

**BEFORE THE  
WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION,	)	
	)	
Complainant,	)	DOCKET NOS. UE-140188 and
	)	UG-140189 ( <i>Consolidated</i> )
v.	)	
	)	
AVISTA CORPORATION, DBA	)	
AVISTA UTILITIES,	)	
	)	
Respondent.	)	

---

**EXHIBIT NO.\_\_(MPG-11)**

**CONSTANT GROWTH DCF MODEL  
(SUSTAINABLE GROWTH RATE)**

**July 22, 2014**

# Avista Corporation

## Constant Growth DCF Model (Sustainable Growth Rate)

<u>Line</u>	<u>Company</u>	<u>13-Week AVG Stock Price<sup>1</sup></u> (1)	<u>Sustainable Growth<sup>2</sup></u> (2)	<u>Annualized Dividend<sup>3</sup></u> (3)	<u>Adjusted Yield</u> (4)	<u>Constant Growth DCF</u> (5)
1	Ameren Corporation	\$39.88	4.15%	\$1.60	4.18%	8.33%
2	American Electric Power Company, Inc.	\$52.62	4.05%	\$2.00	3.96%	8.00%
3	ALLETE, Inc.	\$50.28	5.25%	\$1.96	4.10%	9.36%
4	Avista Corporation	\$31.56	3.77%	\$1.27	4.18%	7.95%
5	Black Hills Corporation	\$58.04	4.44%	\$1.56	2.81%	7.25%
6	CMS Energy Corporation	\$29.72	6.38%	\$1.08	3.87%	10.25%
7	DTE Energy Company	\$76.15	4.69%	\$2.62	3.60%	8.30%
8	Duke Energy Corporation	\$71.80	2.91%	\$3.12	4.47%	7.38%
9	Empire District Electric Company	\$24.19	3.73%	\$1.02	4.37%	8.10%
10	El Paso Electric Company	\$37.15	4.93%	\$1.06	2.99%	7.92%
11	Edison International	\$55.98	6.12%	\$1.42	2.69%	8.81%
12	Entergy Corporation	\$74.24	4.18%	\$3.32	4.66%	8.84%
13	Great Plains Energy Inc.	\$26.14	2.78%	\$0.92	3.62%	6.40%
14	Hawaiian Electric Industries, Inc.	\$24.35	4.31%	\$1.24	5.31%	9.62%
15	IDACORP, Inc.	\$55.19	3.97%	\$1.72	3.24%	7.20%
16	NorthWestern Corporation	\$47.89	3.69%	\$1.60	3.46%	7.15%
17	Otter Tail Corporation	\$29.10	7.55%	\$1.21	4.48%	12.03%
18	PG&E Corporation	\$45.14	3.30%	\$1.82	4.16%	7.47%
19	Portland General Electric Company	\$32.95	5.42%	\$1.10	3.52%	8.94%
20	PPL Corporation	\$33.85	4.70%	\$1.49	4.61%	9.31%
21	SCANA Corporation	\$51.87	5.78%	\$2.10	4.28%	10.06%
22	Sempra Energy	\$99.18	5.95%	\$2.64	2.82%	8.77%
23	UIL Holdings Corporation	\$36.64	3.58%	\$1.73	4.89%	8.47%
24	Westar Energy, Inc.	\$35.73	5.24%	\$1.40	4.12%	9.37%
25	<b>Average</b>	<b>\$46.65</b>	<b>4.62%</b>	<b>\$1.71</b>	<b>3.93%</b>	<b>8.55%</b>
26	<b>Median</b>					<b>8.40%</b>

Sources:

<sup>1</sup> SNL Financial, Downloaded on June 29, 2014.

<sup>2</sup> Exhibit No.\_\_\_\_(MPG-10), page 1.

<sup>3</sup> *The Value Line Investment Survey*, May 2, May 23, and June 20, 2014.