

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

DOCKET NO. UE-16\_\_\_\_\_

DOCKET NO. UG-16\_\_\_\_\_

EXHIBIT NO. \_\_\_\_ (AMM-4)

ADRIEN M. MCKENZIE

REPRESENTING AVISTA CORPORATION

**SUMMARY OF RESULTS**

<b><u>DCF</u></b>	<b><u>Average</u></b>	<b><u>Midpoint</u></b>
Value Line	10.4%	11.3%
IBES	9.4%	9.7%
Zacks	8.8%	9.0%
Internal br + sv	9.1%	10.4%
<b><u>Empirical CAPM</u></b>		
Historical Bond Yield	10.8%	10.7%
Projected Bond Yield	11.0%	11.0%
<b><u>CAPM</u></b>		
Historical Bond Yield	10.3%	10.3%
Projected Bond Yield	10.6%	10.5%
<b><u>Utility Risk Premium</u></b>		
Historical Bond Yields		10.7%
Projected Bond Yields		11.7%
<b><u>Expected Earnings</u></b>		
Industry		10.7%
Proxy Group	10.4%	10.8%
<b><u>Cost of Equity Recommendation</u></b>		
Cost of Equity Range	9.8%	-- 10.8%
<b><u>Flotation Cost Adjustment</u></b>		
Dividend Yield		3.6%
Flotation Cost Percentage		3.6%
Adjustment		0.13%
<b><u>ROE Recommendation</u></b>		
	9.93%	-- 10.93%