

Exh. AMM-8

WUTC DOCKET: 190334

EXHIBIT: AMM-8

ADMIT W/D REJECT

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

DOCKET NO. UE-19 _____

DOCKET NO. UG-19 _____

EXH. AMM-8

ADRIEN M. MCKENZIE

REPRESENTING AVISTA CORPORATION

CAPM - CURRENT BOND YIELD

UTILITY GROUP

	Company	(a)	(b)	(c)			(d)	(e)		(f)	Size
		Div Yield	Proj. Growth	Cost of Equity	Risk-Free Rate	Risk Premium	Beta	Unadjusted K _e	Market Cap	Size Adjustment	Adjusted K _e
1	Algonquin Pwr & Util	2.5%	10.7%	13.2%	3.1%	10.1%	n/a	n/a	\$5,520.0	0.82%	n/a
2	Ameren Corp.	2.5%	10.7%	13.2%	3.1%	10.1%	0.60	9.2%	\$17,912.1	0.50%	9.7%
3	Avangrid, Inc.	2.5%	10.7%	13.2%	3.1%	10.1%	0.40	7.1%	\$15,252.5	0.50%	7.6%
4	Avista Corp.	2.5%	10.7%	13.2%	3.1%	10.1%	0.65	9.7%	\$2,684.7	1.54%	11.2%
5	Black Hills Corp.	2.5%	10.7%	13.2%	3.1%	10.1%	0.75	10.7%	\$4,359.3	1.26%	11.9%
6	CenterPoint Energy	2.5%	10.7%	13.2%	3.1%	10.1%	0.80	11.2%	\$15,346.7	0.50%	11.7%
7	CMS Energy Corp.	2.5%	10.7%	13.2%	3.1%	10.1%	0.55	8.7%	\$15,647.9	0.50%	9.2%
8	Dominion Energy	2.5%	10.7%	13.2%	3.1%	10.1%	0.55	8.7%	\$49,197.1	-0.29%	8.4%
9	DTE Energy Co.	2.5%	10.7%	13.2%	3.1%	10.1%	0.55	8.7%	\$22,420.4	0.50%	9.2%
10	Edison International	2.5%	10.7%	13.2%	3.1%	10.1%	0.55	8.7%	\$21,171.2	0.50%	9.2%
11	El Paso Electric Co.	2.5%	10.7%	13.2%	3.1%	10.1%	0.65	9.7%	\$2,359.1	1.54%	11.2%
12	Emera Inc.	2.5%	10.7%	13.2%	3.1%	10.1%	0.55	8.7%	\$11,301.6	0.84%	9.5%
13	Entergy Corp.	2.5%	10.7%	13.2%	3.1%	10.1%	0.60	9.2%	\$17,950.9	0.50%	9.7%
14	Exelon Corp.	2.5%	10.7%	13.2%	3.1%	10.1%	0.70	10.2%	\$48,021.2	-0.29%	9.9%
15	FirstEnergy Corp.	2.5%	10.7%	13.2%	3.1%	10.1%	0.65	9.7%	\$21,092.0	0.50%	10.2%
16	Hawaiian Elec.	2.5%	10.7%	13.2%	3.1%	10.1%	0.60	9.2%	\$4,419.4	1.26%	10.4%
17	IDACORP, Inc.	2.5%	10.7%	13.2%	3.1%	10.1%	0.55	8.7%	\$5,011.8	0.82%	9.5%
18	NorthWestern Corp.	2.5%	10.7%	13.2%	3.1%	10.1%	0.55	8.7%	\$3,544.8	1.26%	9.9%
19	OGE Energy Corp.	2.5%	10.7%	13.2%	3.1%	10.1%	0.85	11.7%	\$8,551.2	0.84%	12.5%
20	Otter Tail Corp.	2.5%	10.7%	13.2%	3.1%	10.1%	0.70	10.2%	\$1,951.1	1.58%	11.8%
21	PNM Resources	2.5%	10.7%	13.2%	3.1%	10.1%	0.65	9.7%	\$3,748.5	1.26%	10.9%
22	Sempra Energy	2.5%	10.7%	13.2%	3.1%	10.1%	0.75	10.7%	\$34,459.3	-0.29%	10.4%
	Average							9.4%			10.2%
	Midpoint (g)							9.4%			10.1%

- (a) Weighted average for dividend-paying stocks in the S&P 500 based on data from www.zacks.com (retrieved Mar. 11, 2019).
- (b) Average of weighted average earnings growth rates from Value Line Investment Survey, IBES, and Zacks Investment Research for dividend-paying stocks in the S&P 500 based on data from www.valueline.com (retrieved Mar. 11, 2019), http://finance.yahoo.com (retrieved Mar. 11, 2019), and www.zacks.com (retrieved Mar. 11, 2019).
- (c) Average yield on 30-year Treasury bonds for the six-months ending Mar. 2019 based on data from the Federal Reserve at https://fred.stlouisfed.org/..
- (d) The Value Line Investment Survey (Jan. 25, Feb. 15 & Mar. 15, 2019).
- (e) www.valueline.com (retrieved Mar. 26, 2019).
- (f) Duff & Phelps, 2019 CRSP Deciles Size Study -- Supplementary Data Exhibits, Cost of Capital Navigator.
- (g) Average of low and high values.