%	159%	174%	167%	171%	169%	154%	151%		151%
OGE Energy Corp	147%	154%	178%	187%	205%	197%	145%	139%	180%	197%	204%	231%	228%	184%	170%	192%	181%	173%	191%
Otter Tail Corp	245%	209%	185%	183%	178%	200%	167%	108%	120%	123%	152%	196%	196%	186%	207%	244%	253%	195%	179%
PNM Resources	95%	93%	124%	147%	134%	125%	72%	50%	68%	86%	100%	109%	127%	129%	156%	187%	186%	113%	120%
Sempra Energy	155%	172%	178%	186%	190%	194%	151%	135%	136%	128%	153%	187%	223%	220%	203%	218%	217%	175%	182%
Average	145%	145%	164%	186%	191%	203%	166%	130%	138%	149%	161%	172%	185%	180%	183%	207%	198%	174%	168%
Median	144%	142%	159%	172%	171%	173%	148%	115%	138%	136%	149%	158%	172%	170%	171%	198%	186%	158%	159%

Note: The absence of figures for a specific company for a particular year is due to the fact that Value Line did not report the relevant figures (to calculate the appropriate ratios) for that company for that year.

Source: Calculations made from data contained in Value Line Investment Survey.