

WASHINGTON UTILITIES AND	)	
TRANSPORTATION COMMISSION	)	
	)	
Complainant,	)	DOCKET NO. UE-070804
	)	and
v.	)	DOCKET NO. UG-070805
	)	(consolidated)
	)	
AVISTA CORPORATION d/b/a AVISTA	)	
UTILITIES	)	
	)	
Respondent.	)	
_____	)	
In the Matter of the Petition of	)	
	)	
AVISTA CORPORATION d/b/a AVISTA	)	DOCKET NO. UE-070311
UTILITIES,	)	
	)	
For an Accounting Order Regarding the	)	
Appropriate Treatment of the Net Costs	)	
Associated With the Repurchase of Debt	)	
_____	)	

EXHIBIT NO.\_\_\_\_(MPG-9)  
CONSTANT GROWTH DCF MODEL

October 17, 2007

# Avista Corp.

## Constant Growth DCF Model

<u>Line</u>	<u>Electric Utility</u>	<u>13-Week AVG Stock Price<sup>1</sup></u> (1)	<u>AVG (%) Growth</u>	<u>Annual Dividend<sup>2</sup></u> (3)	<u>Adjusted Yield</u> (4)	<u>Constant Growth DCF</u> (5)
1	Amer. Elec. Power	\$45.69	5.21%	\$1.56	3.59%	8.81%
2	Dominion Resources	\$86.35	10.39%	\$2.84	3.63%	14.02%
3	DPL, Inc.	\$27.02	6.78%	\$1.04	4.11%	10.89%
4	DTE Energy	\$48.55	5.56%	\$2.12	4.61%	10.17%
5	Edison Int'l	\$55.17	8.64%	\$1.16	2.28%	10.92%
6	Empire Dist. Elec.	\$22.84	NMF	\$1.28	N/A	N/A
7	NiSource Inc.	\$19.57	3.62%	\$0.92	4.87%	8.49%
8	Northeast Utilities	\$28.11	11.75%	\$0.80	3.18%	14.93%
9	Pepco Holdings	\$27.13	5.50%	\$1.04	4.04%	9.54%
10	PG&E Corp.	\$45.57	8.26%	\$1.44	3.42%	11.68%
11	PNM Resources	\$24.16	10.15%	\$0.92	4.19%	14.34%
12	PPL Corp.	\$48.46	10.56%	\$1.22	2.78%	13.34%
13	Progress Energy	\$46.05	4.60%	\$2.44	5.54%	10.15%
14	P.S. Enterprise	\$86.69	14.89%	\$2.34	3.10%	17.99%
15	Puget Energy	\$23.93	5.40%	\$1.00	4.41%	9.81%
16	Westar Energy	\$24.62	4.30%	\$1.08	4.58%	8.88%
17	Xcel Energy Inc.	\$20.89	5.38%	\$0.92	4.64%	10.02%
18	<b>Average</b>	<b>\$40.05</b>	<b>7.56%</b>	<b>\$1.42</b>	<b>3.94%</b>	<b>11.5%</b>

Sources:

<sup>1</sup> <http://moneycentral.msn.com>, downloaded on October 5, 2007.

<sup>2</sup> The Value Line Investment Survey; August 10, August 31, September 28, 2007.