

**BEFORE THE  
WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**

|   |   |   |
|---|---|---|
| WASHINGTON UTILITIES AND<br>TRANSPORTATION COMMISSION | ) | DOCKETS UE-190334,<br>UG-190335, and UE-190222<br>( <i>Consolidated</i> ) |
| Complainant,  | ) |   |
| v.  | ) |   |
| AVISTA CORPORATION d/b/a<br>AVISTA UTILITIES          | ) |   |
| Respondent.   | ) |   |
| _____   | ) |   |

**EXHIBIT MPG-7**

**CONSTANT GROWTH DCF MODEL  
(CONSENSUS ANALYSTS' GROWTH RATES)**

**OCTOBER 3, 2019**

# Avista Corporation

## Constant Growth DCF Model (Consensus Analysts' Growth Rates)

| <u>Line</u> | <u>Company</u>                     | <u>13-Week AVG<br/>Stock Price<sup>1</sup></u><br>(1) | <u>Analysts'<br/>Growth<sup>2</sup></u><br>(2) | <u>Annualized<br/>Dividend<sup>3</sup></u><br>(3) | <u>Adjusted<br/>Yield</u><br>(4) | <u>Constant<br/>Growth DCF</u><br>(5) |
|-------------|------------------------------------|---|--|---|----------------------------------|---------------------------------------|
| 1           | Ameren Corporation                 | \$89.33   | 5.79%  | \$1.90  | 2.25%                            | 8.04%                                 |
| 2           | Avista Corporation                 | \$50.23   | 3.56%  | \$1.55  | 3.20%                            | 6.76%                                 |
| 3           | Black Hills Corporation            | \$78.07   | 3.77%  | \$2.02  | 2.69%                            | 6.46%                                 |
| 4           | CenterPoint Energy, Inc.           | \$28.81   | 5.45%  | \$1.15  | 4.21%                            | 9.66%                                 |
| 5           | CMS Energy Corporation             | \$58.60   | 6.81%  | \$1.53  | 2.79%                            | 9.60%                                 |
| 6           | Dominion Energy, Inc.              | \$87.48   | 4.84%  | \$3.67  | 4.40%                            | 9.24%                                 |
| 7           | DTE Energy Company                 | \$76.43   | 5.53%  | \$3.78  | 5.22%                            | 10.75%                                |
| 8           | Edison International               | \$128.70  | 4.89%  | \$2.45  | 2.00%                            | 6.89%                                 |
| 9           | Entergy Corporation                | \$65.37   | 5.40%  | \$3.64  | 5.87%                            | 11.27%                                |
| 10          | Exelon Corporation                 | \$61.05   | 5.20%  | \$1.45  | 2.50%                            | 7.70%                                 |
| 11          | FirstEnergy Corp.                  | \$76.72   | 5.75%  | \$1.52  | 2.10%                            | 7.85%                                 |
| 12          | Hawaiian Electric Industries, Inc. | \$47.67   | 3.32%  | \$1.28  | 2.77%                            | 6.09%                                 |
| 13          | IDACORP, Inc.                      | \$43.68   | 3.23%  | \$2.52  | 5.96%                            | 9.19%                                 |
| 14          | NorthWestern Corporation           | \$208.50  | 3.08%  | \$2.30  | 1.14%                            | 4.22%                                 |
| 15          | OGE Energy Corp.                   | \$51.80   | 4.23%  | \$1.46  | 2.94%                            | 7.16%                                 |
| 16          | Otter Tail Corporation             | \$94.55   | 7.80%  | \$1.40  | 1.60%                            | 9.40%                                 |
| 17          | PNM Resources, Inc.                | \$49.87   | 5.90%  | \$1.16  | 2.46%                            | 8.37%                                 |
| 18          | Sempra Energy                      | \$54.79   | 8.62%  | \$3.87  | 7.67%                            | 16.29%                                |
| 19          | <b>Average</b>                     | <b>\$75.09</b>  | <b>5.18%</b>                                   | <b>\$2.15</b>                                     | <b>3.43%</b>                     | <b>8.61%</b>                          |
| 20          | <b>Median</b>                      |   |  |   |                                  | <b>8.21%</b>                          |

Sources:

<sup>1</sup> S&P Global Market Intelligence, Downloaded on September 13, 2019.

<sup>2</sup> Exhibit MPG-6.

<sup>3</sup> *The Value Line Investment Survey*, June 14, July 26, and August 16, 2019.