

Exh. AMM-17

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

EXHIBIT: AMM-17

ADMIT W/D REJECT

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

DOCKET NO. UE-200900

DOCKET NO. UG-200901

DOCKET NO. UE-200894

(Consolidated)

EXH. AMM-17

ADRIEN M. MCKENZIE, CFA

REPRESENTING AVISTA CORPORATION

EXPECTED EARNINGS APPROACH

Exh. AMM-17

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PARCELL PROXY GROUP

	(a)	(b)	(c)
<u>Company</u>	<u>Expected Return on Common Equity</u>	<u>Adjustment Factor</u>	<u>Adjusted Return on Common Equity</u>
1 ALLETE	9.0%	1.0161	9.1%
2 Avista Corp.	8.5%	1.0214	8.7%
3 Black Hills Corp	9.0%	1.0327	9.3%
4 Hawaiian Electric Industries	9.0%	1.0184	9.2%
5 IDACORP	9.5%	1.0179	9.7%
6 NorthWestern Corp	8.5%	1.0208	8.7%
7 OGE Energy	13.0%	1.0161	13.2%
8 Otter Tail Corp	12.5%	1.0221	12.8%
9 Pinnacle West Capital	11.0%	1.0237	11.3%
Average	10.0%		10.2%

(a) The Value Line Investment Survey (Feb. 12, Mar. 12 and Apr. 23, 2021).

(b) Computed using the formula $2 \times (1 + 5\text{-Yr. Change in Equity}) / (2 + 5 \text{ Yr. Change in Equity})$.

(c) (a) x (b).

WOOLRIDGE ELECTRIC PROXY GROUP

	(a)	(b)	(c)
<u>Company</u>	<u>Expected Return on Common Equity</u>	<u>Adjustment Factor</u>	<u>Adjusted Return on Common Equity</u>
1 ALLETE	9.0%	1.0161	9.1%
2 Alliant Energy	10.5%	1.0250	10.8%
3 Ameren Corp.	10.0%	1.0397	10.4%
4 American Elec Pwr	11.0%	1.0384	11.4%
5 Avista Corp.	8.5%	1.0214	8.7%
6 CMS Energy Corp.	14.0%	1.0429	14.6%
7 Consolidated Edison	8.0%	1.0219	8.2%
8 Dominion Energy	12.0%	1.0361	12.4%
9 Duke Energy Corp.	8.5%	1.0135	8.6%
10 Edison International	11.5%	1.0249	11.8%
11 Entergy Corp.	11.0%	1.0276	11.3%
12 Evergy Inc.	9.0%	1.0178	9.2%
13 Eversource Energy	9.5%	1.0263	9.7%
14 Hawaiian Elec.	9.0%	1.0184	9.2%
15 IDACORP, Inc.	9.5%	1.0179	9.7%
16 MGE Energy	9.5%	1.0198	9.7%
17 NextEra Energy, Inc.	12.5%	1.0374	13.0%
18 NorthWestern Corp.	8.5%	1.0208	8.7%
19 OGE Energy Corp.	13.0%	1.0161	13.2%
20 Otter Tail Corp.	12.5%	1.0221	12.8%
21 Pinnacle West Capital	11.0%	1.0237	11.3%
22 Portland General Elec.	10.0%	1.0175	10.2%
23 PPL Corp.	12.5%	1.0253	12.8%
24 Sempra Energy	11.5%	1.0367	11.9%
25 Southern Company	13.0%	1.0213	13.3%
26 WEC Energy Group	13.0%	1.0196	13.3%
27 Xcel Energy Inc.	10.5%	1.0262	10.8%
Average	10.8%		11.1%

(a) The Value Line Investment Survey (Feb. 12, Mar. 12 and Apr. 23, 2021).

(b) Computed using the formula $2 \times (1 + 5\text{-Yr. Change in Equity}) / (2 + 5 \text{ Yr. Change in Equity})$.

(c) (a) x (b).