

Exhibit No. ____ (DCP-12)
Docket UE-090134/UG-090135
and UG-060518 (consolidated)
Witness: David C. Parcell

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION,)	DOCKETS UE-090134
)	and UG-090135
Complainant,)	(consolidated)
)	
v.)	
)	
AVISTA CORPORATION, d/b/a AVISTA UTILITIES,)	
)	
Respondent.)	
.....)	
)	
In the Matter of the Petition of)	DOCKET UG-060518
)	(consolidated)
AVISTA CORPORATION, d/b/a AVISTA UTILITIES,)	
)	
For an Order Authorizing Implementation of a Natural Gas Decoupling Mechanism and to Record Accounting Entries Associated With the Mechanism.)	
.....)	

EXHIBIT TO TESTIMONY OF

DAVID C. PARCELL

**STAFF OF WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION**

Comparison Companies – CAPM Cost Rates

August 17, 2009

COMPARISON COMPANIES CAPM COST RATES

COMPANY	RISK-FREE RATE	BETA	MARKET PREMIUM	CAPM RATES
Comparison Group				
Avista	4.37%	0.70	5.32%	8.1%
Ameren	4.37%	0.80	5.32%	8.6%
Cleco	4.37%	0.70	5.32%	8.1%
Great Plains Energy	4.37%	0.75	5.32%	8.4%
Hawaiian Electric Industries	4.37%	0.60	5.32%	7.6%
Pinnacle West Capital	4.37%	0.70	5.32%	8.1%
Westar Energy	4.37%	0.75	5.32%	8.4%
Average				8.2%
Median				8.1%
Avera Proxy Group				
American Electric Power	4.37%	0.75	5.32%	8.4%
Black Hills Corp	4.37%	0.80	5.32%	8.6%
Cleco Corp	4.37%	0.70	5.32%	8.1%
Dominion Resources	4.37%	0.70	5.32%	8.1%
DPL Inc.	4.37%	0.60	5.32%	7.6%
DTE Energy	4.37%	0.75	5.32%	8.4%
Edison International	4.37%	0.80	5.32%	8.6%
Empire District Electric	4.37%	0.75	5.32%	8.4%
NiSource Inc.	4.37%	0.85	5.32%	8.9%
Northeast Utilities	4.37%	0.70	5.32%	8.1%
Pepco Holdings	4.37%	0.80	5.32%	8.6%
PG&E	4.37%	0.60	5.32%	7.6%
PNM Resources	4.37%	0.85	5.32%	8.9%
PPL Corp	4.37%	0.70	5.32%	8.1%
Progress Energy	4.37%	0.65	5.32%	7.8%
PS Enterprise Group	4.37%	0.80	5.32%	8.6%
Puget Energy	4.37%	0.75	5.32%	4.4%
Westar Energy	4.37%	0.75	5.32%	8.4%
Xcel Energy	4.37%	0.65	5.32%	7.8%
Average				8.1%
Median				8.4%