

Exh. AMM-12

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

EXHIBIT: AMM-12

ADMIT  W/D  REJECT

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

DOCKET NO. UE-20 \_\_\_\_\_

DOCKET NO. UG-20 \_\_\_\_\_

EXH. AMM-12

ADRIEN M. MCKENZIE

REPRESENTING AVISTA CORPORATION

**DIVIDEND YIELD**

			(a)	(b)	
	<b>Company</b>	<b>Industry Group</b>	<b>Price</b>	<b>Dividends</b>	<b>Yield</b>
1	Air Products & Chem.	Chemical (Diversified)	\$ 286.44	\$ 5.36	1.9%
2	Amdocs Ltd.	IT Services	\$ 60.73	\$ 1.31	2.2%
3	Amgen	Biotechnology	\$ 246.85	\$ 6.70	2.7%
4	Amphenol Corp.	Electronics	\$ 105.69	\$ 1.00	0.9%
5	Apple Inc.	Computers/Peripherals	\$ 420.53	\$ 3.33	0.8%
6	AT&T Inc.	Telecom. Services	\$ 29.88	\$ 2.10	7.0%
7	Baxter Int'l Inc.	Med Supp Invasive	\$ 85.17	\$ 0.98	1.2%
8	Bristol-Myers Squibb	Drug	\$ 60.51	\$ 1.80	3.0%
9	Brown & Brown	Financial Svcs. (Div.)	\$ 44.92	\$ 0.34	0.8%
10	Brown-Forman 'B'	Beverage	\$ 68.98	\$ 0.72	1.0%
11	Church & Dwight	Household Products	\$ 90.86	\$ 0.96	1.1%
12	Cisco Systems	Telecom. Equipment	\$ 45.85	\$ 1.44	3.1%
13	Coca-Cola	Beverage	\$ 47.46	\$ 1.68	3.5%
14	Colgate-Palmolive	Household Products	\$ 76.00	\$ 1.76	2.3%
15	Comcast Corp.	Cable TV	\$ 42.85	\$ 0.92	2.1%
16	Commerce Bancshs.	Bank (Midwest)	\$ 58.38	\$ 1.08	1.9%
17	Costco Wholesale	Retail Store	\$ 332.54	\$ 2.80	0.8%
18	CVS Health	Pharmacy Services	\$ 64.31	\$ 2.00	3.1%
19	Danaher Corp.	Diversified Co.	\$ 200.09	\$ 0.72	0.4%
20	Gen'l Mills	Automotive	\$ 64.15	\$ 1.96	3.1%
21	Hormel Foods	Food Processing	\$ 50.91	\$ 1.00	2.0%
22	Intel Corp.	Hotel/Gaming	\$ 52.12	\$ 1.32	2.5%
23	Int'l Flavors & Frag.	Wireless Networking	\$ 126.21	\$ 3.12	2.5%
24	Johnson & Johnson	Med Supp Non-Invasive	\$ 148.46	\$ 4.04	2.7%
25	Kellogg	Food Processing	\$ 68.97	\$ 2.30	3.3%
26	Kimberly-Clark	Household Products	\$ 151.72	\$ 4.28	2.8%
27	Lilly (Eli)	Drug	\$ 157.03	\$ 2.96	1.9%
28	Lockheed Martin	Aerospace/Defense	\$ 381.27	\$ 10.00	2.6%
29	Marsh & McLennan	Financial Svcs. (Div.)	\$ 115.27	\$ 1.86	1.6%
30	McCormick & Co.	Food Processing	\$ 196.44	\$ 2.50	1.3%
31	McDonald's Corp.	Restaurant	\$ 199.74	\$ 5.00	2.5%
32	Merck & Co.	Drug	\$ 80.92	\$ 2.44	3.0%
33	Microsoft Corp.	Computer Software	\$ 208.47	\$ 2.04	1.0%
34	Northrop Grumman	Aerospace/Defense	\$ 321.97	\$ 5.80	1.8%
35	Oracle Corp.	Drug	\$ 55.43	\$ 0.96	1.7%
36	PepsiCo, Inc.	Beverage	\$ 136.36	\$ 4.09	3.0%
37	Pfizer, Inc.	Drug	\$ 37.80	\$ 1.52	4.0%
38	Procter & Gamble	Household Products	\$ 130.61	\$ 3.16	2.4%
39	Public Storage	R.E.I.T.	\$ 195.48	\$ 8.00	4.1%
40	Texas Instruments	Environmental	\$ 133.79	\$ 3.60	2.7%
41	Travelers Cos.	Insurance (Prop/Cas.)	\$ 116.89	\$ 3.40	2.9%
42	United Parcel Serv.	Air Transport	\$ 138.48	\$ 4.04	2.9%
43	Verizon Communic.	Telecom. Services	\$ 57.37	\$ 2.49	4.3%
44	Walmart Inc.	Retail Store	\$ 131.45	\$ 2.18	1.7%
45	Waste Management	Environmental	\$ 109.21	\$ 2.18	2.0%
	<b>Average</b>				<b>2.4%</b>

(a) Average of closing prices for 30 trading days ended Aug. 21, 2020.

(b) The Value Line Investment Survey, *Summary & Index* (Aug. 21, 2020).

**GROWTH RATES**

	Company	(a)	(b)	(c)
		Earnings Growth		
		Value Line	IBES	Zacks
1	Air Products & Chem.	12.00%	10.33%	8.77%
2	Amdocs Ltd.	9.50%	4.40%	8.50%
3	Amgen	6.50%	6.87%	7.53%
4	Amphenol Corp.	9.00%	3.00%	7.51%
5	Apple Inc.	14.00%	12.46%	10.67%
6	AT&T Inc.	5.50%	0.29%	5.53%
7	Baxter Int'l Inc.	9.00%	10.00%	9.75%
8	Bristol-Myers Squibb	12.50%	18.40%	8.63%
9	Brown & Brown	10.50%	8.93%	n/a
10	Brown-Forman 'B'	11.00%	3.33%	n/a
11	Church & Dwight	8.00%	9.48%	8.86%
12	Cisco Systems	7.00%	6.18%	5.40%
13	Coca-Cola	6.50%	2.94%	4.81%
14	Colgate-Palmolive	5.00%	5.91%	5.89%
15	Comcast Corp.	13.50%	4.95%	9.70%
16	Commerce Bancshs.	5.00%	-8.70%	n/a
17	Costco Wholesale	9.00%	7.15%	8.40%
18	CVS Health	6.00%	6.34%	5.59%
19	Danaher Corp.	15.00%	13.02%	11.64%
20	Gen'l Mills	3.00%	4.90%	7.50%
21	Hormel Foods	8.50%	2.90%	7.50%
22	Intel Corp.	7.00%	8.62%	7.50%
23	Int'l Flavors & Frag.	8.00%	0.38%	n/a
24	Johnson & Johnson	10.00%	5.08%	5.75%
25	Kellogg	3.00%	1.75%	6.00%
26	Kimberly-Clark	7.00%	6.20%	5.45%
27	Lilly (Eli)	10.00%	13.17%	15.65%
28	Lockheed Martin	8.50%	9.11%	6.93%
29	Marsh & McLennan	9.00%	4.87%	6.00%
30	McCormick & Co.	6.50%	5.00%	5.78%
31	McDonald's Corp.	8.00%	3.88%	7.68%
32	Merck & Co.	9.00%	6.25%	6.74%
33	Microsoft Corp.	15.00%	15.00%	13.71%
34	Northrop Grumman	10.50%	8.62%	n/a
35	Oracle Corp.	10.50%	9.04%	11.00%
36	PepsiCo, Inc.	6.00%	5.48%	5.61%
37	Pfizer, Inc.	8.50%	5.37%	4.29%
38	Procter & Gamble	8.50%	7.72%	7.41%
39	Public Storage	n/a	17.00%	3.45%
40	Texas Instruments	2.50%	10.00%	9.33%
41	Travelers Cos.	9.50%	3.05%	6.66%
42	United Parcel Serv.	6.00%	5.90%	7.77%
43	Verizon Communic.	4.00%	1.23%	3.41%
44	Walmart Inc.	7.50%	6.41%	5.63%
45	Waste Management	5.50%	-1.26%	6.29%

(a) The Value Line Investment Survey (various editions as of Aug. 21, 2020).

(b) www.finance.yahoo.com (retrieved Aug. 24, 2020).

(c) www.zacks.com (retrieved Aug. 24, 2020).

**DCF COST OF EQUITY ESTIMATES**

	Company	(a)	(a)	(a)
		Value Line	IBES	Zacks
		<b>Earnings Growth</b>		
1	Air Products & Chem.	13.9%	12.2%	10.6%
2	Amdocs Ltd.	11.7%	6.6%	10.7%
3	Amgen	9.2%	9.6%	10.2%
4	Amphenol Corp.	9.9%	3.9%	8.5%
5	Apple Inc.	14.8%	13.3%	11.5%
6	AT&T Inc.	12.5%	7.3%	12.6%
7	Baxter Int'l Inc.	10.2%	11.2%	10.9%
8	Bristol-Myers Squibb	15.5%	21.4%	11.6%
9	Brown & Brown	11.3%	9.7%	n/a
10	Brown-Forman 'B'	12.0%	4.4%	n/a
11	Church & Dwight	9.1%	10.5%	9.9%
12	Cisco Systems	10.1%	9.3%	8.5%
13	Coca-Cola	10.0%	6.5%	8.4%
14	Colgate-Palmolive	7.3%	8.2%	8.2%
15	Comcast Corp.	15.6%	7.1%	11.8%
16	Commerce Bancshs.	6.9%	-6.8%	n/a
17	Costco Wholesale	9.8%	8.0%	9.2%
18	CVS Health	9.1%	9.5%	8.7%
19	Danaher Corp.	15.4%	13.4%	12.0%
20	Gen'l Mills	6.1%	8.0%	10.6%
21	Hormel Foods	10.5%	4.9%	9.5%
22	Intel Corp.	9.5%	11.2%	10.0%
23	Int'l Flavors & Frag.	10.5%	2.9%	n/a
24	Johnson & Johnson	12.7%	7.8%	8.5%
25	Kellogg	6.3%	5.1%	9.3%
26	Kimberly-Clark	9.8%	9.0%	8.3%
27	Lilly (Eli)	11.9%	15.1%	17.5%
28	Lockheed Martin	11.1%	11.7%	9.6%
29	Marsh & McLennan	10.6%	6.5%	7.6%
30	McCormick & Co.	7.8%	6.3%	7.1%
31	McDonald's Corp.	10.5%	6.4%	10.2%
32	Merck & Co.	12.0%	9.3%	9.8%
33	Microsoft Corp.	16.0%	16.0%	14.7%
34	Northrop Grumman	12.3%	10.4%	n/a
35	Oracle Corp.	12.2%	10.8%	12.7%
36	PepsiCo, Inc.	9.0%	8.5%	8.6%
37	Pfizer, Inc.	12.5%	9.4%	8.3%
38	Procter & Gamble	10.9%	10.1%	9.8%
39	Public Storage	n/a	21.1%	7.5%
40	Texas Instruments	5.2%	12.7%	12.0%
41	Travelers Cos.	12.4%	6.0%	9.6%
42	United Parcel Serv.	8.9%	8.8%	10.7%
43	Verizon Communic.	8.3%	5.6%	7.8%
44	Walmart Inc.	9.2%	8.1%	7.3%
45	Waste Management	7.5%	0.7%	8.3%
	<b>Average (b)</b>	<b>10.4%</b>	<b>9.5%</b>	<b>9.6%</b>
	<b>Midpoint (b,c)</b>	<b>10.4%</b>	<b>9.9%</b>	<b>9.9%</b>

(a) Sum of dividend yield (Exh. AMM-12, p. 1) and respective growth rate (Exh. AMM-11)

(b) Excludes highlighted figures.

(c) Average of low and high values.