

Exh. AMM-6

WUTC DOCKET: UE-200900 UG-200901 UE-200894

EXHIBIT: AMM-6

ADMIT W/D REJECT

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

DOCKET NO. UE-20 _____

DOCKET NO. UG-20 _____

EXH. AMM-6

ADRIEN M. MCKENZIE

REPRESENTING AVISTA CORPORATION

DIVIDEND YIELD

		(a)	(b)	
	Company	Price	Dividends	Yield
1	Algonquin Pwr & Util	\$14.06	\$0.62	4.4%
2	ALLETE	\$52.70	\$2.55	4.8%
3	Ameren Corp.	\$78.32	\$2.08	2.7%
4	Avangrid, Inc.	\$49.14	\$1.76	3.6%
5	Avista Corp.	\$35.35	\$1.64	4.6%
6	Black Hills Corp.	\$54.70	\$2.23	4.1%
7	CenterPoint Energy	\$19.52	\$0.63	3.2%
8	CMS Energy Corp.	\$60.86	\$1.71	2.8%
9	DTE Energy Co.	\$116.40	\$4.34	3.7%
10	Edison International	\$51.47	\$2.60	5.1%
11	Emera Inc.	\$54.11	\$2.45	4.5%
12	Entergy Corp.	\$97.57	\$3.80	3.9%
13	Exelon Corp.	\$36.20	\$1.57	4.3%
14	FirstEnergy Corp.	\$28.78	\$1.59	5.5%
15	Hawaiian Elec.	\$60.45	\$1.32	2.2%
16	IDACORP, Inc.	\$84.64	\$2.83	3.3%
17	NorthWestern Corp.	\$50.61	\$2.45	4.8%
18	OGE Energy Corp.	\$30.53	\$1.64	5.4%
19	Otter Tail Corp.	\$37.49	\$1.54	4.1%
20	PNM Resources	\$41.95	\$1.26	3.0%
21	Sempra Energy	\$120.32	\$4.34	3.6%
	Average			4.0%

(a) Average of closing prices for 30 trading days ended Oct. 2, 2020.

(b) The Value Line Investment Survey, Summary & Index (Oct. 2, 2020).

GROWTH RATES

	Company	(a)	(b)	(c)	(d)
		Earnings Growth			br+sv
		Value Line	IBES	Zacks	Growth
1	Algonquin Pwr & Util	n/a	5.7%	7.9%	n/a
2	ALLETE	4.5%	7.0%	n/a	3.2%
3	Ameren Corp.	6.0%	6.0%	6.9%	6.0%
4	Avangrid, Inc.	4.0%	4.6%	5.3%	1.4%
5	Avista Corp.	1.0%	5.8%	5.1%	3.0%
6	Black Hills Corp.	3.5%	4.7%	5.8%	3.8%
7	CenterPoint Energy	4.0%	-6.7%	5.0%	7.5%
8	CMS Energy Corp.	7.5%	7.1%	7.0%	7.2%
9	DTE Energy Co.	6.0%	6.0%	5.7%	5.3%
10	Edison International	n/a	1.4%	2.9%	5.6%
11	Emera Inc.	6.0%	5.7%	n/a	3.8%
12	Entergy Corp.	3.0%	5.4%	5.4%	4.9%
13	Exelon Corp.	5.0%	-3.5%	4.0%	4.1%
14	FirstEnergy Corp.	8.5%	-2.4%	n/a	9.0%
15	Hawaiian Elec.	1.5%	3.3%	1.7%	2.9%
16	IDACORP, Inc.	3.5%	2.6%	2.6%	3.4%
17	NorthWestern Corp.	1.5%	3.8%	3.4%	2.7%
18	OGE Energy Corp.	3.0%	2.4%	3.7%	2.7%
19	Otter Tail Corp.	5.0%	9.0%	n/a	5.3%
20	PNM Resources	6.0%	5.0%	4.9%	6.0%
21	Sempra Energy	10.0%	6.3%	7.4%	7.3%

(a) The Value Line Investment Survey (Jul. 24, Aug. 14 and Sep. 11, 2020).

(b) www.finance.yahoo.com (retrieved Oct. 5, 2020).

(c) www.zacks.com (retrieved Oct. 5, 2020).

(d) See Exh. AMM-7.

DCF COST OF EQUITY ESTIMATES

Company	(a)	(a)	(a)	(a)
	Value Line	IBES	Zacks	br+sv Growth
1 Algonquin Pwr & Util	n/a	10.1%	12.3%	n/a
2 ALLETE	9.3%	11.8%	n/a	8.0%
3 Ameren Corp.	8.7%	8.7%	9.5%	8.6%
4 Avangrid, Inc.	7.6%	8.2%	8.9%	4.9%
5 Avista Corp.	5.6%	10.4%	9.8%	7.7%
6 Black Hills Corp.	7.6%	8.8%	9.8%	7.9%
7 CenterPoint Energy	7.2%	-3.4%	8.2%	10.7%
8 CMS Energy Corp.	10.3%	9.9%	9.8%	10.1%
9 DTE Energy Co.	9.7%	9.7%	9.4%	9.0%
10 Edison International	n/a	6.5%	7.9%	10.7%
11 Emera Inc.	10.5%	10.3%	n/a	8.3%
12 Entergy Corp.	6.9%	9.3%	9.3%	8.8%
13 Exelon Corp.	9.3%	0.9%	8.3%	8.5%
14 FirstEnergy Corp.	14.0%	3.1%	n/a	14.5%
15 Hawaiian Elec.	3.7%	5.5%	3.9%	5.1%
16 IDACORP, Inc.	6.8%	5.9%	6.0%	6.8%
17 NorthWestern Corp.	6.3%	8.6%	8.2%	7.6%
18 OGE Energy Corp.	8.4%	7.8%	9.1%	8.0%
19 Otter Tail Corp.	9.1%	13.1%	n/a	9.4%
20 PNM Resources	9.0%	8.0%	7.9%	9.1%
21 Sempra Energy	13.6%	9.9%	11.0%	10.9%
Average (b)	9.3%	9.4%	9.3%	8.8%
Midpoint (b,c)	10.4%	9.8%	10.1%	8.8%

(a) Sum of dividend yield (Exh. AMM-6, p. 1) and respective growth rate (Exh. AMM-6, p. 2).

(b) Excludes highlighted figures.

(c) Average of low and high values.

LOW-END THRESHOLD ADJUSTMENTS

Atlantic Path 15 / Startrans / So. Cal Edison

	<u>Baa Yield</u>
Jun-07	6.54%
Jul-07	6.49%
Aug-07	6.51%
Sep-07	6.45%
Oct-07	6.36%
Nov-07	6.27%

Pioneer Transmission

	<u>Baa Yield</u>
Apr-08	6.81%
May-08	6.79%
Jun-08	6.93%
Jul-08	6.97%
Aug-08	6.98%
Sep-08	7.15%

	<u>Current</u>	<u>Projected</u>
Historical Baa Bond Yield	6.69% (a)	6.69% (a)
Current Baa Bond Yield	<u>3.37% (b)</u>	<u>4.79% (c)</u>
Change in Bond Yield	-3.32%	-1.90%
Risk Premium/Interest Rate Relationship	<u>-0.42103 (d)</u>	<u>-0.42103 (d)</u>
Adjustment to Low-end Threshold	1.40%	0.80%
Current Baa Bond Yield	3.37%	4.79%
Original Threshold	1.00%	1.00%
Adjustment	<u>1.40%</u>	<u>0.80%</u>
Adjusted Low-end Threshold	<u>5.77%</u>	<u>6.59%</u>
Low-end Test -- FERC Opinion No. 569-A		
Current Baa Bond Yield	3.37%	
CAPM Market Risk Premium (e)	10.17%	
Risk Premium Factor (f)	<u>20.00%</u>	
Adjustment to Low-end Threshold	2.03%	
Adjusted Low-end Threshold	<u>5.40%</u>	

(a) Average Baa utility bond yield for 6-mo. periods ending Nov. 2007 and Sep. 2008.

(b) Average Baa utility bond yield for 6-months ended Sep. 2020.

(c) Average Baa utility bond yield for 2021-25 based on data from IHS Markit, Long-Term Macro Forecast - Baseline (Jun. 29, 2020); Energy Information Administration, Annual Energy Outlook 2020 (Jan. 29, 2020), Moody's Investors Service at www.credittrends.com.

(d) Exh. AMM-10, page 4.

(e) Exh. AMM-8, page 1.

(f) 171 FERC ¶ 61,154, Docket Nos. EL14-12-004 and EL15-45-013, Opinion No. 569-A, Order on Rehearing (issued May 21, 2020).