

**BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**

WASHINGTON UTILITIES AND	)	
TRANSPORTATION COMMISSION,	)	
	)	
Complainant,	)	
	)	
v.	)	Docket No. UE-130043
	)	
PACIFICORP D/B/A PACIFIC POWER &	)	
LIGHT COMPANY,	)	
	)	
Respondent.	)	
_____	)	

**EXHIBIT NO.\_\_(MPG-19)**

**CAPM RETURN**

**June 21, 2013**

# PacifiCorp

## CAPM Return

<u>Line</u>	<u>Description</u>	<u>Market Risk Premium</u>
1	Risk-Free Rate <sup>1</sup>	3.70%
2	Risk Premium <sup>2</sup>	6.70%
3	Beta <sup>3</sup>	0.71
4	<b>CAPM</b>	<b>8.47%</b>

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Sources:

<sup>1</sup> *Blue Chip Financial Forecasts*; June 1, 2013, at 2.

<sup>2</sup> Morningstar, Inc. *Ibbotson SBBI 2013 Classic Yearbook* at 88, and Morningstar, Inc. *Ibbotson SBBI 2013 Valuation Yearbook* at 54 and 66.

<sup>3</sup> Exhibit No.\_\_\_\_(MPG-18).