

**Exh. DCP-11
Docket UG-200568
Witness: David C. Parcell**

**BEFORE THE WASHINGTON STATE
UTILITIES AND TRANSPORTATION COMMISSION**

**WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION,**

Complainant,

v.

**CASCADE NATURAL GAS
CORPORATION,**

Respondent.

DOCKET UG-200568

**EXHIBIT TO
TESTIMONY OF**

David C. Parcell

**STAFF OF
WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION**

Proxy Companies CAPM Cost Rates

November 19, 2020

PROXY COMPANIES CAPM COST RATES

COMPANY	RISK-FREE RATE	BETA	RISK PREMIUM	CAPM RATES
Proxy Group				
Atmos Energy Corp.	1.15%	0.80	6.10%	6.0%
New Jersey Resources Corp.	1.15%	0.90	6.10%	6.6%
Northwest Natural Holding Co.	1.15%	0.80	6.10%	6.0%
One Gas Inc.	1.15%	0.80	6.10%	6.0%
South Jersey Industries, Inc.	1.15%	1.00	6.10%	7.2%
Southwest Gas Holdings, Inc.	1.15%	0.80	6.10%	6.0%
Spire Inc.	1.15%	0.80	6.10%	6.0%
Mean				6.3%
Median				6.0%

Sources: Value Line Investment Survey, Standard & Poor's Analysts' Handbook, Federal Reserve.

<u>20-year Treasury Bonds</u>	
<u>Month</u>	<u>Rate</u>
Jul 20	1.09%
Aug 20	1.14%
Sep 20	1.21%
Average	1.15%